



Lethbridge School District No. 51

Third Quarter Report

May 31st

2017

This document is Management's Discussion and Analysis of the Third Quarter for the period September 1, 2016 to May 31, 2017. *This financial information contained herein has not been audited.*

Report to the
Board of Trustees

June 27th, 2017



Lethbridge School District No. 51

**Third Quarter Report
September 1, 2016 to May 31, 2017**

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Lethbridge School District No. 51

Management Discussion and Analysis Report Third Quarter Report

Executive Summary

Lethbridge School District No. 51 has a total budget of \$123.7 million and provides public education services to the citizens of the City of Lethbridge, Alberta, Canada.

The School District was established in 1886 and proudly serves a community that is fast approaching 100,000 residents. In the 2016 Canadian Census Lethbridge is ranked as the fifth fastest growing community in Canada. Lethbridge School District No. 51 serves over 10,647 students from early education (pre-school) to grade twelve. The District provides high quality learning experiences for students through a broad range of educational programs in twenty one schools and four institutional programs.

The District experienced overall enrolment growth in 2016-2017 of 153 students (1.46%) over 2015-2016. It is anticipated that enrolment growth will be around 4.91% in the 2017-2018 school year which will bring the student population to over 11,170.

Lethbridge School District No. 51 believes in fiscal accountability and transparency through regular financial monitoring and reporting. Under *Policy 801.1 System Budgeting*, the Board directs that the expenditure of funds be within the guidelines established and be the responsibility of the designated District or school-based administrator. The executive summary presents highlights of the school district's financial operations for the period September 1, 2016 until May 31, 2017 to provide fiscal accountability within the established guidelines.

Mike Mountain Horse Elementary School Celebrates Canada's 150th Birthday



Financial Position

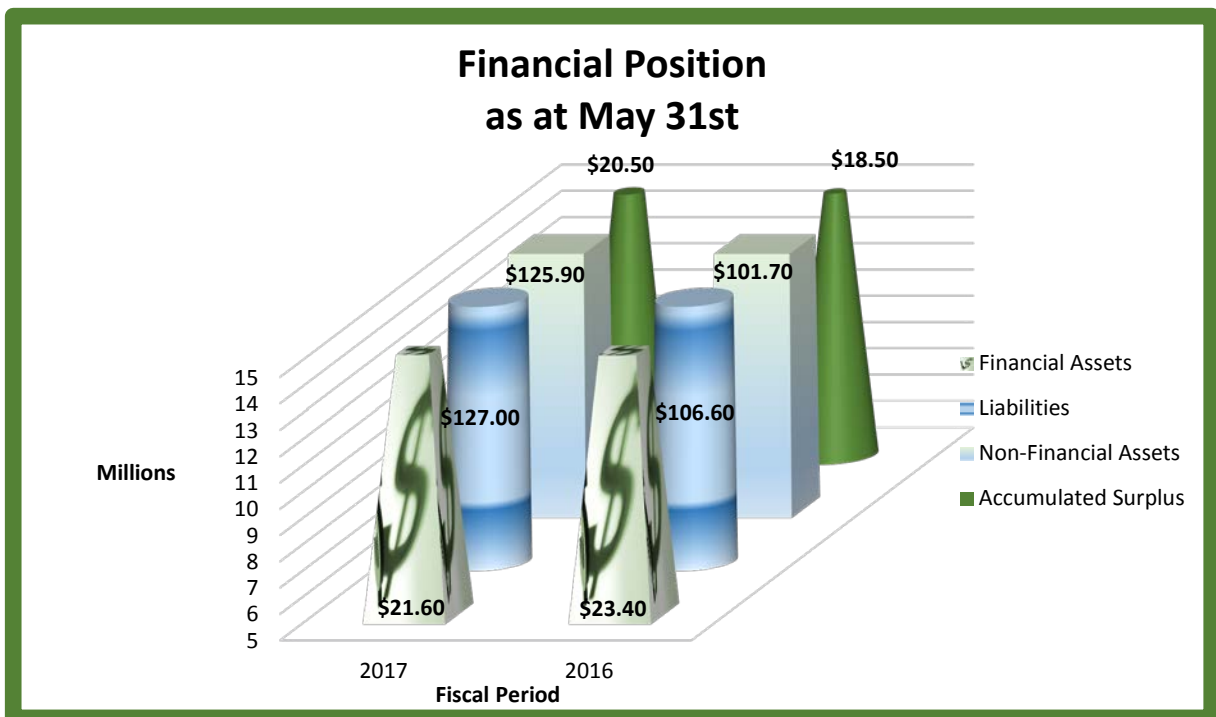
As at May 31, 2017 [Lethbridge School District No. 51](#) has total financial assets of \$21.6 million and liabilities of \$127 million for net financial debt of \$105.4 million. A net debt position is not necessarily an indication that a District is in financial difficulty.

Net financial debt includes \$120.3 million of deferred revenue related to the amortization of supported capital assets (Expended Deferred Capital Revenue), which will be amortized into revenues in subsequent years to offset the amortization cost of supported capital assets. Supported Capital Assets are those assets that have been funded by the Province of Alberta.

Before consideration of Expended Deferred Capital Revenue, the District had Net Assets of \$14.9 million. Of this \$14.9 million, \$11.7 million is in operating reserves which have been restricted for future use with the majority related to instructional programming and school generated activities. Net financial assets also relate to \$861,000 of unrestricted reserves, \$2.3 million of capital reserves and \$320,000 of endowment funds.

