



Lethbridge
SCHOOL DIVISION

ANNUAL FINANCIAL REPORT **2019-2020**

FOR FISCAL YEAR ENDING AUGUST 31, 2020
LETHBRIDGE, ALBERTA, CANADA

LETHBRIDGE SCHOOL DIVISION



Lethbridge School Division
433 - 15th Street South
Lethbridge, Alberta T1J 2Z4
www.lethsd.ab.ca



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

- Mission Statement

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

- Vision Statement



Save Paper, view our report online.

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



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



ANNUAL FINANCIAL REPORT

2019- 2020

FOR FISCAL YEAR ENDING AUGUST 31, 2020
LETHBRIDGE, ALBERTA, CANADA

PREPARED BY LETHBRIDGE SCHOOL DIVISION
DIVISION OF BUSINESS AFFAIRS - FINANCE
JANUARY 2021

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 Division's Annual Financial Report for the 2019-2020 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 Division. It also provides an opportunity to analyze and comment on the financial highlights and information of the Division, its finances, and the outlooks for the future.



The Annual Financial Report is divided into three (3) major sections:

- 1) Introductory Section
 - 1A) Financial Discussion & Analysis
- 2) Financial Statements
- 3) Statistics, Ratios, & Information

Note that the "Financial Discussion & Analysis" is part of the Introductory Section; however, is separated as a sub-section so that this information may be highlighted for the reader of the report.

The Division believes in fiscal accountability and transparency through regular financial monitoring and reporting. In an attempt to further improve the transparency of the Division's finances, we have developed this Annual Financial Report to assist in providing additional details and hope that this report assists you in understanding the Division's financial statements and related financial information.

2019-2020 Significant Factors:

The 2019-2020 school year had many unique and significant challenges that effected the Division, including a recent change in Provincial Government, initial changes in the Provincial Funding Framework, and the effects of the COVID-19 pandemic.

In April 2019, there was a change in Provincial Government; whereas, the new government has made some significant changes to the funding for education. The 2019 Provincial Budget was announced on October 24th, 2019 (typically provided in March/April) and included some unexpected changes to funding allocations.

- These changes included the elimination of the Class-Size Funding, Classroom Improvement Fund (CIF), and the School Fee Reduction Grant. Overall, there was a \$5.2 million unexpected funding reduction; in which, the Province provided a \$2.2 million transitional grant for these grants, resulting in a \$3.0 million funding shortfall for the 2019-2020 school year. The Division used one-time reserves and other cost savings to minimize the disruption to classrooms, programs, and services.
- The Provincial Government also created a new Funding Framework Model for education as part of the 2020 Provincial Budget which is effective for the development of the 2020-2021 school year; in which, these upcoming changes effected the financial and budgetary planning for the Division during the 2019-2020 school year.

The COVID-19 pandemic also had significant impacts on the 2019-2020 school year; whereas, as a result of school closures in mid-March 2020, the Provincial Government reduced the Division's operating grants by a total of \$1.85 million for non-essential support staffing layoffs and reduced costs for transportation. School closures also have significant impacts on the school-based activities throughout the Division, including significant reductions to School Generated Funds (SGF); therefore, there were significant reductions as there were no related costs nor fees for these activities not completed during the year from these school closures.



Gilbert Paterson Middle School - Staff's Message of Hope for Students

Although the Division had these unique and significant challenges during 2019-2020; the Division's staff, students, and families were able to make the best of these situations. The guidance from the Division's Board and administration supported through many of these processes.

There are many success stories of staff and students overcoming adversity and learning new approaches for the delivery of online instruction. This was seen throughout the Division, including the collaboration between schools and staff for providing online instruction to our students.

I am honoured to be part of a team that truly cares about the School Division and our efforts to provide quality education to our students.

Respectfully submitted,

Mark DeBoer, CPA, CA, SFO, CSBO
Director of Finance
January 26, 2021



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 Division (previously referred to as “Lethbridge School District No. 51”) for its annual financial report for the fiscal year ended August 31, 2019. 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.

Notes Regarding this Report

This Annual Financial Report has been designed to act as a resource for the public, students, parents, and employees. 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 Division. It also provides an opportunity to analyze and comment on the financial highlights and information of the Division, its finances, and the outlooks for the future.

The fiscal year is the fiscal year 2019-2020, representing the period from September 1st, 2019 to August 31st, 2020. This fiscal year may also be referred to as 19-20, 2019-20, 19/20, and/or 2019/2020; these variations of the fiscal year or school year may be used interchangeably.

The Division name may be listed throughout the report as Lethbridge School Division, LSD51, and/or the Division; these variations of the Division name may be used interchangeably. Note: Effective September 1st, 2019, the School Division’s name was legally changed from “Lethbridge School District No. 51” to “Lethbridge School Division” and has been updated accordingly throughout this document. *There may be some documents/reports developed before the legal name change that may be included in this report and were not able to be updated until appropriately approved (i.e. policies and other reports); whereas, these references to “Lethbridge School District No. 51” are considered to be interchangeable with the new legal name of “Lethbridge School Division”.*



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, 2019

Christopher P. Morrell

Executive Director/CEO



Lethbridge School Division

19/20 Annual Financial Report

Condensed Table of Contents:

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

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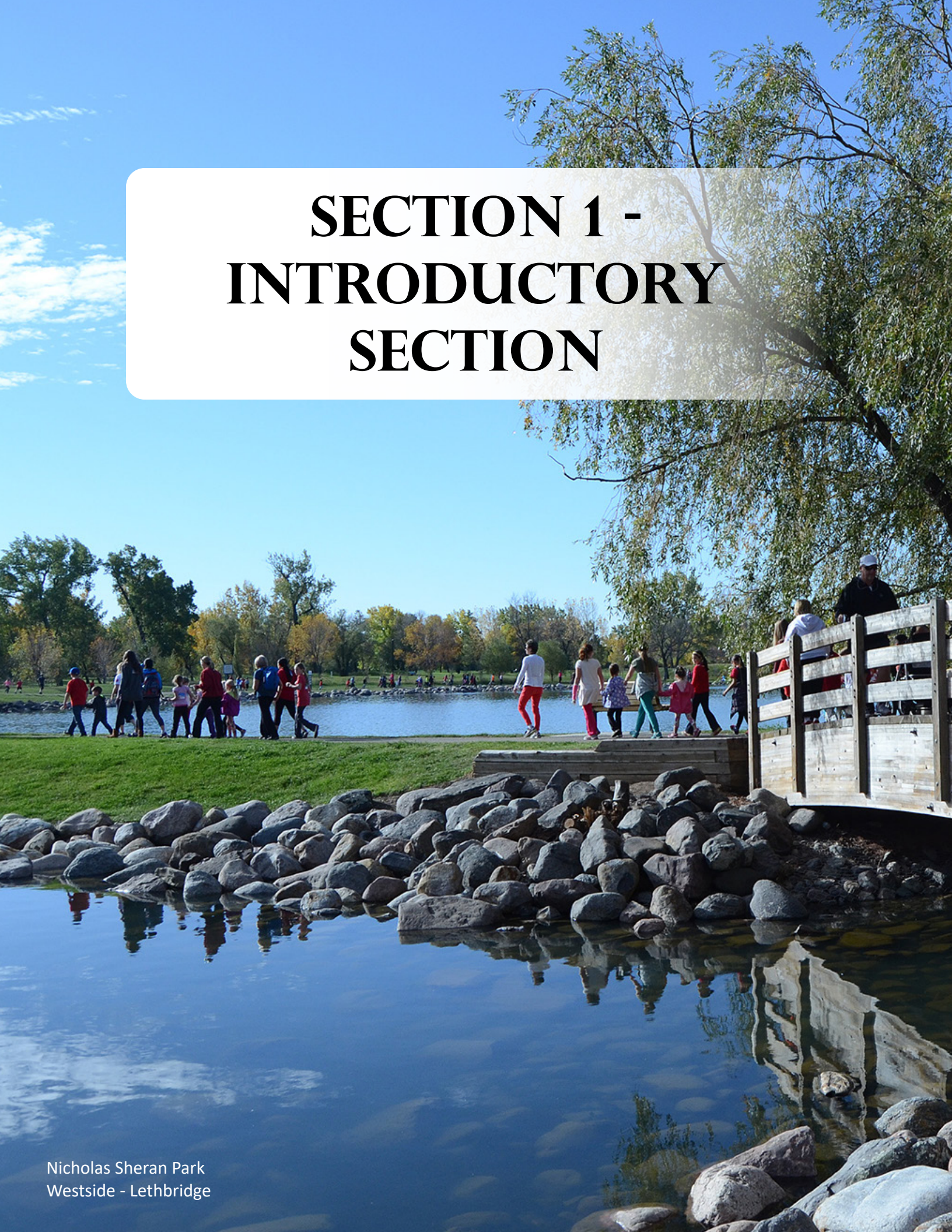
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Section 1 - INTRODUCTORY SECTION

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Introductory



Financial Analysis



Financial Statements



Statistics & Ratios

DIVISION PROFILE

Lethbridge School Division provides public education services to the citizens of the City of Lethbridge, Alberta, Canada. The Division was established in 1886 and has proudly served our community for over 130 years.



The Division will serve approximately 11,750 students from early education (pre-school) to grade twelve in 2019-2020. The Division provides high quality learning experiences for students through a broad range of educational programs in twenty-three (23) schools and four (4) institutional programs.

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

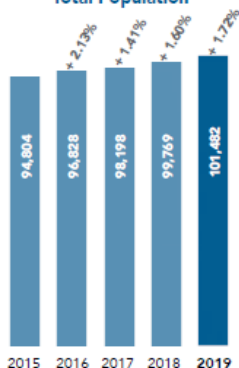
Geographical Location

Lethbridge School Division 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.

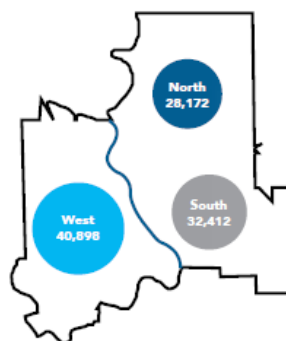
The City of Lethbridge is home to the University of Lethbridge, Lethbridge College, and the Lethbridge Research Centre, one of the largest agricultural research facilities in Canada. The City also houses two large manufacturing plants involved in raw product development.



Total Population



Population by Location in 2019



* Statistical Information is an extract from the City of Lethbridge's 2019 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.



CITY OF
Lethbridge



Lethbridge School Division 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 Division operates 14 elementary schools:



Coalbanks Elementary School

230 Coalbanks Blvd West
Grades K-5 - 571 students



Immanuel Christian Elementary School

2010 - 5th Avenue North
Grades K-5 - 278 students



Dr. Gerald B. Probe School

120 Rocky Mt Blvd West
Grades K-5 - 596 students



Lakeview School

1129 Henderson Lake Blvd South
Grades K-5 - 502 students



Ecole Agnes Davidson School

2103 20th St South
Grades K-5 - 500 students



Lethbridge Christian School

3 St James Blvd North
Grades K-8 - 221 students



Ecole Nicholas Sheran School

380 Laval Blvd West
Grades K-5 - 502 students



Mike Mountain Horse School

155 Jerry Potts Blvd West
Grades K-5 - 540 students



Fleetwood Bawden School

1222 9th Ave South
Grades K-5 - 337 students



Park Meadows School

50 Meadowlark Blvd North
Grades K-5 - 310 students



Galbraith School

1801 8th Ave A North
Grades K-5 - 394 students



Senator Buchanan School

1101 7th Ave North
Grades K-5 - 286 students



General Stewart School

215 Corvette Cres South
Grades K-5 - 127 students



Westminster School

402 18th St North
Grades K-5 - 172 students

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

A new elementary school in the Southeast side of Lethbridge is currently under construction for completion by the start of the 2021-2022 school year (Dr. Robert Plaxton Elementary School).

Middle Schools

Lethbridge School Division 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 - 766 students



Senator Joyce Fairbairn Middle School
301 Rocky Mountain Blvd West
Grades 6-8 - 531 students



G.S. Lakie Middle School
50 Blackfoot Blvd West
Grades 6-8 - 447 students



Wilson Middle School
2003 9th Ave North
Grades 6-8 - 683 students

High Schools

Lethbridge School Division 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 - 1,157 students



Winston Churchill High School
1605 15th Ave North
Grades 9-12 - 869 students



Immanuel Christian Secondary School
802 - 6th Avenue North
Grades 6-12 - 303 students



Victoria Park High School
1515 5th Ave South
Grades 9-12 - 296 students

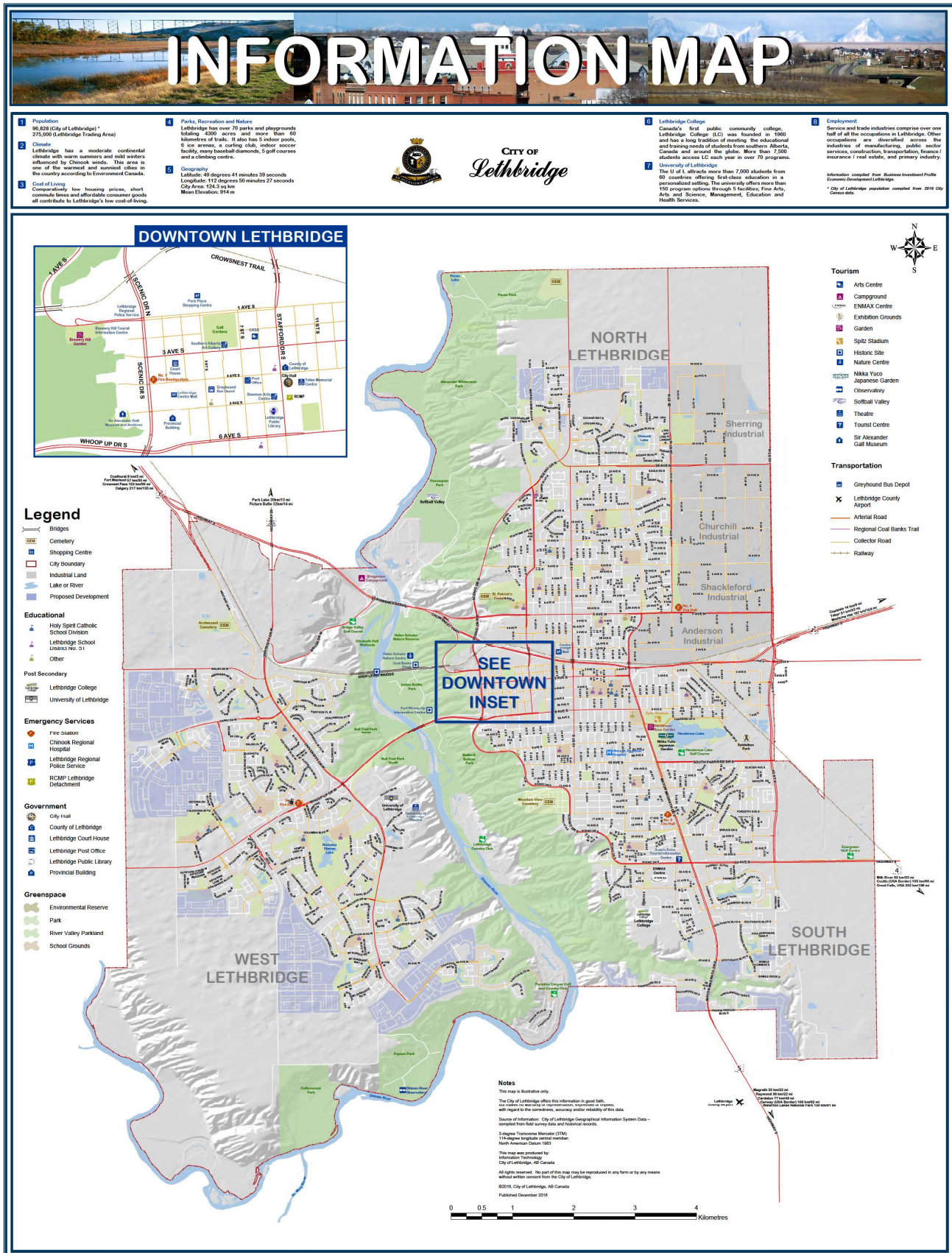


Lethbridge Collegiate Institute
1701 5th Ave South
Grades 9-12 - 846 students

Institutional Programs

Lethbridge School Division has four institutional programs:

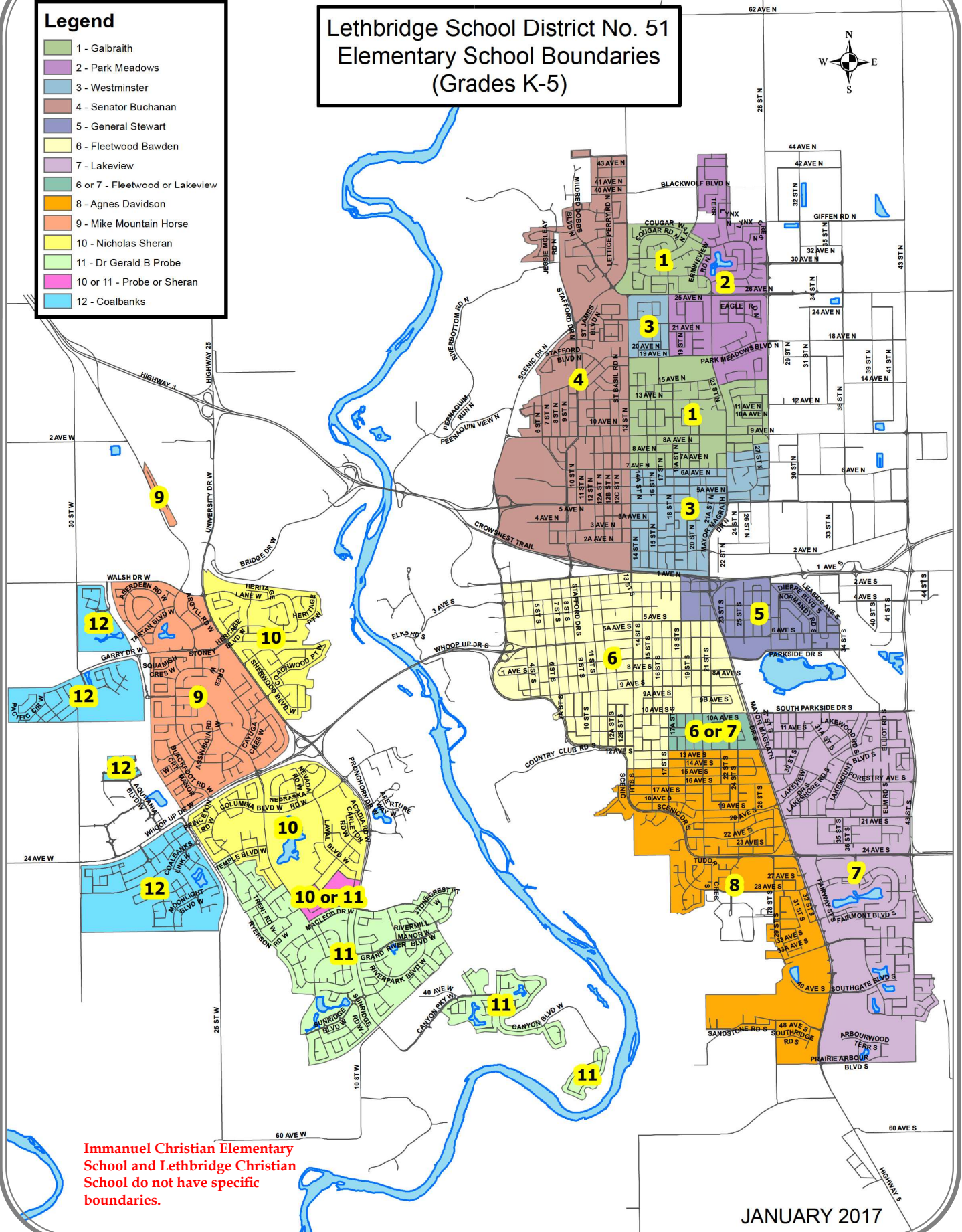
- **CAMP (Lethbridge Regional Hospital School)** - both an inpatient and outpatient program for youth who require psychiatric treatment and mental health services as well as those patients requiring specialized assistance with school curriculum
- **Harbour House School** - provides interim education 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.



Legend

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

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



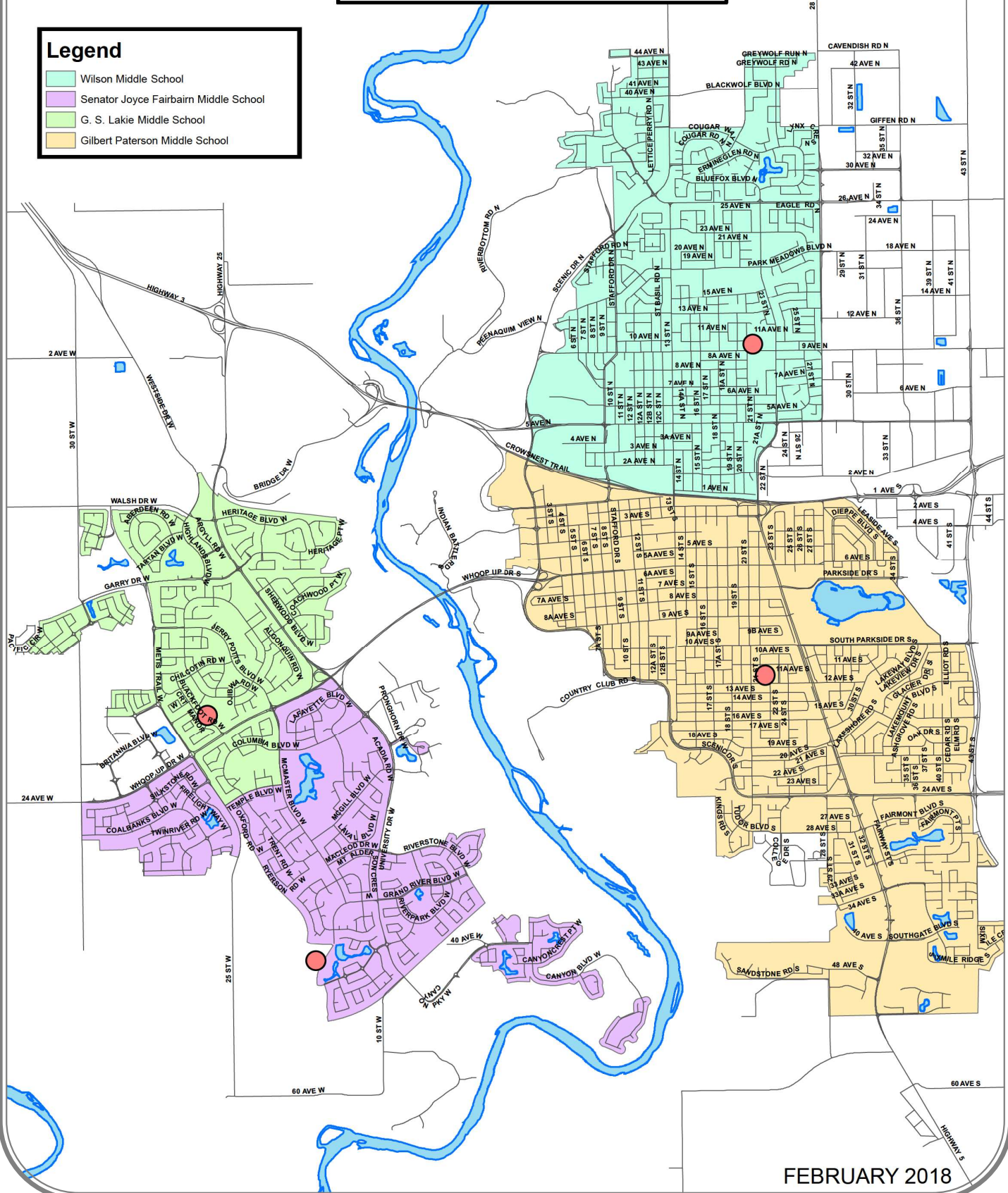
**Immanuel Christian Elementary
School and Lethbridge Christian
School do not have specific
boundaries.**

JANUARY 2017

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

Legend

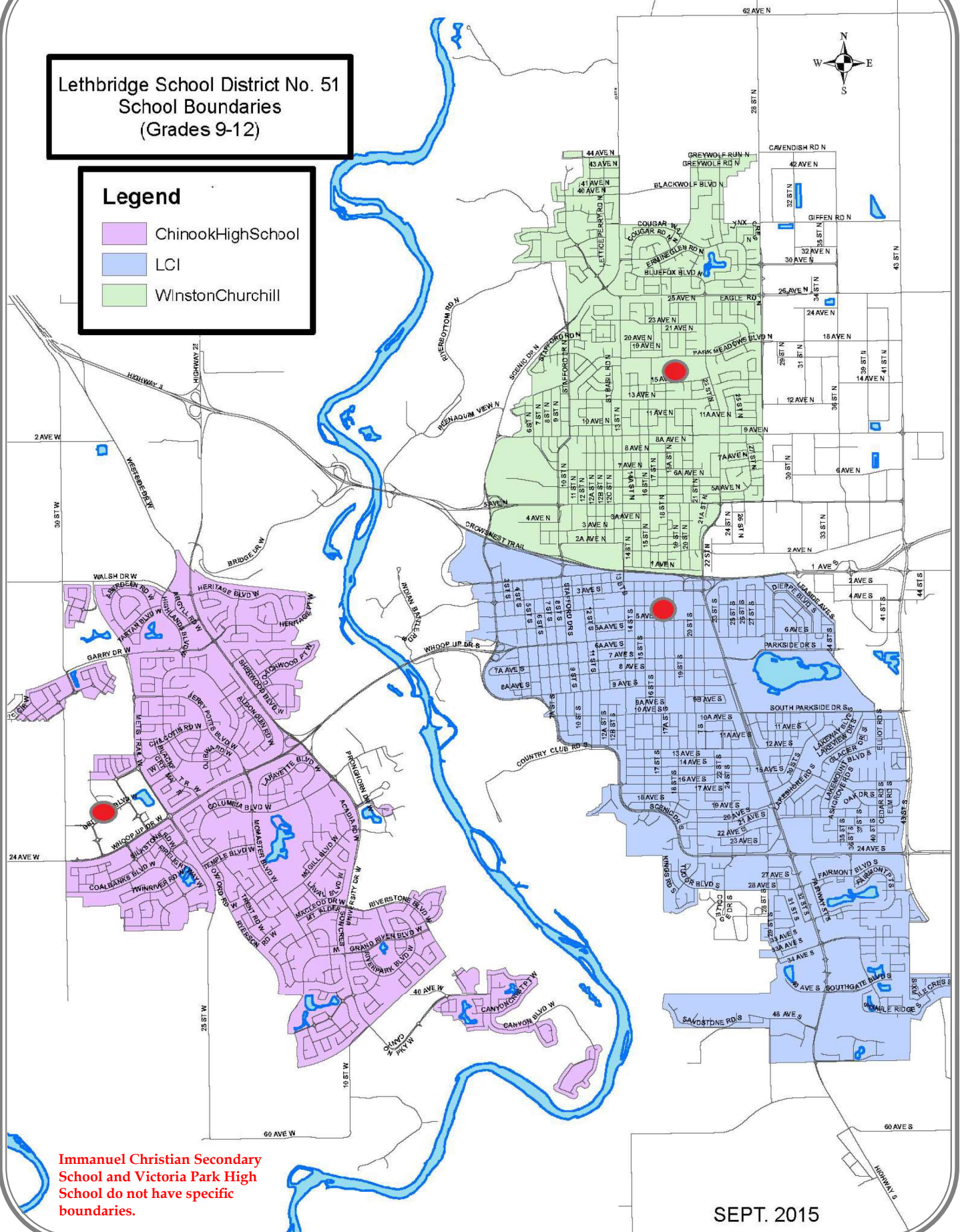
- Wilson Middle School
- Senator Joyce Fairbairn Middle School
- G. S. Lakie Middle School
- Gilbert Paterson Middle School



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

Legend

- ChinookHighSchool
- LCI
- WinstonChurchill



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

SEPT. 2015

Services Provided by the Division

Lethbridge School Division receives over 90% of its funding from the Province of Alberta and operates under the authority of the Education Act (Statutes of Alberta, 2012), 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 Division 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 (FNMI) education, and early literacy. The Division's Early Education program will have 20 programs in twelve schools effective September 2020. A Montessori program is established in grades one to five. Lethbridge Christian School provides Christian education for students from kindergarten to grade eight. In 2015-2016, the Division welcomed two new schools offering Christian education as alternate schools, Immanuel Christian Elementary and Immanuel Christian High School. The Division 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.





Our Division at a Glance

11,753

Total Students
(2.18% increase)

\$132.72

MILLION
Operating Budget
(including reserves)

94%

Of revenues are Provincial Grants

19.1

Average K-3 Class Size
(2018/2019)

\$11,387

Average Cost Per FTE Student
(2019-2020)

83%

Spent on Instructional Services

639

Total FTE of Teachers

\$97,620

Average Teacher Cost
(2019-2020)

23

Division Schools
(K-12)

552

Total FTE of Support Staff

3rd

Largest Employer in the City
(2019)

100,442

City of Lethbridge Population
(2019)



2019-2020 DIVISION HIGHLIGHTS

Division Performance Measures

Financial Ratios & Comparisons



- Year Reference:**
- ☐ 2015/2016
 - ☐ 2016/2017
 - ☐ 2017/2018
 - ☐ 2018/2019
 - ☒ 2019/2020
 - ☐ 5-Year Average

The following Division Performance Measures are the Financial Ratios and Comparisons which compare the Division to Provincial averages and the averages for school divisions of similar size.

The data is provided from the Alberta Education for the most recent information available for each reporting year.

The Visuals include:

- > **GREEN** = Provincial Averages
- > **BLUE** = Comparable Size Divisions
- > **RED** = LSD51 Ratios

Funded Students (Grades K-12)*

11,202

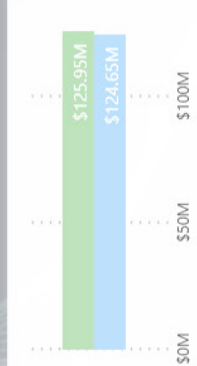
*Excludes Fee-Based Enrolment (i.e., Early Education Program and International Students).

Total Revenues

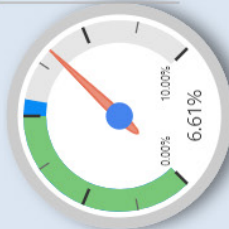
\$125,951,377

Total Expenses

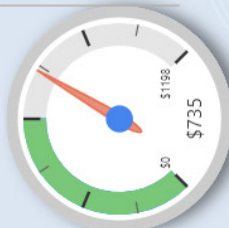
\$124,649,043



Adjusted ASO Percentage



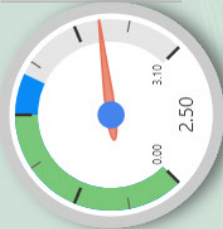
Adjusted ASO per Student



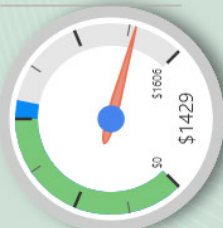
The Adjusted Accumulated Surplus from Operations ("Adjusted ASO") is the total accumulated surplus from operations less the School Generated Funds (SGF) that are included in the surplus.

The Adjusted ASO Percentage is a comparison to the total expenditures for the Division.

Liquidity Ratio



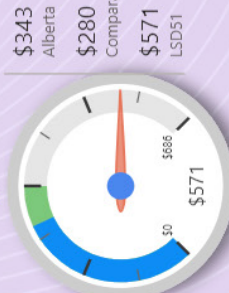
Working Capital per Student



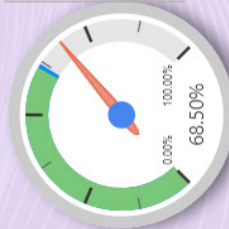
The Net Financial Assets is the total Financial Assets less the total Liabilities (excluding the Spent Deferred Capital Contributions for the Provincially supported capital).

The Net Financial Assets are used to evaluate liquidity and the available Working Capital.

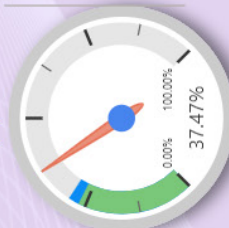
Capital Reserves per Student



NBV to Cost - Schools/Buildings



NBV to Cost - Equipment/Vehicles



Capital Reserves are funds that have been allocated towards the future replacement of Board Funded Assets (unsupported capital).

Net Book Value (NBV) to Historical Costs illustrates how new the capital assets are in comparison to their useful lives.

The above is an extract of the Division's Performance Measure Dashboard, which allows for an interactive review of the Division's performance measures.

SCHOOL BOARD GOVERNANCE

Board of Trustees

Lethbridge School Division 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 Division operates under the authority of the Education Act (Statutes of Alberta, 2012) 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 Education Act and exercises its authority through policy, regulations, and resolutions approved at duly conducted meetings of the Board.

Under the Education 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 Division policy, the Education 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.

