

**St. James-Assiniboia
School Division**

Financial Statements
June 30, 2016



October 11, 2016

Independent Auditor's Report

**To the Board of Trustees of
St. James-Assiniboia School Division**

We have audited the accompanying financial statements of St. James-Assiniboia School Division, which comprise the statement of financial position as at June 30, 2016 and the statements of revenue, expenses and accumulated surplus, change in net debt and cash flows for the year then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditor's responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of St. James-Assiniboia School Division as at June 30, 2016 and the results of its operations, the change in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

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PwC refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

St. James-Assiniboia School Division

Statement of Financial Position

As at June 30, 2016

	2016 \$	2015 \$
Financial Assets		
Cash	2,322,719	4,847,057
Due from		
Provincial Government	3,243,563	3,211,543
Federal Government	70,313	91,482
Municipal Government (note 10)	22,234,818	20,822,302
Other school divisions	22,164	-
First Nations	32,960	36,770
Accounts receivable	170,712	85,520
	<u>28,097,249</u>	<u>29,094,674</u>
Liabilities		
Accounts payable	6,173,968	7,248,114
Accrued liabilities	5,653,892	4,694,642
Employee future benefits (note 4)	1,815,697	1,808,689
Accrued interest payable	335,979	305,409
Deferred revenue (note 5)	7,128,128	6,943,121
School generated funds liability (note 6)	187,395	157,795
Debenture debt (note 7)	21,719,277	20,212,918
	<u>43,014,336</u>	<u>41,370,688</u>
Net debt	<u>(14,917,087)</u>	<u>(12,276,014)</u>
Non-financial Assets		
Net tangible capital assets (note 8)	49,337,399	47,476,879
Prepaid expenses	444,734	359,589
	<u>49,782,133</u>	<u>47,836,468</u>
Accumulated surplus (note 9)	<u>34,865,046</u>	<u>35,560,454</u>

Approved by the Board of Directors

_____ Director _____ Director

The accompanying notes are an integral part of these financial statements.

St. James-Assiniboia School Division
Statement of Revenue, Expenses and Accumulated Surplus
For the year ended June 30, 2016

	2016 \$	2015 \$
Revenue		
Provincial Government	60,570,590	59,960,073
Municipal Government property tax	40,899,886	38,285,489
Other school divisions	704,460	722,612
First Nations	179,632	200,087
Private organizations and individuals	2,800,183	2,573,850
Other sources	819,747	983,270
School generated funds	737,122	815,775
	<u>106,711,620</u>	<u>103,541,156</u>
Expenses		
Regular instruction	57,575,098	55,706,675
Student support services	21,859,826	20,264,480
Community education and services	1,030,396	1,074,065
Divisional administration	3,645,579	3,769,210
Instructional and other support services	3,525,141	3,558,897
Transportation of pupils	2,108,214	1,991,278
Operations and maintenance	10,848,005	10,195,050
Fiscal		
Interest (note 11)	1,048,742	940,750
Other	1,686,587	1,633,300
Amortization	3,297,462	3,131,621
Other expenses	38,083	-
School generated funds	802,901	762,135
	<u>107,466,034</u>	<u>103,027,461</u>
Current year (deficit) surplus before non-vested sick leave	(754,414)	513,695
Non-vested sick leave recovery	59,006	62,890
	<u>(695,408)</u>	<u>576,585</u>
Current year (deficit) surplus	(695,408)	576,585
Accumulated surplus - Beginning of year	35,560,454	34,983,869
Accumulated surplus - End of year	<u>34,865,046</u>	<u>35,560,454</u>

The accompanying notes are an integral part of these financial statements.

