



*Lethbridge School District No. 51*

# ANNUAL FINANCIAL REPORT 2017-2018

FOR FISCAL YEAR ENDING AUGUST 31, 2018  
LETHBRIDGE, ALBERTA, CANADA

## LETHBRIDGE SCHOOL DISTRICT NO. 51



**Lethbridge School District No.51**  
433 - 15th Street South  
Lethbridge, Alberta T1J 2Z4  
[www.lethsd.ab.ca](http://www.lethsd.ab.ca)



Lethbridge School District is inclusive, forward-thinking,  
and accountable for engaging students in a breadth of  
quality learning experiences that develop innovative  
minds and responsible global citizens.

*- Mission Statement*

Learners are innovative thinkers  
who are successful, confident,  
respectful, and caring.

*- Vision Statement*



**Save Paper, view our report online.**

This report is optimized for onscreen viewing.  
For best results, choose “two page display”  
in your PDF reader.



Built in 1928, this former school was renovated to provide much needed facility space for  
District Administration. The Education Centre opened in July 2006.





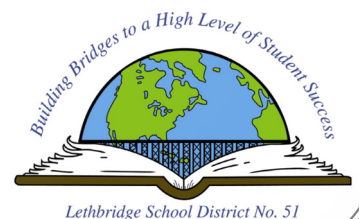
# ANNUAL FINANCIAL REPORT

## 2017- 2018

FOR FISCAL YEAR ENDING AUGUST 31, 2018  
LETHBRIDGE, ALBERTA, CANADA

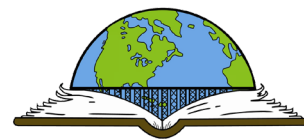
PREPARED BY LETHBRIDGE SCHOOL DISTRICT NO 51  
DIVISION OF BUSINESS AFFAIRS - FINANCE  
JANUARY 2019

433 - 15th Street South  
Lethbridge, Alberta, Canada T1J2Z4  
[www.lethsd.ab.ca](http://www.lethsd.ab.ca)





# Welcome to Our *Financial Report*



It is our pleasure to submit Lethbridge School District No. 51's Annual Financial Report for the 2017/2018 school year. The purpose of the Annual Financial Report is to provide our community with a clear and transparent insight into the financial information and results for the District. It also provides an opportunity to analyze and comment on the financial highlights and information of the District, its finances, and the outlooks for the future.

The Annual Financial Report is divided into four (4) major sections:

- 1) Organizational Section
- 2) Financial Discussion & Analysis
- 3) Financial Statements
- 4) Statistics, Ratios, & Information

The fiscal year 2017/2018, represents the period from September 1st, 2017 to August 31st, 2018. This fiscal year may also be referred to as 17/18, and/or 2017/18; these variations of the fiscal year or school year may be used interchangeably.

The District name may be listed throughout the report as Lethbridge School District No. 51, LSD51, and/or the District; these variations of the District name may be used interchangeably.

## *Financial Reporting Recognition*

### Government Finance Officers Association of the United States and Canada (GFOA)

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to Lethbridge School District No. 51 for its annual financial report for the fiscal year ended August 31, 2017. The Canadian Award for Financial Reporting program was established to encourage municipal and other local governments throughout Canada to publish high quality financial reports and provide peer recognition and technical guidance for officials preparing these reports.



In order to be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principals and demonstrate an effort to clearly communicate the local government's financial picture, enhance an understanding of financial reporting by local governments, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirement, and we are submitting it to the GFOA to determine its eligibility for another award.





Government Finance Officers Association

**Canadian Award  
for  
Financial Reporting**

Presented to

**Lethbridge School District No. 51  
Alberta**

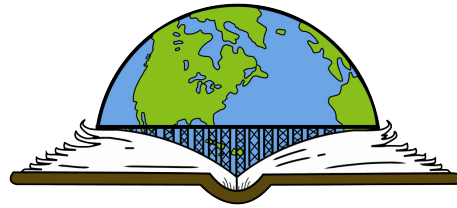
For its Annual  
Financial Report  
for the Year Ended

**August 31, 2017**

*Christopher P. Morill*

Executive Director/CEO





# **Lethbridge School District No. 51**

## **17/18 Annual Financial Report**

### **Condensed Table of Contents:**

*The following is a condensed table of contents for the District's Annual Financial Report including all of the major sections and categories of the report. A detailed table of contents is also included on the cover pages of each of the major sections.*

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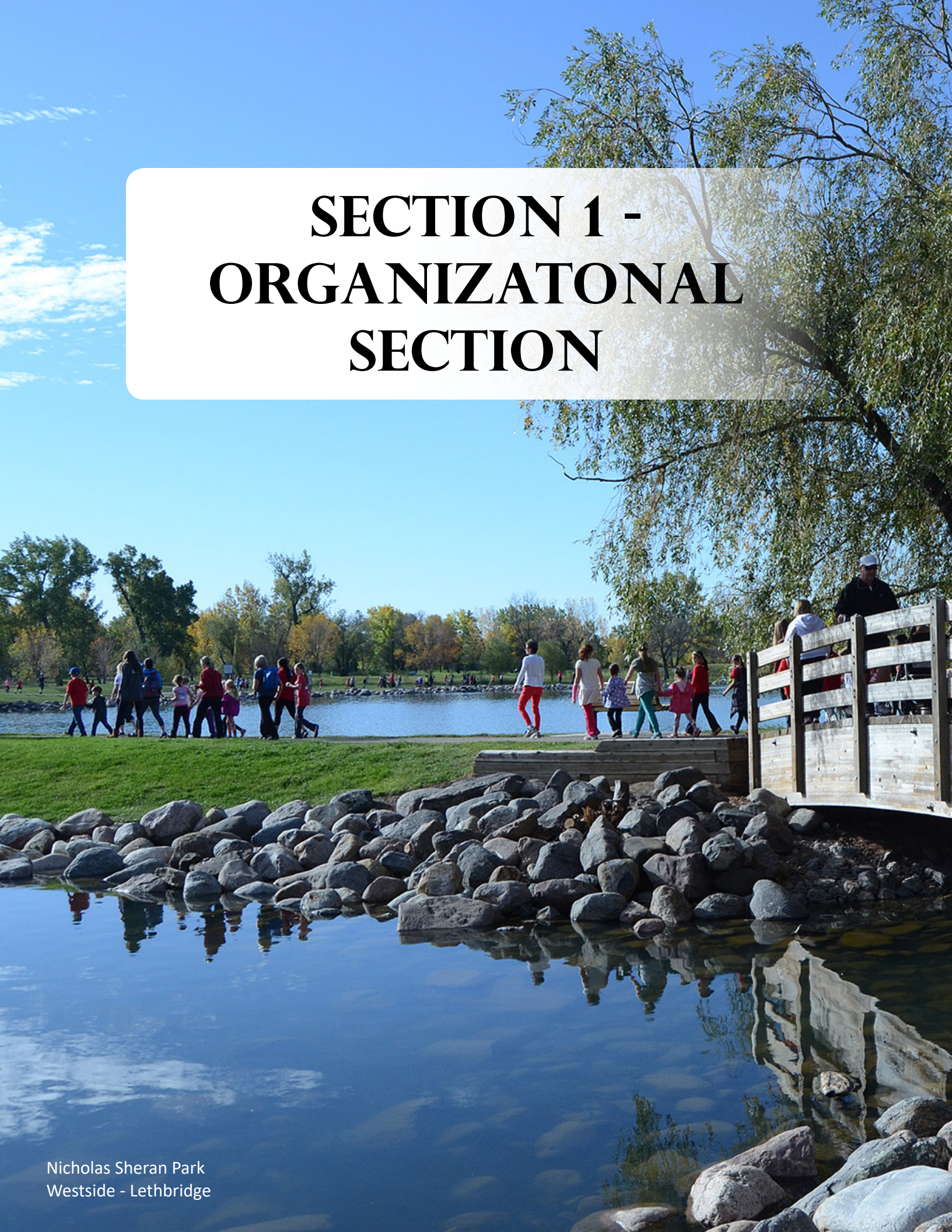
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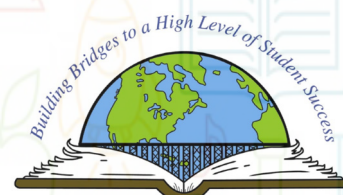
# SECTION 1 - ORGANIZATIONAL SECTION



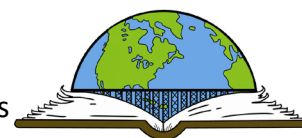


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## DISTRICT PROFILE



Lethbridge School District No. 51 (“LSD51”) provides public education services to the citizens of the City of Lethbridge, Alberta, Canada. The District was established in 1886 and has proudly served our community for over 130 years.

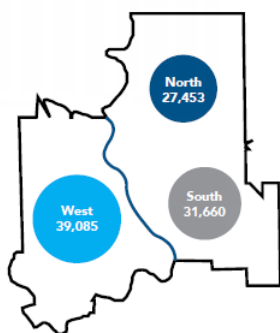
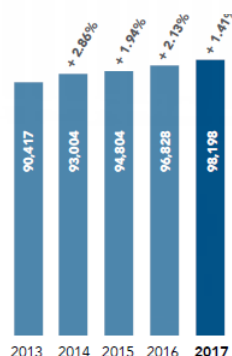
LSD51 served approximately 11,274 students from early education (pre-school) to grade twelve in 2017-2018. The District provides high quality learning experiences for students through a broad range of educational programs in twenty two (22) schools and four (4) institutional programs.

LSD51 is a local government entity established under the Alberta School Act; whereas, the District is chosen by and is accountable to the local community by means of local elections (elected Board of Trustees). The District delivers its educational programs under the authority of the Alberta School Act.

## Geographical Location

Lethbridge School District No. 51 is the public school system for the residents of the City of Lethbridge. The City has a population of approximately 99,800 residents (2018 Census) and is located in the southern part of the Province of Alberta at latitude 49.7 degrees north and 112.8 degrees east longitude and covers just over 124 square kilometers of land, which is located on the traditional territory of the Blackfoot First Nations.

The City of Lethbridge is home to the University of Lethbridge, Lethbridge College, and the Lethbridge Research Centre, one of the largest agricultural research facilities in Canada. The City also houses two large manufacturing plants involved in raw product development.



CITY OF  
*Lethbridge*



\*  
Statistical Information is an extract from the City of Lethbridge's 2017 Annual Report

Well situated in the south-western part of Alberta, Lethbridge residents enjoy access to state-of-the-art cultural and recreational facilities. Comprehensive retail services attract consumers from southern Alberta, south-eastern British Columbia and northern Montana.



Lethbridge School District No. 51 operates 22 schools and other various outreach facilities throughout the City. Our schools have a grade structure comprised of the following:

- 14 Elementary Schools - kindergarten to grade five students
- 3 Middle Schools - grade six to eight students
- 5 High Schools - grade nine to twelve students
- 4 Institutional Programs

*Click the logos to go to the school website*

## Elementary Schools

Elementary schools are schools that provide instruction to students from kindergarten to grade five, except for Lethbridge Christian School that provides instruction from kindergarten to grade eight.

Lethbridge School District No. 51 operates 14 elementary schools:



### Coalbanks Elementary School

230 Coalbanks Blvd West  
Grades 1-5 - 451 students



### Immanuel Christian Elementary School

2010 - 5th Avenue North  
Grades 1-5 - 255 students



### Dr. Gerald B. Probe School

120 Rocky Mt Blvd West  
Grades 1-5 - 556 students



### Lakeview School

1129 Henderson Lake Blvd South  
Grades 1-5 - 505 students



### Ecole Agnes Davidson School

2103 20th St South  
Grades 1-5 - 494 students



### Lethbridge Christian School

3 St James Blvd North  
Grades 1-8 - 188 students



### Ecole Nicholas Sheran School

380 Laval Blvd West  
Grades 1-5 - 523 students



### Mike Mountain Horse School

155 Jerry Potts Blvd West  
Grades 1-5 - 541 students



### Fleetwood Bawden School

1222 9th Ave South  
Grades 1-5 - 340 students



### Park Meadows School

50 Meadowlark Blvd North  
Grades 1-5 - 307 students



### Galbraith School

1801 8th Ave A North  
Grades 1-5 - 412 students



### Senator Buchanan School

1101 7th Ave North  
Grades 1-5 - 256 students



### General Stewart School

215 Corvette Cres South  
Grades 1-5 - 128 students



### Westminster School

402 18th St North  
Grades 1-5 - 177 students

*\*above student enrolment excludes early education (preschool) students.*

The design and construction of an additional elementary school has been approved in the Southeast side of Lethbridge.

## Middle Schools

Lethbridge School District No. 51 has three middle schools that educate students from grades six through grade eight.

The three middle schools in the jurisdiction are:



### **Gilbert Paterson Middle School**

2109 12th Ave South  
Grades 6-8 - 704 students



### **Wilson Middle School**

2003 9th Ave North  
Grades 6-8 - 628 students



### **G.S. Lakie Middle School**

50 Blackfoot Blvd West  
Grades 6-8 - 900 students

*During the year, an additional middle school was under construction in West Lethbridge (Senator Joyce Fairbairn Middle School) which is to be opened for the 2018/2019 school year.*

## High Schools

Lethbridge School District No. 51 has five high schools offering instruction to students from grades nine through twelve, except for Immanuel Christian Secondary School that offers instruction to students in grades six through twelve.

The five high schools in the jurisdiction are:



### **Chinook High School**

259 Britannia Blvd West  
Grades 9-12 - 1,129 students



### **Winston Churchill High School**

1605 15th Ave North  
Grades 9-12 - 796 students



### **Immanuel Christian Secondary School**

802 - 6th Avenue North  
Grades 6-12 - 311 students



### **Victoria Park High School**

1515 5th Ave South  
Grades 9-12 - 296 students



### **Lethbridge Collegiate Institute**

1701 5th Ave South  
Grades 9-12 - 834 students

## Institutional Programs

Lethbridge School District has four institutional programs:

- **CAMP (Lethbridge Regional Hospital School)** - both an inpatient and outpatient program for youth who require psychiatric treatment and mental health services as well as those patients requiring specialized assistance with school curriculum
- **Harbour House School** - provides interim education and support to students of women who reside at the Women's Emergency Shelter.
- **Pitawani School** - attached to the Sifton Family and Youth Services site and provides educational programming to students residing in the centre who have behavioral and emotional difficulties as well as students who are in Secure Services.
- **Stafford Ridge School (AADAC)** - located at AADAC's Youth Residential Treatment Center, provides a co-ed residential school within a 12 week voluntary addictions treatment program.





- 1 Population**  
96,828 (City of Lethbridge) \*  
275,000 (Lethbridge Trading Area)

**2 Climate**  
Lethbridge has a moderate continental climate with warm summers and mild winters influenced by Chinook winds. This area is one of the warmest and sunniest cities in the country according to Environment Canada.

**3 Cost of Living**  
Comparatively low housing prices, short commute times and affordable consumer goods all contribute to Lethbridge's low cost-of-living.

**4 Parks, Recreation and Nature**  
Lethbridge has over 70 parks and playgrounds totaling 4300 acres and more than 60 kilometres of trails. It also has 5 indoor pools, 6 ice arenas, a curling club, indoor soccer facility, many baseball diamonds, 5 golf courses and a climbing centre.

**5 Geography**  
Latitude: 49 degrees 41 minutes 39 seconds  
Longitude: 112 degrees 50 minutes 27 seconds  
City Area: 124.3 sq km  
Mean Elevation: 914 m

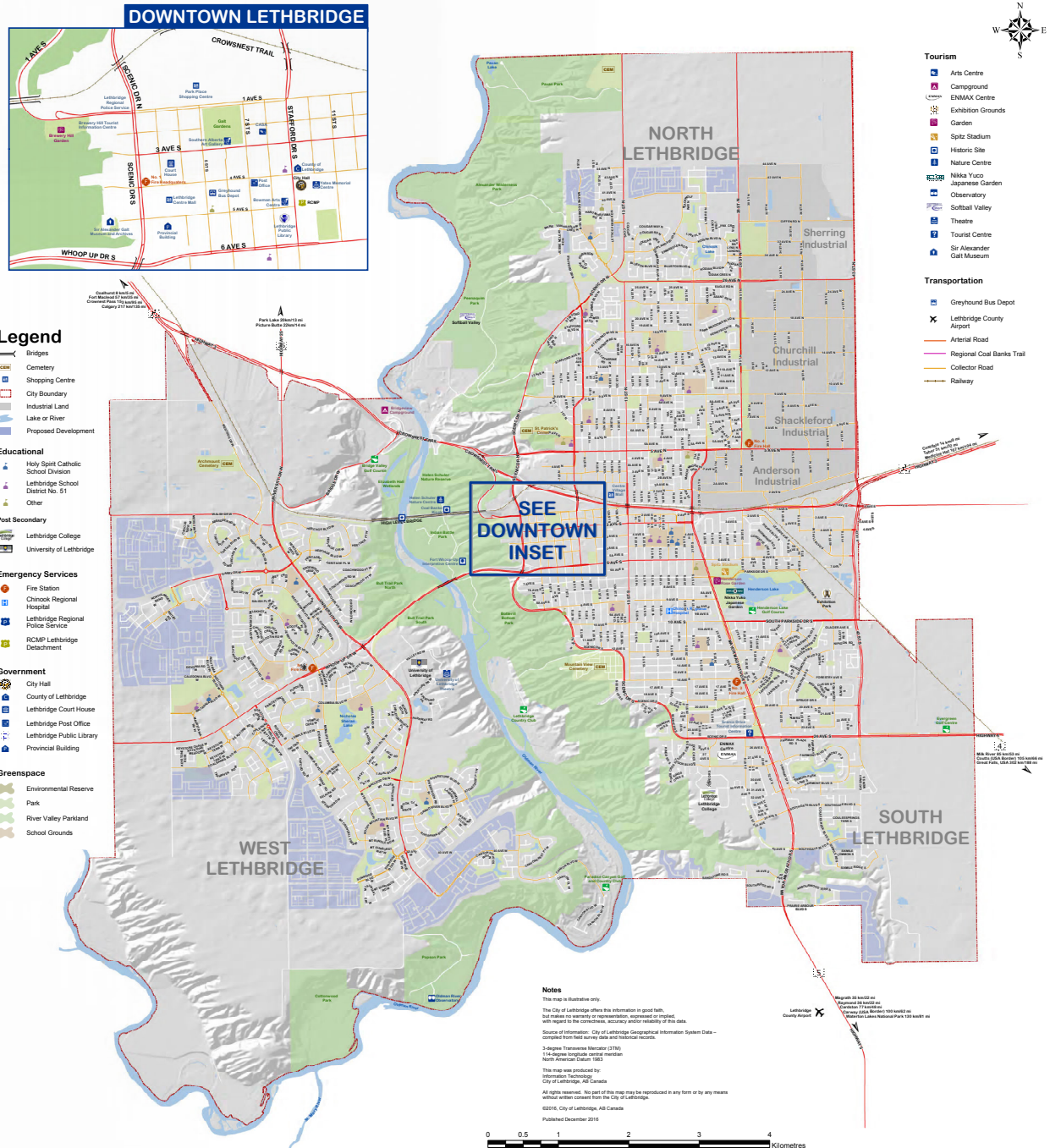
**6 Lethbridge College**  
Canada's first public community college. Lethbridge College (LC) was founded in 1960 and has a long tradition of meeting the educational and training needs of students from southern Alberta, Canada and around the globe. More than 7,500 students across LC each year in over 70 programs.

**7 University of Lethbridge**  
The U of L attracts more than 7,000 students from 60 countries offering first-class education in a personalized setting. The university offers more than 150 program options through 5 faculties: Fine Arts, Arts and Science, Management, Education and Health Services.

**8 Employment**  
Service and trade industries comprise over one half of all the occupations in Lethbridge. Other occupations are diversified across the industries of manufacturing, public sector services, construction, transportation, finance / insurance / real estate, and primary industry.
- \* City of Lethbridge population compiled from 2016 City Census data



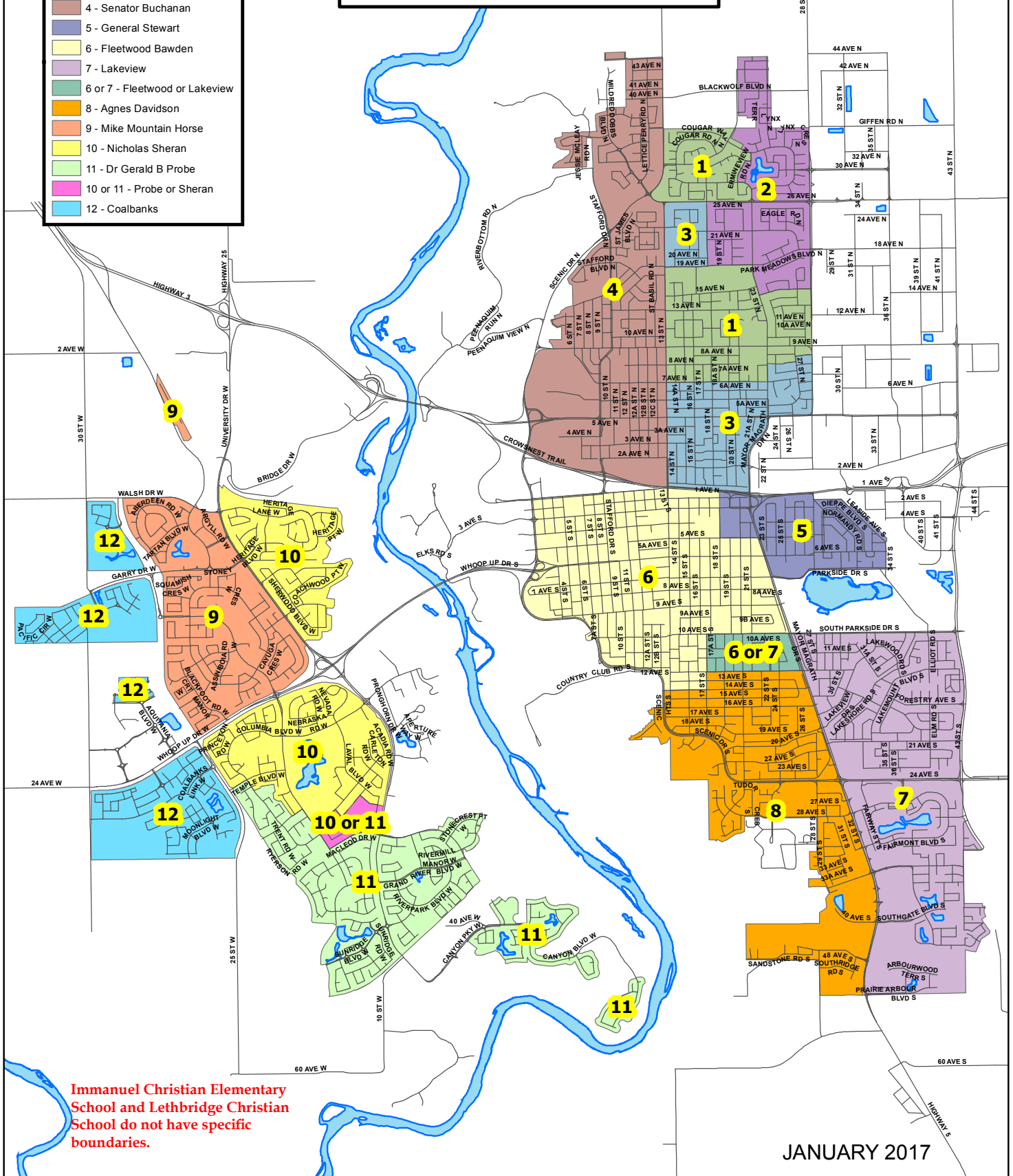
**CITY OF**  
*Lethbridge*



## Legend

- 1 - Galbraith
- 2 - Park Meadows
- 3 - Westminster
- 4 - Senator Buchanan
- 5 - General Stewart
- 6 - Fleetwood Bowden
- 7 - Lakeview
- 6 or 7 - Fleetwood or Lakeview
- 8 - Agnes Davidson
- 9 - Mike Mountain Horse
- 10 - Nicholas Sheran
- 11 - Dr Gerald B Probe
- 10 or 11 - Probe or Sheran
- 12 - Coalbanks

## Lethbridge School District No. 51 Elementary School Boundaries (Grades K-5)

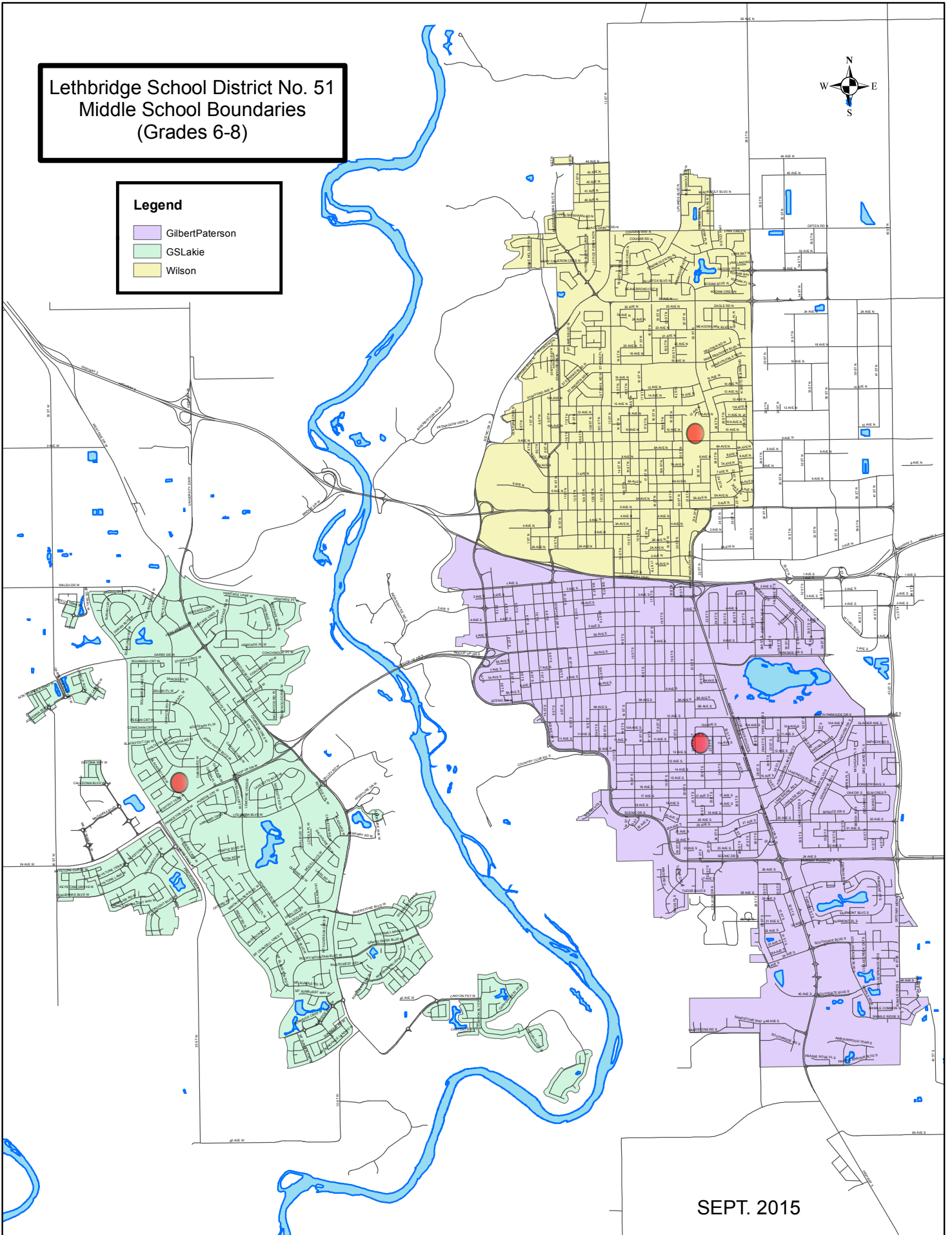




# Lethbridge School District No. 51 Middle School Boundaries (Grades 6-8)

## Legend

- GilbertPaterson
- GSLakie
- Wilson

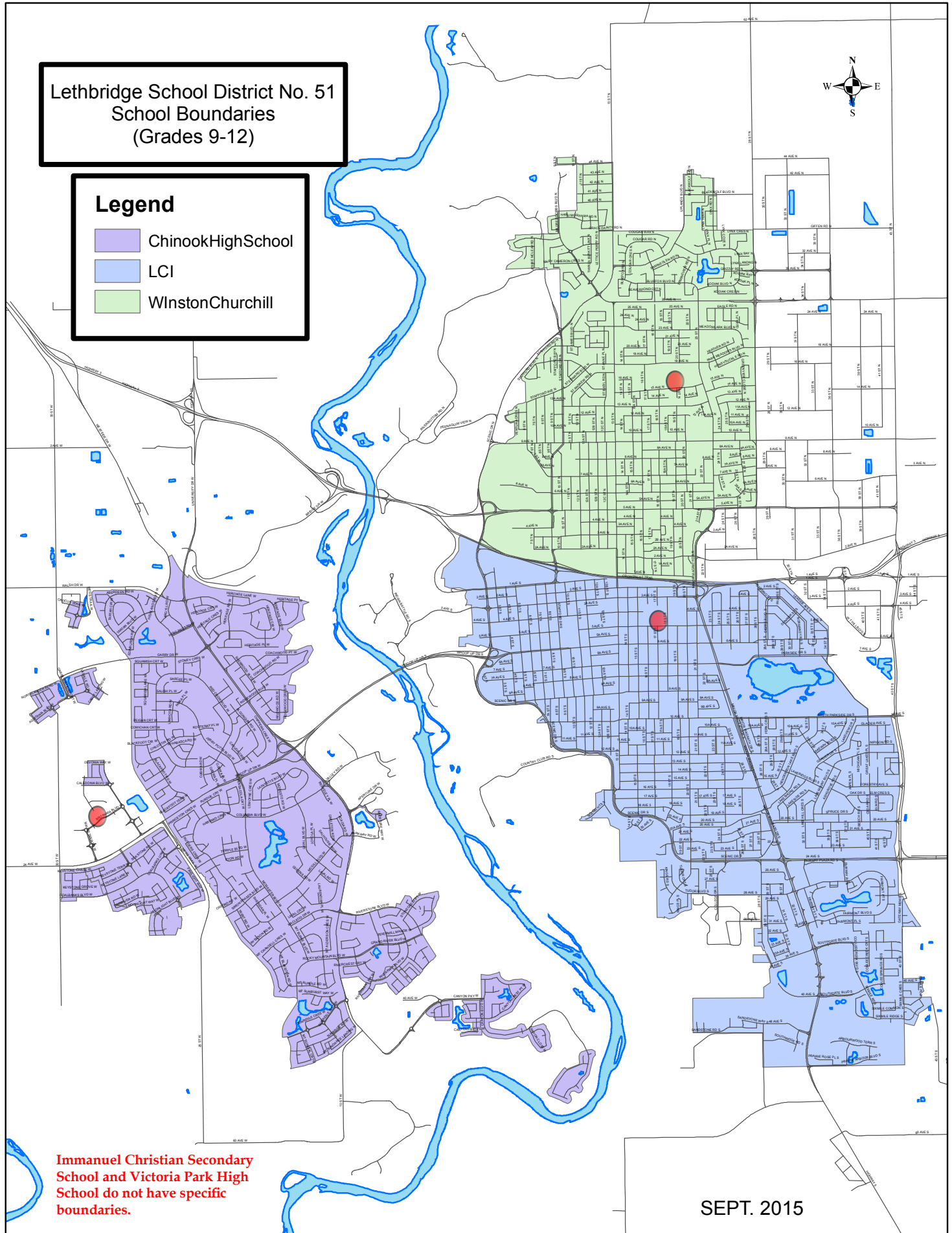


SEPT. 2015

**Lethbridge School District No. 51  
School Boundaries  
(Grades 9-12)**

**Legend**

- ChinookHighSchool
- LCI
- WInstonChurchill



**Immanuel Christian Secondary  
School and Victoria Park High  
School do not have specific  
boundaries.**

**SEPT. 2015**



## Services Provided by the District

Lethbridge School District No. 51 receives 93% of its funding from the Province of Alberta and operates under the authority of the School Act (Statutes of Alberta, 1988), and takes pride in the breadth of its programs, the expertise of its staff, and the quality of its facilities in our schools and various outreach facilities throughout the city. Our schools have a grade structure comprised of kindergarten to grade five students in elementary schools, grade six to eight students in middle schools and grade nine to twelve students in high schools.

All schools provide instruction in the core subjects (language arts, mathematics, social studies and science), physical education, and the fine arts. Students at each school have access to learning commons (libraries) that provide a blend of print materials and access to modern computers and digital resources. French language instruction is provided in grades four through twelve, and a French Immersion program is offered for students from kindergarten through grade twelve. Spanish, German, and Japanese courses are also available. In addition, at the secondary level, students can experience a wide range of options or complementary courses designed to meet their unique needs and interests, including those related to career and technology studies. Information and communication technology instruction is integrated into all student programs. International Baccalaureate, Advanced Placement, Dual-credit courses, and Knowledge and Employability courses are also offered to high school students. The District has an active international student program involved in recruitment of students from around the world, mostly at the high school level.

Other instructional programs include kindergarten offered in all elementary schools, First Nations, Métis and Inuit education, and early literacy. The District Early Education program will have 24 programs in twelve schools effective September 2018. A Montessori program is established in grades one to five. Lethbridge Christian School provides Christian education for students from kindergarten to grade eight. In 2015-2016, the District welcomed two new schools offering Christian education as alternate schools, Immanuel Christian Elementary and Immanuel Christian High School. The District continues to enhance inclusive practices in order to provide all students with the most appropriate learning environments and opportunities for them to best achieve their potential.

The instructional program is enhanced by the provision of counselling services in all schools that include social/emotional, educational, and career counselling. These services are enhanced by long-standing, community partnerships with the Lethbridge Regional Police Service, Alberta Health Services, Southwest Alberta Child and Family Services, Alberta Human Resources and Employment, and other agencies. A strong co-curricular program and extra-curricular programs are also provided that include a variety of athletic, fine arts, and student leadership opportunities.



# SCHOOL BOARD GOVERNANCE

## Board of Trustees

Lethbridge School District No. 51 is governed by a seven-person Board of Trustees, which is elected every four years (previously three years) effective for the 2013 elections. All trustees are elected “at large” and do not specifically serve geographic locations within the City of Lethbridge.



The Board of Trustees (the “Board”) of Lethbridge School District No. 51 operates under the authority of the School Act (Statutes of Alberta, 1988) and policies and regulations pursuant to that legislation.

The Board is charged with the responsibility to ensure that each of its resident students are provided with an education program consistent with the requirements of the Alberta School Act and exercises its authority through policy, regulations, and resolutions approved at duly conducted meetings of the Board.

Under the School Act, the Board is required to elect one of its members as Board Chair. The Chair is elected at the Board’s organization meeting. The Board expects the Chair to provide leadership to the Board and act as its primary spokesperson. The Board expects that the Chair shall perform his/her duties in accordance with District policy, the School Act and other applicable provincial and federal statutes and regulations. In the absence of the Chair, the Vice-Chair shall perform the duties of the Chair and, when so acting, shall have all the power of the Chair.

In addition to setting the District’s policies, the Board has also set a number of policies in relation to the mandate, authority, and protocols of the Board of Trustees. These policies are included in section 200 of the District’s policies and are available on the District’s website:

<http://www.lethsd.ab.ca/Policies.php>





*Click the Pictures to go to their Profiles*

## Board Members:



**Clark Bosch**  
Board Chair / Trustee  
2017-date



**Jan Foster**  
Vice-Chair / Trustee  
1983-1992, 2007-date



**Tyler Demers**  
Trustee  
2007-2010, 2013-date



**Donna Hunt**  
Trustee  
2013-date



**Doug James**  
Trustee  
2017-date



**Christine Light**  
Trustee  
2017-date



**Lola Major**  
Trustee  
2007-date

In October 2017 (towards the start of the 2017-2018 school year), the District held its election with the City's municipal elections.



Four (4) of the trustees were re-elected, including Jan Foster, Donna Hunt, Lola Major, and Tyler Demers.

There were also three (3) new trustees elected, including Clark Bosch, Doug James, and Christine Light. These trustee positions were previously filled by Mich Forster, Keith Fowler, and Don Lacey.

## District Administration

The position of Superintendent is the administrative head of the organization and reports directly to the Board of Trustees. Reporting to the Superintendent are the three (3) Associate Superintendents and the members of the Superintendent's office.

The Superintendent and the Associate Superintendents are the senior administrative officials that manage the operations of the District and formally operate as the Executive Council to the School Board. Lethbridge School District No. 51 Executive Council members are:



**Dr. Cheryl Gilmore**  
Superintendent



**Morag Asquith**  
Associate Superintendent,  
Instructional Services



**Rik Jesse**  
Associate Superintendent,  
Human Resources

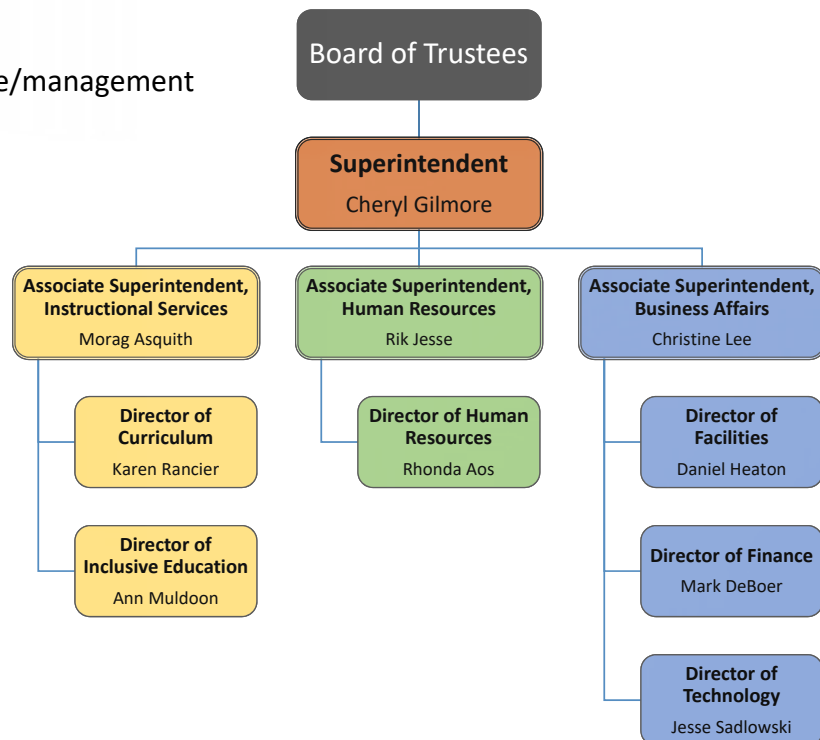


**Christine Lee**  
Associate Superintendent,  
Business Affairs

## Organizational Structure/Charts

The organizational structure of Lethbridge School District No. 51 aligns with each of the major areas represented within the District's Executive Council: Instructional Services, Human Resources, and the Business Affairs departments.

