

**AUDITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2016**  
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

**Foothills School Division No. 38**

Legal Name of School Jurisdiction

**P.O. Box 5700 High River AB T1V 1M7**

Mailing Address

**(403) 652-3001 (403) 652-4204 chlpmand@fsd38.ab.ca**

Telephone & Fax Numbers, and Email Address

**SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The financial statements of Foothills School Division No. 38 presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with Canadian Public Sector Accounting Standards and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong system of budgetary control.

**Board of Trustees Responsibility**

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and approved the financial statements for release.

**External Auditors**

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors were given full access to school jurisdiction records.

**Declaration of Management and Board Chair**

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position, results of operations and cash flows for the year in accordance with Canadian Public Sector Accounting Standards.

**BOARD CHAIR**

*for* \_\_\_\_\_  
**Mrs. Christine Pretty**  
Name

\_\_\_\_\_  
*Michael A. Pellerod, Vice Chair*  
Signature

**SUPERINTENDENT**

\_\_\_\_\_  
**Mr. John Bailey**  
Name

\_\_\_\_\_  
*John Bailey*  
Signature

**SECRETARY-TREASURER OR TREASURER**

\_\_\_\_\_  
**Mr. Andrew F. Chipman**  
Name

\_\_\_\_\_  
*Andrew F. Chipman*  
Signature

\_\_\_\_\_  
**December 7, 2016**  
Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch  
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5  
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**Avail** LLP  
CHARTERED PROFESSIONAL ACCOUNTANTS  
INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the  
Foothills School Division No. 38

We have audited the accompanying financial statements of Foothills School Division No. 38, which comprise the statement of financial position as at August 31, 2016, and the statements of operations, change in net debt, remeasurement gains and losses, and cash flows for the year ended August 31, 2016 and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Foothills School Division No. 38 as at August 31, 2016, and the results of its operations, changes in its net debt, remeasurement gains and losses, and its cash flows for the year ended August 31, 2016 in accordance with Canadian public sector accounting standards.

*Avail LLP*

Lethbridge, Alberta  
December 7, 2016

Chartered Professional Accountants

**STATEMENT OF FINANCIAL POSITION**  
As at August 31, 2016 (In dollars)

		2016	2015
<b>FINANCIAL ASSETS</b>			
Cash and cash equivalents	(Schedule 5)	\$ 19,253,361	\$ 18,687,133
Accounts receivable (net after allowances)	(Note 3)	\$ 2,259,242	\$ 4,463,772
Portfolio investments	(Schedule 5; Note 4)	\$ 6,000,000	\$ 8,000,000
Other financial assets		\$ -	\$ -
<b>Total financial assets</b>		<b>\$ 27,512,603</b>	<b>\$ 31,150,905</b>
<b>LIABILITIES</b>			
Bank indebtedness		\$ -	\$ -
Accounts payable and accrued liabilities	(Note 5)	\$ 2,782,997	\$ 1,455,851
Deferred revenue	(Note 6)	\$ 67,975,244	\$ 71,645,707
Employee future benefit liabilities	(Note 7)	\$ 189,800	\$ 176,200
Liability for contaminated sites		\$ -	\$ -
Other liabilities		\$ -	\$ -
Debt	(Note 8)		
Supported: Debentures and other supported debt		\$ 432,040	\$ 616,840
Unsupported: Debentures and capital loans		\$ -	\$ -
Mortgages		\$ -	\$ -
Capital leases	(Note 8)	\$ 171,539	\$ 122,206
<b>Total liabilities</b>		<b>\$ 71,551,420</b>	<b>\$ 74,016,804</b>
<b>Net financial assets (debt)</b>		<b>\$ (44,038,817)</b>	<b>\$ (42,865,899)</b>
<b>NON-FINANCIAL ASSETS</b>			
Tangible capital assets	(Schedule 6)		
Land		\$ 1,643,103	\$ 1,643,103
Construction in progress		\$ 4,152,846	\$ 1,456,910
Buildings	\$ 131,963,940		
Less: Accumulated amortization	\$ (71,866,477)	\$ 60,077,463	\$ 61,029,586
Equipment	\$ 869,763		
Less: Accumulated amortization	\$ (387,424)	\$ 482,339	\$ 418,731
Vehicles	\$ 8,489,433		
Less: Accumulated amortization	\$ (5,570,149)	\$ 2,919,284	\$ 2,151,353
Computer Equipment	\$ 2,018,416		
Less: Accumulated amortization	\$ (1,684,229)	\$ 334,187	\$ 685,005
<b>Total tangible capital assets</b>		<b>\$ 69,609,022</b>	<b>\$ 67,384,688</b>
Prepaid expenses		\$ 251,152	\$ 366,812
Other non-financial assets		\$ -	\$ -
<b>Total non-financial assets</b>		<b>\$ 69,860,174</b>	<b>\$ 67,751,300</b>
<b>Accumulated surplus</b>	(Schedule 1; Note 9)	<b>\$ 25,821,356</b>	<b>\$ 24,885,400</b>
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 25,821,356	\$ 24,885,400
Accumulated rereasurement gains (losses)		\$ -	\$ -
		\$ 25,821,356	\$ 24,885,400
<b>Contractual obligations</b>	(Note 10)		
<b>Contingent liabilities</b>	(Note 11)		

The accompanying notes and schedules are part of these financial statements.

**STATEMENT OF OPERATIONS**  
For the Year Ended August 31, 2016 (in dollars)

	Budget 2016	Actual 2016	Actual 2015
<b>REVENUES</b>			
Alberta Education	\$ 84,041,998	\$ 88,426,588	\$ 82,829,172
Other - Government of Alberta	\$ -	\$ 424,984	\$ 463,403
Federal Government and First Nations	\$ 352,880	\$ 432,664	\$ 469,238
Other Alberta school authorities	\$ -	\$ -	\$ -
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees (Schedule 8)	\$ 2,728,061	\$ 3,042,136	\$ 3,065,372
Other sales and services	\$ 451,970	\$ 207,127	\$ 133,039
Investment income	\$ 300,000	\$ 298,950	\$ 313,314
Gifts and donations	\$ 330,000	\$ 178,632	\$ 266,118
Rental of facilities	\$ 53,000	\$ 140,046	\$ 67,720
Fundraising	\$ 792,000	\$ 1,359,484	\$ 703,921
Gains on disposal of capital assets	\$ -	\$ 14,990	\$ 4,724
Other revenue (Note 12)	\$ -	\$ 2,309,208	\$ 7,217,474
<b>Total revenues</b>	<b>\$ 89,049,889</b>	<b>\$ 98,832,809</b>	<b>\$ 95,533,495</b>
<b>EXPENSES</b>			
Instruction - ECS	\$ 3,100,000	\$ 3,451,033	\$ 2,792,641
Instruction - Grades 1 - 12	\$ 68,388,821	\$ 72,181,159	\$ 69,844,254
Plant operations and maintenance	\$ 11,482,750	\$ 13,003,230	\$ 14,869,881
Transportation	\$ 4,146,158	\$ 4,008,478	\$ 4,040,364
Board & system administration	\$ 3,090,372	\$ 3,252,953	\$ 4,205,608
External services	\$ -	\$ -	\$ -
<b>Total expenses</b>	<b>\$ 90,208,101</b>	<b>\$ 95,896,853</b>	<b>\$ 95,752,748</b>
<b>Operating surplus (deficit)</b>	<b>\$ (1,158,212)</b>	<b>\$ 935,956</b>	<b>\$ (219,253)</b>

The accompanying notes and schedules are part of these financial statements.

