

ANNUAL REPORT 2019



President's Message



Reflecting on 2019, I think we should all be very proud of the significant work that was completed. The SSBA, along with leadership and engagement from member boards, senior staff and education partners, undertook some important things.

As partners in co-constructing a vision and plan for education in the province beyond 2020, Saskatchewan's 27 boards of education, with the support of the SSBA Education Visioning Working Advisory Group (WAG), helped to ensure education and investment in students is a priority for our province. Also significant was the work of the Student Transportation WAG and the General Insurance Plan Design Team. By bringing many partners together, we strengthen and broaden the inputs into our efforts.

We continue to prioritize our work at the SSBA in the categories of Services, Board Development and Advocacy. We emphasize engagement and relationships with our members, education partners and stakeholders. We focus on advancing our strategic priorities – priorities our members have set forth. We strive to be a strong voice for boards and for publicly funded education, consistently and passionately advocating on their behalf. A special thanks to the SSBA Executive and staff for all they do – and thank you to our members for their continued support of the SSBA and the work we do on behalf of boards across the province.



Dr. Shawn Davidson
President

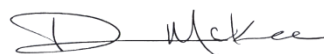
Executive Director's Message

We at the SSBA are pleased to support school boards in the important efforts they undertake on behalf of the children and youth of our province. Generally, we work to advocate for boards and the local voices they represent and to speak on behalf of publicly funded education. We also provide opportunities for board development, in part through events such as our general assemblies. And, we offer a variety of services specifically designed to support the education sector in Saskatchewan.



Our operations and the work we do on behalf of members represents great value, thanks to the commitment and dedication of our talented staff. We offer services related to communications and policy support, employee benefits, Indigenous education, insurance, group tendering, legal services and strategic human resources and employee relations. Many member boards already use these services and we are continually working to improve and enhance them to be most relevant and useful. As always, we welcome engagement and feedback about the work of the Association.

My sincere thanks to Executive and the trustees of our member boards for supporting the SSBA throughout the year. School board members serve on many committees and engage in many other pieces of work led by the Association – and we couldn't thrive in those efforts without their expertise and perspectives.



Darren McKee
Executive Director

Strategic Direction

Vision 2025

By 2025, Saskatchewan has a globally recognized education system that others wish to emulate.

Mission

Provide leadership, coordination and services to member boards of education to support student achievement.

Values

- Personal integrity and courageous leadership – we take pride and responsibility for our work and our decisions;
- Honest relationships built through collaboration, open and transparent communication; and,
- An atmosphere of trust and mutual respect.

Strategic Intent

The Saskatchewan School Boards Association, as a democratic and voluntary organization, ensures advocacy, leadership and support for member boards of education by speaking as the voice of public education, offering opportunities for trustee development and providing information and services. We are committed to:

- Engagement at All Levels
- Alignment at All Levels
- Accountability for All
- Courageous Leadership



2019 SSBA Strategic Initiatives & Outcomes

Board and Public Engagement

Education Funding

The SSBA has eight principles for education funding that have been identified by our members as important; they are: sufficiency, autonomy, equity, engagement, predictability, reciprocal accountability, sustainability and transparency. Sufficiency, transparency and predictability continued to be at the forefront in 2019 with funding for education not fully restored after being cut significantly in 2017.

[Advocacy efforts](#) related to the sufficiency of education funding that began in 2017 continued in 2018 and 2019. The advocacy contributed to significant public awareness and concern about the long-term impact of the funding cuts to education. Key messages and information were shared with boards to support them in engaging with the stakeholders, communities and families they represent.

- **The target:** Restoration of funding cut in 2017, plus recognition of enrollment and inflation for 2019/20 budget.
- **The outcome:** The provincial budget announced on March 20, 2019, included some further restoration of operational funding that was significantly cut two years ago, but the increase was not enough to fully meet pressures of growth and inflation. The budget did include announcements on designing new schools, continuing capital projects underway and increasing infrastructure maintenance and renewal. It also recognized salary increases negotiated as part of the provincial teacher collective agreement. The budget fell short of providing status-quo level of funding for school divisions, and did not include the investment we wanted to see for students. Membership feedback indicates sufficiency is still at the forefront of our concerns.

Local Voice and Decision Making in Education

The focus in 2019 was on supporting boards in ensuring local voice and decision making in education continues to be respected and heard. The SSBA advocated in 2018 for a renewed commitment from the Government of Saskatchewan to collaborative processes that include local community voice to fully engage boards with our partners and staff in education as we move forward on education policies, goals of education, legislation review, curriculum renewal and the Education Sector Strategic Plan (ESSP). This advocacy also continued in 2019.

- **The target:** Maintain and support local voice and decision making in education by ensuring consultation and engagement continues and that local autonomy, including the input from boards is authentically valued and considered when decisions are being made in education.
 - Regular meetings with the Minister of Education, government officials and partners.
 - Clear protocols for decisions making and consultation for key education decisions and policies.
- **The outcome:** The Minister of Education confirmed his support for locally elected school boards and committed to renewed engagement and meetings with boards of education. Regular meetings are occurring with the Ministry and education partners. Minister is attending and/or speaking at the SSBA Assemblies and has met with Board Chairs Council regularly.



2019 SSBA Strategic Initiatives & Outcomes

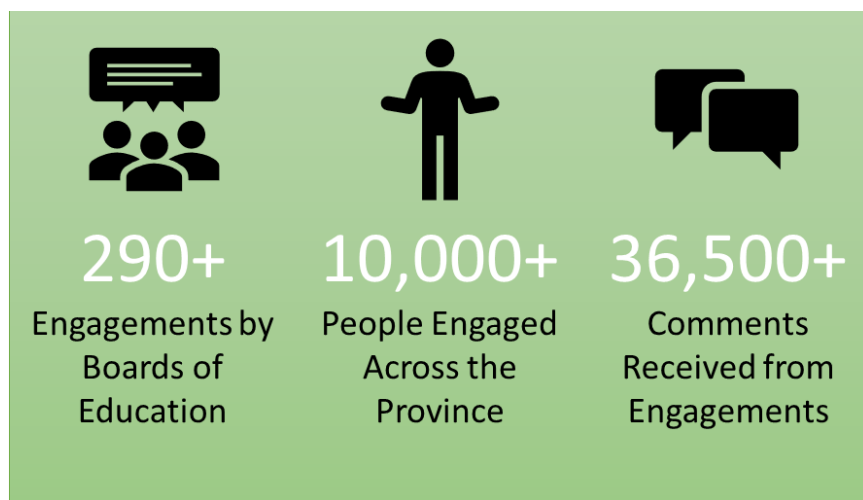
Board and Public Engagement

(continued)

Youth and Parent Engagement Strategies

As part of the strategic work of the SSBA on behalf of boards of education – a priority was set to help ensure youth and parent/caregiver voice is considered and embedded in the work and planning for education in the province.

