

Lethbridge School Division

Second Quarter Report

February 29th

2024

This document is Management's Discussion and Analysis of the Second Quarter for the period September 1, 2023 to February 29, 2024. *This financial information contained herein has not been audited.*

Report to the Board of Trustees

March 26, 2024



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Lethbridge School Division
Management Discussion and Analysis Report
September 1, 2023 to February 29th, 2024

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Executive Summary

Lethbridge School Division has a total budget of \$143.80 million (including use of reserves) and provides public education services to the citizens of the City of Lethbridge, Alberta, Canada.

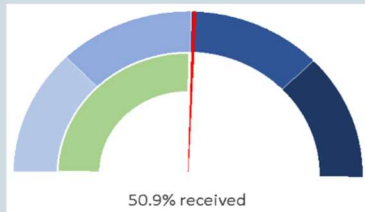
The School Division was established in 1886 and has proudly served our community for over 135 years. **Lethbridge School Division** serves over 12,229 students from early education (pre-school) to grade twelve. The Division provides high quality learning experiences for students through a broad range of educational programs in twenty-four (24) schools and four (4) institutional programs.

The Division has experienced continued growth in enrolment in 2023-2024 of 272 students (2.28%) over the 2022-2023 enrolment and is estimated to continue growing into 2024-2025.

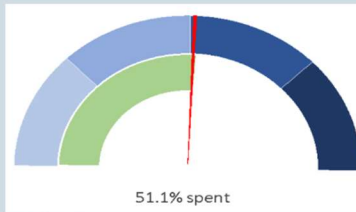
Lethbridge School Division believes in fiscal accountability and transparency through regular financial monitoring and reporting. Under *Policy 801.1 System Budgeting*, the Board directs that the expenditure of funds be within the guidelines established and be the responsibility of the designated Division or school-based administrator. The executive summary presents highlights of the School Division's financial operations for the period September 1, 2023 until February 29th, 2024 to provide fiscal accountability within the established guidelines.



WCHS hosts International Baccalaureate Theory of Knowledge Exhibition



Total Revenues



Total Expenditures

Overview:

The following is an overview of the quarterly reporting on the operations of Lethbridge School Division. This report is for the 2nd quarter of the year (up to February 29, 2024).

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 2023/2024 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

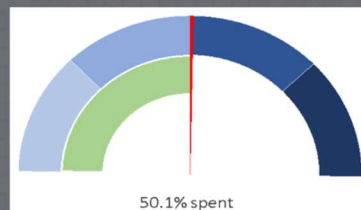
Instruction - Pre-K



Budget: \$ 4,612,081
Forecast: \$ 2,441,033 (52.9%)
Year-to-date: \$ 2,323,881 (50.4%)



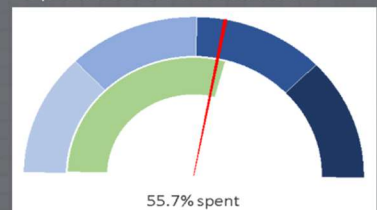
Instruction - ECS to Grade 12



Budget: \$ 113,435,603
Forecast: \$ 57,617,890 (50.8%)
Year-to-date: \$ 56,789,949 (50.1%)



Operation & Maintenance



Budget: \$ 17,459,256
Forecast: \$ 10,091,969 (57.8%)
Year-to-date: \$ 9,723,264 (55.7%)



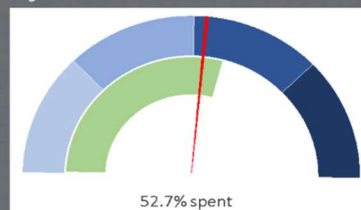
Transportation



Budget: \$ 3,332,560
Forecast: \$ 1,973,581 (59.2%)
Year-to-date: \$ 2,028,393 (60.9%)



System Administration



Budget: \$ 4,298,885
Forecast: \$ 2,490,233 (57.9%)
Year-to-date: \$ 2,266,199 (52.7%)



External Services (International Program)

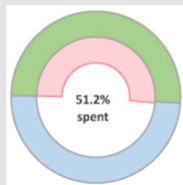


Budget: \$ 500,000
Forecast: \$ 250,000 (50.0%)
Year-to-date: \$ 293,107 (58.6%)



Salaries, Benefits & Professional Development

For all the Departments

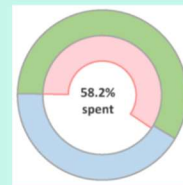


Budget: \$ 111,768,381
Forecast: \$ 57,227,936 (51.2%)
Year-to-date: \$ 57,191,596 (51.2%)



Contracted Services

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

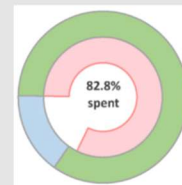


Budget: \$ 8,640,319
Forecast: \$ 4,953,119 (57.3%)
Year-to-date: \$ 5,020,578 (58.2%)



Other Services

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

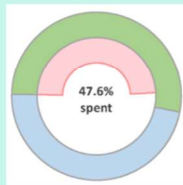


Budget: \$ 2,538,894
Forecast: \$ 2,165,890 (85.3%)
Year-to-date: \$ 2,101,465 (82.8%)



Supplies

General supplies, Technology, Maintenance, Small Equipment

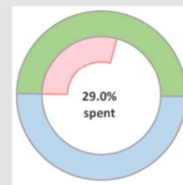


Budget: \$ 5,179,010
Forecast: \$ 2,762,046 (53.3%)
Year-to-date: \$ 2,463,527 (47.6%)



Other Expenditures

Contingency, Travel, Car Allowances, Renovations

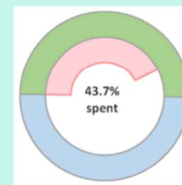


Budget: \$ 1,011,364
Forecast: \$ 505,507 (50.0%)
Year-to-date: \$ 292,921 (29.0%)



Transfers, SGF, & Capital/IMR

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



Budget: \$ 14,500,417
Forecast: \$ 7,250,208 (50.0%)
Year-to-date: \$ 6,351,706 (43.7%)



TYPES OF EXPENSES

Operations Overview

As shown in the “Finance at a Glance” report, [Lethbridge School Division](#) is operating financially as anticipated based on the approved budget and the forecasted costs for February 29th, 2024.



The following is a brief analysis on the types of expenses:

- **Salaries, Benefits & Professional Development** are slightly less than the forecasted projections. This is from the increases in staffing due to the additional enrolment grant funding the Division has received and was able to use for both teachers and educational assistants.
- **Contracted Services** are slightly more than the forecasted projections (approximately \$70,000). This is mostly due to higher than forecasted costs within transportation but will be covered in the increase in the transportation grant. A portion has been recorded in accounts receivable for the September to February amounts (\$232,129).
- **Other Services** are slightly under forecasted projections (approximately \$64,000).
- **Supplies** are less than the forecasted budget. This is mostly due to some of the general school supplies and small equipment are still to be purchased.
- **Other Expenditures** are less than the forecasted budget. This is due to a large portion is for the contingency accounts. These contingency accounts are typically only used if unexpected expenditures are incurred; otherwise, any unspent contingency funds are carried forward to the following budget year.
- **Transfers, SGF & Capital** are less than the forecasted budget. This mostly relates to School Generated Funds (SGF) expenditures are still to be incurred. These costs reductions are somewhat offset by the Infrastructure, Maintenance and Renewal (IMR) operating expenditures being slightly more than the forecasted amount (based on the timing of these IMR projects).