**STATEMENT OF CASH FLOWS**  
For the Year Ended August 31, 2016 (in dollars)

	2016	2015
<b>CASH FLOWS FROM:</b>		
<b>A. OPERATING TRANSACTIONS</b>		
Operating surplus (deficit)	\$ 935,958	\$ (219,253)
Add (Deduct) items not affecting cash:		
Total amortization expense	\$ 4,085,267	\$ 4,235,227
Gains on disposal of tangible capital assets	\$ (14,990)	\$ (4,724)
Losses on disposal of tangible capital assets	\$ -	\$ -
Expended deferred capital revenue recognition	\$ (3,133,533)	\$ (3,174,415)
Deferred capital revenue write-down / adjustment	\$ 9,332	\$ -
Donations in kind	\$ -	\$ -
Changes in:		
Accounts receivable	\$ 2,204,530	\$ 536,689
Prepays	\$ 115,460	\$ (14,618)
Other financial assets	\$ -	\$ -
Non-financial assets	\$ -	\$ -
Accounts payable, accrued and other liabilities	\$ 1,327,146	\$ (86,961)
Deferred revenue (excluding EDCR)	\$ (2,423,235)	\$ 8,668,497
Employee future benefit liabilities	\$ 13,400	\$ 7,900
Other (describe) Capital contributions	\$ (875,238)	\$ (5,068,330)
<b>Total cash flows from operating transactions</b>	<b>\$ 2,244,097</b>	<b>\$ 4,900,012</b>
<b>B. CAPITAL TRANSACTIONS</b>		
Purchases of tangible capital assets		
Land	\$ -	\$ -
Buildings	\$ (3,107,126)	\$ (1,208,195)
Equipment	\$ (151,992)	\$ -
Vehicles	\$ (1,173,510)	\$ -
Computer equipment	\$ -	\$ (126,360)
Net proceeds from disposal of unsupported capital assets	\$ 14,990	\$ 4,724
Other (describe)	\$ -	\$ -
<b>Total cash flows from capital transactions</b>	<b>\$ (4,417,638)</b>	<b>\$ (1,329,831)</b>
<b>C. INVESTING TRANSACTIONS</b>		
Purchases of portfolio investments	\$ -	\$ 254,731
Dispositions of portfolio investments	\$ 2,000,000	\$ 2,000,000
Remeasurement (gains) losses reclassified to the statement of operations	\$ -	\$ -
Change in endowments	\$ -	\$ -
Other (describe)	\$ -	\$ -
<b>Total cash flows from investing transactions</b>	<b>\$ 2,000,000</b>	<b>\$ 2,254,731</b>
<b>D. FINANCING TRANSACTIONS</b>		
Issue of debt	\$ -	\$ -
Repayment of debt	\$ (184,800)	\$ (184,800)
Other factors affecting debt (describe)	\$ -	\$ -
Issuance of capital leases	\$ 119,075	\$ -
Repayment of capital leases	\$ (69,742)	\$ (66,735)
Other factors affecting capital leases (describe)	\$ -	\$ -
Capital contributions	\$ 875,238	\$ 5,068,330
<b>Total cash flows from financing transactions</b>	<b>\$ 739,769</b>	<b>\$ 4,816,795</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>\$ 566,228</b>	<b>\$ 10,641,707</b>
<b>Cash and cash equivalents, at beginning of year</b>	<b>\$ 18,687,133</b>	<b>\$ 8,045,426</b>
<b>Cash and cash equivalents, at end of year</b>	<b>\$ 19,253,361</b>	<b>\$ 18,687,133</b>

The accompanying notes and schedules are part of these financial statements.

**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)**

For the Year Ended August 31, 2016 (in dollars)

	Budget 2016	2016	2015
Operating surplus (deficit)	\$ -	\$ 935,956	\$ (219,253)
<b>Effect of changes in tangible capital assets</b>			
Acquisition of tangible capital assets	\$ -	\$ (6,309,601)	\$ (1,334,555)
Amortization of tangible capital assets	\$ -	\$ 4,085,267	\$ 4,235,227
Net carrying value of tangible capital assets disposed of	\$ -	\$ -	\$ -
Write-down carrying value of tangible capital assets	\$ -	\$ -	\$ -
Other changes	\$ -	\$ -	\$ -
<b>Total effect of changes in tangible capital assets</b>	\$ -	\$ (2,224,334)	\$ 2,900,672
<b>Changes in:</b>			
Prepaid expenses	\$ -	\$ 115,460	\$ (14,618)
Other non-financial assets	\$ -	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ -	\$ -
Endowments	\$ -	\$ -	\$ -
<b>Increase (decrease) in net financial assets (net debt)</b>	\$ -	\$ (1,172,918)	\$ 2,686,801
<b>Net financial assets (net debt) at beginning of year</b>	\$ -	\$ (42,865,899)	\$ (45,532,700)
<b>Net financial assets (net debt) at end of year</b>	\$ -	\$ (44,038,817)	\$ (42,865,899)

The accompanying notes and schedules are part of these financial statements.

**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)**  
**For the Year Ended August 31, 2016 (in dollars)**

	2016	2015
<b>Operating surplus (deficit)</b>	\$ 935,956	\$ (219,253)
<b>Effect of changes in tangible capital assets</b>		
Acquisition of tangible capital assets	\$ (6,309,601)	\$ (1,334,555)
Amortization of tangible capital assets	\$ 4,085,267	\$ 4,235,227
Net carrying value of tangible capital assets disposed of	\$ -	\$ -
Write-down carrying value of tangible capital assets	\$ -	\$ -
Other changes	\$ -	\$ -
<b>Total effect of changes in tangible capital assets</b>	\$ (2,224,334)	\$ 2,900,672
<b>Changes in:</b>		
Prepaid expenses	\$ 115,460	\$ (14,618)
Other non-financial assets	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ -
Endowments	\$ -	\$ -
<b>Increase (decrease) in net financial assets (net debt)</b>	\$ (1,172,918)	\$ 2,686,801
<b>Net financial assets (net debt) at beginning of year</b>	\$ (42,865,899)	\$ (45,532,700)
<b>Net financial assets (net debt) at end of year</b>	\$ (44,038,817)	\$ (42,865,899)

The accompanying notes and schedules are part of these financial statements.



**STATEMENT OF REMEASUREMENT GAINS AND LOSSES**  
**For the Year Ended August 31, 2016 (in dollars)**

	2016	2015
<b>Accumulated remeasurement gains (losses) at beginning of year</b>	\$ -	\$ -
<u>Prior Period Adjustment (Explain)</u>	\$ -	\$ -
<u>Prior Period Adjustment (Explain)</u>	\$ -	\$ -
Unrealized gains (losses) attributable to:		
<u>Portfolio investments</u>	\$ -	\$ -
<u>Other</u>	\$ -	\$ -
Amounts reclassified to the statement of operations:		
<u>Portfolio investments</u>	\$ -	\$ -
<u>Other</u>	\$ -	\$ -
<b>Net remeasurement gains (losses) for the year</b>	\$ -	\$ -
<b>Accumulated remeasurement gains (losses) at end of year</b>	\$ -	\$ -

The accompanying notes and schedules are part of these financial statements.