The following is the administrative/management structure of the District:





## 2017-18 Organizational Chart



# VISION, MISSION STATEMENT, & GUIDING PRINCIPLES

## Vision

Thinkers  
Confident  
Successful  
Innovative  
Learners  
Respectful

### Vision Statement

Our learners are innovative thinkers who are successful, confident, respectful and caring.

## Mission

Learning  
Responsible  
Innovative  
Accountable  
Breadth  
Global  
Citizens  
Inclusive  
Forward-Thinking  
Engaging  
Quality

### Mission Statement

Lethbridge School District is inclusive, forward-thinking, and accountable for engaging students in a breadth of quality learning experiences that develop innovative minds and responsible global citizens.





## Guiding Principles

The Board believes a focus on learning builds capacity for continual improvement, innovative thinking, and confident, caring, and respectful citizens. The following principles provide the foundation for our learning system:

### **Learning Foundations**

- Every child can learn
- Learning is a lifelong activity
- Learners that grow are adaptable and confident
- Students learn in different ways and at different rates
- Innovative thinkers engage critically and creatively

### **Cultural Foundations**

- Schools are welcoming, safe, caring, and respectful
- Diversity is celebrated in an inclusive culture
- Students are empathetic and responsible for the well-being of self and others
- Schools inspire a passion for learning

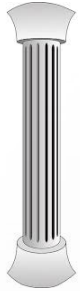
### **System Foundations**

- Our system functions within the structure of Alberta Education
- Priorities and decisions are further guided by collaboratively developed educational goals
- Parents/Guardians are foundational to their children's learning
- Quality education goes beyond the school walls and involves opportunities for engagement within the community
- High standards result in successful school completion and transition to the adult world.

These guiding principles set the foundation of the District's learning system. These assist in developing the District's strategic plan and priorities.

## STRATEGIC PLAN AND PRIORITIES

As part of the three-year planning cycle, Alberta Education provides the District with Goals, Outcomes and Performance Measures. The District then develops local strategies and priorities to address the learning needs and achievement of outcomes for all students.



In 2004, Alberta Education introduced the Accountability Pillar. The Accountability Pillar places increased emphasis on the achievement of specific outcomes by evaluating and reporting results on a common set of measures. The focus of the Accountability Pillar is to improve school jurisdiction results. The Accountability Pillar performance measures are a required, consistent set of measures. An evaluation methodology has been developed which assesses each measure in the Accountability Pillar in terms of achievement and improvement.

Lethbridge School District No. 51 analyzes the results of the Accountability Pillar and develops strategies for improvement over the next three-year planning cycle. The Board of Trustees uses the Vision, Mission statement and Guiding Principal for the development of priorities and strategies.

### Community Engagement

For the 2017-2018 budget development and planning, the Board of Trustees held a consultation session with the education stakeholders of the community in February 2017. This consultation included a highly successful Town Hall meeting which provided the opportunity for over 200 parents, students, district staff, and community members to provide comments and feedback to the trustees.

This year's consultation used a World Café format and centered on a question directly related to one of the key themes in the District's Vision Statement:

**What strategies can be implemented to develop innovative thinkers within schools, outside of schools in collaboration with parents, business, industry and community?**

This question also focused on the Board's priority of supporting the implementation of initiatives designed to develop innovative thinkers.



The Board of Trustees developed three (3) priorities for 2017/2018:

- Supporting Student **Achievement** and closing the achievement gap
- Supporting the implementation of initiatives designed to develop **Innovative** thinkers
- Supporting Student Diversity (**Inclusion**)

Although these have specific outcomes, they are highly correlated with each other; whereas, the success in one priority will likely assist in the other priorities.



## ACHIEVEMENT

Supporting Student Achievement and closing the achievement gap.

### OUTCOMES:

1. Students achieve student learning outcomes with strong foundational skills in **literacy and numeracy**.
2. Teachers possess a deep **understanding of pedagogy** (teaching methods) that develops literacy and numeracy.
3. Students are **lifelong learners** possessing the skills and attributes to successfully transition within the system and to further education, credentialing or the world of work.
4. First Nations, Metis and Inuit (**FNMI**) student achievement will continue to progress towards meeting or exceeding provincial standards.
5. Teachers are highly skilled in all areas of the **Teaching Quality Standard**.

**2017-2018  
Board Priorities**

## INCLUSION

Supporting Student Diversity.

### OUTCOMES:

1. Schools are welcoming **caring, respectful and safe** learning environments.
2. Schools are **inclusive learning environments**.
3. Schools are learning environments that **promote healthy lifestyles**.

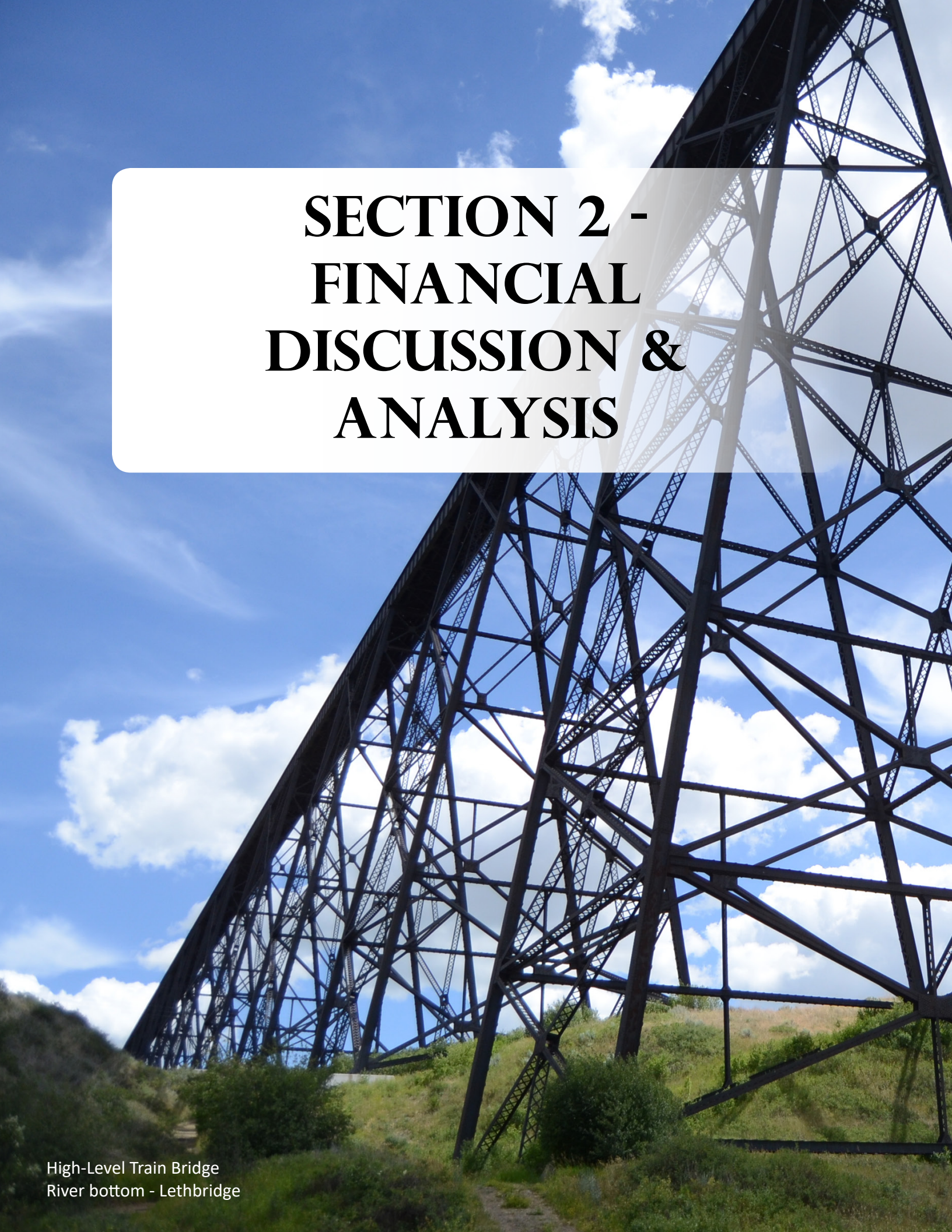
## INNOVATION

Supporting the implementation of initiatives designed to develop innovative thinkers.

### OUTCOMES:

1. Students demonstrate the attributes of **innovation, creativity and critical thinking** in a process-based learning environment.
2. All learners **effectively use technology** as creative and critical thinkers capable of accessing, sharing and creating knowledge.





# **SECTION 2 - FINANCIAL DISCUSSION & ANALYSIS**

High-Level Train Bridge  
River bottom - Lethbridge



## Section 2 - FINANCIAL DISCUSSION & ANALYSIS

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## REPORT FROM THE DIRECTOR OF FINANCE

It is our pleasure to submit Lethbridge School District No.51's Annual Financial Report for the year ended August 31, 2018. The purpose of this Annual Financial Report is to provide our community with a clear and transparent insight into the financial information and results of the District.



Mark DeBoer, CPA, CA  
Director of Finance



This section of the Annual Financial Report provides the District an opportunity to analyze and comment on the financial highlights and information of the District. This includes information on the **internal financial controls** utilized by the District and provides a **Financial Statement Discussion and Analysis (FSD&A)** for the 2017/2018 fiscal year.

The FSD&A is a supplement to the 2017/2018 audited financial statements that are contained in this report. The FSD&A is provided to enhance the understanding of the District's financial position and provide additional insight in the District's operations.

The FSD&A should be read in conjunction with the annual financial statements and accompanying notes. The annual financial statements are prepared in accordance with the Canadian Public Sector Accounting Standard (PSAS). Lethbridge School District No.51's management is responsible for the preparation and presentation of these statements.

BDO Canada LLP has audited the 2017/2018 Lethbridge School District No. 51 Financial Statements and provided an unqualified opinion. The Board of Trustees approved the audited financial statement on November 27, 2018.



## INTERNAL FINANCIAL CONTROLS

Lethbridge School District No. 51 maintains a system of internal financial controls designed to provide reasonable assurances for the safeguarding of assets and the reliability of the financial records. The controls are subject to regular reviews and revisions (if required).

These controls include, but are not limited to, the financial policies set by Board of Trustees, administrative procedures, the budget process, and the internal/external audits.



## Financial Policies

Lethbridge School District No. 51 has a number of policies relating to the financials that are reviewed and approved by Board of Trustees, in conjunction with the review and recommendations of the District's Policy Advisory Committee. These policies are designed to ensure that there are appropriate controls in place to safeguard the District and to ensure that the District is compliant with the Alberta School Act, the Canadian Public Sector Accounting Standards, and other related legislation.

The District Policies are organized by the major categories:

100 - Educational Philosophy	600 - Educational Programs
200 - Board of Trustees	700 - Workplace Health and Safety
300 - Administration	800 - Business Procedures
400 - Staff Personnel	900 - Buildings and Sites
500 - Students	1000 - School, Community Relations

The following are some of the financial policies that are in place:



- Signing Authority (Policy 800.1)
- System Budgeting (Policy 801.1)
- Financial Planning and Management (Policy 801.9)
- Financial Investment (Policy 802.4)
- Purchasing (Policy 803.1)
- Expense Reimbursements (Policy 803.8)
- Disposal of Property (Policy 902.5)

## Administrative Procedures

Lethbridge School District No. 51 has a number of internal procedures that are used to document the steps and methods required to perform many of the financial tasks in the District's administration. These internal procedures allow for ensuring that the proper steps are taken for recording financial transactions to ensure accuracy, consistency, and that policies are being followed appropriately.



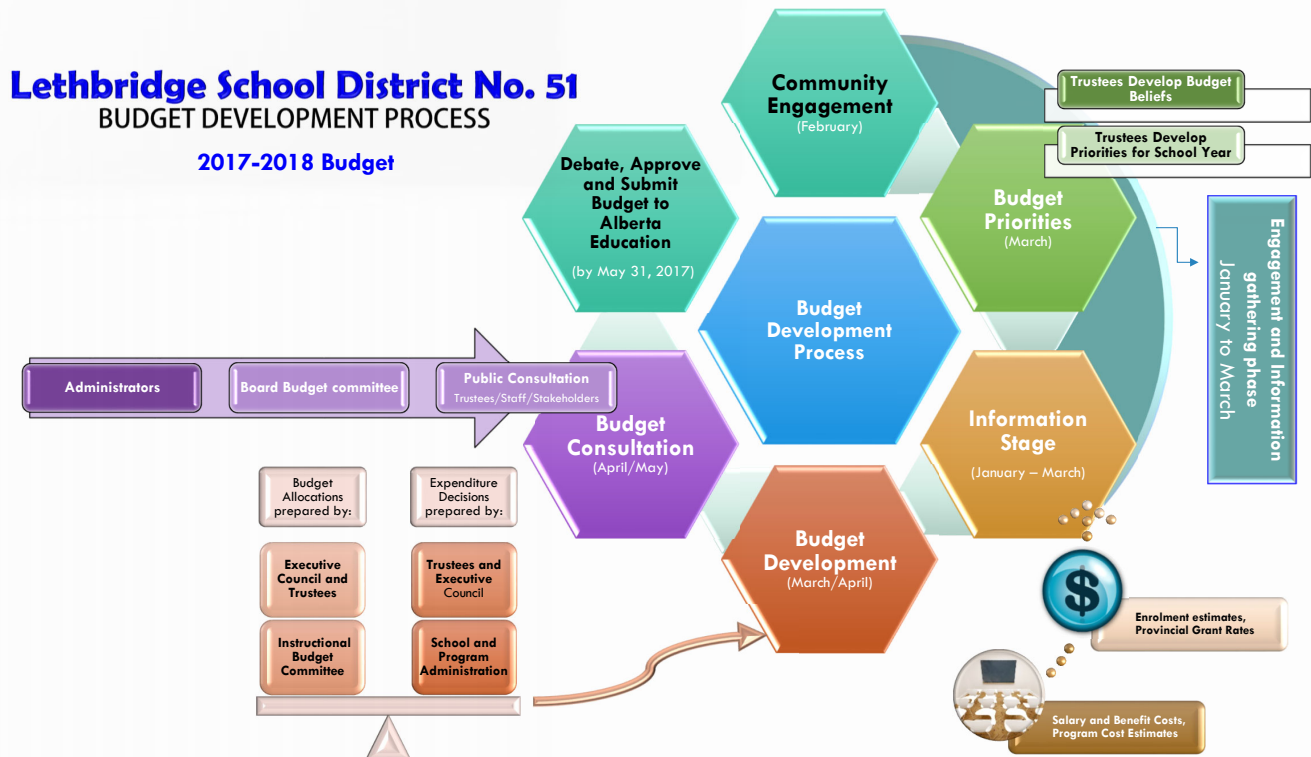
The District utilizes a centralized accounting process (other than the School Generated Funds - SGF); where the Business Affairs department is responsible for the common financial and computer systems used to record the financial transactions and information. These central activities account for the vast majority of the financial transactions; whereas, the SGF funds are tracked and recorded at the School level and only represent approx. 3% of the total revenues and expenses of the District. The Business Affairs department, in conjunction with all other departments, provide the annual financial statements and financial reporting to the Board of Trustees.

There are many Policies and Procedures that are publically available on our website:

<http://www.lethsd.ab.ca/Policies.php>

## Budget Process

In accordance with the Alberta School Act, Section 147; the Board of Trustees approve a budget on an annual basis and submit it to the Minister of Education by May 31st for the upcoming school year (starting September 1st). Typically, the “May 31st” budget (which is the legally adopted budget) is developed from January to May preceding the budgeted school year, and approved as the Preliminary Budget. The Preliminary Budget is the budget included in the Financial Statements. The following is an overview of the budget process for the development of the Preliminary Budget:



The Operating Budget is usually approved by the Board of Trustees in November during the school year as the “September 30th” budget and as the final information relating to the school year and funding is available. This includes the September 30th enrolment counts (which the majority of the funding is based on) and other factors that have been updated since the establishment of the Preliminary Budget. The Operating Budget is compared to actuals in review of the financial results of the departments and programs as this is a “more accurate” indicator of operating results.

After the Operating Budget is approved by the Board of Trustees, the expenses are controlled against the budget by formal purchasing policies, financial systems, and financial reporting designed to prevent budget overruns.



## Internal Audits

As the School Generated Funds (SGF) are the de-centralized financial activities, these SGF funds are subject to both internal and external audits. Internal audits are done by members of the Business Affairs department (specifically Finance) and these internal audits are completed on approx. 6-8 schools per year on a rotating schedule (as approved by the Board's Audit Committee). Through these internal audits, the District is able to determine areas of Best Practice and areas of improvements on these School Generated Funds.

## External Audits

In accordance with the Alberta School Act, Section 146, the Board of Trustees appoints an independent auditor, BDO Canada Ltd, to report on the annual financial statements of the District. The auditors' responsibility is to express an opinion on whether or not the financial statements are presented fairly, in all material respects, in accordance with the Canadian Public Sector Accounting Standards.



The auditors have full access to all of the District's financial records and information and they meet with staff, management, and the Board Audit Committee to discuss matters relating to the audit. The auditors provide the District with a management letter providing comments on the internal controls.

For the 2017/2018 Financial Statement audit, our auditors expressed a "clean" audit opinion, indicating that the financial statements are presented fairly. The auditors also did not have any management letter points for recommendations of improvements on the internal controls of the District for the 2017/2018 audit; thus, indicating the effectiveness of the District's internal controls.

In relation to the School Generated Funds (SGF), as these are decentralized, the District (through the Board's Audit Committee) requests the auditor to perform specified audit procedures on the SGF transactions, including review of controls on typically 4-6 schools per year (on a rotating basis). Management letter points are provided for potential improvements (where necessary).

## FINANCIAL STATEMENT DISCUSSION & ANALYSIS

Lethbridge School District No. 51's 2017/2018 financial statements are prepared by management in accordance with the Canadian Public Sector Accounting Standards (PSAS). Management is responsible for the preparation, integrity and objectivity of the financial statements. The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board of Trustees, through the Board Audit Committee, has reviewed the audited financial statements with management in detail and approved the financial statements for release.

The following Financial Statement Discussion and Analysis (FSD&A) is also prepared by management and is intended to expand on and explain information in the financial statements. The discussion & analysis is not part of the actual financial statement and therefore is not specifically audited.



As shown above in the pencil infographic, the Financial Statement Discussion & Analysis (FSD&A) is divided into six (6) major sections:



Educating  
our Students



Financial  
Position



Accumulated  
Surplus



Statement of  
Operations



More  
Data



Financial  
Indicators

*Click the Icons to go to the related section*



## Educating Our Students



The 2017/2018 enrolment was a total of 11,274 Students in Early Education to Grade 12. This was an increase of 627 students or 5.89% increase from the prior year's enrolment of 10,647.

The overall increase includes the following:

- Early Education increased by 122 students
- Kindergarten increased by 159 students
- Elementary increased by 58 students
- Middle School increased by 166 students
- High School increased by 122 students

Lethbridge School District No. 51 is a growing District as the growth of our student enrolment is largely due to the growth in the City of Lethbridge.

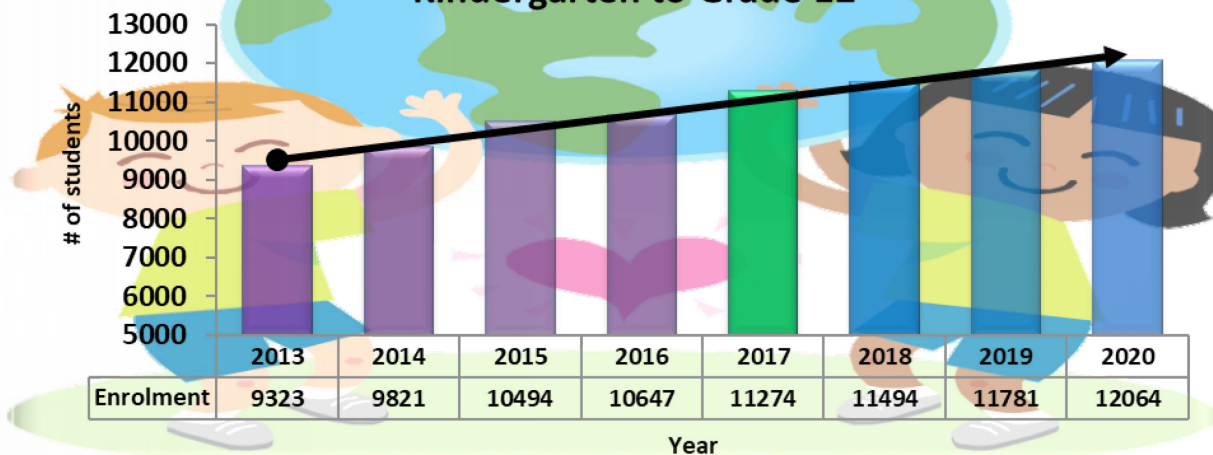


### 11,274 STUDENTS

#### Enrollment

Early Education		471
Kindergarten		858
Elementary		4250
Middle School		2432
High School		3263

### Enrolment Statistics Kindergarten to Grade 12



Enrolment for 2017/2018 had an increase of 5.89%. Projected enrolment over the next three years shows increases of 1.95% for 2018/2019, 2.50% for 2019/2020, and 2.40% for 2020/2021. There has been an upward trend in enrolment due in part to the significant growth that the City of Lethbridge has experienced. In the 2016 Government of Canada Census, Lethbridge was ranked the 5th fastest growing city in Canada.





## Statement of Financial Position



The Statement of Financial Position indicates the District's Financial Assets, Liabilities, and Non-Financial Assets. The Accumulated Surplus is the net result of these assets and liabilities. This type of statement is often referred to as a "balance sheet".

### STATEMENT OF FINANCIAL POSITION As at August 31, 2018 (in dollars)

	2018	2017	Change
<b>FINANCIAL ASSETS</b>			
Cash and cash equivalents	\$ 22,359,330	\$ 20,838,940	\$ 1,520,390
Accounts receivable (net after allowances)	\$ 7,242,508	\$ 5,579,257	\$ 1,663,251
Portfolio investments	\$ 74,540	\$ 83,918	\$ (9,378)
<b>Total financial assets</b>	<b>\$ 29,676,378</b>	<b>\$ 26,502,115</b>	<b>\$ 3,174,263</b>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	\$ 8,145,343	\$ 7,793,088	\$ 352,255
Deferred revenue	\$ 140,236,540	\$ 131,181,244	\$ 9,055,296
Employee future benefits liabilities	\$ 217,648	\$ 15,539	\$ 202,109
Supported: Debentures and other supported debt	\$ -	\$ 46,853	\$ (46,853)
<b>Total liabilities</b>	<b>\$ 148,599,531</b>	<b>\$ 139,036,724</b>	<b>\$ 9,562,807</b>
<b>Net financial assets (debt)</b>	<b>\$ (118,923,153)</b>	<b>\$ (112,534,609)</b>	<b>\$ (6,388,544)</b>
<b>NON-FINANCIAL ASSETS</b>			
Tangible capital assets	\$ 140,911,810	\$ 132,944,553	\$ 7,967,257
Prepaid expenses	\$ 446,634	\$ 211,772	\$ 234,862
Other non-financial assets	\$ 158,382	\$ 144,481	\$ 13,901
<b>Total non-financial assets</b>	<b>\$ 141,516,826</b>	<b>\$ 133,300,806</b>	<b>\$ 8,216,020</b>
<b>Accumulated Surplus</b>	<b>\$ 22,593,673</b>	<b>\$ 20,766,197</b>	<b>\$ 1,827,476</b>

## Financial Assets

The majority of the Financial Assets relates to cash held by the District and accounts receivables.

- Cash includes unspent capital contributions for capital projects, deferred operating revenues, endowment funds, and accumulated surplus from operations.
- The majority of the accounts receivables relate to the approx. \$6.5 million from Alberta Infrastructure and the GST rebate from the Federal Government. The receivables from Alberta Infrastructure relates to the capital grant funding for the construction of Senator Joyce Fairbairn Middle School and for the completion of Coalbanks Elementary School and the modernization of Wilson Middle School.

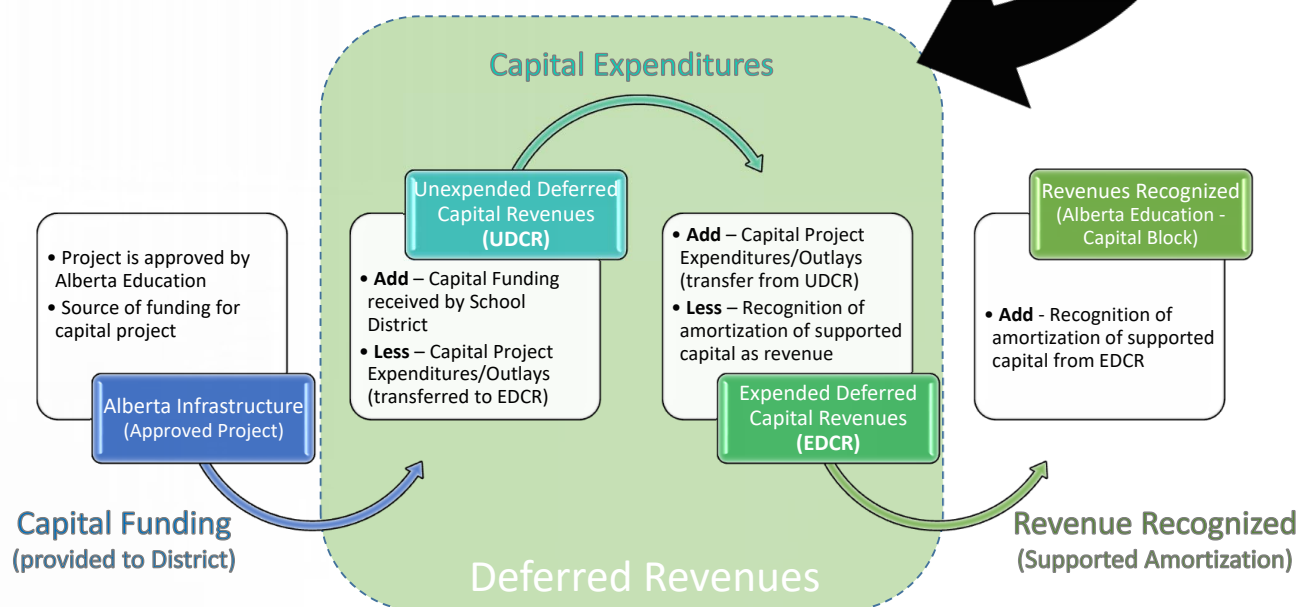
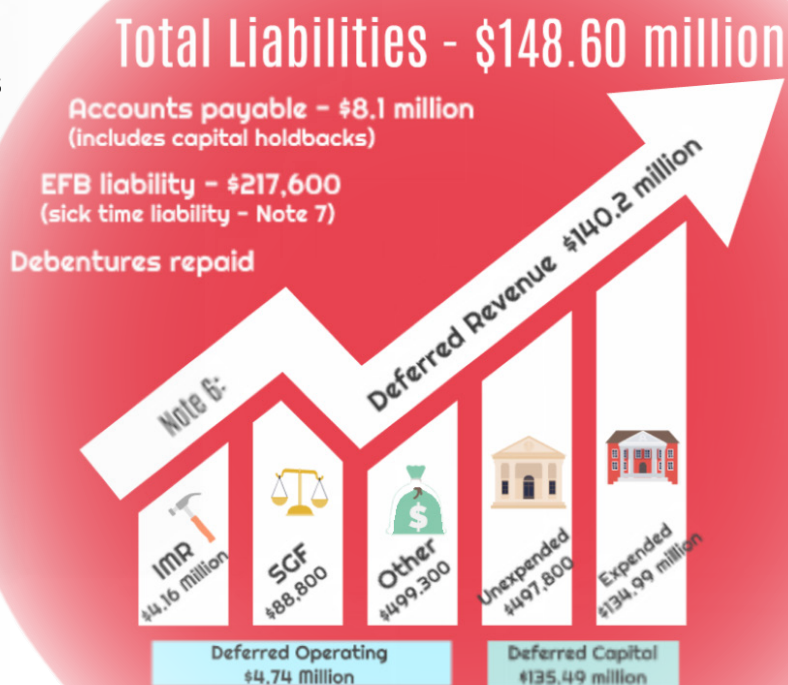
## Liabilities

The majority of the Financial Liabilities relate to accounts payables and deferred revenues.

The accounts payable increased from the prior year due to the holdbacks on the capital projects (building construction and modernization of schools).

The Employee Future Benefit (EFB) liability increased as sick time has been changed to accumulate for one of the employee groups (CUPE 290).

The majority of the deferred revenues relate to the Expended Deferred Capital Revenues. The Expended Deferred Capital Revenues is liability (for accounting purposes) back to Alberta Education for the remaining net book value of all supported tangible capital assets (i.e. school buildings). The concept of this is that if the District was ever to terminate operations, these supported assets would be assumed by Alberta Education (as part of a stipulation/term of the funding agreement).



Both the UDCR and the EDCR accounts are classified as deferred revenues in accordance with accounting standards PSAS 3200 as all Capital Funding grants have a stipulation that if the School Jurisdiction was ever to terminate operations, the Provincially Funded Capital would be returned to the Provincial Government.

## Net Financial Assets (Debt)



The net of the Financial Assets and Liabilities result in \$118.92 Million of Net Financial Debt. A Net Financial Debt position is not necessarily an indication that a District is in financial difficulty.

The District's Net Financial Debt includes the \$134.99 million in the Expended Deferred Capital Revenues relating to the supported tangible capital (which would offset the balances in the Non-Financial Assets); therefore, if this amount is excluded, the resulting would be Net Financial Assets of \$16.0 Million. The exclusion of the Expended Deferred Capital Revenues provides a more realistic perspective of the District's financial position.

Total Financial Assets	\$29.68 Million	
Total Liabilities	\$148.60 Million	
Net Financial Assets (Debt)	(\$118.92 Million)	
Non Financial Assets	\$141.52 Million	
Accumulated Surplus	\$22.6 Million	

Excluding  
\$134.99 Million  
Expended  
Deferred  
Capital  
Results Net Assets  
\$16.0 Million

## Non-Financial Assets

The Non-Financial Assets are comprised mostly of the Tangible Capital Assets (TCA) for a net book value of \$140.91 million, which are assets such as land, buildings, vehicles, and equipment.

The increase in the TCA is from the District constructing and acquiring approximately \$13.13 million in assets. These additions are somewhat offset by approx. \$5.14 million of amortization of the TCA. The majority of the TCA additions and amortization are on supported assets; therefore, correlates to the increases in the deferred revenues.

The remaining Non-Financial Assets include prepaid expenses (i.e. insurance, software licensing, etc.) and inventory held by the District.







The Tangible Capital Assets (TCA) is comprised of the following categories:

Tangible Capital Assets (TCA)	2018		Net Book Value
	Historical Cost	Accumulated Amortization	
Land	\$ 1,715,118	\$ -	\$ 1,715,118
Construction in Process	\$ 24,392,785	\$ -	\$ 24,392,785
Buildings	\$ 169,140,712	\$ (58,196,968)	\$ 110,943,744
Equipment	\$ 7,530,925	\$ (4,645,541)	\$ 2,885,384
Vehicles	\$ 1,213,894	\$ (654,955)	\$ 558,939
Computer equipment	\$ 932,444	\$ (516,604)	\$ 415,840
<b>Total Tangible Capital Assets</b>	<b>\$ 204,925,878</b>	<b>\$ (64,014,068)</b>	<b>\$ 140,911,810</b>

The Historical Cost of the TCA is the original cost or construction/acquisition of these assets. The Accumulative Amortization is the total amortization that has been expensed on these assets; in which, the amortization expense is the systematic allocation of an asset to expense over a certain period of time (over the assets useful life). The Net Book Value (NBV) is the cost of the TCA less the total accumulated amortization on the TCA (total amount that has been expensed as amortization on the asset).

The Construction in Process includes the construction costs of the Senator Joyce Fairbairn Middle School and the development costs of the SouthEast Elementary School. Senator Joyce Fairbairn Middle School is opening at the beginning of 2018/2019 school year; in which, it will be moved from "Construction in Process" to the in-service "Buildings" once it has been deemed to be in use.

Within the TCA accounts, the District is required to separately track each of the assets as either being "Supported" or as "Unsupported" assets. The Supported TCA are those assets that have been funded by the Provincial Government either through Capital Grants or capitalized Infrastructure, Maintenance and Renewal (IMR) grants. Unsupported TCA are those assets that have been funded by the District (not funded directly by the Province). The following is a breakdown of the Supported/Unsupported TCA:

Tangible Capital Assets (Net Book Value)	2018		Total
	Supported	Unsupported	
Land	\$ -	\$ 1,715,118	\$ 1,715,118
Construction in Process	\$ 24,392,785	\$ -	\$ 24,392,785
Buildings	\$ 108,606,124	\$ 2,337,620	\$ 110,943,744
Equipment	\$ 1,965,143	\$ 920,241	\$ 2,885,384
Vehicles	\$ 29,991	\$ 528,948	\$ 558,939
Computer equipment	\$ -	\$ 415,840	\$ 415,840
<b>Total Tangible Capital Assets (Net Book Value)</b>	<b>\$ 134,994,043</b>	<b>\$ 5,917,767</b>	<b>\$ 140,911,810</b>

The total Net Book Value (NBV) of the supported assets of \$134.99 million is equal to the amount of Expended Deferred Capital Revenues (EDCR) which is included in deferred revenues (as previously discussed in the Liabilities section); due to the stipulation within the capital funding from the Province.

The total Net Book Value (NBV) of the unsupported assets of \$5.92 million is equal to the amount of "Investment in Tangible Capital Assets" which is included in the District's Accumulated Surplus.



## Accumulated Surplus



The Statement of Financial Position indicates that the Accumulated Surplus is net of the Financial Assets/Liabilities with the Non-Financial Assets. As outlined in Schedule 1 of the Financial Statements, the Accumulated Surplus is then comprised of four (4) main components: Unrestricted Surplus, Restricted Surplus (Operating and Capital Reserves), Endowments, and the Investment in Tangible Capital Assets.

Accumulated Surplus - Schedule 1	2018	2017	Change
Unrestricted Surplus	\$ 757,838	\$ 836,684	\$ (78,846)
Restricted Surplus:			
Operating Reserves	\$ 10,330,034	\$ 11,923,484	\$ (1,593,450)
Capital Reserves	\$ 5,268,160	\$ 1,921,512	\$ 3,346,648
Endowments	\$ 319,874	\$ 319,874	\$ -
Investment in Tangible Capital Assets	\$ 5,917,767	\$ 5,764,643	\$ 153,124
<b>Accumulated Surplus</b>	<b>\$ 22,593,673</b>	<b>\$ 20,766,197</b>	<b>\$ 1,827,476</b>

## Restricted Surplus (Reserves)

The Restricted Surplus, otherwise known as Reserves, are internally restricted funds that have been set aside for future activities and projects.

Restricted Surplus	2018		Total
	Operating	Capital	
School and Instruction Related	\$ 8,652,515	\$ 3,498,675	\$ 12,151,190
Operating and Maintenance	\$ 362,777	\$ 611,671	\$ 974,448
Board and System Administration	\$ 504,962	\$ 842,372	\$ 1,347,334
Transportation	\$ 607,550	\$ 315,442	\$ 922,992
External Services (International program)	\$ 202,230	\$ -	\$ 202,230
<b>Restricted Surplus</b>	<b>\$ 10,330,034</b>	<b>\$ 5,268,160</b>	<b>\$ 15,598,194</b>

The Operating Reserves are the funds to be utilized in future operating activities and projects including: carry-forward funds from the year to be utilized in the upcoming budget years, School Generated Funds (SGF), funds set aside for resources of new school sites, staff stability funding for future staffing increases, and other operating activities.

The Capital Reserves are funds that have been specifically set aside to fund future Board funded capital projects (Unsupported Tangible Capital Assets), including funding for technology evergreening.

Once funds have been restricted as Capital Reserves they must be used for the capital projects (would require Ministerial approval to use for other purposes).

- School Based **\$1.81 Million**
- School Generated Activities **\$2.42 Million**
- Targeted priorities **\$1.47 Million**
- Staffing Stability **\$781,700**
- Full-day Kindergarten **\$872,000**
- Inclusive Learning **\$151,300**
- Bus replacement **\$600,000**
- Maintenance **\$362,800**

Technology Evergreening funds moved to Capital Reserves





## Investment in Tangible Capital Assets

The Tangible Capital Assets (TCA) are either funded by Alberta Education through capital grants (Supported TCA) or have been funded by the District's Board (Unsupported TCA).

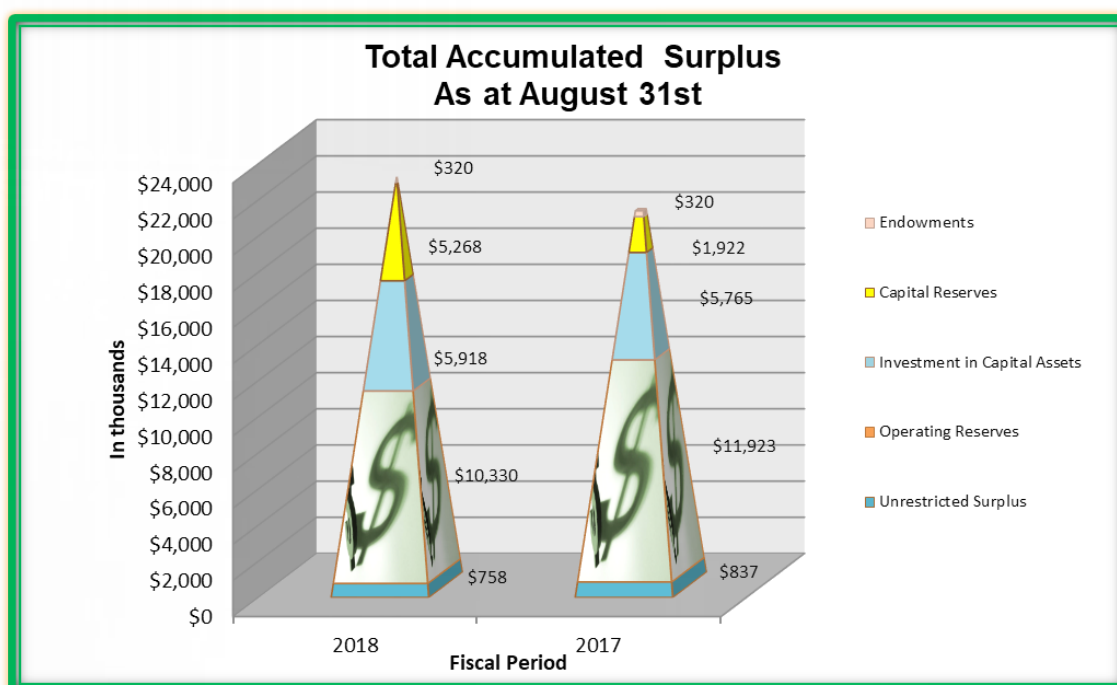
The total Unsupported TCA of \$5.92 million, as shown previously in the TCA section, agrees to the total Investment in Tangible Capital Assets included in the Accumulated Surplus, as this is the equity that the District has in the Board funded tangible capital assets.