There is \$125.9 million of non-financial assets (tangible capital assets, other non-financial assets and prepaid expenses) which is represented mostly by Deferred Expended Capital Revenue of \$120.3 million as explained above, the District's investment in capital assets of \$5.3 million, other non-financial assets of \$188,000 and prepaid expenses of \$63,000.

Together the Net Financial Debt (Financial Assets less Liabilities) plus Non-Financial Assets equal the total Accumulated Surplus of \$20.5 million. The chart below compares the financial position of May 31st with the prior year.



Budget Update as of September 30th

The revised budget for the 2016-2017 school year reflects changes to the district budget as of September 30th, 2016. Revenue in the revised budget increased by \$891,000 over preliminary budget projections developed in May 2016. This increase is due to increased student enrolment at September 30th of 74 students (.7%) above preliminary projections. An additional .5 full time equivalent teachers were hired as well as 8 additional support staff positions in the revised budget. In budget 2016-2017, \$5.4 million of one-time reserves will be utilized for staffing in Inclusive Education, resources for French Immersion programming, Coalbanks Elementary school start-up costs, Literacy resources, staffing for ESL, Literacy and Technology integration support, supporting K&E programming at Victoria Park and technology evergreening at elementary schools.

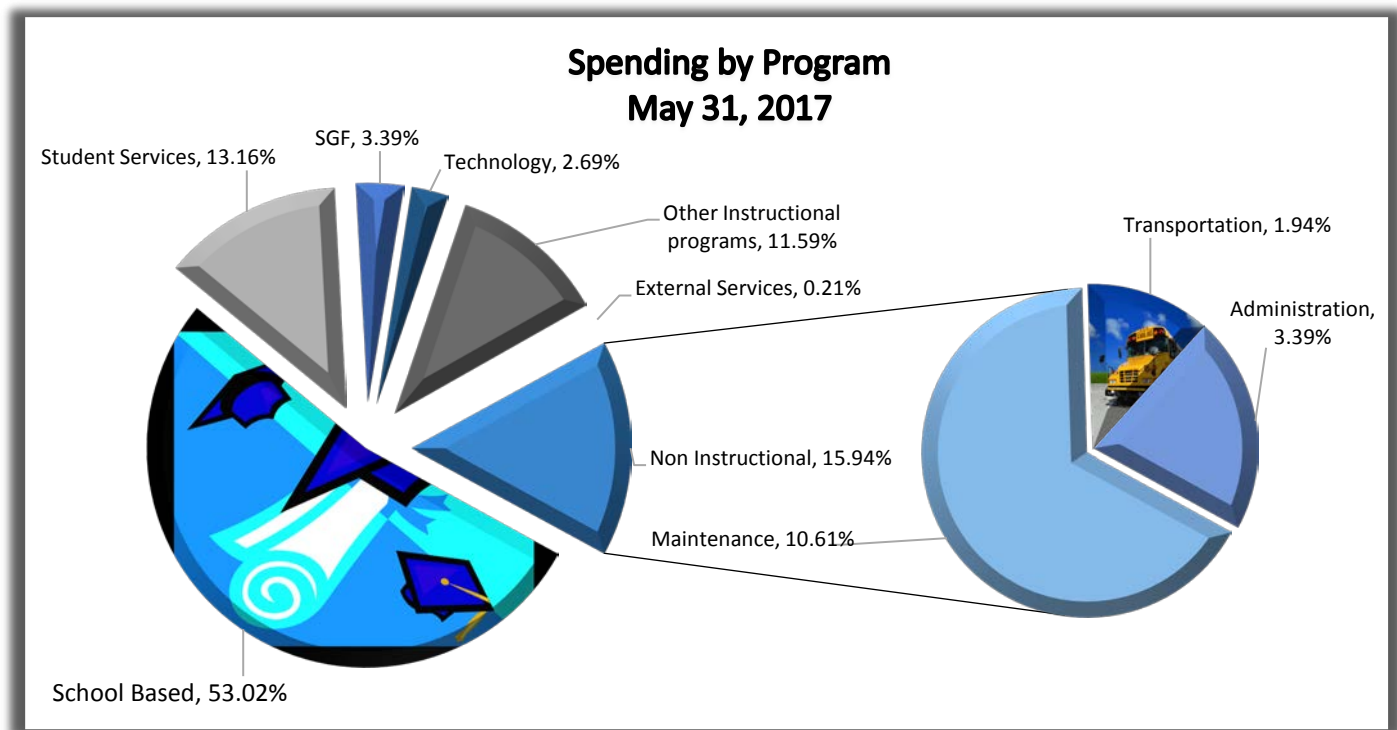
Operations

For the nine months ended May 31st, \$88.1 million of revenues have been recorded which is 74.95% of budget. Revenues are as expected, with some revenues being higher than budget related to investment income, donations and school generated activities. The chart below illustrates the source of funding for every \$100 of revenue as at May 31, 2017.



*used with the permission of the Bank of Canada

Expenditures are \$88.5 million as of May 31, 2017 which is 71.95% of the budget. Expenditures are less than anticipated for the third quarter due to continued spending on district computer evergreen and IMR projects that will be completed in the fourth quarter.



Forecasted Operations to Year End

At May 31, 2017, Alberta Education revenues are anticipated to increase. Additional revenue will be received under the Program Unit Funding (PUF) and the Inclusive Learning grants based on confirmed funding in February. Expenditures have been reduced in Instruction based on spending patterns and average teacher salary costs incurred as of May 31, 2017.

Capital Expenditures

During the period, capital expenditures mainly included construction costs for the modernization of Wilson Middle School, and the construction of Coalbanks Elementary School and New West Lethbridge Middle School.

