

Consolidated Financial Statements of

**HALIFAX REGIONAL
SCHOOL BOARD**

Year ended March 31, 2018



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INDEPENDENT AUDITORS' REPORT

To the Minister of Education and Early Childhood Development

We have audited the accompanying consolidated financial statements of Halifax Regional School Board which comprise the consolidated statement of financial position as at March 31, 2018, consolidated statements of accumulated surplus, operations, changes in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Halifax Regional School Board as at March 31, 2018 and its consolidated results of operations, accumulated surplus and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants
June 26, 2018
Halifax, Canada

HALIFAX REGIONAL SCHOOL BOARD

Consolidated Financial Statements

Year ended March 31, 2018

Financial Statements

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HALIFAX REGIONAL SCHOOL BOARD

Consolidated Statement of Financial Position

March 31, 2018, with comparative information for 2017

	2018	2017
Financial Assets		
Cash	\$ 28,640,337	\$ 20,704,858
Cash Held by Schools (note 2)	7,348,167	8,966,466
Short-Term Investments	-	6,327,911
Accounts Receivable:		
Province of Nova Scotia	5,899,694	4,245,992
Province of Nova Scotia - Teachers' Salary Accrual	7,477,300	8,537,400
Province of Nova Scotia - Long-Term Service Awards (note 3)	54,109,475	49,881,023
Province of Nova Scotia - Long-Term Sick Leave Accrual (note 4)	64,974,438	64,319,493
Government of Canada	2,638,182	3,933,962
Other	1,430,330	1,569,791
Total Financial Assets	172,517,923	168,486,894
Financial Liabilities		
Payables and Accruals - Trade	25,166,024	20,277,672
School Based Accrued Liabilities (note 2)	153,030	184,079
Payables and Accruals - Government:		
Province of Nova Scotia	146,516	410,765
Halifax Regional Municipality	225,577	156,889
Other	66,716	4,702,211
Teachers' Salary Accrual	7,477,300	8,537,400
Employee Pension and Post Employment Benefits	528,900	567,800
Deferred Revenue	9,074,168	7,559,452
School Based Deferred Revenue (note 2)	3,523,021	4,472,358
Long-Term Service Awards Liability (note 3)	54,109,475	49,881,023
Long-Term Sick Leave Accrual (note 4)	64,974,438	64,319,493
Total Liabilities	165,445,165	161,068,920
Net Financial Assets	7,072,758	7,417,974
Non-Financial Assets:		
Prepaid Expenses	1,591,460	1,457,653
School Based Prepaid Expenses (note 2)	365,874	435,396
Tangible Capital Assets (note 5)	5,785,604	6,199,648
	7,742,938	8,092,697
Accumulated Surplus	\$ 14,815,696	\$ 15,510,670
Designation of Accumulated Surplus:		
General Fund - Unrestricted	\$ 5,138,919	\$ 4,564,354
General Fund - Program Resources (Schools)	-	123,342
General Fund - Capital Amortization	5,638,787	6,077,547
School Based Funds (note 2)	4,037,990	4,745,427
Commitments (note 6)		
Contingencies (note 7)		
	\$ 14,815,696	\$ 15,510,670

See accompanying notes to consolidated financial statements.

On behalf of the Minister of Education and Early Childhood Development:

Baron M. Hartley, Acting Deputy Minister of Education and Early Childhood Development
John Power Regional Executive Director of Education

HALIFAX REGIONAL SCHOOL BOARD

Consolidated Statement of Accumulated Surplus

Year ended March 31, 2018, with comparative information for 2017

					2018	2017
	General Fund Unrestricted	General Fund Program Resources (Schools)	General Fund Capital Amortization	School Based Funds	Total	Total
Opening Balance, Beginning of Year	\$ 4,564,354	\$ 123,342	\$ 6,077,547	\$ 4,745,427	\$ 15,510,670	\$ 15,781,037
Excess of Revenue Over Expenditure (Expenditure Over Revenue)	12,463	-	-	(707,437)	(694,974)	(270,367)
Use of Program Resources	123,342	(123,342)	-	-	-	-
Amortization of Tangible Capital Assets	438,760	-	(438,760)	-	-	-
Closing Balance, End of Year	\$ 5,138,919	\$ -	\$ 5,638,787	\$ 4,037,990	\$ 14,815,696	\$ 15,510,670

See accompanying notes to consolidated financial statements.

HALIFAX REGIONAL SCHOOL BOARD

Consolidated Statement of Operations

Year ended March 31, 2018, with comparative information for 2017

	2018 Budget	2018 Actual	2017 Actual
Revenue:			
Province of Nova Scotia	\$ 376,565,600	\$ 380,096,760	\$ 351,824,668
Halifax Regional Municipality	150,558,500	150,558,540	147,484,200
Government of Canada	476,000	468,129	2,199,160
Board Operations	15,447,100	16,115,339	14,765,088
School Based Funds (note 2)	-	14,965,665	13,553,836
	543,047,200	562,204,433	529,826,952
Expenditure:			
Board Governance	351,000	609,431	262,928
Office of the Superintendent	1,575,600	1,571,685	1,938,654
Financial Services	2,736,500	2,710,226	2,637,819
Human Resource Services	2,651,000	2,655,237	2,577,731
School Administration	426,969,400	433,178,337	407,124,311
Program	29,614,700	26,146,724	21,241,811
Operations Services	71,172,700	72,724,000	70,864,746
Other Programs	7,976,300	7,630,665	8,761,552
School Based Funds Activities (note 2)	-	15,673,102	14,687,767
	543,047,200	562,899,407	530,097,319
Excess of Expenditure Over Revenue	\$ -	\$ (694,974)	\$ (270,367)

See accompanying notes to consolidated financial statements.

