

Manitoba
Education



Schools' Finance Branch
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**FRONTIER SCHOOL DIVISION
30 SPEERS ROAD
WINNIPEG, MANITOBA R2J 1L9**

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

June 30, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of Frontier School Division

We have audited the following financial statements of Frontier School Division (the "Division") as at June 30, 2020, and for the year then ended:

Consolidated – Statement of Financial Position
Consolidated – Statement of Revenue, Expenses and Accumulated Surplus
Consolidated – Statement of Change in Net Debt
Consolidated – Statement of Cash Flow
Operating Fund – Schedule of Financial Position
Operating Fund – Schedule of Revenue, Expenses and Accumulated Surplus
Capital Fund – Schedule of Financial Position
Capital Fund – Schedule of Revenue, Expenses and Accumulated Surplus
Capital Fund – Schedule of Tangible Capital Assets
Capital Fund – Schedule of Capital Reserve Accounts
Special Purpose Fund – Schedule of Financial Position
Special Purpose Fund – Schedule of Revenue, Expenses and Accumulated Surplus
Notes to the Financial Statements

In our opinion, these financial statements present fairly, in all material respects, the financial position of Frontier School Division as at June 30, 2020 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Basis for Opinion

We conducted our audit in accordance with the Canadian generally accepted accounting standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Division in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the above listed financial statements taken as a whole. The current year's supplementary information included in the other statements and reports is presented for purposes of additional analysis and is not a required part of basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in, our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Our opinion on these financial statements does not extend to any budget information contained therein.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, 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.

In preparing the financial statements, management is responsible for assessing the Division's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Division or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Division's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Division's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Division's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Division to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants

Winnipeg, Manitoba
November 19, 2020

AUDITOR'S REPORT ON ENROLMENT

TO THE BOARD OF TRUSTEES FRONTIER SCHOOL DIVISION

We have audited the attached EIS Enrolment File Verification Report - EIS Cert. - part 2 of 2 (prepared in accordance with Part I, Sections 1.1 and 1.2 of the Public Schools Enrolment and Categorical Grants Reporting for the 2019/20 School Year) of the Frontier School Division as at September 30, 2019. This enrolment information is the responsibility of the Division's management. Our responsibility is to express an opinion on this enrolment information based on our audit.

We conducted our audit in accordance with the standards for assurance engagements set out in the CICA Handbook - Assurance. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the enrolment information is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the enrolment information.

In our opinion, this report presents fairly, in all material respects, the enrolment of the Frontier School Division as at September 30, 2019 in accordance with the Public Schools Enrolment and Categorical Grants Reporting for the 2019/20 School Year referred to above.



Auditor

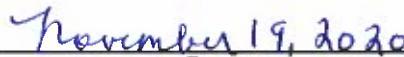
November 19, 2020

Date

I hereby certify that the preceding report has been presented to the members of the Board of Frontier School Division.



Chairperson of the Board



Date

MANAGEMENT REPORT

Management's Responsibility for the Financial Statements

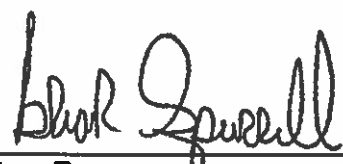
The accompanying consolidated financial statements of Frontier School Division are the responsibility of the Division management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 2 to the consolidated financial statements.

The preparation of consolidated 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. Division management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

The Board of Trustees of the Division met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by Deloitte LLP, independent external auditors appointed by the Board. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Division's consolidated financial statements.


Chairperson


Secretary-Treasurer

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at June 30

Notes	2020	2019
Financial Assets		
Cash and Bank	2,198,269	12,810,189
Due from - Provincial Government	2,969,758	2,876,515
- Federal Government	1,010,524	679,610
- Municipal Government	2,180,516	2,141,651
- Other School Divisions	-	1,446
- First Nations	27,159,731	14,250,674
Accounts Receivable	1,597,218	189,189
Accrued Investment Income	-	79,950
Portfolio Investments	-	16,500,000
	<u>37,116,016</u>	<u>49,529,224</u>
Liabilities		
Overdraft	-	-
Accounts Payable	9,548,256	10,774,932
Accrued Liabilities	11,187,814	8,757,890
* Employee Future Benefits	1,060,750	1,055,978
Accrued Interest Payable	726,914	778,485
Due to - Provincial Government	380,240	422,541
- Federal Government	-	-
- Municipal Government	-	-
- Other School Divisions	-	2,970
- First Nations	6,833,556	3,548,959
* Deferred Revenue	2,450,659	17,901,889
* Borrowings from the Provincial Government	39,797,027	42,291,441
* Other Borrowings	2,003,612	2,009,410
School Generated Funds Liability	419,994	433,207
	<u>74,408,822</u>	<u>87,977,702</u>
Net Assets (Debt)	<u>(37,292,806)</u>	<u>(38,448,478)</u>
Non-Financial Assets		
* Net Tangible Capital Assets (TCA Schedule)	77,402,025	77,074,671
Inventories	-	-
Prepaid Expenses	347,177	610,509
	<u>77,749,202</u>	<u>77,685,180</u>
* Accumulated Surplus	<u>40,456,396</u>	<u>39,236,702</u>

See accompanying notes to the Financial Statements

**CONSOLIDATED STATEMENT
OF REVENUE, EXPENSES
AND ACCUMULATED SURPLUS**

For the Year Ended June 30

Notes	2020	2019
Revenue		
Provincial Government	54,369,343	55,123,615
Federal Government	898,951	1,889,451
Municipal Government	2,810,998	2,827,160
- Property Tax		
- Other	419,740	403,920
Other School Divisions	16,250	10,400
First Nations	79,815,863	80,518,140
Private Organizations and Individuals	5,306,039	4,908,147
Other Sources	1,852,401	2,118,830
School Generated Funds	493,413	649,387
Other Special Purpose Funds	-	-
	<u>145,982,998</u>	<u>148,449,050</u>
Expenses		
Regular Instruction	61,224,937	60,272,999
Student Support Services	19,758,187	21,312,857
Adult Learning Centres	3,866,887	3,976,842
Community Education and Services	2,564,216	2,479,833
Divisional Administration	7,082,682	7,290,505
Instructional and Other Support Services	7,096,034	7,644,906
Transportation of Pupils	10,760,948	11,949,484
Operations and Maintenance	24,159,280	23,985,328
Fiscal		
- Interest	2,093,211	2,200,117
- Other	1,232,338	1,211,927
Amortization	4,425,855	4,413,125
Other Capital Items	-	-
School Generated Funds	498,729	625,878
Other Special Purpose Funds	-	-
	<u>144,763,304</u>	<u>147,363,801</u>
Current Year Surplus (Deficit) before Non-vested Sick Leave	<u>1,219,694</u>	<u>1,085,249</u>
Less: Non-vested Sick Leave Expense (Recovery)	<u>0</u>	<u>0</u>
Net Current Year Surplus (Deficit)	<u>1,219,694</u>	<u>1,085,249</u>
Opening Accumulated Surplus	39,236,702	38,151,453
Adjustments:		
Tangible Cap. Assets and Accum. Amort.	-	-
Other than Tangible Cap. Assets	-	-
Non-vested sick leave - prior years	-	-
Opening Accumulated Surplus, as adjusted	<u>39,236,702</u>	<u>38,151,453</u>
Closing Accumulated Surplus	<u>40,456,396</u>	<u>39,236,702</u>

See accompanying notes to the Financial Statements

* NOTE REQUIRED

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

For the Year Ended June 30, 2020

	2020	2019
Net Current Year Surplus (Deficit)	<u>1,219,694</u>	<u>1,085,249</u>
Amortization of Tangible Capital Assets	4,425,855	4,413,125
Acquisition of Tangible Capital Assets	(4,753,209)	(3,211,890)
(Gain) / Loss on Disposal of Tangible Capital Assets	(1,785)	-
Proceeds on Disposal of Tangible Capital Assets	<u>1,785</u>	<u>-</u>
	<u>(327,354)</u>	<u>1,201,235</u>
Inventories (Increase)/Decrease	-	-
Prepaid Expenses (Increase)/Decrease	<u>263,332</u>	<u>(265,528)</u>
	<u>263,332</u>	<u>(265,528)</u>
(Increase)/Decrease in Net Debt	<u>1,155,672</u>	<u>2,020,956</u>
Net Debt at Beginning of Year	(38,448,478)	(40,469,434)
Adjustments Other than Tangible Cap. Assets	<u>-</u>	<u>-</u>
	<u>(38,448,478)</u>	<u>(40,469,434)</u>
Net Assets (Debt) at End of Year	<u><u>(37,292,806)</u></u>	<u><u>(38,448,478)</u></u>

CONSOLIDATED STATEMENT OF CASH FLOW

For the Year Ended June 30, 2020

	2020	2019
Operating Transactions		
Net Current Year Surplus (Deficit)	1,219,694	1,085,249
Non-Cash Items Included in Current Year Surplus/(Deficit):		
Amortization of Tangible Capital Assets	4,425,855	4,413,125
(Gain)/Loss on Disposal of Tangible Capital Assets	(1,785)	-
Employee Future Benefits Increase/(Decrease)	4,772	(312,884)
Due from Other Organizations (Increase)/Decrease	(13,370,633)	1,981,097
Accounts Receivable & Accrued Income (Increase)/Decrease	(1,328,079)	(38,107)
Inventories and Prepaid Expenses - (Increase)/Decrease	263,332	(265,528)
Due to Other Organizations Increase/(Decrease)	3,239,326	1,669,374
Accounts Payable & Accrued Liabilities Increase/(Decrease)	1,151,677	(477,023)
Deferred Revenue Increase/(Decrease)	(15,451,230)	(1,577,007)
School Generated Funds Liability Increase/(Decrease)	(13,213)	5,616
Adjustments Other than Tangible Cap. Assets	-	-
Cash Provided by (Applied to) Operating Transactions	<u>(19,860,284)</u>	<u>6,483,912</u>
Capital Transactions		
Acquisition of Tangible Capital Assets	(4,753,209)	(3,211,890)
Proceeds on Disposal of Tangible Capital Assets	1,785	-
Cash Provided by (Applied to) Capital Transactions	<u>(4,751,424)</u>	<u>(3,211,890)</u>
Investing Transactions		
Portfolio Investments (Increase)/Decrease	16,500,000	(4,000,000)
Cash Provided by (Applied to) Investing Transactions	<u>16,500,000</u>	<u>(4,000,000)</u>
Financing Transactions		
Borrowings from the Provincial Government Increase/(Decrease)	(2,494,414)	(2,439,629)
Other Borrowings Increase/(Decrease)	(5,798)	71,486
Cash Provided by (Applied to) Financing Transactions	<u>(2,500,212)</u>	<u>(2,368,143)</u>
Cash and Bank / Overdraft (Increase)/Decrease	(10,611,920)	(3,096,121)
Cash and Bank (Overdraft) at Beginning of Year	<u>12,810,189</u>	<u>15,906,310</u>
Cash and Bank (Overdraft) at End of Year	<u><u>2,198,269</u></u>	<u><u>12,810,189</u></u>