## Unrestricted Surplus

The Unrestricted Surplus is the accumulation of the District's surpluses from year-to-year that have not been specifically restricted (either internally or externally). Typically, if a surplus (or a portion thereof) is restricted, it would be included in the District's operating or capital reserves. An organization normally retains a balance within the Unrestricted Surplus for potential remeasurement of estimates of assets and liabilities (as discussed in the Measurement Uncertainty found within the Summary of Significant Accounting Policies).

## Endowments

The Endowments are funds that have been given to the District; in which, the funds and/or income from the endowment are to be used for specified purposes (i.e. scholarships). Currently, there are 31 different endowments that are in the District, having their funds held in perpetuity, where the interest from these funds are designated to the different scholarships.





## Statement of Operations



The Statement of Operations highlights the District's revenues and expenses. This statement is mostly used to evaluate these revenues and expenses to the Approved Budget. It also provides the prior year data for comparative purposes.

	Approved May Budget	September 30th Budget	2017-2018 Actual	2016-2017 Actual
<b>REVENUES</b>				
Alberta Education	\$ 115,955,687	\$ 119,236,335	\$ 118,222,903	\$ 111,305,259
Other - Government of Alberta	\$ 478,734	\$ 593,734	\$ 582,924	\$ 485,505
Federal Government & First Nations	\$ 268,928	\$ 268,128	\$ 387,100	\$ 317,681
Fees	\$ 1,880,049	\$ 1,874,026	\$ 1,731,863	\$ 1,530,073
Other Sales & Services	\$ 1,060,926	\$ 1,193,768	\$ 1,244,744	\$ 1,317,898
Investment Income	\$ 193,000	\$ 193,000	\$ 271,924	\$ 181,980
Gifts and Donations	\$ 390,000	\$ 390,000	\$ 780,344	\$ 681,862
Rental of Facilities	\$ 34,704	\$ 34,704	\$ 27,504	\$ 32,904
Fundraising	\$ 2,461,000	\$ 2,461,000	\$ 2,233,757	\$ 2,029,497
<b>Total revenues</b>	<b>\$ 122,723,028</b>	<b>\$ 126,244,695</b>	<b>\$ 125,483,063</b>	<b>\$ 117,882,659</b>
<b>EXPENSES</b>				
Instruction - ECS	\$ 7,836,226	\$ 8,748,049	\$ 8,284,171	\$ 6,877,842
Instruction - Grades 1 - 12	\$ 93,914,522	\$ 97,804,512	\$ 93,989,288	\$ 91,002,015
Plant Operations & Maintenance	\$ 15,641,805	\$ 15,800,113	\$ 14,575,181	\$ 13,310,646
Transportation	\$ 2,774,000	\$ 2,477,928	\$ 2,339,053	\$ 2,477,281
Board & System Administration	\$ 4,054,544	\$ 4,165,355	\$ 4,037,310	\$ 3,979,508
External Services	\$ 253,000	\$ 377,130	\$ 430,584	\$ 283,667
<b>Total expenses</b>	<b>\$ 124,474,097</b>	<b>\$ 129,373,087</b>	<b>\$ 123,655,587</b>	<b>\$ 117,930,959</b>
<b>Operating surplus (deficit)</b>	<b>\$ (1,751,069)</b>	<b>\$ (3,128,392)</b>	<b>\$ 1,827,476</b>	<b>\$ (48,300)</b>

### APPROVED MAY BUDGET:

The Approved May Budget is the legally adopted budget of the 2017/2018 financial statements and is the budget that is included in the financial statements. This is the preliminary budget that was approved by the Board of Trustees on May 27th, 2017, and submitted to the Minister of Education of Alberta.

### SEPTEMBER 30TH BUDGET UPDATE (Operating Budget):

The revised budget for the 2017-2018 school year reflects changes to the District budget as of September 30th, 2017, which includes the updated information on enrolment, grant funding, project costs, and other factors. Revenue in the revised budget increased by \$2,482,200 over preliminary budget projections developed in May 2017. This majority of increase is due to the increased student enrolment at September 30th of 104 students (0.93%) above preliminary projections and additional one-time Classroom Improvement Fund (CIF) grant of \$1,254,000. An additional 19 full time equivalent teachers were hired as well as an additional 20 full time equivalent support staff positions in the revised budget.

In the 2017-2018 budget, \$3.35 million of one-time reserves will be for various priorities including: the West Lethbridge Middle school start-up costs, an Elementary Literacy Assessment, staffing increases and school based priorities.



## Operating Revenues

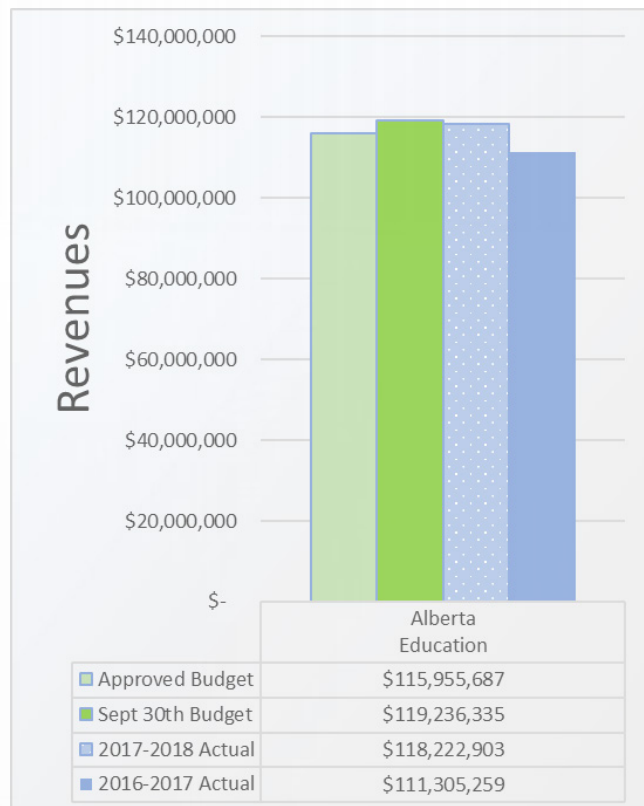
The operating revenues include all of the funding and other revenue sources recognized by the District. The vast majority of the revenues relate to the funding received from Alberta Education. The chart below illustrates the source of funding for every \$100 of revenue as at August 31st, 2018:



The District had total revenues of \$125.48 million for the school year ended August 31, 2018. This was \$2.80 million higher than the \$122.72 million budget approved in May 2017; whereas, this was more comparable to the \$126.24 million included in the September 30th budget.

See the [Financial Charts & Graphs](#) section for additional review

The following sections are details on each of the separate types of operating revenues:



### Alberta Education

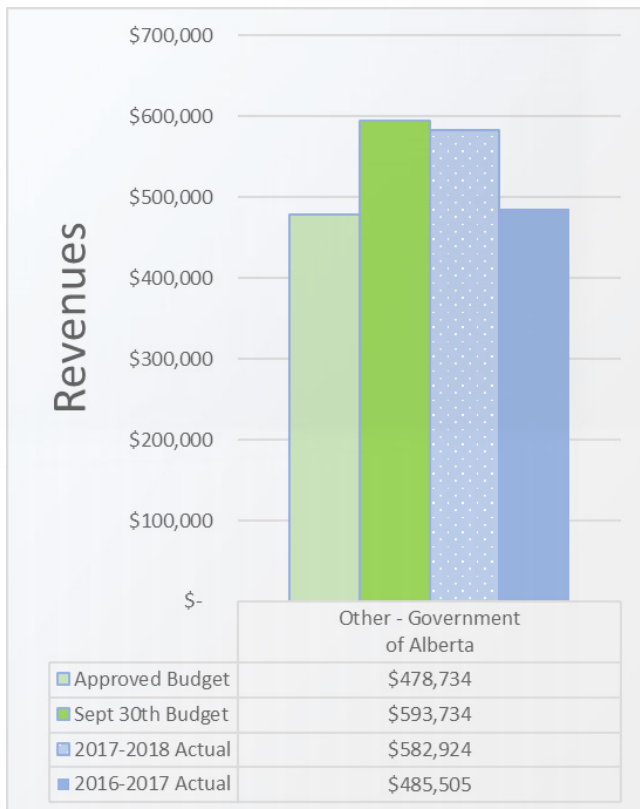
Revenue from Alberta Education increased by \$2.3 million compared to the May budget. The September 30th budget increased from the preliminary budget with the increased enrolment and the addition of the CIF grant funding. The September 30th budget amount is a more accurate figure as it consists of more current information.

The 2017/2018 actual funding recognized from Alberta Education was less than the operating budget (Sept 30th budget) mostly due to the Infrastructure, Maintenance & Renewal (IMR) grant was recognized less than expected. The IMR revenues recognized are based on the total IMR expenditures incurred; whereas, not all the IMR projects were completed during the year (that were budgeted); any unexpended IMR grants revenues are retained in deferred revenues until spent.

The funding from Alberta Education increased from the prior year, mostly due to increases in student enrolment (5.89% increase); in which, a large portion of these grants are based on student enrolment. It also increased as the CIF funding was a new grant provided for 2017/2018.



## Operating Revenues - Continued



### Other Government of Alberta

This revenue relates to the grants received from Alberta Mental Health and Southwest Child and Family Services for the Making Connections Program. It also includes the revenues received for the supported debenture interest payments made on the District's behalf by Alberta Education to Alberta Treasury and Finance.

The preliminary budget was based on the 2016/2017 grant amounts allocated to Alberta Mental Health, Southwest Child and Family Services, and for the Making Connections Programs. The operating budget (Sept 30th budget) was increased to account for the increases within these grant allocations for 2017/2018.

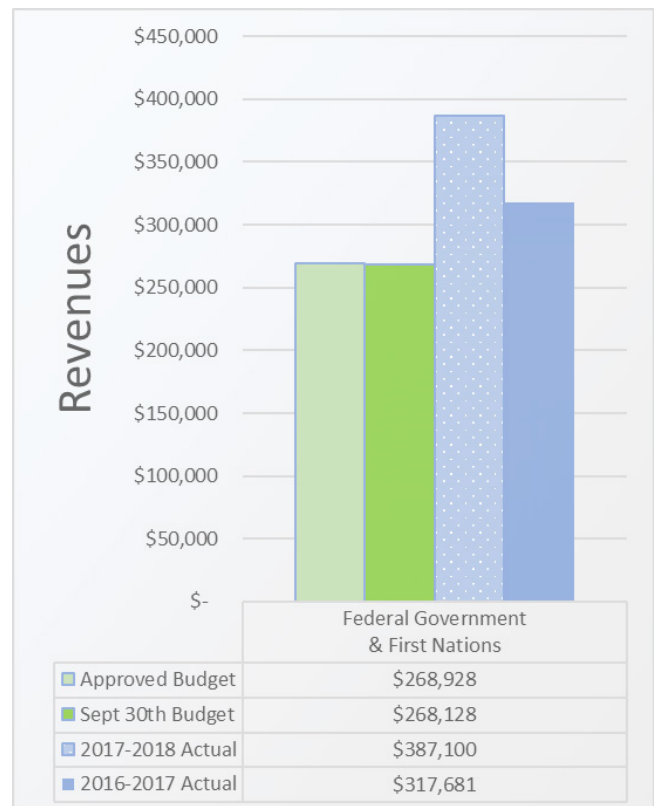
The 2017/2018 actual funding recognized is comparable to the operating budget.

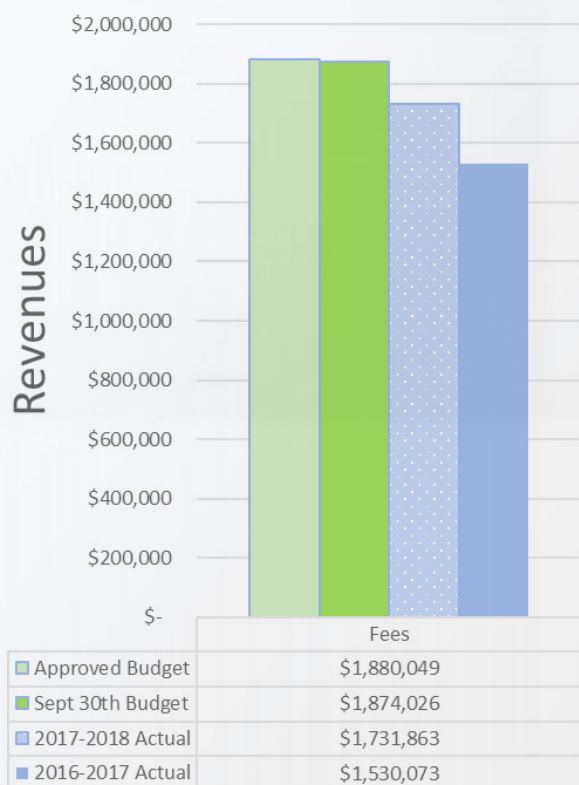
### Federal Government & First Nations

Represents amounts billed for tuition for students living on the Kainai reserve and secondment funding. The budget(s) for these revenues are somewhat based on historical funding received; however, takes a conservative approach as these can vary significantly from year-to-year.

There was an increase in the number of students as compared to the budget projections and compared to the prior year students attending the District. This increase in students from Kainai reserve increased the total tuition received from First Nations.

There was no federal funding received or projected for staff secondments in 2017/2018.





### **Fees**

Reflects fees that are collected for optional programming, school generated activity fees, and preschool fees.

The preliminary and operating budget (Sept 30th budget) are based on the estimated School Generated Funds (SGF) fees that are to be received for school based activities (i.e. extracurricular, non-curricular travel, etc) and for the estimated preschool fees to be collected. These amounts may change based on additional information available at the time the budget is developed.

The 2017/2018 actual fee revenues were less than budgeted as the SGF fees-based activities available during the year were less than projected (projected significant increase from prior years) and there was a number of preschool fees that were not able to be collected (or were waived).

Overall, there was an increase in fees compared to prior years as overall the amount of SGF activities had increased compared to what was available in the prior year.

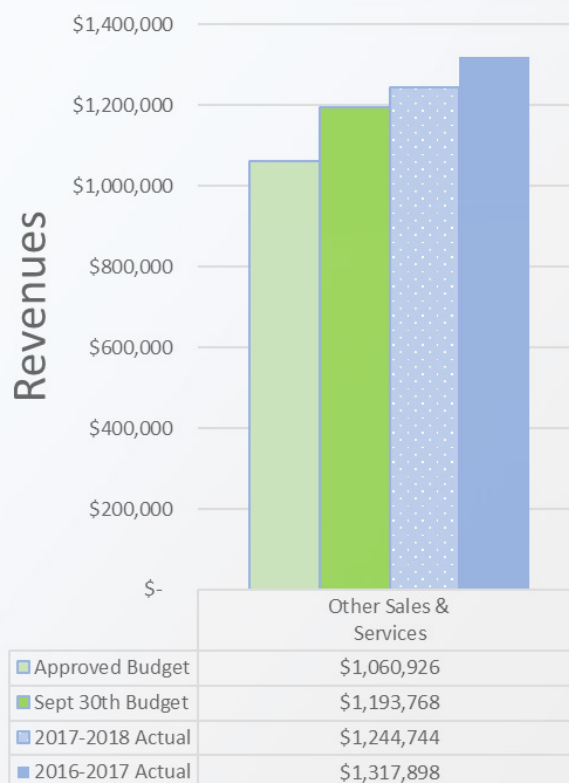
### **Other Sales & Services**

Other sales & services include funds received for staff that are seconded to the University of Lethbridge, homestay/insurance services for international students and other sales and services included in the school generated activities.

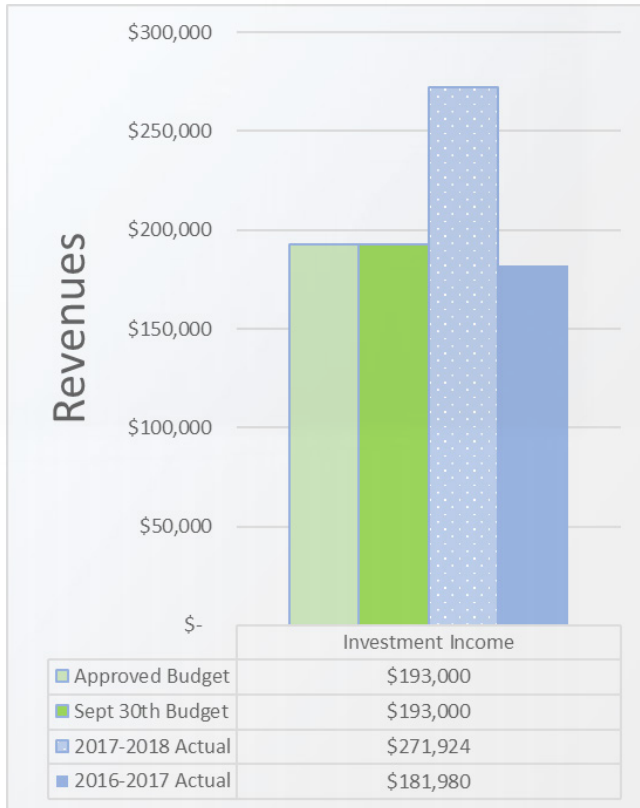
The operating budget (Sept 30th budget) was increased from the preliminary budget as there were increases in the amount of international students over the past couple years; therefore, increased the projected revenues accordingly.

The 2017/2018 actual revenues were higher than the operating budget as there was additional international revenues received for a large group trip (above the projected international enrolment).

Overall, there was a decrease from the prior year as the prior year had additional secondment revenues received from the University of Lethbridge (none during the 2017/2018 school year).



## Operating Revenues - Continued



### Investment Income

Interest earned on the cash and investments held by the District as part of the operating revenues and reserves.

The preliminary and operating budget (Sept 30th budget) are based on the investment income that was earned in the prior year.

Investment income increased from the prior year and budgets expectations due to increases in the amount of cash and investments held by the District and with increases in the investment rates (increase in bank's prime rates).

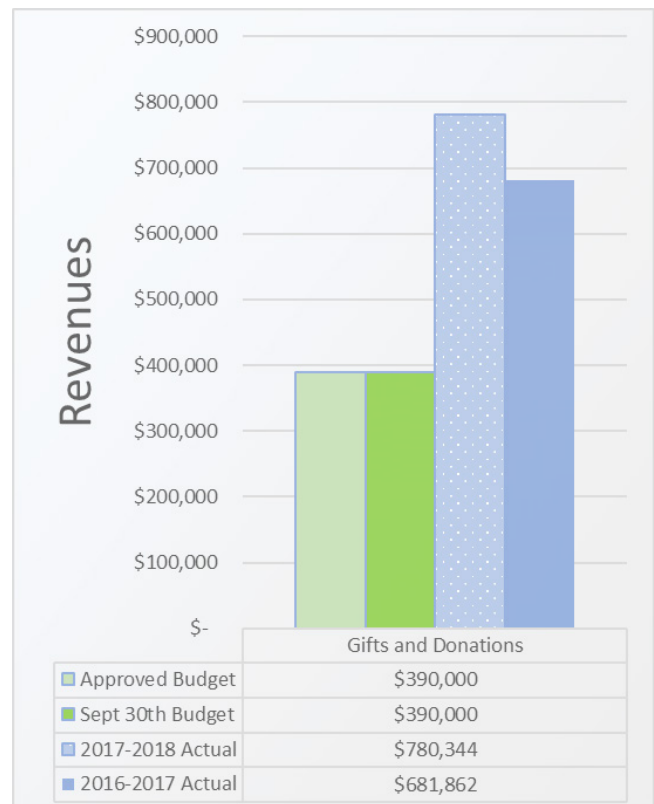
### Gifts and Donations

Gifts and donations that have been received directly by schools for student activities is higher than budgeted. Donations also include the donations received for the District's Poverty Intervention program.

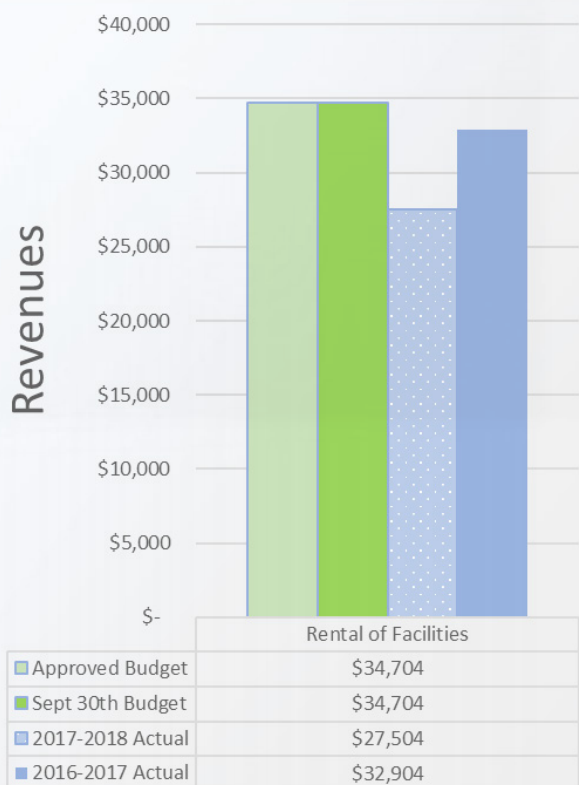
The budget(s) for these revenues are somewhat based on historical funding received; however, takes a conservative approach as these can vary significantly from year-to-year and can often be difficult to predict.

The 2017/2018 actual revenues were higher than budget(s) as there was over \$300,000 of donations received for the Lakeview Elementary's playground replacement.

The 2016/2017 actuals were also higher than normal due to the additional donations received for the Park Meadow Elementary's playground replacement and donations received for the Poverty Intervention program.







### **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.

Rental revenues have remained relatively consistent; however, were slightly lower in 2017/2018 due to a couple months of rentals during the summer were not required during the year.

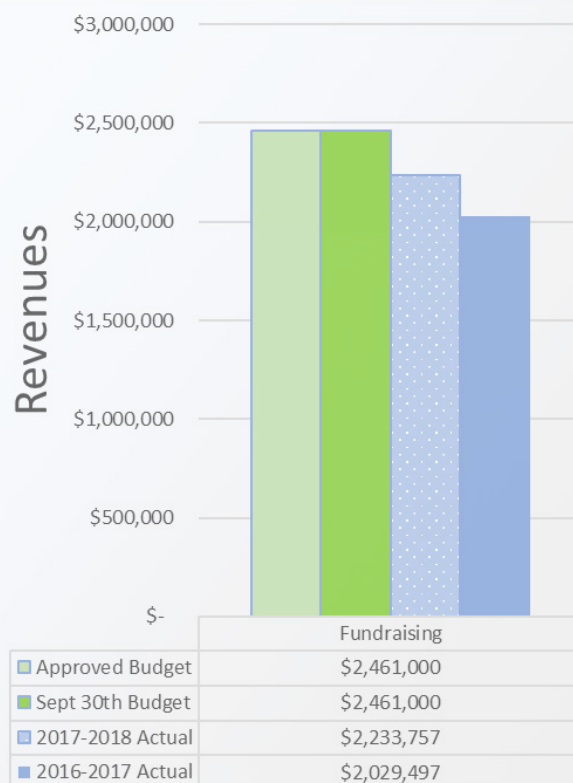
### **Fundraising**

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

The preliminary and operating budget (Sept 30th budget) are based on the estimated School Generated Funds (SGF) fundraising that are to be received for school based activities. These amounts may change based on additional information available at the time the budget is developed.

The actual fundraising revenues were less than the prior year as certain school generated activities were not done in the year. Related school expenses for those activities were also reduced accordingly.

Overall there was an increase from the prior year with the overall increases in the SGF activities from the prior year.

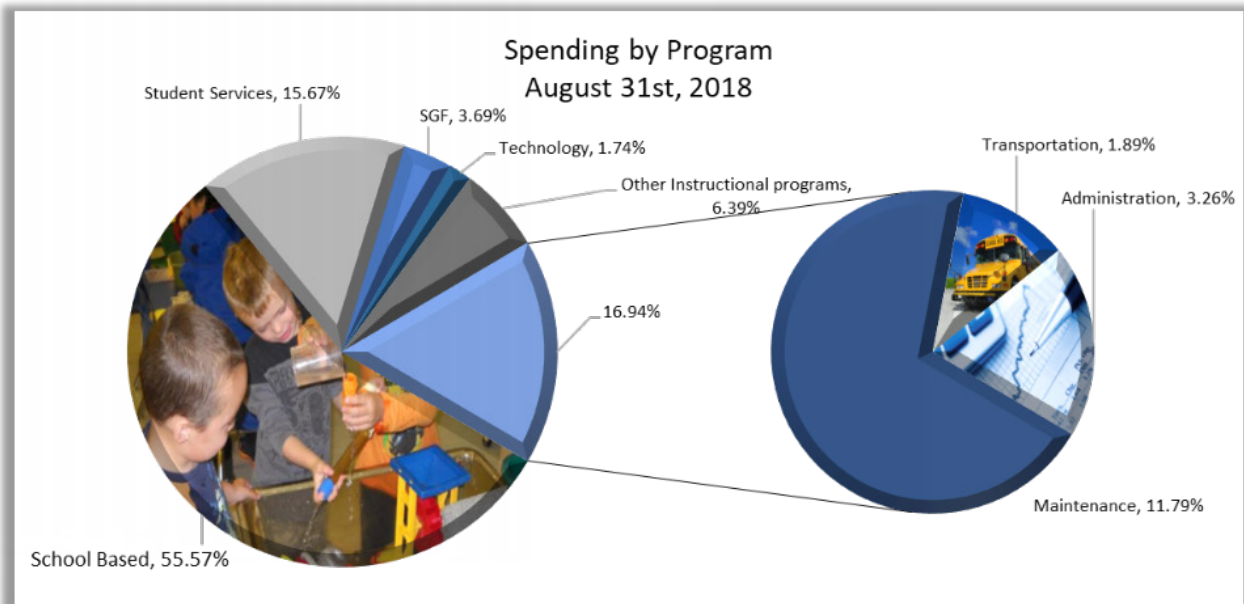


## Operating Expenses (by program)



The Statement of Operations presents the operating expenses by each of the segments/program areas operating within the District, including: Instruction of ECS, Instruction of Grades 1-12, Plant Operations and Maintenance, Transportation, Board and System Administration, and External Services (International Program). Spending by major program areas are illustrated below:

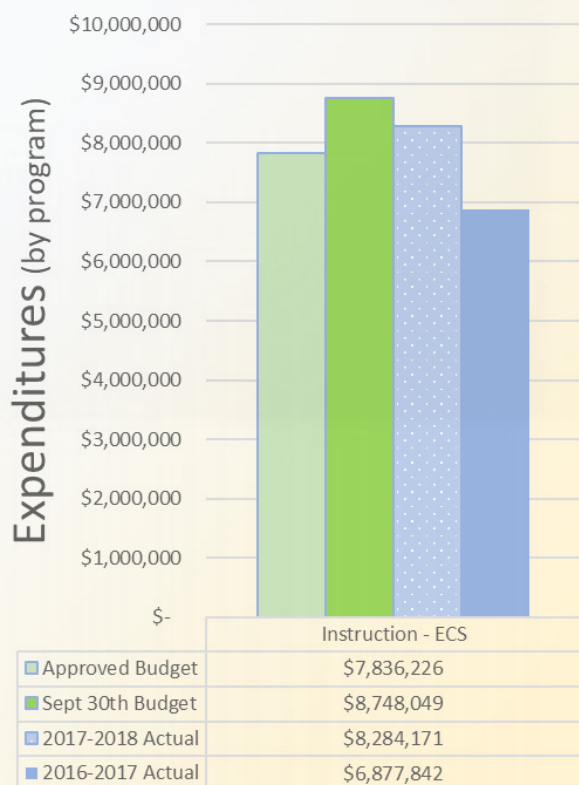
	Approved May Budget	September 30th Budget	2017-2018 Actual	2016-2017 Actual
<b>EXPENSES (by program)</b>				
Instruction - ECS	\$ 7,836,226	\$ 8,748,049	\$ 8,284,171	\$ 6,877,842
Instruction - Grades 1 - 12	\$ 93,914,522	\$ 97,804,512	\$ 93,989,288	\$ 91,002,015
Plant Operations & Maintenance	\$ 15,641,805	\$ 15,800,113	\$ 14,575,181	\$ 13,310,646
Transportation	\$ 2,774,000	\$ 2,477,928	\$ 2,339,053	\$ 2,477,281
Board & System Administration	\$ 4,054,544	\$ 4,165,355	\$ 4,037,310	\$ 3,979,508
External Services	\$ 253,000	\$ 377,130	\$ 430,584	\$ 283,667
<b>Total expenses</b>	<b>\$ 124,474,097</b>	<b>\$ 129,373,087</b>	<b>\$ 123,655,587</b>	<b>\$ 117,930,959</b>



The District had total operating expenses of \$123.66 million for the school year ended August 31, 2018. This was \$5.72 million lower than the \$129.37 million included in the September 30th budget. The majority of this reduction in expenses related to the Grades 1-12 Instructional program and the Plant Operations and Maintenance program.

The Schedule of Program Operations (Schedule 3) provides additional analysis on the operating expenses by redisplaying the expenses by both program and type of expenses (i.e. salaries, benefits, services/contracts/supplies, amortization, and interest).

See the [Financial Charts & Graphs](#) section for additional review



### **Instruction - ECS**

Instruction ECS represents expenses from early education to kindergarten, which includes the Early Education Program (EEP), Program Unit Funding (PUF) for early learners requiring specialized supports, and the kindergarten programs at elementary schools.

The operating budget (Sept 30th budget) was increased from the preliminary budget and the prior year as there has been significant increases in the PUF grant and budget costs with increased eligible student enrolment.

The ECS Instructional actual costs were less than the September 30th operating budget as there were overall staff savings between the PUF and EEP programs. Some of the reductions in staffing related to the timing of being able to hire the Educational Assistant. There were also some supplies purchases that were deferred to the 2018/2019 school year.

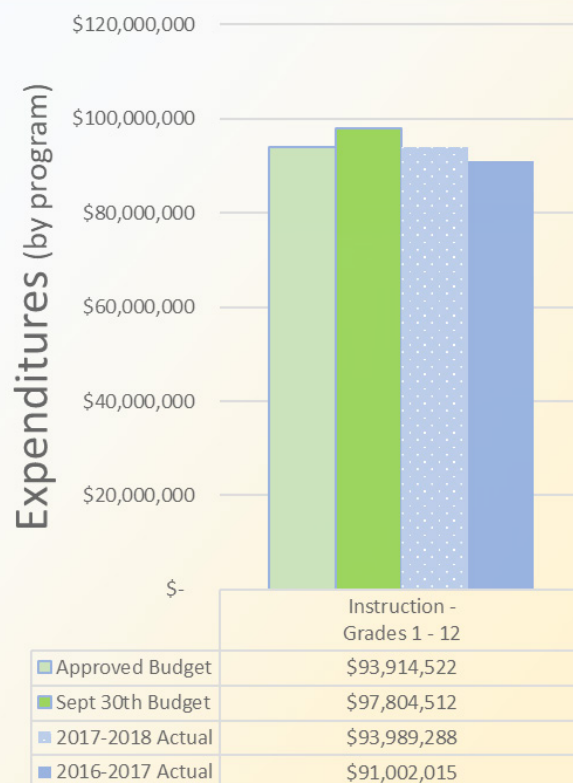
Overall, there was an increase from the prior year with increased costs assisting the increased PUF students.

### **Instruction - Grades 1-12**

Instruction Grades 1 – 12 represent expenses 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 (FNMI) programming, and Institutional programs.

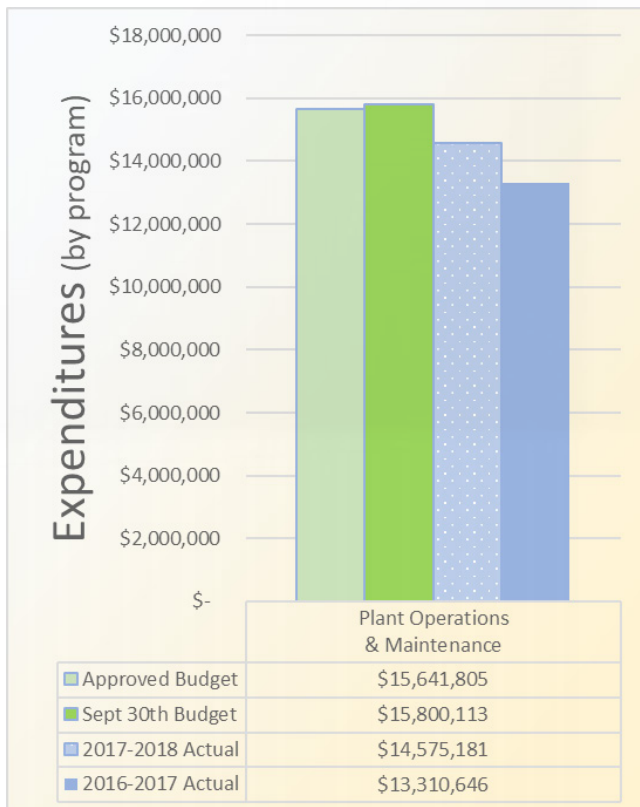
The Grades 1-12 Instructional expenses were \$3.8 million less than September 30th budget (approx. 3.9%). The majority of these reductions were in three areas: staffing, technology, and contingency accounts. Staffing costs were less than budget due to that the actual teacher average salaries were less than originally budgeted (due to retirements and hiring new staff). Technology budgeted costs were not spent in the year as they were saved towards the next evergreening cycle. Contingency accounts at the schools were not fully utilized (carried forward to the 2018/2019 school year).

Increases from prior year relates to the increases in staffing costs and other costs supporting the growth of the District. The staffing costs increased with hiring 35 FTE of teachers and 40 FTE of support staff to assist increased student enrolment and lowering class sizes.





## Operating Expenses (by program) - Continued



### **Plant Operations & Maintenance**

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

Plant Operations and Maintenance expenses were less than the September 30th budget due to the Infrastructure Maintenance and Renewal (IMR) projects. The IMR was approx. \$2.1 million less than budget as the District was not able to complete all of the projected projects throughout the year and there was a change in the IMR grants that required that at least 1/3 of the projects were to be capitalized. These reductions were somewhat offset by increased amortization costs of approx. \$1.2 million with new schools being in-service.

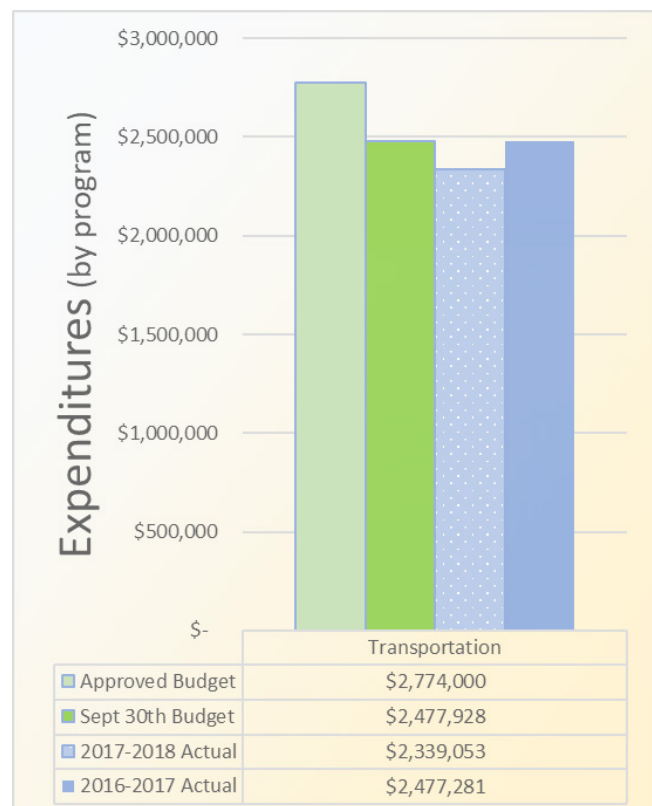
Increases from prior year relates to the increased amortization and increases in lease costs for facilities owned by the Societies (Christian Schools) as a specific grant was received to fund the lease costs. These overall increases from the prior year were somewhat offset by reduction in IMR operating costs.

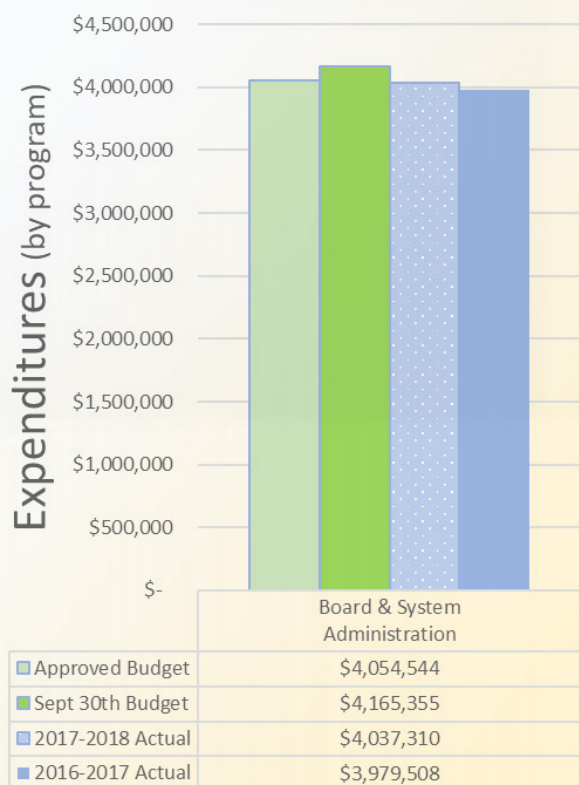
### **Transportation**

Transportation expenses represent 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.

Transportation preliminary budget was originally increased with the student enrolment growth and the original grant projections; however, the September 30th budget was reduced as the eligible ridership had decreased (school boundary changes for new elementary school).

The Transportation expenses were reduced from the prior year due to a reduction in eligible ridership and in the cost-sharing agreement for transportation services and for the replacement of yellow school buses.





### **Board & System Administration**

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

The Administrative expenses were less than the September 30th budget. The cost savings related to supplies and computer services; whereas, these were costs that were deferred to the 2018/2019 school year.

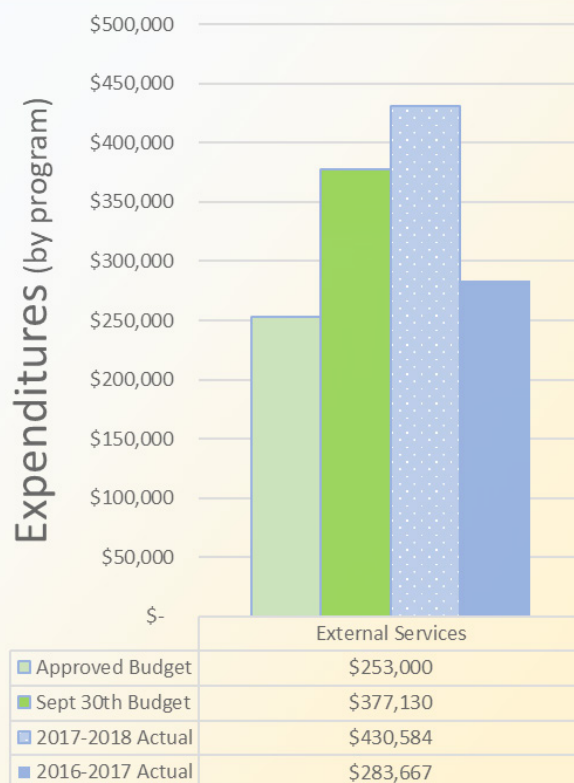
The 2017/2018 Administrative expenses equate to 3.26% of the total expenses (prior year at 3.37%), which is within the 3.60% maximum for Administrative costs as set out by Alberta Education. This reduction allowed approx. \$414,300 of additional funding available for instructional purposes.

