

# ANNUAL FINANCIAL REPORT 2018-2019

FOR FISCAL YEAR ENDING AUGUST 31, 2019 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





# ANNUAL FINANCIAL REPORT

2018-2019

FOR FISCAL YEAR ENDING AUGUST 31, 2019 LETHBRIDGE, ALBERTA, CANADA

PREPARED BY LETHBRIDGE SCHOOL DISTRICT NO 51 DIVISION OF BUSINESS AFFAIRS - FINANCE JANUARY 2020

433 - 15th Street South Lethbridge, Alberta, Canada T1J2Z4 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 2018/2019 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 2018/2019, represents the period from September 1st, 2018 to August 31st, 2019. This fiscal year may also be referred to as 18/19, and/or 2018/19; 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. *Note: Effective September 1st, 2019, the School District's name was legally changed to "Lethbridge School Division"; however, the 2018-2019 Audited Financial Statements, Annual Financial Report, and other yearend reporting are dated August 31st, 2019 and therefore prior to the legal name change.* 

### **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 (CAnFR) to Lethbridge School District No. 51 for its annual financial report for the fiscal year ended August 31, 2018. 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

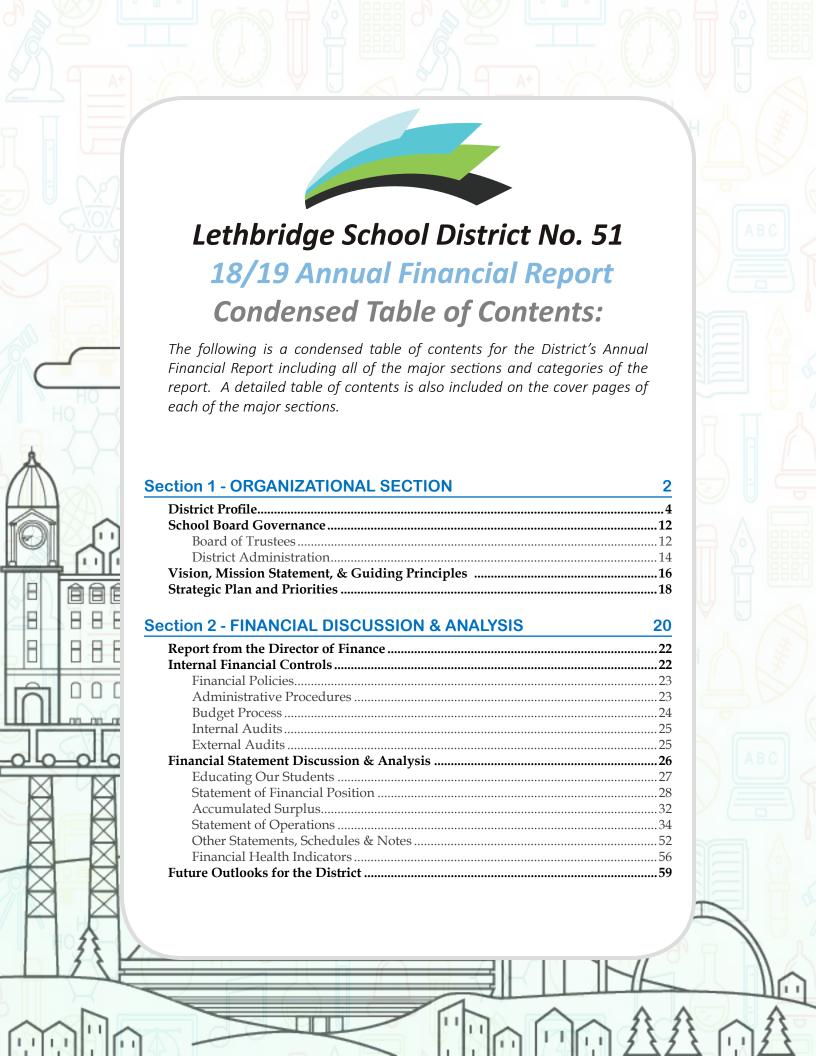
# Lethbridge School District No. 51 Alberta

For its Annual Financial Report for the Year Ended

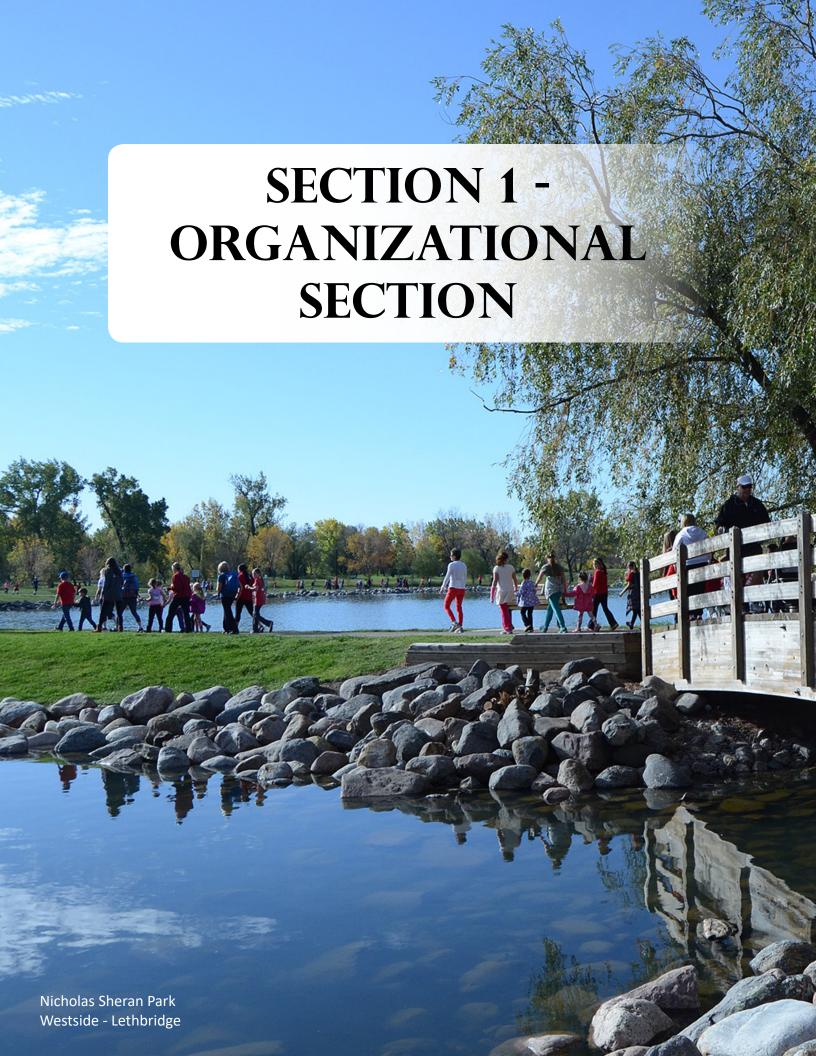
August 31, 2018

Christopher P. Morrill

Executive Director/CEO



### **Section 3 - FINANCIAL STATEMENTS** 60 Financial Statements Cover Page......62 Schedule 4 - Schedule of Plant Operations and Maintenance Expenses ......74 Schedule 5 - Schedule of Cash, Cash Equivalents, and Portfolio Investments......75 Section 4 - STATISTICS, RATIOS & INFORMATION Statistics and Ratios ......96 Financial Position 98 Unaudited Schedules to the Financial Statements......100 Schedule 10 - Unaudited Schedule of Central Administrative Expenses..............102 Schedule 11 - Unaudited Schedule of Nutrition Program Expenditures ......103 Infographics \_\_\_\_\_\_\_\_104 Financial Charts & Graphs......113 Finance at a Glance 113 Operating Revenues 114



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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.



**ALBERTA** 

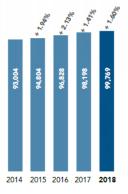
LSD51 served approximately 11,502 students from early education (pre-school) to grade twelve in 2018-2019. The District provides high quality learning experiences for students through a broad range of educational programs in twenty three (23) schools and four (4) institutional programs.

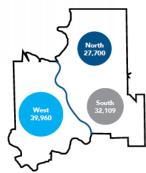
LSD51 is a local government entity established under the Alberta School Act; whereas, the District is chosen by and is accountable to the local community by means of local elections (elected Board of Trustees). The District delivers its educational programs under the authority of the Alberta School Act.

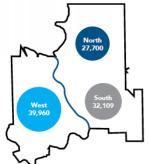
### **Geographical Location**

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 101,500 residents (2019 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.













\* Statistical Information is an extract from the City of Lethbridge's 2018 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 23 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
- 4 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 K-5 - 496 students



**Immanuel Christian Elementary School** 

2010 - 5th Avenue North Grades K-5 - 268 students



**Dr. Gerald B. Probe School** 120 Rocky Mt Blvd West Grades K-5 - 591 students



**Lakeview School** 1129 Henderson Lake Blvd South

Grades K-5 - 490 students



**Ecole Agnes Davidson School** 2103 20th St South Grades K-5 - 492 students



**Lethbridge Christian School** 

3 St James Blvd North Grades K-8 - 190 students



**Ecole Nicholas Sheran School** 380 Laval Blvd West Grades K-5 - 524 students



Mike Mountain Horse School

155 Jerry Potts Blvd West Grades K-5 - 566 students



Fleetwood Bawden School 1222 9th Ave South Grades K-5 - 387 students



Park Meadows School

50 Meadowlark Blvd North Grades K-5 - 310 students



**Galbraith School** 1801 8th Ave A North Grades K-5 - 466 students



Senator Buchanan School

1101 7th Ave North Grades K-5 - 294 students



**General Stewart School** 215 Corvette Cres South Grades K-5 - 176 students



Westminster School 402 18th St North

Grades K-5 - 199 students

An additional elementary school is currently under construction in the Southeast of Lethbridge and is scheduled to open in September 2021.

<sup>\*</sup>above student enrolment excludes early education (preschool) students.

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### Click the logos to go to the school website

### **Middle Schools**

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

The four middle schools in the jurisdiction are:



**Gilbert Paterson Middle School** 2109 12th Ave South Grades 6-8 - 712 students



Senator Joyce Fairbairn Middle School 301 Rocky Mountain Blvd West Grades 6-8 - 477 students



**G.S. Lakie Middle School** 50 Blackfoot Blvd West Grades 6-8 - 463 students



Wilson Middle School 2003 9th Ave North Grades 6-8 - 654 students

### **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 - 1,164 students



Winston Churchill High School 1605 15th Ave North Grades 9-12 - 833 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

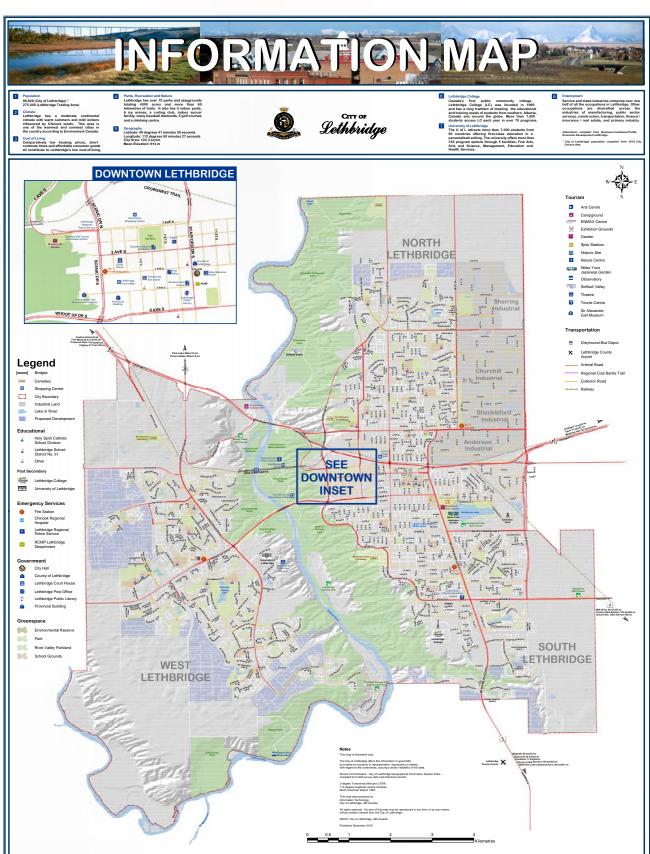


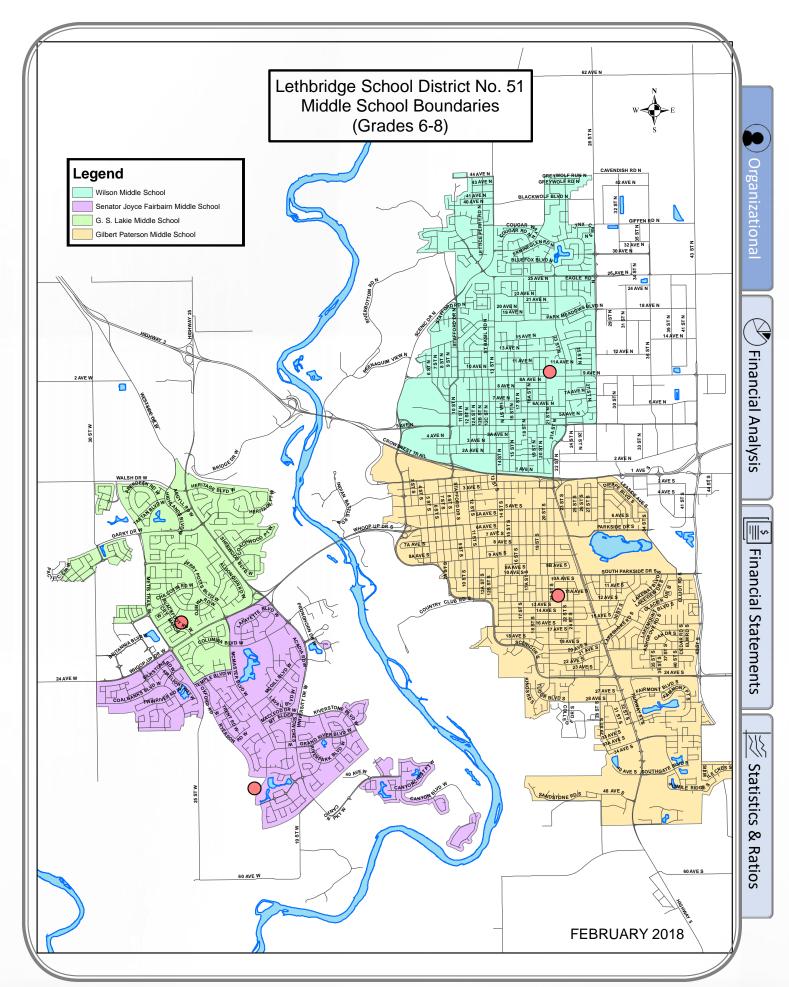
**Lethbridge Collegiate Institute** 1701 5th Ave South Grades 9-12 - 869 students

### **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.





### **Services Provided by the District**

Lethbridge School District No. 51 receives 94% 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. A Spanish Bilingual program is offered from kindergarten to Grade two at Coalbanks Elementary School. 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.



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### 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.

### **Board Members:**



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



**Christine Light** Vice-Chair / Trustee 2017-date



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



Jan Foster Trustee 1983-1992, 2007-date



**Donna Hunt** Trustee 2013-date



**Doug James** Trustee 2017-date



**Lola Major** Trustee 2007-date

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/ our-district/Policies



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### **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



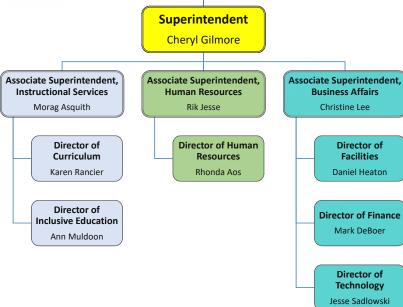
Christine Lee Associate Superintendent, Business Affairs

### **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:





**Board of Trustees** 



# Lethbridge School District No. 51

2018-19 Organizational Chart

Superintendent of Schools Cheryl Gilmore

Clark Bosch, Chair Christine Light, Vice Chair Tyler Demers

Daug James Lola Major

**Director of Facilities** Christine Lee

Associate Superintendent, Business Affairs

Executive Assistant LeeAnne Tedder

Associate Superintendent, Human Resources

RikJesse

Executive Assistant

Stacey Wichers

Executive Assistant Deb Bosch-Friedrick

Associate Superintendent,

Instructional Services

Morag Asquith

Director of Finance Daniel Heaton Mark DeBoer

Jesse Sadlowski

Krystal Steynen, Accounts Payable

Fransportation Coordinator

Director of Human Resources

RhondaAos

Executive Assistant Cheryl Shimbæhi

Brenda Clear, Caretaking Lana Johnson, Benefits

Johny Mantello, IT

Administrative Professional

Kathy Knelsen, Curriculum Resource Centre

Cayley King, Counselling

Isabelle Plomp, ECS

DeeAnna Presley Roberts

**Wa**king Connections Naomi Den Haan

Melinda Maare, Psy chalagy/Caunselling

Administrative Assistants

Administrative Professional

Director of Inclusive Education

Ann Muldaan

Director of Curriculum

Karen Rancier

Amber Ruest

Kurtis Kaskiw

HR Manager

Administrative Assistants

Jolayne Prus

Carrie Fahl

**Director of Technology** 

Melanie Gregson, Accounts Receivable Administrative Assistants Mary Peake, Maintenance Sheri Lacey, Purchasing

Chris Chapman, Operations & Maintenan 🌣

Carrie McLanen, Payroll Jae Perry, Purchasing

Luana Komanac, School Accounting

Tina Camegie, Technology

Barbara Raiche Payroll Gerk

Grant Mortland, Carpenter Jack Kram er, Carp enter Journeymen

Trevor Leusink, Electrician/HVAC Tech Clint Patrick, Plumber Labourer Foreman

laboure. Jim Potts

Bandt Raven Kyle Hogan

TaylorSteiner

Occupational Health & Safety Officer

Blaise Mac Neil

Communications Officer

Garrett Simmons

International Services

Angie Standing Alone Kendall Good Rider Mandy Plain Eagle Crystal Crosschild

FNMI Language & Cultural Instructor John Chief Calf

Lead Teachers BevSmith, ELL

Heather Willms, ESL Michael Krokosh, Technology

Jenn Giles, Numeracy

Rochelle Neville

**PUFSpecialist** 

District Principal, FNMI Education

AndreaFox

Rene WhiteQuilb Toni Bigelow Marni Hope KaileyShade

Teresalbewen

School Principals

FNMI Home School Lia isons

Ray Oliver Courrier

District Buyer

Kebi Cook, International Services &

Administrative Assistants

Occupational Health & Safety

Speech Language Pathologists

Robyn Henderson

Anjana Sawhney-Burgess Christie Archer

Shaun Metz

**Psychologists** 

Amanda Ward-Sutherland

Lacey Mueller Kara Reimer Christy Bates Student Support Worker

Naomi Den Haan

Cassandra Wickens TechSupport Tyler Payant Greg Theron

David Harmon

School Based Tech Support Marca DeMusso **Greg Fischer Tyler Lukey** 

Koji Nagahama Mark Taylor Doug Viel





Jim Kerr, Student Engagement

Consulta rts

Fast Forward Teacher

Nikki Cale

### **VISION, MISSION STATEMENT, & GUIDING PRINCIPLES**



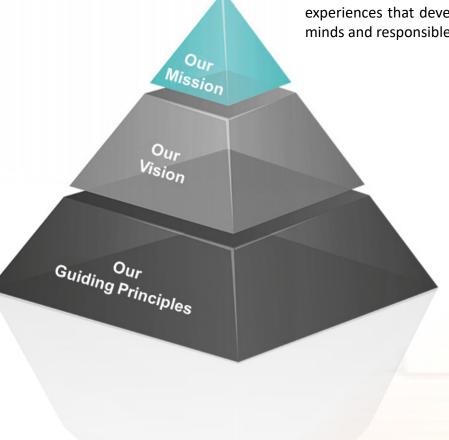
### **Vision Statement**

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



### **Mission Statement**

Lethbridge School District is inclusive, forward-thinking, and accountable for engaging students in quality learning experiences that develop strong foundations, innovative minds and responsible 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.

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### 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 2018-2019 budget development and planning, the Board of Trustees held a consultation session with the education stakeholders of the community in February 2018. 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

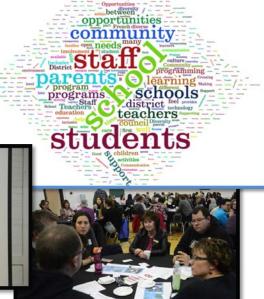
two main questions:

What is the School District doing well? What can the School District do better?

The feedback on these questions assisted the Board of Trustees in establishing priorities for 2018-2019. The two intentionally-simple questions were designed

to maximize input. Through group discussion and the use of technology, participants shared ideas throughout the evening.





Town Hall



The Board of Trustees developed three (3) priorities: Achievement, **Inclusion, and Innovation**. 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.

### **OUTCOMES:**

- 1. Students achieve student learning outcomes with strong foundational skills in **literacy and numeracy.**
- 2. Teachers possess a deep **understanding of pedagogy** that develops literacy and numeracy.
- 3. First Nations, Metis and Inuit (**FNMI**) student achievement will continue to progress towards meeting or exceeding provincial standards.
- 4. A **comprehensive wellness approach** promotes well-being and fosters learning.
- 5. Support staff possess the knowledge, skills and attributes to **support student success** and create optimal learning environments.
- School Leaders are highly skilled in all areas of the Principal Leadership Quality Standard.
- 7. Teachers are highly skilled in all areas of the **Teaching Quality Standard.**
- 8. Learning is optimized through **collaboration and reflection** that promotes growth.
- 9. 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.
- 10. Effective **management of growth and capacity** building to support learning spaces and the provision of programs.
- 11. Parents feel welcome, included and possess agency to be full partners in their child's education.
- 12. Community members feel ownership as **collaborative partners** in the education of children and youth.
- 13. Community minded **organizations are engaged** in collaborative delivery of programs and services to students.