HALIFAX REGIONAL SCHOOL BOARD

Consolidated Statement of Changes in Net Financial Assets

Year ended March 31, 2018, with comparative information for 2017

	2018	2017
Net Financial Assets, Beginning of Year	\$ 7,417,974	\$ 7,313,005
Changes in the year:		
Excess of Expenditure Over Revenue	(694,974)	(270,367)
Acquisition of Tangible Capital Assets	(112,076)	(103,179)
Amortization of Tangible Capital Assets	526,120	534,289
Increase in Prepaid Expenses	(64,286)	(55,774)
Increase (Decrease) in Net Assets	(345,216)	104,969
Net Financial Assets, End of Year	\$ 7,072,758	\$ 7,417,974

See accompanying notes to consolidated financial statements.

HALIFAX REGIONAL SCHOOL BOARD

Consolidated Statement of Cash Flows

Year ended March 31, 2018, with comparative information for 2017

	2018	2017
Cash provided by (used in):		
Operations:		
Excess of Expenditure Over Revenue	\$ (694,974)	\$ (270,367)
Items not involving cash:		
Amortization of Tangible Capital Assets	526,120	534,289
Change in non-cash items:		
Change in Prepaid Expenses	(64,286)	(55,774)
Change in Accounts Receivable	(4,041,758)	8,366,964
Change in Liabilities	4,376,245	3,923,940
	101,347	12,499,052
Capital		
Acquisition of Tangible Capital Assets	(112,076)	(103,179)
(Decrease), increase Cash and Cash Equivalents	(10,729)	12,395,873
Cash and Cash Equivalents, Beginning of Year	35,999,233	23,603,360
Cash and Cash Equivalents, End of Year	\$ 35,988,504	\$ 35,999,233

See accompanying notes to consolidated financial statements.

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements

Year ended March 31, 2018

Halifax Regional School Board (the "Board") is an independent legal entity with a governing board comprised of nine elected board members and one appointed board member as stipulated under the Education Act of Nova Scotia. The Board provides a full range of educational services for all instructional programs from Grade Primary through Grade 12 at public schools within the Halifax Regional Municipality. 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.

On April 1, 2018, the Education Reform (2018) Act came into effect. The implementation of this Act dissolved the Halifax Regional School Board effective April 1, 2018, with all assets, liabilities and commitments transferring to a successor entity, known as Halifax Regional Centre for Education on the same date. The successor entity is a corporation sole, with the Minister of Education and Early Childhood Development as a sole director. The Education Reform (2018) Act was passed on March 9, 2018.

1. Significant accounting policies:

These consolidated financial statements are prepared in accordance with Canadian Public Sector Accounting Standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada ("CPA").

The consolidated financial statements have also been prepared to comply with the provisions of the School Board Financial Handbook as prescribed by the Ministerial Regulations of the Education Act of Nova Scotia.

These consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations controlled by the Board and accountable to the Board for the administration of their own financial affairs and resources.

School based funds, which include assets, liabilities, revenues and expenses arising from certain school and student activities that are controlled and administered locally by each school, but for which the Board is accountable, are reflected in the consolidated financial statements.

Trust funds and their related operations administered by the Board are not included in the consolidated financial statements as they are not controlled by the Board.

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

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2018

1. Significant accounting policies (continued):

(a) Revenue:

Revenue is recorded on an accrual basis. Grants received, donations and fees collected in advance of the provision or use of related services are deferred. The main components of revenue are funding from the Province of Nova Scotia and the Halifax Regional Municipality. Provincial government transfers representing the year over year change in accrued benefit obligations are recognized as revenue as the transfer has been authorized.

Each year, contributions by volunteers support the delivery of certain programs within schools. Due to the difficulty in determining or otherwise estimating the value of these contributions and because these services are not otherwise purchased, contributed services are not quantified and recognized in these financial statements.

(b) Expenditures:

Expenditures are recorded on an accrual basis and include the cost of supplies inventory purchased during the year. Provisions are made for contingent liabilities when it is likely that a liability exists and the amounts can be reasonably determined.

(c) Financial instruments:

The Board's financial instruments consist of cash and cash equivalents, receivables, payables and accruals, and other liabilities. It is management's opinion that the Board is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

(d) Liabilities:

The Board accrues teachers' salaries at year-end. As directed by the Province of Nova Scotia, this is offset by a receivable from the Province for the accrued amount. The accrual and offsetting receivable are adjusted annually as required.

Salaries, vacation pay and benefits of non-teaching employees, as well as substitute salary costs, are also accrued at year-end. There is no equivalent offsetting receivable from the Province for these amounts.

(e) Cash and cash equivalents:

Cash and cash equivalents include cash on hand, balances with banks, short-term investments and bank balances held by schools. Bank borrowings, if they occur, are considered to be financing activities during the year.

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2018

1. Significant accounting policies (continued):

(f) Net financial assets:

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

(g) Non-financial assets:

Tangible capital assets having useful lives extending beyond the accounting period, are held for use in the operation of the Board and are not intended for sale in the ordinary course of operations. Tangible capital assets are recorded at net historical cost (or estimated cost when the actual cost is unknown) and include all costs directly attributable to the acquisition, construction, development and installation of the tangible capital asset, except interest. Tangible capital assets include land, building betterments, leasehold improvements, furniture and equipment, computer hardware, and motor vehicles. Tangible capital assets paid for by the Province either through direct payment or cost recovery are excluded as per the School Board Financial Handbook.