Gilbert Paterson Fine Arts Presents Brothers Grimm – Out of Order

Financial Position

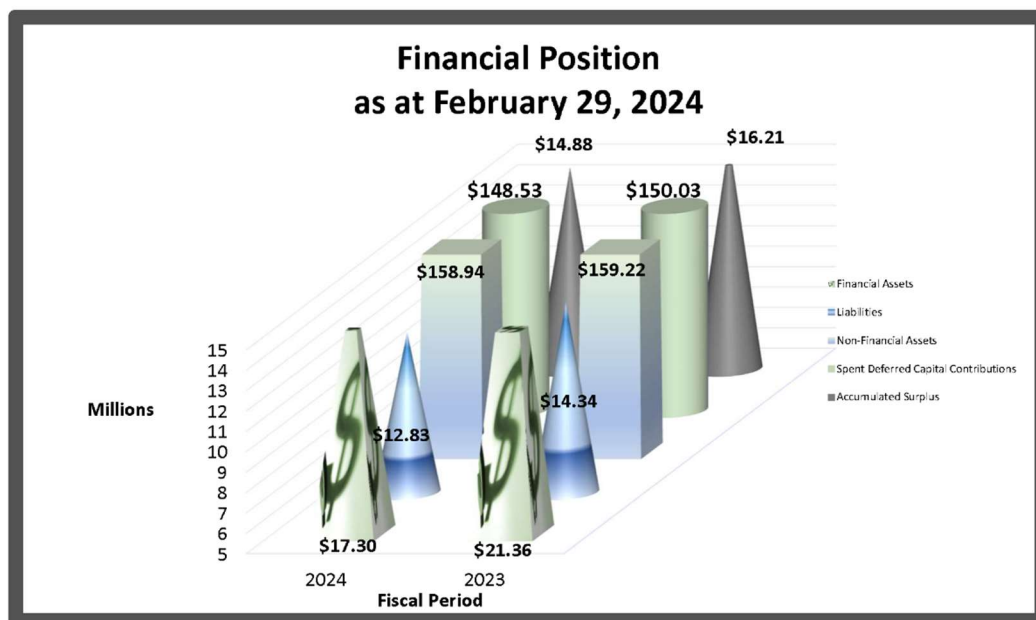
As at February 29, 2024, [Lethbridge School Division](#) has total financial assets of \$17.30 million and liabilities of \$12.83 million for net financial assets of \$4.47 million. A net financial asset position indicates that the Division has sufficient assets to cover its financial obligations.

The Division has net financial assets of \$14.88 million. Of this \$14.88 million, \$5.6 million is in operating reserves which have been restricted for future use with the majority related to instructional programming and school generated activities. Net financial assets also relate to \$471,488 of unrestricted reserves, \$4.8 million of capital reserves, and \$320,000 of endowment funds.

There is \$158.94 million of non-financial assets (tangible capital assets, inventory of supplies, and prepaid expenses) which are represented mostly by supported capital assets of \$148.53 million, the Division's investment in capital assets of \$3.63 million, prepaid expenses, and other non-financial assets.

The Statement of Financial Position has specifically excluded the deferred contributions related to the unamortized portion of supported capital assets (referred to as Spent Deferred Capital Contributions), which will be amortized into revenues in subsequent years to offset the amortization cost of supported capital assets. Supported capital assets are those assets that have been funded by the Province of Alberta and other external sources.

Together the Net Financial Assets, Non-Financial Assets, and Spent Deferred Capital Contributions (SDCC) equal the total Accumulated Surplus of \$14.88 million. The chart below compares the financial position of February 28th with the prior year.



Lethbridge School Division
STATEMENT OF FINANCIAL POSITION
As at February 29, 2024

	February 29, 2024	February 28, 2023 restated
FINANCIAL ASSETS		
Cash and cash equivalents	\$7,591,236	\$10,302,172
Accounts receivable (net after allowances)	\$3,056,882	\$709,538
Portfolio investments	\$6,647,889	\$10,343,731
Other financial assets	\$0	\$0
Total financial assets	\$17,296,007	\$21,355,441
LIABILITIES		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$3,980,375	\$6,716,457
Deferred contributions	\$2,469,536	\$1,477,119
Employee future benefit liabilities	\$246,196	\$234,014
Asset retirement obligations	\$6,134,165	\$5,909,600
Long term debt		
Supported: Debentures and other supported debt	\$0	\$0
Unsupported: Debentures and capital loans	\$0	\$0
Capital leases	\$0	\$0
Mortgages	\$0	\$0
Total liabilities	\$12,830,272	\$14,337,190
Net Financial Assets (Net Debt)	\$4,465,735	\$7,018,251
NON-FINANCIAL ASSETS		
Tangible capital assets	\$158,575,415	\$158,512,275
Inventory of supplies	\$290,758	\$399,397
Prepaid expenses	\$70,872	\$305,819
Total non-financial assets	\$158,937,045	\$159,217,491
Net assets before spent deferred contributions	\$163,402,780	\$166,235,742
Spent deferred capital contribution (SDCC)	\$148,526,646	\$150,031,051
Net assets	\$14,876,134	\$16,204,691
NET ASSETS (ACCUMULATED SURPLUS)		
Unrestricted surplus	\$471,488	\$471,488
Operating reserves	\$5,617,884	\$6,817,025
Accumulated Surplus from Operations	\$6,089,372	\$7,288,513
Investment in capital assets	\$3,634,263	\$2,571,624
Capital reserves	\$4,832,625	\$6,024,680
Endowments	\$319,874	\$319,874
Total Accumulated Surplus (Deficit)	\$14,876,134	\$16,204,691

The statement above compares the financial position of the 2nd quarter of 2023/2024 to the 2nd quarter of the prior year for comparative purposes.

The restated on the prior year is due to the adoption of the new accounting standard PS 3280 asset retirement obligations in the 2022/2023 year for presentation purposes.

Lethbridge School Division
Notes to the Statement of Financial Position
As at February 29th, 2024

FINANCIAL ASSETS:

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

Cash and Cash Equivalents

Cash at February 29th, 2024 includes deferred contributions, endowment funds, and accumulated surplus from operations.

Accounts Receivable

Accounts receivable at February 29th, 2024 includes GST rebates receivable, capital contributions from the Province, and other miscellaneous funds owing to the Division. In quarter 2, there are 3 large receivables that were recorded, one for \$548,048 from a technology Microsoft agreement and \$917,118 from Jordan's Principle (Indigenous Services Canada) for educational assistants, transportation and other contracted services assistance. A portion of this funding (\$456,452) has been deferred at the end of quarter 2 to align with the timing of the expenses and lastly \$232,129 from Alberta Education for the September 2023 to February 2024 portion of the increase to the transportation grant.

Portfolio Investments

Portfolio investments represent GIC's and term deposits that have a maturity of greater than three-months. To maximize the Division's investment income, the Division moved funds from cash into term deposit accounts that provide a higher rate of return.

Total Financial Assets as of February 29, 2024 are \$17.30 million.



Immanuel Christian Elementary School Christmas Chapel

FINANCIAL LIABILITIES:

Accounts Payable

Accounts payable at February 29, 2024 includes payments for construction invoices/holdbacks, and employee benefits such as remittances to the Canada Revenue Agency, Local Authorities Pension Plan, and to the Alberta School Employee Benefit Plan.

Accounts Payable also includes unearned revenues, including prepaid international fees for the following schools year and externally restricted School Generated Funds, such as specific school activity fees. These unearned revenues are classified within accounts payable as these types of transactions require that goods and/or services are to be provided in the future by the Division to the groups/individuals that directly paid these fees.

Deferred Contributions

Included the Deferred Operating Contributions and the Unspent Deferred Capital Contributions (UDCC).

Deferred Operating Contributions is mainly unspent Infrastructure, Maintenance and Renewal (IMR) grant funding and other grant funding requiring eligible expenditures. Contributions are allocated to revenue as funds are expended.