Click the Pictures to go to their Profiles

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 Division'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 Division's policies and are available on the Division's website:

<http://www.lethsd.ab.ca/our-district/Policies>



Introductory



Financial Analysis



Financial Statements



Statistics & Ratios

Division 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 Division and formally operate as the Executive Council to the School Board. Lethbridge School Division's Executive Council members are:



Dr. Cheryl Gilmore
Superintendent



Morag Asquith
Associate Superintendent,
Instructional Services



Rik Jesse
Associate Superintendent,
Human Resources

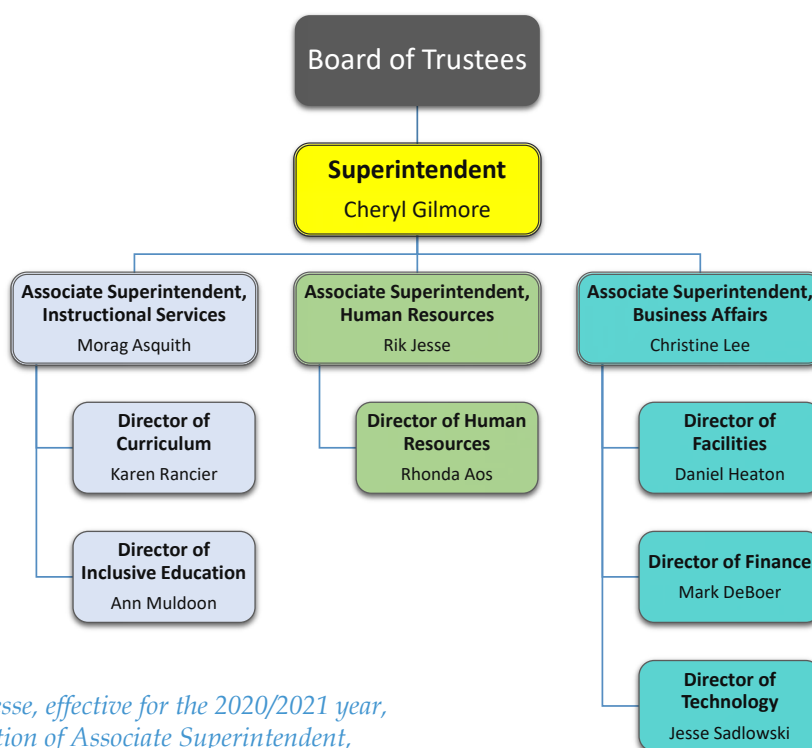
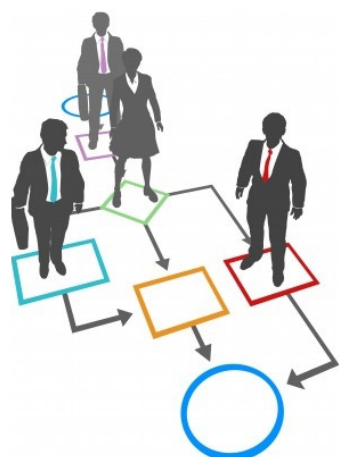


Christine Lee
Associate Superintendent,
Business Affairs

Organizational Structure/Charts

The organizational structure of Lethbridge School Division aligns with each of the major areas represented within the Division's Executive Council: Instructional Services, Human Resources, and the Business Affairs departments.

The following is the administrative structure of the Division:



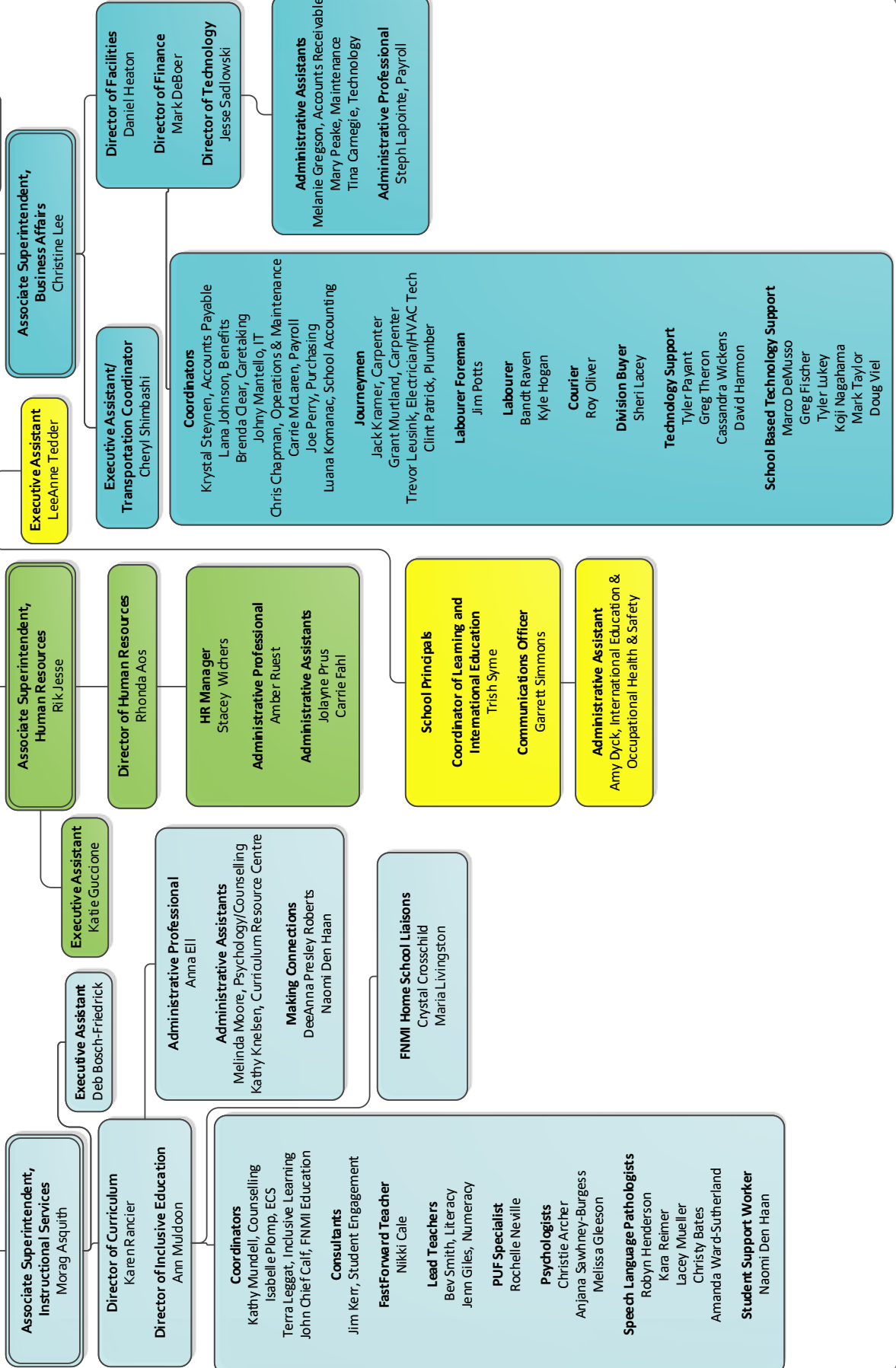
Note: Due to the retirement of Rik Jesse, effective for the 2020/2021 year, Mike Nightingale accepted the position of Associate Superintendent, Human Resources.

Lethbridge School Division

2019-20 Organizational Chart

Superintendent of Schools
Cheryl Gilmore

Board of Trustees
Clark Bosch, Chair
Christine Light, Vice Chair
Tyler Demers
Jan Foster
Donna Hunt
Doug James
Lola Major



Introductory



Financial Analysis



Financial Statements



Statistics & Ratios

VISION, MISSION STATEMENT, & GUIDING PRINCIPLES

Vision

Thinkers
Confident
Successful
Innovative
Learners
Respectful

Vision Statement

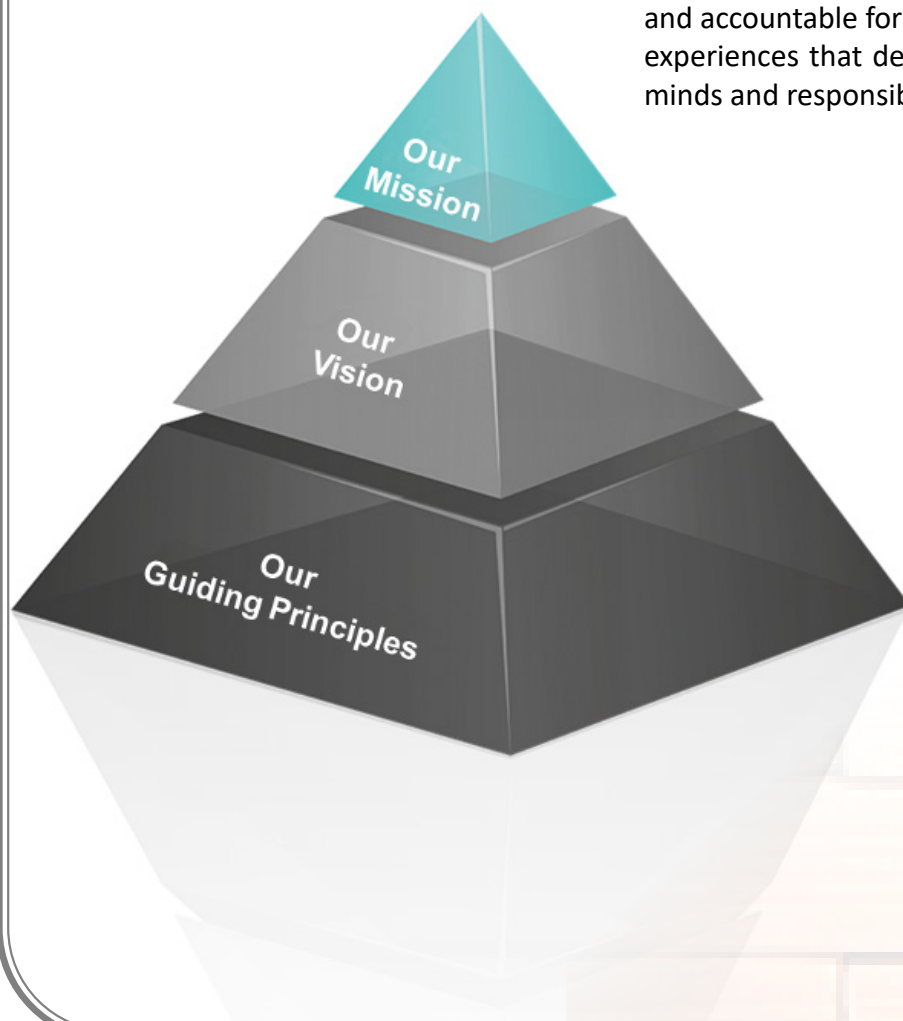
Our learners are innovative thinkers who are successful, confident, respectful and caring.

Mission

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

Mission Statement

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



Lethbridge
SCHOOL DIVISION

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 Division's learning system. These assist in developing the Division's strategic plan and priorities.





2019-2020 Board 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. Students are **lifelong learners** possessing the skills and attributes to successfully transition within the system and to further education, credentialing or the world of work.
4. First Nations, Metis and Inuit (**FNMI**) student achievement relative to provincial standards will improve.
5. School administrators are highly skilled in all areas of the **School Leader Quality Standard**.
6. Teachers are highly skilled in all areas of the **Teaching Quality Standard**.
7. Support staff possess the knowledge, skills and attributes to **support student success** and create optimal learning environments.
8. Effective learning and teaching is achieved through **collaborative leadership** and structures that build capacity to improve within and across schools.
9. A comprehensive **wellness approach** promotes well-being and fosters learning.
10. The education system demonstrates collaboration and engagement to further Division priorities:
 - **Parents feel welcome**, included and possess agency to be full partners in their child's education;
 - Community members feel ownership as **collaborative partners** in the education of children and youth;
 - Community- minded **organizations are engaged** in collaborative delivery of programs and services to students.
11. Effective **management of growth and capacity** building to support learning spaces and the provision of programs.

INNOVATION

OUTCOMES:

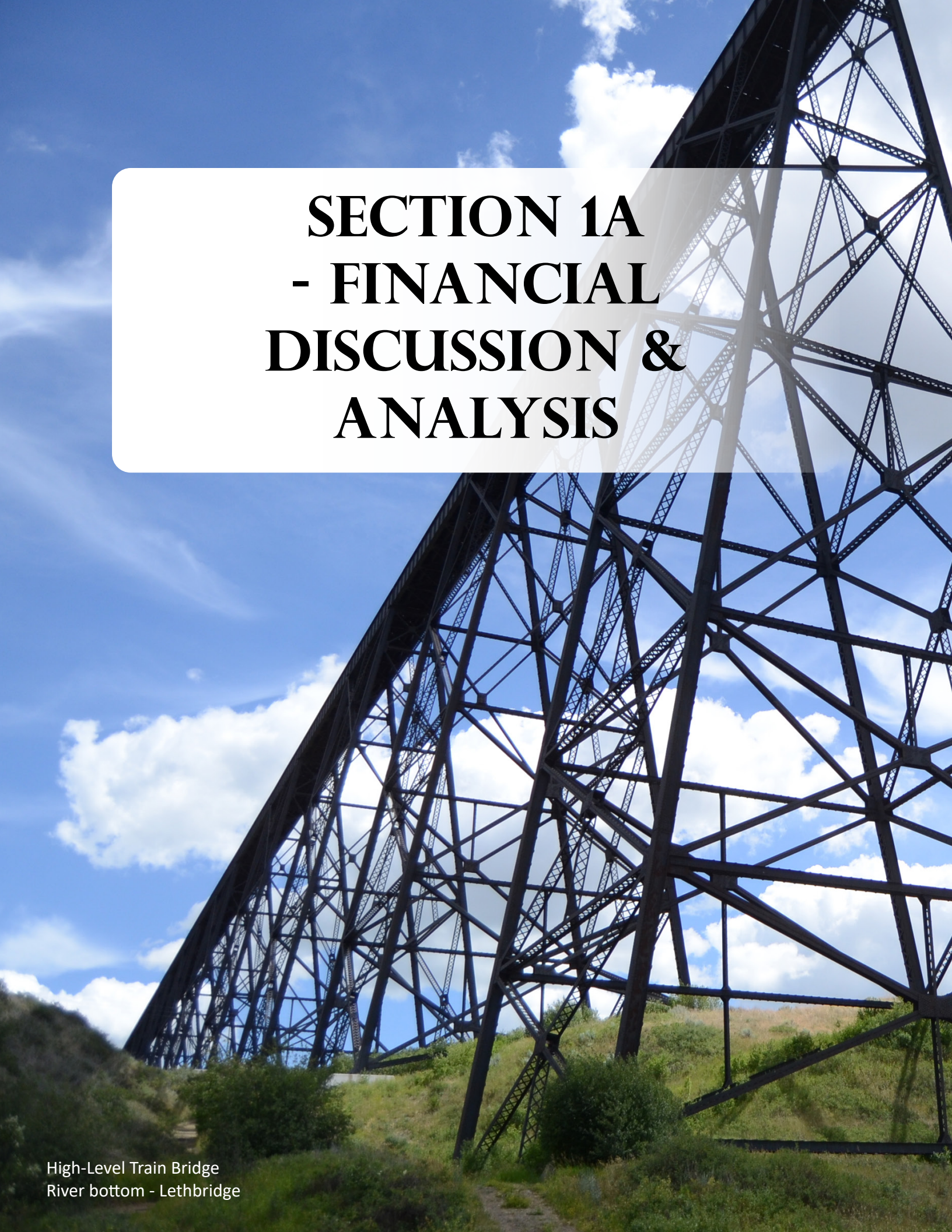
1. Learners demonstrate the attributes of **innovation, creativity and critical thinking** in a process-based learning environment.
2. Breadth of **program choice** provides opportunities for students to explore and grow as learners.
3. All learners **effectively use technology** as creative and critical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

INCLUSION

OUTCOMES:

1. Schools are welcoming **caring, respectful and safe** learning environments.
2. Schools are inclusive learning environments where all students are able to grow as learners.





SECTION 1A - FINANCIAL DISCUSSION & ANALYSIS

High-Level Train Bridge
River bottom - Lethbridge

Section 1A - FINANCIAL DISCUSSION & ANALYSIS

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Introductory



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REPORT FROM THE DIRECTOR OF FINANCE

It is our pleasure to submit Lethbridge School Division's Annual Financial Report for the year ended August 31, 2020. 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 Division.



Mark DeBoer
CPA, CA, SFO, CSBO
Director of Finance



This section of the Annual Financial Report provides the Division an opportunity to analyze and comment on the financial highlights and information of the Division. This includes information on the **internal financial controls** utilized by the Division and provides a **Financial Statement Discussion and Analysis (FSD&A)** for the 2019/2020 fiscal year.

The FSD&A is a supplement to the 2019/2020 audited financial statements that are contained in this report. The FSD&A is provided to enhance the understanding of the Division's financial position and provide additional insight in the Division'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 Division's management is responsible for the preparation and presentation of these statements.

BDO Canada LLP has audited the 2019/2020 Lethbridge School Division's Financial Statements and provided an unqualified opinion. The Board of Trustees approved the audited financial statement on November 24, 2020.



INTERNAL FINANCIAL CONTROLS

Lethbridge School Division 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 Division 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 Division's Policy Advisory Committee. These policies are designed to ensure that there are appropriate controls in place to safeguard the Division and to ensure that the Division is compliant with the Alberta Education Act, the Canadian Public Sector Accounting Standards, and other related legislation.

The Division 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:



- Fraud Prevention, Identification, and Reporting (Policy 400.4)
- 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 Division 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 Division'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.



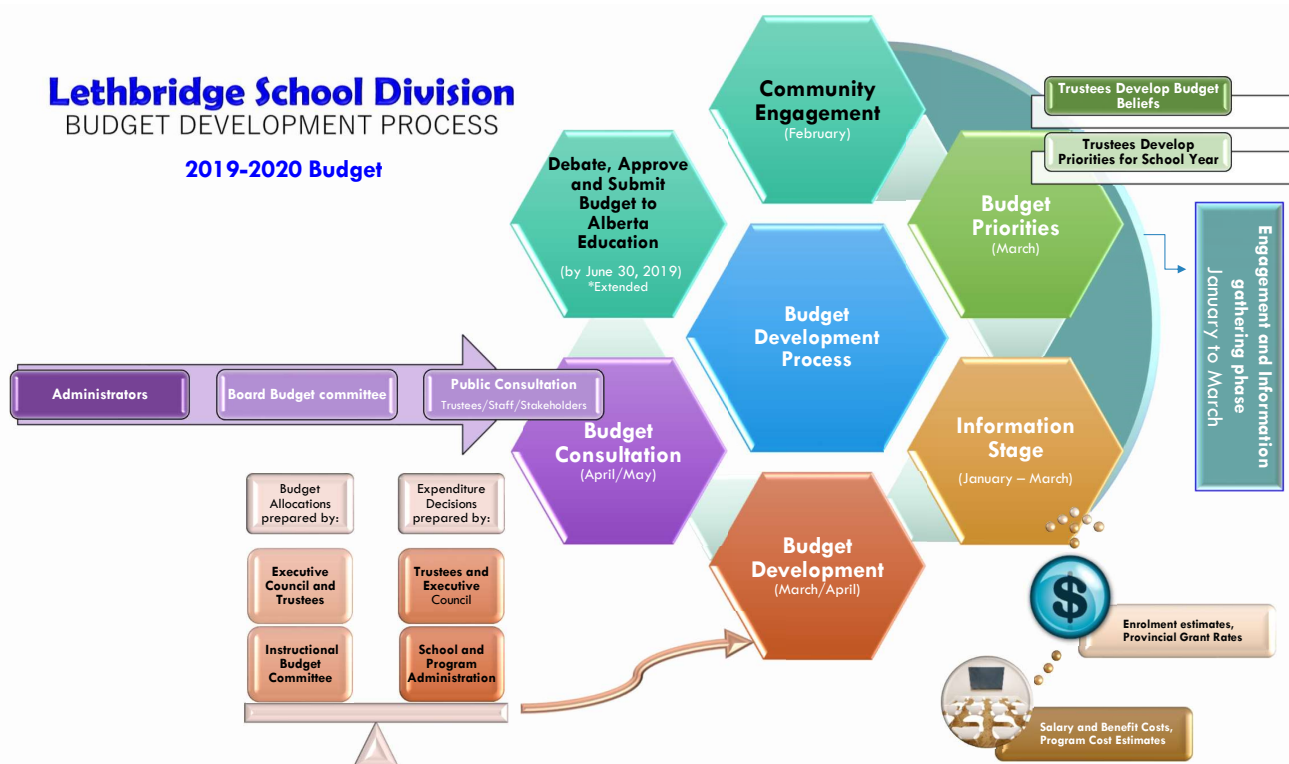
The Division utilizes a centralized accounting process (other than the School Generated Funds - SGF); where the Business Affairs department is responsible for the common financial and computer systems used to record the financial transactions and information. These central activities account for the 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 Division. 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 Education Act, Section 139; 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 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 Division is able to determine areas of "best practice" and areas of improvements on these School Generated Funds.

External Audits

In accordance with the Alberta Education Act, Section 138, the Board of Trustees appoints an independent auditor, BDO Canada Ltd, to report on the annual financial statements of the Division. 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 Division'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 Division with a management letter providing comments on the internal controls.

For the 2019/2020 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 Division for the 2019/2020 audit; thus, indicating the effectiveness of the Division's internal controls.

In relation to the School Generated Funds (SGF), as these are decentralized, the Division (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 Division’s 2019/2020 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



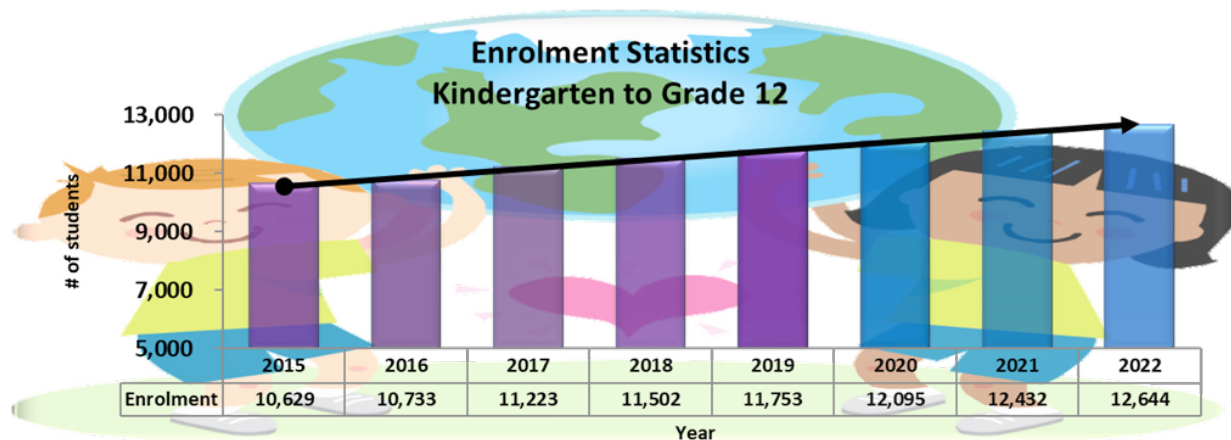
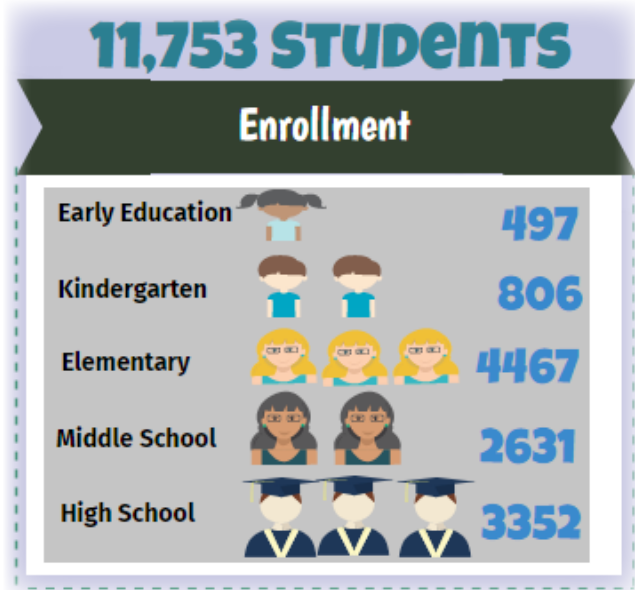
The 2019/2020 enrolment was a total of 11,753 Students in Early Education to Grade 12. This was an increase of 251 students or 2.18% increase from the prior year's enrolment of 11,502.

The overall increase includes the following:

- Early Education decreased by 9 students
- Kindergarten increased by 40 students
- Elementary increased by 81 students
- Middle School increased by 141 students
- High School decreased by 2 students

Lethbridge School Division is a growing Division as the growth of our student enrolment is largely due to the growth in the City of Lethbridge.

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Enrolment for 2019/2020 had an increase of 2.51%. Projected enrolment over the next three years shows increases of 2.91% for 2020/2021, 2.79% for 2021/2022, and 1.71% for 2022/2023. There has been an upward trend in enrolment due in part to the significant growth that the City of Lethbridge has experienced. *The COVID-19 pandemic will have impacts on the students enrolment for the future projected years; whereas, for the 2020/2021 school year, the Division was not able to meet the projections as the Division resulted in a student enrolment reduction.*



Introductory



Financial Analysis



Financial Statements



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Statement of Financial Position



The Statement of Financial Position indicates the Division'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, 2020 (in dollars)

	2020	2019	Change
FINANCIAL ASSETS			
Cash and cash equivalents	\$ 21,052,333	\$ 18,375,384	\$ 2,676,949
Accounts receivable (net after allowances)	\$ 5,579,821	\$ 6,445,372	\$ (865,551)
Portfolio investments	\$ 74,300	\$ 93,469	\$ (19,169)
Total financial assets	\$ 26,706,454	\$ 24,914,225	\$ 1,792,229
LIABILITIES			
Accounts payable and accrued liabilities	\$ 5,882,159	\$ 4,987,853	\$ 894,306
Deferred contributions	\$ 4,563,483	\$ 4,301,131	\$ 262,352
Employee future benefits liabilities	\$ 247,302	\$ 230,538	\$ 16,764
Total liabilities	\$ 10,692,944	\$ 9,519,522	\$ 1,173,422
Net financial assets (debt)	\$ 16,013,510	\$ 15,394,703	\$ 618,807
NON-FINANCIAL ASSETS			
Tangible capital assets	\$ 154,359,097	\$ 143,323,320	\$ 11,035,777
Inventory of supplies	\$ 278,365	\$ 184,020	\$ 94,345
Prepaid expenses	\$ 877,029	\$ 481,694	\$ 395,335
Total non-financial assets	\$ 155,514,491	\$ 143,989,034	\$ 11,525,457
Spent deferred capital contributions (SDCC)	\$ 148,641,096	\$ 137,799,166	\$ 10,841,930
Accumulated Surplus	\$ 22,886,905	\$ 21,584,571	\$ 1,302,334

Financial Assets

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

- Cash includes unspent capital contributions for capital projects, deferred operating contributions, endowment funds, and accumulated surplus from operations.
- The majority of the accounts receivables relate to the approx. \$3.8 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 (Dr. Robert Plaxton Elementary School) and for the setup of modular facilities on schools.

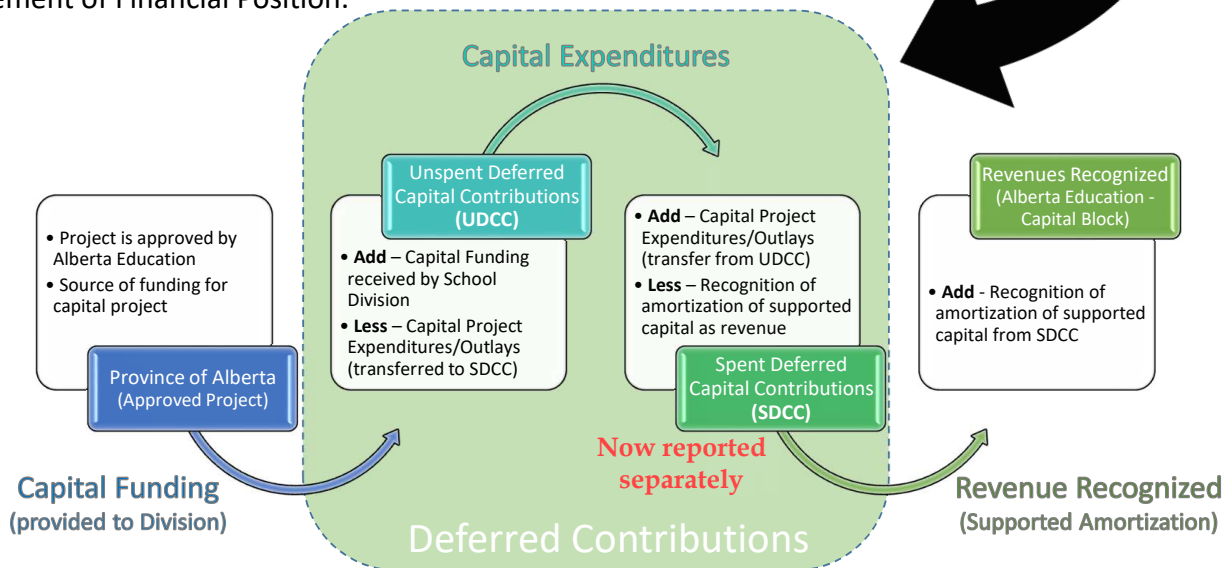
Liabilities

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

The accounts payable increased from the prior year due to additional holdbacks on the capital projects (building construction of the new Southeast Elementary School) and the related construction invoices.

As shown in the Schedule of Deferred Contributions (Schedule 2), the vast majority of the deferred contributions relate to the deferred Infrastructure, Maintenance and Renewal (IMR) grant funding as there are large IMR projects underway, including two large Heating, Ventilation and Air Conditioning (HVAC) projects.

Spent Deferred Capital Contributions (SDCC) 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 Division was ever to terminate operations, these supported assets would be assumed by Alberta Education (as part of a stipulation/term of the funding agreement). The SDCC is now reported separately on the Statement of Financial Position.



Both the UDCC and the SDCC 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.



Net Financial Assets (Debt)

The net of the Financial Assets and Liabilities result in \$16.01 Million of Net Financial Assets:

Total Financial Assets	\$26.71 Million
Total Liabilities	<u>\$10.69 Million</u>
Net Financial Assets (Debt)	\$16.01 Million
Non Financial Assets	\$155.51 Million
Spent deferred capital	<u>(\$148.64 Million)</u>
Accumulated Surplus	<u>\$22.88 Million</u>

Now excludes
the spent
deferred
capital
contributions

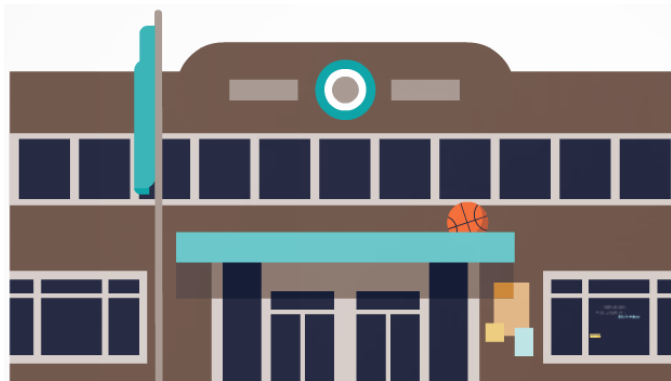
The 2019/2020 financial statements have specifically excluded the deferred contributions related to the unamortized portion of supported capital assets (referred to as Spent Deferred Capital Contributions). In prior financial statements, these Spent Deferred Capital Contributions (SDCC) were included within the liabilities section, resulted in the Division having a large Net Financial Debt position; whereas, the Division would then be required to exclude the SDCC to provide a clearer picture on the effective Net Asset position. The change to the Provincial financial statement template provides a clearer understanding to the readers of the financial statements

Non-Financial Assets

The Non-Financial Assets are comprised mostly of the Tangible Capital Assets (TCA) for a net book value of \$154.4 million, which are assets such as land, buildings, vehicles, and equipment.

The increase in the TCA is from the Division constructing and acquiring approximately \$16.66 million in assets. These additions are somewhat offset by approx. \$5.62 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 SDCC deferred contributions.

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





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

Tangible Capital Assets (TCA)	2020		Net Book Value
	Historical Cost	Accumulated Amortization	
Land	\$ 1,715,118	\$ -	\$ 1,715,118
Construction in Process	\$ 14,069,398	\$ -	\$ 14,069,398
Buildings	\$ 201,897,093	\$ (68,036,776)	\$ 133,860,317
Equipment	\$ 10,536,416	\$ (6,197,323)	\$ 4,339,093
Vehicles	\$ 1,112,667	\$ (808,423)	\$ 304,244
Computer equipment	\$ 932,444	\$ (861,517)	\$ 70,927
Total Tangible Capital Assets	\$ 230,263,136	\$ (75,904,039)	\$ 154,359,097

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 new Southeast Elementary School (Dr. Robert Plaxton Elementary School) opening at the beginning of 2021/2022 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 Division 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 Division (not funded directly by the Province). The following is a breakdown of the Supported/Unsupported TCA:

Tangible Capital Assets (Net Book Value)	2020		Total
	Supported	Unsupported	
Land	\$ -	\$ 1,715,118	\$ 1,715,118
Construction in Process	\$ 14,069,398	\$ -	\$ 14,069,398
Buildings	\$ 131,554,145	\$ 2,306,172	\$ 133,860,317
Equipment	\$ 3,001,817	\$ 1,337,276	\$ 4,339,093
Vehicles	\$ 15,737	\$ 288,507	\$ 304,244
Computer equipment	\$ -	\$ 70,927	\$ 70,927
Total Tangible Capital Assets (Net Book Value)	\$ 148,641,097	\$ 5,718,000	\$ 154,359,097

The total Net Book Value (NBV) of the supported assets of \$148.6 million is equal to the amount of Spent Deferred Capital Contributions (SDCC) 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 \$5.7 million is equal to the amount of "Investment in Tangible Capital Assets" which is included in the Division's Accumulated Surplus.



