

Consolidated financial statements of

**Superior-Greenstone District
School Board**

August 31, 2009

Superior-Greenstone District School Board

August 31, 2009

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SUPERIOR-GREENSTONE DISTRICT SCHOOL BOARD

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MANAGEMENT REPORT

Management's Responsibility for the Financial Statements

The accompanying financial statements of the Superior-Greenstone District School Board are the responsibility of the Board management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Board 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 financial statements. These systems are monitored and evaluated by management.

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

The financial statements have been audited by Deloitte & Touche 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 Board's financial statements.

Patti Pella
Director of Education

Bruce Rousseau
Superintendent of Business

October 30, 2009

Auditors' Report

To the Board of Trustees of the
Superior-Greenstone District School Board

We have audited the consolidated statement of financial position of the Superior-Greenstone District School Board as at August 31, 2009 and the consolidated statements of financial activities and fund balance and of changes in financial position for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many school boards, individual schools derive revenue from school fundraising activities held throughout the year. Adequate documentation and controls were not in place throughout the year to allow us to obtain satisfactory audit verification as to the completeness of these revenues. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the individual schools and we were not able to determine whether adjustments might be necessary to school fundraising revenue, net expenditure, financial assets and net financial position.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of school fundraising revenue referred to in the preceding paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of the Superior-Greenstone District School Board as at August 31, 2009 and the results of its operations and changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP

Chartered Accountants
Licensed Public Accountants
October 30, 2009

Superior-Greenstone District School Board

Consolidated statement of financial position

as at August 31, 2009

	2009	2008
	\$	\$
Financial assets		
Cash and cash equivalents	3,528,092	2,895,659
Short term investments	182,362	1,580,562
Accounts receivable		
Municipalities	627,999	483,730
Other (Note 2)	2,794,042	3,345,307
Total financial assets	7,132,495	8,305,258
Liabilities		
Short-term borrowing	-	1,451,882
Accounts payable and accrued liabilities	3,931,152	1,817,102
Deferred revenue		
Reserve funds (Note 3)	526,660	203,246
Other	250,171	363,210
Retirement and other employee future benefits (Note 4)	11,610,908	11,360,001
Long-term debt (Note 5)	3,512,335	2,418,499
Total liabilities	19,831,226	17,613,940
Net financial liabilities	(12,698,731)	(9,308,682)
Non-financial asset - prepaid expenses	100,395	87,561
Net liabilities	(12,598,336)	(9,221,121)
Financial position		
Fund balances		
Operating Fund - Schedule 2.1	-	-
Capital Fund - Schedule 2.2	(2,406,944)	(937,889)
Reserve Funds - Schedule 2.3 (Note 6)	4,070,325	4,266,330
School Generated Funds - Schedule 2.4	287,849	283,060
Total fund balances	1,951,230	3,611,501
Amounts to be recovered in future years (Note 7)	(14,549,566)	(12,832,622)
Net financial position	(12,598,336)	(9,221,121)

Chief Executive Officer

Chair of the Board

Superior-Greenstone District School Board

Consolidated statement of financial activities and fund balance year ended August 31, 2009