2018-2019
Board Priorities

### **INCLUSION**

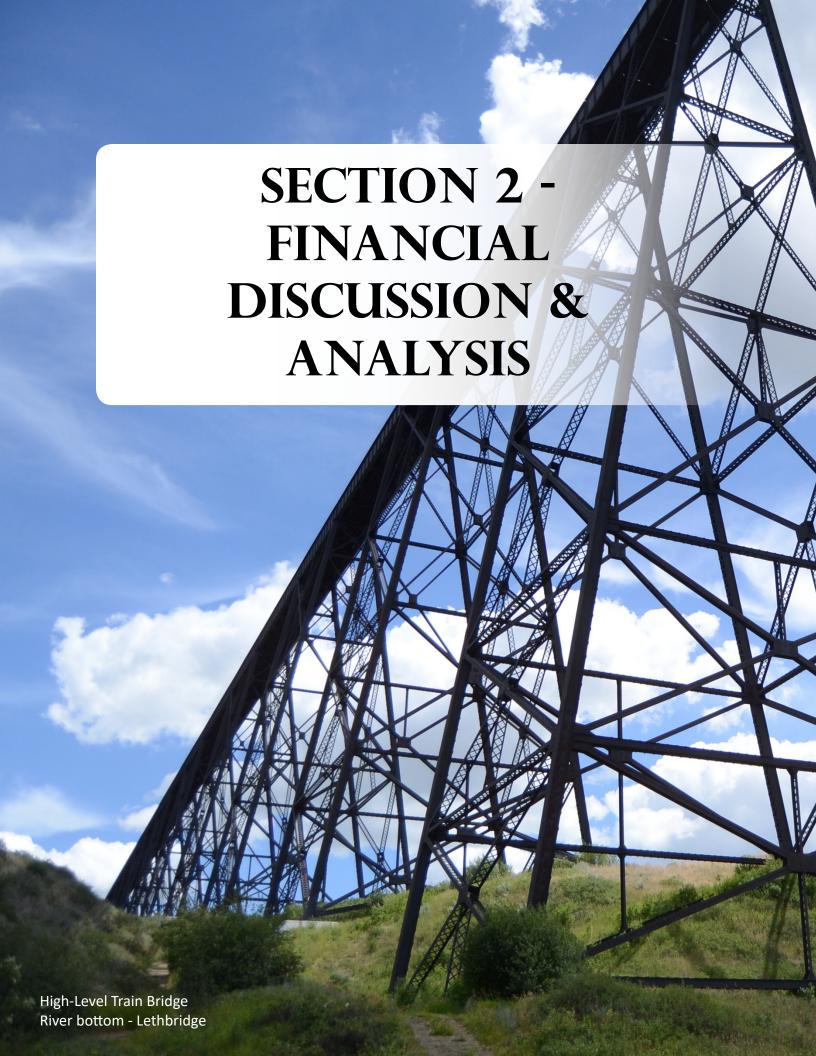
### **OUTCOMES:**

- Schools are welcoming caring, respectful and safe learning environments.
- 2. Schools are **inclusive learning environments** that embrace all populations.
- 3. Staff differentiate instruction to **meet student learning needs**.
- 4. The **Response to Instruction and Intervention model** (RTI2) meets the needs of students
- 5. All students are able to grow as learners.

### **INNOVATION**

### **OUTCOMES:**

- 1. Learners demonstrate the attributes of innovation, creativity and critical thinking in a process-based learning environment.
- 2. Breadth of **program choice** provides opportunities for students to explore and grow as learners.
- 3. All learners **effectively use technology** as creative and critical thinkers capable of accessing, sharing and creating knowledge.



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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, 2019. 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, SFO 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 2018/2019 fiscal year.

The FSD&A is a supplement to the 2018/2019 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 2018/2019 Lethbridge School District No. 51 Financial Statements and provided an unqualified opinion. The Board of Trustees approved the audited financial statement on November 26, 2019.















### 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.

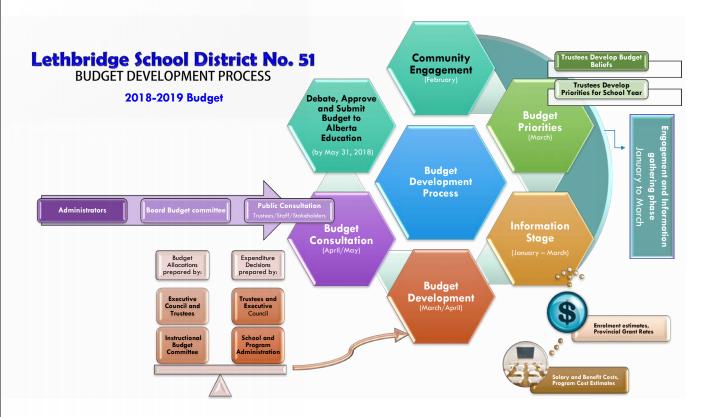


The District utilizes a centralized accounting process (other than the School Generated Funds - SGF); where the Business Affairs department is responsible for the common financial and computer systems used to record the financial transactions and information. These central activities account for the vast majority of the financial transactions; whereas, the SGF funds are tracked and recorded at the School level and only represent approx. 3-5% 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 publicly available on our website: http://www.lethsd.ab.ca/our-district/Policies

### **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 2018/2019 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 2018/2019 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 2018/2019 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**

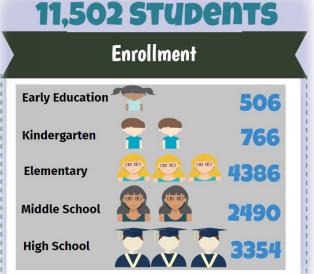


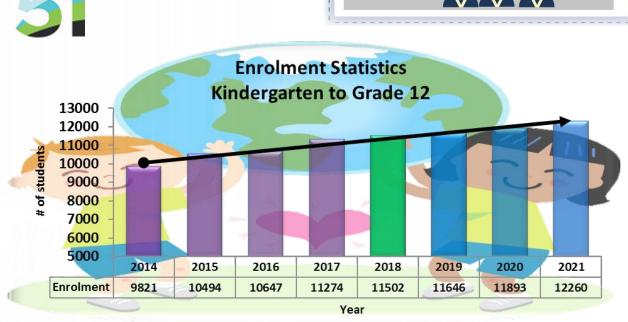
The 2018/2019 enrolment was a total of 11,502 Students in Early Education to Grade 12. This was an increase of 228 students or 2.02% increase from the prior year's enrolment of 11,274.

The overall increase includes the following:

- Early Education increased by 35 students
- Kindergarten decreased by 92 students
- Elementary increased by 136 students
- Middle School increased by 58 students
- High School increased by 91 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.





Enrolment for 2018/2019 had an increase of 2.02%. Projected enrolment over the next three years shows increases of 1.25% for 2019/2020, 2.12% for 2020/2021, and 3.09% for 2021/2022. There has been an upward trend in enrolment due in part to the significant growth that the City of Lethbridge has experienced.



# 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, 2019 (in dollars)

	_	2212	2012		01
		2019	2018	Change	
FINANCIAL ASSETS					
Cash and cash equivalents	\$	18,375,384	22,359,330	\$	(3,983,946)
Accounts receivable (net after allowances)	\$	6,445,372	\$ 7,242,508	\$	(797,136)
Portfolio investments	\$	93,469	\$ 74,540	\$	18,929
Total financial assets	\$	24,914,225	\$ 29,676,378	\$	(4,762,153)
LIABILITIES					
Accounts payable and accrued liabilities	\$	4,987,853	\$ 8,565,149	\$	(3,577,296)
Deferred contributions	\$	142,100,297	\$ 139,816,734	\$	2,283,563
Employee future benefits liabilities	\$	230,538	\$ 217,648	\$	12,890
Total liabilities	\$	147,318,688	\$ 148,599,531	\$	(1,280,843)
Net financial assets (debt)	\$	(122,404,463)	\$ (118,923,153)	\$	(3,481,310)
					•
NON-FINANCIAL ASSETS					
Tangible capital assets	\$	143,323,320	\$ 140,911,810	\$	2,411,510
Inventory of supplies	\$	184,020	\$ 158,382	\$	25,638
Prepaid expenses	\$	481,694	\$ 446,634	\$	35,060
Total non-financial assets	\$	143,989,034	\$ 141,516,826	\$	2,472,208
Accumulated Surplus	\$	21,584,571	\$ 22,593,673	\$	(1,009,102

### **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 contributions, endowment funds, and accumulated surplus form operations.
- The majority of the accounts receivables relate to the approx. \$4.4 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 the new Southeast Elementary School and for the completion of Senator Joyce Fairbairn Middle School.

### Liabilities

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

The accounts payable decreased from the prior year due to the payment of the holdbacks on the capital projects (building construction and modernization of schools). In accordance with PSAS 3430 (Restructuring Transactions) that was adopted in the 2018/2019 fiscal year, unearned revenues were reclassified from Deferred Revenue to Accounts Payable (see F/S Note 5 for details).

The majority of the deferred contributions relate to the Expended Deferred Capital Contributions (EDCC). The EDCC 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). **Capital Expenditures** Inexpended Deferre evenues Recognized (Alberta Education -Capital Block) • Add – Capital Project (UDCC) · Project is approved by Expenditures/Outlays Alberta Education • Add - Capital Funding (transfer from UDCC) received by School · Source of funding for • Less - Recognition of Add - Recognition of District capital project amortization of supported amortization of supported • Less – Capital Project capital as revenue capital from EDCC Expenditures/Outlays Expended Deferred (transferred to EDCC) Alberta Infrastructure Capital Contributions (Approved Project) (EDCC) **Capital Funding** Revenue Recognized (provided to District) (Supported Amortization)

Both the UDCC and the EDCC accounts are classified as deferred contributions 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.



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### **Net Financial Assets (Debt)**



The net of the Financial Assets and Liabilities result in \$122.4 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 \$137.8 million in the Expended Deferred Capital Contributions (EDCC) 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 \$15.4 Million. The exclusion of the Expended Deferred Capital Contributions (EDCC) provides a more realistic perspective of the District's financial position.

Total Financial Assets	\$24.9 Million
Total Liabilities	\$147.3 Million
Net Financial Assets (Debt)	(\$122.4 Million)
Non Financial Assets	\$144.0 Million  Expended Deferred Copital
Accumulated Surplus	\$21.6 Million  Results Net Assets \$15.4 Million

### **Non-Financial Assets**

The Non-Financial Assets are comprised mostly of the Tangible Capital Assets (TCA) for a net book value of \$143.3 million, which are assets such as land, buildings, vehicles, and equipment.

The increase in the TCA is from the District constructing and acquiring approximately \$8.78 million in assets. These additions are somewhat offset by approx. \$6.28 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 contributions.

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:

of the following categories:	20	19				
Tangible Capital Assets (TCA)	Historical Cost		ccumulated mortization	Net Book Value		
Land	\$ 1,715,118	\$	-	\$	1,715,118	
Construction in Process	\$ 3,326,120	\$	-	\$	3,326,120	
Buildings	\$ 196,222,108	\$	(63,525,446)	\$	132,696,662	
Equipment	\$ 10,295,661	\$	(5,308,734)	\$	4,986,927	
Vehicles	\$ 1,112,667	\$	(726,128)	\$	386,539	
Computer equipment	\$ 932,444	\$	(720,490)	\$	211,954	
Total Tangible Capital Assets	\$ 213,604,118	\$	(70,280,798)	\$	143,323,320	

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 Southeast Elementary School. Senator Joyce Fairbairn Middle School opening at the beginning of 2018/2019 school year; in which, it will be moved from "Construction in Process" to the in-service "Buildings" as 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:

		20	19		
Tangible Capital Assets (Net Book Value)		Supported	Uı	nsupported	Total
Land	\$	-	\$	1,715,118	\$ 1,715,118
Construction in Process	\$	3,326,120	\$	-	\$ 3,326,120
Buildings	\$	130,830,371	\$	1,866,291	\$ 132,696,662
Equipment	\$	3,619,812	\$	1,367,115	\$ 4,986,927
Vehicles	\$	22,864	\$	363,675	\$ 386,539
Computer equipment	\$	-	\$	211,954	\$ 211,954
	•				
Total Tangible Capital Assets (Net Book Value)	\$	137,799,167	\$	5,524,153	\$ 143,323,320

The total Net Book Value (NBV) of the supported assets of \$137.8 million is equal to the amount of Expended Deferred Capital Contributions (EDCC) which is included in deferred contributions (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 \$5.5 million is equal to the amount of "Investment in Tangible Capital Assets" which is included in the District's Accumulated Surplus.

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## **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	2019	2018	Change
Unrestricted Surplus	\$ 700,209	\$ 757,838	\$ (57,629)
Restricted Surplus:			
Operating Reserves	\$ 9,893,702	\$ 10,330,034	\$ (436,332)
Capital Reserves	\$ 5,146,633	\$ 5,268,160	\$ (121,527)
Endowments	\$ 319,874	\$ 319,874	\$ -
Investment in Tangible Capital Assets	\$ 5,524,153	\$ 5,917,767	\$ (393,614)
Accumulated Surplus	\$ 21,584,571	\$ 22,593,673	\$ (1,009,102)

## **Restricted Surplus (Reserves)**

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

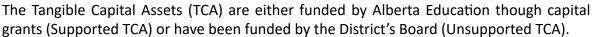
		20	19		
Restricted Surplus	(	Operating		Capital	Total
School and Instruction Related	\$	7,946,046	\$	3,698,675	\$ 11,644,721
Operating and Maintenance	\$	293,082	\$	664,866	\$ 957,948
Board and System Administration	\$	695,711	\$	467,650	\$ 1,163,361
Transportation	\$	640,487	\$	315,442	\$ 955,929
External Services (International program)	\$	318,376	\$	-	\$ 318,376
Restricted Surplus	\$	9,893,702	\$	5,146,633	\$ 15,040,335

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).

## **Investment in Tangible Capital Assets**





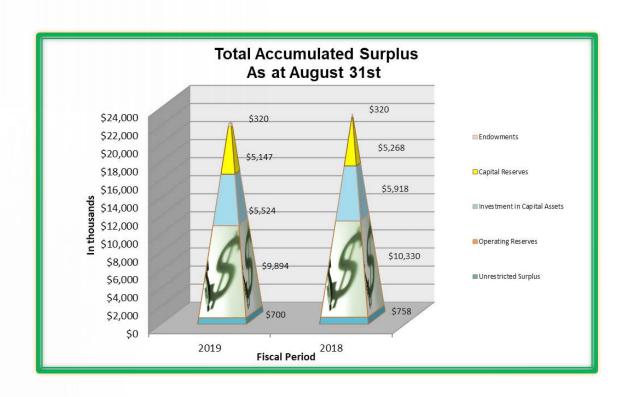
The total Unsupported TCA of \$5.5 million, as shown previously in the TCA section, agrees to the total Investment in Tangible Capital Assets included in the Accumulated Surplus, as this is the equity that the District has in the Board funded tangible capital assets.

### **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 there of) 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.



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## **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.

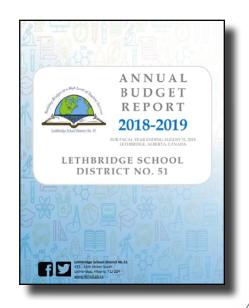
	A	oproved May	Se	ptember 30th	2018-2019	2017-2018
	Budget			Budget	Actual	Actual
REVENUES						
Government of Alberta	\$	122,816,668	\$	123,661,023	\$ 121,725,881	\$ 118,805,827
Federal Government & First Nations	\$	248,128	\$	248,128	\$ 400,582	\$ 387,100
Fees	\$	3,445,891	\$	3,429,935	\$ 1,944,047	\$ 1,731,863
Other Sales & Services	\$	1,365,581	\$	1,624,219	\$ 1,433,092	\$ 1,244,744
Investment Income	\$	193,000	\$	193,000	\$ 413,358	\$ 271,924
Gifts and Donations	\$	390,000	\$	423,000	\$ 796,801	\$ 780,344
Rental of Facilities	\$	34,704	\$	34,704	\$ 27,504	\$ 27,504
Fundraising	\$	2,461,000	\$	2,461,000	\$ 2,158,853	\$ 2,233,757
Gain on Disposal of TCA	\$	-	\$	-	\$ 2,411	\$ -
Total revenues	\$	130,954,972	\$	132,075,009	\$ 128,902,529	\$ 125,483,063
EXPENSES						
Instruction - ECS	\$	8,678,344	\$	9,315,055	\$ 8,918,450	\$ 8,284,171
Instruction - Grades 1 - 12	\$	100,363,953	\$	102,517,789	\$ 98,383,680	\$ 93,989,288
Plant Operations & Maintenance	\$	15,600,064	\$	16,855,260	\$ 15,886,139	\$ 14,575,181
Transportation	\$	2,468,779	\$	2,468,779	\$ 2,162,305	\$ 2,339,053
Board & System Administration	\$	4,259,106	\$	4,342,263	\$ 4,133,438	\$ 4,037,310
External Services	\$	315,500	\$	575,500	\$ 427,619	\$ 430,584
Total expenses	\$	131,685,746	\$	136,074,646	\$ 129,911,631	\$ 123,655,587
Operating surplus (deficit)	\$	(730,774)	\$	(3,999,637)	\$ (1,009,102)	\$ 1,827,476

#### **APPROVED MAY BUDGET:**

The Approved May Budget is the legally adopted budget of the 2018/2019 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 22nd, 2018, and submitted to the Minister of Education of Alberta.

The 2018/2019 Preliminary Budget totalled \$131.72 million, including \$765,700 of operating reserves (\$130.95 million excluding reserves). The projected enrolment within the preliminary budget was estimated at 11,601 students in Early Education to Grade 12. The Preliminary Budget included 623 FTE of teaching staff and 529 FTE of support staffing.

Click the Page to go to the Review the detailed Annual Budget Report



Planning

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

The revised budget for the 2018-2019 school year reflects changes to the District budget as of September 30th, 2018, which includes the updated information on enrolment, grant funding, project costs, and other additional information received since the preliminary budget.

The approved September 30th Budget totalled \$134.92 million, including \$4.10 million of operating reserves (\$130.81 million excluding reserves). The September 30th final enrolment was at 11,502 students in Early Education to Grade 12. The September 30th Budget was updated to included 629 FTE of teaching staff and 520 FTE of support staffing. The majority of the other changes included the utilization of operating reserves for the carry-forward of school-based and other instructional surpluses.

The District's Operating Budget includes the subsequent updates, which are included in the District's Financial Reporting:

Budget Adjustments:	Revenues	Expenses
Approved Expenses - "September 30th Budget"	130,813,083	134,742,720
Transfers to Reserves		70,000
Total "September 30th "Expenses and Transfers	130,813,083	134,812,720
Updates from Approved "September 30th Budget":		
Increased PUF Grant/Expenditures	412,117	412,117
Lease Grant Received	509,582	509,582
Society Contribution	20,227	20,227
International Program group	260,000	260,000
Ready-Set-Go Program	60,000	60,000
Average Salary Savings		(986,300)
Technology & Literacy Resources		986,300
Updated Operating Budget	132,075,009	136,074,646
Transfers from Reserves/Capital	4,104,637	105,000
	136,179,646	136,179,646

Subsequent to the approval of the September budget, it was also determined that the Program Unit Funding (PUF) program grant increased by \$412,117 and the Lease Grant was received for \$509,582; these updates are include in the "September 30th operating budget". The operating budget has been updated for the additional tuition and costs of the Thai group within the international program and the budget has been adjusted to accurately reflect the reallocation of average salary savings (actual costs are less then projected) funding towards much needed technology and literacy resources.

In budget 2018/2019, \$4.10 million of one-time reserves were planned to be utilized for various priorities including: the West Lethbridge Middle school start-up costs, full-day kindergarten pilot project, 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 the Government of Alberta. The chart below illustrates the source of funding for every \$100 of revenue as at August 31st. 2019:





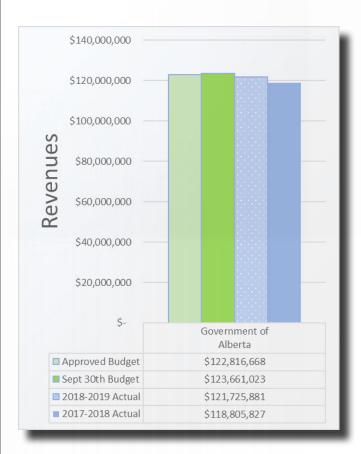
The District had total revenues of \$128.90 million for the school year ended August 31, 2019. This was \$2.05 million less than the \$130.95 million budget approved in May 2018; whereas, this was also less than the \$132.07 million included in the September 30th budget.

	Α	pproved May	Se	ptember 30th	2018-2019	2017-2018
		Budget		Budget	Actual	Actual
REVENUES (by type)						
Government of Alberta	\$	122,816,668	\$	123,661,023	\$ 121,725,881	\$ 118,805,827
Federal Government & First Nations	\$	248,128	\$	248,128	\$ 400,582	\$ 387,100
Fees	\$	3,445,891	\$	3,429,935	\$ 1,944,047	\$ 1,731,863
Other Sales & Services	\$	1,365,581	\$	1,624,219	\$ 1,433,092	\$ 1,244,744
Investment Income	\$	193,000	\$	193,000	\$ 413,358	\$ 271,924
Gifts and Donations	\$	390,000	\$	423,000	\$ 796,801	\$ 780,344
Rental of Facilities	\$	34,704	\$	34,704	\$ 27,504	\$ 27,504
Fundraising	\$	2,461,000	\$	2,461,000	\$ 2,158,853	\$ 2,233,757
Gain on Disposal of TCA	\$	-	\$	-	\$ 2,411	\$ -
Total revenues	\$	130,954,972	\$	132,075,009	\$ 128,902,529	\$ 125,483,063

The Schedule of Program Operations (Schedule 3) provides additional analysis on the operating revenues by redisplaying the revenues by both type and program (i.e. instruction, plant operation & maintenance, transportation, board & system administration, and external).

See the following  $\underline{Financial\ Charts\ g\ Graphs}$  section for additional review





The District receives over 90% of all operating funding from the Government of Alberta. There is an economic dependence as the District's ability to continue viable operations is dependent on this funding from the Provincial Government.



#### **Government of Alberta**

The September 30th budget increased from the preliminary budget with the increased capital allocation revenues from increased supported assets and the addition of the lease grant received; whereas, these increases were somewhat offset by a reduction in budgeted operating grants due to the reduction in projected enrolment. The September 30th budget amount is a more accurate figure as it consists of more current information.

The 2018/2019 actual funding recognized from Alberta Education was \$1.94 million less than the operating budget (Sept 30th budget) mostly due to the Infrastructure, Maintenance & Renewal (IMR) grant was recognized was \$1.88 million less than budgeted. The IMR operating revenues recognized are based on the total IMR operating expenditures incurred; whereas, there were two large IMR projects that were capitalized in 2018/2019 (moved to capital revenues). Alberta Education operating grants were less than projected; whereas, this reduction mostly related to the differential funding for refugees as many refugee students had reached the 5-year maximum of grant funding during the school year.

The funding from Alberta Education increased from the prior year, mostly due to increases in student enrolment (2.02% increase); in which, a large portion of these grants are based on student enrolment. There was a significant increase in the Program Unit Funding (PUF) grant from the prior year with the increase in PUF eligible students. The CIF funding was funded in both 2017/2018 and 2018/2019.

