



Financial Statements

Tri-County Regional School Board

March 31, 2014

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Tri-County Regional School Board

Financial Statements

March 31, 2014

Management's Responsibility for the Financial Statements

The accompanying financial statements of the Tri-County Regional School Board have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. A summary of the financial reporting and 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 judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are 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.

The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and exercises these responsibilities through the Audit Committee. The Board reviews internal financial statements on a regular basis and external audited financial statements yearly. The Audit Committee also discusses any significant financial reporting or internal control matters prior to their approval of the financial statements.

The external auditors, Grant Thornton LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of the Tri-County Regional School Board and meet when required. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the financial statements.

On behalf of Tri-County Regional School Board



Genna LeBlanc, CA
Coordinator of Finance



Lisa Doucet
Superintendent of Schools

June 24, 2014

Independent auditor's report

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To the Chairperson and Members of the Board of the Tri-County Regional School Board

We have audited the accompanying financial statements of the Tri-County Regional School Board, which comprise the financial position as at March 31, 2014, and the statement of operations and surplus, changes in net financial assets, and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these 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 the Tri-County Regional School Board as at March 31, 2014, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other matters

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The current year's supplementary information included in the schedules on pages 8 to 14 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the financial statements taken as a whole.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Bridgewater, Canada
June 24, 2014

Chartered Accountants

Tri-County Regional School Board

Statement of Financial Position

As at March 31

2014

2013

Financial Assets

Cash and Cash Equivalents	\$ (830,000)	\$ 2,411,273
Cash Held by Schools (Note 2)	1,166,538	1,034,482
	<u>\$ 336,538</u>	<u>\$ 3,445,755</u>
Accounts Receivable		
Province of Nova Scotia	\$ 5,078,040	\$ 2,240,683
Government of Canada	417,191	298,509
Other	248,832	620,231
Accrued Benefit Asset (Note 3)	1,033,900	632,900
Receivable - Service Award Allowance (Note 7)	4,213,738	4,029,793
Receivable - Sick Leave Allowance (Note 7)	8,334,422	7,888,089
Total Financial Assets	<u>\$ 19,662,661</u>	<u>\$ 19,155,960</u>

Liabilities

Accounts Payable and Accrued Liabilities - Trade	\$ 2,245,340	\$ 1,466,997
Accrued Payroll and Employee Deductions	1,564,249	2,254,173
Payables and Accruals - Government		
Province of Nova Scotia	27,541	27,652
Government of Canada - Employee Deductions	-	4,747
Municipalities	13,830	8,030
Deferred Revenue (Note 8)	1,232,997	1,448,422
Service Award Obligations (Note 7)	4,213,738	4,029,793
Sick Leave Obligations (Note 7)	8,334,422	7,888,089
Total Liabilities	<u>\$ 17,632,117</u>	<u>\$ 17,127,903</u>

Net Financial Assets

	<u>\$ 2,030,544</u>	<u>\$ 2,028,057</u>
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Non-Financial Assets (Note 1)

Tangible Capital Assets	\$ 92,508	\$ 112,711
Inventory	238,583	238,583
Prepaid Expenses	309,189	298,919
	<u>\$ 640,280</u>	<u>\$ 650,213</u>

Accumulated Surplus (Note 1)

	<u><u>\$ 2,670,824</u></u>	<u><u>\$ 2,678,270</u></u>
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Trust Funds under Administration (Note 4 and Schedule D)
 Contractual Obligations (Note 5)
 Commitments and Contingencies (Note 7)

On Behalf of the Board


 Chairperson


 Board Member

See accompanying notes to the financial statements.

Tri-County Regional School Board

Statement of Operations and Surplus

For the year ended March 31

2014

2013

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues (Schedule A)			
Province of Nova Scotia	\$ 53,043,786	\$ 57,806,123	\$ 53,865,821
Government of Canada	330,000	310,220	338,516
Municipal Contributions	10,739,800	10,739,795	10,360,047
School Generated Funds (Note 2)	2,500,000	2,281,904	2,397,263
Board Operations	2,102,460	2,170,671	1,975,948
Total Revenues	<u>\$ 68,716,046</u>	<u>\$ 73,308,713</u>	<u>\$ 68,937,595</u>
Expenses (Schedule B)			
Board Governance	\$ 275,137	\$ 269,133	\$ 177,452
Regional Management	2,023,581	1,926,418	2,310,995
School Management & Support	5,846,871	6,050,624	6,207,032
Instruction & School Services	30,349,638	31,156,826	30,716,163
Student Support	8,502,348	8,216,854	7,956,855
Adult & Community Education	379,005	377,098	367,516
Property Services	10,221,634	14,856,171	10,298,811
Student Transportation	5,107,549	5,097,544	5,064,626
School Generated Funds (Note 2)	2,500,000	2,149,847	2,256,546
Other Programs	3,510,283	3,466,848	3,505,954
Defined Benefit Pension Plan Recovery	-	(251,204)	(45,000)
	<u>\$ 68,716,046</u>	<u>\$ 73,316,159</u>	<u>\$ 68,816,950</u>
School Board (Deficit) Surplus, on an expense basis	\$ -	\$ (7,446)	\$ 120,645
Accumulated Surplus, beginning of year	<u>-</u>	<u>2,678,270</u>	<u>2,557,625</u>
Accumulated Surplus, end of year	<u>\$ -</u>	<u>\$ 2,670,824</u>	<u>\$ 2,678,270</u>

Designation of Accumulated Surplus: (Note 1)

Operating Surplus Unrestricted, beginning of year	\$ 1,010,886	\$ 1,075,958
School Board (Deficit) Surplus, on an expense basis	(7,446)	120,645
	<u>1,003,440</u>	<u>1,196,603</u>
Operating Surplus - Designated to Defined Benefit Pension Plan	(401,000)	(45,000)
Operating Surplus - Designated to School Funds	(132,057)	(140,717)
Operating Surplus - Unrestricted, end of year	<u>\$ 470,383</u>	<u>\$ 1,010,886</u>
Defined Pension Plan - Accrued Benefit Asset, beginning of year	632,900	587,900
Defined Pension Plan - Accrued Benefit Asset, net surplus for year	401,000	45,000
Defined Pension Plan - Accrued Benefit Asset, end of year	<u>\$ 1,033,900</u>	<u>\$ 632,900</u>
School Funds - Restricted, beginning of year	\$ 1,034,484	\$ 893,767
School Funds - Restricted - net surplus for year	132,057	140,717
School Funds - Restricted, end of year	<u>\$ 1,166,541</u>	<u>\$ 1,034,484</u>
	<u>\$ 2,670,824</u>	<u>\$ 2,678,270</u>

Tri-County Regional School Board
Statement of Changes in Net Financial Assets

For the year ended March 31

2014**2013**

	<u>Actual</u>	<u>Actual</u>
Net Financial Assets, beginning of year	\$ 2,028,057	\$ 1,829,116
Changes in the Year		
School Board Surplus, on an expense basis	(7,446)	120,645
Amortization of Tangible Capital Assets	51,707	66,406
Purchases of Tangible Capital Assets	(42,029)	-
Disposition of Tangible Capital Assets	10,525	10,613
Decrease in prepaid expenses	(10,270)	1,277
Increase in net financial assets	2,487	198,941
Net Financial Assets, end of year	\$ 2,030,544	\$ 2,028,057

See accompanying notes to the financial statements.