- **The target:** Evidence of youth and parent/caregiver engagement in the Education Vision project.
- **The outcome:** The Vision engagements conducted by boards of education included significant input from School Community Councils, parents, caregivers and students.



Implementation of Review of Position Statement 2.3: *Teaching & Learning with Technology*

As per the SSBA's Executive Policy No. 11, Position Statement 2.3 was due for review and was identified as needing to be updated. The Resolutions and Policy Development Committee is responsible for the review and update.

- **The target:** Create a Working Advisory Group (WAG) to review the existing statement and develop options for changes to the Statement.
- **The outcome:** Research, review and re-write began in the fall of 2018 to enable engagement of members for input and feedback that occurred in early 2019. The updated position statement was considered and voted on at the 2019 SSBA Fall General Assembly under the sponsorship of the Executive. The Digital Literacy and Citizenship Position Statement was adopted by the membership.

2019 SSBA Strategic Initiatives & Outcomes

Service Improvements

SSBA Member Services

As part of the SSBA's commitment to ongoing service improvement, a priority for 2019 was to provide current information about the services and support available to boards, trustees and administrators.

- **The target:** To develop an orientation package describing SSBA Member Services – workshops, professional development, information and materials in the form of an educational package, i.e. SSBA 101 / Executive 101.
- **The outcome:** The SSBA 101 and Executive 101 information packages were developed and completed. [Executive 101](#) was delivered at the 2019 SSBA Spring Assembly.
 - In addition to the ongoing services and advice provided by the SSBA, individual board requests for specific projects, workshops, strategic planning, facilitation and evaluation services was delivered by staff and we saw an increase of 43% over 2018 requests.

Sector-Wide Approach to Service Improvement and Shared Services Opportunities for Vulnerable Students

Priority resolutions identified for 2019:

- Resolution 16-08 – SSBA affirm the commitment of Boards of Education to the principles and vision for inclusion outlined in the Saskatchewan Disability Strategy, and that the SSBA request that the Ministry of Education dedicate new, targeted funding for school accessibility projects that reflect the intent of Saskatchewan's Disability Strategy.
- Resolution 16-01 – SSBA demand that the Government Saskatchewan provide adequate mental health support for all students in Saskatchewan.
- Resolution 16-07 – SSBA initiate a provincial strategy to support students experiencing a high degree of transience.
- Resolution 18-02 – WHEREAS the socioeconomic status of families can affect their physical and mental health, and the health of the family impacts the children's ability to learn and succeed at school; BE IT RESOLVED that the Saskatchewan School Boards Association invite the Ministry of Education to consider the possibility of creating a committee of professionals from Social Services, Health, Justice and Education to explore how the four can work together to help vulnerable children access what they need to be healthy and stay in and succeed at school.

2019 SSBA Strategic Initiatives & Outcomes

Service Improvements

(continued)

The targets:

- Advocate for more coordination and programming with education partners related to mental health and vulnerable students.

The outcomes:

- Meetings and discussions held with Minister of Education and Minister of Health advocating for more inter-ministerial coordination. Commitment was made to work together and invite boards to participate in the working group they have established.
- The SSBA Fall Assembly theme and focus was “Student Wellness/Mental Health”. Professional development workshops and sessions were based on this theme and offered to participants, including:
 - Trauma-Informed Teaching Through Play Art Narrative by Dr. Patrick Lewis and Karen Wallace
 - Student Wellness/Mental Health Through Student’s Eyes by the Minister of Education’s Youth Council
 - A Comprehensive School Community Health Approach to Mental Health by Good Spirit School Division



2019 SSBA Strategic Initiatives & Outcomes

Managing and Supporting Education Sector Changes: Research Policy that Supports and Builds Capacity for Evidence Based Decision Making

Beyond 2020 – A Shared Vision for Education

As part of the Ministry of Education led process to develop a vision and plan for education for 2020 and beyond, the SSBA established an Education Visioning Working Advisory Group in late 2018 to lead the consultation and engagement process with boards of education beginning in early 2019.

- **The target:** A comprehensive consultation report from the SSBA to the Minister of Education that summarizes the data collected from engagement sessions of 27 boards of education identifying themes to attend to in the development of a new vision and plan for Education 2020 and beyond in Saskatchewan.
- **The outcome:** The SSBA approved the Connections report and submitted it to the Minister of Education. This report is among the data sets being analyzed to form the development of the provincial education plan framework.



SSBA Membership Fee, Executive Composition and Voting Structure Review

Priority resolutions identified for 2019:

- Resolution 15-10 – SSBA undertake a review of its membership fee structure and its relationship to the funding formula used for that purpose as outlined by the Ministry of Education funding distribution model.
 - Resolution 18-06 – That the SSBA initiate an Executive Composition review with results reported to the members prior to the 2019 AGM.
-
- **The target:** A process of consultation with member boards to review membership fees, voting, and Executive composition. Any proposed changes to be brought to Fall Assembly 2019.
 - **The outcome:** A Request for Quotes (RFQ) was distributed in April 2019 without response. The RFQ was subsequently extended to others and resubmitted without response. Discussions with SELU in the summer resulted in SELU submitting a proposal. At the Board Chairs Council in November the proposal was presented. Boards provided direction to the SSBA Executive by year-end on whether to proceed with SELU, or address the resolution through a different approach. Historical research was completed to provide the history of the current SSBA membership fee and voting structure. The decision was made to address the resolution through a different process with options to be considered in early 2020, as such the project is delayed and will continue in 2020.

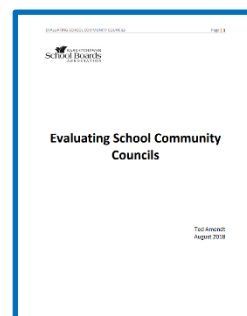
2019 SSBA Strategic Initiatives & Outcomes

Managing and Supporting Education Sector Changes: Research Policy that Supports and Builds Capacity for Evidence Based Decision Making (continued)

SCC Review Recommendations

The review looked at the effectiveness of School Community Councils (SCCs) in achieving their mandate. Priority resolution identified for implementation in 2019:

Resolution 16-04 – SSBA establish a working advisory group to evaluate the effectiveness of the current School Community Council framework in supporting the educational needs of schools and their communities and make recommendations to the government based on its findings.



- **The target:** Implementation of SCC report recommendations that results in clearer alignment between SCC roles and their mandate.
- **The outcome:** Engagement and relationships was identified as a theme from the engagement sessions conducted by boards related to the vision for education work. Engagement had also already been identified in many of the eight themes that emerged from the Provincial Summit on Education in 2018. The role of SCCs and further engagement will be done in alignment with the Education Vision work and planning so that it encompasses aspects of the SCC Review.

SSBA General Insurance Governance Improvements

The SSBA General Insurance Plan (GIP WAG) was established in 2018 and then it transitioned to the next phase as a Design Team in 2019. Continuing priority resolution identified for 2019:

Resolution 16-12 – SSBA annually report to boards on the level of insurance fund reserves held by the Association and potential claims against said loss pools, compare same against the loss pool levels contemplated in the respective loss pool trust documentation and best practice, and provide a concrete plan for dealing with either surplus or deficit situations; the goal being to provide contributing boards with more meaningful information regarding their funds, held in trust by the SSBA, that can be gleaned from a review of the Association's Audited Financial Statements.