	Α	pproved May Budget	Se	ptember 30th Budget	2018-2019 Actual	2017-2018 Actual
Government of Alberta						
Alberta Education:						
Operating Grants	\$	104,513,479	\$	103,684,735	\$ 102,918,065	\$ 101,184,866
Operations and Maintenance	\$	8,566,817	\$	9,076,399	\$ 9,152,541	\$ 8,717,837
Transportation	\$	2,468,500	\$	2,468,500	\$ 2,601,548	\$ 2,538,044
Capital and Debt Servicing	\$	3,472,584	\$	4,576,935	\$ 5,097,275	\$ 4,581,269
Infrastructure Maintenance & Renewal	\$	3,056,087	\$	3,056,087	\$ 1,177,665	\$ 1,200,887
Total Alberta Education	\$	122,077,467	\$	122,862,656	\$ 120,947,094	\$ 118,222,903
Other Government of Alberta	\$	739,201	\$	798,367	\$ 778,787	\$ 582,924
Total	\$	122,816,668	\$	123,661,023	\$ 121,725,881	\$ 118,805,827

## **Operating Revenues** - Continued





#### **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 as the budget is estimated on a conservative basis. This increase in students from Kainai reserve increased the total tuition received from First Nations. The 2018/2019 revenues are more comparable to the prior year students attending the District.

There was no federal funding received or projected for staff secondments in 2018/2019.

#### **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 2018/2019 actual fee revenues were less than budgeted as the SGF fees-based activities available during the year were less than projected and/or the activities were not done in the year; whereas, the costs of these SGF activities are also reduced (as many did not occur). There was also 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 attending the District (specifically large short-stay groups); therefore, increased the projected revenues accordingly.

The 2018/2019 actual revenues were less than the operating budget as there were no staff secondments during the year, so the revenues and related expenditures are reduced accordingly.

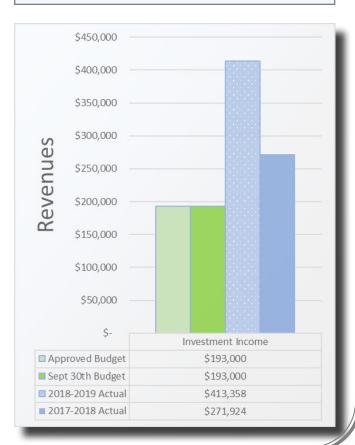
Overall, there was an increase from the prior year as there was an increase in the other sales and services received from the School Generated Funds (SGF) within the schools.

#### **Investment Income**

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

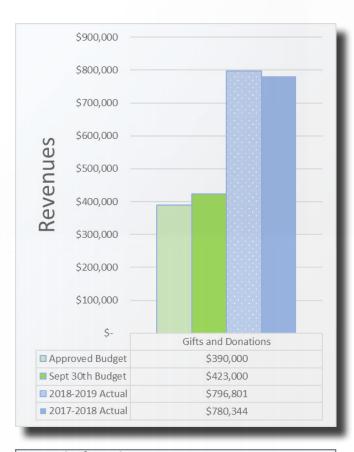
The preliminary and operating budget (Sept 30th budget) are based on the investment income that was earned in the prior years; whereas, this is budgeted on a conservative basis (should there be fluctuations in the investment rates).

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 (negotiated rate increased during the year).



## **Operating Revenues** - Continued





#### **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 2018/2019 actual revenues were higher than budget(s) as there were significant donations received for the Lakeview Elementary's playground replacement.

The 2017/2018 actuals were also higher that normal due to the additional donations received for the Lakeview Elementary's playground replacement.

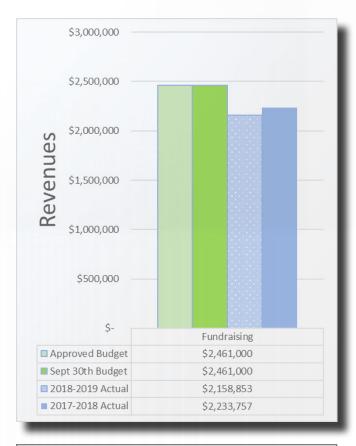
#### **Rental of Facilities**

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 and 2018/2019 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 budget as certain school generated activities were not done in the year. Related school expenses for those activities were also reduced accordingly.

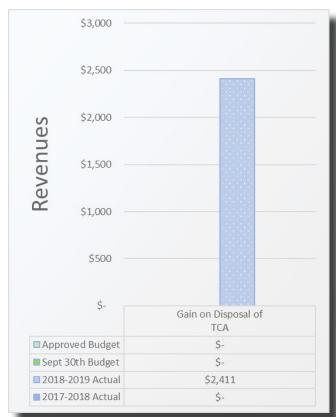
Overall, there was a slight decrease from the prior year with the overall decreases in the SGF activities from the prior year.

#### **Gain on Disposal of TCA**

The District does not budget for gains nor losses on disposals of Tangible Capital Assets (TCA); whereas, the District does not typically dispose of any major capital, only occasionally with trade-ins of vehicles or equipment.

During the year, the District had some specific pieces of equipment that were traded-in creating a gain on the disposal as the proceeds on the trade-in exceeded the net book value of the assets at the time of the disposal.

There were no gains on disposals in prior years.



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## **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:

	A	pproved May Budget	September 30th Budget			2018-2019 Actual	2017-2018 Actual
EXPENSES (by program)							
Instruction - ECS	\$	8,678,344	\$	9,315,055	\$	8,918,450	\$ 8,284,171
Instruction - Grades 1 - 12	\$	100,363,953	\$	102,517,789	\$	98,383,680	\$ 93,989,288
Plant Operations & Maintenance	\$	15,600,064	\$	16,855,260	\$	15,886,139	\$ 14,575,181
Transportation	\$	2,468,779	\$	2,468,779	\$	2,162,305	\$ 2,339,053
Board & System Administration	\$	4,259,106	\$	4,342,263	\$	4,133,438	\$ 4,037,310
External Services	\$	315,500	\$	575,500	\$	427,619	\$ 430,584
Total expenses	\$	131,685,746	\$	136,074,646	\$	129,911,631	\$ 123,655,587

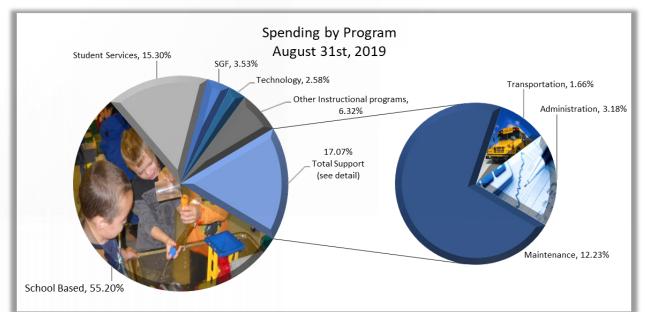
The District had total operating expenses of \$129.91 million for the school year ended August 31, 2019. This was \$6.16 million lower than the \$136.07 million included in the September 30th budget.

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 table below for a breakdown of expenses by major program and by expense type:

	I	nstruction - ECS	_	nstruction - Grades 1-12	ant Operations & Maintenance	Tr	ansportation	ard & System Iministration		External Services	Total
APPROVED MAY BUDGET	\$	8,678,344	\$	100,363,953	\$ 15,600,064	\$	2,468,779	\$ 4,259,106	\$	315,500	\$ 131,685,746
SEPTEMBER 30TH BUDGET	\$	9,315,055	\$	102,517,789	\$ 16,855,260	\$	2,468,779	\$ 4,342,263	\$	575,500	\$ 136,074,646
2018-2019 - EXPENSES (by type):											
Certificated Salaries and Benefits	\$	2,907,434	\$	69,366,798				\$ 866,562	\$	88,708	\$ 73,229,502
Non-certificated Salaries and Benefits	\$	5,648,746	\$	16,746,483	\$ 4,516,865	\$	86,473	\$ 2,292,592	\$	28,994	\$ 29,320,153
Total Salaries and Benefits	\$	8,556,180	\$	86,113,281	\$ 4,516,865	\$	86,473	\$ 3,159,154	\$	117,702	\$ 102,549,655
Services, Contracts and Supplies	\$	362,270	\$	11,369,161	\$ 6,056,086	\$	2,063,111	\$ 830,993	\$	309,917	\$ 20,991,538
Amortization of TCA	\$	-	\$	810,339	\$ 5,313,188	\$	12,721	\$ 143,291	\$	-	\$ 6,279,539
Interest and Charges	\$	-	\$	90,899	\$ -	\$	-	\$ -	<b>\$</b>		\$ 90,899
Losses on Disposal of TCA	\$	-	\$	-	\$ -	\$	-	\$ -	\$	-	\$ -
Total expenses	\$	8,918,450	\$	98,383,680	\$ 15,886,139	\$	2,162,305	\$ 4,133,438	\$	427,619	\$ 129,911,631
2017-2018 - EXPENSES	\$	8,284,171	\$	93,989,288	\$ 14,575,181	\$	2,339,053	\$ 4,037,310	\$	430,584	\$ 123,655,587

See the Operating Expenses by Type section for additional review





See the following <u>Financial Charts & Graphs</u> section for additional review

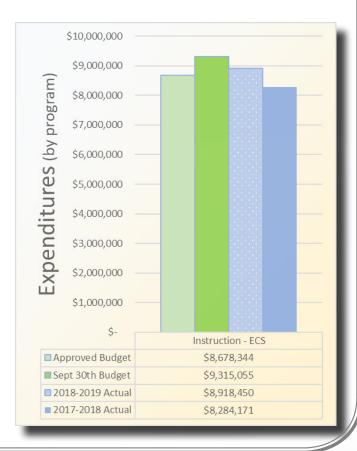
#### **Instruction - ECS**

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 2019/2020 school year.

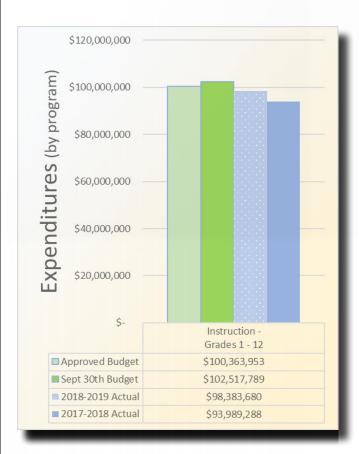
Overall, there was an increase from the prior year with increased costs assisting the increased PUF students.



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## Operating Expenses (by program) - Continued





The Instructional Programs (including ECS and Grades 1-12) represent the vast majority of the District's budget. For budget 2018/2019, these sections accounted for 82% of the Division's total operating budget.

#### **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 \$4.1 million less than September 30th budget (approx. 4.0%). The majority of these reductions were in three areas: staffing, school generated funds (SGF), 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) and cost savings from the timing of hiring educational assistants.
- There was a reduction in the amount of SGF activities completed during the year; therefore, reduced the SGF expenditures (and related SGF fees, sales and other SGF revenues)
- Contingency accounts at the schools were not fully utilized by many of the schools (carried forward to the 2019/2020 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 28.3 FTE of teachers and 5.7 FTE of support staff to assist increased student enrolment and lowering class sizes.

	Α	pproved May	Se	ptember 30th	2018-2019	2017-2018
		Budget		Budget	Actual	Actual
Instruction - Grades 1 - 12						
School Based Instruction	\$	62,928,188	\$	64,628,435	\$ 62,918,913	\$ 60,803,755
Inclusive Learning Supports	\$	9,237,412	\$	9,311,856	\$ 8,698,559	\$ 8,990,153
Shared Instructional Services	\$	10,685,151	\$	10,599,511	\$ 10,874,621	\$ 10,342,395
School Generated Funds Activities	\$	6,129,088	\$	6,129,088	\$ 4,580,692	\$ 4,564,411
Technology	\$	2,707,150	\$	3,520,150	\$ 3,352,985	\$ 2,149,418
Institutional Programs	\$	995,579	\$	998,278	\$ 954,831	\$ 929,167
Division of Instructional Services	\$	1,006,201	\$	944,609	\$ 886,686	\$ 860,958
FNMI Programming	\$	618,866	\$	707,164	\$ 550,760	\$ 676,337
Counselling Program	\$	2,592,391	\$	2,595,395	\$ 2,584,682	\$ 2,371,292
Other Instructional Programs	\$	3,463,927	\$	3,083,304	\$ 2,980,952	\$ 2,301,402
Total	\$	100,363,953	\$	102,517,789	\$ 98,383,680	\$ 93,989,288



	Ap	proved May	Sep	otember 30th	2018-2019	2017-2018
		Budget		Budget	Actual	Actual
School Based Instruction						
High Schools:						
Lethbridge Collegiate Institute	\$	4,922,784	\$	4,853,209	\$ 4,917,211	\$ 4,844,493
Winston Churchill High School	\$	5,009,242	\$	5,059,270	\$ 4,860,400	\$ 4,707,506
Chinook High School	\$	6,710,821	\$	7,046,494	\$ 6,382,177	\$ 6,153,959
Victoria Park High School	\$	1,884,881	\$	2,002,133	\$ 1,856,570	\$ 1,838,469
Immanuel Christian Secondary School	\$	2,049,359	\$	2,019,037	\$ 1,997,064	\$ 1,974,478
Middle Schools:						
GS Lakie Middle School	\$	2,875,455	\$	2,966,413	\$ 2,879,735	\$ 4,938,116
Wilson Middle School	\$	3,862,039	\$	4,006,241	\$ 3,964,183	\$ 3,690,848
Gilbert Paterson	\$	4,044,289	\$	4,034,920	\$ 4,013,438	\$ 3,996,067
Lethbridge Christian School	\$	1,284,223	\$	1,268,675	\$ 1,249,155	\$ 1,260,084
Senator Joyce Fairbairn Middle School	\$	2,767,744	\$	2,767,744	\$ 2,720,700	\$ -
Elementary Schools:						
Senator Buchanan	\$	1,847,666	\$	1,894,032	\$ 1,893,497	\$ 1,689,453
Immanuel Christian Elementary School	\$	1,645,240	\$	1,673,046	\$ 1,667,425	\$ 1,605,296
Ecole Agnes Davidson	\$	3,023,157	\$	3,207,171	\$ 3,039,742	\$ 3,032,831
Fleetwood-Bawden	\$	2,116,472	\$	2,187,609	\$ 2,151,364	\$ 2,152,933
Galbraith	\$	2,576,218	\$	2,696,690	\$ 2,629,346	\$ 2,865,592
Lakeview	\$	2,926,363	\$	3,141,125	\$ 3,037,288	\$ 2,865,912
General Stewart	\$	857,510	\$	873,973	\$ 869,673	\$ 850,067
Westminster	\$	1,364,440	\$	1,504,036	\$ 1,483,557	\$ 1,504,868
Coalbanks Elementary School	\$	2,683,313	\$	2,776,087	\$ 2,811,583	\$ 2,478,065
Ecole Nicholas Sheran	\$	3,224,673	\$	3,267,128	\$ 3,212,897	\$ 3,195,503
Park Meadows	\$	1,962,890	\$	1,987,444	\$ 1,962,414	\$ 1,969,076
Mike Mountain Horse	\$	3,096,732	\$	3,136,839	\$ 3,089,966	\$ 3,054,461
Dr. Probe Elementary School	\$	3,149,576	\$	3,213,929	\$ 3,184,337	\$ 3,092,577
Allocation of ECS Teachers	\$	(2,956,899)	\$	(2,954,810)	\$ (2,954,810)	\$ (2,956,899
Total	\$	62,928,188	\$	64,628,435	\$ 62,918,913	\$ 60,803,755

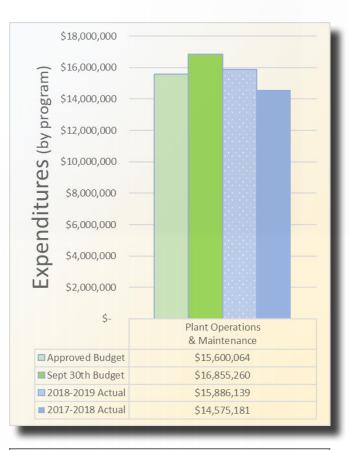
Senator Joyce Fairbairn Middle School opened for the 2018/2019 school year; whereas, the westside middle school boundaries were shifted to include both G.S. Lakie Middle School and the new Senator Joyce Fairbairn Middle School. Prior to the opening of the new middle school, the westside middle school students were all within G.S. Lakie Middle School.

A new elementary school is Southeast Lethbridge is currently under construction and is planned to be opened for the 2021/2022 school year.

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## 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. \$1.9 million less than budget as the District had two large IMR projects that were capitalized (major HVAC upgrades at two schools). These reductions were somewhat offset by increased amortization costs of approx. \$1.2 million with new schools being in-service. These reductions were somewhat offset by the increase in amortization costs of approx. \$1.1 million with new schools being in-service.

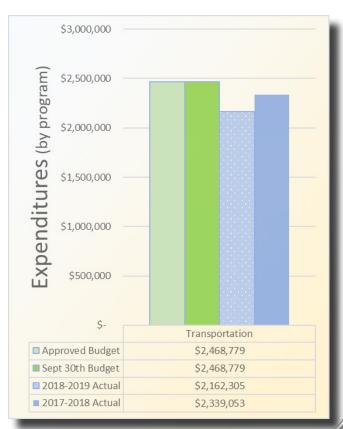
Increases from prior year relates to the increased amortization and increases in caretaking and other maintenance costs relating to opening the new middle school for 2018/2019.

#### **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 and the September 30th budget remained constant as there was not a significant change in the projected eligible ridership as the preliminary budget already accounted for the new middle school and the projected increases in enrolment.

The Transportation expenses were reduced from the prior year due to a reduction in the cost-sharing agreement for the transportation services as the bus replacement contributions were not required during the year.







#### **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; however, these reductions were somewhat offset by the mid-year hiring of the HR manager position (not included in budget).

The 2018/2019 Administrative expenses equate to 3.18% of the total expenses (prior year at 3.26%), which is within the 3.60% maximum for Administrative costs as set out by Alberta Education. This reduction allowed approx. \$543,400 of additional funding available for instructional purposes.

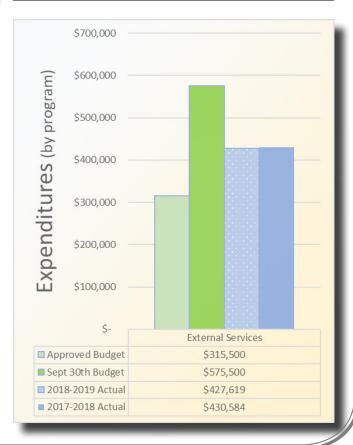
Increase from prior year relates to increases in contracted services and hiring of the new HR manager position. Contracted services increases include cost of computer services for the implementation of specific HR/Payroll modules.

#### **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 September 30th operating budget was increased as the operating budget was updated for a large short-stay group of international students that attended the District. There was also increases in the related revenues which covers these increased costs.

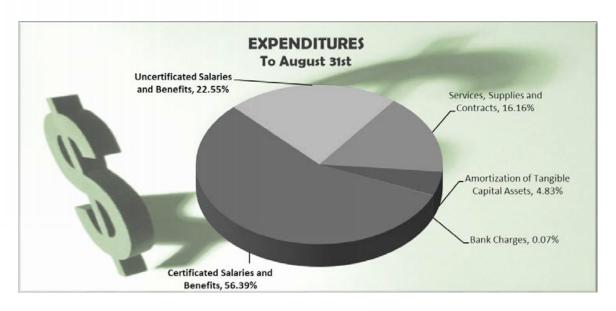
The actual expenses were less than the operating budget; whereas, the profit on the international program are partially allocated to those schools that had these international students attending their schools (as an internal reserve transfer). The 2018/2019 costs are comparable to the prior year as both years had a large short-stay group of international students.



## **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		September 30th		2018-2019		2017-2018	
	Budget		Budget		Actual		Actual	
EXPENSES (by type)								
Certificated Salaries and Benefits	\$	73,134,636	\$	73,715,307	\$	73,229,502	\$	70,710,850
Non-certificated Salaries and Benefits	\$	29,341,083	\$	29,411,887	\$	29,320,153	\$	28,237,952
Services, Contracts and Supplies	\$	25,272,133	\$	27,809,268	\$	20,991,538	\$	19,502,369
Amortization of TCA:								
Amortization of supported TCA	\$	3,472,584	\$	4,576,935	\$	5,097,276	\$	4,576,935
Amortization of unsupported TCA	\$	465,310	\$	561,249	\$	1,182,263	\$	561,250
Interest and Finance Charges:								
Supported Interest on Capital Debt	\$	-	\$		\$	-	\$	4,334
Other Interests and Finance Charges	\$	-	\$		\$	90,899	\$	57,594
Other Expenses:								
Losses on Disposal of TCA	\$	-	\$	-	\$	-	\$	4,303
Total expenses	\$	131,685,746	\$	136,074,646	\$	129,911,631	\$	123,655,587



As shown above, approximately 79% 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 following  $\underline{Financial\ Charts\ g\ Graphs}$  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 2018/2019 by 3.43% due to the addition of 28.3 FTE of additional classroom teachers (up to a total of 629 FTE of certificated staff). Although this increase in teachers is an increase of 4.71% of staff, the costs only increased by 3.43% 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.

The 2018/2019 actuals were slightly 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 2018/2019 by 2.54%. There was an increase of 5.7 Full Time Equivalent (FTE) support staff over the prior year. The operating budget (Sept 30th budget) remained relatively consistent from the preliminary budget. The increase from the prior year is attributed to enrolment growth in the District.

The 2018/2019 actuals were slightly 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; whereas, these reductions were somewhat offset by the additional costs of the HR manager position added during the year.



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## 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, SGF Activity 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. The operating budget was also increased for the additional lease costs to the Society owned buildings.

The 2018/2019 actuals were less than the operating budget as the IMR costs were approx. \$1.9 million less than budget as the District had two large IMR projects that were capitalized (major HVAC upgrades at two schools). There was also a reduction in the amount of SGF activities completed during the year; therefore, reduced the SGF expenditures (and related SGF fees, sales and other SGF revenues).

#### **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.

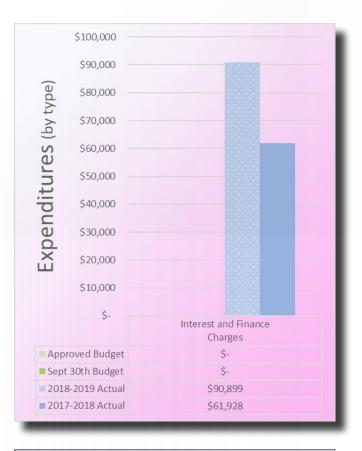
This reflects the supported amortization of capital assets that have been acquired through specific financial support by the Province of Alberta (such as school facilities) and unsupported amortization of capital assets that have been funded through the use of district operating funds.

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 2017/2018 amortization.

The 2018/2019 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 middle school (Senator Joyce Fairbairn 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) do not specifically include budgeted foreign exchange or online fee payment costs.

The 2018/2019 actual are increased from the prior year as there is continually increases in the amount of online fee payment costs (with increased utilization of online systems).

The supported debentures were fully repaid during the 2017/2018 year, therefore, no appliable interest costs.

#### 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.

The 2018/2019 year included a slight gain on a disposal of TCA (included in revenues). There were no other expenses in the year.