Unspent Deferred Capital Contributions (UDCC) relates to capital grant contributions received that have not been expended on the related capital projects. This typically occurs with modular and capital planning grants that a large portion is received at the beginning of the project. Large capital construction projects typically receive progress-based grant contributions based on costs already expended on the capital project.

Employee Future Benefits

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

Asset Retirement Obligations – New for 2022-2023

A new accounting standard is now applicable to public sector entities (including school divisions) who follow Public Sector Accounting Standards (PSAS). Asset retirement obligations (ARO) are legal obligations associated with the retirement of tangible capital assets. An estimate for the obligation has been completed for both the August 31, 2022 (through a restatement for comparative purposes) and for the August 31, 2023 year-end. The obligation at February 29, 2024 is \$6.1 million (2022 was \$5.9 million).

Total Financial Liabilities as of February 29, 2024 are \$12.83 million.

NET FINANCIAL ASSETS (DEBT):

Net financial assets, which are the funds available (owing) after discharging the Division's financial obligations, is a **net asset position of \$4.47 million.**

The Statement of Financial Position has specifically excluded the deferred contributions related to the unamortized portion of supported capital assets (referred to as Spent Deferred Capital Contributions).

Total Net Assets as of February 29, 2024 are \$4.47 million.

NON-FINANCIAL ASSETS:

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

Tangible Capital Assets

Tangible capital assets include land, buildings, equipment, and vehicles used in the operations of the Division. These assets are amortized over their estimated useful lives to arrive at a net value of \$158.58 million as of February 29, 2024.

Supported capital activity during the year thus far includes capital modernization at Victoria Park High School through Capital Maintenance and Renewal (CMR) grant funding, Alberta Infrastructure costs associated with the new elementary school being built in Garry Station in west Lethbridge as well as the final costs associated with the Coalbanks elementary school modulars.



Site ceremony celebrates beginning of construction for Garry Station area K-5 school

Inventory of Supplies

Inventory of supplies represent the warehouse and caretaking supplies and materials on hand to be used in a subsequent fiscal period.

Prepaid Expenses

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

Total Non-Financial Assets as of February 29, 2024 are \$158.94 million.

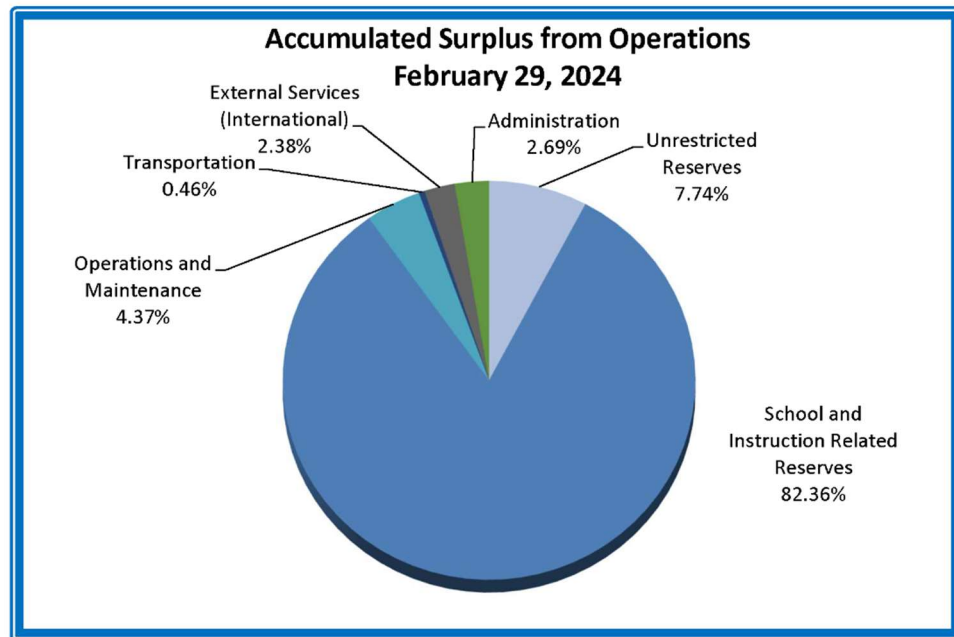
SPENT DEFERRED CAPITAL CONTRIBUTIONS (UDCC)

Spent Deferred Capital Contributions (SDCC) relates to deferred contributions related to the unamortized portion of supported capital assets (referred to as SDCC), which will be amortized into revenues in subsequent years to offset the amortization cost of supported capital assets. Supported capital assets are those assets that have been funded by the Province of Alberta and other external sources.

Total SDCC as of February 29, 2024 are \$148.53 million.

ACCUMULATED SURPLUS:

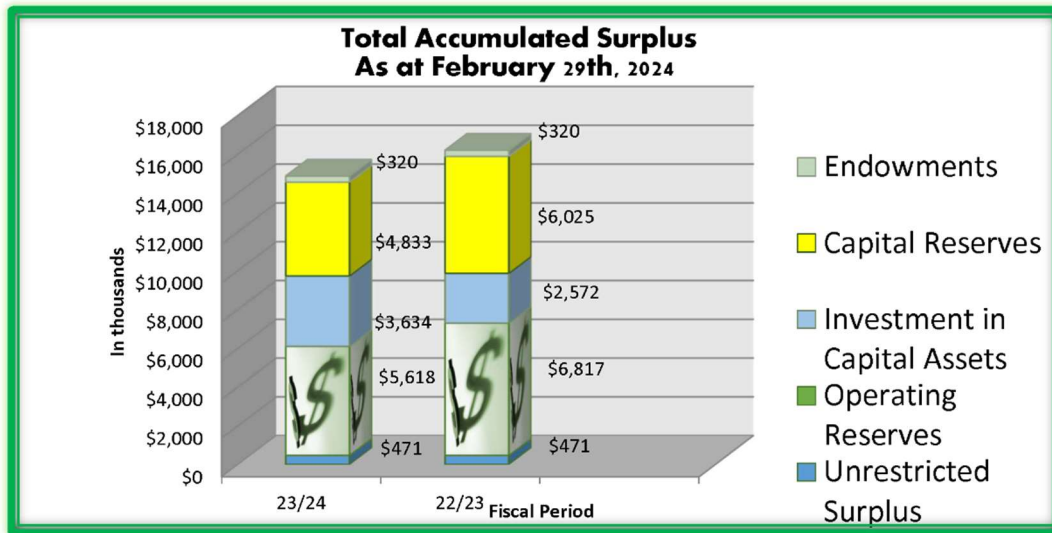
Accumulated surplus is represented by accumulated surplus from operations which is made up of unrestricted reserves and operating reserves. Also included in accumulated surplus are capital funds which include investment in capital assets and capital reserves. Funds held by the Division, where the principal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



The restricted operating reserves consist of 82.36% related to school and instruction reserves which includes reserves held at school sites for future operating expenditures, reserves to be spent for curriculum and system improvement, funds to support inclusive learning, funds to provide for the planning, programming and resources required for new school facilities, and unspent funds related to school generated activities.

At the end of the 2021-2022 school year, Lethbridge School Division had an adjusted accumulated surplus from operations (less school generated funds) of 5.29%. Alberta Education had introduced a reserve cap to be implemented by August 31, 2023 that required the Lethbridge School Division reserves to be at 3.20%. Planning occurred throughout the 2022-2023 school year and the Division met this target with adjusted accumulated surplus from operations (less school generated funds) at 2.70% at the end of August 31, 2023.

As part of the Alberta Government's budget 2024, an announcement was made that the reserve cap would be raised to 6% for the August 31, 2024 year-end.



In addition to the operating reserves, there are other areas that make up the Division's accumulated surplus. Unrestricted surplus are funds that are not designated for a specific purpose and operating reserves are funds that have been designated for a specific program of the Division.

Investment in capital assets represents the net book value of capital assets that have been paid from Division revenues (board funded capital) and are not supported by the Province or external contribution as well as the net book value of the new asset retirement obligation.