- **The target:** Develop an annual GIP report format and content under the oversight of the Design Team.
- **The outcome:** The Design Team, comprised of SSBA Executive members and representatives of SASBO, LEADS and SSBA Staff received education sessions on typical reporting for similar insurance programs, and have the development of an annual GIP report format in their 2019 work plan. The Design Team reported regularly to the membership, and the work continued to be on time and on budget.

2019 SSBA Strategic Initiatives & Outcomes

Managing and Supporting Education Sector Changes: Research Policy that Supports and Builds Capacity for Evidence Based Decision Making (continued)

SSBA Employer Follow-up

In support of provincial bargaining, the SSBA prioritized processes and structures in support of our members who are the employers in education. Bargaining commenced in 2019.

- **The target:** Provide research and information on inclusive education, class size, and composition.
- **The outcomes:**
 - The SSBA established a Provincial Bargaining Advisory Committee to facilitate feedback and seek input from our members and provide this information to the Government-Trustee Bargaining Committee (GTBC). SSBA President Shawn Davidson and Vice-President Aleana Young acted as the liaisons between the committee and our members.
 - The BC School Trustees Association presented at Board Chairs Council in September.
 - In November the Government announced it would be establishing a Committee on Class Size and Composition comprised of education sector partners to develop a framework to guide class size and composition practices. SSBA President Shawn Davidson was appointed to this committee in December.

2019 SSBA Strategic Initiatives & Outcomes

First Nations and Métis Education - Student Achievement

TRC Calls to Action

The SSBA [FNME webpage](#) includes highlights of action in education related to the Truth and Reconciliation Commission (TRC) recommendations. The SSBA actively supported this work by:

- Gathering and sharing actions in education with our member boards.
- Collaborating with education partners regarding strengthening Reconciliation through Treaty awareness and education.



Priority resolutions identified for 2019:

Resolution 18-04 – That the Saskatchewan School Boards Association advocate to the Ministry of Education to create and implement an assessment tool, forming a measurement of student knowledge of Treaty Education in Saskatchewan Schools.

- This resolution is being considered within the Indigenous Education Accountability Framework development.

Memorandum of Understanding on Treaty Education

The Federation of Sovereign Indigenous Nations, the Saskatchewan Indigenous Cultural Centre, the Office of the Treaty Commissioner and the Saskatchewan School Boards Association signed a Memorandum of Understanding (MOU) on Reconciliation through Treaty education in February of 2018. The MOU recognizes that Reconciliation through Treaty education can be the tool to overcome obstacles that affect Treaty relations. It also endorses partnerships to address the advancement of Treaty awareness and education, as vehicles toward the elimination of systemic discrimination and embody the Truth and Reconciliation Commission's Calls to Action. Key actions in 2019 included:

- FSIN Vice Chief Pratt presented a Treaty symbol to each board chair at the SSBA Spring Assembly.
- Preliminary discussions with the Ministry & OTC on hosting a Treaty Education Summit in 2020. Conversations on planning the event are in progress.

Memorandum of Understanding "Strengthening Our Commitment for Success of Saskatchewan Métis Students"

The Métis Nation–Saskatchewan (MN-S) and the Saskatchewan School Boards Association (SSBA) signed a Memorandum of Understanding (MOU) on "strengthening our commitment for success of Saskatchewan Métis Students" in July of 2018. The MOU recognizes that the advancement of Métis culture, traditions and ways of knowing can be the vehicle to overcome obstacles that affect Métis student success and their educational aspirations. In 2019 the focus was on advocating for Métis history in curriculum and assisting in identifying the supports required for Métis student success.

Resolutions

Resolutions passed at the Annual General Meeting help drive the work of the SSBA and priorities are set based in part upon adopted resolutions. While some of the resolutions are identified under our strategic priorities for 2019– the following resolutions have also been prioritized for 2019. For a complete update of all resolutions and the associated work plans, you can [view more details online](#).

(AGM-18-05)

That the Saskatchewan School Boards Association request that the Government of Saskatchewan add additional scope for school boards to restrict campaign donations per *The Local Government Election Act, 2015*, s. 34.

(AGM-18-03)

That the SSBA advocate to the Ministry of Education and Ministry of Advanced Education for a collaborative approach in the co-construction of a recruitment and retention strategy for Saskatchewan teachers.

Dashboard

Saskatchewan School Boards Association

ADOPTED RESOLUTIONS PROGRESS

Updated April 2020

Complete

In progress

Early stages

PS = Position Statement

For detailed information on resolutions, visit: <http://saskschoolboards.ca/about-us/resolutions/>

2019 — workplan online at <http://saskschoolboards.ca/wp-content/uploads/2019-Adopted-Resolutions-Work-Plan-and-Assignments-April-2020.pdf>

Bylaw Amendment No. 4.1 (13)	Bylaw Amendment No. 4.1 (14)	Budget Resolution	AGM 19-01 Position Statement 1.2	AGM 19-02 Position Statement 2.1	AGM 19-03 Position Statement 2.3	AGM 19-04 Position Statement 3.1	AGM 19-07 Local Improvement	AGM 19-08 Inclusive Education	AGM 19-09 FINE Achievement	AGM 19-10 Relocatable Classrooms	AGM 19-11 Election Proceedings	AGM 19-12 Trilateral Agreement	AGM 19-13 Immune Guidance	AGM 19-14 Vaping Marketing

2018 — workplan online at <http://saskschoolboards.ca/wp-content/uploads/2018-Adopted-Resolutions-Work-Plan-and-Assignments-April-2020.pdf>

Bylaw Amendment No. 4.1 (c) (vii)	Bylaw Amendment No. 4.1.7. (5)	Bylaw Amendment No. 4.1.7. (7)	Budget Resolution	AGM 18-01 Position Statement 1.1	AGM 18-02 Vulnerable Children	AGM 18-03 Recruitment Strategy	AGM 18-04 Treaty Education	AGM 18-05 Campaign Donations	AGM 18-06 Executive Composition

2017 — workplan online at <http://saskschoolboards.ca/wp-content/uploads/2017-Adopted-Resolutions-Work-Plan-and-Assignments-April-2020.pdf>

Bylaw 17-01 Bylaw Amendment	Bylaw 17-02 Bylaw Amendment	Budget Resolution	AGM 17-01 PS 3.3 Equity	AGM 17-02 PS 4.1 Bargaining	AGM 17-03 PS 5.2 Partnerships	AGM 17-04 Vulnerable Check	AGM 17-05 Repeal Clause	AGM 17-07 Governance Funding	AGM 17-08 Personal Finance	AGM 17-09 Cannabis Legislation	AGM 17-10 Treaty Symbol	AGM 17-11 Indigenous Studies	AGM 17-12 Funding Conditions	AGM 17-13 PST Exemptions

This Adopted Resolutions Progress dashboard is regularly updated and shared with members.