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# 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 Deferred Contributions

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

#### **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...

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#### Schedules to the Financial Statements - Continued



Schedule 8-11 are unaudited schedules that are 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.

Although these Unaudited Schedules are attached to the end of the annual financial statement, for this Annual Financial Report, these unaudited schedules have been included within the **Statistics, Ratios, and Information Section (Section 4)** of the report as they are separate from the audited financial statement and are provided for supplemental information only.

#### **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

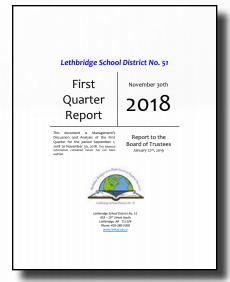


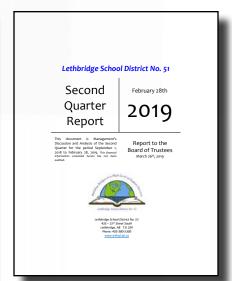
## **Other Financial Reporting**

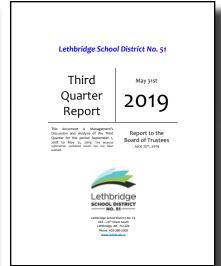


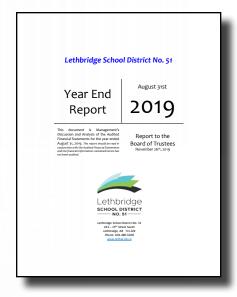
The District has additional financial reporting available on our website for more in-depth reports on the budgets, financial statements, quarterly reporting, infographics, management discussion/analysis, and health indicators.

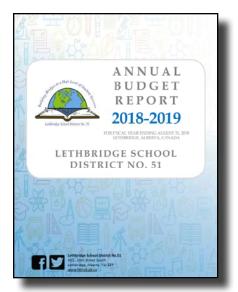
The following are the 2018/2019 quarterly, yearend and budget reports which provide the details of the District's financial planning and progress throughout the year:











Click the Pages to go to the Reports Documents

These financial reports and the other financial reporting and dashboards are located: www.lethsd.ab.ca > Our Division > Plans & Reports > Financial Reporting

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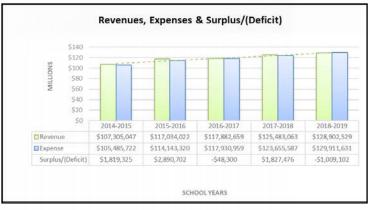
# Financial Health Indicators



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: The "Comparable" ratios are the average for the similar sized school districts (9,000 to 20,000 FTE category). 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 and 2018/2019 school years included a deficit; whereas, the District had planned/budgeted

a deficit for that year and was utilizing reserves. The District has planned deficits for the past couple years (to bring down reserve levels to recommended thresholds); however, the deficits have been reduced as there have been savings from the average teacher costs being less than budgeted.

## **Liquidity Ratio Comparison**



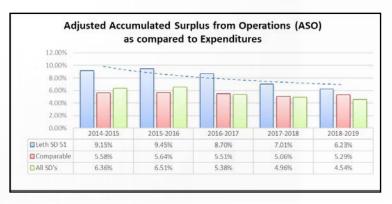
The chart shows that the District's liquidity ratio greater than one and greater than the other comparable school districts. For school districts the liquidity ratio is measured by taking the financial assets less liabilities (excluding the EDCR deferred revenues as these are offset with supported TCA).

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 of the District.



## **Adjusted Accumulated Surplus from Operations**



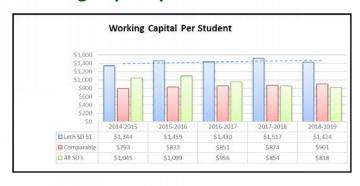
The chart indicates that the District has an Adjusted Accumulated Surplus (compared to expenditures) greater than the other comparable school districts, specifically compared to the 9,000 to 20,000 of student enrolment.

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 2018/2019 the District reduced its adjusted ASO to 6.23%. 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**



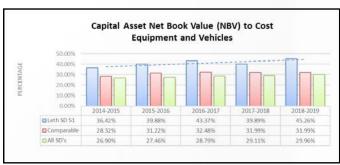
The chart indicates an overall trend of increases in the working capital per student. This is greater than the other comparable school districts, specifically compared to the 9,000 to 20,000 of student enrolment.

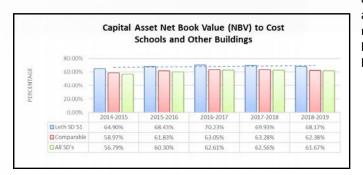
The District has ranged from \$1,344 to \$1,517 working capital per student, indicating a relatively stable working capital ratio from year-to-year. This correlates to the funds held in ASO.

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## **Capital Asset Net Book Value**

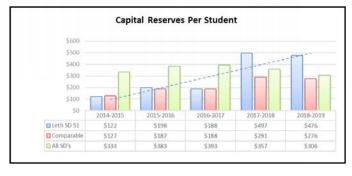




In both the Capital Asset Net Book Value to Cost of Equipment/Vehicles and the Schools/Other Buildings charts indicates that we have greater ratios than the other comparable school districts. This effectively means that on average we have newer buildings, equipment, and vehicles than other school districts. 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 Reserves**



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. Much of these Technology Evergreening funds will be utilized in 2019/2020 with the start of the secondary school phase.

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 strive to continue maintaining 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 within the Province having 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. The District will also need to manage the growth as it impacts both the student needs and the facility/resources requirements.

With the change in Provincial Government in 2019, there were some funding changes to education within the Province of Alberta. The Provincial Government had provided enrolment growth as they had committed to; however, when Budget 2019 was released on October 24, 2019, there were some other significant funding changes including the elimination of the class-size funding and the school fee reduction grant that were not expected. The District received some one-time transitional funding to support these changes; however, this still created an approx. \$3.0 million funding shortfall, which the District was able to cover with the use of operating reserves. The Provincial Government is also looking to "rework" the funding framework for education in Budget 2020.

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 (opened in 2018/2019 school year). The District has started the construction of a new elementary school in the Southeast side of Lethbridge and has 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.

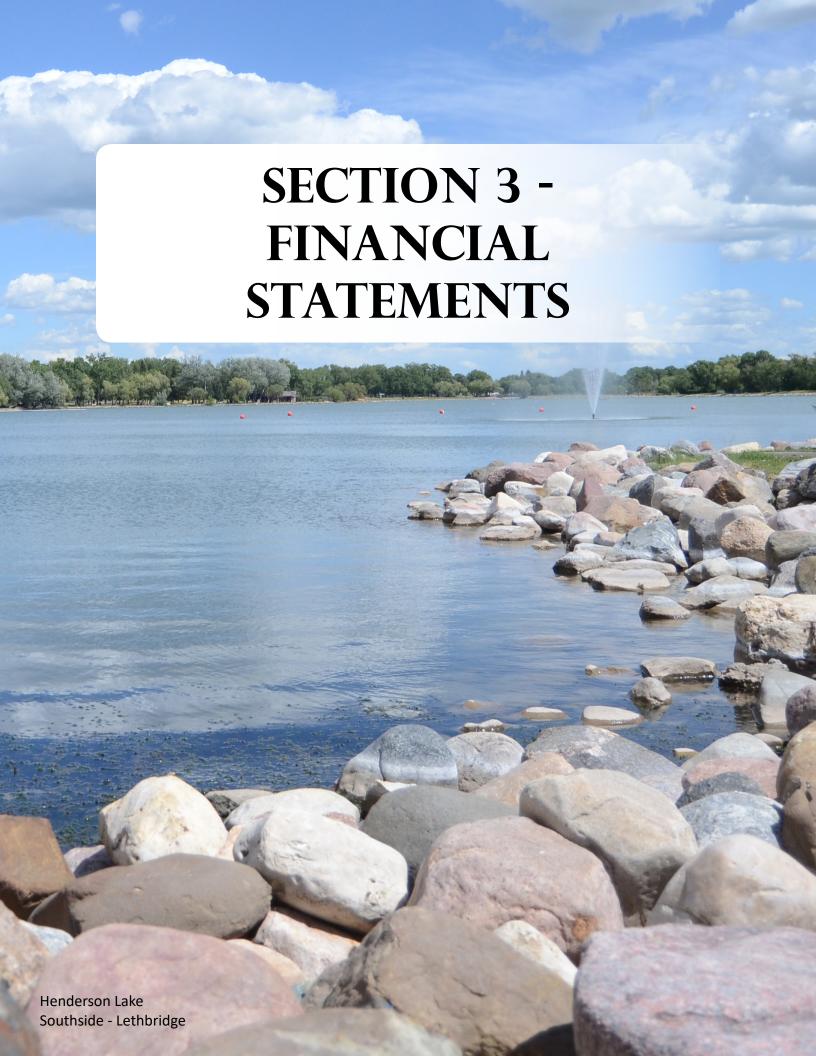
The District is currently in a strong financial position due to the continual growth, sound financial management, planning, and governance; in which, this assists the District in balancing these needs with the financial realities. The use of the Board Priorities, stakeholder involvement, and effective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

Respectfully submitted,

Mark DeBoer, CPA, CA, SFO

Director of Finance February 11, 2020

Lethbridge school district



#### **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, 2019

[Education Act (formerly School Act), Sections 139, 140, 244]

#### 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 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 flowe for the year in accordance with Canadian Public Sector Accounting Standards.

Clark Bosch
Name
SUPERINTENDENT
Cheryl Gilmore
Name
SECRETARY-TREASURER OR TREASURER
Christine Lee
Name
November 26, 2019
Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch 8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5

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Version 20181115



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

### Independent Auditor's Report

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

#### Opinion

We have audited the financial statements of Lethbridge School District No. 51 (the District), which comprise the statement of financial position as at August 31, 2019 and the results of operations, change in net debt, cash flows and results of remeasurement gains and losses for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the District as at August 31, 2019, and its results of operations, change in net debt, cash flows and results of remeasurement gains and losses for the year then ended in accordance with Canadian public sector accounting standards.

#### **Basis for Opinion**

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

#### **Other Matters**

The Schedule of Fee Revenues, 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.

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

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

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

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

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic

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decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to
  fraud or error, design and perform audit procedures responsive to those risks, and obtain audit
  evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting
  a material misstatement resulting from fraud is higher than for one resulting from error, as fraud
  may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal
  control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures
  that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the
  effectiveness of the District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the District 's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the
  disclosures, and whether the financial statements represent the underlying transactions and events
  in a manner that achieves fair presentation.

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

BDO Canada LLP

Chartered Professional Accountants

Lethbridge, Alberta November 26, 2019

#### STATEMENT OF FINANCIAL POSITION As at August 31, 2019 (in dollars)

			2019		2018	
						Restated
FINANCIAL ASSE	<u>rs</u>					
Cash and cash equ	ivalents	(Schedule 5)	\$	18,375,384	\$	22,359,33
Accounts receivable	e (net after allowances)	(Note 3)	\$	6,445,372	\$	7,242,50
Portfolio investmen	ts					
Operating		(Schedule 5)	\$	93,469	\$	74,54
Endowments			\$	-		
Inventories for resa	le		\$	-	\$	-
Other financial asse	ets		\$	-	\$	-
Total financial ass	ets		\$	24,914,225	\$	29,676,37
<u>LIABILITIES</u>						
Bank indebtedness		(Note 4)	\$	-	\$	-
Accounts payable a	and accrued liabilities	(Note 5)	\$	4,987,853	\$	8,565,14
Deferred contribution	ons	(Schedule 2; Note 6)	\$	142,100,297		139,816,73
Employee future be	enefits liabilities	(Note 7)	\$	230,538	\$	217,64
Liability for contami	nated sites		\$	-	\$	-
Other liabilities			\$	-	\$	_
Debt						
Supported:	Debentures		\$	-	\$	-
Unsupported:	Debentures		\$	-	\$	-
	Mortgages and capital loans		\$	-	\$	-
	Capital leases		\$	-	\$	-
Total liabilities			\$	147,318,688	\$	148,599,53
Net debt			\$	(122,404,463)	\$	(118,923,15
NON-FINANCIAL A	NSSETS		Ψ	(122,404,400)	Ψ	(110,020,10
Tangible capital ass		(Schedule 6)	•	440,000,000	Φ.	110.011.01
Inventory of supplie		(Note 8)	\$	143,323,320	\$	140,911,81
Prepaid expenses	<u>5</u>	(Note 9)	\$	184,020	\$	158,38
Other non-financial	accate	(Note 9)	\$	481,694	\$	446,63
Total non-finar			Φ.	442,000,004	\$	- 444 540 00
Total Hon-illai	iciai assets		\$	143,989,034	\$	141,516,82
Accumulated surp	olus	(Schedule 1; Note 10)	\$	21,584,571	\$	22,593,67
Accumulating surple	us / (deficit) is comprised of:					
Accumulated or	perating surplus (deficit)		\$	21,584,571	\$	22,593,67
Accumulated re	measurement gains (losses)		\$	-	\$	-
			\$	21,584,571	\$	22,593,67
Contingent assets	and liabilities	(Note 12)				
Contractual rights		(Note 13)	=			
Contractual rigints		(Note 14)	=			

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

## STATEMENT OF OPERATIONS For the Year Ended August 31, 2019 (in dollars)

	Budget 2019		Actual 2019		Actual 2018	
		2010		2010		2010
REVENUES						
Government of Alberta	\$	122,816,668	\$	121,725,881	\$	118,805,82
Federal Government and First Nations	\$	248,128	\$	400,582	\$	387,10
Out of province authorities	\$	-	\$	-	\$	-
Alberta municipalities-special tax levies	\$	-	\$	-	\$	-
Property taxes	\$	-	\$	-	\$	-
Fees (Schedule 8)	\$	3,445,891	\$	1,944,047	\$	1,731,86
Other sales and services	\$	1,365,581	\$	1,433,092	\$	1,244,74
Investment income	\$	193,000	\$	413,358	\$	271,92
Gifts and donations	\$	390,000	\$	796,801	\$	780,34
Rental of facilities	\$	34,704	\$	27,504	\$	27,50
Fundraising	\$	2,461,000	\$	2,158,853	\$	2,233,75
Gains on disposal of capital assets	\$	-	\$	2,411	\$	-
Other revenue	\$	-	\$	-	\$	-
Total revenues	\$	130,954,972	\$	128,902,529	\$	125,483,06
<u>EXPENSES</u>						
Instruction - ECS	\$	8,678,344	\$	8,918,450	\$	8,284,17
Instruction - Grades 1 - 12	\$	100,363,953	\$	98,383,680	\$	93,989,28
Plant operations and maintenance (Schedule 4)	\$	15,600,064	\$	15,886,139	\$	14,575,18
Transportation	\$	2,468,779	\$	2,162,305	\$	2,339,05
Board & system administration	\$	4,259,106	\$	4,133,438	\$	4,037,31
External services	\$	315,500	\$	427,619	\$	430,58
Total expenses	\$	131,685,746	\$	129,911,631	\$	123,655,58
Operating surplus (deficit)	\$	(730,774)	\$	(1,009,102)	\$	1,827,47
	,					
Accumulated operating surplus (deficit) at beginning of year			\$	22,593,673	\$	20,766,19
Accumulated operating surplus (deficit) at end of year	\$	(730,774)	\$	21,584,571	\$	22,593,67

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

### STATEMENT OF CASH FLOWS For the Year Ended August 31, 2019 (in dollars)

		2019		2018
CASH FLOWS FROM:				
A. OPERATING TRANSACTIONS				
Operating surplus (deficit)	\$	(1,009,102)	\$	1,827,476
Add (Deduct) items not affecting cash:	Ψ	(1,000,102)	Ψ	1,027,470
Amortization of tangible capital assets	\$	6,279,539	\$	5,138,185
Net (gain)/loss on disposal of tangible capital assets	\$			4,303
Transfer of tangible capital assets (from)/to other entities	\$	(2,-11)	\$	-,000
(Gain)/Loss on sale of portfolio investments	\$		\$	
Expended deferred capital revenue recognition	\$	(5,097,276)	\$	(4,576,935)
	\$	(5,097,270)	\$	(4,570,955)
Deferred capital revenue write-down / adjustment  Donations in kind	\$	-	\$	-
	\$	170,750	\$	2,393,029
(Increase)/Decrease in accounts receivable	\$	797,136	\$	(1,663,251)
(Increase)/Decrease in inventories for resale	\$	-		
(Increase)/Decrease in other financial assets	\$	-	\$	-
(Increase)/Decrease in inventory of supplies	\$	(25,638)		
(Increase)/Decrease in prepaid expenses	\$	(35,060)	\$	(234,862)
(Increase)/Decrease in other non-financial assets	\$	-	\$	(13,901)
Increase/(Decrease) in accounts payable, accrued and other liabilities	\$	(3,577,296)	\$	352,255
Increase/(Decrease) in deferred revenue (excluding EDCC)	\$	7,380,839	\$	13,632,231
Increase/(Decrease) in employee future benefit liabilities	\$	12,890	\$	202,109
Other (describe)	\$		\$	_
	Ψ	-	φ	=
Total cash flows from operating transactions	\$	4,723,621	\$	14,667,610
		4,723,621		14,667,610
		4,723,621		14,667,610
Total cash flows from operating transactions		4,723,621		14,667,610 (13,129,048)
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS	\$		\$	
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS  Acquisition of tangible capital assets	\$ \$ \$ \$	(8,779,467) 90,829 -	\$ \$ \$	(13,129,048)
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS  Acquisition of tangible capital assets  Net proceeds from disposal of unsupported capital assets	\$ \$	(8,779,467)	\$ \$ \$	(13,129,048)
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS  Acqusition of tangible capital assets  Net proceeds from disposal of unsupported capital assets  Other (describe)	\$ \$ \$ \$	(8,779,467) 90,829 -	\$ \$ \$	(13,129,048) 19,303 -
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS  Acqusition of tangible capital assets  Net proceeds from disposal of unsupported capital assets  Other (describe)  Total cash flows from capital transactions	\$ \$ \$ \$	(8,779,467) 90,829 -	\$ \$ \$	(13,129,048) 19,303 -
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS  Acquisition of tangible capital assets  Net proceeds from disposal of unsupported capital assets  Other (describe)  Total cash flows from capital transactions  C. INVESTING TRANSACTIONS	\$ \$ \$ \$	(8,779,467) 90,829 - (8,688,638)	\$ \$ \$	(13,129,048) 19,303 -
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS  Acqusition of tangible capital assets  Net proceeds from disposal of unsupported capital assets  Other (describe)  Total cash flows from capital transactions  C. INVESTING TRANSACTIONS  Purchases of portfolio investments	\$ \$ \$ \$ \$	(8,779,467) 90,829 - (8,688,638)	\$ \$ \$ \$	(13,129,048) 19,303 - (13,109,745)
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS	\$ \$ \$ \$ \$ \$	(8,779,467) 90,829 - (8,688,638) (18,929)	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(13,129,048) 19,303 - (13,109,745) - 9,378
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS  Acquisition of tangible capital assets  Net proceeds from disposal of unsupported capital assets  Other (describe)  Total cash flows from capital transactions  C. INVESTING TRANSACTIONS  Purchases of portfolio investments  Proceeds on sale of portfolio investments	\$ \$ \$ \$ \$ \$	(8,779,467) 90,829 - (8,688,638) (18,929)	\$ \$ \$ \$ \$ \$	(13,129,048) 19,303 - (13,109,745) - 9,378
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS  Acqusition of tangible capital assets  Net proceeds from disposal of unsupported capital assets  Other (describe)  Total cash flows from capital transactions  C. INVESTING TRANSACTIONS  Purchases of portfolio investments  Proceeds on sale of portfolio investments  Other (Describe)  Other (describe)	\$ \$ \$ \$ \$ \$ \$	(8,779,467) 90,829 - (8,688,638) (18,929) - -	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(13,129,048) 19,303 - (13,109,745) - 9,378 - -
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS  Acqusition of tangible capital assets  Net proceeds from disposal of unsupported capital assets  Other (describe)  Total cash flows from capital transactions  C. INVESTING TRANSACTIONS  Purchases of portfolio investments  Proceeds on sale of portfolio investments  Other (Describe)  Other (describe)  Total cash flows from investing transactions	\$ \$ \$ \$ \$ \$ \$	(8,779,467) 90,829 - (8,688,638) (18,929) - -	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(13,129,048) 19,303 - (13,109,745) - 9,378 - -
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS  Acqusition of tangible capital assets  Net proceeds from disposal of unsupported capital assets  Other (describe)  Total cash flows from capital transactions  C. INVESTING TRANSACTIONS  Purchases of portfolio investments  Proceeds on sale of portfolio investments  Other (Describe)  Other (describe)  Total cash flows from investing transactions  D. FINANCING TRANSACTIONS	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(8,779,467) 90,829 - (8,688,638) (18,929) - -	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(13,129,048) 19,303 - (13,109,745) - 9,378 - -
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS  Acqusition of tangible capital assets  Net proceeds from disposal of unsupported capital assets  Other (describe)  Total cash flows from capital transactions  C. INVESTING TRANSACTIONS  Purchases of portfolio investments  Proceeds on sale of portfolio investments  Other (Describe)  Other (describe)  Total cash flows from investing transactions  D. FINANCING TRANSACTIONS  Debt issuances	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(8,779,467) 90,829 - (8,688,638) (18,929) - -	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(13,129,048) 19,303 - (13,109,745) - 9,378 - - 9,378
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS  Acqusition of tangible capital assets  Net proceeds from disposal of unsupported capital assets Other (describe)  Total cash flows from capital transactions  C. INVESTING TRANSACTIONS  Purchases of portfolio investments  Proceeds on sale of portfolio investments  Other (Describe)  Other (describe)  Total cash flows from investing transactions  D. FINANCING TRANSACTIONS  Debt issuances  Debt repayments	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(8,779,467) 90,829 - (8,688,638) (18,929) - -	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(13,129,048) 19,303 - (13,109,745) - 9,378 - - 9,378
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS  Acqusition of tangible capital assets  Net proceeds from disposal of unsupported capital assets  Other (describe)  Total cash flows from capital transactions  C. INVESTING TRANSACTIONS  Purchases of portfolio investments  Proceeds on sale of portfolio investments  Other (Describe)  Other (describe)  Total cash flows from investing transactions  D. FINANCING TRANSACTIONS  Debt issuances  Debt repayments  Other factors affecting debt (describe)	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(8,779,467) 90,829 - (8,688,638) (18,929) - - - (18,929)	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(13,129,048) 19,303 - (13,109,745) - 9,378 - 9,378 - (46,853) -
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(8,779,467) 90,829 - (8,688,638) (18,929) - - - (18,929)	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(13,129,048) 19,303 - (13,109,745) - 9,378 - 9,378 - (46,853) -
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(8,779,467) 90,829 - (8,688,638) (18,929) - - - (18,929)	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(13,129,048) 19,303 - (13,109,745) - 9,378 - 9,378 - (46,853) -
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS  Acqusition of tangible capital assets  Net proceeds from disposal of unsupported capital assets  Other (describe)  Total cash flows from capital transactions  C. INVESTING TRANSACTIONS  Purchases of portfolio investments  Proceeds on sale of portfolio investments  Other (Describe)  Other (describe)  Total cash flows from investing transactions  D. FINANCING TRANSACTIONS  Debt issuances  Debt repayments  Other factors affecting debt (describe)  Capital lease issuances  Capital lease payments  Other (describe)	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(8,779,467) 90,829 - (8,688,638) (18,929) - - (18,929)	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(13,129,048) 19,303 - (13,109,745) - 9,378 - 9,378 - (46,853) -
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(8,779,467) 90,829 - (8,688,638)  (18,929) (18,929)	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(13,129,048) 19,303 - (13,109,745)  - 9,378 - 9,378 - (46,853) - (46,853)
Total cash flows from operating transactions  B. CAPITAL TRANSACTIONS  Acqusition of tangible capital assets  Net proceeds from disposal of unsupported capital assets  Other (describe)  Total cash flows from capital transactions  C. INVESTING TRANSACTIONS  Purchases of portfolio investments  Proceeds on sale of portfolio investments  Other (Describe)  Other (describe)  Total cash flows from investing transactions  D. FINANCING TRANSACTIONS  Debt issuances  Debt repayments  Other factors affecting debt (describe)  Capital lease issuances  Capital lease payments  Other (describe)  Other (describe)	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(8,779,467) 90,829 - (8,688,638) (18,929) - - (18,929)	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(13,129,048) 19,303 - (13,109,745) - 9,378 - 9,378 - (46,853) - (46,853) - -