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

The total accumulated surplus for the Division which consists of both operating and capital funds is \$14.88 million. The total of net financial assets, non-financial assets, and the spent deferred capital contributions (SDCC) equal the total accumulated surplus at February 29, 2024.

Operations

Budget Update as of September 30th

The revised budget for the 2023-2024 school year reflects changes to the Division budget as of September 30th, 2023, based on the additional information received since the preliminary budget (completed and approved in May 2023).

The Division originally planned on a projected student enrolment of 12,006 students in the preliminary budget. However, the operating budget was updated for the actual enrolment of 12,229 students. This increase in students made the Division eligible for an enrolment growth grant from Alberta Education. At the end of February, the Division had received \$379,000 from this enrolment growth funding (the total amount the Division will receive by August 31, 2024 is \$758,000). Other increases in Alberta Education funding include a \$77,850 increase in the school nutrition grant funding (announced in February 2024, total to be received is now \$377,350), \$29,510 received as of February 29, 2024 for the fuel contingency grant (which offsets costs within transportation) and \$464,258 from increases in the transportation grant (\$232,129 has been recorded at the end of February to account for the September to February receivable).



At the end of February, the Division has signed a funding agreement with Jordan's Principle (part of Indigenous Services Canada) for \$917,118 (currently set up in accounts receivable). This funding will be used over both the 2023/2024 and 2024/2025 school year (depending on the timing of expenses) and educational assistants, transportation costs and other contractual services are included within this grant agreement. Lastly, the Division is to receive \$548,048 from a Canadian Microsoft settlement which will be used to offset prior and current year technology costs (currently included in accounts receivable).

In budget 2023-2024, \$1.99 million of one-time reserves will be utilized for Division and school-based priorities. The use of reserves was increased from the preliminary budget with additional reserves being utilized as the 2022-2023 year-end was completed and reserve balances were known.



WCHS Math Club hosts northside elementary math night

Lethbridge School Division
STATEMENT OF OPERATIONS
For the period ended February 28, 2024

	Budget Information		Forecast	Actual Results	Variances		Projection	
	Preliminary Budget 2023-2024 (May 2023)	"September 30th" Operating Budget 2023-2024 (Sept 30th 2023)			% Expended Revised Budget	% Expended Forecast to August 31, 2024	August 31st Projection	Change from Updated Budget
REVENUES								
Government of Alberta	\$131,817,476	\$132,588,568	\$66,734,126	\$68,165,976	51.41%	102.15%	\$133,918,186	\$1,329,618
Federal and Other Government	\$388,944	\$388,944	\$460,666	\$460,666	118.44%	100.00%	\$849,610	\$460,666
Fees	\$5,004,121	\$5,004,121	\$2,649,131	\$1,258,668	25.15%	47.51%	\$5,004,121	\$0
Sales and services	\$694,000	\$694,000	\$521,824	\$630,244	90.81%	120.78%	\$694,000	\$0
Investment income	\$587,059	\$590,031	\$295,016	\$494,223	83.76%	167.52%	\$590,031	\$0
Donations and Other Contributions	\$2,520,000	\$2,520,000	\$1,264,000	\$1,147,944	45.55%	90.82%	\$2,520,000	\$0
Other Revenues	\$20,304	\$20,304	\$10,152	\$12,833	63.20%	126.41%	\$20,304	\$0
Total Revenues	\$141,031,904	\$141,805,968	\$71,934,915	\$72,170,554	50.89%	100.33%	\$143,596,252	\$1,790,284
EXPENSES								
Instruction - Pre-K	\$4,567,627	\$4,612,081	\$2,441,033	\$2,323,881	50.39%	95.20%	\$4,612,081	\$0
Instruction - K to Grade 12	\$111,158,136	\$113,435,603	\$57,617,890	\$56,786,949	50.06%	98.56%	\$114,732,119	\$1,296,516
Operations and Maintenance	\$17,459,256	\$17,459,256	\$10,091,969	\$9,723,264	55.69%	96.35%	\$17,459,256	\$0
Transportation	\$3,332,560	\$3,332,560	\$1,973,581	\$2,028,393	60.87%	102.78%	\$3,826,328	\$493,768
Administration	\$4,298,885	\$4,298,885	\$2,490,233	\$2,266,199	52.72%	91.00%	\$4,298,885	\$0
External services <i>[International Services]</i>	\$500,000	\$500,000	\$250,000	\$293,107	58.62%	117.24%	\$500,000	\$0
Total Expenses	\$141,316,464	\$143,638,385	\$74,864,706	\$73,421,793	51.12%	98.07%	\$145,428,669	\$1,790,284
Operating surplus (deficit)	(\$284,560)	(\$1,832,417)	(\$2,929,791)	(\$1,251,239)			(\$1,832,417)	\$0
Accumulated Surplus from Operations beginning of Year	\$6,609,760	\$6,609,760	\$6,609,760	\$6,609,760			\$6,609,760	
Transfers to/from capital reserves, endowments, & capital	\$700,000	\$700,000	\$700,000	\$700,000			\$700,000	
Accumulated Operating Surplus (ASO) at end of period	\$7,025,200	\$5,477,343	\$4,379,969	\$6,058,521			\$5,477,343	
School Generated Funds included in Accumulated Operating Surplus	(\$2,916,960)	(\$2,916,960)	(\$3,280,372)	(\$3,280,372)			(\$3,280,372)	
Adjusted Accumulated Operating Surplus (Adjusted ASO) at end of period	\$4,108,240	\$2,560,383	\$1,099,597	\$2,778,149			\$2,196,971	
Adjusted ASO as a % of budgeted expenditures (excluding SGF accounts)	2.51%	1.78%	1.47%	3.78%			1.51%	

About The Statement

The above statement includes four main areas:

- The first area highlighted in **GREEN** is budget Information. The first budget information is the preliminary budget that was approved by the Board of Trustees in May 2023. The second column of budget information is the budget that has been revised after September 30th enrolment counts and is used as the new operating budget for the fiscal year.
- The second area highlighted in **LIGHT GREEN** is the forecast. The majority of the revenues and expenditures are expected to be consistent throughout the year; therefore, 25% of the budget is forecasted for each quarter. There are some specific transactions that are done at specific times during the year. The following are some of the significant transactions that impact the forecast:
 - Contributions to the ATA professional development fund and to the Christian Societies (for maintenance costs). These are paid in the 1st quarter.
 - Insurance premiums, leases and international program revenues/expenses are typically paid/received in the 1st quarter.
 - Educational Assistants and other 10-month support staff are forecasted based on the number of hours in each period.
 - Transportation is based on a 10-month payment period versus a 12-month payment period.
- The third area highlighted in **BLUE** is the actual results for the period.
- The fourth area highlighted in **TAN** is the variance area. This area provides information on the percent received/expended as compared to the September 30th operating budget and the percent received/ expended as compared to the updated forecast information.
- The fifth area highlighted in **PURPLE** is the projection. This information is the projected revenues and expenditures to August 31st, 2024. The projection will be the expected year-end results based on the current financial information and will likely change each quarter on best estimates. Rationale will be provided when the August 31st projection has changed from the updated budget (if required).