St. James-Assiniboia School Division

Statement of Change in Net Debt

For the year ended June 30, 2016

	2016 \$	2015 \$
Current year surplus	(695,408)	576,585
Amortization of tangible capital assets	3,297,462	3,131,621
Acquisition of tangible capital assets	(5,192,362)	(7,403,374)
(Increase) decrease in prepaid expenses	(85,145)	86,355
Loss (gain) on disposal of tangible capital assets	34,380	(2,444)
Proceeds on disposal of tangible capital assets	-	4,392
	<u>(1,945,665)</u>	<u>(4,183,450)</u>
Increase in net debt during the year	(2,641,073)	(3,606,865)
Net debt - Beginning of year	<u>(12,276,014)</u>	<u>(8,669,149)</u>
Net debt - End of year	<u>(14,917,087)</u>	<u>(12,276,014)</u>

The accompanying notes are an integral part of these financial statements.

St. James-Assiniboia School Division

Statement of Cash Flows

For the year ended June 30, 2016

	2016	2015
	\$	\$
Cash provided by (used in)		
Operating activities		
Current year (deficit) surplus	(695,408)	576,585
Items not affecting cash		
Amortization of tangible capital assets	3,297,462	3,131,621
Loss (gain) on disposal of tangible capital assets	34,380	(2,444)
Employee future benefits	7,008	(102,549)
	<u>2,643,442</u>	<u>3,603,213</u>
Change in non-cash working capital items		
(Increase) decrease in due from other organizations	(1,441,721)	6,316,295
Increase in accounts receivable	(85,192)	(8,735)
(Increase) decrease in prepaid expenses	(85,145)	86,355
Decrease in accounts payable and accrued liabilities	(84,326)	(874,083)
Increase in deferred revenue	185,007	6,031,362
Increase (decrease) in school generated funds liability	29,600	(32,130)
	<u>1,161,665</u>	<u>15,122,277</u>
Capital activities		
Acquisition of tangible capital assets	(5,192,362)	(7,403,374)
Proceeds on disposal of tangible capital assets	-	4,392
	<u>(5,192,362)</u>	<u>(7,398,982)</u>
Financing activities		
Increase in debenture debt	1,506,359	3,939,464
(Decrease) increase in cash during the year	<u>(2,524,338)</u>	<u>11,662,759</u>
Cash (overdraft) - Beginning of year	<u>4,847,057</u>	<u>(6,815,702)</u>
Cash - End of year	<u>2,322,719</u>	<u>4,847,057</u>

The accompanying notes are an integral part of these financial statements.

St. James-Assiniboia School Division

Notes to Financial Statements

June 30, 2016

1 Nature of organization and economic dependence

St. James-Assiniboia School Division (the 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 (the Province), and a special levy on the property assessment included in the Division's boundaries. The Division is exempt from income tax and is a registered charity under the Income Tax Act.

The Division is economically dependent on the Province for the majority of its revenue and capital financing requirements. Without this funding, the Division would not be able to continue its operations.

2 Summary of significant accounting policies

The 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

The financial statements reflect the assets, liabilities, revenues and expenses of the Operating Fund, Capital Fund, and Special Purpose Fund of the Division. The Division's reporting entity includes school generated funds controlled by the Division.

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 controlled by the Division.

All inter-fund accounts and transactions are eliminated in the Division's financial statements.

b) 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.

c) 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.

St. James-Assiniboia School Division

Notes to Financial Statements

June 30, 2016

d) School generated funds

School generated funds are monies 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.

Only revenue and expenses of school generated funds controlled by the Division are included in the 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.

Year-end cash balances of all school generated funds are included in the 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. Revenues and expenses of uncontrolled school generated funds are not included in the financial statements.

e) 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 year. Tangible capital assets include land, buildings, buses, other vehicles, furniture and equipment, computers 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 follows:

Asset description	Capitalization threshold \$	Estimated useful life (years)
Land improvements	50,000	10
Buildings (school and non-school)		
Bricks, mortar and steel	50,000	15 - 40
Wood frame	50,000	15 - 25
School buses	50,000	10
Other vehicles	10,000	5
Equipment	10,000	5
Network infrastructure	25,000	10
Computer hardware	10,000	4
Computer software	10,000	4
Furniture and fixtures	10,000	10

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

St. James-Assiniboia School Division

Notes to Financial Statements

June 30, 2016

With the exception of land and donated capital assets, all tangible capital assets are recorded at historical cost. Cost includes the 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 historical cost was not known, buildings have been recorded based on the replacement value for insurance purposes as at June 30, 2005 regressed to the date of acquisition using a regression index based on Southam and CanaData construction cost indices.