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

### STATEMENT OF CHANGE IN NET DEBT

For the Year Ended August 31, 2019 (in dollars)

	2019	2018
Operating surplus (deficit)	\$ (1,009,102)	\$ 1,827,476
Effect of changes in tangible capital assets	 ( ) ( )	, ,
Acquisition of tangible capital assets	\$ (8,779,467)	\$ (13,129,04
Amortization of tangible capital assets	\$ 6,279,539	\$ 5,138,18
Net (gain)/loss on disposal of tangible capital assets	\$ (2,411)	\$ 4,30
Net proceeds from disposal of unsupported capital assets	\$ 90,829	\$ 19,30
Write-down carrying value of tangible capital assets	\$ -	\$ -
Transfer of tangible capital assets (from)/to other entities	\$ -	\$ -
Other changes	\$ -	\$ -
Total effect of changes in tangible capital assets	\$ (2,411,510)	\$ (7,967,25
Acquisition of inventory of supplies	\$ (25,638)	\$ -
Consumption of inventory of supplies	\$ -	\$ -
(Increase)/Decrease in prepaid expenses	\$ (35,060)	\$ (234,86
(Increase)/Decrease in other non-financial assets	\$ -	\$ (13,90
Net remeasurement gains and (losses)	\$ -	\$ -
Other changes	\$ -	\$ 
crease (increase) in net debt	\$ (3,481,310)	\$ (6,388,54
t debt at beginning of year	\$ (118,923,153)	\$ (112,534,60
t debt at end of year	\$ (122,404,463)	\$ (118,923,15

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

### STATEMENT OF REMEASUREMENT GAINS AND LOSSES For the Year Ended August 31, 2019 (in dollars)

	201	9	2018
Unrealized gains (losses) attributable to:			
Portfolio investments	\$	- \$	-
Derivatives	\$	- \$	-
Other	\$	- \$	-
Amounts reclassified to the statement of operations:			
Portfolio investments	\$	- \$	
Derivatives	\$	-	
Other	\$	- \$	
Other Adjustment (Describe)	\$	- \$	-
Net remeasurement gains (losses) for the year	\$	- \$	
rectionicasurement gains (105565) for the year	Ψ	-	<u> </u>
ccumulated remeasurement gains (losses) at beginning of year	\$	- \$	-
ccumulated remeasurement gains (losses) at end of year	\$	- \$	-
Accumulated remeasurement gains (losses) at end of year	\$	- \$	

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

### SCHEDULE 1

## SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS for the Year Ended August 31, 2019 (in dollars)

							INTERNALLY	INTERNALLY RESTRICTED	
	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES	L \L /ES
Balance at August 31, 2018	\$ 22,593,673		\$ 22,593,673	\$ 5,917,767	\$ 319,874	\$ 757,838	\$ 10,330,034	\$ 5,26	5,268,160
Prior period adjustments:									
	\$	-	\$	- \$	- \$	\$	\$	\$	
	· \$	•	- \$	- \$	- \$	\$	\$	\$	
Adjusted Balance, August 31, 2018	\$ 22,593,673	- \$	\$ 22,593,673	\$ 5,917,767	\$ 319,874	\$ 757,838	\$ 10,330,034	\$ 5,26	5,268,160
Operating surplus (deficit)	(1,009,102)		\$ (1,009,102)			\$ (1,009,102)			
Board funded tangible capital asset additions				\$ 788,649		\$ (267,122)	\$	\$ (52	(521,527)
Disposal of unsupported tangible capital assets or board funded portion of supported	· •		€						
Write-down of unsupported tangible capital assets or board funded portion of supported	-		\$	- \$		\$		\$	
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				(6,279,539)		\$ 6,279,539			
Capital revenue recognized	-			\$ 5,097,276		\$ (5,097,276)			
Debt principal repayments (unsupported)	*			- \$		- \$			
Additional capital debt or capital leases	*			- \$		-			
Net transfers to operating reserves	*					\$ (339,832)	\$ 339,832		
Net transfers from operating reserves	*					\$ 776,164	\$ (776,164)		
Net transfers to capital reserves	\$					\$ (400,000)		\$ 40	400,000
Net transfers from capital reserves						\$		\$	
Other Changes			\$	- *	\$	\$	\$	\$	
Other Changes	-		\$	- \$		\$	\$	\$	
Balance at August 31, 2019	\$ 21,584,571		\$ 21,584,571	\$ 5,524,153	\$ 319,874	\$ 700,209	\$ 9,893,702	\$ 5,14	5,146,633

Financial Analysis

## SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS for the Year Ended August 31, 2019 (in dollars)

SCHEDULE 1

					INTERNA	INTERNALLY RESTRICTED RESERVES BY PROGRAM	ED RE	SERVES BY F	ROGRAM					
	School & Inst	School & Instruction Related		perations &	Operations & Maintenance	Board & System Administration	∍m Ad	ninistration	Tran	Transportation	ion	Û	External Services	ervices
	Operating Reserves	Capital Reserves	<u> </u>	Operating Reserves	Capital Reserves	Operating Reserves		Capital Reserves	Operating Reserves		Capital Reserves	Operating Reserves	ting res	Capital Reserves
Balance at August 31, 2018	\$ 8,652,515	3,498,675	\$ 22	362,777	\$ 611,671	\$ 504,962	2	842,372	\$ 607,550	\$	315,442	\$ 20	202,230 \$	-
Prior period adjustments:														
	\$	\$	₩		· \$	\$	8		\$	8		\$	\$	
	\$	\$	\$		\$	\$	↔		\$	\$		\$	-	-
Adjusted Balance, August 31, 2018	\$ 8,652,515	3,498,675	\$ 22	362,777	\$ 611,671	\$ 504,962	2	842,372	\$ 607,550	\$ 09	315,442	\$ 20	202,230	- \$
Operating surplus (deficit)														
Board funded tangible capital asset additions	\$	\$	↔		\$ (146,805)	\$	s	(374,722)	\$	€		\$	\$	,
Disposal of unsupported tangible capital assets or board funded portion of supported		9					es			↔			↔	
Write-down of unsupported tangible capital assets or board funded portion of supported		\$			\$		8	•		↔			\$	
Net remeasurement gains (losses) for the year														
Endowment expenses & disbursements														
Endowment contributions														
Reinvested endowment income														
Direct credits to accumulated surplus (Describe)	9	\$	\$		\$	\$	8	•	\$	€		8		
Amortization of tangible capital assets														
Capital revenue recognized														
Debt principal repayments (unsupported)													1	
Additional capital debt or capital leases														
Net transfers to operating reserves	\$		\$			\$ 190,749	6		\$ 32,937	37		\$ 11	116,146	
Net transfers from operating reserves	\$ (706,469)	(	છ	(69,695)		· \$			&			8		
Net transfers to capital reserves		\$ 200,000	00		\$ 200,000		↔			છ			↔	,
Net transfers from capital reserves		\$			&		↔			છ			↔	,
Other Changes	\$	\$	8		\$	\$	છ		\$	8	-	\$	-	-
Other Changes	· \$	\$	\$	•	· \$	· \$	\$	•	\$	\$	•	↔	-	
Balance at August 31, 2019	\$ 7,946,046	3,698,675	75 \$	293,082	\$ 664,866	\$ 695,711	4	467,650	\$ 640,487	37 \$	315,442	\$ 31	318,376	-







			SCHEDULE OF DEFERRED CONTRIBUTIONS (EXTERNALLY RESTRICTED CONTRIBUTIONS ONLY) for the Year Ended August 31, 2019 (in dollars)	F DEFE STRICT	SCHEDULE OF DEFERRED CONTRIBUTIONS TERNALLY RESTRICTED CONTRIBUTIONS ON for the Year Ended August 31, 2019 (in dollars)	SUTIONS TIONS ONLY) n dollars)									
				ō	Other GoA Ministries excluding Infrastructure	ies excluding	Infrastructure								
				South	Southwest Child						Donat	Oonations and			
Deferred Contributions (DC)	Albert	Alberta Education	Alberta Infrastructure	anc	and Family Al	Alberta Mental Health		Total	Total Other GoA Ministries	Gov't of Canada		grants from others	Other	Total other sources	
Balance at Aug 31, 2018	\$	4,182,058	9	s	36,537 \$	6,157	· \$	49	42,694		↔	100,144	\$ 419,806 \$	519,950	49
Prior period adjustments - please explain:	\$		· \$	€9	٠		5	\$					(419,806) \$	(419,806)	49
Adjusted ending balance Aug. 31, 2018	\$	4,182,058	\$	\$	36,537	6,157	\$	€	42,694	\$	\$	100,144	- 4	100,144	49
Received during the year (excluding investment income)	\$	1,005,153	\$	\$	98,112 \$	389,026	\$	€	487,138	\$	\$ -	204,589	\$	204,589	49
transfer (to) grant/donation revenue (excluding investment income)	\$	(1,203,138)	\$	€	(134,649) \$	(395,183)	\$	\$	(529,832)	\$		(271,008)	\$	(271,008)	49
Investment earnings	\$		\$	\$	\$	-	*	\$		\$	\$	-	\$ - \$		49
Received during the year	€9		. ↔	€9	٠		· &	49		€	€9	,	- +	•	49
Transferred to investment income	\$		*	\$	\$	-	- \$	\$		\$	\$	-	\$ - \$	•	₩
Transferred (to) from UDCC	€9		\$	€9	\$		\$	\$		\$	€	'	\$ - \$	•	49
Transferred directly (to) EDCC	\$		*	\$	\$	-	- \$	\$		\$	\$	-	\$	-	€9
Transferred (to) from others - please explain:	€		*	\$	-	-	*	\$	-	\$	\$	-	- \$		₩
DC Closing balance at Aug 31, 2019	\$	3,984,073		\$	-	-	*	\$	•	\$		33,725	- *	33,725	\$

Total 4,744,702 (419,806) 4,324,896 1,696,880 (2,003,978)

4,017,798

Unspent Deferred Capital Contributions (UDCC)																	
Balance at Aug 31, 2018	\$ 20	205,235	\$ 29	292,559 \$			\$	,	292,559	\$	•	\$		\$ <b>\$</b>	•	€9	497,794
Prior period adjustments - please explain:	\$	-	\$	\$	\$ -		8	-	•	\$	•	\$		\$ ·		49	
Adjusted ending balance Aug. 31, 2018	\$ 20	205,235	\$ 29	292,559 \$	-		\$	-	292,559	\$ 6		\$		\$		€9	497,794
Received during the year (excluding investment income)	\$ 2,18	2,180,670	1,10	\$ 810,001,	€ <del>9</del>	•	49	,	1,100,018	69	•	s		\$ <del>69</del>	•	49	3,280,688
UDCC Receivable	\$	-	\$ 4,12	4,123,916 \$	\$ -		8	-	4,123,916	\$	•	\$	283,333	\$ ·	283,333	49	4,407,249
transfer (to) grant/donation revenue (excluding investment income)	\$	1	\$		\$		\$	,	•	49	•	\$		\$ <b>\$</b>		49	
Investment earnings	\$	1	9	-			8	-	•	49		\$		\$ <del>\$</del>		49	
Received during the year			\$	- \$	\$ -		8	-	•	\$	٠	\$		\$ ·		49	
Transferred to investment income	\$	1	\$	- \$	9		\$	-	•	\$	•	\$		\$ -	•	49	•
Proceeds on disposition of supported capital/ Insurance proceeds (and related interest \$	\$		4	-	÷		ક્ક	,	•	49		s		\$ <b>↔</b>		€9	
Transferred from (to) DC	\$	-	\$	- \$	\$ -		8	-	•	\$	•	\$		\$ ·		49	
Transferred from (to) EDCC	\$ (2,38	(2,385,905)	\$ (5,51	(5,516,493) \$	\$		\$	,	(5,516,493)	3)	•	\$		\$ <b>\$</b>		49	(7,902,398)
Transferred (to) from others- please explain:	\$	-	4	\$	-		\$	-		\$		\$	-	\$ \$	-	\$	-
UDCC Closing balance at Aug 31, 2019	\$		\$		-		\$	-	•	\$	•	\$	283,333	\$	283,333	\$	283,333

Expended Deferred Capital Contributions (EDCC)																		
Balance at Aug 31, 2018	\$	\$ 127,284,320	\$	6,632,349 \$	-	\$	\$ -		\$ 6,632,349	\$		\$	1,077,375	\$	\$	1,077,375	\$	134,994,044
Prior period adjustments - please explain:	8	-	\$	\$		\$	\$		-	\$	•	\$		\$			49	
Adjusted ending balance Aug. 31, 2018	\$	\$ 127,284,320	\$	6,632,349 \$	-	\$	\$ -		\$ 6,632,349	\$		\$	1,077,375	\$	<del>\$</del>	1,077,375	\$	134,994,044
Donated tangible capital assets	€9	-	\$	\$	-	\$	\$	-	-	49	•	\$		\$	-		€9	
Alberta Infrastructure managed projects			\$						-						\$		€	
Transferred from DC	€9	-	\$	\$	-	\$	\$		•	49	•	\$	-	\$			\$	
Transferred from UDCC	€	2,385,905	\$	5,516,493 \$	-	\$	\$		5,516,493	\$	•	↔	-	\$			\$	7,902,398
Amounts recognized as revenue (Amortization of EDCC)	49	(4,893,408)	\$	(176,243) \$		\$	\$		\$ (176,243)	3)		&	(27,625)	\$		(27,625)	\$	(5,097,276)
Disposal of supported capital assets	€9	-	\$	\$	-	\$	\$	-	-	49	•	\$		\$	-		49	
Transferred (to) from others - please explain:	8	-	\$	\$		\$	\$		-	\$	•	\$		\$			49	
EDCC Closing balance at Aug 31, 2019	₩	\$ 124,776,817	€9	11,972,599 \$		€9	<b>€</b>		\$ 11,972,599	8	•	\$	1,049,750	€9	<b>€</b>	1,049,750	49	137,799,166

Financial Analysis





							2019							2018	
	REVENUES		Instru	struction		Plant Operations and			Board & System		External				
			ECS	้อ	Grades 1 - 12	Maintenance	Transportation	ion	Administration	'n	Services	TOTAL		TOTAL	
(1)	Alberta Education	s	8,785,129	s	89,859,742	\$ 15,481,344	\$ 2,601,548	-	\$ 4,214,329	329 \$	5,002	\$ 120,947,094	3 8	118,222,903	903
(2)	Alberta Infrastructure	s		s		•	s	_	\$	\$		s	\$		
(3)	Other - Government of Alberta	s		s	78,787	· •	S	,	\$	S		\$ 778,787	\$ 282	582,924	924
4	Federal Government and First Nations	s		s	386,161	•	s	,	\$ 14,421	H		\$ 400,582	\$82	387,100	100
(2)	Other Alberta school authorities	\$		\$		*	\$	-	\$	\$		\$	-		
(9)	Out of province authorities	\$		\$		- \$	\$	-	\$	\$	•	\$	8		
<u>(</u>	Alberta municipalities-special tax levies	ક્ર		\$		•	\$	-	\$	\$		\$	\$	'	
(8)	Property taxes	ક્ર		\$		•	\$	-	\$	\$		\$	\$		
(6)	Fees	ક્ર	316,968	\$	1,627,079		\$			8		1,944,047	347	1,731,863	863
(10)	Other sales and services	ક્ર		\$	683,144	•	\$	-	\$ 25,512	512 \$	724,436	\$ 1,433,092	362	1,244,744	744
(11)		ક	-	\$	340,176	\$ 26,328	\$ 31	31,973	\$ 14,881	381		\$ 413,358	328 \$	271,924	924
(12)	Gifts and donations	\$	-	\$	796,801	•	\$	,	\$	\$		\$ 796,801	301 \$	780,344	344
(13)		\$	-	\$	-	\$ 27,504	\$	-	\$	\$		\$ 27,504	504 \$	27,504	504
(14)	Fundraising	ક્ર		s	2,158,853		s	,	\$	\$		\$ 2,158,853	353 \$	2,233,757	757
(12)	Gains on disposal of tangible capital assets	\$		\$	-	\$ 2,411	\$	-	\$	\$		\$ 2,4	2,411 \$		
(16)	Other revenue	\$		\$	-	•	\$	-	\$	\$		S	\$		,
(17)		\$	9,102,097	\$	96,630,743	\$ 15,537,587	\$ 2,633,521		\$ 4,269,143		729,438	\$ 128,902,529	\$ 629	125,483,063	063
	EXPENSES														
(18)	Certificated salaries	\$	2,759,997	\$	55,310,915				\$ 654,321	321 \$	78,049	\$ 58,803,282	282	56,585,682	582
(19)	Certificated benefits	\$	147,437	\$	14,055,883			.,	\$ 212,241	241 \$	10,659	\$ 14,426,220	\$ 023	14,125,168	168
(20)	Non-certificated salaries and wages	\$	4,602,723	\$	13,095,352	\$ 3,544,869	89 \$	68,151	\$ 1,910,228	\$ \$28	24,543	\$ 23,245,866	\$ 998	21,872,899	899
(21)	Non-certificated benefits	\$	1,046,023	\$	3,651,131	\$ 971,996	\$ 18	18,322	\$ 382,364	\$64	4,451	\$ 6,074,287	\$ 287	6,365,053	053
(22)	SUB - TOTAL	\$	8,556,180	\$	86,113,281	\$ 4,516,865	\$ 86	86,473	\$ 3,159,154	54 \$	117,702	\$ 102,549,655	355 \$	98,948,802	802
(23)	Services, contracts and supplies	\$	362,270	\$	11,369,161	\$ 6,056,086	\$ 2,063,111		\$ 830,993	\$ 866	309,917	\$ 20,991,538	538 \$	19,502,369	369
(24)	Amortization of supported tangible capital assets	\$		\$	435,329	\$ 4,612,210	\$	-	\$ 49,737	37 \$		\$ 5,097,276	\$ 925	4,576,935	935
(22)	Amortization of unsupported tangible capital assets	\$		\$	375,010	\$ 700,978	\$ 12	12,721	\$ 93,554	554 \$		\$ 1,182,263	263	561,250	250
(26)	Supported interest on capital debt	\$		\$		. \$	\$		\$	\$		\$	\$		4,334
(27)	Unsupported interest on capital debt	ક	-	\$	-	*	\$	-	\$			\$	\$		
(28)	Other interest and finance charges	ક્ક		s	90,899		s	,	\$	\$		\$ 90,8	\$ 668,06	57,594	594
(29)	Losses on disposal of tangible capital assets	ક્ક		S			s	-	\$	\$		\$	\$	4,3	4,303
(30)		ક		\$					\$			\$	-	•	_
(31)		\$	8,918,450	\$	98,383,680	15	\$	2,162,305	\$ 4,133,438	-	427,619	\$ 129,911,631	331 \$	123,655,587	287
(35)	OPERATING SURPLUS (DEFICIT)	s	183.647	s	(1.752.937)	\$ (348,552)	s	471.216	\$ 135,705	\$ 20.	301.819	(1.009.102)	102)	1.827.476	476

Organizational

Financial Analysis

SCHEDULE 4

## SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE for the Year Ended August 31, 2019 (in dollars)

					Expensed IMR,		Unsupported		2019	2018 TOTAL
				Utilities	Modular Unit	Facility Planning &	Amortization	Supported	TOTAL	Operations and
EXPENSES	Custodial		Maintenance	and Telecomm.	Relocations & Lease Payments	Operations Administration	& Other Expenses	Capital & Debt Services	Operations and Maintenance	Maintenance
Uncertificated salaries and wages	\$ 2,86	2,865,923 \$	554,974	- \$	- \$	\$ 123,972			\$ 3,544,869	\$ 3,285,014
Uncertificated benefits	\$ 73	730,586 \$	221,806	\$		\$ 19,604			\$ 971,996	1,179,696
Sub-total Remuneration	\$ 3,58	3,596,509 \$	776,780	- \$		\$ 143,576			\$ 4,516,865	\$ 4,464,710
Supplies and services	\$ 36	356,002 \$	1,916,733	- \$	\$ 1,177,665	\$ 121,626			\$ 3,572,026	3,709,616
Electricity				\$ 1,486,290					\$ 1,486,290	1,323,496
Natural gas/heating fuel				\$ 483,852					\$ 483,852	\$ 428,435
Sewer and water				\$ 198,122					\$ 198,122	\$ 179,836
Telecommunications				\$ 14,472					\$ 14,472	\$ 43,451
Insurance						\$ 301,324			\$ 301,324	\$ 289,427
ASAP maintenance & renewal payments										· &
Amortization of tangible capital assets										
Supported								\$ 4,612,210	\$ 4,612,210	\$ 3,979,609
Unsupported							\$ 700,978		\$ 700,978	\$ 147,964
Total Amortization							\$ 700,978	\$ 4,612,210	\$ 5,313,188	\$ 4,127,573
nterest on capital debt										
Supported								\$	\$	\$ 4,334
Unsupported							\$		\$	- \$
ease payments for facilities									\$	- \$
Other interest charges										
Losses on disposal of capital assets							*			\$ 4,303
TOTAL EXPENSES	36'8	3,952,511 \$	2,693,513	\$ 2,182,736	1,177,665	\$ 566,526	\$ 700,978	\$ 4,612,210	\$ 15,886,139	\$ 14,575,181

### 5,525.0 123,332.0 5,525.0 130,703.0 Non school buildings School buildings SQUARE METRES

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.