Accumulated Surplus



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

Accumulated Surplus - Schedule 1	2020	2019	Change
Unrestricted Surplus	\$ 691,486	\$ 700,209	\$ (8,723)
Restricted Surplus:			
Operating Reserves	\$ 9,760,912	\$ 9,893,702	\$ (132,790)
Capital Reserves	\$ 6,396,633	\$ 5,146,633	\$ 1,250,000
Endowments	\$ 319,874	\$ 319,874	\$ -
Investment in Tangible Capital Assets	\$ 5,718,000	\$ 5,524,153	\$ 193,847
Accumulated Surplus	\$ 22,886,905	\$ 21,584,571	\$ 1,302,334

Restricted Surplus (Reserves)

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

Restricted Surplus	2020		Total
	Operating	Capital	
School and Instruction Related	\$ 8,003,313	\$ 4,498,675	\$ 12,501,988
Operating and Maintenance	\$ 347,391	\$ 664,866	\$ 1,012,257
Board and System Administration	\$ 467,918	\$ 917,650	\$ 1,385,568
Transportation	\$ 651,846	\$ 315,442	\$ 967,288
External Services (International program)	\$ 290,444	\$ -	\$ 290,444
Restricted Surplus	\$ 9,760,912	\$ 6,396,633	\$ 16,157,545

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

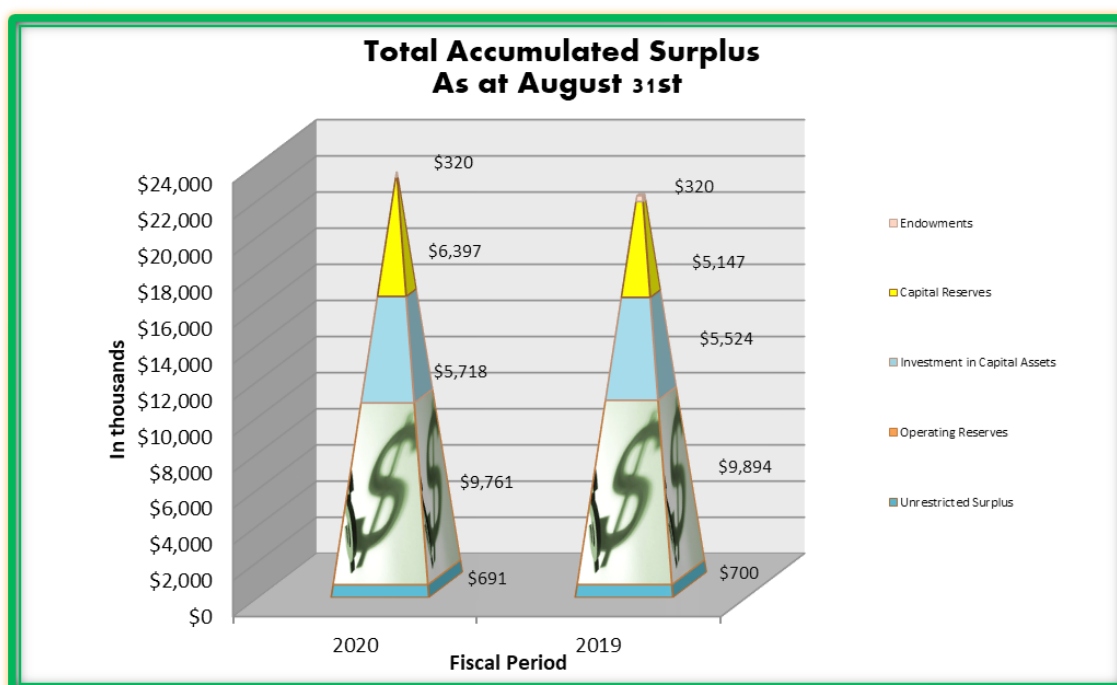
The total Unsupported TCA of \$5.7 million, as shown previously in the TCA section, agrees to the total Investment in Tangible Capital Assets included in the Accumulated Surplus, as this is the equity that the Division has in the Board funded tangible capital assets.

Unrestricted Surplus

The Unrestricted Surplus is the accumulation of the Division's surpluses from year-to-year that have not been specifically restricted (either internally or externally). Typically, if a surplus (or a portion thereof) is restricted, it would be included in the Division'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 Division; 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 Division, having their funds held in perpetuity, where the interest from these funds are designated to the different scholarships.



Statement of Operations



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

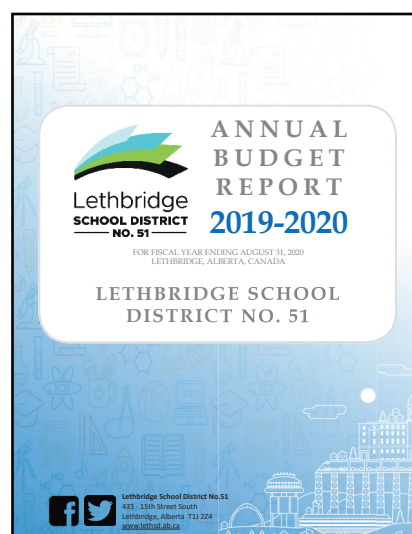
	Approved May Budget	September 30th Budget	2019-2020 Actual	2018-2019 Actual
REVENUES				
Government of Alberta	\$ 123,517,081	\$ 119,607,883	\$ 118,702,075	\$ 121,725,881
Federal and Other Government	\$ 248,128	\$ 388,944	\$ 499,542	\$ 400,582
Fees	\$ 4,086,432	\$ 4,106,603	\$ 1,480,790	\$ 1,944,047
Other sales and services	\$ 984,086	\$ 964,751	\$ 3,137,084	\$ 1,433,092
Investment income	\$ 193,000	\$ 193,000	\$ 201,809	\$ 413,358
Donations and other contributions	\$ 2,824,000	\$ 2,869,000	\$ 1,909,033	\$ 2,955,654
Other revenue	\$ 34,704	\$ 34,704	\$ 21,044	\$ 29,915
Total revenues	\$ 131,887,431	\$ 128,164,885	\$ 125,951,377	\$ 128,902,529
EXPENSES				
Instruction - ECS	\$ 8,896,976	\$ 8,248,969	\$ 8,023,265	\$ 8,918,450
Instruction - Grades 1 - 12	\$ 99,139,082	\$ 99,008,228	\$ 95,170,517	\$ 98,383,680
Plant Operations & Maintenance	\$ 16,855,126	\$ 17,753,858	\$ 15,262,572	\$ 15,886,139
Transportation	\$ 2,468,779	\$ 2,287,466	\$ 1,821,447	\$ 2,162,305
Board & System Administration	\$ 4,253,283	\$ 4,342,262	\$ 4,095,662	\$ 4,133,438
External Services	\$ 315,500	\$ 315,500	\$ 275,580	\$ 427,619
Total expenses	\$ 131,928,746	\$ 131,956,283	\$ 124,649,043	\$ 129,911,631
Operating surplus (deficit)	\$ (41,315)	\$ (3,791,398)	\$ 1,302,334	\$ (1,009,102)

APPROVED MAY BUDGET:

The Approved May Budget is the legally adopted budget of the 2019/2020 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 June 25, 2019 and submitted to the Minister of Education of Alberta. *Note that the 2019/2020 preliminary budget deadline was extended to June 2019 due to the Provincial Election.*

The 2018/2019 Preliminary Budget totalled \$132.62 million, including \$731,600 of operating reserves (\$131.89 million excluding reserves). The projected enrolment within the preliminary budget was estimated at 11,810 students in Early Education to Grade 12. The Preliminary Budget included 632 FTE of teaching staff and 512 FTE of support staffing.

[Click the Page to go to the Review the detailed Annual Budget Report](#)





SEPTEMBER 30TH BUDGET UPDATE (Operating Budget):

The revised budget for the 2019/2020 school year reflects changes to the Division budget as of September 30th, 2019, based on the additional information received since the preliminary budget.

On October 24th, 2019, the Provincial Government released the budget and related Provincial Funding Manuals for 2019/2020. Student enrolment was funded; however, there were other specific grants that were eliminated to assist in funding enrolment (which was not expected by school boards across the Province) including the Class-size funding which accounted for approximately \$5.0 million in the prior year. The Province did provide a one-time transitional grant of \$2.2 million in the budget year; however, the Division still had an overall reduction of Provincial grant revenues for the 2019/2020 Operating Budget.



The approved September 30th Budget totalled \$134.00 million, including \$4.55 million of operating reserves (\$129.44 million excluding reserves). Overall revenue, including use of reserves, in the revised budget increased by \$1.38 million over preliminary budget projections developed in June 2019. This majority of increase is due to the utilization of operating reserves to cover the Provincial funding shortfall and some carryforward of school-based and other instructional surpluses. This increase from operating reserves is utilized to cover the \$3.0 million reduction in Provincial funding.

The September 30th final enrolment was at 11,753 students in Early Education to Grade 12. The September 30th Budget was updated to included 629 FTE of teaching staff and 517 FTE of support staffing.

Budget Adjustments:	Revenues	Expenses
Approved Expenses - "September 30th Budget"	129,441,726	133,208,125
Transfers to Reserves		25,000
Total "September 30th "Expenses and Transfers	129,441,726	133,233,125
Updates from Approved "September 30th Budget":		
Increased PUF Grant/Expenditures	47,231	47,231
Lease Grant Received	509,582	509,582
Society Contribution	20,173	20,173
School Closures - Provincial recovery of instructional grants	(1,523,013)	(1,523,013)
School Closures - Provincial recovery of transportation grants	(330,814)	(330,814)
Updated Operating Budget	128,164,885	131,956,284
Transfers from Reserves/Capital	4,554,728	763,329
	132,719,613	132,719,613

Subsequent to the approval of the September budget, it was also determined that the Program Unit Funding (PUF) program grant increased by \$47,231, Lease Grant was received for \$509,582, and an additional \$20,173 was received from a society for additional supports. As a result of COVID-19 school closures, the Provincial Government reduced the Division's operating grants by a total of \$1.85 million for non-essential support staffing layoffs and reduced costs for transportation. These adjustments have been updated in the Division's 2019/2020 Operating Budget.



Operating Revenues

The operating revenues include all of the funding and other revenue sources recognized by the Division. 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, 2020:

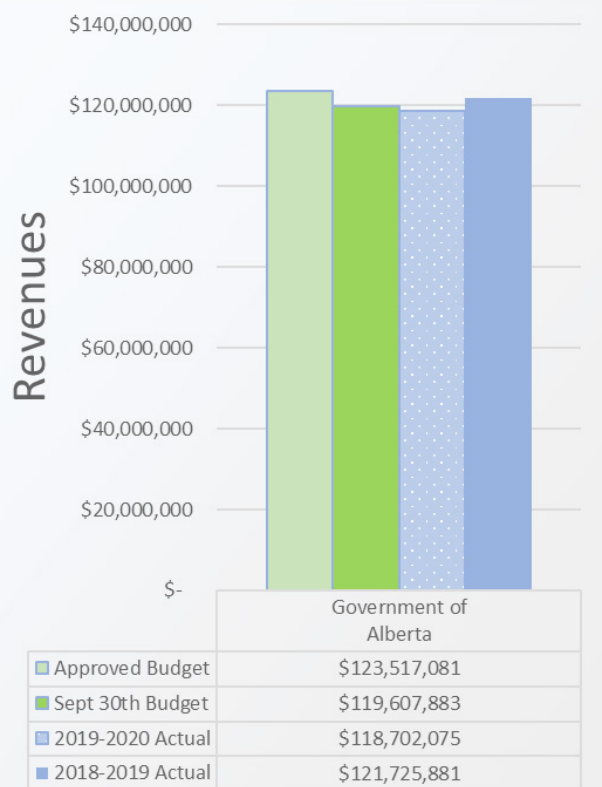


The Division had total revenues of \$125.95 million for the school year ended August 31, 2020. This was \$5.94 million less than the \$131.89 million budget approved in June 2019; whereas, this was also less than the \$128.16 million included in the September 30th budget.

	Approved May Budget	September 30th Budget	2019-2020 Actual	2018-2019 Actual
REVENUES (by type)				
Government of Alberta	\$ 123,517,081	\$ 119,607,883	\$ 118,702,075	\$ 121,725,881
Federal and Other Government	\$ 248,128	\$ 388,944	\$ 499,542	\$ 400,582
Fees	\$ 4,086,432	\$ 4,106,603	\$ 1,480,790	\$ 1,944,047
Other sales and services	\$ 984,086	\$ 964,751	\$ 3,137,084	\$ 1,433,092
Investment income	\$ 193,000	\$ 193,000	\$ 201,809	\$ 413,358
Donations and other contributions	\$ 2,824,000	\$ 2,869,000	\$ 1,909,033	\$ 2,955,654
Other revenue	\$ 34,704	\$ 34,704	\$ 21,044	\$ 29,915
Total revenues	\$ 131,887,431	\$ 128,164,885	\$ 125,951,377	\$ 128,902,529

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



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

Alberta

Government of Alberta

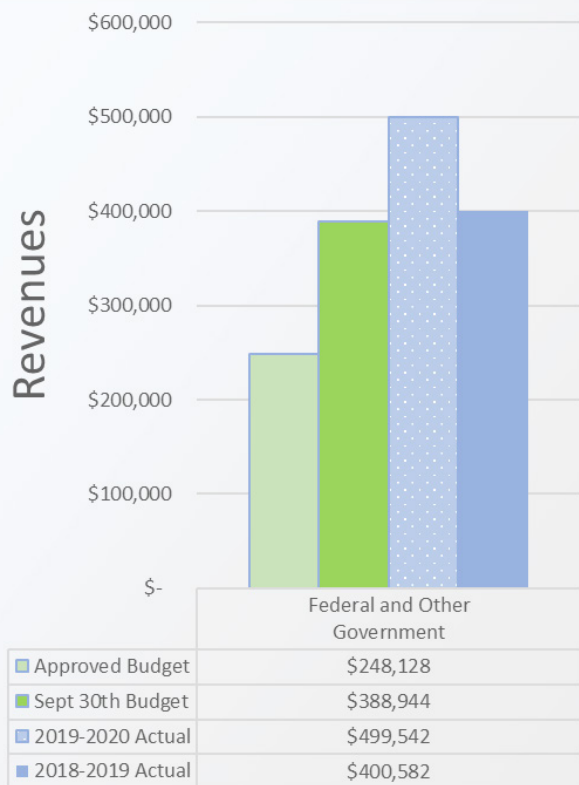
The September 30th budget decreased from the preliminary budget with the elimination of the Class-size funding of \$5.00 million; in which, the transitional grant of \$2.23 million resulted in a significant funding reduction. The School Fee Reduction grant of approximately \$252,000 was also eliminated. There was also a \$1.85 million reduction due to COVID-19 school closures (for staff layoffs and reduced costs). The September 30th budget amount is a more accurate figure as it consists of more current information.

The 2019/2020 actual funding recognized from Alberta Education was \$2.21 million less than the operating budget (Sept 30th budget) mostly due to the Infrastructure, Maintenance & Renewal (IMR) grant was recognized was \$2.04 million less than budgeted. The IMR operating revenues recognized are based on the total IMR operating expenditures incurred; whereas, there were two large IMR multi-year projects that were capitalized in 2019/2020 (moved to capital revenues). Alberta Education operating grants were slightly more than projected; whereas, this increase mostly related to increased funding from high school redesign model and french language funding.

The funding from Alberta Education decreased from the prior year, mostly due to the elimination of the Class-size funding of \$5.0 million, the elimination of Classroom Improvement Fund (CIF) of \$1.3 million (expected to be removed), and with the additional \$2.2 million in one-time transitional funding received. These net decreases would have also been partially offset by the increases in student enrolment (2.18% increase); in which, a large portion of these grants are based on student enrolment.

	Approved May Budget	September 30th Budget	2019-2020 Actual	2018-2019 Actual
Government of Alberta				
Alberta Education:				
Operating Grants	\$ 104,212,171	\$ 98,593,167	\$ 99,524,819	\$ 103,054,630
Operations and Maintenance	\$ 8,725,187	\$ 9,220,582	\$ 9,220,360	\$ 9,152,541
Transportation	\$ 2,468,500	\$ 2,631,000	\$ 2,601,548	\$ 2,538,044
Infrastructure Maintenance & Renewal	\$ 3,056,087	\$ 3,336,000	\$ 1,300,437	\$ 1,177,665
Total Alberta Education	\$ 118,461,945	\$ 113,780,749	\$ 112,647,164	\$ 115,922,880
Alberta Infrastructure	\$ 4,576,935	\$ 5,097,276	\$ 5,351,304	\$ 5,024,214
Other Government of Alberta	\$ 478,201	\$ 729,858	\$ 703,607	\$ 778,787
Total	\$ 123,517,081	\$ 119,607,883	\$ 118,702,075	\$ 121,725,881

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. The operating budget (Sept 30th budget) was increased based on known student increases.

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 2019/2020 revenues are increased from the prior year as there was additional students attending the Division.

There was no federal funding received or projected for staff secondments in 2019/2020.

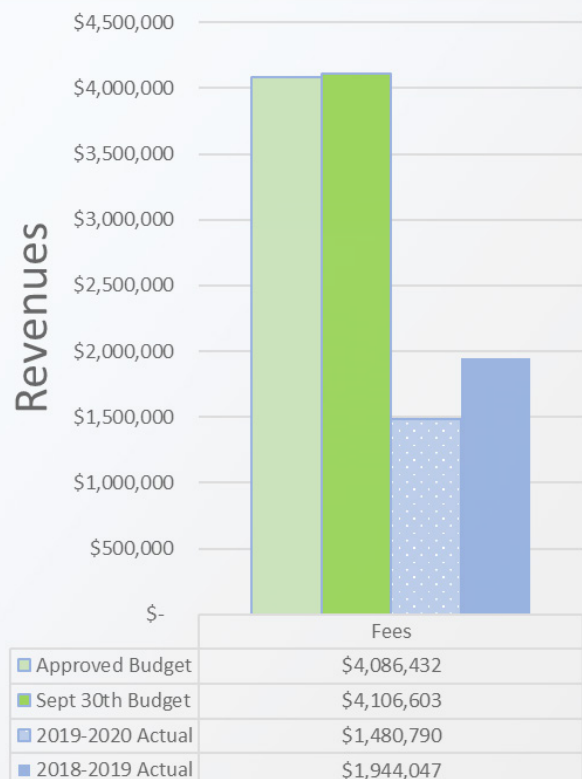
Fees

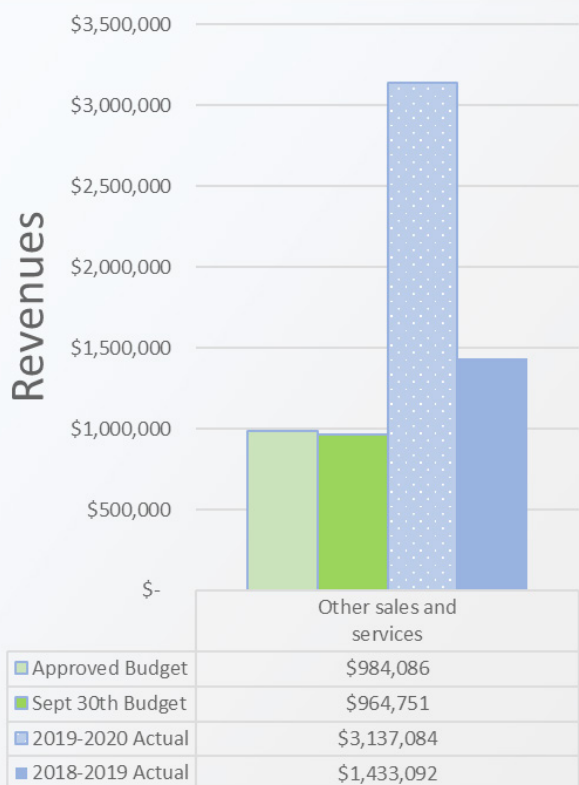
Reflects fees that are collected for optional programming, school generated activity fees, and preschool fees.

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 2019/2020 actual fee revenues were significantly less than budget as many of the SGF activities were not completed during the year and the result of COVID-19 school closures; therefore, there are no related costs nor fees for these activities not completed during the year (many of the larger travel-based activities would have occurred during the school closures).

Overall, there was a decrease in fees compared to prior years as overall the amount of SGF activities had decreased with school closures.





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 or the Division.

The operating budget (Sept 30th budget) was comparable to the preliminary budget as there was minimal updates to these budgeted revenues.

The 2019/2020 actual revenues were significantly higher than the operating budget and the prior year as the Division received an additional \$2.06 million of one-time funding as part of the termination of the transportation/bussing services that were contracted through the City of Lethbridge for the accumulated bus replacement funds that the City managed for their capital replacement of school buses.

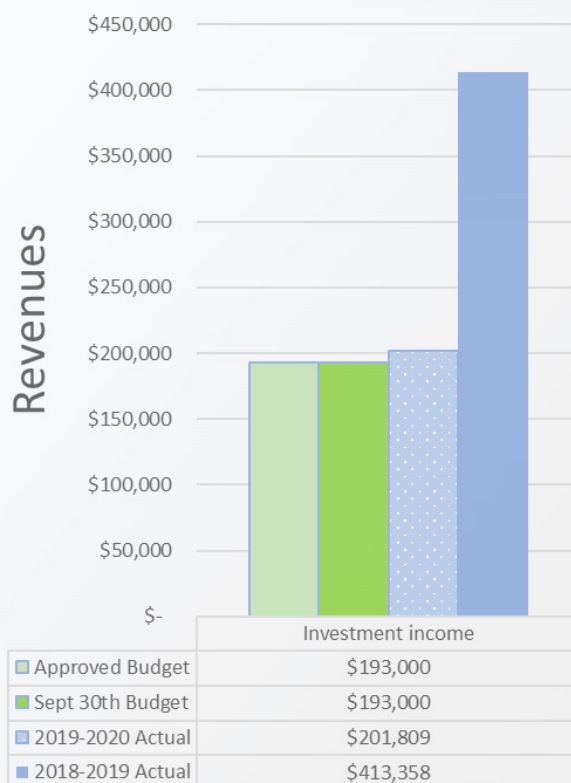
The prior year also included higher international tuition revenues from a large short-stay group of international students; whereas, this was not available in 2019/2020 due to the COVID-19 school closures.

Investment Income

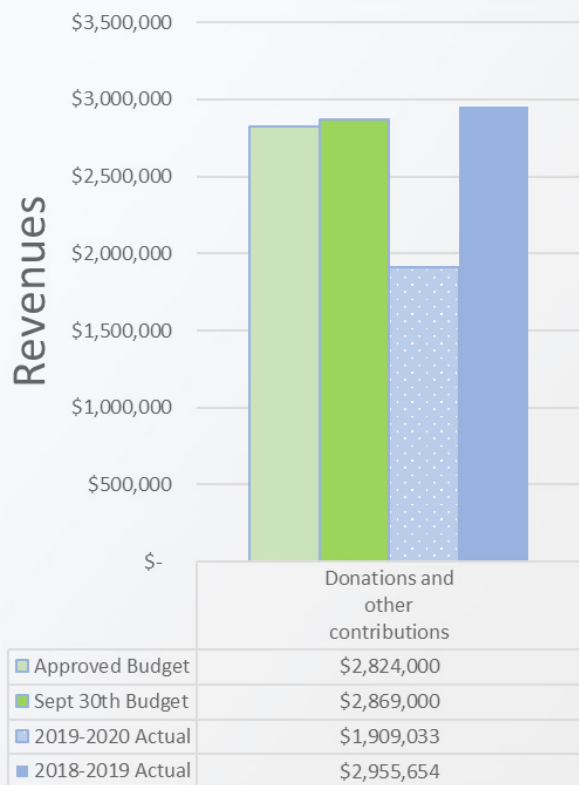
Interest earned on the cash and investments held by the Division as part of the operating revenues and reserves.

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).

Although the investment income was comparable to budget, it did have a significant decrease from the prior year. The cash and investments held by the Division have investment rates that tied to the bank's prime rate; whereas, in March 2020, the prime rate decreased drastically with the reductions in the global markets as a result of COVID-19 pandemic.



Operating Revenues - Continued



Donations and Other Contributions

Donations and other contributions include donations received by the Division and/or through funds raised for the benefit of school generated activities that are co-curricular in nature, including fundraising and donations. 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 and donations that are to be received for school based activities and through the Division. These amounts may change based on additional information available at the time the budget is developed. Donations also include the donations received for the Division's Poverty Intervention program.

The 2019/2020 actual revenues were significantly less than budget(s) and the prior year due to the significant reduction in these school based activities as a result of the COVID-19 school closures.

The prior year also had higher than normal revenues due to the additional donations received for the Lakeview Elementary's playground replacement.

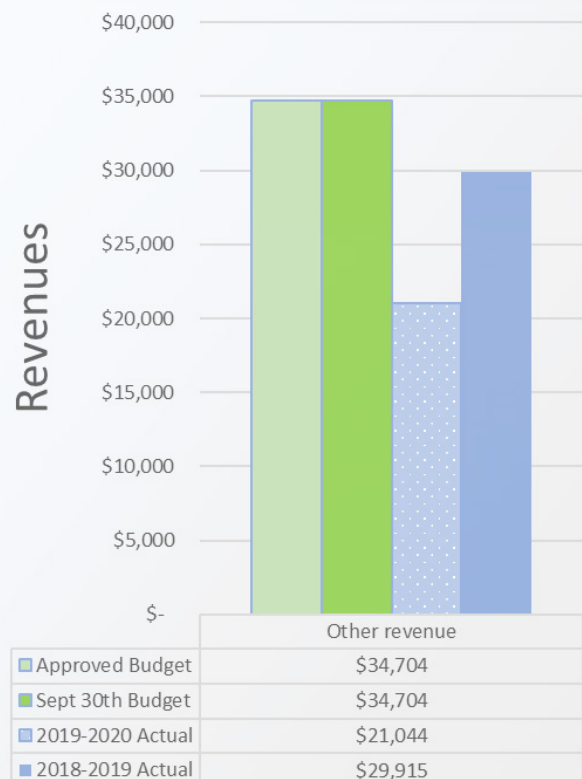
Other Revenue

Other revenues include rental revenues, gains on disposal of tangible capital assets, and other types of revenues. Rental revenues are 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.

The 2019/2020 actual rental revenues were significantly less than budget as these external programs were also closed during the COVID-19 school closures.

The prior year also had a couple months of rentals during the summer were not required during the year.

There were no gains on disposals in the current nor within the prior year.

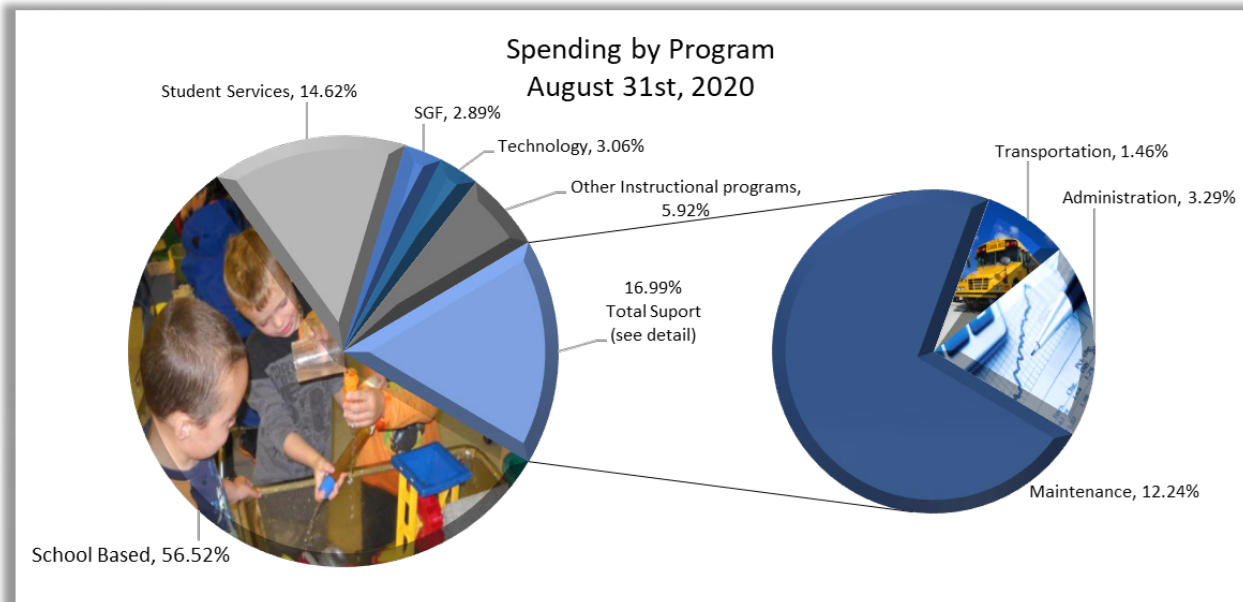


Operating Expenses (by program)

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

	Approved May Budget	September 30th Budget	2019-2020 Actual	2018-2019 Actual
EXPENSES (by program)				
Instruction - ECS	\$ 8,896,976	\$ 8,248,969	\$ 8,023,265	\$ 8,918,450
Instruction - Grades 1 - 12	\$ 99,139,082	\$ 99,008,228	\$ 95,170,517	\$ 98,383,680
Plant Operations & Maintenance	\$ 16,855,126	\$ 17,753,858	\$ 15,262,572	\$ 15,886,139
Transportation	\$ 2,468,779	\$ 2,287,466	\$ 1,821,447	\$ 2,162,305
Board & System Administration	\$ 4,253,283	\$ 4,342,262	\$ 4,095,662	\$ 4,133,438
External Services	\$ 315,500	\$ 315,500	\$ 275,580	\$ 427,619
Total expenses	\$ 131,928,746	\$ 131,956,283	\$ 124,649,043	\$ 129,911,631

The Division had total operating expenses of \$124.65 million for the school year ended August 31, 2020. This was \$7.31 million lower than the \$131.96 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 following page for a breakdown of expenses by major program and by expense type.