All tangible capital assets recorded prior to the March 31, 2005 fiscal year have been removed from the consolidated financial statements. Capital assets purchased by the Board since April 1, 2005 are recorded as assets and amortized according to the Province of Nova Scotia's tangible capital assets accounting policy thresholds. These thresholds are as follows:

Building betterments	\$ 150,000	Amortization:	5%	Declining balance
Motor vehicles	\$ 15,000	Amortization:	35%	Declining balance
Computer hardware	\$ 25,000	Amortization:	50%	Declining balance
Furniture and equipment	\$ 250,000	Amortization:	30%	Declining balance
Leasehold improvements	\$ 150,000	Amortization:		Straight-line over lease term

Under an agreement with the municipal councils at that time, all school buildings and land on hand at January 1, 1982 remain assets of the municipality, but are under the operational control of the Board until such time as the Board no longer requires the asset for school purposes. If assets are declared surplus by the Board, control will revert back to the Halifax Regional Municipality. Accordingly, as the school buildings prior to 1982 are not considered owned by the Board and schools subsequent to 1982 are owned by the Province of Nova Scotia or other parties, the Board has not recorded any school buildings in these financial statements.

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2018

1. Significant accounting policies (continued):

The Board has made additions to school buildings, legal title to which is held by the Halifax Regional Municipality or the Province of Nova Scotia. Under the Education Act of Nova Scotia, should the buildings in question be disposed of, the Board will be entitled to a portion of any net proceeds of disposition. Due to the uncertainty of the receipt of any net proceeds by the Board, they will not be recorded by the Board until received.

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 that the Board controls. The prepaid amount is recognized as an expense in the year the goods or services are used or consumed.

(h) Pension, post-employment benefits and compensated absences:

The contributions to a multiemployer, defined benefit pension plan are expensed when contributions are due.

The costs of post-employment benefits and compensated absences are actuarially determined using the projected benefits method prorated on service and management's best estimate of retirement ages of employees, salary escalation and expected absences. Liabilities are actuarially determined using discount rates that are consistent with the market rates of high quality debt instruments. Any gains or losses from changes in assumptions or experience are amortized over the estimated average remaining service period for active employees.

The Board provides enhanced pension benefits to certain employees who had retired from the Board at amalgamation. The Board recognizes the actuarial liability of these post employment benefits and amortizes it over the remaining period of the pension enhancement.

(i) Use of estimates:

The preparation of financial statements 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 financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2018

1. Significant accounting policies (continued):

(j) Liability for contaminated sites:

The School Board accrues a liability to estimate the cost to remediate contaminated sites to the level necessary to allow the property to meet the environmental standard appropriate to its current use or status. This relates to sites that are not in productive use and sites in productive use where an unexpected event resulted in contamination. The liability is based on estimates and assumptions using the best information available to management.

(k) Adoption of new accounting standards:

On April 1, 2017, the School Board adopted the following Canadian Public sector accounting standards:

- PS 2200 Related party disclosures defines a related party and establishes disclosures required for related party transactions.
- PS 3210 Assets, provides guidance for applying the definition of assets in PS 1000, Financial Statement Concepts and establishes general disclosure standards for assets.
- PS 3380 Contractual rights, defines and establishes disclosure standards on rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.
- PS 3420 Inter-entity transactions, establishes standards on how to account for and report transactions between public sector entities that comprise the reporting entity. This standard provides that inter-entity transactions should generally be recorded at the carrying amount at the transaction date, except in certain circumstances.

In accordance with the provisions of these new accounting standards, the School Board reflected an adjustment at April 1, 2017 to record on a gross basis the amount of allocated NSTU medical benefits and pension contributions paid by the Province of Nova Scotia on the School Boards behalf. This resulted in the prior year statements being restated for an increase of Revenue - Province of Nova Scotia by \$49,788,800 and Expenditure - School Administration by the same amount. There is no effect on the accumulated surplus.

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2018

2. School based funds:

	2018	2017
Cash	\$ 7,348,167	\$ 8,966,466
Prepaid expenses	365,874	435,396
Total assets	7,714,041	9,401,862
Accrued liabilities	153,030	184,079
Deferred revenue	3,523,021	4,472,356
Total liabilities	3,676,051	4,656,435
Accumulated surplus	\$ 4,037,990	\$ 4,745,427
Revenue	14,965,665	13,553,836
Expenditure	15,673,102	14,687,767
Excess expenditure over revenue	(707,437)	(1,133,931)
Accumulated surplus, beginning of year	4,745,427	5,879,358
Accumulated surplus, end of year	\$ 4,037,990	\$ 4,745,427

3. Long-term service awards:

Qualifying employees receive a service award upon retirement, disability, death or termination, when entitled to a vested pension, under the contracts between unions and the Halifax Regional School Board and its predecessor boards. The contracts prescribe the formulae used in calculating the service award as well as the period over which the payment is to be made.

The Province of Nova Scotia assumed responsibility for the payment of service awards to qualifying employees, but school boards in Nova Scotia are required to recognize the projected liability with respect to these service awards. The projected liability is offset by a corresponding receivable from the Province. The amount of the projected liability has been determined by the Nova Scotia Department of Finance, based on an actuarial valuation.

During the year, eligible employees (teachers and non-union) were provided an opportunity to elect for an early service payout in lieu of their retirement allowance. This one-time election ended March 29, 2018. The election uptake was 91% for teachers and 75% for non-union. Non-teaching union groups were not eligible in 2017-18. The amount included for Teachers' Service Awards is \$53,232,470 (2017 - \$48,885,829) and the amount included for Non-teachers' Service Awards is \$877,005 (2017 - \$995,194).