Increase from prior year relates to increases in contracted services and insurance costs. Contracted services increases include the costs of the Trustee elections that occurred at the beginning of the school year (only occurs every four years).

### **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 from other countries who pay tuition fees to attend District schools. Costs include the homestay providers, student insurance, student recruitment, and administration of the program. Tuition fees are collected from international students in this program.

The External Services expenses were higher than both the budgets and the prior year due to increases in international student enrolment. This increase in the international program was also due to a larger international group that attended the District. This international enrolment increased the amount of homestay fees and student enrolment costs. There was also increases in the related revenues which covers these increased costs.

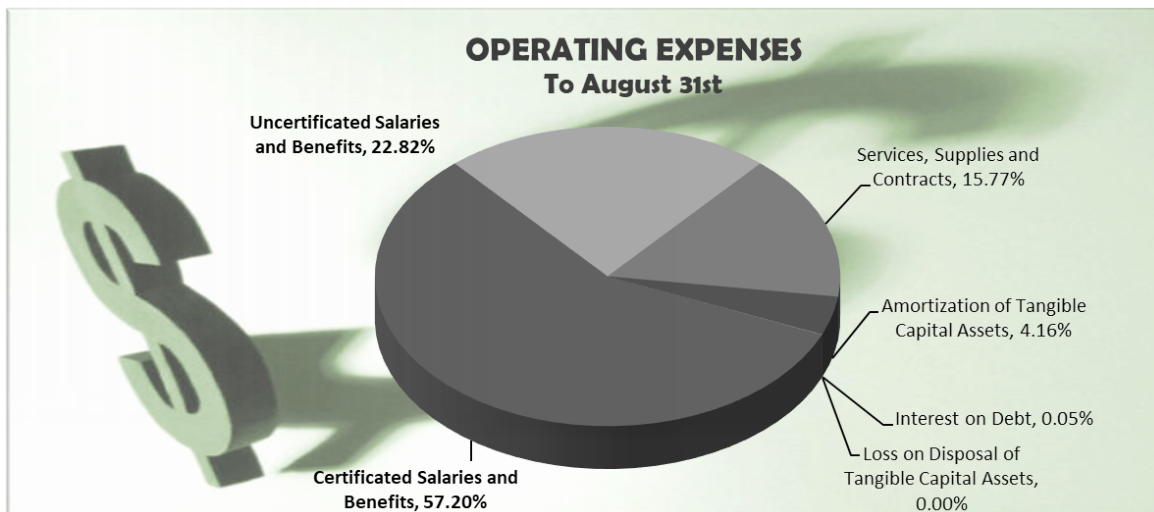


## Operating Expenses (by type)

Supplemental to the Statement of Operations, the Schedule of Program Operations (Schedule 3) provides additional analysis on the operating expenses by redisplaying the expenses by both program and by the type of expenses. The following is a summary of expenses by types:



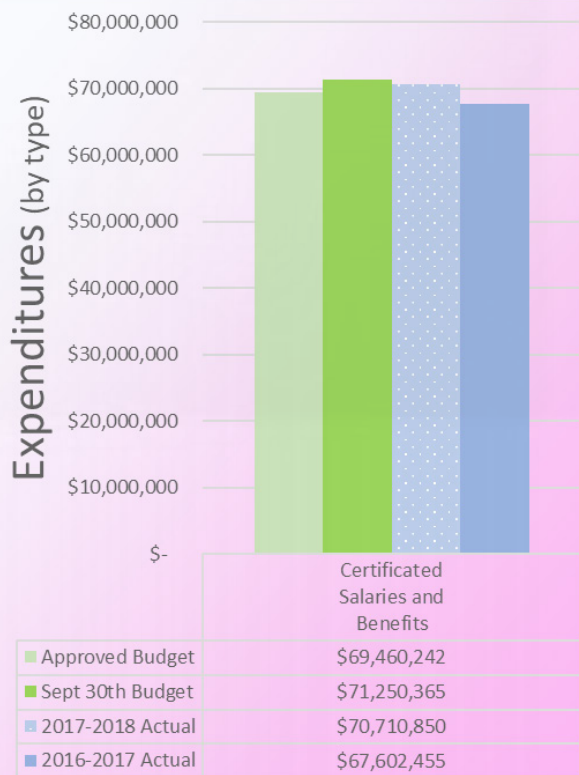
	Approved May Budget	September 30th Budget	2017-2018 Actual	2016-2017 Actual
<b>EXPENSES (by type)</b>				
Certificated Salaries and Benefits	\$ 69,460,242	\$ 71,250,365	\$ 70,710,850	\$ 67,602,455
Non-certificated Salaries and Benefits	\$ 27,445,618	\$ 30,390,378	\$ 28,237,952	\$ 26,861,713
Services, Contracts and Supplies	\$ 23,354,120	\$ 23,790,116	\$ 19,502,369	\$ 19,442,346
Amortization of TCA:				
Amortization of supported TCA	\$ 3,802,662	\$ 3,472,584	\$ 4,576,935	\$ 3,472,584
Amortization of unsupported TCA	\$ 407,121	\$ 465,310	\$ 561,250	\$ 465,310
Interest and Finance Charges:				
Supported Interest on Capital Debt	\$ 4,334	\$ 4,334	\$ 4,334	\$ 24,053
Other Interests and Finance Charges	\$ -	\$ -	\$ 57,594	\$ 62,497
Other Expenses:				
Losses on Disposal of TCA	\$ -	\$ -	\$ 4,303	\$ -
<b>Total expenses</b>	<b>\$ 124,474,097</b>	<b>\$ 129,373,087</b>	<b>\$ 123,655,587</b>	<b>\$ 117,930,959</b>



As shown above, over 80% of the District's expenses relate to staffing in salaries and benefits. According to the 2017 Economic Development survey, Lethbridge School District was considered the 3rd largest employer in the City of Lethbridge. This includes a wide range of staffing positions including teachers, educational assistants, principals, student support workers, administrative support, caretakers, maintenance staff, and multiple other positions to support student learning.

See the [Financial Charts & Graphs](#) section for additional review





### **Certificated Salaries and Benefits**

Certificated staffing includes all certificated teaching staff within the District (staff that have a teaching certificate). This includes all of the classroom teachers, principals, and other staff that require a teaching certificate such as lead teachers, instructional directors and superintendents.

Certificated salaries and benefits are budgeted to be higher in 2017/2018 by 4.57% due to the addition of 35.3 FTE of additional classroom teachers (up to a total of 601 FTE of certificated staff). Although this increase in teachers is an increase of 6.23% of staff, the costs only increased by 4.57% as the average budgeted cost per teacher decreased (hiring new teachers).

The operating budget (Sept 30th budget) was increased from the preliminary budget and the prior year as there was enrolment growth in the District and the District received the CIF grant to assist in class sizes.

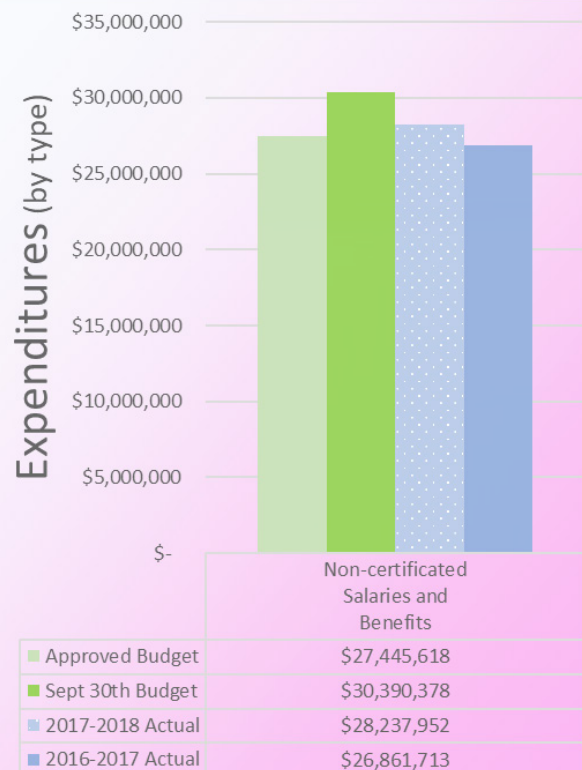
The 2017/2018 actuals were less than the operating budget as the actual average cost per teacher was less than budgeted due to increased retirements and the hiring of new teachers.

### **Non-Certificated Salaries and Benefits**

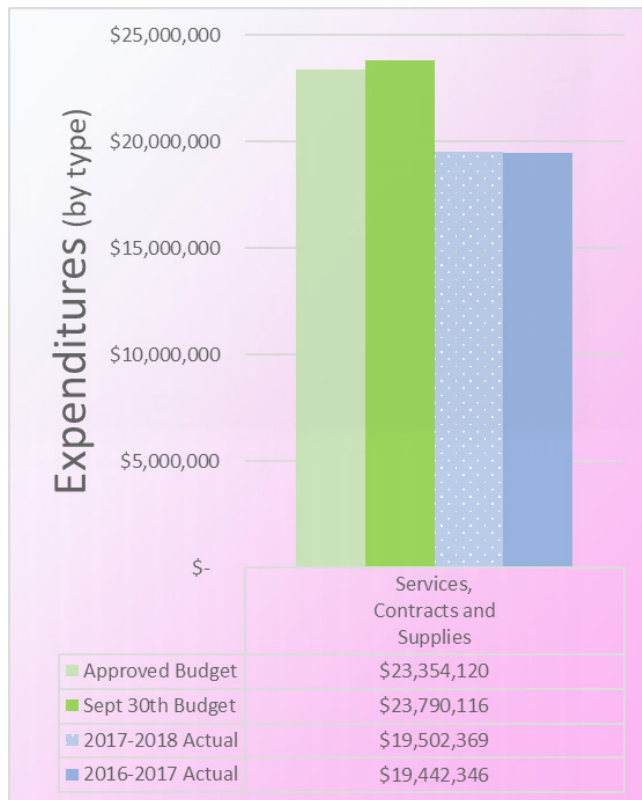
Non-certificated staff includes all of the support staff within the District (everyone else that does not specifically hold a teaching certificate). This includes all of the educational assistants, administrative support, caretakers, maintenance, and all other staffing positions.

Non-certificated salaries and benefits are budgeted to be higher in 2017-2018 by 7.87%. There was an increase of 39.5 Full Time Equivalent (FTE) support staff over the prior year. This increased the operating budget (Sept 30th budget) from both the preliminary budget and the prior year. This increase is also attributed to enrolment growth in the District and the receipt of the CIF grant (funding for educational assistants).

The 2017/2018 actuals were less than the operating budget as there were many support positions that were not able to be hired or that the positions were not filled until mid-year, specifically in relation to the educational assistant positions throughout the District.



## Operating Expenses (by type) - Continued



### **Services, Contracts, and Supplies**

Services, contracts, and supplies includes a wide variety of costs for the District. These can include consulting costs, IMR costs, maintenance costs, computer services, insurance, text books, classroom supplies, and other services/supplies.

Both the preliminary budget and the operating budget (Sept 30th budget) include the total available IMR funding that is available for projects and the total annual allotment for technology evergreening. The operating budget was also increased for the additional lease costs to the Society owned buildings.

The 2017/2018 actuals were less than the operating budget as the IMR costs were approx. \$2.1 million less than budget as the District was not able to complete all of the projected projects throughout the year and there was a change in the IMR grants that required that at least 1/3 of the projects to be capitalized. The technology evergreening funds were also not utilized so that they may be carried forward to the next evergreening cycle.

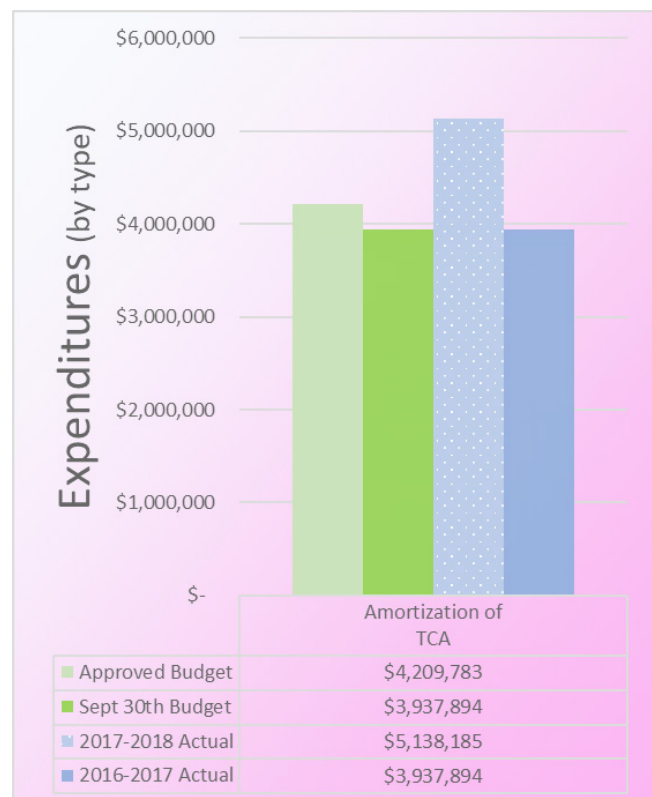
### **Amortization of TCA**

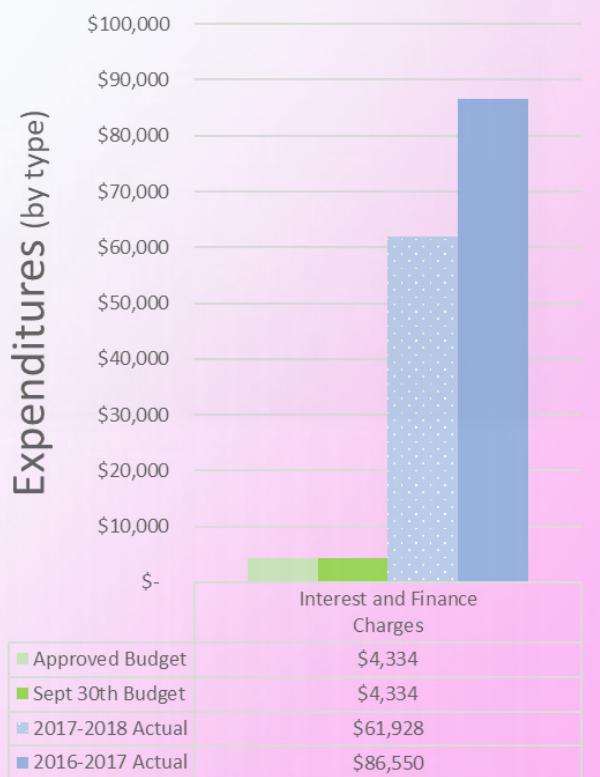
The amortization of tangible capital assets (TCA) is the systematic allocation of an asset to expense over a certain period of time. This is a non-cash transaction, in which, an asset is expensed over its projected useful life.

This reflects the supported amortization of capital assets that have been acquired through specific financial support by the Province of Alberta (such as school facilities) and unsupported amortization of capital assets that have been funded through the use of district operating funds.

The budget(s) are typically based on the prior year's amortization that has been recorded; whereas, the operating budget (Sept 30th budget) was updated to agree to the 2016/17 amortization.

The 2017/2018 amortization increased from the budgets and the prior year as there was significant amount of new TCA that came into service at the beginning of the school year, including the new elementary school (Coalbanks Elementary) and the modernization of Wilson Middle School.





### **Interest and Finance Charges**

Interest and finance charges mainly include service charges for online banking acceptance of credit cards, foreign currency exchange, and interest costs of supported debenture debt.

The budget(s) only include the interest costs on the debentures and did not specifically include budgeted foreign exchange or online fee payment costs.

The 2017/2018 actual are increased from the operating budget as there was an approx. \$57,600 of foreign exchange and online fee payment costs.

Overall, there was a decrease from the prior year as the prior year included \$24,000 of interest on supported debentures; whereas, this decreased to approx. \$4,000 in the current year. The supported debentures were fully repaid during the year.

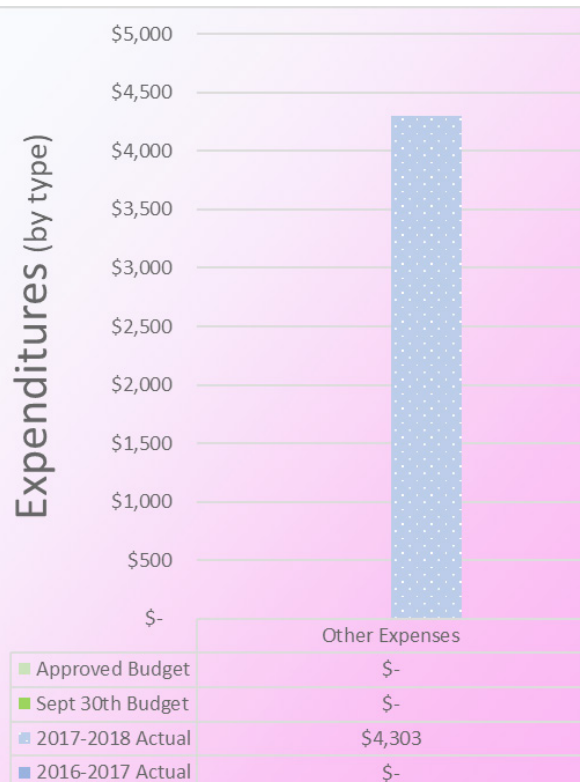
### **Other Expenses**

The other expenses include the losses on disposal of tangible capital assets (TCA) and any other expenses not specifically classified in the other types of expenses.

These types of expenses are not expected and therefore not specifically budgeted. Typically, any larger expected expenditures would have already been classified in the other expense types.

The 2017/2018 actual includes a loss on the disposal/trade-in of equipment. This loss on disposal incurs when the proceeds on the sale/trade-in is less than the net book value (NBV) of the asset at the time of the disposal.

There were no other expenses in the prior year.







## Other Statements, Schedules & Notes



All Statements, Schedules, and Notes that accompany the Audited Financial Statements provide useful information to understand the financial position and results of operations of the District. Some schedules and notes are included that help to provide additional data, accountability, and transparency.

Alberta Education provides each School District/Jurisdiction a financial statement template that is to be used for the preparation of the annual financial statements. This template includes the prescribed format for all statements and schedules required by the District. The tables within the notes to the financial statements are also provided in a prescribed format.

### Statement of Cash Flows

The Statement of Cash Flows summarizes the sources and uses of cash and cash equivalents. It reconciles the cash position of the District from the prior year using the operating revenues and expenses, capital funding and expenditures, investment and financing transactions.

As the revenues and expenses include “non-cash” transactions such as amortization expenses and the recognition of the expended deferred capital revenues, these “non-cash” transactions are removed from the income to indicate the actual cash effects.

### Statement of Changes in Net Financial Assets (Net Debt)

The Statement of Changes in Net Financial Assets (Net Debt) summarizes the changes in the Net Financial Assets. It reconciles the Net Financial Assets of the District from the prior year using the operating revenues and expenses, capital funding and expenditures, and changes in the other non-financial assets such as prepaid expenses and other non-financial assets (i.e. inventory).

### Statement of Remeasurement Gains and Losses

The Statement of Remeasurement Gains and Losses summarizes the unrealized gains and losses on portfolio and other investments. Currently, this is not applicable to the District.

## Schedules to the Financial Statements



There are a total of eleven (11) audited & unaudited schedules in the financial statements, which are used to provide details to the financial statements.

Schedules 1-7 are **audited schedules** and are included as part of the annual financial statements. These schedules include:

### **Schedule 1 - Schedule of Changes in Accumulative Surplus**

Provides details on the changes in the components of Accumulated Surplus, including the transfers to and from each of these components (i.e. transfers from unrestricted to a restricted reserve).

### **Schedule 2 - Schedule of Capital Revenue**

Provides a reconciliation of the deferred capital revenues. This includes both expended and unexpended capital revenues.

### **Schedule 3 - Schedule of Program Operations**

Provides the details of the revenues and expenses for each of the District's programs, including: Instruction - ECS, Instruction - Grades 1-12, Plant Operations and Maintenance, Transportation, Board & System Administration, and External Services).

### **Schedule 4 - Schedule of Plant Operations and Maintenance Expenses**

Provides the additional details on the expenses within Plant Operations and Maintenance. These include Custodial, Maintenance, Utilities/Telecommunications, IMR/Modular/Lease, Facilities, Unsupported and Supported expenditures.

### **Schedule 5 - Schedule of Cash, Cash Equivalents, and Portfolio Investments**

Provides details on the Cash and Investments, including interest rates, costs, market values, and maturity schedules.

### **Schedule 6 - Schedule of Capital Assets**

Provides details on the Tangible Capital Assets (TCA) including the historical costs, useful lives of the TCA, and the amount of amortization accumulated on the TCA. These details are provided for each of the major types of TCA (i.e. land, buildings, equipment, etc.)

### **Schedule 7 - Schedule of Remuneration and Monetary Incentives**

This schedule discloses the total remuneration, benefits, and other expenses for each of the District's Trustees. It also discloses information relating to the Superintendent, the Secretary Treasurer, and the totals for certified/non-certified staff.

*Schedules continued on next page...*

## Schedules to the Financial Statements - Continued



Schedule 8-11 are **unaudited schedules** that are included at the end of the annual financial statements and used to provide supplementary data to the financial statements. These schedules include:

### **Schedule 8 - Unaudited Schedule of Fee Revenues**

This unaudited schedule provides information on type and amount of fees being charged by the District. This schedule changed significantly from the prior years; whereas, it now provides details on carry-forward fee revenues.

### **Schedule 9 - Unaudited Schedule of Differential Funding**

This unaudited schedule provides information on programs within differential funding for the District providing specialized support (i.e. FNMI, PUF, ESL, Inclusive Education and Small Schools).

### **Schedule 10 - Unaudited Schedule of Central Administration Expenses**

This unaudited schedule provides information on the multiple departments/areas within Board & System Administration. It also indicates administrative costs within other major programs (i.e. technology costs in instructional activities).

### **Schedule 11 - Unaudited Schedule of Nutrition Program Expenditures**

This unaudited schedule provides information on the School Nutrition Program expenditures. This is a targeted grant and has been provided to schools throughout the District.

## Notes to the Financial Statements

The notes to the financial statements provide additional details for the financial statements. These notes are intended to help provide additional data, accountability, and transparency.

These notes include the following:

- Authority and Purpose
- Significant accounting policies
- Details of Financial Statement balances
- Disclosure of additional information not recorded in the financials
  - Contractual Obligations and Contingencies
  - Trusts under Administration
  - School Generated Funds details
  - Related Party Transactions
  - Economic Dependence



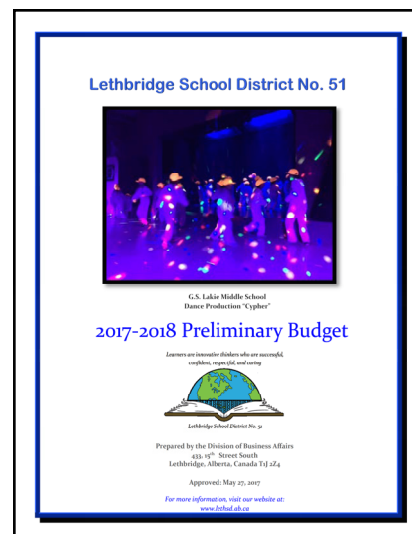
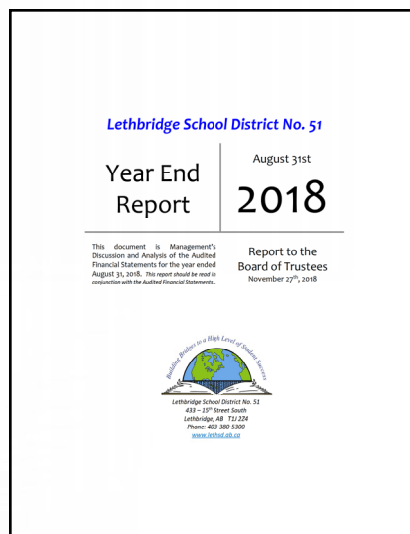
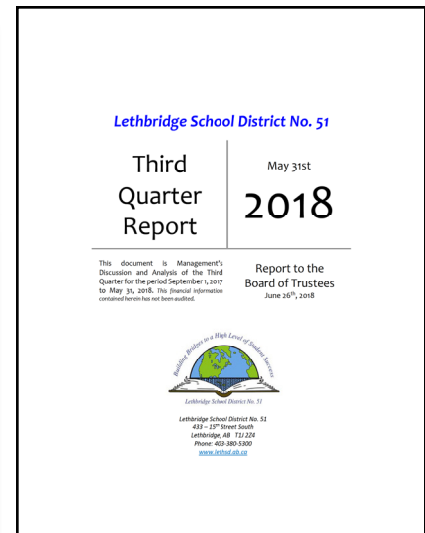
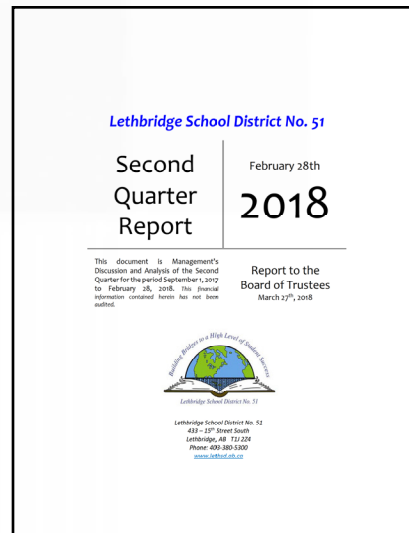
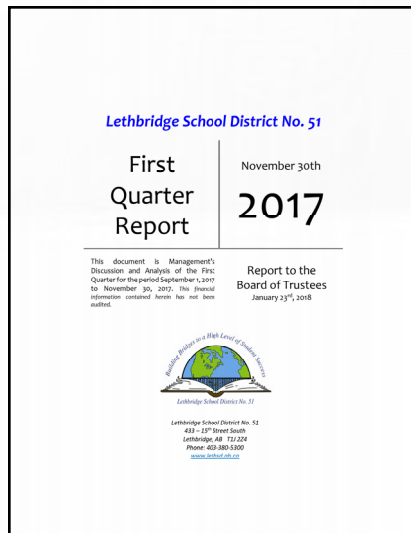


## Other Financial Reporting



The District has additional financial reporting available on our website for more in-depth reports on the budgets, financial statements, quarterly reporting, infographics, management discussion/analysis, and health indicators.

The following are the 2017/2018 quarterly and yearend reports which provide the details of the District's financial progress throughout the year:



[Click the Pages to go to the Reports Documents](#)

These financial reports and the other financial reporting are located:

[www.lethsd.ab.ca](http://www.lethsd.ab.ca) > Planning & Reporting > Financial Statements



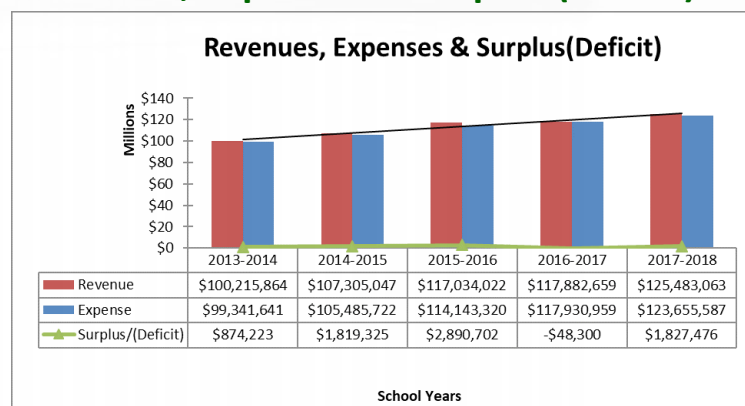
## Financial Health Indicators



Indicators of Financial Health help to measure how the School District is doing over time and alert management to any issues or concerns that should be addressed. Through Alberta Education, the District is able to compare specific indicators to other Alberta school jurisdictions that have similar student enrolment.

Note: Starting in 2014/2015, the District moved into a higher category of comparators (9,000 to 20,000 FTE category); whereas, prior years were compared to the lower categories. The “Comparable” ratios are the average for the similar sized school districts. The “All SD’s” are averages across the Province.

### Revenues, Expenses & Surplus (Deficit)



The chart indicates that we are a growing District due to the continual student enrolment growth.

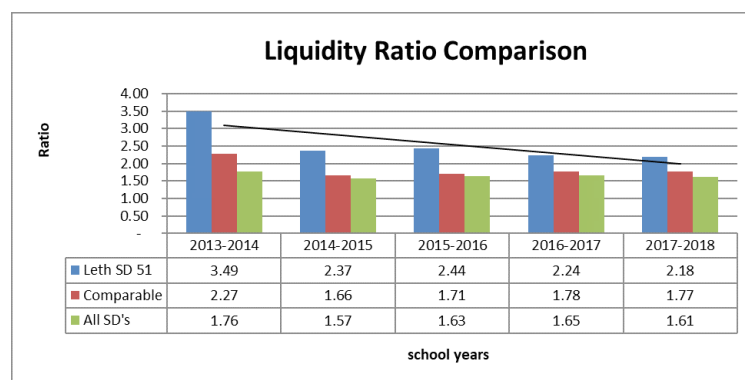
Growth is being shown in both the revenues and expenses. Revenues are impacted by enrolment and grant rate increases; while expenditures are primarily impacted by staffing decisions.

In 2015/2016 Immanuel Christian Elementary and High Schools joined the District which significantly increased both revenues and expenditures.

The 2016/2017 year included a deficit; whereas, the District had planned/budgeted a deficit for that year as there was savings from the average teacher costs being less than budgeted.

and was utilizing reserves to cover the technology evergreening costs. The 2016/2017 deficit was actually less than budgeted as there was savings from the average teacher costs being less than budgeted.

### Liquidity Ratio Comparison



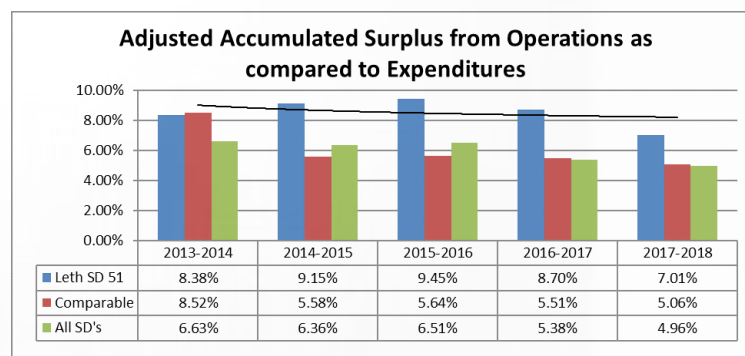
The chart shows that the District's liquidity ratio is greater than one and greater than the other comparable school districts. For school districts the liquidity ratio is measured by taking the financial assets less liabilities (excluding the EDCR deferred revenues as these are offset with supported TCA).

In 2014-2015 the District's liquidity decreased due to amounts owing on contractual obligations related to capital projects and has remained relatively consistent.

Overall, the District retains a high liquidity ratio indicating that the District can meet its short-term obligations and that the District has the ability to better respond to rapidly changing circumstances (as often required). The majority of the District's financial assets are comprised of cash and cash equivalents; therefore, further increasing the liquidity.



## Adjusted Accumulated Surplus from Operations



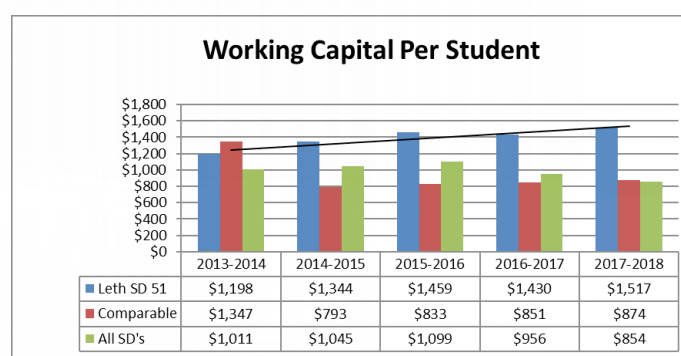
The chart indicates that the District has an Adjusted Accumulated Surplus (compared to expenditures) greater than the other comparable school districts, specifically compared to the 9,000 to 20,000 of student enrolment (2014-2015 onwards).

The higher ratio is due to the District having reserves to maintain the growth in the District. These reserves include specific reserves for new school resources/equipment, computer evergreening, and staff stability fund (will assist when % wage increases exceed % student growth).

Alberta Education has recommended that Districts retain an adjusted ASO ranging from 1-5% of operating expenses; whereas, they consider a district's financial health to be a concern if the adjusted ASO is less than 1%. The adjusted ASO excludes the reserves that are held in School Generated Funds (SGF).

The District has planned/budgeted to draw from these reserves over the past couple years; whereas, in 2017/2018 the District reduced its adjusted ASO to 7.01%. The adjusted ASO is still in the higher range (based on Alberta Education's recommendations) as the District has balances specifically set aside in reserves that will be utilized over the next couple years including funding new school start up costs (for newly constructed or in construction schools), funding a full-day kindergarten pilot project, new curriculum, literacy initiatives, and other special projects.

## Working Capital per Student



The chart indicates an overall trend of increases in the working capital per student. This is greater than the other comparable school districts, specifically compared to the 9,000 to 20,000 of student enrolment (2014-2015 onwards).

In 2016-2017, the working capital per student decreased mostly due to an increase in enrolment; whereas, the working capital remained relatively consistent.

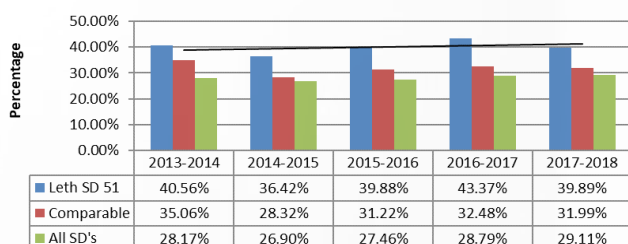
The District has ranged from \$1,198 to \$1,517 working capital per student, indicating an increase in working capital from year-to-year. This correlates to the funds held in ASO.





## Capital Asset Net Book Value

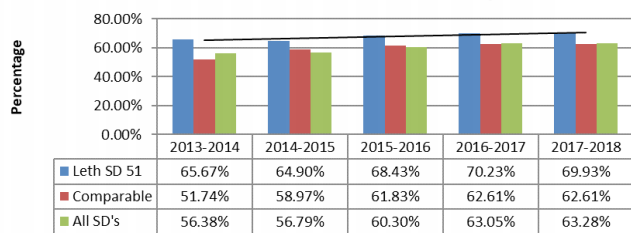
**Capital Asset Net Book Value to Cost Equipment and Vehicles**



In both the Capital Asset Net Book Value to Cost of Equipment/Vehicles and the Schools/Other Buildings charts indicates that we have greater ratios than the other comparable school districts. This effectively means that on average we have newer buildings, equipment, and vehicles than other school districts. A lower ratio may indicate that the capital assets may not be replaced on a regular basis.

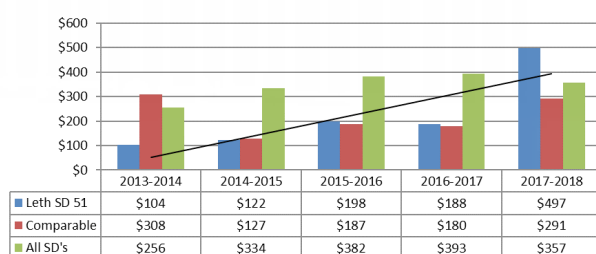
In relation to Schools and Other Buildings, the increases over the last couple of years correlate to the construction of the new school sites (Coalbanks Elementary School and the Senator Joyce Fairbairn Middle School) and the modernization of Wilson Middle School. These new schools have also had increases in equipment as new equipment has been acquired for these new sites.

**Capital Asset Net Book Value to Cost Schools and Other Buildings**



## Capital Reserves

**Capital Reserves Per Student**



The District puts funds into capital reserves for the future replacement of capital assets. Capital reserves per student indicates the amount of capital reserves on a per student basis.

It is important to compare both the Capital Reserves per student and Net Book Value compared to Historical Costs financial health indicators related to capital. There would be a concern if the Net Book Value to Cost percentage was very low and capital reserves were low.

During 2017/2018, the District revised their treatment of the Technology Evergreening program to capital reserves.

Overall, Lethbridge School District No. 51 has a strong financial health; whereas, the District seems to be in a strong financial position when in comparison to many of the other comparable Districts and to Districts throughout the Province. This is shown throughout this report, including liquidity, accumulated surplus, working capital, and in its tangible capital assets. This strong financial health can be contributed to sound financial management, planning, and governance.

## FUTURE OUTLOOKS FOR THE DISTRICT

Lethbridge School District No. 51 will continue to maintain its strong financial position. In looking ahead, the biggest challenges facing the District will be to manage the Province's plans for meeting the needs of the students with balancing fiscal realities of the current economic climate. The District will also need to manage the growth as it impacts both the student needs and the facility/resources requirements.

For Budget 2018/2019, the Provincial Government was able to maintain its funding levels for education, which allowed the District to continue to grow to meet the increasing student enrolment and maintain appropriate class-sizes. During 2019, there will be a Provincial election being held which always adds uncertainty for the District in relation to future funding. Should there be a change in government and/or a change in direction of education, it may lead to significant impacts for the District. The upcoming elections are also compounded by the current economic climate within the Province with lower provincial revenues from resources (i.e. oil & gas revenues) which has required Provincial budget deficits over the past couple years to maintain service levels.

In relation to managing growth, the District has recently been able to construct and open two new schools, Coalbanks Elementary School (opened in 2017/2018 school year) and Senator Joyce Fairbairn Middle School (opening for the 2018/2019 school year). The District has also received grant approval for the construction of a new elementary school in the Southeast side of Lethbridge and received modular facilities to add to some of our existing schools to alleviate enrolment growth pressures. Although these will significantly assist the District in managing the student growth; we are still reaching or at capacity in other areas of the City (i.e. elementary in the Westside of Lethbridge). The District will continue to advocate to the Provincial Government for additional facilities to keep up with the student growth.

The District is currently in a strong financial position due to the continual growth, sound financial management, planning, and governance; in which, this assists the District in balancing these needs with the financial realities. The use of the Board Priorities, stakeholder involvement, and effective budgeting should assist in these challenges.