OPERATING FUND SCHEDULE OF FINANCIAL POSITION

as at June 30

	2020	2019
Financial Assets		
Cash and Bank	1,580,404	12,173,795
Due from		
- Provincial Government	2,242,844	2,098,030
- Federal Government	1,010,524	679,610
- Municipal Government	2,180,516	2,141,651
- Other School Divisions	-	1,446
- First Nations	27,159,731	14,250,674
- Other Funds	-	-
Accounts Receivable	1,597,218	189,189
Accrued Investment Income	-	79,950
Portfolio Investments	-	16,500,000
	<u>35,771,237</u>	<u>48,114,345</u>
Liabilities		
Overdraft	-	-
Accounts Payable	9,548,256	10,774,932
Accrued Liabilities	11,187,814	8,757,890
Employee Future Benefits	1,060,750	1,055,978
Accrued Interest Payable	-	-
Due to		
- Provincial Government	380,240	422,541
- Federal Government	-	-
- Municipal Government	-	-
- Other School Divisions	-	2,970
- First Nations	6,833,556	3,548,959
- Capital Fund	476,865	1,782,155
Deferred Revenue	1,253,401	17,371,097
Other Borrowings	-	-
	<u>30,740,882</u>	<u>43,716,522</u>
Net Financial Assets (Net Debt)	<u>5,030,355</u>	<u>4,397,823</u>
Non-Financial Assets		
Inventories	-	-
Prepaid Expenses	347,177	610,509
	<u>347,177</u>	<u>610,509</u>
Accumulated Surplus (Deficit)	<u>5,377,532</u>	<u>5,008,332</u>

**OPERATING FUND
SCHEDULE OF REVENUE, EXPENSES
AND ACCUMULATED SURPLUS**

For the Year Ended June 30

	2020 Actual	2020 Budget	2019 Actual
Revenue			
Provincial Government - Core	49,163,050	49,090,718	49,807,973
Federal Government	898,951	-	1,252,478
Municipal Government - Property Tax	2,810,998	2,848,562	2,827,160
- Other	419,740	400,000	403,920
Other School Divisions	16,250	-	10,400
First Nations	79,815,863	84,730,358	80,518,140
Private Organizations and Individuals	5,306,039	4,571,284	4,908,147
Other Sources	836,946	478,644	1,121,699
	<u>139,267,837</u>	<u>142,119,566</u>	<u>140,849,917</u>
Expenses			
Regular Instruction	61,224,937	61,598,956	60,272,999
Student Support Services	19,758,187	21,858,988	21,312,857
Adult Learning Centres	3,866,887	3,601,407	3,976,842
Community Education and Services	2,564,216	2,114,143	2,479,833
Divisional Administration	7,082,682	7,429,682	7,290,505
Instructional and Other Support Services	7,096,034	7,646,024	7,644,906
Transportation of Pupils	10,760,948	11,982,580	11,949,484
Operations and Maintenance	24,159,280	24,272,786	23,985,328
Fiscal	1,252,201	1,265,000	1,215,205
	<u>137,765,372</u>	<u>141,769,566</u>	<u>140,127,959</u>
Current Year Surplus (Deficit) before Non-vested Sick Leave	<u>1,502,465</u>	<u>350,000</u>	<u>721,958</u>
Less: Non-vested Sick Leave Expense (Recovery)	<u>-</u>	<u>-</u>	<u>-</u>
Current Year Surplus (Deficit) after Non-vested Sick Leave	<u>1,502,465</u>	<u>350,000</u>	<u>721,958</u>
Net Transfers from (to) Capital Fund	(1,133,265)	(350,000)	(1,032,583)
Transfers from Special Purpose Funds	<u>-</u>	<u>-</u>	<u>-</u>
Net Current Year Surplus (Deficit)	<u>369,200</u>	<u>0</u>	<u>(310,625)</u>
Opening Accumulated Surplus (Deficit)	5,008,332		5,318,957
Adjustments: Liability for Contaminated Sites	<u>-</u>		<u>-</u>
	<u>-</u>		<u>-</u>
Non-vested sick leave - prior years	<u>-</u>		<u>-</u>
Opening Accumulated Surplus (Deficit), as adjusted	<u>5,008,332</u>		<u>5,318,957</u>
Closing Accumulated Surplus (Deficit)	<u>5,377,532</u>		<u>5,008,332</u>

OPERATING FUND - REVENUE DETAIL PROVINCE OF MANITOBA

For the Year Ended June 30, 2020

Funding of Schools Program

Base Support		
Instructional Support	4,108,557	
Additional Instructional Support for Small Schools	-	
Sparsity	953,057	
Curricular Materials	127,926	
Information Technology	132,190	
Library Services	196,153	
Student Services	1,312,282	
Counselling and Guidance	176,964	
Professional Development	83,152	
Physical Education	28,500	
Occupancy	<u>4,180,095</u>	11,298,876
Categorical Support		
Transportation	1,377,556	
Board and Room	219,600	
Special Needs: Coordinator/Clinician	313,419	
Special Needs: Level 2	972,800	
Special Needs: Level 3	538,815	
Senior Years Technology Education	59,125	
English as an Additional Language	3,000	
Indigenous Academic Achievement (including BSSIP)	851,750	
Indigenous and International Languages	14	
French Language Education	-	
Small Schools	401,385	
Enrolment Change Support	228,054	
Northern Allowance	1,428,507	
Early Childhood Development Initiative	38,959	
Literacy and Numeracy	175,068	
Education for Sustainable Development	<u>28,000</u>	6,636,052
Equalization		14,062,458
Additional Equalization		4,758,592
Adjustment for Days Closed		-
Formula Guarantee		-
Other Program Support		
School Buildings Support: "D" Projects	286,620	
Technology Education Equipment Replacement	94,700	
Skills Strategy Equipment Enhancement	-	
Other Minor Capital Support	-	
Prior Year Support		
Finalization of Previous Year Support	-	
Curricular Materials	-	
School Buildings Support: "D" Projects	-	
Technology Education Equipment	<u>-</u>	<u>381,320</u>
		<u>37,137,298</u>

**OPERATING FUND - REVENUE DETAIL
PROVINCE OF MANITOBA (CONT'D)**

For the Year Ended June 30, 2020

Other Department of Education

Non-Resident	2,665,603	
Special Needs	-	
Institutional Programs	-	
Nursing Supports (URIS)	-	
Substitute Fees	-	
General Support Grant	1,162,396	
Education Property Tax Credit	546,172	
Tax Incentive Grant	180,469	
Early Years Enhancement Grant	268,903	
Community Schools	240,000	
Healthy Schools Initiative	18,734	
Learning to Age 18 Coordinator	20,000	
Other: Test Marking	3,566	
Special Operating Grant	4,010,000	
Common Area Grant (Churchill and Leaf Rapids)	506,165	
Paul Marin Grant	30,000	
Minor Teacherage/ Capital Grant	708,100	
Career Development	135,000	
Healthy Child - PEER (Churchill and Cormorant)	70,000	
Grand Rapids Parenting	15,075	
		10,580,183

Other Provincial Government Departments (Not including GBE's)

Employment Programs	49,767	
Adult Learning Centres	1,200,850	
Other: Justice - Lighthouse	24,000	
Aboriginal and Northern Affairs	114,017	
Municipal Affairs - Frontier Games and Green Team	38,602	
Heritage Grant Program	3,103	
Aboriginal and Northern Affairs - Northern Foods Initiative	15,230	
		1,445,569

Funding of Schools Program (previous page)	37,137,298
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TOTAL PROVINCIAL GOVERNMENT REVENUE	49,163,050
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**OPERATING FUND - REVENUE DETAIL
NON-PROVINCIAL GOVERNMENT SOURCES**

For the Year Ended June 30, 2020

Federal Government			
Tuition Fees		-	
Transportation of Pupils		-	
French Language Monitor		-	
English as an Additional Language (Adults)		-	
Other:	Jordan's Principle	898,951	
			898,951
Municipal Government			
Special Requirement		3,537,639	
Less: Education Property Tax Credit		(546,172)	
Less: Tax Incentive Grant		(180,469)	
Other:	Snow Lake Mining Tax	419,740	
			3,230,738
Other School Divisions			
Tuition Fees		16,250	
Transfer Fees		-	
Residual Fees		-	
Transportation of Pupils		-	
Other:		-	
			16,250
First Nations			
Tuition Fees		67,415,752	
Transportation of Pupils		4,556,011	
Other:	Norway House Adult Ed	1,662,202	
	Special Needs	2,590,673	
	Misipawistik Breakfast Grant	30,000	
	FC Room & Board	3,561,225	
			79,815,863
Private Organizations and Individuals (Includes GBE's)			
Regular Tuition		-	
International Tuition		-	
Continuing Education		-	
Other Tuition:	Manitoba Hydro	3,382,021	
Food Service		218,014	
Government Business Enterprises (GBE's)		-	
Other:	Red Cross	60,000	
	Teacherage Income	1,504,939	
	Tides Canada (NMFCCC)	51,065	
	CWB Welding Foundation	30,000	
	Churchill Mitigation Trust	50,000	
	Northern Neighbours Foundation	10,000	
			5,306,039
Other Sources			
Interest		395,326	
Donations		-	
Other:	FC 3rd Party / Misc / Canteen	57,485	
	Power Smart	11,090	
	FSD Builders	237,197	
	Dakota Objibway Council	10,850	
	Misc Expense/ Income	82,381	
	Engaged Learners	36,000	
	Science Partnership	5,617	
	Skownan Health	1,000	
			836,946
TOTAL NON-PROVINCIAL GOVERNMENT REVENUE			90,104,787

OPERATING FUND - EXPENSE BY FUNCTION AND BY OBJECT
For the Year Ended June 30

FUNCTION OBJECT	100	200	300	400	500	600	700	800	900	2020	2019
	Regular Instruction	Student Support Services	Adult Learning Centres	Education and Services	Divisional Administration	Instructional and Other Support Services	Transportation of Pupils	Operations and Maintenance	Fiscal	TOTALS	TOTALS
Salaries	48,111,148	16,002,704	1,880,454	1,994,184	4,501,228	3,755,054	5,045,863	8,391,279		69,681,914	87,409,118
Employees Benefits and Allowances	3,132,479	2,024,478	118,084	169,872	581,674	382,749	801,124	1,377,596		8,588,056	8,435,835
Services	1,653,589	1,186,870	131,085	93,758	1,448,365	1,659,216	3,555,767	11,015,139		20,743,789	22,303,683
Supplies, Materials and Minor Equipment	5,602,968	544,135	69,623	306,402	453,518	1,283,419	1,281,448	3,375,266		12,916,779	15,145,903
Interest and Bank Charges									19,863	19,863	3,278
Bad Debt Expense									-	0	0
Transfers	2,724,753	-	1,667,641	-	97,897	15,596	76,746	-	(PAYROLL TAX) 1,232,338	5,814,971	6,830,142
TOTALS	61,224,937	19,758,187	3,866,887	2,564,216	7,082,682	7,096,034	10,760,948	24,159,280	1,252,201	137,765,372	140,127,959