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2018

4. Long-term teachers' and non-teachers' sick leave accrual:

Qualifying employees are entitled to a prescribed number of sick leave days for use over their employment term. The Province of Nova Scotia has prepared an estimate of the accumulated sick leave accrual for the teaching and non-teaching staff of all School Boards in the Province and has assumed responsibility for the funding of this liability.

The School Boards in Nova Scotia are required to recognize in their respective financial statements the liability and the offsetting recovery from the Province of Nova Scotia and the yearly changes in the accumulated sick leave accrual related to the teaching and non-teaching staff.

The amount included for Teachers' Sick Leave Accrual is \$62,010,811 (2017 - \$61,572,972) and the amount included for Non-teachers' Sick Leave Accrual is \$2,963,627 (2017 - \$2,746,521).

5. Tangible capital assets:

			2018	2017
	Cost	Accumulated amortization	Net book value	Net book value
Buildings	\$ 6,832,427	\$ 2,509,808	\$ 4,322,619	\$ 4,550,119
Furniture and equipment	1,411,030	1,329,685	81,345	116,205
Vehicles	869,134	722,315	146,819	122,103
Computer hardware	178,355	178,355	-	-
Leasehold improvements	2,646,025	1,411,204	1,234,821	1,411,221
	\$ 11,936,971	\$ 6,151,367	\$ 5,785,604	\$ 6,199,648

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2018

6. Commitments:

- (a) The Board has entered into agreements to lease equipment for various periods until 2023. The Board has a lease for office space that expires September 30, 2025. The rent is estimated at \$872,600 per year for the first 10 years of the lease, and escalating to \$948,440 per year in the last five years of the lease. Operating costs within the lease are also payable and estimated at approximately \$735,000 in the first year and adjusting annually as operating costs fluctuate. The committed amounts payable over the next five years are:

	Buildings	Equipment	Total
2018-2019	\$ 872,600	\$ 406,768	\$ 1,279,368
2019-2020	872,600	374,398	1,246,998
2020-2021	910,520	182,486	1,093,006
2021-2022	948,440	63,390	1,011,830
2022-2023	948,440	9,780	958,220

- (b) The Board has contracted for the provision of transportation services until June 30, 2026. The approximate annualized cost of this contract per year is as follows:

2018-2019	\$ 16,277,357
2019-2020	16,277,357
2020-2021	16,277,357
2021-2022	16,277,357
2022-2023	16,277,357
2023-2024	16,277,357
2024-2025	16,277,357
2025-2026	4,069,339

The contract price will fluctuate based on various provisions in the agreement including school bus utilization and fuel prices, as well as changes in the Consumer Price Index.

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2018

7. Contingencies:

- (a) The Board recorded actual and estimated expenditures relating to known environmental matters in its properties. The liabilities for such expenditures may fluctuate in future years as a result of changes in estimates. Changes will be recognized in the period the estimate changes. The future liability relating to unknown environmental matters in properties is not determinable at this time.
- (b) The Halifax Regional School Board is a subscriber to a self-insurance plan with the Nova Scotia School Insurance Exchange with all School Boards in Nova Scotia and the Nova Scotia Community College.

The Exchange covers property, liability and errors and omissions insurance for all subscribers for claims within a self-insured retention per occurrence with an annual aggregate per policy.

The Board has incurred insurance assessments from the Exchange for the year of \$1,197,234 and no further assessments are expected for claim liabilities as at March 31, 2018. They have been recorded at the exchange amount which is the amount agreed to by the related parties. The Exchange currently meets the minimum capital test established by the Superintendent of Insurance for the Province of Nova Scotia.

8. Pension plans:

- (a) Teachers:

The Board's teachers are members of a pension plan established by the Province of Nova Scotia pursuant to the Teachers' Pension Act. The Teachers' Pension Plan is administered by the Teachers' Pension Plan Trustee Inc. The Province of Nova Scotia and the Nova Scotia Teachers' Union are jointly responsible for funding this plan.

Effective April 1, 2017 the Board is including the pension contributions paid by the province of Nova Scotia on their behalf in the pension expense line, offset by provincial revenues. Total pension expense for NSTU employees was \$35,603,142 (2017 - \$33,681,200).

- (b) Non-teachers:

The Board's non-teaching employees participate in a multi-employer pension plan administered by the Halifax Regional Municipality Pension Committee. Employer pension costs of \$7,662,037 (2017 - \$7,240,601) are included in these consolidated financial statements which represent the cost of employer contributions for current service of participating employees during the year. Employees and the employer both contribute at the rate of 12.21% of pensionable earnings.

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2018

9. Bank indebtedness:

The Board has an operating line of credit of \$4,951,000 available with interest at prime minus 0.75%. As of March 31, 2018, this line of credit had not been utilized.

10. Unallocated transactions:

These consolidated financial statements do not include certain expenditures paid and services provided on behalf of the Board by the Province of Nova Scotia, including, but not limited to:

- Early Retirement Program payments;
- P3 schools and facilities leases and operating costs; and
- Certain IT systems and support.

11. Comparative figures:

Certain 2017 comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.