Tri-County Regional School Board
Statement of Cash Flows

For the year ended March 31

2014**2013**

Operating Transactions

School Board (Deficit) Surplus, on an expense basis	\$	(7,446)	\$	120,645
Items not affecting cash:				
Loss on disposition of vehicles		10,524		10,613
Capital asset amortization		51,707		66,406
		<u>54,785</u>		<u>197,664</u>
Changes in non-cash working capital				
Increase in accounts receivable		(2,584,640)		(1,278,069)
Increase in receivables - service awards		(183,945)		(138,460)
Increase in receivable - sick leave		(446,333)		(421,010)
(Increase) decrease in prepaid expenses		(10,270)		1,277
Increase in accrued benefit asset		(401,000)		(45,000)
Increase in accounts payable and accruals		89,362		802,493
(Decrease) increase in deferred revenue		(215,425)		290,446
Increase in retirement - obligations payable		183,945		138,460
Increase in sick leave - obligations payable		446,333		421,010
		<u>(3,121,973)</u>		<u>(228,853)</u>
Cash provided by operating activities		<u>(3,067,188)</u>		<u>(31,189)</u>

Capital Transactions

Cash used to acquire tangible capital assets		<u>(42,029)</u>		<u>-</u>
Decrease in cash		(3,109,217)		(31,189)
Cash, beginning of year		<u>3,445,755</u>		<u>3,476,944</u>
Cash, end of year	\$	<u>336,538</u>	\$	<u>3,445,755</u>

Tri-County Regional School Board
Schedule A - Supplementary Details of Revenues

For the year ended March 31

2014

2013

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Province of Nova Scotia			
Operating	\$ 40,702,600	\$ 41,148,933	\$ 41,371,010
Restricted	8,820,835	8,567,315	8,865,406
Capital	269,500	4,911,181	662,134
Other	3,250,851	3,178,694	2,967,271
	<u>\$ 53,043,786</u>	<u>\$ 57,806,123</u>	<u>\$ 53,865,821</u>
Government of Canada			
First Nations	\$ 330,000	\$ 310,220	\$ 338,516
Municipal Contributions - Mandatory			
	<u>\$ 10,739,800</u>	<u>\$ 10,739,795</u>	<u>\$ 10,360,047</u>
School Generated Funds (Note 2)			
	<u>\$ 2,500,000</u>	<u>\$ 2,281,904</u>	<u>\$ 2,397,263</u>
Board Operations			
Board Generated Revenue - Other Revenue	\$ 2,058,460	\$ 2,135,561	\$ 1,933,002
Interest/Investment	44,000	28,054	42,946
Sale of Assets		7,056	-
	<u>\$ 2,102,460</u>	<u>\$ 2,170,671</u>	<u>\$ 1,975,948</u>
Total Revenue	<u>\$ 68,716,046</u>	<u>\$ 73,308,713</u>	<u>\$ 68,937,595</u>

Tri-County Regional School Board
Schedule B - Supplementary Details of Expenditures

For the year ended March 31

2014

2013

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Board Governance			
Salaries	\$ 145,102	\$ 141,491	\$ 139,930
Benefits	7,690	6,888	7,365
Travel	20,000	24,976	25,256
Supplies/Materials/Telecommunications	34,200	34,200	27,482
Professional Development	23,520	16,953	(67,206)
NSSBA Dues	44,625	44,625	44,625
Total Board Governance	<u>\$ 275,137</u>	<u>\$ 269,133</u>	<u>\$ 177,452</u>
Regional Management			
Salaries	\$ 1,023,934	\$ 1,003,140	\$ 1,000,260
Benefits	182,777	75,855	269,494
Travel	37,400	51,421	42,045
Professional Services - Legal and Audit	92,400	132,677	101,015
Contracted Services	481,115	438,875	534,188
Repairs/Maintenance	15,000	5,746	31,352
Vehicle Expense	1,025	1,122	2,092
Supplies/Materials/Telecommunications	93,850	83,786	168,291
Utilities	-	-	20,420
Professional Development	22,700	18,013	67,589
Insurance	68,180	58,693	7,780
Amortization	5,200	6,778	66,469
School Board Elections	-	50,312	-
Total Regional Management	<u>\$ 2,023,581</u>	<u>\$ 1,926,418</u>	<u>\$ 2,310,995</u>
School Management & Support			
Salaries	\$ 4,996,834	\$ 5,113,508	\$ 5,153,170
Benefits	461,363	481,923	498,742
Travel	51,600	57,496	63,647
Contracted Services	98,000	154,975	225,864
Repairs/Maintenance	-	-	26,575
Supplies/Materials/Telecommunication/Utilities	169,214	228,414	207,167
Utilities-IT	-	-	-
Professional Development	69,860	14,308	31,867
Total School Management & Support	<u>\$ 5,846,871</u>	<u>\$ 6,050,624</u>	<u>\$ 6,207,032</u>
Instruction & School Services			
Salaries	\$ 27,264,066	\$ 27,679,898	\$ 27,058,211
Benefits	1,607,896	1,655,243	1,723,958
Service Award Allowances - Current	342,900	252,177	302,392
Travel	11,000	7,871	9,648
Contracted Services	-	15	51,277
Repairs/Maintenance	9,000	9	-
Supplies/Materials/Telecommunications	263,376	225,999	357,377
Textbook Allocation	335,900	335,900	334,100
Service Award Allowances - Interest	-	511,985	487,550
Professional Development	515,500	376,972	362,443
Sick Leave Allowances - Interest (Note 7)	-	110,757	29,207
Total Instruction & School Services	<u>\$ 30,349,638</u>	<u>\$ 31,156,826</u>	<u>\$ 30,716,163</u>

Tri-County Regional School Board
Schedule B - Supplementary Details of Expenditures

