

Annual Report 2013/14

Prairie Spirit School Division No. 206



**PRAIRIE SPIRIT
SCHOOL DIVISION**

Learners for Life

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Letter of Transmittal



The Honourable Don Morgan, Q.C.
Minister of Education
Province of Saskatchewan

Dear Minister Morgan:

The Board of Education of Prairie Spirit School Division No. 206 is pleased to provide you and the residents of the school division with the 2013-14 annual report. This report outlines activities and accomplishments of the school division and provides audited financial statements for the fiscal year September 1, 2013 to August 31, 2014.

Respectfully submitted,

A handwritten signature in black ink that reads "Larry Pavloff". The signature is written in a cursive, flowing style.

Larry Pavloff, Chair
Prairie Spirit Board of Education

Highlights/Accomplishments

Graduation Rates — Prairie Spirit students are graduating at an overall rate of 87%, which is well above the provincial average of 74.7%. The Board's strategic learning goal for graduation rates is that by June 2016, 90% of all students beginning Grade 10 in September 2013 will graduate.

First Nations, Métis or Inuit (FNMI) students in Prairie Spirit are graduating at a rate of approximately 62.9%, although the graduation rate at Stobart Community School in Duck Lake (a school with a 90% FNMI population) was 100% in June 2014. The provincial average graduation rate for FNMI students is 40.3%. The Board's strategic learning goal states that by June 2016, "the graduation rate for self-declared First Nations and Métis students graduating within three years of starting Grade 10 will increase by 25%."

Work Exploration and Transition to Career — One area of particular interest to the Prairie Spirit Board of Education is work exploration and career transitions. Students in the Division have the opportunity to earn both high school credits and apprenticeship hours in the areas of construction and welding. We believe that significant learning is practical, applicable and transfers to life after high school.

The Division's Da Vinci Project began in the fall of 2013 in Langham. As part of this project, senior high school students in Langham are constructing four modular housing units in partnership with Habitat for Humanity (Saskatoon). In addition to the valuable work experience they are gaining as part of the construction project for Habitat for Humanity, these students are also earning high school credits as well as apprenticeship hours for future journeywork.

The Da Vinci Project's vision is "connecting hands, hearts and minds," with a mission to assist students with the transition to life after high school. The project was named after Leonardo da Vinci, a self-taught individual and the master of a variety of trades. We would like to expand the project to go beyond the trades to offer expanded academic and artistic opportunities in the future.

Introduction

This annual report presents an overview of Prairie Spirit School Division’s activities and results for the fiscal year September 1, 2013 to August 31, 2014. This annual report provides a snapshot of Prairie Spirit School Division, its governance structures, students, staff, programs and facilities. It also includes results and analysis of a number of indicators that contribute to and assess student success.

In addition to detailing the school division’s activities and performance, this report outlines how the Division is implementing its strategic plan, provides a report from management endorsing the financial overview and audited financial statements and includes appendices such as an organizational chart, a list of the schools in the Division and a payee list.

Financial statements included in this report have been audited by an independent auditor following the Canadian Generally Accepted Auditing Standards.

School Division Profile

About Us

Prairie Spirit School Division is the progressive rural and urban school division surrounding the City of Saskatoon.

Prairie Spirit covers a wide geographic area, north to Leask, south to Hanley, east to Colonsay and west to Perdue. The school division includes nine Hutterite and three First Nations communities.

The Division’s 10,200 students are served by a team of over 1,300 dedicated professionals and support staff.

Prairie Spirit School Division is divided into 12 subdivisions for Board of Education elections and representation.

Division Philosophical Foundation

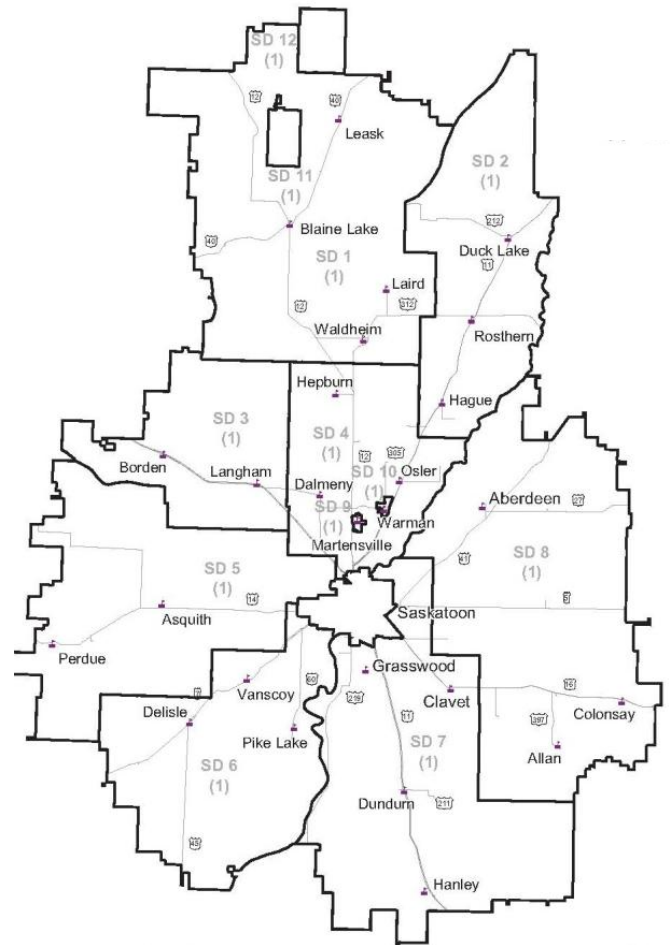
Prairie Spirit is focusing on preparing students for the world after school, by exploring learning as it relates to a real world context.

Our mission and vision statements support and reflect the Division’s purpose and beliefs about learning. The mission statement captures the spirit of innovation, creativity and a global society.

Vision: Learners for Life

Mission: Learning without limits in a world of possibilities

Figure 1 – Location of Prairie Spirit School Division



Prairie Spirit Guiding Principles

Learning

In Prairie Spirit, students and adults learn without limits in a world of possibilities. We create learning environments that are student centered, where higher order thinking is evident as students inquire, discover and apply their learning in the real world.

Teaching

A Prairie Spirit teacher is a facilitator and a co-learner who inspires curiosity, instills confidence, nurtures student spirit and engages students to discover and present thoughtful responses to meaningful questions. Our teachers create collaborative learning environments where risk-taking, deep thinking and diversity are valued.

Assessment and Feedback

In Prairie Spirit School Division, we are committed to assessment and feedback in a culture of collaboration with effective communication, a clear purpose and appropriate use of data. Our primary purpose for assessment and feedback is to support learning, inform next steps for growth and collect evidence needed to account for learning.

Engagement

As engaged members of the Prairie Spirit learning community, we have a clear purpose, personal autonomy and opportunities to achieve to a high level. Engagement is evident in our passion for learning, our excitement to share with others and our belief that our learning will make a difference.

Program Overview

Prairie Spirit School Division is grounded in the belief that every student is capable of learning and achieving to a high standard when the appropriate supports are in place. As a school division, we value learning together to develop the whole person and inspire lifelong learning.

Prairie Spirit School Division students are diverse in terms of needs and abilities. They vary in age, personal circumstances, learning styles, interests and individual strengths and needs. In order to provide the best educational opportunities possible for all students, Prairie Spirit School Division offers a wide range of programs in the 45 schools in the Division.

Central to the program in every school is the provincially-mandated core curricula, broad areas of learning and cross-curricular competencies. Classroom instruction is designed to incorporate differentiated instruction, the adaptive dimension and First Nations and Métis perspectives and ways of knowing.

Prairie Spirit is committed to ensuring that all learners achieve to their fullest potential. The goal of our Student Success model is to meet the needs of all students – as much as possible – in the classroom.

In addition, each school in the Division offers specialized programming that responds to the needs of students, including:

- English as Additional Language (EAL) programming throughout the Division, as EAL student numbers continue to steadily increase
- Practical skills training in collaboration with curricular requirements
- Credit retrieval strategies to support students in completing high school

School Division Planning

The Prairie Spirit Board of Education is responsible for leading the school division in strategic planning and setting long-term goals. The Board's strategic learning goals build on our work, renew our focus and provide specific indicators of success. The goals are in the areas of literacy, numeracy, high school graduation rates and First Nations and Métis achievement.

Prairie Spirit School Division has a planning process which enables alignment of school division priorities and Ministry of Education directions.

Strategic Plan

In January 2013, the Board of Education further refined Prairie Spirit's student learning goals in the following areas: numeracy, literacy, graduation rates and First Nations and Métis achievement. These strategic learning goals set out three-year targets for achievement in these specific areas. Student learning goals are achieved in classrooms by creative and passionate teachers and all those who support them.

Goals in the areas of assessment and student engagement will be developed along with strategic directions in areas such as transportation, technology, facilities and human resources that support learning. The strategic plan does not capture every initiative that occurs in Prairie Spirit. These focus areas identify what we pay attention to every day, inform us what we value and detail how we will measure success of our collective efforts. The strategic plan speaks to the balance required to create a school culture for relevant, rigorous learning in a relationship rich environment.

The Division's strategic plan provides overall direction for the work of the school division and serves as an anchor to ensure that all Division planning processes are in alignment. A copy of Prairie Spirit's strategic plan is available at: www.spiritsd.ca.

Throughout 2013/14, Prairie Spirit School Division collaborated with all other school divisions and the Ministry of Education to develop — for the first time — an Education Sector Strategic Plan (ESSP) for 2014 - 2020. This plan will align the work of all school divisions and the Ministry in working toward improving education outcomes of Saskatchewan students. The ESSP includes strategies, outcomes and measures to ensure that the targets identified in the Saskatchewan Plan for Growth are achieved. This plan will be deployed in 2014/15.

Instructional strategies

Our goal for all readers is:

1. *Comprehension* – their ability to interact with the text to extract and construct meaning for themselves.
2. *Fluency* – their ability to read with automaticity and prosody (phrasing, pausing, rate, stress, intonation and integration of these factors) while still comprehending the text.
3. *Engagement* – their belief that they are capable to read and will choose to read for a variety of purposes.

Improvements in comprehension can be acquired by developing the following key areas:

- Knowledge and use of cognitive strategies
- Knowledge and use of text features and text structures
- Mindful engagement

We believe improvements in the following key areas will contribute to an increase in mathematical understanding:

- Mathematical reasoning
- Number sense
- Spatial competency
- Positive attitude towards mathematics
- Ability to communicate mathematical ideas

Specific actions designed to improve instruction across the Division with all students:

- Exploring effective pedagogy in literacy, including research-based practices for supporting students who are struggling in reading in Grades 1 - 3, but also for other grades with Literacy Team Days
- Supporting schools as teams in reflecting and refining both their instruction and intervention approaches
- Providing classroom-based, ongoing Professional Development to support teachers in understanding and developing a workshop model in reading and writing
- Offering various Professional Development opportunities: conducting a miscue analysis, readers workshop, writing
- Providing Professional Development with literacy experts: Debbie Miller, Patrick Allen and Penny Kittle
- Exploring big ideas in mathematics, pedagogy, problem centered learning and assessment through Numeracy Team Days, and follow up supports to school-based teams
- Offering Professional Development opportunities provided after system assessment results to discuss results and supports to improve student learning
- Supporting administrators as learning leaders in both numeracy and literacy
- Offering classroom embedded, ongoing Professional Development to support teachers in the teaching of mathematics

First Nations and Métis Education Plan

The Ministry of Education requires that each school division create a First Nations and Métis Education Plan that aligns with the Continuous Improvement and Accountability Framework. Prairie Spirit's full First Nations and Métis Education Plan may be found at: www.spiritsd.ca.

Prairie Spirit School Division is dedicated to excellence in education for all students, including First Nations and Métis (FNM) students. In Prairie Spirit, we believe that learning is rooted in authentic and respectful relationships, providing real world relevant experiences and with high expectations.

We are committed to the goal of improving achievement among FNM students and to close the gap between Aboriginal and non-Aboriginal students in the areas of literacy and numeracy, retention in schools, graduation rates and advancement to post-secondary studies and employment.

Overall goals:

- Equitable outcomes for First Nations and Métis learners
- All learners will have knowledge and appreciation of the unique contributions of First Nations and Métis peoples to Saskatchewan

- Data collection and reporting on measures outlined in the Ministry's First Nations and Métis Education Policy Framework that demonstrate accountability towards improved educational outcomes
- Shared management of the provincial education system by partnering with First Nations and Métis peoples at the provincial and local level

Strategies:

- Continuing involvement in partnerships with First Nations and Métis communities
- Providing Professional Development opportunities for the Division's professional staff to increase their understanding of First Nations and Métis Ways of Knowing
- Preparing and sharing units of study integrating First Nations and Métis Ways of Knowing created by Stobart Community School
- Continuing with a "Closing the Gap" full time staff position in Leask, Duck Lake and Blaine Lake for fall, 2014.
- Prairie Spirit's staffing formula in community schools provides additional administrative time and the possibility of additional staff to provide extra support
- Continuing development of Resource Centre library materials to include First Nations and Métis resources integrated into all themed resource bins
- Offering full-time kindergarten programs in Stobart Community School (Duck Lake) and Leask Community School with Division support in developing and implementing research-based quality programs
- Participating in a partnership (McDowell Research project) with University of Saskatchewan, Stobart Community School and Prairie Spirit School Division to support learning outcomes in numeracy
- Emphasizing the hiring of First Nations/Métis staff to work with all students
- Ensuring that all schools have up-to-date and complete Treaty Resource Kits
- Providing "Teaching Treaties in the Classroom" Professional Development opportunity for Grades 6 and 7 teachers
- Focusing Partnership work between Blaine Lake School, Leask Community School, Muskeg Lake and Mistawasis on Day One Treaty Education
- Students at Blaine Lake Composite School are building cabins and learning the skills needed for this work
- Students in Duck Lake are part of a work experience program at WalMart in Prince Albert
- Prairie Spirit is closely engaged with the Ministry regarding the "Following Their Voices" project
- ISSI partnerships have been established with Muskeg Lake Cree Nation and Beardy's and Okemasis First Nation.
- The provincial "Help Me Tell My Story" assessment will be implemented at Kihiw School (Muskeg Lake), Leask Community School, Blaine Lake Composite School and Stobart Community School (Duck Lake) in 2014/15
- Teachers from Blaine Lake, Kihiw, Leask and Stobart are engaged in joint Professional Development

Grade 3 reading

Research demonstrates that students who are reading below grade level by the middle of Grade 3 are likely to have difficulty reading for the rest of their school career. Prairie Spirit is working to support all schools in developing strong intervention plans and supports to address the needs of all students.

This programming features:

- Providing a Literacy Facilitator in Blaine Lake, Leask, Muskeg Lake Cree Nation and Duck Lake schools to focus on First Nations and Métis students
- Providing “Closing the Gap” positions focusing on literacy in Blaine Lake and Duck Lake
- Providing professional development for school teams on reading intervention, including professional resources: *Response to Intervention: What Really Matters*, Allington; *RTI: The Daily Planning Book*, Owocki, as well as using components from the newly developing “Saskatchewan Readers” document
- Offering Literacy Team Days for schools to build literacy leaders within schools (including administration)
- Supporting “Inspired Learning Opportunity” Classrooms focusing on a workshop model with book studies: *Conferring*, Allan; *Reading with Meaning*, Miller; *So What Do they Really Know*, Tovani
- Offering Professional Development with literacy leaders: Debbie Miller, Penny Kittle and Patrick Allan

A needs assessment of students who struggle in reading in Grades 1 - 3 has been completed. The following table shows the percentage of students reading at grade level as of June 2014 as well as the assessment tools used:

Figure 2 – Students reading 2013/14

Grade	Assessment Tool (one of...)	Percentage at Grade level
Grade 1	DRA/Fountas & Pinnell/PM Benchmarks	67%
Grade 2	DRA/Fountas & Pinnell/PM Benchmarks	73%
Grade 3	DRA/Fountas & Pinnell/PM Benchmarks	79%

Source: Prairie Spirit School Division assessments, June, 2014

The School Division in the Community

Community and parent involvement

“The evidence is consistent, positive, and convincing: families have a major influence on their children’s achievement in school and through life... When schools, families, and community groups work together to support learning, children tend to:

- do better in school
- stay in school longer and
- like school more.”