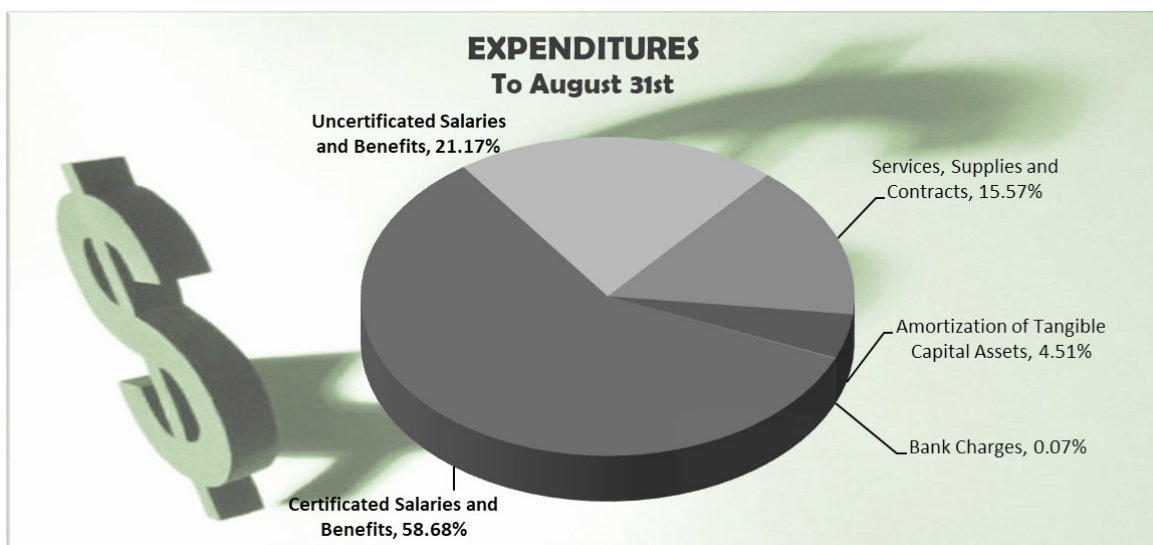


Operating Expenses (by program) - Continued



	Instruction - ECS	Instruction - Grades 1-12	Plant Operations & Maintenance	Transportation	Board & System Administration	External Services	Total
APPROVED MAY BUDGET	\$ 8,896,976	\$ 99,139,082	\$ 16,855,126	\$ 2,468,779	\$ 4,253,283	\$ 315,500	\$ 131,928,746
SEPTEMBER 30TH BUDGET	\$ 8,248,969	\$ 99,008,228	\$ 17,753,858	\$ 2,287,466	\$ 4,342,262	\$ 315,500	\$ 131,966,283
2019-2020 - EXPENSES (by type):							
Certificated Salaries and Benefits	\$ 3,011,141	\$ 69,187,093	\$ -	\$ -	\$ 845,990	\$ 90,729	\$ 73,134,953
Non-certificated Salaries and Benefits	\$ 4,769,487	\$ 14,746,210	\$ 4,518,433	\$ 85,096	\$ 2,236,123	\$ 39,541	\$ 26,394,890
Total Salaries and Benefits	\$ 7,780,628	\$ 83,933,303	\$ 4,518,433	\$ 85,096	\$ 3,082,113	\$ 130,270	\$ 99,529,843
Services, Contracts and Supplies	\$ 242,637	\$ 10,220,782	\$ 6,246,832	\$ 1,723,630	\$ 831,589	\$ 145,310	\$ 19,410,780
Amortization of TCA	\$ -	\$ 931,253	\$ 4,497,307	\$ 12,721	\$ 181,960	\$ -	\$ 5,623,241
Interest and Charges	\$ -	\$ 85,179	\$ -	\$ -	\$ -	\$ -	\$ 85,179
Losses on Disposal of TCA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total expenses	\$ 8,023,265	\$ 95,170,517	\$ 15,262,572	\$ 1,821,447	\$ 4,095,662	\$ 275,580	\$ 124,649,043
2018-2019 - EXPENSES	\$ 8,918,450	\$ 98,383,680	\$ 15,886,139	\$ 2,162,305	\$ 4,133,438	\$ 427,619	\$ 129,911,631

See the *Operating Expenses by Type* section for additional review



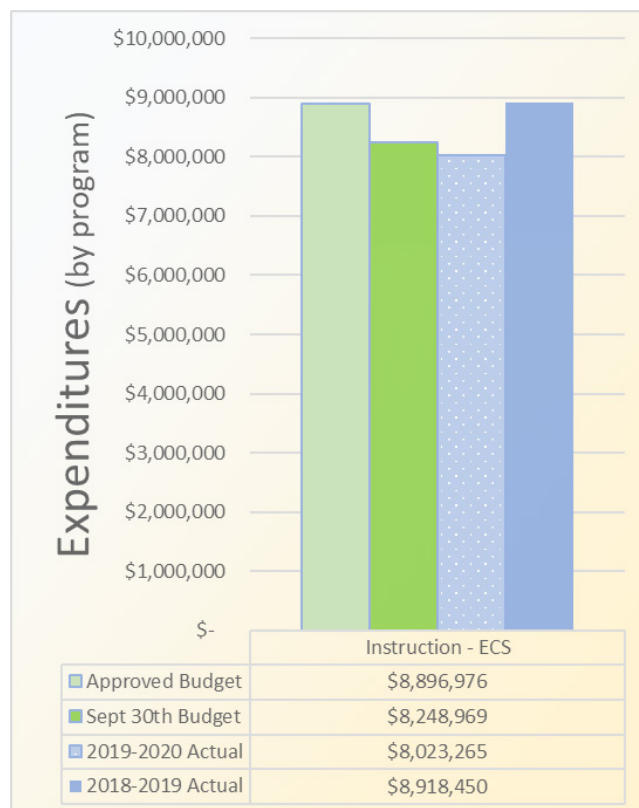
See the following [Financial Charts & Graphs](#) section for additional review

Instruction - ECS

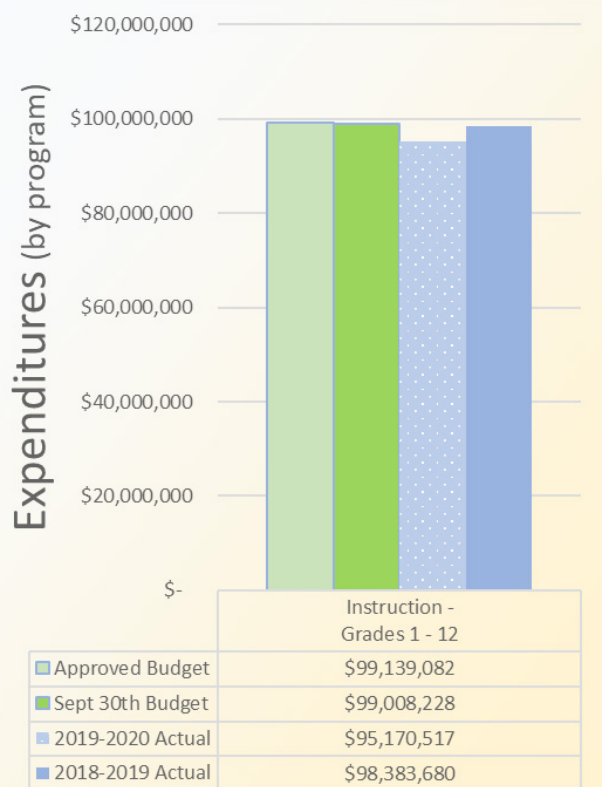
Instruction ECS represents expenses from early education to kindergarten, which includes the Early Education Program (EEP), Program Unit Funding (PUF) for early learners requiring specialized supports, and the kindergarten programs at elementary schools.

The operating budget (Sept 30th budget) was decreased from the preliminary budget and the prior year as a result of COVID-19 school closures and the related \$1.85 million reduction in Provincial funding; whereas, there was a total of \$475,500 in staff layoffs and other cost reductions which was updated in the ECS program operating budget. There was also a reduction in PUF eligible students from the prior year.

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 additional savings on related service costs.



Operating Expenses (by program) - Continued



The Instructional Programs (including ECS and Grades 1-12) represent the vast majority of the Division's budget. For budget 2019/2020, 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.

Although the operating budget (Sept 30th budget) is comparable to the preliminary budget there was initially a projected increase in the operating budget in service and supply costs from use of school-based reserves; however, these increases were offset by COVID-19 school closures and the related \$1.85 million reduction in Provincial funding; whereas, there was a total of \$1.37 million in staff layoffs and other cost reductions which was updated in the schools and other instructional program operating budget.

The Grades 1-12 Instructional expenses were \$3.8 million less than September 30th budget (approx. 3.8%). 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 as a result of the COVID-19 school closures as many of the larger SGF activities (i.e., non-curricular travel) were not able to be done; therefore, reduced the amount of 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 2020/2021 school year).

Increases from prior year relates to the increases in staffing costs and other costs supporting the growth of the Division; however, these budgeted cost increases were offset in 2019/2020 with the by COVID-19 school closures and the related funding reductions.

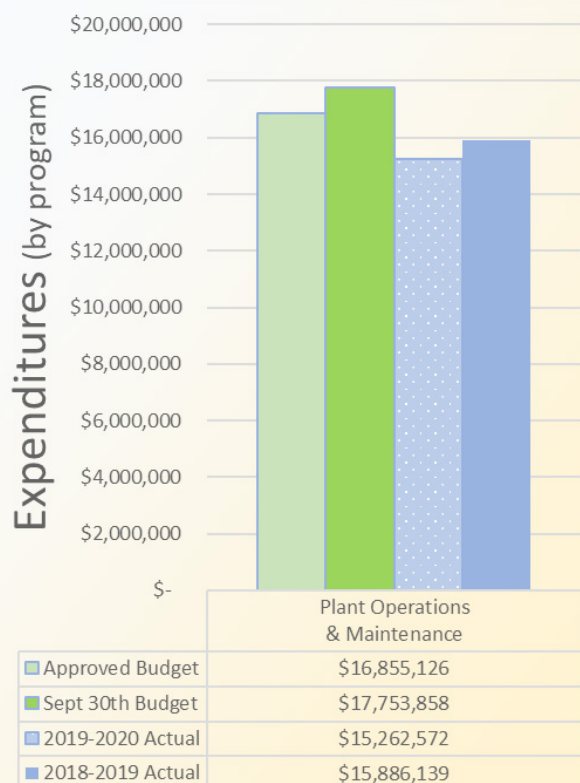


	Approved May Budget	September 30th Budget	2019-2020 Actual	2018-2019 Actual
Instruction - Grades 1 - 12				
School Based Instruction	\$ 63,694,451	\$ 64,949,126	\$ 63,204,436	\$ 62,918,913
Inclusive Learning Supports	\$ 9,131,049	\$ 8,398,706	\$ 7,849,145	\$ 8,698,559
Shared Instructional Services	\$ 10,525,151	\$ 10,319,886	\$ 10,655,484	\$ 10,874,621
School Generated Funds Activities	\$ 6,481,461	\$ 6,481,461	\$ 3,596,345	\$ 4,580,692
Technology	\$ 2,707,150	\$ 2,112,360	\$ 3,778,094	\$ 3,352,985
Institutional Programs	\$ 998,276	\$ 983,999	\$ 893,250	\$ 954,831
Division of Instructional Services	\$ 817,201	\$ 830,551	\$ 792,627	\$ 886,686
FNMI Programming	\$ 688,866	\$ 671,316	\$ 394,919	\$ 550,760
Counselling Program	\$ 2,581,500	\$ 2,562,675	\$ 2,547,394	\$ 2,584,682
Other Instructional Programs	\$ 1,513,977	\$ 1,698,149	\$ 1,458,822	\$ 2,980,952
Total	\$ 99,139,082	\$ 99,008,228	\$ 95,170,517	\$ 98,383,680

	Approved May Budget	September 30th Budget	2019-2020 Actual	2018-2019 Actual
School Based Instruction				
High Schools:				
Lethbridge Collegiate Institute	\$ 4,828,209	\$ 4,753,671	\$ 4,662,875	\$ 4,917,211
Winston Churchill High School	\$ 5,016,052	\$ 5,329,930	\$ 5,159,266	\$ 4,860,400
Chinook High School	\$ 6,482,894	\$ 6,680,688	\$ 6,275,125	\$ 6,382,177
Victoria Park High School	\$ 1,886,653	\$ 1,926,866	\$ 1,874,727	\$ 1,856,570
Immanuel Christian Secondary School	\$ 1,962,971	\$ 1,956,720	\$ 1,894,172	\$ 1,997,064
Middle Schools:				
GS Lakie Middle School	\$ 2,698,119	\$ 2,810,092	\$ 2,757,567	\$ 2,879,735
Wilson Middle School	\$ 3,973,091	\$ 4,035,626	\$ 3,883,737	\$ 3,964,183
Gilbert Paterson	\$ 4,478,765	\$ 4,360,169	\$ 4,258,648	\$ 4,013,438
Senator Joyce Fairbairn Middle School	\$ 2,850,023	\$ 3,004,362	\$ 2,863,099	\$ 2,720,700
Elementary Schools:				
Senator Buchanan	\$ 1,954,230	\$ 1,983,068	\$ 1,983,171	\$ 1,893,497
Immanuel Christian Elementary School	\$ 1,702,535	\$ 1,701,286	\$ 1,683,817	\$ 1,667,425
Ecole Agnes Davidson	\$ 2,993,729	\$ 3,069,420	\$ 2,986,374	\$ 3,039,742
Fleetwood-Bawden	\$ 2,095,590	\$ 2,123,397	\$ 2,102,342	\$ 2,151,364
Galbraith	\$ 2,506,223	\$ 2,541,897	\$ 2,450,242	\$ 2,629,346
Lakeview	\$ 2,897,300	\$ 3,085,935	\$ 3,040,239	\$ 3,037,288
General Stewart	\$ 834,527	\$ 849,011	\$ 844,545	\$ 869,673
Westminster	\$ 1,375,263	\$ 1,395,827	\$ 1,373,728	\$ 1,483,557
Lethbridge Christian School	\$ 1,434,116	\$ 1,439,099	\$ 1,434,454	\$ 1,249,155
Coalbanks Elementary School	\$ 3,081,283	\$ 3,072,533	\$ 2,994,177	\$ 2,811,583
Ecole Nicholas Sheran	\$ 3,111,043	\$ 3,210,601	\$ 3,132,234	\$ 3,212,897
Park Meadows	\$ 2,018,423	\$ 2,039,681	\$ 2,026,723	\$ 1,962,414
Mike Mountain Horse	\$ 3,122,582	\$ 3,249,368	\$ 3,225,075	\$ 3,089,966
Dr. Probe Elementary School	\$ 3,268,446	\$ 3,242,211	\$ 3,209,947	\$ 3,184,337
Allocation of ECS Teachers	\$ (2,877,616)	\$ (2,912,330)	\$ (2,911,849)	\$ (2,954,810)
Total	\$ 63,694,451	\$ 64,949,126	\$ 63,204,436	\$ 62,918,913

A new elementary school is Southeast Lethbridge (Dr. Robert Plaxton Elementary School) is currently under construction and is planned to be opened for the 2021/2022 school year.

Operating Expenses (by program) - Continued



Plant Operations & Maintenance

Plant operations and maintenance expenses represent spending on operating and maintaining the Division'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. \$1.93 million less than budget as the Division had two large IMR projects that were capitalized (major HVAC upgrades at two schools). There was also a reduction in amortization costs of approx. \$700,000 as certain assets were fully amortized in the prior year. Overall, there was a \$2.49 million from the operating budget.

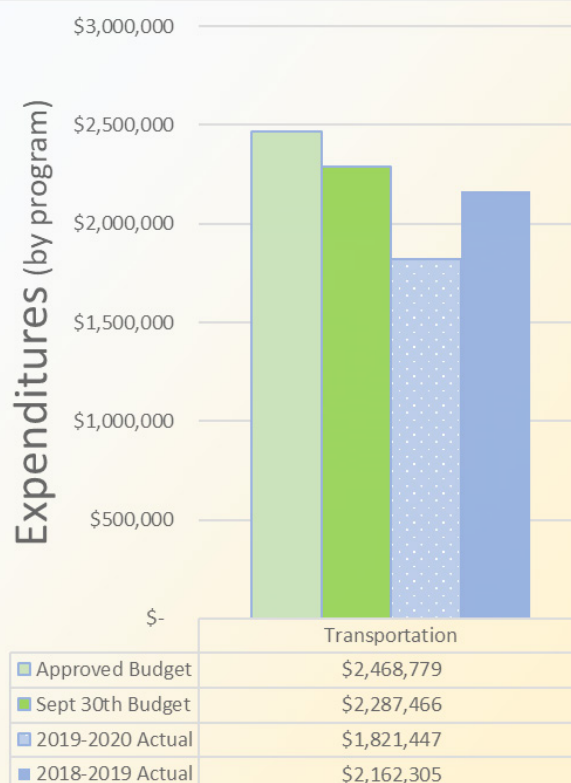
Decreases from prior year relates to the reductions in the amortization costs; whereas, the total operating IMR expenditures were similar to the prior year (as both years included work on these two large capital HVAC projects).

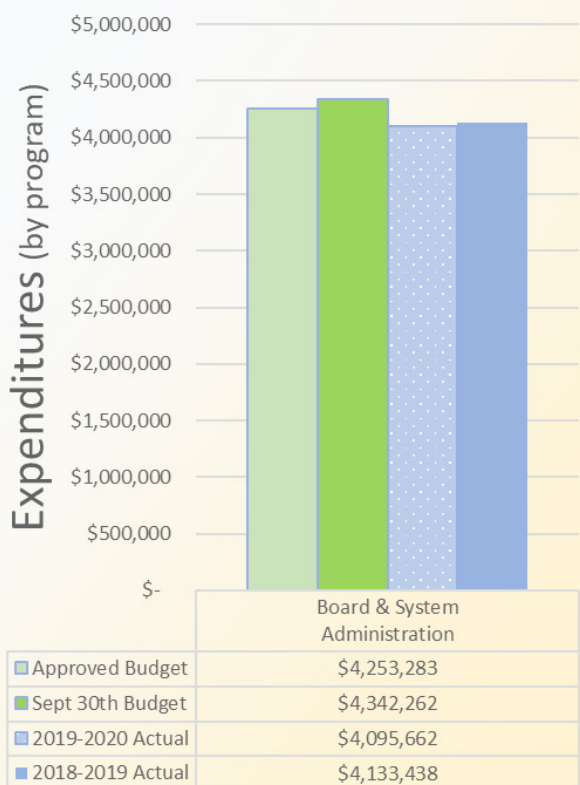
Transportation

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.

The operating budget (Sept 30th budget) was decreased from the preliminary budget. Initially a projected increase in the transportation budget for student growth; however, these increases were offset by COVID-19 school closures and the related \$330,800 reduction in Provincial funding for transportation.

The Transportation expenses were reduced from the prior year and operating budget as the Division was not required to provide contributions to the City's bus replacement program as the City decided to terminate the transportation/bussing services. *Note that the Division has subsequently entered into an agreement with Southland Transportation Ltd to provide the Division's transportation/bussing services.*





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. There were staff savings on vacancies that were not filled and there was software implementation costs that were not completed in the year or that were delayed until 2020-2021.

The 2019/2020 Administrative expenses equate to 3.29% of the total expenses (prior year at 3.18%), which is within the 3.60% maximum for Administrative costs as historically set out by Alberta Education.

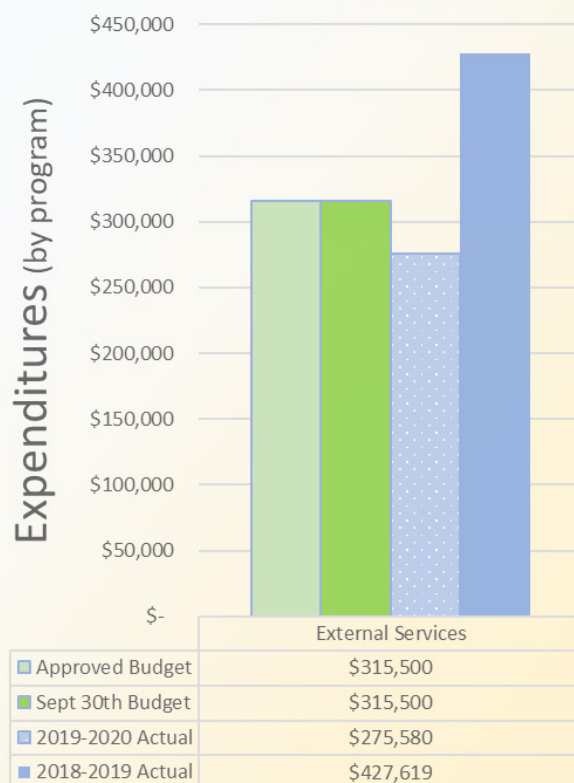
Overall, the total Administrative expenses remained consistent with the prior year (with a slight reduction); whereas, the increase in the percentage compared to total expenses relates to the overall expense reduction as a result of COVID-19 staff layoffs and other cost reductions.

External Services

An External Service represents costs that are outside regular provincially mandated instruction and operations. For the Division, the International Services program provides programming to students from other countries who pay tuition fees to attend Division 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 remained consistent with the preliminary budget as there was not a significant change in the international program (as the large-short-stay group of international students were not available in 2019/2020 with the COVID-19 school closures).

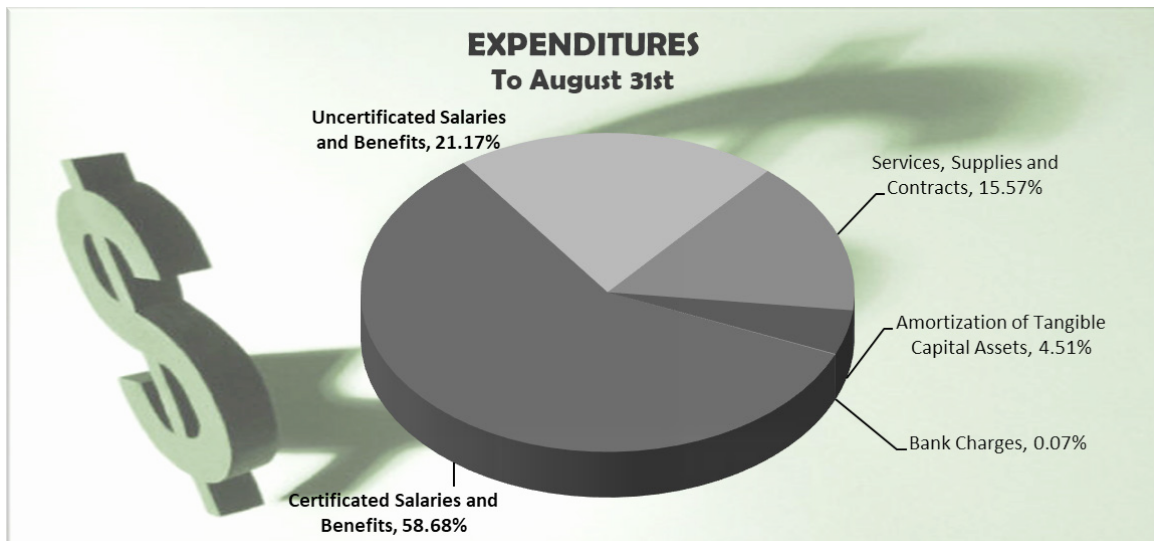
The actual expenses were less than the operating budget; whereas, the profit on the international program are partially allocated to those schools that had these international students attending their schools (as an internal reserve transfer). The 2019/2020 costs are less than the prior year as the prior year included a large short-stay group of international students.



Operating Expenses (by type)

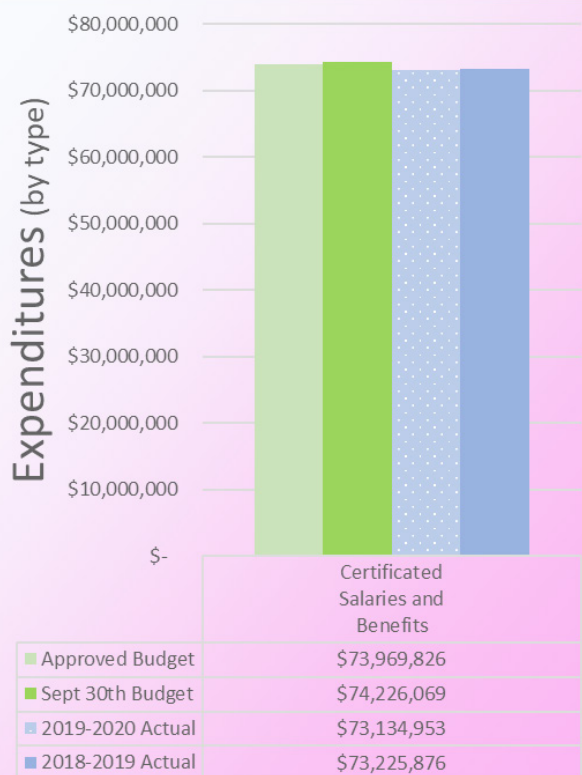
Supplemental to the Statement of Operations, the Schedule of Program Operations (Schedule 3) provides additional analysis on the operating expenses by redisplaying the expenses by both program and by the type of expenses. The following is a summary of expenses by types:

	Approved May Budget	September 30th Budget	2019-2020 Actual	2018-2019 Actual
EXPENSES (by type)				
Certificated Salaries and Benefits	\$ 73,969,826	\$ 74,226,069	\$ 73,134,953	\$ 73,225,876
Non-certificated Salaries and Benefits	\$ 28,644,327	\$ 27,415,496	\$ 26,394,890	\$ 29,323,779
Services, Contracts and Supplies	\$ 24,176,409	\$ 24,656,193	\$ 19,410,780	\$ 20,991,538
Amortization of TCA:				
Amortization of supported TCA	\$ 4,576,935	\$ 5,097,276	\$ 5,351,304	\$ 5,097,276
Amortization of unsupported TCA	\$ 561,249	\$ 561,249	\$ 271,937	\$ 1,182,263
Interest and Finance Charges:				
Supported Interest on Capital Debt	\$ -	\$ -	\$ -	\$ -
Other Interests and Finance Charges	\$ -	\$ -	\$ 85,179	\$ 90,899
Other Expenses:				
Losses on Disposal of TCA	\$ -	\$ -	\$ -	\$ -
Total expenses	\$ 131,928,746	\$ 131,956,283	\$ 124,649,043	\$ 129,911,631



As shown above, approximately 80% of the Division's expenses relate to staffing in salaries and benefits. According to the 2019 Economic Development survey, Lethbridge School Division 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 [Financial Charts & Graphs](#) section for additional review



Certificated Salaries and Benefits

Certificated staffing includes all certificated teaching staff within the Division (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 2019/2020 by a net increase of 1.0 FTE of additional classroom teachers (up to a total of 629 FTE of certificated staff). There was an additional 9.5 FTE teachers hired to address enrolment growth and other site needs; whereas, there was a removal of 8.5 FTE relating to the CIF program, resulting in a net increase of 1.0 FTE.

The operating budget (Sept 30th budget) was increased from the preliminary budget and the prior year as there was enrolment growth in the Division; However, this was somewhat offset by projected average teacher cost savings. The 2019/2020 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.

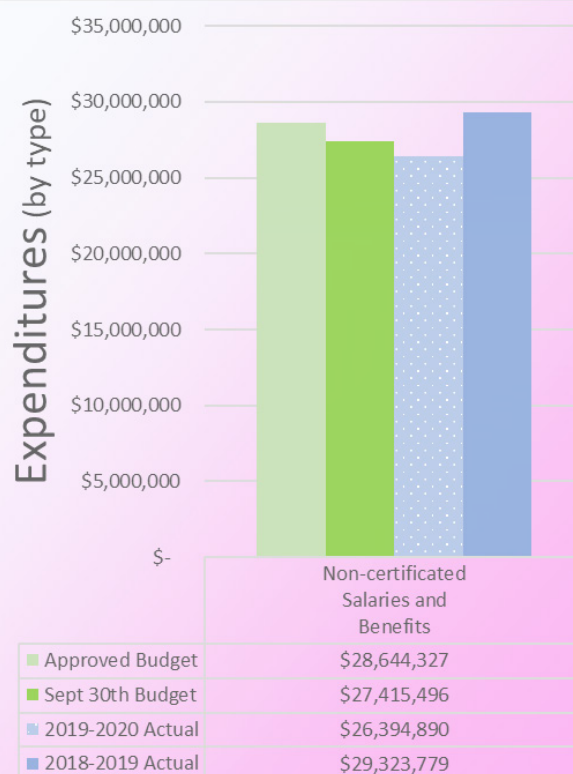
Non-Certificated Salaries and Benefits

Non-certificated staff includes all of the support staff within the Division (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.

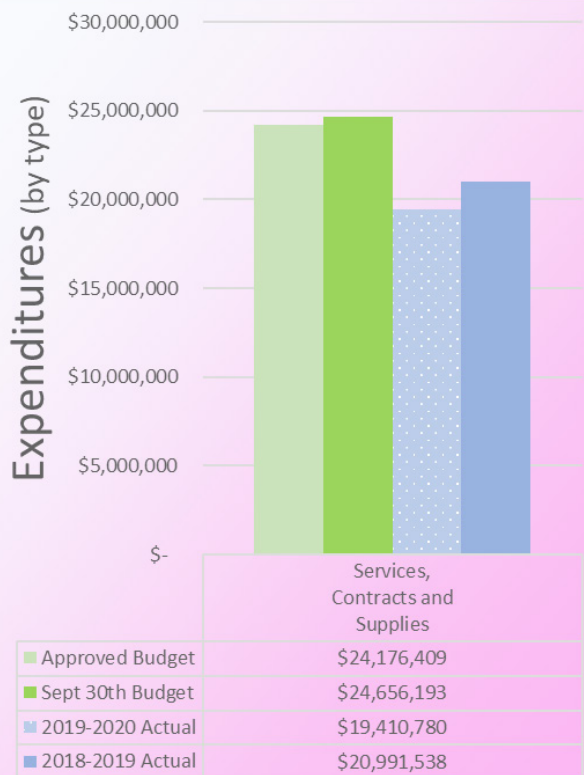
Non-certificated salaries and benefits are budgeted to be reduced in 2019/2020 as part of the removal of the Classroom Improvement Funding (CIF) grant and the operating budget effects with the COVID-19.

There was initially an additional 5.0 FTE of support staff (including educational assistants) hired to address enrolment growth and student needs; whereas, there was a removal of 7.85 FTE relating to the CIF program, resulting in a net decrease of 2.5 FTE. The operating budget was also updated for the COVID-19 school closures and the related \$1.85 million reduction in Provincial funding for staff layoffs.

The actual costs were less than the September 30th operating budget as there were overall staff savings related to the timing of being able to hire the Educational Assistant and other staff vacancies.



Operating Expenses (by type) - Continued



Services, Contracts, and Supplies

Services, contracts, and supplies includes a wide variety of costs for the Division. 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 2019/2020 actuals were less than the operating budget as the IMR costs were approx. \$1.93 million less than budget as the Division had two large IMR projects that were capitalized (major HVAC upgrades at two schools). There was also a significant reduction in the amount of SGF activities completed during the year as a result of the COVID-19 school closures as many of the larger SGF activities (i.e., non-curricular travel) were not able to be done; therefore, reduced the amount of SGF expenditures (and related SGF fees, sales and other SGF revenues).

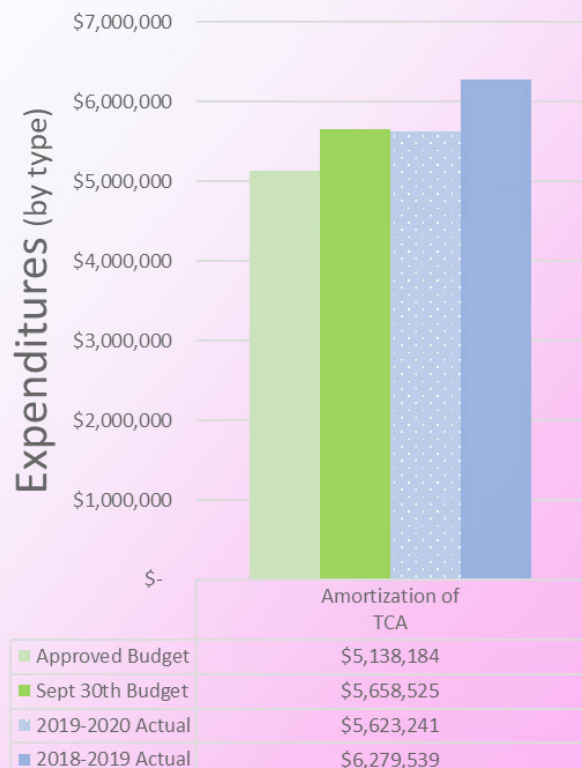
Amortization of TCA

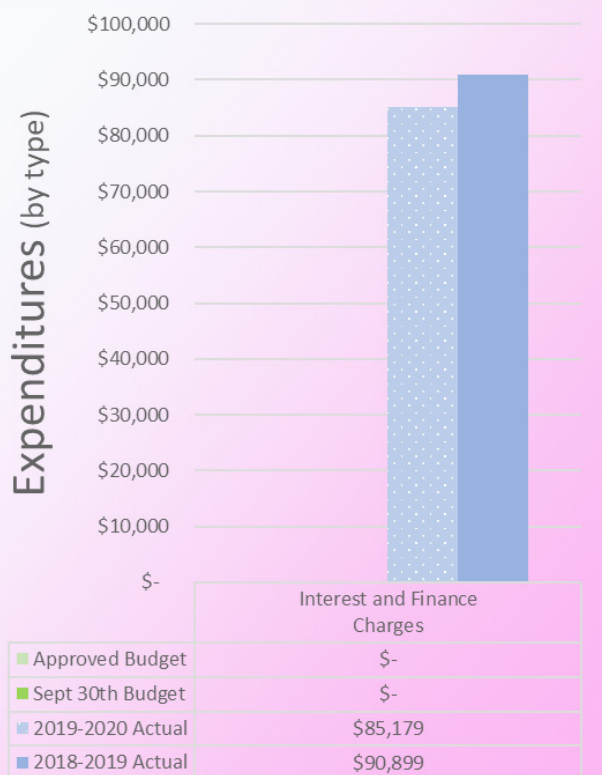
The amortization of tangible capital assets (TCA) is the systematic allocation of an asset to expense over a certain period of time. This is a non-cash transaction, in which, an asset is expensed over its projected useful life.

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 Division's 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 based on the 2018/2019 amortization and taking into account the assets that had fully amortized.

The 2019/2020 amortization decreased from the prior year as certain assets were fully amortized in the prior year.





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 2019/2020 actual are decreased from the prior year as there was an overall reduction in the amount of online fees (as many fees were not charges during the year with the COVID-19 school closures); however, these overall reduction in fees were somewhat offset by additional online fee payment costs for the online reimbursement of prepaid student fees for activities that were cancelled during the year.

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

There were no disposal/trade-in of capital equipment nor other expenses in the current nor prior year.

These costs can fluctuate from year-to-year, depending on the types and related classification of activities.



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 Division. Some schedules and notes are included that help to provide additional data, accountability, and transparency.

Alberta Education provides each School Division/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 Division. 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 Division 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 Spent Deferred Capital Contributions (SDCC), these “non-cash” transactions are removed from the income to indicate the actual cash effects.

Statement of Changes in Net Financial Assets

The Statement of Changes in Net Financial Assets summarizes the changes in the Net Financial Assets. It reconciles the Net Financial Assets of the Division from the prior year using the operating revenues and expenses, capital funding and expenditures, changes in Spent Deferred Capital Contributions (SDCC), 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 Division.



Schedules to the Financial Statements

There are a total of nine (9) 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 Net Assets

Provides details on the changes in the components of Net Assets/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 unspent and spent deferred capital contributions.

Schedule 3 - Schedule of Program Operations

Provides the details of the revenues and expenses for each of the Division'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

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 Tangible 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 Division's Trustees. It also discloses information relating to the Superintendent, the Secretary Treasurer, and the totals for certified/non-certified staff.

Schedules continued on next page...





Schedules to the Financial Statements - Continued

Schedule 8-9 are **unaudited schedules** that are to provide supplementary data to the financial statements. These schedules include:

Schedule 8 - Unaudited Schedule of Fees

This unaudited schedule provides information on type and amount of fees being charged by the Division. This schedule also provides details on carry-forward fee revenues.

Schedule 9 - Unaudited Schedule of Central Administration Expenses

This unaudited schedule provides information on the multiple departments/areas within Board & System Administration.