	2009	2008	
	Budget (unaudited)	Actual	
	\$	\$	
Revenues			
Local taxation	4,758,218	3,692,275	5,044,172
Provincial grants			
Student Focused Funding	24,583,707	25,645,911	24,610,416
Other	211,637	1,588,254	763,908
Federal grants and fees	2,520,123	2,839,190	2,813,055
Other revenues - school boards	736,000	777,881	906,355
Other fees and revenues	318,285	722,184	980,573
School fundraising	550,000	491,788	555,664
Total revenues	33,677,970	35,757,483	35,674,143
Expenditures (Note 9)			
Instruction	23,367,665	25,501,169	25,070,095
Administration	2,035,977	2,346,315	1,816,863
Transportation	2,207,000	2,297,013	2,210,570
School operations and maintenance	4,599,406	4,962,512	4,694,914
Pupil accommodation	3,611,101	3,550,310	2,927,082
Other	96,414	-	-
School funded activities	650,000	490,213	504,744
Total expenditures	36,567,563	39,147,532	37,224,268
Net expenditure	(2,889,593)	(3,390,049)	(1,550,125)
Increase in non-financial asset			
Prepaid expenses	-	12,834	3,207
Change in net liabilities	(2,889,593)	(3,377,215)	(1,546,918)
Financing transactions			
Long-term debt issued	-	1,150,000	970,022
Debt repayment	(56,164)	(56,164)	(33,875)
Increase (decrease) in unfunded liabilities	439,358	623,108	(312,472)
Change in amounts to be recovered	383,194	1,716,944	623,675
Change in fund balance	(2,506,399)	(1,660,271)	(923,243)
Fund balance, beginning of year	6,808,372	3,611,501	4,534,744
Fund balance, end of year	4,301,973	1,951,230	3,611,501

Superior-Greenstone District School Board

Consolidated statement of changes in financial position year ended August 31, 2009

	2009	2008
	\$	\$
Operating activities		
Net expenditure	(3,390,049)	(1,550,125)
Sources and uses		
Decrease in accounts receivable	406,996	553,654
Increase (decrease) in accounts payable and accrued liabilities	2,114,050	(1,074,037)
Increase (decrease) in deferred revenues		
Reserve funds	323,414	22,111
Other	(113,039)	8,373
Increase in retirement and other employee future benefits	250,907	242,479
	2,982,328	(247,420)
Financing activities		
Decrease in short term investments	(1,398,200)	(26,378)
Increase (decrease) in short-term borrowing	(1,451,882)	895,531
Long-term debt issued	1,150,000	970,022
Long-term debt-principal repaid	(56,164)	(33,875)
	(1,756,246)	1,805,300
Net change in cash and cash equivalents	632,433	60,511
Cash and cash equivalents, beginning of year	2,895,659	2,835,148
Cash and cash equivalents, end of year	3,528,092	2,895,659

Superior-Greenstone District School Board

Notes to the consolidated financial statements

August 31, 2009

1. Significant accounting policies

The consolidated financial statements are the representations of management prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants.

Significant accounting policies adopted are as follows:

a) Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and fund balances of the reporting entity. The reporting entity is comprised of all organizations which are controlled by the Board.

School generated funds, which include the assets, liabilities, revenues, expenditures and fund balances of various organizations that exist at the school level and which are controlled by the Board are reflected in the consolidated financial statements.

All material interdepartmental and inter-entity transactions and balances between these organizations are eliminated on consolidation.

b) Trust funds

Trust funds and their related operations administered by the Board amounting to \$325,621 (2008 - \$473,194) are not included in the consolidated financial statements.

c) Basis of accounting

Revenues and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenditures are recognized as they are incurred and measurable as the result of the receipt of goods or services and the creation of a legal obligation to pay.

d) Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand and demand deposits. Demand deposits are highly liquid, subject to insignificant risk of changes in value and have an initial term to maturity of less than 90 days.

e) Capital assets

The historical cost and accumulated depreciation of capital assets are not reported. Capital assets are reported as expenditures on the Consolidated Statement of Financial Activities and Fund Balance in the year of acquisition or construction.

f) Deferred revenue

Certain amounts are received pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs or in the delivery of specific services and transactions. These amounts will be recognized as revenue in the fiscal year the related qualifying expenditures are incurred or services are performed.

Superior-Greenstone District School Board

Notes to the consolidated financial statements

August 31, 2009

1. Significant accounting policies (continued)

g) Retirement and other employee future benefits

The Board provides defined retirement and other future benefits to specified employee groups. These benefits include health and dental, retirement gratuity, non-vesting accumulating sick leave, and early retirement incentive plan. The Board has adopted the following policies with respect to accounting for these employee benefits:

- i) The costs of self insured retirement and other employee future benefit plans are actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement, insurance and health care cost trends, disability recovery rates, long-term inflation rates and discount rates.