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OPERATING FUND - EXPENSE DETAIL: FUNCTION 100
For the Year Ended June 30, 2020

REGULAR INSTRUCTION		10 ADMINISTRATION	SINGLE TRACK SCHOOLS *			80 DUAL TRACK SCHOOLS **	90 SENIOR YEARS TECHNOLOGY EDUCATION	TOTALS
			20 ENGLISH LANGUAGE	50 FRANÇAIS	70 FRENCH IMMERSION			
CODE	OBJECT \ PROGRAM							
3XX SALARIES								
320	Executive, Managerial and Supervisory	4,824,735						4,824,735
330	Instructional - Teaching		40,004,437					40,004,437
350	Instructional - Other		511,153					511,153
360	Technical, Specialized and Service		912,596					912,596
370	Secretarial, Clerical and Other	1,501,426						1,501,426
390	Information Technology	356,801						356,801
	Total Salaries	6,682,962	41,428,186	0	0	0	0	48,111,148
4XX EMPLOYEES BENEFITS AND ALLOWANCES		524,498	2,607,981					3,132,479
5-8XX SERVICES								
510	Professional, Technical and Specialized	4,275	341,413					345,688
520	Communications	312,915	3,352					318,267
540	Travel and Meetings	36,997	242,511					279,508
560	Tuition		10,100					10,100
570	Printing and Binding							0
580	Insurance and Bond Premiums	7,249	16,418					23,667
590	Maintenance and Repair Services		262,637					262,637
610	Rentals	11,215	297,179					308,394
630	Advertising	28,310	8,823					37,133
640	Dues and Fees							0
650	Professional and Staff Development	70,195						70,195
680	Information Technology Services							0
	Total Services	471,156	1,182,433	0	0	0	0	1,653,589
7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT								
710	Supplies	6,725	2,458,053					2,464,778
740	Curricular and Media Materials		323,095					323,095
760	Minor Equipment	24,148	796,332					820,480
780	Information Technology Equipment	25,683	1,968,932					1,994,615
	Total Supplies, Materials and Minor Equipment	56,556	5,546,412	0	0	0	0	5,602,968
96X-99 TRANSFERS								
960	School Divisions		771,904					771,904
980	Organizations and Individuals		1,952,849					1,952,849
	Total Transfers	0	2,724,753	0	0	0	0	2,724,753
TOTALS		7,735,172	53,489,765	0	0	0	0	61,224,937

* 90% or more of enrolment is in one of the following instructional programs: English Language, Français, French Immersion.
** includes multi-track schools.

OPERATING FUND - EXPENSE DETAIL: FUNCTION 200

For the Year Ended June 30, 2020

STUDENT SUPPORT SERVICES		10	30	40	50	60	70	TOTALS
CODE	OBJECT \ PROGRAM	ADMINISTRATION /CO-ORDINATION	CLINICAL AND RELATED SERVICES	SPECIAL PLACEMENT	REGULAR PLACEMENT	RESOURCE SERVICES	COUNSELLING AND GUIDANCE	
3XX	SALARIES							
320	Executive, Managerial and Supervisory						391,861	391,861
330	Instructional - Teaching				67,959	3,604,297	1,091,294	4,763,550
350	Instructional - Other				7,986,578		1,373,024	9,369,602
360	Technical, Specialized and Service		21,366				160,011	181,377
370	Secretarial, Clerical and Other						84,985	84,985
380	Clinician		833,982				377,347	1,211,329
390	Information Technology							0
	Total Salaries	0	855,348	0	8,064,537	3,604,297	3,478,522	16,002,704
4XX	EMPLOYEES BENEFITS AND ALLOWANCES		47,982		1,414,370	196,880	365,246	2,024,478
5-6XX	SERVICES							
510	Professional, Technical and Specialized		324,879				49,323	374,202
520	Communications		1,876			507	6,304	8,687
540	Travel and Meetings		129,967		4,678	84,752	325,104	544,501
560	Tuition							0
570	Printing and Binding							0
580	Insurance and Bond Premiums		5,680			2,675	14,520	22,875
590	Maintenance and Repair Services		32,000				8,229	40,229
610	Rentals		28,532			12,859	77,406	118,797
630	Advertising		3,032		2,792	216	9,186	15,226
640	Dues and Fees		1,540			400	2,661	4,601
650	Professional and Staff Development						57,752	57,752
680	Information Technology Services							0
	Total Services	0	527,506	0	7,470	101,409	550,485	1,186,870
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT							
710	Supplies		20,595		287,950	7,149	102,220	417,914
740	Curricular and Media Materials						1,411	1,411
760	Minor Equipment				46,732	248	5,412	52,392
780	Information Technology Equipment		3,780		21,041	219	47,378	72,418
	Total Supplies, Materials and Minor Equipment	0	24,375	0	355,723	7,616	156,421	544,135
96X-99	TRANSFERS							
960	School Divisions							0
980	Organizations and Individuals							0
	Total Transfers	0	0	0	0			0
	TOTALS	0	1,455,211	0	9,842,100	3,910,202	4,550,674	19,758,187

OPERATING FUND - EXPENSE DETAIL: FUNCTION 300
For the Year Ended June 30, 2020

ADULT LEARNING CENTRES		10	20	
CODE	OBJECT \ PROGRAM	ADMINISTRATION AND OTHER	INSTRUCTION	TOTALS
3XX	SALARIES			
320	Executive, Managerial and Supervisory	106,028		106,028
330	Instructional - Teaching		1,653,655	1,653,655
350	Instructional - Other		38,271	38,271
360	Technical, Specialized and Service		44,052	44,052
370	Secretarial, Clerical and Other	38,448		38,448
390	Information Technology			0
	Total Salaries	144,476	1,735,978	1,880,454
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	9,679	108,405	118,084
5-6XX	SERVICES			
510	Professional, Technical and Specialized			0
520	Communications	11,609	2,928	14,537
530	Utility Services	12,058		12,058
540	Travel and Meetings	20,546	24,557	45,103
560	Tuition			0
570	Printing and Binding			0
580	Insurance and Bond Premiums	1,504		1,504
590	Maintenance and Repair Services		2,272	2,272
610	Rentals	9,054	36,313	45,367
620	Property Taxes			0
630	Advertising		25	25
640	Dues and Fees			0
650	Professional and Staff Development	4,221	5,998	10,219
680	Information Technology Services			0
	Total Services	58,992	72,093	131,085
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT			
710	Supplies	5,341	24,252	29,593
740	Curricular and Media Materials	14,165		14,165
760	Minor Equipment		4,661	4,661
780	Information Technology Equipment	1,457	19,747	21,204
	Total Supplies, Materials and Minor Equipment	20,963	48,660	69,623
96X-99	TRANSFERS			
960	School Divisions			0
980	Organizations and Individuals	5,439	1,662,202	1,667,641
999	Recharge			0
	Total Transfers	5,439	1,662,202	1,667,641
	TOTALS	239,549	3,627,338	3,866,887

OPERATING FUND - EXPENSE DETAIL: FUNCTION 400
For the Year Ended June 30, 2020

COMMUNITY EDUCATION AND SERVICES		10	20	30	40	
CODE	OBJECT \ PROGRAM	CONTINUING EDUCATION	ENGLISH AS AN ADDITIONAL LANGUAGE FOR ADULTS	COMMUNITY SERVICES AND RECREATION	PRE-KINDERGARTEN EDUCATION	TOTALS
3XX SALARIES						
320	Executive, Managerial and Supervisory					0
330	Instructional - Teaching				1,443,801	1,443,801
350	Instructional - Other			311,579	79,813	391,392
360	Technical, Specialized and Service			159,191		159,191
370	Secretarial, Clerical and Other					0
380	Clinician					0
390	Information Technology					0
	Total Salaries	0	0	470,770	1,523,414	1,994,184
4XX EMPLOYEES BENEFITS AND ALLOWANCES						
				69,996	99,876	169,872
5-6XX SERVICES						
510	Professional, Technical and Specialized			66,045		66,045
520	Communications			3,053		3,053
540	Travel and Meetings			15,546		15,546
570	Printing and Binding					0
580	Insurance and Bond Premiums			1,286		1,286
590	Maintenance and Repair Services			4,135		4,135
610	Rentals			3,200	365	3,565
630	Advertising					0
640	Dues and Fees					0
650	Professional and Staff Development			128		128
680	Information Technology Services					0
	Total Services	0	0	93,393	365	93,758
7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710	Supplies			255,235	18,282	273,517
740	Curricular and Media Materials					0
760	Minor Equipment			32,091		32,091
780	Information Technology Equipment			794		794
	Total Supplies, Materials and Minor Equipment	0	0	288,120	18,282	306,402
96X-99 TRANSFERS						
980	Organizations and Individuals					0
999	Recharge					0
	Total Transfers	0	0	0	0	0
TOTALS		0	0	922,279	1,641,937	2,564,216

OPERATING FUND - EXPENSE DETAIL: FUNCTION 500
For the Year Ended June 30, 2020

DIVISIONAL ADMINISTRATION		10	20	30	50	
CODE	OBJECT \ PROGRAM	BOARD OF TRUSTEES	INSTRUCTIONAL MANAGEMENT & ADMINISTRATION	BUSINESS AND ADMINISTRATIVE SERVICES	MANAGEMENT INFORMATION SERVICES	TOTALS
3XX SALARIES						
310	Trustees Remuneration	240,655				240,655
320	Executive, Managerial and Supervisory		1,605,020	518,614	127,704	2,251,338
360	Technical, Specialized and Service	300,869		223,792		524,661
370	Secretarial, Clerical and Other	1,832	57,363	1,121,821	22,305	1,203,321
390	Information Technology				281,253	281,253
	Total Salaries	543,356	1,662,383	1,864,227	431,262	4,501,228
4XX EMPLOYEES BENEFITS AND ALLOWANCES						
		47,004	125,671	344,421	64,578	581,674
5-6XX SERVICES						
510	Professional, Technical and Specialized	3,002	141,603	102,037		246,642
520	Communications	2,278	1,500	124,779	10,547	139,104
540	Travel and Meetings	380,892	126,740	30,943	17,251	555,826
570	Printing and Binding	20,013		9,901		29,914
580	Insurance and Bond Premiums	2,126	16,652	91,668	1,614	112,060
590	Maintenance and Repair Services			3,433		3,433
610	Rentals	11,065	57,196	112,402	7,339	188,002
630	Advertising	699	5,590	1,901	490	8,680
640	Dues and Fees	92,339	10,451	7,479	1,894	112,163
650	Professional and Staff Development	5,320	23,964	6,015	17,242	52,541
680	Information Technology Services					0
	Total Services	517,734	383,696	490,558	56,377	1,448,365
7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710	Supplies	1,695	10,132	143,722	737	156,286
740	Curricular and Media Materials					0
760	Minor Equipment			25,179	8,467	33,646
780	Information Technology Equipment	357	64,077	44,127	155,025	263,586
	Total Supplies, Materials and Minor Equipment	2,052	74,209	213,028	164,229	453,518
96X-99 TRANSFERS						
960	School Divisions					0
980	Organizations and Individuals	61,995		35,902		97,897
999	Recharge					0
	Total Transfers	61,995	0	35,902		97,897
TOTALS		1,172,141	2,245,959	2,948,136	716,446	7,082,682