Community and Partner Support

Mosaic Extreme School Makeover Challenge 2019

Ten Saskatchewan schools each received \$10,000 to support student nutrition after winning the [Mosaic Extreme School Makeover Challenge](#) for 2019. The grants, provided by the Mosaic Company, [supported projects](#) that have goals including creating or improving kitchen and garden facilities; enhancing education for students, families and communities about nutrition, food safety, life skills and Indigenous knowledge; aiding in the path toward reconciliation; and, developing or furthering breakfast, snack and other programs.



Walk to Breakfast 2019

Premier's Board of Education Award for Innovation and Excellence 2019

Saskatchewan Rivers Public School Division and Saskatchewan Rivers Students for Change received the 2019 [Premier's Board of Education Award for Innovation and Excellence in Education](#), for the submission of [Empowering Students & Responding to Student Voice: A Student-led Pathway to Improve Student Outcomes](#).



Presentation of the 2019 Premier's Award

Community and Partner Support

(continued)

2019 Executive Delegations

The [SSBA Provincial Executive](#) met with many delegations in 2019, including:

- CUPE Education Workers Steering Committee
- LEADS
- Minister of Education
- Métis Nation – Saskatchewan
- Deloitte (Auditors)
- Catholic Section
- Public Section
- SUMA
- SASBO
- University of Saskatchewan
- SHSAA
- Opposition Education Critic
- University of Regina



SSBA Highlights for 2019

2019 Scholarships and Awards



Matthias Georgiades and Damon Kako were the recipients of SSBA [Education Scholarships](#) in 2019.



Bernie Howe was honoured as a Life Member at the 2019 Fall Assembly.

SSBA Highlights for 2019

(continued)

Loss Control and Prevention Seminar



The SSBA General Insurance Plan Loss Control and Prevention Seminar was attended by 33 delegates from 20 school divisions. Based on the feedback received, the seminar provided excellent value to participants and the knowledge gained can improve how they manage their facilities.

Connections Report Released



Saskatchewan's school boards shared that they consistently heard about the importance of Connections for education during local public engagements conducted in 2019. The findings resulted from more than 300 engagements involving more than 10,500 people.

Mosaic Commits to Partners



Community partners from 12 non-profit organizations, including the SSBA, gathered in January at the Regina and District Food Bank to hear The Mosaic Company commit to funding food security and food education initiatives over the next three years.

Orange Shirt Day & Students' Day



At the SSBA's request, Provincial Students' Day and Orange Shirt Day are proclaimed in September each year. Provincial Students' Day is to help ensure a focus on safety as students return to school. Orange Shirt Day is an opportunity for reflection to occur regarding residential schools.

SSBA Highlights for 2019

(continued)

Treaty Symbols Presented



During the Spring General Assembly in April, school board chairs from across the province were presented with treaty symbols by Federation of Sovereign Indigenous Nations 2nd Vice-Chief David Pratt. Treaty Commissioner Mary Culbertson was in attendance for the event in Saskatoon.

Provincial Budget Day



SSBA President Shawn Davidson and Vice-President Aleana Young attended at the provincial Legislative Building for budget day. They brought forward a message continuing to call for increased investment in education and doing more than maintaining the status quo.

New Zealand Presentations



SSBA Executive Director Darren McKee was invited to provide a keynote and several presentations to the New Zealand School Trustees Association, which has more than 15,000 trustees. His keynote and presentations focused on good governance, leadership and relationships.

Student Transportation WAG



The Student Transportation Working Advisory Group met throughout the year to continue its work regarding student transportation and safety. The Executive approved an extension of time for work of the WAG to continue in expectation of significant concrete recommendations.

SSBA Highlights for 2019

(continued)

Employee Benefits Plan (EBP)

Offering benefits to 25 Boards of Education:

- ✓ \$6.7 million in Health Claims
- ✓ \$5.4 million in Dental Claims
- ✓ \$3.6 million in Life and Disability Claims

General Insurance Plan (GIP)

All 27 Boards of Education participate and receive:

- ✓ Shared Value
- ✓ Shared Risk
- ✓ Shared Protection

Group Tendering

- ✓ Hotel Lodging
- ✓ School Bus Tires

Board Development

- ✓ Connections Report
- ✓ Risk Management Workshops & Presentations
- ✓ Board Evaluations & Policy Reviews
- ✓ SCC Advice and Presentations
- ✓ SSBA Spring & Fall Assemblies

Legal Services

- ✓ Advice to all 27 Boards
- ✓ Presentations & Workshops
- ✓ Feedback on Legislative Amendments
- ✓ Direct Support on Education, Privacy, Copyright & Employment Law

Human Resources & Employees Relations

- ✓ Advice & Research
- ✓ Contingency Planning for Job Action Reference Materials
- ✓ Bargaining Support
- ✓ Data Warehouse

Communications, Advocacy & Policy Support

- ✓ Provincial Advocacy & Local Support
- ✓ Advice & Issues Management
- ✓ Strategic Planning & Facilitation
- ✓ Workshops & Presentations
- ✓ Media Relations
- ✓ Policy & Research Support

First Nations and Métis Education

- ✓ Advice
- ✓ Presentations
- ✓ Information & Research

Provincial Executive



Dr. Shawn Davidson
President



Aleana Young
Vice-President



Jerome Niezgoda
Catholic Constituency



Jaimie Smith-Windsor
Central Constituency



Martin Prince
CSF Constituency



Kimberly Greyeyes
Indigenous Constituency
(as of November 2019)



Harry Morin
Northern Constituency
(as of November 2019)



Janet Kotylak
Southern Constituency



Donna Banks
Urban Public Constituency

Thanks to Jansen Corrigan and Joe Daigneault (outgoing in 2019) for their service on the Executive.

SSBA Staff



Darren McKee
Executive Director



Ted Amendt
Director, Board Development,
Strategic HR, Legal Services
and First Nations and Métis
Education



Jamie Lerat
Strategic Advisor,
First Nations and
Métis Education ¹



Jeff McNaughton
Director, Employee
Benefits and
Insurance Plans



Catherine Vu
Director, Corporate
Services



Jill Welke
Director,
Communications
and Policy Support



Leona Baun
Benefits Supervisor



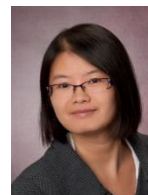
April Blondeau
Strategic HR / ER



Ketan Chavda
Accounting and
Benefits Clerk ²



Joe Couture
Communications,
Research and
Policy Analyst



Rong Hu
Accounting Clerk



Innocent Ihenyen
Insurance
Administrator



Maureen Jickling
Solicitor



Bini Johnson
Benefits Clerk



Geraldine Knudsen
Solicitor



Krista Lenius
Administrative
Paralegal



Chris Petford
Benefits
Administrator



Leanne Petford
Benefits
Administrator



Reshma Santhosh
Data and
Technology
Administrative
Assistant ³



Kristen Slinn
Administrative
Assistant ⁴



Rachel Tabrizi-
Reardigan
Benefits Clerk ⁵



Debby Thomas
Administrative
Assistant ⁶



Patty Webb
Benefits
Administrator

Staff Celebrations in 2019

- ✓ Long Service Awards: Krista Lenius (15 years), April Blondeau (5 years), Joe Couture (5 years)
- ✓ Ted Amendt earned his Doctor of Philosophy in Education degree
- ✓ Joe Couture earned his Master of Public Administration degree
- ✓ Darren McKee completed the CommunityShift program at the Ivey School of Business
- ✓ Jamie Lerat received multiple scholarships during her Master-level studies
- ✓ Staff members completed Red Cross CPR/AED certification or re-certification