*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.*

Note that the prior year included two (2) additional unaudited schedules (Unaudited Schedule of Differential Funding & Unaudited Schedule of Nutrition Program Expenditures); whereas, these were removed by the Province as part of their “red-tape reduction” initiative.

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:

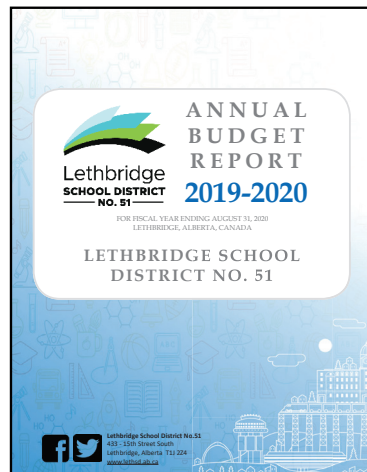
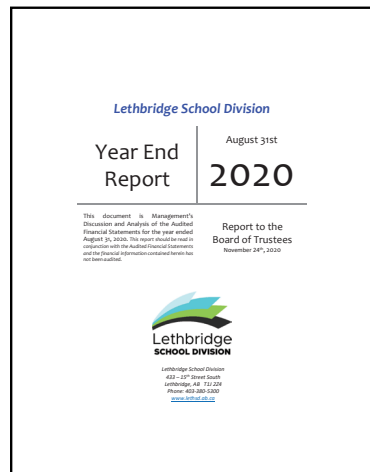
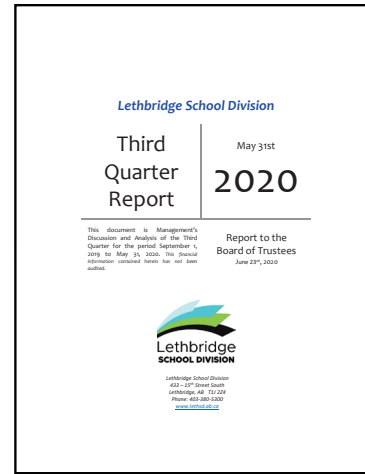
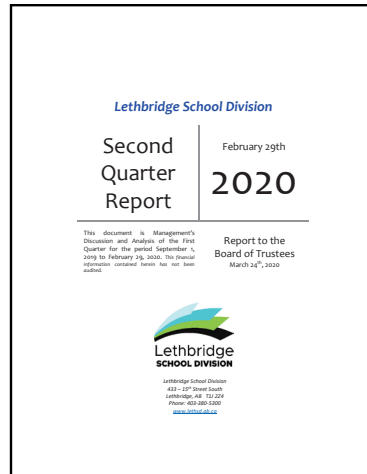
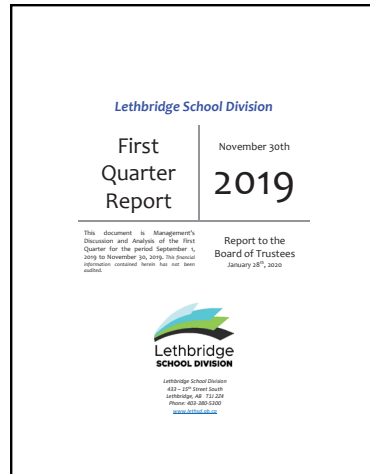
- Authority and Purpose
- Significant accounting policies
- Details of Financial Statement balances
- Disclosure of additional information not recorded in the financials
 - Contractual Obligations and Contingencies
 - Trusts under Administration
 - School Generated Funds details
 - Related Party Transactions
 - Uncertainties Due to COVID-19
 - Subsequent Events
 - Economic Dependence



Other Financial Reporting

The Division 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 2019/2020 quarterly, yearend and budget reports which provide the details of the Division's financial planning and progress throughout the year:

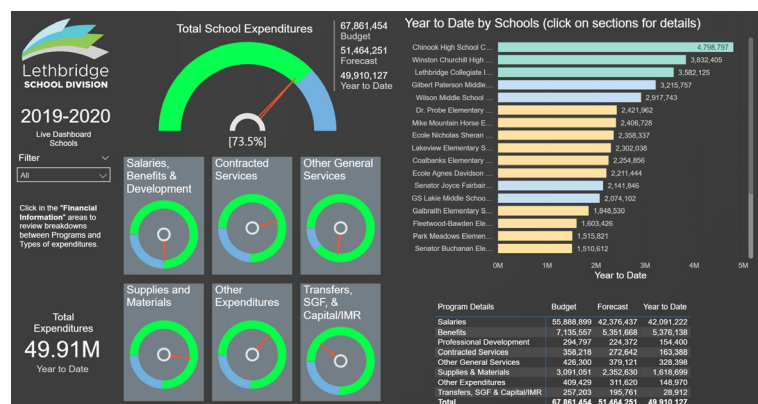


These financial reports and the other financial reporting and dashboards are located:
www.lethsd.ab.ca > Our Division > Plans & Reports > Financial Reporting

Click the Pages to go to the Reports Documents

The Division has also recently developed Financial Dashboards for an interactive review of the Division's financial information. This includes an effectively "LIVE" financial reporting of the Division and it's schools.

These interactive Financial Dashboards are to further increase the transparency of the Division's finances to the public.

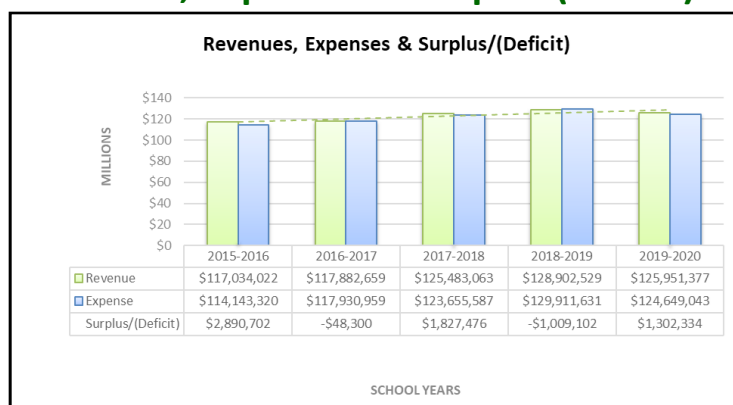


Financial Health Indicators

Indicators of Financial Health help to measure how the School Division is doing over time and alert management to any issues or concerns that should be addressed. Through Alberta Education, the Division 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 divisions (9,000 to 20,000 FTE category). The “All SD’s” are averages across the Province.

Revenues, Expenses & Surplus (Deficit)



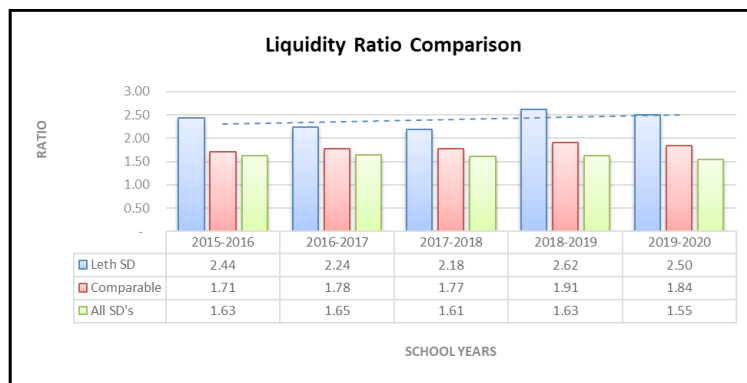
The chart indicates that we are a growing Division due to the continual student enrolment growth.

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 2016-2017, the Division budgeted a deficit to utilize some of the operating reserves (actual deficit was less than planned). In 2017-2018, the surplus increased to levels similar to 2015-2016; whereas, there was reduced staffing costs due to beginning teachers hired during the year and funds set aside for technology

replacement in the future. In 2018-2019, the Division budgeted a deficit to utilize some of the operating reserves (actual deficit was less than planned). In 2019-2020, the Division generated a surplus as the expenses were significantly less than budgeted with the COVID19 school closures and that the Division also received additional one-time revenues from the transportation capital replacement reserves previously held by the City of Lethbridge (no longer providing services to the Division).

Liquidity Ratio Comparison



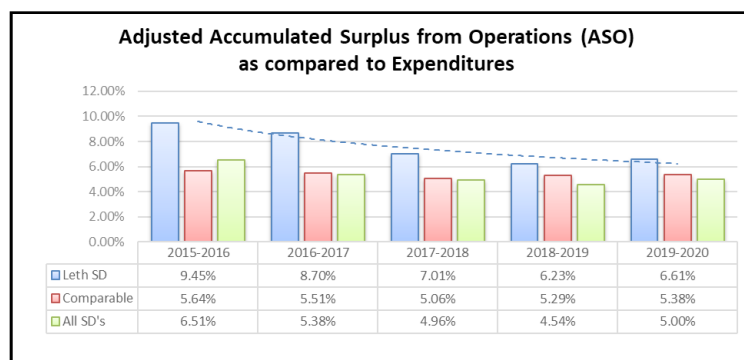
The chart shows that the Division's liquidity ratio greater than one and greater than the other comparable school divisions. For school divisions the liquidity ratio is measured by taking the financial assets less liabilities (excluding the Spent Deferred Capital Contributions).

Overall, the Division retains a high liquidity ratio indicating that the Division can meet its short-term obligations and that the Division has the ability to better respond to rapidly changing circumstances (as often required).

The majority of the Division's financial assets are comprised of cash and cash equivalents (representing approx. 79%); therefore, further increasing the liquidity of the Division.



Adjusted Accumulated Surplus from Operations



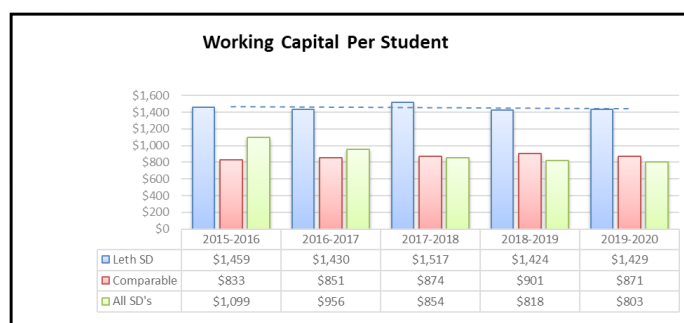
The chart indicates that the Division has an Adjusted Accumulated Surplus (compared to expenditures) greater than the other comparable school divisions, specifically compared to the 9,000 to 20,000 of student enrolment.

The higher ratio is due to the Division having reserves to maintain the growth in the Division. 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 historically recommended that divisions retain an adjusted ASO ranging from 1-5% of operating expenses; whereas, they consider a division'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 Division has planned/budgeted to draw from these reserves over the past couple years; whereas, in 2019/2020 the Division reduced its adjusted ASO to 6.61%. The adjusted ASO is still in the higher range (based on Alberta Education's recommendations) as the Division is planning on utilizing some additional operating reserves in 2020/2021 to assist with the effects of reduced enrolment through the weighted moving averages (WMA); whereas, the goal is to reduce the Adjusted ASO to 3.15% by the end of 2021/2022 (potential Provincial cap).

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 divisions, specifically compared to the 9,000 to 20,000 of student enrolment.

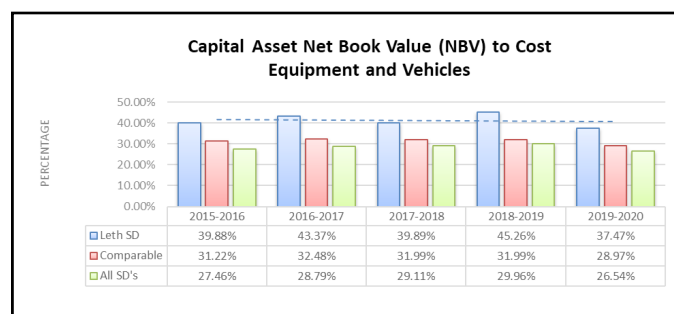
The Division has ranged from \$1,424 to \$1,517 working capital per student; whereas, the working capital remained relatively consistent from year-to-year. This correlates to the funds held in ASO.

See the [Division Performance Measures](#) for additional review.



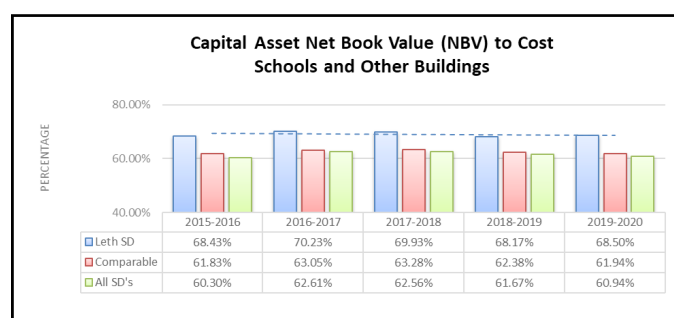


Capital Asset Net Book Value

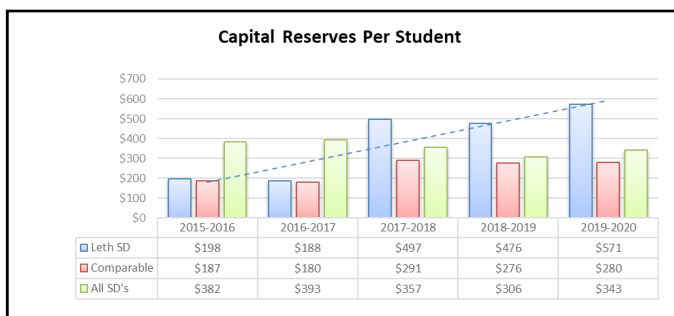


In both the Capital Asset Net Book Value to Cost of Equipment/Vehicles and the Schools/Other Buildings charts indicates that we have greater ratios than the other comparable school divisions. This effectively means that on average we have newer buildings, equipment, and vehicles than other school divisions. 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, Senator Joyce Fairbairn Middle School, and Dr. Robert Plaxton Elementary 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 Division 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 Division revised their treatment of the Technology Evergreening program to capital reserves. These technology evergreening funds are higher at the end of 2019-2020 as there has been saving for a couple years for the upcoming evergreening phases.

Overall, Lethbridge School Division has a strong financial health; whereas, the Division seems to be in a strong financial position when in comparison to many of the other comparable divisions and to divisions 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 DIVISION

Lethbridge School Division will strive to continue maintaining its strong financial position. In looking ahead, the biggest challenges facing the Division 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 Division 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 has created a new Provincial Funding Framework effective for the 2020/2021 school year; whereas, the Base Instruction funding (and other funding formulas) are now based on the Weighted Moving Average (WMA) of funded full-time equivalent (FTE) student enrolment. The WMA is set for the 2020/2021 school year during the Preliminary Budget; whereas, although there are still the September 30th final student enrolment counts, these updated enrolments do not take account until the following budget year as part of estimated enrolments and as part of a prior year WMA adjustment. These changes had a significant changes to the Division's budgeting process and changes that way the Division is funded.

The effects of COVID-19 has had significant impacts to the Division, including student enrolment for our Division. During the COVID-19 school closures, the Division offered both "In School" and "At-Home" Delivery of instruction for our students; whereas, this has been continued in the 2020/2021 school year to provide additional options for our students. Although these options are available, the Division still had an overall reduction in student enrolment (due to COVID19 and students attending private home schooling). These decreases have effect on the Division's WMA and required funding deferrals should student enrolment be less than projected. The Division will continue to review student enrolment to ensure that we are providing the appropriate levels of education to our student while trying to bring some of the student back to our Division.

The Division is currently in a strong financial position due to the continual growth, sound financial management, planning, and governance; in which, this assists the Division 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, CSBO
Director of Finance
January 26, 2021



Introductory



Financial Analysis



Financial Statements



Statistics & Ratios



SECTION 2 - FINANCIAL STATEMENTS

Section 2 - 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 Division. The tables within the notes to the financial statements are also provided in a prescribed format.

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Financial Analysis



Financial Statements



Statistics & Ratios

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2020**
[Education Act, Sections 139, 140, 244]

The Lethbridge School Division

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 The Lethbridge School Division presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with Canadian Public Sector Accounting Standards and follow format prescribed by Alberta Education.

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

Board of Trustees Responsibility

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

External Auditors

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


Declaration of Management and Board Chair

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

BOARD CHAIR

Christine Light


Name


Signature

SUPERINTENDENT

Cheryl Gilmore

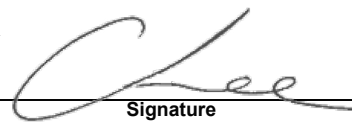
Name


Signature

SECRETARY-TREASURER OR TREASURER

Christine Lee

Name


Signature

November 24, 2020

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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Lethbridge, Alberta
T1J 4E1



Introductory



Financial Analysis



Financial Statements



Statistics & Ratios

Independent Auditor's Report

To the Board of Trustees of Lethbridge School Division

Opinion

We have audited the financial statements of Lethbridge School Division (the Division), which comprise the statement of financial position as at August 31, 2020 and the results of operations, change in net assets, 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 Division as at August 31, 2020, and its results of operations, change in net assets, 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 Division in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with 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 Fees and Schedule of Central Administration Expenses 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 Division'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 Division or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

BDO Canada LLP

Chartered Professional Accountants

Lethbridge, Alberta
November 24, 2020

STATEMENT OF FINANCIAL POSITION
As at August 31, 2020 (in dollars)

		2020	2019
FINANCIAL ASSETS			
Cash and cash equivalents	(Schedule 5)	\$ 21,052,333	\$ 18,375,384
Accounts receivable (net after allowances)	(Note 3)	\$ 5,579,821	\$ 6,445,372
Portfolio investments			
Operating	(Schedule 5)	\$ 74,300	\$ 93,469
Endowments		\$ -	\$ -
Inventories for resale		\$ -	\$ -
Other financial assets		\$ -	\$ -
Total financial assets		\$ 26,706,454	\$ 24,914,225
LIABILITIES			
Bank indebtedness	(Note 4)	\$ -	\$ -
Accounts payable and accrued liabilities	(Note 5)	\$ 5,882,159	\$ 4,987,853
Unspent deferred contributions	(Schedule 2)	\$ 4,563,483	\$ 4,301,131
Employee future benefits liabilities	(Note 6)	\$ 247,302	\$ 230,538
Environmental liabilities		\$ -	\$ -
Other liabilities		\$ -	\$ -
Debt			
Supported: Debentures		\$ -	\$ -
Unsupported: Debentures		\$ -	\$ -
Mortgages and capital loans		\$ -	\$ -
Capital leases		\$ -	\$ -
Total liabilities		\$ 10,692,944	\$ 9,519,522
Net financial assets		\$ 16,013,510	\$ 15,394,703
NON-FINANCIAL ASSETS			
Tangible capital assets	(Schedule 6)	\$ 154,359,097	\$ 143,323,320
Inventory of supplies	(Note 7)	\$ 278,365	\$ 184,020
Prepaid expenses	(Note 8)	\$ 877,029	\$ 481,694
Other non-financial assets		\$ -	\$ -
Total non-financial assets		\$ 155,514,491	\$ 143,989,034
Net assets before spent deferred capital contributions		\$ 171,528,001	\$ 159,383,737
Spent deferred capital contributions	(Schedule 2)	\$ 148,641,096	\$ 137,799,166
Net assets		\$ 22,886,905	\$ 21,584,571
Net assets	(Note 9)		
Accumulated surplus (deficit)	(Schedule 1)	\$ 22,886,905	\$ 21,584,571
Accumulated remeasurement gains (losses)		\$ -	\$ -
		\$ 22,886,905	\$ 21,584,571
Contractual rights	(Note 11)		
Contractual obligations	(Note 12)		
Contingent assets and liabilities	(Note 13)		

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



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STATEMENT OF OPERATIONS
For the Year Ended August 31, 2020 (in dollars)

	Budget 2020	Actual 2020	Actual 2019
REVENUES			
Government of Alberta	\$ 123,517,081	\$ 118,706,075	\$ 121,725,881
Federal Government and other government grants	\$ 248,128	\$ 495,542	\$ 400,582
Property taxes	\$ -	\$ -	\$ -
Fees (Schedule 8)	\$ 3,762,082	\$ 1,480,790	\$ 1,944,047
Sales of services and products	\$ 1,308,436	\$ 3,137,084	\$ 1,433,092
Investment income	\$ 193,000	\$ 201,809	\$ 413,358
Donations and other contributions	\$ 2,824,000	\$ 1,909,033	\$ 2,955,654
Other revenue	\$ 34,704	\$ 21,044	\$ 29,915
Total revenues	\$ 131,887,431	\$ 125,951,377	\$ 128,902,529
EXPENSES			
Instruction - ECS	\$ 8,896,976	\$ 8,023,265	\$ 8,918,450
Instruction - Grades 1 - 12	\$ 99,139,082	\$ 95,170,517	\$ 98,383,680
Plant operations and maintenance (Schedule 4)	\$ 16,855,126	\$ 15,262,572	\$ 15,886,139
Transportation	\$ 2,468,779	\$ 1,821,447	\$ 2,162,305
Board & system administration	\$ 4,253,283	\$ 4,095,662	\$ 4,133,438
External services	\$ 315,500	\$ 275,580	\$ 427,619
Total expenses	\$ 131,928,746	\$ 124,649,043	\$ 129,911,631
Annual operating surplus (deficit)	\$ (41,315)	\$ 1,302,334	\$ (1,009,102)
Endowment contributions and reinvested income	\$ -	\$ -	\$ -
Annual surplus (deficit)	\$ (41,315)	\$ 1,302,334	\$ (1,009,102)
Accumulated surplus (deficit) at beginning of year	\$ 21,584,571	\$ 21,584,571	\$ 22,593,673
Accumulated surplus (deficit) at end of year	\$ 21,543,256	\$ 22,886,905	\$ 21,584,571

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

STATEMENT OF CASH FLOWS
For the Year Ended August 31, 2020 (in dollars)

	2020	2019
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 1,302,334	\$ (1,009,102)
Add (Deduct) items not affecting cash:		
Amortization of tangible capital assets	\$ 5,623,241	\$ 6,279,539
Net (gain)/loss on disposal of tangible capital assets	\$ -	\$ (2,411)
Transfer of tangible capital assets (from)/to other entities	\$ -	\$ -
(Gain)/Loss on sale of portfolio investments	\$ -	\$ -
Spent deferred capital recognized as revenue	\$ (5,351,304)	\$ (5,097,276)
Deferred capital revenue write-down / adjustment	\$ -	\$ -
Increase/(Decrease) in employee future benefit liabilities	\$ 16,764	\$ 12,890
Donations in kind	\$ -	\$ -
	\$ 1,591,035	\$ 183,640
(Increase)/Decrease in accounts receivable	\$ 865,551	\$ 797,136
(Increase)/Decrease in inventories for resale	\$ -	\$ -
(Increase)/Decrease in other financial assets	\$ -	\$ -
(Increase)/Decrease in inventory of supplies	\$ (94,345)	\$ (25,638)
(Increase)/Decrease in prepaid expenses	\$ (395,335)	\$ (35,060)
(Increase)/Decrease in other non-financial assets	\$ -	\$ -
Increase/(Decrease) in accounts payable, accrued and other liabilities	\$ 894,306	\$ (3,577,296)
Increase/(Decrease) in unspent deferred contributions	\$ 262,352	\$ 4,575,716
Increase/(Decrease) in environmental liabilities	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from operating transactions	\$ 3,123,564	\$ 1,918,498
B. CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	\$ (16,659,018)	\$ (8,779,467)
Net proceeds from disposal of unsupported capital assets	\$ -	\$ 90,829
Other (describe)	\$ -	\$ -
Total cash flows from capital transactions	\$ (16,659,018)	\$ (8,688,638)
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ 19,169	\$ (18,929)
Proceeds on sale of portfolio investments	\$ -	\$ -
Other (Describe)	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from investing transactions	\$ 19,169	\$ (18,929)
D. FINANCING TRANSACTIONS		
Debt issuances	\$ -	\$ -
Debt repayments	\$ -	\$ -
Increase (decrease) in spent deferred capital contributions	\$ 16,193,234	\$ 2,805,123
Capital lease issuances	\$ -	\$ -
Capital lease payments	\$ -	\$ -
Other (describe)	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from financing transactions	\$ 16,193,234	\$ 2,805,123
Increase (decrease) in cash and cash equivalents	\$ 2,676,949	\$ (3,983,946)
Cash and cash equivalents, at beginning of year	\$ 18,375,384	\$ 22,359,330
Cash and cash equivalents, at end of year	\$ 21,052,333	\$ 18,375,384

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



STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the Year Ended August 31, 2020 (in dollars)

	2020	2019
Annual surplus (deficit)	\$ 1,302,334	\$ (1,009,102)
Effect of changes in tangible capital assets		
Acquisition of tangible capital assets	\$ (16,659,018)	\$ (8,779,467)
Amortization of tangible capital assets	\$ 5,623,241	\$ 6,279,539
Net (gain)/loss on disposal of tangible capital assets	\$ -	\$ (2,411)
Net proceeds from disposal of unsupported capital assets	\$ -	\$ 90,831
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	\$ (11,035,777)	\$ (2,411,508)
Acquisition of inventory of supplies	\$ (94,345)	\$ (25,638)
Consumption of inventory of supplies	\$ -	\$ -
(Increase)/Decrease in prepaid expenses	\$ (395,335)	\$ (35,060)
(Increase)/Decrease in other non-financial assets	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ -
Change in spent deferred capital contributions (Schedule 2)	\$ 10,841,930	\$ 2,805,123
Other changes	\$ -	\$ -
Increase (decrease) in net financial assets	\$ 618,807	\$ (676,185)
Net financial assets at beginning of year	\$ 15,394,703	\$ 16,070,888
Net financial assets at end of year	\$ 16,013,510	\$ 15,394,703

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

STATEMENT OF REMEASUREMENT GAINS AND LOSSES

For the Year Ended August 31, 2020 (in dollars)

	2020	2019
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	\$ -	\$ -
Accumulated remeasurement gains (losses) at beginning of year	\$ -	\$ -
Accumulated remeasurement gains (losses) at end of year	\$ -	\$ -

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



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SCHEDULE 1

SCHEDULE OF NET ASSETS For the Year Ended August 31, 2020 (in dollars)

	NET ASSETS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED SURPLUS (DEFICIT)	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
Balance at August 31, 2019	\$ 21,584,571	\$ -	\$ 21,584,571	\$ 5,524,153	\$ 319,874	\$ 700,209	\$ 9,893,702	\$ 5,146,633
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2019	\$ 21,584,571	\$ -	\$ 21,584,571	\$ 5,524,153	\$ 319,874	\$ 700,209	\$ 9,893,702	\$ 5,146,633
Operating surplus (deficit)	\$ 1,302,334		\$ 1,302,334			\$ 1,302,334		
Board funded tangible capital asset additions				\$ 465,784		\$ (465,784)	\$ -	\$ -
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	\$ -			\$ (5,623,241)		\$ 5,623,241		
Capital revenue recognized	\$ -			\$ 5,351,304		\$ (5,351,304)		
Debt principal repayments (unsupported)	\$ -			\$ -		\$ -		
Additional capital debt or capital leases	\$ -			\$ -		\$ -		
Net transfers to operating reserves	\$ -			\$ -		\$ -		
Net transfers from operating reserves	\$ -					\$ (122,935)	\$ 122,935	
Net transfers to capital reserves	\$ -					\$ 255,725	\$ (255,725)	
Net transfers from capital reserves	\$ -					\$ (1,250,000)		\$ 1,250,000
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2020	\$ 22,886,905	\$ -	\$ 22,886,905	\$ 5,718,000	\$ 319,874	\$ 691,486	\$ 9,760,912	\$ 6,396,633

SCHEDULE 1

SCHEDULE OF NET ASSETS **For the Year Ended August 31, 2020 (in dollars)**

	INTERNALLY RESTRICTED RESERVES BY PROGRAM									
	School & Instruction Related		Operations & Maintenance		Board & System Administration		Transportation		External Services	
	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2019	\$ 7,946,046	\$ 3,698,675	\$ 293,082	\$ 664,866	\$ 695,711	\$ 467,650	\$ 640,487	\$ 315,442	\$ 318,376	\$ -
Prior period adjustments:										
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2019	\$ 7,946,046	\$ 3,698,675	\$ 293,082	\$ 664,866	\$ 695,711	\$ 467,650	\$ 640,487	\$ 315,442	\$ 318,376	\$ -
Operating surplus (deficit)										
Board funded tangible capital asset additions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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										
Capital revenue recognized										
Debt principal repayments (unsupported)										
Additional capital debt or capital leases										
Net transfers to operating reserves	\$ 57,267		\$ 54,309		\$ -		\$ 11,359		\$ -	
Net transfers from operating reserves	\$ -		\$ -		\$ (227,793)		\$ -		\$ (27,932)	
Net transfers to capital reserves		\$ 800,000		\$ -		\$ 450,000		\$ -		\$ -
Net transfers from capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2020	\$ 8,003,313	\$ 4,498,675	\$ 347,391	\$ 664,866	\$ 467,918	\$ 917,650	\$ 651,846	\$ 315,442	\$ 290,444	\$ -





SCHEDULE 2

SCHEDULE OF DEFERRED CONTRIBUTIONS
(EXTERNALLY RESTRICTED CONTRIBUTIONS ONLY)
For the Year Ended August 31, 2020 (in dollars)

	Alberta Education				Other GOA Ministries				Other Sources				Total	
	IMR	CMR	Safe Return to Class	Others	Total Education	Alberta Infrastructure	Children's Services	Health	Other GOA Ministries	Gov't of Canada	Donations and grants from others	Other		
Deferred Operating Contributions (DOC)														
Balance at Aug 31, 2019	\$ 3,859,073	\$ -	\$ -	\$ 125,000	\$ 3,984,073	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,725	\$ -	\$ 33,725	\$ 4,017,798
Prior period adjustments - please explain:														
Adjusted ending balance Aug. 31, 2019	\$ 3,859,073	\$ -	\$ -	\$ 125,000	\$ 3,984,073	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,725	\$ -	\$ 33,725	\$ 4,017,798
Received during the year (excluding investment income)	\$ 3,335,727	\$ 2,977,100	\$ -	\$ -	\$ 6,312,827	\$ -	\$ 93,912	\$ 389,322	\$ -	\$ 482,234	\$ -	\$ 161,270	\$ -	\$ 6,996,639
Transfer (to) grant/donation revenue (excluding investment income)	\$ (1,291,928)	\$ -	\$ -	\$ (37,371)	\$ (1,329,299)	\$ -	\$ (93,912)	\$ (389,322)	\$ -	\$ (482,234)	\$ -	\$ (215,001)	\$ -	\$ (2,626,654)
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Received during the year	\$ 60,266	\$ 5,446	\$ -	\$ -	\$ 65,712	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,712
Transferred to investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from (to) UDCC	\$ (1,982,045)	\$ (2,614,787)	\$ -	\$ -	\$ (4,596,832)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,596,832)
Transferred directly (to) SDCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DOC closing balance at Aug 31, 2020	\$ 3,981,093	\$ 367,759	\$ -	\$ 110,131	\$ 4,458,983	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,458,983
Unspent Deferred Capital Contributions (UDCC)														
Balance at Aug 31, 2019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 283,333	\$ -	\$ 283,333	\$ 283,333
Prior period adjustments - please explain:														
Adjusted ending balance Aug. 31, 2019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 283,333	\$ -	\$ 283,333	\$ 283,333
Received during the year (excluding investment income)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UDCC Receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer (to) grant/donation revenue (excluding investment income)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Received during the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred to investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds on disposition of supported capital (insurance proceeds (and related interest))	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from (to) DOC	\$ 1,982,045	\$ 2,614,787	\$ -	\$ -	\$ 4,596,832	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,596,832
Transferred from (to) SDCC	\$ (1,982,045)	\$ (2,614,787)	\$ -	\$ -	\$ (4,596,832)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (283,333)	\$ -	\$ (283,333)	\$ (15,575,968)
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UDCC closing balance at Aug 31, 2020	\$ -	\$ -	\$ -	\$ 104,500	\$ 104,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 104,500
Total Unspent Deferred Contributions at Aug 31, 2020	\$ 3,981,093	\$ 367,759	\$ -	\$ 214,631	\$ 4,565,483	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,565,483
Spent Deferred Capital Contributions (SDCC)														
Balance at Aug 31, 2019	\$ 3,109,493	\$ -	\$ -	\$ 121,687,324	\$ 124,776,817	\$ 11,972,599	\$ -	\$ -	\$ -	\$ 11,972,599	\$ -	\$ 1,049,750	\$ -	\$ 137,799,166
Prior period adjustments - please explain:														
Adjusted ending balance Aug. 31, 2019	\$ 3,109,493	\$ -	\$ -	\$ 121,687,324	\$ 124,776,817	\$ 11,972,599	\$ -	\$ -	\$ -	\$ 11,972,599	\$ -	\$ 1,049,750	\$ -	\$ 137,799,166
Donated tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,639,923	\$ -	\$ -	\$ -	\$ 13,639,923	\$ -	\$ -	\$ -	\$ 13,639,923
Alberta Infrastructure managed projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 617,266	\$ -	\$ -	\$ -	\$ 617,266	\$ -	\$ -	\$ -	\$ 617,266
Transferred from DOC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from UDCC	\$ 1,982,045	\$ 2,614,787	\$ -	\$ -	\$ 4,596,832	\$ 10,695,803	\$ -	\$ -	\$ -	\$ 10,695,803	\$ -	\$ 283,333	\$ -	\$ 15,575,968
Amounts recognized as revenue (Amortization of SDCC)	\$ (102,097)	\$ -	\$ -	\$ -	\$ (102,097)	\$ (5,221,582)	\$ -	\$ -	\$ -	\$ (5,221,582)	\$ -	\$ (27,625)	\$ -	\$ (5,251,304)
Disposal of supported capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SDCC closing balance at Aug 31, 2020	\$ 4,989,441	\$ 2,614,787	\$ -	\$ -	\$ 7,604,228	\$ 13,973,140	\$ -	\$ -	\$ -	\$ 13,973,140	\$ -	\$ 1,305,458	\$ -	\$ 148,641,036