OPERATING FUND - EXPENSE DETAIL: FUNCTION 600

For the Year Ended June 30, 2020

INSTRUCTIONAL AND OTHER SUPPORT SERVICES		05	10	20	30	80	
CODE	OBJECT \ PROGRAM	CURRICULUM CONSULTING & DEVELOPMENT ADMINISTRATION	CURRICULUM CONSULTING & DEVELOPMENT	LIBRARY / MEDIA CENTRE	PROFESSIONAL AND STAFF DEVELOPMENT	OTHER	TOTALS
3XX SALARIES							
320	Executive, Managerial and Supervisory		300,225	79,619			379,844
330	Instructional - Teaching		1,596,883		10,091		1,606,974
350	Instructional - Other			880,658		65,737	946,395
360	Technical, Specialized and Service		110,967	59,237	1,223	551,640	723,067
370	Secretarial, Clerical and Other		62,701	36,073			98,774
390	Information Technology						0
	Total Salaries	0	2,070,776	1,055,587	11,314	617,377	3,755,054
4XX EMPLOYEES BENEFITS AND ALLOWANCES							
			129,745	163,676	1,218	88,110	382,749
5-6XX SERVICES							
510	Professional, Technical and Specialized		99,580	40,892			140,472
520	Communications		7,328	1,018			8,346
540	Travel and Meetings		241,836	15,654		97,035	354,525
560	Tuition						0
570	Printing and Binding						0
580	Insurance and Bond Premiums		14,365			4,339	18,704
590	Maintenance and Repair Services		600			5,967	6,567
610	Rentals		89,660				89,660
630	Advertising		5,574				5,574
640	Dues and Fees		3,098				3,098
650	Professional and Staff Development		139,328	28,783	864,159		1,032,270
680	Information Technology Services						0
	Total Services	0	601,369	86,347	864,159	107,341	1,659,216
7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT							
710	Supplies		96,738	12,072	220	708,111	817,141
740	Curricular and Media Materials		827	302,070			302,897
760	Minor Equipment		19,935	5,577		75,179	100,691
780	Information Technology Equipment		8,339	39,985		14,366	62,690
	Total Supplies, Materials and Minor Equipment	0	125,839	359,704	220	797,656	1,283,419
96X-99 TRANSFERS							
960	School Divisions						0
980	Organizations and Individuals					15,596	15,596
	Total Transfers					15,596	15,596
TOTALS		0	2,927,729	1,665,314	876,911	1,626,080	7,096,034

OPERATING FUND - EXPENSE DETAIL: FUNCTION 700
For the Year Ended June 30, 2020

TRANSPORTATION OF PUPILS		10	20	70	80	90	
CODE	OBJECT \ PROGRAM	ADMINISTRATION	REGULAR	ALLOWANCES IN LIEU OF TRANSPORTATION	BOARDING OF STUDENTS/ DORMITORIES	FIELD TRIPS AND OTHER	TOTALS
3XX SALARIES							
320	Executive, Managerial and Supervisory	168,095			254,239		422,334
350	Instructional - Other				35,327		35,327
360	Technical, Specialized and Service		3,117,725		1,303,051	83,080	4,503,856
370	Secretarial, Clerical and Other	47,015			37,331		84,346
390	Information Technology						0
	Total Salaries	215,110	3,117,725		1,629,948	83,080	5,045,863
4XX EMPLOYEES BENEFITS AND ALLOWANCES							
		32,596	498,663		259,387	10,478	801,124
5-6XX SERVICES							
510	Professional, Technical and Specialized	970			275	11,018	12,263
520	Communications	7,905	82,007		20,313	422	110,647
540	Travel and Meetings	35,841	54,034		13,873	546,695	650,243
550	Transportation of Pupils		578,069	38,221	252,919		869,209
570	Printing and Binding	4,914					4,914
580	Insurance and Bond Premiums	2,960	52,763		6,335	4,507	66,565
590	Maintenance and Repair Services		858,514		8,982	4,099	871,595
610	Rentals	22,799	825,459		35,765	66,060	950,083
630	Advertising		3,253		9,988		13,241
640	Dues and Fees	1,036					1,036
650	Professional and Staff Development	417	5,103		451		5,971
680	Information Technology Services						0
	Total Services	76,842	2,459,202	38,221	348,701	632,801	3,555,767
7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT							
710	Supplies	4,283	1,034,397		80,446	61,724	1,180,850
740	Curricular and Media Materials				566		566
760	Minor Equipment	1,187	6,817		86,177	4,300	98,481
780	Information Technology Equipment	1,551					1,551
	Total Supplies, Materials and Minor Equipment	7,021	1,041,214		167,189	66,024	1,281,448
96X-99 TRANSFERS							
960	School Divisions						0
980	Organizations and Individuals				76,746		76,746
999	Recharge						0
	Total Transfers	0	0	0	76,746	0	76,746
TOTALS		331,569	7,116,804	38,221	2,481,971	792,383	10,760,948

OPERATING FUND - EXPENSE DETAIL: FUNCTION 800
For the Year Ended June 30, 2020

OPERATIONS AND MAINTENANCE		10	20	50	70	80	
CODE	OBJECT \ PROGRAM	ADMINISTRATION	SCHOOL BUILDINGS MAINTENANCE	SCHOOL BUILDINGS REPAIRS AND REPLACEMENTS	OTHER BUILDINGS	GROUNDS	TOTALS
3XX SALARIES							
320	Executive, Managerial and Supervisory	552,161					552,161
360	Technical, Specialized and Service	55,656	7,628,451	20,973	52,266	11,813	7,769,159
370	Secretarial, Clerical and Other	38,952	31,007				69,959
390	Information Technology						0
	Total Salaries	646,769	7,659,458	20,973	52,266	11,813	8,391,279
4XX EMPLOYEES BENEFITS AND ALLOWANCES		86,842	1,283,244	1,744	4,968	798	1,377,596
5-6XX SERVICES							
510	Professional, Technical and Specialized	319				68,329	68,648
520	Communications	9,895	6,600		947		17,442
530	Utility Services		3,717,416		1,715,882		5,433,298
540	Travel and Meetings	71,626	159,815	473			231,914
570	Printing and Binding						0
580	Insurance and Bond Premiums	8,591	1,583,506		412,018		2,004,115
590	Maintenance and Repair Services		699,323	556,367	256,371		1,512,061
610	Rentals	45,294	884,696		623,691		1,553,681
620	Property Taxes				169,999		169,999
630	Advertising	1,577	1,258				2,835
640	Dues and Fees	15,706					15,706
650	Professional and Staff Development	2,834	2,606				5,440
680	Information Technology Services						0
	Total Services	155,842	7,055,220	556,840	3,178,908	68,329	11,015,139
7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT							
710	Supplies	14,253	1,398,735	1,305,231	256,245		2,974,464
740	Curricular and Media Materials						0
760	Minor Equipment	3,489	222,400		169,568		395,457
780	Information Technology Equipment	4,791	554				5,345
	Total Supplies, Materials and Minor Equipment	22,533	1,621,689	1,305,231	425,813	0	3,375,266
96X-99 TRANSFERS							
999	Recharge						0
TOTALS		911,986	17,619,611	1,884,788	3,661,955	80,940	24,159,280

OPERATING FUND - DETAIL OF TRANSFERS TO (FROM) CAPITAL FUND

For the Year Ended June 30, 2020

Transfers To Capital Fund

Category "D" School Buildings	-	
Bus Reserve	750,000	
Bus Purchases	-	
Other Vehicles	-	
Furniture/Fixtures & Equipment	-	
Computer Hardware & Software	-	
Assets Under Construction	383,265	
Other:	-	

1,133,265

Less: Transfers From Capital Fund

0

Net Transfers To (From) Capital Fund

1,133,265

CAPITAL FUND SCHEDULE OF FINANCIAL POSITION

as at June 30

	2020	2019
Financial Assets		
Cash and Bank	-	-
Due from		
- Provincial Government	726,914	778,485
- Federal Government	-	-
- Municipal Government	-	-
- First Nations	-	-
- Other Funds	476,865	1,782,155
Accounts Receivable	-	-
Accrued Investment Income	-	-
Portfolio Investments	-	-
	<u>1,203,779</u>	<u>2,560,640</u>
Liabilities		
Overdraft	-	-
Accounts Payable	-	-
Accrued Liabilities	-	-
Accrued Interest Payable	726,914	778,485
Due to		
- Provincial Government	-	-
- Federal Government	-	-
- Municipal Government	-	-
- First Nations	-	-
- Operating Fund	-	-
Deferred Revenue	1,197,258	530,792
Borrowings from the Provincial Government	39,797,027	42,291,441
Other Borrowings	2,003,612	2,009,410
	<u>43,724,811</u>	<u>45,610,128</u>
Net Assets (Debt)	<u>(42,521,032)</u>	<u>(43,049,488)</u>
Non-Financial Assets		
Net Tangible Capital Assets	<u>77,402,025</u>	<u>77,074,671</u>
Accumulated Surplus / Equity *	<u>34,880,993</u>	<u>34,025,183</u>
* Comprised of:		
Reserve Accounts	2,610,426	3,440,583
Equity in Tangible Capital Assets	<u>32,270,567</u>	<u>30,584,600</u>
	<u>34,880,993</u>	<u>34,025,183</u>