Notes:

1. Jamie Lerat left the SSBA in February 2020.
2. Ketan Chavda left the SSBA in September 2019.
3. Reshma Santhosh joined the SSBA in May 2019 and left the SSBA in May 2020.
4. Kristen Slinn joined the SSBA in January 2020.
5. Rachel Tabrizi-Reardigan covered for Bini Johnson's leave starting June 2019.
6. Debby Thomas left the SSBA in January 2020.

Financial Summary

The Association maintains a strong financial position with total net assets of \$2.5M in the Operating Fund and \$24.3M in the Benefits and Insurance Funds. The Association ended the year with a net surplus of almost \$150K in operations, a net deficit of \$797K in the Benefits Fund, and a net surplus of \$1.9M in the Insurance Fund.

The final result was better than budgeted due to spending restraints, minimal use of external consultants, and contract negotiations to manage known cost pressures. The Association's operating fund net surplus of \$150K for 2019 is due primarily to the following:

- (\$30K) net loss in rental income due to current vacancies in the SSBA building;
- \$44K surplus in Executive director/administration due to a vacant position during the year;
- \$100K savings in Legal and Employee relations related to not utilizing funds for external consultants;
- \$24K savings in Association operating expense due to management minimizing expense throughout the year to offset tenant vacancy and renegotiating service and purchase contracts; and
- \$10K recovery of bad debt expense related to unpaid membership fee.

During the year, the investment market rebounded from the significant decline at the end of 2018 and the investments of the Benefits and Insurance Funds grew to \$2.8M.

The Benefits Fund reflects a deficit of \$797K due to a higher number of claims in the current year and reduced administration fee to utilize the unappropriated reserves accumulated over several years (\$1.9M). Premiums were increased in 2019 and a transfer between reserve funds was completed to address the excess claims. The reserve fund of \$1.2M exists to manage unexpected claims activity.

The Insurance Fund had a net revenue over expenses of \$1.9M after all claims were recorded and an excess capital distribution of \$1.2M from the insurance pools to the members during the year. The net revenue situation is due primarily to the higher investment earnings.

Financial statements of

**SASKATCHEWAN SCHOOL BOARDS
ASSOCIATION**

December 31, 2019



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Independent Auditor's Report

To the Members of
Saskatchewan School Boards Association

Opinion

We have audited the financial statements of Saskatchewan School Boards Association (the "Association"), which comprise the statement of financial position as at December 31, 2019, and the statements of revenue, expenses and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Not for Profit Organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 Association 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian Accounting Standards for Not for Profit Organizations, 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 Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 GAAS 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 GAAS, 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 Association'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 Association'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 Association 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.

Deloitte LLP

Chartered Professional Accountants
Regina, Saskatchewan
May 21, 2020

SASKATCHEWAN SCHOOL BOARDS ASSOCIATION

Statement of financial position

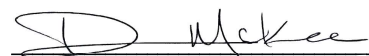
as at December 31, 2019

	Operating Fund	Benefits Fund	Insurance Fund	2019	Total 2018
ASSETS					
Current assets					
Cash	\$ 1,752,265	\$ -	\$ -	\$ 1,752,265	\$ 959,211
Accounts receivable	9,936	779,560	-	789,496	722,453
Prepaid expenses	8,066	-	-	8,066	12,443
Due from other funds	-	-	387,623	387,623	257,868
Short-term investments (Note 3)	1,320,724	432,962	1,982,304	3,735,990	4,146,273
	3,090,991	1,212,522	2,369,927	6,673,440	6,098,248
Long-term investments (Note 3)	-	4,140,647	22,733,983	26,874,630	26,106,438
Capital assets (Note 4)	1,021,288	-	-	1,021,288	1,048,735
	\$ 4,112,279	\$ 5,353,169	\$ 25,103,910	\$ 34,569,358	\$ 33,253,421
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	\$ 126,764	\$ 2,194,521	\$ 366,619	\$ 2,687,904	\$ 3,059,502
Provision for unpaid claims	-	824,000	2,497,296	3,321,296	3,770,000
Due to other funds	175,118	212,505	-	387,623	257,868
Deferred revenue	1,329,451	-	-	1,329,451	580,099
	1,631,333	3,231,026	2,863,915	7,726,274	7,667,469
NET ASSETS (Schedule 1)					
Appropriated	1,789,920	1,165,671	22,239,995	25,195,586	23,036,206
Unappropriated	691,026	956,472	-	1,647,498	2,549,746
	2,480,946	2,122,143	22,239,995	26,843,084	25,585,952
	\$ 4,112,279	\$ 5,353,169	\$ 25,103,910	\$ 34,569,358	\$ 33,253,421

See accompanying notes

Approved by the Executive

 President

 Executive Director

SASKATCHEWAN SCHOOL BOARDS ASSOCIATION

Statement of revenue, expenses and changes in net assets for the year ended December 31, 2019

	Operating Fund	Benefits Fund	Insurance Fund	Total 2019	Total 2018
REVENUE					
Membership fees	\$ 2,238,894	\$ -	\$ -	\$ 2,238,894	\$ 2,140,531
Premiums	-	20,812,902	2,995,979	23,808,881	21,330,217
Investment income	36,776	493,156	2,272,953	2,802,885	63,777
Other income	208,608	-	-	208,608	169,841
Assemblies, events and board development	113,420	-	-	113,420	119,245
Building	168,675	-	-	168,675	270,621
Mosaic Breakfast for Learning	115,000	-	-	115,000	115,000
	\$ 2,881,373	\$ 21,306,058	\$ 5,268,932	\$ 29,456,363	\$ 24,209,232
EXPENSES					
Executive activity/membership engagement	\$ 347,537	\$ -	\$ -	\$ 347,537	\$ 342,624
Executive director/ administration	654,426	-	-	654,426	598,148
Communication services	276,588	-	-	276,588	267,444
Board of education development services	303,858	-	-	303,858	287,017
Employee relations	161,940	-	-	161,940	216,463
Legal services	367,096	-	-	367,096	352,505
First nations and metis education services	86,904	-	-	86,904	73,779
Association operations	200,603	653,239	411,150	1,264,992	1,303,150
Building	200,958	-	-	200,958	207,873
Mosaic Breakfast for Learning	114,913	-	-	114,913	113,557
Claims/carrier (Note 5)	-	21,449,545	1,794,431	23,243,976	21,891,745
Insurance pool rebate (Note 11)	-	-	1,159,096	1,159,096	1,817,127
Bad debt (recovery) expense	(10,500)	-	-	(10,500)	10,500
Amortization	27,447	-	-	27,447	27,447
	\$ 2,731,770	\$ 22,102,784	\$ 3,364,677	\$ 28,199,231	\$ 27,509,379
Excess (deficit) of revenue over expenses	\$ 149,603	\$ (796,726)	\$ 1,904,255	\$ 1,257,132	\$ (3,300,147)
Net assets, beginning of year	2,331,343	2,918,869	20,335,740	25,585,952	28,886,099
NET ASSETS, END OF YEAR	\$ 2,480,946	\$ 2,122,143	\$ 22,239,995	\$ 26,843,084	\$ 25,585,952