SCHEDULE 3

SCHEDULE OF PROGRAM OPERATIONS
for the Year Ended August 31, 2020 (in dollars)

REVENUES	2020						2019					
	Instruction		Plant Operations and Maintenance		Transportation		Board & System Administration		External Services		TOTAL	
	ECS	Grades 1 - 12										
(1) Alberta Education	\$ 7,679,619	\$ 87,944,553	\$ 10,520,796	\$ 4,670,828	\$ 2,263,805	\$ 4,229,301	\$ 9,090	\$ 112,847,164	\$ 115,922,880	\$ 5,024,214	\$ 778,787	\$ 400,582
(2) Alberta Infrastructure	-	\$ 630,739	\$ 4,670,828	-	-	49,737	-	5,351,304	5,351,304	-	-	-
(3) Other - Government of Alberta	-	\$ 703,607	-	-	-	-	-	703,607	703,607	-	-	-
(4) Federal Government and First Nations	-	-	-	-	-	-	-	-	-	-	-	-
(5) Other Alberta school authorities	-	\$ 477,702	-	-	-	17,840	-	495,542	495,542	-	-	-
(6) Out of province authorities	-	-	-	-	-	-	-	-	-	-	-	-
(7) Alberta municipalities-special tax levies	-	-	-	-	-	-	-	-	-	-	-	-
(8) Property taxes	-	-	-	-	-	-	-	-	-	-	-	-
(9) Fees	\$ 190,829	\$ 1,289,961	-	-	-	-	-	1,480,790	1,480,790	-	-	-
(10) Sales of services and products	-	\$ 495,381	\$ 8,534	-	\$ 2,055,042	\$ 18,500	\$ 559,627	\$ 3,137,084	\$ 3,137,084	-	-	-
(11) Investment income	-	\$ 136,243	\$ 26,328	-	\$ 31,973	\$ 7,265	-	\$ 201,809	\$ 201,809	-	-	-
(12) Gifts and donations	-	\$ 303,740	-	-	-	-	-	\$ 303,740	\$ 303,740	-	-	-
(13) Rental of facilities	-	-	\$ 21,044	-	-	-	-	\$ 21,044	\$ 21,044	-	-	-
(14) Fundraising	-	\$ 1,605,293	-	-	-	-	-	\$ 1,605,293	\$ 1,605,293	-	-	-
(15) Gains on disposal of tangible capital assets	-	-	-	-	-	-	-	-	-	-	-	-
(16) Other revenue	-	-	-	-	-	-	-	-	-	-	-	-
(17) TOTAL REVENUES	\$ 7,870,448	\$ 93,587,219	\$ 15,247,530	\$ 4,354,820	\$ 4,354,820	\$ 4,322,643	\$ 568,717	\$ 125,951,377	\$ 125,951,377	-	-	-
EXPENSES												
(18) Certificated salaries	\$ 2,889,514	\$ 55,157,540	-	-	-	\$ 656,240	\$ 73,080	\$ 58,776,374	\$ 58,803,282	-	-	-
(19) Certificated benefits	\$ 121,627	\$ 14,029,553	-	-	-	\$ 189,750	\$ 17,649	\$ 14,358,579	\$ 14,426,220	-	-	-
(20) Non-certificated salaries and wages	\$ 3,834,633	\$ 11,242,564	\$ 3,511,094	-	\$ 67,500	\$ 1,852,128	\$ 29,917	\$ 20,537,836	\$ 23,245,866	-	-	-
(21) Non-certificated benefits	\$ 934,854	\$ 3,503,646	\$ 1,007,339	-	\$ 17,596	\$ 383,995	\$ 9,624	\$ 5,857,054	\$ 6,074,287	-	-	-
(22) SUB - TOTAL	\$ 7,780,628	\$ 83,933,303	\$ 4,518,433	-	\$ 85,096	\$ 3,082,113	\$ 130,270	\$ 99,529,843	\$ 102,549,655	-	-	-
(23) Services, contracts and supplies	\$ 242,637	\$ 10,220,762	\$ 6,246,832	-	\$ 1,723,630	\$ 831,589	\$ 145,310	\$ 19,410,780	\$ 20,991,538	-	-	-
(24) Amortization of supported tangible capital assets	-	\$ 630,739	\$ 4,670,828	-	-	\$ 49,737	-	\$ 5,351,304	\$ 5,097,276	-	-	-
(25) Amortization of unsupported tangible capital assets	-	\$ 300,514	\$ (173,521)	-	\$ 12,721	\$ 132,223	-	\$ 271,937	\$ 1,182,263	-	-	-
(26) Supported interest on capital debt	-	-	-	-	-	-	-	-	-	-	-	-
(27) Unsupported interest on capital debt	-	-	-	-	-	-	-	-	-	-	-	-
(28) Other interest and finance charges	-	-	-	-	-	-	-	-	-	-	-	-
(29) Losses on disposal of tangible capital assets	-	-	-	-	-	-	-	-	-	-	-	-
(30) Other expense	-	-	-	-	-	-	-	-	-	-	-	-
(31) TOTAL EXPENSES	\$ 8,023,265	\$ 95,170,517	\$ 15,282,572	\$ 1,821,447	\$ 1,821,447	\$ 4,095,662	\$ 275,580	\$ 124,649,043	\$ 129,911,631	-	-	-
(32) OPERATING SURPLUS (DEFICIT)	\$ (152,817)	\$ (1,583,298)	\$ (15,042)	\$ 2,533,373	\$ 2,533,373	\$ 226,981	\$ 293,137	\$ 1,302,334	\$ (1,009,102)	-	-	-



SCHEDULE 4

SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE
for the Year Ended August 31, 2020 (in dollars)

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR/CMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	Supported Capital & Debt Services	2020 TOTAL Operations and Maintenance	2019 TOTAL Operations and Maintenance
Non-certificated salaries and wages	\$ 2,794,006	\$ 477,146	\$ -	\$ -	\$ 239,942			\$ 3,511,094	\$ 3,544,869
Non-certificated benefits	\$ 757,305	\$ 200,246	\$ -	\$ -	\$ 49,768			\$ 1,007,339	\$ 971,996
Sub-total Remuneration	\$ 3,551,311	\$ 677,392	\$ -	\$ -	\$ 289,730			\$ 4,518,433	\$ 4,516,865
Supplies and services	\$ 226,917	\$ 1,608,751	\$ -	\$ 1,784,540	\$ 7,782			\$ 3,627,990	\$ 3,572,026
Electricity			\$ 1,478,592					\$ 1,478,592	\$ 1,486,290
Natural gas/heating fuel			\$ 459,572					\$ 459,572	\$ 483,852
Sewer and water			\$ 164,574					\$ 164,574	\$ 198,122
Telecommunications			\$ 58,424					\$ 58,424	\$ 14,472
Insurance					\$ 457,680			\$ 457,680	\$ 301,324
ASAP maintenance & renewal payments							\$ -	\$ -	\$ -
Amortization of tangible capital assets									
Supported							\$ 4,670,828	\$ 4,670,828	\$ 4,612,210
Unsupported						\$ (173,521)		\$ (173,521)	\$ 700,978
Total Amortization						\$ (173,521)	\$ 4,670,828	\$ 4,497,307	\$ 5,313,188
Interest on capital debt									
Supported							\$ -	\$ -	\$ -
Unsupported						\$ -		\$ -	\$ -
Lease payments for facilities				\$ -				\$ -	\$ -
Other interest charges						\$ -		\$ -	\$ -
Losses on disposal of capital assets						\$ -		\$ -	\$ -
TOTAL EXPENSES	\$ 3,778,228	\$ 2,286,143	\$ 2,161,162	\$ 1,784,540	\$ 765,192	\$ (173,521)	\$ 4,670,828	\$ 15,262,572	\$ 15,886,139

SQUARE METRES

School buildings								130,703.0	\$ 130,703
Non school buildings								5,525.0	\$ 5,525

Note:

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

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

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

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

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

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

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

SCHEDULE 5

SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS
for the Year Ended August 31, 2020 (in dollars)

Cash & Cash Equivalents

	2020			2019
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash		\$ 21,052,333	\$ 21,052,333	18,375,384
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		\$ 21,052,333	\$ 21,052,333	18,375,384

See Note 3 for additional detail.

Portfolio Investments

	Average Effective (Market) Yield	2020			2019
		Cost	Fair Value	Balance	Balance
Interest-bearing securities					
Deposits and short-term securities	0.50%	\$ 74,300	\$ 74,300	\$ 74,300	\$ 93,469
Bonds and mortgages	0.00%	-	-	-	-
	0.50%	74,300	74,300	74,300	93,469
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	0.50%	\$ 74,300	\$ 74,300	\$ 74,300	\$ 93,469

See Note 5 for additional detail.

Portfolio investments**Operating**

Cost
Unrealized gains and losses

Endowments

Cost
Unrealized gains and losses
Deferred revenue

Total portfolio investments

2020	2019
\$ 74,300	\$ 93,469
-	-
74,300	93,469
\$ -	\$ -
-	-
-	-
-	-
74,300	93,469

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

	2020	2019
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%



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SCHEDULE 6

SCHEDULE OF TANGIBLE CAPITAL ASSETS For the Year Ended August 31, 2020 (in dollars)

Tangible Capital Assets	2020						2019	
	Land	Work In Progress*	Buildings** 25-50 Years	Equipment 5-10 Years	Vehicles 5-10 Years	Computer Hardware & Software 3-5 Years	Total	Total
Historical cost								
Beginning of year	\$ 1,715,118	\$ 3,326,120	\$ 196,222,108	\$ 10,295,661	\$ 1,112,667	\$ 932,444	\$ 213,604,118	\$ 204,925,878
Prior period adjustments	-	-	-	-	-	-	-	-
Additions	-	10,743,278	5,674,985	240,755	-	-	16,659,018	8,779,467
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	-	-	-	-	(101,227)
Historical cost, August 31, 2020	\$ 1,715,118	\$ 14,069,398	\$ 201,897,093	\$ 10,536,416	\$ 1,112,667	\$ 932,444	\$ 230,263,136	\$ 213,604,118
Accumulated amortization								
Beginning of year	\$ -	\$ -	\$ 63,525,446	\$ 5,308,734	\$ 726,128	\$ 720,490	\$ 70,280,798	\$ 64,014,068
Prior period adjustments	-	-	-	-	-	-	-	-
Amortization	-	-	4,511,330	888,589	82,295	141,027	5,623,241	6,279,539
Other additions	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	-	-	-	-	(12,809)
Accumulated amortization, August 31, 2020	\$ -	\$ -	\$ 68,036,776	\$ 6,197,323	\$ 808,423	\$ 861,517	\$ 75,904,039	\$ 70,280,798
Net Book Value at August 31, 2020	\$ 1,715,118	\$ 14,069,398	\$ 133,860,317	\$ 4,339,093	\$ 304,244	\$ 70,927	\$ 154,359,097	
Net Book Value at August 31, 2019	\$ 1,715,118	\$ 3,326,120	\$ 132,696,662	\$ 4,986,927	\$ 386,539	\$ 211,954		\$ 143,323,320

	2020	2019
Total cost of assets under capital lease	\$ -	\$ -
Total amortization of assets under capital lease	\$ -	\$ -

Donated (contributed) tangible capital assets are recognized at fair value at the date of donation. There were no donations of tangible capital assets that were received during the year (2019 - \$nil)

SCHEDULE 7

SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES For the Year Ended August 31, 2020 (in dollars)

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other Paid	Other Accrued Unpaid Benefits	Expenses
Clark Bosch - Chair	1.00	\$38,140	\$2,928	\$0	\$0		\$0	\$5,993
Tyler Demers	1.00	\$27,300	\$2,272	\$0			\$0	\$1,359
Jan Foster	1.00	\$26,600	\$1,030	\$0			\$0	\$1,163
Donna Hunt	1.00	\$27,300	\$1,034	\$0			\$0	\$1,036
Doug James	1.00	\$26,000	\$2,194	\$0			\$0	\$0
Christine Light	1.00	\$31,576	\$2,529	\$0			\$0	\$1,845
Loia Major	1.00	\$26,000	\$1,024	\$0			\$0	\$614
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
Subtotal	7.00	\$202,916	\$13,071	\$0			\$0	\$12,030
Cheryl Gilmore, Superintendent	1.00	\$215,959	\$37,029	\$5,000	\$0	\$0	\$0	\$9,464
Christine Lee, Secretary Treasurer	1.00	\$183,519	\$35,125	\$5,000	\$0	\$0	\$0	\$2,328
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated		\$58,560,515	\$14,296,330	\$20,220	\$0	\$0	\$0	
School based	620.60							
Non-School based	17.58							
Non-certificated		\$20,151,401	\$5,709,802	\$94,116	\$0	\$0	\$0	
Instructional	449.58							
Plant Operations & Maintenance	67.03							
Transportation	1.00							
Other	26.61							
TOTALS	1,191.39	\$79,314,210	\$20,091,298	\$124,335	\$0	\$0	\$0	\$23,822



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1. AUTHORITY AND PURPOSE

Lethbridge School Division delivers education programs under the authority of the *Education Act*, 2012, Chapter E-0.3.

The School Division 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 Division 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 Division 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.

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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 Division once it has met all eligibility criteria to receive the contributions. When stipulations are met, deferred contributions are 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, unspent and spent:

- Unspent Deferred Capital Contributions

Unspent 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.

- Spent Deferred Capital Contributions

Spent Deferred Capital Contributions (SDCC) represent externally restricted supported capital funds that have been spent 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 Division 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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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 Division 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 Spent Deferred Capital Contributions (SDCC).
- Buildings that are demolished or destroyed are written-off.
- Tangible capital assets with costs in excess of \$5,000 are capitalized.
- Tangible capital assets are amortized over their estimated useful lives on a straight-line basis, at the following rates:

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

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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 Division has to meet in order to receive the contributions. *Stipulations* describe how the School Division 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 contributions. 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;
- Unspent Deferred Capital Contributions (UDCC); or
- Spent Deferred Capital Contributions (SDCC).



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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 Division'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.

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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 Division 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, 2020, the amount contributed by the Government was \$6.521 million (2019 - \$6.459 million).

The School Division 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 \$1.55 million for the year ended August 31, 2020 (2019 - \$1.67 million). At December 31, 2019, the Local Authorities Pension Plan (LAPP) reported a surplus of \$7,913,261,000 (2018: surplus of \$3,469,347,000).

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 contributions or as revenue in the year to the extent that stipulations have been met.

j) Trusts Under Administration

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

Trusts under administration have been excluded from the financial reporting of the Division. Trust balances can be found in Note 14.

Note on Pensions (section h): The total current service contributions by employees of the Division to the Local Authorities Pension Plan (LAPP) is \$1.39 million for the year ended August 31, 2020 (2019 - \$1.51 million).



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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 Division 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 Division 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.

l) 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.

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m) Future Accounting Changes

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

- PS 3280 Asset Retirement Obligations (effective September 1, 2022)
Effective April 1, 2022, this standard provides guidance on how to account for and report liabilities for retirement of tangible capital assets.
- PS 3400 Revenue (effective September 1, 2023)
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:

	2020			2019
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Alberta Education - Grants	\$ 113,759	\$ -	\$ 113,759	\$ 236,140
Alberta Education - Capital	3,886,928	-	3,886,928	4,412,291
Other Alberta school jurisdictions	17,941	-	17,941	-
Alberta Health	31,877	-	31,877	64,561
Post-secondary institutions	-	-	-	8,321
Federal government	1,036,766	-	1,036,766	851,581
Municipalities	4,399	-	4,399	283,333
Other	488,151	-	488,151	589,145
Total	<u>\$5,579,821</u>	<u>\$ -</u>	<u>\$5,579,821</u>	<u>\$6,445,372</u>

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, 2020.



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5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts Payable and Accrued Liabilities consists of the following:

	2020	2019
Alberta Education	\$ 70,456	\$ 40,173
Accrued vacation pay liability	715,302	757,405
Other trade payables and accrued liabilities	4,632,292	3,685,950
Unearned Revenue	-	-
School Generated Funds, including fees	77,551	81,343
Other fee revenue not collected at school level	386,558	422,982
Total	\$ 5,882,159	\$ 4,987,853

Unearned Revenue represents a performance obligation of the school jurisdiction to a payor for consideration received. Unearned revenue is distinct from deferred contributions as the latter represents non-exchange transactions with government and other sources. 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. EMPLOYEE FUTURE BENEFIT LIABILITY

Employee future benefit liabilities consist of the following:

	2020	2019
Defined benefit pension plan liability	\$ -	\$ -
Accumulating sick pay liability (vested)	-	-
Accumulating sick pay liability (non-vested)	234,129	213,676
Other compensated absences	13,173	16,862
Total	\$ 247,302	\$ 230,538

The Division'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 Division, their accumulated sick time is not paid out. As of August 31, 2020, management has accrued \$234,129 (2019 - \$213,676) for estimated sick time benefits. Refer to significant accounting policies section for additional details (Note 2(l) – Measurement Uncertainty).

7. INVENTORY OF SUPPLIES

Inventory of Supplies consists of the following:

	2020	2019
Caretaking Inventory	\$ 193,393	\$ 143,669
Warehouse Inventory	80,167	37,946
Other Inventory	4,805	2,405
Total	\$ 278,365	\$ 184,020

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8. PREPAID EXPENSES

Prepaid Expenses consists of the following:

	2020	2019
Prepaid insurance	\$ 99,987	\$ 83,263
Prepaid Software Licensing / Maintenance Costs	498,116	169,991
Other Supplies and Materials	278,926	228,440
Total	<u>\$ 877,029</u>	<u>\$ 481,694</u>

9. 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:

	2020	2019
Unrestricted surplus	\$ 691,486	\$ 700,209
Operating reserves	<u>9,760,912</u>	<u>9,893,702</u>
Accumulated surplus (deficit) from operations	10,452,398	10,593,911
Investment in tangible capital assets	5,718,000	5,524,153
Capital reserves	6,396,633	5,146,633
Endowments ⁽¹⁾	319,874	319,874
Accumulated remeasurement gains (losses)	-	-
Accumulated surplus (deficit)	<u>\$ 22,886,905</u>	<u>\$ 21,584,571</u>

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 Division.

	2020	2019
Accumulated surplus (deficit) from operations	\$ 10,452,398	\$ 10,593,911
Deduct: School generated funds included in accumulated surplus (Note 15)	<u>2,215,906</u>	<u>2,498,006</u>
Adjusted accumulated surplus (deficit) from operations ⁽²⁾	<u>\$ 8,236,492</u>	<u>\$ 8,095,905</u>

(1) Terms of the endowments stipulate that the principal balance be maintained permanently. Investment income of \$47,119 (2019 - \$45,143) is externally restricted for scholarships and is included in deferred contribution. Investment income of \$201,809 (2019 - \$413,358) is unrestricted.

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



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10. 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.

11. 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.

	2020	2019
Contractual rights from capital project agreements ⁽¹⁾	\$ 6,317,416	\$ 16,777,360
Contractual rights from service agreement**	-	-
Other	-	-
Total	\$ 6,317,416	\$ 16,777,360

1) Capital Project Agreements are capital grant agreements with Alberta Infrastructure of \$5,750,749 (2019 - \$16,210,693) which is a related party to the school jurisdiction. 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 (2019 - \$566,667).

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
2020-2021	\$ 4,363,735	\$ -	\$ -
2021-2022	1,953,681	-	-
2022-2023	-	-	-
2023-2024	-	-	-
2024-2025	-	-	-
Thereafter	-	-	-
Total	\$ 6,317,416	\$ -	\$ -

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12. CONTRACTUAL OBLIGATIONS

Contractual Obligations are summarized as follows:

	2020	2019
Building projects ⁽¹⁾	\$ 4,097,199	\$ 12,716,895
Building leases	-	-
Service providers ⁽²⁾	2,808,372	4,470,138
Total	\$ 6,905,571	\$ 17,187,033

1) Buildings projects: The jurisdiction is committed for capital expenditures of \$4.07 million of a \$15.30 million construction contract of a new elementary school. The jurisdiction is also committed for capital expenditures of \$26,313 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, 2020, the jurisdiction has \$2.808 million (2019 - \$4.470 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
2020-2021	\$ 4,097,199	\$ -	\$ 1,593,768
2021-2022	-	-	1,214,604
2022-2023	-	-	-
2023-2024	-	-	-
2024-2025	-	-	-
Thereafter	-	-	-
Total	\$ 4,097,199	\$ -	\$ 2,808,372

13. 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, 2020 is \$155,507 (2019 - \$193,485).

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



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14. 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 Division. Trust funds under administration were as follows:

	2020	2019
Scholarship trusts	\$ 235,008	\$ 202,857
Chinook Regional Foundation for Career Transitions	35,655	105,830
Regional Learning Consortium (Banker board)	339,318	485,508
Total	<u>\$ 609,981</u>	<u>\$ 794,195</u>

15. SCHOOL GENERATED FUNDS

School Generated Funds (SGF) are summarized as follows:

	2020	2019
School Generated Funds, Beginning of Year	\$ 2,579,349	\$ 2,513,301
Gross Receipts:		
Fees	1,129,766	1,466,649
Fundraising	1,605,293	2,158,853
Gifts and donations	341,735	735,495
Grants to schools	-	-
Other sales and services	233,660	285,744
Total gross receipts	3,310,454	4,646,741
Total Related Expenses and Uses of Funds	1,481,791	1,855,619
Total Direct Costs Including Cost of Goods Sold to Raise Funds	2,114,555	2,725,074
School Generated Funds, End of Year	<u>\$ 2,293,457</u>	<u>\$ 2,579,349</u>
Balance included in Deferred Contributions	\$ -	\$ -
Balance included in Accounts Payable (Unearned Revenue)	\$ 77,551	\$ 81,343
Balance included in Accumulated Surplus (Operating Reserves)	\$ 2,215,906	\$ 2,498,006

16. NUTRITION PROGRAM

	Budget 2020	2020	2019
Revenues			
Alberta Education	251,657	251,657	277,130
Other	-	-	-
Total Revenues	\$ 251,657	\$ 251,657	\$ 277,130
Expenses	251,657	221,375	246,957
Annual Surplus/deficit	<u>\$ -</u>	<u>\$ 30,282</u>	<u>\$ 30,173</u>

The average estimated number of students served per meal are 537 (2019 - 457)

The Lethbridge School Division

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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.

	Balances		Transactions	
	Financial Assets (at cost or net realizable value)	Liabilities (at amortized cost)	Revenues	Expenses
Government of Alberta (GOA):				
Alberta Education				
Accounts receivable / Accounts payable	\$ 113,759	\$ 70,456		
Prepaid expenses / Deferred operating revenue	-	4,458,983		
Unspent deferred capital contributions		104,500		
Spent deferred capital contributions		7,604,228	102,097	
Grant revenue & expenses			106,153,602	
ATRF payments made on behalf of district			6,521,187	
Other revenues & expenses			-	13,314
Other Alberta school jurisdictions	17,941	2,415	-	28,805
Alberta Health	31,877	-	388,322	-
Post-secondary institutions	-	-	-	77,923
Alberta Infrastructure	-	-	-	-
Alberta Infrastructure	3,886,928	-	-	-
Unspent deferred capital contributions		-		
Spent deferred capital contributions		139,731,410	5,221,582	
Other:				
Children's Services	-	-	93,912	-
TOTAL 2019/2020	\$ 4,050,505	\$151,971,992	\$118,480,702	\$ 120,042
TOTAL 2018/2019	\$ 4,721,313	\$141,823,412	\$129,336,630	\$ 356,722

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



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18. UNCERTAINTIES DUE TO COVID-19

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a global pandemic, which continues to spread in Canada and around the world.

This pandemic is evolving and the school jurisdiction continues to respond with public health measures and financial assistance as necessary. The ongoing impact of the pandemic presents uncertainty over future cash flows, may have a significant impact on future operations including decreases in revenue, impairment of receivables, and reduction in investment income. The duration and potential impacts of COVID-19 are unknown at this time. As a result, we are unable to estimate the effect of these developments on the financial statements.

19. SUBSEQUENT EVENTS

On October 22, 2020, the Division entered into a five-year agreement with Southland Transportation Ltd for transportation and bussing services. The transportation services will commence for the 2021/2022 school year or sooner if feasible for an initial five-year term with renewal options for two subsequent five-year terms. The contract provides several rates for various routes and activities. Management estimates the average annual costs to be \$2.17 million.

20. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

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

21. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on June 25th, 2019. It is presented for information purposes only and has not been audited.

22. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2019/2020 presentation.

The Spent Deferred Capital Contributions (SDCC), as disclosed in the Schedule of Deferred Contributions, have been reclassified between the segments of the supported capital funds from Alberta Education to Alberta Infrastructure as the responsibility for some of these capital funds have transferred to Alberta Infrastructure. The reclassification between the reportable segments of the SDCC has not resulted in any changes to the total SDCC balances.



END OF FINANCIAL STATEMENTS

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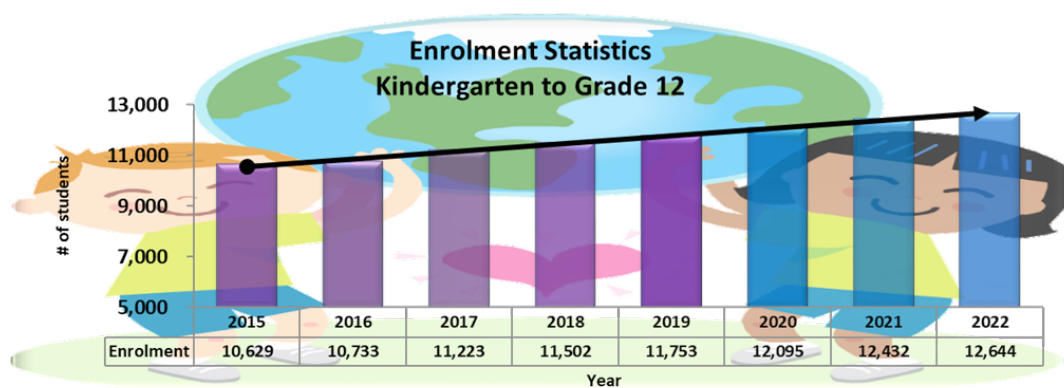
Statistics & Ratios

STATISTICS AND RATIOS

Demographics and Other Factors

DEMOGRAPHICS AND OTHER FACTORS					
	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
CITY OF LETHBRIDGE POPULATION *	94,804	96,828	98,198	99,769	101,482
NUMBER OF SCHOOLS	21	21	22	23	23
STUDENT ENROLMENT					
Early Education Program	349	349	471	506	497
Kindergarten	794	699	858	766	806
Elementary School	4,087	4,192	4,250	4,386	4,467
Middle School	2,169	2,266	2,432	2,490	2,631
High School	3,095	3,141	3,263	3,354	3,352
TOTAL STUDENT ENROLMENT	10,494	10,647	11,274	11,502	11,753
BUDGETED STAFFING (in FTE)					
Teachers	485.1	504.6	537.9	564.7	564.0
Other Certified Staff	66.0	60.1	62.1	64.1	65.1
Total Certified Staff	551.1	564.7	600.0	628.8	629.1
Educational Assistance	209.9	226.7	277.9	299.4	288.3
Other Uncertified Staff	230.3	217.9	216.9	220.3	228.9
Total Uncertified Staff	440.2	444.6	494.8	519.6	517.2
TOTAL BUDGETED STAFFING	991.3	1,009.3	1,094.8	1,148.4	1,146.2

* Statistical Information on Population is an extract from the City of Lethbridge's 2019 Annual Report.





School Division Comparisons

SCHOOL DIVISION COMPARISONS					
	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
CURRENT RATIO (LIQUIDITY)	2.44	2.24	2.18	2.62	2.50
Comparable Jurisdictions (based on FTE enrolment)	1.71	1.78	1.77	1.91	1.84
All Jurisdictions in Alberta	1.63	1.65	1.61	1.63	1.55
ACCUMULATED SURPLUS FROM OPERATIONS	9.45%	8.70%	7.01%	6.23%	6.61%
Comparable Jurisdictions (based on FTE enrolment)	5.64%	5.51%	5.06%	5.29%	5.38%
All Jurisdictions in Alberta	6.51%	5.38%	4.96%	4.54%	5.00%
WORKING CAPITAL PER STUDENT	\$ 1,459	\$ 1,430	\$ 1,517	\$ 1,424	\$ 1,429
Comparable Jurisdictions (based on FTE enrolment)	\$ 833	\$ 851	\$ 874	\$ 901	\$ 871
All Jurisdictions in Alberta	\$ 1,099	\$ 956	\$ 854	\$ 818	\$ 803
CAPITAL ASSETS - EQUIPMENT/VEHICLES (NBV to cost)	39.88%	43.37%	39.89%	45.26%	37.47%
Comparable Jurisdictions (based on FTE enrolment)	31.22%	32.48%	31.99%	31.99%	28.97%
All Jurisdictions in Alberta	27.46%	28.79%	29.11%	29.96%	26.54%
CAPITAL ASSETS - SCHOOLS/BUILDINGS (NBV to cost)	68.43%	70.23%	69.93%	68.17%	68.50%
Comparable Jurisdictions (based on FTE enrolment)	61.83%	63.05%	63.28%	62.38%	61.94%
All Jurisdictions in Alberta	60.30%	62.61%	62.56%	61.67%	60.94%
CAPITAL RESERVES PER STUDENT	\$ 198	\$ 188	\$ 497	\$ 476	\$ 571
Comparable Jurisdictions (based on FTE enrolment)	\$ 187	\$ 180	\$ 291	\$ 276	\$ 280
All Jurisdictions in Alberta	\$ 382	\$ 393	\$ 357	\$ 306	\$ 343

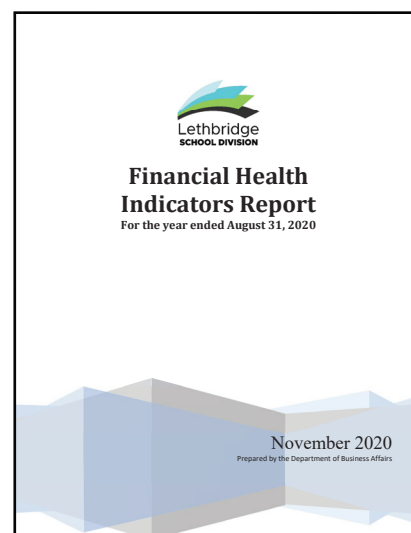
* Statistical Information on Comparable and Provincial Jurisdictions are by Alberta Education (Financial Reporting and Accountability Branch).



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

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

www.lethsd.ab.ca > Our Division > Plans & Reports > Financial Reporting



Financial Position

FINANCIAL POSITION					
(in Thousands)					
	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
FINANCIAL ASSETS	24,829	26,502	29,676	24,914	26,706
FINANCIAL LIABILITIES	(10,190)	(11,857)	(13,605)	(9,519)	(10,693)
NET FINANCIAL ASSETS (DEBT)	14,639	14,645	16,071	15,395	16,013
TANGIBLE CAPITAL ASSETS (NBV)	114,648	132,945	140,912	143,323	154,359
OTHER NON-FINANCIAL ASSETS	575	356	605	666	1,156
SPENT DEFERRED CAPITAL CONTRIBUTIONS (SDCC)	(109,048)	(127,180)	(134,994)	(137,799)	(148,641)
ACCUMULATED SURPLUS	20,814	20,766	22,594	21,585	22,887
TANGIBLE CAPITAL ASSETS:					
Historical Cost	169,657	191,837	204,926	213,604	230,263
Accumulated Amortization	(55,009)	(58,892)	(64,014)	(70,281)	(75,904)
TANGIBLE CAPITAL ASSETS (NBV)	114,648	132,945	140,912	143,323	154,359
ACCUMULATED SURPLUS:					
Unrestricted Surplus	861	836	758	700	691
Operating Reserves	12,048	11,923	10,330	9,894	9,761
Capital Reserves	1,986	1,922	5,268	5,147	6,397
Investment in Tangible Capital Assets	5,599	5,765	5,918	5,524	5,718
Endowments	320	320	320	320	320
ACCUMULATED SURPLUS	20,814	20,766	22,594	21,585	22,887

* 2019/2020 Financial Statements separated Spent Deferred Capital Contributions (SDCC) - prior year's figures have been reclassified accordingly.