**CAPITAL FUND
SCHEDULE OF REVENUE, EXPENSES
AND ACCUMULATED SURPLUS**

For the Year Ended June 30

	2020	2019
Revenue		
Provincial Government		
Grants	-	135,838
Debt Servicing - Principal	3,207,814	3,052,729
- Interest	1,998,479	2,127,075
Federal Government	-	636,973
Municipal Government	-	-
Other Sources:		
Investment Income	-	-
Donations	-	-
MB Hydro grant	-	-
Gain / (Loss) on Disposal of Capital Assets	1,785	-
Gain on receipt of Modular classroom	-	-
Operating Charges	985,670	
Rancho Realty	28,000	
	<u>1,013,670</u>	<u>997,131</u>
	6,221,748	6,949,746
Expenses		
Amortization	4,425,855	4,413,125
Interest on Borrowings from the Provincial Government	1,998,479	2,127,075
Other Interest	74,869	69,764
Other Capital Items	-	-
	<u>6,499,203</u>	<u>6,609,964</u>
Current Year Surplus / (Deficit)	(277,455)	339,782
Net Transfers from (to) Operating Fund	1,133,265	1,032,583
Transfers from Special Purpose Fund	-	-
Net Current Year Surplus (Deficit)	<u>855,810</u>	<u>1,372,365</u>
Opening Accumulated Surplus / Equity	34,025,183	32,652,818
Adjustments:	-	-
	<u>-</u>	<u>-</u>
Opening Accumulated Surplus / Equity as adjusted	<u>34,025,183</u>	<u>32,652,818</u>
Closing Accumulated Surplus / Equity	<u>34,880,993</u>	<u>34,025,183</u>

SCHEDULE OF TANGIBLE CAPITAL ASSETS
at June 30, 2020

	Buildings and Leasehold Improvements		School Buses	Other Vehicles	Furniture / Fixtures & Equipment	Computer Hardware & Software *	Land	Land Improvements	Assets Under Construction	2020 TOTALS	2019 TOTALS
	School	Non-School									
Tangible Capital Asset Cost											
Opening Cost, as previously reported	138,607,709	18,293,744	14,353,468	301,385	1,974,250	-	1,462,248	-	1,368,539	176,361,343	173,960,317
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Opening Cost adjusted	138,607,709	18,293,744	14,353,468	301,385	1,974,250	-	1,462,248	-	1,368,539	176,361,343	173,960,317
Add:											
Additions during the year	670,470	1,443,689	1,412,357	64,818	52,847	-	-	-	1,109,028	4,753,209	3,211,890
Less:											
Disposals and write downs	-	-	65,974	-	-	-	-	-	-	65,974	810,864
Closing Cost	139,278,179	19,737,433	15,699,851	366,203	2,027,097	-	1,462,248	-	2,477,567	181,048,578	176,361,343
Accumulated Amortization											
Opening, as previously reported	75,464,338	13,481,721	8,253,445	301,385	1,785,783	-	-	-	-	99,286,672	95,684,411
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Opening adjusted	75,464,338	13,481,721	8,253,445	301,385	1,785,783	-	-	-	-	99,286,672	95,684,411
Add:											
Current period Amortization	2,716,261	416,405	1,131,205	64,818	95,146	-	-	-	-	4,425,855	4,413,125
Less:											
Accumulated Amortization on Disposals and Writedowns	-	-	65,974	-	-	-	-	-	-	65,974	810,864
Closing Accumulated Amortization	78,182,619	13,898,126	9,318,676	366,203	1,880,929	-	-	-	-	103,646,553	89,286,672
Net Tangible Capital Asset	61,095,560	5,839,307	6,381,175	-	146,168	-	1,462,248	-	2,477,567	77,402,025	77,074,671
Proceeds from Disposal of Capital Assets	-	-	1,785	-	-	-	-	-	-	1,785	-

* Includes network infrastructure.

**SCHEDULE OF CAPITAL RESERVE ACCOUNTS
For the Year Ended June 30, 2020**

Fund Name >	Buses	Appropriation for additional Teacherages	Request for Provision for Six Plex 09/16/18			Totals
Opening Balance, July 1, 2019	1,230,159	1,060,424	1,150,000	-	-	3,440,683
Additions: (Provide a description of each transaction)						
Transfer - Asset Under Construction		383,265				383,265
Additions to Bus Reserve	750,000					750,000
						-
						-
						-
						-
Total Additions	750,000	383,265	-	-	-	1,133,265
Withdrawals: (Provide a description of each transaction)						
Lynn Lake Unit #447-1 to #447-6		838,406				838,406
Duck Bay Unit #440		173,151				173,151
Helen Betty Osborne - Unit #452		242,462				242,462
Helen Betty Osborne - Unit #453		189,670				189,670
Bus Unit #48:234	131,018					131,018
Bus Unit #48:236	129,997					129,997
Bus Unit #48:237	129,997					129,997
Bus Unit #48:241	128,721					128,721
						-
Total Withdrawals	519,733	1,443,689	-	-	-	1,963,422
Closing Balance, June 30, 2020	1,460,426	-	1,150,000	-	-	2,610,426

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I certify that the information above is true and correct and that the withdrawals have been made for the purposes approved by the Public Schools Finance Board.

Date

Secretary-Treasurer

**SPECIAL PURPOSE FUND
SCHEDULE OF FINANCIAL POSITION**

as at June 30

	2020	2019
Financial Assets		
Cash and Bank	617,865	636,394
GST Receivable	-	-
Accrued Investment Income	-	-
Portfolio Investments	-	-
	<u>617,865</u>	<u>636,394</u>
Liabilities		
School Generated Funds Liability	419,994	433,207
Accounts Payable	-	-
Accrued Liabilities	-	-
Due to Other Funds	-	-
Deferred Revenue	-	-
	<u>419,994</u>	<u>433,207</u>
Accumulated Surplus *	<u>197,871</u>	<u>203,187</u>
* Comprised of:		
School Generated Funds Accumulated Surplus	197,871	203,187
Other Funds Accumulated Surplus	-	-
	<u>197,871</u>	<u>203,187</u>
Accumulated Surplus *	<u>197,871</u>	<u>203,187</u>

**SPECIAL PURPOSE FUND
SCHEDULE OF REVENUE, EXPENSES
AND ACCUMULATED SURPLUS**

For the Year Ended June 30

	2020	2019
Revenue		
School Generated Funds	493,413	649,387
Other Funds	-	-
	-	-
	<u>493,413</u>	<u>649,387</u>
Expenses		
School Generated Funds	498,729	625,878
Other Funds	-	-
	-	-
	<u>498,729</u>	<u>625,878</u>
Current Year Surplus (Deficit)	(5,316)	23,509
Transfers (to) Operating Fund	-	-
Transfers (to) Capital Fund	-	-
Net Current Year Surplus (Deficit)	<u>(5,316)</u>	<u>23,509</u>
Opening Accumulated Surplus	203,187	179,678
Adjustments: School Generated Funds	-	-
Other Funds	-	-
Opening Accumulated Surplus as adjusted	<u>203,187</u>	<u>179,678</u>
Closing Accumulated Surplus	<u><u>197,871</u></u>	<u><u>203,187</u></u>

**STUDENT ENROLMENTS (FRAME) AND TRANSPORTATION STATISTICS
(UNAUDITED)**

ENROLMENTS BY PROGRAM	F.T.E. Enrolment September 30, 2019
REGULAR INSTRUCTION	
English Language - Single Track	5,916.5
Francais - Single Track	-
French Immersion - Single Track	-
Dual Track	
- English Language	-
- Francais	-
- French Immersion	-
- Other Bilingual	0.0
Senior Years Technology Education	<u>40.0</u>
TOTAL NUMBER OF FULL TIME EQUIVALENT K - 12 STUDENTS	<u><u>5,956.5</u></u>

TRANSPORTATION OF PUPILS	
TRANSPORTED STUDENTS (September 30)	4,814
TOTAL KILOMETERS - LOG BOOK (For the period ended June 30)	1,302,000
TOTAL KILOMETERS - BUS ROUTES (For the period ended June 30)	1,204,000
LOADED KILOMETERS (For the period ended June 30)	814,100

FULL TIME EQUIVALENT PERSONNEL (UNAUDITED)
For the 2019/20 Fiscal Year

CODE	OBJECT \ FUNCTION	FUNCTION 100	FUNCTION 200	FUNCTION 300	FUNCTION 400	FUNCTION 500	FUNCTION 600	FUNCTION 700	FUNCTION 800	TOTALS
320	Executive, Managerial, & Supervisory	40.75	3.00	1.00		17.95	3.00	5.17	6.00	76.87
330	Instructional - Teaching	411.65	46.94	16.00	12.08		15.00			501.67
350	Instructional - Other	15.84	374.67	0.50	12.73		22.90	0.50		427.14
360	Technical, Specialized And Service	14.13	2.58	1.00	2.00	7.00	13.20	104.83	149.89	294.63
370	Secretarial, Clerical And Other	40.50	1.50	0.50		23.60	2.50	2.00	2.00	72.60
380	Clinician		13.50							13.50
390	Information Technology	5.00				5.00				10.00
TOTALS (excluding Trustees)		527.87	442.19	19.00	26.81	53.55	56.60	112.50	157.89	1,396.41
510 Contracted Clinicians (include private clinicians where possible)			7.00							
310 TRUSTEES						10.00				

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CALCULATION OF ALLOWABLE AND UNSUPPORTED EXPENSES

CALCULATION OF ALLOWABLE EXPENSES		REDUCTIONS TO EXPENSES						ALLOWABLE EXPENSES
FUNCTION / PROGRAM	TOTAL EXPENSES	ADJUSTMENTS TO EXPENSES	CATEGORICAL SUPPORT	OTHER PROGRAM SUPPORT	OTHER PROVINCIAL GOVERNMENT REVENUE	NON-PROVINCIAL SOURCES		
						TUITION, TRANSFER AND RESIDUAL FEES	OTHER	
		<<<<< (from Appendix A) >>>>>			<<<<< (from Appendix B) >>>>>			
210 - 260 Student Support Services	15,207,513	0	1,825,034	0	2,665,603	7,422,344	2,590,673	703,859
270 Counselling and Guidance	4,550,674	0	0	0	135,000	2,314,909	958,951	1,141,814
300 Adult Learning Centres	3,866,887				1,250,617	960,144	1,662,202	
400 Community Education and Services	2,564,216		80,500	0	478,352	1,609,161	320,930	
620 Library / Media Centre	1,665,314	0	0	0	0	1,067,955	0	597,359
630 Professional and Staff Development	876,911	0	0	0	0	549,321	0	327,590
800 Operations and Maintenance	24,159,280	(113,045)	146,400	286,620	1,214,265	13,073,791	1,516,029	7,809,130
ALLOCATED ADJUSTMENTS/REDUCTIONS		(113,045)	2,051,934	286,620	5,743,637	26,997,625	7,048,785	
UNALLOCATED ADJUSTMENTS/REDUCTIONS		0	4,584,118	94,700	3,555,274	43,816,398	9,035,655	(1)
TOTALS	52,880,795	(113,046)	6,836,052	381,320	11,289,111	70,814,023	16,084,440	10,678,752
OTHER FUNCTION/PROGRAMS EXPENSES	84,874,677	<input type="checkbox"/> OPEN OR CLOSE DETAIL						
TOTAL EXPENSES	137,765,372							
CALCULATION OF UNSUPPORTED EXPENSES								
OTHER FUNCTION/PROGRAMS EXPENSES	84,874,677							
TOTAL ALLOWABLE EXPENSES	10,579,752							
TOTAL UNALLOCATED ADJUSTMENTS/REDUCTIONS (1)	(83,086,145)	<input type="checkbox"/> OPEN OR CLOSE DETAIL						
- ADJUSTMENTS TO EXPENSES	0							
- CATEGORICAL SUPPORT	(4,584,118)							
- OTHER PROGRAM SUPPORT	(94,700)							
- OTHER PROVINCIAL GOVERNMENT REVENUE	(5,555,274)							
- NON-PROV. SOURCES - TUITION, TRANSFER AND RES	(43,816,398)							
- NON-PROV. SOURCES - OTHER	(9,035,655)							
Base Support (from page 8)	(11,298,876)							
Formule Guarantee (from page 8)	0							
SCHOOL BUS AMORTIZATION (from TCA Sched page 23)	1,131,205							
TOTAL UNSUPPORTED EXPENSES	22,200,613							