& contractors, school facility planning & project 'administration', administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, Facility Planning & Operations Administration: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees 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** 5

### SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS for the Year Ended August 31, 2019 (in dollars)

Cash & Cash Equivalents		2019				2018
	Average Effective (Market) Yield	Cost	An	nortized Cost	Am	ortized Cost
Cash		\$ 18,375,384	\$	18,375,384	\$	22,359,330
Cash equivalents						
Government of Canada, direct and guaranteed	0.00%	-		-		-
Provincial, direct and guaranteed	0.00%	-		-		-
Corporate	0.00%	-		-		-
Other, including GIC's	0.00%	-		-		-
Total cash and cash equivalents	0.00%	\$ 18,375,384	\$	18,375,384	\$	22,359,330

See Note 3 for additional detail.

Portfolio Investments		20	19		2018
	Average Effective (Market) Yield	Cost	Fair Value	Balance	Balance
Interest-bearing securities					
Deposits and short-term securities	1.66%	\$ 93,469	\$ 93,469	\$ 93,469	\$ 74,540
Bonds and mortgages	0.00%	-	-	-	-
	<u>1.66%</u>	93,469	93,469	93,469	74,540
Equities					
Canadian equities	0.00%	\$ -	\$ -	\$ -	\$ -
Global developed equities	0.00%	-	-	-	-
Emerging markets equities	0.00%	-	-	-	-
Private equities	0.00%	-	-	-	-
Pooled investment funds	0.00%	-	-	-	-
Total fixed income securities	0.00%				
Other					
Other (Specify)	0.00%	\$ -	\$ -	\$ -	\$ -
Other (Specify)	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Total equities	0.00%				
Total portfolio investments	1.66%	\$ 93,469	\$ 93,469	\$ 93,469	\$ 74,540

2019

93,469 \$

93,469 \$

\$

93,469

2018

74,540

74,540

74,540

See Note 5 for additional detail.

<b>Portfolio</b>	investments

### Operating

Cost

Unrealized gains and losses

### **Endowments**

Cost

Unrealized gains and losses

Deferred revenue

### Total portfolio investments

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

	2019	2018
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%





### Financial Analysis

### SCHEDULE 6

## SCHEDULE OF TANGIBLE CAPITAL ASSETS for the Year Ended August 31, 2019 (in dollars)

Tangible Capital Assets								2019							2018
								Other			Computer				
				Work In			ם	Equipment &			Hardware &		Total		Total
		Land		Progress*	Ф	Buildings**	ī	Furnishings	Ve	Vehicles	Software				
Estimated useful life					5	25-50 Years	-5	5-10 Years	5-1	5-10 Years	3-5 Years				
Historical cost															
Beginning of year	↔	1,715,118	\$	24,392,785	s	169,140,712	s	7,530,925	<del>s</del>	1,213,894	\$ 932,444	44 \$	204,925,878	s	191,836,572
Prior period adjustments		'	ļ.,	•		-				-					
Additions		'	ļ.,	2,768,395		3,246,336		2,764,736		-		-	8,779,467		13,129,048
Transfers in (out)			Ļ	(23,835,060)		23,835,060				•					
Less disposals including write-offs		•	_	•		-				(101,227)			(101,227)		(39,742)
Historical cost, August 31, 2019	s	1,715,118	8	3,326,120	s	196,222,108	ઝ	10,295,661	8	1,112,667	\$ 932,444	44	213,604,118	ဟ	204,925,878
Accumulated amortization					Ш										
Beginning of year	8	'	8	1	s	58,196,968	s	4,645,541	8	654,955	\$ 516,604	94	64,014,068	s	58,892,019
Prior period adjustments		'	Ļ	•		ī		1		•		-	•		
Amortization		'	Ļ	•		5,328,478		663,193		83,982	203,886	36	6,279,539		5,138,185
Other additions		<u>'</u>	<u> </u>	-		-		•		-					
Transfers in (out)		'	Ļ	•		1		•		1		-			
Less disposals including write-offs		<u>'</u>	_	-		-				(12,809)			(12,809)		(16,136)
Accumulated amortization, August 31, 2019	ઝ		↔	1	S	63,525,446	မှ	5,308,734	s	726,128	\$ 720,490	\$ 06	70,280,798	s	64,014,068
Net Book Value at August 31, 2019	9	1,715,118	€	3,326,120	<del>()</del>	132,696,662	မာ	4,986,927	s	386,539	\$ 211,954		\$ 143,323,320		
Net Book Value at August 31, 2018	€.	1.715.118	8	24.392.785	s	110,943,744	€.	2.885.384	69	558,939	\$ 415.840	40		€.	140 911 810

nation. There were no donations of	
Donated (contributed) tangible capital assets are recognized at fair market value at the date of dona	margiple consists accorde that work received divising the very 1900 Carill

2019

Total cost of assets under capital lease Total amortization of assets under capital lease

# SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES

SCHEDULE 7

for the Year Ended August 31, 2019 (in dollars)

					Performance		Other Accrued	
Board Members:	FTE	Remuneration	Benefits	Allowances	Bonuses	ERIP's / Other Paid	<b>Unpaid Benefits</b>	Expenses
Clark Bosch - Chair	1.00	\$36,889	\$2,559	\$0			0\$	\$7,886
Tyler Demers	1.00		\$2,085	\$0			0\$	\$3,374
Jan Foster	1.00	\$26,029	686\$	\$0			0\$	\$494
Donna Hunt	1.00	\$27,950	\$1,003	\$0			\$0	\$6,506
Doug James	1.00	\$25,675	\$1,971	\$0			\$0	\$1,369
Christine Light	1.00	\$29,297	\$2,173	\$0			0\$	\$2,889
Lola Major	1.00	\$26,450	\$992	\$0			0\$	\$3,611
Subtotal	2.00	\$199,815	\$11,772	0\$			0\$	\$26,129
Chery Gilmore, Superintendent	1.00	\$215,859	\$35,747	\$5,000	\$0	0\$	\$0	\$7,883
Christine Lee, Secretary Treasurer	1.00	\$187,300	\$34,483	\$5,000	\$0	0\$	\$0	\$5,186
Certificated		\$58,587,423	\$14,355,601	\$29,872	\$	\$0	80	
School based	613.57							
Non-School based	20.60							
Non-certificated		\$22,858,751	\$5,914,537	\$108,495	\$0	0\$	\$0	
Instructional	425.11							
Plant Operations & Maintenance	99.99							
Transportation	1.00							
Other	33.61							
TOTALS	1,169.54	\$82,049,148	\$20,352,140	\$148,367	0\$	0\$	0\$	\$39,198

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

Notes to Financial Statements August 31, 2019

### 1. AUTHORITY AND PURPOSE

Lethbridge School District No. 51 delivers education programs under the authority of the *Education Act*, 2012, Chapter E-0.3.

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 Chartered Professional Accounting (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:

### **Basis of Financial Reporting**

### a) Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets are the school jurisdiction's financial claims on external organizations and individuals, and inventories for resale at the year end.

### i) Cash and Cash Equivalents

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term, highly liquid, investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Cash equivalents have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term commitments rather than for investment purposes

### ii) Accounts Receivable

Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

### iii) 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.

Notes to Financial Statements August 31, 2019

### b) Liabilities

Liabilities are present obligations of the school jurisdiction to external organizations and individuals arising from past transactions or events occurring before the year end, the settlement of which is expected to result in the future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amounts.

### i) Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities include unearned revenue collected from external organizations and individuals for which goods and services have yet to be provided.

### ii) Deferred Contributions

Deferred contributions 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.

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

### • Unexpended Deferred Capital Contributions

Unexpended Deferred Capital Contributions (UDCC) 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 Contributions

Expended Deferred Capital Contributions (EDCC) 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.

### iii) 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.

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

Notes to Financial Statements August 31, 2019

### c) Non-Financial Assets

Non-financial assets are acquired, constructed, or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

- are normally employed to deliver government services;
- may be consumed in the normal course of operations; and
- are not for sale in the normal course of operations.

### i) 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 Contributions (EDCC).
- 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 straightline 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

Notes to Financial Statements August 31, 2019

### ii) Inventory of Supplies

Inventories of supplies are valued at the lower of cost and replacement cost. Cost is determined on a first-in, first-out basis.

### iii) Prepaid Expenses

Prepaid expenses is recognized at cost and amortized based on the terms of the agreement or using a methodology that reflects use of the resource.

### d) 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.

### e) 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.

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 contributions and recognized as revenue in the year the stipulated related expenses are incurred;
- Unexpended Deferred Capital Contributions (UDCC); or
- Expended Deferred Capital Contributions (EDCC).



Notes to Financial Statements August 31, 2019

### f) 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.

### g) Program Reporting

The District's operations have been segmented as follows:

- ECS Instruction: 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.

**Notes to Financial Statements** August 31, 2019

### h) 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, 2019, the amount contributed by the Government was \$6.459 million (2018 - \$6.573 million).

The School District participates in a multi-employer pension plan, the Local Authorities Pension Plan (LAPP), and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$1.67 million for the year ended August 31, 2019 (2018 -\$1.80 million). At December 31, 2018, the Local Authorities Pension Plan (LAPP) reported a surplus of \$3,469,347,000 (2017: surplus of \$4,835,515,00).

### i) 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.

### j) 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.

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### Lethbridge School District No. 51

**Notes to Financial Statements** August 31, 2019

### k) 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.

### I) Measurement Uncertainty

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. 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 recognized/disclosed in these financial statements, is subject to measurement uncertainty...

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.

### m) Change in Accounting Policy

The School District has prospectively adopted the following standards from September 1, 2018: PS 3430 Restructuring Transactions.



Notes to Financial Statements August 31, 2019

### n) Future Accounting Changes

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

- PS 3280 Asset Retirement Obligations (effective September 1, 2021)
   Effective April 1, 2021, this standard provides guidance on how to account for and report liabilities for retirement of tangible capital assets.
- PS 3400 Revenue (effective September 1, 2022)
   This standard provides guidance on how to account for and report on revenue, and specifically, it addresses revenue arising from exchange transactions and unilateral transactions.

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

### 3. ACCOUNTS RECEIVABLE

Accounts Receivable consists of the following:

		2019		2018
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Alberta Education - Grants	\$ 236,140	\$ -	\$ 236,140	\$ 150,563
Alberta Infrastructure - Capital	4,412,291	-	4,412,291	5,673,217
Alberta Health	64,561	-	64,561	35,215
Post-secondary institutions	8,321	5	8,321	
Federal government	851,581	-	851,581	890,611
Municipalities	283,333	-	283,333	-
Other	589,145	-	589,145	492,902
Total	\$ 6,445,372	\$ -	\$ 6,445,372	\$ 7,242,508

### 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, 2019.

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

Notes to Financial Statements August 31, 2019

### 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts Payable and Accrued Liabilities consists of the following:

	2019	2018 Restated
Alberta Education	\$ 40,173	\$ 73,717
Accrued vacation pay liability	757,405	638,859
Other trade payables and accrued liabilities	3,685,950	7,432,767
Unearned Revenue	-	
School Generated Funds, including fees	81,343	88,823
Other fee revenue not collected at school level	422,982	330,983
Total	\$ 4,987,853	\$ 8,565,149

Unearned Revenue represents a performance obligation of the school jurisdiction to a payor for consideration received. Unearned revenue is distinct from deferred revenue (or deferred contributions) as the latter represents non-exchange transactions with government and other sources. These unearned revenues were reclassified as accounts payable and accrued liabilities as part of the adoption of PS 3430 Restructuring Transactions. These unearned revenues include the fees paid in advance for the school generated funds and international student tuition fees for the following school year.

### 6. DEFERRED CONTRIBUTIONS

Deferred Contributions consists of the following:

SOURCE AND GRANT OR FUND TYPE	со	DEFERRED NTRIBUTIONS as at aug. 31, 2018 Restated	Fund	ADD: :018/2019 :estricted ds Received/ ecceivable	DEDUCT: 2018/2019 Restricted Funds Expended (Paid / Pavable)	ADD (DEDUCT): 2018/2019 Adjustments for Returned Funds	DEFERRED CONTRIBUTIONS as at Aug. 31, 2019
Unexpended deferred operating contributions						33403640	
Alberta Education:						0	50
Infrastructure Maintenance Renewal	\$	4,156,585	\$	880,153	\$ (1,177,665)	\$ -	\$ 3,859,073
School Nutrition Program		25,473			(25,473)	(4)	-
Enhancing FNMI Capacity	$\top$			125,000			125,000
Other Government of Alberta:							
Southwest Child and Family Services		36,537		98,112	(134,649)		g-
Alberta Mental Health		6,157		389,026	(395,183)		4.5
Other Deferred Contributions:	100						
Program Grants		100,144		204,589	(271,008)	-	33,725
Total unexpended deferred operating contributions	\$	4,324,896	\$	1,696,880	\$ (2,003,978)	\$ -	\$ 4,017,798
Unexpended deferred capital contributions (Schedule 2)		497,794		7,687,937	(7,902,398)		283,333
Expended deferred capital contributions (Schedule 2)		134,994,044		7,902,398	(5,097,276)		137,799,166
Total	\$	139,816,734	\$	17,287,215	\$ (15,003,652)	\$ -	\$ 142,100,297

The adoption PS 3430 Restructuring Transactions resulted in the reclassification of Unearned Revenue which was previously reported within deferred revenue (or deferred contributions). See Note 5 for the unearned revenues reclassified as accounts payable and accrued liabilities.

Notes to Financial Statements August 31, 2019

### 7. EMPLOYEE FUTURE BENEFIT LIABILITY

Employee future benefit liabilities consist of the following:

	2019	2018
Defined benefit pension plan liability	\$ -	\$ -
Accumulating sick pay liability (vested)		
Accumulating sick pay liability (non-vested)	213,676	203,548
Other compensated absences	16,862	14,100
Total	\$ 230,538	\$ 217,648

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, 2019, management has accrued \$213,676 (2018 - \$203,548) for estimated sick time benefits. Refer to significant accounting policies section for additional details (Note 2(I) – Measurement Uncertainty).

### 8. INVENTORY OF SUPPLIES

Inventory of Supplies consists of the following:

	2019	2018
Caretaking Inventory	\$ 143,669	\$ 115,138
Warehouse Inventory	37,946	43,244
Other Inventory	2,405	
Total	\$ 184,020	\$ 158,382

### 9. PREPAID EXPENSES

Prepaid Expenses consists of the following:

	2019	2018
Prepaid insurance	\$ 83,263	\$ 65,044
Prepaid Software Licensing / Maintenance Costs	169,991	204,461
Other Supplies and Materials	228,440	177,129
Total	\$ 481,694	\$ 446,634

Notes to Financial Statements August 31, 2019

### 10. ACCUMULATED SURPLUS

Detailed information related to accumulated surplus is available on the Schedule of Changes in Accumulated Surplus. The School jurisdiction's accumulated surplus is summarized as follows:

	2019	2018		
Unrestricted surplus	\$ 700,209	\$ 757,838		
Operating reserves	9,893,702	10,330,034		
Accumulated surplus (deficit) from operations	10,593,911	11,087,872		
Investment in tangible capital assets	5,524,153	5,917,767		
Capital reserves	5,146,633	5,268,160		
Endowments (1)	319,874	319,874		
Accumulated remeasurement gains (losses)	-	-		
Accumulated surplus (deficit)	\$ 21,584,571	\$ 22,593,673		

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.

		2019		2018
Accumulated surplus (deficit) from operations	\$	10,593,911	\$	11,087,872
Deduct: School generated funds included in accumulated surplus (Note 16)	_	2,498,006	-	2,424,478
Adjusted accumulated surplus (deficit) from operations (2)	\$	8,095,905	\$	8,663,394

- (1) Terms of the endowments stipulate that the principal balance be maintained permanently. Investment income of \$45,143 (2018 \$41,293) is externally restricted for scholarships and is included in deferred revenue. Investment income of \$413,358 (2018 \$271,924) is unrestricted.
- (2) Accumulated surplus represents funding available for use by the school jurisdiction after deducting funds committed for use by the schools.

### 11. ENDOWMENTS

Endowments represent principal amounts contributed for student scholarships. The conditions of the endowment agreement are such that principal amounts must be held in perpetuity in accordance with stipulations placed by the contributor. Endowment assets are held in Cash and Cash Equivalents.

Notes to Financial Statements August 31, 2019

### 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, 2019 is \$193,485 (2018 - \$215,091).

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.

	2019	2018
Contractual rights from capital project agreements (1)	\$ 16,777,360	\$ 3,067,207
Contractual rights from service agreements	1.5	-
Other	12	~
Total	\$ 16,777,360	\$ 3,067,207

<sup>1)</sup> Capital Project Agreements are capital grant agreements with Alberta Infrastructure of \$16,210,693 (2018 - \$2,249,907) and Alberta Education of \$nil (2018 - \$817,300) which are related parties to the school jurisdication. The Capital Project Agreements also includes an agreement with the City of Lethbridge to contribute towards the gymnasium upsize at the new elementary school of \$566,667 (2018 - \$nil).

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
2019-2020	\$ 14,823,679	\$ -	\$ -
2020-2021	1,953,681	-	-
2021-2022	-		-
2022-2023	-	-	-
2023-2024		-	-
Thereafter	-	-	-
Total	\$ 16,777,360	\$ -	\$ -

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

Notes to Financial Statements August 31, 2019

### 14. CONTRACTUAL OBLIGATIONS

Contractual Obligations are summarized as follows:

	2019	2018		
Building projects (1)	\$ 12,716,895	\$ 1,090,892		
Building leases	,	-		
Service providers (2)	4,470,138	5,366,115		
Total	\$ 17,187,033	\$ 6,457,007		

- 1) Buildings projects: The jurisdiction is committed for capital expenditures of \$12.6 million of a \$15.2 million construction contract of a new elementary school. The jurisdiction is also committed for capital expenditures of \$116,016 of a \$568,118 of architectural costs towards the 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, 2019, the jurisdiction has \$4.470 million (2018 \$5.366 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			
2019-2020	\$ 12,690,582	\$ -	\$ 1,617,767			
2020-2021	26,313	-	1,617,767			
2021-2022	-		1,234,604			
2022-2023	-	-	-			
2023-2024	-	-	-			
Thereafter	-	-	-			
Total	\$ 12,716,895	\$ -	\$ 4,470,138			



Notes to Financial Statements August 31, 2019

### 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. Trust funds under administration were as follows:

		2018		
Scholarship trusts	\$	202,857	\$	180,593
Chinook Regional Foundation for Career Transitions		105,830		94,042
Regional Learning Consortium (Banker board)		485,508		343,197
Total	\$	794,195	\$	617,832

### 16. SCHOOL GENERATED FUNDS

School Generated Funds (SGF) are summarized as follows:

	2019	2018
School Generated Funds, Beginning of Year	\$ 2,513,301	\$ 2,602,016
Gross Receipts:		
Fees	1,466,649	1,304,669
Fundraising	2,158,853	2,170,109
Gifts and donations	735,495	710,971
Grants to schools		
Other sales and services	285,744	289,947
Total gross receipts	4,646,741	4,475,696
Total Related Expenses and Uses of Funds	1,855,619	1,677,398
Total Direct Costs Including Cost of Goods Sold to Raise Funds	2,725,074	2,887,013
School Generated Funds, End of Year	\$ 2,579,349	\$ 2,513,301
Balance included in Deferred Revenue	\$ -	\$ -
Balance included in Accounts Payable (Unearned Revenue)	\$ 81,343	\$ 88,823
Balance included in Accumulated Surplus (Operating Reserves)	\$ 2,498,006	\$ 2,424,478

Notes to Financial Statements August 31, 2019

### 17. RELATED PARTY TRANSACTIONS

Related parties are those entities 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.

	Bal	ances	Transa	ctions
	Financial Assets (at cos or net realizable value)	t Liabilities (at amortized cost)	Revenues	Expenses
Government of Alberta (GOA):	The state of the s			
Alberta Education				10
Accounts receivable / Accounts payable	\$ 236,14	\$ 40,173		
Prepaid expenses / Deferred operating revenue	8	3,984,073		
Unexpended deferred capital revenue		-		
Expended deferred capital revenue		125,826,567	2,385,905	
Grant revenue & expenses			114,487,841	
ATRF payments made on behalf of district	j,		6,459,253	
Other revenues & expenses			-	9,06
Other Alberta school jurisdictions				44,73
Alberta Health	64,56	1	389,026	
Post-secondary institutions	8,32	-	-	302,92
Alberta Infrastructure				
Alberta Infrastructure	4,412,29	1		
Unexpended deferred capital revenue		-		
Expended deferred capital revenue	i i	11,972,599	5,516,493	
Other:				
Southwest Child and Family Services			98,112	
TOTAL 2018/2019	\$ 4,721,31	\$ 141,823,412	\$ 129,336,630	\$ 356,72
TOTAL 2017/2018	\$ 5,858,99	\$ 139,790,307	\$ 131,095,576	\$ 146.94

The School District 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.

Notes to Financial Statements August 31, 2019

### 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 28<sup>th</sup>, 2018. 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 2018/2019 presentation.



