

Lethbridge School Division

Third Quarter Report

May 31st

2024

This document is Management's Discussion and Analysis of the Third Quarter for the period September 1, 2023 to May 31, 2024. *This financial information contained herein has not been audited.*

Report to the Board of Trustees

June 25th 2024



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Lethbridge School Division
Management Discussion and Analysis Report
September 1, 2023 to May 31st, 2024

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Lethbridge School Division

Management Discussion and Analysis Report
Third Quarter Report

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.

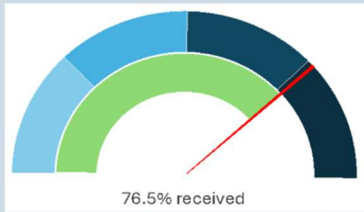
The School Division was established in 1886 and has proudly served our community for over 135 years. Lethbridge School Division serves over 12,229 students from early education (pre-school) to grade twelve. The Division provides high quality learning experiences for students through a broad range of 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 May 31st, 2024 to provide fiscal accountability within the established guidelines.



WCHS Culture Week



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 3rd quarter of the year (up to May 31, 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

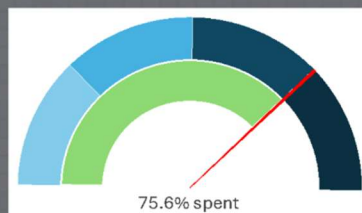
Instruction - Pre-K



Budget: \$ 4,612,081
Forecast: \$3,701,884 (80.3%)
Year-to-date: \$3,550,438 (77.0%)



Instruction - ECS to Grade 12



Budget: \$ 113,435,603
Forecast: \$ 85,708,385 (75.6%)
Year-to-date: \$ 85,741,241 (75.6%)



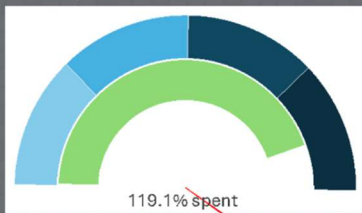
Operation & Maintenance



Budget: \$ 17,973,045
Forecast: \$ 14,803,191 (82.4%)
Year-to-date: \$ 14,115,865 (78.6%)



Transportation



Budget: \$ 3,332,560
Forecast: \$ 2,960,372 (88.8%)
Year-to-date: \$ 3,968,463 (119.1%)



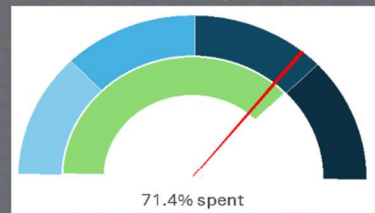
System Administration



Budget: \$ 4,298,885
Forecast: \$ 3,346,187 (83.5%)
Year-to-date: \$ 3,246,229 (75.5%)



External Services (International Program)

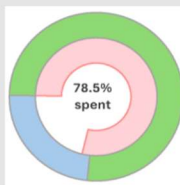


Budget: \$ 500,000
Forecast: \$ 375,000 (75.0%)
Year-to-date: \$ 293,107 (71.4%)



Salaries, Benefits & Professional Development

For all the
Departments

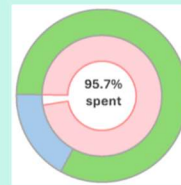


Budget: \$ 111,768,381
Forecast: \$ 86,017,154 (77.0%)
Year-to-date: \$ 87,587,971 (78.5%)



Contracted Services

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

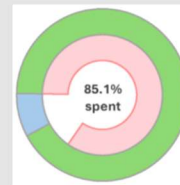


Budget: \$ 8,640,319
Forecast: \$ 7,030,102 (81.4%)
Year-to-date: \$ 8,394,681 (95.7%)



Other Services

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

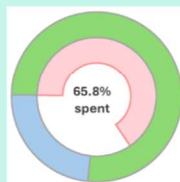


Budget: \$ 3,052,682
Forecast: \$ 2,826,684 (92.6%)
Year-to-date: \$ 2,606,963 (85.1%)