**SCHEDULE 1**

School Jurisdiction Code:

1180

**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS**  
for the Year Ended August 31, 2016 (in dollars)

	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
Balance at August 31, 2015	\$ 24,885,400	\$ -	\$ 24,885,400	\$ 5,885,355	\$ 213,371	\$ -	\$ 11,928,544	\$ 6,858,130
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2015	\$ 24,885,400	\$ -	\$ 24,885,400	\$ 5,885,355	\$ 213,371	\$ -	\$ 11,928,544	\$ 6,858,130
Operating surplus (deficit)	\$ 935,956		\$ 935,956			\$ 935,956		
Board funded tangible capital asset additions				\$ 1,206,428		\$ -	\$ -	\$ (1,206,428)
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ (14,990)		\$ 14,990
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Endowment expenses & disbursements	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Endowment contributions	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reinvested endowment income	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct credits to accumulated surplus (Describe)	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets	\$ -		\$ -	\$ (4,085,267)		\$ 4,085,267		
Capital revenue recognized	\$ -		\$ -	\$ 3,133,533		\$ (3,133,533)		
Debt principal repayments (unsupported)	\$ -		\$ -	\$ 69,742		\$ (69,742)		
Additional capital debt or capital leases	\$ -		\$ -	\$ -		\$ -		
Net transfers to operating reserves	\$ -		\$ -	\$ -		\$ -	\$ -	
Net transfers from operating reserves	\$ -		\$ -	\$ -		\$ -	\$ -	
Net transfers to capital reserves	\$ -		\$ -	\$ -		\$ (1,802,958)		\$ 1,802,958
Net transfers from capital reserves	\$ -		\$ -	\$ -		\$ -		\$ -
Assumption/transfer of other operations' surplus	\$ -		\$ -	\$ -		\$ -	\$ -	\$ -
Other Changes	\$ -		\$ -	\$ -		\$ -	\$ -	\$ -
Balance at August 31, 2016	\$ 25,821,356	\$ -	\$ 25,821,356	\$ 6,209,791	\$ 213,371	\$ -	\$ 11,928,544	\$ 7,468,650

**SCHEDULE 1**  
**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS**  
**for the Year Ended August 31, 2016 (in dollars)**

	INTERNALLY RESTRICTED RESERVES BY PROGRAM											
	School & Instruction Related		Operations & Maintenance		Board & System Administration		Transportation		External Services			
	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2015	\$ 8,288,633	\$ 3,372,343	\$ 515,632	\$ 1,864,280	\$ 2,440,035	\$ 882,970	\$ 684,244	\$ 738,527	\$ -	\$ -	\$ -	\$ -
Prior period adjustments:												
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2015	\$ 8,288,633	\$ 3,372,343	\$ 515,632	\$ 1,864,280	\$ 2,440,035	\$ 882,970	\$ 684,244	\$ 738,527	\$ -	\$ -	\$ -	\$ -
Operating surplus (deficit)												
Board funded tangible capital asset additions	\$ -	\$ -	\$ -	\$ (126,628)	\$ -	\$ -	\$ -	\$ (1,079,800)	\$ -	\$ -	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,990	\$ -	\$ -	\$ -	\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net remeasurement gains (losses) for the year												
Endowment expenses & disbursements												
Endowment contributions												
Reinvested endowment income												
Direct credits to accumulated surplus (Describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets												
Capital revenue recognized												
Debt principal repayments (unsupported)												
Additional capital debt or capital leases												
Net transfers to operating reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net transfers from operating reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net transfers to capital reserves		\$ 277,948		\$ 140,000		\$ -		\$ 1,385,010				\$ -
Net transfers from capital reserves		\$ -		\$ -		\$ -		\$ -				\$ -
Assumption/transfer of other operations' surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2016	\$ 8,288,633	\$ 3,650,291	\$ 515,632	\$ 1,877,662	\$ 2,440,035	\$ 882,970	\$ 684,244	\$ 1,058,727	\$ -	\$ -	\$ -	\$ -

**SCHEDULE OF CAPITAL REVENUE  
(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)  
for the Year Ended August 31, 2016 (in dollars)**

	Unexpended Deferred Capital Revenue				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects <sup>(A)</sup>	Surplus from Provincially Approved Projects <sup>(B)</sup>	Proceeds on Disposal of Provincially Funded Tangible Capital Assets <sup>(C)</sup>	Unexpended Deferred Capital Revenue from Other Sources <sup>(D)</sup>	
Balance at August 31, 2015	\$ 3,579,096	\$ -	\$ -	\$ -	\$ 61,377,127
Prior period adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted balance, August 31, 2015	\$ 3,579,096	\$ -	\$ -	\$ -	\$ 61,377,127
Add:					
Unexpended capital revenue <u>received</u> from:					
Alberta Education school building & modular projects (excl. IMR)	\$ 502,576				
Infrastructure Maintenance & Renewal capital related to school facilities	\$ -				
Other sources:	\$ -			\$ -	
Other sources:	\$ -			\$ -	
Unexpended capital revenue <u>receivable</u> from:					
Alberta Education school building & modular (excl. IMR)	\$ 345,220				
Other sources:	\$ -			\$ -	
Other sources:	\$ -			\$ -	
Interest earned on unexpended capital revenue	\$ 27,440	\$ -	\$ -	\$ -	
Other unexpended capital revenue:				\$ -	
Proceeds on disposition of supported capital			\$ -	\$ -	
Insurance proceeds (and related interest)			\$ -	\$ -	
Donated tangible capital assets:					\$ -
Alberta Infrastructure managed projects					\$ 1,876,973
Transferred In (out) tangible capital assets (amortizable, @ net book value)					\$ -
Expended capital revenue - current year	\$ (3,116,457)	\$ -	\$ -	\$ -	\$ 3,118,457
Surplus funds approved for future project(s)	\$ -	\$ -			
Other adjustments:	\$ -	\$ -	\$ -	\$ -	\$ -
Deduct:					
Net book value of supported tangible capital dispositions or write-offs					\$ -
Other adjustments: adj to supported amort req'd for reversal of b		\$ -	\$ -	\$ -	\$ 9,332
Capital revenue recognized - Alberta Education					\$ 3,133,533
Capital revenue recognized - Other Government of Alberta					\$ -
Capital revenue recognized - Other revenue					\$ -
Balance at August 31, 2016	\$ 1,337,875	\$ -	\$ -	\$ -	\$ 63,227,692
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at August 31, 2016 (A) + (B) + (C) + (D)				\$ 1,337,875	

**Unexpended Deferred Capital Revenue**

(A) - Represents funding received from the Government of Alberta to be used toward the acquisition of new approved tangible capital assets with restricted uses only. Please specify department if funds received from a source other than Alberta Education.

(B) - Represents any surplus of funding over costs from column (A) approved by Minister for future capital expenditures with restricted uses only.

(C) - Represents proceeds on disposal of provincially funded restricted-use capital assets to be expended on approved capital assets per 10(2)(a) of Disposition of Property Reg. 181/2010.

(D) - Represents capital revenue received from entities OTHER THAN the Government of Alberta for the acquisition of restricted-use tangible capital assets.

SCHEDULE OF PROGRAM OPERATIONS  
for the Year Ended August 31, 2016 (in dollars)