Halifax Regional School Board
 General Fund
 Statement of Operations
 Year ended March 31, 2018, with comparative figures for 2017
 (Unaudited)

	2018 Budget	2018 Actual	2017 Actual
Revenue			
Province of Nova Scotia	\$ 376,565,600	\$ 380,096,760	\$ 351,824,668
Halifax Regional Municipality	135,489,700	135,489,700	131,935,300
Government of Canada	476,000	468,129	2,199,160
Board Generated Revenues	15,447,100	16,115,339	14,765,088
	<u>527,978,400</u>	<u>532,169,928</u>	<u>500,724,216</u>
Expenditure			
Board Governance	351,000	609,431	262,928
Office of the Superintendent	1,575,600	1,571,685	1,938,654
Financial Services	2,736,500	2,710,226	2,637,819
Human Resource Services	2,651,000	2,655,237	2,577,731
School Administration	411,900,600	418,109,497	391,575,411
Program	29,614,700	26,146,724	21,241,811
Operations Services	71,172,700	72,724,000	70,864,746
Other Programs	7,976,300	7,630,665	8,761,552
	<u>527,978,400</u>	<u>532,157,465</u>	<u>499,860,652</u>
Excess of Revenue Over Expenditure	<u>\$ -</u>	<u>\$ 12,463</u>	<u>\$ 863,564</u>
Accumulated Surplus, Beginning of Year		\$ 10,765,243	\$ 9,901,679
Excess (Deficiency) of Revenue Over Expenditure		12,463	863,564
Accumulated Surplus, End of Year		<u>\$ 10,777,706</u>	<u>\$ 10,765,243</u>
Designation of Accumulated General Fund Surplus			
General Fund - Unrestricted		\$ 5,138,919	\$ 4,564,354
General Fund - Program Resources (Schools)		-	123,342
General Fund - Capital Amortization		5,638,787	6,077,547
		<u>\$ 10,777,706</u>	<u>\$ 10,765,243</u>

Halifax Regional School Board
 General Fund
 Detail of Revenue
 Year ended March 31, 2018, with comparative figures for 2017
 (Unaudited)

	2018 Budget	2018 Actual	2017 Actual
Province of Nova Scotia			
Formula Funding	\$ 334,633,800	\$ 334,761,005	\$ 319,117,606
Provincial Initiatives	27,919,300	26,575,399	23,965,643
Other Provincial Initiatives and Grants	14,012,500	18,760,356	8,741,419
	<u>\$ 376,565,600</u>	<u>\$ 380,096,760</u>	<u>\$ 351,824,668</u>
Halifax Regional Municipality			
Mandatory Contribution	135,489,700	135,489,700	131,935,300
	<u>\$ 135,489,700</u>	<u>\$ 135,489,700</u>	<u>\$ 131,935,300</u>
Government of Canada			
Adult English as an Additional Language	-	-	1,761,439
French Special Projects	231,500	240,078	190,433
Minority Official Language	160,600	141,336	151,846
Other Projects	83,900	86,715	95,442
	<u>\$ 476,000</u>	<u>\$ 468,129</u>	<u>\$ 2,199,160</u>
Board Generated Revenues			
Investment Income	300,000	544,553	225,920
Facilities Rental	567,000	598,663	661,105
EXCEL - Before and After School Program	9,676,400	9,727,949	9,387,470
International Services	4,426,800	4,595,666	4,144,522
Miscellaneous	476,900	648,508	346,071
	<u>\$ 15,447,100</u>	<u>\$ 16,115,339</u>	<u>\$ 14,765,088</u>
 Total Revenue	 <u>\$ 527,978,400</u>	 <u>\$ 532,169,928</u>	 <u>\$ 500,724,216</u>

Halifax Regional School Board
 General Fund
 Detail of Expenditure
 Year ended March 31, 2018, with comparative figures for 2017
 (Unaudited)

	2018 Budget	2018 Actual	2017 Actual
<u>BOARD GOVERNANCE</u>			
Stipends and Benefits	139,800	425,140	113,411
Supplies and Materials	5,000	1,702	1,806
NSSBA Dues	95,000	95,000	85,000
Other Non Salary Expenditures	111,200	87,589	62,711
Total Board Governance	351,000	609,431	262,928

OFFICE OF THE SUPERINTENDENT

Salaries	894,700	902,159	1,181,680
Benefits	216,400	213,970	152,326
Supplies and Materials	75,000	84,033	101,433
Professional Services	350,000	333,232	450,357
Other Non Salary Expenditures	39,500	38,291	52,858
Total Office of the Superintendent	1,575,600	1,571,685	1,938,654

FINANCIAL SERVICES

Administration

Salaries	1,714,100	1,723,932	1,658,255
Benefits	431,200	421,859	399,427
Supplies and Materials	157,700	136,566	150,396
Travel	3,000	2,869	2,748
Liability Insurance	384,000	383,975	383,218
Professional Services	39,000	37,443	38,200
Service Fees	7,500	3,582	5,575
Total Financial Services	2,736,500	2,710,226	2,637,819

HUMAN RESOURCE SERVICES

Administration

Salaries	1,951,000	1,942,276	1,863,084
Benefits	474,600	466,248	444,089
Supplies and Materials	105,300	134,944	140,407
Staff Development	91,000	89,434	78,691
Travel	5,000	4,169	4,449
Pension Top-Ups	24,100	18,166	47,011
Total Human Resource Services	2,651,000	2,655,237	2,577,731

Halifax Regional School Board
 General Fund
 Detail of Expenditure
 Year ended March 31, 2018, with comparative figures for 2017
 (Unaudited)