Supplies

General supplies,
Technology,
Maintenance,
Small Equipment

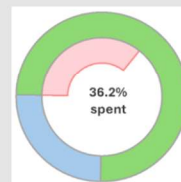


Budget: \$ 5,179,010
Forecast: \$ 3,853,319 (74.4%)
Year-to-date: \$ 3,406,659 (65.8%)



Other Expenditures

Contingency,
Travel,
Car Allowances,
Renovations

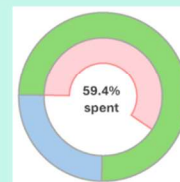


Budget: \$ 1,011,364
Forecast: \$ 759,574 (75.1%)
Year-to-date: \$ 366,813 (36.2%)



Transfers, SGF, & Capital/IMR

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



Budget: \$ 14,500,417
Forecast: \$ 10,308,186 (71.1%)
Year-to-date: \$ 8,616,234 (59.4%)



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 budget for May 31st, 2024.



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

- **Salaries, Benefits & Professional Development** are over forecasted amounts as at May 31, 2024. This is due to the timing of employee payments (some only work 10 months of the year versus 12) as well as any substitute costs would be occurring between September and June. The Division also is receiving supplemental enrolment growth funding of \$758,000 for 23/24 which was announced in November 2023. This funding has been used for staffing.
- **Contracted Services** are over forecasted amounts as at May 31, 2024. This is due to a number of factors including transportation costs being higher than forecasted (due to the changes made to the grant formula during the year), as well as higher than forecasted consulting costs in a variety of departments.
- **Other Services** are under forecasted amounts as at May 31, 2024. This is due to savings in insurance, memberships, and printing throughout a variety of departments.
- **Supplies** are less than the forecasted budget. This is mostly due to that some of the general school supplies, technology, and other equipment are still to be purchased (larger projects to be completed in the summer months).
- **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).

Financial Position

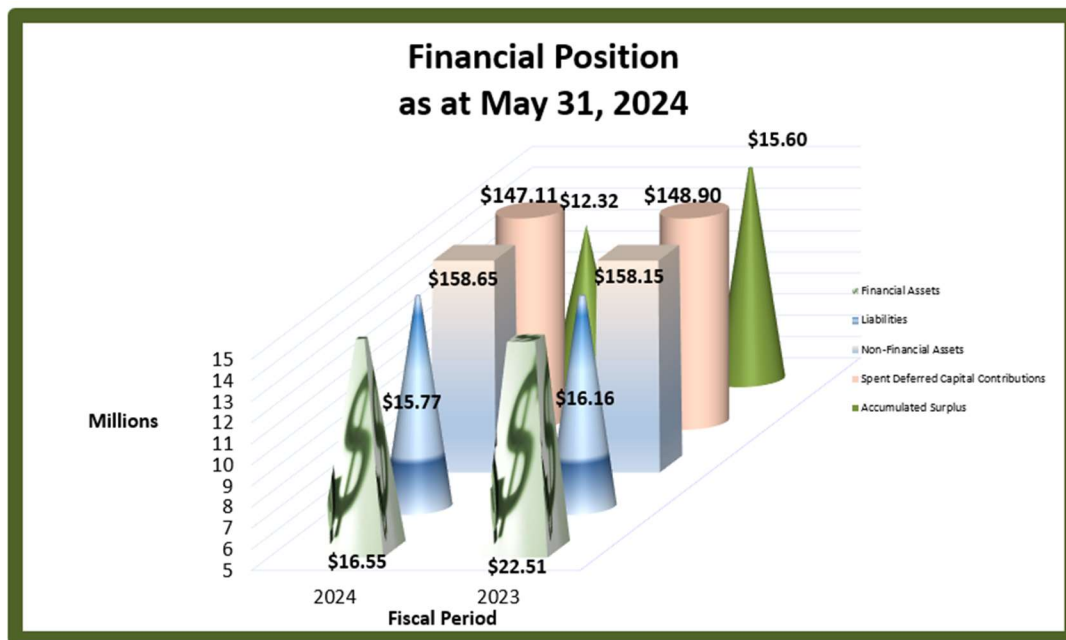
As at May 31, 2024, [Lethbridge School Division](#) has total financial assets of \$16.55 million and liabilities of \$15.77 million for net financial assets of \$774,136. A net financial asset position indicates that the Division has sufficient assets to cover its financial obligations.