CALCULATION OF ALLOWABLE EXPENSES (refer to "Allow Guide")

APPENDIX A

ADJUSTMENTS TO EXPENSES: (enter deductions as negative amounts)	Function/ Program	Amount
Capitalized Energy Mgmt. Systems Costs (add) (1), (2)	800	
Capitalized Section "D" School Bldgs. Costs (add) (1)	800	0
Transfers from Capital Fund (deduct)	800	0
Leased Non-School Space (deduct)	800	(113,045)
Transfers from Special Purpose Fund (deduct)		0
Other Capitalized Items (specify item and Function/Program) (2)		
Federal Bus Amortization (deduct)	Unallocated	0
Total Adjustments to Expenses		<u>(113,045)</u>

(1) Net of all related revenues.
(2) For capitalized energy management systems costs and other capitalized items, lease and loan payments for eligible equipment may be included.

CATEGORICAL SUPPORT TO BE ALLOCATED		
Special Needs: Coordinator/Clinician		
(A) Maximum Support	313,419	
(B) Eligible Expenses	1,158,861	
(C) Less related revenues	753,260	
(D) Allowable Expenses (B) - (C)	405,601	
Eligible Support (lesser of A or D)		313,419
Special Needs: Level 2 and 3		
Indigenous Academic Achievement		1,511,615
Literacy and Numeracy		851,750
		175,068
Small Schools		
(A) Maximum Support	401,385	
(B) Program Expenses	487,900	
Eligible Support (lesser of A or B)		401,385
Board and Room		
(A) Maximum Support	219,600	
(B) Program Expenses	888,690	
Eligible Support (lesser of A or B)		219,600
Early Childhood Development		38,959
Total allocable Categorical Support (carried to Allow Input)		<u>3,511,796</u>
Non-allocable Categorical Support		<u>3,124,256</u>
Total Categorical Support (carried to page 30)		<u>6,636,052</u>

CALCULATION OF ALLOWABLE SCHOOL BUILDING SUPPORT "D" EXPENSES:	
Program 850 School Building Repairs & Replacements	1,884,788
PLUS: Capitalized Section "D" Expenses (net)	0
Grounds	-
LESS: Related revenue other than "D" Support	-
Allowable Section "D" Expenses	(C) 1,884,788
< OR >	
Expenses to be used for calculating "D" Grant. Enter an amount to overwrite if different from above. (cannot be more than amount on line "C")	(D) 1,884,788
Refer to page 2 of the Allowable Expenses Guide when completing this section.	

OTHER PROGRAM SUPPORT:	
School Buildings Support: "D" Projects	286,620
Technology Education Equipment & Skills Strategy Equipment Enhancement	94,700
Other Minor Capital Support	0
Curricular Materials Prior Year Support	0
Finalization of Previous Year's support	0
Amount carried forward to Allowable Expenses	381,320

CALCULATION OF ALLOWABLE EXPENSES

APPENDIX B

OTHER PROVINCIAL GOVERNMENT REVENUE:	Allocated	Unallocated	Total
Other Dept. of Education			
General Support Grant		1,162,396	1,162,396
Education Property Tax Credit		546,172	546,172
Tax Incentive Grant		180,469	180,469
All other	8,691,146		8,691,146
Other Provincial Government Departments	1,445,569		1,445,569
Total Revenue	10,136,715	1,889,037	12,025,752

ALL REVENUES REPORTED ON THIS PAGE, EXCEPT THOSE SHADED, MUST BE DEDUCTED FROM TOTAL EXPENSES ON PAGE 30 UNLESS THERE ARE SPECIAL CIRCUMSTANCES WHICH WOULD MAKE AN ALLOCATION IMPRACTICAL OR INAPPROPRIATE. IN THOSE LIMITED CASES, REASONS FOR NOT ALLOCATING MUST BE PROVIDED BELOW.

NON-PROVINCIAL SOURCES:	Allocated	Unallocated	Total
Federal Government			
Tuition Fees	0		0
All other	898,951		898,951
Municipal Government			
Net Special Requirement		2,810,998	2,810,998
Other	419,740		419,740
Other School Divisions			
Tuition Fees	16,250		16,250
Transfer Fees	0		0
Residual Fees	0		0
All other	0		0
First Nations			
Tuition Fees	67,415,752		67,415,752
All other	12,400,111		12,400,111
Private Organizations and Individuals			
Tuition Fees	3,382,021		3,382,021
Ancillary Services	1,924,018		1,924,018
Other Sources			
Interest		395,326	395,326
Donations	0		0
Other	441,620		441,620
Total Revenue	86,898,463	3,206,324	90,104,787

OTHER PROVINCIAL GOVERNMENT REVENUE:	
Total Revenue	12,025,752
Education Property Tax Credit	(546,172)
Tax Incentive Grant	(180,469)
PROVINCIAL REVENUE FOR EQUALIZATION	11,299,111
(to agree with Other Provincial Gov'l Revenue on page 30)	

NON-PROVINCIAL SOURCES:	
TOTAL ALLOCABLE FEES	70,814,023
(Tuition, Transfer and Residual Fees)	

TOTAL ALLOCABLE OTHER REVENUE	16,084,440
(to agree with total other revenue on page 30)	

TOTAL ALLOCABLE NON-PROV. SOURCES	86,898,463
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FRONTIER SCHOOL DIVISION

Notes to the Consolidated Financial Statements

June 30, 2020

1. NATURE OF ORGANIZATION AND ECONOMIC DEPENDENCE

The School Division (Division) is a public body that provides education services to residents within its geographic location. The Division is funded mainly by grants from the Province of Manitoba (Province), a special levy on the property assessment included in the Division's boundaries, and funding from ISC/First Nation government. The Division is exempt from income tax.

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada (CPA Canada).

a) *Reporting Entity and Consolidation*

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the operating fund, capital fund, and special purpose fund of the Division. The Division reporting entity includes school generated funds and controlled by the Division.

All inter-fund accounts and transactions are eliminated upon consolidation.

b) *Trust Funds*

The Division administers various trust funds. Trust funds and their related operations are not included in the consolidated financial statements as they are not owned or controlled by the Division. A schedule of trust funds is attached as part of the notes to the consolidated financial statements.

Trust funds, under PSAB are properties assigned to a trustee (school division) under a trust agreement or statute; the trustee merely administers the terms and conditions embodied in the agreement, and it has no unilateral authority to change the conditions set out in the trust indenture.

c) *Basis of Accounting*

Revenues and expenses are reported on the accrual basis of accounting except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay. Expenses also include the amortization of tangible capital assets.

FRONTIER SCHOOL DIVISION
Notes to the Consolidated Financial Statements
June 30, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Fund Accounting

The fund method of accounting is employed by the Division to record financial transactions in separate funds as defined by Financial Reporting and Accounting in Manitoba Education (FRAME) in accordance with the purpose for which the funds have been created.

The Operating Fund is maintained to record all the day to day operating revenues and expenses. The Capital Fund is used to account for the acquisition, amortization, disposal and financing of capital assets. The Special Purpose Fund is used to account for school generated funds and charitable foundations controlled by the Division.

e) School Generated Funds

School generated funds are moneys raised by the school, or under the auspices of the school, through extracurricular activities for the sole use of the school that the principal of each school, subject to the rules of the school board, may raise, hold, administer and expend for the purposes of the school.

School generated funds controlled by the Division are included in the Consolidated Statement of Revenue, Expenses, and Accumulated Surplus. To be deemed as controlled, a school must have the unilateral authority to make the decisions as to when, how and on what the funds are to be spent.

Period end cash balances of all school generated funds are included in the Consolidated Statement of Financial Position. The uncontrolled portion of this amount is reflected in the School Generated Funds Liability account. Examples of uncontrolled school generated funds are parent council funds, other parent group funds, student council funds, and travel club funds. Uncontrolled school generated funds are not included in the consolidated financial statements.

f) Tangible Capital Assets

Tangible capital assets are non-financial assets that are used by the Division to provide services to the public and have an economic life beyond one fiscal year. Tangible capital assets include land, buildings, buses, other vehicles, furniture and equipment, computers, capital leases, leasehold improvements, and assets under construction.

To be classified as tangible capital assets, each asset other than land must individually meet the capitalization threshold for its class as prescribed by FRAME.

FRONTIER SCHOOL DIVISION
Notes to the Consolidated Financial Statements
June 30, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Tangible Capital Assets (continued)

Asset Description	<u>Capitalization Threshold</u>	<u>Estimated Useful Life</u> (years)
Land improvements	\$ 50,000	10
Buildings – bricks, mortar and steel	50,000	40
Buildings – wood frame	50,000	25
School buses	50,000	10
Vehicles	10,000	5
Equipment	10,000	5
Network infrastructure	25,000	10
Computer hardware, servers and peripherals	10,000	4
Computer software	10,000	4
Furniture and fixtures	10,000	10
Leasehold improvements	25,000	Over term of lease

Grouping of assets is not permitted except for computer work stations.

With the exception of land, donated capital assets and capital leases, all tangible capital assets are recorded at historical cost, which includes purchase price, installation costs and other costs incurred to put the asset into service.

Buildings are recorded at historical cost when known. For buildings acquired prior to June 30, 2005 where the actual cost was not known, the replacement value for insurance purposes as at June 30, 2005 was regressed to the date of acquisition using a regression index based on Southam and CanaData construction cost indices.

All land acquired prior to June 30, 2006 has been valued at \$1,225,210.

Capital leases are recorded at the present value of the minimum lease payments excluding executor costs (e.g. insurance, maintenance costs, etc.). The discount rate used to determine the present value of the lease payments is the lower of the Division's rate for incremental borrowing or the interest rate implicit in the lease.