For self insured retirement and other employee future benefits that vest or accumulate over the periods of service provided by employees, such as retirement gratuities, the cost is actuarially determined using the projected benefits method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group. Any actuarial gains and losses related to the past service of employees are amortized over the expected average remaining service life of the employee group.

For non-vesting accumulating sick days, the costs are actuarially determined using probabilities to estimate the number of sick days employees will use from the sick bank they have accumulated to the valuation date, August 31.

For those self insured benefit obligations that arise from specific events that occur from time to time, such as obligations for life insurance, dental and health care benefits for certain employees on disability leave, the cost is recognized immediately in the period the events occur. Any actuarial gains and losses that are related to these benefits are recognized immediately in the period they arise.

Actuarial gains and losses related to obligations for long-term disability are amortized over the expected average service life of the employee group.

- ii) The Board's contributions to multi-employer defined benefits pension plans, such as the Ontario Municipal Employees Retirement System pensions, are recorded in the period in which they become payable.
- iii) The costs of insured benefits for active employees reflected in these financial statements, are the employer's portion of insurance premiums owed for coverage of employees during the period.

h) Reserves and reserve funds

Certain amounts, as approved by Board Trustees, are set aside in reserves and reserve funds for future operating and capital purposes. Transfers to and/or from reserves and reserve funds are an adjustment to the respective fund in accordance with Board approval.

i) Government transfers

Government transfers, which include legislative grants, are recognized in the consolidated financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, all eligibility criteria have been met and reasonable estimates of the amount can be made.

j) Investment income

Investment income earned on surplus operating funds, capital funds, reserves and reserve funds and school generated funds are reported as revenue in the period earned.

Interest income earned on monies invested specifically for externally restricted funds is added to the fund balance and forms part of the respective deferred revenue balances.

Superior-Greenstone District School Board

Notes to the consolidated financial statements

August 31, 2009

1. Significant accounting policies (continued)

k) Budget figures

Budget figures have been provided for comparison purposes and have been derived from the original budget approved by the Board of Trustees. The budget approved by the Board of Trustees was developed in accordance with the provincially mandated funding model for school boards and is used to manage program spending within the guidelines of the funding model. Given differences between the funding model and generally accepted accounting principles for local governments established by the Public Sector Accounting Board, the budget figures presented have been adjusted to conform with this basis of accounting used to prepare the consolidated financial statements. The budget figures are unaudited.

l) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenditures during the year. Actual results could differ from these estimates. Estimates are reviewed periodically by management and, as adjustments become necessary they are reported in the period in which they became known.

2. Accounts receivable

The accounts receivable - other balance includes tuition fees receivable (payable) from the First Nations as follows:

	Balance at August 31, 2008	Invoices	Payments	Balance at August 31, 2009
	\$	\$	\$	\$
Aroland First Nation	553,487	578,038	(172,045)	959,480
Biinjitwaabek First Nation	150,106	309,871	(417,250)	42,727
Ginoogaming First Nation	-	15,494	(15,782)	-
Lac La Croix	533	-	-	533
Marten Falls First Nation	(260)	15,494	(15,469)	(235)
Pays Plat First Nation	57,059	69,581	(128,089)	(1,449)
Pic Mobert First Nation	41,534	241,772	(182,191)	101,115
Pic River First Nation	(81,536)	474,855	(508,058)	(114,739)
Red Rock First Nation	201,756	763,954	(727,655)	238,055
White Sands First Nation	(128)	23,240	(23,598)	(486)
	922,551	2,492,299	(2,190,137)	1,225,001

Superior-Greenstone District School Board

Notes to the consolidated financial statements

August 31, 2009

3. Deferred revenue - reserve funds

Deferred revenue externally restricted for specific purposes by legislation, regulation or agreement as at August 31, is comprised of:

	2009	2008
	\$	\$
Pupil Accommodation Allocation	526,660	203,246

Continuity of Deferred Revenue - Reserve Funds of the Board are summarized below:

	2009	2008
	\$	\$
Balance, beginning of year	203,246	181,135
Restricted Provincial Grants received	1,171,567	3,477,847
Interest earned	97	242
	1,374,910	3,659,224
Provincial grants earned	(848,250)	(3,455,978)
Balance, end of year	526,660	203,246

4. Retirement and other employee future benefits

Retirement and other employee future benefit liabilities

	2009		2008	
	Retirement benefits	Other employee future benefits	Total employee future benefits	Total employee future benefits
	\$	\$	\$	\$
Accrued employee future benefit obligation	3,467,841	7,141,696	10,609,537	9,511,086
Unamortized actuarial gains (losses)	1,131,517	(130,146)	1,001,371	1,848,915
Accrued employee future benefit liability, end of year	4,599,358	7,011,550	11,610,908	11,360,001

Actual benefit payments made during the year totaled \$937,569 (2008 - \$660,786).

Superior-Greenstone District School Board

Notes to the consolidated financial statements

August 31, 2009

4. Retirement and other employee future benefits (continued)

Retirement and other employee future benefit expenses

	2009	2008		
	Retirement benefits	Other employee future benefits	Total employee future benefits	Total employee future benefits
	\$	\$	\$	\$
Current year benefit cost	284,159	572,005	856,164	609,763
Interest on accrued benefit obligation	189,499	279,268	468,767	442,385
Amortization of actuarial gains	(53,237)	(83,217)	(136,454)	(148,883)
Employee future benefits expenses	420,421	768,056	1,188,477	903,265

The following items are included in the accrued employee future benefit liability:

i) Retirement gratuities

The Board provides retirement gratuities to certain groups of employees hired prior to specified dates. The amount of the gratuities paid to eligible employees at retirement is based on their salary, accumulated sick days, and years of service at retirement. The Board provides these benefits through an unfunded defined benefit plan. The benefit costs and liabilities related to this plan are included in the Board's financial statements.

ii) Retirement life insurance and health care benefits

Employees are able to continue coverage for life insurance, dental and health care benefits after retirement until the members reach 65 years of age; however, the retirees pay a premium associated with this coverage.

iii) Sick leave accumulations

The Board provides compensated absences from sick leave accumulations through an unfunded defined benefit plan.

Other employee future benefits

Long-term disability life insurance and health care benefits

The Board provides life insurance, dental and health care benefits to employees on long-term disability leave for a period of two years after the date of disability. The insurance carrier waives the life insurance premiums for employees on long-term disability, however, the Board is responsible for the payment of the costs of insurance, dental and health care benefits under this plan. The Board provides these benefits through an unfunded defined benefit plan. The costs of salary compensation paid to employees on long-term disability leave are fully insured and not included in this plan.

Superior-Greenstone District School Board

Notes to the consolidated financial statements

August 31, 2009

4. Retirement and other employee future benefits (continued)

Other employee future benefits (continued)

The accrued benefit obligations for employee future benefit plans as at August 31, 2009 are based on a full actuarial valuation that was completed as of August 31, 2009. These actuarial valuations were based on assumptions about future events. The economic assumptions used in these valuations are the Board's best estimates of expected rates of:

		%
Wage and salary escalation	3% for 2009/2012, 2.35% thereafter	
Medical cost increases	9% grading down to 4.5% in 2030 and thereafter	
Discount rate on accrued benefit obligations		4.75
Dental cost increases	6% grading down to 4.5% in 2014 and thereafter	

The Board has designated reserves for certain of these employee future benefit obligations. The balance of these reserves totaled \$1,316,088 at August 31, 2009 (2008 - \$1,573,894). Above amounts exclude pension contributions to the Ontario Municipal Employees Retirement System, a multi-employer pension plan, as described below.