For the year ended March 31

2014

2013

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Student Support			
Salaries	\$ 7,470,099	\$ 7,215,681	\$ 6,993,014
Benefits	754,614	782,709	726,743
Travel	81,404	73,484	71,125
Supplies/Materials/Telecommunications	153,231	126,070	147,220
Professional Development	43,000	18,910	18,753
Total Student Support	\$ 8,502,348	\$ 8,216,854	\$ 7,956,855
Adult & Community Education			
Salaries	\$ 330,363	\$ 330,939	\$ 320,506
Benefits	31,742	32,372	31,106
Travel	1,600	1,754	966
Contracted Services	3,550	3,460	3,500
Supplies/Materials/Telecommunications	11,750	8,573	11,438
Professional Development	-	-	-
Total Adult & Community Education	\$ 379,005	\$ 377,098	\$ 367,516
Property Services			
Salaries	\$ 3,567,632	\$ 3,537,967	\$ 3,352,531
Benefits	739,801	768,473	760,547
Travel	44,000	48,180	45,863
Contracted Services	925,885	988,129	1,037,314
Repairs/Maintenance	1,492,300	5,938,320	1,726,327
Vehicle Expenses	88,800	96,582	43,593
Supplies/Materials/Telecommunications	523,733	474,167	479,336
Utilities	2,608,599	2,786,686	2,620,348
Professional Development	19,500	17,619	17,520
Insurance	159,284	147,286	153,501
Amortization	52,100	52,762	61,931
Total Property Services	\$ 10,221,634	\$ 14,856,171	\$ 10,298,811
Student Transportation			
Salaries	\$ 2,699,467	\$ 2,669,358	\$ 2,640,473
Benefits	576,007	614,196	622,857
Travel	195,700	173,160	188,550
Contracted Services	24,675	25,398	30,718
Repairs/Maintenance	38,500	24,841	30,277
Vehicle Maintenance	1,439,000	1,455,343	1,431,813
Conveyance	35,000	35,766	24,872
Supplies/Materials/Telecommunications	65,900	52,989	51,129
Professional Development	16,500	18,895	17,325
Insurance	80,000	75,698	78,924
Amortization	2,800	2,692	7,308
Recoveries	(66,000)	(50,792)	(59,620)
Total Student Transportation	\$ 5,107,549	\$ 5,097,544	\$ 5,064,626

Tri-County Regional School Board
Schedule B - Supplementary Details of Expenditures

For the Year Ended March 31

2014

2013

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
School Generated Funds			
School Funded Activities (Note 2)	\$ 2,500,000	\$ 2,149,847	\$ 2,256,546
Total School Generated Funds	<u>\$ 2,500,000</u>	<u>\$ 2,149,847</u>	<u>\$ 2,256,546</u>
Other Programs			
Salaries	\$ 1,848,250	\$ 1,926,291	\$ 2,021,120
Benefits	(1,299)	129,449	135,051
Travel	128,831	128,695	113,240
Contracted Services	600,000	674,907	689,175
Repairs/Maintenance		10,665	2,326
Supplies/Materials	882,001	557,754	495,545
Conveyance	28,000	5,157	15,317
Professional Development	24,500	33,930	34,180
Total Other Programs	<u>\$ 3,510,283</u>	<u>\$ 3,466,848</u>	<u>\$ 3,505,954</u>
Defined Benefits Pension			
Defined Benefits Pension Recovery	\$ -	\$ (251,204)	\$ (45,000)
Total Defined Benefits Pension	<u>\$ -</u>	<u>\$ (251,204)</u>	<u>\$ (45,000)</u>
Total Expenditures	<u>\$ 68,716,046</u>	<u>\$ 73,316,159</u>	<u>\$ 68,816,950</u>

Tri-County Regional School Board
Schedule C - Supplementary Details of Tangible Capital Assets

For the year ended March 31, 2014

	<u>Land, Buildings and Improvements</u>	<u>Major Equipment</u>	<u>Computer Hardware</u>	<u>Vehicles</u>	2014 Total	2013 Total
Cost of Tangible Assets						
Opening Costs	\$ -	\$ -	\$ -	\$ 442,291	\$ 442,291	\$ 560,567
Additions	-	-	-	42,029	42,029	-
Dispositions	-	-	-	(122,686)	(122,686)	(118,276)
Closing Costs	\$ -	\$ -	\$ -	\$ 361,634	\$ 361,634	\$ 442,291
Accumulated Amortization:						
Opening Balance	\$ -	\$ -	\$ -	\$ 329,580	\$ 329,580	\$ 370,837
Amortization Expense	-	-	-	51,707	51,707	66,406
Amortization Adjustment on disposition	-	-	-	(112,161)	(112,161)	(107,663)
Closing Balance	\$ -	\$ -	\$ -	\$ 269,126	\$ 269,126	\$ 329,580
Net Book Value (NBV)	\$ -	\$ -	\$ -	\$ 92,508	\$ 92,508	\$ 112,711
Net Book Value (NBV):						
Opening Balance	\$ -	\$ -	\$ -	\$ 112,711	\$ 112,711	\$ 189,730
Closing Balance	-	-	-	92,508	92,508	112,711
Decrease in NBV	\$ -	\$ -	\$ -	\$ (20,203)	\$ (20,203)	\$ (77,019)

Tri-County Regional School Board
Schedule D - Trust Funds Balance Sheet

As at March 31

2014

2013

Assets

Cash and Cash Equivalents (Note 4) \$ 700,233 \$ 504,184

Equity

Augusta Nickerson	\$	15,561		\$	15,175
J. Pask Memorial		-			4
Elsie Hemeon Fund		651			642
F. Dakin and P. Dakin Dickson		45,560			45,509
Dr. Charles and Mary Webster		87,628			82,016
Reserve for Scholarships					
Tri-County Regional School Board Memorial		3,524			3,978
Samuel Margolian Trust - Yarmouth High		5,051			5,040
Samuel Margolian Trust - St. Ambrose		4,942			4,882
Churchill Trust		954			942
Loraleis Trust		1,627			1,657
Blackader - Kirk Trust		5			25
Olson		3,481			3,240
Andrew Maxwell		1,985			2,160
Estate of Marjorie E. Jones		20			10,778
Digby Community Theatre Fund		326			1,071
Atlantic Philanthropy		9			9
Shelburne High - New School		53,155			55,796
Faith Guay		3,513			4,911
Barrington High - Enhancements - New School		38,087			37,631
Nicol Balcom		21,476			11,581
Emily Allen		97,525			101,324
Krista Harris		5,837			6,757
Forest Ridge		65,430			20,735
Meadowfields		90,222			27,922
Salida Capital Corporation		1,382			6,575
K. Daley Memorial		5,690			6,616
C. Stanley Memorial		20,922			21,664
F. Walker Memorial		9,051			9,439
J. Roache Memorial		9,042			10,921
S. deMolitor Memorial		4,243			5,184
David and Clytie Dexter		103,334			-
	\$	<u>700,233</u>		\$	<u>504,184</u>

On Behalf of the Board



 Chairperson



 Board Member

See accompanying notes to the financial statements.