Donated tangible capital assets are recorded at fair market value at the date of donation. Deferred revenue is recorded in an equivalent amount, for all donated assets except land. The deferred revenue will be recognized as revenue over the useful life of the related asset, on the same basis that the asset is amortized.

FRONTIER SCHOOL DIVISION
Notes to the Consolidated Financial Statements
June 30, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Tangible Capital Assets (continued)

All tangible capital assets, except for land, capital leases, and assets under construction, are amortized on a straight-line basis over their estimated useful life.

Land is not amortized. Capital leases with lease terms that have a bargain purchase option or allow ownership to pass to the Division are amortized over the useful life of the asset class. All other capital leases are amortized over the lesser of the lease term and the useful life of the asset class.

One-half of the annual amortization is charged in the year of acquisition and in the year of disposal if not fully amortized.

Assets under construction are not amortized until the date of substantial completion. Interest on funds used to finance school buildings under construction is capitalized for the periods preceding the date of substantial completion.

g) Employee Future Benefits

The Province of Manitoba pays the employer portion of the Teachers' Retirement Allowances Fund (TRAF), the pension plan for all certified teachers of the Division. The Division does not contribute to TRAF, and no costs relating to this plan are included in the Division's financial statements.

However, the Division provides retirement and other future benefits to its employees. These benefits include pension, life insurance, and retirement allowances. The Division adopted the following policies with respect to accounting for these employee future benefits:

(i) Defined Contribution / Insured Benefit Plans

Frontier School Division had established a future benefit liability for life insurance premiums paid on behalf of retired employees. During the 2018 year this plan was reviewed and determined to be phased out over the next five years.

(ii) Defined Benefit / Self-Insured Employee Future Benefit Plans

Under these plans, benefits to be received by employees or the method for determining those benefits have been specified by the Division. The actuarial risk (with respect to the amount of the benefit that each employee will receive) and the investment risk (with respect to the investment returns on any assets set aside to pay for the cost of these benefits) are assumed by the Division.

FRONTIER SCHOOL DIVISION
Notes to the Consolidated Financial Statements
June 30, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(ii) **Defined Benefit / Self-Insured Employee Future Benefit Plans (continued)**

Frontier School Division has a Defined Benefit Pension Plan for non-teaching employees. Employees and Frontier School Division currently contribute equal amounts (2020 – 9.0%, 2019 – 9.0%). The plan is evaluated using both the “Going Concern Valuation” and the “Solvency Valuation”. The last review was as at December 31, 2019.

The Employee contributions for 2020 were \$2,528,504 (2019 - \$2,516,462). Frontier School Division contributed an equal amount.

For self-insured employee future benefits other than pension plans, that are vesting and accumulating over the employees' length of service (e.g. vesting sick days, continuation of benefits for health care, dental or life insurance), the benefit costs are accounted for on a full accrual basis determined using actuarial valuation of salary escalation, accumulated sick days, insurance and health care costs trends, and long-term inflation rates.

For those self-insured benefit obligations that are event driven (e.g. supplemental unemployment benefits, sick time, non-vesting parental leave), the benefit costs are recognized and recorded only in the period when the event occurs.

The employee future benefits liability is the total accrued benefit obligation. The employee future benefits expense includes the Division's contribution for the period.

h) Capital Reserve

Certain amounts, as approved by the Board of Trustees and the Public Schools Finance Board (PSFB), have been set aside in reserve accounts for future capital purposes. These Capital Reserve accounts are internally restricted funds that form part of the Accumulated Surplus presented in the Consolidated Statement of Financial Position.

i) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles as established for PSAB requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

FRONTIER SCHOOL DIVISION
Notes to the Consolidated Financial Statements
June 30, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Financial Instruments

The Division's financial instruments include cash and bank, accounts receivable, accrued investment income, due to/from governments, other schools and First Nations, accounts payable, accrued liabilities, accrued interest payable and long-term debt. The additional disclosure required due to the Division's adoption of PSA Handbook section 3450, Financial Instruments, is disclosed in Note 15.

All financial instruments are initially recognized at fair value when the Division becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost. The effective interest method is used to recognize interest income or expense. Transaction costs related to all financial instruments are expensed as incurred.

k) Non-Vested Sick Leave Benefits

Non-vested sick leave benefits are estimated using a net present value technique on the expected future utilization of sick benefits in excess of the amounts earned per year, to a maximum entitlement. The calculated dollar value of Non-vested sick time as at June 30, 2020 is \$491,381 (2019 - \$601,722). These amounts are disclosed for compliance with PS 2120 only and are not considered material for inclusion in the financial statements.

3. OVERDRAFT

The Division has an authorized Line of Credit with the Royal Bank of \$35,000,000 by way of overdrafts and is repayable on demand; rates are related to prime, payable monthly. Any overdrafts are secured through a Borrowing By-Law.

4. EMPLOYEE FUTURE BENEFITS

Employee future benefits are benefits earned by employees in the current period, but will not be paid out until future periods. Employee future benefits are comprised of future insurance payments to retired employees, provision for teacher special leave, and a provision for Superintendents retirement, as follows:

	<u>2020</u>	<u>2019</u>
Employee Future Benefit Liability (EFBL)		
Superintendent Retirement	\$ 512,452	\$ 623,272
Special Leave	548,298	432,706
	<u>\$ 1,060,750</u>	<u>\$ 1,055,978</u>

FRONTIER SCHOOL DIVISION
Notes to the Consolidated Financial Statements
June 30, 2020

4. EMPLOYEE FUTURE BENEFITS (continued)

The defined benefit plan provided to non-teaching staff is actuarially valued using a number of assumptions about future events, including interest rates, wage and salary increases, employee turnover and mortality to determine the accrued benefit obligation. The most recent actuarial report was prepared as at December 31, 2019. The net unamortized actuarial gain is amortized on a straight-line basis over the expected average remaining service life of the related employee groups. Pension plan assets are valued at market values and the expected rate of return is 5.50% (2019 – 5.75%).

See Appendix 1 for disclosure information on the pension plan.

Long term disability benefits are covered by an insured plan. The costs of salary compensation paid to employees on long-term disability leave are fully insured and are not included in the financial statements.

Continuation of benefits for life insurance are defined benefits and vesting to certain employees at or after retirement. The related benefit costs and liabilities are included in the financial statements.

Supplemental unemployment benefits are defined benefits that are recognized and recorded only in the period when the events occur (e.g. maternity top up).

The employee future benefit expense is a part of the Employee Benefits and Allowances expense account. It includes the Division's contribution and amortized actuarial gains for the period. Any related pension interest expense is recorded under the Interest and Bank Charges account of the Operating Fund.

5. SCHOOL GENERATED FUNDS LIABILITY

School Generated Funds Liability includes the non-controlled portion of school generated funds consolidated in the cash and bank balances in the amount of \$419,994 (2019 - \$433,207).

	<u>2020</u>	<u>2019</u>
Student Council funds	\$ 49,525	\$ 58,655
Travel	52,301	74,198
Graduation	49,369	50,558
Music Enhancement	27,947	15,490
Community Development	80,463	72,200
Other	160,389	162,106
	<u>\$ 419,994</u>	<u>\$ 433,207</u>

FRONTIER SCHOOL DIVISION
Notes to the Consolidated Financial Statements
June 30, 2020

6. DEBENTURE DEBT

The debenture debt of the Division is in the form of twenty-year debentures payable, principal and interest, in twenty equal yearly instalments and maturing at various dates from 2021 to 2040. Payment of principal and interest is funded entirely by grants from the Province of Manitoba, except for the debenture debt on self-funded capital projects. The debentures carry interest rates that range from 2.75% to 7.25%. Debenture interest expense payable as at June 30, 2020 is accrued and recorded in Accrued Interest Payable, and a grant in an amount equal to the interest accrued on provincially funded debentures is recorded in Due from the Provincial Government. The debenture principal and interest repayments in the next five years are:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 3,288,138	\$ 1,806,032	\$ 5,094,171
2022	3,371,751	1,643,057	5,014,808
2023	3,377,457	1,477,221	4,854,678
2024	3,464,993	1,313,803	4,778,796
2025	3,358,893	1,147,117	4,506,010
Thereafter	22,935,795	4,681,121	27,616,915
	<u>\$ 39,797,027</u>	<u>\$ 12,068,350</u>	<u>\$ 51,865,377</u>

7. OTHER BORROWINGS

Other borrowings are debts other than overdrafts or debentures and include obligations related to capital leases.

Capital lease loans on buses and copiers have interest rates ranging from 2.88% to 3.98% per annum, due between 2021 and 2025. Payments are monthly, quarterly and annually and include principal and interest.

Principal and interest repayments, of Other Borrowings in the next five years are:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 693,940	\$ 62,720	\$ 756,660
2022	581,462	39,230	620,692
2023	422,843	19,834	442,677
2024	253,889	6,574	260,463
2025	51,478	480	51,958
	<u>\$ 2,003,612</u>	<u>\$ 128,838</u>	<u>\$ 2,132,450</u>

FRONTIER SCHOOL DIVISION
Notes to the Consolidated Financial Statements
June 30, 2020

8. NET TANGIBLE CAPITAL ASSETS

The Schedule of Tangible Capital Assets (TCA), page 23 of the audited financial statements, provides a breakdown of cost, accumulated amortization and net book value by class.

	<u>2020</u>			<u>2019</u>
	<u>Gross Amount</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Owned Tangible Capital Assets	\$ 170,849,687	\$ 97,613,707	\$ 73,235,980	\$ 73,057,979
Capital lease	10,198,891	6,032,846	4,166,045	4,016,692
	\$ 181,048,578	\$ 103,646,553	\$ 77,402,025	\$ 77,074,671

9. ACCUMULATED FUNDS

The consolidated accumulated surplus is comprised of the following:

	<u>2020</u>	<u>2019</u>
Operating Fund		
- Undesignated	\$ 5,377,532	\$ 5,008,332
Capital Fund		
- Reserve Account	2,610,426	3,440,583
- Equity in Tangible Assets	32,270,567	30,584,600
Special Purpose Funds	197,871	203,187
Total Accumulated Surplus	\$ 40,456,396	\$ 39,236,702

Reserve Accounts under the Capital Fund represents internally restricted reserves for specific purposes approved by the Board of Trustees and PSFB. A Schedule of Capital Reserve Accounts is provided on page 24 of the audited financial statements.