Retirement benefits

i) Ontario Teacher's Pension Plan

Teachers and related employee groups are eligible to be members of Ontario Teacher's Pension Plan. Employer contributions for these employees are provided directly by the Province of Ontario. The pension costs and obligations related to this plan are a direct responsibility of the Province. Accordingly, no costs or liabilities related to this plan are included in the Board's financial statements.

ii) Ontario Municipal Employees Retirement System

All non-teaching employees of the Board are eligible to be members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan. The plan provides defined pension benefits to employees based on their length of service and rates of pay. The Board's contributions equal the employee contributions to the Plan. During the year ended August 31, 2009, the Board contributed \$395,834 (2008 - \$380,708) to the plan. As this is a multi-employer pension plan, these contributions are the Board's pension benefit expenses. No pension liability for this type of plan is included in the Board's financial statements.

Superior-Greenstone District School Board

Notes to the consolidated financial statements

August 31, 2009

5. Long-term debt

- a) Long-term debt reported on the consolidated statement of financial position is comprised of the following:

	2009	2008
	\$	\$
4.56% Ontario Financing Authority, GPL 1	1,413,040	1,448,477
4.85% Ontario Financing Authority, GPL 2	949,295	970,022
5.01% Ontario Financing Authority, GPL 3	1,150,000	-
	3,512,335	2,418,499

On November 15, 2006, the Board entered into a loan agreement with the Ontario Financing Authority to refinance \$1,498,725 of the GPL Phase 1 outstanding at that time. The loan is repayable by semi-annual installments of principal and interest of \$50,544 based on a 25 year amortization schedule and bears interest of 4.56%. The annual principal and interest costs will be funded by the Ministry.

On March 3, 2008, the Board entered into a loan agreement with the Ontario Financing Authority to refinance \$970,022 of the GPL Phase 2 outstanding at that time. The loan is repayable by semi-annual installments of principal, interest and administration fee of \$34,004 based on a 25 year amortization schedule and bears interest of 4.85%. The annual principal, interest and administration costs will be funded by the Ministry.

On March 13, 2009, the Board entered into a loan agreement with the Ontario Financing Authority to refinance \$1,150,000 of the GPL Phase 3 outstanding at that time. The loan is repayable by semi-annual installments of principal, interest and administration fee of \$40,944 based on a 25 year amortization schedule and bears interest of 5.01%. The annual principal, interest and administration costs will be funded by the Ministry.

- b) Principal payments relating to the net long-term debt of \$3,512,335 outstanding as at August 31, 2009 are due as follows:

	Principal	Interest	Total
	\$	\$	\$
2009/10	82,802	168,182	250,984
2010/11	86,819	164,164	250,983
2011/12	91,033	159,953	250,986
2012/13	95,451	155,533	250,984
2013/14	100,083	150,918	251,001
Thereafter	3,056,147	1,746,712	4,802,859
	3,512,335	2,545,462	6,057,797

Superior-Greenstone District School Board

Notes to the consolidated financial statements

August 31, 2009

6. Reserves and reserve funds

Internally restricted reserves and reserve funds set-aside for specific purposes by the Board of Trustees as at August 31 are comprised of:

	2009	2008
	\$	\$
Pupil accommodation	159,473	159,396
Proceeds of disposition	615,181	605,480
Retirements	1,316,088	1,573,894
Capital - equipment	44,815	44,205
Insurance	22,822	22,511
Pay equity	64,722	63,620
Winning teams	50,000	-
Working fund	1,797,224	1,797,224
	4,070,325	4,266,330

7. Amounts to be recovered in future years

The amounts to be recovered in future years reported on the Consolidated Statement of Financial Position are comprised of:

	2009	2008
	\$	\$
Retirement and other employee future benefits liability (Note 4)	11,610,908	11,360,001
Less amount previously recorded through operations	(725,467)	(1,086,550)
	10,885,441	10,273,451
Net long-term debt (Note 5)	3,512,335	2,418,499
Interest accrual	49,070	32,615
Vacation accrual	102,720	108,057
	14,549,566	12,832,622

8. Areas of jurisdiction without municipal organization

The Board performs the duties of levying taxes, conducting elections of members, and certain other duties in a territory without municipal organization. Certain costs are recoverable through a levy on all ratable property in the area and other costs (approved) are recoverable through an offset to the local taxation revenue.