Tri-County Regional School Board
Schedule E - Supplementary Details of Trust Funds

For the year ended March 31, 2014

	Balance Beginning of Period	<u>Additions</u>	<u>Interest</u>	<u>Disbursements</u>	Balance End of Period
Augusta Nickerson	\$ 15,175	\$ -	\$ 386	\$ -	\$ 15,561
J. Pask Memorial	4	-	-	(4)	-
Elsie Hemeon	642	-	9	-	651
F. Dakin/P. Dakin Dickson	45,509	-	551	(500)	45,560
Dr. Charles/Mary Webster	82,016	5,555	815	(758)	87,628
Tri-County Regional School Board	3,978	-	46	(500)	3,524
S. Margolian Trust - Yarmouth High	5,040	-	61	(50)	5,051
S. Margolian Trust - St. Ambrose	4,882	-	60	-	4,942
Churchill Trust	942	-	12	-	954
Loraleis Trust	1,657	-	20	(50)	1,627
Blackader - Kirk Trust	25	600	5	(625)	5
Olson Trust	3,240	200	41	-	3,481
Andrew Maxwell	2,160	-	25	(200)	1,985
Estate of Marjorie E. Jones	10,778	-	110	(10,868)	20
Digby Community Theatre Fund	1,071	-	10	(755)	326
Atlantic Philanthropy	9	-	-	-	9
Shelburne High - New School	55,796	-	646	(3,287)	53,155
Faith Guay	4,911	550	52	(2,000)	3,513
Barrington High - New School	37,631	-	456	-	38,087
Nicol Balcom	11,581	9,500	395	-	21,476
Emily Allen	101,324	-	1,201	(5,000)	97,525
Krista Harris	6,757	-	80	(1,000)	5,837
Forest Ridge	20,735	58,296	440	(14,041)	65,430
Meadowfields	27,922	105,104	417	(43,221)	90,222
Salida Capital Corporation	6,575	-	57	(5,250)	1,382
K. Daley Memorial	6,616	-	74	(1,000)	5,690
C. Stanley Memorial	21,664	-	258	(1,000)	20,922
F. Walker Memorial	9,439	-	112	(500)	9,051
J. Roache Memorial	10,921	-	121	(2,000)	9,042
S. deMoliter Memorial	5,184	-	59	(1,000)	4,243
David and Clytie Dexter	-	103,050	284	-	103,334
	<u>\$ 504,184</u>	<u>\$ 282,855</u>	<u>\$ 6,803</u>	<u>\$ (93,609)</u>	<u>\$ 700,233</u>

Tri-County Regional School Board

Notes to the Financial Statements

March 31, 2014

Tri-County Regional School Board (the "Board") is an independent legal entity with an elected governing board as stipulated under the Education Act. The Board provides a full range of educational services for all instructional programs from Grade Primary through Grade 12 at public schools within Digby, Shelburne and Yarmouth counties. The Board is registered as a charitable organization under the Income Tax Act and, therefore, is exempt from income tax and may issue official receipts to donors for income tax purposes, in accordance with Board policy.

1. Financial Reporting and Accounting Policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector, which for purposes of the School Board's financial statements are represented by accounting recommendations of the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA), supplemented where appropriate by other CICA accounting standards or pronouncements.

These financial statements have been prepared using the following significant accounting policies:

Reporting entity

The statement of financial position is presented using the principles prescribed by the Department of Education. Trust funds are not included in the statement of operations or in the statement of financial position. For a detailed review the reader should refer to the financial statements of each fund as presented in these financial statements.

Revenues

Provincial government transfers for operating and capital purposes are recognized as revenue in the period in which all eligibility criteria and/or stipulations have been met and the amounts are authorized. Any funding received prior to satisfying these conditions is deferred until conditions have been met. When revenue is received without eligibility criteria or stipulations, it is recognized when the transfer(s) from the Province of Nova Scotia and Municipalities are authorized.

All non-government contribution or grant/revenues that are externally restricted such that they must be used for a specified purpose are recognized as revenue in the period in which the resources are used for the purpose or purposes specified. Any externally restricted inflow received before the criteria has been met is reported as a liability until the resources are used for the purpose or purposes specified.

Public Private Partnership and International Student Program revenues are recognized as revenue when the related service is rendered.

Rental income is recognized over the term of the lease.

Investment income is recognized as revenue in the year in which it is earned.

Expenses

Expenses are the cost of goods and services acquired in the period whether or not payment has been made or invoices recorded. Expenses are recorded on the accrual basis and include the cost of supply inventories purchased during the year. Provisions are made for probable losses on certain loans, investments, accounts receivable, and are for contingent liabilities when it is likely that a liability exists and the amount can be reasonably determined. These provisions are updated as estimates are revised, at least annually.

Tri-County Regional School Board

Notes to the Financial Statements

March 31, 2014

1. Financial Reporting and Accounting Policies (continued)

Use of estimates

In preparing the Board's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and reported amounts of revenue and expenses. Actual amounts could differ from these estimates.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks, bank overdrafts, and highly liquid temporary money instruments with original maturities of three months or less. Bank borrowings are considered to be financing activities.

Financial instruments

The Board's financial instruments include receivables, cash and cash equivalents, bank indebtedness, investments, payable and accruals, due to/from related parties. Unless otherwise noted, it is management's opinion that the Board is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, except for payables to related parties, for which fair value was not readily determinable.

Financial Assets

Cash and cash equivalents are recorded at cost which approximates market value.

Accounts receivable are recorded at the principal amount less valuation allowances, if applicable.

Liabilities

Pension, Retirement and Other Obligations include various employee benefits. For purposes of these financial statements, the School Board's pension liabilities are calculated using an accrued benefits actuarial method and using accounting assumptions which reflect the Board's best estimates of performance over the long-term. The net pension liabilities represent accrued pension benefits less the market related value of pension assets (if applicable) and the balance of unamortized experience gains and losses.

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 are recognized as revenue in the fiscal year that the related expenditures are incurred or service performed.

Net Financial Assets

Net financial assets represent the financial assets of the Board less financial liabilities.

Non-Financial Assets

Inventories are bus garage parts and bus tire inventories recorded at average cost. All other supplies and purchases are expensed.

Tri-County Regional School Board

Notes to the Financial Statements

March 31, 2014

1. Financial Reporting and Accounting Policies (continued)

Tangible Capital Assets

Tangible capital assets have useful lives extending beyond the accounting period, are held for use in the production or supply of goods and services and are not intended for sale in the ordinary course of operations. Tangible capital assets are recorded at net historical cost, when applicable. Tangible capital assets include land, buildings, computer equipment and software, and vehicles. Tangible capital assets do not include intangibles or assets acquired by right. The buildings and school buses financed by the Province of Nova Scotia and transferred to the school boards are not accounted for in the school board's financial statements; rather they are included in the Province of Nova Scotia's financial statements.

