MANAGEMENT REPORT

Management's Responsibility for the Financial Statements

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

The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods. Division management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

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

The consolidated financial statements have been audited by Craig & Ross Chartered Professional Accountants, the independent external auditors appointed by the Board. The accompanying Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Division's consolidated financial statements.

Original Document Signed	Original Document Signed
Chairperson	Secretary-Treasurer

October 16, 2019

INDEPENDENT AUDITOR'S REPORT

To the Chairperson and Trustees of
Evergreen School Division

Opinion

We have audited the financial statements of Evergreen School Division (the "Division"), which comprise the consolidated statement of financial position as at June 30, 2019 and June 30, 2018, and the consolidated statements of revenue, expenses and accumulated surplus, change in net debt and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Division as at June 30, 2019 and June 30, 2018, and the consolidated results of operations, changes in net debt and cash flows for the years then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

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

(continues)

1515 ONE LOMBARD PLACE WINNIPEG MB R3B 0X3 (204) 956-9400 FAX (204) 956-9424
www.craigross.com

Independent Auditor's Report to the Chairperson and Trustees of Evergreen School Division *(continued)*

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Division's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Division's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Division to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Craig & Ross

Chartered Professional Accountants
1515 One Lombard Place
Winnipeg MB R3B 0X3
October 16, 2019

I certify that this report and the statements and reports referenced herein have been presented to the members of the Board of Evergreen School Division.

October 16, 2019
Date

Original Document Signed
Chairperson

Evergreen School Division

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at June 30

Notes		2019	2018
	Financial Assets		
	Cash and Bank	153,946	597,853
	Due from - Provincial Government	1,313,720	1,394,082
	- Federal Government	140,138	58,852
	- Municipal Government	4,689,773	4,588,150
	- Other School Divisions	-	-
	- First Nations	132,500	63,000
	Accounts Receivable	60,300	50,231
	Accrued Investment Income	12	917
*	Portfolio Investments	15,000	66,697
		6,505,389	6,819,782
	Liabilities		
	Overdraft	-	-
	Accounts Payable	890,885	511,333
	Accrued Liabilities	1,715,994	1,706,907
*	Employee Future Benefits	136,166	111,154
	Accrued Interest Payable	250,509	284,092
	Due to - Provincial Government	-	-
	- Federal Government	-	-
	- Municipal Government	-	-
	- Other School Divisions	-	-
	- First Nations	-	-
*	Deferred Revenue	566,239	1,026,462
*	Borrowings from the Provincial Government	11,510,729	12,853,209
	Other Borrowings	-	-
	School Generated Funds Liability	39,933	43,330
		15,110,455	16,536,487
	Net Assets (Debt)	(8,605,066)	(9,716,705)
	Non-Financial Assets		
*	Net Tangible Capital Assets (TCA Schedule)	19,651,221	19,874,729
	Inventories	-	-
	Prepaid Expenses	150,357	174,187
		19,801,578	20,048,916
*	**Accumulated Surplus**	11,196,512	10,332,211

See accompanying notes to the Financial Statements

Evergreen School Division

CONSOLIDATED STATEMENT OF REVENUE, EXPENSES AND ACCUMULATED SURPLUS

For the Year Ended June 30

Notes			2019	2018
	Revenue			
	Provincial Government		14,943,357	14,930,052
	Federal Government		-	-
	Municipal Government	- Property Tax	8,257,821	8,061,895
		- Other	-	-
	Other School Divisions		35,750	57,795
	First Nations		118,500	152,000
	Private Organizations and Individuals		96,670	113,735
	Other Sources		86,307	50,984
	School Generated Funds		385,908	429,277
	Other Special Purpose Funds		33,694	24,967
			23,958,007	23,820,705
	Expenses			
	Regular Instruction		10,891,680	10,691,545
	Student Support Services		3,116,126	3,268,798
	Adult Learning Centres		-	-
	Community Education and Services		67,158	51,723
	Divisional Administration		825,598	907,612
	Instructional and Other Support Services		555,103	530,554
	Transportation of Pupils		1,879,710	1,719,169
	Operations and Maintenance		2,657,891	2,567,317
*	Fiscal	- Interest	667,074	681,320
		- Other	320,740	314,430
	Amortization		1,615,909	1,578,898
	Other Capital Items		-	4,736
	School Generated Funds		379,332	381,592
	Other Special Purpose Funds		92,372	100,282
			23,068,693	22,797,976
	Current Year Surplus (Deficit) before Non-vested Sick Leave		889,314	1,022,729
	Less: Non-vested Sick Leave Expense (Recovery)		25,013	5,972
	Net Current Year Surplus (Deficit)		864,301	1,016,757
	Opening Accumulated Surplus		10,332,211	9,315,454
	Adjustments:	Tangible Cap. Assets and Accum. Amort.	-	-
		Other than Tangible Cap. Assets	-	-
		Non-vested sick leave - prior years	-	-
	Opening Accumulated Surplus, as adjusted		10,332,211	9,315,454
	Closing Accumulated Surplus		11,196,512	10,332,211