Superior-Greenstone District School Board

Notes to the consolidated financial statements

August 31, 2009

9. Expenditures by object

The following is a summary of the expenditures reported on the Consolidated Statement of Financial Activities by object:

	2009	2008
	Budget (unaudited)	Actual
	\$	\$
Current expenditures		
Salary and wages	21,619,229	23,384,686
Employee benefits	3,683,891	4,327,568
Staff development	326,882	444,427
Supplies and services	3,729,633	3,608,840
Replacements	308,126	-
Interest charges on long-term debt	112,931	147,230
Rental expenditures	121,290	117,430
Fees and contract services	2,839,178	2,946,750
Other	192,132	280,044
Capital expenditures	3,634,271	3,890,557
	36,567,563	39,147,532

10. Ontario School Board Insurance Exchange (OSBIE)

The Board participates for its liability, property and automobile insurance in the Ontario School Boards' Insurance Exchange (OSBIE), a reciprocal insurance company licensed under the Insurance Act that is funded by the member boards across Ontario. Liability insurance is available to a maximum of \$20 million per occurrence.

The ultimate premiums over a five year period are based on both the reciprocal's and the Board's actual claims experience. Periodically, the Board may receive a refund or be asked to pay an additional premium based on its pro rata share of claims experience. The current five year term expires in January 2012.

11. Contractual obligations

The Board has ongoing commitments under operating leases. The sum of \$131,926 is payable with respect to these operating leases during the next four years as follows:

	\$
2009/10	59,346
2010/11	39,911
2011/12	28,090
2012/13	4,579
	131,926

Superior-Greenstone District School Board

Notes to the consolidated financial statements

August 31, 2009

12. Contingent liabilities

The Board has been named as the defendant in certain legal actions, in which damages have been sought. The outcome of these actions is not determinable as at August 31, 2009 and accordingly, no provision has been made in these financial statements for any liability that may result. Any losses arising from these actions will be recorded in the year that the related litigation is settled or when likely amounts are measurable.

The Board has an outstanding Pay Equity obligation to certain current and former employees of the Board. The amount is not determinable as at August 31, 2009 and accordingly, no provision has been made in these financial statements for this liability.

13. Repayment of "55 School Board Trust" funding

On June 1, 2003, the Board received \$1,718,287 from the "55 School Board Trust" for its capital related debt eligible for provincial funding support pursuant to a 30-year agreement it entered into with the trust. The "55 School Board Trust" was created to refinance the outstanding not permanently financed (NPF) debt of participating boards who are beneficiaries of the trust. Under the terms of the agreement, the "55 School Board Trust" repaid the board's debt in consideration for the assignment by the board to the trust of future provincial grants payable to the Board in respect of the NPF debt.

The flow-through of \$128,014 in respect of the above agreement for the year ended August 31, 2009 (2008 - \$128,014) is not recorded in these consolidated financial statements.

14. Service Contract/CFSA Approval with the Ministry Of Community and Social Services

The Board has a Service Contract/CFSA Approval with the Ministry of Community and Social Services. One requirement of the Service Contract/CFSA Approval is the production by Management of a report, TPAR, which shows a summary by service of all revenues and expenditures and any resulting surplus or deficit that relates to the Service Contract/CFSA Approval.

A review of this report shows the Teacher Diagnostician services to be in a break-even position as at August 31, 2009 and therefore no amounts are repayable to the Ministry of Community and Social Services.