	<u>2020</u>	<u>2019</u>
Bus Reserves	\$ 1,460,426	\$ 1,230,159
Teacherages	1,150,000	2,210,424

FRONTIER SCHOOL DIVISION
Notes to the Consolidated Financial Statements
June 30, 2020

10. MUNICIPAL GOVERNMENT – PROPERTY TAX AND RELATED DUE FROM MUNICIPAL GOVERNMENT

Education property tax or Special Levy is raised as the Division's contribution to the cost of providing public education for the student's resident in the division. The Municipal Government-Property Tax shown on the Consolidated Statement of Revenue, Expense and Accumulated Surplus is raised over the two calendar (tax) years; 60% from 2019 tax year and 40% from 2020 tax year. Below are the related revenue and receivable amounts:

	<u>2020</u>	<u>2019</u>
Revenue – Municipal Government – Property Tax	\$ 2,810,998	\$ 2,827,160
Receivable – Due from Municipal – Property Tax	2,141,651	2,141,651

11. INTEREST RECEIVED AND PAID

The Division received interest during the year of \$395,326 (2019 - \$307,247); interest paid during the year was \$2,093,211 (2019 - \$2,200,117). Interest expense is included in the Fiscal category and is comprised of the following:

	<u>2020</u>	<u>2019</u>
Operating Fund		
Fiscal – short term loan, interest and bank charges	\$ 19,863	\$ 3,278
Capital Fund		
Debenture debt interest	1,998,479	2,127,075
Other interest	74,869	69,764
	<u>\$ 2,093,211</u>	<u>\$ 2,200,117</u>

The accrual portion of debenture debt interest expense of \$726,914 (2019 - \$778,485) included under the Capital Fund Debenture debt interest is offset by an accrual of the debt servicing grant from the Province of Manitoba.

12. ALLOWANCE FOR DOUBTFUL ACCOUNTS

All receivables presented on the Consolidated Statement of Financial Position are net of an allowance for doubtful accounts in the amount of \$124,861 (2019 - \$124,861).

FRONTIER SCHOOL DIVISION
Notes to the Consolidated Financial Statements
June 30, 2020

13. EXPENSES BY OBJECT

Expenses in the Consolidated Statement of Revenue, Expenses and Accumulated Surplus are reported by function as defined by FRAME. Below is the detail of expenses by object:

	<u>Actual</u> <u>2020</u>	<u>Budget</u> <u>2020</u>	<u>Actual</u> <u>2019</u>
Salaries	\$ 89,681,914	\$ 90,412,794	\$ 87,409,118
Employees benefits & allowances	8,588,056	9,124,792	8,435,835
Services	20,743,789	22,040,351	22,303,683
Supplies, materials & minor equipment	12,916,779	13,574,858	15,145,903
Interest	19,863	15,000	3,278
Bad debts	-	-	-
Payroll tax & Transfers	5,814,971	6,601,771	6,830,142
	<u>\$ 137,765,372</u>	<u>\$ 141,769,566</u>	<u>\$ 140,127,959</u>
Amortization	4,425,855		4,413,125
Other capital items	2,073,348		2,196,839
School generated funds	498,729		625,878
Other special purpose funds	-		-
	<u>\$ 144,763,304</u>		<u>\$ 147,363,801</u>

14. DEFERRED REVENUE

The deferral method of accounting is used for revenues received that, pursuant to legislation, regulation or agreement, may only be used for specific purposes. These amounts are recognized as revenue in the fiscal year the related expenses are incurred or services performed.

15. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Division is exposed to credit, liquidity and interest rate risks in respect of its use of financial instruments.

Credit Risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to the counter party. The financial instruments that potentially subject the Division to credit risk consist principally of accounts receivable. The carrying amount of financial assets represents the maximum credit exposure.

FRONTIER SCHOOL DIVISION
Notes to the Consolidated Financial Statements
June 30, 2020

15. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

The Division's maximum possible exposure to credit risk is as follows:

	2020	2019
Cash / (Bank Overdraft)	\$ 2,198,269	\$ 12,810,189
Due from - Provincial Government	2,969,758	2,876,515
- Federal Government	1,010,524	679,610
- Municipal Government	2,180,516	2,141,651
- Other School Division	-	1,446
- First Nations	27,159,731	14,250,674
Accounts Receivable	1,597,218	189,188
Accrued Investment Income	-	79,950
Portfolio Investment	-	16,500,000

The Division's accounts receivable consist largely of the grants and revenues to be received from local, provincial, and federal governments. The Division is not exposed to significant credit risk as payments in full are typically collected when due.

Liquidity Risk

Liquidity risk relates to the Division's ability to access sufficient funds to meet its financial commitments. The following table details the Fund's remaining contractual maturities for its financial liabilities.

Liquidity Risk	Due < 1 year	Due > 1 year, < 2 years	Due > 2 years, < 3 years	Due > 3 years, < 4 years	Due > 4 years, < 5 years	Due > 5 years
Accounts payable	\$9,548,256	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	11,187,814	-	-	-	-	-
Due to Governments	380,240	-	-	-	-	-
Due to Other School Divisions	-	-	-	-	-	-
Due to First Nations	6,833,555	-	-	-	-	-
Debenture Debt	3,288,138	3,371,751	3,377,457	3,464,993	3,358,893	22,935,795
Other Borrowings	693,940	581,462	422,843	253,889	51,478	

FRONTIER SCHOOL DIVISION
Notes to the Consolidated Financial Statements
June 30, 2020

15. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

The Division's primary liquidity risk relates to its liability for debenture debt. The Division does not have material liabilities that can be called unexpectedly at the demand of a lender, and has no material commitments for capital expenditures, or need for same, in the normal course of business. As payment of principal and interest is funded entirely by grants from the Province of Manitoba, the Division is not exposed to significant liquidity risk.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The interest rate exposure relates to debenture debt.

17. RECENT DEVELOPMENTS

In March 2020, the World Health Organization declared the COVID-19 outbreak a global pandemic. This contagious disease outbreak, and related public health developments, have adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It has disrupted the normal operations of many businesses, including Frontier School Division. The Division experienced closure of its schools leading to the development of several types of distance learning models. At this time, it is not possible for the Division to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Division's business.

Appendix I

FRONTIER SCHOOL DIVISION

Information for Notes to Financial Statements

	12 Month Projection 30-Jun-2019	9 Month Projection 31-Mar-2020	12 Month Projection 31-Mar-2020	3 Month Projection 30-Jun-2020	12 Month Projection 30-Jun-2020
Plan Assets - Defined Benefit Pension Plan:					
Market Value of Assets - Smoothed Value (Beginning of Period)	\$ 119,510,355	\$ 126,590,157	\$ 124,383,865	\$ 128,515,601	\$ 126,590,157
Expected Return on Plan Assets	6,847,934	5,208,074	6,816,165	1,764,680	6,934,460
Actuarial Gain/(Loss)	1,063,574	(2,614,996)	(1,777,252)	2,116,099	(460,603)
Employer Contributions	2,516,462	1,879,258	2,634,838	649,246	2,528,504
Employee Contributions	2,516,462	1,879,258	2,634,838	649,246	2,528,504
Benefits Payments	(5,864,631)	(4,426,149)	(6,176,853)	(1,648,996)	(6,075,145)
Market Value of Assets - Smoothed Value (End of Period)	\$ 126,590,157	\$ 128,515,601	\$ 128,515,601	\$ 132,045,877	\$ 132,045,877
Accrued Benefit Obligation - Defined Benefit Pension Plan:					
Accrued Benefit Obligation (Beginning of Period)	\$ 109,912,087	\$ 111,595,249	\$ 110,456,194	\$ 115,837,004	\$ 111,595,249
Current Service Cost	4,166,143	3,111,216	4,362,121	1,082,077	4,214,173
Interest Cost	6,271,113	4,576,184	6,025,186	1,588,861	6,086,562
Benefits Payments	(5,864,631)	(4,426,149)	(6,176,853)	(1,648,996)	(6,075,145)
Actuarial (Gain)/Loss Due to Experience	(937,692)	980,504	1,170,356	995,295	2,033,402
Actuarial (Gain)/Loss Due to Change in Salary Scale (Assumption)	(5,059,938)	-	-	-	-
Actuarial (Gain)/Loss Due to Change in Mortality Table (Assumption)	(482,486)	-	-	-	-
Actuarial (Gain)/Loss Due to Change in Discount Rate (Assumption)	3,590,653	-	-	-	-
Accrued Benefit Obligation (End of Period)	\$ 111,595,249	\$ 115,837,004	\$ 115,837,004	\$ 117,854,241	\$ 117,854,241
Surplus/(Deficit)	\$ 14,994,908	\$ 12,678,597	\$ 12,678,597	\$ 14,191,636	\$ 14,191,636
Asset Smoothing Adjustment (Investment Reserve)	(2,671,599)	7,665,030	7,665,030	2,375,844	2,375,844
Surplus/(Deficit) on a Market Value Basis	\$ 17,666,507	\$ 5,013,567	\$ 5,013,567	\$ 11,815,792	\$ 11,815,792
Accrued Benefit Asset:					
Surplus/(Deficit)	\$ 14,994,908	\$ 12,678,597	\$ 12,678,597	\$ 14,191,636	\$ 14,191,636
Unamortized Net Actuarial (Gains)/Losses	-	-	-	-	-
Valuation Allowance	(14,994,908)	(12,678,597)	(12,678,597)	(14,191,636)	(14,191,636)
Accrued Benefit Asset	\$ -	\$ -	\$ -	\$ -	\$ -
Total Retirement Expense of the Division's Defined Benefit Pension Plan:					
Current Period Benefit Cost Less Employee Contributions	\$ 1,649,681	\$ 1,231,958	\$ 1,727,283	\$ 432,831	\$ 1,685,669
Interest Cost	6,271,113	4,576,184	6,025,186	1,588,861	6,086,562
Expected Return on Plan Assets	(6,847,934)	(5,208,074)	(6,816,165)	(1,764,680)	(6,934,460)
Actuarial (Gains)/ Losses	(3,953,037)	3,595,500	2,947,608	(1,120,804)	2,494,005
Change in Valuation Allowance	5,396,639	(2,316,310)	(1,249,074)	1,513,038	(803,272)
Defined Benefit Pension Expense	\$ 2,516,462	\$ 1,879,258	\$ 2,634,838	\$ 649,246	\$ 2,528,504
Actuarial Assumptions used to measure pension obligations:					
Most Recent Actuarial Valuation Report	31-Dec-2017	31-Dec-2018	31-Dec-2018	31-Dec-2018	31-Dec-2018
Discount Rate - Beginning of Period	5.75%	4.13%	5.50%	1.38%	5.50%
Discount Rate - End of Period	5.50%	4.13%	5.50%	1.38%	5.50%
Rate of compensation increase	3.00%	2.25%	3.00%	0.75%	3.00%
Plan assets are held in trust and invested as follows:					
Equities	66.00%	50.00%	50.00%	52.00%	52.00%
Bonds	21.40%	35.20%	35.20%	34.40%	34.40%
Real Estate	12.60%	14.80%	14.80%	13.60%	13.60%
Cash and cash equivalents	0.00%	0.00%	0.00%	0.00%	0.00%