	2018 Budget	2018 Actual	2017 Actual
<u>SCHOOL ADMINISTRATION</u>			
Salaries - Teachers			
Classroom	191,167,700	187,513,529	182,490,626
Special Education	28,983,400	28,563,020	25,035,735
Student Support	13,878,000	13,867,614	11,416,659
Guidance	7,852,000	7,902,848	7,145,118
Teacher Administrators	25,664,700	25,625,452	25,123,200
Board Administration	1,626,100	1,655,428	1,620,243
Substitutes	13,032,100	11,908,034	12,762,459
	<u>282,204,000</u>	<u>277,035,925</u>	<u>265,594,040</u>
Salaries - Non-Teachers			
Educational Program Assistants	24,820,100	25,285,255	23,060,377
Library Support Specialists	161,900	161,229	327,225
School Secretaries	5,979,300	6,049,614	5,886,143
Board Administration	204,400	201,400	194,929
Student Support	1,259,900	1,157,335	993,923
Security	87,600	47,780	87,058
Lunch Supervision	2,537,800	2,534,571	2,581,023
	<u>35,051,000</u>	<u>35,437,184</u>	<u>33,130,678</u>
Benefits			
Statutory	17,439,500	17,337,900	16,658,316
Medical/Dental/Salary Continuation	22,766,500	22,850,183	21,984,687
Service Awards/Future Benefit Expense	2,186,900	8,710,251	1,752,797
Pension	37,992,200	38,078,863	37,355,605
	<u>80,385,100</u>	<u>86,977,197</u>	<u>77,751,405</u>
Program Support Resources			
Classroom Supplies and Equipment	5,314,700	5,966,513	5,531,950
School Technology	756,000	3,449,029	2,247,113
Data Lines	544,700	555,929	550,128
Circuit/Resource Travel	258,300	206,937	213,052
Textbook Credit Allocation	2,840,600	3,801,051	2,806,651
Other Non Salary Expenditures	211,900	267,126	197,027
Other Projects	383,600	395,973	132,637
	<u>10,309,800</u>	<u>14,642,558</u>	<u>11,678,558</u>
Professional Development			
System Leadership/Student Info Systems	150,000	107,829	105,150
International Services	3,505,700	3,591,036	3,060,040

Halifax Regional School Board
 General Fund
 Detail of Expenditure
 Year ended March 31, 2018, with comparative figures for 2017
 (Unaudited)

	2018 Budget	2018 Actual	2017 Actual
Adult and Community Education			
Summer School	15,000	37,502	15,410
Nova Scotia Student Adult Literacy	280,000	280,266	240,130
	<u>295,000</u>	<u>317,768</u>	<u>255,540</u>
Total School Administration	<u>411,900,600</u>	<u>418,109,497</u>	<u>391,575,411</u>
<u>PROGRAM</u>			
Salaries - Teachers			
Special Education	7,764,400	7,419,654	6,431,686
Board Administration	3,163,400	3,172,044	2,717,507
	<u>10,927,800</u>	<u>10,591,698</u>	<u>9,149,193</u>
Salaries - Non-Teachers			
Board Administration	304,100	307,537	286,124
Student Services Secretaries	252,900	245,982	224,559
Tutors	142,700	131,932	146,970
	<u>699,700</u>	<u>685,451</u>	<u>657,653</u>
Benefits			
Statutory	550,300	552,355	495,316
Medical/Dental/Salary Continuation	822,400	827,673	150,214
Service Awards	87,200	87,200	75,200
Pension	1,418,200	1,416,170	59,774
	<u>2,878,100</u>	<u>2,883,398</u>	<u>780,504</u>
Special Education and Student Support			
Supplies and Materials	459,700	446,144	428,164
Provincial Initiatives	1,423,100	1,086,131	1,317,346
Travel - Student Services	80,000	99,395	73,709
Contracted Services	1,238,300	1,366,105	1,197,933
	<u>3,201,100</u>	<u>2,997,775</u>	<u>3,017,152</u>
Program Support Resources			
Supplies and Materials	228,200	174,284	230,516
Other Non Salary Expenditures	32,100	30,319	31,117
Provincial Program Initiatives and Projects	7,532,300	5,713,632	4,370,090
	<u>7,792,600</u>	<u>5,918,235</u>	<u>4,631,723</u>

Halifax Regional School Board
 General Fund
 Detail of Expenditure
 Year ended March 31, 2018, with comparative figures for 2017
 (Unaudited)

	2018 Budget	2018 Actual	2017 Actual
Profesional Development	4,115,400	3,070,167	3,005,586
Total Program	<u>29,614,700</u>	<u>26,146,724</u>	<u>21,241,811</u>

OPERATIONS SERVICES

Administration

Salaries	2,017,500	2,062,177	1,969,437
Benefits	484,300	490,124	473,555
Travel	40,000	41,484	44,554
Other Non Salary Expenditures	32,500	38,413	85,970
	<u>2,574,300</u>	<u>2,632,198</u>	<u>2,573,516</u>

Custodial Services

Salaries	12,792,400	12,782,074	12,811,555
Benefits	4,250,900	4,291,380	4,284,888
Supplies and Equipment	868,400	974,929	898,240
Building Rental Expense	1,935,400	1,950,136	1,939,833
Contracted Services	1,761,000	1,658,090	1,982,621
	<u>21,608,100</u>	<u>21,656,609</u>	<u>21,917,137</u>

Maintenance Services

Salaries	1,912,300	1,720,296	1,764,239
Benefits	657,200	593,810	595,586
Supplies and Equipment	4,954,000	6,333,452	5,135,567
Vehicle Operating Expense	250,000	259,808	228,089
TCA Expense (Vehicle)	89,000	87,360	68,605
Contracted Services - Maintenance	291,800	291,763	291,763
	<u>8,154,300</u>	<u>9,286,489</u>	<u>8,083,849</u>

Plant Operations

Insurance	838,400	835,718	768,497
Utilities - Electricity	5,050,000	4,660,959	5,038,001
Utilities - Heating Fuel	4,935,500	4,396,833	4,654,736
Utilities - Water / Sewer	1,200,000	1,107,440	1,156,220
Utilities - Telephone	38,000	38,357	38,799
	<u>12,061,900</u>	<u>11,039,307</u>	<u>11,656,253</u>