Summary Comments

As of May 31, 2017, [Lethbridge School District No. 51](#) is operating financially as anticipated based on the approved budget. Operating expenditures would indicate that spending is occurring for the benefit of today's students while not compromising opportunities for future operations of the District.

Lethbridge School District No. 51
STATEMENT OF FINANCIAL POSITION
As at May 31, 2017

		May 31st, 2017	May 31st, 2016
FINANCIAL ASSETS			
Cash and cash equivalents		\$19,811,009	\$20,716,891
Accounts receivable (net after allowances)		\$1,689,525	\$2,591,564
Portfolio investments		\$84,037	\$83,395
Total financial assets		\$21,584,571	\$23,391,850
LIABILITIES			
Bank indebtedness			\$0
Accounts payable and accrued liabilities		\$2,400,266	\$3,508,882
Deferred revenue		\$124,439,717	\$102,753,478
Employee future benefit liabilities		\$20,325	\$28,966
Other liabilities			\$0
Long term debt			
Supported: Debentures and other supported debt		\$119,413	\$316,186
Unsupported: Debentures and capital loans		\$0	\$0
Capital leases		\$0	\$0
Mortgages		\$0	\$0
Total liabilities		\$126,979,721	\$106,607,512
Net Financial Assets (Net Debt)		(\$105,395,150)	(\$83,215,662)
NON-FINANCIAL ASSETS			
Tangible Capital assets			
Land		\$1,715,118	\$1,715,118
Buildings	\$174,587,943		
Less: Accumulated amortization	(\$53,229,310)	\$121,358,633	\$97,846,149
Equipment	\$6,075,316		
Less: Accumulated amortization	(\$4,097,439)	\$1,977,877	\$1,430,241
Vehicles	\$1,127,177		
Less: Accumulated amortization	(\$551,297)	\$575,880	\$514,096
Total tangible capital assets		\$125,627,508	\$101,505,604
Prepaid Expenses		\$62,855	\$81,535
Other Non-Financial Assets		\$187,573	\$134,954
Total non-financial assets		\$125,877,936	\$101,722,093
ACCUMULATED SURPLUS			
Unrestricted Surplus		\$861,412	\$796,410
Operating reserves		\$11,716,573	\$10,603,743
Accumulated Surplus from Operations		\$12,577,985	\$11,400,153
Investment in capital assets		\$5,292,312	\$4,871,630
Capital reserves		\$2,292,615	\$1,914,774
Endowments		\$319,874	\$319,874
Total Accumulated Surplus (Deficit)		\$20,482,786	\$18,506,431

Lethbridge School District No. 51
Notes to the Statement of Financial Position
As at May 31, 2017

FINANCIAL ASSETS

Financial assets consist of assets that are readily converted to cash.

Cash and Cash Equivalents

Cash at May 31, 2017 includes deferred operating revenue, endowment funds, and Accumulated Surplus from Operations.

Accounts Receivable

Accounts receivable at May 31, 2017 includes supported debenture debt to be paid by the Province on the District's behalf, GST rebates receivable, funding on construction of Coalbanks Elementary School and other miscellaneous funds owing to the District.

Portfolio Investments

Portfolio investments represent one-year term savings certificates held at the school level for school generated activities.

Total Financial Assets of the District at May 31, 2017 are \$21.6 million dollars.

**Celebration of Cultural Diversity
at
Senator Buchanan Elementary School**



LIABILITIES

Accounts Payable

Accounts payable at May 31st mostly includes payments for construction holdbacks, and employee benefits such as remittances to the Canada Revenue Agency, Local Authorities Pension Plan, and to the Alberta School Employee Benefit Plan.

Deferred Revenue

Included in Deferred Revenue is Unexpended Capital Revenue and Expended Capital Revenue. See the Statement of Capital Revenue.

Deferred revenue, excluding capital revenue noted above, is mainly unspent Infrastructure Maintenance and Renewal (IMR) grant funding. Funding is allocated to revenue as funds are expended. Deferred revenue also includes externally restricted School Generated Funds, such as student travel group deposits or school activity fees.

Employee Future Benefits

Consists of benefits earned but not utilized that relate to banked time that will be utilized in a future period.

Debt

Debt is debt supported by the Province of Alberta on school facilities.

Total liabilities at May 31, 2017 are \$127 million.

Net Financial Assets (debt)

Net financial assets (debt), which is the funds available (owing) after discharging the District's financial obligations, is a **net debt position of 105.4 million**. A net debt position does not necessarily mean the District is in financial difficulty. Net financial debt includes \$120.3 million of deferred revenue related to supported capital from the Province of Alberta. These funds are related to the amortization of supported capital assets (Expended Deferred Capital Revenue), which will be amortized into revenues in subsequent years to offset the amortization cost of supported tangible capital assets. Supported tangible capital assets are those assets that have been funded by the Province of Alberta.

Before consideration of Expended Deferred Capital Revenue, the District had Net Assets of \$14.9 million.

NON-FINANCIAL ASSETS

Non-financial assets are tangible assets that are used in the operations of the District and are not readily converted to cash.

Capital Assets

Capital assets include land, buildings, equipment and vehicles used in the operations of the District. These assets are amortized over their estimated useful lives to arrive at a net value of \$125.6 million as of May 31, 2017. Capital activity during the period included construction costs associated with the modernization of Wilson Middle School and construction of Coalbanks Elementary School and the new west Lethbridge middle school.