The Board adopted the Province of Nova Scotia's Tangible Capital Assets Accounting Policy thresholds and only those assets meeting the thresholds are recorded as additions. The thresholds and amortization rates using the declining balance method, as defined in the policy are as follows:

	<u>Threshold</u>	<u>Rates</u>
Building	\$250,000	5%
Leasehold improvements	\$150,000	5%
Computer hardware	\$25,000	50%
Motor vehicles	\$15,000	35%
Equipment	\$50,000	20%
Software	\$250,000	50%

Prepaid Expenses and Inventories

Prepaid expenses are cash disbursements for goods or services, other than tangible capital assets and inventories of supplies, of which some or all will provide economic benefits in one or more future periods. The prepaid amount is recognized as an expense in the year the good or service is used or consumed.

Accumulated Surplus

Accumulated surplus represents the financial assets and non-financial assets of the School Board less liabilities. This represents the accumulated balance of net surplus arising from the operations of the Board and school generated funds.

Changes in Surplus are as follows:	<u>2014</u>	<u>2013</u>
Operating Surplus, beginning of year	\$ 2,678,270	\$ 2,557,625
Operating (Deficit) Surplus, current year	<u>(7,446)</u>	<u>120,645</u>
Operating Surplus, end of year	<u>\$ 2,670,824</u>	<u>\$ 2,678,270</u>
Designation of Accumulated Surplus:		
General Fund - unrestricted	\$ 470,383	\$ 1,010,886
Defined Pension Plan - Accrued Benefit Asset	1,033,900	632,900
School general funds - restricted	<u>1,116,541</u>	<u>1,034,484</u>
Balance, end of year	<u>\$ 2,670,824</u>	<u>\$ 2,678,270</u>

Tri-County Regional School Board

Notes to the Financial Statements

March 31, 2014

2. School Generated Funds

These financial statements include funds arising from certain school and student activities that are controlled and administered by each school, for which the Board is accountable. Revenue from school funds is recognized as the funds are received. School funded activities expenses are recorded as the funds are expended. School Generated Funds include the revenues and expenditures and fund balances of various organizations that exist at the school level under the jurisdiction of the School Board.

Changes in cash held by schools are as follows:

Changes in surplus are as follows:	<u>2014</u>	<u>2013</u>
Balance, beginning of year	\$ 1,034,484	\$ 893,767
Additions to school generated funds	2,281,904	2,397,261
School funded activities expenses	<u>2,149,847</u>	<u>2,256,546</u>
Net school generated funds for year	<u>132,057</u>	<u>140,715</u>
Balance, end of year	<u>\$ 1,166,541</u>	<u>\$ 1,034,482</u>

3. Defined Benefit Pension Plans

Details on the defined benefit plans were provided by Morneau Shepell on April 13, 2014 and have been determined by them in accordance with PS 3250 for the Tri-County Regional School Board C.U.P.E. Staff Pension Plan (the "CUPE Plan") and the Tri-County Regional School Board Support Staff Pension Plan (the "Support Staff Plan"). Results are presented for the fiscal year ending March 31, 2014 based on the information received on April 13, 2014.

For both plans, employee contributions equal 5% of their salary, and the School Board contributes the balance to fund the plan.

C.U.P.E defined benefit pension plan

The CUPE pension plan was last valued on December 31, 2012. The next funding valuation of the plan is required to be completed for December 31, 2015. The accrued benefit asset was adjusted to March 31, 2014 by including employer contributions made between January and March of 2014. The reconciliation of the accrued benefit asset shows a funded status of \$557,600 as of March 31, 2014. Plan assets are recorded at market value. The Board uses the Projected Unit Credit method of actuarial costs, which is prorated on service.

Tri-County Regional School Board

Notes to the Financial Statements

March 31, 2014

3. Defined Benefit Pension Plans (continued)

Major assumptions regarding the CUPE pension plan are as follows:

Actuarial Cost Method	Projected Unit Credit Prorated on Service
Discount Rate Per Annum for the Fiscal 2012 Pension Expense	5.25%
Discount Rate Per Annum for the End of Fiscal 2012 Disclosure Calculation	5.25%
Expected Return on Plan Assets	5.25%
Annual Salary Increases	2.75%
Interest Credited on Employee Contributions	5.25%
Retirement Age	60 Years (or in One Year, if Later)
Administrative Expenses	Implicitly Recognized in the Interest Rate

Support Staff defined benefit pension plan

The Support Staff pension plan was last valued on December 31, 2012. The next funding valuation of the plan is required to be completed for December 31, 2015. The accrued benefit asset was adjusted to March 31, 2014 by including employer contributions made between January and March of 2014. The reconciliation of the accrued benefit asset shows a funded status of \$701,100 as of March 31, 2014. Plan assets are recorded at market value. The Board uses the Projected Unit Credit method of actuarial costs, which is prorated on service.

Major assumptions regarding the Support Staff pension plan are as follows:

Actuarial Cost Method	Projected Unit Credit Prorated on Service
Discount Rate Per Annum for the Fiscal 2011 Pension Expense	5.25%
Discount Rate Per Annum for the End of Fiscal 2011 Disclosure Calculation	5.25%
Expected Return on Plan Assets	5.25%
Annual Salary Increases	2.75%
Interest Credited on Employee Contributions	5.25%
Retirement Age	60 Years (or in One Year, if Later)
Administrative Expenses	Implicitly Recognized in the Interest Rate

The following table shows the plan's pension expense for the 2013 fiscal year, the expected benefit asset as at March 31, 2014 and a reconciliation of the accrued benefit asset as at March 31, 2014.