See accompanying notes

SASKATCHEWAN SCHOOL BOARDS ASSOCIATION

Statement of Cash Flows

for the year ended December 31, 2019

	2019	2018
OPERATING ACTIVITIES		
Excess (deficit) of revenue over expenses	\$ 1,257,132	\$ (3,300,147)
Items not involving cash		
Amortization	27,447	27,447
Unrealized (gain) loss on investments	(1,427,556)	1,344,958
Change in non-cash working capital		
(Increase) decrease in accounts receivable	(67,043)	79,184
Decrease (increase) in prepaid expenses	4,377	(6,534)
(Decrease) increase in accounts payable and accrued liabilities	(371,598)	625,649
(Decrease) increase in provision for unpaid claims	(448,704)	368,000
Increase in deferred revenue	749,352	568,969
Cash used in Operating Activities	\$ (276,593)	\$ (292,474)
INVESTING ACTIVITIES		
Proceeds from sale of investments	\$ 4,706,341	\$ 3,657,868
Purchase of investments	(3,636,694)	(4,445,636)
Cash provided by (used in) Investing Activities	\$ 1,069,647	\$ (787,768)
Increase (decrease) in cash	\$ 793,054	\$ (1,080,242)
Cash, beginning of year	959,211	2,039,453
CASH, END OF YEAR	\$ 1,752,265	\$ 959,211

See accompanying notes

Saskatchewan School Boards Association

Notes to the financial statements

December 31, 2019

1. PURPOSE OF THE ASSOCIATION

The Saskatchewan School Boards Association (the "Association") is a democratic and voluntary organization. It provides advocacy, leadership and support for member boards of education by speaking as the voice for quality public education for all children, offering opportunities for trustee development and providing information and services. The Association operates an Employee Benefits Plan for non-teaching staff in the Province of Saskatchewan and a group Insurance Plan for school divisions.

The Association is incorporated under "An Act to Incorporate Saskatchewan School Boards Association" and is exempt from income tax.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not for-profit organizations (ASNPO) and include the following significant accounting policies:

a. Fund accounting

Operating Fund

Revenue and expenses related to program delivery and administrative activities are reported in the Operating Fund.

Benefits Fund

Revenue and expenses related to the services offered through the Employee Benefits Plan (EBP) are reported in the Benefits fund. This plan is a group employee benefits plan offering group insurance and related products to member school boards.

Insurance Fund

Revenue and expenses related to the services offered through the General Insurance Plan are reported in the Insurance Fund. This is a group insurance plan offering general insurance coverage (property, general liability, sexual molestation/abuse and air quality liability) to member school boards.

b. Cash

Cash represents cash held in the bank. The Association operates one bank account and therefore for financial statement purposes, the cash held by the Association is allocated between the operating fund, the benefits fund, and the insurance fund.

Saskatchewan School Boards Association
Notes to the financial statements
December 31, 2019

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. *Financial instruments*

Financial assets and financial liabilities are initially recognized at fair value when the Association becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost except investments, which are measured at fair value.

Transaction costs related to financial instruments measured subsequent to initial recognition at fair value are expensed as incurred.

With respect to financial assets measured at cost or amortized cost, the Association recognizes in net earnings an impairment loss, if any, when there are indicators of impairment and it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to net earnings in the period the reversal occurs.

d. *Capital Assets*

Land and building are stated at cost. Amortization is recognized to write off the cost of the building and related capital expenditures over its useful life of 40 years, using the straight-line method.

Office furniture and equipment are stated at cost. Amortization is recognized to write off the cost over its useful life of 5 years, using the straight-line method.

e. *Impairment of long-lived assets*

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate their carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. When conditions indicate that a tangible capital asset is impaired, the net carrying amount of the tangible capital asset is written down to the asset's fair value or replacement cost. The write-down of tangible capital assets is recognized as an expense in the statement of operations and changes in fund balances. A write-down should not be reversed.

f. *Revenue recognition*

Membership fees are recorded as revenue over the applicable membership period as services are performed and collection is reasonably assured.

Premiums are recognized as revenue in the period to which they relate. Any premiums relating to the current year and not yet received at the end of the year are accrued as revenue for the current year.

Saskatchewan School Boards Association
Notes to the financial statements
December 31, 2019

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Revenue recognition (continued)

Interest on investments is recognized as revenue as it is earned. Dividend income is recognized as revenue when received. Realized and unrealized gains and losses from changes in market values are recognized in income in the period that gains and losses occur.

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably assured and collection is reasonably assured.

All other revenues are recognized in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

g. Claims incurred not yet reported

An accrual is recorded for benefit claims that occurred at the end of the year but have not yet been paid by the Benefit Fund.

h. Employee Pension Plan

Employees of the Saskatchewan School Boards Association participate in the Municipal Employees' Pension Plan (MEPP). The multiemployer plan is a defined benefit pension plan that provides pensions calculated using a formula that takes into account a member's service and salary history. The contributions by the participant employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. The portion of the annual benefit costs and of the asset surpluses (deficits) that are attributable to the Association cannot be easily determined. Accordingly, the multiemployer plan is accounted for on the defined contribution basis. No portion of the asset (deficit) surplus of the plan is recognized in these financial statements. The Association's liability is limited to the employer contribution which are expensed in the period that they become payable.

i. Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Key areas of estimation include useful lives of capital assets and accruals for claims incurred not yet reported. Actual amounts could differ from these estimates.

j. Adoption of new accounting standards

The Association has adopted ASNPO Section 4433, Tangible Capital Assets Held by Not-for-Profit Organizations. This accounting standard is effective for fiscal years beginning on or after January 1, 2019. The adoption of this standard did not affect the financial statements.

Saskatchewan School Boards Association

Notes to the financial statements

December 31, 2019

3. INVESTMENTS

Short term investments are reported separately on the financial statements. Short term investments include highly liquid investments that can be quickly converted into cash or remaining maturity or have a maturity date of 12 months or less.