The Division has net assets of \$12.32 million. Of this \$12.32 million, \$3.65 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 relates to \$471,484 of unrestricted reserves, \$4.28 million of capital reserves, and \$320,000 of endowment funds.

There is \$158.65 million of non-financial assets (tangible capital assets, inventory of supplies, and prepaid expenses) which are represented mostly by supported capital assets of \$157.31 million, the Division's investment in capital assets of \$4.07 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 \$12.32 million. The chart below compares the financial position of May 31st with the prior year.



Lethbridge School Division
STATEMENT OF FINANCIAL POSITION
As at May 31, 2024

	May 31, 2024	May 31, 2023 restated
FINANCIAL ASSETS		
Cash and cash equivalents	\$9,944,123	\$11,276,819
Accounts receivable (net after allowances)	\$1,415,614	\$845,797
Portfolio investments	\$5,188,251	\$10,388,001
Other financial assets	\$0	\$0
Total financial assets	\$16,547,988	\$22,510,617
LIABILITIES		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$4,933,003	\$7,604,290
Deferred contributions	\$4,460,488	\$2,416,537
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	\$15,773,852	\$16,164,441
Net Financial Assets (Net Debt)	\$774,136	\$6,346,176
NON-FINANCIAL ASSETS		
Tangible capital assets	\$157,310,697	\$157,415,274
Inventory of supplies	\$267,738	\$390,012
Prepaid expenses	\$1,071,432	\$340,888
Total non-financial assets	\$158,649,867	\$158,146,174
Net assets before spent deferred contributions	\$159,424,003	\$164,492,350
Spent deferred capital contribution (SDCC)	\$147,107,543	\$148,898,206
Net assets	\$12,316,460	\$15,594,144
NET ASSETS (ACCUMULATED SURPLUS)		
Unrestricted surplus	\$471,488	\$471,488
Operating reserves	\$3,179,608	\$6,170,634
Accumulated Surplus from Operations	\$3,651,096	\$6,642,122
Investment in capital assets	\$4,068,989	\$2,607,468
Capital reserves	\$4,276,501	\$6,024,680
Endowments	\$319,874	\$319,874
Total Accumulated Surplus (Deficit)	\$12,316,460	\$15,594,144

The statement above compares the financial position of the 3rd quarter of 2023/2024 to the 3rd 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 May 31st, 2024

FINANCIAL ASSETS:

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

Cash and Cash Equivalents

Cash at May 31st, 2024 includes deferred contributions, endowment funds, and accumulated surplus from operations.

Accounts Receivable

Accounts receivable at May 31st, 2024 includes GST rebates receivable, capital contributions from the Province, and other miscellaneous funds owing to the Division.

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 May 31, 2024 are \$16.55 million.



**Mike Mountain Horse
Elementary School ComiCon**

FINANCIAL LIABILITIES:

Accounts Payable

Accounts payable at May 31, 2024 mostly includes payments for transportation, construction invoices/holdbacks, 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 student travel group deposits or 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 has 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 May 31, 2024 is \$6.1 million (2022 was \$5.9 million).

Total Financial Liabilities as of May 31, 2024 are \$15.77 million.

NET FINANCIAL ASSETS (DEBT):

Net financial assets, which is the funds available (owing) after discharging the Division's financial obligations, is a **net asset position of \$774,136**.

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 May 31, 2024 are \$774,136

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 \$157.31 million as of May 31, 2024.

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

**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 May 31, 2024 are \$158.65 million.

SPENT DEFERRED CAPITAL CONTRIBUTIONS (SDCC)