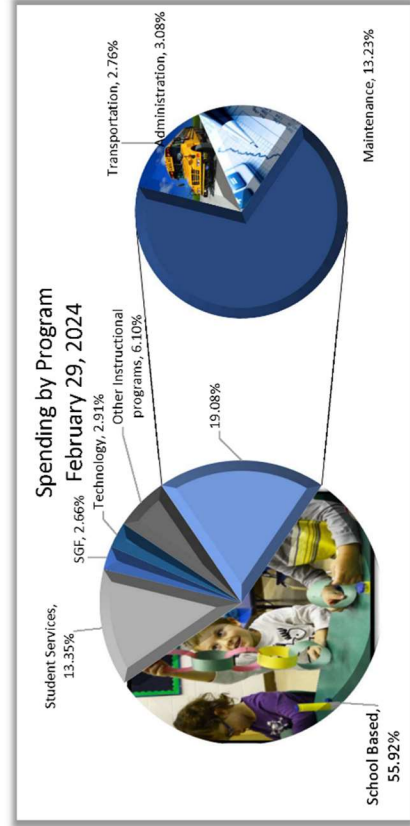
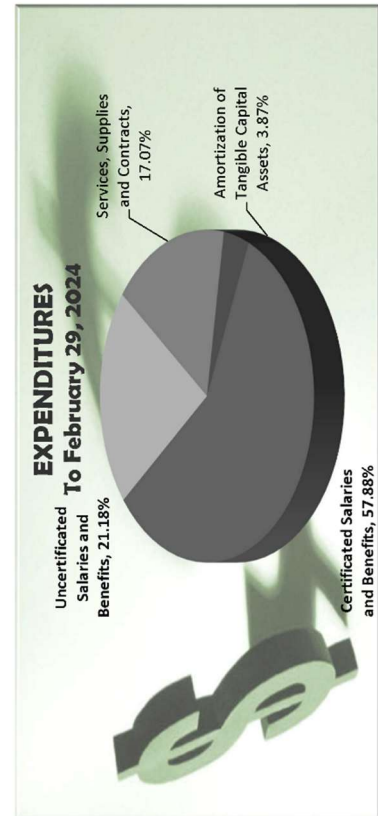
OPERATION RESULTS:

For the six (6) months ended February 29, 2024, \$72.17 million of revenues have been recorded which is 50.89% of budget. Based on the forecasted timing of revenues received/recognized, it was forecasted that a total of \$71.93 million would have been received in the reporting period. The actuals are over the forecasted costs at the end of quarter 2. This is due to additional Alberta Education grant funds being received (\$379,000 for enrolment growth funding and \$77,850 for school nutrition), some of the Division's GICs maturing in February 2024 (interest was paid) and the signing of an agreement with Jordan's Principle.

Expenditures are \$73.42 million as of February 29, 2024, which is 51.12% of the budget. Based on the forecasted timing of expenditures being paid/recognized, it was forecasted that a total of \$74.86 million would have been incurred in the reporting period. The actuals were less than forecasted. Overall, the expenditures recorded are consistent with the forecasted budget as it accounts for 98.07% of the forecast. This is also an indicator that the budgets are being carefully monitored throughout the Division.

Lethbridge School Division
Schedule of Program Operations
For the period ended February 29, 2024

	Instruction (Pre-K)	Instruction (K to Grade 12)	Operations & Maintenance	Transportation	System Administration	External Services	TOTAL	TOTAL Budget	% Expended of Budget
UPDATED BUDGET 2023-2024 (September 30th)	\$4,612,081	\$113,435,603	\$17,459,256	\$3,332,560	\$4,298,895	\$500,000	\$143,638,386		
FORECAST - November 30th	\$2,441,033	\$57,617,890	\$10,091,969	\$1,973,581	\$2,490,233	\$250,000	\$74,864,706		
EXPENSES									
Certificated salaries and benefits	\$1,076,372	\$40,374,737			\$415,212	\$49,412	\$41,915,733	\$81,779,918	51.26%
Non-Certificated salaries and benefits	\$1,217,205	\$10,339,931	\$2,560,899	\$64,700	\$1,128,452	\$30,322	\$15,341,309	\$28,475,225	53.88%
SUB - TOTAL	\$2,293,577	\$50,714,668	\$2,560,899	\$64,700	\$1,543,664	\$79,734	\$57,257,042	\$110,255,143	51.93%
Services, contracts and supplies	\$30,304	\$5,589,262	\$4,916,868	\$1,961,016	\$657,871	\$213,373	\$13,348,694	\$28,118,379	47.47%
Amortization of capital assets	\$0	\$490,747	\$2,245,897	\$2,877	\$64,664	\$0	\$2,803,785	\$5,229,863	53.61%
Interest and other finance charges	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$35,000	28.13%
Losses on disposal of capital assets	\$0	\$3,125	\$0	\$0	\$0	\$0	\$3,125	\$0	100.00%
TOTAL EXPENSES	\$2,323,881	\$56,786,949	\$9,723,264	\$2,028,393	\$2,266,199	\$293,107	\$73,421,793	\$143,638,386	51.12%
Total unexpended funds period to date	\$2,288,200	\$56,648,654	\$7,735,992	\$1,304,167	\$2,032,686	\$206,893	\$70,216,592	\$143,638,386	48.88%
% Expended of Budget	50.39%	50.06%	55.69%	60.87%	52.72%	58.62%	51.12%		
% Expended of Forecast	95.20%	98.56%	96.35%	102.78%	91.00%	117.24%	98.07%		



Lethbridge School Division
Notes to the Statement of Operations
For the six (6) months ended February 29th, 2024

REVENUES:

Revenues are reported by type for the Division. For further information on types of revenues please see the Appendices for charts on these functional areas.

Government of Alberta

Government of Alberta (Alberta Education) funding represents over 94% of the Division's total operating funding. Student enrolment is one of the largest factors in determining the funding. Based on the forecasts for the 2nd quarter, the Division has received 51.4% of the total budget. The Division has received \$379,000 over its initial operating budget due to the supplemental enrolment grant (was not included in the operating budget as was not known at the time). This funding has been used for staffing.

Federal and Other Government

Represents amounts billed for tuition for students living on the Kainai reserve and funding from providing transportation services to another school division. The First Nations tuition funding is anticipated at the third quarter based on the time of billing.

New funding recorded in this area at the end of quarter 2 is from the Division signing a funding agreement with Jordan's Principle (Indigenous Services Canada). This funding will be used over the next two school years to assist with Educational Assistant costs, transportation and other contract services. The funding is tied to individual students and reporting is required at the end of the funding agreement.

Fees

Reflects fees that are collected for optional programming fees, school generated activity fees, and preschool fees. Based on the forecasts of the second quarter, the Division has received 23.8% of the total budget.

Sales and Services

Sales and services include international students, University of Lethbridge secondment payments and other school generated funds. Based on the forecasts for the second quarter, the Division has received 63.7% of the total budget. The timing of these revenues largely depend on when the international students pay their fees, therefore it is expected that they could be higher than forecasted.

Investment Income

Investment income includes interest earned on the Division's portfolio investments, which has traditionally been budgeted conservatively. Based on the forecasts of the second quarter, the Division has received 83.8% of the total budget. The Division's GICs either matured or renewed in February 2024 therefore a large portion of interest was recorded in this quarter.

Donations and Other Contributions

Donations and other contributions are revenues that have been received for school generated activities fundraising/donations and donations for other Division programs (such as Poverty Intervention or Ready Set Go). The Division has received 45.55% of the total budget.

Other Revenues

Other revenues include rentals, gains on disposal of tangible capital assets, and other revenues. There are rental of facility space for external programs and operations such as the Southern Alberta Professional Development Consortia and the Boys and Girls Club of Lethbridge. There were no disposals of tangible capital assets in the second quarter of 2024.

Overall, revenues are comparable to the operating budget as at February 29, 2024 as 51.24% of revenues have been received.

EXPENDITURES:

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

Instruction – Pre-Kindergarten

Instruction – Pre K, represents expenditures from early education, which includes the early education program (pre-school) and the program unit funding (PUF) for early learners requiring specialized supports. Pre K expenditures are at 50.39% of the total budget which are slightly less than forecasted costs.