	Operating Fund	Benefits Fund	Insurance Fund	Total 2019	Total 2018
Cash & short-term investments	\$ 1,320,724	\$ 432,962	\$ 1,982,304	\$ 3,735,990	\$ 4,146,273
Pooled funds - fixed income	-	2,910,678	15,955,889	18,866,567	19,061,359
Pooled funds - Canadian equities	-	999,437	5,527,219	6,526,656	5,074,105
Pooled funds - U.S. equities	-	230,532	1,250,875	1,481,407	1,970,974
Long-term investments	-	4,140,647	22,733,983	26,874,630	26,106,438
Total investments	\$ 1,320,724	\$ 4,573,609	\$ 24,716,287	\$ 30,610,620	\$ 30,252,711

The net investment income and unrealized gains for each fund is provided in the following table:

	2018 Balance	Net Investment Income	Unrealized Gains	Transfers	2019 Balance
Operating Fund	\$ 1,291,712	\$ 29,495	\$ -	\$ (483)	\$ 1,320,724
Benefits Fund	5,286,528	206,523	271,420	(1,190,862)	4,573,609
Insurance Fund	23,674,471	1,044,776	1,156,136	(1,159,096)	24,716,287
Total investments	\$ 30,252,711	\$ 1,280,794	\$ 1,427,556	\$ (2,350,441)	\$ 30,610,620

4. CAPITAL ASSETS

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Building	\$ 2,181,040	\$ (1,267,334)	\$ 913,706	\$ 936,098
Land	100,000	-	100,000	100,000
Office furniture and equipment	25,275	(17,693)	7,582	12,637
	\$ 2,306,315	\$ (1,285,027)	\$ 1,021,288	\$ 1,048,735

The most recently published valuation appraisal as of October 11, 2019 reported the following:

Cost of Reproduction New:	\$7,647,667
Cost of Reproduction New Less Depreciation:	\$4,533,718

Saskatchewan School Boards Association

Notes to the financial statements

December 31, 2019

5. BENEFITS FUND

In 2005, the Association entered into an agreement with Manufacturers Life Insurance Company (Manulife) whereby the Association assumed the risk for the extended health, dental and vision plans. Manulife is responsible for the administration of the plans and provides an annual accounting of the financial results of the plans - premiums less claims and certain administrative expenses.

The Association currently estimates a deficit of \$105,000 (2018 - \$662,000) for the Benefits Fund for the period of January 1 to December 31, 2019. This amount is reflected in provision for unpaid claims.

6. PENSION PLAN

During the year, the employee's contribution rate and the Association's contribution rates relating to MEPP remained at 9.00% (2018 – 9.00%). The Association's contributions were \$170,879 (2018 – \$160,307).

Every three years, MEPP has an actuary perform an actuarial valuation of the pension fund. The most recently published actuarial valuation as of December 31, 2018 reported the following:

Plan Assets:	\$2,519,436,000
Plan Liabilities:	\$2,021,710,000
Plan Surplus:	\$ 497,726,000
Funded Ratio:	124.6%

7. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Significant contractual obligations and commitments of the Association are as follows:

	Office Equipment	Building Equipment	Total
2020	\$ 7,192	\$ 3,420	\$ 10,612
2021	7,192	4,560	11,752
2022	3,596	4,560	8,156
2023	-	4,560	4,560
2024	-	4,560	4,560
2025	-	1,140	1,140
Total	\$ 17,980	\$ 22,800	\$ 40,780

Saskatchewan School Boards Association

Notes to the financial statements

December 31, 2019

8. CONTINGENT LIABILITIES

A contingent liability exists for the Insurance fund associated with legal action related to various insurance claims. The liability for some of the claims cannot be estimated until the results of the legal action are known.

9. FUNDS HELD IN TRUSTS

The Association administers funds for the School Division Specific Land Claims Tax Loss Compensation Fund held in trust pursuant to an agreement between the Government of Saskatchewan and the Association. The total cash and investments held in the trust as at December 31, 2019 was \$2,260,286 (2018 - \$2,278,917). These amounts are not reflected in the financial statements.

10. ALLOCATION OF EXPENSES

The Association allocates expenses associated with administrative and communications support to the Benefits and Insurance Funds. The appropriate cost driver was determined for each function and applied appropriately. Examples of cost drivers include payroll costs allocated based on percentage of employees in each department and communications support allocated based on percentage of time of specific employees used to support the Benefits and Insurance Fund activities.

Administrative support includes costs associated with information technology, payroll, expense processing, financial management, financial reporting, communications, and Executive Director support. In addition, building rent costs were transferred to each fund using existing office space square footage and the rate charged to other building tenants.

The cost transfers from the Operating Fund to the Benefits and Insurance Funds are provided in the following table:

	2019		2018	
	Benefits Fund	Insurance Fund	Benefits Fund	Insurance Fund
Administrative support and office space	\$ 133,368	\$ 44,055	\$ 117,310	\$ 37,022

Saskatchewan School Boards Association

Notes to the financial statements

December 31, 2019

11. APPROPRIATED FUNDS

Operating Fund Reserves

- a. Reserve for Building Repairs and Renovations - Amounts have been appropriated in expectation of future major building repairs. Expenditures for major repairs and renovations are charged to the reserve.
- b. Investment in Property - This reserve is equal to the net book value of property.
- c. Provincial Bargaining – The purpose of this reserve is to set aside an appropriation for costs incurred by the Association for involvement in the Provincial Bargaining process.
- d. Unappropriated Reserve – The purpose of this reserve is to:
 - i) set aside an appropriation for costs associated with the winding down of the Association if the corporation is dissolved; and
 - ii) to set aside an appropriation for unbudgeted expenditures that were unforeseen and could not have been reasonably anticipated at the time the budget was approved and to address emergent situations that arise between budgets.

Benefits Fund Reserves

- a. Unappropriated reserves - The amount of this reserve shall not be more than \$1,000,000 as per Association policy. The purpose of this fund is:
 - i) to set aside an appropriation for administrative costs associated with the winding down of the plan if dissolved,
 - ii) to set aside an appropriation for costs incurred as a result of a significant group withdrawal from the plan, creating a plan deficit,
 - iii) to set aside an appropriation for administrative expenditures that have not been budgeted for that were unforeseen and could not have been reasonably anticipated at the time the budget was approved and to address emergent situations that arise between budgets, and
 - iv) to set aside an appropriation for development of administrative infrastructure to support the Employee Benefits Plan in its role as a third party benefit administrator and policy holder.

The unappropriated reserve has been in excess of the Association policy and a plan was developed to utilize the excess by reducing administration fees collected over several years to minimize the impact. The administration fee is estimated around \$700,000 per year.

- b. Claims Fund Reserve - The purpose of this fund is to set aside an appropriation for Incurred But Not Reported (IBNR) amounts and to ensure that an amount is appropriated for claims fluctuations.