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Financial Analysis

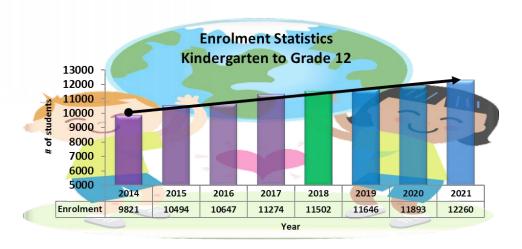
**Financial Statements** 

### **STATISTICS AND RATIOS**

### **Demographics and Other Factors**

	DEMOGRAPHICS AND OTHER	FACTORS			
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
CITY OF LETHBRIDGE POPULATION *	93,004	94,804	96,828	98,198	99,769
NUMBER OF SCHOOLS	19	21	21	22	23
STUDENT ENROLMENT					
Early Education Program	349	349	349	471	506
Kindergarten	810	794	699	858	766
Elementary School	3,624	4,087	4,192	4,250	4,386
Middle School	1,985	2,169	2,266	2,432	2,490
High School	3,053	3,095	3,141	3,263	3,354
TOTAL STUDENT ENROLMENT	9,821	10,494	10,647	11,274	11,502
BUDGETED STAFFING (in FTE)					
Teachers	444.5	485.1	504.6	537.9	564.7
Other Certified Staff	62.7	66.0	60.1	62.1	64.1
Total Certified Staff	507.2	551.1	564.7	600.0	628.8
Educational Assistance	192.5	209.9	226.7	277.9	299.4
Other Uncertified Staff	200.5	230.3	217.9	216.9	220.3
Total Uncertified Staff	393.0	440.2	444.6	494.8	519.6
TOTAL BUDGETED STAFFING	900.2	991.3	1,009.3	1,094.8	1,148.4

 $<sup>{\</sup>bf *Statistical\ Information\ on\ Population\ is\ an\ extract\ from\ the\ City\ of\ Lethbridge's\ 2018\ Annual\ Report.}$ 



### **School District Comparisons**

SCHOOL DISTRICT COMPARISONS									
	20	14/2015	- 2	2015/2016	2016/2017	2017/	2018	:	2018/2019
CURRENT RATIO (LIQUIDITY)		2.37		2.44	2.24		2.18		2.62
Comparable Jurisdictions (based on FTE enrolment)		1.66		1.71	1.78		1.77		1.91
All Jurisdictions in Alberta		1.57		1.63	1.65		1.61		1.63
ACCUMULATED SURPLUS FROM OPERATIONS		9.15%		9.45%	8.70%		7.01%		6.23%
Comparable Jurisdictions (based on FTE enrolment)		5.58%		5.64%	5.51%		5.06%		5.29%
All Jurisdictions in Alberta		6.36%		6.51%	5.38%		4.96%		4.54%
WORKING CAPITAL PER STUDENT	\$	1,344	\$	1,459	\$ 1,430	\$	1,517	\$	1,424
Comparable Jurisdictions (based on FTE enrolment)	\$	793	\$	833	\$ 851	\$	874	\$	901
All Jurisdictions in Alberta	\$	1,045	\$	1,099	\$ 956	\$	854	\$	818
CAPITAL ASSETS - EQUIPMENT/VEHICLES (NBV to cost)		36.42%		39.88%	43.37%		39.89%		45.26%
Comparable Jurisdictions (based on FTE enrolment)		28.32%		31.22%	32.48%		31.99%		31.99%
All Jurisdictions in Alberta		26.90%		27.46%	28.79%		29.11%		39.96%
CAPITAL ASSETS - SCHOOLS/BUILDINGS (NBV to cost)		64.90%		68.43%	70.23%		69.93%		68.17%
Comparable Jurisdictions (based on FTE enrolment)		58.97%		61.83%	63.05%		63.28%		62.38%
All Jurisdictions in Alberta		56.79%		60.30%	62.61%		62.56%		61.67%
CAPITAL RESERVES PER STUDENT	\$	122	\$	198	\$ 188	\$	497	\$	476
Comparable Jurisdictions (based on FTE enrolment)	\$	127	\$	187	\$ 180	\$	291	\$	276
All Jurisdictions in Alberta	\$	334	\$	382	\$ 393	\$	357	\$	306

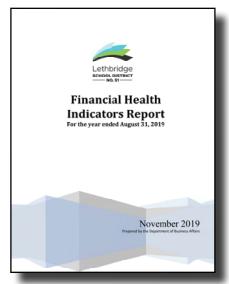
<sup>\*</sup> Statistical Information on Comparable and Provincial Jurisdictions are by Alberta Education (Financial Reporting and Accountability Branch).



For additional details on Ratio Comparisons (above), please see the "Financial Health Indicators"s ection 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 > Our Division > Plans & Reports > Financial Reporting



### **Financial Position**

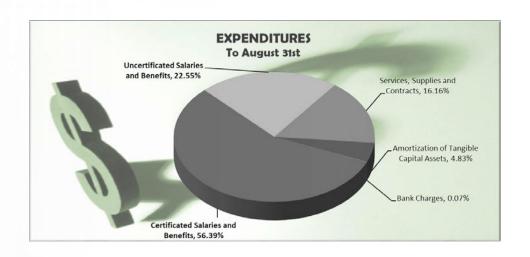
	FINANCIAL POSITION (in Thousands)	N .			
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
	2014/2013	2013/2010	2010/2017	2017/2010	2010, 2015
FINANCIAL ASSETS	21,312	24,829	26,502	29,676	24,914
FINANCIAL LIABILITIES	(95,951)	(119,238)	(139,037)	(148,599)	(147,318
NET FINANCIAL ASSETS (DEBT)	(74,639)	(94,409)	(112,535)	(118,923)	(122,404
TANGIBLE CAPITAL ASSETS (NBV)	91,996	114,648	132,945	140,912	143,323
OTHER NON-FINANCIAL ASSETS	567	575	356	605	766
ACCUMULATED SURPLUS	17,924	20,814	20,766	22,594	21,685
	(= , , , , , )	(2.1.22)	()	(	
NET FINANCIAL ASSETS (DEBT)	(74,639)	(94,409)	(112,535)	(118,923)	(122,404
Exclude: EXPENDED DEFERRED CAPITAL CONTRIBUTIONS (EDCC)	86,916	109,048	127,180	134,994	137,799
NET FINANCIAL ASSETS (EXCLUDING EDCC)	12,277	14,639	14,645	16,071	15,395
TANGIBLE CAPITAL ASSETS:					
Historical Cost	143,511	169,657	191,837	204,926	213,604
Accumulated Amortization	(51,515)	(55,009)	(58,892)	(64,014)	(70,281
TANGIBLE CAPITAL ASSETS (NBV)	91,996	114,648	132,945	140,912	143,323
ACCUMULATED SURPLUS:					
Unrestricted Surplus	796	861	836	758	700
Operating Reserves	10,595	12,048	11,923	10,330	9,894
Capital Reserves	1,133	1,986	1,922	5,268	5,147
Investment in Tangible Capital Assets	5,080	5,599	5,765	5,918	5,524
Endowments	320	320	320	320	320
ACCUMULATED SURPLUS	17,924	20,814	20,766	22,594	21,585

	FINANCIAL POSITION - TANGIBLE	CAPITAL ASSET	S		
	(in Thousands)				
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
HISTORICAL COST, OPENING	137,32	7 143,511	169,657	191,836	204,926
ADDITIONS	6,26	26,347	22,318	13,129	8,779
DISPOSALS	(76	) (201)	(139)	(39)	(101)
HISTORICAL COST, CLOSING	143,51	169,657	191,836	204,926	213,604
ACCUMULATIVE AMORTIZATION, OPENING	47,93	51,515	55,009	58,891	64,014
AMORTIZATION	3,57	3,695	3,938	5,138	6,280
DISPOSALS		2 (201)	(56)	(15)	(13)
ACCUMULATIVE AMORTIZATION, CLOSING	51,51	55,009	58,891	64,014	70,281
NET BOOK VALUE (NBV)	91,99	114,648	132,945	140,912	143,323
SUPPORTED ASSETS (NBV)	109,04	3 127,180	127,180	134,994	137,799
UNSUPPORTED ASSETS (NBV)	5,59	5,765	5,765	5,918	5,524
NET BOOK VALUE (NBV)	114,64	7 132,945	132,945	140,912	143,323

<sup>\*</sup> 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), a new middle school (Senator Joyce Fairbairn Middle School - opened September 2018), and the start of a new elementary school in SouthEast Lethbridge.

### **Operations**

	OPERATIONS (in Thousands)				
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
REVENUES:					
Government of Alberta	101,049	109,954	111,791	118,806	121,726
Federal Government and First Nations	210	444	318	387	401
Fees	2,597	2,299	1,530	1,732	1,944
Other Sales and Services	591	1,034	1,318	1,245	1,433
Investment Income	153	174	182	272	413
Gifts and Donations	462	620	682	780	797
Rental of Facilities	35	35	33	28	28
Fundraising	2,208	2,482	2,029	2,234	2,159
Gain on Disposals	0	0	0	0	2
TOTAL REVENUES	107,305	117,042	117,883	125,483	128,903
EXPENSES (by Program):					
Instruction - ECS	6,023	6,843	6,878	8,284	8,919
Instruction - Grades 1 -12	80,951	88,256	91,002	93,989	98,384
Plant Operations and Maintenance	12,400	12,596	13,311	14,575	15,886
Transportation	2,444	2,593	2,477	2,339	2,162
Board & System Administration	3,483	3,606	3,979	4,038	4,13
External Services	185	258	284	431	42
TOTAL EXPENSES	105,486	114,152	117,931	123,656	129,91
OPERATING SURPLUS	1,819	2,890	(48)	1,827	(1,009
OPERATING SURPLUS	1,013	2,890	(46)	1,027	(1,009
EXPENSES (by Type):					
Certificated Salaries and Benefits	59,603	66,914	67,602	70,711	73,230
Uncertificated Salaries and Benefits	23,565	25,571	26,862	28,238	29,320
Services, Contracts and Supplies	18,629	17,863	19,442	19,503	20,99
Amortization	3,578	3,695	3,938	5,138	6,27
Interest on Capital Debt	64	44	24	4	
Other Interest and Finance Changes	47	65	63	58	9:
Losses on Disposals	0	0	0	4	(
TOTAL EXPENSES	105,486	114,152	117,931	123,656	129,912



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### **UNAUDITED SCHEDULES TO THE FINANCIAL STATEMENTS**

SCHEDULE 8		UNAUDITED for the Year Ending	UNAUDITED SCHEDULE OF FEES for the Year Ending August 31, 2019 (in dollars)	ES n dollars)			
	Actual Fees Collected 2017/2018	Budgeted Fee Revenue 2018/2019	(A) Actual Fees Collected 2018/2019	(B) Unexpended September 1, 2018*	(C) Funds Raised to Defray Fees 2018/2019	(D) Expenditures 2018/2019	(A) + (B) + (C) - (D) Unexpended Balance at August 31, 2019*
Transportation Fees	\$0	\$2,950	0\$	\$0	\$0	\$0	0\$
Basic Instruction Fees Basic instruction supplies	O\$	\$7.810	O <del>\$</del>	0\$	0\$	U\$	U\$
Fees to Enhance Basic Instruction	) }	-	•	•	2	•	•
Technology user fees	\$0	\$	\$64,132	\$0	\$0	0\$	\$64,132
Alternative program fees	\$7,770	\$3,000	\$5,330	\$6,737	\$0	\$9,577	\$2,490
Fees for optional courses	\$342,715	\$449,581	\$283,797	\$69,013	\$0	\$305,999	\$46,811
Activity fees	\$24,045	\$469,040	\$35,926	\$1,145	\$0	\$21,321	\$15,750
Early childhood services	\$275,503	\$0	\$318,943	\$1,051	\$0	\$318,086	\$1,908
Other fees to enhance education	\$4,075	\$51,734	\$3,200	\$113,928	\$0	\$2,126	\$115,002
Non-Curricular fees							
Extracurricular fees	\$799,659	\$700,283	\$764,208	\$187,355	\$0	\$727,102	\$224,461
Non-curricular travel	\$69,495	\$1,330,600	\$237,602	\$2,788	\$0	\$133,397	\$106,993
Lunch supervision and noon hour activity fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-curricular goods and services	\$208,601	\$430,743	\$230,909	\$228,930	\$0	\$170,248	\$289,591
Other Fees	\$0	\$150	\$0	\$0	\$0	\$0	\$0
TOTAL FEES	\$1,731,863	\$3,445,891	\$1,944,047	\$610,947	\$0	\$1,687,856	\$867,138
						*Unexpended balance	*Unexpended balances cannot be less than \$0
as tedt stadents to staden ud bien stanome osolosik oseolo		o "Other cales and s	and+O" so "orisisatori∃" "sosivass bus soles volt6" se bobassoas	a" or "Other		Actual	Actual
rease discoor amounts paid by parents of student revenue." (rather than fee revenue):			, , ,	5		2019	2018
Cafeteria sales, hot lunch, milk programs						0\$	0\$
Special events, graduation, tickets						0\$	0\$
International and out of province student revenue						\$724,436	\$730,513
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	lendas, yearbooks)					\$106,749	\$103,901
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
		TOTAL				\$831,185	\$834,414

### SCHEDULE 9

				FERENTIAL FU 1, 2019 (in dolla		NG			
					PR	ROGRAM AREA			
		Nations, Metis Inuit (FNMI)		Program Unit		English as a cond Language (ESL)	Inclu	usive Education	Small Schools by Necessity (Revenue only)
Funded Students in Program		776		265		1,110			,
Federally Funded Students		34							
REVENUES			•						
Alberta Education allocated funding	\$	874,739	\$	4,912,117	\$	988,720	\$	7,870,845	\$ 93,679
Other funding allocated by the board to the program	\$	-	\$	-	\$	-	\$	-	\$ -
TOTAL REVENUES	\$	874,739	\$	4,912,117	\$	988,720	\$	7,870,845	\$ 93,679
EXPENSES (Not allocated from BASE, Transportation, Instructional certificated salaries & benefits Instructional non-certificated salaries & benefits	\$ \$	701,743 350,085	\$	589,482 4,012,648	\$	1,066,237 55,385	\$	3,226,035 7,581,171	
SUB TOTAL	\$	1,051,828	_	4,602,130	\$	1,121,622	\$	10,807,206	
Supplies, contracts and services	\$	80,452	\$	56,469	\$	4,887	\$	116,312	
Program planning, monitoring & evaluation	\$	-	\$	70,917	\$	-	\$	74,280	
Facilities (required specifically for program area)	\$	-	\$	60,161	\$	-	\$	-	
Administration (administrative salaries & services)	\$	-	\$	131,778	\$	-	\$	461,805	-
Other (please describe)	\$	-	\$	-	\$	-	\$	-	
Other (please describe)	\$	4 400 000	\$	1 004 455	\$	- 4 400 500	\$	-	
TOTAL EXPENSES	\$	1,132,280	_	4,921,455	\$	1,126,509	Ъ	11,459,603	
NET FUNDING SURPLUS (SHORTFALL)	\$	(257,541)	\$	(9,338)	\$	(137,789)	\$	(3,588,758)	



<u>د|||</u>

SCHEDULE 10															
		UNAUDITE	$\sim$	SCHEDULE OF CENTRAL ADMINISTRATION for the Year Ended August 31, 2019 (in dollars)	F CEN	ITRAL ADIV ugust 31, 20	INIST 119 (ir	SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES or the Year Ended August 31, 2019 (in dollars)	ENSE	S					
		Alloc	ated to	Allocated to Board & System Administration	ysten	n Administr	ation			Alloca	ated to	Allocated to Other Programs	rams		
	Sa	Salaries &	Ins	Supplies &					Sal	Salaries &	ns	Supplies &			
EXPENSES	В	Benefits	Š	Services		Other		TOTAL	Be	Benefits	Š	Services	Other		TOTAL
Office of the superintendent	\$	436,540	\$	45,527	\$	-	\$	482,067	\$	-	\$	-	- \$	\$	482,067
Educational administration (excluding superintendent)	\$	312,830	\$	8,649	\$	-	\$	321,479	\$		\$	1	\$	\$	321,479
Business administration	\$	823,620	\$	266,085	\$	-	\$	1,089,705	\$	•	\$	•	\$	\$	1,089,705
Board governance (Board of Trustees)	\$	235,319	\$	128,664	\$	-	\$	363,983	\$	1	\$	•	\$	\$	363,983
Information technology	\$		\$	208,489	\$	-	\$	208,489	\$	1,247,781	\$	2,159,103	-	\$	3,615,373
Human resources	\$	770,305	s	31,207	\$	-	8	801,512	\$	-	8		-	8	801,512
Central purchasing, communications, marketing	\$	294,984	s	15,876	\$	-	\$	310,860	\$	-	\$	1	\$	8	310,860
Payroll	\$	183,758	\$		\$	-	\$	183,758	\$	-	\$	-	\$	\$	183,758
Administration - insurance					\$	126,290	\$	126,290					\$	\$	126,290
Administration - amortization					\$	143,291	\$	143,291					*	8	143,291
Administration - other (admin building, interest)					\$	-	\$	-					. \$	8	1
Occupational Health and Safety	\$	101,798	\$	206	\$	-	\$	102,004	\$	-	\$	1	*	\$	102,004
Other (describe)	\$		ક		\$	-	\$	-	\$	-	\$		. \$	8	1
Other (describe)	s	•	\$	-	s	-	\$	1	\$	-	\$	1	*	\$	Ì
TOTAL EXPENSES	\$	3,159,154	\$	704,703	\$	269,581	\$	4,133,438	\$	1,247,781	\$	2,159,103	- \$	\$	7,540,322

### SCHEDULE 11

Average Estimated # of Students Served Per Meal:

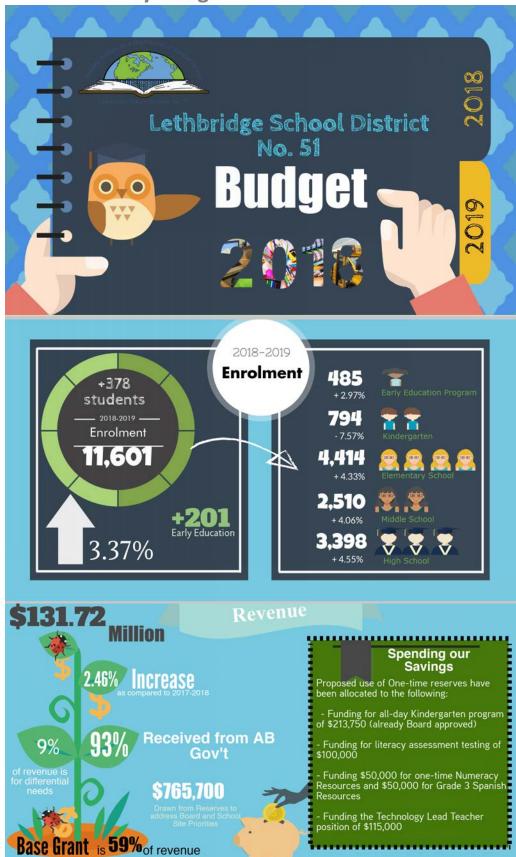
457.00

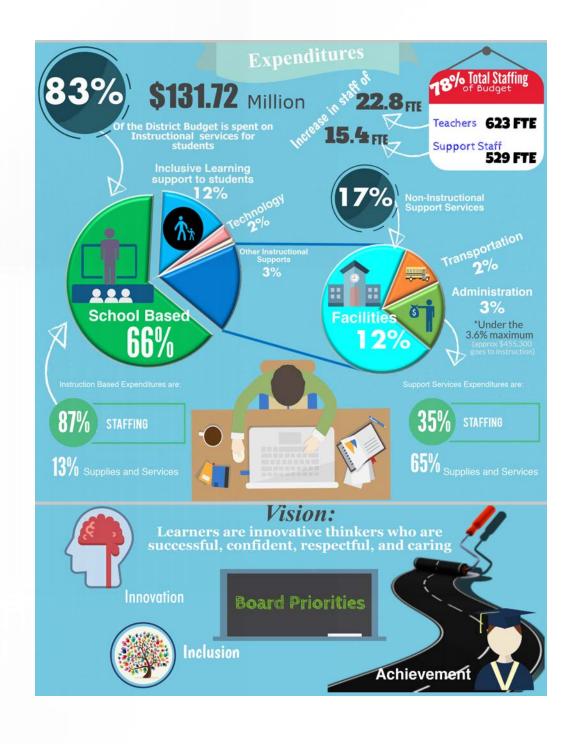
# UNAUDITED SCHEDULE OF NUTRITION PROGRAM EXPENDITURES for the Year Ending August 31, 2019

	Bu	dget 2019		2019
<u>REVENUES</u>				
Alberta Education - current	\$	252,000	\$	251,657
Alberta Education - prior year	\$	-	\$	25,473
Other Funding	\$	-	\$	-
TOTAL REVENUES	\$	252,000	\$	277,130
EXPENSES		· · · · · · · · · · · · · · · · · · ·		· · · · · · · · · · · · · · · · · · ·
Salaries & Benefits				
Meal Supervisor/Cook/support Worker	\$	34,850	\$	28,397
Nutrition Specialist	\$	2,000	\$	500
Other (please describe)	\$	-	\$	-
Other (please describe)	\$	-	\$	-
Other (please describe)	\$	-	\$	-
Subtotal: Salaries & Benefits	\$	36,850	\$	28,897
Food Supplies	\$	113,362	\$	136,090
Small Kitchenware	Ψ	110,002	Ψ	100,000
Measuring cups & measuring spoons	\$	1,250	\$	_
Plates, bowls & cups	\$	4,250	\$	224
Utensils	\$	2,950	\$	618
Blenders and Small Appliances	\$	9,015	\$	5,968
Other (please describe)	\$	-	\$	-
Subtotal: Small Kitchenware	\$	17,465	\$	6,810
Non-Capitalized Assets	Ψ	17,100	Ψ	0,010
Microwave	\$	2,400	\$	559
Refrigerator	\$	10,295	\$	8,936
Toaster	\$	840	\$	1.799
Stove	\$	-	\$	
Tables	\$	8.000	\$	11,861
Dishwasher	\$	10,999	\$	4,999
Carts to move food	\$	2,000	\$	-
Garden tower	\$	2,000	\$	-
Salad bar	\$	2,740	\$	1,025
Other (Blender, water dispenser, delivery)	\$	17,614	\$	12,078
Subtotal: Non-capitalized Assets	\$	56,888	\$	41,257
Training (e.g. food safety training, food prep courses, workshops, training materials)	\$	2,100	\$	-
Contracted Services (please describe)		•		
Vendor / Company	\$	20,400	\$	31,033
Food Delivery	\$	3,000	\$	1,620
Vendor Profit	\$	-	\$	,0=0
Subtotal: Contracted Services	\$	23,400	\$	32,653
Other Expenses	Ψ	20,100	Ψ	02,000
Kitchen aprons	\$	100	\$	156
Family / Nutritional education nights	\$	1,135	\$	383
Cleaning and sanitation supplies	\$	500	\$	711
Travel & accommodation for Cohort B meetings	\$		\$	-
Other (please describe)	\$	200	\$	
Subtotal: Other Expenses	\$	1,935	\$	1,250
TOTAL EXPENSES	\$	252,000	\$	
TOTAL EXPENSES	φ	202,000	Ψ	246,957
	•		Α	00.17-
ANNUAL SURPLUS/DEFICIT	\$	-	\$	30,173