Instruction- Kindergarten to Grade 12

Instruction K to Grade 12, represent expenditures from kindergarten to grade twelve, school generated activities and supporting programs such as inclusive education, technology, instructional support, counselling, Indigenous programming, and institutional programs. Instructional expenditures are at 50.06% of the total budget. See the *Statement of Instructional (Kindergarten to Grade 12) Program Expenditures* for details of the major programs within this functional area.



Carnaval Week at Ecole Agnes Davidson

Operations and Maintenance

Operations and maintenance expenditures represent spending on operating and maintaining the Division's schools and facilities. These expenditures include maintenance and caretaking personnel, utilities, contracted maintenance, and Infrastructure Maintenance and Renewal (IMR) projects. Maintenance expenditures are at 55.69% of the total budget. Actual costs are slightly under forecasted costs due to the timing of the projects which can fluctuate during the year depending on scheduling and availability of products.

Transportation

Transportation expenditures represent mainly the cost of contracted bussing to bus students who reside more than 2.4 km away from their resident school. These costs include the operation of buses provided by Southland Transportation Ltd. Costs include the provision of specialized bussing needs for students with disabilities. Transportation expenditures are at 60.87% of the total budget. The year-to-date costs are slightly more than forecasted (by approximately \$54,000), which a portion of this is offset by the Alberta Education fuel contingency grant (the Division has received \$29,510 for this grant as at February 29th, 2024). The remainder will be offset by the increase to the transportation grant that was approved in February 2024 (\$232,129 has been recorded in accounts receivable as at February 29, 2024).

System Administration

System administration expenditures represent the cost of the Board of Trustees, Finance, Human Resources, System Instructional Support, and the Office of the Superintendent. Administration expenditures are at 52.7% of the total budget. Actual costs are under forecasted costs.

External Services

An external service represents costs that are outside regular provincially mandated instruction and operations. The International Services program provides programming to students who attend the Division schools from other countries and pay a tuition fee to attend our schools. Costs include costs of homestay providers, student insurance, student recruitment and administration of the program. External (international) expenditures are at 58.6% of the total budget. This is slightly higher than forecasted costs (50%) due to the timing of the students arriving to attend the Division. The program is a self-sustaining program (revenue brought in covers all the expenses), there is no concerned of any potential overages within the budget area.

Overall, expenditures are comparable to the operating budget as at February 29, 2024 at 51.12% of the operating budget.

Lethbridge School Division
Schedule of Instructional (K to Grade 12) Program Expenditures

For the period ended February 29, 2024

PROGRAM	Budget Updated Budget 2023-2024 (Sept 30th 2023)	Forecast Forecasted To February 29th, 2024	Actual Results Actual Year Ended February 29th, 2024	Variances % Expended Updated Budget	Projection August 31st Projection	Change from Updated Budget
School Based Instruction (K-12)	\$74,303,311	\$37,240,699	\$36,787,739	49.51%	\$75,139,161	\$835,850
Inclusive Learning Supports	\$10,938,088	\$6,152,551	\$6,164,593	56.36%	\$11,398,754	\$460,666
Shared Instructional Services	\$10,563,077	\$5,701,017	\$6,105,194	57.80%	\$10,563,077	\$0
School Generated Funds Activities	\$7,657,971	\$3,395,328	\$1,897,481	24.78%	\$7,657,971	\$0
Technology	\$2,704,280	\$1,493,855	\$2,077,585	76.83%	\$2,704,280	\$0
Institutional Programs	\$1,047,458	\$523,730	\$521,968	49.83%	\$1,047,458	\$0
Division of Instructional Services	\$824,500	\$412,250	\$392,679	47.63%	\$824,500	\$0
Indigenous Programming	\$643,865	\$321,933	\$322,157	50.03%	\$643,865	\$0
Counselling Program	\$3,351,480	\$1,675,740	\$1,663,763	49.64%	\$3,351,480	\$0
Other Instructional Programs	\$1,401,573	\$700,787	\$853,790	60.92%	\$1,401,573	\$0
Total Instructional (K to Grade 12) Program Expenditures	\$113,435,603	\$57,617,890	\$56,786,949	50.06%	\$114,732,119	\$1,296,516

Other Instructional Programs:

Community Outreach School
Downtown LA
High School Off Campus
Distance Learning Program
Poverty Committee
Making Connections
BOOST Program
Ready Set Go Program
Digital Wellness

Institutional Programs:

Harbor House School
CAMP (Lethbridge Regional Hospital School)
Pitawani School
Stafford Ridge School (AADAC)

Inclusive Learning Supports:
Inclusive Education
English as an Additional Language

Lethbridge School Division
Notes to the Schedule of Instructional (Kindergarten to Grade 12)
Program Expenditures
For the six (6) months ended February 29th, 2024

This section provides further information about expenditures in programs that are within the Instruction (Kindergarten to Grades 12) functional area that is shown on the *Statement of Operations* and the *Schedule of Program Operations*.

School Based Instruction

These expenditures represent expenditures at school sites. School Based Instruction expenditures are at 49.51% of the total budget. See the *Statement School Based Instruction Expenditures* for details of the each of the schools.

The increase in projections has to do with the increase in funding from Alberta Education for the supplemental enrolment growth funding and the increase to the nutritional grant.

Inclusive Learning Supports

Inclusive Learning Supports includes expenditures for Inclusive Education and English as an Additional Language. Inclusive Education provides all students with the most appropriate learning environment and opportunities for them to achieve their potential. Inclusion is about ensuring each student receives a quality education no matter their ability, disability, language, cultural background, gender or age. The forecasted budget is increased from the standard 25% as the educational assistants and paid over 10 months. Therefore, a high portion is forecasted over the period based on scheduled hours worked. Inclusive Learning Supports expenditures are at 56.36% spent of their total budget.

The increase in projections has to do with the new funding the Division will be receiving from Jordan's Principle (for Educational Assistants and other contracted services).

Shared Instructional Services

Shared Instructional Services includes programs and expenditures that provide support to schools within the Division. Expenditures include administrative allowances, the provision for sick leave, staff professional development and the employer share of teacher retirement fund costs that are supported by the Province. The forecasted budget is increased from the standard 25.0% as the ATA Professional Development fund is contributed in the 2nd quarter. Shared Instructional Services expenditures are at 57.80% spent of the total budget.

School Generated Funds Activities

School Generated Funds (SGF) activities includes activities at the school level for students that are not of a curricular nature, such as clubs, international travel, groups, athletics, and the arts. These activities are normally funded through user fees, fundraising, and donations. SGF activity expenditures are at 24.78% of the total budget. This is lower than anticipated because all fees are budgeted for, regardless if they end up actually being charged.

Technology

The Technology program is based on a standards-driven plan to provide the infrastructure to support current and future needs, trends, and applications in the School Division for the implementation of information and communication technology. Technology expenditures are at 76.83% spent of the total budget. Some expenses will be offset by a Microsoft settlement that the Division will be receiving in the 3rd quarter (the amount of \$548,048 has been set up as accounts receivable as at February 29th, 2024).

Institutional Programs

Institutional Programs include Harbor House School, CAMP (Lethbridge Regional Hospital School), Pitawani School, and Stafford Ridge School (AADAC). Institutional Programs expenditures are at 49.83% spent of the total budget.

Division of Instructional Services

The Division of Instructional Services (DIS) which provides curriculum and instructional support to schools and instructional programs. DIS expenditures are at 47.63% spent of the total budget.

Indigenous Education Program

The Indigenous education program provides ongoing support for First Nations, Metis, and Inuit students in their efforts to obtain an education and provides opportunities for Indigenous students to study and experience their own and other cultures and lifestyles. Indigenous education expenditures are at 50.03% spent of the total budget.