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

Land is recorded at historical cost when known. For land acquired prior to June 30, 2006, where historical cost was not known, land has been recorded based on values determined by the Crown Lands and Property Agency.

All tangible capital assets, except for land and assets under construction, are amortized on a straight-line basis over their estimated useful lives. Land is not amortized.

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.

f) Employee future benefits

The Province 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 a defined benefit pension plan for non-teacher employees, vacation pay and parental leave benefits. The Division adopted the following policies with respect to accounting for these employee future benefits:

St. James-Assiniboia School Division

Notes to Financial Statements

June 30, 2016

i) Defined benefit pension plan

Under this plan, 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. An accrued benefit asset is presented net of any valuation allowance.

A market discount rate is used to measure the benefit obligations. The expected return on pension plan assets is calculated on the market related value of the assets. The cost of the plan is actuarially determined using the projected benefit method pro-rated on years of employee service, final average salary levels during specified years of employment, retirement ages of employees and other actuarial factors, together with the expected rate of return on pension plan assets. Current service costs and interest costs on the benefit obligation are charged to income as they accrue. Actuarial gains and losses are amortized to earnings on a straight-line basis over the expected average remaining service lives (12 years) of active plan members.

ii) Other future benefits

For those benefit obligations that are event driven (vacation pay and parental leave), the benefit costs are recognized and recorded when earned.

The employee future benefits expense includes the Division's contribution for the period.

iii) Non-vested sick leave

For non-vesting accumulating sick days, the benefit costs are recognized, based on a projection of expected future utilization of sick time, discounted using net present value techniques.

g) 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 Statement of financial position (note 9).

h) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles established by the public sector accounting board of CPA Canada 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 revenue and expenses during the reporting period.

St. James-Assiniboia School Division

Notes to Financial Statements

June 30, 2016

3 Overdraft

The Division has an authorized line of credit with The Royal Bank of Canada of \$15,000,000 by way of overdrafts and is repayable on demand at prime less 0.25%; interest is paid monthly.

4 Employee future benefits

Employee future benefits are benefits earned by employees, but will not be paid out until future years.

	2016 \$	2015 \$
Employee future benefit liabilities		
Defined benefit pension plan - accrued benefit asset	-	-
Maternity leave earned	455,970	422,846
Vacation payable	724,430	691,540
Non-vested accumulated sick leave (note 9)	635,297	694,303
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Total employee future benefit liability	1,815,697	1,808,689

The Division sponsors a defined benefit plan for non-teaching employees that is actuarially valued every three years using a number of assumptions about future events, including inflation rate (2%), wage and salary increases (3%), and employee turnover and mortality to determine the accrued benefit obligation. The most recent actuarial report was prepared as at December 31, 2015. The expected average remaining service life of the related employee groups is 12 years. Pension plan assets are valued at market related values and the expected rate of return is 5.5%.

As at June 30, 2016, there were 489 active members, 187 deferred benefit members and 272 pensioners receiving payments.

Non-vested accumulated sick leave benefits are measured using net present value techniques on the expected future utilization of excess of sick benefits used over earned per year, to maximum entitlement. The impact of the estimated non-vested sick leave benefit cost for 2016 is a recovery of \$59,006 (2015 - a recovery of \$62,890).