Tri-County Regional School Board

Notes to the Financial Statements

March 31, 2014

3. Defined Benefit Pension Plans (continued)

Pension Expense:	<u>CUPE</u>	<u>Support Staff</u>	<u>Total</u>
Pension Expenditure/Expense:			
Current service cost (net of employee contributions)	\$ 247,600	\$ 173,200	\$ 420,800
Amortization of actuarial (gains) losses	5,000	6,100	11,100
Pension Interest Expenditure/Expense:			
Interest cost on the Accrued Benefit Obligation	265,900	192,600	458,500
Expected return on Plan Assets	<u>(277,200)</u>	<u>(212,000)</u>	<u>(489,200)</u>
Total 2014 pension expense	<u>\$ 241,300</u>	<u>\$ 159,900</u>	<u>\$ 401,200</u>

Development of Accrued Benefit Asset as at March 31, 2014

	<u>CUPE</u>	<u>Support Staff</u>	<u>Total</u>
Accrued Benefit Asset as at March 31, 2014	\$ 236,000	\$ 396,900	\$ 632,900
Fiscal 2014 expense	(241,300)	(159,900)	(401,200)
Fiscal 2014 School Board Contributions	<u>464,400</u>	<u>337,900</u>	<u>802,300</u>
Accrued Benefit Asset as at March 31, 2014	<u>\$ 459,000</u>	<u>\$ 574,900</u>	<u>\$ 1,033,900</u>

Reconciliation of the Accrued Benefit Asset as at March 31, 2014

	<u>CUPE</u>	<u>Support Staff</u>	<u>Total</u>
Assets	\$ 5,971,700	\$ 4,573,900	\$ 10,545,600
Accrued Benefit Obligation	<u>(5,414,100)</u>	<u>(3,872,800)</u>	<u>(9,286,900)</u>
Funded status as at March 31, 2014	557,600	701,100	1,258,700
Less: unamortized actuarial losses (gains)	(216,800)	(207,300)	(424,100)
Plus: Employer Contributions January to March 2014	<u>118,200</u>	<u>81,100</u>	<u>199,300</u>
Accrued Benefit Asset as at March 31, 2014	<u>\$ 459,000</u>	<u>\$ 574,900</u>	<u>\$ 1,033,900</u>

The accrued benefit asset of \$1,033,900 reflected in the financial statements for the year ended March 31, 2014 is based on estimates received from Morneau Shepell on April 13, 2014 and has not been adjusted to reflect the final estimated value.

Other pension plans

The School Board's teaching staff is covered by a pension plan established by the Province of Nova Scotia pursuant to the Teachers Pension Act. Employer contributions for these employees are provided directly by the Province of Nova Scotia. The pension costs and obligations related to these plans are the direct responsibility of the Province.

Tri-County Regional School Board

Notes to the Financial Statements

March 31, 2014

3. Defined Benefit Pension Plans (continued)

Accordingly, no costs or liabilities related to this plan are included in the Board's financial statements. Some non-teaching employees are covered by a multi-employer pension plan by the Nova Scotia School Board Association.

4. Trust Funds under Administration

Trust fund assets administered by the School Board are identified in Schedule D. The Trust funds represent capital contributed in trust as well as income thereon. Such income is used to provide scholarships for eligible students or expenditures for specifically, designated purposes.

5. Contractual Obligations

Contractual obligations over \$100,000 in total in future years are as follows:

	Rental Leases	Total
2015	\$ 210,852	\$ 210,852
2016	210,852	210,852
2017	158,139	158,139
2018	-	-
Total	\$ 579,843	\$ 579,843

6. Legal

Environmental and Legal Matters

There are potential costs with respect to environmental issues at a previous school site. The school board is currently involved in a lawsuit with the current owner of the property. However, the full impact is not determinable at this time and any costs cannot be reasonably determined.

There are several outstanding grievances, Human Rights Complaints and other claims against the Board. The outcomes of these grievances, complaints and claims are not determinable and therefore no amounts have been recorded in the accounts of the Board. Any settlements resulting from arbitration or resolution of these claims will be treated as a charge to operations in the period any settlement occurs.

Tri-County Regional School Board

Notes to the Financial Statements

March 31, 2014

7. Commitments and Contingencies

I. Service Awards - Teachers

For all service on or before July 31, 2000, under the terms of agreements with local units of the Nova Scotia Teachers' Union, the Board is required to pay a service award to each teacher who accumulates a minimum of fifteen years service with the Board. The amounts of the awards are as follows:

Shelburne District	- \$90 per year of service (maximum 35 years)
Yarmouth District	- 0.75 of 1% of annual salary (maximum TC6) per year of service (maximum 30 years)
Digby District	- \$80 per year of service (maximum 30 years)
Clare-Argyle District	- 0.6 of 1% of annual salary per year of service (maximum 35 years)

For all service commencing on or after August 1, 2000 under the terms of agreement with the NSTU and the Province of Nova Scotia, the Board is required to pay a service award to each teacher who accumulates a minimum of fifteen years service with the Board. The amount of the award is as follows: .75 of 1% for each year of service with the Board multiplied by the annual salary rate on the last day of employment with the Board.

For all service commencing on or after August 1, 2002 under the terms of agreement with the NSTU and Province of Nova Scotia the Board is required to pay a service award to each teacher who accumulates a minimum of fifteen years of service with the Board. The amount of the award is as follows: 1% of each year of service with the Board multiplied by the annual salary rate on the last day of employment with the Board.

The Province of Nova Scotia assumed responsibility for the payment of Service Awards for teachers effective April 1, 2002. The Board has recorded a service award and interest expense for the service awards for teachers, as provided by the Province of Nova Scotia.

Actuarial Assumptions

Discount Rate:	4.10% per year																
Salary Growth Rate:	3.0% increase at April 1, 2014 and 2.25% per year thereafter plus promotional scale. Total salary increases are detailed below:																
	<table> <thead> <tr> <th><u>Age Group</u></th> <th><u>Annual increase</u></th> </tr> </thead> <tbody> <tr> <td>Less than 30</td> <td>5.00%</td> </tr> <tr> <td>30 – 34</td> <td>4.50%</td> </tr> <tr> <td>35 – 39</td> <td>4.00%</td> </tr> <tr> <td>40 – 44</td> <td>3.50%</td> </tr> <tr> <td>45 – 49</td> <td>3.00%</td> </tr> <tr> <td>50 – 59</td> <td>2.50%</td> </tr> <tr> <td>60 plus</td> <td>2.25%</td> </tr> </tbody> </table>	<u>Age Group</u>	<u>Annual increase</u>	Less than 30	5.00%	30 – 34	4.50%	35 – 39	4.00%	40 – 44	3.50%	45 – 49	3.00%	50 – 59	2.50%	60 plus	2.25%
<u>Age Group</u>	<u>Annual increase</u>																
Less than 30	5.00%																
30 – 34	4.50%																
35 – 39	4.00%																
40 – 44	3.50%																
45 – 49	3.00%																
50 – 59	2.50%																
60 plus	2.25%																
Retirement Age:	50% at rule of 85 but not earlier than age 55; remainder at earliest of 35 years of service, age 60 with 10 years of service, and age 65. Members past their Unreduced Retirement Age are assumed to retire at the later age of 60 and their current age.																
Mortality:	No pre-retirement mortality assumed																
Termination:	Nil																
Disability:	Nil																

Tri-County Regional School Board

Notes to the Financial Statements

March 31, 2014

7. Commitments and Contingencies (continued)

I. Service Awards – Teachers (continued)

Continuity of Service Award Allowance Liability - Teachers	<u>March 31, 2014</u>	<u>March 31, 2013</u>
Opening benefit obligation, beginning of the year	\$ 3,585,326	\$ 3,460,254
Current service cost	263,500	290,000
Interest on obligation	149,944	154,900
Less: benefits paid	(279,809)	(361,328)
Actuarial losses (gains)	<u>170,500</u>	<u>41,500</u>
Closing benefit obligation, end of year	3,889,461	3,585,326
Pension assets, at market related values	-	-
Funded status – (deficiency)	<u>(3,889,461)</u>	<u>(3,585,326)</u>
Unamortized actuarial losses	<u>340,387</u>	<u>184,873</u>
Accrued benefit liability - Teachers	<u>\$ (3,549,074)</u>	<u>\$ (3,400,453)</u>

II. Service Awards – Non-Teachers

For non-teachers, retiring allowance benefits descriptions and copies of the relevant parts of the collective agreements and letters of understanding for the different boards and union/non-union groups were provided by the Province of Nova Scotia for Nova Scotia School Boards.