# **INFOGRAPHICS**

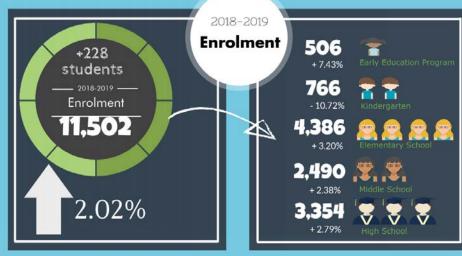
2018/2019 Preliminary Budget



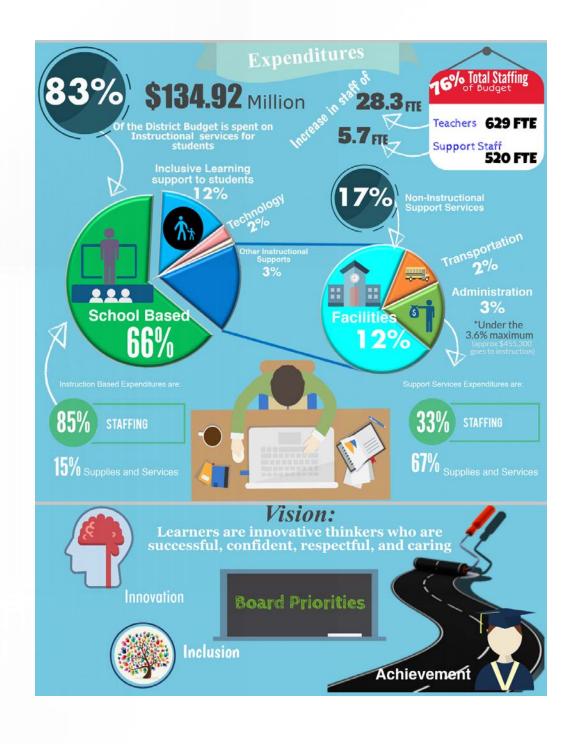


## 2018/2019 September 30th Budget

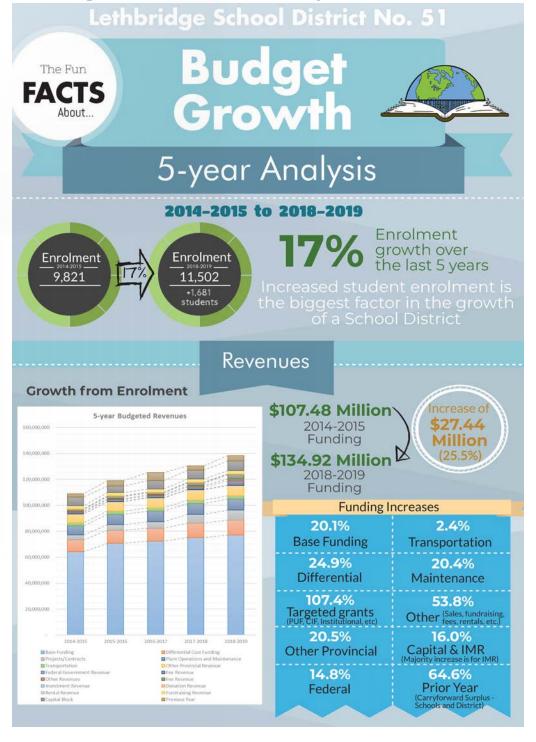






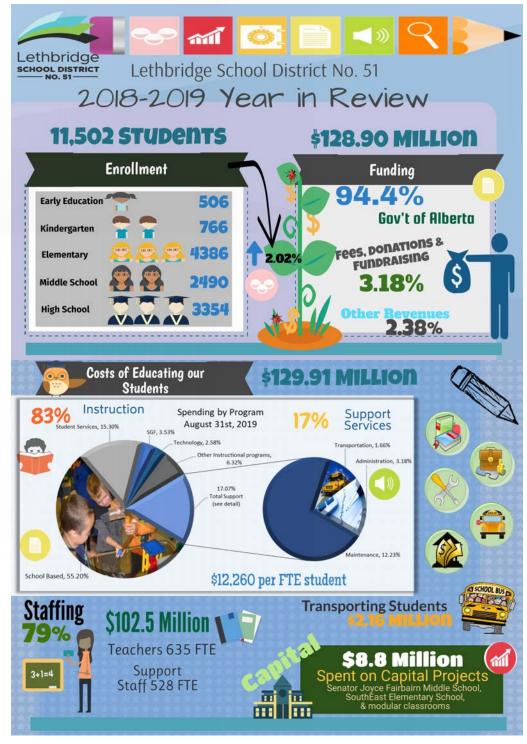


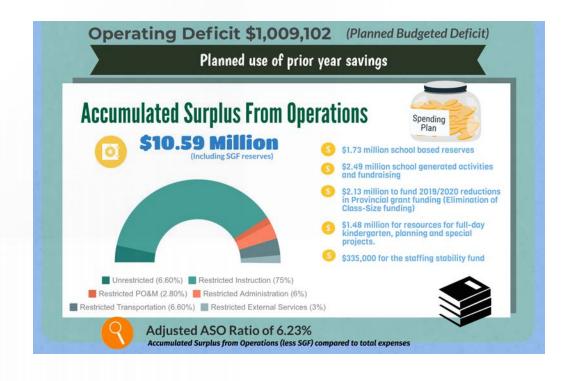
## 2018/2019 Budget Growth 5-Year Analysis



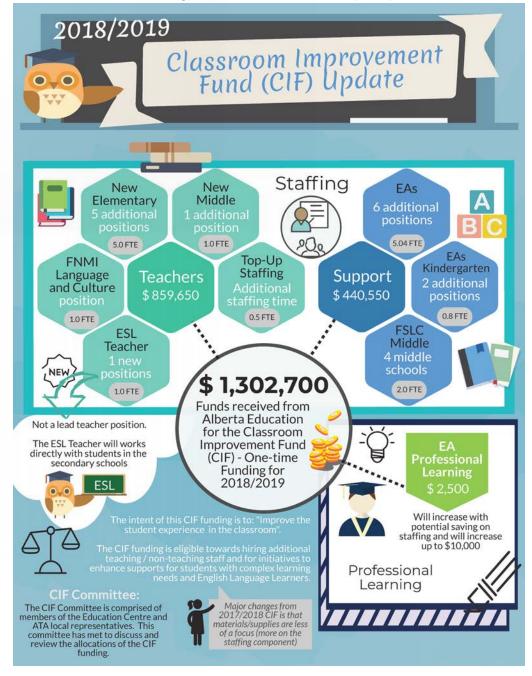


## **2018/2019 Year in Review**

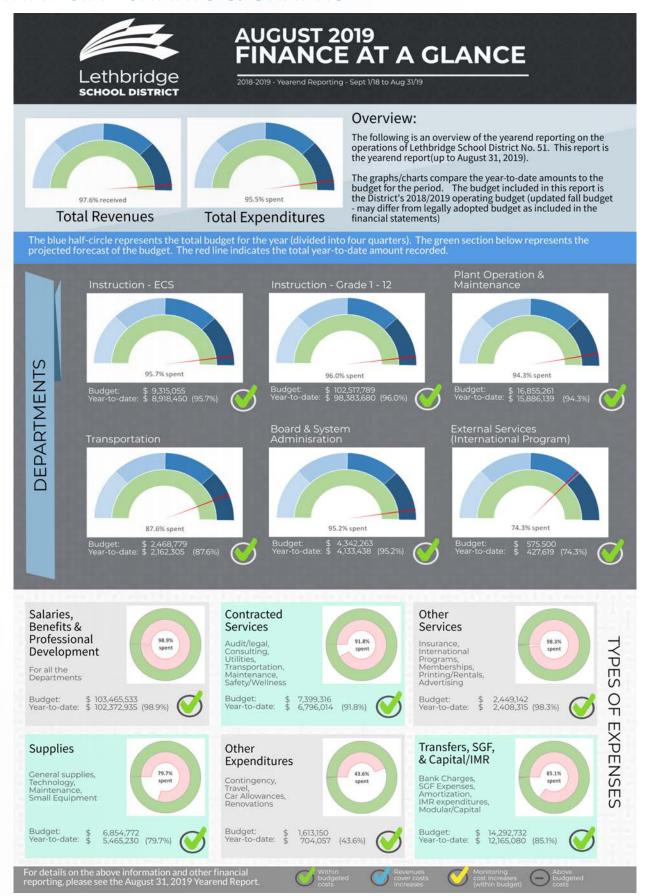




## 2018/2019 Classroom Improvement Fund (CIF)



## FINANCIAL CHARTS & GRAPHS







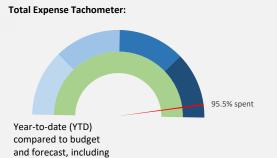
## Lethbridge School Division Summary of Expenses

Yearend Reporting - August 31st, 2019

Financial Data as at October 20th, 2019

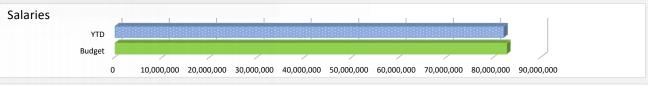


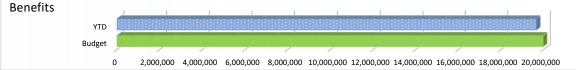
Budget	YTD	Variance	YTD %
82,664,366	82,047,496	616,870	99.3%
19,972,154	19,651,216	320,939	98.4%
829,013	674,223	154,790	81.3%
7,399,316	6,796,014	603,303	91.8%
2,459,142	2,408,314	50,828	97.9%
6,854,772	5,465,230	1,389,542	79.7%
1,603,150	704,058	899,092	43.9%
14,292,732	12,165,080	2,127,652	85.1%
136,074,646	129,911,631	6,163,015	95.5%

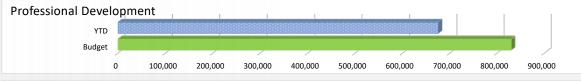


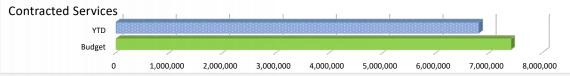
% of budget indicator

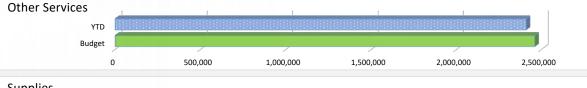
The forecast agrees to the "September 30th" budgeted costs as the report is for the entire fiscal year. Note: commitments and other applicable adjustments (i.e. fees, international credit, etc.) are taken into account to determine the carry-forward surplus.

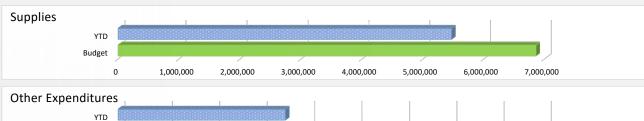


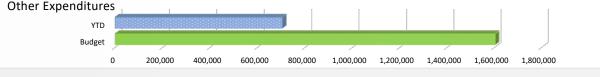














## **Instruction - ECS Summary**

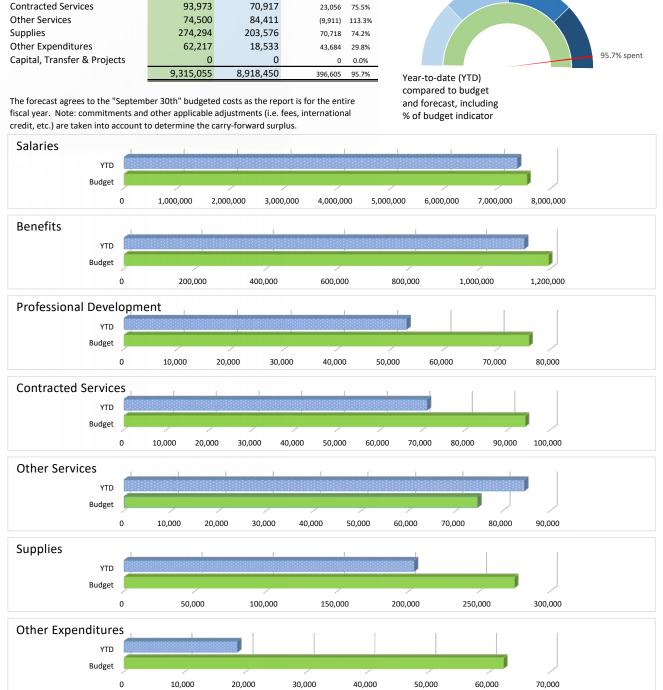
Yearend Reporting - August 31st, 2019

Financial Data as at October 20th, 2019

Salaries Benefits **Professional Development Contracted Services** 

Budget	YTD	Variance	YTD %
7,540,940	7,362,720	178,220	97.6%
1,193,266	1,125,400	67,866	94.3%
75,864	52,892	22,972	69.7%
93,973	70,917	23,056	75.5%
74,500	84,411	(9,911)	113.3%
274,294	203,576	70,718	74.2%
62,217	18,533	43,684	29.8%
0	0	0	0.0%
9,315,055	8,918,450	396,605	95.7%

95.7% spent







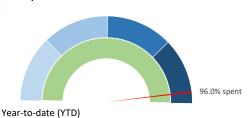
# Instruction - Grades 1-12 Summary

Yearend Reporting - August 31st, 2019

Financial Data as at October 20th, 2019

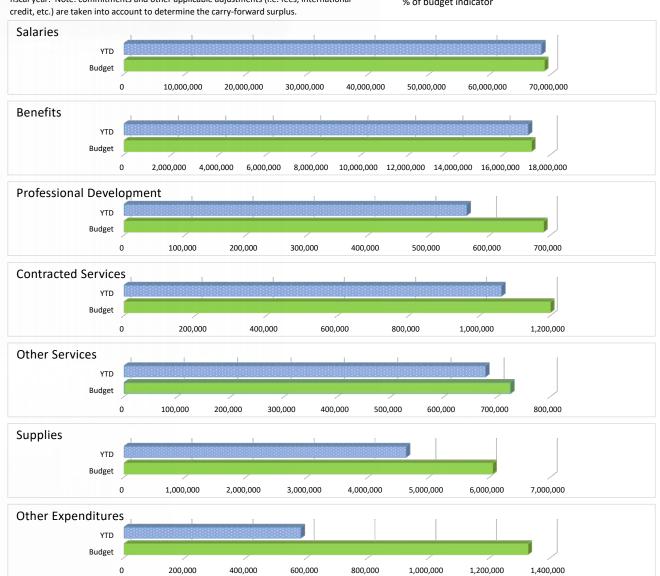
Salaries
Benefits
Professional Development
Contracted Services
Other Services
Supplies
Other Expenditures
Capital, Transfer & Projects

Budget	YTD	Variance	YTD %
68,866,460	68,404,615	461,845	99.3%
17,183,194	17,043,193	140,001	99.2%
688,096	561,736	126,360	81.6%
1,198,803	1,060,934	137,869	88.5%
724,152	677,174	46,978	93.5%
6,042,328	4,618,841	1,423,487	76.4%
1,325,004	578,721	746,283	43.7%
6,489,752	5,438,467	1,051,285	83.8%
102,517,789	98,383,680	4,134,109	96.0%



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.

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





## **Plant Operations and Maintenance Summary**

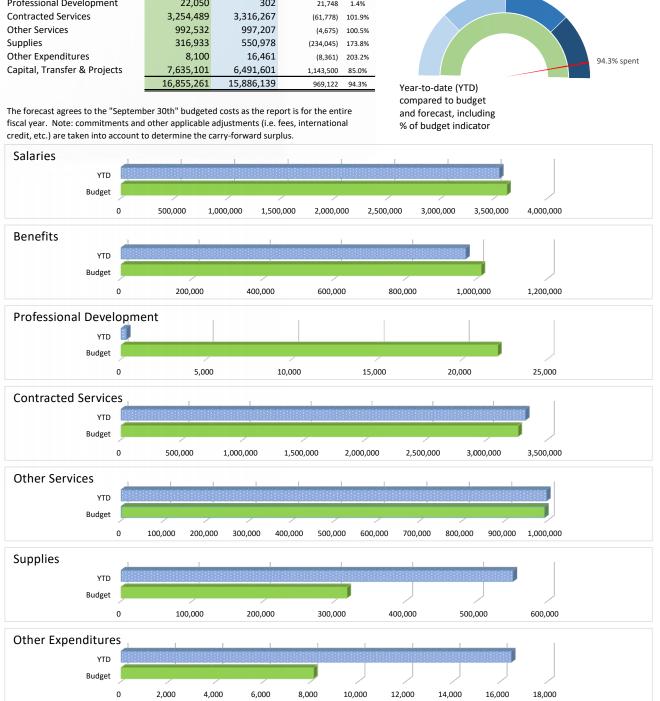
Yearend Reporting - August 31st, 2019

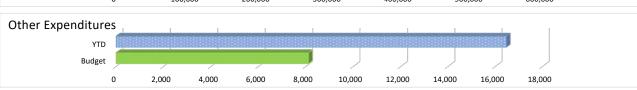
Financial Data as at October 20th, 2019

Salaries Benefits **Professional Development** 

Budget	YTD	Variance	YTD %
3,614,231	3,544,869	69,362	98.1%
1,011,825	968,454	43,371	95.7%
22,050	302	21,748	1.4%
3,254,489	3,316,267	(61,778)	101.9%
992,532	997,207	(4,675)	100.5%
316,933	550,978	(234,045)	173.8%
8,100	16,461	(8,361)	203.2%
7,635,101	6,491,601	1,143,500	85.0%
16,855,261	15,886,139	969,122	94.3%

94.3% spent







# Transportation Summary

Yearend Reporting - August 31st, 2019

Financial Data as at October 20th, 2019

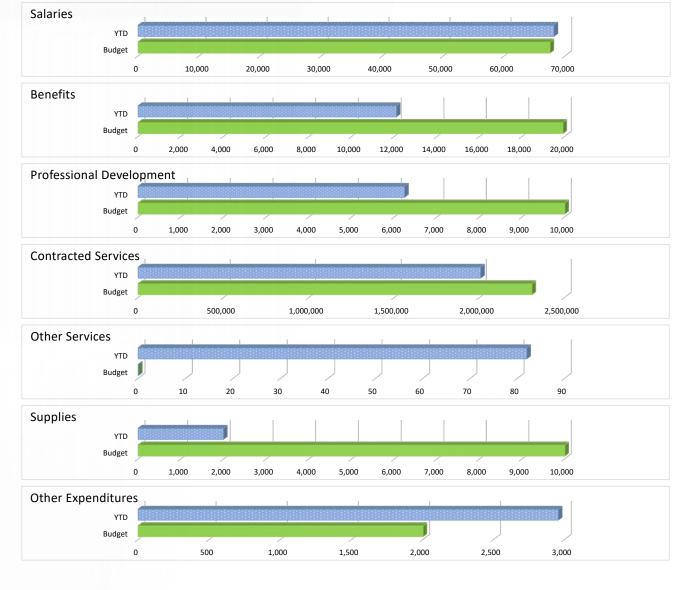
Salaries
Benefits
Professional Development
Contracted Services
Other Services
Supplies
Other Expenditures
Capital, Transfer & Projects

Budget	YTD	Variance	YTD %
67,500	68,151	(651)	101.0%
19,913	12,088	7,825	60.7%
10,000	6,234	3,766	62.3%
2,306,766	2,005,481	301,285	86.9%
0	82	(82)	N/A
10,000	1,994	8,006	19.9%
2,000	2,955	(955)	147.7%
52,600	65,321	(12,721)	124.2%
2,468,779	2,162,305	306,474	87.6%



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.

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





## **Board & System Administration Summary**

Yearend Reporting - August 31st, 2019

Financial Data as at October 20th, 2019

Salaries Benefits **Professional Development Contracted Services** Other Services Supplies Other Expenditures Capital, Transfer & Projects

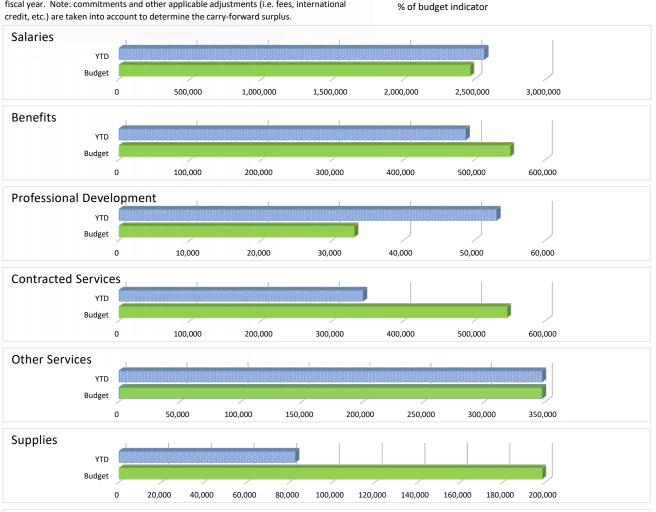
Budget	YTD	Variance	YTD %
2,464,155	2,564,550	(100,395)	104.1%
549,654	486,970	62,683	88.6%
33,003	53,060	(20,057)	160.8%
545,285	342,414	202,871	62.8%
347,008	346,998	10	100.0%
198,239	82,367	115,872	41.5%
89,640	87,389	2,251	97.5%
115,279	169,691	(54,412)	147.2%
4,342,263	4,133,438	208,824	95.2%

**Total Expense Tachometer:** 95.2% spent Year-to-date (YTD)

compared to budget

and forecast, including

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





Other Expenditures

YTD Budget

0

10,000

20,000

30,000

40,000

50,000

60,000

70,000

80,000

90,000



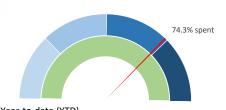
# External Services Summary

Yearend Reporting - August 31st, 2019

Financial Data as at October 20th, 2019

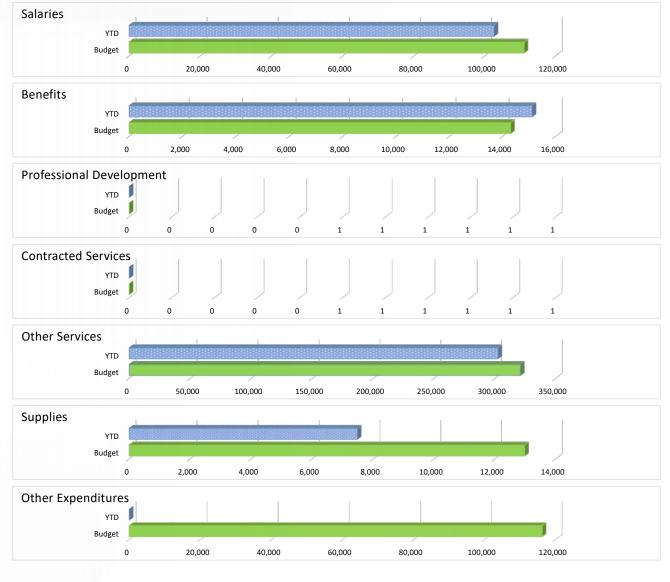
Salaries
Benefits
Professional Development
Contracted Services
Other Services
Supplies
Other Expenditures
Capital, Transfer & Projects

Budget	YTD	Variance	YTD %
111,080	102,592	8,488	92.4%
14,303	15,110	(808)	105.6%
0	0	0	0.0%
0	0	0	0.0%
320,950	302,442	18,508	94.2%
12,978	7,474	5,504	57.6%
116,189	0	116,189	0.0%
0	0	0	0.0%
575,500	427,619	147,881	74.3%



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.

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



## 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 statutory employees for 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 inservice 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.

### <u>Expended Deferred Capital Contributions</u> (<u>EDCC</u>) – *previously EDCR*

Deferred contributions relating to Provincially Approved Capital Projects that have been used for the capital expenditure. EDCC 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' 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.

### <u>Unexpended Deferred Capital Contributions</u> (UDCC) – previously UDCR

Deferred contributions 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
- **EDCC** Expended Deferred Capital Contributions
- **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
- **UDCC** Unexpended Deferred Capital Contributions