St. James-Assiniboia School Division

Notes to Financial Statements

June 30, 2016

	2016 \$	2015 \$
Change in accrued benefit obligation		
Balance - beginning of year	49,727,523	46,219,697
Current service cost		
Division	815,695	915,749
Employees	1,427,622	1,594,298
Interest cost	2,727,445	2,544,451
Benefits paid	(2,414,028)	(2,273,249)
Non-investment expenses paid	(104,531)	(150,698)
Actual experience loss	538,275	877,275
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Balance - end of year	52,718,001	49,727,523
Change in plan assets		
Market related value - beginning of year	48,689,015	44,177,652
Contributions		
Division	1,398,929	1,589,977
Employees	1,427,622	1,594,298
Expected return on plan assets	2,686,366	2,450,680
Experience gain	1,231,846	1,300,355
Benefits paid	(2,414,028)	(2,273,249)
Non-investment expenses paid	(104,531)	(150,698)
	<hr/>	<hr/>
Market related value - end of year	52,915,219	48,689,015
Funded status		
Benefit obligation less than (greater than) plan assets	197,218	(1,038,508)
Unamortized net actuarial gain	(693,571)	(423,080)
Valuation allowance	496,353	1,461,588
	<hr/>	<hr/>
Accrued benefit asset	-	-
Net benefit plan cost		
Current service cost - Division	815,695	915,749
Interest cost	2,727,445	2,544,451
Expected return on plan assets	(2,686,366)	(2,450,680)
Amortization of actuarial gains	270,491	1,015,879
Valuation allowance	271,664	(435,422)
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Net benefit plan expense for the year	1,398,929	1,589,977

St. James-Assiniboia School Division

Notes to Financial Statements

June 30, 2016

As at June 30, 2016, total additional contributions to the plan are \$1,827,855 and these contributions may, at the Division's discretion, be used to reduce or eliminate future contribution requirements if and when the plan's assets are in a surplus position as determined by the actuary of the plan.

	2016 %	2015 %
Plan assets in equities (includes real estate)	54.40	58.10
Plan assets in fixed income	45.60	41.90

	2016 %	2015 %
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Significant assumptions

Accrued benefit obligation as at June 30

Discount rate	5.50	5.50
Rate of compensation increase	3.00	3.00

Net benefit plan cost for the year ended June 30

Discount rate	5.50	5.50
Expected return on plan assets	5.50	5.50
Rate of compensation increase	3.00	3.00

Expected Average Remaining Service Life (EARSL)	12 years	12 years
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Maternity leave earned and vacation payable are defined benefits that are recognized and recorded when earned.

St. James-Assiniboia School Division

Notes to Financial Statements

June 30, 2016

5 Deferred revenue

The following is a breakdown of deferred revenue:

	Balance as at June 30, 2015 \$	Additions in the year \$	Revenue recognized in the year \$	Balance as at June 30, 2016 \$
Donated capital assets	256,909	25,000	35,221	246,688
Continuing Education	9,195	-	9,195	-
International student program fees	773,145	972,679	773,145	972,679
Province of MB Green Team Grant	7,826	7,177	7,826	7,177
Property tax	5,873,537	5,899,584	5,873,537	5,899,584
Lease revenue	12,459	-	12,459	-
iPad Caution fees	9,550	-	9,550	-
MB Scientist Classroom Grant	500	-	500	-
Grant - Stevenson Britannia	-	2,000	-	2,000
	<u>6,943,121</u>	<u>6,906,440</u>	<u>6,721,433</u>	<u>7,128,128</u>

6 School generated funds liability

School generated funds liability includes the non-controlling portion of school generated funds consolidated in the cash balance in the amount of \$187,395.

	2016 \$	2015 \$
Parent council funds	529	605
Student funds (including travel)	167,487	134,501
Other	19,379	22,689
	<u>187,395</u>	<u>157,795</u>

St. James-Assiniboia School Division

Notes to Financial Statements

June 30, 2016

7 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 2016 to 2035 and is owing to the Public Schools Finance Board (PSFB). Payment of principal and interest is funded entirely by grants from the Province, except for the debenture debt on self-funded capital projects. There were no self-funded capital projects outstanding during the year. The debentures carry interest rates that range from 3.00% to 8.38%.