Other Non- Financial Assets

Other financial assets represent inventories of supplies and materials on hand to be used in a subsequent fiscal period.

Prepaid Expenses

Prepaid expenses represent insurance, licenses, and materials that are for a subsequent fiscal period.

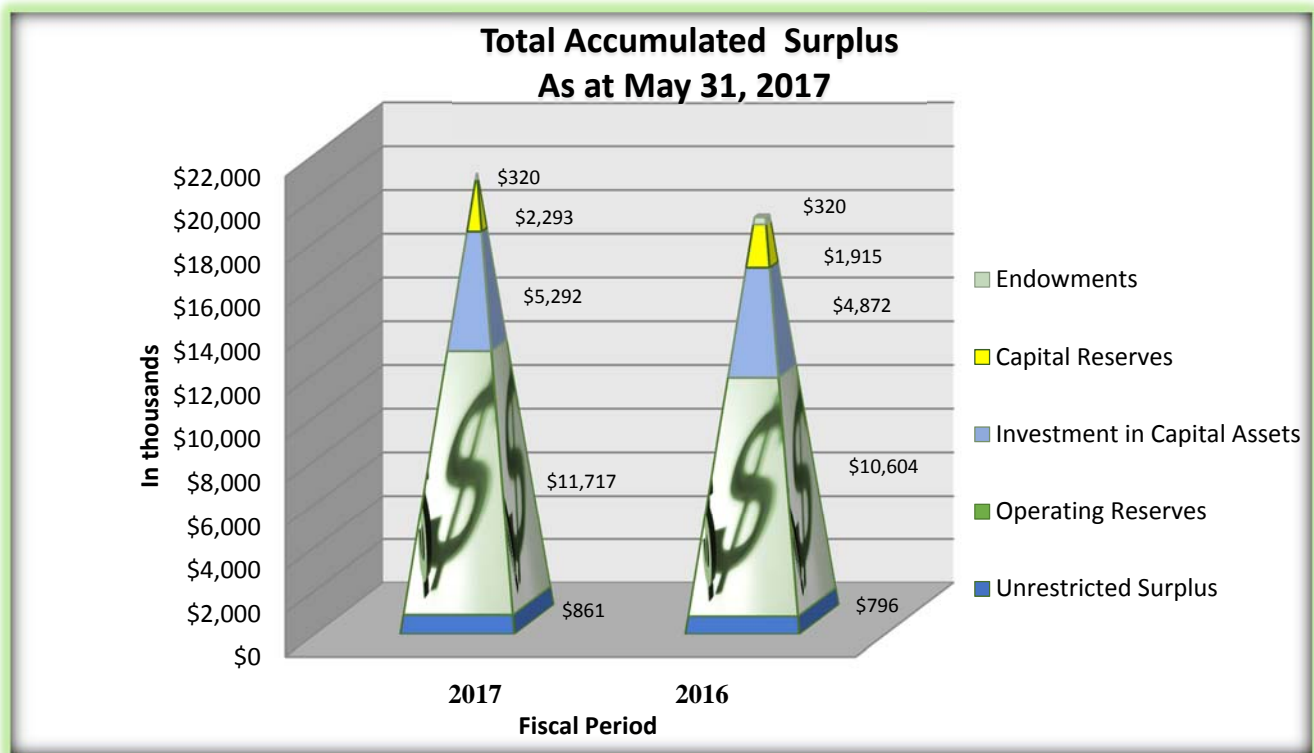
Total non-financial assets as of May 31, 2017 are \$125.6 million.

ACCUMULATED SURPLUS

Accumulated surplus is represented by accumulated surplus from operations which is made up of unrestricted reserves and operating reserves. Also included in accumulated surplus are capital funds which include investment in capital assets and capital reserves. Funds held by the District, where the principal must be maintained permanently, called endowments, are also included in accumulated surplus.



Winston Churchill High School
hosts Unified Bocce Tournament



Unrestricted surplus are funds that are not designated for a specific purpose and operating reserves are funds that have been designated for a specific program of the District.

Investment in capital assets represents the net book value of capital assets that have been paid from District revenues and are not supported by the Province or external contributions.

Capital reserves are funds that have been set aside for future replacement of District assets that are not supported by the Province or external contributions. The District contributes the budgeted amount of amortization on unsupported assets into the capital reserve fund, as per the approved budget, to fund future asset replacement.

The total accumulated surplus for the District which consists of both operating and capital funds is \$20.5 million. The total of net financial assets (debt) plus total non-financial assets equates to the total accumulated surplus at May 31, 2017.