Capital Projects	1,661,800	3,858,975	2,824,709
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Student Transportation	20,196,000	19,740,086	19,218,472
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Halifax Regional School Board
 General Fund
 Detail of Expenditure
 Year ended March 31, 2018, with comparative figures for 2017
 (Unaudited)

	2018 Budget	2018 Actual	2017 Actual
Technology Services			
Salaries	2,295,900	2,265,802	2,215,648
Benefits	608,300	603,136	583,410
Supplies/Equipment	772,000	373,423	575,929
Travel	55,000	57,435	59,266
Professional Services	545,500	584,349	549,996
Telephone/Fax/Data	116,900	129,681	111,602
	<u>4,393,600</u>	<u>4,013,826</u>	<u>4,095,851</u>
Facilities Rentals	522,700	496,510	494,959
Total Operations Services	<u>71,172,700</u>	<u>72,724,000</u>	<u>70,864,746</u>
 <u>OTHER PROGRAMS</u>			
Excel - Before and After School			
Salaries	5,723,200	5,396,685	5,433,851
Benefits	698,200	649,278	649,333
Other	367,400	358,600	409,640
	<u>6,788,800</u>	<u>6,404,563</u>	<u>6,492,824</u>
Adult English as an Additional Language	170,000	178,470	2,268,728
Pre-Primary Program			
Salaries	775,600	786,275	0
Benefits	241,900	205,969	0
Other	0	55,388	0
	<u>1,017,500</u>	<u>1,047,632</u>	<u>0</u>
Total Other Programs	<u>7,976,300</u>	<u>7,630,665</u>	<u>8,761,552</u>
TOTAL EXPENDITURES	<u>527,978,400</u>	<u>532,157,465</u>	<u>499,860,652</u>

Halifax Regional School Board
 Supplementary Fund
 Statement of Operations and Surplus
 Year ended March 31, 2018, with comparative figures for 2017
 (Unaudited)

	2018 Budget	2018 Actual	2017 Actual
Revenue			
Halifax Regional Municipality	\$ 15,068,800	\$ 15,068,840	\$ 15,548,900
Expenditure	<u>15,068,800</u>	<u>15,068,840</u>	<u>15,548,900</u>
Excess (Deficiency) of Revenue Over Expenditure	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Surplus (Deficit) Beginning of Year		\$ -	\$ -
Excess (Deficiency) of Revenue Over Expenditure		<u>-</u>	<u>-</u>
Surplus (Deficit), End of Year		<u>\$ -</u>	<u>\$ -</u>

Halifax Regional School Board
 Supplementary Fund
 Detail of Revenue and Expenditure
 Year ended March 31, 2018, with comparative figures for 2017
 (Unaudited)

	2018 Budget	2018 Actual	2017 Actual
REVENUES:			
Supplementary Funding	\$15,068,800	\$15,068,840	\$15,548,900
EXPENDITURES:			
Classroom Teachers			
Elementary Music	830,800	843,785	803,123
Junior High Music and Art	597,800	603,911	603,427
Elementary Art Instruction	620,200	606,101	613,885
Additional Teachers	2,095,300	2,128,652	2,766,965
Fine Arts	1,980,700	1,882,403	1,568,772
	<u>6,124,800</u>	<u>6,064,852</u>	<u>6,356,172</u>
Special Education			
Resource Teachers	1,396,200	1,436,199	2,425,200
Social Workers	832,000	794,456	496,556
Educational Program Assistants	959,900	855,788	950,802
	<u>3,188,100</u>	<u>3,086,443</u>	<u>3,872,558</u>
Library			
Library Support Specialists	2,503,700	2,520,999	2,305,508
	<u>0</u>	<u>0</u>	<u>150,909</u>
Curriculum Leadership			
	<u>0</u>	<u>0</u>	<u>150,909</u>
Other			
Student Services Secretaries	0	0	27,109
Early Learning Opportunities	125,100	125,779	382,204
Early Childhood Educators	413,900	427,242	0
Program Secretaries	47,800	47,908	42,687
Student Support Workers	0	1,248	111,623
	<u>586,800</u>	<u>602,177</u>	<u>563,623</u>
Benefits			
Statutory	1,037,200	842,191	925,473
Medical/Dental/Salary Continuation	456,300	419,557	414,362
Service Awards	0	0	79,400
Pension	494,500	465,873	459,524
	<u>1,988,000</u>	<u>1,727,621</u>	<u>1,878,759</u>
Substitutes			
	<u>292,400</u>	<u>292,400</u>	<u>328,900</u>
Program Support			
Program Supplies and Materials	360,000	759,316	75,904
Therapeutic Swim Program	25,000	15,032	16,567
	<u>385,000</u>	<u>774,348</u>	<u>92,471</u>
Total Expenditures	<u><u>15,068,800</u></u>	<u><u>15,068,840</u></u>	<u><u>15,548,900</u></u>

Halifax Regional School Board
 School Based Funds
 Statement of Operations and Surplus
 Year ended March 31, 2018, with comparative figures for 2017
 (Unaudited)

	2018 Actual	2017 Actual
Revenue		
School Generated Funds	\$ 14,965,665	\$ 13,553,836
Expenditure		
School Funded Activities	<u>15,673,102</u>	<u>14,687,767</u>
Excess (Deficiency) of Revenue Over Expenditure	<u>\$ (707,437)</u>	<u>\$ (1,133,931)</u>
Consolidated Surplus, Beginning of Year	\$ 4,745,427	\$ 5,879,358
Excess (Deficiency) of Revenue Over Expenditure	<u>(707,437)</u>	<u>(1,133,931)</u>
Consolidated Surplus, End of Year	<u>\$ 4,037,990</u>	<u>\$ 4,745,427</u>