See accompanying notes to the Financial Statements

* NOTE REQUIRED

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

For the Year Ended June 30, 2019

	2019	2018
Net Current Year Surplus (Deficit)	864,301	1,016,757
Amortization of Tangible Capital Assets	1,615,909	1,578,898
Acquisition of Tangible Capital Assets	(1,392,401)	(1,143,519)
(Gain) / Loss on Disposal of Tangible Capital Assets	(2,535)	-
Proceeds on Disposal of Tangible Capital Assets	2,535	-
	223,508	435,379
Inventories (Increase)/Decrease	-	-
Prepaid Expenses (Increase)/Decrease	23,830	43,727
	23,830	43,727
(Increase)/Decrease in Net Debt	1,111,639	1,495,863
Net Debt at Beginning of Year	(9,716,705)	(11,212,568)
Adjustments Other than Tangible Cap. Assets	-	-
	(9,716,705)	(11,212,568)
Net Assets (Debt) at End of Year	(8,605,066)	(9,716,705)

CONSOLIDATED STATEMENT OF CASH FLOW

For the Year Ended June 30, 2019

	2019	2018
Operating Transactions		
Net Current Year Surplus (Deficit)	864,301	1,016,757
Non-Cash Items Included in Current Year Surplus/(Deficit):		
Amortization of Tangible Capital Assets	1,615,909	1,578,898
(Gain)/Loss on Disposal of Tangible Capital Assets	(2,535)	-
Employee Future Benefits Increase/(Decrease)	25,012	5,973
Due from Other Organizations (Increase)/Decrease	(172,047)	(214,405)
Accounts Receivable & Accrued Income (Increase)/Decrease	(9,164)	(32,410)
Inventories and Prepaid Expenses - (Increase)/Decrease	23,830	43,727
Due to Other Organizations Increase/(Decrease)	-	-
Accounts Payable & Accrued Liabilities Increase/(Decrease)	355,056	(114,212)
Deferred Revenue Increase/(Decrease)	(460,223)	454,199
School Generated Funds Liability Increase/(Decrease)	(3,397)	(1,255)
Adjustments Other than Tangible Cap. Assets	-	-
Cash Provided by (Applied to) Operating Transactions	2,236,742	2,737,272
Capital Transactions		
Acquisition of Tangible Capital Assets	(1,392,401)	(1,143,519)
Proceeds on Disposal of Tangible Capital Assets	2,535	-
Cash Provided by (Applied to) Capital Transactions	(1,389,866)	(1,143,519)
Investing Transactions		
Portfolio Investments (Increase)/Decrease	51,697	74,252
Cash Provided by (Applied to) Investing Transactions	51,697	74,252
Financing Transactions		
Borrowings from the Provincial Government Increase/(Decrease)	(1,342,480)	(289,571)
Other Borrowings Increase/(Decrease)	-	(470,894)
Cash Provided by (Applied to) Financing Transactions	(1,342,480)	(760,465)
Cash and Bank / Overdraft (Increase)/Decrease	(443,907)	907,540
Cash and Bank (Overdraft) at Beginning of Year	597,853	(309,687)
Cash and Bank (Overdraft) at End of Year	153,946	597,853