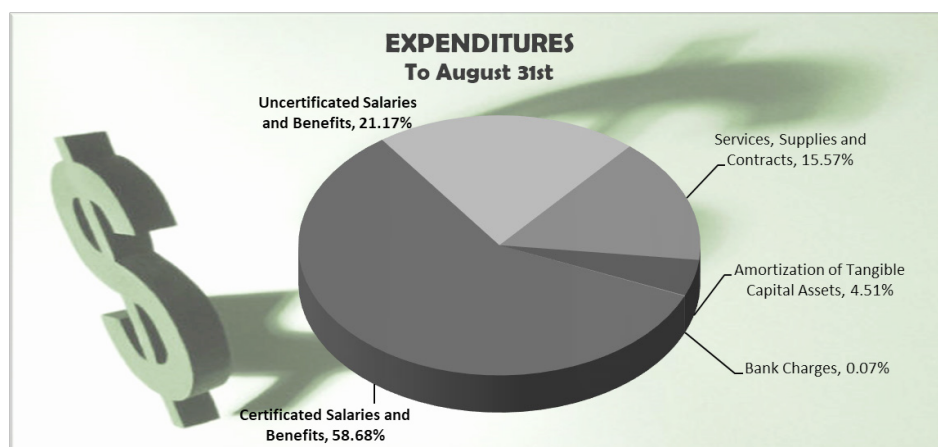
FINANCIAL POSITION - TANGIBLE CAPITAL ASSETS					
(in Thousands)					
	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
HISTORICAL COST, OPENING	143,511	169,657	191,836	204,926	213,604
ADDITIONS	26,347	22,318	13,129	8,779	16,659
DISPOSALS	(201)	(139)	(39)	(101)	0
HISTORICAL COST, CLOSING	169,657	191,836	204,926	213,604	230,263
ACCUMULATIVE AMORTIZATION, OPENING	51,515	55,010	58,891	64,014	70,281
AMORTIZATION	3,696	3,937	5,138	6,280	5,623
DISPOSALS	(201)	(56)	(15)	(13)	0
ACCUMULATIVE AMORTIZATION, CLOSING	55,010	58,891	64,014	70,281	75,904
NET BOOK VALUE (NBV)	114,647	132,945	140,912	143,323	154,359
SUPPORTED ASSETS (NBV)	109,048	127,180	134,994	137,799	148,641
UNSUPPORTED ASSETS (NBV)	5,599	5,765	5,918	5,524	5,718
NET BOOK VALUE (NBV)	114,647	132,945	140,912	143,323	154,359

* 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 South-East Lethbridge (Dr. Robert Plaxton Elementary School - opening September 2021).

Operations

OPERATIONS (in Thousands)					
	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
REVENUES:					
Government of Alberta	109,954	111,791	118,806	121,726	118,706
Federal Government and First Nations	444	318	387	401	495
Fees	2,299	1,530	1,732	1,944	1,481
Other Sales and Services	1,034	1,318	1,245	1,433	3,137
Investment Income	174	182	272	413	202
Donations and Other Contributions	3,102	2,711	3,014	2,956	1,909
Other Revenues	35	33	28	30	21
TOTAL REVENUES	117,042	117,883	125,483	128,903	125,951
EXPENSES (by Program):					
Instruction - ECS	6,843	6,878	8,284	8,919	8,023
Instruction - Grades 1 -12	88,256	91,002	93,989	98,384	95,171
Plant Operations and Maintenance	12,596	13,311	14,575	15,886	15,263
Transportation	2,593	2,477	2,339	2,162	1,821
Board & System Administration	3,606	3,979	4,038	4,133	4,095
External Services	258	284	431	428	276
TOTAL EXPENSES	114,152	117,931	123,656	129,912	124,649
OPERATING SURPLUS	2,890	(48)	1,827	(1,009)	1,302
EXPENSES (by Type):					
Certificated Salaries and Benefits	66,914	67,602	70,711	73,230	73,135
Uncertificated Salaries and Benefits	25,571	26,862	28,238	29,320	26,395
Services, Contracts and Supplies	17,862	19,443	19,503	20,991	19,411
Amortization	3,696	3,937	5,138	6,280	5,623
Interest on Capital Debt	44	24	4	0	0
Other Interest and Finance Changes	65	63	58	91	85
Losses on Disposals	0	0	4	0	0
TOTAL EXPENSES	114,152	117,931	123,656	129,912	124,649

* 2019/2020 Financial Statements reclassified certain revenues - prior year's figures have been reclassified accordingly.



UNAUDITED SCHEDULES TO THE FINANCIAL STATEMENTS

SCHEDULE 8

UNAUDITED SCHEDULE OF FEES For the Year Ended August 31, 2020 (in dollars)

	Actual Fees Collected 2018/2019	Budgeted Fee Revenue 2019/2020	(A) Actual Fees Collected 2019/2020	(B) Unspent September 1, 2019*	(C) Funds Raised to Defray Fees 2019/2020	(D) Expenditures 2019/2020	(A) + (B) + (C) - (D) Unspent Balance at August 31, 2020*
Transportation Fees	\$0	\$2,950	\$40	\$10	\$0	\$0	\$50
Basic Instruction Fees							
Basic instruction supplies	\$0	\$9,950	\$0	\$0	\$0	\$0	\$0
Fees to Enhance Basic Instruction							
Technology user fees	\$0	\$142,500	\$73,792	\$64,132	\$0	\$90,134	\$47,790
Alternative program fees	\$5,330	\$20,820	\$5,210	\$2,490	\$0	\$5,972	\$1,728
Fees for optional courses	\$283,797	\$502,418	\$281,003	\$46,811	\$0	\$244,973	\$82,841
Activity fees	\$35,926	\$504,709	\$25,830	\$15,750	\$0	\$16,856	\$24,724
Early childhood services	\$318,943	\$0	\$194,609	\$1,908	\$0	\$193,601	\$2,916
Other fees to enhance education	\$3,200	\$41,389	\$3,250	\$115,002	\$0	\$33,842	\$84,410
Non-Curricular fees							
Extracurricular fees	\$764,208	\$779,313	\$493,911	\$224,461	\$0	\$611,003	\$107,369
Non-curricular travel	\$237,602	\$1,352,724	\$220,670	\$106,993	\$0	\$321,653	\$6,010
Lunch supervision and noon hour activity fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-curricular goods and services	\$230,909	\$402,589	\$182,475	\$289,591	\$0	\$228,486	\$243,580
Other Fees	\$0	\$2,720	\$0	\$0	\$0	\$0	\$0
TOTAL FEES	\$1,879,915	\$3,762,082	\$1,480,790	\$867,148	\$0	\$1,746,520	\$601,418

*Unspent balances cannot be less than \$0

	Please disclose amounts paid by parents of students that are recorded as "Sales of services and products", "Fundraising", or "Other revenue" (rather than fee revenue):		Actual 2020	Actual 2019
Cafeteria sales, hot lunch, milk programs			\$0	\$0
Special events, graduation, tickets			\$0	\$0
International and out of province student revenue			\$559,627	\$724,436
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)			\$105,040	\$106,749
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			\$664,667	\$831,185

SCHEDULE 9

UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES
For the Year Ended August 31, 2020 (in dollars)

EXPENSES	Allocated to Board & System Administration			
	Salaries & Benefits	Supplies & Services	Other	TOTAL
Office of the superintendent	\$ 421,799	\$ 54,975	\$ -	\$ 476,774
Educational administration (excluding superintendent)	\$ 312,084	\$ 17,204	\$ -	\$ 329,288
Business administration	\$ 787,779	\$ 298,213	\$ -	\$ 1,085,992
Board governance (Board of Trustees)	\$ 229,038	\$ 108,519	\$ -	\$ 337,557
Information technology	\$ -	\$ 84,025	\$ -	\$ 84,025
Human resources	\$ 787,652	\$ 121,896	\$ -	\$ 909,548
Central purchasing, communications, marketing	\$ 252,446	\$ 13,482	\$ -	\$ 265,928
Payroll	\$ 201,503	\$ -	\$ -	\$ 201,503
Administration - insurance			\$ 133,275	\$ 133,275
Administration - amortization			\$ 181,960	\$ 181,960
Administration - other (admin building, interest)			\$ -	\$ -
Occupational Health and Safety	\$ 89,812	\$ -	\$ -	\$ 89,812
Other (describe)	\$ -	\$ -	\$ -	\$ -
Other (describe)	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 3,082,113	\$ 698,314	\$ 315,235	\$ 4,095,662



INFOGRAPHICS

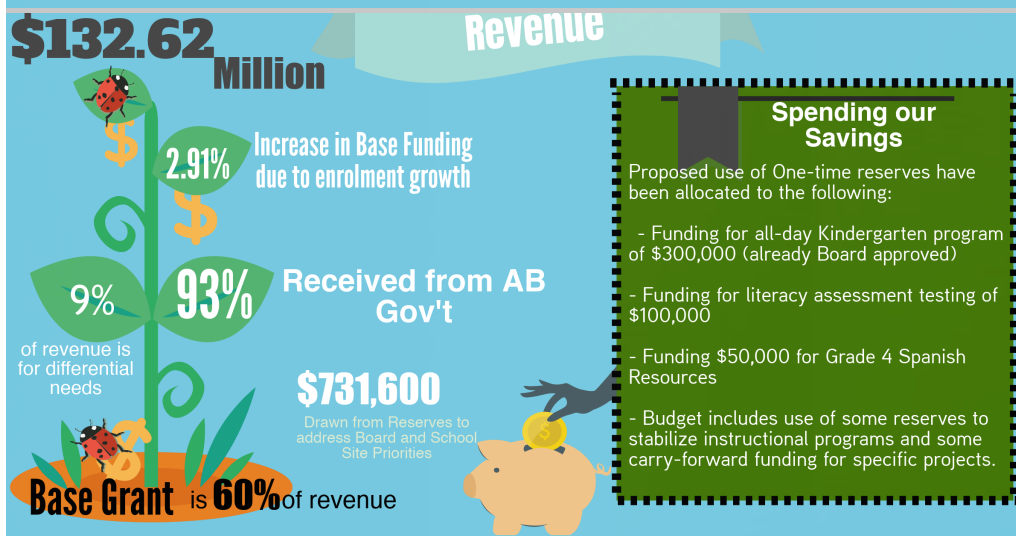
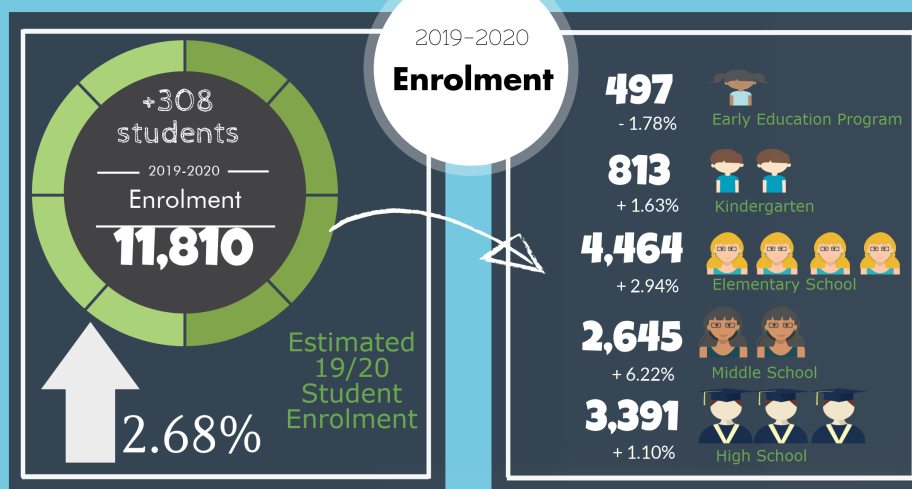
2019/2020 Preliminary Budget

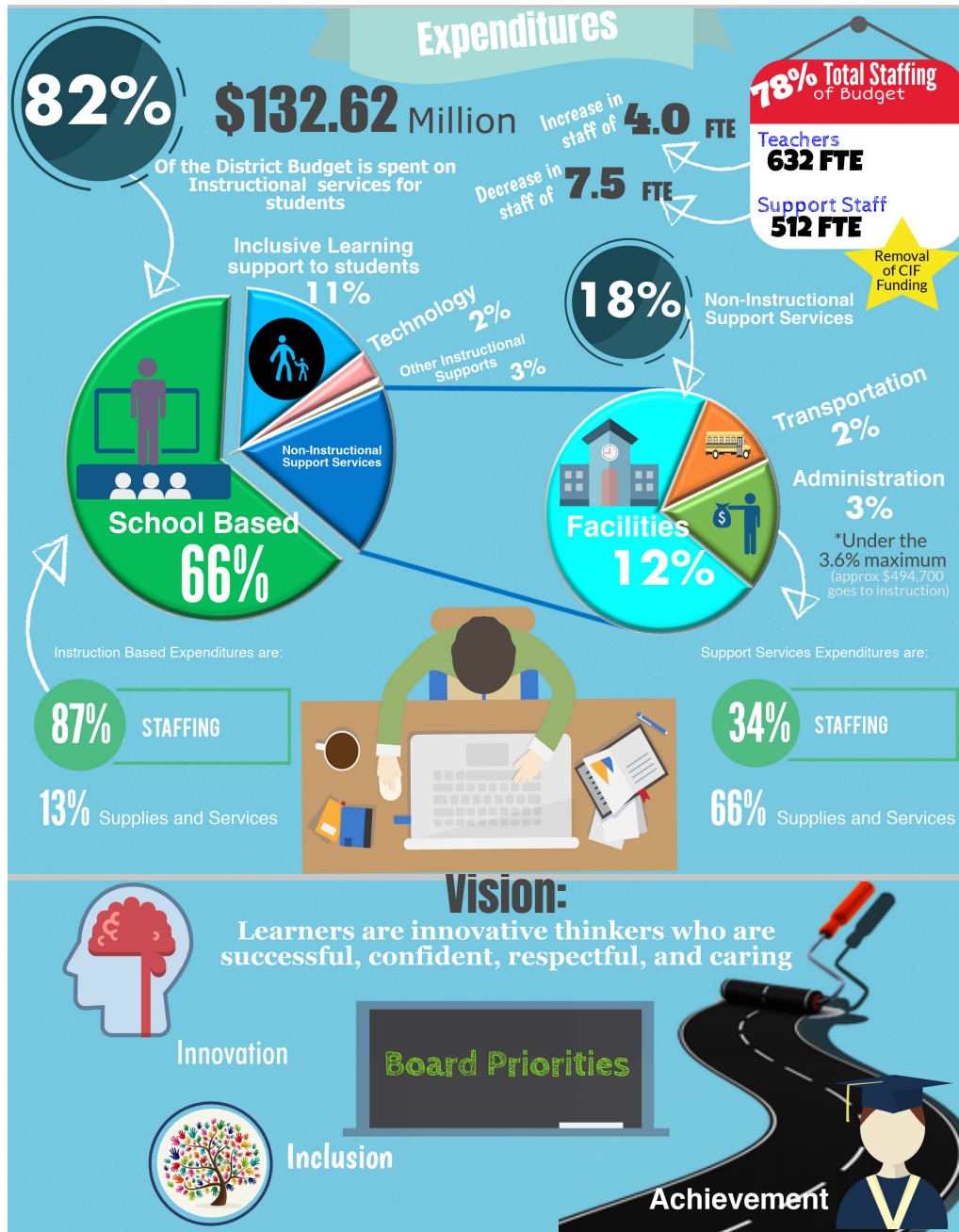
Introductory

Financial Analysis

Financial Statements

Statistics & Ratios





Introductory



Financial Analysis



Financial Statements



Statistics & Ratios

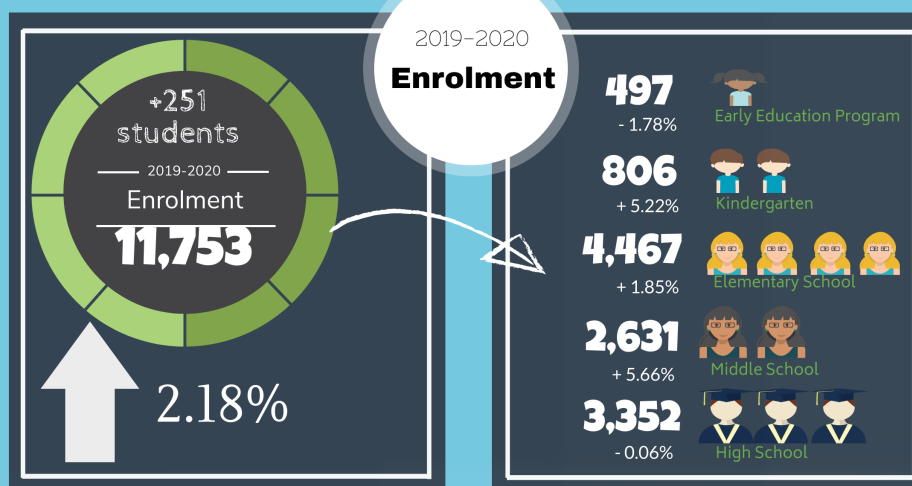
2019/2020 September 30th Budget

Introductory

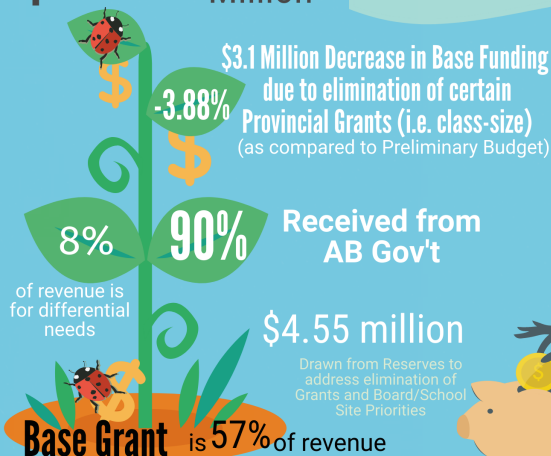
Financial Analysis

Financial Statements

Statistics & Ratios



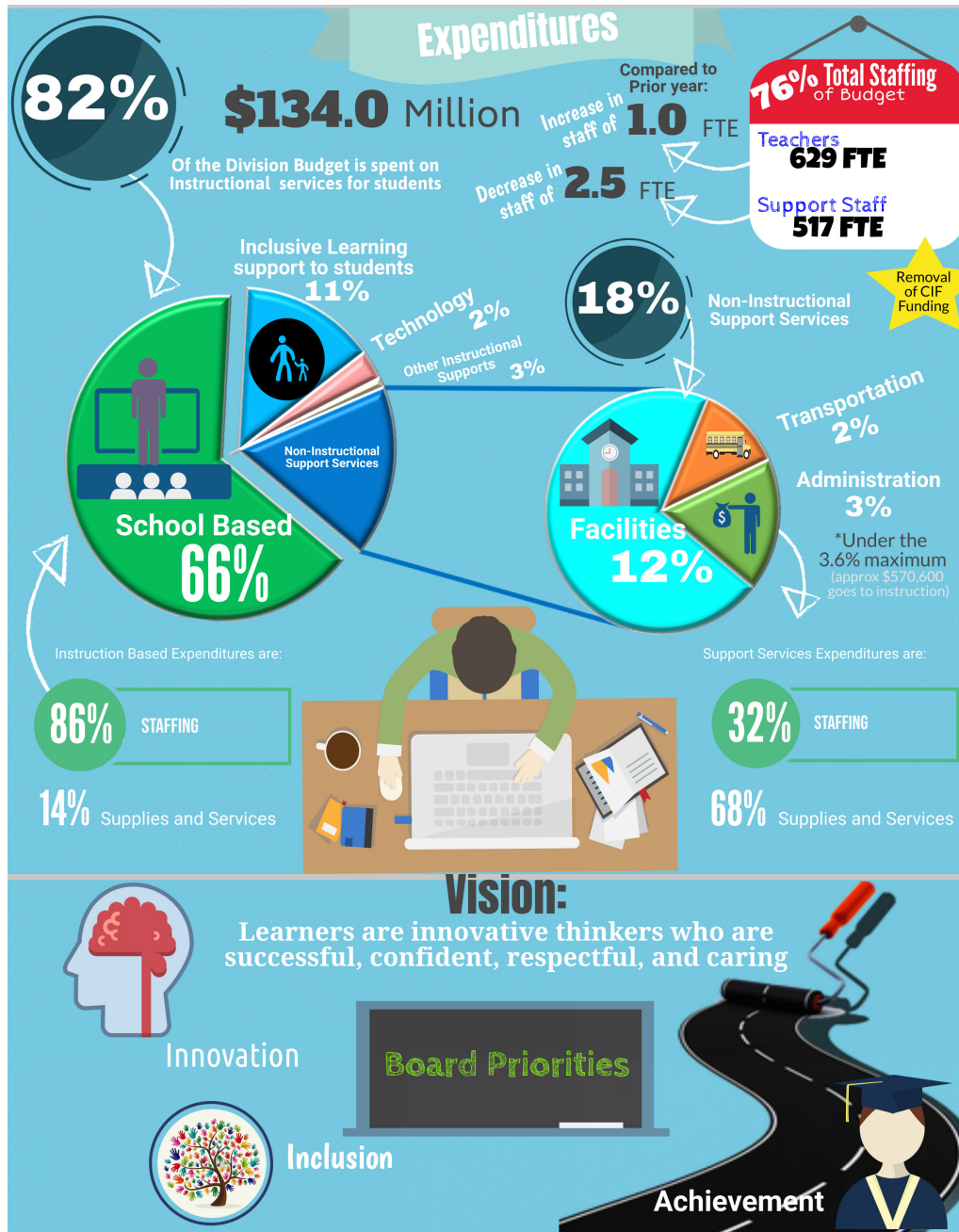
\$134.0 Million Revenue



Spending our Savings

Proposed use of One-time reserves have been allocated to the following:

- \$2.1 million allocated to assist with funding the reductions in Provincial Grant funding (i.e. elimination of class-size funding)
- \$698,000 for school based resources and equipment needs (from school reserves)
- Budget includes use of some reserves to stabilize instructional programs, some carry-forward funding for specific projects, full-day kindergarten pilot project, and other Division/School Site initiatives.



Introductory



Financial Analysis

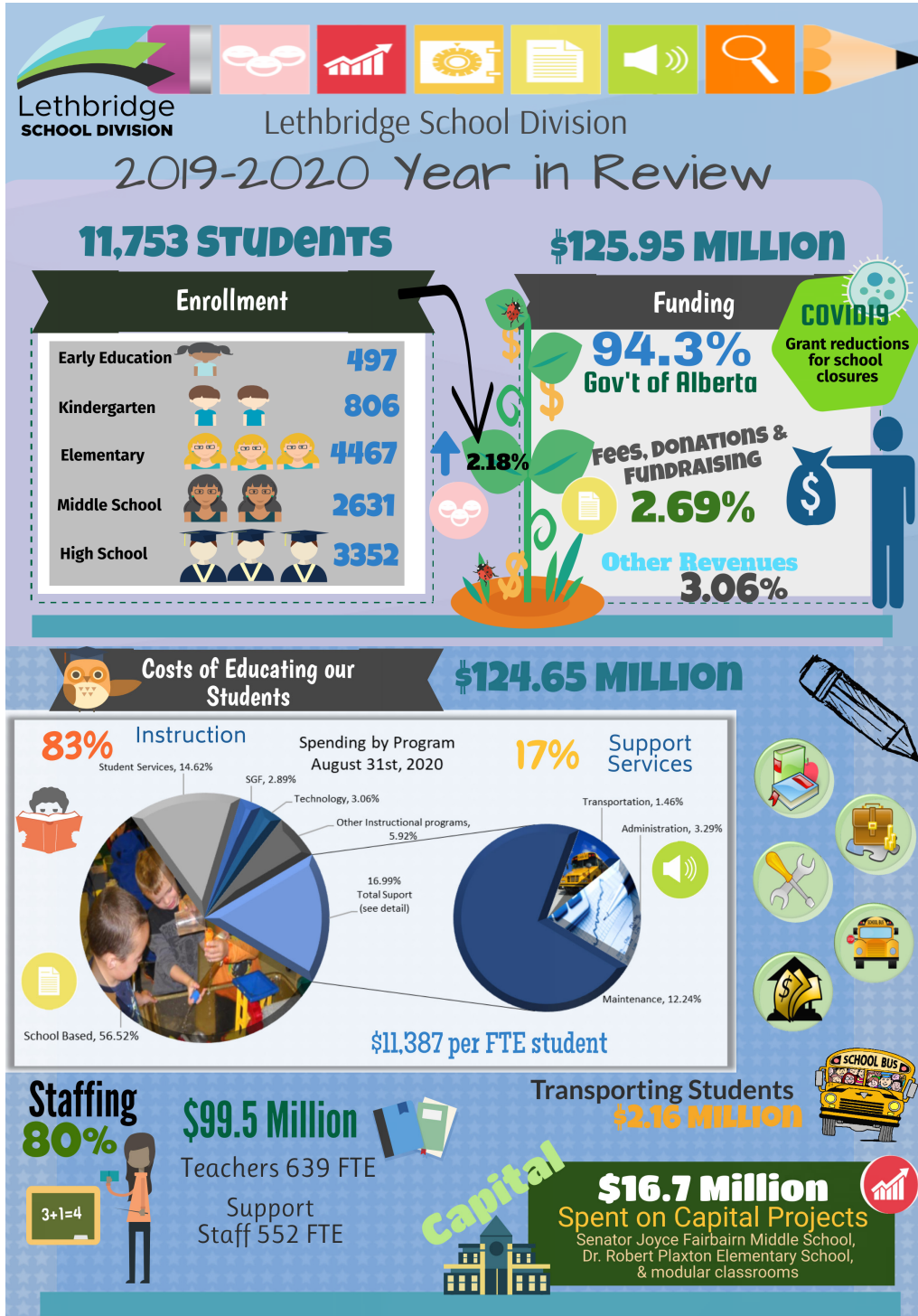


Financial Statements



Statistics & Ratios

2019/2020 Year in Review



Staffing

80%

\$99.5 Million

Teachers 639 FTE

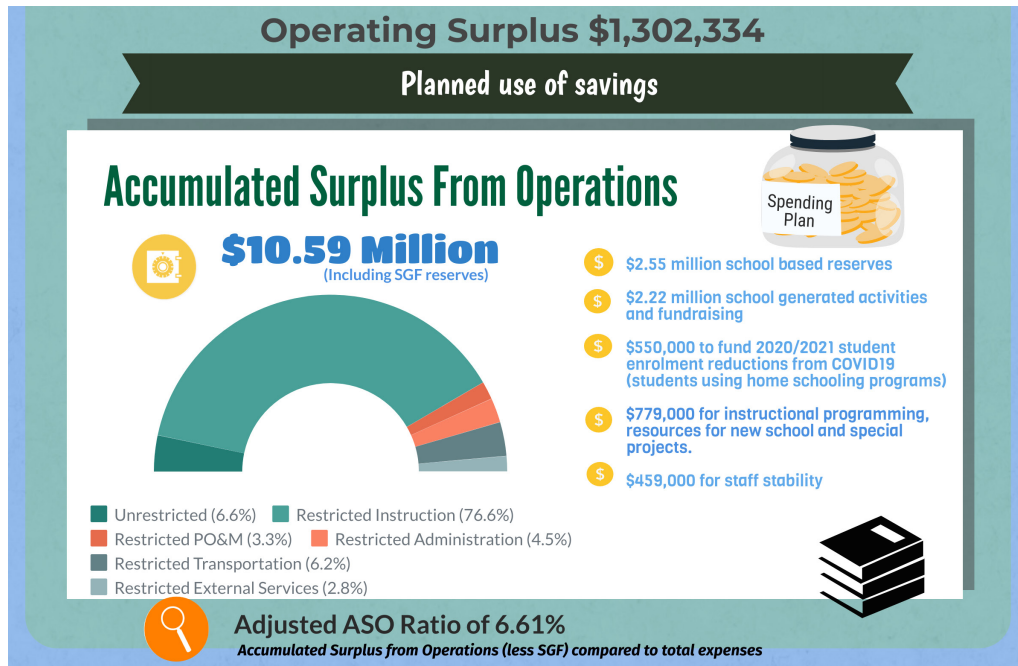
Support Staff 552 FTE

Transporting Students

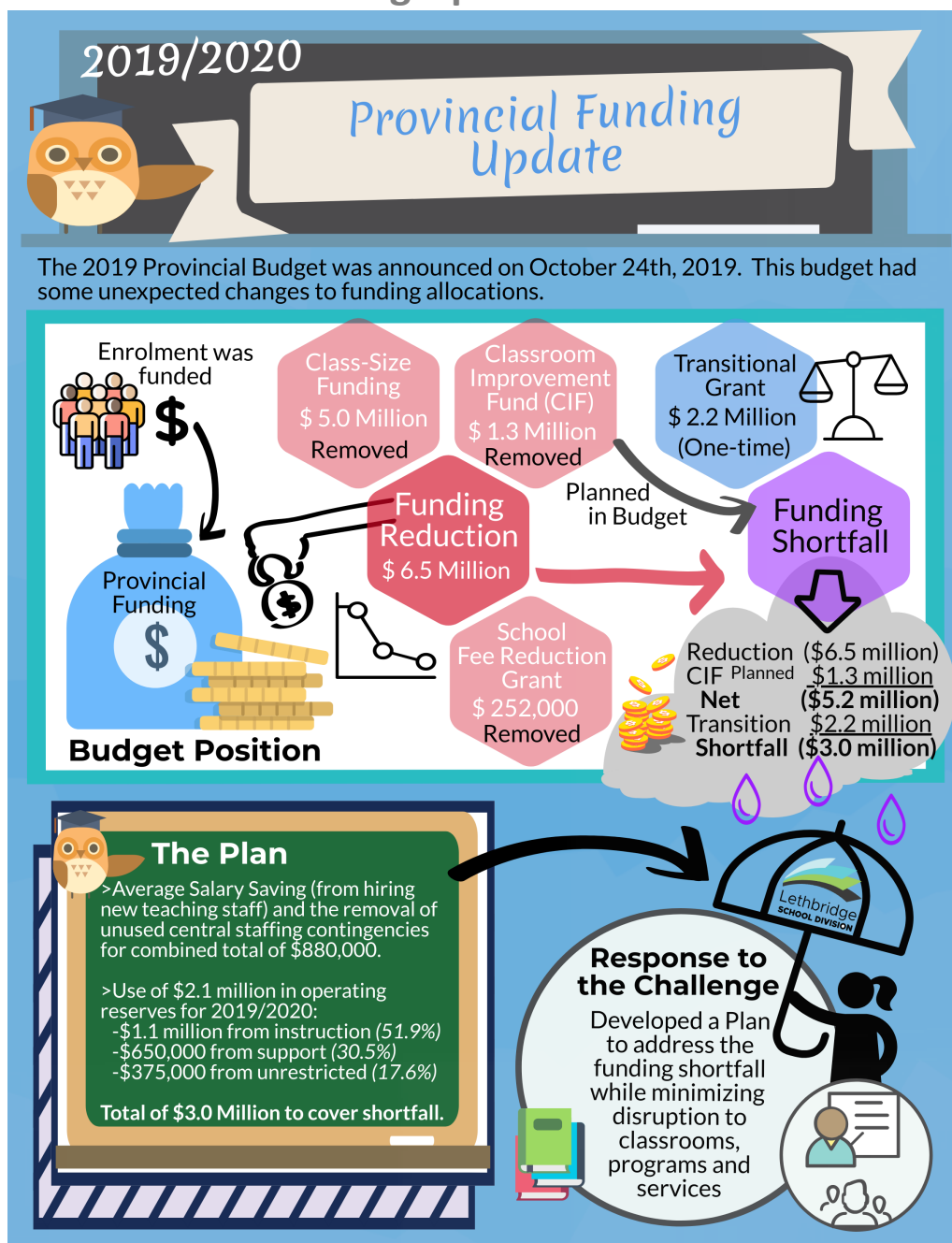
\$2.16 MILLION

\$16.7 Million Spent on Capital Projects

Senator Joyce Fairbairn Middle School, Dr. Robert Plaxton Elementary School, & modular classrooms



2019/2020 Provincial Funding Update

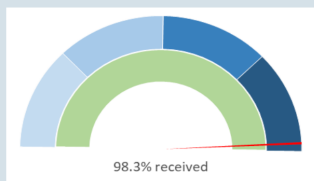


FINANCIAL CHARTS & GRAPHS

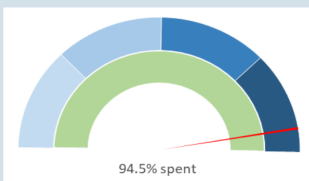


AUGUST 2020 FINANCE AT A GLANCE

2019-2020 - Yearend Reporting - Sept 1/19 to Aug 31/20



Total Revenues



Total Expenditures

Overview:

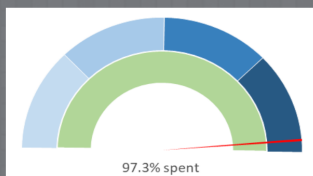
The following is an overview of the yearend reporting on the operations of Lethbridge School Division. This report is the yearend report (up to August 31, 2020).