Lethbridge School District No. 51

STATEMENT OF OPERATIONS

For the Nine months ended May 31st, 2017

	Budget Information		Actual Results	Forecast	Variances	
	Preliminary Budget 2016-2017 (May 2016)	Revised Budget 2016-2017 (Sept 30th 2016)	Actual Nine Months May 31st, 2017	Forecast To August 31, 2017	% Expended Revised Budget	% Expended Forecast to August 31, 2017
REVENUES						
Alberta Education	\$110,643,265	\$111,494,936	\$83,051,228	\$111,965,388	74.49%	74.18%
Other - Government of Alberta	\$498,453	\$498,453	\$368,403	\$498,453	73.91%	73.91%
Federal Government and First Nations	\$170,312	\$288,928	\$312,681	\$313,000	108.22%	99.90%
Fees	\$1,420,219	\$1,342,368	\$1,504,895	\$1,550,000	112.11%	97.09%
Other sales and services	\$950,226	\$950,226	\$874,028	\$950,226	91.98%	91.98%
Investment income	\$143,000	\$143,000	\$135,627	\$174,600	94.84%	77.68%
Gifts and donations	\$390,000	\$390,000	\$434,655	\$440,000	111.45%	98.79%
Rental of facilities	\$35,900	\$34,704	\$26,928	\$34,704	77.59%	77.59%
Fundraising	\$2,461,000	\$2,461,000	\$1,438,359	\$2,461,000	58.45%	58.45%
Total Revenues	\$116,712,375	\$117,603,615	\$88,146,804	\$118,387,371	74.95%	74.46%
EXPENSES						
Instruction-Early Childhood Services	\$5,952,585	\$5,788,244	\$4,309,253	\$5,788,244	74.45%	74.45%
Instruction - Grades 1-12	\$93,305,148	\$95,889,593	\$69,878,311	\$94,313,663	72.87%	74.09%
Plant operations and maintenance	\$14,473,006	\$14,578,030	\$9,389,939	\$14,578,030	64.41%	64.41%
Transportation	\$2,499,462	\$2,499,462	\$1,717,779	\$2,499,462	68.73%	68.73%
Administration	\$3,953,550	\$3,960,850	\$2,999,688	\$3,960,850	75.73%	75.73%
External services [International Services]	\$253,000	\$253,000	\$183,549	\$253,000	72.55%	72.55%
Total Expenses	\$120,436,751	\$122,969,179	\$88,478,519	\$121,393,249	71.95%	72.89%
Operating surplus (deficit)	(\$3,724,376)	(\$5,365,564)	(\$331,715)	(\$3,005,878)		
Accumulated Surplus from Operations beginning of Year	\$11,684,183	\$12,909,700	\$12,909,700	\$12,929,700		
Accumulated operating surplus (deficit) at end of period	\$7,959,807	\$7,544,136	\$12,577,985	\$9,923,822		
AOS as a % of Expenditures	6.61%	6.13%	10.23%	8.17%		

Lethbridge School District No. 51

Notes to the Statement of Operations

For the nine months ended May 31, 2017

About The Statement

This statement includes four main areas:

- The first area highlighted in **blue** is budget Information. The first budget information is the preliminary budget that was approved by the Board of Trustees in May 2016. The second column of budget information is the budget that has been revised after September 30th enrolment counts and is used as the new operating budget for the fiscal year.
- The second area highlighted in **pink** is the actual results for the period.
- The third area highlighted in **yellow** is the forecast. This information is the forecasted revenue and expenditures to August 31, 2017. The forecast will be changed each quarter based on best estimates given current and past financial information. Rationale will be provided when the forecast has been changed from the original budget.
- The fourth area highlighted in **green** is the variance area. This area provides information on the percent received/expended as compared to the September 30th operating budget and the percent received/ expended as compared to the updated forecast information.

REVENUES

Government of Alberta

Grants have been received as expected at the third quarter. Forecasted revenue has been increased to reflect additional Inclusive Learning grant revenue and funding for early learners who require additional support under the PUF grant.

Other Government of Alberta

Other Government of Alberta revenue has been received as expected at the third quarter. Other Government of Alberta Revenue includes interest on supported debenture debt, and grant funding for the Making Connections program.

Federal Government and First Nations

Represents amounts billed for tuition for students living on the Kainai reserve. Funds are as anticipated at the third quarter.

Fees

Reflects fees that are collected for optional programming fees, school generated activity fees, Preschool Fees and tuition for foreign students. Most school fees and tuition fees are collected at the beginning of the school year, while school activity fees are collected throughout the school year; therefore the amount collected is greater than 75% at the third quarter.

Other Sales and Services

Other sales and services are mainly from school generated activities. Also includes funds received for staff that are seconded to the University of Lethbridge

Investment Income

Interest earned on operating revenue which is performing better than anticipated at the third quarter.

Gifts and donations

Gifts and donations that have been received for school generated activities and donations for the District's poverty intervention and Ready Set Go programs.

Rental of Facilities

Funds charged for use of facility space for external programs and operations such as the Southern Alberta Professional Development Consortia and the Boys and Girls Club of Lethbridge.

Fundraising

Funds raised for the benefit of school generated activities that are co-curricular in nature. Fundraising may include a-thons, and fundraising sales.

Overall, revenues are as anticipated at May 31, 2017.



EXPENSES

Expenditures are reported as a total for each functional area within the District. For further information on types of expenditures and spending in these functional areas please see the *Schedule of Program Operations* that follows in this document.

Instruction - ECS

Instruction ECS, represents expenditures from early education to kindergarten, which includes the early education program, program unit funding for early learners requiring specialized supports, and the kindergarten program at elementary schools. ECS expenditures are as anticipated for the third quarter.

Instruction- Grades 1 - 12

Instruction Grades 1 – 12, represent expenditures from grade one to grade twelve, school generated activities and supporting programs such as Inclusive Education, Technology, Instructional support, counselling, First Nations Metis and Inuit programming, and Institutional programs. A breakdown of spending in these instructional programs may be found in the *Schedule of Instructional Program Expenditures* later in this report.

Instructional expenditures are less than 75% at the third quarter due to spending on some technology evergreening that will not occur until the 4rd quarter and early fall in the 2017-2018 year. Due to new hires in the budget, average teacher salary costs will be lower than originally budgeted. Forecasted expenditures have been reduced to reflect savings in average salary costs and some spending that may not occur as originally intended.

Plant Operations and Maintenance

Plant operations and maintenance expenditures represent spending on operating and maintaining the District's schools and facilities. These expenditures include maintenance and caretaking personnel, utilities, contracted maintenance, and Infrastructure Maintenance and Renewal (IMR) projects.