Evergreen School Division

SCHEDULE OF TANGIBLE CAPITAL ASSETS

at June 30, 2019

	Buildings and Leasehold Improvements		School	Other	Furniture / Fixtures &	Computer Hardware &		Land	Assets Under	2019	2018
	School	Non-School	Buses	Vehicles	Equipment	Software *	Land	Improvements	Construction	TOTALS	TOTALS
Tangible Capital Asset Cost											
Opening Cost, as previously reported	33,187,494	1,626,928	3,865,575	258,039	1,216,830	2,115,106	256,678	499,613	65,355	43,091,618	42,082,155
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Opening Cost adjusted	33,187,494	1,626,928	3,865,575	258,039	1,216,830	2,115,106	256,678	499,613	65,355	43,091,618	42,082,155
Add: Additions during the year	244,643	-	373,897	46,909	265,991	301,279	-	57,506	102,176	1,392,401	1,143,519
Less: Disposals and write downs	-	-	-	74,714	109,529	-	-	-	-	184,243	134,056
Closing Cost	33,432,137	1,626,928	4,239,472	230,234	1,373,292	2,416,385	256,678	557,119	167,531	44,299,776	43,091,618
Accumulated Amortization											
Opening, as previously reported	18,148,341	699,195	2,385,276	199,136	844,974	750,913		189,054		23,216,889	21,772,047
Adjustments	-	-	-	-	-	-		-		-	-
Opening adjusted	18,148,341	699,195	2,385,276	199,136	844,974	750,913		189,054		23,216,889	21,772,047
Add: Current period Amortization	894,486	53,026	283,694	23,614	106,468	201,784		52,837		1,615,909	1,578,898
Less: Accumulated Amortization on Disposals and Writedowns	-	-	-	74,714	109,529	-		-		184,243	134,056
Closing Accumulated Amortization	19,042,827	752,221	2,668,970	148,036	841,913	952,697		241,891		24,648,555	23,216,889
Net Tangible Capital Asset	14,389,310	874,707	1,570,502	82,198	531,379	1,463,688	256,678	315,228	167,531	19,651,221	19,874,729
Proceeds from Disposal of Capital Assets	-	-	-	2,535	-	-				2,535	-

* Includes network infrastructure.

1. Nature of Organization and Economic Dependence

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

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

2. Significant Accounting Policies

The consolidated financial statements are prepared by management in accordance with Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada and reflect the following significant accounting policies.

a) Reporting Entity

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

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

b) Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon the receipt of goods and services or the creation of an obligation to pay. Expenses also include the amortization of tangible capital assets.

c) Fund Accounting

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

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

d) School Generated Funds

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

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

2. Significant Accounting Policies - Continued

d) School Generated Funds - continued

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

e) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess (deficiency) of revenues over expenses, provides the change in net financial assets for the year.

f) Employee Future Benefits

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

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

g) Tangible Capital Assets

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

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

Asset Description	Capitalization Threshold ($)	Estimated Useful Life (years)
Land Improvements (1)	25,000	10
Buildings - bricks, mortar and steel	25,000	40
Buildings - wood frame	25,000	25
School buses	20,000	10
Vehicles (2)	10,000	5
Equipment (3)	10,000	5
Network Infrastructure (4)	25,000	10
Computer Hardware, Servers & Periphe	10,000	4
Computer Software (6)	10,000	4
Furniture & Fixtures	10,000	10
Leasehold Improvements	25,000	Over term of lease

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

With the exception of land and buildings acquired before June 30, 1995, all tangible capital assets, are recorded at historical cost, which includes purchase price, installation costs and other costs incurred to put the asset into service.

2. Significant Accounting Policies – Continued

g) Tangible Capital Assets - continued

All land acquired prior to June 30, 1995 has been valued by the Crown Lands and Property Agency.

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

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

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

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

h) Capital Reserve

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

i) Use of Estimates

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

j) Financial instruments

There are no significant terms and conditions related to financial instruments (cash, accounts receivable, portfolio investments, bank indebtedness, accounts payable and long-term debt) that may affect the amount, timing and certainty of future cash flows. The Division is exposed to credit risk from the potential non-payment of accounts receivable. However, the majority of the receivables are from local, provincial and federal governments, and therefore, the credit risk is minimal. The carrying amounts of the financial instruments approximate their carrying values, unless otherwise noted.

3. Overdraft

The Division has an authorized line of credit with The Noventis Credit Union Limited of $4,500,000.00 by way of overdrafts and is repayable on demand at prime less .875%; (interest is paid monthly). Overdrafts are secured by a temporary borrowing by-law. The unused line of credit at June 30, 2019 is $4,500,000 (June 30, 2018 - $4,500,000).

4. Employee Future Benefits

Employee future benefits consist of non-vested accumulated sick leave benefits measured using net present value techniques on the expected future utilization of excess of sick benefits used over earned per year, to a maximum entitlement. The impact of the estimated non-vested sick leave benefit increase for the year ended June 30, 2019 is $25,013 (2018 - $5,972).

5. Portfolio Investments

Portfolio investments consist of deposit certificates that mature within one year. Investment income earned during the year was $1,900.

6. Deferred Revenue

The deferral method of accounting is used to properly match revenues with expenditures. These amounts are recognized as revenue in the fiscal year the related expenses are incurred, or services performed.