Superior-Greenstone District School Board

Notes to the consolidated financial statements

August 31, 2009

15. Tangible capital assets

For fiscal years beginning on or after January 1, 2009 the Board will be required to report the historical cost and the accumulated amortization of tangible capital assets in its financial statements in accordance with The Public Sector Accounting Handbook PS3150 - Tangible Capital Assets.

For 2009, Public Sector Guideline 7 requires the disclosure of tangible capital asset information in the notes to the financial statements to the extent that reliable information is available.

a) Summary of significant accounting policies - tangible capital assets

- i) Acquisition cost: tangible capital assets are recorded at historical cost when the acquisition cost was available. Historical cost includes the costs directly related to the acquisition, design, construction, development, improvement or betterment of tangible capital assets.

When historical cost was not available, estimated historical cost was used to record existing tangible capital asset. The following methods were used to establish opening balances:

Asset class	Pre-1965	1965 or later
Building	Benchmark estimate	Appraiser estimate
Land	At nominal value	Appraiser estimate

- ii) Amortization is reflected on a straight-line basis over the estimated useful life of the assets. Amortization rates are generally as follows:

Asset class	Estimated useful life
Buildings	40 years
Land improvements	15 years
First time equipping	15 years
Furniture	10 years
Equipment	5 - 15 years
Computer hardware	5 years
Computer software	5 years

Remaining service life for legacy building and land improvement (acquisitions prior to 2005) were established by Book Value Calculator (BVC), a tool used to estimate the historical cost and remaining service life of buildings and land improvements.

Superior-Greenstone District School Board

Notes to the consolidated financial statements

August 31, 2009

15. Tangible capital assets (continued)

	Cost			Accumulated amortization			August 31,	August 31,
	Balance at August 31, 2008	Additions and (transfers)	Disposals	Balance at August 31, 2009	Balance at August 31, 2008	Disposals, Amortization write offs	2009	2008
	\$	\$	\$	\$	\$	\$	Net book value	Net book value
							\$	\$
Land	1,227,216	-	-	1,227,216	-	-	1,227,216	1,227,216
Land improvements	1,078,314	18,970	-	1,097,284	153,225	75,876	229,101	925,089
Buildings	53,670,329	3,326,735	-	56,997,064	11,732,240	1,809,230	13,541,470	41,938,089
Equipment (5 Years)	27,080	7,963	-	35,043	13,540	6,212	19,752	13,540
Equipment (10 Years)	104,591	138,885	-	243,476	32,815	17,403	50,218	71,776
Equipment (15 Years)	48,038	-	-	48,038	8,006	3,203	11,209	40,032
First time equipping	1,030,855	-	-	1,030,855	832,968	64,471	897,439	197,887
Furniture	22,251	-	-	22,251	10,332	2,225	12,557	11,919
Computer hardware	1,612,250	140,685	-	1,752,935	1,042,059	265,817	1,307,876	570,191
Computer software	319,668	18,633	-	338,301	202,554	53,414	255,968	117,114
Assets permanently removed from service	1,454,800	-	-	1,454,800	1,454,800	-	1,454,800	-
Construction in progress	-	-	-	-	-	-	-	-
Pre acquisition and construction cost	7,467	57,374	-	64,841	-	-	64,841	7,467
	60,602,859	3,709,245	-	64,312,104	15,482,539	2,297,851	17,780,390	45,120,320

16. Comparative figures

Certain of prior year's figures have been reclassified to conform to the current year's presentation.

17. Subsequent event

As a result of Ontario Regulation 486/01 and amendment 212/09 made under the Education Act, the boundaries of Superior-Greenstone District School Board were amended and Caramat District School Area Board and Nakina District School Area Board were amalgamated into the board effective September 1, 2009.