Henderson, A.T. and Mapp, K.L. 2002, *A new wave of evidence: The impact of school, family, and community connections on student achievement.*

All Prairie Spirit schools have programs and initiatives in place to encourage community and parental involvement. These programs vary from school to school and are unique to each community. For example, Prairie Spirit uses the PowerSchool software to manage student data and to communicate student progress digitally with parents. As another example, Warman Elementary School offers a program for new immigrant parents to come to the school and practice their English skills while their children are in school.

Community partnerships

Prairie Spirit places a high priority on developing relationships that are built on genuine understandings and shared knowledge that demonstrate mutual respect. This includes a commitment to strong partnerships among and between educators, parents, students, communities and human service providers. These partnerships help to support students in achieving the knowledge, skills and attitudes necessary for success in school and in life.

The school division has created strong and collaborative partnerships with First Nations and Métis groups. Prairie Spirit is committed to improved outcomes for First Nations and Métis students throughout the school division. There is a coordinated strategy in place to ensure that all students, including First Nations and Métis students, are given every opportunity to succeed and complete their education.

Ministry of Social Services

- Prairie Spirit has an established partnership with the provincial Ministry of Social Services in the area of supports to in-care students. The Division continues to support the protocol that has been formulated with the Ministry to ensure the work between the Ministry and the Division is efficient and effective. This protocol has been adopted provincially.

Saskatoon Industry-Education Council (SIEC)

- The Saskatoon Industry-Education Council (SIEC) is a partnership between three local school divisions (Prairie Spirit, Saskatoon Public, Greater Saskatoon Catholic) and the regional business/industry sector. A board of directors representing industry, education, and business organizations governs the SIEC. The partnership’s vision is to create a community of shared responsibility preparing youth for quality careers. The partnership supports projects such as FuturePaths, a web-based career exploration tool which connects youth to potential careers.

Regional Assessment Consortium (RAC)

- The Regional Assessment Consortium (RAC) is a partnership between three local school divisions (Prairie Spirit, Saskatoon Public, Greater Saskatoon Catholic), the University of Saskatchewan (College of Education) and the Saskatchewan Professional Development Unit (SPDU). This representative group meets four to five times a year to focus on supporting student learning through assessment. The consortium is responsible for planning professional development for an annual Secondary Assessment Symposium for teachers as well as a bi-annual assessment conference called Finding Our Way. Both professional development opportunities provide an educational experience through international and national keynotes and professional dialogue with colleagues across the province and beyond.

Partnership with Muskeg Lake Cree Nation

- The school division has established a strong partnership with Muskeg Lake Cree Nation. The purpose of the partnership is to work closely together as communities in order to improve the learning outcomes of all students. Muskeg Lake Cree Nation has an active Trustee on the Prairie Spirit Board of Education.

Joint use agreements

- Prairie Spirit has formal joint use agreements with local cities, towns and villages to ensure school facilities are available to the community after school hours.

In the City of Warman, the regional library is housed in Warman Community Middle School. In this unique partnership, the City of Warman, the Wheatland Library Board and Prairie Spirit School Division partnered together to provide a library that is available to the community and to the school.

Community Threat Assessment and Support Protocol (CTASP)

- Prairie Spirit joined the Community Threat Assessment and Support Protocol (CTASP) in November 2013, as part of a group of 18 community organizations, including education, human services and police services. Each of the community organizations that signed the protocol have committed to ensuring their leaders are fully trained in violence threat risk assessment. All administrators in Prairie Spirit School Division are being trained in assessing violence threat risks in their schools. Since all community partners receive the same training, they will benefit from a shared understanding and common language in assessing possible violence.

Habitat for Humanity

- As part of the Division's Da Vinci Project, high school students in Langham are constructing four modular housing units in partnership with Habitat for Humanity - Saskatoon. In addition to the valuable work experience they are gaining, students will also earn high school credits (Construction 10/20/30 and Career and Work Experience 20/30), as well as apprenticeship hours for future journeyman work.

Saskatoon Regional Intersectoral Committee

- Prairie Spirit is a member of the Saskatoon Regional Intersectoral Committee (SRIC). SRIC is one of ten multi-jurisdictional committees located throughout the province. The Saskatoon RIC includes senior administrators from federal, provincial, municipal, First Nations and Métis governments. The Saskatoon RIC's mission is to work in partnership with community voices and researchers to coordinate linkages that shape and influence policies, programs, funding and resource deployment to meet the diverse needs of vulnerable children, youth and their families. The SRIC is particularly interested in addressing gaps and barriers to services for marginalized populations.

Free the Children

- Prairie Spirit School Division has partnered with the Free the Children organization to become involved in the annual *We Day* celebration. The largest event of its kind, *We Day* celebrates the power of young people to change the world. Youth coming together to lead global change is the movement of our time. *We Day* is the manifestation of that movement for a generation of youth.

University of Saskatchewan

- Prairie Spirit works with the University of Saskatchewan in various established ways, including student internships, the teacher candidate process, a variety of research projects, and the seconded teacher arrangement.

Governance

The Board of Education

Prairie Spirit School Division is governed by the Board of Education, comprised of trustees from twelve subdivisions. *The Education Act, 1995* gives the Board of Education the authority to “administer and manage the educational affairs of the school division” and to “exercise general supervision and control over the schools in the school division”.

The trustees represent voters and ratepayers across the school division. The Board meets regularly to oversee and govern the work of the school division. In addition, the Board actively advocates to local and provincial levels of government on behalf of the school division.

The current Board of Education was elected in October 2012 and is serving a four-year term, ending in October 2016. The remuneration paid to all Board members in 2013/14 is provided in Appendix D.

Figure 3 – Prairie Spirit Board of Education as of August 31, 2014

Subd	Trustee
Subdivision 1	Pam Wieler
Subdivision 2	Keith Wagner
Subdivision 3	Ken Crush
Subdivision 4	George Janzen
Subdivision 5	Larry Pavloff
Subdivision 6	Bernard Howe
Subdivision 7	Cathy Taylor
Subdivision 8	Joanne Brochu
Subdivision 9	Bonnie Hope
Subdivision 10	Sam Dyck
Subdivision 11	Deanna Greyeyes
Subdivision 12	Shantelle Watson

School Community Councils

The purpose of the School Community Council is to:

- Support student learning success and well-being; and
- Encourage parent and community involvement and engagement in the school.

The Board of Education has established a School Community Council (SCC) for each of the non-Hutterian schools in Prairie Spirit School Division. The one Associate school in the school division is not required to form an SCC.

The Education Regulations, 1986 require school division to undertake orientation, training, development and networking opportunities for their SCC members. In 2013/14, Prairie Spirit School Division conducted a fall orientation for new SCC members and a spring assembly for all SCC members in April 2014.

The Regulations also require School Community Councils to work with school staff to develop an annual school Learning Improvement Plan and recommend that plan to the Board of Education. School Community Councils are expected to facilitate parent and community participation in planning and provide advice to the Board of Education, the school's staff, and other agencies involved in the learning and development of students.

The advice SCCs give to the board of education encompasses policies, programs and educational service delivery; the advice they give to the school staff relates to the school's programs. SCCs enable the community to participate in educational planning and decision making, and promote shared responsibility for learning among community members, students and educators.

Prairie Spirit offers the following opportunities to School Community Councils:

Division-wide:

- SCC Fall Orientation
- SCC Spring Assembly
- Division Office staff provide support for SCC-initiated parent evenings (e.g., Math Night, Assessment Night)
- In May, each school in Prairie Spirit made learning presentations to other schools and to Division leadership. Many schools involved their SCC in this Division presentation.

School level:

- School's Learning Improvement Plan shared with SCC
- Regular SCC meetings
- Sharing of goals
- Partnering on Literacy projects
- Hosting parent evenings

Our Students and Staff

The following information details the number of students and full-time equivalent staff in Prairie Spirit School Division during 2013/14.

Students

Figure 4 – Total student number by grade level

Grade	School Year		
	2011-12	2012-13	2013-14
Kindergarten	747	846	857
1	767	776	894
2	765	807	791
3	727	797	821
4	751	771	826
5	743	760	777
6	739	745	773
7	730	756	750
8	757	739	771
9	700	757	750
10	762	736	771
11	710	677	684
12	740	716	674
Total	9638	9883	10139

PreK Overall	199	208	206
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Source: Ministry of Education, 2014

Note: The table above identifies the actual number of students enrolled in each grade as of September 30 of each year.

Staff Profile

Figure 6 – Prairie Spirit staff

Job Category	FTEs
Classroom teachers	572.71
Principals, Vice-Principals	47.80
Other educational staff (positions that support educational programming)	350.53
Administrative and financial staff	81.37
Plant Operations and maintenance	76.01
Transportation	91.26
Senior Management team	11.0
Total Full-Time Equivalent (FTE) Staff	1230.68

Source: Prairie Spirit School Division, Human Resources Department, 2014

Notes:

- The numbers shown above represent full-time equivalents (FTEs). The actual number of employees may be greater because some people work part-time or seasonally.
- Some individuals are counted in more than one category. For example, a teaching principal might be counted as 0.4 as a classroom teacher and 0.6 as a principal.
- Information for all staff is as of August 31, 2014, and was provided by Prairie Spirit's Human Resources Department.

Senior Management team

The Board of Education designates the Director of Education as the Chief Executive Officer (CEO) of the school division. Prairie Spirit's Director is supported by seven Learning Superintendents, the Superintendent of Human Resources, the Chief Financial Officer and the Facilities Planner.

Figure 7 – Prairie Spirit Senior Management team

Position	
Director of Education	John Kuzbik
Chief Financial Officer/Conveyance Manager	Jim Shields
Superintendent of Human Resources	Bob Bayles
Learning Superintendents	Kim Beaulieu
	Karen Campbell
	Lori Jeschke
	Karen McKee
	Clint Reddekopp
	Noel Roche
	David Wipf
Facilities Planner	Kerry Donst

Indicators

The following indicators illustrate student performance as informed by Division and provincial data.

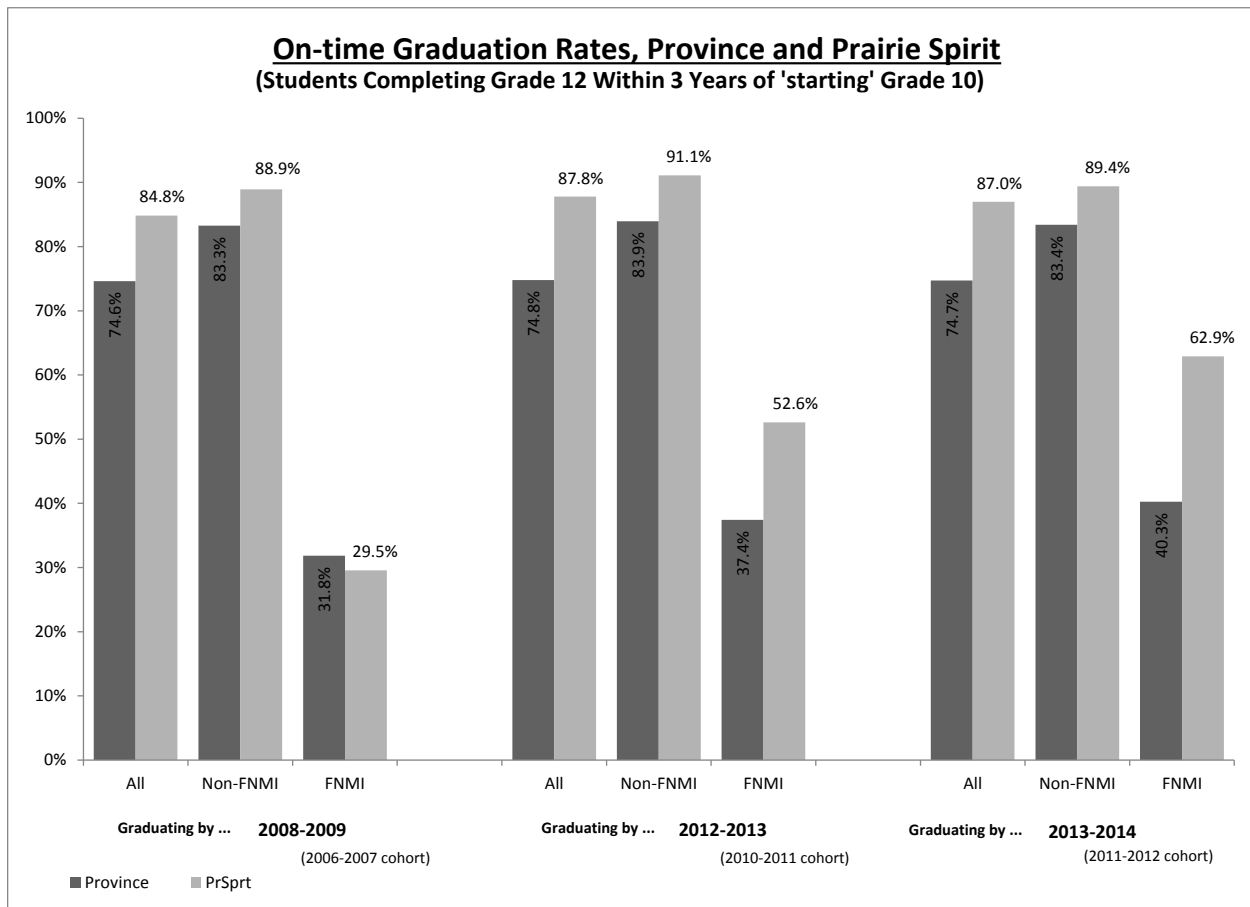
Grade 12 graduation

Grade 12 Graduation within three years

In each category (all, non-FNMI and FNMI), Prairie Spirit students are graduating at a rate higher than the provincial average. Overall, Prairie Spirit students are graduating at a rate that is 13% above the provincial average.

The graduation rate for First Nations, Métis and Inuit (FNMI) students in Prairie Spirit has increased each year since 2009. The gap between the provincial FNMI rate and the FNMI graduation rate for Prairie Spirit students is widening each year. For 2013/14, 62.9% of FNMI students graduated with three years, while the provincial average was 40.3%, a difference of over 22%.

Figure 8 – Grade 12 graduation rate after three years



Source: Ministry of Education, 2014

Note: On-time graduation rates are calculated as the percentage of students who complete Grade 12 within 3 years of 'starting' Grade 10.