The calculations have been carried out based on the data provided by the Province of Nova Scotia in connection with both the Sick Leave and the Retiring Allowance valuations. This information was supplemented by data supplied by the individual boards. The data included the period of continuous service with the Province, the date of birth, annual salary and contractual hours of work and some detail regarding frozen awards.

All assumptions used in the Retiring Allowance valuation have been chosen by the Province as documented in their letter of March 3, 2014:

Annual Discount Rate	4.30% per annum as at March 31, 2013 4.10% per annum as at April 1, 2013 and at any valuation date thereafter
Annual Salary Increases	2.50% at April 1, 2012 3.00% at April 2, 2013 3.50% at April 1, 2014 2.75% per annum from April 1, 2015 onwards
Inflation Rate	2.25% per annum
Retirement Age	35% at Rule of 80, minimum age 55 65% at the earliest of age 65 and 35 years of service
Mortality	Nil
Termination Before Retirement	Nil
Actuarial Cost Method	Projected Unit Credit pro-rated on service

Tri-County Regional School Board

Notes to the Financial Statements

March 31, 2014

7. Commitments and Contingencies (continued)

Continuity of Service Award Allowance Liability – Non-Teachers	<u>March 31, 2014</u>	<u>March 31, 2013</u>
Opening benefit obligation, beginning of the year	\$ 633,099	\$ 586,845
Current service cost	34,156	33,241
Interest on obligation	26,309	26,050
Less: benefits paid	(25,559)	(16,796)
Actuarial (gains) losses	<u>9,830</u>	<u>3,759</u>
Closing benefit obligation, end of year	677,835	633,099
Pension assets, at market related values	-	-
Funded status – (deficiency)	<u>(677,835)</u>	<u>(633,099)</u>
Unamortized actuarial losses	<u>13,171</u>	<u>3,759</u>
Accrued benefit liability – Non-Teachers	<u>\$ (664,664)</u>	<u>\$ (629,340)</u>
Summary of Service Award Allowance Liability	<u>March 31, 2014</u>	<u>March 31, 2013</u>
Service Awards - Teachers	\$ 3,549,074	\$ 3,400,453
Service Awards - Non-Teachers	<u>664,664</u>	<u>629,340</u>
Total Accrued benefit liability – Teachers and Non-Teachers	<u>\$ 4,213,738</u>	<u>\$ 4,029,793</u>

The Board has recognized in these financial statements the liability associated with service awards earned by staff. The Board has recorded a corresponding receivable from the Province of Nova Scotia, which has assumed responsibility for the liability up to March 31, 2014.

III. Collective agreements

The provincial collective agreement with the Nova Scotia Teachers Union expires on July 31, 2015.

The local collective agreement with the Nova Scotia Teachers Union expires on July 31, 2015.

The collective agreement with SEIU expires on March 31, 2015.

The collective agreement with the Nova Scotia Government Employees Union expires on March 31, 2015.

The collective agreement with CUPE expires March 31, 2015.

Tri-County Regional School Board

Notes to the Financial Statements

March 31, 2014

7. Commitments and Contingencies (continued)

IV. Sick Leave - Teachers

The Board provides benefits for sick leave for teaching staff under the following conditions:

- (a) Full time teachers are entitled to twenty (20) days sick leave in each school year. Teachers who are not full time will receive a pro-rated amount of days.
- (b) Teachers accumulate sick leave to a total of one hundred and ninety five (195) days. The maximum number of sick days to be claimed is two hundred and thirty five (235) days.
- (c) Accumulated sick leave cannot be used until the current year's sick leave (20 days per school year) has been expended.
- (d) Accumulated sick leave benefits are not paid out on termination, retirement or resignation.

The Province of Nova Scotia provided an actuarial valuation of the board's obligations for the accumulated sick leave for accounting purposes. Key actuarial assumptions used in the valuation were based on the Board's best estimates. Those assumptions involve forecasts of expected future inflation rates, wage and salary increases, cost of long-term debt, and employee turnover and mortality.

Actuarial Assumptions

Discount Rate:	4.30% per year for March 31, 2013 benefit obligation 4.10% per year for 2014 benefit cost, March 31, 2014 benefit obligation, and estimated 2015 benefit cost																
Retirement Age:	50% at earliest age eligible for unreduced pension, remainder at earlier of age 60 with 10 years of service, 35 years of service and age 65																
Mortality:	UP94 with future improvements in accordance with Scale AA for March 31, 2013 benefit obligation and 2014 benefit cost 90% UP94 with future improvements in accordance with 150% Scale AA for March 31, 2014 benefit obligation and estimated 2015 benefit cost																
Termination:	5% per year in first two years of employment																
Salary Growth Rate:	Base rate: 2.25% per year for March 31, 2013 benefit obligation and 2014 benefit cost Base rate: 2.00% per year for 2012-13, 2.50% for 2013-14, 3.00% for 2014-15 and 2.25% per year thereafter plus promotional scale. Total salary increases are as follows:																
Promotional Scale:	<table border="1"> <thead> <tr> <th>Age Group</th> <th>Annual increase</th> </tr> </thead> <tbody> <tr> <td>Under 30</td> <td>2.75%</td> </tr> <tr> <td>30 – 34</td> <td>2.25%</td> </tr> <tr> <td>35 – 39</td> <td>1.75%</td> </tr> <tr> <td>40 – 44</td> <td>1.25%</td> </tr> <tr> <td>45 – 49</td> <td>0.75%</td> </tr> <tr> <td>50 – 59</td> <td>0.25%</td> </tr> <tr> <td>60 plus</td> <td>0.00%</td> </tr> </tbody> </table>	Age Group	Annual increase	Under 30	2.75%	30 – 34	2.25%	35 – 39	1.75%	40 – 44	1.25%	45 – 49	0.75%	50 – 59	0.25%	60 plus	0.00%
Age Group	Annual increase																
Under 30	2.75%																
30 – 34	2.25%																
35 – 39	1.75%																
40 – 44	1.25%																
45 – 49	0.75%																
50 – 59	0.25%																
60 plus	0.00%																

Tri-County Regional School Board

Notes to the Financial Statements

March 31, 2014

7. Commitments and Contingencies (continued)

Current sick leave utilization and sick leave bank utilization was developed from an analysis of the sick leave usage of Nova Scotia teachers over the four school years prior to July 31, 2011. Sick leave usage data was provided by the Department of Education.