Maintenance expenditures are as anticipated at the third quarter. Significant expenditures on IMR projects will occur in the fourth quarter.

Transportation

Transportation expenditures represent mainly the cost of contracted bussing to bus students who reside more than 2.4 km away from their resident school. These costs include the operation of buses, cost sharing arrangements between the City of Lethbridge and Holy Spirit Catholic Schools, and the future replacement of yellow school buses. Costs include the provision of specialized bussing needs for students with disabilities.

Expenditures are lower than 75% in the third quarter due to billing adjustments for transportation costs to date to be received.

Administration

Administration expenditures represent the cost of the Board of Trustees, Finance, Human Resources, System Instructional Support, and the Office of the Superintendent.

Administration costs are slightly higher at the third quarter due to costs that are paid for the whole year, such as memberships, audit costs, insurance, and computer licensing.

External Services

An external service represents costs that are outside regular provincially mandated instruction and operations. For the District, the International Services program provides programming to students who attend District schools from other countries and pay a tuition fee to attend our schools. Costs include costs of homestay providers, student insurance, student recruitment and administration of the program. Tuition fees are collected from international students in this program.



Overall, expenditures are lower than 75% of budgeted figures at the third quarter due to lower teacher salary costs and spending from one-time reserves to occur in future fiscal periods.

Operating Surplus

The operating surplus is shown for the budget figures, the current period and adjusted based on changes to the forecast to August 31, 2017.

Lethbridge School District No. 51

Schedule of Program Operations

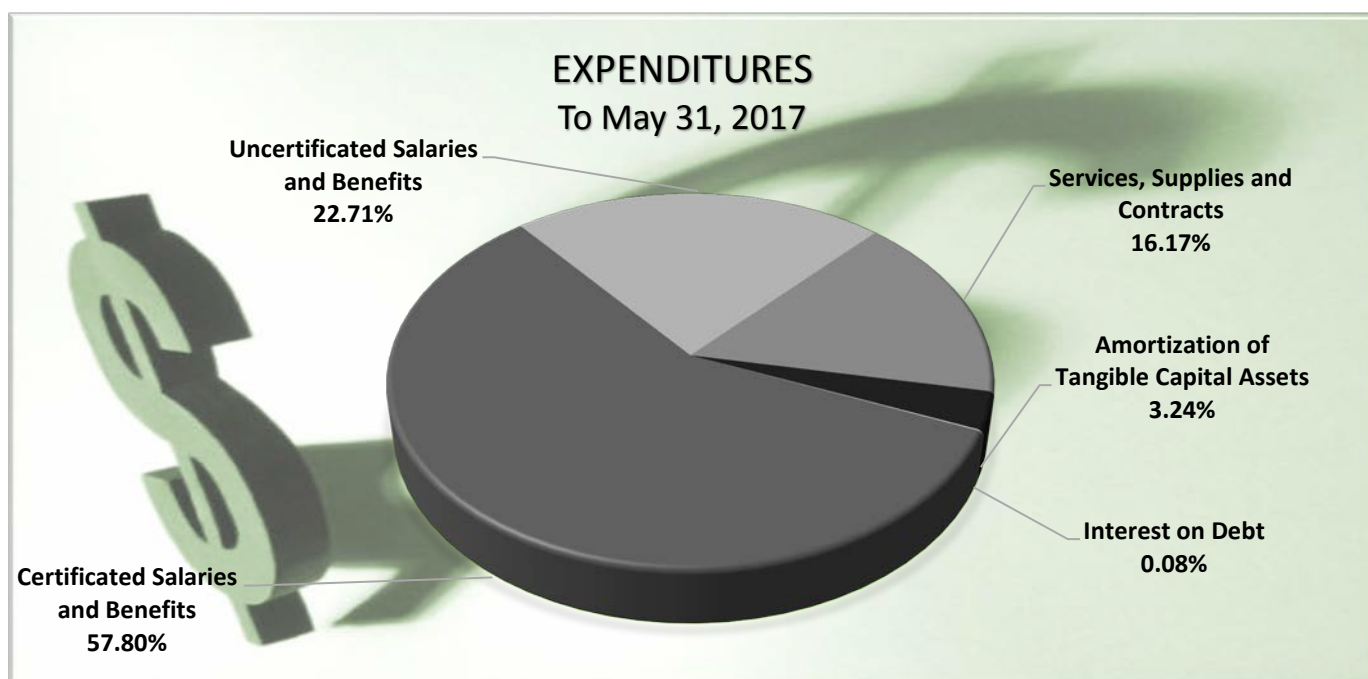
For the Nine Months Ended May 31st, 2017