Halifax Regional School Board
 Supplementary Details of Tangible Capital Assets
 Year Ended March 31, 2018

	Buildings	Leasehold Improvements	Vehicles	Furniture & Equipment	Computer Hardware	Total
Cost of Tangible Assets						
Opening Costs	\$ 6,832,427	\$ 2,646,025	\$ 779,892	\$ 1,411,030	\$ 532,095	\$ 12,201,469
Additions	-	-	112,076	-	-	112,076
Disposals	-	-	(22,834)	-	(353,740)	(376,574)
Closing Costs	<u>\$ 6,832,427</u>	<u>\$ 2,646,025</u>	<u>\$ 869,134</u>	<u>\$ 1,411,030</u>	<u>\$ 178,355</u>	<u>\$ 11,936,971</u>
Accumulated Amortization						
Opening Balance	\$ 2,282,308	\$ 1,234,804	\$ 657,789	\$ 1,294,825	\$ 532,095	\$ 6,001,821
Disposals	-	-	(22,834)	-	(353,740)	(376,574)
Amortization Expense	227,500	176,400	87,360	34,860	-	526,120
Closing Balance	<u>\$ 2,509,808</u>	<u>\$ 1,411,204</u>	<u>\$ 722,315</u>	<u>\$ 1,329,685</u>	<u>\$ 178,355</u>	<u>\$ 6,151,367</u>
Net Book Value	<u>\$ 4,322,619</u>	<u>\$ 1,234,821</u>	<u>\$ 146,819</u>	<u>\$ 81,345</u>	<u>\$ -</u>	<u>\$ 5,785,604</u>
Net Book Value, Beginning of Year	\$ 4,550,119	\$ 1,411,221	\$ 122,103	\$ 116,205	\$ -	\$ 6,199,648
Net Book Value, End of Year	<u>\$ 4,322,619</u>	<u>\$ 1,234,821</u>	<u>\$ 146,819</u>	<u>\$ 81,345</u>	<u>\$ -</u>	<u>\$ 5,785,604</u>
Increase (Decrease) in NBV	<u>\$ (227,500)</u>	<u>\$ (176,400)</u>	<u>\$ 24,716</u>	<u>\$ (34,860)</u>	<u>\$ -</u>	<u>\$ (414,044)</u>

Halifax Regional School Board
Schedule of Trust Funds
Year Ended March 31, 2018

	Cash	Equity Fund	Balance Beg of Year	Donations	Interest Earned	Awards Paid	Balance End of Year
Air India Scholarship Fund	5,516	5,516	5,433	-	82	-	5,516
Frank Balcom	41,472	41,472	42,237	-	635	1,400	41,472
Harold T Barrett	10,273	10,273	10,120	-	153	-	10,273
REA Burns Scholarship	2,780	2,780	2,739	-	42	-	2,780
Stan Carew	28,130	28,130	28,787	902	440	2,000	28,130
Adam Cashen Memorial	9,169	9,169	-	10,136	33	1,000	9,169
Edith Cavell Prize	3,300	3,300	3,251	1,000	49	1,000	3,300
Citadel High Scholarship Fund	50,382	50,382	50,369	-	763	750	50,382
Cole Harbour High Arts Award	4,135	4,135	4,073	-	62	-	4,135
Annie Coombs	32,610	32,610	32,616	-	494	500	32,610
John Travers Cornwell	8,133	8,133	8,032	1,000	121	1,020	8,133
Dartmouth High Reunion	8,836	8,836	10,479	-	157	1,800	8,836
Josephine Godin-LePage	7,383	7,383	7,766	-	117	500	7,383
Doane Hatfield	664	664	654	-	10	-	664
Avery & Irene Jackson	11,994	11,994	11,815	-	179	-	11,994
Donald Keith	7,367	7,367	7,257	-	110	-	7,367
Lahey Bursary	249	249	245	-	4	-	249
Abbie J Lane	8,817	8,817	8,685	-	132	-	8,817
Anne Martell Memorial Scholarship	10,370	10,370	91	30,000	279	20,000	10,370
Christopher Maxwell	687	687	676	-	10	-	687
Maisie McMahon Bursary	139,490	139,490	139,379	-	2,112	2,000	139,490
Dugger & Marion McNeil	22,463	22,463	13,180	11,000	283	2,000	22,463
Marie Miller Scholarship	11,844	11,844	10,972	1,000	172	300	11,844
Peter O'Hearn Scholarship in Science & Engineering	9,140	9,140	10,000	-	140	1,000	9,140
PAWEECA Scholarship	12,065	12,065	14,842	-	223	3,000	12,065
George Perrin	10,252	10,252	10,099	-	153	-	10,252
Annie M Piercey	5,275	5,275	5,689	-	86	500	5,275
James R Pineo	104,629	104,629	104,052	-	1,577	1,000	104,629
Almar H Shatford	16,925	16,925	16,869	-	256	200	16,925
Mengie Shulman	1,730	1,730	1,704	-	26	-	1,730
Dennis Tulley Memorial Bursary	856	856	1,336	-	20	500	856
Surjit Verma Scholarship Fund	11,481	11,481	11,843	-	139	500	11,481
Lt (N) Andrew Webster Scholarship Fund	25,262	25,262	25,671	1,200	391	2,000	25,262
	623,678	623,678	600,961	56,238	9,449	42,970	623,678