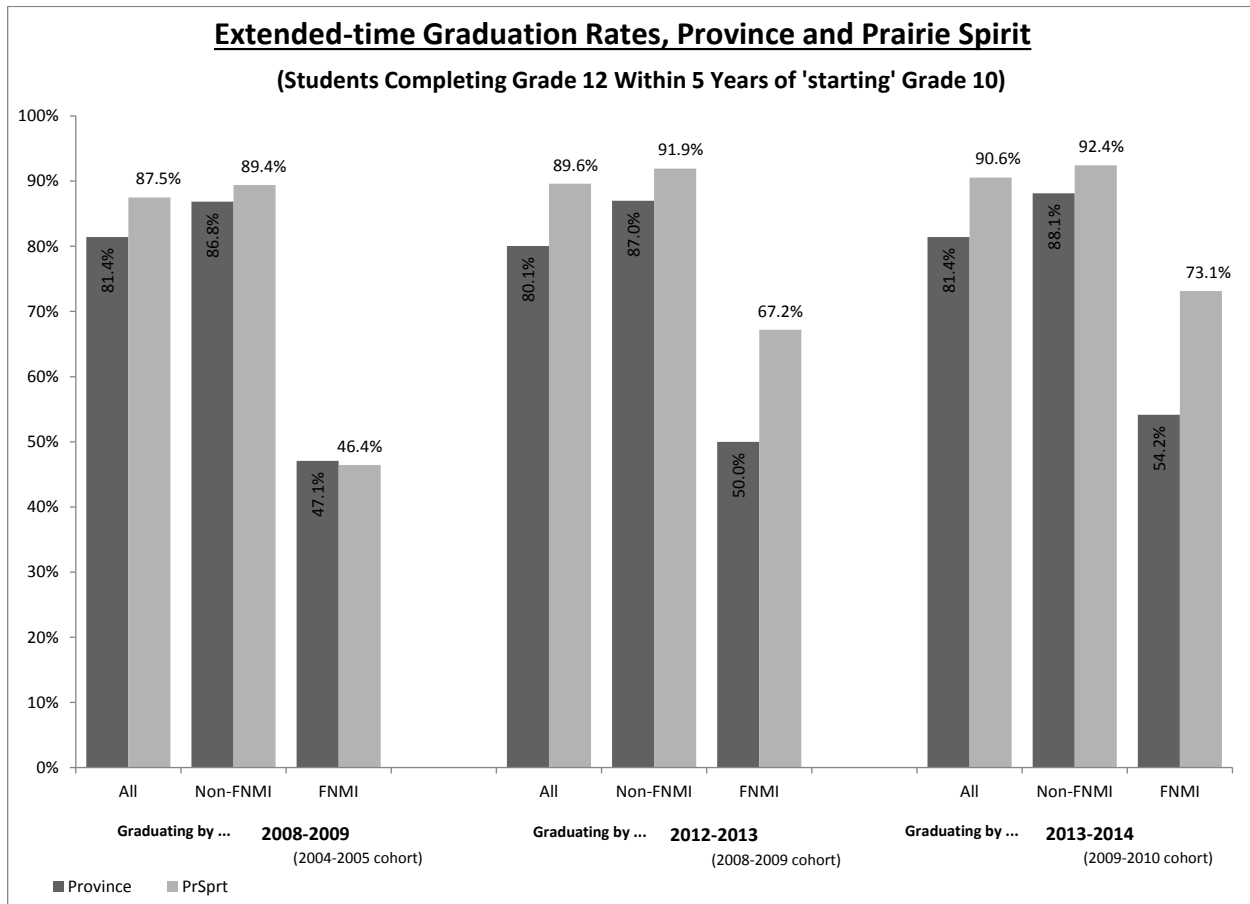
Results for populations of 10 or fewer have not been reported to avoid identifying individuals or very small groups of students. FNMI students are those who choose to self-identify as First Nations (Registered/Treaty/Status Indian, Non-Status Indian), Métis, or Inuit/Inuk. Non-FNMI students are those who do not identify themselves to be FNMI, and may include FNMI students who choose not to self-identify.

Grade 12 Graduation within five years

Prairie Spirit students in each category are graduating at a rate higher than the provincial average. The overall Prairie Spirit extended-time graduation rate has increased each year since 2009.

The extended-time graduation rate for First Nations, Métis and Inuit (FNMI) students in Prairie Spirit has increased each year since 2009. In this category, Prairie Spirit FNMI students are graduating at a rate almost 20% higher than the provincial average.

Figure 9 – Grade 12 graduation rate after five years



Source: Ministry of Education, 2014

Note: Extended-time graduation rates are calculated as the percentage of students who complete Grade 12 within 5 years of 'starting' Grade 10 (and include those who graduate on-time).

Results for populations of 10 or fewer have not been reported to avoid identifying individuals or very small groups of students.

FNMI students are those who choose to self-identify as First Nations (Registered/Treaty/Status Indian, Non-Status Indian), Métis, or Inuit/Inuk. Non-FNMI students are those who do not identify themselves to be FNMI, and may include FNMI students who choose not to self-identify.

Average Final Marks

The average final marks for Prairie Spirit students are higher than the provincial average in every subject and category.

In the category of “all students”, Prairie Spirit students achieved final marks that are an average of 5% above provincial results. First Nations, Métis and Inuit students in Prairie Spirit School Division have also achieved final marks that are an average of 5% above the provincial FNM results.

Figure 10 – Average final marks in selected secondary-level courses, 2013/14

Average Final Marks in Selected Secondary-Level Courses 2013-14						
Subject	All Students		Non-FNMI		FNMI	
	Province	Prairie Spirit SD	Province	Prairie Spirit SD	Province	Prairie Spirit SD
English Language Arts A 10	72.0	77.2	74.9	78.1	60.2	65.4
English Language Arts B 10	71.7	75.9	74.6	77.0	59.5	62.8
Science 10	70.6	76.8	73.9	77.9	57.1	61.8
Math: Workplace and Apprenticeship 10	71.1	77.0	74.6	78.1	57.8	65.5
Math: Foundations and Pre-calculus 10	70.7	74.5	72.9	75.2	58.5	63.2
English Language Arts 20	73.0	76.8	74.9	77.3	63.3	70.7
Math: Workplace and Apprenticeship 20	66.9	73.5	69.6	74.7	59.5	64.9
Math: Foundations 20	72.6	77.8	74.2	78.2	63.5	67.0

Source: Ministry of Education, 2014

Note: Results for populations of 10 or fewer have not been reported to avoid identifying individuals or very small groups of students (nr).

FNMI students are those who choose to self-identify as First Nations (Registered/Treaty/Status Indian, Non-Status Indian), Métis, or Inuit/Inuk. Non-FNMI students are those who do not identify themselves to be FNMI, and may include FNMI students who choose not to self-identify.

Grade 7 to 10 transitions

In the category of “all students”, 99.1% of Prairie Spirit students in the 2010/11 cohort are still in school. In the FNMI category, 97.2% of students in the 2010/11 cohort are still in school.

Figure 11 – Proportion of students in grade 7 who are still in school three years later

	Grade 7 Cohort			Progressing from Grade 7 to 10 On-Time			Still In School
	2007-08 Baseline	2009-10	2010-11	2007-08 Cohort	2009-10 Cohort	2010-11 Cohort	2010-11 Cohort
All students	658	657	684	97.6%	96.5%	98.5%	99.1%
Non-FNMI students	na	621	648	n/a	96.6%	98.6%	99.2%
FNMI students	39	36	36	89.7%	94.4%	97.2%	97.2%

Source: Ministry of Education, 2014

Note: Students who have not progressed to Grade 10 “on-time” may have remained in a previous grade or were not re-enrolled in subsequent years. “Still in School” is the proportion of students either in Grade 10 or continuing a previous grade.

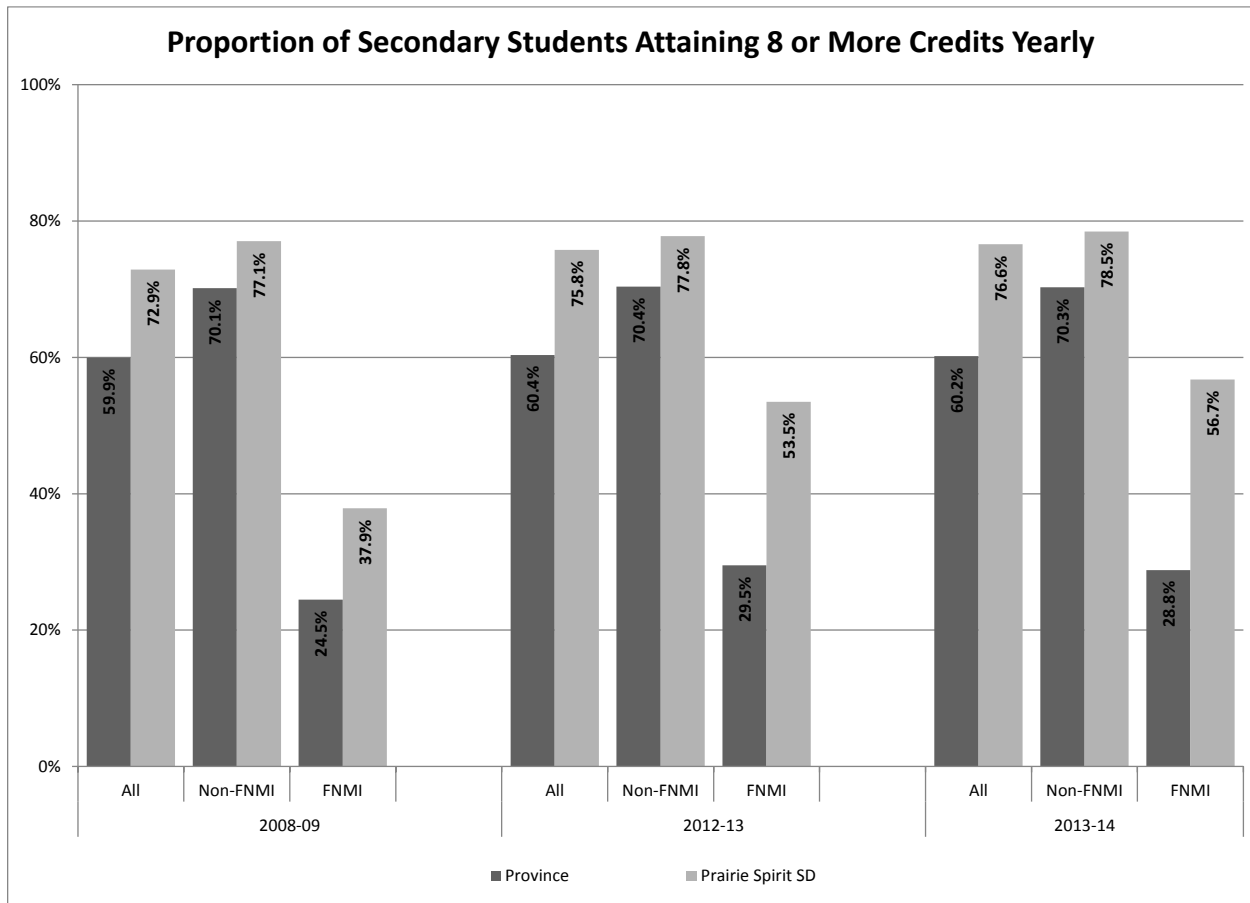
Results for populations of 10 or fewer have not been reported to avoid identifying individuals or very small groups of students (nr). Categories where results are not available at this time are recorded as (n/a).

FNMI students are those who choose to self-identify as First Nations (Registered/Treaty/Status Indian, Non-Status Indian), Métis, or Inuit/Inuk. Non-FNMI students are those who do not identify themselves to be FNMI, and may include FNMI students who choose not to self-identify.

Credit Attainment

The number of Prairie Spirit students attaining eight or more credits yearly is greater than the provincial average in all categories and has increased each year. The FNMI students in Prairie Spirit School Division are attaining eight or more credits each year at an increasing rate. The rate of Prairie Spirit FNMI students attaining eight or more credits each year is double the provincial FNMI rate.

Figure 12 – Proportion of secondary students attaining eight or more credits yearly



Source: Ministry of Education, 2014

Note: Proportions are calculated as the percentage of students enrolled at the secondary level on September 30 attaining eight or more credits yearly.

Results for populations of 10 or fewer have not been reported to avoid identifying individuals or very small groups of students.

FNMI students are those who choose to self-identify as First Nations (Registered/Treaty/Status Indian, Non-Status Indian), Métis, or Inuit/Inuk. Non-FNMI students are those who do not identify themselves to be FNMI, and may include FNMI students who choose not to self-identify.

Facilities and Transportation

Facilities

Prairie Spirit School Division's facilities include:

- Thirty-four schools located in 28 communities (45 schools in total, including nine Hutterite Colony schools and one Associate school). See Appendix C for a list of schools. The average age of these schools is 49 years. The oldest school is 86 years old; the newest school opened for students in September, 2013.
- The school division office is located in Warman, SK. The central core of this building is over 35 years old. A substantial renovation and addition was completed in 2008. The Division Office is adequate in size for the present needs, although every space in the building is currently being used and there is very limited meeting space available.
- The School Services Building, which houses Information Technology, Purchasing, Facilities and Maintenance staff, is located in Warman, SK. This building was built in 2009 and replaced a small, inadequate maintenance building also located in Warman.
- The Prairie Spirit Bus Garage is located on the Eighth Street Extension in Saskatoon, SK. The Bus Garage is used for maintenance and repair of school division vehicles. The Bus Garage is located within a large fenced compound where buses can be parked or stored. Due to the expansion of the City of Saskatoon, the Bus Garage will need to be relocated in the next couple of years.
- A list of capital projects during 2013/14 appears in Appendix E of this report, along with the cost of each project.

Student Transportation

Every school day, Prairie Spirit bus drivers transport over 5,000 students to school and back home safely again. Our 143 route buses travel almost 22,000 kilometres every day. Considerable cooperation and coordination are required to accomplish this task efficiently and safely.

Prairie Spirit has its own bus shop facility on the east side of Saskatoon. This facility is a modern five bay shop with all the appropriate equipment needed to properly maintain and service a fleet of over 180 buses.

The school division has highly qualified technicians who are experts in school bus maintenance. We are able to provide excellent bus service with safe equipment at a reduced cost to our ratepayers. Operating our own fleet of buses and using our own drivers has helped us to lower costs for charters and field trips, a very important consideration for managing limited school-based budgets.

Figure 13 – Prairie Spirit transportation statistics

Transportation Statistics	
Number of students transported daily*	5110
In-town students transported (included in above)	1580
Number of transportation routes	143
Number of buses	185
Kilometres travelled daily	21,525
Average age of bus	8.13
Capacity utilized on buses	94%
Average one-way ride time	39 minutes
Longest one-way ride time	110 minutes
Cost per student per year	\$1807
Cost per kilometre travelled	\$2.32

Source: *Prairie Spirit Conveyance Department, 2014*

**Statistics are for daily transportation of students to and from school. Extra-curricular trips are not included.*

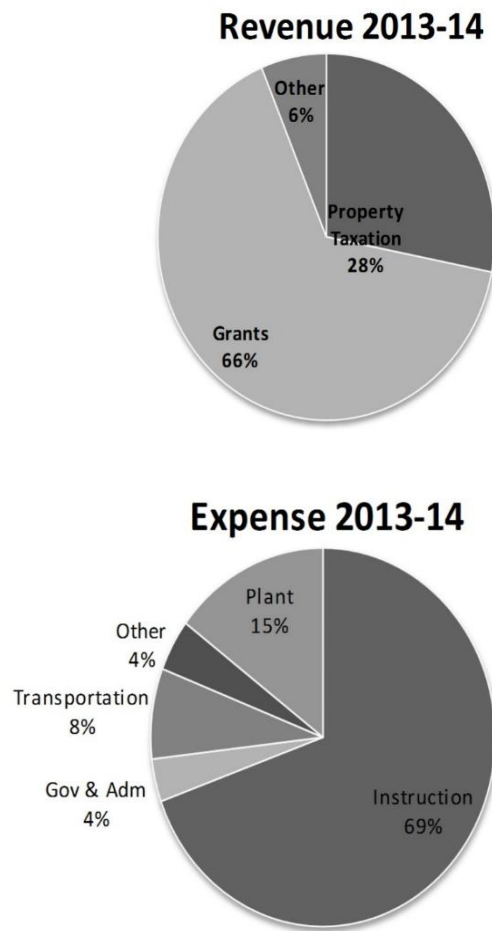
Financial Overview

In 2013/14, as in previous years, Prairie Spirit School Division's single largest single expense was instruction. Instruction includes salaries and benefits for teachers and other staff who work with students, resource materials and classroom supplies. The second largest expense was physical plant, which includes schools and their upkeep. The largest single source of revenue was provincial grants, followed by property taxation.