	Instruction (ECS)	Instruction (Grades 1-12)	Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL	TOTAL Budget	% Expended of Budget
REVISED BUDGET 2016-2017 (September 30th)	\$5,788,244	\$95,889,593	\$14,578,030	\$2,499,462	\$3,960,850	\$253,000	\$122,969,179	\$122,969,179	
EXPENSES									
Certificated salaries and benefits	\$1,753,204	\$48,285,706			\$544,546	\$61,823	\$50,645,279	\$68,136,372	74.33%
Non-certificated salaries and benefits	\$2,444,256	\$13,038,308	\$3,443,117	\$74,764	\$1,585,447		\$20,585,892	\$26,218,086	78.52%
SUB - TOTAL	\$4,197,460	\$61,324,014	\$3,443,117	\$74,764	\$2,129,993	\$61,823	\$71,231,171	\$94,354,458	75.49%
Services, contracts and supplies	\$111,793	\$8,110,832	\$3,549,439	\$1,643,015	\$769,560	\$121,726	\$14,306,365	\$24,730,312	57.85%
Amortization of capital assets		\$387,687	\$2,380,496		\$100,135		\$2,868,318	\$3,860,256	74.30%
Interest and charges		\$55,778	\$16,887				\$72,665	\$24,153	300.85%
TOTAL EXPENSES	\$4,309,253	\$69,878,311	\$9,389,939	\$1,717,779	\$2,999,688	\$183,549	\$88,478,519	\$122,969,179	71.95%
Total unexpended funds period to date	\$1,478,991	\$26,011,282	\$5,188,091	\$781,683	\$961,162	\$69,451	\$34,490,660	\$122,969,179	28.05%
% Expended of Budget	74.45%	72.87%	64.41%	68.73%	75.73%	72.55%	71.95%	100.00%	71.95%

Lethbridge School District No. 51
Notes to the Schedule of Program Operations
For the nine months ended May 31, 2017

About The Statement

The Schedule of Program Operations shows the type of expenditure by each functional area of the District and the expenditures in these areas for the fiscal period and as compared to the September 30th operational budget. The expenditures are noted as a total for each functional area on the previous statement, the *Statement of Operations*. The percentage expended by each functional area as well as by type of expenditure is also provided to gauge expenditures for the fiscal period reported.



Certificated Salaries and Benefits

Certificated salaries and benefits are expended as lower than budget at the third quarter due to new hires lowering the average cost of teachers from original projections.

Non-Certificated Salaries and Benefits

Spending on support staff salaries is as anticipated for the third quarter.

Services, Contracts and Supplies

At the third quarter, spending on services, contracts and supplies is less than 75% due to spending on new school start up, technology evergreening, and IMR projects that will not occur until later in the fiscal year. It is anticipated that overall spending in this area will be less than planned at the school site level.

Amortization of Tangible Capital Assets

The amortization of capital assets reflects the September 30th budget at the third quarter.

Interest and Charges

Interest charges are mainly based on debenture debt that is paid on behalf of the District by the Province of Alberta. Other charges include foreign exchange costs on US purchases, and service charges related to the on-line payments system. Charges are as anticipated for the period to May 31, 2017.



**Nicholas Sheran Elementary School
hosts annual District Powwow**

Lethbridge School District No. 51

Schedule of Instructional (Grades 1-12) Program Expenditures

For the Nine Months Ended May 31st, 2017

<u>PROGRAM</u>	Revised Budget 2016-2017 (Sept 30th 2016)	Actual Nine Months May 31st, 2017	% Expended Revised Budget
School Based Instruction	\$64,635,651	\$46,907,893	72.57%
Inclusive Learning Supports	\$13,162,884	\$10,031,083	76.21%
Shared Instructional Services	\$3,981,080	\$3,441,060	86.44%
School Generated Funds Activities	\$4,050,000	\$3,002,771	74.14%
Technology	\$4,577,056	\$2,383,126	52.07%
Institutional Programs	\$991,364	\$743,523	75.00%
Division of Instructional Services	\$1,629,468	\$1,247,698	76.57%
FNMI Programming	\$711,149	\$507,952	71.43%
Counselling Program	\$2,150,941	\$1,613,205	75.00%
Total Instructional (Grades 1 -12) Program Expenditures	\$95,889,593	\$69,878,311	72.87%

Lethbridge School District No. 51
Notes to Schedule of Instructional Program Expenditures
For the nine months ended May 31, 2017

About the statement

This statement provides further information about expenditures in programs that are within the Instruction functional area that is shown on the *Statement of Operations* and *Schedule of Program Operations*.

School Based Instruction

These expenditures represent expenditures at school sites and for programs and initiatives that support early learning to grade 12 instruction other than those programs specifically listed below.

Spending at school sites is less than 75% at third quarter due to the lower actual cost of average salaries and spending not as originally planned in site budgets.

Student Services

Student Services includes expenditures for the Early Education Program, Program Unit Funding, and Inclusive Education. Inclusive Education provides all students with the most appropriate learning environment and opportunities for them to achieve their potential. Inclusion is about ensuring each student receives a quality education no matter their ability, disability, language, cultural background, gender or age.

Spending is slightly higher than 75% at third quarter.

Shared Instructional Services

Shared Instructional Services includes programs and expenditures that provide support to schools within the District. Expenditures include administrative allowances, the provision for sick leave, elementary counseling, staff professional development and the employer share of teacher retirement fund costs that are supported by the province.

This program is overspent due to full year allocations for the Employee Assistance fund, and the teacher's and support staff's professional development funds. The over spend is also attributed to teacher replacement costs exceeding budget at May 31, 2017.

School Generated Funds Activities

School Generated Funds activities includes activities at the school level for students that are not of a curricular nature, such as clubs, international travel, groups, athletics, and the arts. These activities are normally funded through user fees, fundraising, and donations. School generated activities are as anticipated at the third quarter.

Technology

The Technology program is based on a standards-driven plan to provide the infrastructure to support current and future needs, trends, and applications in the school district for the implementation of information and communication technology.

Technology is underspent at the third quarter due to funds allocated for evergreening of computers at elementary schools that will not be expended until later in the fiscal year.

Institutional Programs

Spending on the District's schools that are housed in institutions is within budget at the third quarter.



Division of Instructional Services

The Division of Instructional Services which provides curriculum and instructional support to schools and instructional programs is as anticipated at the third quarter.