	2016										2015
	Instruction		Plant Operations and Maintenance		Transportation	Board & System Administration	External Services	TOTAL	TOTAL	TOTAL	
	ECS	Grades 1 - 12									
<b>REVENUES</b>											
(1) Alberta Education	\$ 4,003,202	\$ 66,287,275	\$ 11,308,837	\$ 3,854,636	\$ 2,872,638	\$ -	\$ -	\$ -	\$ 88,426,588	\$ 82,829,172	
(2) Other - Government of Alberta	-	\$ 389,123	\$ 54,601	-	\$ 1,260	-	-	-	\$ 424,984	\$ 463,403	
(3) Federal Government and First Nations	-	\$ 415,782	-	-	\$ 16,882	-	-	-	\$ 432,664	\$ 469,236	
(4) Other Alberta school authorities	-	-	-	-	-	-	-	-	-	-	
(5) Out of province authorities	-	-	-	-	-	-	-	-	-	-	
(6) Alberta municipalities-special tax levies	-	-	-	-	-	-	-	-	-	-	
(7) Property taxes	-	-	-	-	-	-	-	-	-	-	
(8) Fees	-	\$ 3,004,020	-	\$ 38,116	-	-	-	-	\$ 3,042,136	\$ 3,085,372	
(9) Other sales and services	-	\$ 191,885	-	-	\$ 15,142	-	-	-	\$ 207,127	\$ 133,039	
(10) Investment income	-	\$ 46,950	\$ 200,000	\$ 25,000	\$ 25,000	-	-	-	\$ 296,950	\$ 313,314	
(11) Gifts and donations	-	\$ 178,632	-	-	-	-	-	-	\$ 178,632	\$ 266,118	
(12) Rental of facilities	-	\$ 75,716	\$ 55,613	-	-	-	-	-	\$ 140,046	\$ 67,720	
(13) Fundraising	-	\$ 1,359,484	-	-	\$ 8,717	-	-	-	\$ 1,359,484	\$ 703,921	
(14) Gains on disposal of tangible capital assets	-	\$ 14,659	-	-	-	-	-	-	\$ 14,990	\$ 4,724	
(15) Other revenue	-	\$ 356,261	\$ 542,565	\$ 286,389	\$ 1,123,983	-	-	-	\$ 2,309,208	\$ 7,217,474	
(16) <b>TOTAL REVENUES</b>	\$ 4,003,202	\$ 72,289,887	\$ 12,161,616	\$ 4,304,141	\$ 4,063,983	\$ -	\$ -	\$ -	\$ 96,832,809	\$ 95,533,495	
<b>EXPENSES</b>											
(17) Certificated salaries	\$ 1,442,208	\$ 41,243,759	-	-	\$ 572,912	-	-	-	\$ 43,258,880	\$ 42,287,283	
(18) Certificated benefits	\$ 163,546	\$ 9,689,815	-	-	\$ 53,163	-	-	-	\$ 9,896,524	\$ 9,705,391	
(19) Non-certificated salaries and wages	\$ 984,353	\$ 6,987,492	\$ 1,041,277	\$ 2,165,790	\$ 1,249,517	-	-	-	\$ 12,408,429	\$ 11,067,683	
(20) Non-certificated benefits	\$ 308,866	\$ 2,227,177	\$ 224,197	\$ 592,816	\$ 321,592	-	-	-	\$ 3,674,648	\$ 3,490,984	
(21) SUB - TOTAL	\$ 2,878,974	\$ 60,128,243	\$ 1,265,474	\$ 2,758,608	\$ 2,197,184	-	-	-	\$ 69,228,481	\$ 66,561,341	
(22) Services, contracts and supplies	\$ 572,059	\$ 11,624,362	\$ 8,411,016	\$ 874,855	\$ 1,024,465	-	-	-	\$ 22,506,757	\$ 24,858,850	
(23) Amortization of supported tangible capital assets	-	-	\$ 3,133,533	-	-	-	-	-	\$ 3,133,533	\$ 3,174,415	
(24) Amortization of unsupported tangible capital assets	\$ 406,807	\$ 138,608	\$ 138,608	\$ 375,017	\$ 31,304	-	-	-	\$ 951,734	\$ 1,060,812	
(25) Supported interest on capital debt	-	-	\$ 54,601	-	-	-	-	-	\$ 54,601	\$ 70,920	
(26) Unsupported interest on capital debt	-	\$ 4,384	-	-	-	-	-	-	\$ 4,384	\$ 4,568	
(27) Other interest and finance charges	-	\$ 17,363	-	-	-	-	-	-	\$ 17,363	\$ 21,842	
(28) Losses on disposal of tangible capital assets	-	-	-	-	-	-	-	-	-	-	
(29) Other expense	-	-	-	-	-	-	-	-	-	-	
(30) <b>TOTAL EXPENSES</b>	\$ 3,451,033	\$ 72,161,159	\$ 13,003,230	\$ 4,008,478	\$ 3,252,963	\$ -	\$ -	\$ -	\$ 85,896,853	\$ 85,752,748	
(31) <b>OPERATING SURPLUS (DEFICIT)</b>	\$ 552,169	\$ 118,728	\$ (841,614)	\$ 295,663	\$ 811,010	\$ -	\$ -	\$ -	\$ 835,956	\$ (219,253)	

**SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE EXPENSES**  
for the Year Ended August 31, 2016 (in dollars)

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	Supported Capital & Debt Services	2016 TOTAL Operations and Maintenance	2015 TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$ -	\$ 888,197	\$ -	\$ 47,995	\$ 305,145			\$ 1,041,277	\$ 880,590
Uncertificated benefits	\$ -	\$ 155,568	\$ -	\$ 981	\$ 67,648			\$ 224,197	\$ 208,473
Sub-total Remuneration	\$ -	\$ 943,765	\$ -	\$ 48,896	\$ 372,793			\$ 1,265,474	\$ 1,087,063
Supplies and services	\$ 2,968,942	\$ 1,319,983	\$ 129,377	\$ 2,216,332	\$ 7,500			\$ 6,640,134	\$ 6,747,820
Electricity			\$ 788,622					\$ 788,622	\$ 735,308
Natural gas/heating fuel			\$ 352,710					\$ 352,710	\$ 400,577
Sewer and water			\$ 221,497					\$ 221,497	\$ 194,228
Telecommunications			\$ 24,110					\$ 24,110	\$ 13,977
Insurance				\$ 383,943				\$ 383,943	\$ 294,482
ASAP maintenance & renewal payments									
Amortization of tangible capital assets									
Supported							\$ 3,133,533	\$ 3,133,533	\$ 3,174,415
Unsupported						\$ 138,606		\$ 138,606	\$ 151,095
Total Amortization						\$ 138,606	\$ 3,133,533	\$ 3,272,139	\$ 3,325,510
Interest on capital debt									
Supported							\$ 54,801	\$ 54,801	\$ 70,860
Unsupported									
Lease payments for facilities									
Other interest charges									
Losses on disposal of capital assets									
<b>TOTAL EXPENSES</b>	\$ 2,968,942	\$ 2,163,768	\$ 1,516,316	\$ 2,265,228	\$ 764,236	\$ 138,606	\$ 3,188,134	\$ 13,003,230	\$ 14,668,861
<b>SQUARE METRES</b>									
School buildings								88,612.3	88,612.3
Non school buildings								3,550.2	3,550.2

**Note:**

**Custodial:** All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.

**Maintenance:** All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.

**Utilities & Telecommunications:** All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.

**Expensed IMR & Modular Unit Relocation & Lease Prints:** All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects, modular unit (portable) relocation, and payments on leased facilities.

**Facility Planning & Operations Administration:** All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facility planning & project administration, administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.

**Unsupported Amortization & Other Expenses:** All expenses related to unsupported capital assets amortization and interest on unsupported capital debt.

**Supported Capital & Debt Services:** All expenses related to supported capital assets amortization and interest on supported capital debt.

**SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS  
for the Year Ended August 31, 2016 (in dollars)**

<b>Cash &amp; Cash Equivalents</b>	<b>2016</b>			<b>2015</b>
	<b>Average Effective (Market) Yield</b>	<b>Cost</b>	<b>Amortized Cost</b>	<b>Amortized Cost</b>
Cash		\$ -	\$ 19,253,361	\$ 18,687,133
Cash equivalents				
Government of Canada, direct and guaranteed	0.00%	-	-	-
Provincial, direct and guaranteed	0.00%	-	-	-
Corporate	0.00%	-	-	-
Municipal	0.00%	-	-	-
Pooled investment funds	0.00%	-	-	-
Other, including GIC's	0.00%	-	-	-
<b>Total cash and cash equivalents</b>	<b>0.00%</b>	<b>\$ -</b>	<b>\$ 19,253,361</b>	<b>\$ 18,687,133</b>

See Note 3 for additional detail.