Debenture interest expense payable as at June 30, 2016, 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 as follows:

	Principal \$	Interest \$	Total \$
2016 - 2017	1,323,923	1,000,465	2,324,388
2017 - 2018	1,374,697	931,155	2,305,852
2018 - 2019	1,412,635	859,500	2,272,135
2019 - 2020	1,453,280	786,005	2,239,285
2020 - 2021	1,410,436	710,479	2,120,916

8 Tangible capital assets

The schedule of tangible capital assets (schedule attached) of the audited financial statements provides a breakdown of cost, accumulated amortization and net book value by class.

A summary is as follows:

			2016	2015
	Gross amount \$	Accumulated amortization \$	Net book value \$	Net book value \$
Tangible capital assets	104,748,726	55,411,327	49,337,399	47,476,879

St. James-Assiniboia School Division

Notes to Financial Statements

June 30, 2016

9 Accumulated surplus

The accumulated surplus is comprised of the following:

	2016 \$	2015 \$
Operating Fund		
Designated surplus	843,290	94,395
Undesignated surplus	2,900,807	2,847,411
Non-vested sick leave	(635,297)	(694,303)
	<u>3,108,800</u>	<u>2,247,503</u>
Capital Fund		
Reserve accounts	6,537,809	7,826,072
Equity in tangible capital assets	24,895,861	25,098,524
	<u>31,433,670</u>	<u>32,924,596</u>
Special Purpose Fund		
School generated funds	322,576	388,355
	<u>34,865,046</u>	<u>35,560,454</u>

The designated surplus under the Operating Fund represents internally restricted amounts appropriated by the Board or, in the case of school budget carryovers, by board policy.

	2016 \$	2015 \$
Middle years reorganization	764,000	-
School budget carryovers by board policy	79,290	94,395
	<u>843,290</u>	<u>94,395</u>

St. James-Assiniboia School Division

Notes to Financial Statements

June 30, 2016

Reserve accounts under the Capital Fund represent internally restricted reserves for specific projects approved by the Board of Trustees and the PSFB.

	2016 \$	2015 \$
Undesignated	115,094	1,379,487
Information technology	1,200,000	1,200,000
Equipment/vehicle	500,000	500,000
School building reserve	3,376,130	3,400,000
School bus reserve	827,000	827,000
Other reserves - Sturgeon Heights Reserve	19,585	19,585
Lease reserve	500,000	500,000
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Capital reserve	6,537,809	7,826,072

School generated funds and other special purpose funds are externally restricted monies for school use.

10 Municipal Government - property tax and related due from Municipal Government

Education property taxes or special levies are raised as the Division's contributions to the cost of providing public education for the students resident in the Division. The Municipal Government - property tax shown on the revenue and expense is raised over the two calendar (tax) years; 45.6% from the 2015 tax year and 54.4% from the 2016 tax year. Below are the related revenue and receivable amounts:

	2016 \$	2015 \$
Municipal Government revenue earned in the current tax year	31,148,713	29,703,915
Less: Education property tax credit	(7,038,101)	(7,007,027)
Less: Tax Incentive Grant	(1,875,794)	(1,874,586)
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Receivable due from Municipal Government - property tax	22,234,818	20,822,302

St. James-Assiniboia School Division

Notes to Financial Statements

June 30, 2016

11 Interest received and paid

The Division received interest during the year of \$89,501 (2015 - \$124,464); interest paid during the year was \$1,048,742 (2015 - \$940,750).

Interest expense is included in fiscal on the statement of revenue, expenses and accumulated surplus and is comprised of the following:

	2016 \$	2015 \$
Operating Fund		
Fiscal short-term loan, interest and bank charges	47,098	33,097
Capital Fund		
Debenture debt interest	1,001,644	907,653
	<u>1,048,742</u>	<u>940,750</u>

The accrued portion of debenture debt interest expense of \$335,979 (2015 - \$305,409) is offset by an accrual of the debt servicing grant from the Province.