Revenue and Expenses

Figure 14 below summarizes Prairie Spirit's main categories of revenue and expenditures in 2013/14.

Figure 14 – Summary of Revenue and Expenses – 2013/14



Budget to Actual Revenue, Expenditures and Variances

Figure 15 below summarizes Prairie Spirit School Division's main categories of revenues and expenditures in 2013/14.

Figure 15 – Summary of Revenue and Expenditures with Budget to Actual Comparison for the Fiscal Year September 1, 2013 to August 31, 2014

	2014	2014	2013	Budget to Actual Variance	Budget to Actual %	
	Budget	Actual	Actual	Over / (Under)	Variance	Note
REVENUES						
Property Taxation	32,895,146	33,512,996	34,424,660	617,850	2%	
Grants	68,042,373	78,305,128	81,387,520	10,262,755	15%	1
Tuition and Related Fees	2,765,311	2,914,967	2,780,456	149,656	5%	2
School Generated Funds	1,759,692	3,093,043	2,685,986	1,333,351	76%	3
Complementary Services	761,970	1,267,927	1,001,341	505,957	66%	4
External Services	-	2,280	83,307	2,280	100%	5
Other	96,370	218,780	657,590	122,410	127%	6
Total Revenues	106,320,862	119,315,121	123,020,860	12,994,259	12%	
EXPENSES						
Governance	534,000	505,757	535,122	(28,243)	-5%	7
Administration	3,928,941	3,606,421	3,410,015	(322,520)	-8%	8
Instruction	77,584,549	78,194,356	77,038,523	609,807	1%	
Plant	12,803,087	16,538,939	12,703,394	3,735,852	29%	9
Transportation	8,219,370	8,695,020	8,214,467	475,650	6%	10
Tuition and Related Fees	613,618	640,651	511,644	27,033	4%	
School Generated Funds	1,759,692	2,656,447	2,681,436	896,755	51%	11
Complementary Services	707,258	651,588	873,951	(55,670)	-8%	12
External Services	-	-	123,223	-		
Other Expenses	1,128,898	1,020,071	639,802	(108,827)	-10%	13
Total Expenses	107,279,413	112,509,250	106,731,577	5,229,837	5%	
Surplus (Deficit) for the Year	(958,551)	6,805,871	16,289,283			

Explanation of Variances

1. Provincial grants came in slightly under budget by \$265K. When the Ministry reconciles the total taxes for the previous calendar year, they will adjust the provincial operating grant so that a school division's total revenue is not less than the recognized expenses. The adjustment occurs the next fiscal period so the reduction in grants is related to the reconciliation of taxes.

Provincial capital grants came in \$10.2M higher than budgeted. The increase over budget was a result of the Martensville High School project approved, with \$5.0M funding to complete various other projects, including portables for Valley Manor and Venture Heights, as well as funding for emergent projects at Osler, Langham and Hanley, which makes up the difference.

2. Overall tuition revenue was over budget by \$149K. Tuition fees are based on non-resident students attending schools in Prairie Spirit. The main source of tuition fees are our First Nation partners.
3. Based on changes to financial reporting, all funding activities in a school division are now reported on the school division's financials. School-generated funds are funds raised locally by schools for extracurricular programs and fundraising activities. The estimated funds raised by schools came in higher than projected by \$1.483M. Since the funds are collected for an intended purpose, they are also offset by an expenditure and surplus funds allocated as an Internally Restricted Surplus.

4. Complementary services represent those services and programs where the primary purpose is other than K-12 learning/learning support, but which have the specific objective of enhancing the School Division's ability to successfully deliver its K-12 curriculum/learning programs. Complementary services represent the revenue received for the 12 Ministry funded Pre-K programs and other special initiatives such as First Nation/Métis Education (FNME). Total operating funding was \$27K above budget due to additional grants received after budget was approved.
5. For external services, the gain on sale of asset (school buses) for the 2013/14 fiscal year was above budget.
6. Other revenue was higher than budget by \$122K. The main reason for the variance was interest revenue earned, which accounts for \$76K and \$43K for reimbursements.
7. Governance expenses overall came in \$29K under budget. Board member expenses for attending board meetings, supervision claims and travel expenses accounted for \$18K of the savings along with no election expenses, which was budgeted at \$5K. School Community Council (SCC) budgets were over budget by \$4K, which will be offset by the unrestricted surplus reserved for SCCs.
8. Administration expenses were under budget by \$322K. The main factors contributing to the variance were salaries and benefits \$72K under budget, supplies and services \$84K under budget and amortization expense was \$76K, communications \$32K and travel \$37K under budget.
9. Total expenditures for plant operations were over budget by \$3.735M. Plant operations included \$1.88M for the PAA project (funded from board approved reserves) and increase in the annual amortization expense of \$1.6M. The amortization expense is funded from surplus as all assets are fully funded on a cash basis. Funding for Preventative Maintenance and Renewal (PMR) is also included within the operating budget of facilities and is offset through a separate grant of \$1,137,544. Staffing costs including the unbudgeted increase were still under budget by \$221K mainly due to several vacant positions within the department.
10. Total transportation expenses came in \$476K over budget. The majority of the variance is a result of higher repairs to buses of \$381K. Higher amortization expense of \$194K accounts for the other major overage. The remainder of expenditures for busing came in under budget, including salaries and benefits by only \$8K.
11. As indicated in the revenue section, school generated funds represent the funds collected by individual schools for programs such as extracurricular and fundraising activities. Funds collected locally are expensed through the school generated funds accounts and funds remaining unspent are included as internally restricted surplus. Schools are currently carrying a surplus of \$1.4M for school generated funds. The amount of the surplus has increased by \$153K this year, but since they were first incorporated in the financial statements of the school division in 2009, have increased overall from \$1,081,200.
12. Complementary services represent those services and programs where the primary purpose is other than K-12 learning/learning support, but which have the specific objective of enhancing the School Division's ability to successfully deliver its K-12 curriculum/learning programs. Complementary services represent the revenue received for the 12 Ministry funded Pre-K programs and other special initiatives such as First Nation/Métis Education (FNME). Total expenses were \$55K under budget. The primary reason for the variance is \$34K for salaries and benefits and the remainder is unspent of operational expenses, which the schools will be allowed to carry forward to next year.
13. Other expenses were \$108K under budget. The main variance was the anticipated interest expense for new loans and leases coming in under estimates and/or did not impact the entire fiscal year.

Appendix A: Management Report and Audited Financial Statements

Prairie Spirit School Division No. 206
Report of Management

Management's Responsibility for the Financial Statements

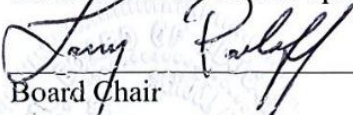
The school division's management is responsible for the preparation of the financial statements in accordance with Canadian public sector accounting standards and the format specified in the Financial Reporting Manual issued by the Ministry of Education. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.


The school division's management maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Education is composed of elected officials who are not employees of the school division. The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and for approving the financial statements. The Board is also responsible for the appointment of the school division's external auditors.

The external auditors, Deloitte LLP, conduct an independent examination in accordance with Canadian auditing standards and express their opinion on the financial statements. The accompanying Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the school division's financial statements. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

On behalf of the Prairie Spirit School Division No. 206:


Board Chair


CEO/Director of Education


Chief Financial Officer

December 3, 2014

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE BOARD OF EDUCATION OF PRAIRIE SPIRIT SCHOOL DIVISION NO. 206

We have audited the accompanying consolidated financial statements of Prairie Spirit School Division No. 206, which comprise the consolidated statement of financial position as at August 31, 2014 and the consolidated statements of operations and accumulated surplus from operations, remeasurement losses, changes in net debt and cash flows for the year then ended, 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Prairie Spirit School Division No.206 as at August 31, 2014, and the results of its operations, its remeasurement losses, changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matter

The financial statements of Prairie Spirit School Division No.206 for the year ended August 31, 2013 were audited by another auditor who expressed unmodified opinion on those financial statements on November 25, 2013.

The image shows a handwritten signature in black ink that reads "Deloitte LLP". The signature is written in a cursive, flowing style.

Chartered Professional Accountants
Saskatoon, Saskatchewan
December 3, 2014

Prairie Spirit School Division No. 206
Consolidated Statement of Financial Position
as at August 31, 2014

	2014	2013
Financial Assets		
Cash and Cash Equivalents	8,954,247	12,587,250
Accounts Receivable (Note 8)	21,065,426	21,346,213
Portfolio Investments (Note 4)	9,899	10,809
Total Financial Assets	30,029,572	33,944,272
Liabilities		
Accounts Payable and Accrued Liabilities (Note 9)	7,419,323	2,495,242
Long Term Debt and Associated Derivatives (Note 10)	21,650,891	23,980,510
Liability for Employee Future Benefits (Note 6)	927,900	822,800
Deferred Revenue (Note 11)	1,210,178	2,167,841
Total Liabilities	31,208,292	29,466,393
(Net Debt) Net Financial Assets	(1,178,720)	4,477,879
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	129,949,650	118,460,944
Inventory of Supplies for Consumption	708,485	428,795
Prepaid Expenses	452,244	394,725
Total Non-Financial Assets	131,110,379	119,284,464
Accumulated Surplus (Note 14)	129,931,659	123,762,343
Accumulated Surplus is comprised of:		
Accumulated surplus from operations	130,568,214	123,762,343
Accumulated remeasurement losses	(636,555)	-
Total Accumulated Surplus (Note 14)	129,931,659	123,762,343

Contractual Obligations and Commitments (Note 17)

The accompanying notes and schedules are an integral part of these statements

Approved by the Board:



Chairperson



Chief Financial Officer

Prairie Spirit School Division No. 206
Consolidated Statement of Operations and Accumulated Surplus from Operations
for the year ended August 31, 2014

	2014 Budget	2014 Actual	2013 Actual
REVENUES	(Note 15)		
Property Taxation	32,895,146	33,512,996	34,424,660
Grants	68,042,373	78,305,128	81,387,520
Tuition and Related Fees	2,765,311	2,914,967	2,780,456
School Generated Funds	1,759,692	3,093,043	2,685,986
Complementary Services (Note 12)	761,970	1,267,927	1,001,341
External Services (Note 13)	-	2,280	83,307
Other	96,370	218,780	657,590
Total Revenues (Schedule A)	106,320,862	119,315,121	123,020,860
EXPENSES			
Governance	534,000	505,757	535,122
Administration (Note 19)	3,928,941	3,606,421	3,410,015
Instruction (Note 19)	77,584,549	78,194,356	77,038,523
Plant	12,803,087	16,538,939	12,703,394
Transportation	8,219,370	8,695,020	8,214,467
Tuition and Related Fees	613,618	640,651	511,644
School Generated Funds	1,759,692	2,656,447	2,681,436
Complementary Services (Note 12)	707,258	651,588	873,951
External Services (Note 13)	-	-	123,223
Other Expenses	1,128,898	1,020,071	639,802
Total Expenses (Schedule B)	107,279,413	112,509,250	106,731,577
Operating Surplus (Deficit) for the Year	(958,551)	6,805,871	16,289,283
Accumulated Surplus from Operations, Beginning of Year	123,762,343	123,762,343	107,473,060
Accumulated Surplus from Operations, End of Year	122,803,792	130,568,214	123,762,343

The accompanying notes and schedules are an integral part of these statements

Prairie Spirit School Division No. 206
Consolidated Statement of Remeasurement Losses
as at August 31, 2014

	2014	2013
Accumulated Remeasurement Losses, Beginning of Year	-	-
Unrealized losses attributable to:		
Derivatives (Note 10)	(636,555)	-
Accumulated Remeasurement Losses, End of Year	(636,555)	-

The accompanying notes and schedules are an integral part of these statements

Prairie Spirit School Division No. 206
Consolidated Statement of Changes in Net Debt
for the year ended August 31, 2014

	2014 Budget	2014 Actual	2013 Actual
	(Note 15)		
Net Financial Assets, Beginning of Year	4,477,879	4,477,879	3,884,773
Changes During the Year:			
Operating Surplus (Deficit) for the Year	(958,551)	6,805,871	16,289,283
Acquisition of Tangible Capital Assets (Schedule C)	(1,424,034)	(18,159,164)	(21,318,661)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	18,010	10,300
Net Loss (Gain) on Disposal of Capital Assets (Schedule C)	-	(2,669)	3,412
Amortization of Tangible Capital Assets (Schedule C)	4,768,800	6,655,117	5,558,840
Net (Acquisition) of Inventory of Supplies	-	(279,690)	60,914
Net Change in Other Non-Financial Assets	-	(57,519)	(10,982)
	2,386,215	(5,020,044)	593,106
Net Remeasurement Losses	-	(636,555)	-
Change in Net Financial Assets	2,386,215	(5,656,599)	593,106
(Net Debt) Net Financial Assets, End of Year	6,864,094	(1,178,720)	4,477,879

The accompanying notes and schedules are an integral part of these statements

Prairie Spirit School Division No. 206
Consolidated Statement of Cash Flows
for the year ended August 31, 2014

	2014	2013
OPERATING ACTIVITIES		
Operating Surplus for the Year	6,805,871	16,289,283
Add Non-Cash Items Included in Surplus (Schedule D)	6,652,448	5,562,252
Net Change in Non-Cash Operating Activities (Schedule E)	1,506,259	(8,765,598)
Cash Provided by Operating Activities	14,964,578	13,085,937
CAPITAL ACTIVITIES		
Cash (Used) to Acquire Tangible Capital Assets	(15,650,327)	(21,318,661)
Proceeds on Disposal of Tangible Capital Assets	18,010	10,300
Cash (Used) by Capital Activities	(15,632,317)	(21,308,361)
INVESTING ACTIVITIES		
Proceeds on Disposal of Portfolio Investments	910	804
Cash Provided by Investing Activities	910	804
FINANCING ACTIVITIES		
Proceeds from Issuance of Long Term Debt	-	19,420,113
Repayment of Long Term Debt	(2,966,174)	(2,823,186)
Cash (Used) Provided by Financing Activities	(2,966,174)	16,596,927
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(3,633,003)	8,375,307
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	12,587,250	4,211,943
CASH AND CASH EQUIVALENTS, END OF YEAR	8,954,247	12,587,250

The accompanying notes and schedules are an integral part of these statements

Prairie Spirit School Division No. 206
Schedule A: Consolidated Supplementary Details of Revenue
for the year ended August 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Property Taxation Revenue			
Tax Levy Revenue:			
Property Tax Levy Revenue	32,437,249	32,055,012	35,124,594
Total Property Tax Revenue	32,437,249	32,055,012	35,124,594
Grants in Lieu of Taxes:			
Federal Government	174,703	154,547	158,624
Provincial Government	60,671	127,924	33,539
Other	44,568	(24,884)	38,259
Total Grants in Lieu of Taxes	279,942	257,587	230,422
Other Tax Revenues:			
House Trailer Fees	77,375	70,407	86,186
Total Other Tax Revenues	77,375	70,407	86,186
Additions to Levy:			
Penalties	258,580	293,533	261,777
Other	-	307,134	-
Total Additions to Levy	258,580	600,667	261,777
Deletions from Levy:			
Discounts	-	-	(1,490,078)
Cancellations	(158,000)	558,141	117,556
Other Deletions	-	(28,818)	94,203
Total Deletions from Levy	(158,000)	529,323	(1,278,319)
Total Property Taxation Revenue	32,895,146	33,512,996	34,424,660
Grants:			
Operating Grants			
Ministry of Education Grants:			
Operating Grant	66,649,004	67,199,751	64,754,718
Other Ministry Grants	-	31,152	21,840
Total Ministry Grants	66,649,004	67,230,903	64,776,558
Grants from Others	505,000	-	330,560
Total Operating Grants	67,154,004	67,230,903	65,107,118
Capital Grants			
Ministry of Education Capital Grants	888,369	10,918,093	16,280,402
Other Provincial Capital Grants	-	156,132	-
Total Capital Grants	888,369	11,074,225	16,280,402
Total Grants	68,042,373	78,305,128	81,387,520