Respectfully submitted,



Mark DeBoer, CPA, CA  
Director of Finance  
January 28, 2019







# **SECTION 3 - FINANCIAL STATEMENTS**



## Section 3 - FINANCIAL STATEMENTS

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*Note: The Annual Financial Statements are prepared on the Alberta Education's financial statement template. This template includes the prescribed format for all statements and schedules required by the District. The tables within the notes to the financial statements are also provided in a prescribed format.*

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**AUDITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2018**  
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

**Lethbridge School District No. 51**

Legal Name of School Jurisdiction

**433 - 15 Street S. Lethbridge AB T1J 2Z4**

Mailing Address

**(403) 380-5308 (403) 320-9117 mark.deboer@lethsd.ab.ca**

Contact Numbers and Email Address

**SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The financial statements of Lethbridge School District No. 51 presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with Canadian Public Sector Accounting Standards and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong system of budgetary control.

***Board of Trustees Responsibility***

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and approved the financial statements for release.

***External Auditors***

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors were given full access to school jurisdiction records.

***Declaration of Management and Board Chair***

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position, results of operations, remeasurement gains and losses, changes in net financial assets (debt), and cash flows for the year in accordance with Canadian Public Sector Accounting Standards.

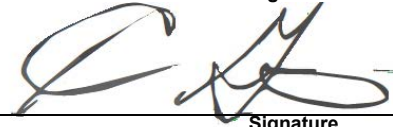
**BOARD CHAIR**

Clark Bosch  
Name

  
Signature

**SUPERINTENDENT**

Cheryl Gilmore  
Name

  
Signature

**SECRETARY-TREASURER OR TREASURER**

Christine Lee  
Name

  
Signature

November 27, 2018  
Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch  
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5  
EMAIL: EDC.FRA@gov.ab.ca  
PHONE: Ash: (780) 415-8940; Robert: (780) 427-3855 FAX: (780) 422-6996

Version 20181015



Tel: 403 328 5292  
Fax: 403 328 9534  
www.bdo.ca

BDO Canada LLP  
600 Lethbridge Centre Tower  
400 - 4 Avenue South  
Lethbridge AB T1J 4E1 Canada

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## Independent Auditor's Report

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### To Board of Trustees of Lethbridge School District No. 51

We have audited the accompanying financial statements of Lethbridge School District No. 51, which comprise the statement of financial position as at August 31, 2018, and the statements of operations, cash flows, change in net debt and remeasurement gains and losses for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Lethbridge School District No. 51 as at August 31, 2018 and the results of its operations, change in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Other Matters

Schedule of Fees, Schedule of Differential Funding, Schedule of Central Administration Expenses and Schedule of Nutrition Program Expenditures reflect additional information required by Alberta Education that is not required under Canadian public sector accounting standards. We were not engaged to audit this information and accordingly it is considered unaudited.

*BDO Canada LLP*

Chartered Professional Accountants

Lethbridge, Alberta  
November 27, 2018



**STATEMENT OF FINANCIAL POSITION**  
As at August 31, 2018 (in dollars)

		2018	2017
<b>FINANCIAL ASSETS</b>			
Cash and cash equivalents	(Schedule 5)	\$ 22,359,330	\$ 20,838,940
Accounts receivable (net after allowances)	(Note 3)	\$ 7,242,508	\$ 5,579,257
Portfolio investments	(Schedule 5)	\$ 74,540	\$ 83,918
Other financial assets		\$ -	\$ -
<b>Total financial assets</b>		<b>\$ 29,676,378</b>	<b>\$ 26,502,115</b>
<b>LIABILITIES</b>			
Bank indebtedness	(Note 4)	\$ -	\$ -
Accounts payable and accrued liabilities	(Note 5)	\$ 8,145,343	\$ 7,793,088
Deferred revenue	(Note 6)	\$ 140,236,540	\$ 131,181,244
Employee future benefits liabilities	(Note 7)	\$ 217,648	\$ 15,539
Liability for contaminated sites		\$ -	\$ -
Other liabilities		\$ -	\$ -
<b>Debt</b>			
Supported: Debentures and other supported debt	(Note 8)	\$ -	\$ 46,853
Unsupported: Debentures and capital loans		\$ -	\$ -
Mortgages		\$ -	\$ -
Capital leases		\$ -	\$ -
<b>Total liabilities</b>		<b>\$ 148,599,531</b>	<b>\$ 139,036,724</b>
<b>Net debt</b>		<b>\$ (118,923,153)</b>	<b>\$ (112,534,609)</b>
<b>NON-FINANCIAL ASSETS</b>			
Tangible capital assets	(Schedule 6)		
Land		\$ 1,715,118	\$ 1,715,118
Construction in progress		\$ 24,392,785	\$ 46,685,237
Buildings	\$ 169,140,712		
Less: Accumulated amortization	\$ (58,196,968)	\$ 110,943,744	\$ 80,839,909
Equipment	\$ 7,530,925		
Less: Accumulated amortization	\$ (4,645,541)	\$ 2,885,384	\$ 2,784,058
Vehicles	\$ 1,213,894		
Less: Accumulated amortization	\$ (654,955)	\$ 558,939	\$ 565,152
Computer Equipment	\$ 932,444		
Less: Accumulated amortization	\$ (516,604)	\$ 415,840	\$ 355,079
<b>Total tangible capital assets</b>		<b>\$ 140,911,810</b>	<b>\$ 132,944,553</b>
Prepaid expenses	(Note 9)	\$ 446,634	\$ 211,772
Other non-financial assets	(Note 10)	\$ 158,382	\$ 144,481
<b>Total non-financial assets</b>		<b>\$ 141,516,826</b>	<b>\$ 133,300,806</b>
<b>Accumulated surplus</b>	(Schedule 1; Note 11)	<b>\$ 22,593,673</b>	<b>\$ 20,766,197</b>
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 22,593,673	\$ 20,766,197
Accumulated remeasurement gains (losses)		\$ -	\$ -
		\$ 22,593,673	\$ 20,766,197
<b>Contingent assets and liabilities</b>	(Note 12)		
<b>Contractual rights</b>	(Note 13)		
<b>Contractual obligations</b>	(Note 14)		

The accompanying notes and schedules are part of these financial statements.

**STATEMENT OF OPERATIONS**  
For the Year Ended August 31, 2018 (in dollars)

	Budget 2018	Actual 2018	Actual 2017
<b>REVENUES</b>			
Alberta Education	\$ 115,955,687	\$ 118,222,903	\$ 111,305,259
Other - Government of Alberta	\$ 478,734	\$ 582,924	\$ 485,505
Federal Government and First Nations	\$ 268,928	\$ 387,100	\$ 317,681
Other Alberta school authorities	\$ -	\$ -	\$ -
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees (Schedule 8)	\$ 1,880,049	\$ 1,731,863	\$ 1,530,073
Other sales and services	\$ 1,060,926	\$ 1,244,744	\$ 1,317,898
Investment income	\$ 193,000	\$ 271,924	\$ 181,980
Gifts and donations	\$ 390,000	\$ 780,344	\$ 681,862
Rental of facilities	\$ 34,704	\$ 27,504	\$ 32,904
Fundraising	\$ 2,461,000	\$ 2,233,757	\$ 2,029,497
Gains on disposal of capital assets	\$ -	\$ -	\$ -
Other revenue	\$ -	\$ -	\$ -
<b>Total revenues</b>	<b>\$ 122,723,028</b>	<b>\$ 125,483,063</b>	<b>\$ 117,882,659</b>
<b>EXPENSES</b>			
Instruction - ECS	\$ 7,836,226	\$ 8,284,171	\$ 6,877,842
Instruction - Grades 1 - 12	\$ 93,914,522	\$ 93,989,288	\$ 91,002,015
Plant operations and maintenance (Schedule 4)	\$ 15,641,805	\$ 14,575,181	\$ 13,310,646
Transportation	\$ 2,774,000	\$ 2,339,053	\$ 2,477,281
Board & system administration	\$ 4,054,544	\$ 4,037,310	\$ 3,979,508
External services	\$ 253,000	\$ 430,584	\$ 283,667
<b>Total expenses</b>	<b>\$ 124,474,097</b>	<b>\$ 123,655,587</b>	<b>\$ 117,930,959</b>
<b>Operating surplus (deficit)</b>	<b>\$ (1,751,069)</b>	<b>\$ 1,827,476</b>	<b>\$ (48,300)</b>

The accompanying notes and schedules are part of these financial statements.

	Budget 2018	Actual 2018	Actual 2017
<b>Accumulated operating surplus (deficit) at beginning of year</b>	<b>\$ 20,766,197</b>	<b>\$ 20,766,197</b>	<b>\$ 20,814,497</b>
<b>Operating surplus (deficit)</b>	<b>\$ (1,751,069)</b>	<b>\$ 1,827,476</b>	<b>\$ (48,300)</b>
<b>Accumulated operating surplus (deficit) at end of year</b>	<b>\$ 19,015,128</b>	<b>\$ 22,593,673</b>	<b>\$ 20,766,197</b>

*Note: The above table is supplemental to the 2017/2018 Audited Financial Statement to assist in the reconciliation to the Accumulated Operating Surplus. This reconciliation has been added to the 2018/2019 financial statement template.*

**STATEMENT OF CASH FLOWS**  
For the Year Ended August 31, 2018 (in dollars)

	2018	2017
<b>CASH FLOWS FROM:</b>		
<b>A. OPERATING TRANSACTIONS</b>		
Operating surplus (deficit)	\$ 1,827,476	\$ (48,300)
Add (Deduct) items not affecting cash:		
Total amortization expense	\$ 5,138,185	\$ 3,937,897
Gains on disposal of tangible capital assets	\$ -	\$ -
Losses on disposal of tangible capital assets	\$ 4,303	\$ -
Expended deferred capital revenue recognition	\$ (4,576,935)	\$ (3,472,584)
Deferred capital revenue write-down / adjustment	\$ -	\$ 83,414
Donations in kind	\$ -	\$ -
Changes in:		
Accounts receivable	\$ (1,663,251)	\$ (51,121)
Prepays	\$ (234,862)	\$ 165,711
Other financial assets	\$ -	\$ -
Non-financial assets	\$ (13,901)	\$ 53,439
Accounts payable, accrued and other liabilities	\$ 352,255	\$ 514,080
Deferred revenue (excluding EDCR)	\$ 13,632,231	\$ 22,959,368
Employee future benefit liabilities	\$ 202,109	\$ (4,786)
Other (describe)	\$ -	\$ -
<b>Total cash flows from operating transactions</b>	<b>\$ 14,667,610</b>	<b>\$ 24,137,118</b>
<b>B. CAPITAL TRANSACTIONS</b>		
Purchases of tangible capital assets		
Land	\$ -	\$ -
Buildings	\$ (11,953,093)	\$ (20,632,132)
Equipment	\$ (842,814)	\$ (1,407,356)
Vehicles	\$ (97,994)	\$ (101,227)
Computer equipment	\$ (235,147)	\$ (177,496)
Net proceeds from disposal of unsupported capital assets	\$ 19,303	\$ -
Other (describe)	\$ -	\$ -
<b>Total cash flows from capital transactions</b>	<b>\$ (13,109,745)</b>	<b>\$ (22,318,211)</b>
<b>C. INVESTING TRANSACTIONS</b>		
Purchases of portfolio investments	\$ -	\$ -
Dispositions of portfolio investments	\$ 9,378	\$ 119
Remeasurement (gains) losses reclassified to the statement of operations	\$ -	\$ -
Other (Describe)	\$ -	\$ -
Other (describe)	\$ -	\$ -
<b>Total cash flows from investing transactions</b>	<b>\$ 9,378</b>	<b>\$ 119</b>
<b>D. FINANCING TRANSACTIONS</b>		
Issue of debt	\$ -	\$ -
Repayment of debt	\$ (46,853)	\$ (196,773)
Other factors affecting debt (describe)	\$ -	\$ -
Issuance of capital leases	\$ -	\$ -
Repayment of capital leases	\$ -	\$ -
Other (describe)	\$ -	\$ -
Other (describe)	\$ -	\$ -
<b>Total cash flows from financing transactions</b>	<b>\$ (46,853)</b>	<b>\$ (196,773)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>\$ 1,520,390</b>	<b>\$ 1,622,253</b>
<b>Cash and cash equivalents, at beginning of year</b>	<b>\$ 20,838,940</b>	<b>\$ 19,216,687</b>
<b>Cash and cash equivalents, at end of year</b>	<b>\$ 22,359,330</b>	<b>\$ 20,838,940</b>

The accompanying notes and schedules are part of these financial statements.



## STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)

For the Year Ended August 31, 2018 (in dollars)

	2018	2017
Operating surplus (deficit)	\$ 1,827,476	\$ (48,300)
Effect of changes in tangible capital assets		
Acquisition of tangible capital assets	\$ (13,129,048)	\$ (22,318,211)
Amortization of tangible capital assets	\$ 5,138,185	\$ 3,937,897
Net carrying value of tangible capital assets disposed of	\$ 23,606	\$ 83,414
Write-down carrying value of tangible capital assets	\$ -	\$ -
Other changes	\$ -	\$ -
<b>Total effect of changes in tangible capital assets</b>	<b>\$ (7,967,257)</b>	<b>\$ (18,296,900)</b>
Changes in:		
Prepaid expenses	\$ (234,862)	\$ 165,711
Other non-financial assets	\$ (13,901)	\$ 53,439
Net remeasurement gains and (losses)	\$ -	\$ -
Endowments	\$ -	\$ -
<b>Increase (decrease) in net financial assets (net debt)</b>	<b>\$ (6,388,544)</b>	<b>\$ (18,126,050)</b>
<b>Net financial assets (net debt) at beginning of year</b>	<b>\$ (112,534,609)</b>	<b>\$ (94,408,559)</b>
<b>Net financial assets (net debt) at end of year</b>	<b>\$ (118,923,153)</b>	<b>\$ (112,534,609)</b>

The accompanying notes and schedules are part of these financial statements.

## STATEMENT OF REMEASUREMENT GAINS AND LOSSES

For the Year Ended August 31, 2018 (in dollars)

	2018	2017
<b>Accumulated remeasurement gains (losses) at beginning of year</b>	\$ -	\$ -
Prior Period Adjustment 1 (Describe)	\$ -	\$ -
Prior Period Adjustment 2 (Describe)	\$ -	\$ -
Unrealized gains (losses) attributable to:		
Portfolio investments	\$ -	\$ -
Other	\$ -	\$ -
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ -	\$ -
Other	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -
<b>Accumulated remeasurement gains (losses) at end of year</b>	\$ -	\$ -

The accompanying notes and schedules are part of these financial statements.

**SCHEDULE 1**

School Jurisdiction Code:

3040

**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS**  
for the Year Ended August 31, 2018 (in dollars)

	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
Balance at August 31, 2017	\$ 20,766,197	\$ -	\$ 20,766,197	\$ 5,764,643	\$ 319,874	\$ 836,684	\$ 11,923,484	\$ 1,921,512
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2017	\$ 20,766,197	\$ -	\$ 20,766,197	\$ 5,764,643	\$ 319,874	\$ 836,684	\$ 11,923,484	\$ 1,921,512
Operating surplus (deficit)	\$ 1,827,476		\$ 1,827,476			\$ 1,827,476		
Board funded tangible capital asset additions								
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ 737,981		\$ (123,381)	\$ -	\$ (614,600)
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ (23,607)		\$ 23,607		\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -	\$ -	\$ -		\$ -		\$ -
Endowment expenses & disbursements	\$ -		\$ -		\$ -	\$ -		
Endowment contributions	\$ -		\$ -		\$ -	\$ -		
Reinvested endowment income	\$ -		\$ -		\$ -	\$ -		
Direct credits to accumulated surplus (Describe)	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets	\$ -			\$ (5,138,185)		\$ 5,138,185		
Capital revenue recognized	\$ -			\$ 4,576,935		\$ (4,576,935)		
Debt principal repayments (unsupported)	\$ -			\$ -		\$ -		
Additional capital debt or capital leases	\$ -			\$ -		\$ -		
Net transfers to operating reserves	\$ -					\$ (201,101)	\$ 201,101	
Net transfers from operating reserves	\$ -					\$ 1,794,551	\$ (1,794,551)	
Net transfers to capital reserves	\$ -					\$ (3,961,248)		\$ 3,961,248
Net transfers from capital reserves	\$ -					\$ -		\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2018	\$ 22,593,673	\$ -	\$ 22,593,673	\$ 5,917,767	\$ 319,874	\$ 757,838	\$ 10,330,034	\$ 5,268,160



# **SCHEDULE 1**

School Jurisdiction Code: 3040

## **SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS** for the Year Ended August 31, 2018 (in dollars)

	INTERNALLY RESTRICTED RESERVES BY PROGRAM													
	School & Instruction Related			Operations & Maintenance			Board & System Administration			Transportation			External Services	
	Operating Reserves	Capital Reserves		Operating Reserves	Capital Reserves		Operating Reserves	Capital Reserves		Operating Reserves	Capital Reserves		Operating Reserves	Capital Reserves
Balance at August 31, 2017	\$ 9,974,948	\$ 597,376		\$ 776,885	\$ 668,023		\$ 562,972	\$ 503,392		\$ 545,560	\$ 152,721		\$ 63,119	\$ -
Prior period adjustments:														
	\$ -	\$ -		\$ -	\$ -		\$ -	\$ -		\$ -	\$ -		\$ -	\$ -
	\$ -	\$ -		\$ -	\$ -		\$ -	\$ -		\$ -	\$ -		\$ -	\$ -
Adjusted Balance, August 31, 2017	\$ 9,974,948	\$ 597,376		\$ 776,885	\$ 668,023		\$ 562,972	\$ 503,392		\$ 545,560	\$ 152,721		\$ 63,119	\$ -
Operating surplus (deficit)														
Board funded tangible capital asset additions	\$ -	\$ (451,675)		\$ -	\$ (162,925)		\$ -	\$ -		\$ -	\$ -		\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported assets	\$ -	\$ -			\$ -			\$ -		\$ -	\$ -			\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported assets	\$ -	\$ -			\$ -			\$ -		\$ -	\$ -			\$ -
Net remeasurement gains (losses) for the year														
Endowment expenses & disbursements														
Endowment contributions														
Reinvested endowment income														
Direct credits to accumulated surplus (Describe)	\$ -	\$ -		\$ -	\$ -		\$ -	\$ -		\$ -	\$ -		\$ -	\$ -
Amortization of tangible capital assets														
Capital revenue recognized														
Debt principal repayments (unsupported)														
Additional capital debt or capital leases														
Net transfers to operating reserves	\$ -			\$ -			\$ -			\$ 61,990			\$ 139,111	
Net transfers from operating reserves	\$ (1,322,433)			\$ (414,108)			\$ (58,010)			\$ -			\$ -	
Net transfers to capital reserves		\$ 3,352,974			\$ 106,573			\$ 338,980			\$ 162,721			\$ -
Net transfers from capital reserves		\$ -			\$ -			\$ -			\$ -			\$ -
Other Changes	\$ -	\$ -		\$ -	\$ -		\$ -	\$ -		\$ -	\$ -		\$ -	\$ -
Other Changes	\$ -	\$ -		\$ -	\$ -		\$ -	\$ -		\$ -	\$ -		\$ -	\$ -
Balance at August 31, 2018	\$ 8,652,515	\$ 3,498,675		\$ 362,777	\$ 611,671		\$ 504,962	\$ 842,372		\$ 607,550	\$ 315,442		\$ 202,230	\$ -

**SCHEDULE OF CAPITAL REVENUE  
(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)  
for the Year Ended August 31, 2018 (in dollars)**

	Unexpended Deferred Capital Revenue				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects <sup>(A)</sup>	Surplus from Provincially Approved Projects <sup>(B)</sup>	Proceeds on Disposal of Provincially Funded Tangible Capital Assets <sup>(C)</sup>	Unexpended Deferred Capital Revenue from Other Sources <sup>(D)</sup>	
<b>Balance at August 31, 2017</b>	\$ 343,757	\$ -	\$ -	\$ -	\$ 127,179,909
Prior period adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2017	\$ 343,757	\$ -	\$ -	\$ -	\$ 127,179,909
<b>Add:</b>					
Unexpended capital revenue <u>received</u> from:					
Alberta Education capital funding (excl. IMR)	\$ 2,724,004				
Alberta Infrastructure school building & modular projects	\$ 5,070,748				
Infrastructure Maintenance & Renewal capital related to school facilities	\$ 1,011,667				
Other sources:	\$ -			\$ -	
Other sources:	\$ -			\$ -	
Unexpended capital revenue <u>receivable</u> from:					
Alberta Education capital funding (excl. IMR)	\$ -				
Alberta Infrastructure school building & modular projects	\$ 3,738,688				
Other sources:	\$ -			\$ -	
Other sources:	\$ -			\$ -	
Interest earned on unexpended capital revenue	\$ -	\$ -	\$ -	\$ -	
Other unexpended capital revenue:				\$ -	
Proceeds on disposition of supported capital			\$ -	\$ -	
Insurance proceeds (and related interest)			\$ -	\$ -	
Donated tangible capital assets:					\$ -
Alberta Infrastructure managed projects					\$ -
Transferred in (out) tangible capital assets (amortizable, @ net book value)					\$ -
Expended capital revenue - current year	\$ (12,391,070)	\$ -	\$ -	\$ -	\$ 12,391,070
Surplus funds approved for future project(s)	\$ -	\$ -			
Other adjustments:	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Deduct:</b>					
Supported tangible capital dispositions					\$ -
Other adjustments:	\$ -	\$ -	\$ -	\$ -	\$ -
Capital revenue recognized - Alberta Education					\$ 4,576,935
Capital revenue recognized - Other Government of Alberta					\$ -
Capital revenue recognized - Other revenue					\$ -
<b>Balance at August 31, 2018</b>	\$ 497,794	\$ -	\$ -	\$ -	\$ 134,994,044
	(A)	(B)	(C)	(D)	
<b>Balance of Unexpended Deferred Capital Revenue at August 31, 2018 (A) + (B) + (C) + (D)</b>				\$ 497,794	

**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. Please specify department if funds received from a source other than Alberta Education.
- (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 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.

**SCHEDULE 3**

School Jurisdiction Code: 3040

**SCHEDULE OF PROGRAM OPERATIONS**  
for the Year Ended August 31, 2018 (in dollars)

	2018										2017
	REVENUES										
		Instruction	Plant Operations and Maintenance	Transportation	Board & System Administration		External Services	TOTAL			
	ECS	Grades 1 - 12									TOTAL
(1) Alberta Education	\$ 8,401,921	\$ 88,528,336	\$ 14,569,733	\$ 12,734	\$ 2,538,044	\$ 4,174,829	\$ 10,040	\$ 118,222,903	\$ 111,305,259		
(2) Other - Government of Alberta	\$ -	\$ 570,190	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 582,924	\$ 485,505		
(3) Federal Government and First Nations	\$ -	\$ 373,164	\$ -	\$ -	\$ -	\$ 13,936	\$ -	\$ 387,100	\$ 317,681		
(4) Other Alberta school authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
(5) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
(6) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
(7) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
(8) Fees	\$ 271,552	\$ 1,460,311	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,731,863	\$ 1,530,073		
(9) Other sales and services	\$ -	\$ 495,719	\$ -	\$ -	\$ -	\$ 18,512	\$ 730,513	\$ 1,244,744	\$ 1,317,898		
(10) Investment income	\$ -	\$ 232,135	\$ 15,000	\$ -	\$ 15,000	\$ 9,789	\$ -	\$ 271,924	\$ 181,980		
(11) Gifts and donations	\$ -	\$ 780,344	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 780,344	\$ 681,862		
(12) Rental of facilities	\$ -	\$ -	\$ 27,504	\$ -	\$ -	\$ -	\$ -	\$ 27,504	\$ 32,904		
(13) Fundraising	\$ -	\$ 2,233,757	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,233,757	\$ 2,029,497		
(14) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
(15) Other revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
(16) TOTAL REVENUES	\$ 8,673,473	\$ 94,673,956	\$ 14,624,971	\$ 2,553,044	\$ 4,217,066	\$ 740,553	\$ 125,483,063	\$ 117,882,659			
EXPENSES											
(17) Certificated salaries	\$ 2,872,793	\$ 52,984,239				\$ 650,008	\$ 78,642	\$ 56,585,682	\$ 54,137,708		
(18) Certificated benefits	\$ 112,239	\$ 13,820,912				\$ 176,528	\$ 15,489	\$ 14,125,168	\$ 13,464,747		
(19) Non-certificated salaries and wages	\$ 4,131,396	\$ 12,610,575	\$ 3,285,014	\$ 67,909	\$ 21,872,899	\$ 1,778,005	\$ -	\$ 21,872,899	\$ 20,807,010		
(20) Non-certificated benefits	\$ 950,980	\$ 3,770,215	\$ 1,179,696	\$ 18,476	\$ 6,365,053	\$ 445,686	\$ -	\$ 6,365,053	\$ 6,054,704		
(21) SUB - TOTAL	\$ 8,067,408	\$ 83,185,941	\$ 4,464,710	\$ 86,385	\$ 98,948,802	\$ 3,050,227	\$ 94,131	\$ 98,948,802	\$ 94,464,169		
(22) Services, contracts and supplies	\$ 216,763	\$ 9,886,578	\$ 5,974,261	\$ 2,239,947	\$ 19,502,369	\$ 848,367	\$ 336,453	\$ 19,502,369	\$ 19,442,343		
(23) Amortization of supported tangible capital assets	\$ -	\$ 547,589	\$ 3,979,609	\$ -	\$ 4,576,935	\$ 49,737	\$ -	\$ 4,576,935	\$ 3,472,584		
(24) Amortization of unsupported tangible capital assets	\$ -	\$ 311,586	\$ 147,964	\$ 12,721	\$ 561,250	\$ 88,979	\$ -	\$ 561,250	\$ 465,313		
(25) Supported interest on capital debt	\$ -	\$ -	\$ 4,334	\$ -	\$ 4,334	\$ -	\$ -	\$ 4,334	\$ 24,053		
(26) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
(27) Other interest and finance charges	\$ -	\$ 57,594	\$ -	\$ -	\$ 57,594	\$ -	\$ -	\$ 57,594	\$ 62,497		
(28) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ 4,303	\$ -	\$ 4,303	\$ -	\$ -	\$ 4,303	\$ -		
(29) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
(30) TOTAL EXPENSES	\$ 8,284,171	\$ 93,989,288	\$ 14,575,181	\$ 2,339,053	\$ 4,037,310	\$ 430,584	\$ 309,969	\$ 123,655,587	\$ 117,930,959		
(31) OPERATING SURPLUS (DEFICIT)	\$ 389,302	\$ 684,668	\$ 49,790	\$ 213,991	\$ 179,756	\$ 309,969	\$ 1,827,476	\$ (48,300)			



**SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE EXPENSES**  
for the Year Ended August 31, 2018 (in dollars)

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	Supported Capital & Debt Services	2018 TOTAL Operations and Maintenance	2017 TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$ 2,712,391	\$ 491,304	\$ -	\$ -	\$ 81,319			\$ 3,285,014	\$ 3,416,827
Uncertificated benefits	\$ 910,146	\$ 237,889	\$ -	\$ -	\$ 31,661			\$ 1,179,696	\$ 1,024,570
Sub-total Remuneration	\$ 3,622,537	\$ 729,193	\$ -	\$ -	\$ 112,980			\$ 4,464,710	\$ 4,441,397
Supplies and services	\$ 289,177	\$ 2,205,148	\$ -	\$ 1,200,887	\$ 14,404			\$ 3,709,616	\$ 3,462,758
Electricity			\$ 1,323,496					\$ 1,323,496	\$ 1,306,632
Natural gas/heating fuel			\$ 428,435					\$ 428,435	\$ 414,772
Sewer and water			\$ 179,836					\$ 179,836	\$ 177,400
Telecommunications			\$ 43,451					\$ 43,451	\$ 19,717
Insurance					\$ 289,427			\$ 289,427	\$ 266,122
ASAP maintenance & renewal payments							\$ -	\$ -	\$ -
Amortization of tangible capital assets									
Supported							\$ 3,979,609	\$ 3,979,609	\$ 3,090,601
Unsupported						\$ 147,964		\$ 147,964	\$ 107,194
Total Amortization						\$ 147,964	\$ 3,979,609	\$ 4,127,573	\$ 3,197,795
Interest on capital debt									
Supported							\$ 4,334	\$ 4,334	\$ 24,053
Unsupported						\$ -		\$ -	\$ -
Lease payments for facilities				\$ -				\$ -	\$ -
Other interest charges						\$ -		\$ -	\$ -
Losses on disposal of capital assets						\$ 4,303		\$ 4,303	\$ -
TOTAL EXPENSES	\$ 3,911,714	\$ 2,934,341	\$ 1,975,218	\$ 1,200,887	\$ 416,811	\$ 152,267	\$ 3,983,943	\$ 14,575,181	\$ 13,310,646

<b>SQUARE METRES</b>									
School buildings								123,332.0	117,556.6
Non school buildings								5,525.0	5,525.0

**Note:**

**Custodial:** All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.

**Maintenance:** All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.

**Utilities & Telecommunications:** All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.

**Expensed IMR & Modular Unit Relocation & Lease Pmts:** All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects, modular unit (portable) relocation, and payments on leased facilities.

**Facility Planning & Operations Administration:** All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, supervision of employees & contractors, school facility planning & project 'administration', administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.

**Unsupported Amortization & Other Expenses:** All expenses related to unsupported capital assets amortization and interest on unsupported capital debt.

**Supported Capital & Debt Services:** All expenses related to supported capital assets amortization and interest on supported capital debt.

**SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS**  
for the Year Ended August 31, 2018 (in dollars)

**Cash & Cash Equivalents**

	2018			2017
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash		\$ 22,359,330	\$ 22,359,330	\$ 20,838,940
Cash equivalents				
Government of Canada, direct and guaranteed	0.00%	-	-	-
Provincial, direct and guaranteed	0.00%	-	-	-
Corporate	0.00%	-	-	-
Municipal	0.00%	-	-	-
Pooled investment funds	0.00%	-	-	-
Other, including GIC's	0.00%	-	-	-
Total cash and cash equivalents	0.00%	\$ 22,359,330	\$ 22,359,330	\$ 20,838,940

**Portfolio Investments**

	2018			2017	
	Average Effective (Market) Yield	Cost	Fair Value	Balance	Balance
Long term deposits	0.00%	\$ -	\$ -	\$ -	\$ -
Guaranteed investment certificates	0.54%	74,540	74,540	74,540	83,918
Fixed income securities					
Government of Canada, direct and guaranteed	0.00%	\$ -	\$ -	\$ -	\$ -
Provincial, direct and guaranteed	0.00%	-	-	-	-
Municipal	0.00%	-	-	-	-
Corporate	0.00%	-	-	-	-
Pooled investment funds	0.00%	-	-	-	-
Total fixed income securities	0.00%	-	-	-	-
Equities					
Canadian	0.00%	\$ -	\$ -	\$ -	\$ -
Foreign	0.00%	-	-	-	-
Total equities	0.00%	-	-	-	-
Supplemental integrated pension plan assets	0.00%	\$ -	\$ -	\$ -	\$ -
Restricted investments	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Total portfolio investments	0.54%	\$ 74,540	\$ 74,540	\$ 74,540	\$ 83,918

The following represents the maturity structure for portfolio investments based on principal amount:

	2018	2017
Under 1 year	100.0%	100.0%
1 to 5 years	0.0%	0.0%
6 to 10 years	0.0%	0.0%
11 to 20 years	0.0%	0.0%
Over 20 years	0.0%	0.0%
	100.0%	100.0%

**SCHEDULE 6**School Jurisdiction Code: **3040**

**SCHEDULE OF CAPITAL ASSETS**  
for the Year Ended August 31, 2018 (in dollars)

**Tangible Capital Assets**

	2018						2017
	Land	Construction In Progress	Buildings 20-40 Years	Equipment 3-10 Years	Vehicles 5-10 Years	Computer Hardware & Software 3-5 Years	Total
<b>Historical cost</b>							
Beginning of year	\$ 1,715,118	\$ 46,685,237	\$ 134,895,167	\$ 6,708,041	\$ 1,135,712	\$ 697,297	\$ 191,836,572
Prior period adjustments	-	-	-	-	-	-	-
Additions	-	9,380,131	2,572,962	842,814	97,994	235,147	13,129,048
Transfers in (out)	-	(31,672,583)	31,672,583	-	-	-	-
Less disposals including write-offs	-	-	-	(19,930)	(19,812)	-	(39,742)
Historical cost, August 31, 2018	\$ 1,715,118	\$ 24,392,785	\$ 169,140,712	\$ 7,530,925	\$ 1,213,894	\$ 932,444	\$ 204,925,878
<b>Accumulated amortization</b>							
Beginning of year	\$ -	\$ -	\$ 54,055,258	\$ 3,923,983	\$ 570,560	\$ 342,218	\$ 58,892,019
Prior period adjustments	-	-	-	-	-	-	-
Amortization	-	-	4,141,710	723,330	98,759	174,386	5,138,185
Other additions	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	(1,772)	(14,364)	-	(16,136)
Accumulated amortization, August 31, 2017	\$ -	\$ -	\$ 58,196,968	\$ 4,645,541	\$ 654,955	\$ 516,604	\$ 64,014,068
<b>Net Book Value at August 31, 2018</b>	\$ 1,715,118	\$ 24,392,785	\$ 110,943,744	\$ 2,885,384	\$ 558,939	\$ 415,840	\$ 140,911,810
<b>Net Book Value at August 31, 2017</b>	\$ 1,715,118	\$ 46,685,237	\$ 80,839,909	\$ 2,784,058	\$ 565,152	\$ 355,079	\$ 132,944,553

	2018	2017
Total cost of assets under capital lease	\$ -	\$ -
Total amortization of assets under capital lease	\$ -	\$ -

*Note: Donated (contributed) tangible capital assets are recognized at fair market value at the date of donation. There were no donations of tangible capital assets that were received during the year (2017 - \$nil).*

**SCHEDULE 7**

School Jurisdiction Code: 3040

**SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES  
for the Year Ended August 31, 2018 (in dollars)**

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other Paid	Other Accrued Unpaid Benefits	Expenses
Mich Forster - Chair (Sept 2017 to Oct 2017)	0.17	\$4,883	\$165	\$0			\$0	\$0
Clark Bosch - Chair (Oct 2017 to Aug 2018)	0.83	\$27,969	\$1,651	\$0			\$0	\$3,838
Tyler Demers	1.00	\$24,962	\$1,632	\$0			\$0	\$3,569
Jan Foster	1.00	\$26,959	\$992	\$0			\$0	\$534
Keith Fowler (Sept 2017 to Oct 2017)	0.17	\$3,712	\$255	\$0			\$0	\$0
Donna Hunt	1.00	\$24,524	\$974	\$0			\$0	\$3,365
Doug James (Oct 2017 to Aug 2018)	0.83	\$20,443	\$1,214	\$0			\$0	\$719
Don Lacey (Sept 2017 to Oct 2017)	0.17	\$4,217	\$275	\$0			\$0	\$0
Christine Light (Oct 2017 to Aug 2018)	0.83	\$20,006	\$1,327	\$0			\$0	\$405
Lola Major	1.00	\$23,474	\$967	\$0			\$0	\$3,094
	-							
	-							
<b>Subtotal</b>	<b>7.00</b>	<b>\$181,149</b>	<b>\$9,452</b>	<b>\$0</b>			<b>\$0</b>	<b>\$15,524</b>
Cheryl Gilmore, Superintendent	1.00	\$215,859	\$36,697	\$5,000	\$0	\$0	\$0	\$8,449
Christine Lee, Secretary Treasurer	1.00	\$183,519	\$35,822	\$5,000	\$0	\$0	\$0	\$3,244
Don Lussier, Secretary Treasurer	0.33	\$81,950	\$9,448	\$1,667	\$0	\$0	\$0	\$0
Certificated		\$56,369,823	\$14,053,707	\$29,764	\$0	\$0	\$0	
School based	593.03							
Non-School based	20.60							
Non-certificated		\$21,426,281	\$6,196,907	\$106,757	\$0	\$0	\$0	
Instructional	425.22							
Plant Operations & Maintenance	61.65							
Transportation	1.00							
Other	31.40							
<b>TOTALS</b>	<b>1,142.23</b>	<b>\$78,458,581</b>	<b>\$20,342,033</b>	<b>\$148,188</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$27,217</b>



# Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2018

## 1. AUTHORITY AND PURPOSE

Lethbridge School District No. 51 delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The School District receives funding for instruction and support under Education Grants Regulation (AR 120/2008). The regulation allows for the setting of conditions and use of grant monies. The School District is limited on certain funding allocations and administration expenses.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the CPA Canadian Public Sector Accounting Standards (PSAS). The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

### a) Cash and Cash Equivalents

Cash and cash equivalents include cash and investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These short-term investments have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

### b) Accounts Receivable

Accounts receivable are shown net of allowance for doubtful accounts.

### c) Portfolio Investments

The School District has investments in GIC's that have a maturity of greater than three months. GIC's not quoted in an active market are reported at cost or amortized cost.

Impairment is defined as a loss in value of a portfolio investment that is other than a temporary decline and is included in the Statement of Operations. In the case of an item in the fair value category, a reversal of any net remeasurement gains recognized in previous reporting periods up to the amount of the write-down is reported in the Statement of Remeasurement Gains and Losses. The loss is not reversed if there is a subsequent increase in value.

# Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2018

## d) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the asset. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value at the date of donation, except in circumstances where fair value cannot be reasonably determined, when they are then recognized at nominal value. Transfers of capital assets from related parties are recorded at original cost less accumulated amortization.
- Construction-in-progress is recorded as a transfer to the applicable asset class at substantial completion.
- Sites and buildings are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. For supported assets, the write-downs are accounted for as reductions to Expended Deferred Capital Revenue (EDCR).
- Buildings that are demolished or destroyed are written-off.
- Tangible capital assets with costs in excess of \$5,000 are capitalized.
- Tangible capital assets are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	20 to 40 years
Vehicles	5 to 10 years
Computer Hardware & Software	3 to 5 years
Other Equipment & Furnishings	3 to 10 years

## e) Deferred Revenue

Deferred revenue includes contributions received for operations which have stipulations that meet the definition of a liability per *Public Sector Accounting Standards (PSAS) Section PS 3200*. These contributions are recognized by the School District once it has met all eligibility criteria to receive the contributions. When stipulations are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability.

# Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2018

Deferred revenue also includes contributions for capital expenditures, unexpended and expended:

- Unexpended Deferred Capital Revenue

Unexpended Deferred Capital Revenue (UDCR) represents externally restricted supported capital funds provided for a specific capital purposes received or receivable by the jurisdiction, but the related expenditure has not been made at year-end. These contributions must also have stipulations that meet the definition of a liability per *PS 3200* when expended.