Jordyn White Quills
Senator Buchanan student
2017's Great Kids Award winner!

First Nations Métis and Inuit (FNMI) Program

The FNMI program provides ongoing support for aboriginal students in their efforts to obtain an education, and provides opportunities for aboriginal students to study and experience their own and other aboriginal cultures and lifestyles.

The FNMI program is underspent at the third quarter due to planned staffing additions not occurring in the first and second quarter. Surplus funds have been allocated to the 2017-2018 budget.

Counselling Program

A comprehensive guidance and counselling program promotes the holistic development of students. The three-fold focus of counselling includes educational planning, personal and social development, and career preparation. Counsellors work with parents, teachers and community agencies to help students acquire the knowledge, skills, attitudes, and habits that enable students to reach their potential.

Spending is as anticipated at the third quarter.

Lethbridge School District No. 51
SCHEDULE OF CAPITAL REVENUE
(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)
for the Period Ended May 31st, 2017 (in dollars)

	Unexpended Deferred Capital Revenue				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects ^(A)	Surplus from Provincially Approved Projects ^(B)	Proceeds on Disposal of Provincially Funded Tangible Capital Assets ^(C)	Unexpended Deferred Capital Revenue from Other Sources ^(D)	
Balance at August 31, 2016	\$537,547	\$0	\$0	\$0	\$109,048,230
Prior period adjustments	\$0	\$0	\$0	\$0	\$0
Adjusted balance, August 31, 2016	\$537,547	\$0	\$0	\$0	\$109,048,230
Add:					
Unexpended capital revenue received from:					
Alberta Education school building & modular projects (excl. IMR)	\$12,143,830				
Infrastructure Maintenance & Renewal capital related to school facilities	\$0				
Other Government of Alberta	\$0				
Federal Government and First Nations				\$0	
Other sources				\$855,000	
Unexpended capital revenue receivable from					
Alberta Education school building & modular	\$311,881				
Unexpended capital revenue receivable from other than Alberta Education	\$0			\$0	
Interest earned on unexpended capital revenue	\$0	\$0	\$0	\$0	
Other unexpended capital revenue and donations				\$0	
Net proceeds on disposal of supported tangible capital assets			\$0	\$0	
Insurance proceeds (and related interest)			\$0	\$0	
Donated tangible capital assets (amortizable, @ fair market value)					\$0
Public Private Partnership (P3), other Alberta Schools Alternative Program (ASAP) Initiative and Alberta Infrastructure managed projects					\$0
Transferred in tangible capital assets (amortizable, @ net book value)					\$0
Expended capital revenue - current year	(\$12,993,258)	\$0	\$0	(\$855,000)	\$13,848,258
Surplus funds approved for future project(s)	\$0	\$0			
Deduct:					
Net book value of supported tangible capital dispositions, write-offs, or transfers	\$0	\$0	\$0	\$0	\$0
Capital revenue recognized					\$2,561,294
Balance at May 31st, 2017	\$0	\$0	\$0	\$0	\$120,335,194
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at May 31st, 2017 (A) + (B) + (C) + (D)				\$0	

Unexpended Deferred Capital Revenue

(A) - Represents funding received from the Government of Alberta to be used toward the acquisition of new approved tangible capital assets with restricted uses only.

(B) - Represents any surplus of funding over costs from column (A) approved by Minister for future capital expenditures with restricted uses only.

(C) - Represents proceeds on disposal of provincially funded restricted-use capital assets to be expended on approved tangible capital assets per 10 (2) (a) of Disposition of Property Reg. 181/2010.

(D) - Represents capital revenue received from entities OTHER THAN the Government of Alberta for the acquisition of restricted-use tangible capital assets.

Lethbridge School District No. 51
Notes to the Schedule of Capital Revenue
For the nine months ended May 31, 2017

Unexpended Deferred Capital Revenue

This column shows restricted capital revenue that is unspent from the prior year, new capital contributions received by the district during the period, capital revenue that is still owing to the District, and funds expended on capital projects during the period.

Unexpended Capital Revenue Received

In the period September 1, 2016 to May 31, 2017, the district received \$12.1 million of funding from the province related to the Wilson Middle School modernization, construction of Coalbanks Elementary School and new Westside middle school. Contributions were also received by the City of Lethbridge for gym expansion at Coalbanks Elementary and from The Family Centre for the Parent Link Centre at Coalbanks Elementary.

Unexpended Capital Revenue Receivable

At May 31, 2017 there is \$312,000 of capital revenue receivable. These are funds related to expended capital funds on Coalbanks Elementary School construction to be received in the final payment from the Province and modular facilities that are in progress for the 2017-2018 school year.

Expended Capital Revenue

In the period September 1, 2016 to May 31, 2017, the District expended \$13.8 million on capital projects. These funds were expended on construction costs for Wilson Middle School Modernization, Coalbanks Elementary School, and new Westside middle school. This amount also appears as an addition in the Expended Deferred Capital Revenue column.

Expended Deferred Capital Revenue

Expended Deferred Capital Revenue shows the amount of supported capital funds that have been spent but have yet to be amortized over the useful life of the supported tangible capital assets purchased.

Capital Revenue Recognized

The amount of capital allocations recognized as revenue in the period September 1, 2016 to May 31, 2017 is \$2.56 million. This revenue is included under revenues from Alberta Education. This amount is equal to amortization expense charged on supported capital assets. The purpose of this allocation is to create a revenue/expense neutral situation as the assets are supported by an external party.



West Lethbridge Middle
School
55% complete