Prairie Spirit School Division No. 206
Schedule A: Consolidated Supplementary Details of Revenue
for the year ended August 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Tuition and Related Fees Revenue			
Operating Fees:			
Tuition Fees:			
Federal Government and First Nations	2,765,311	2,910,372	2,742,572
Individuals and Other	-	4,595	37,884
Total Tuition Fees	2,765,311	2,914,967	2,780,456
Total Operating Tuition and Related Fees	2,765,311	2,914,967	2,780,456
Total Tuition and Related Fees Revenue	2,765,311	2,914,967	2,780,456
School Generated Funds Revenue			
Curricular:			
Student Fees	156,762	179,630	131,234
Total Curricular Fees	156,762	179,630	131,234
Non-Curricular Fees:			
Commercial Sales - GST	144,130	173,017	120,123
Commercial Sales - Non-GST	286,000	246,313	221,457
Fundraising	573,000	900,921	796,499
Grants and Partnerships	181,866	296,172	127,182
Students Fees	417,934	1,296,990	1,289,491
Total Non-Curricular Fees	1,602,930	2,913,413	2,554,752
Total School Generated Funds Revenue	1,759,692	3,093,043	2,685,986
Complementary Services			
Operating Grants:			
Ministry of Education Grants:			
Operating Grant	761,970	788,217	759,252
Other Provincial Grants	-	71,364	73,183
Other Grants	-	32,004	32,004
Total Operating Grants	761,970	891,585	864,439
Capital Grants			
Ministry of Education Capital Grants	-	376,342	136,902
Total Capital Grants	-	376,342	136,902
Total Complementary Services Revenue	761,970	1,267,927	1,001,341

Prairie Spirit School Division No. 206
Schedule A: Consolidated Supplementary Details of Revenue
for the year ended August 31, 2014

	2014 Budget	2014 Actual	2013 Actual
External Services			
Fees and Other Revenue			
Other Revenue	-	2,280	83,307
Total Fees and Other Revenue	-	2,280	83,307
Total External Services Revenue	-	2,280	83,307
Other Revenue			
Miscellaneous Revenue	-	479	514,054
Sales & Rentals	-	43,440	16,339
Investments	96,370	172,192	127,197
Gain on Disposal of Capital Assets	-	2,669	-
Total Other Revenue	96,370	218,780	657,590
TOTAL REVENUE FOR THE YEAR	106,320,862	119,315,121	123,020,860

Prairie Spirit School Division No. 206
Schedule B: Consolidated Supplementary Details of Expenses
for the year ended August 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Governance Expense			
Board Members Expense	230,000	212,278	196,721
Professional Development- Board Members	51,000	53,316	58,393
Advisory Committees	72,000	68,325	80,676
Elections	5,000	-	27,499
Other Governance Expenses	176,000	171,838	171,833
Total Governance Expense	534,000	505,757	535,122
Administration Expense			
Salaries	2,760,773	2,736,915	2,716,554
Benefits	356,369	308,825	199,484
Supplies & Services	208,155	124,120	83,382
Non-Capital Furniture & Equipment	40,502	26,370	22,936
Building Operating Expenses	100,598	95,476	95,832
Communications	116,080	84,830	92,386
Travel	55,952	18,861	1,946
Professional Development	68,050	64,653	40,181
Amortization of Tangible Capital Assets	222,462	146,371	157,314
Total Administration Expense	3,928,941	3,606,421	3,410,015
Instruction Expense			
Instructional (Teacher Contract) Salaries	53,163,245	54,444,241	53,427,800
Instructional (Teacher Contract) Benefits	2,857,672	3,159,789	3,368,587
Program Support (Non-Teacher Contract) Salaries	11,666,812	11,941,690	11,438,017
Program Support (Non-Teacher Contract) Benefits	2,637,122	2,214,284	2,188,547
Instructional Aids	2,900,327	2,064,619	2,326,031
Supplies & Services	725,129	743,277	877,524
Non-Capital Furniture & Equipment	583,405	683,206	485,581
Communications	271,093	139,145	216,532
Travel	553,300	520,470	566,342
Professional Development	491,645	392,359	472,318
Student Related Expense	340,059	321,417	331,263
Amortization of Tangible Capital Assets	1,394,740	1,569,859	1,339,981
Total Instruction Expense	77,584,549	78,194,356	77,038,523

Prairie Spirit School Division No. 206
Schedule B: Consolidated Supplementary Details of Expenses
for the year ended August 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Plant Operation & Maintenance Expense			
Salaries	4,207,201	4,069,970	3,445,170
Benefits	871,519	787,772	701,951
Supplies & Services	8,500	4,202	7,683
Non-Capital Furniture & Equipment	88,933	47,743	14,154
Building Operating Expenses	5,338,608	7,773,955	5,481,641
Communications	18,000	10,428	8,657
Travel	70,000	52,806	37,724
Professional Development	20,291	10,197	10,939
Amortization of Tangible Capital Assets	2,180,035	3,781,866	2,995,475
Total Plant Operation & Maintenance Expense	12,803,087	16,538,939	12,703,394
Student Transportation Expense			
Salaries	3,227,746	3,271,477	3,077,587
Benefits	677,258	626,233	576,373
Supplies & Services	1,826,639	1,797,288	1,674,157
Non-Capital Furniture & Equipment	849,679	1,230,303	1,242,819
Building Operating Expenses	28,000	22,702	21,819
Communications	44,000	40,575	25,864
Travel	32,000	51,391	52,836
Professional Development	16,200	9,720	8,406
Contracted Transportation	559,155	493,186	477,529
Amortization of Tangible Capital Assets	958,693	1,152,145	1,057,077
Total Student Transportation Expense	8,219,370	8,695,020	8,214,467
Tuition and Related Fees Expense			
Tuition Fees	585,118	609,451	490,694
Other Fees	28,500	31,200	20,950
Total Tuition and Related Fees Expense	613,618	640,651	511,644
School Generated Funds Expense			
Supplies & Services	196,502	160,887	199,343
Cost of Sales	297,830	405,749	353,630
Non-Capital Furniture & Equipment	104,540	63,886	52,363
School Fund Expenses	1,160,820	2,025,925	2,076,100
Total School Generated Funds Expense	1,759,692	2,656,447	2,681,436

Prairie Spirit School Division No. 206
Schedule B: Consolidated Supplementary Details of Expenses
for the year ended August 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Complementary Services Expense			
Instructional (Teacher Contract) Salaries & Benefits	472,962	437,124	538,834
Program Support (Non-Teacher Contract) Salaries & Benefits	144,301	146,545	100,903
Instructional Aids	60,125	59,009	33,508
Building Operating Expenses	-	4,034	149,532
Student Related Expenses	-	-	33,460
Contracted Transportation & Allowances	17,000	-	8,721
Amortization of Tangible Capital Assets	12,870	4,876	8,993
Total Complementary Services Expense	707,258	651,588	873,951
External Service Expense			
Instructional (Teacher Contract) Salaries & Benefits	-	-	83,307
Instructional Aids	-	-	38,000
Building Operating Expenses	-	-	1,916
Total External Services Expense	-	-	123,223

Prairie Spirit School Division No. 206
Schedule B: Consolidated Supplementary Details of Expenses
for the year ended August 31, 2014

	2014 Budget	2014 Actual	2013 Actual
Other Expense			
Interest and Bank Charges:			
Current Interest and Bank Charges	80,199	37,116	28,363
Interest on Other Capital Loans and Long Term Debt			
School Facilities	699,366	53,454	106,740
Other	349,333	914,160	404,347
Total Interest and Bank Charges	1,128,898	1,004,730	539,450
Loss on Disposal of Tangible Capital Assets	-	-	3,412
Write-Down of Tangible Capital Assets	-	15,341	-
Provision for Uncollectable Taxes	-	-	96,940
Total Other Expense	1,128,898	1,020,071	639,802
TOTAL EXPENSES FOR THE YEAR	107,279,413	112,509,250	106,731,577

Prairie Spirit School Division No. 206

**Schedule C - Consolidated Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2014**

	Land		Buildings		School Buses	Other Vehicles	Furniture and Equipment	Computer Hardware and Audio Equipment	Computer Software	Assets Under Construction	2014	2013
	Land	Improvements	Buildings	Short term	Buses	Vehicles	Equipment	Audio Equipment	Software	Construction	2014	2013
<i>Tangible Capital Assets - at Cost:</i>												
Opening Balance as of September 1	5,979,163	4,081,077	120,148,709	10,094,147	15,149,122	646,345	12,730,827	9,182,001	228,450	26,056,435	204,296,275	183,059,876
Additions/Purchases	-	37,115	-	-	1,916,262	243,221	1,387,004	804,284	269,608	13,501,670	18,159,164	21,318,661
Disposals	-	-	-	-	(489,621)	-	-	-	-	-	(489,621)	(82,262)
Transfers to (from)	-	-	30,761,164	1,876,699	-	-	-	-	-	(32,637,863)	-	-
Closing Balance as of August 31	5,979,163	4,118,192	150,909,873	11,970,846	16,575,762	889,565	14,117,832	9,986,284	498,057	6,920,243	221,965,818	204,296,275
<i>Tangible Capital Assets - Amortization:</i>												
Opening Balance as of September 1	-	2,952,890	51,685,742	2,254,213	11,129,302	501,202	10,177,858	7,015,412	118,712	-	85,835,331	80,345,041
Amortization of the Period	-	111,136	3,006,159	577,947	1,150,966	83,525	616,501	1,009,271	99,612	-	6,655,117	5,558,840
Disposals	-	-	-	-	(474,280)	-	-	-	-	-	(474,280)	(68,550)
Closing Balance as of August 31	N/A	3,064,026	54,691,901	2,832,160	11,805,988	584,727	10,794,359	8,024,683	218,324	N/A	92,016,167.82	85,835,331
Net Book Value:												
Opening Balance as of September 1	5,979,163	1,128,187	68,462,967	7,839,934	4,019,820	145,143	2,552,969	2,166,589	109,737	26,056,435	118,460,944	102,714,835
Closing Balance as of August 31	5,979,163	1,054,166	96,217,972	9,138,686	4,769,774	304,838	3,323,473	1,961,601	279,733	6,920,243	129,949,650	118,460,944
Change in Net Book Value	-	(74,021)	27,755,005	1,298,752	749,954	159,695	770,504	(204,988)	169,996	(19,136,192)	11,488,706	15,746,109
Disposals:												
Historical Cost	-	-	-	-	489,621	-	-	-	-	-	489,621	82,262
Accumulated Amortization	-	-	-	-	(474,280)	-	-	-	-	-	(474,280)	(68,550)
Net Cost	-	-	-	-	15,341	-	-	-	-	-	15,341	13,712
Price of Sale	-	-	-	-	18,010	-	-	-	-	-	18,010	10,300
Gain/loss on Disposal	-	-	-	-	2,669	-	-	-	-	-	2,669	(3,412)

Prairie Spirit School Division No. 206
Schedule D: Non-Cash Items Included in Surplus
for the year ended August 31, 2014

	2014	2013
Non-Cash Items Included in Surplus:		
Amortization of Tangible Capital Assets (Schedule C)	6,655,117	5,558,840
(Gain) Net Loss on Disposal of Tangible Capital Assets	(2,669)	3,412
Total Non-Cash Items Included in Surplus	6,652,448	5,562,252

Prairie Spirit School Division No. 206
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2014

	2014	2013
Net Change in Non-Cash Operating Activities:		
Decrease (Increase) in Accounts Receivable	280,787	(574,749)
(Decrease) in Provincial Grant Overpayment	-	(1,631,132)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	2,415,244	(1,428,875)
Increase in Liability for Employee Future Benefits	105,100	47,300
(Decrease) in Deferred Revenue	(957,663)	(5,228,074)
(Increase) Decrease in Inventory of Supplies for Consumption	(279,690)	60,914
(Increase) in Prepaid Expenses	(57,519)	(10,982)
Total Net Change in Non-Cash Operating Activities	1,506,259	(8,765,598)

PRAIRIE SPIRIT SCHOOL DIVISION NO. 206
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at August 31, 2014

1. AUTHORITY AND PURPOSE

The school division operates under the authority of *The Education Act, 1995* of Saskatchewan as a corporation under the name of “The Board of Education of the Prairie Spirit School Division No. 206” and operates as “the Prairie Spirit School Division No. 206”. The school division provides education services to residents within its geographic region and is governed by an elected board of trustees.

The school division is funded mainly by grants from the Government of Saskatchewan and a levy on the property assessment included in the school division’s boundaries at mill rates determined by the provincial government. The school division is exempt from income tax and is a registered charity under the *Income Tax Act*.

2. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards for other government organizations as established by the Public Sector Accounting Board (PSAB) and as published by the Chartered Professional Accountants of Canada (CPA Canada).

Significant aspects of the accounting policies adopted by the school division are as follows:

a) Adoption of New Public Sector Accounting (PSA) Standards

In 2014, the school division adopted the new PSA standard PS3260 Liability for Contaminated Sites.

Detailed information on the impact of the adoption of this new PSA standard is provided in Note 18 Accounting Changes.

b) Reporting Entity and Consolidation

The consolidated financial statements include all of the assets, liabilities, revenues and expenses of the school division reporting entity. The school division reporting entity is comprised of all the organizations which are controlled by the school division.

Control is defined as the power to govern the financial and operating policies of another organization with the expected benefits or risk of loss to the school division. Control exists so long as the school division has the power to govern, regardless of whether the school division chooses to exercise this power.

All of the assets, liabilities, revenues and expenses of controlled organizations are consolidated on a line-by-line after adjusting the accounting policies to a basis consistent with the accounting policies of the school division. Inter-organizational transactions and balances and transactions have been eliminated.

PRAIRIE SPIRIT SCHOOL DIVISION NO. 206
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at August 31, 2014

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Controlled entities:

Prairie Spirit Schools Foundation (the “Foundation”) is incorporated under the *Saskatchewan Non-Profit Corporations Act, 1995* and was established during the year to carry on activities which are for the charitable purpose of the advancement of education and enhancement of the quality of education offered by the School Division. The Foundation has applied for a registered charity status.

c) Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting.

d) Measurement Uncertainty and the Use of Estimates

Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the year.

Measurement uncertainty that may be material to these consolidated financial statements exists for:

- the liability for employee future benefits of \$927,900 (2013 - \$822,800) because actual experience may differ significantly from actuarial estimations.
- property taxation revenue of \$33,512,996 (2013 - \$ 34,424,660) because final tax assessments may differ from initial estimates,
- taxes receivable of \$14,925,873 (2013 - \$16,604,441) because actual collectability may differ from initial estimates.
- The accrual for retroactive teachers’ salaries related to the 2014 year of \$846,789 (2013 - \$Nil) because the actual amount in the final negotiated contract may differ from initial estimates.
- Useful lives of tangible capital assets and related amortization of \$6,655,117 (2013 - \$5,558,840) because these assets may become obsolete prior to the end of their estimated useful lives.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

While best estimates are used for reporting items subject to measurement uncertainty, it is reasonably possible that changes in future conditions, occurring within one fiscal year, could require a material changes in the amounts recognized or disclosed.