Division's Pathways to Reconciliation Project

Counselling Program

A comprehensive guidance and counselling program promotes the holistic development of students. The three-fold focus of counselling includes educational planning, personal and social development, and career preparation. Counsellors work with parents, teachers and community agencies to help students acquire the knowledge, skills, attitudes, and habits that enable students to reach their potential. Counselling program expenditures are at 49.64% spent of the total budget.

Other Instructional Program

These are the other instructional programs and initiatives that support early learning to grade 12 instruction other than those programs specifically listed above. These include Community Outreach School, Downtown LA, High School Off campus, Distant Learning Program, Poverty Committee, Making Connections, Digital Wellness, New Curriculum Funding and the BOOST program. Other Instructional Program expenditures are at 60.92% spent of the total budget. The reason for this amount being higher than the other areas is due to the timing and complexities of each program.

Overall, instructional (Kindergarten to Grade 12) program expenditures are at 50.06% of their annual budget.



Galbraith hosts Putt-Putt Palooza

Lethbridge School Division
Schedule of School Based Instruction Expenditures

For the period ended February 29, 2024

SCHOOL	Budget Updated Budget 2023-2024 (Sept 30th 2023)	Forecast Forecasted To February 29th, 2024	Actual Results Actual Year Ended February 29th, 2024	Variances	
				% Expended Updated Budget	% Expended Forecast to August 31, 2023
High Schools:					
Lethbridge Collegiate Institute	\$7,344,111	\$3,676,605	\$3,791,645	51.63%	103.13%
Winston Churchill High School	\$5,707,447	\$2,860,548	\$2,861,890	50.14%	100.05%
Chinook High School	\$7,116,324	\$3,564,987	\$3,285,543	46.17%	92.16%
Victoria Park High School	\$2,028,834	\$1,017,602	\$1,023,759	50.46%	100.61%
Immanuel Christian Secondary School	\$1,956,222	\$980,431	\$1,007,639	51.51%	102.78%
Middle Schools:					
GS Lakie Middle School	\$3,076,947	\$1,543,248	\$1,531,689	49.78%	99.25%
Wilson Middle School	\$3,946,427	\$1,974,806	\$1,976,818	50.09%	100.10%
Gilbert Paterson	\$4,692,643	\$2,352,009	\$2,374,684	50.60%	100.96%
Senator Joyce Fairbairn Middle School	\$3,713,218	\$1,866,159	\$1,743,072	46.94%	93.40%
Elementary Schools:					
Senator Buchanan	\$2,118,872	\$1,061,939	\$1,063,494	50.19%	100.15%
Immanuel Christian Elementary School	\$1,687,176	\$844,933	\$825,924	48.95%	97.75%
Ecole Agnes Davidson	\$3,290,702	\$1,649,901	\$1,595,117	48.47%	96.68%
Fleetwood-Bawden	\$2,114,700	\$1,060,815	\$1,050,028	49.65%	98.98%
Galbraith	\$2,206,204	\$1,108,102	\$1,088,602	49.34%	98.24%
Lakeview	\$2,354,300	\$1,180,585	\$1,178,883	50.07%	99.86%
General Stewart	\$902,798	\$453,404	\$441,938	48.95%	97.47%
Westminster	\$1,420,649	\$711,917	\$698,983	49.20%	98.18%
Lethbridge Christian School	\$1,564,266	\$783,725	\$778,933	49.80%	99.39%
Coalbanks Elementary School	\$3,644,695	\$1,825,327	\$1,819,703	49.93%	99.69%
Nicholas Sheran	\$2,574,602	\$1,291,301	\$1,288,474	50.05%	99.78%
Park Meadows	\$2,219,540	\$1,111,921	\$1,118,427	50.39%	100.59%
Dr. Robert Plaxton	\$2,298,155	\$1,151,351	\$1,144,011	49.78%	99.36%
Mike Mountain Horse	\$3,460,999	\$1,733,308	\$1,675,223	48.40%	96.65%
Dr. Probe Elementary School	\$2,863,480	\$1,435,755	\$1,423,260	49.70%	99.13%
Total School Based Instruction Expenditures	\$74,303,311	\$37,240,699	\$36,787,739	49.51%	98.78%

Lethbridge School Division
Schedule of School Generated Funds (SGF)
For the period ended February 29, 2024

SCHOOL	SGF Balances August 31st 2023	Actual Results		SGF Balances As at February 29, 2024	Change in SGF Increase (Decrease)
		Revenues up to February 29th	Expenses up to February 29th		
UPDATED BUDGET 2023-2024 (September 30th)	N/A	\$7,657,971	(\$7,657,971)	N/A	N/A
High Schools:					
Lethbridge Collegiate Institute	\$170,115	\$409,720	(\$364,860)	\$214,975	\$44,860
Winston Churchill High School	\$285,358	\$205,893	(\$245,274)	\$225,977	(\$39,381)
Chinook High School	\$199,041	\$194,798	(\$196,398)	\$197,441	(\$1,600)
Victoria Park High School	\$483,357	\$46,825	(\$24,054)	\$486,128	\$22,771
Immanuel Christian Secondary School	\$109,870	\$69,864	(\$89,558)	\$90,176	(\$19,694)
Middle Schools:					
GS Lakie Middle School	\$315,552	\$207,239	(\$253,025)	\$269,766	(\$45,786)
Wilson Middle School	\$183,427	\$98,573	(\$49,257)	\$232,743	\$49,316
Gilbert Paterson	\$136,845	\$132,121	(\$67,629)	\$201,337	\$64,492
Senator Joyce Fairbairn Middle School	\$191,272	\$96,595	(\$58,159)	\$229,708	\$38,436
Elementary Schools:					
Senator Buchanan	\$38,075	\$17,404	(\$13,667)	\$41,812	\$3,737
Immanuel Christian Elementary School	\$23,216	\$6,354	(\$7,700)	\$21,870	(\$1,346)
Ecole Agnes Davidson	\$120,561	\$17,041	(\$10,832)	\$126,770	\$6,209
Fleetwood-Bawden	\$69,541	\$25,359	(\$15,309)	\$79,591	\$10,050
Galbraith	\$97,155	\$12,560	(\$5,586)	\$104,129	\$6,974
Lakeview	\$71,514	\$13,159	(\$3,202)	\$81,471	\$9,957
General Stewart	\$4,436	\$291	(\$791)	\$3,936	(\$500)
Westminster	\$66,965	\$36,719	(\$8,729)	\$94,955	\$27,990
Lethbridge Christian School	\$47,353	\$16,106	(\$25,689)	\$37,770	(\$9,583)
Coalbanks Elementary School	\$57,954	\$25,651	(\$7,822)	\$73,783	\$15,829
Nicholas Sheran	\$53,382	\$9,701	(\$19,462)	\$43,621	(\$9,761)
Park Meadows	\$35,576	\$29,431	(\$6,187)	\$58,820	\$23,244
Dr. Robert Plaxton	\$58,557	\$29,178	(\$20,377)	\$34,598	\$8,801
Mike Mountain Horse		\$16,339	(\$1,088)	\$73,808	\$15,251
Dr. Probe Elementary School	\$112,041	\$182,560	(\$39,414)	\$255,187	\$143,146
School Generated Funds	\$2,916,960	\$1,897,481	(\$1,534,069)	\$3,280,372	\$363,412
Total SGF investment accounts (GICs)	\$0	\$0		\$0	\$0
Total School Generated Funds	\$2,916,960	\$1,897,481	(\$1,534,069)	\$3,280,372	\$363,412

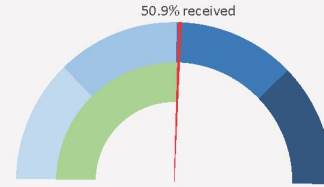


Lethbridge School Division Summary of Revenues Quarterly Reporting - February 29th, 2024