12 Expenses by object

Expenses in the statement of revenue, expenses and accumulated surplus are reported by function. Below is the detail of expenses by object:

	Actual 2016 \$	Actual 2015 \$
Salaries	77,469,189	74,837,055
Employees' benefits and allowances	6,286,665	6,003,489
Services	10,623,990	9,804,489
Supplies, materials and minor equipment	5,734,775	5,462,127
Interest and bank charges	47,098	33,097
Interest - debenture	1,001,644	907,653
Payroll tax	1,686,587	1,633,300
Transfers	477,640	452,495
Amortization	3,297,462	3,131,621
School generated funds	802,901	762,135
Other capital items	38,083	-
	<u>107,466,034</u>	<u>103,027,461</u>

St. James-Assiniboia School Division

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June 30, 2016

13 Contractual obligations

Agreements with respect to student transportation were entered into for terms ranging from one to five years. The specific costs for these services are approximately \$1,397,119 for 2016 - 2017. As costs are based on student enrolment and transportation requirements, the service agreements do not contain predetermined costs for subsequent years.

14 Lease revenue

The Division recorded lease revenue of \$452,892 from other sources relating to various unoccupied building space. Minimum payments under the lease terms over the next three years are as follows:

	\$
2016 - 2017	101,664
2017 - 2018	103,580
2018 - 2019	105,545

15 Special levy raised for la Division scolaire franco-manitobaine

In accordance with Section 190.1 of The Public Schools Act, the Division is required to collect a special levy on behalf of la Division scolaire franco-manitobaine. As at June 30, 2016, the amount of this special levy was \$563,965 (2015 - \$560,292). These amounts are not included in the Division's financial statements.

16 Liability for contaminated sites

The Division recognized a liability \$65,404 in 2015 for remediation of one of the Division's schools. The nature of the liability is removal of contaminated liquid from an underground tank, removal of tank and backfill tank excavation site. The amount of estimated recoveries is \$nil.

St. James-Assiniboia School Division

Schedule of Tangible Capital Assets

For the year ended June 30, 2016

	Buildings and leasehold improvements							2016	2015		
	School school	Non-school	School buses	Other vehicles	Furniture, fixtures and equipment	Computer hardware and software*	Land \$	Land improvements \$	Assets under construction \$	Total \$	Total \$
Tangible capital asset cost											
Opening cost	71,098,726	4,324,198	838,588	721,711	3,852,607	3,784,782	7,025,772	5,812,796	2,943,918	100,403,098	93,109,509
Add: Additions during the year	5,198,019	-	110,092	-	74,282	29,419	-	1,145,981	(1,365,431)	5,192,362	7,403,374
Less: Disposals and writedowns	-	-	-	-	(260,046)	(377,512)	-	(209,176)	-	(846,734)	(109,785)
Closing cost	76,296,745	4,324,198	948,680	721,711	3,666,843	3,436,689	7,025,772	6,749,601	1,578,487	104,748,726	100,403,098
Accumulated amortization											
Opening balance	40,944,586	2,868,264	548,762	598,079	3,178,453	2,096,729	-	2,691,346	-	52,926,219	49,902,435
Add: Current period amortization	1,905,936	87,174	59,709	41,463	239,967	392,615	-	570,598	-	3,297,462	3,131,621
Less: Accumulated amortization on disposals and writedowns	-	-	-	-	(260,046)	(377,512)	-	(174,796)	-	(812,354)	(107,837)
Closing accumulated amortization	42,850,522	2,955,438	608,471	639,542	3,158,374	2,111,832	-	3,087,148	-	55,411,327	52,926,219
Net tangible capital assets	33,446,223	1,368,760	340,209	82,169	508,469	1,324,857	7,025,772	3,662,453	1,578,487	49,337,399	47,476,879
Proceeds from disposal of capital assets	-	-	-	-	-	-	-	-	-	-	4,392

* Includes network infrastructure