PRAIRIE SPIRIT SCHOOL DIVISION NO. 206
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at August 31, 2014

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Financial Instruments

Financial instruments are any contracts that give rise to financial assets of one entity and financial liabilities or equity instruments of another entity. A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The school division recognizes a financial instrument when it becomes a party to a financial instrument. The financial assets and financial liabilities portray these rights and obligations in the consolidated financial statements.

Financial instruments of the school division include cash and cash equivalents, accounts receivable, portfolio investments, accounts payable, accrued liabilities, long term debt and associated derivatives.

Financial instruments are assigned to one of two measurement categories: fair value, or cost or amortized cost. All of the financial instruments of the School Division are measured at cost or amortized cost except derivatives which are measured at fair value.

i) Fair Value

Fair value measurement applies to financial derivatives held by the school division. Any associated transaction costs are expensed upon initial recognition. Unrealized changes in fair value are recognized in the consolidated statement of remeasurement losses until they are realized, at which time they are transferred to the consolidated statement of operations and accumulated surplus from operations.

Fair value is determined by:

- Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 inputs other than quoted prices that are observable for the asset or liability either directly, (i.e. as prices) or indirectly (i.e. derived from prices)

The School Division's derivatives are considered Level 2 measurement.

When a decline in fair value is determined to be other than temporary, the amount of the loss is removed from any accumulated remeasurement gains and reported in the consolidated statement of operations and accumulated surplus.

ii) Cost or Amortized Cost

All other financial assets and financial liabilities are measured at cost or amortized cost. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Impairment losses such as write-downs or write-offs are reported in the consolidated statement of operations and accumulated surplus from operations.

PRAIRIE SPIRIT SCHOOL DIVISION NO. 206
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at August 31, 2014

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Gains and losses on financial instruments measured at cost or amortized costs are recognized in the consolidated statement of operations and accumulated surplus from operations in the period the gain or loss occurs.

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transactions. Monetary assets and liabilities, and non-monetary items included in the fair value measurement category denominated in foreign currencies, are translated into Canadian dollars at the exchange rate prevailing at the financial statement date. Unrealized foreign exchange gains and losses are recognized in the consolidated statement of remeasurement losses until they are realized, at which time they are transferred to the consolidated statement of operations and accumulated surplus from operations.

f) Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Valuation allowances are used where considered necessary to reduce the amounts reported for financial assets to their net realizable value.

Cash and Cash Equivalents consist of cash, bank deposits and highly liquid investments with initial maturity terms of three months or less and held for the purpose of meeting short-term operating cash commitments rather than for investing purposes.

Accounts Receivable includes taxes receivable, provincial grants receivable and other receivables. Taxes receivable represent education property taxes assessed or estimated owing to the end of the fiscal period but not yet received. The allowance for uncollected taxes is a valuation allowance used to reduce the amount reported for taxes receivable to the estimated net recoverable amount. The allowance represents management's estimate of the amount of taxes that will not be collected taking into consideration prior years' tax collections and information provided by municipalities regarding collectability of outstanding balances. Provincial grants receivable represent operating, capital, and other grants earned but not received at the end of the fiscal year, provided reasonable estimates of the amounts can be made. Grants are earned when the events giving rise to the grant have occurred, the grant is authorized and any eligibility criteria have been met.

Other receivables are recorded at cost less valuation allowances. These allowances are recorded where collectability is considered doubtful.

Portfolio Investments consist of guaranteed investment certificates (GIC's) for scholarship purposes. The school division values its portfolio investments in accordance with its policy for financial instruments, as described in Note 2 (e).

PRAIRIE SPIRIT SCHOOL DIVISION NO. 206
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at August 31, 2014

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Non-Financial Assets

Non-financial assets are assets held for consumption in the provision of services. These assets do not normally provide resources to discharge the liabilities of the school division unless they are sold.

Tangible Capital Assets have useful lives extending beyond the accounting period, are used by the school division to provide services to the public and are not intended for sale in the ordinary course of operations. Tangible capital assets include land, land improvements, buildings, buildings – short term, school buses, other vehicles, furniture and equipment, computer hardware and software, audio visual equipment, and assets under construction.

Tangible capital assets are recorded at cost (or estimated cost when the actual cost is unknown) and include all costs directly attributable to the acquisition, design, construction, development, installation and betterment of the tangible capital asset. The school division does not capitalize interest incurred while a tangible capital asset is under construction.

The cost of depreciable tangible capital assets, net of any residual value, is amortized on a straight line basis over their estimated useful lives as follows:

Land improvements (pavement, fencing, lighting, etc.)	20 years
Buildings	50 years
Buildings – short-term (portables, storage sheds, outbuildings, garages)	20 years
School buses	12 years
Other vehicles – passenger	5 years
Other vehicles – heavy (graders, 1 ton truck, etc.)	10 years
Furniture and equipment	10 years
Computer hardware and audio visual equipment	5 years
Computer software	5 years
Leased capital assets	Lease term

Assets under construction are not amortized until completed and placed into service for use.

Assets that have a historical or cultural significance, such as works of art, monuments and other cultural artifacts, are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with these properties cannot be made.

Inventory of Supplies for Consumption consists of supplies held for consumption by the school division in the course of normal operations and are recorded at the lower of cost and replacement cost.

Prepaid Expenses are prepaid amounts for goods or services which will provide economic benefits in one or more future periods. Prepaid expenses include insurance,

PRAIRIE SPIRIT SCHOOL DIVISION NO. 206
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at August 31, 2014

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Saskatchewan School Boards Association fees and Workers' Compensation Board premiums.

h) Liabilities

Liabilities are present obligations arising from transactions and events occurring prior to year-end, which will be satisfied in the future through the use of assets or another form of economic settlement.

Accounts Payable and Accrued Liabilities include accounts payable and accrued liabilities owing to third parties and employees for work performed, goods supplied and services rendered, but not yet paid, at the end of the fiscal period.

Long Term Debt is comprised of capital loans with initial maturities of more than one year and are incurred for the purpose of financing capital expenses in accordance with the provisions of *The Education Act, 1995*.

Long-term debt also includes capital lease obligations where substantially all of the benefits and risks incident to ownership are transferred to the school division without necessarily transferring legal ownership. The amount of the lease liability recorded at the beginning of the lease term is the present value of the minimum lease payments, excluding the portion thereof relating to executory costs.

Liability for Employee Future Benefits represent post-employment and compensated absence benefits that accrue to the school division's employees. The cost of these benefits is recorded as the benefits are earned by employees. The liability relating to these benefits is actuarially determined using the projected benefit method pro-rated on service. Actuarial valuations are performed periodically using assumptions including discount rate, inflation, salary escalation, termination and retirement rates and mortality. An actuary extrapolates these valuations when a valuation is not done in the current fiscal year. Actuarial gains and losses are amortized on a straight line basis over the expected average remaining service life of the related employee groups.

Deferred Revenue from Non-government Sources represents fees or payments for services received in advance of the fee being earned or the services being performed, and other contributions for which the contributor has placed restrictions on the use of the resources. Revenue from tuition and related fees is recognized as the course is delivered, revenue from contractual services is recognized as the services are delivered, and revenue from other contributions is recognized in the fiscal year in which the resources are used for the purpose specified by the contributor.

i) Employee Pension Plans

Employees of the school division participate in the following pension plans:

PRAIRIE SPIRIT SCHOOL DIVISION NO. 206
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at August 31, 2014

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Multi-Employer Defined Benefit Plans

The school division's employees participate in one of the following multi-employer defined benefit plans:

- i) Teachers participate in the Saskatchewan Teachers' Retirement Plan (STRP) or the Saskatchewan Teachers' Superannuation Plan (STSP). The school division's obligation for these plans is limited to collecting and remitting contributions of the employees at rates determined by the plans.
- ii) Other employees participate in the Municipal Employees' Pension Plan (MEPP). In accordance with PSAB, the plan is accounted for as a defined contribution plan whereby the school division's contributions are expensed when due.

j) Revenue Recognition

Revenues are recorded on the accrual basis. Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues, provided the amount to be received can be reasonably estimated and collection is reasonably assured.

The school division's sources of revenues include the following:

i) Government Transfers (Grants):

Grants from governments are considered to be government transfers. In accordance with PS3410 standard, government transfers are recognized as revenues when the transfer is authorized, all eligibility criteria have been met, the amount can be estimated and collection is reasonably assured except when, and to the extent, stipulations by the transferor give rise to an obligation that meets the definition of a liability. For transfers with stipulations, revenue is recognized in the consolidated statement of operations and accumulated surplus from operations as the stipulation liabilities are settled.

ii) Property Taxation:

Property tax is levied and collected on a calendar year basis. Uniform education property tax mill rates are set by the Government of Saskatchewan. Tax revenues are recognized on the basis of time with 1/12th of estimated total tax revenue recorded in each month of the school division's fiscal year. The tax revenue for the September to December portion of the fiscal year is based on the actual amounts reported by the municipalities for the calendar taxation year. For the January to August portion of its fiscal year, the school division estimates tax revenue based on estimate information provided by municipalities who levy and collect the property tax on behalf of the school division. The final annual taxation amounts are reported to the division by each municipality following the conclusion of each calendar taxation year, and any difference between final amounts and the school division's estimates is recorded as an adjustment to revenue in the next fiscal year.

PRAIRIE SPIRIT SCHOOL DIVISION NO. 206
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at August 31, 2014

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

iii) Fees and Services

Revenues from tuition fees and other fees and services are recognized in the year they are earned. Amounts that are restricted pursuant to legislation, regulation or agreements with external parties that may only be used in the conduct of certain programs or in the delivery of specific services and transactions are initially recorded as deferred revenue and subsequently recognized as revenue in the fiscal year the related expenses are incurred or services are performed.

iv) Interest Income

Interest is recognized on an accrual basis when it is earned.

v) Other (Non-Government Transfer) Contributions

Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the school division if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions that are to be held in perpetuity are recognized as revenue in the year in which they are received or committed if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions that are not held in perpetuity are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.

3. SHORT-TERM BORROWINGS

Bank indebtedness consists of a demand operating line of credit with a maximum borrowing limit of \$22,000,000 that bears interest at Royal Bank prime rate minus 1% per annum. This line of credit is authorized by a borrowing resolution by the board of education and is secured by operating grants and tax levy. The Minister of Education approved a line of credit of \$21,000,000 on February 10, 2011. The balance drawn on the line of credit at August 31, 2014 was \$NIL (August 31, 2013 \$NIL).

4. PORTFOLIO INVESTMENTS

Portfolio investments comprised of the following:

	2014	2013
Portfolio investments in the cost and amortized cost category:	<u>Cost</u>	<u>Cost</u>
GICs	\$ 9,899	\$ 10,809
Total portfolio investments reported at cost and amortized cost	\$ 9,899	\$ 10,809

PRAIRIE SPIRIT SCHOOL DIVISION NO. 206
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at August 31, 2014

5. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2014 Budget	2014 Actual	2013 Actual
Governance	\$ -	\$ 505,757	\$ -	\$ -	\$ 534,000	\$ 505,757	\$ 535,122
Administration	3,045,740	414,310	-	146,371	3,928,941	3,606,421	3,410,015
Instruction	71,760,004	4,864,493	-	1,569,859	77,584,549	78,194,356	77,038,523
Plant	4,857,742	7,899,331	-	3,781,866	12,803,087	16,538,939	12,703,394
Transportation	3,897,710	3,645,165	-	1,152,145	8,219,370	8,695,020	8,214,467
Tuition and Related Fees	-	640,651	-	-	613,618	640,651	511,644
School Generated Funds	-	2,656,447	-	-	1,759,692	2,656,447	2,681,436
Complementary Services	583,670	63,042	-	4,876	707,258	651,588	873,951
External Services	-	-	-	-	-	-	123,223
Other	-	15,341	1,004,730	-	1,128,898	1,020,071	639,802
TOTAL	\$ 84,144,865	\$ 20,704,538	\$ 1,004,730	\$ 6,655,117	\$ 107,279,413	\$ 112,509,250	\$ 106,731,577

6. EMPLOYEE FUTURE BENEFITS

The school division provides certain post-employment and compensated absence benefits to its employees. These benefits include accumulating non-vested sick leave, and vacation banks. Significant assumptions include salary escalations, inflation and expected remaining service life. The liability associated with these benefits is calculated as the present value of expected future payments pro-rated for service and is recorded as Liability for Employee Future Benefits in the consolidated statement of financial position. Morneau Shepell, a firm of consulting actuaries, performed an actuarial valuation as at August 31, 2012 and extrapolated it to August 31, 2013 and August 31, 2014.

Details of the employee future benefits are as follows:

	2014	2013
	Aug/31/2014	Aug/31/2013
Actuarial extrapolation date		
Long-term assumptions used:		
Salary escalation rate	3.25%	3.25%
Discount rate	2.80%	3.50%
Inflation rate	2.25%	2.25%
Expected average remaining service life (years)	14	14

The actual salary escalation rate used includes a merit and promotion percentage which varies depending on years of service of each employee.

PRAIRIE SPIRIT SCHOOL DIVISION NO. 206
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6. EMPLOYEE FUTURE BENEFITS (continued)

Liability for Employee Future Benefits	2014	2013
Accrued Benefit Obligation - beginning of year	\$ 979,600	\$ 1,047,300
Current period benefit cost	93,700	103,000
Interest cost	36,900	29,600
Benefit payments	(38,400)	(105,000)
Actuarial gains / losses	88,800	(95,300)
Accrued Benefit Obligation - end of year	1,160,600	979,600
Unamortized Net Actuarial Gains / Losses	(232,700)	(156,800)
Liability for Employee Future Benefits	\$ 927,900	\$ 822,800

Employee Future Benefits Expense	2014	2013
Current period benefit cost	\$ 93,700	\$ 103,000
Amortization of net actuarial gain / loss	12,900	19,700
Benefit cost	106,600	122,700
Interest cost on unfunded employee future benefits obligation	36,900	29,600
Total Employee Future Benefits Expense	\$ 143,500	\$ 152,300

7. PENSION PLANS

Multi-Employer Defined Benefit Plans

Information on the multi-employer pension plans to which the school division contributes is as follows:

- i) Saskatchewan Teachers' Retirement Plan (STRP) or Saskatchewan Teachers' Superannuation Plan (STSP):

The STRP and STSP provide retirement benefits based on length of service and pensionable earnings.

The STRP and STSP are funded by contributions by the participating employee members and the Government of Saskatchewan. The school division's obligation to the STRP and STSP is limited to collecting and remitting contributions of the employees at rates determined by the plans. Accordingly, these consolidated financial statements do not include any expense for employer contributions to these plans. Net pension assets or liabilities for these plans are not reflected in these consolidated financial statements as ultimate responsibility for retirement benefits rests with the Saskatchewan Teachers' Federation for the STRP and with the Government of Saskatchewan for the STSP.

PRAIRIE SPIRIT SCHOOL DIVISION NO. 206
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at August 31, 2014

7. PENSION PLANS (continued)

Details of the contributions to these plans for the school division's employees are as follows:

	2014			2013
	STRP	STSP	TOTAL	TOTAL
Number of active school division members	<i>981</i>	<i>35</i>	<i>1,016</i>	<i>1,050</i>
Member contribution rate (percentage of salary)	7.8% /10 %	6.05%/7.85%	6.05%/10%	6.05%/10%
Member contributions for the year	\$4,461,772	\$ 142,992	\$4,604,764	\$4,569,797

ii) Municipal Employees' Pension Plan (MEPP)

The MEPP provides retirement benefits based on length of service and pensionable earnings.

The MEPP is funded by employer and employee contributions at rates set by the Municipal Employees' Pension Commission.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees which could affect future contribution rates and/or benefits.

The contributions to the MEPP by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for this plan are not recognized in these consolidated financial statements. In accordance with PSAB requirements, the plan is accounted for as a defined contribution plan whereby the school division's contributions are expensed when due.