- Expended Deferred Capital Revenue

Expended Deferred Capital Revenue (EDCR) represent externally restricted supported capital funds that have been expended but have yet to be amortized over the useful life of the related capital asset. Amortization over the useful life of the related capital asset is due to certain stipulations related to the contributions that require that the school jurisdiction to use the asset in a prescribed manner over the life of the associated asset.

f) Employee Future Benefits

The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include accumulating sick leave, banked time and various qualifying compensated absences.

g) Operating and Capital Reserves

Certain amounts are internally or externally restricted for future operating or capital purposes. Transfers to and from reserves are recorded when approved by the Board of Trustees. Capital reserves are restricted to capital purposes and may only be used for operating purposes with approval by the Minister of Education. Reserves are disclosed in the Schedule of Change in Accumulated Surplus.

h) Revenue Recognition

Revenues are recorded on an accrual basis. Instruction and support allocations are recognized in the year to which they relate. Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Contributed services are not recognized in the financial statements.

*Eligibility criteria* are criteria that the School District has to meet in order to receive the contributions. *Stipulations* describe how the School District must use the contributions or the actions it must perform in order to keep the contributions.

Contributions without eligibility criteria or stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity.

# Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2018

Contributions with eligibility criteria but without stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity and all eligibility criteria have been met.

Contributions with or without eligibility criteria but with stipulations are recognized as revenue in the period the stipulations are met, except when and to the extent that the contributions give rise to an obligation that meets the definition of a liability in accordance with *PS 3200*. Such liabilities are recorded as deferred revenue. The following items fall under this category:

- Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year the stipulated related expenses are incurred;
- Unexpended deferred capital revenue; or
- Expended deferred capital revenue

## i) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

### Allocation of Costs

- Actual salaries of personnel assigned to two or more programs are allocated based on the time spent in each program.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

## j) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current and past service costs of the Alberta Teachers' Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers' Pension Plan Act, Lethbridge School District No. 51 does not make pension contributions for certificated staff. The Government portion of the current service contribution to the Alberta Teachers' Retirement Fund on behalf of the jurisdiction is included in both revenues and expenses. For the school year ended August 31, 2018, the amount contributed by the Government was \$6.573 million (2017 - \$6.396 million).

The School District participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$1.80 million for the year ended August 31, 2018 (2017 - \$1.87 million). At December 31, 2017, the Local Authorities Pension Plan reported an actuarial surplus of \$4,835,515,000 (2016, a deficiency of \$637,357,000).



# Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2018

## k) Program Reporting

The District's operations have been segmented as follows:

**ECS-** The provision of Early Childhood Services education instructional services that fall under the basic public education mandate.

**Grade 1 - 12 Instruction.** The provision of instructional services for grades 1 - 12 that fall under the basic public education mandate.

**Plant Operations and Maintenance.** The operation and maintenance of all school buildings and maintenance shop facilities.

**Transportation.** The provision of regular and special education bus services (to/from school), whether contracted or board operated, including transportation facilities.

**Board & System Administration.** The provision of board governance and system-based/central office administration.

**External Services.** All projects, activities, and services offered outside the public education mandate for ECS children and students in grades 1-12. Services offered beyond the mandate for public education are to be self-supporting, and Alberta Education funding may not be utilized to support these programs.

The allocation of revenues and expenses are reported by program, source, object and type on the Schedule of Program Operations. Respective instruction expenses include the cost of certificated teachers, non-certificated teaching assistants as well as a proportionate share of supplies and services, school administration and instructional support, and System Instructional Support.

## l) Scholarship Endowment Funds

Contributions and income pertaining to scholarship endowment funds are recognized on the Statement of Operations must be held in perpetuity in accordance with the agreement with the donor. The residual may be disbursed for the purposes of the scholarship.

Reinvestment of the endowment principal represents a direct increase to accumulated surplus. Undisbursed funds earned on endowment principal is recognized as deferred revenue or as revenue in the year to the extent that stipulations have been met.

## m) Trusts Under Administration

The School District has property that has been transferred or assigned to it to be administered or directed by a trust agreement or statute. The District holds title to the property for the benefit of the beneficiary.

Trusts under administration have been excluded from the financial reporting of the District. Trust balances can be found in Note 15.

# **Lethbridge School District No. 51**

Notes to Financial Statements

August 31, 2018

## **n) Financial Instruments**

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The School District recognizes a financial instrument when it becomes a party to a financial instrument contract.

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, accounts payable and accrued liabilities, and long term debt. Unless otherwise noted, it is management's opinion that the School District is not exposed to significant credit and liquidity risks, or market risk, which includes currency, interest rate, and other price risks.

All financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of items in the cost or amortized cost upon initial recognition. The gain or loss arising from derecognition of a financial instrument is recognized in the Statement of Operations. Impairment losses such as write-downs or write-offs are reported in the Statement of Operations.

## **o) Measurement Uncertainty**

The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization, and estimated employee benefits.

The cost of non-vesting sick time benefits should be actuarially determined using the projected unit credit method pro-rata on service and using management's best estimate of expected salary escalation, benefit usage, termination and retirement rates and mortality. Currently there has not been any actuarial valuation used in the determination of the sick time that has been accrued. Management has estimated the accrual of sick time based on historical use over the annual sick time allotment, and recorded a portion of the time estimated.

## **p) Change in Accounting Policy**

The division has prospectively adopted the following standards from September 1, 2017: PS 3210 Assets, PS 3320 Contingent Assets, PS 3380 Contractual Rights, PS 2200 Related Party Disclosures, PS 3420 Inter-Entity Transactions, which are reflected in Note 12, Note 13, Note 14 and Note 17.

## **q) Future Accounting Changes**

The Public Sector Accounting Board has issued the following accounting standards:

- PS 3430 Restructuring Transactions (effective April 1, 2018)

This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities.

# Lethbridge School District No. 51

Notes to Financial Statements  
August 31, 2018

- PS 3280 Asset Retirement Obligations (effective April 1, 2021)

Effective April 1, 2021, this standard provides guidance on how to account for and report a liability for retirement of a tangible capital asset.

Management is currently assessing the impact of these standards on the financial statements.

## 3. ACCOUNTS RECEIVABLE

	2018			2017
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Alberta Education - Grants	\$ 150,563	\$ -	\$ 150,563	\$ 565,715
Alberta Education - Capital		-	-	3,858,239
Alberta Infrastructure - Capital	5,673,217	-	5,673,217	-
Treasury Board and Finance - Supported debenture principal	-	-	-	46,853
Treasury Board and Finance - Accrued interest on supported debentures	-	-	-	2,707
Alberta Health	35,215	-	35,215	-
Federal government	890,611	-	890,611	748,299
Other	492,902	-	492,902	357,444
Total	\$ 7,242,508	\$ -	\$ 7,242,508	\$ 5,579,257

## 4. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit with the Royal Bank of Canada in the amount of \$500,000 that bears interest at the bank prime rate. This line of credit is secured by a borrowing resolution and a security agreement, covering all revenue of the jurisdiction. There is no outstanding line of credit balance at August 31, 2018.

## 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2018	2017
Alberta Education	\$ 73,717	\$ 40,094
Alberta Capital Finance Authority (Interest on long-term debt - Supported)	-	2,707
Accrued vacation pay liability	638,859	616,285
Other trade payables and accrued liabilities	7,432,767	7,134,002
Total	\$ 8,145,343	\$ 7,793,088

# Lethbridge School District No. 51

Notes to Financial Statements  
August 31, 2018

## 6. DEFERRED REVENUE

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2017	ADD: 2017/2018 Restricted Funds Received/ Receivable	DEDUCT: 2017/2018 Restricted Funds Expended (Paid / Payable)	ADD (DEDUCT): 2017/2018 Adjustments for Returned Funds	DEFERRED REVENUE as at Aug. 31, 2018
<b>Unexpended deferred operating revenue</b>					
<b>Alberta Education:</b>					
Infrastructure Maintenance Renewal	\$ 2,996,917	\$ 2,360,556	\$ (1,200,888)	\$ -	\$ 4,156,585
School Nutrition Program	-	115,000	(89,527)	-	25,473
Enhancing Leadership Capacity	84,462	-	(84,462)	-	-
<b>Other Government of Alberta:</b>					
Southwest Child and Family Services	28,813	97,490	(89,766)	-	36,537
Alberta Mental Health	12,942	384,113	(390,898)	-	6,157
<b>Other Deferred Revenue:</b>					
School Generated Funds	107,681	88,823	(107,681)	-	88,823
Fees	337,534	330,983	(337,534)	-	330,983
Donations	-	-	-	-	-
Program Grants	89,229	246,838	(235,923)	-	100,144
<b>Total unexpended deferred operating revenue</b>	<b>\$ 3,657,578</b>	<b>\$ 3,623,803</b>	<b>\$ (2,536,679)</b>	<b>\$ -</b>	<b>\$ 4,744,702</b>
<b>Unexpended deferred capital revenue (Schedule 2)</b>	<b>343,757</b>	<b>12,545,107</b>	<b>(12,391,070)</b>	<b>-</b>	<b>497,794</b>
<b>Expended deferred capital revenue (Schedule 2)</b>	<b>127,179,909</b>	<b>12,391,070</b>	<b>(4,576,935)</b>	<b>-</b>	<b>134,994,044</b>
<b>Total</b>	<b>\$ 131,181,244</b>	<b>\$ 28,559,980</b>	<b>\$ (19,504,684)</b>	<b>\$ -</b>	<b>\$ 140,236,540</b>

## 7. EMPLOYEE FUTURE BENEFIT LIABILITY

Employee future benefit liabilities consist of the following:

	2018	2017
Defined benefit pension plan liability	\$ -	\$ -
Accumulating sick pay liability (vested)	-	-
Accumulating sick pay liability (non-vested)	203,548	-
Other compensated absences	14,100	15,539
<b>Total</b>	<b>\$ 217,648</b>	<b>\$ 15,539</b>

The District's caretaking and maintenance employees accumulate sick time to a maximum of 75 working days in accordance with the CUPE 290 collective agreement. The accumulated amount is reduced when sick time is taken. When an employee leaves employment with the District, their accumulated sick time is not paid out. As of August 31, 2018, management has accrued \$203,548 (2017 - \$nil) for estimated sick time benefits. Refer to significant accounting policies section for additional details (Note 1(o) – Measurement Uncertainty).



## Lethbridge School District No. 51

Notes to Financial Statements  
August 31, 2018

### 8. DEBT

	2018	2017
Supported debenture outstanding at August 31, 2018 have been fully repaid during the year.	\$ -	\$ 46,853

#### Debenture Debt –Supported

The debenture debt is fully supported by Alberta Finance and was fully repaid during the year.

### 9. PREPAID EXPENSES

Prepaid Expenses consists of the following:

	2018	2017
Prepaid insurance	\$ 65,044	\$ 60,001
Prepaid Software Licensing / Maintenance Costs	204,461	84,581
Other Supplies and Materials	177,129	67,190
Total	\$ 446,634	\$ 211,772

### 10. OTHER NON-FINANCIAL ASSETS

Other non-financial assets consists of the following:

	2018	2017
Inventory	\$ 158,382	\$ 144,481

# Lethbridge School District No. 51

Notes to Financial Statements  
August 31, 2018

## 11. ACCUMULATED SURPLUS

The School jurisdiction's accumulated surplus is summarized as follows:

	2018	2017
Unrestricted surplus	\$ 757,838	\$ 836,684
Operating reserves	10,330,034	11,923,484
Accumulated surplus (deficit) from operations	11,087,872	12,760,168
Investment in tangible capital assets	5,917,767	5,764,643
Capital reserves	5,268,160	1,921,512
Endowments <sup>(1)</sup>	319,874	319,874
Accumulated remeasurement gains (losses)	-	-
Accumulated surplus (deficit)	\$ 22,593,673	\$ 20,766,197

Included in Accumulated surplus from operations are school generated funds to which the Division has no claim. Adjusted accumulated surplus represents funds owned by Lethbridge School District No. 51.

	2018	2017
Accumulated surplus (deficit) from operations	\$ 11,087,872	\$ 12,760,168
Deduct: School generated funds included in accumulated surplus (Note 16)	2,424,478	2,494,335
Adjusted accumulated surplus (deficit) from operations <sup>(2)</sup>	\$ 8,663,394	\$ 10,265,833

(1) Terms of the endowments stipulate that the principal balance be maintained permanently. Investment income of \$41,293 (2017 - \$40,001) is externally restricted for scholarships and is included in deferred revenue. Investment income of \$271,924 (2017 - \$181,980) is unrestricted.

(2) Accumulated surplus represents funding available for use by the school jurisdiction after deducting funds committed for use by the schools.

# Lethbridge School District No. 51

Notes to Financial Statements  
August 31, 2018

## 12. CONTINGENT ASSETS AND LIABILITIES

- a) The jurisdiction is a member of Urban Schools Insurance Consortium (USIC). Under the terms of its membership, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. The jurisdiction's share of the pool as at August 31, 2018 is \$215,091 (2017 - \$212,533).

None of these contingent assets nor liabilities involve related parties. These amounts have not been recognized in the financial statements.

## 13. CONTRACTUAL RIGHTS

Contractual rights are rights of the division to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met.

	2018	2017
Contractual rights from capital project agreements <sup>(1)</sup>	\$ 3,067,207	\$ 11,726,438
Contractual rights from service agreements	-	-
Other	-	-
Total	\$ 3,067,207	\$ 11,726,438

1) Capital Project Agreements are capital grant agreements with Alberta Infrastructure of \$2,249,907 (2017 - \$nil) and Alberta Education of \$817,300 (2017 - \$11,726,438) which are related parties to the school jurisdiction.

Estimated amounts that will be received or receivable for each of the next five years and thereafter are as follows:

	Capital Project Agreements	Service Agreements	Other
2018-2019	\$ 2,658,557	\$ -	\$ -
2019-2020	408,650	-	-
2020-2021	-	-	-
2021-2022	-	-	-
2022-2023	-	-	-
Thereafter	-	-	-
Total	\$ 3,067,207	\$ -	\$ -

Subsequent to yearend, Lethbridge School District No 51 entered into a capital grant agreement with Alberta Infrastructure for the construction phase of the South Lethbridge Elementary School resulting in future capital grant funding of \$18,161,788. The capital project is planned to be started in 2018/2019 and is to be constructed for opening in the 2021-2022 school year.

# Lethbridge School District No. 51

## Notes to Financial Statements

August 31, 2018

### 14. CONTRACTUAL OBLIGATIONS

	2018	2017
Building projects <sup>(1)</sup>	\$ 1,090,892	\$ 7,666,396
Building leases	-	-
Service providers <sup>(2)</sup>	5,366,115	7,169,829
Total	\$ 6,457,007	\$ 14,836,225

1) Buildings projects: The jurisdiction is committed for capital expenditures of \$980,600 of a \$21.0 million construction of a new middle school. The jurisdiction is also committed for capital expenditures of \$110,300 of a \$668,000 of architectural costs towards a new elementary school. It is anticipated that these costs will be fully funded from capital revenues from Alberta Infrastructure.

2) Service providers: As of August 31, 2018, the jurisdiction has \$5.366 million (2017 - \$7.170 million) in commitments relating to service contracts.

Estimated payment requirement for each of the next five years and thereafter are as follows:

	Building Projects	Building Leases	Service Providers
2018-2019	\$ 1,090,892	\$ -	\$ 1,429,474
2019-2020	-	-	1,429,474
2020-2021	-	-	1,429,474
2021-2022	-	-	1,077,693
2022-2023	-	-	-
Thereafter	-	-	-
Total	\$ 1,090,892	\$ -	\$ 5,366,115



# Lethbridge School District No. 51

Notes to Financial Statements  
August 31, 2018

## 15. TRUSTS UNDER ADMINISTRATION

These balances represent assets that are held in trust by the jurisdiction. They are not recorded on the statements of the School District.

	2018	2017
Scholarship trusts	\$ 180,593	\$ 173,924
Chinook Regional Foundation for Career Transitions	94,042	188,038
Regional Learning Consortium (Banker board)	343,197	304,324
Total	\$ 617,832	\$ 666,286

## 16. SCHOOL GENERATED FUNDS

	2018	2017
School Generated Funds, Beginning of Year	\$ 2,602,016	\$ 2,186,009
Gross Receipts:		
Fees	1,304,669	1,314,824
Fundraising	2,170,109	2,102,419
Gifts and donations	710,971	509,639
Grants to schools	-	-
Other sales and services	289,947	106,807
Total gross receipts	4,475,696	4,033,689
Total Related Expenses and Uses of Funds	1,677,398	1,573,565
Total Direct Costs Including Cost of Goods Sold to Raise Funds	2,887,013	2,044,117
School Generated Funds, End of Year	\$ 2,513,301	\$ 2,602,016
Balance included in Deferred Revenue*	\$ 88,823	\$ 107,681
Balance included in Accumulated Surplus (Operating Reserves)**	\$ 2,424,478	\$ 2,494,335

# Lethbridge School District No. 51

Notes to Financial Statements

August 31, 2018

## 17. RELATED PARTY TRANSACTIONS

Related parties are those consolidated or accounted for on the modified equity basis in the Government of Alberta Consolidated Financial Statements. Related parties also include key management personnel in division and their close family members.

All entities that are consolidated in the accounts of the Government of Alberta are related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions, and other school jurisdictions in Alberta.

	Balances		Transactions	
	Financial Assets (at cost or net realizable value)	Liabilities (at amortized cost)	Revenues	Expenses
<b>Government of Alberta (GOA):</b>				
Alberta Education				
Accounts receivable / Accounts payable	\$ 150,563	\$ 73,717		
Prepaid expenses / Deferred operating revenue	-	4,182,058		
Unexpended deferred capital revenue		497,794		
Expended deferred capital revenue		134,994,044	7,320,322	
Grant revenue & expenses			111,645,595	
ATRF payments made on behalf of district			6,572,974	
Other revenues & expenses			-	42,021
<b>Other Alberta school jurisdictions</b>	-	-	-	34,281
Alberta Treasury Board and Finance (Principal)	-			
Alberta Treasury Board and Finance (Accrued interest)	-		4,334	
Alberta Health	35,215	6,157	384,113	1,015
Post-secondary institutions	-	-	-	65,292
Alberta Infrastructure	5,673,217	-	5,070,748	-
<b>Other:</b>				
Alberta Capital Financing Authority		-		4,334
Southwest Child and Family Services	-	36,537	97,490	-
<b>TOTAL 2017/2018</b>	<b>\$ 5,858,995</b>	<b>\$ 139,790,307</b>	<b>\$ 131,095,576</b>	<b>\$ 146,943</b>
<b>TOTAL 2016/2017</b>	<b>\$ 4,473,514</b>	<b>\$ 130,689,601</b>	<b>\$ 133,718,816</b>	<b>\$ 166,358</b>

The division and its employees paid or collected certain taxes and amounts set by regulation or local policy. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

## **Lethbridge School District No. 51**

Notes to Financial Statements

August 31, 2018

### **18. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY**

The jurisdiction's primary source of income is from the Alberta Government. The District's ability to continue viable operations is dependent on this funding.

### **19. BUDGET AMOUNTS**

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on May 27<sup>th</sup>, 2017. It is presented for information purposes only and has not been audited.

### **20. COMPARATIVE FIGURES**

The comparative figures have been reclassified where necessary to conform to the 2017-2018 presentation.

**UNAUDITED SCHEDULE OF FEES**  
for the Year Ending August 31, 2018 (in dollars)

	Actual Fees Collected 2016/2017	Budgeted Fee Revenue 2017/2018	(A) Actual Fees Collected 2017/2018	(B) Unexpended September 1, 2017*	(C) Funds Raised to Defray Fees 2017/2018	(D) Expenditures 2017/2018	(A) + (B) + (C) - (D) Unexpended Balance at August 31, 2018*
<b>Transportation Fees</b>	\$782	\$300	\$0	\$0	\$0	\$0	\$0
<b>Basic Instruction Fees</b>							
Basic instruction supplies	\$0	\$5,240	\$0	\$0	\$0	\$0	\$0
<b>Fees to Enhance Basic Instruction</b>							
Technology user fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Alternative program fees	\$7,252	\$450	\$7,770	\$6,601	\$0	\$7,634	\$6,737
Fees for optional courses	\$213,663	\$285,223	\$342,715	\$81,992	\$0	\$355,694	\$69,013
Activity fees	\$13,747	\$320,622	\$24,045	\$3,625	\$0	\$26,525	\$1,145
Early childhood services	\$302,064	\$0	\$275,503	\$397	\$0	\$274,849	\$1,051
Other fees to enhance education	\$37,790	\$32,930	\$4,075	\$113,207	\$0	\$3,354	\$113,928
<b>Non-Curricular fees</b>							
Extracurricular fees	\$717,867	\$461,481	\$799,659	\$187,919	\$0	\$800,223	\$187,355
Non-curricular travel	\$38,648	\$367,300	\$69,495	\$908	\$0	\$67,615	\$2,788
Lunch supervision and noon hour activity fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-curricular goods and services	\$198,260	\$406,203	\$208,601	\$225,780	\$0	\$205,451	\$228,930
Other Fees	\$0	\$300	\$0	\$0	\$0	\$0	\$0
<b>TOTAL FEES</b>	\$1,530,073	\$1,880,049	\$1,731,863	\$620,429	\$0	\$1,741,345	\$610,947

\*Unexpended balances cannot be less than \$0

	Please disclose amounts paid by parents of students that are recorded as "Other sales and services", "Fundraising", or "Other revenue" (rather than fee revenue):	Actual 2018	Actual 2017
Cafeteria sales, hot lunch, milk programs		\$0	\$0
Special events, graduation, tickets		\$0	\$0
International and out of province student revenue		\$730,513	\$369,617
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)		\$103,901	\$106,277
Adult education revenue		\$0	\$0
Preschool		\$0	\$0
Child care & before and after school care		\$0	\$0
Lost item replacement fee		\$0	\$0
Other (Describe)		\$0	\$0
Other (Describe)		\$0	\$0
Other (Describe)		\$0	\$0
<b>TOTAL</b>		\$834,414	\$475,894



**UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING**  
for the Year Ended August 31, 2018 (in dollars)

	PROGRAM AREA				
	First Nations, Metis & Inuit (FNMI)	ECS Program Unit Funding (PUF)	English as a Second Language (ESL)	Inclusive Education	Small Schools by Necessity (Revenue only)
Funded Students in Program	785	257	1,020		
Federally Funded Students	32				
<b>REVENUES</b>					
Alberta Education allocated funding	\$ 933,644	\$ 4,513,195	\$ 948,665	\$ 8,000,499	\$ 93,679
Other funding allocated by the board to the program	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL REVENUES</b>	\$ 933,644	\$ 4,513,195	\$ 948,665	\$ 8,000,499	\$ 93,679
<b>EXPENSES (Not allocated from BASE, Transportation, or other funding)</b>					
Instructional certificated salaries & benefits	\$ 670,382	\$ 534,943	\$ 1,046,410	\$ 3,022,405	
Instructional non-certificated salaries & benefits	\$ 508,425	\$ 3,680,420	\$ 51,814	\$ 8,016,880	
<b>SUB TOTAL</b>	\$ 1,178,807	\$ 4,215,363	\$ 1,098,224	\$ 11,039,285	
Supplies, contracts and services	\$ 60,340	\$ 29,344	\$ 7,956	\$ 87,206	
Program planning, monitoring & evaluation	\$ -	\$ 78,590	\$ -	\$ 91,298	
Facilities (required specifically for program area)	\$ -	\$ 63,306	\$ -	\$ -	
Administration (administrative salaries & services)	\$ -	\$ 131,778	\$ -	\$ 563,945	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
<b>TOTAL EXPENSES</b>	\$ 1,239,147	\$ 4,518,381	\$ 1,106,180	\$ 11,781,734	
<b>NET FUNDING SURPLUS (SHORTFALL)</b>	\$ (305,503)	\$ (5,186)	\$ (157,515)	\$ (3,781,235)	

**SCHEDULE 10**

UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES for the Year Ended August 31, 2018 (in dollars)									
EXPENSES	Allocated to Board & System Administration			Allocated to Other Programs			TOTAL		
	Salaries & Benefits	Supplies & Services	Other	Salaries & Benefits	Supplies & Services	Other	Salaries & Benefits	Supplies & Services	Other
Office of the superintendent	\$ 444,179	\$ 73,672	\$ -	\$ -	\$ -	\$ -	\$ 517,851	\$ -	\$ -
Educational administration (excluding superintendent)	\$ 320,753	\$ 26,146	\$ -	\$ -	\$ -	\$ -	\$ 346,899	\$ -	\$ -
Business administration	\$ 812,875	\$ 270,074	\$ -	\$ -	\$ -	\$ -	\$ 1,082,949	\$ -	\$ -
Board governance (Board of Trustees)	\$ 210,738	\$ 154,547	\$ -	\$ -	\$ -	\$ -	\$ 365,285	\$ -	\$ -
Information technology	\$ -	\$ 144,508	\$ -	\$ -	\$ 824,282	\$ -	\$ 144,508	\$ 824,282	\$ -
Human resources	\$ 704,532	\$ 66,885	\$ -	\$ -	\$ -	\$ -	\$ 771,417	\$ -	\$ -
Central purchasing, communications, marketing	\$ 314,647	\$ 7,969	\$ -	\$ -	\$ -	\$ -	\$ 322,616	\$ -	\$ -
Payroll	\$ 170,749	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 170,749	\$ -	\$ -
Administration - insurance			\$ 104,198				\$ 104,198		
Administration - amortization			\$ 138,716				\$ 138,716		
Administration - other (admin building, interest)			\$ -				\$ -		
Occupational Health and Safety	\$ 71,754	\$ 368	\$ -	\$ -	\$ -	\$ -	\$ 72,122	\$ -	\$ -
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL EXPENSES</b>	\$ 3,050,227	\$ 744,169	\$ 242,914	\$ -	\$ 824,282	\$ -	\$ 4,037,310	\$ 1,168,888	\$ -
									\$ 6,030,480

School Jurisdiction Code: **3040****SCHEDULE 11**

Average Estimated # of Students Served Per Meal: 243.00

**UNAUDITED SCHEDULE OF NUTRITION PROGRAM EXPENDITURES**  
for the Year Ending August 31, 2018

		Budget 2018	2018
<b>REVENUES</b>			
Alberta Education - current		\$ 115,000	\$ 115,000
Alberta Education - prior year		\$ -	\$ -
Other Funding		\$ -	\$ -
<b>TOTAL REVENUES</b>		<b>\$ 115,000</b>	<b>\$ 115,000</b>
<b>EXPENSES</b>			
Salaries & Benefits	FTE		
Project Coordinator	0.52	\$ 22,515	\$ 16,347
Cook		\$ -	\$ -
Other (please describe)		\$ -	\$ -
Other (please describe)		\$ -	\$ -
Other (please describe)		\$ -	\$ -
Food Supplies		\$ 73,675	\$ 57,882
Office Supplies		\$ -	\$ -
Small Kitchenwares (e.g. toaster, measuring cups/spoons, bowls, cutting boards)		\$ 5,300	\$ 3,255
Non-Capitalized Assets			
Microwave		\$ 130	\$ -
Refrigerator		\$ 1,850	\$ 1,940
Stove		\$ 1,700	\$ 1,727
Tables		\$ 4,865	\$ 5,319
Toaster		\$ 915	\$ 900
Dishwasher		\$ 700	\$ 711
Other		\$ 400	\$ 68
Training (e.g. workshops, training materials)		\$ 300	\$ 90
Contracted Services (please describe)		\$ -	\$ -
Other Expenses			
Kitchen Aprons		\$ 165	\$ 100
Food Delivery		\$ 100	\$ 1,088
Family/Nutritional Educational Nights		\$ 1,242	\$ -
Cleaning and Sanitation Supplies		\$ 1,143	\$ 100
<b>TOTAL EXPENSES</b>		<b>\$ 115,000</b>	<b>\$ 89,527</b>
<b>ANNUAL SURPLUS/DEFICIT</b>		<b>\$ -</b>	<b>\$ 25,473</b>



# **SECTION 4 - STATISTICS, RATIOS & INFORMATION**



## Section 4 - STATISTICS, RATIOS & INFORMATION

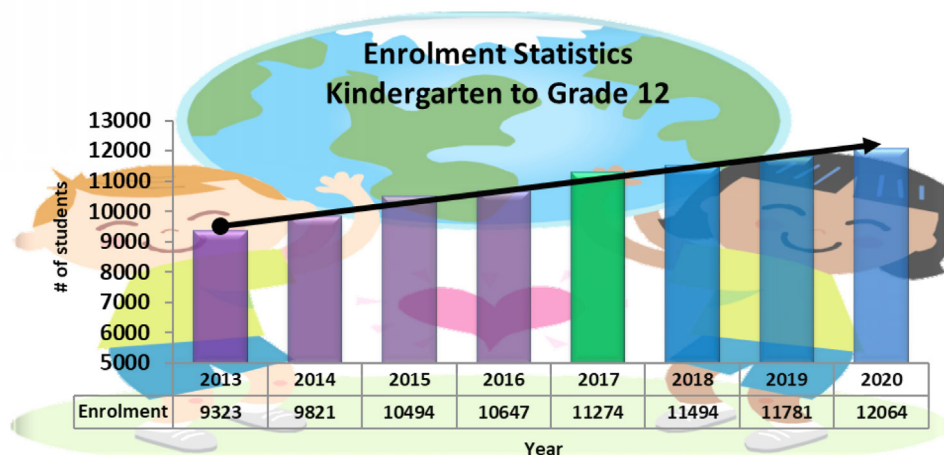
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# STATISTICS AND RATIOS

## Demographics and Other Factors

DEMOGRAPHICS AND OTHER FACTORS					
	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
<b>CITY OF LETHBRIDGE POPULATION</b>	<b>90,417</b>	<b>93,004</b>	<b>94,804</b>	<b>96,828</b>	<b>98,198</b>
<b>NUMBER OF SCHOOLS</b>	<b>19</b>	<b>19</b>	<b>21</b>	<b>21</b>	<b>22</b>
<b>STUDENT ENROLMENT</b>					
Early Education Program	287	349	349	349	471
Kindergarten	670	810	794	699	858
Elementary School	3,407	3,624	4,087	4,192	4,250
Middle School	1,943	1,985	2,169	2,266	2,432
High School	3,016	3,053	3,095	3,141	3,263
<b>TOTAL STUDENT ENROLMENT</b>	<b>9,323</b>	<b>9,821</b>	<b>10,494</b>	<b>10,647</b>	<b>11,274</b>
<b>BUDGETED STAFFING (in FTE)</b>					
Teachers	423.1	444.5	485.1	504.6	537.9
Other Certified Staff	59.6	62.7	66.0	60.1	62.1
<b>Total Certified Staff</b>	<b>482.7</b>	<b>507.2</b>	<b>551.1</b>	<b>564.7</b>	<b>600.0</b>
Educational Assistance	182.0	192.5	209.9	226.7	277.9
Other Uncertified Staff	191.2	200.5	230.3	217.9	216.9
<b>Total Uncertified Staff</b>	<b>373.2</b>	<b>393.0</b>	<b>440.2</b>	<b>444.6</b>	<b>494.8</b>
<b>TOTAL BUDGETED STAFFING</b>	<b>855.9</b>	<b>900.2</b>	<b>991.3</b>	<b>1,009.3</b>	<b>1,094.8</b>

\* Statistical Information on Population is an extract from the City of Lethbridge's 2017 Annual Report.



## School District Comparisons

SCHOOL DISTRICT COMPARISONS					
	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
<b>CURRENT RATIO (LIQUIDITY)</b>	<b>3.49</b>	<b>2.37</b>	<b>2.44</b>	<b>2.24</b>	<b>2.18</b>
Comparable Jurisdictions (based on FTE enrolment)	2.27	1.66	1.71	1.78	1.77
All Jurisdictions in Alberta	1.76	1.57	1.63	1.65	1.61
<b>ACCUMULATED SURPLUS FROM OPERATIONS</b>	<b>8.38%</b>	<b>9.15%</b>	<b>9.45%</b>	<b>8.70%</b>	<b>7.01%</b>
Comparable Jurisdictions (based on FTE enrolment)	8.52%	5.58%	5.64%	5.51%	5.06%
All Jurisdictions in Alberta	6.63%	6.36%	6.51%	5.38%	4.96%
<b>WORKING CAPITAL PER STUDENT</b>	<b>\$ 1,198</b>	<b>\$ 1,344</b>	<b>\$ 1,459</b>	<b>\$ 1,430</b>	<b>\$ 1,517</b>
Comparable Jurisdictions (based on FTE enrolment)	\$ 1,347	\$ 793	\$ 833	\$ 851	\$ 874
All Jurisdictions in Alberta	\$ 1,011	\$ 1,045	\$ 1,099	\$ 956	\$ 854
<b>CAPITAL ASSETS - EQUIPMENT/VEHICLES (NBV to cost)</b>	<b>40.56%</b>	<b>36.42%</b>	<b>39.88%</b>	<b>43.37%</b>	<b>39.89%</b>
Comparable Jurisdictions (based on FTE enrolment)	35.06%	28.32%	31.22%	32.48%	31.99%
All Jurisdictions in Alberta	28.17%	26.90%	27.46%	28.79%	29.11%
<b>CAPITAL ASSETS - SCHOOLS/BUILDINGS (NBV to cost)</b>	<b>65.67%</b>	<b>64.90%</b>	<b>68.43%</b>	<b>70.23%</b>	<b>69.93%</b>
Comparable Jurisdictions (based on FTE enrolment)	51.74%	58.97%	61.83%	63.05%	63.28%
All Jurisdictions in Alberta	56.38%	56.79%	60.30%	62.61%	62.56%
<b>CAPITAL RESERVES PER STUDENT</b>	<b>\$ 104</b>	<b>\$ 122</b>	<b>\$ 198</b>	<b>\$ 188</b>	<b>\$ 497</b>
Comparable Jurisdictions (based on FTE enrolment)	\$ 308	\$ 127	\$ 187	\$ 180	\$ 291
All Jurisdictions in Alberta	\$ 256	\$ 334	\$ 382	\$ 393	\$ 357

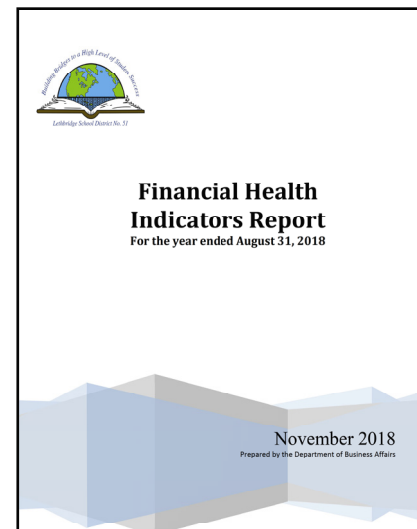
\* Statistical Information on Comparable and Provincial Jurisdictions are by Alberta Education (Financial Reporting and Accountability Branch).



For additional details on Ratio Comparisons (above), please see the “Financial Health Indicators” section of the Financial Statement Discussion and Analysis (included in this report).

A full report on the Financial Health Indicators is also available on the District’s website:

[www.lethsd.ab.ca](http://www.lethsd.ab.ca) > Planning & Reporting > Financial Statements



## Financial Position

FINANCIAL POSITION					
(in Thousands)					
	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
FINANCIAL ASSETS	14,915	21,312	24,829	26,502	29,676
FINANCIAL LIABILITIES	(88,755)	(95,951)	(119,238)	(139,037)	(148,599)
NET FINANCIAL ASSETS (DEBT)	(73,840)	(74,639)	(94,409)	(112,535)	(118,923)
TANGIBLE CAPITAL ASSETS (NBV)	89,392	91,996	114,648	132,945	140,912
OTHER NON-FINANCIAL ASSETS	550	567	575	356	605
<b>ACCUMULATED SURPLUS</b>	<b>16,102</b>	<b>17,924</b>	<b>20,814</b>	<b>20,766</b>	<b>22,594</b>
NET FINANCIAL ASSETS (DEBT)	(73,840)	(74,639)	(94,409)	(112,535)	(118,923)
Exclude: EXPENDED DEFERRED CAPITAL REVENUES (EDCR)	84,476	86,916	109,048	127,180	134,994
<b>NET FINANCIAL ASSETS (EXCLUDING EDCR)</b>	<b>10,636</b>	<b>12,277</b>	<b>14,639</b>	<b>14,645</b>	<b>16,071</b>
<b>TANGIBLE CAPITAL ASSETS:</b>					
Historical Cost	137,327	143,511	169,657	191,837	204,926
Accumulated Amortization	(47,935)	(51,515)	(55,009)	(58,892)	(64,014)
<b>TANGIBLE CAPITAL ASSETS (NBV)</b>	<b>89,392</b>	<b>91,996</b>	<b>114,648</b>	<b>132,945</b>	<b>140,912</b>
<b>ACCUMULATED SURPLUS:</b>					
Unrestricted Surplus	799	796	861	836	758
Operating Reserves	9,143	10,595	12,048	11,923	10,330
Capital Reserves	926	1,133	1,986	1,922	5,268
Investment in Tangible Capital Assets	4,916	5,080	5,599	5,765	5,918
Endowments	318	320	320	320	320
<b>ACCUMULATED SURPLUS</b>	<b>16,102</b>	<b>17,924</b>	<b>20,814</b>	<b>20,766</b>	<b>22,594</b>

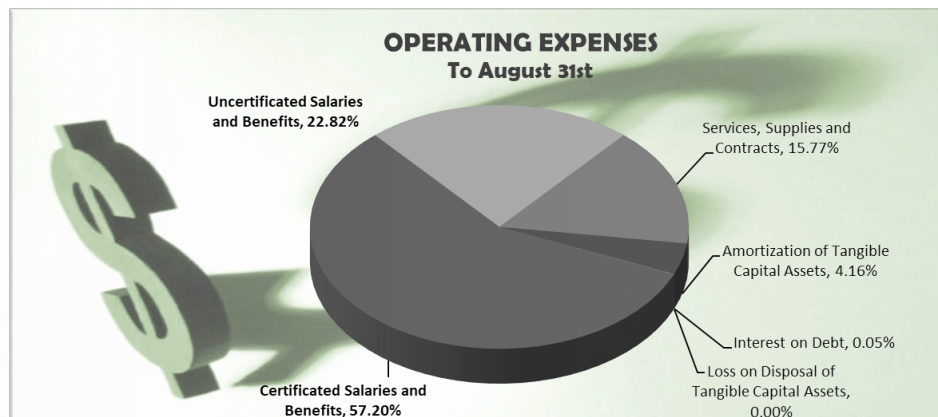
FINANCIAL POSITION - TANGIBLE CAPITAL ASSETS					
(in Thousands)					
	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
HISTORICAL COST, OPENING	135,043	137,327	143,511	169,657	191,836
ADDITIONS	2,384	6,260	26,347	22,318	13,129
DISPOSALS	(100)	(76)	(201)	(139)	(39)
<b>HISTORICAL COST, CLOSING</b>	<b>137,327</b>	<b>143,511</b>	<b>169,657</b>	<b>191,836</b>	<b>204,926</b>
ACCUMULATIVE AMORTIZATION, OPENING	44,465	47,935	51,515	55,009	58,891
AMORTIZATION	3,516	3,578	3,695	3,938	5,138
DISPOSALS	(46)	2	(201)	(56)	(15)
<b>ACCUMULATIVE AMORTIZATION, CLOSING</b>	<b>47,935</b>	<b>51,515</b>	<b>55,009</b>	<b>58,891</b>	<b>64,014</b>
<b>NET BOOK VALUE (NBV)</b>	<b>89,392</b>	<b>91,996</b>	<b>114,648</b>	<b>132,945</b>	<b>140,912</b>
SUPPORTED ASSETS (NBV)	86,916	109,048	127,180	127,180	134,994
UNSUPPORTED ASSETS (NBV)	5,080	5,599	5,765	5,765	5,918
<b>NET BOOK VALUE (NBV)</b>	<b>91,996</b>	<b>114,647</b>	<b>132,945</b>	<b>132,945</b>	<b>140,912</b>

\* Increase in Tangible Capital Assets (TCA) over past couple years mostly relates to the construction of a new elementary school (Coalbanks Elementary School - opened September 2017) and the construction of a new middle school (Senator Joyce Fairbairn Middle School - opened September 2018).