<b>Portfolio Investments</b>	<b>2016</b>			<b>2015</b>	
	<b>Average Effective (Market) Yield</b>	<b>Cost</b>	<b>Fair Value</b>	<b>Balance</b>	<b>Balance</b>
Long term deposits	0.00%	\$ -	\$ -	\$ -	\$ -
Guaranteed interest certificates	2.20%	-	-	6,000,000	8,000,000
Fixed income securities					
Government of Canada, direct and guaranteed	0.00%	\$ -	\$ -	\$ -	\$ -
Provincial, direct and guaranteed	0.00%	-	-	-	-
Municipal	0.00%	-	-	-	-
Corporate	0.00%	-	-	-	-
Pooled investment funds	0.00%	-	-	-	-
<b>Total fixed income securities</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Equities					
Canadian	0.00%	\$ -	\$ -	\$ -	\$ -
Foreign	0.00%	-	-	-	-
<b>Total equities</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Supplemental integrated pension plan assets	0.00%	\$ -	\$ -	\$ -	\$ -
Restricted investments	0.00%	-	-	-	-
Guaranteed interest certificates	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
<b>Total portfolio investments</b>	<b>2.20%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,000,000</b>	<b>\$ 8,000,000</b>

See Note 5 for additional detail.

The following represents the maturity structure for portfolio investments based on principal amount:

	<b>2016</b>	<b>2015</b>
Under 1 year	33.3%	25.0%
1 to 5 years	66.7%	75.0%
6 to 10 years	0.0%	0.0%
11 to 20 years	0.0%	0.0%
Over 20 years	0.0%	0.0%
	<b>100.0%</b>	<b>100.0%</b>

**SCHEDULE 6**

School Jurisdiction Code: **1180**

**SCHEDULE OF CAPITAL ASSETS  
for the Year Ended August 31, 2016 (in dollars)**

	2016						2015	
	Land	Construction In Progress	Buildings 25-50 Years	Equipment 5-10 Years	Vehicles 5-10 Years	Computer Hardware & Software 3-5 Years	Total	Total
Estimated useful life								
Historical cost								
Beginning of year	\$ 1,643,103	\$ 1,456,910	\$ 129,675,577	\$ 1,339,505	\$ 7,627,528	\$ 2,018,416	\$ 143,761,039	\$ 142,952,175
Prior period adjustments	-	-	-	-	-	-	-	-
Additions	-	2,780,049	2,320,688	151,992	1,173,510	-	6,426,239	1,334,555
Transfers in (out)	-	(84,313)	84,313	-	-	-	-	-
Less disposals including write-offs	-	-	(116,638)	(621,734)	(311,605)	-	(1,049,977)	(525,691)
	\$ 1,643,103	\$ 4,152,646	\$ 131,963,940	\$ 669,763	\$ 8,489,433	\$ 2,018,416	\$ 149,137,301	\$ 143,761,039
Accumulated amortization								
Beginning of year	\$ -	\$ -	\$ 68,645,991	\$ 920,774	\$ 5,476,175	\$ 1,333,411	\$ 76,376,351	\$ 72,666,815
Prior period adjustments	-	-	-	-	-	-	-	-
Amortization	-	-	3,249,818	88,384	405,579	350,818	4,094,599	4,235,227
Other additions	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	(9,332)	(621,734)	(311,605)	-	(942,671)	(525,691)
	\$ -	\$ -	\$ 71,896,477	\$ 387,424	\$ 5,570,149	\$ 1,684,229	\$ 79,528,278	\$ 76,376,351
Net Book Value at End of Year	\$ 1,643,103	\$ 4,152,646	\$ 60,077,463	\$ 482,339	\$ 2,919,284	\$ 334,187	\$ 69,609,022	\$ 67,384,688

	2016	2015
Total cost of buildings under capital lease	\$ -	\$ -
Total amortization of buildings under capital lease	\$ -	\$ -



**SCHEDULE 7**

**SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES  
for the Year Ended August 31, 2016 (in dollars)**

Board Members:	FTE	Remuneration	Benefits	Negotiated Allowances	Performance Bonuses	ERIP's / Other Paid	Other Accrued Unpaid Benefits	Expenses
Chair								
Christine Pretty	1.00	\$33,316	\$1,478	\$0			\$0	\$10,048
Other members								
Copland, Laurie	1.00	\$28,983	\$1,261	\$0			\$0	\$10,376
Gardner, Doug	1.00	\$21,755	\$0	\$0			\$0	\$8,539
Pollard, Michael	1.00	\$21,528	\$0	\$0			\$0	\$6,730
Tucker, Jeannine	1.00	\$25,432	\$1,088	\$0			\$0	\$7,790
<b>Subtotal</b>	<b>6.00</b>	<b>\$131,016</b>	<b>\$3,823</b>	<b>\$0</b>			<b>\$0</b>	<b>\$43,484</b>
John Bailey, Superintendent	1.00	\$214,108	\$46,959	\$0	\$0	\$0	\$0	\$14,406
Andrew Chipman, Secretary/Treasurer	1.00	\$194,944	\$43,007	\$0	\$0	\$0	\$0	\$12,743
Certificated teachers	440.88	\$43,044,772	\$9,839,585	\$0	\$0	\$0	\$0	\$0
Non-certificated - other	266.12	\$12,082,470	\$3,627,818	\$0	\$0	\$0	\$0	\$0
<b>TOTALS</b>	<b>714.00</b>	<b>\$55,667,308</b>	<b>\$13,561,172</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$70,633</b>

**1. AUTHORITY AND PURPOSE**

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives funding for instruction and support under Education Grants Regulation (AR 120/2008). The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with the Canadian public sector accounting standards (PSAS). The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Cash and Cash Equivalents

Cash and cash equivalents include cash and investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These short-term investments have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

b) Accounts Receivable

Accounts receivable are shown net of allowance for doubtful accounts.

c) Portfolio Investments

The Division has investments in GIC's that have a maturity of greater than 3 months. GIC's are not quoted in an active market and are reported at cost.

Detailed information regarding portfolio investments is disclosed in Note 4.

d) Tangible capital assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost, including amounts directly related to the acquisition, design, construction, development, or betterment of the asset. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value at the date of donation, except in circumstances where fair value cannot be reasonably determined, when they are then recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at original cost less accumulated amortization.
- Work-in-progress is recorded as a transfer to the applicable asset class at substantial completion.
- Buildings include site and leasehold improvements as well as assets under capital lease.
- Sites and buildings are written down to residual value when conditions indicate they no longer contribute to the ability of the Division to provide services or when the value of future economic benefits associated with the sites and buildings is less than their net book value. For supported assets, the write-downs are accounted for as reductions to Expended Deferred Capital Revenue (EDCR).
- Buildings that are demolished or destroyed are written-off.
- Tangible capital assets with costs in excess of \$5,000 are capitalized.
- Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the Board are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the Division's rate for incremental borrowing

**FOOTHILLS SCHOOL DIVISION NO. 38**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2016

or the interest rate implicit in the lease. A schedule of repayments and amount of interest on the leases is provided in Note 8.

- Tangible capital assets are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2% to 4%
Vehicles & Buses	10% to 20%
Computer Hardware & Software	20% to 25%
Other Equipment & Furnishings	10% to 20%

e) Deferred Revenue

Deferred revenue includes contributions received for operations which have stipulations that meet the definition of a liability per *Public Sector Accounting Standard (PSAS) PS 3200*. These contributions are recognized by the Division once it has met all eligibility criteria to receive the contributions. When stipulations are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability.

Deferred revenue also includes contributions for capital expenditures, unexpended and expended. Unexpended Deferred Capital Revenue (UDCR) represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure has not been made at year-end. These contributions must also have stipulations that meet the definition of a liability per *PS 3200* when expended.

Expended Deferred Capital Revenue (EDCR) represent externally restricted supported capital funds that have been expended but have yet to be amortized over the useful life of the related capital asset. Amortization over the useful life of the related capital asset is due to certain stipulations related to the contributions that require the school jurisdiction to use the asset in a prescribed manner over the life of the associated asset.

f) Employee Future Benefits

The Division provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements.

The Division accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include defined-benefit retirement plans, non-vested or accumulating sick leave, early retirement, retirement/severance, job-training and counseling, post-employment benefit continuation, death benefits, and various qualifying compensated absences, early retirement, retirement/severance, death benefit and vested sick leave.

g) Asset Retirement Obligations

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs are capitalized into the carrying amount of the related asset. In subsequent periods, the liability is adjusted for the accretion of discount and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and the discount accretion is included on the Statement of Operations.