PRAIRIE SPIRIT SCHOOL DIVISION NO. 206
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at August 31, 2014

7. PENSION PLANS (continued)

Details of the MEPP are as follows:

	<u>2014</u>	<u>2013</u>
Number of active school division members	801	798
Member contribution rate (percentage of salary)	8.15%	8.15%
School division contribution rate (percentage of salary)	8.15%	8.15%
Member contributions for the year	\$ 1,629,858	\$ 1,481,844
School division contributions for the year	\$ 1,629,858	\$ 1,481,844
Actuarial valuation date	<u>Aug/31/2013</u>	<u>Aug/31/2012</u>
		(restated)
Plan assets (in thousands)	\$ 1,685,167	\$ 1,560,967
Plan liabilities (in thousands)	\$ 1,498,853	\$ 1,420,319
Plan surplus (in thousands)	\$ 186,314	\$ 140,648

8. ACCOUNTS RECEIVABLE

All accounts receivable presented on the consolidated statement of financial position are net of any valuation allowances for doubtful accounts. Details of account receivable balances and allowances are as follows:

	<u>2014</u>		<u>2013</u>		
	Total Receivable	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Taxes Receivable	\$ 14,925,873	\$ 14,925,873	\$ 16,604,441	\$ 307,134	\$ 16,297,307
Provincial Grants Receivable	3,913,678	3,913,678	3,371,527	-	3,371,527
Other Receivables	2,225,875	2,225,875	1,677,379	-	1,677,379
Total Accounts Receivable	\$ 21,065,426	\$ 21,065,426	\$ 21,653,347	\$ 307,134	\$ 21,346,213

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of account payable and accrued liabilities are as follows:

	<u>2014</u>	<u>2013</u>
Accrued salaries and benefits	\$ 2,384,552	\$ 1,578,551
Supplier Payments	1,979,637	594,444
Other accrued liabilities	3,055,134	322,247
Total Accounts Payable and Accrued Liabilities	\$ 7,419,323	\$ 2,495,242

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10. LONG TERM DEBT AND ASSOCIATED DERIVATIVES

Details of long term debt and associated derivatives are as follows:

	2014	2013
Capital Loans		
Dalmeny loan payable to RBC, monthly P&I bearing interest at 5.25%, expiring Jan 1/14	\$ -	\$ 43,059
Energy loan payable to RBC, monthly P&I bearing interest at 6.55% expiring Oct/16	412,664	597,066
Warman High loan payable to RBC, monthly P&I bearing interest at 4.77%, expiring Nov 10/15	651,000	1,148,000
Division office loan payable to RBC, monthly P&I bearing interest at 4.78%, expiring Mar 7/18	1,226,000	1,525,000
Block Projects loan payable to RBC, monthly P&I bearing interest at 1.95%, expiring May 9/18	1,118,000	1,400,000
Stobart loan payable to RBC, monthly P&I bearing interest at 2.97%, expiring May 9/33	6,960,000	7,221,000
Warman Middle loan payable to RBC, monthly P&I interest at 2.97%, expiring May 9/33	9,643,000	10,005,000
	<u>20,010,664</u>	<u>21,939,125</u>
Derivatives consist of long-term financial instruments created by:		
Interest rate swap agreement - 4.22%, terminates November 10, 2015	11,840	-
Interest rate swap agreement - 2.97%, terminates May 9, 2033	321,666	-
Interest rate swap agreement - 1.95%, terminates May 9, 2018	9,441	-
Interest rate swap agreement - 2.97%, terminates May 9, 2033	232,174	-
Interest rate swap agreement - 4.33%, terminates April 7, 2018	61,434	-
	<u>636,555</u>	<u>-</u>
	\$ 20,647,219	\$ 21,939,125
Capital Leases		
Honeywell Lease, monthly P&I payable to RBC with interest at 4.205%, expiring Sept. 15/16	\$ 204,973	\$ 246,226
Bus Lease, monthly P&I payable to RBC with interest at 5.23% expiring Oct 1/13	-	34,844
Bus Lease, monthly P&I payable to RBC with interest at 5.9%, expiring Dec 3/13	-	3,478
Bus Lease, monthly P&I payable to RBC with interest at 3.1%, expiring Jan 10/15	19,260	59,750
Bus Lease, monthly P&I payable to RBC with interest at 4.99%, expiring Apr 22/15	29,981	71,650
Bus Lease, monthly P&I payable to RBC with interest at 5.76%, expiring Sept 13/14	-	195,608
Bus Lease, monthly P&I payable to RBC with interest at 5.326%, expiring July 8/14	-	15,352
Bus Lease, monthly P&I payable to RBC with interest at 5.196%, expiring Aug 14/14	-	178,126
Bus Lease, monthly P&I payable to RBC with interest at 6.12%, expiring Aug 3/14	-	174,017
Bus Lease, monthly P&I payable to RBC with interest at 5.465%, expiring Aug 23/14	-	11,580
Bus Lease, monthly P&I payable to RBC with interest at 5.71%, expiring July 15/15	111,375	234,463
Bus Lease, monthly P&I payable to RBC with interest at 2.47%, expiring Sept 2/16	164,363	241,177
Bus Lease, monthly P&I payable to RBC with interest at 2.47%, expiring Aug 5/20	329,350	386,477
Bus Lease, monthly P&I payable to RBC with interest at 2.47%, expiring Aug 5/18	144,370	188,637
	<u>1,003,672</u>	<u>2,041,385</u>
Total Long Term Debt and Associated Derivatives	\$ 21,650,891	\$ 23,980,510

PRAIRIE SPIRIT SCHOOL DIVISION NO. 206
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10. LONG TERM DEBT AND ASSOCIATED DERIVATIVES (continued)

Future principal repayments over the next 5 years are estimated as follows:

	Capital		
	Capital Loans	Leases	Total
2015	\$ 1,952,000	\$ 403,389	\$ 2,355,389
2016	1,623,000	248,036	1,871,036
2017	1,358,664	166,923	1,525,587
2018	1,184,000	101,174	1,285,174
2019	736,000	64,150	800,150
Thereafter	13,157,000	20,000	13,177,000
Total	\$ 20,010,664	\$ 1,003,672	\$ 21,014,336

Principal and interest payments on the long term debt for 2014 are as follows:

Principal and interest payments on the long-term debt are as follows:

	Capital			
	Capital Loans	Leases	2014	2013
Principal	\$ 1,928,461	\$ 1,037,713	\$ 2,966,174	\$ 2,823,186
Interest	732,790	327,076	1,059,866	511,087
Total	\$ 2,661,251	\$ 1,364,789	\$ 4,026,040	\$ 3,334,273

11. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at Aug. 31, 2013	Additions during the Year	Revenue recognized in the Year	Balance as at Aug. 31, 2014
Capital projects:				
Federal capital tuition	\$ 174,173	\$ 22,020	\$ -	\$ 196,193
Total capital projects deferred revenue	174,173	22,020	-	196,193
Other deferred revenue:				
Property taxes	1,993,668	1,013,985	1,993,668	1,013,985
Total other deferred revenue	1,993,668	1,013,985	1,993,668	1,013,985
Total Deferred Revenue	\$ 2,167,841	\$ 1,036,005	\$ 1,993,668	\$ 1,210,178

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12. COMPLEMENTARY SERVICES

Complementary services represent those services and programs where the primary purpose is other than K-12 learning/learning support, but which have the specific objective of enhancing the school division's ability to successfully deliver its K-12 curriculum/learning programs.

Following is a summary of the revenue and expenses of the Complementary Services programs operated by the school division in 2014 and 2013:

Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Programs	Other Programs	2014	2013
Revenue:				
Operating grants	\$ 788,217	\$ 103,368	\$ 891,585	\$ 1,001,341
Capital grants	376,342	-	376,342	-
Total Revenue	1,164,559	103,368	1,267,927	1,001,341
Expenses:				
Salaries & benefits	512,305	71,364	583,669	639,737
Instructional aids	27,005	32,004	59,009	33,508
Building operating expenses	4,034	-	4,034	149,532
Student related expenses	-	-	-	42,181
Amortization of tangible capital assets	4,876	-	4,876	8,993
Total Expenses	548,220	103,368	651,588	873,951
Excess of Revenue over Expenses	\$ 616,339	\$ -	\$ 616,339	\$ 127,390

The purpose and nature of each Complementary Services program is as follows:

Pre-K programs represent the revenue and expenses for operating pre-K programs that have been approved by the Ministry.

Other programs represent the revenue and expenses for nutrition programs and program partnership with the Prince Albert Parkland Health and Saskatoon Health regions to provide program support for at risk students.

13. EXTERNAL SERVICES

External services represent those services and programs that are outside of the school division's learning/learning support and complementary programs. These services have no direct link to the delivery of the school division's K-12 programs nor do they directly enhance the school division's ability to deliver its K-12 programs.

PRAIRIE SPIRIT SCHOOL DIVISION NO. 206
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13. EXTERNAL SERVICES (continued)

Following is a summary of the revenue and expenses of the External Services programs operated by the school division in 2014 and 2013:

Summary of External Services Revenues and Expenses, by Program	Other Programs	2014	2013
Revenue:			
Tuition and Related Fees	\$ 2,280	\$ 2,280	\$ 83,307
Total Revenue	2,280	2,280	83,307
Expenses:			
Tuition Fees	-	-	38,000
Salaries & Benefits	-	-	83,307
Building Operating	-	-	1,916
Total Expenses	-	-	123,223
Excess (Deficiency) of Revenue over Expenses	\$ 2,280	\$ 2,280	\$ (39,916)

In 2014 there were no costs associated with external services.

14. ACCUMULATED SURPLUS

Accumulated Surplus represents the financial assets and non-financial assets of the school division less liabilities. Accumulated surplus is comprised of the following two amounts:

- i. Accumulated surplus from operations, which represents the accumulated balance of net surplus arising from the operations of the school division and school generated funds as detailed in the table below; and
- ii. Accumulated rereasurement losses, which represents the unrealized gains and losses associated with changes in value for financial instruments recorded at fair value as detailed in the consolidated statement of rereasurement losses.

Certain amounts of the accumulated surplus from operations, as approved by the Board of Education, have been designated for specific future purposes such as unspent school operating budget and future replacement of capital assets. These internally restricted amounts are included in the accumulated surplus from operations presented in the consolidated statement of financial position. The school division does not maintain separate bank accounts for the internally restricted amounts.

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14. ACCUMULATED SURPLUS (continued)

Details of accumulated surplus are as follows:

	August 31 2013	Additions during the year	Reductions during the year	August 31 2014
Invested in Tangible Capital Assets:				
Net book value of tangible capital assets	\$ 118,460,944	\$ 11,488,706	\$ -	\$ 129,949,650
Less: debt owing on tangible capital assets	(23,980,510)	-	(2,966,174)	(21,014,336)
	94,480,434	11,488,706	(2,966,174)	108,935,314
PMR maintenance project allocations (1)	753,985	1,137,544	780,785	1,110,744
Internally Restricted Surplus:				
Capital projects:				
School bus replacement program	2,500,000	1,366,262	1,916,262	1,950,000
Learning technology initiatives	1,619,231	-	22,821	1,596,410
Future capital projects	1,322,784	-	-	1,322,784
Van replacement	385,000	103,221	243,221	245,000
Completion of Warman Middle School project	4,127,609	-	4,127,609	-
Completion of outstanding capital projects	-	801,149	-	801,149
PAA project	2,788,225	-	1,878,733	909,492
	12,742,849	2,270,632	8,188,646	6,824,835
Other:				
School decentralized budgets	1,066,271	31,998	-	1,098,269
School community councils	73,532	-	1,587	71,945
School generated funds	1,275,493	152,966	-	1,428,459
Central Valley Athletic Committee	6,659	-	3,933	2,726
Program equity/ enhancement initiatives	1,096,942	-	-	1,096,942
Facilities department	1,721,784	-	6,316	1,715,468
Admin council reserve	1,225,316	-	739,736	485,580
Division office PD	100,463	-	9,078	91,385
Finance and transportation PD	31,030	7,818	-	38,848
Program and staffing review	2,000,000	-	823,000	1,177,000
	8,597,490	192,782	1,583,650	7,206,622
Unrestricted surplus	7,187,585	-	696,886	6,490,699
Accumulated Surplus from Operations	123,762,343	15,089,664	8,283,793	130,568,214
Accumulated Remeasurement Losses	-	-	636,555	(636,555)
Total Accumulated Surplus	\$ 123,762,343	\$ 15,089,664	\$ 8,920,348	\$ 129,931,659

- (1) **PMR Maintenance Project Allocations** represent transfers received from the Ministry of Education as funding support for maintenance projects on the school division's approved 3 year capital maintenance plans. Unspent funds at the end of a fiscal year are designated for future approved capital plan maintenance project expenditures.

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14. ACCUMULATED SURPLUS (continued)

The purpose and nature of each Internally Restricted Surplus amount is as follows:

Capital Projects:

School Bus Replacement Program – replacement of school buses
Learning Technology Initiatives – replacement of technology
Future Capital Projects – replacement of capital assets
Van Replacement – replacement of maintenance vans
Completion of Warman Community Middle School Project – completed in 2014
Completion of outstanding capital projects – capital grants recorded as receivable for capital projects in Martensville, Osler and Hanley
PAA Project – completion of renovations and equipment replacement for PAA labs

Other:

School Decentralized budgets – carry forward of unspent budget allocated
School Community Councils – SCC carry forward of unspent budget allocated
School Generated Funds – carry forward of unspent funds collected
Central Valley Athletic Committee – carry forward of unspent budget allocated
Program Equity/Program Enhancement initiatives – allow for one-time expenditures to bring equity to program offerings in the division
Facilities Department – carry forward of unspent budget allocated
Admin Council – carry forward of unspent budget allocated
Division Office PD – carry forward of unspent budget allocated
Finance and Transportation PD – carry forward of unspent budget allocated
Program and Staffing Review – for future adjustments in staffing

15. BUDGET FIGURES

Budget figures included in the consolidated financial statements were approved by the board of education on June 17, 2013 and the Minister of Education on August 23, 2013.

16. RELATED PARTIES

These consolidated financial statements include transactions with related parties. The school division is related to all Government of Saskatchewan ministries, agencies, boards, school divisions, health authorities, colleges, and crown corporations under the common control of the Government of Saskatchewan. The school division is also related to non-Crown enterprises that the Government jointly controls or significantly influences. In addition, the school division is related to other non-Government organizations by virtue of its economic interest in these organizations.

Related Party Transactions:

Transactions with these related parties are in the normal course of operations. Amounts due to or from and the recorded amounts of transactions resulting from these transactions are included in the consolidated financial statements and the table below. They are

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16. RELATED PARTIES (continued)

recorded at exchange amounts which approximate prevailing market rates charged by those organizations and are settled on normal trade terms.

	2014	2013
Revenues:		
Ministry of Education	\$ 79,313,555	\$ 81,035,120
Great Plains Regional College	25,329	25,329
	\$ 79,338,884	\$ 81,060,449
Expenses:		
Saskatoon Public S.D.	\$ 29,556	\$ 30,881
Greater Saskatoon Catholic Schools	24,789	27,500
North West Regional College	60,360	98,404
Saskatoon Health Region	81,150	81,000
SaskTel	246,987	321,561
SaskPower	1,203,920	1,145,626
SaskEnergy	639,707	916,120
SGI	133,718	100,479
Sask Workers' Compensation Board	236,478	218,894
Prince Albert Parkland Health Region	-	35,000
	\$ 2,656,665	\$ 2,975,465
Prepaid Expenses:		
Sask Workers' Compensation Board	\$ 122,877	\$ 105,285
	\$ 122,877	\$ 105,285
Accounts Receivable:		
Ministry of Education	\$ 3,913,678	\$ -
	\$ 3,913,678	\$ -

In addition, the school division pays Provincial Sales Tax to the Saskatchewan Ministry of Finance on all its taxable purchases and customer sales on items that are deemed taxable. Taxes paid are recorded as part of the cost of those purchases.