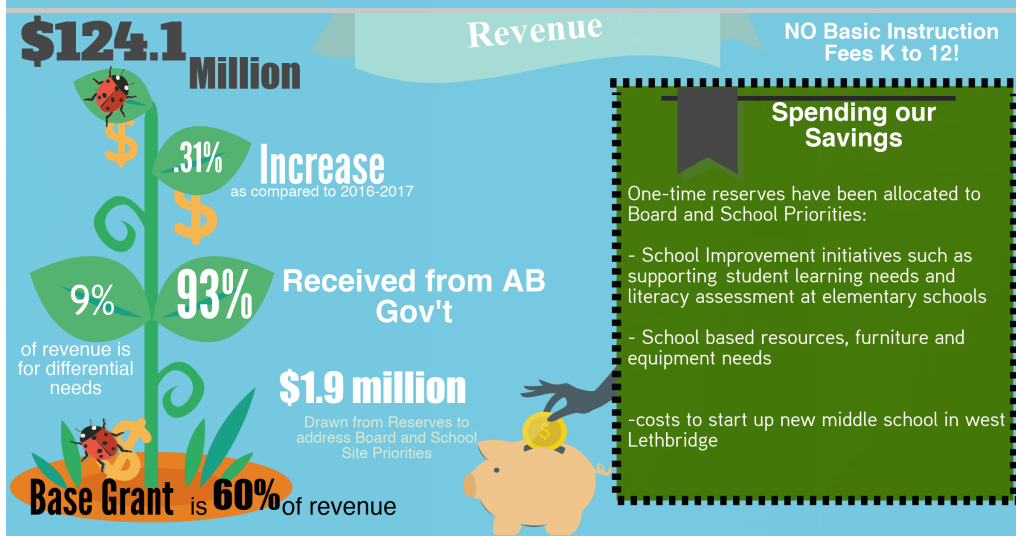
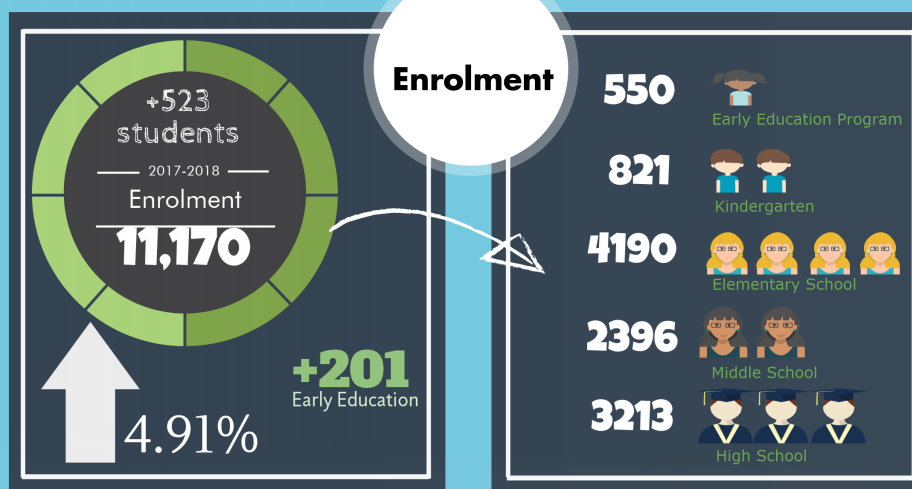
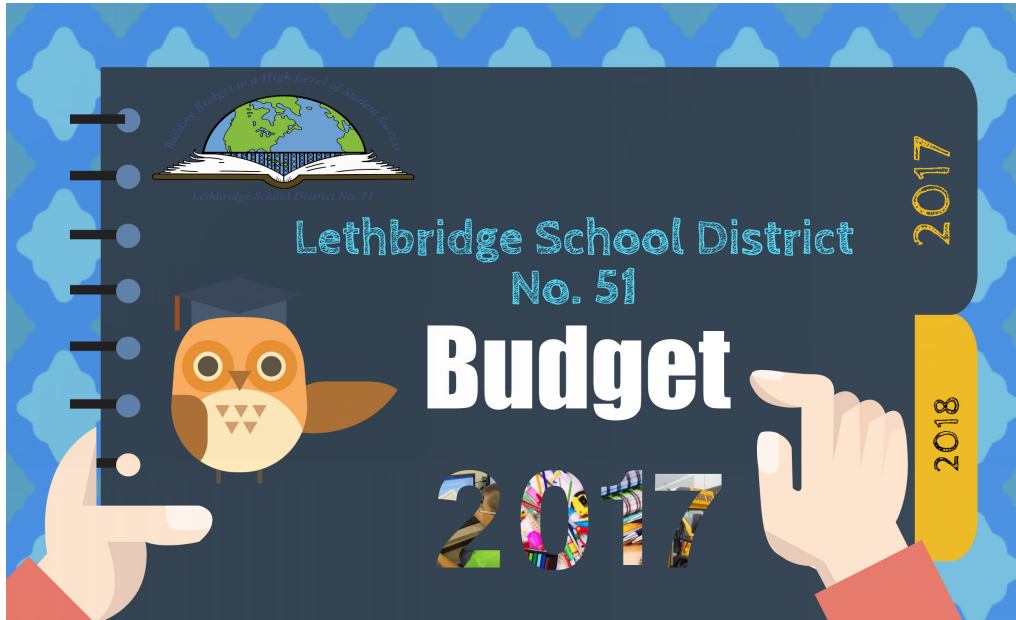
# Operations

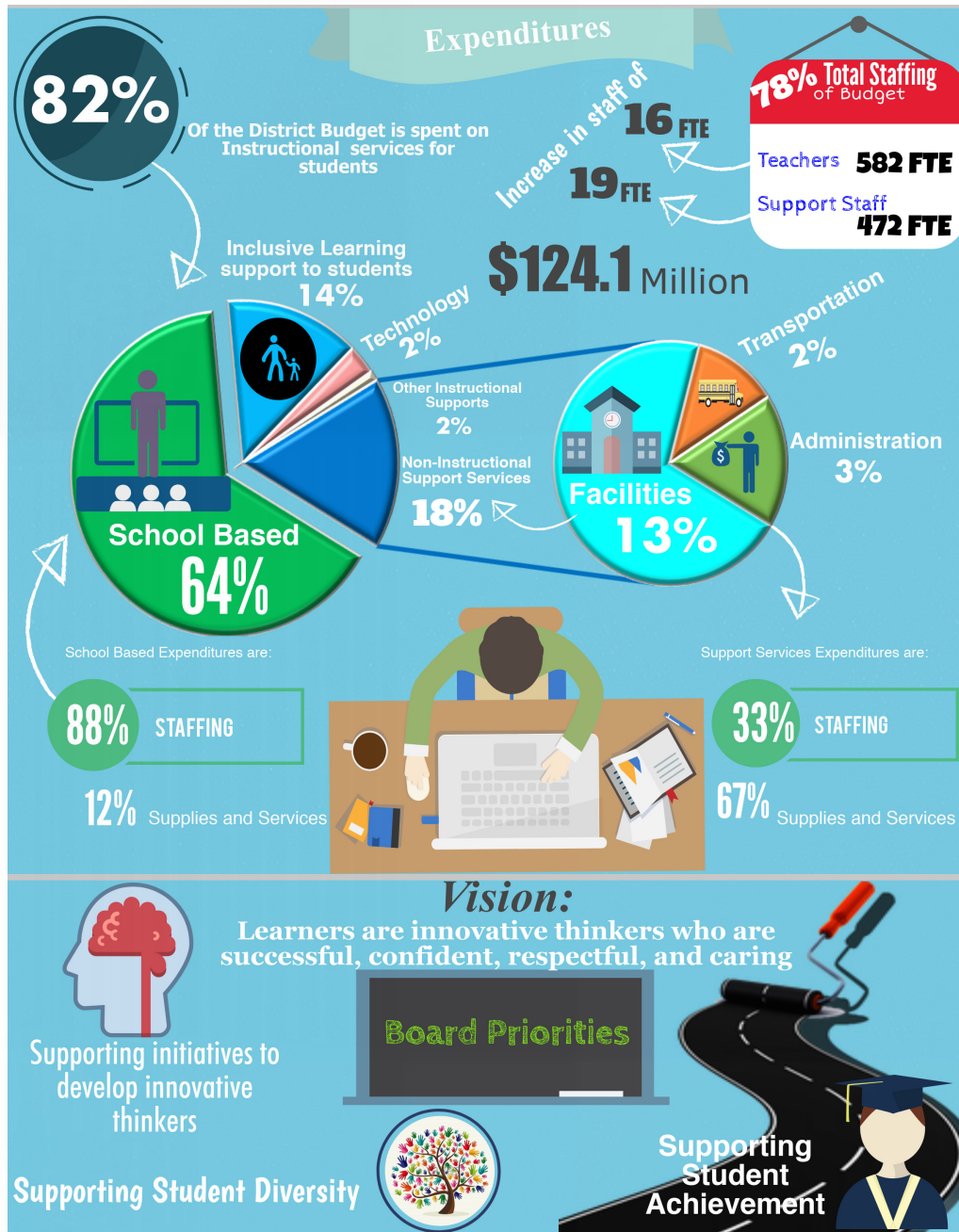
<b>OPERATIONS</b> (in Thousands)					
	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
<b>REVENUES:</b>					
Alberta Education	93,152	100,461	109,434	111,305	118,223
Other - Government of Alberta	546	588	520	486	583
Federal Government and First Nations	406	210	444	318	387
Fees	2,226	2,597	2,299	1,530	1,732
Other Sales and Services	553	591	1,034	1,318	1,245
Investment Income	141	153	174	182	272
Gifts and Donations	832	462	620	682	780
Rental of Facilities	35	35	35	33	27
Fundraising	2,325	2,208	2,482	2,029	2,234
<b>TOTAL REVENUES</b>	<b>100,216</b>	<b>107,305</b>	<b>117,042</b>	<b>117,883</b>	<b>125,483</b>
<b>EXPENSES (by Program):</b>					
Instruction - ECS	5,125	6,023	6,843	6,878	8,284
Instruction - Grades 1 -12	76,430	80,951	88,256	91,002	93,989
Plant Operations and Maintenance	11,659	12,400	12,596	13,311	14,575
Transportation	2,435	2,444	2,593	2,477	2,339
Board & System Administration	3,516	3,483	3,606	3,979	4,038
External Services	177	185	258	284	431
<b>TOTAL EXPENSES</b>	<b>99,342</b>	<b>105,486</b>	<b>114,152</b>	<b>117,931</b>	<b>123,656</b>
<b>OPERATING SURPLUS</b>	<b>874</b>	<b>1,819</b>	<b>2,890</b>	<b>(48)</b>	<b>1,827</b>
<b>EXPENSES (by Type):</b>					
Certificated Salaries and Benefits	57,868	59,603	66,914	67,602	70,711
Uncertificated Salaries and Benefits	22,172	23,565	25,571	26,862	28,238
Services, Contracts and Supplies	15,669	18,629	17,863	19,442	19,503
Amortization	3,516	3,578	3,695	3,938	5,138
Interest on Capital Debt	90	64	44	24	4
Other Interest and Finance Changes	27	47	65	63	58
Losses on Disposals	0	0	0	0	4
<b>TOTAL EXPENSES</b>	<b>99,342</b>	<b>105,486</b>	<b>114,152</b>	<b>117,931</b>	<b>123,656</b>



# INFOGRAPHICS

## 2017/2018 Preliminary Budget





## 2017/2018 Spending on Education

### Lethbridge School District No. 51

The Fun  
**FACTS**  
About...



# Spending on EDUCATION

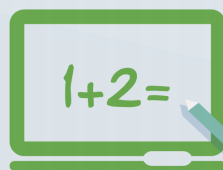
**2017-2018 School Year**

## Instruction

**82%**

of the District Budget is spent on  
Instructional activities

### School Based Instruction



**78%**

### Instructional Support



**22%**

**88%**  
**STAFFING**

**RESOURCES**  
**12%**



### Inclusive Learning Supports

**78%**

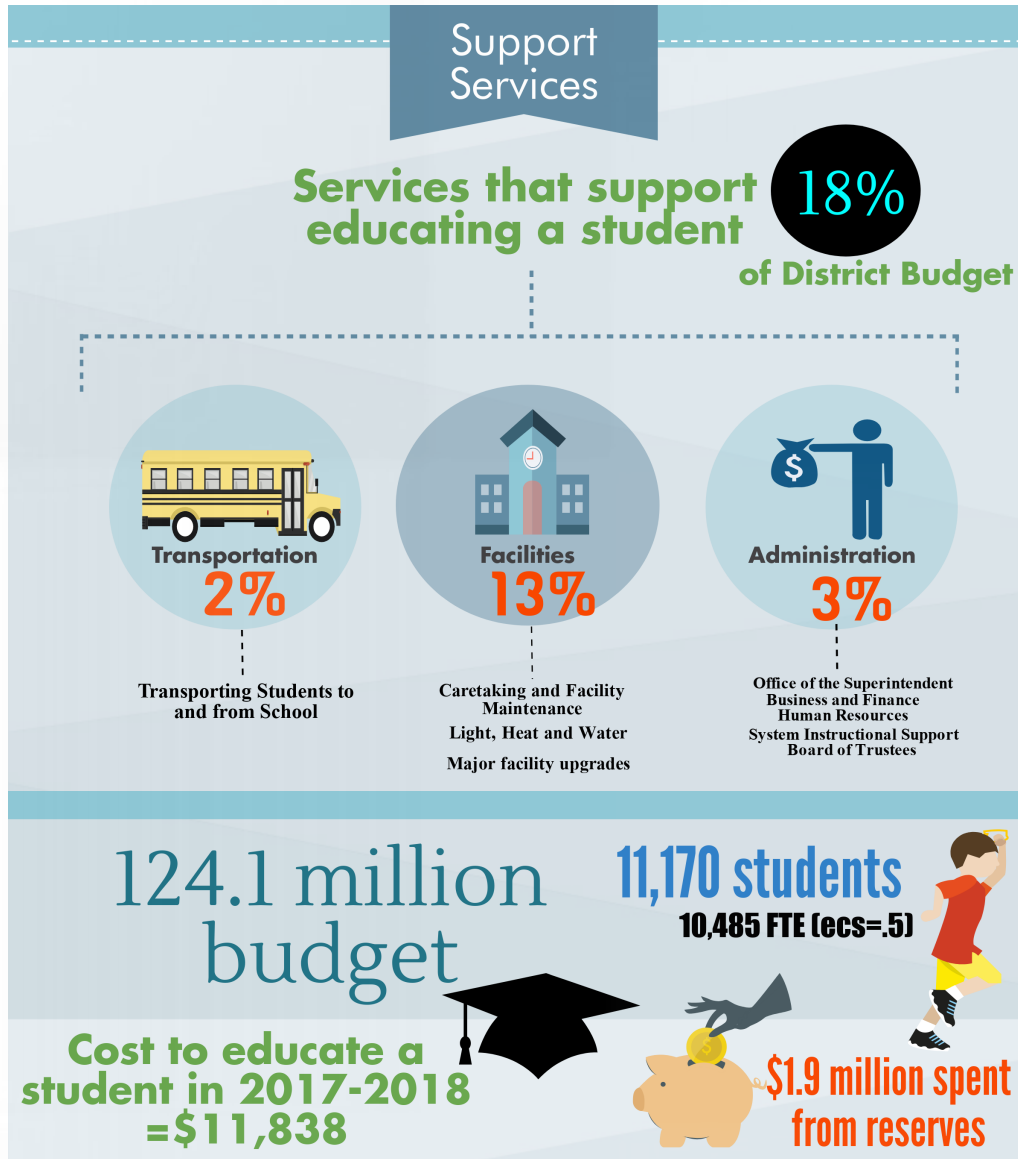
### Other Instructional Supports

**11%**

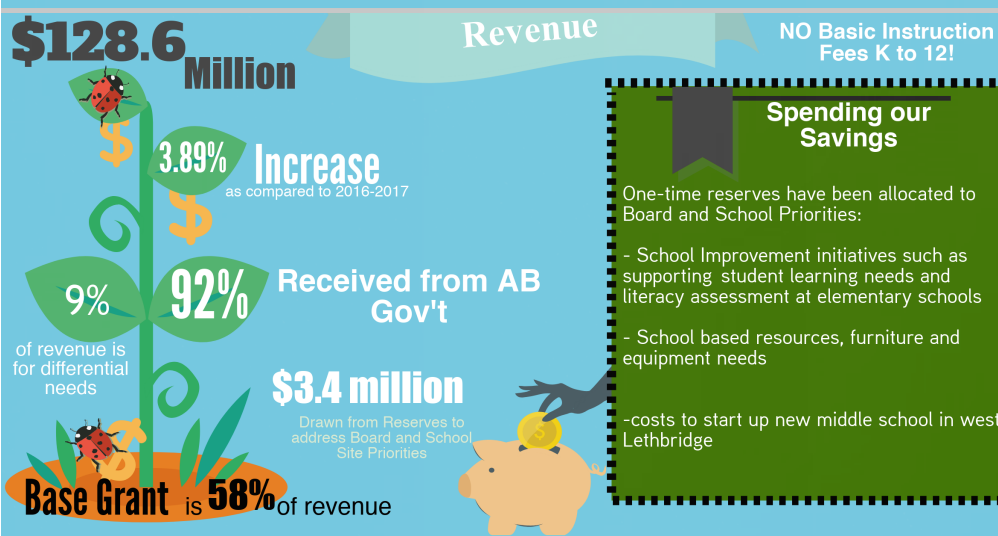
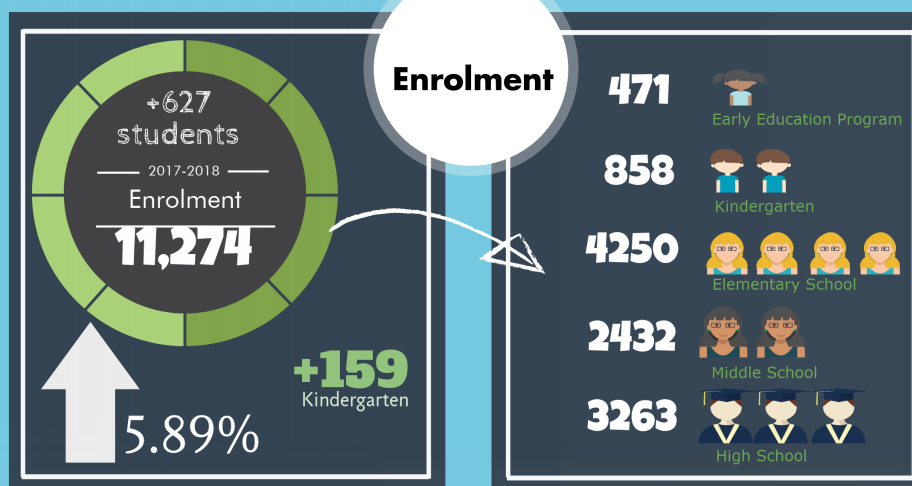
### Technology

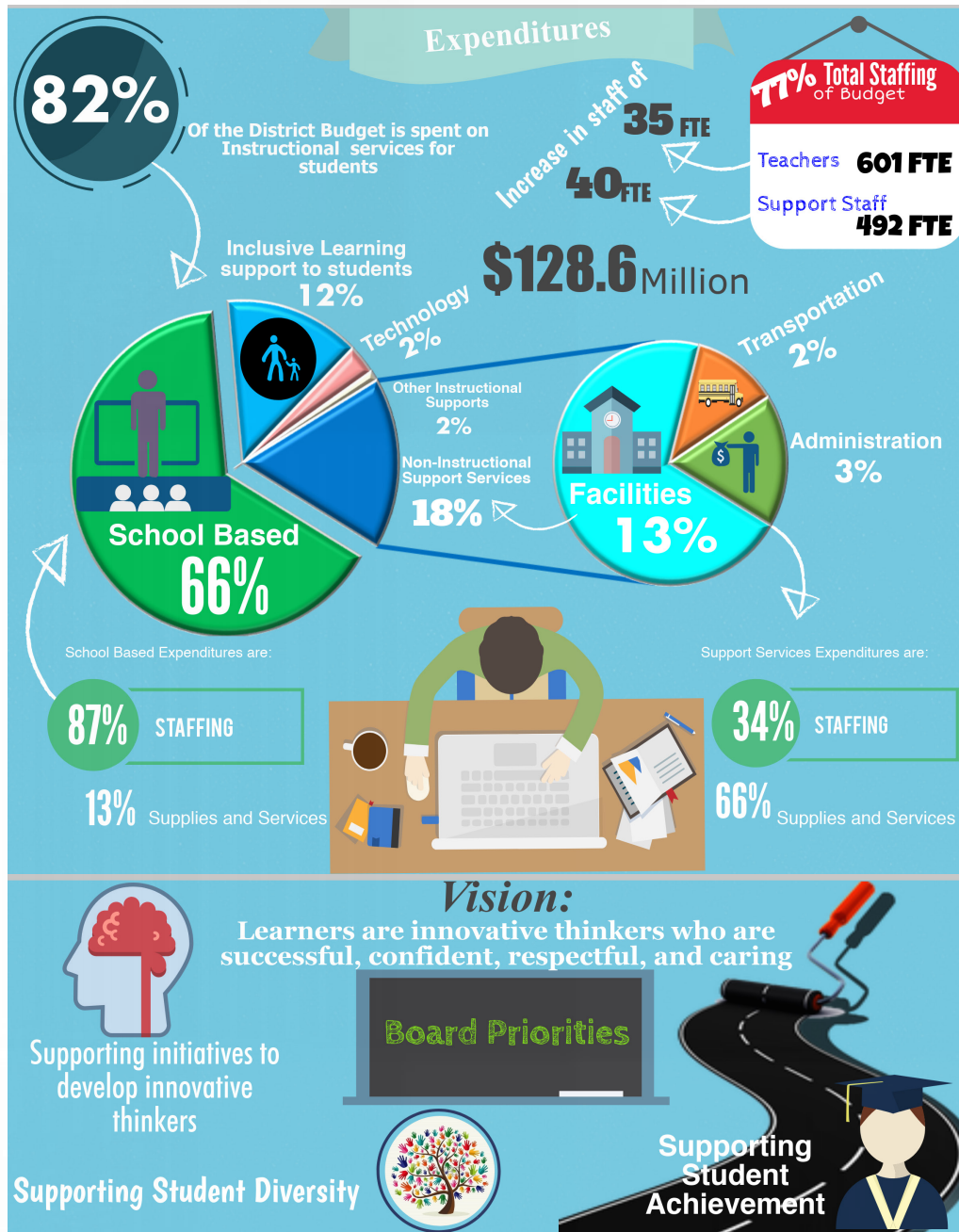
**11%**





## 2017/2018 September 30th Budget





# 2017/2018 Budget Growth 5-Year Analysis

## Lethbridge School District No. 51

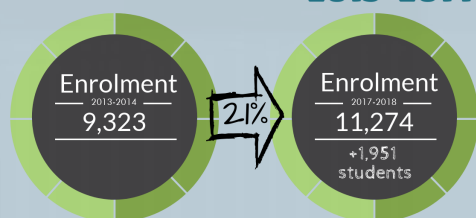
The Fun  
**FACTS**  
About...

# Budget Growth



## 5-year Analysis

2013-2014 to 2017-2018

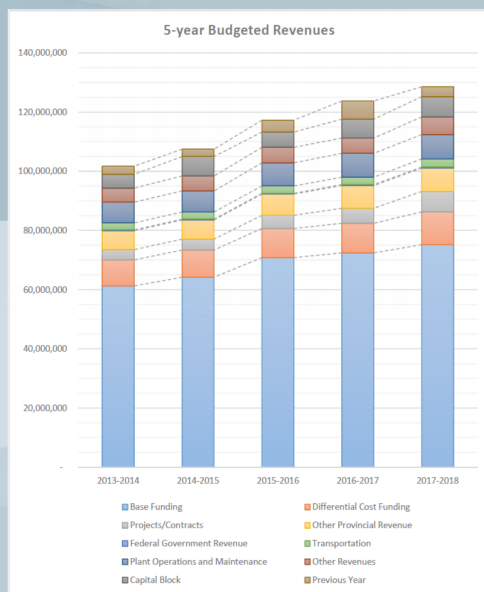


**21%** Enrolment growth over the last 5 years

Increased student enrolment is the biggest factor in the growth of a School District

## Revenues

### Growth from Enrolment



**\$101.71 Million**

2013-2014  
Funding

**\$128.56 Million**

2017-2018  
Funding

Increase of  
**\$26.85  
Million**  
(26.4%)

### Funding Increases

<b>22.8%</b> Base Funding	<b>15.4%</b> Transportation
<b>25.6%</b> Differential	<b>17.2%</b> Maintenance
<b>100.8%</b> Targeted grants (PUE, CIF, Institutional, etc)	<b>25.9%</b> Other (Sales & fees)
<b>23.7%</b> Other Provincial	<b>47.4%</b> Capital & IMR (Majority increase is for IMR)
<b>22.4%</b> Federal	<b>21.6%</b> Prior Year (Carryforward Surplus - Schools and District)



## Balances to Funding

**\$101.71 Million**

2013-2014  
Expenditures

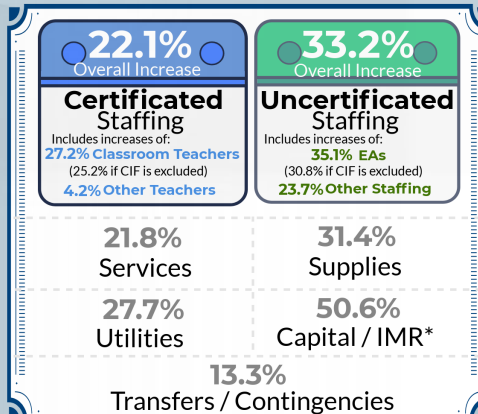
**\$128.56 Million**

2017-2018  
Expenditures

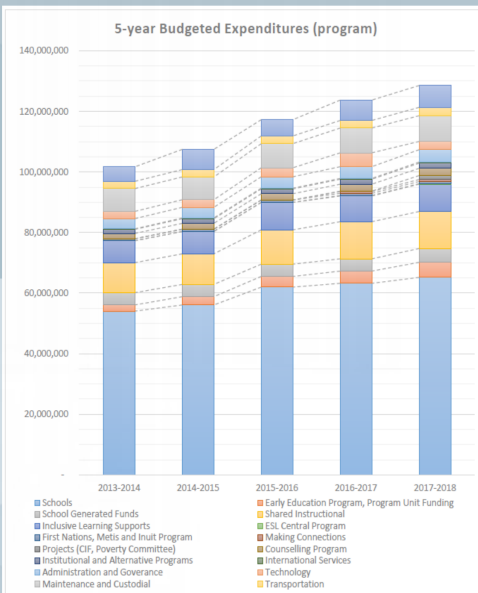
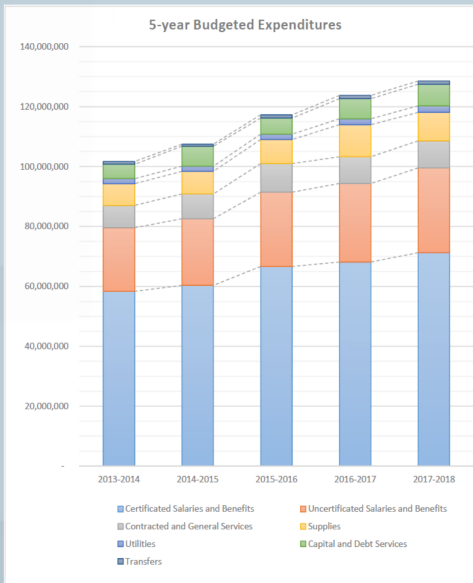
Increase of  
**\$26.85  
Million**  
(26.4%)

## Expenditures

**Supports the 21%  
increased enrolment**



\* Funded by Maintenance, Capital Block (IMR) and other departments



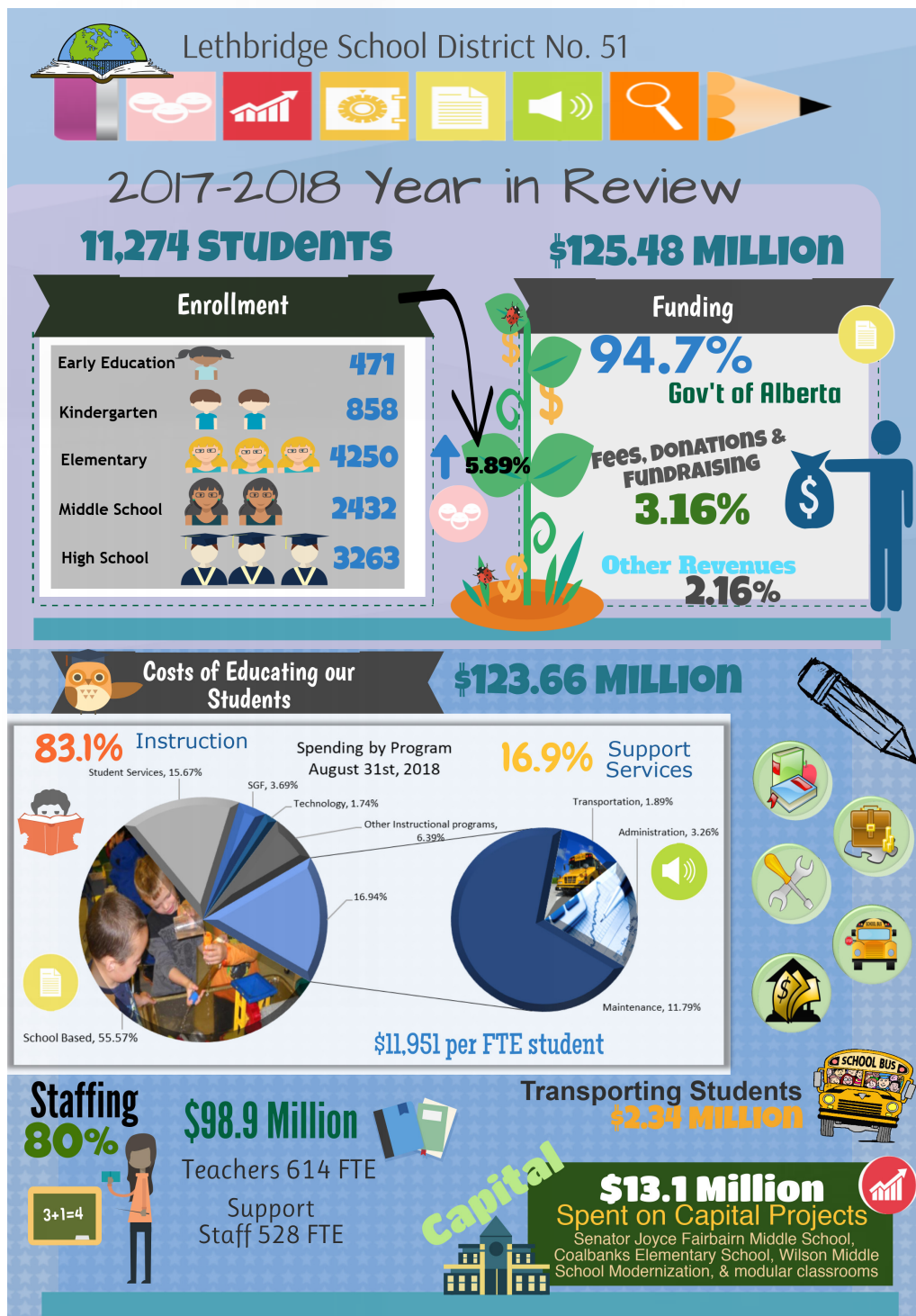
\* Administration and Governance costs have increased 21.7% which is less than the total budgeted expenditures of 26.4%. This causes the administrative expenses to decrease from 3.31% to 3.18% of of total expenditures (maximum allowable is 3.60%).

## Program Increases



Note: the "NEW" symbol is for programs that did not exist 5 years ago.

## 2017/2018 Year in Review



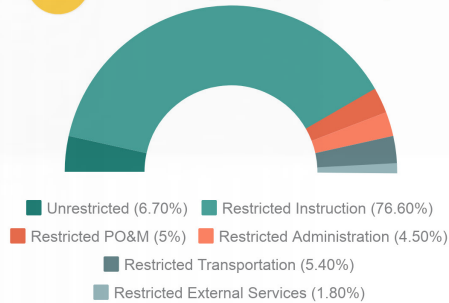
Operating Surplus \$1,827,476

Savings for Future Expenditures

## Accumulated Surplus From Operations



**\$11.09 Million**  
(Including SGF reserves)



**Adjusted ASO Ratio of 7.01%**

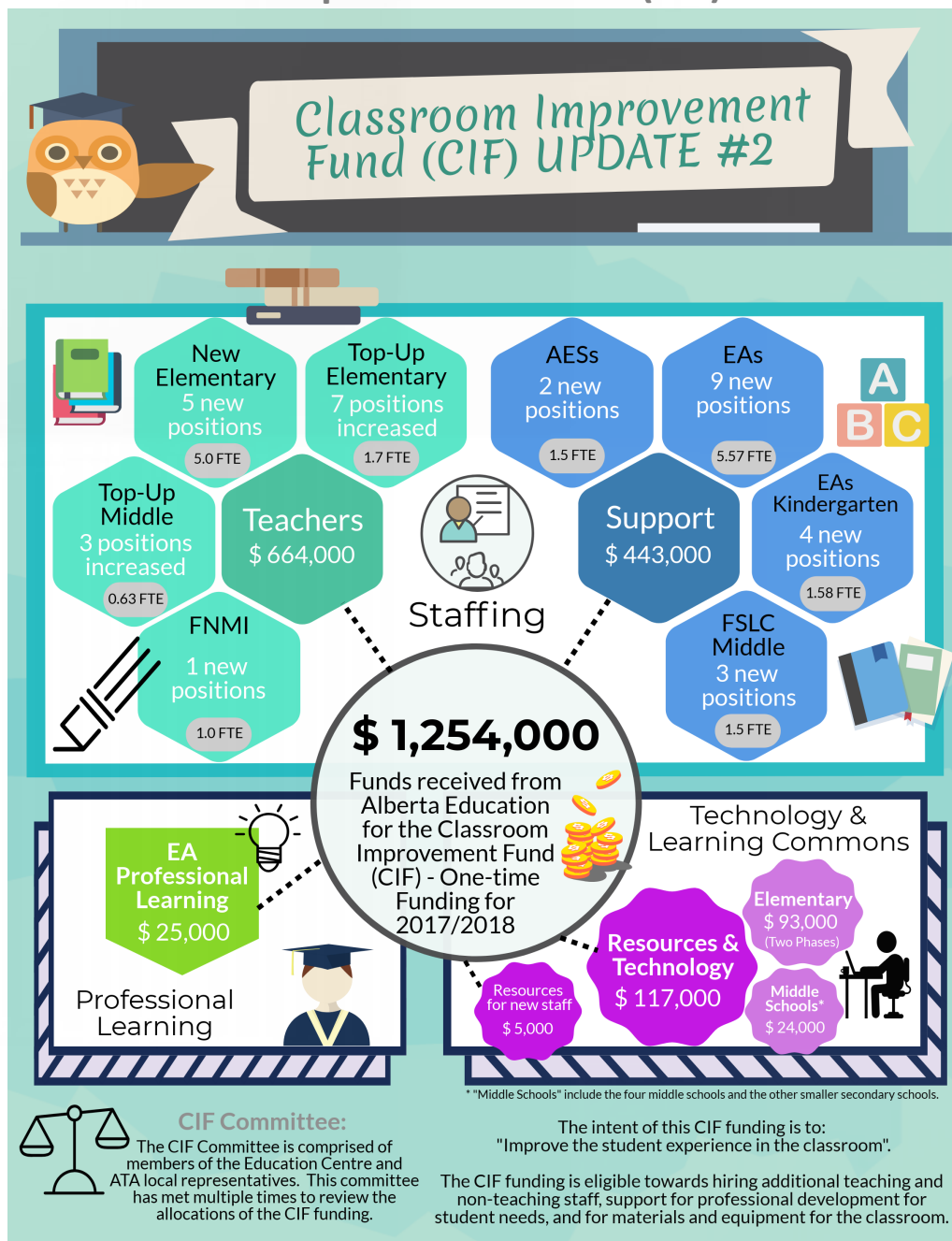
*Accumulated Surplus from Operations (less SGF) compared to total expenses*



- \$ \$1.79 million school based reserves
- \$ \$2.42 million school generated activities and fundraising
- \$ \$1.47 million for resources for new school facilities, planning and special projects.
- \$ \$872,000 to fund a three-year full day kindergarten pilot projects
- \$ \$781,700 for the staffing stability fund
- \$ \$600,000 future bus replacement costs



## 2017/2018 Classroom Improvement Fund (CIF)



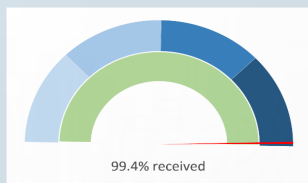


# FINANCIAL CHARTS & GRAPHS

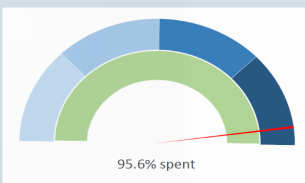


## AUGUST 2018 FINANCE AT A GLANCE

2017-2018 - Yearend Reporting - Sept 1/17 to Aug 31/18



Total Revenues



Total Expenditures

### Overview:

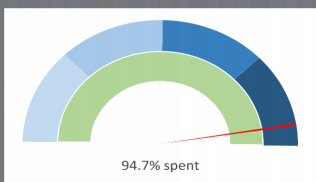
The following is an overview of the yearend reporting on the operations of Lethbridge School District No. 51. This report is the yearend report (up to August 31, 2018).

The graphs/charts compare the year-to-date amounts to the budget for the period. The budget included in this report is the District's 2017/2018 operating budget (updated fall budget - may differ from legally adopted budget as included in the financial statements)

The blue half-circle represents the total budget for the year (divided into four quarters). The green section below represents the projected forecast of the budget. The red line indicates the total year-to-date amount recorded.