Continuity of Accumulated Sick Leave Liability - Teachers	<u>2014</u>	<u>2013</u>
Opening Benefit Obligation, beginning of the year	\$ 7,297,000	\$ 6,800,000
Current Service Cost	585,000	566,000
Interest on Obligation	307,000	307,000
Actual (gains) losses	204,000	98,000
Less: Sick leave taken	(473,000)	(474,000)
Unamortized actuarial (gains) losses	<u>(295,467)</u>	<u>(98,000)</u>
Closing Benefit Obligation, end of year	<u>\$ 7,624,533</u>	<u>\$ 7,199,000</u>

The Board has recognized in these financial statements, the liability associated with accumulated sick leave earned by teaching staff. The Board has recorded a corresponding receivable from the Province of Nova Scotia which has assumed responsibility for the liability up to March 31, 2014.

V. Sick Leave – Non-Teachers

Morneau-Shepell provided to the Province of Nova Scotia on March 3, 2014, the requested financial disclosure figures related to the Sick Leave Benefit to Non-Teaching employees of all School Boards in Nova Scotia for the fiscal year ended March 31, 2014. The accounting results are based on the understanding of the methods prescribed under Section PS 3255 of the CICA Public Sector Accounting Handbook which applies to sick leave and severance benefits. The data included the period of continuous service with the Province, the date of birth, annual salary and contractual hours of work.

Valuation Date:	March 31, 2012					
Annual Discount Rate:	4.30% per annum as at March 31, 2013 4.10% per annum as at April 1, 2014 and any later valuation date					
Annual Salary Increases:	2.5% at April 1, 2012 3.0% at April 1, 2013 3.5% at April 1, 2014					
Sample Net Excess Utilization Rate of Sick Leave:	<u>Age</u>	<u>Hours</u>	<u>Age</u>	<u>Hours</u>	<u>Age</u>	<u>Hours</u>
	20	4.2	40	11.9	60	19.6
	25	6.1	45	13.8	65	21.5
	30	8.0	50	15.8		
	35	10.0	55	17.7		
Termination						Nil
Mortality Pre-Retirement:						Nil
Retirement Age:	35% at Rule of 80, minimum age of 55 65% at the earliest of age 65 and 35 years of service					
Actuarial Cost Method:	Projected Unit Credit pro-rated on service to date of usage					

Tri-County Regional School Board

Notes to the Financial Statements

March 31, 2014

7. Commitments and Contingencies (continued)

Continuity of Accumulated Sick Leave Liability – Non-Teachers	<u>2014</u>	<u>2013</u>
Opening Benefit Obligation, beginning of the year	\$ 693,958	\$ 667,079
Current Service Cost	95,119	92,983
Interest on Obligation	28,576	29,207
Less: Sick leave taken	(103,436)	(100,180)
Actuarial (gains) losses	12,027	4,869
Unamortized actuarial (gains) losses	<u>(16,355)</u>	<u>(4,869)</u>
Closing Benefit Obligation, end of year	<u>\$ 709,889</u>	<u>\$ 689,089</u>
Summary of Accumulated Sick Leave Liability	<u>2014</u>	<u>2013</u>
Accumulated Sick Leave Liability - Teachers	\$ 7,624,533	\$ 7,199,000
Accumulated Sick Leave Liability - Non-Teachers	<u>709,889</u>	<u>689,089</u>
Total Accumulated Sick Leave Liability	<u>\$ 8,334,422</u>	<u>\$ 7,888,089</u>

The Board has recognized in the financial statements the liability associated with sick leave earned by staff. The Board has recorded a corresponding receivable from the Province of Nova Scotia which has assumed responsibility for the liability up to March 31, 2014.

8. Deferred Revenue

Deferred revenue as of March 31:	<u>2014</u>	<u>2013</u>
Teachers PD Fund	\$ 126,482	\$ 188,878
International Student Fund	-	474,382
Programs – Province of Nova Scotia	<u>1,106,515</u>	<u>785,162</u>
	<u>\$ 1,232,997</u>	<u>\$ 1,448,422</u>

9. Bank Indebtedness

The Board had utilized the available operating line of credit as of March 31, 2014, with the Bank of Montreal.

Tri-County Regional School Board

Notes to the Financial Statements

March 31, 2014

10. Disclosure of Compensation Greater than \$100,000

In accordance with Section 3 of the Public Sector Compensation Disclosure Act of the Province of Nova Scotia, employees with compensation (salaries and benefits) greater than \$100,000 for the year ended March 31, 2014 are as follows:

Name	Location	Title	Amount
Donald Berry	YCMHS	Principal	\$109,202
Cathy Breen	BMHS	Principal	\$100,588
David Buckland	Yarmouth Office	Coordinator of Monitoring and Evaluation, Principal Support and O2 & Community Based Learning	\$106,055
Trevor Cunningham	Yarmouth Office	Director of Programs	\$122,894
Lisa Doucet	Yarmouth Office	Superintendent	\$134,664
Brian Doucette	Yarmouth Office	Coordinator of Information Systems	\$101,177
Benjamin Elms	Digby Regional High	Principal	\$101,107
Linda Gallagher	Meadowfields Community	Principal	\$106,368
Kathy Hart	Yarmouth Office	Coordinator of Student Services	\$101,078
Brent Jamieson	Meadowfields Community	Teacher	\$104,139
Dwayne Landry	Drumlin Heights	Principal	\$110,372
Derek Lesser	YCMHS	Vice-Principal	\$101,752
Ryan MacDonald	YCMHS	Vice-Principal	\$100,711
Mary Manning	Shelburne Regional High	Principal	\$104,260
Janece McNutt	St Mary's Bay	Principal	\$100,367
Gerald Purdy	Yarmouth Office	Director of Human Resources	\$129,844
Gerard Randell	Yarmouth Office	Coordinator of Programs P-12	\$101,077
Roberta Reardon	YCMHS	Vice-Principal	\$101,840
Lesley Smith	Cape Sable Island/Clark's Harbour	Principal	\$102,567
Steven Stoddart	Yarmouth Office	Director of Operations	\$123,709
Lenora Surette	Yarmouth Central	Teacher	\$106,155
Jane Sweeney	Digby Elementary	Principal	\$107,855