Saskatchewan School Boards Association

Notes to the financial statements

December 31, 2019

11. APPROPRIATED FUNDS (Continued)

Insurance Fund Reserves

Reserve accounts have been established to set aside an appropriation for self-insurance amounts and/or unanticipated costs.

- a. Property pool – This reserve is designated as a “group self-insurance plan” for members’ losses for property claims to be used to cover members’ losses in excess of the basic insurance deductible of \$5,000 to a maximum of \$200,000 per occurrence. The Association’s maximum annual exposure for the pool is \$2,000,000.
- b. General liability pool – This reserve is designated as a “group self-insurance plan” for general liability claims against school boards for bodily injury and property damage. The statute of limitations on liability insurance is currently two years beyond the age of majority for an individual to claim damages for negligence against a school board. \$400,000 is set aside annually for this pool with a maximum of \$45,000 available per claim.
- c. Sexual molestation pool – This reserve is designated as a “group self-insurance plan” for the risk and exposure to school boards resulting from sexual molestation claims. Association policy requires a minimum balance of \$2,000,000 in this pool. Annual coverage is provided by insurers for expenses between \$1,000,000 and \$8,000,000. This reserve is funded by the addition of \$1.00 per student to the cost of insurance to school boards.
- d. Air quality pool – This reserve is designed as a “group self-insurance plan” to offset the risk and exposure to school boards resulting from air quality, mold and fungus. There is a maximum of \$1,000,000 annual aggregate expenses to this reserve and a \$500,000 per claim limit, with a \$5,000 deductible for each claim. This reserve is funded by the addition of \$1.00 per student to the cost of insurance to the school boards.

Schedule 1 outlines the transfers between the unappropriated and appropriated reserves.

The insurance funds reserves have been in excess of the Association policy for many years. On September 19, 2019, the Executive approved the distribution of \$1,159,096 (2018 - \$1,817,127) of excess insurance funds reserves as follows:

	2019	2018
Property pool	\$ 703,135	\$ -
Sexual molestation pool	436,665	-
General liability pool	19,296	-
Air quality pool	-	1,817,127
Total	\$ 1,159,096	\$ 1,817,127

Saskatchewan School Boards Association
Notes to the financial statements
December 31, 2019

12. FINANCIAL RISKS

The Association is exposed to various risks through its financial instruments.

a. *Market Risk*

Market risk is the risk of loss that may arise from change in market factors such as interest rates, foreign currency rates and equity prices. The Association is mainly exposed to this market risk in its investing activities.

i) Interest rate risk

Interest rate risk refers to the adverse consequences of interest rate changes on the Association's cash flows and appropriated and unappropriated funds. The investment portfolio is exposed to interest rate risk in respect to its fixed income and short-term investments. Fixed rate instruments subject the Association to a fair value risk. To manage, interest rate risk, the Association investment policy provides for distribution of investments among several classes of investments in order to reduce exposure to investment volatility.

ii) Foreign currency risk

Foreign currency exposure arises from holdings of non-Canadian investments. The investment policy limits foreign currency risk by providing maximum investment amounts in US and International Equities as a percentage of the total investment portfolio for both the Benefits and Insurance Funds. Investment in international equities requires prior approval from the Audit and Investment Committee.

The Operating Fund is limited to investments in Canadian cash and short-term securities.

At December 31, 2019, investments in U.S. equities accounted for 5% (2018 – 7%) of the total portfolio for both the Benefits and the Insurance Funds as compared to a policy limit of 15% for each fund. There are no investments in international equities.

Saskatchewan School Boards Association
Notes to the financial statements
December 31, 2019

12. FINANCIAL RISKS (continued)

a. ***Market Risk (continued)***

iii) Equity price risk

Equity price risk is the risk the fair value or future cash flows of an equity investment will fluctuate because of changes in market prices (other than those arising from interest risk or foreign currency risk), whether those changes are caused by factors specific to the individual equity instrument or factors affecting similar equity instruments traded in the market.

The investment policy limits equity price risk by providing maximum investment amounts in equities as a percentage of the total investment portfolio. At December 31, 2019, investments in equities accounted for 22% (2018 - 24%) of the total portfolio for both the Benefits and the Insurance Funds as compared to a policy limit of 25% for each fund.

b. ***Credit Risk***

Credit risk is the potential financial loss resulting from the failure of a counterparty to settle its financial and contractual obligations of the Association, as and when they come due.

The investment policy limits credit risk by dealing with investees that are considered to be of high quality.

Cash and short term securities investments are limited to Treasury Bills and other securities issued or guaranteed by the federal government, provinces or municipalities of Canada, Bankers Acceptances and other bank and trust company obligations or deposits, and corporate and asset backed commercial paper with credit ratings of A or stronger.

Fixed Income Securities are limited to securities issued or guaranteed by the federal government, provinces, or municipalities of Canada, corporate bonds with credit ratings of A or stronger, and mortgage and other asset backed securities.

None of the assets in the investment portfolio are past due or impaired as at December 31, 2019 (2018 - \$nil).

c. ***Liquidity Risk***

The business of the Association necessitates the management of liquidity risk. Liquidity risk is the risk of being unable to meet financial commitments, under all circumstances, without having to raise funds at unreasonable prices or sell assets at a forced basis.

As at December 31, 2019, the Association has accounts payable, accrued liabilities, and provision for unpaid claims of \$6,009,200 (2018 - \$6,829,502).

Saskatchewan School Boards Association

Notes to the financial statements

December 31, 2019

13. SUBSEQUENT EVENT

Subsequent to the year-end, on March 11, 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus ("COVID-19") as a pandemic which has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus. The duration and impact of COVID-19 is unknown at this time and it is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial results and condition of the Association in future periods.

SASKATCHEWAN SCHOOL BOARDS ASSOCIATION

Schedule 1 - Schedule of changes in reserves

for the year ended December 31, 2019

	Net Assets 2018	Net revenue over expenses	Transfers	Net Assets 2019
OPERATING FUND				
Building repairs	\$ 556,215	\$ -	\$ 100,000	\$ 656,215
Investment in capital assets	1,048,736	(27,447)	-	1,021,289
Provincial bargaining	93,201	(30,785)	50,000	112,416
Unappropriated	633,191	207,835	(150,000)	691,026
	2,331,343	149,603	-	2,480,946
BENEFITS FUND				
Claims Reserve	1,002,314	(636,643)	800,000	1,165,671
Unappropriated	1,916,555	(160,083)	(800,000)	956,472
	2,918,869	(796,726)	-	2,122,143
INSURANCE FUND				
Property pool	3,484,066	36,173	-	3,520,239
Sexual molestation pool	6,217,599	448,614	-	6,666,213
General liability pool	8,641,960	1,182,192	-	9,824,152
Air quality pool	1,992,115	237,276	-	2,229,391
	20,335,740	1,904,255	-	22,239,995
	\$ 25,585,952	\$ 1,257,132	\$ -	\$ 26,843,084

See Note 11 for further information regarding the reserves and their purpose.



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