### DEPARTMENTS

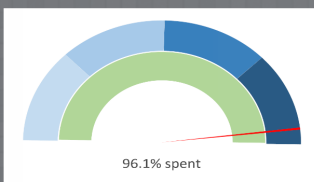
#### Instruction - ECS



Budget: \$ 8,748,049  
Year-to-date: \$ 8,284,171 (94.7%)



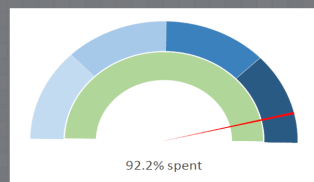
#### Instruction - Grade 1 - 12



Budget: \$ 97,804,512  
Year-to-date: \$ 93,989,288 (96.1%)



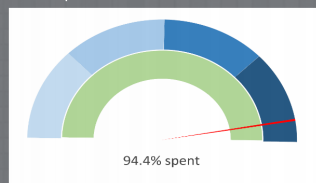
#### Plant Operation & Maintenance



Budget: \$ 15,800,113  
Year-to-date: \$ 14,575,181 (92.2%)



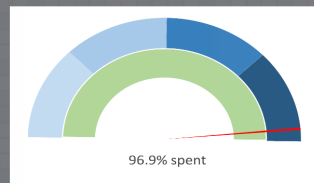
#### Transportation



Budget: \$ 2,477,928  
Year-to-date: \$ 2,339,053 (94.4%)



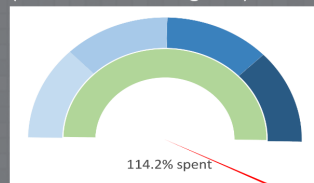
#### Board & System Administration



Budget: \$ 4,165,355  
Year-to-date: \$ 4,037,310 (96.9%)



#### External Services (International Program)

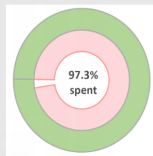


Budget: \$ 377,130  
Year-to-date: \$ 430,584 (114.2%)



#### Salaries, Benefits & Professional Development

For all the Departments

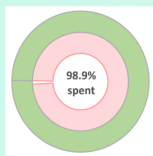


Budget: \$ 101,542,628  
Year-to-date: \$ 98,781,507 (97.3%)



#### Contracted Services

Audit/legal, Consulting, Utilities, Transportation, Maintenance, Safety/Wellness

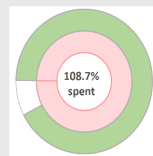


Budget: \$ 6,990,113  
Year-to-date: \$ 6,913,927 (98.9%)



#### Other Services

Insurance, International Programs, Memberships, Printing/Rentals, Advertising



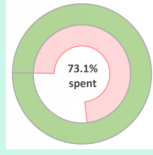
Budget: \$ 2,123,216  
Year-to-date: \$ 2,307,168 (108.7%)



### TYPES OF EXPENSES

#### Supplies

General supplies, Technology, Maintenance, Small Equipment

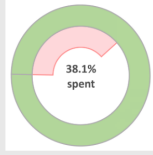


Budget: \$ 5,484,896  
Year-to-date: \$ 4,008,425 (73.1%)



#### Other Expenditures

Contingency, Travel, Car Allowances, Renovations

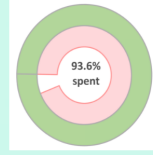


Budget: \$ 1,477,562  
Year-to-date: \$ 563,123 (38.1%)



#### Transfers, SGF, & Capital/IMR

Bank Charges, SGF Expenses, Amortization, IMR expenditures, Modular/Capital

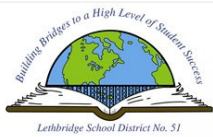


Budget: \$ 11,834,742  
Year-to-date: \$ 11,081,438 (93.6%)



For details on the above information and other financial reporting, please see the August 31, 2018 Yearend Report.



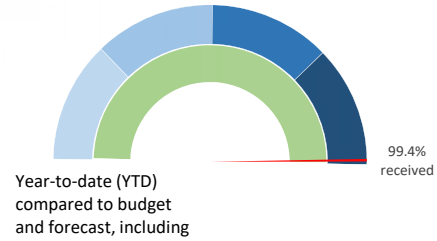


## Lethbridge School District No.51 Summary of Revenues Yearend Reporting - August 31st, 2018

Financial Data as at October 20th, 2018

	Budget	YTD	Variance	YTD %
Alberta Education	119,236,335	118,222,906	1,013,429	99.2%
Government of Alberta	593,734	582,924	10,810	98.2%
Federal & First Nations	268,128	387,100	(118,972)	144.4%
Fees	1,874,026	1,731,863	488,291	92.4%
Other Sales & Services	1,193,768	1,244,744	(397,104)	104.3%
Investment Income	193,000	271,924	(78,924)	140.9%
Gifts & Donations	390,000	780,344	(390,344)	200.1%
Rental of Facilities	34,704	27,504	7,200	79.3%
Fundraising	2,461,000	2,233,757	227,243	90.8%
<b>Total</b>	<b>126,244,695</b>	<b>125,483,066</b>	<b>761,629</b>	<b>99.4%</b>

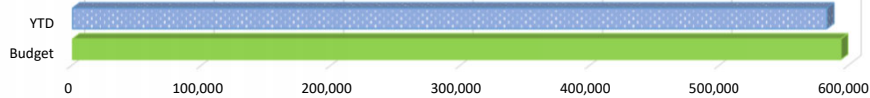
**Total Revenue Tachometer:**



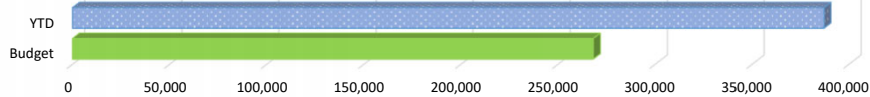
### Alberta Education



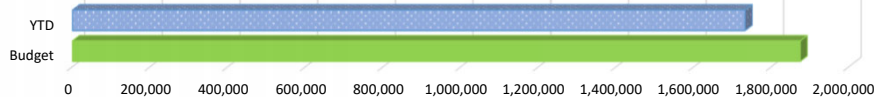
### Government of Alberta



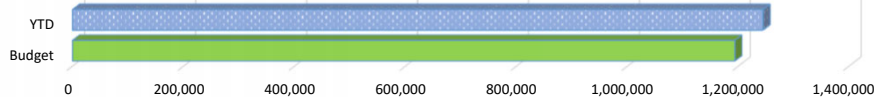
### Federal & First Nations



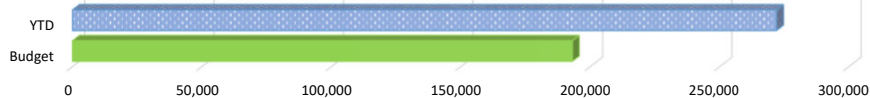
### Fees



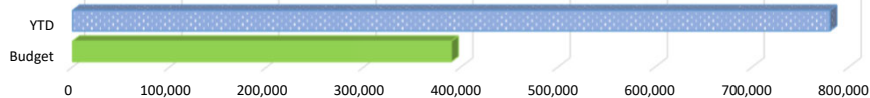
### Other Sales & Services



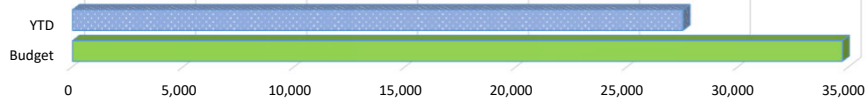
### Investment Income



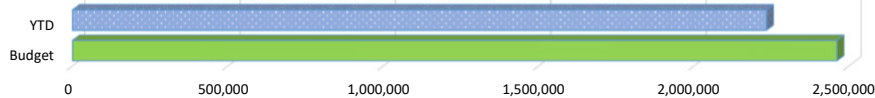
### Gifts & Donations



### Rental of Facilities



### Fundraising





## Lethbridge School District No.51

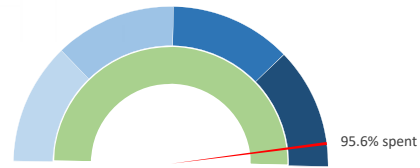
### Summary of Expenses

#### Yearend Reporting - August 31st, 2018

Financial Data as at October 20th, 2018

	Budget	YTD	Variance	YTD %
Salaries	81,076,035	78,453,538	2,622,496	96.8%
Benefits	19,597,419	19,600,723	(3,304)	100.0%
Professional Development	789,105	727,246	61,859	92.2%
Contracted Services	6,990,113	6,913,927	76,186	98.9%
Other Services	2,123,216	2,307,168	(183,952)	108.7%
Supplies	5,484,896	4,008,425	1,476,471	73.1%
Other Expenditures	1,477,562	563,123	914,440	38.1%
Bank Charges and Transfers	11,834,742	11,081,438	753,304	93.6%
	<b>129,373,088</b>	<b>123,655,587</b>	<b>5,717,501</b>	<b>95.6%</b>

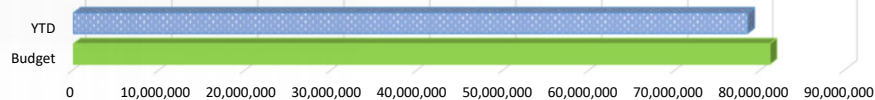
**Total Expense Tachometer:**



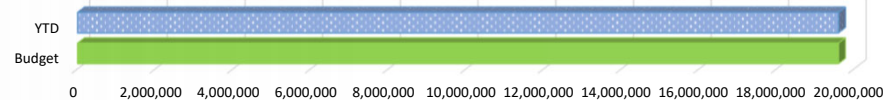
Year-to-date (YTD)  
compared to budget  
and forecast, including  
% of budget indicator

The forecast agrees to the "September 30th" budgeted costs as the report is for the entire fiscal year. Note: commitments and other applicable adjustments (i.e. fees, international credit, etc.) are taken into account to determine the carry-forward surplus.

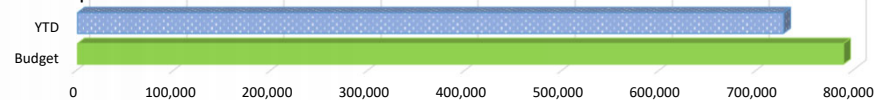
#### Salaries



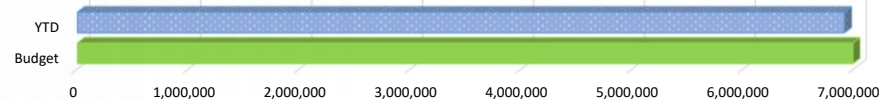
#### Benefits



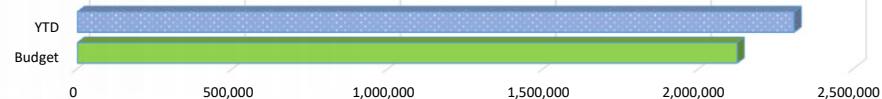
#### Professional Development



#### Contracted Services



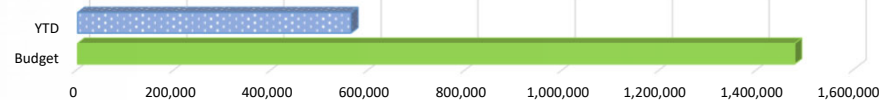
#### Other Services

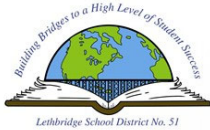


#### Supplies



#### Other Expenditures



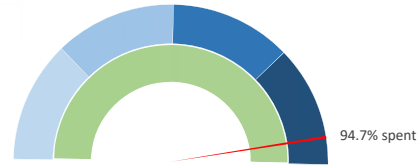


## Instruction - ECS Summary Yearend Reporting - August 31st, 2018

Financial Data as at October 20th, 2018

	Budget	YTD	Variance	YTD %
Salaries	7,257,372	7,004,189	253,183	96.5%
Benefits	1,139,281	1,016,225	123,055	89.2%
Professional Development	50,000	34,551	15,449	69.1%
Contracted Services	105,450	78,590	26,860	74.5%
Other Services	67,000	71,026	(4,026)	106.0%
Supplies	114,947	64,905	50,042	56.5%
Other Expenditures	14,000	14,686	(686)	104.9%
Bank Charges and Transfers	0	0	0	0.0%
	<b>8,748,049</b>	<b>8,284,171</b>	<b>463,878</b>	<b>94.7%</b>

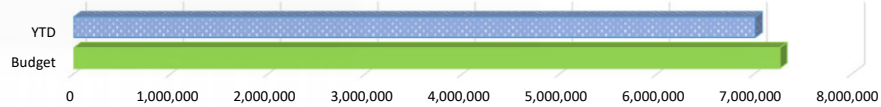
**Total Expense Tachometer:**



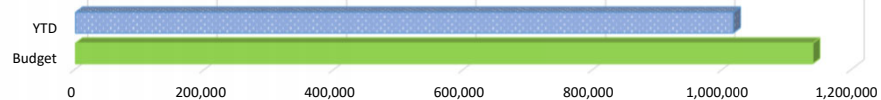
Year-to-date (YTD)  
compared to budget  
and forecast, including  
% of budget indicator

The forecast agrees to the "September 30th" budgeted costs as the report is for the entire fiscal year. Note: commitments and other applicable adjustments (i.e. fees, international credit, etc.) are taken into account to determine the carry-forward surplus.

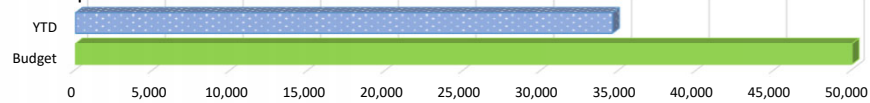
### Salaries



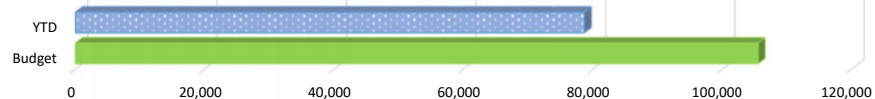
### Benefits



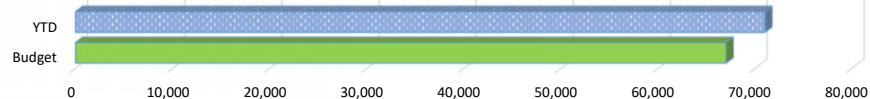
### Professional Development



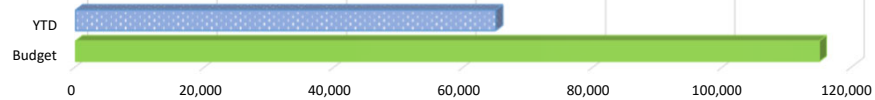
### Contracted Services



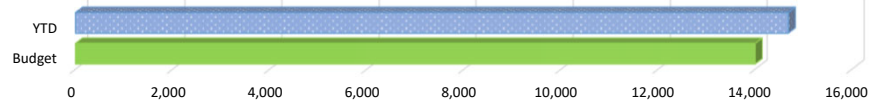
### Other Services



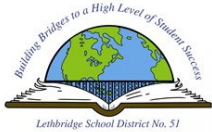
### Supplies



### Other Expenditures





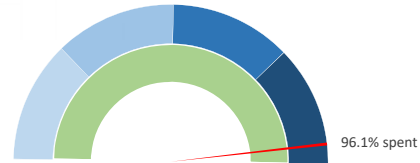


## Instruction - Grades 1-12 Summary Yearend Reporting - August 31st, 2018

Financial Data as at October 20th, 2018

	Budget	YTD	Variance	YTD %
Salaries	67,654,325	65,589,772	2,064,553	96.9%
Benefits	16,888,080	16,854,633	33,447	99.8%
Professional Development	681,552	638,985	42,567	93.8%
Contracted Services	1,022,473	1,059,367	(36,894)	103.6%
Other Services	658,699	653,154	5,545	99.2%
Supplies	4,855,338	3,294,662	1,560,676	67.9%
Other Expenditures	1,174,512	465,301	709,212	39.6%
Bank Charges and Transfers	4,869,532	5,433,415	(563,883)	111.6%
	97,804,512	93,989,288	3,815,223	96.1%

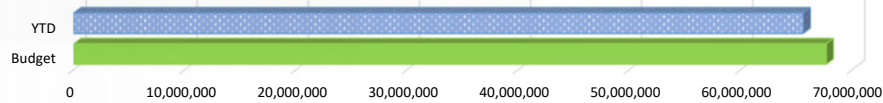
**Total Expense Tachometer:**



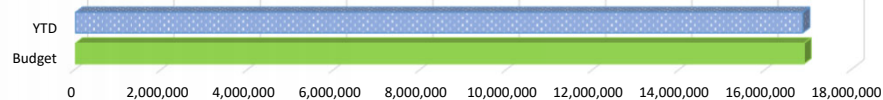
Year-to-date (YTD)  
compared to budget  
and forecast, including  
% of budget indicator

The forecast agrees to the "September 30th" budgeted costs as the report is for the entire fiscal year. Note: commitments and other applicable adjustments (i.e. fees, international credit, etc.) are taken into account to determine the carry-forward surplus.

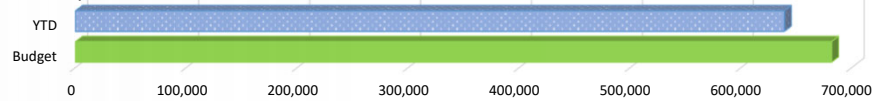
### Salaries



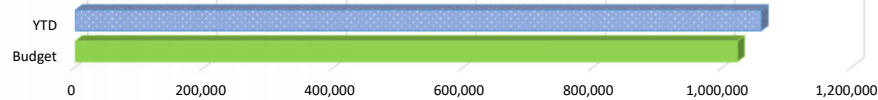
### Benefits



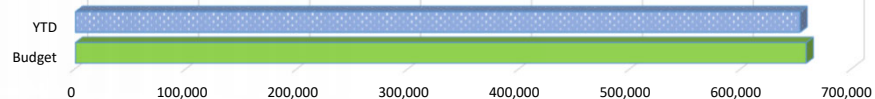
### Professional Development



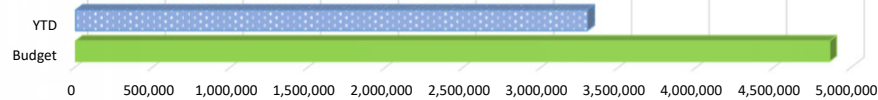
### Contracted Services



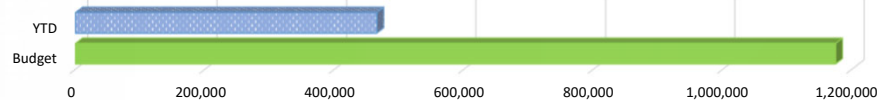
### Other Services

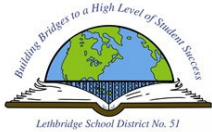


### Supplies



### Other Expenditures



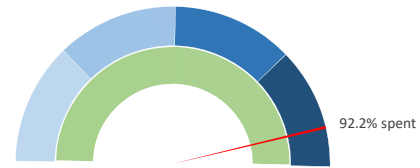


## Plant Operations and Maintenance Summary Yearend Reporting - August 31st, 2018

Financial Data as at October 20th, 2018

	Budget	YTD	Variance	YTD %
Salaries	3,542,099	3,285,014	257,085	92.7%
Benefits	986,966	1,175,831	(188,865)	119.1%
Professional Development	22,050	625	21,425	2.8%
Contracted Services	3,119,489	3,252,193	(132,704)	104.3%
Other Services	992,532	964,702	27,830	97.2%
Supplies	315,723	469,314	(153,591)	148.6%
Other Expenditures	8,100	10,117	(2,017)	124.9%
Bank Charges and Transfers	6,813,154	5,417,385	1,395,769	79.5%
	15,800,113	14,575,181	1,224,932	92.2%

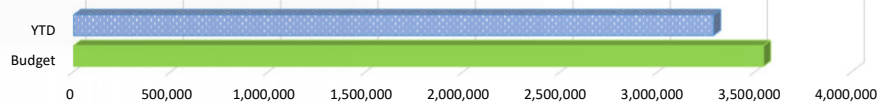
**Total Expense Tachometer:**



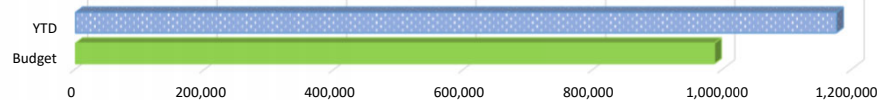
Year-to-date (YTD)  
compared to budget  
and forecast, including  
% of budget indicator

The forecast agrees to the "September 30th" budgeted costs as the report is for the entire fiscal year. Note: commitments and other applicable adjustments (i.e. fees, international credit, etc.) are taken into account to determine the carry-forward surplus.

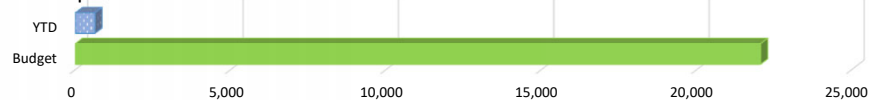
### Salaries



### Benefits



### Professional Development



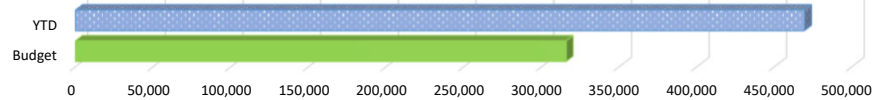
### Contracted Services



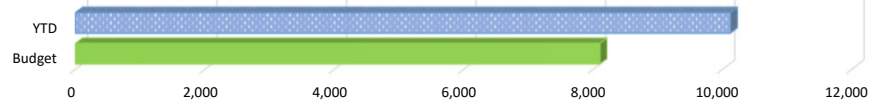
### Other Services

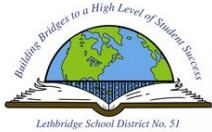


### Supplies



### Other Expenditures



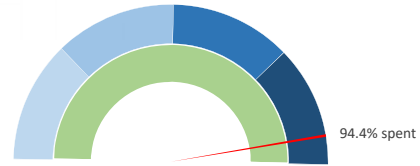


## Transportation Summary Yearend Reporting - August 31st, 2018

Financial Data as at October 20th, 2018

	Budget	YTD	Variance	YTD %
Salaries	76,744	67,909	8,835	88.5%
Benefits	22,639	17,520	5,119	77.4%
Professional Development	2,500	955	1,545	38.2%
Contracted Services	2,311,445	2,180,787	130,658	94.3%
Other Services	0	71	(71)	N/A
Supplies	10,000	2,293	7,707	22.9%
Other Expenditures	2,000	4,202	(2,202)	210.1%
Bank Charges and Transfers	52,600	65,317	(12,717)	124.2%
	<b>2,477,928</b>	<b>2,339,053</b>	<b>138,875</b>	<b>94.4%</b>

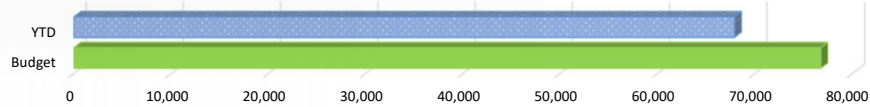
**Total Expense Tachometer:**



Year-to-date (YTD)  
compared to budget  
and forecast, including  
% of budget indicator

The forecast agrees to the "September 30th" budgeted costs as the report is for the entire fiscal year. Note: commitments and other applicable adjustments (i.e. fees, international credit, etc.) are taken into account to determine the carry-forward surplus.

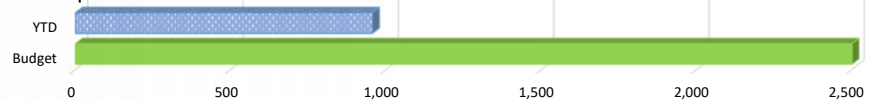
### Salaries



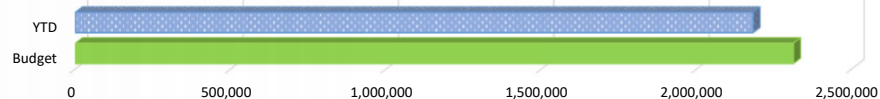
### Benefits



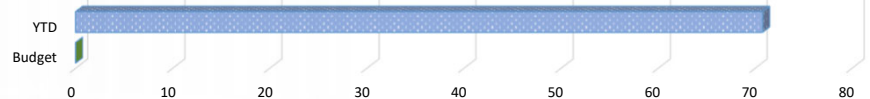
### Professional Development



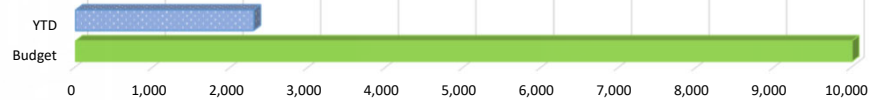
### Contracted Services



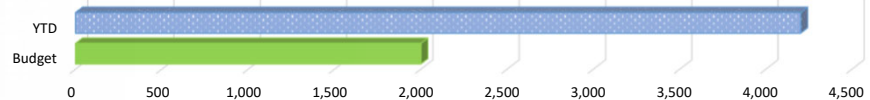
### Other Services



### Supplies



### Other Expenditures



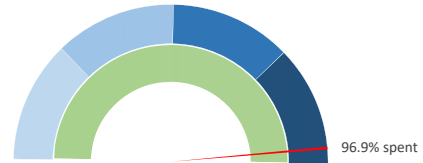


## Board & System Administration Summary Yearend Reporting - August 31st, 2018

Financial Data as at October 20th, 2018

	Budget	YTD	Variance	YTD %
Salaries	2,470,021	2,428,014	42,007	98.3%
Benefits	551,585	521,024	30,560	94.5%
Professional Development	33,003	52,130	(19,127)	158.0%
Contracted Services	431,256	342,991	88,265	79.5%
Other Services	301,507	320,386	(18,879)	106.3%
Supplies	188,888	138,809	50,079	73.5%
Other Expenditures	89,640	68,636	21,004	76.6%
Bank Charges and Transfers	99,456	165,320	(65,864)	166.2%
	4,165,355	4,037,310	128,045	96.9%

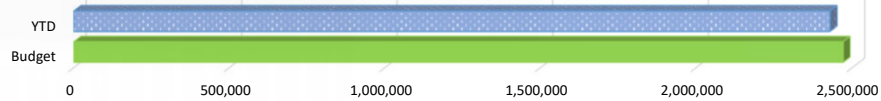
**Total Expense Tachometer:**



Year-to-date (YTD)  
compared to budget  
and forecast, including  
% of budget indicator

The forecast agrees to the "September 30th" budgeted costs as the report is for the entire fiscal year. Note: commitments and other applicable adjustments (i.e. fees, international credit, etc.) are taken into account to determine the carry-forward surplus.

### Salaries



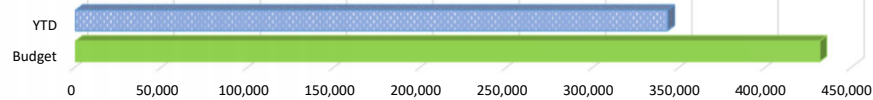
### Benefits



### Professional Development



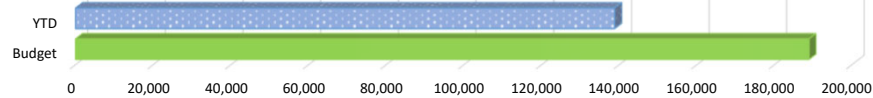
### Contracted Services



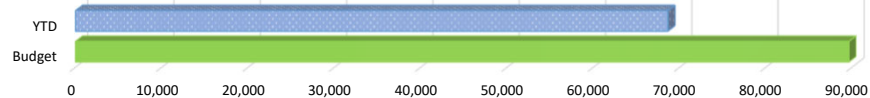
### Other Services



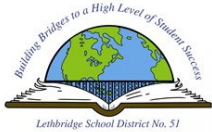
### Supplies



### Other Expenditures





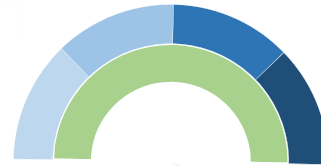


## External Services Summary Yearend Reporting - August 31st, 2018

Financial Data as at October 20th, 2018

	Budget	YTD	Variance	YTD %
Salaries	75,474	78,642	(3,168)	104.2%
Benefits	8,868	15,489	(6,620)	174.7%
Professional Development	0	0	0	0.0%
Contracted Services	0	0	0	0.0%
Other Services	103,478	297,830	(194,352)	287.8%
Supplies	0	38,442	(38,442)	N/A
Other Expenditures	189,310	181	189,129	0.1%
Bank Charges and Transfers	0	0	0	0.0%
	<b>377,130</b>	<b>430,584</b>	<b>(53,454)</b>	<b>114.2%</b>

**Total Expense Tachometer:**

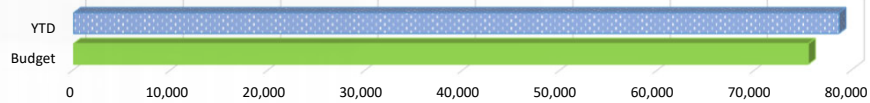


Year-to-date (YTD)  
compared to budget  
and forecast, including  
% of budget indicator

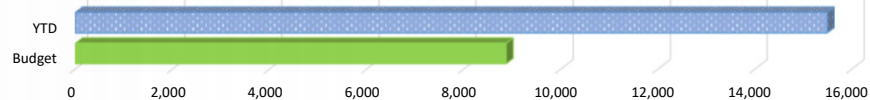
114.2% spent

The forecast agrees to the "September 30th" budgeted costs as the report is for the entire fiscal year. Note: commitments and other applicable adjustments (i.e. fees, international credit, etc.) are taken into account to determine the carry-forward surplus.

### Salaries



### Benefits



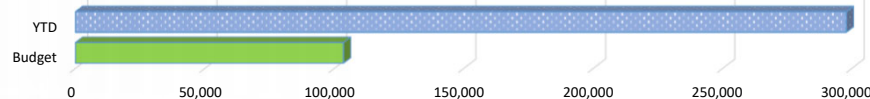
### Professional Development



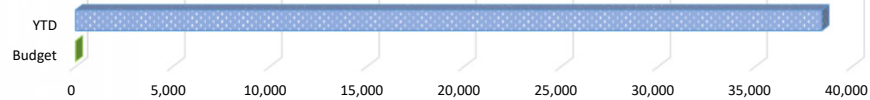
### Contracted Services



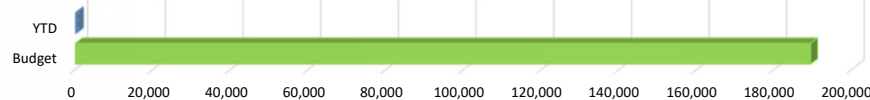
### Other Services



### Supplies



### Other Expenditures



## Lethbridge School District No. 51

### Glossary of Terms

#### **Accountability Pillar**

Data provided to give school boards a consistent way to measure their success and assess progress using a broad spectrum of measures. It is based on a set of common factors that measure outcomes in specific categories, giving a clear picture of how well learning goals are being achieved. It also helps identify areas that need improvement and set priorities for the future.

#### **Accumulated Surplus from Operations**

The total unrestricted net assets and operating reserves of the District.

#### **Alberta Education**

Department of the Government of Alberta, responsible for developing curriculum and setting standards, evaluating curriculum and assessing outcomes, teacher development and certification, supporting special needs students, funding and supporting school boards, Aboriginal and francophone education, and overseeing basic education policy and regulations. Alberta Education also approves and funds new facilities and infrastructure for school jurisdictions in cooperation with Alberta Infrastructure and Transportation.

#### **Alberta Finance**

Department of the Government of Alberta responsible for economic and fiscal policy advice to the government as well as tax and regulatory administration.

#### **Alberta Infrastructure and Transportation**

Department of the Government of Alberta, responsible for the provision of infrastructure for health care, education, community, seniors' lodges, municipal transportation, and municipal water/wastewater treatment and distribution.

#### **Amortization of Tangible Capital Assets**

The systematic allocation of an asset to expense over a certain period of time. This is a non-cash transaction, in which, an asset is expensed over its projected useful life.

#### **Approved Budget**

The budget(s) that have been presented and have been approved by the Board of Trustees by way of Motion, which will govern the District's operations for the budget year. This may include the Preliminary and September 30th operating budget.

#### **Balanced Budget**

A budget where the total budgeted revenues/transfers in match the total budgeted expenditures/transfers out.

#### **Base Funding**

Funding provided on a per student basis for every full time equivalent (FTE) student from Kindergarten (ECS) to grade 12.

#### **Benefits**

The employer's share of amounts paid on behalf of employees for statutory and pension contributions, and medical and insurance benefits. It also includes allowances which are taxable payments made to (or on behalf of) employees for sabbatical leave, advanced study and training, and for negotiable or board-authorized allowances including automobile, subsidized housing, relocation, retirement, and supplementary unemployment benefits.

#### **Capital and Debt Services**

Includes the provision for amortization of the District's capital assets, Infrastructure Maintenance and Renewal grant expenditures, and interest on debenture debt.

#### **Certificated Staffing**

Employees (teachers) holding a valid teaching certificate.

#### **Capital Budget/Plan**

The planned capital revenues, expenditure and transfers required to the acquisition and/or construction of tangible capital assets over a \$250,000 threshold.

### **Capital Expenditures**

Expenditures to acquire, develop or construct tangible capital assets

### **Contracted Services**

Services provided to the District by external organizations, individuals, or agencies. The District contracted out these services as the District does not have the expertise or resources to complete the work internally (i.e. engineering and legal services).

### **Differential Funding**

Funding allocated to recognize the uniqueness of school boards. A funding allocation designed to address variable cost factors that a school jurisdiction may face due to the uniqueness of the student population or jurisdiction profile. Some of this funding includes First Nation Métis and Inuit, Severe Disabilities, English as A Second Language, and Small Schools by Necessity funding.

### **Division of Instructional Services**

System based instruction services to support the implementation of curriculum, coordination of in-service instruction, assist teachers with program delivery, and implementation of system wide initiatives.

### **Early Education (Pre-school) Program**

Programming to provide early learning opportunities for children three to five years old.

### **Elementary School**

Schools that provide instruction to students enrolled in Kindergarten to grade five. Also includes Lethbridge Christian School which is a Kindergarten to grade eight school and Immanuel Christian Elementary School which is a Kindergarten to grade six school.

### **Expenditure/Expenses**

The use of financial resources for cash outflows or transactions resulting in current or future cash outflows.

### **Expended Deferred Capital Revenues (EDCR)**

Deferred revenues relating to Provincially Approved Capital Projects that have been used for the capital expenditure. EDCR equals the net book value of the supported tangible capital assets.

### **Executive Council**

The senior administration team of the District which includes the Superintendent, and the Associate Superintendents of Instructional Services, Human Resources, and Business Affairs.

### **First Nations Métis and Inuit (FNMI) Program**

A program that provides ongoing support for aboriginal students in their efforts to obtain an education. This program provides opportunities for aboriginal students to study and experience their own and other aboriginal cultures and lifestyles.

### **High School**

Schools that provide instruction to students enrolled in grade nine to twelve. Also includes Immanuel Christian High School which provides programming from grade seven to twelve.

### **Inclusive Education/Inclusive Learning**

An inclusive education system is to provide all students with the most appropriate learning environments and opportunities for them to best achieve their potential. Inclusion in the education system is about ensuring that each student belongs and receives a quality education no matter their ability, disability, language, cultural background, gender, or age.

### **Institutional Programs**

School instruction provided in a secure residence that is prescribed as an institution whereby lodging and care are provided on a 24-hour basis. Lethbridge School District No. 51 provides instruction to four institutional programs. Harbour House (Emergency Women's Shelter), Lethbridge Regional Hospital School (Hospital), and Pitawani School (Sifton Children's Centre), and Stafford Ridge School.

### **Kindergarten Program**

This program offers a minimum of 475 hours of instruction to children who are at least 4 years 6 months of age and less than 6 years as of September 1 of the school year (also known as ECS).

### **Middle School**

Schools that provide instruction to students enrolled in grade six to eight.

### **Operating Budget**

Budgeted expenditures for the operation of the school district for a school year. It does not include capital expenditures over \$250,000, which is included under the District's Capital plan.

### **Program Unit Funding (PUF)**

Funding provided for educational programming offered to children who are at least 2 years 6 months of age and have a severe disability.

### **Public Sector Accounting Standards (PSAS)**

The Canadian generally accepted accounting standards/principals that are followed by the public sector (i.e. school districts).

### **Reserve Funds**

The operating or capital funds held for a future use or for a specific purpose. These reserves are typically unspent funds from a prior school year and are available for allocation to a future school year. Some of these reserves are saved for multiple budget years (i.e. computer evergreening program).

### **Revenues**

Financial resources received from cash inflows or transaction resulting in current or future cash inflows.

### **Salaries**

All remuneration/wages paid or accrued to employees of the District.

### **School Act**

Legislation of the Province of Alberta governing the formation, governance, and operation of school jurisdictions.

### **School Generated Funds (SGF)**

Funds raised in the community that come under the control and responsibility of a school and are for student activities.

### **Shared Instructional Services**

Programs and expenditures that provide support to the schools within the jurisdiction.

### **Supported Capital**

Tangible capital assets that have been funded by the Province through the relating to Provincially Approved Capital Projects.

### **Surplus**

The result of revenues/transfers in exceeding the expenditures/transfers out (revenues greater than expenses). Surpluses are often transferred to reserves at the yearend to be used for future budget years.

### **Tangible Capital Assets**

Capital assets that have a physical form. These tangible capital assets (TCA) include, but are not limited to, land, buildings, vehicles, and equipment. The supported TCA are assets that were grant funded by the Province of Alberta. Unsupported TCA are assets that were funded by the School District.

### **Transportation**

The transportation by school bus of students to, from and between schools, within the school jurisdiction.

### **Uncertificated Staffing**

Staffing of the school jurisdiction that do not hold teaching certificates. Also known as Support Staff.

### **Unexpended Deferred Capital Revenues (UDCR)**

Deferred revenues relating to Provincially Approved Capital Projects that have not yet been spent on capital expenditures.

### **Unsupported Capital**

Tangible capital assets that have been funded by the by the School Jurisdiction (not funded by the Province)



## Lethbridge School District No. 51

### Glossary of Common Acronyms

[AHS](#) – Alberta Health Services

[ASO](#) – Accumulated Surplus from Operations

[ASFF](#) – Alberta School Foundation Fund

[CEU](#) – Credit Enrolment Units

[CIF](#) – Classroom Improvement Fund

[ECS](#) – Early Childhood Services

[EDCR](#) – Expended Deferred Capital Revenues

[EEP](#) – Early Education Program

[ESL](#) – English as a Second Language

[FNMI](#) – First Nations Métis and Inuit Program

[FTE](#) – Full Time Equivalent

[IBC](#) – Instructional Budget Committee

[IMR](#) – Infrastructure, Maintenance and Renewal

[LSD51](#) – Lethbridge School District No. 51

[POM](#) – Plant Operation and Maintenance

[PSAS](#) – Public Sector Accounting Standards

[RCSD](#) – Regional Collaborative Service Delivery

[SGF](#) – School Generated Funds

[TCA](#) – Tangible Capital Assets

[UDCR](#) – Unexpended Deferred Capital Revenues



**Lethbridge School District No.51**  
433 - 15th Street South  
Lethbridge, Alberta T1J 2Z4  
[www.lethsd.ab.ca](http://www.lethsd.ab.ca)

**Business Affairs Department**  
Phone: 1-403-380-5300  
Fax: 1-403-320-9117