Financial Data as at March 8th

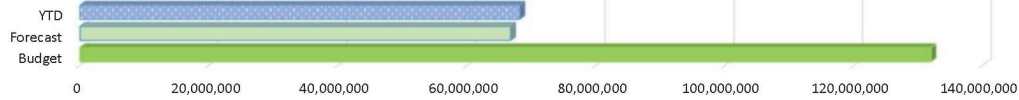
	Budget	Forecast	YTD	Variance	YTD %
Government of Alberta	131,951,274	66,694,127	68,120,976	(1,426,849)	51.6%
Federal & First Nations	388,944	460,666	460,666	0	118.4%
Other School Authorities	40,000	40,000	45,000	(5,000)	112.5%
Fees	5,298,261	2,649,131	1,258,668	1,390,463	23.8%
Other Sales & Services	989,150	521,824	630,244	(108,420)	63.7%
Investment Income	590,031	295,016	494,223	(199,207)	83.8%
Gifts & Donations	368,000	184,000	310,438	(126,438)	84.4%
Rental of Facilities	20,304	10,152	12,833	(2,681)	63.2%
Fundraising	2,160,000	1,080,000	837,506	242,494	38.8%
Gain on Disposal	0	0	0	0	0.0%
	141,805,964	71,934,915	72,170,553	(235,638)	50.9%

Total Revenue Tachometer:

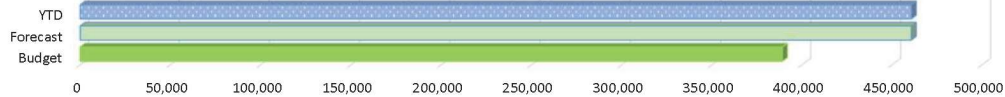


Year-to-date (YTD) compared to budget and forecast, including % of budget indicator

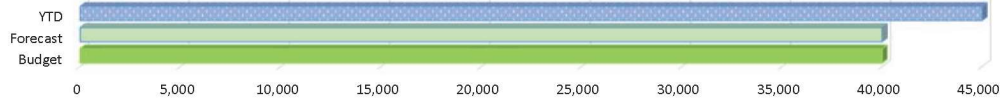
Government of Alberta



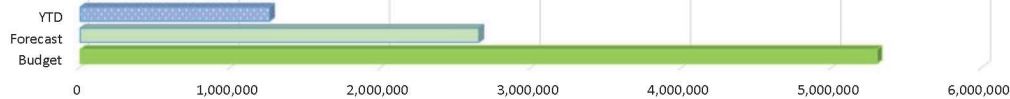
Federal & First Nations



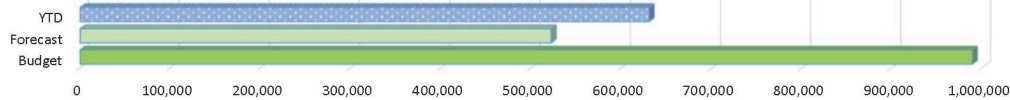
Other School Authorities



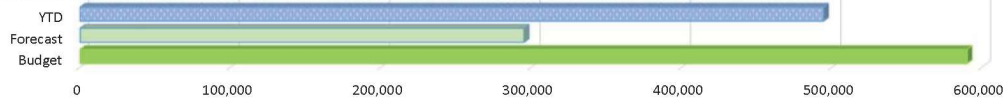
Fees



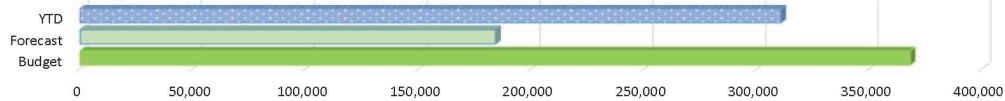
Other Sales & Services



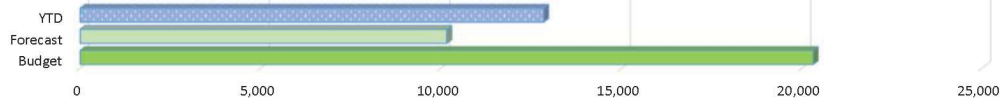
Investment Income



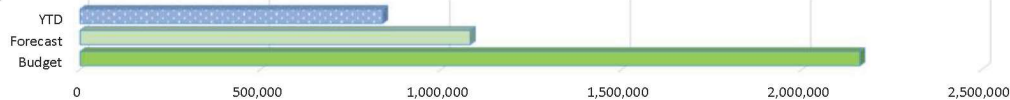
Gifts & Donations



Rental of Facilities



Fundraising

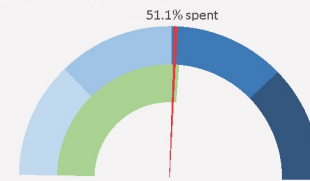


Lethbridge School Division Summary of Expenses Quarterly Reporting - February 29th, 2024

Financial Data as at March 8th

	Budget	Forecast	YTD	Variance	YTD %
Salaries	89,056,427	45,579,421	45,365,637	213,784	50.9%
Benefits	21,651,967	11,251,002	11,319,790	(68,788)	52.3%
Professional Development	1,059,987	397,512	506,169	(108,657)	47.8%
Contracted Services	8,640,319	4,953,119	5,020,578	(67,439)	58.1%
Other Services	2,538,893	2,165,890	2,101,465	64,425	82.8%
Supplies	5,179,010	2,762,046	2,463,527	298,519	47.6%
Other Expenditures	1,011,364	505,507	292,921	212,586	29.0%
Capital, Transfer & Projects	14,500,417	7,250,208	6,351,706	898,503	43.8%
	143,638,384	74,864,706	73,421,792	1,442,914	51.1%

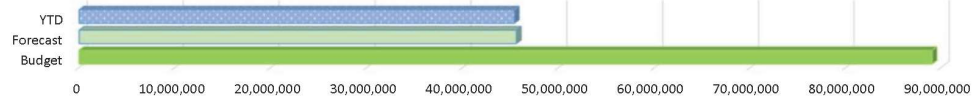
Total Expense Tachometer:



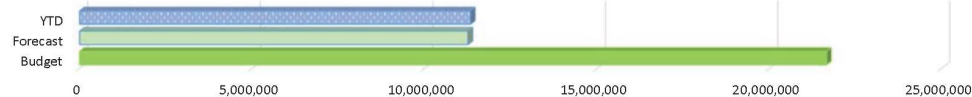
Year-to-date (YTD) compared to budget and forecast, including % of budget indicator

The forecasted figures have been estimated based on the approved "September 30th" budget and the timing of the transactions and journal entries (i.e. regular transactions, such as payroll, are based on 50% of the approved budget).

Salaries



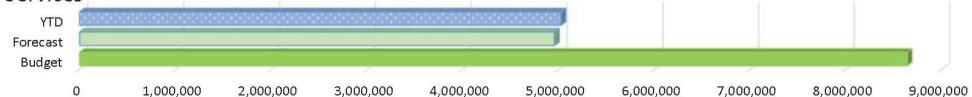
Benefits



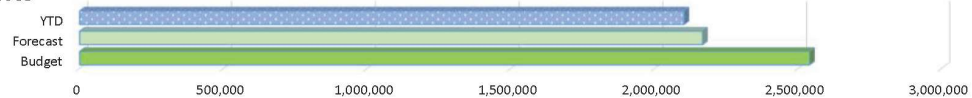
Professional Development



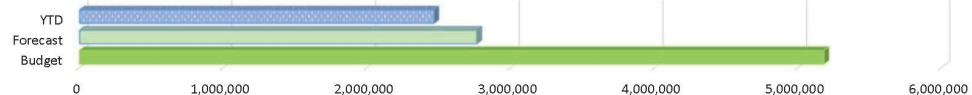
Contracted Services



Other Services



Supplies



Other Expenditures