Superior-Greenstone District School Board

Schedule of operating fund financial activities and fund balance - Schedule 2.1

year ended August 31, 2009

	2009	2008
	Budget (unaudited)	Actual
	\$	\$
Revenues		
Local taxation	4,758,217	3,692,275
Provincial grants		5,044,172
Student focused funding	24,583,707	25,645,911
Other	211,637	1,588,254
Federal grants and fees	2,520,123	2,839,190
Other revenues - school boards	736,000	777,881
Other fees and revenues	224,685	683,501
Total revenues	33,034,369	35,227,012
		34,976,220
Expenditures		
Instruction	23,240,314	25,205,989
Administration	2,027,227	2,340,416
Transportation	2,207,000	2,288,501
School operations and maintenance	4,599,406	4,784,626
Pupil accommodation	112,931	147,230
Other	96,414	-
Total expenditures	32,283,292	34,766,762
		33,780,533
Net revenue	751,077	460,250
		1,195,687
Increase in non-financial assets		
Prepaid expenses	-	12,834
		3,207
Debt repayment	(56,164)	(56,164)
Increase (decrease) in unfunded liabilities	439,358	623,108
		(33,875)
		(312,472)
Change in amounts to be recovered in future years	383,194	566,944
		(346,347)
Net transfers (to) from other funds		
Transfers to Capital Fund	(1,134,271)	(1,271,502)
Transfers from (to) Reserve Funds	-	234,688
Transfers to school fund	-	(3,214)
Net transfers to other funds	(1,134,271)	(1,040,028)
		(1,337,542)
		487,643
		(2,648)
Change in operating fund balance	-	-
Operating fund balance, beginning of year	-	-
Operating fund balance, end of year	-	-

Superior-Greenstone District School Board

Schedule of capital fund financial activities and fund balance - Schedule 2.2

year ended August 31, 2009

	Budget (unaudited)	2009 Actual	2008 Actual
	\$	\$	\$
Revenues			
Other revenues	-	-	-
Expenditures			
Instruction	127,351	295,180	119,289
Administration	8,750	5,899	91
Transportation	-	8,512	-
School operations and maintenance	-	177,886	-
Pupil accommodation	3,498,170	3,403,080	2,819,611
Total expenditures	3,634,271	3,890,557	2,938,991
Net expenditure	(3,634,271)	(3,890,557)	(2,938,991)
Long-term financing	-	1,150,000	970,022
Net transfers from reserve funds	-	-	862,490
Net transfers from operating fund	1,134,271	1,271,502	1,337,542
	1,134,271	1,271,502	2,200,032
Change in capital fund balance	(2,500,000)	(1,469,055)	231,063
Capital fund balance, beginning of year	1,059,149	(937,889)	(1,168,952)
Capital fund balance, end of year	(1,440,851)	(2,406,944)	(937,889)

Superior-Greenstone District School Board

Schedule of reserve funds financial activities and fund balance -
Schedule 2.3
year ended August 31, 2009

		2009	2008
	Budget (unaudited)	Actual	Actual
	\$	\$	\$
Revenue - interest	93,600	38,683	142,259
Net transfers from (to) operating fund	-	(234,688)	(487,643)
Net transfers to capital fund	-	-	(862,490)
	-	(234,688)	(1,350,133)
Change in reserve fund balance	93,600	(196,005)	(1,207,874)
Reserve fund balance, beginning of year	5,450,234	4,266,330	5,474,204
Reserve fund balance, end of year	5,543,834	4,070,325	4,266,330

Superior-Greenstone District School Board

Schedule of school generated funds financial activities and fund balance -
 Schedule 2.4
 year ended August 31, 2009

	Budget (unaudited)	2009 Actual	2008 Actual
	\$	\$	\$
Revenues			
School fundraising and other revenues	550,000	491,788	555,664
Expenditures			
School funded activities	650,000	490,213	504,744
Net revenue (expenditure)	(100,000)	1,575	50,920
Net transfers from operating fund	-	3,214	2,648
Change in school generated fund balance	(100,000)	4,789	53,568
School generated fund activities fund balance, beginning of year	298,988	283,060	229,492
School generated fund activities fund balance, end of year	198,988	287,849	283,060