7. School Generated Funds Liability

School Generated Funds Liability represents the non-controlled portion of school generated funds consolidated in the cash and bank balances in the amount of $39,933 (2018 - $43,330)

8. Debenture Debt

The debenture debt of the Division is in the form of twenty-year debentures payable, principal and interest, in twenty equal yearly installments and maturing at various dates from 2019 to 2037. Payment of principal and interest is funded entirely by grants from the Province of Manitoba. The debentures carry interest rates that range from 3.375% to 7.000%. Debenture interest expense payable as at June 30, 2019, is accrued and recorded in Accrued Interest Payable, and a grant in an amount equal to the interest accrued on provincially funded debentures is recorded in Due from the Provincial Government. The debenture principal and interest repayments in the next five years are:

	Principal	Interest	Total
2020	$1,388,616	$581,686	$1,970,302
2021	1,306,029	501,532	1,807,560
2022	1,298,066	427,845	1,725,911
2023	1,149,413	355,507	1,504,920
2024	818,594	293,673	1,112,266
Thereafter	5,550,012	1,128,534	6,678,545
	$11,510,729	$3,288,776	$14,799,505

9. Net Tangible Capital Assets

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

	Gross Amount	Accumulated Amortization	2019 Net Book Value	2018 Net Book Value
Owned tangible capital assets	$44,299,776	$24,648,555	$19,651,221	$19,874,729
Capital lease				
	$44,299,776	$24,648,555	$19,651,221	$19,874,729

10. Accumulated Surplus

The consolidated accumulated surplus is comprised of the following:

	2019	2018
Operating Fund		
Undesignated Surplus	$ 646,075	$ 824,747
Capital Fund		
Reserve Accounts	2,131,565	2,155,462
Equity in Tangible Capital Assets	8,140,342	7,021,370
	10,917,982	9,176,832
Special Purpose Fund		
School Generated Funds	214,433	207,857
Other Special Purpose Funds	64,097	122,775
	278,530	330,632
Total Accumulated Surplus	$11,196,512	$10,332,211

Designated Surplus under the Operating Fund represents internally restricted amounts appropriated by the board or, in the case of school budget carryovers, by board policy. See page 5 of the audited financial statements for a breakdown of the Designated Surplus.

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

School Generated Funds and Other Special Purpose Funds are externally restricted monies for school use, Scholarship Awards and donations for school projects.

11. Municipal Government – Property Tax and related Due from Municipal Government

Education property tax or Special Levy is raised as the Division's contribution to the cost of providing public education for the students' resident in the division. The Municipal Government-Property Tax shown on the consolidated revenue and expense is raised over the two calendar (tax) years; 43% from 2018 tax year and 57% from 2019 tax year. Below are the related revenue and receivable amounts:

	2019	2018
Revenue – Municipal Government – Property Tax	$8,257,821	$8,061,895
Receivable – Due from Municipal Government - Property Tax	$4,689,773	$4,588,150

12. Interest Received and Paid

The Division received interest during the year of $32,796 (2018 - $19,254). Interest paid during the year was $667,074 (2018 - $681,320).

Interest expense is included in Fiscal and is comprised of the following:

	2019	2018
Operating Fund		
Fiscal-short term loan interest and bank charges	$ 7,935	$ 7,794
Capital Fund		
Debenture debt interest	659,139	671,152
Other interest	-	2,374
	$667,074	$681,320

12. Interest Received and Paid (continued)

The accrual portion of debenture debt interest expense of $250,509 included under the Capital Fund-Debenture debt interest is offset by an accrual of the debt servicing grant from the Province of Manitoba.

13. Expenses by object

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

	Actual 2019	Budget 2019	Actual 2018
Salaries	$14,893,061	$15,228,350	$14,518,332
Employees' benefits and allowances	1,427,758	1,459,630	1,493,602
Services	2,066,593	2,132,870	2,037,420
Supplies, materials, and minor equipment	1,538,404	1,636,427	1,609,864
Interest	667,074	8,000	681,320
Bad debts	3,049	-	-
Payroll tax	317,691	315,000	314,430
Transfers	67,450	85,500	77,500
Amortization	1,615,909	-	1,578,898
Other capital items	-	-	4,736
School generated funds	379,332	-	381,592
Other special purpose funds	92,372	-	100,282
	$23,068,693	$20,865,777	$22,797,976

14. Retirement Benefits

The Division sponsors a defined contribution plan, run by the Manitoba School Boards Association (MSBA). The defined contribution plan is provided to all non-teaching employees. The MSBA pension plan has a specific percentage for employees to contribute which is based on earnings. The Division contributions equally to the employee's regular contributions to the plan. No pension liability is included in the financial statements. The total pension expense for the year ended June 30, 2019 year was $335,646 (2018 - $287,098).

15. Budget Figures and Non-Financial Information

The 2019 budget figures, student enrolments (FRAME) and transportation statistics, full time equivalent personnel and senior staff allocations are unaudited and have been presented for information purposes only.

16. Commitments

The Division has long term lease commitments with respect to certain office equipment. The future lease payments required under the terms of the lease are as follows:

2020	$23,021
2021	23,021
2022	23,021
2023	23,021
2024	11,510
	$103,594