Other transactions with related parties and amounts due to/from them are described separately in the consolidated financial statements or notes thereto.

17. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Significant contractual obligations and commitments of the school division are as follows:

- construction contract awarded to Quorex Construction for Martensville High School in the amount of \$27,164,927 over 2 years
- 4 relocatable classrooms at Valley Manor School of \$2,070,000 over 1 year

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17. CONTRACTUAL OBLIGATIONS AND COMMITMENTS (continued)

Operating and capital lease obligations, as follows:

	Operating Leases		Capital Leases		
	Postage/ Mailing	Total Operating	Buses	Honeywell Performance Contract	Total Capital
Future minimum lease payments:					
2015	\$ 10,500	\$ 10,500	\$ 378,879	\$ 104,063	\$ 482,942
2016	-	-	201,193	104,063	305,256
2017	-	-	116,100	104,063	220,163
2018	-	-	71,170	56,550	127,720
2019	-	-	66,700	-	66,700
Thereafter	-	-	20,800	-	20,800
	\$ 10,500	\$ 10,500	\$ 854,842	\$ 368,739	\$ 1,223,581
Interest and executory costs	-	-	(56,143)	(163,766)	(219,909)
Total Lease Obligations	\$10,500	\$ 10,500	\$ 798,699	\$ 204,973	\$ 1,003,672

18. ACCOUNTING CHANGES

PS 3260 Liability for Contaminated Sites

On September 1, 2013, the school division adopted the new PS3260 Liability for Contaminated Sites standard. This section establishes standards on how to account for and report a liability associated with the remediation of contaminated sites. Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds the maximum acceptable concentrations under an environmental standard. A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the school division is directly responsible or accepts responsibility;
- the school division expects that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The adoption of the new PS3260 standard has not resulted in any changes to the measurement and recognition of liabilities in the school division's 2014 consolidated financial statements.

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19. COMPARATIVE INFORMATION

Certain comparative figures have been reclassified to conform to the current year's presentation. Salaries and benefits of \$1,761,818 were reclassified from Instruction to Administration expense.

20. SUBSEQUENT EVENTS

Subsequent to the year end the school division entered into an agreement to purchase 20 new school buses at a total cost of \$1,717,584 and financed by way of long term lease financing over 60 months.

21. RISK MANAGEMENT

The school division is exposed to financial risks from its financial assets and liabilities. These risks include credit risk, liquidity risk and market risk (consisting of interest rate risk and foreign exchange risk).

i) Credit Risk

Credit risk is the risk to the school division from potential non-payment of accounts receivable. The credit risk related to the school division's receivables from the provincial government, federal government and their agencies are considered to be minimal. For other receivables, the school division has adopted credit policies which include close monitoring of overdue accounts and report monthly to the Board of Education any receivable exceeding \$100,000. The school division does not have a significant exposure to any individual customer. Management reviews accounts receivable on a case by case basis to determine if a valuation allowance is necessary to reflect impairment in collectability.

The aging of accounts receivable other than GST receivable of \$1,126,316 (2013 - \$1,200,558) was:

	August 31, 2014		August 31, 2013	
	Accounts Receivable	Net of Allowances	Accounts Receivable	Net of Allowances
0-30 days	\$ 18,932,579	\$ 18,932,579	\$ 19,724,431	\$ 19,724,431
30-60 days	111,891	111,891	77,507	77,507
60-90 days	729,724	729,724	92,099	92,099
Over 90 days	164,916	164,916	251,618	251,618
Total	\$ 19,939,110	\$ 19,939,110	\$ 20,145,655	\$ 20,145,655

ii) Liquidity Risk

Liquidity risk is the risk that the school division will not be able to meet its financial obligations as they come due. The school division manages liquidity risk by ensuring budgets are followed and reviewed monthly and all capital purchases are funded on a cash basis.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at August 31, 2014

21. RISK MANAGEMENT (continued)

The following table sets out the contractual maturities of the school division's financial liabilities:

	August 31, 2014			
	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	\$ 7,419,323	\$ -	\$ -	\$ -
Long term debt (including interest)	1,326,500	1,326,500	7,429,664	17,287,000
Total	\$ 8,745,823	\$ 1,326,500	\$ 7,429,664	\$ 17,287,000

iii) Market Risk

The school division is exposed to market risks with respect to interest rates and foreign currency exchange rates, as follows:

Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The school division's interest rate exposure relates to long-term debt.

The school division also has a demand operating line of credit described in Note 3 to the consolidated financial statements. Changes in the bank's prime rate can cause fluctuation in interest payments and cash flows. There was no balance outstanding on this credit facility at August 31, 2014 (2013 –\$NIL).

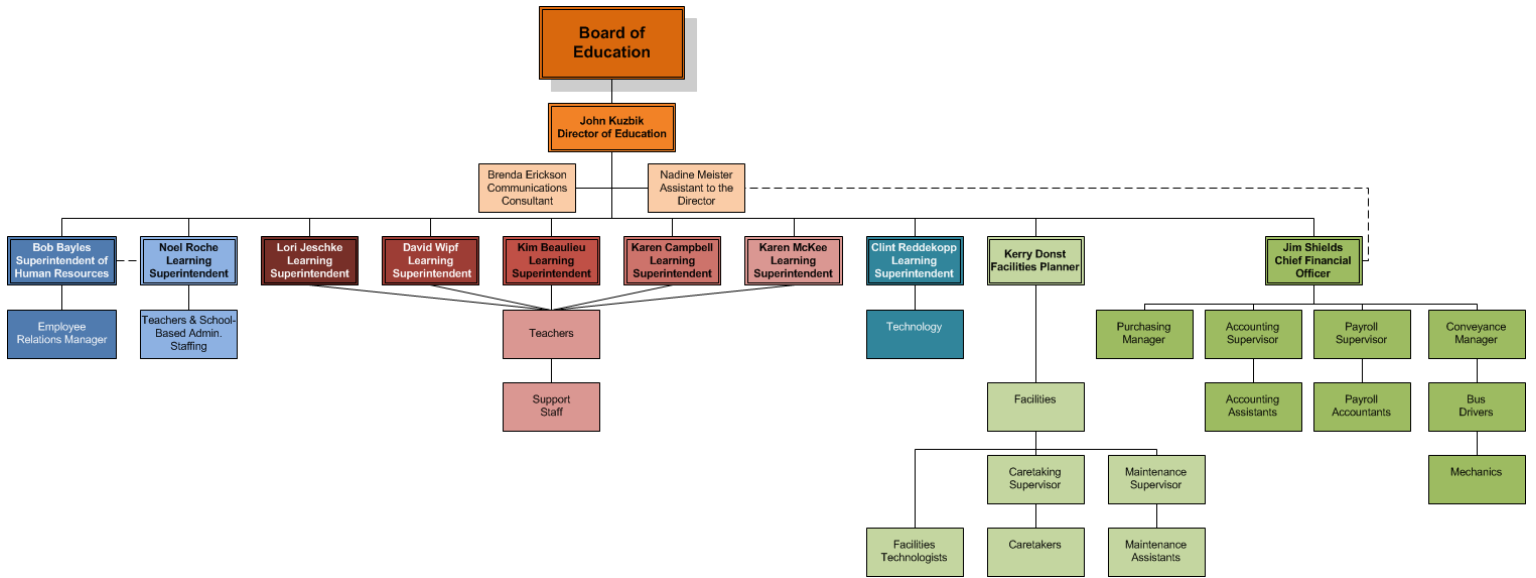
The school division minimizes these risks by:

- holding cash in an account at a Canadian bank, denominated in Canadian currency,
- managing cash flows to minimize utilization of its bank line of credit,
- managing its interest rate risk on long-term debt through the use of fixed rate terms and derivatives consisting of a long term financial instrument created by interest rate swap agreements on variable interest debt.

Foreign Currency Risk:

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The school division is exposed to currency risk on purchases denominated in U.S. dollars for which the related accounts payable balances are subject to exchange rate fluctuations; however, this risk is minimal as the school division does not make a significant amount of purchases denominated on a foreign currency. The school division did not have any financial instruments denominated in foreign currency outstanding at August 31, 2014 or August 31, 2013.

Appendix B: Organizational Chart



Appendix C: School List

School	Location	Grades
Aberdeen Composite School	Aberdeen	K-12
Allan Composite School	Allan	K-12
Blaine Lake Composite School	Blaine Lake	K-12
Borden School	Borden	K-12
Clavet Composite School	Clavet	K-12
Colonsay School	Colonsay	K-12
Dalmeny High School	Dalmeny	7-12
Delisle Composite School	Delisle	7-12
Delisle Elementary School	Delisle	K-6
Dundurn School	Dundurn	Pre-K to 6
Eagle Creek Hutterite Colony	by Asquith	K-9
Green Leaf Colony	by Marcelin	K-10
Hague Elementary School	Hague	K-6
Hague High School	Hague	7-12
Hanley School	Hanley	K-12
Hepburn School	Hepburn	K-12
Hillcrest Hutterite School	by Dundurn	K-9
Laird School	Laird	K-8
Langham Elementary School	Langham	K-5
Leask Colony	by Leask	K-10
Leask Community School	Leask	Pre-K to 12
Lord Asquith School	Asquith	Pre-K to 12
Lost River Hutterite School	by Allan	K-10
Martensville High School	Martensville	9-12
Osler School	Osler	K-9
Perdue School	Perdue	K-12
Pike Lake School	Pike Lake	K-4
Prairie View School	Dalmeny	K-6
Riverbend Colony	by Waldheim	K-10
Riverview Hutterite School	by Rosthern	K-9
Rosthern Elementary School	Rosthern	Pre-K to 5
Rosthern High School	Rosthern	6-12
South Corman Park School	Corman Park	K-6
Stobart Community School	Duck Lake	Pre-K to 12
Sunnydale Hutterite Colony	by Asquith	K-9
Valley Christian Academy	Osler	K-12
Valley Manor Elementary School	Martensville	Pre-K to 8
Vanscoy School	Vanscoy	K-8
Venture Heights Elementary	Martensville	Pre-K to 8
Waldheim School	Waldheim	K-12
Walter W. Brown School	Langham	6-12
Warman Community Middle School	Warman	4-7
Warman Elementary School	Warman	Pre-K to 3
Warman High School	Warman	8-12
Willow Park Hutterite Colony	by Delisle	K-9

Appendix D: Payee List

All Payments to Board members

Name	Remuneration	Expenses	Travel	Professional Development**	Total
Brochu, Joanne	\$4,397	\$3	\$1,863	\$670	\$6,933
Crush, Ken	\$10,075	\$9	\$1,537	\$3,373	\$14,994
Dyck, Sam	\$19,828	\$79	\$1,028	\$2,630	\$23,565
Greyeyes, Deanna	\$6,442		\$2,502	\$2,608	\$11,552
Hope, Bonnie	\$16,979	\$207	\$1,311	\$1,618	\$20,114
Howe, Bernie	\$8,163		\$2,891		\$11,054
Janzen, George	\$15,889	\$3	\$2,276	\$2,845	\$21,013
Pavloff, Larry*	\$34,477	\$610	\$8,986	\$3,094	\$47,167
Taylor, Cathy	\$14,417	\$26	\$4,217	\$2,507	\$21,167
Wagner, Keith	\$14,082	\$81	\$2,309	\$1,217	\$17,689
Wieler, Pam	\$13,442	\$113	\$4,056	\$1,372	\$18,983

Source: Prairie Spirit Finance Department, 2014

* Board Chair

** Professional development includes education, training and conferences

Payments of \$50,000 or more to other payees

Personal Services

This information will be provided upon request.

Supplier Payments

A.C.K.S. Driving School	\$183,480	DOMO Gasoline Corporation Ltd.	118,129
Al Anderson's Sports	101,817	Don Heppner	66,588
Ameresco	164,979	EF Educational Tours	103,183
AODBT Architects	1,159,465	Elroy Tank	56,654
Apple Canada Inc. C3120	157,124	Federated Co-operatives Ltd	826,902
AquaTemp Radiant Heating	307,708	Fehr's Painting Inc.	247,437
Blinds Unlimited	51,207	Flynn Canada Inc.	352,644
Bridge City Electric	212,661	Follett Software Company	90,098
Bus Sales of Saskatoon Ltd.	2,101,895	Fort Garry Industries Ltd.	133,202
CDW Canada Inc.	86,990	Grand & Toy Limited	56,925
Clark Roofing (1964) Ltd.	123,658	Great Western Saw Ltd.	110,458
Con-Tech General Contractors	3,347,638	Hague Gas & Confectionary	117,765
Dell Canada Inc.	503,835	Haid Roofing	103,533

HBI Office Plus Inc.	68,067	SaskPower	1,201,322
Horizon Computer Solutions	101,095	SaskTel CMR	204,583
Imperial Oil	99,870	Scholastic Book Fairs	64,624
Janet Wagner	95,474	Scottco Roof Consultants	53,616
Kemsol Products Ltd.	241,315	Shell Canada Products	160,441
Kramer Ltd.	418,936	Sherwood Chev Olds Inc.	65,910
Loraas Disposal Services Ltd.	54,690	SRB Education Solutions	288,003
Marsh Canada Limited	727,232	St. John's Music	70,835
McKercher LLP	182,590	Supreme Office Products	378,382
Merlin Motors Inc.	101,156	Sysco	58,649
NCS Pearson Inc.	150,162	Toshiba Business Solutions	298,120
Northend Warehousing Ltd.	149,509	Trade West Equipment Ltd.	98,332
Olympian Sports	97,453	Tyler Technologies Inc.	137,885
Parkland Industries	180,983	Unisource Canada Inc.	116,114
Pearson Canada Inc. T46254	146,259	US Bank National Association	844,916
Precision Driving School	137,344	Versatile Concepts Industries	886,470
Quality Tire Service Ltd.	119,365	Wajax Power Systems	67,004
Quorex Construction Services Ltd.	2,994,034	Wheaton GMC Buick Cadillac Ltd	118,280
R & D Drywall Inc.	166,821	Wright Construction	4,906,192
RBM & Son Excavating	119,065	Zep Sales & Services	73,610
Sask Workers' Compensation BD	236,478		
Saskatoon Fire & Flood	403,903		
Saskatoon Insurance Agencies	123,289		
SasKEnergy	637,752		

Transfers

Transfers to recipients who received a total of \$50,000 or more:

Beardy's and Okemasis First Nation	\$315,995
North West Regional College	64,628
Saskatoon Health Region	81,150

Other Expenditures

n/a

Appendix E: Infrastructure Projects

All capital projects and actual costs for 2013/14

School	Funding Source	Details	Project	project stage (as of Aug. 31/14)	2013/14 Cost
Martensville High * ** <i>(addition/renovation)</i>	Capital	Addition to school, connecting to MAP	Construction	On-going	\$2,282,032.36
Practical & Applied Arts upgrades	Capital (PSSD Board Funds)	Entire Division	Construction	On-going	\$1,884,497.81
Stobart Community School * ** <i>(new school build)</i>	Capital	Throughout school & site to finalize deficiencies	Construction	On-going	\$208,708.14
Valley Manor Elementary * Venture Heights Elementary *	Relocatables (Capital)	2012/2013 Relocatable Classrooms	2013 - ConTech	Complete	\$1,846,580.06
Warman Middle Years * ** <i>(new school build)</i>	Capital	New School	Construction	On-going (97% Complete)	\$3,965,428.80

Source: Prairie Spirit Facilities Department, 2014

*Part of the cost of this project was paid during the 2012/13 budget year.

**This project will be completed in 2014/15 and part of the cost will be incurred during 2014/15.