The Division has determined that it has a conditional asset retirement obligation relating to certain school sites. These obligations will be discharged in the future by funding through the Government of Alberta. The Division believes that there is insufficient information to estimate the fair value of the asset retirement obligation because the settlement date or the range of potential settlement dates has not been determined and information is not available to apply an expected present value technique.

**FOOTHILLS SCHOOL DIVISION NO. 38**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2016

h) Operating and Capital Reserves

Certain amounts are internally or externally restricted for future operating or capital purposes. Transfers to and from reserves are recorded when approved by the Board of Trustees. Capital reserves are restricted to capital purposes and may only be used for operating purposes with approval by the Minister of Education. Reserves are disclosed in the Schedule of Changes in Accumulated Surplus.

i) Revenue Recognition

Revenues are recorded on an accrual basis. Instruction and support allocations are recognized in the year to which they relate. Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Contributed services are not recognized in the financial statements.

*Eligibility criteria* are criteria that the Division has to meet in order to receive certain contributions. *Stipulations* describe what the Division must perform in order to keep the contributions. Contributions without eligibility criteria or stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity. Contributions with eligibility criteria but without stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity and all eligibility criteria have been met.

Contributions with stipulations are recognized as revenue in the period that the stipulations are met, except to the extent that the contributions give rise to an obligation that meets the definition of a liability in accordance with *Section PS 3200*. Such liabilities are recorded as deferred revenue.

j) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Allocation of Costs

- Actual salaries of personnel assigned to two or more programs are allocated based on the time spent in each program.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

k) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

Current and past service costs of the Alberta Teachers Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers' Pension Plan Act, the Division does not make pension contributions for certificated staff. The Government portion of the current service contribution to the Alberta Teachers' Retirement Fund on behalf of the jurisdiction is included in both revenues and expenses. For the school year ended August 31, 2016, the amount contributed by the Government was \$5,188,085 (2015 \$5,148,030)

The Division participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$1,069,031 for the year ended August 31, 2016 (2015 \$1,005,335). At December 31, 2015, the Local Authorities Pension Plan reported a deficiency of \$923,416,000 (2014 deficiency of \$2,454,636,000).



i) Program Reporting

The Division's operations have been segmented as follows:

- **ECS Instruction:** The provision of Early Childhood Services education instructional services that fall under the basic public education mandate.
- **Grade 1-12 Instruction:** The provision of instructional services for grades 1 - 12 that fall under the basic public education mandate.
- **Plant Operations and Maintenance:** The operation and maintenance of all school buildings and maintenance shop facilities.
- **Transportation:** The provision of regular and special education bus services (to and from school), whether contracted or board operated, including transportation facility expenses.
- **Board & System Administration:** The provision of board governance and system-based / central office administration.
- **External Services:** All projects, activities, and services offered outside the public education mandate for ECS children and students in grades 1-12. Services offered beyond the mandate for public education are to be self-supporting, and Alberta Education funding may not be utilized to support these programs.

The allocation of revenues and expenses are reported by program, source, and object on the Schedule of Program Operations. Respective instruction expenses include the cost of certificated teachers, non-certificated teaching assistants as well as a proportionate share of supplies and services, school administration and instruction support, and System Instructional Support.

m) Trusts Under Administration

The Division has property that has been transferred or assigned to it to be administered or directed by a trust agreement or statute. The Division holds title to the property for the benefit of the beneficiary.

Trusts under administration have been excluded from the financial reporting of the Division. Trust balances can be found in Note 13.

n) Financial Instruments

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The Division recognizes a financial instrument when it becomes a party to a financial instrument contract.

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, bank indebtedness, accounts payable and accrued liabilities, debt and other liabilities. Unless otherwise noted, it is management's opinion that the Division is not exposed to significant credit and liquidity risks, or market risk, which includes currency, interest rate and other price risks.

o) Measurement Uncertainty

The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization and estimated employee future benefits.

**FOOTHILLS SCHOOL DIVISION NO. 38**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2016

**3. ACCOUNTS RECEIVABLE**

	2016		2015
	Gross Amount	Net Realizable Value	Net Realizable Value
Alberta Education - Grants	\$ 146,624	\$ 146,624	\$ 193,678
Alberta Education - Capital	1,307,000	1,307,000	1,116,394
Treasury Board and Finance	432,040	432,040	616,840
Municipal Affairs Alberta	-	-	-
Federal government	231,806	257,583	120,657
Other	115,994	115,995	2,416,203
<b>Total</b>	<b>\$ 2,233,464</b>	<b>\$ 2,259,242</b>	<b>\$ 4,463,772</b>

**4. PORTFOLIO INVESTMENTS**

	2016				
	Average Effective (Market) Yield	Cost	Fair Value	Balance	2015 Balance
Long term deposits	%	\$ -	\$ -	\$ -	\$ -
Guaranteed interest certificates	2.20%	6,000,000	6,000,000	6,000,000	8,000,000
Guaranteed interest certificates	%	-	-	-	-
Guaranteed interest certificates	%	-	-	-	-
<b>Total portfolio investments</b>	<b>2.20%</b>	<b>\$ 6,000,000</b>	<b>\$ 6,000,000</b>	<b>\$ 6,000,000</b>	<b>\$ 8,000,000</b>

**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2016	2015
Alberta Education	\$ 175,994	\$ -
Other Alberta school jurisdictions	-	-
Other - Bow River Collaborative Services Delivery	87,138	15,829
Alberta Health Services	-	-
Accrued vacation pay liability	264,262	243,576
Other trade payables and accrued liabilities	2,255,603	1,196,446
<b>Total</b>	<b>\$ 2,782,997</b>	<b>\$ 1,455,851</b>

**FOOTHILLS SCHOOL DIVISION NO. 38**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2016

**6. DEFERRED REVENUE**

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2016	ADD: 2016/2016 Restricted Funds Received/ Receivable	DEDUCT: 2016/2016 Restricted Funds Expended (Paid / Payable)	DEFERRED REVENUE as at Aug. 31, 2016
<b>Unexpended deferred operating revenue</b>				
<b>Alberta Education:</b>				
Infrastructure Maintenance Renewal	1,011,331	1,279,055	(2,216,248)	74,138
Other Alberta Education deferred revenue	12,483	-	(8,553)	3,930
<b>Other Government of Alberta:</b>				
Classroom resources	156,000	-	-	156,000
Technology In the Classroom	292,883	-	-	292,883
Flood Mitigation Funding	3,502,418	-	(2,034,592)	1,467,826
(Specify)	-	-	-	-
<b>Other Deferred Revenue:</b>				
School Generated Funds	1,635,662	3,061,715	(3,374,277)	1,323,100
Fees	5,326	1,800	(5,326)	1,800
Donations	13,250	-	(13,250)	-
Interest on Endowments	42,477	1,202	-	43,679
Interest on Flood Mitigation Funding	17,654	28,667	-	46,321
<b>Total unexpended deferred operating revenue</b>	<b>\$ 6,689,484</b>	<b>\$ 4,372,439</b>	<b>\$ (7,652,248)</b>	<b>\$ 3,409,677</b>
<b>Unexpended deferred capital revenue</b>	<b>3,579,098</b>	<b>875,238</b>	<b>(3,116,457)</b>	<b>1,337,875</b>
<b>Expended deferred capital revenue</b>	<b>61,377,127</b>	<b>4,984,098</b>	<b>(3,133,533)</b>	<b>63,227,692</b>
<b>Total</b>	<b>\$ 71,645,707</b>	<b>\$ 10,231,773</b>	<b>\$ (13,902,236)</b>	<b>\$ 67,975,244</b>

**7. EMPLOYEE FUTURE BENEFIT LIABILITIES**

Employee future benefit liabilities consist of the following:

	2016	2015
Defined benefit pension plan liability	\$ 189,600	\$ 176,200
<b>Total</b>	<b>\$ 189,600</b>	<b>\$ 176,200</b>

**FOOTHILLS SCHOOL DIVISION NO. 38**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2016

**8. DEBT**

	2016	2015
Debentures outstanding at August 31, 2016 have interest rates between 6% to 12%. The terms of the Loan range between 20 and 25 years, payments made annually supported by Alberta Education	\$ 432,040	\$ 616,840
Obligations under capital lease, due 2021 equipment with a net net book value of \$76,629	72,798	-
Obligations under capital lease, due 2018 equipment with a net net book value of \$51,395	47,229	73,039
Obligations under capital lease, due 2020 equipment with a net net book value of \$42,419	34,204	-
Obligations under capital lease, due 2017 equipment with a net net book value of \$35,473	17,308	35,612
Paid out in 2016	-	13,555
Total	<u>\$ 603,579</u>	<u>\$ 739,046</u>

**Debenture Debt – Supported**

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are:

	Principal	Interest	Total
2016-2017	184,800	38,282	223,082
2017-2018	184,800	21,963	206,763
2018-2019	37,080	5,644	42,724
2019-2020	25,360	2,346	27,706
2020 to maturity	-	-	-
<b>Total</b>	<b>\$ 432,040</b>	<b>\$ 68,235</b>	<b>\$ 500,275</b>



**FOOTHILLS SCHOOL DIVISION NO. 38**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2016

**Capital Leases**

Capital leases are approved by the Minister of Education but are funded by the Division. Capital leases are secured by specifically identified assets.

	Principal	Interest	Total
2016-2017	\$ 65,443	\$ 3,229	\$ 68,672
2017-2018	44,616	1,630	46,246
2018-2019	24,513	885	25,398
2019-2020	24,991	407	25,398
2020-2021	11,976	61	12,037
2021 to maturity	-	-	-
<b>Total</b>	<b>\$ 171,539</b>	<b>\$ 6,212</b>	<b>\$ 177,751</b>

**9. ACCUMULATED SURPLUS:**

Detailed information related to accumulated surplus is available on the Schedule of Changes in Accumulated Surplus. Accumulated surplus may be summarized as follows:

	2016	2015
Unrestricted surplus	\$ -	\$ -
Operating reserves	11,928,544	11,928,544
Accumulated surplus (deficit) from operations	11,928,544	11,928,544
Investment in tangible capital assets	6,209,791	5,885,355
Capital reserves	7,469,650	6,858,130
Endowments <sup>(1)</sup>	213,371	213,371
Accumulated remeasurement gains (losses)	-	-
<b>Accumulated surplus (deficit)</b>	<b>\$ 25,821,356</b>	<b>\$ 24,885,400</b>

<sup>(1)</sup> Terms of the endowments stipulate that the principal balance be maintained permanently. Investment income of \$43,679 (2015 - \$42,477) is externally restricted for scholarships and is included in deferred revenue. Investment income of \$296,446 (2015 - \$313,314) is unrestricted.

**FOOTHILLS SCHOOL DIVISION NO. 38**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2016

**10. CONTRACTUAL OBLIGATIONS**

	2016	2015
Building Projects <sup>(1)</sup>	\$ 20,441,486	\$ 878,301
Building Leases <sup>(2)</sup>	-	-
Service Providers <sup>(3)</sup>	9,567,683	11,763,440
Other (Specify)	-	-
Other	-	-
<b>Total</b>	<b>\$ 30,009,169</b>	<b>\$ 12,641,741</b>

<sup>(1)</sup> Building Projects: The Division is committed to expenditures of \$2,065,870 for consulting fees for the modernization of Foothills Composite High School of which \$1,594,865 has already been incurred and expenditures of \$21,888,132 for general contractor fees for the modernization of Foothills Composite High School of which \$2,863,007 has already been incurred. In addition, the Division is committed to expenditures of \$410,000 for consulting fees for the flood mitigation projects of which \$387,900 has already been incurred and expenditures of \$2,499,906 for general contractor fees for the flood mitigation projects of which \$1,576,650 has been incurred. There are no further commitments for future capital expenditures.

<sup>(2)</sup> Building Leases: The Division is committed to a 20-year lease for office space at \$0 per year but will be required to pay its share of operating costs based on square meters and actual operating costs to be determined annually.

<sup>(3)</sup> Service Providers: As at August 31, 2016, the Division has \$9,567,683 (2015 \$11,763,440) in commitments relating to service and grant contracts.

Estimated payment requirements for each of the next five years and thereafter are as follows:

	Building Projects	Building Leases	Service Providers	Other	Other
2016-17	\$ 13,945,356	\$ -	\$ 3,027,934	\$ -	\$ -
2017-18	6,496,130	-	3,188,841	-	-
2018-19	-	-	3,350,908	-	-
2019-20	-	-	-	-	-
2020-21	-	-	-	-	-
Thereafter	-	-	-	-	-
	<b>\$ 20,441,486</b>	<b>\$ -</b>	<b>\$ 9,567,683</b>	<b>\$ -</b>	<b>\$ -</b>

**11. CONTINGENT LIABILITIES**

The jurisdiction is a member of Alberta School Boards Insurance Exchange (ASBIE). Under the terms of its membership, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. The jurisdiction's share of the pool as of August 31, 2016 is \$211,519.

**12. OTHER REVENUE**

Included in other revenue is approximately \$1.8 million (2015 - \$6.2 million) of insurance proceeds relating to the flood expenses incurred. There are potentially some additional expenses still to be incurred in the next fiscal year. The timing and amount of additional expenses related to the flood is unknown at this time.

**FOOTHILLS SCHOOL DIVISION NO. 38**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2016

**13. TRUSTS UNDER ADMINISTRATION**

These balances represent assets that are held in trust by the jurisdiction. They are not recorded on the statements of the Division

	2016	2015
Scholarship trusts	\$ 160,704	\$ 167,576
<b>Total</b>	<b>\$ 160,704</b>	<b>\$ 167,576</b>

**14. SCHOOL GENERATED FUNDS**

	2016	2015
Deferred School Generated Revenue, Beginning of Year	\$ 1,635,662	\$ 1,497,934
<b>Gross Receipts:</b>		
Fees	1,331,614	2,164,434
Fundraising	1,359,484	703,921
Gifts and donations	178,632	263,296
Grants to schools	-	-
Other sales and services	191,985	117,563
<b>Total gross receipts</b>	<b>3,061,715</b>	<b>3,249,214</b>
<b>Total Related Expenses and Uses of Funds</b>	<b>2,225,338</b>	<b>1,498,958</b>
<b>Total Direct Costs Including Cost of Goods Sold to Raise Funds</b>	<b>1,148,939</b>	<b>1,612,528</b>
<b>Deferred School Generated Revenues, End of Year</b>	<b>\$ 1,323,100</b>	<b>\$ 1,635,662</b>
<b>Balance included in Deferred Revenue</b>	<b>\$ 1,323,100</b>	<b>\$ 1,635,662</b>
<b>Balance included in Accumulated Surplus</b>	<b>\$ -</b>	<b>\$ -</b>

**FOOTHILLS SCHOOL DIVISION NO. 38**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended August 31, 2016

**15. RELATED PARTY TRANSACTIONS**

All entities that are consolidated in the accounts of the Government of Alberta are related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