The graphs/charts compare the year-to-date amounts to the budget for the period. The budget included in this report is the Division's 2019/2020 operating budget (updated fall budget - may differ from legally adopted budget as included in the financial statements)

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

DEPARTMENTS

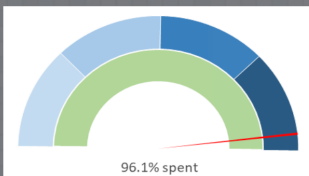
Instruction - ECS



Budget: \$ 8,248,969
Year-to-date: \$ 8,023,265 (97.3%)



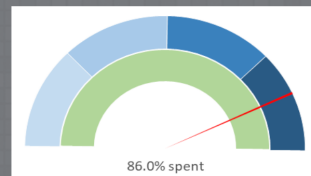
Instruction - Grade 1 - 12



Budget: \$ 99,008,228
Year-to-date: \$ 95,170,517 (96.1%)



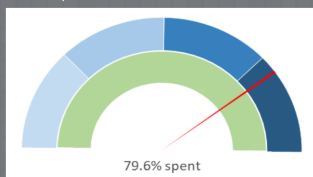
Plant Operation & Maintenance



Budget: \$ 17,753,858
Year-to-date: \$ 15,262,572 (86.0%)



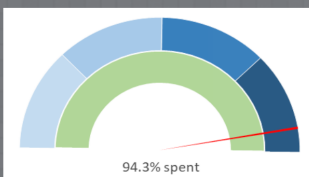
Transportation



Budget: \$ 2,287,466
Year-to-date: \$ 1,821,447 (79.6%)



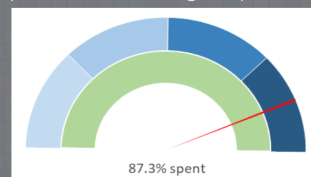
Board & System Administration



Budget: \$ 4,342,262
Year-to-date: \$ 4,095,662 (94.3%)



External Services (International Program)

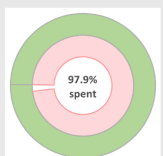


Budget: \$ 315,500
Year-to-date: \$ 275,580 (87.3%)



Salaries, Benefits & Professional Development

For all the Departments



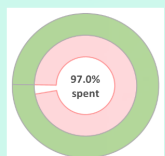
Budget: \$ 101,471,827
Year-to-date: \$ 99,391,300 (97.9%)



Contracted Services

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

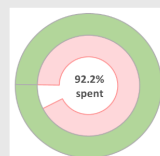
Budget: \$ 7,098,240
Year-to-date: \$ 6,886,728 (97.0%)



Other Services

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

Budget: \$ 2,323,603
Year-to-date: \$ 2,142,992 (92.2%)



TYPES OF EXPENSES

Supplies

General supplies, Technology, Maintenance, Small Equipment

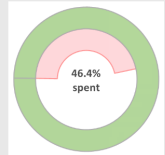
Budget: \$ 4,830,206
Year-to-date: \$ 5,230,637 (108.3%)



Other Expenditures

Contingency, Travel, Car Allowances, Renovations

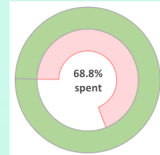
Budget: \$ 782,043
Year-to-date: \$ 362,761 (46.4%)



Transfers, SGF, & Capital/IMR

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

Budget: \$ 15,450,365
Year-to-date: \$ 10,634,624 (68.8%)



For details on the above information and other financial reporting, please see the August 31, 2020 Yearend Report.



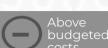
Within budgeted costs



Revenues cover costs increases



Monitoring cost increases (within budget)



Above budgeted costs



Introductory



Financial Analysis



Financial Statements



Statistics & Ratios

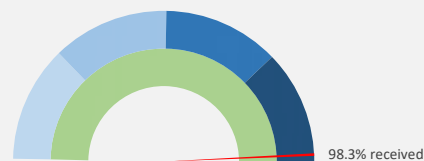


Lethbridge School Division Summary of Revenues Yearend Reporting - August 31st, 2020

Financial Data as at October 26, 2020

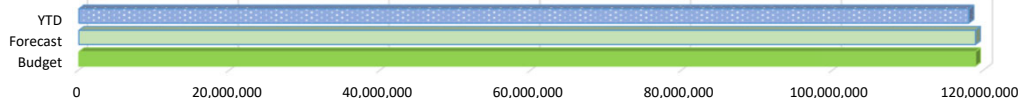
	Budget	Forecast	YTD	Variance	YTD %
Alberta Education	118,878,025	118,878,025	117,998,470	879,555	99.3%
Government of Alberta	729,858	729,858	703,607	26,251	96.4%
Federal & First Nations	388,944	388,944	495,542	(106,598)	127.4%
Other School Authorities	0	0	4,000	(4,000)	N/A
Fees	3,760,475	4,106,603	1,480,789	2,625,814	39.4%
Other Sales & Services	1,310,879	964,751	3,137,084	(2,172,333)	239.3%
Investment Income	193,000	193,000	201,809	(8,809)	104.6%
Gifts & Donations	408,000	408,000	303,740	104,260	74.4%
Rental of Facilities	34,704	34,704	21,044	13,660	60.6%
Fundraising	2,461,000	2,461,000	1,605,293	855,707	65.2%
Gain on Disposal	0	0	0	0	0.0%
	128,164,885	128,164,885	125,951,378	2,213,507	98.3%

Total Revenue Tachometer:

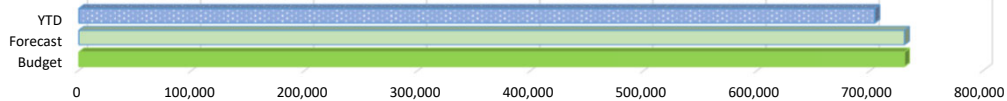


Year-to-date (YTD)
compared to budget
and forecast, including
% of budget indicator

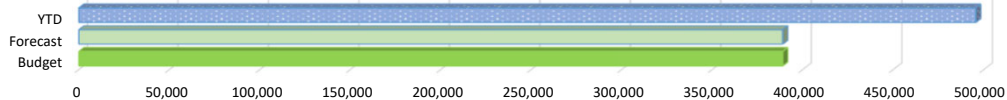
Alberta Education



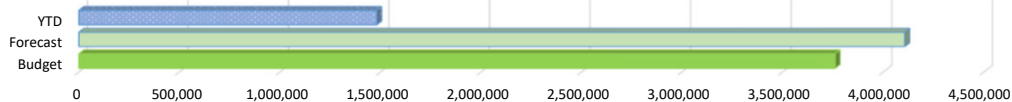
Government of Alberta



Federal & First Nations



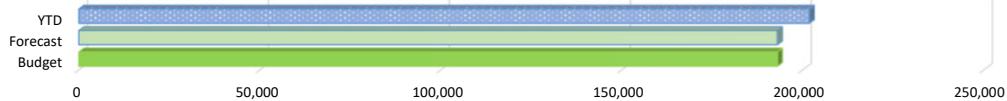
Fees



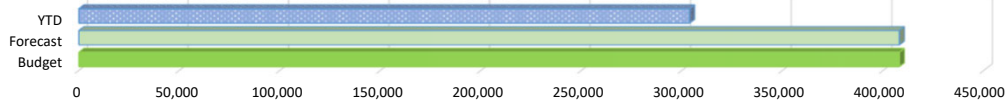
Other Sales & Services



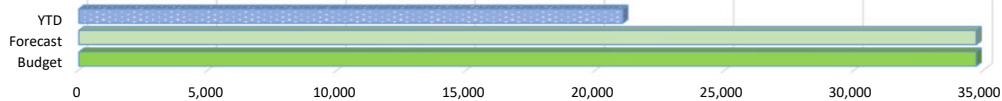
Investment Income



Gifts & Donations



Rental of Facilities



Fundraising



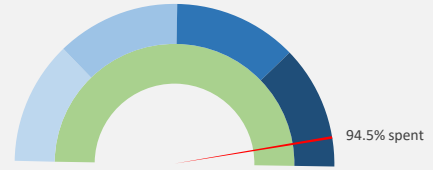


Lethbridge School Division Summary of Expenses Yearend Reporting - August 31st, 2020

Financial Data as at October 26, 2020

	Budget	Forecast	YTD	Variance	YTD %
Salaries	81,359,310	81,359,310	79,314,210	2,045,100	97.5%
Benefits	19,412,829	19,412,829	19,646,613	(233,784)	101.2%
Professional Development	699,688	699,688	430,477	269,211	61.5%
Contracted Services	7,098,240	7,098,240	6,886,728	211,512	97.0%
Other Services	2,323,603	2,323,603	2,142,993	180,610	92.2%
Supplies	4,830,206	4,830,206	5,230,637	(400,431)	108.3%
Other Expenditures	782,043	782,043	362,761	419,282	46.4%
Capital, Transfer & Projects	15,450,365	15,450,365	10,634,624	4,815,741	68.8%
	131,956,284	131,956,284	124,649,043	7,307,241	94.5%

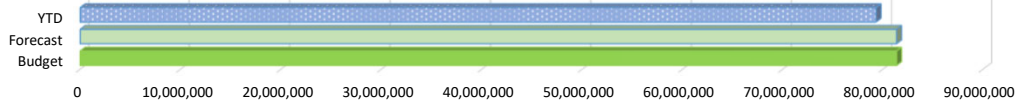
Total Expense Tachometer:



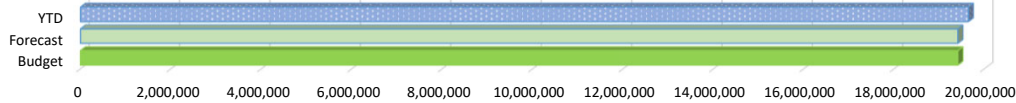
Year-to-date (YTD) compared to budget and forecast, including % of budget indicator

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

Salaries



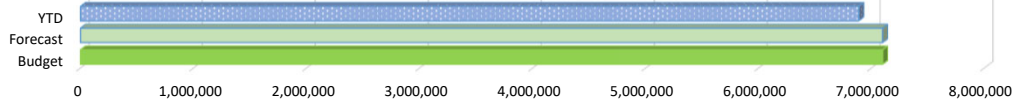
Benefits



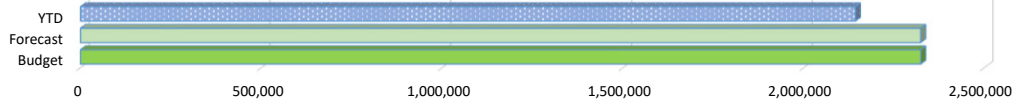
Professional Development



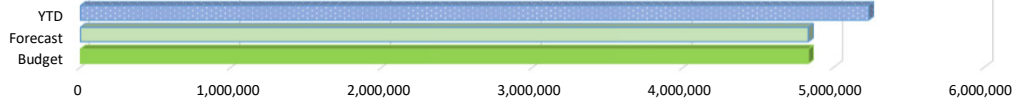
Contracted Services



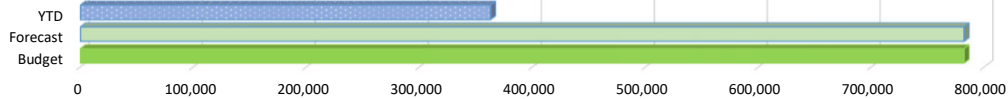
Other Services



Supplies



Other Expenditures



Introductory



Financial Analysis



Financial Statements



Statistics & Ratios

Instruction - ECS Summary Yearend Reporting - August 31st, 2020

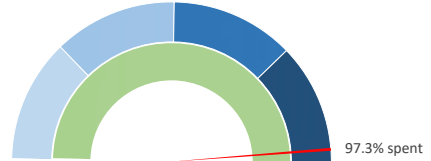
Financial Data as at October 26, 2020

	Budget	Forecast	YTD	Variance	YTD %
Salaries	6,904,664	6,904,664	6,724,147	180,517	97.4%
Benefits	1,009,135	1,009,135	1,021,607	(12,472)	101.2%
Professional Development	48,000	48,000	20,593	27,407	42.9%
Contracted Services	80,000	80,000	61,698	18,302	77.1%
Other Services	76,550	76,550	63,390	13,160	82.8%
Supplies	114,620	114,620	116,793	(2,173)	101.9%
Other Expenditures	16,000	16,000	15,036	964	94.0%
Capital, Transfer & Projects	0	0	0	0	0.0%
	8,248,969	8,248,969	8,023,265	225,704	97.3%

100.0%

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.

Total Expense Tachometer:

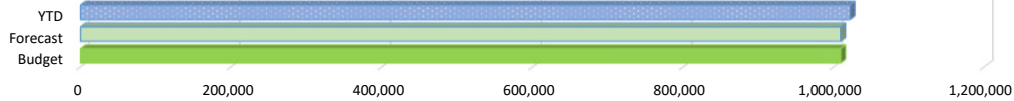


Year-to-date (YTD) compared to budget and forecast, including % of budget indicator

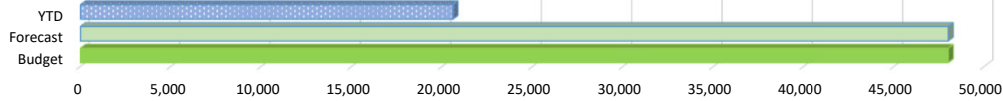
Salaries



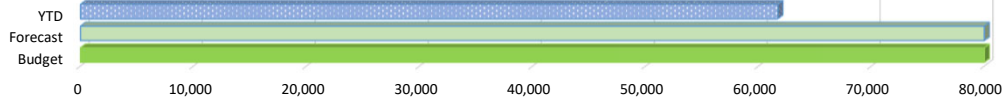
Benefits



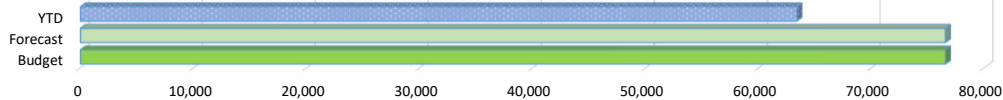
Professional Development



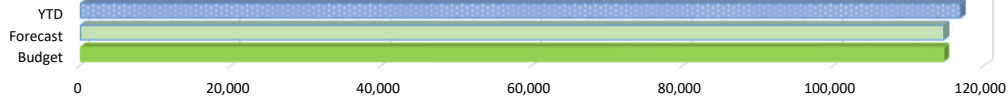
Contracted Services



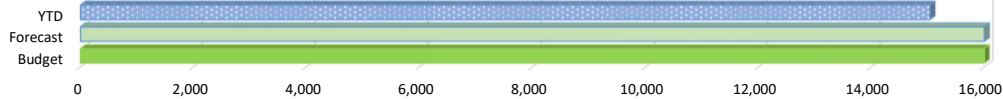
Other Services



Supplies



Other Expenditures





Instruction - Grades 1-12 Summary Yearend Reporting - August 31st, 2020

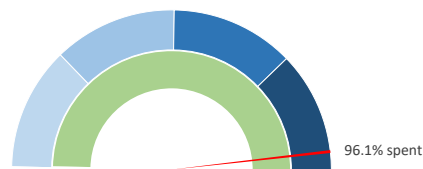
Financial Data as at October 26, 2020

	Budget	Forecast	YTD	Variance	YTD %
Salaries	68,153,667	68,153,667	66,400,104	1,753,563	97.4%
Benefits	16,792,702	16,792,702	17,073,587	(280,884)	101.7%
Professional Development	587,853	587,853	381,526	206,327	64.9%
Contracted Services	1,231,671	1,231,671	1,423,824	(192,153)	115.6%
Other Services	687,216	687,216	452,220	234,996	65.8%
Supplies	4,146,502	4,146,502	4,606,294	(459,792)	111.1%
Other Expenditures	566,486	566,486	274,837	291,649	48.5%
Capital, Transfer & Projects	6,842,131	6,842,131	4,558,125	2,284,006	66.6%
	99,008,228	99,008,228	95,170,517	3,837,711	96.1%

100.0%

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.

Total Expense Tachometer:

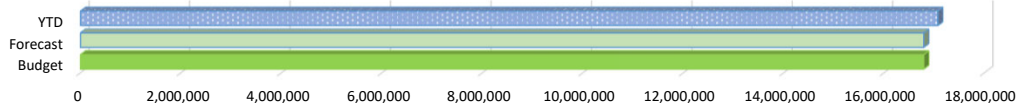


Year-to-date (YTD) compared to budget and forecast, including % of budget indicator

Salaries



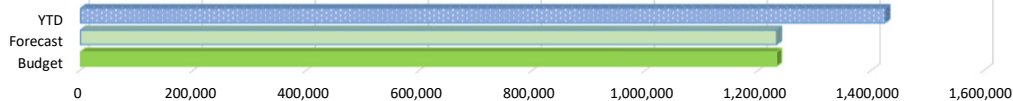
Benefits



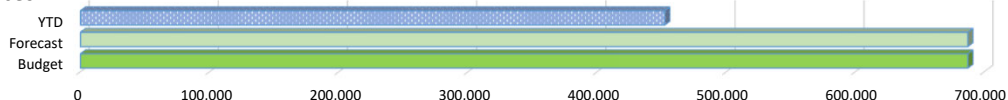
Professional Development



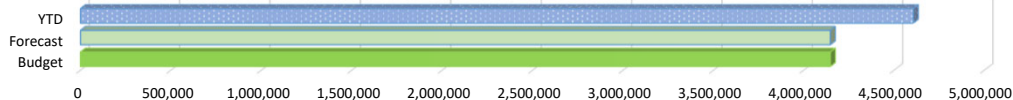
Contracted Services



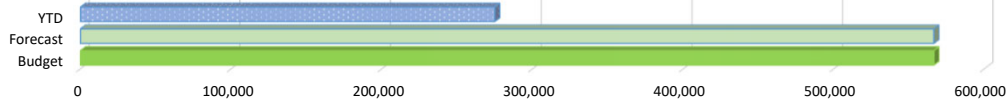
Other Services



Supplies



Other Expenditures



Introductory



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Plant Operations and Maintenance Summary

Yearend Reporting - August 31st, 2020

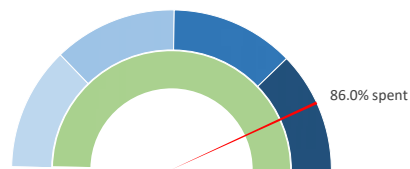
Financial Data as at October 26, 2020

	Budget	Forecast	YTD	Variance	YTD %
Salaries	3,553,629	3,553,629	3,511,094	42,535	98.8%
Benefits	1,001,652	1,001,652	1,004,100	(2,448)	100.2%
Professional Development	15,832	15,832	0	15,832	0.0%
Contracted Services	3,238,739	3,238,739	3,422,186	(183,447)	105.7%
Other Services	1,135,189	1,135,189	1,111,352	23,837	97.9%
Supplies	364,222	364,222	412,333	(48,111)	113.2%
Other Expenditures	9,240	9,240	3,765	5,475	40.8%
Capital, Transfer & Projects	8,435,355	8,435,355	5,797,743	2,637,612	68.7%
	17,753,858	17,753,858	15,262,572	2,491,286	86.0%

100.0%

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.

Total Expense Tachometer:

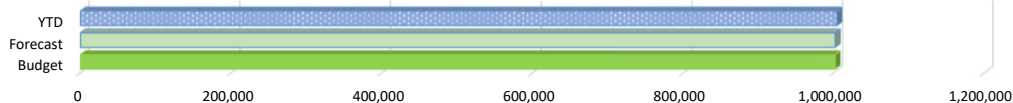


Year-to-date (YTD)
compared to budget
and forecast, including
% of budget indicator

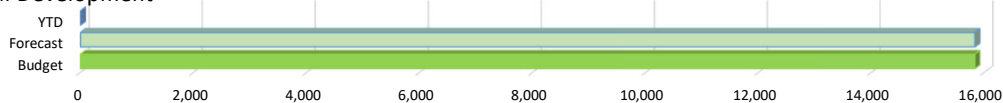
Salaries



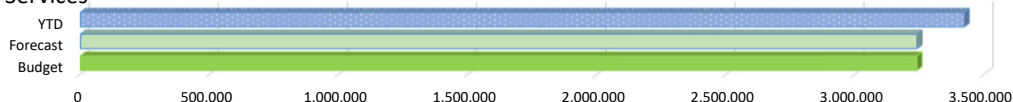
Benefits



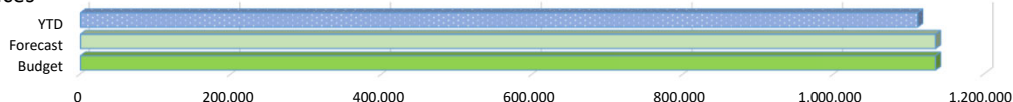
Professional Development



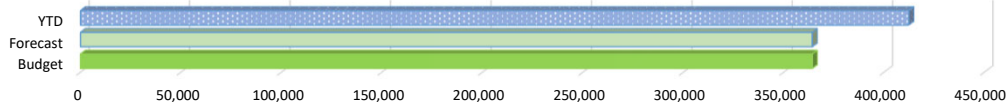
Contracted Services



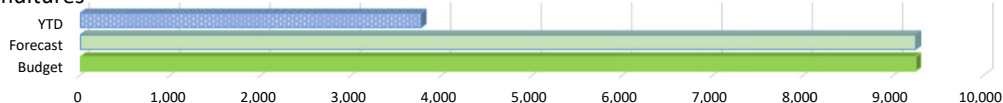
Other Services



Supplies



Other Expenditures

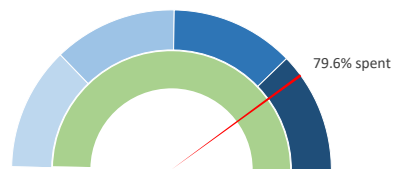


Transportation Summary Yearend Reporting - August 31st, 2020

Financial Data as at October 26, 2020

	Budget	Forecast	YTD	Variance	YTD %
Salaries	67,500	67,500	67,500	0	100.0%
Benefits	19,913	19,913	17,151	2,762	86.1%
Professional Development	10,000	10,000	445	9,555	4.5%
Contracted Services	2,125,453	2,125,453	1,668,212	457,241	78.5%
Other Services	0	0	28	(28)	N/A
Supplies	10,000	10,000	611	9,389	6.1%
Other Expenditures	2,000	2,000	2,179	(179)	109.0%
Capital, Transfer & Projects	52,600	52,600	65,321	(12,721)	124.2%
	2,287,466	2,287,466	1,821,447	466,019	79.6%

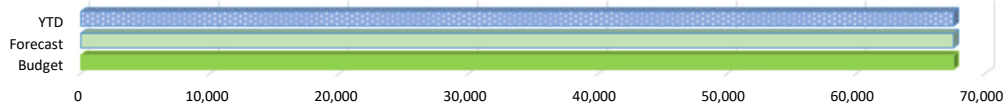
Total Expense Tachometer:



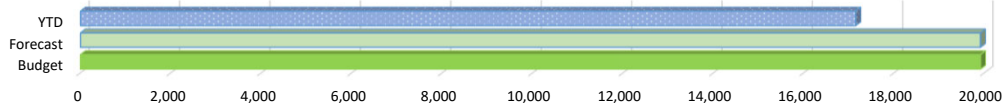
Year-to-date (YTD) compared to budget and forecast, including % of budget indicator

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

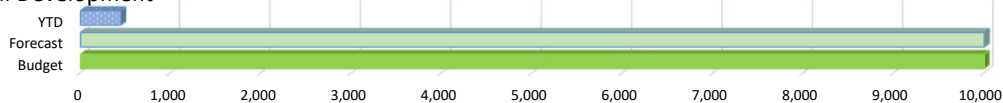
Salaries



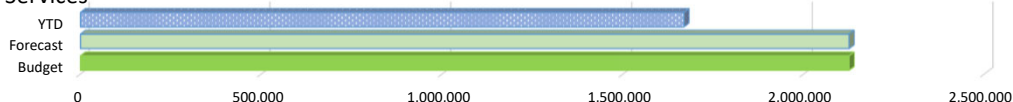
Benefits



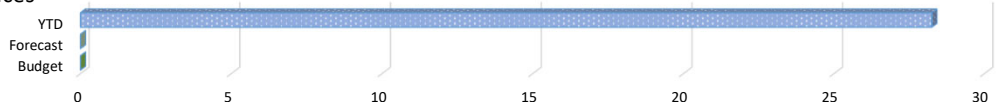
Professional Development



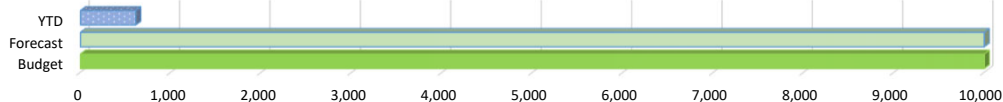
Contracted Services



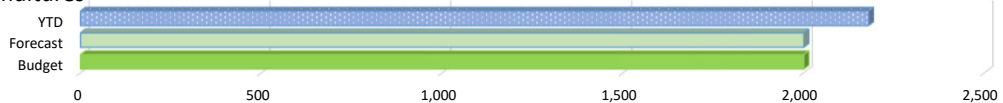
Other Services



Supplies



Other Expenditures



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Board & System Administration Summary Yearend Reporting - August 31st, 2020

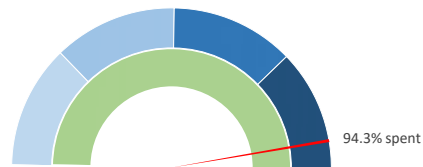
Financial Data as at October 26, 2020

	Budget	Forecast	YTD	Variance	YTD %
Salaries	2,572,078	2,572,078	2,508,368	63,710	97.5%
Benefits	575,512	575,512	504,156	71,356	87.6%
Professional Development	38,003	38,003	27,913	10,090	73.4%
Contracted Services	422,377	422,377	310,809	111,568	73.6%
Other Services	363,698	363,698	376,659	(12,961)	103.6%
Supplies	178,175	178,175	88,638	89,537	49.7%
Other Expenditures	72,140	72,140	65,683	6,457	91.0%
Capital, Transfer & Projects	120,279	120,279	213,435	(93,156)	177.5%
	4,342,262	4,342,262	4,095,662	246,600	94.3%

100.0%

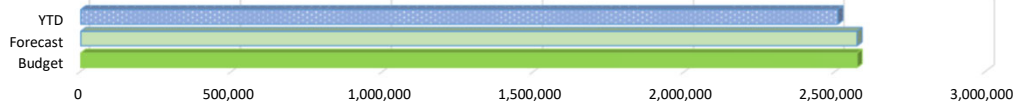
The forecast agrees to the "September 30th" budgeted costs as the report is for the entire fiscal year. Note: commitments and other applicable adjustments (i.e. fees, international credit, etc.) are taken into account to determine the carry-forward surplus.

Total Expense Tachometer:

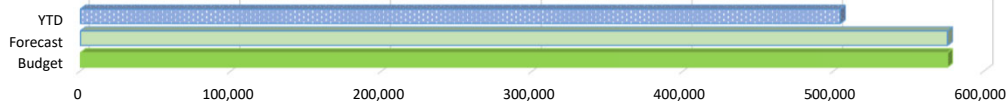


Year-to-date (YTD) compared to budget and forecast, including % of budget indicator

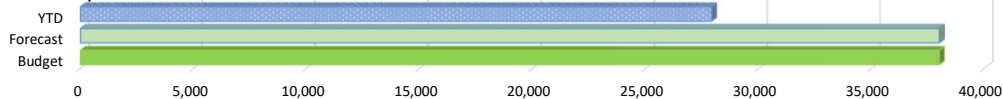
Salaries



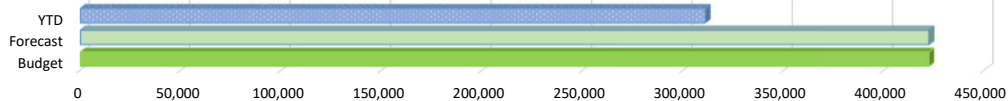
Benefits



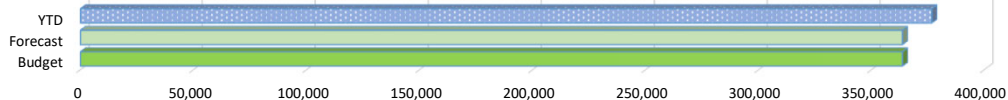
Professional Development



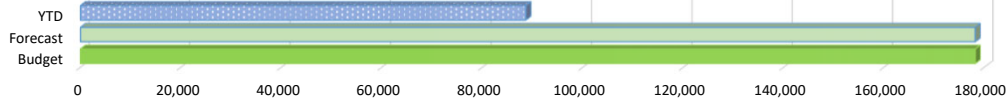
Contracted Services



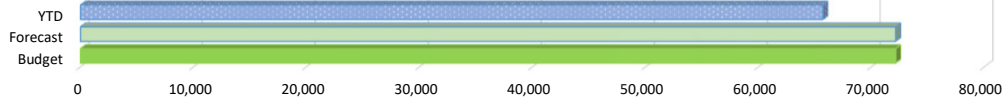
Other Services



Supplies



Other Expenditures





External Services Summary Yearend Reporting - August 31st, 2020

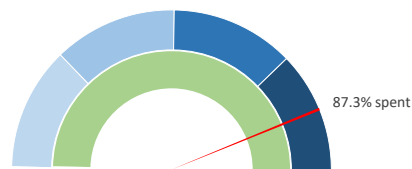
Financial Data as at October 26, 2020

	Budget	Forecast	YTD	Variance	YTD %
Salaries	107,772	107,772	102,997	4,775	95.6%
Benefits	13,914	13,914	26,012	(12,098)	187.0%
Professional Development	0	0	0	0	0.0%
Contracted Services	0	0	0	0	0.0%
Other Services	60,950	60,950	139,343	(78,393)	228.6%
Supplies	16,687	16,687	5,968	10,719	35.8%
Other Expenditures	116,177	116,177	1,260	114,917	1.1%
Capital, Transfer & Projects	0	0	0	0	0.0%
	315,500	315,500	275,580	39,920	87.3%

100.0%

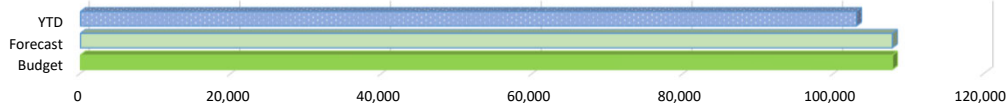
The forecast agrees to the "September 30th" budgeted costs as the report is for the entire fiscal year. Note: commitments and other applicable adjustments (i.e. fees, international credit, etc.) are taken into account to determine the carry-forward surplus.

Total Expense Tachometer:

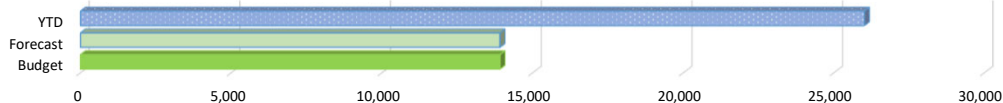


Year-to-date (YTD) compared to budget and forecast, including % of budget indicator

Salaries



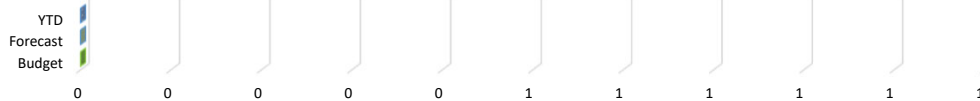
Benefits



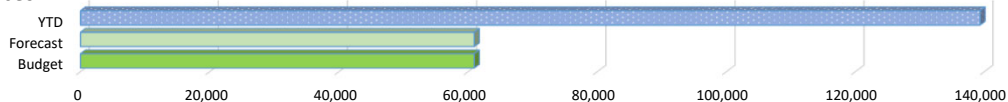
Professional Development



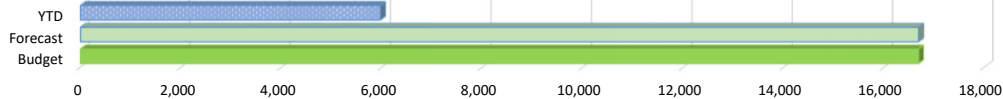
Contracted Services



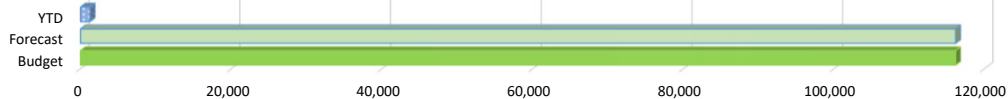
Other Services



Supplies



Other Expenditures



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Statistics & Ratios

Lethbridge School Division

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 (ASO)

The total unrestricted net assets and operating reserves of the Division. An "Adjusted ASO" excludes the unspent school generated funds (SGF) which are held at the schools.

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 Division'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. *Note that base funding changes significantly in 2020/2021 funding framework.*

Benefits

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

Capital and Debt Services

Includes the provision for amortization of the Division'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 Division by external organizations, individuals, or agencies. The Division contracted out these services as the Division 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. *Note that differential funding changes significantly in 2020/2021 funding framework.*

Division of Instructional Services

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

Early Education (Pre-school) Program

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

Education Act

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

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.

Executive Council

The senior administration team of the Division 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 Division 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 division for a school year. It does not include capital expenditures over \$250,000, which is included under the Division'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. *Note that PUF criteria changes significantly in 2020/2021 funding framework.*

Public Sector Accounting Standards (PSAS)

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

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 Division.

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.

Spent Deferred Capital Contributions (SDCC) – previously EDCC

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

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 Division.

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.

Unspent Deferred Capital Contributions (UDCC)

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 Division

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
- [EEP](#) – Early Education Program
- [ESL](#) – English as a Second Language
- [FNMI](#) – First Nations Métis and Inuit Program
- [FTE](#) – Full Time Equivalent
- [HVAC](#) – Heating, ventilation, and air conditioning
- [IBC](#) – Instructional Budget Committee
- [IMR](#) – Infrastructure, Maintenance and Renewal
- [LSD51](#) – Lethbridge School Division (previously referred to as Lethbridge School District No. 51)
- [POM](#) – Plant Operation and Maintenance
- [PSAS](#) – Public Sector Accounting Standards
- [RCSD](#) – Regional Collaborative Service Delivery
- [SGF](#) – School Generated Funds
- [SDCC](#) – Spent Deferred Capital Contributions (previously referred to as EDCC)
- [TCA](#) – Tangible Capital Assets
- [UDCC](#) – Unspent Deferred Capital Contributions





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