	Balances		Transactions	
	Financial Assets (at cost or net realizable)	Liabilities (at amortized cost)	Revenues	Expenses
<b>Government of Alberta (GOA):</b>				
<b>Education</b>	\$ -	\$ -	\$ -	\$ -
Accounts receivable / Accounts payable	1,885,664	-	-	-
Prepaid expenses / Deferred revenue	-	1,994,777	-	-
Unexpended deferred capital revenue	-	1,337,875	-	-
Expended deferred capital revenue	-	63,227,692	-	-
Grant revenue & expenses	-	-	88,426,588	-
<b>Other Alberta school jurisdictions</b>	-	-	-	31,185
<b>Treasury Board and Finance (Principal)</b>	432,040	432,040	-	-
<b>Treasury Board and Finance (Accrued interest)</b>	-	-	54,601	54,601
<b>Alberta Health Services</b>	-	-	30,238	-
<b>Post-secondary institutions</b>	-	-	-	2,870
<b>Municipal Affairs</b>	-	-	-	-
<b>Other:</b>				
Bow River Collaborative Services Delivery	-	87,138	338,885	-
<b>TOTAL 2015/2016</b>	<b>\$ 2,317,704</b>	<b>\$ 67,079,522</b>	<b>\$ 88,850,312</b>	<b>\$ 88,656</b>
<b>TOTAL 2014/2015</b>	<b>\$ 1,926,912</b>	<b>\$ 70,564,007</b>	<b>\$ 83,291,351</b>	<b>\$ 167,236</b>

**16. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY**

The Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

**17. BUDGET AMOUNTS**

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on June 17, 2015. It is presented for information purposes only and has not been audited.

**18. COMPARATIVE FIGURES**

The comparative figures have been reclassified where necessary to conform to the 2015/2016 presentation.

**SCHEDULE 8**

**UNAUDITED SCHEDULE OF FEE REVENUES**  
for the Year Ending August 31, 2016 (in dollars)

	<b>Actual 2016</b>	<b>Actual 2015</b>
<b>FEES</b>		
Transportation fees	\$38,116	\$35,991
Basic instruction supplies (text books, including lost or replacement fees, course materials)	\$648,002	\$717,238
Technology user fees	\$131,730	\$105,801
Alternative program fees	\$2,690	\$0
Fees for optional courses (band, art, etc.)	\$621,048	\$439,573
Fees for students from other boards	\$0	\$0
Tuition fees (International & out of province)	\$28,178	\$39,940
Kindergarten & preschool	\$289,371	\$0
Extracurricular fees (sports teams and clubs)	\$458,582	\$457,408
Field trips (related to curriculum)	\$432,669	\$546,925
Lunch supervision fees	\$0	\$0
Locker rental; locks; student ID; uniforms; library, student union, and fitness fees	\$177,862	\$156,844
Other (describe)* Special events, graduation, tickets	\$0	\$248,388
Other (describe)* Student travel (international, recognition trips, non-curricular)	\$0	\$104,137
Other (describe)* Sales or rentals of other supplies/services	\$0	\$213,127
Other (describe)* Non-curricular supplies and materials	\$213,888	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
Other (describe)*	\$0	\$0
<b>TOTAL FEES</b>	<b>\$3,042,136</b>	<b>\$3,065,372</b>

**\*PLEASE DO NOT USE "SCHOOL GENERATED FUNDS" AS A CATEGORY**

<b>Please disclose amounts paid by parents of students that are recorded as "Other sales and services" or "Other revenue" (rather than fee revenue):</b>	<b>Actual 2016</b>	<b>Actual 2015</b>
Cafeteria sales, hot lunch, milk programs	\$105,978	\$19,855
Special events, graduation, tickets	\$91,591	\$0
Student travel (international, recognition trips, non-curricular)	\$143,391	\$0
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$273,507	\$37,260
Adult education revenue	\$0	\$0
Child care & before and after school care	\$0	\$0
Other (describe) Optional courses	\$0	\$51,258
Other (describe) Bank interest	\$13,904	\$9,190
Other (describe) Leagues and tournaments	\$30,461	\$0
<b>TOTAL</b>	<b>\$658,832</b>	<b>\$117,563</b>

UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING for the Year Ended August 31, 2016 (in dollars)					
	PROGRAM AREA				
	First Nations, Metis & Inuit (FNMI)	ECS Program Unit Funding (PUF)	English as a Second Language (ESL)	Inclusive Education	Small Schools by Necessity (Revenue only)
Funded Students in Program	183	85	369		
Federally Funded Students					
<b>REVENUES</b>					
Alberta Education allocated funding	\$ 210,291	\$ 1,638,648	\$ 286,573	\$ 4,272,582	\$ 787,198
Other funding allocated by the board to the program	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL REVENUES</b>	<b>\$ 210,291</b>	<b>\$ 1,638,648</b>	<b>\$ 286,573</b>	<b>\$ 4,272,582</b>	<b>\$ 787,198</b>
<b>EXPENSES (Not allocated from BASE, Transportation, or other funding)</b>					
Instructional certificated salaries & benefits	\$ -	\$ 139,785	\$ 585,735	\$ 1,870,482	
Instructional non-certificated salaries & benefits	\$ 258,973	\$ 941,490	\$ -	\$ 5,448,167	
<b>SUB TOTAL</b>	<b>\$ 258,973</b>	<b>\$ 1,081,255</b>	<b>\$ 585,735</b>	<b>\$ 7,318,649</b>	
Supplies, contracts and services	\$ 1,489	\$ 531,144	\$ -	\$ 197,815	
Program planning, monitoring & evaluation	\$ -	\$ 33,197	\$ -	\$ -	
Facilities (required specifically for program area)	\$ -	\$ -	\$ -	\$ -	
Administration (administrative salaries & services)	\$ -	\$ -	\$ -	\$ -	
Telephone	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
<b>TOTAL EXPENSES</b>	<b>\$ 260,462</b>	<b>\$ 1,645,596</b>	<b>\$ 585,735</b>	<b>\$ 7,514,464</b>	
<b>NET FUNDING SURPLUS (SHORTFALL)</b>	<b>\$ (50,171)</b>	<b>\$ (6,948)</b>	<b>\$ (299,162)</b>	<b>\$ (3,241,882)</b>	

**UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES  
for the Year Ended August 31, 2016 (in dollars)**

EXPENSES	Allocated to Board & System Administration				Allocated to Other Programs				TOTAL
	Salaries & Benefits	Supplies & Services	Other	TOTAL	Salaries & Benefits	Supplies & Services	Other	TOTAL	
Office of the superintendent	\$ 291,563	\$ 9,579	\$ -	\$ 301,142	\$ -	\$ -	\$ -	\$ 301,142	
Educational administration (excluding superintendent)	\$ 461,002	\$ -	\$ -	\$ 461,002	\$ -	\$ -	\$ -	\$ 461,002	
Business administration	\$ 738,591	\$ 747,663	\$ -	\$ 1,486,254	\$ -	\$ -	\$ -	\$ 1,486,254	
Board governance (Board of Trustees)	\$ 144,396	\$ 44,882	\$ -	\$ 189,278	\$ -	\$ -	\$ -	\$ 189,278	
Information technology	\$ -	\$ 91,340	\$ -	\$ 91,340	\$ -	\$ -	\$ -	\$ 91,340	
Human resources	\$ 178,455	\$ -	\$ -	\$ 178,455	\$ -	\$ -	\$ -	\$ 178,455	
Central purchasing, communications, marketing	\$ 256,136	\$ 109,620	\$ -	\$ 365,756	\$ -	\$ -	\$ -	\$ 365,756	
Payroll	\$ 127,041	\$ -	\$ -	\$ 127,041	\$ -	\$ -	\$ -	\$ 127,041	
Administration - insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Administration - amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Administration - other (admin building, interest)	\$ -	\$ -	\$ 31,302	\$ 31,302	\$ -	\$ -	\$ -	\$ 31,302	
Utilities	\$ -	\$ 21,383	\$ -	\$ 21,383	\$ -	\$ -	\$ -	\$ 21,383	
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>TOTAL EXPENSES</b>	<b>\$ 2,197,184</b>	<b>\$ 1,024,467</b>	<b>\$ 31,302</b>	<b>\$ 3,252,953</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,252,953</b>	