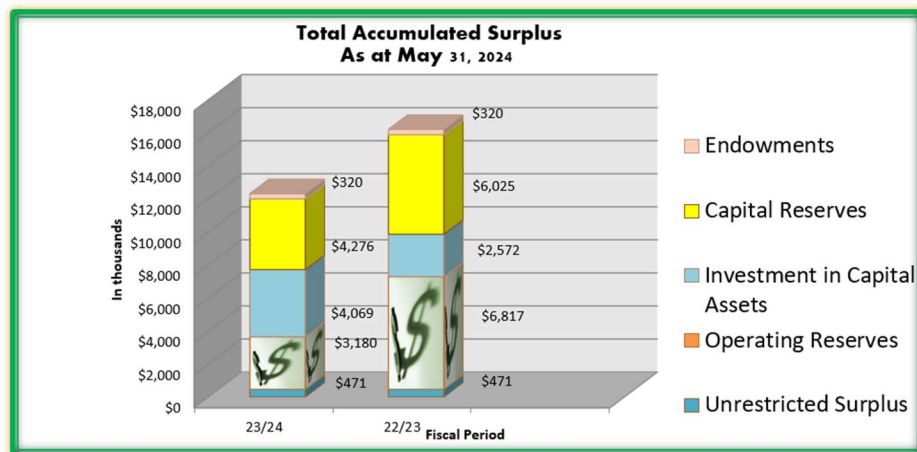
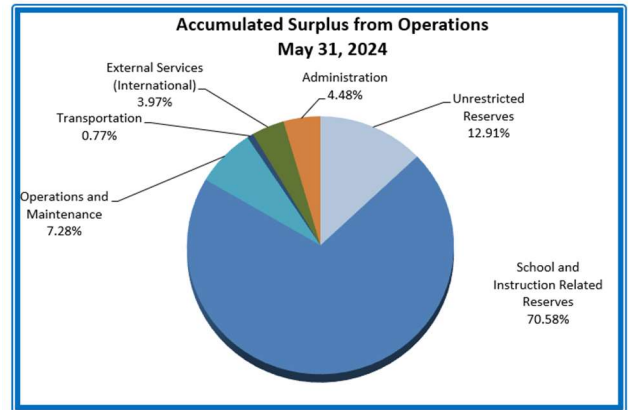
Spent Deferred Capital Contributions (SDCC) relates to deferred contributions related to the unamortized portion of supported capital assets (referred to as SDCC), which will be amortized into revenues in subsequent years to offset the amortization cost of supported capital assets. Supported capital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

Total SDCC as of May 31, 2024 are \$147.11 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 71% related to school and instruction reserves which includes reserves held at school sites for future operating expenditures, reserves to be spent in the future 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.



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 contributions 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 \$12.32 million. The total of net financial assets, non-financial assets, and the spent deferred capital contributions (SDCC) equal the total accumulated surplus at May 31, 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 2024).

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 May the Division had received \$568,424 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), \$78,957 received as of May 31, 2024 for the fuel contingency grant (which offsets costs within transportation) and \$464,258 from increases in the transportation grant.



At the end of February, the Division has signed a funding agreement with Jordan's Principle (part of Indigenous Services Canada) for \$917,118. 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 received \$548,048 from a Canadian Microsoft settlement which will be used to offset prior and current year technology costs.

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.



Chinook High School presents: Emma! A Pop Musical

Lethbridge School Division
STATEMENT OF OPERATIONS
For the period ended May 31, 2024

	Budget Information		Forecast	Actual Results May 31st	Variances		Projection	
	Preliminary Budget 2023-2024 (May 2023)	Updated 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	\$101,037,161	\$102,579,243	77.37%	101.53%	\$134,102,284	\$1,513,716
Federal and Other Government	\$388,944	\$388,944	\$849,610	\$663,115	170.49%	78.05%	\$849,610	\$460,666
Fees	\$5,004,121	\$5,004,121	\$3,973,696	\$1,622,072	32.41%	40.82%	\$5,004,121	\$0
Sales and services	\$694,000	\$694,000	\$1,068,548	\$1,632,866	235.28%	152.81%	\$1,242,048	\$548,048
Investment income	\$587,059	\$590,031	\$442,523	\$575,177	97.48%	129.98%	\$590,031	\$0
Donations and Other Contributions	\$2,520,000	\$2,520,000	\$1,896,000	\$1,450,238	57.55%	76.49%	\$2,520,000	\$0
Other Revenues	\$20,304	\$20,304	\$18,333	\$18,333	90.29%	100.00%	\$20,304	\$0
Total Revenues	\$141,031,904	\$141,805,968	\$109,285,871	\$108,541,044	76.54%	99.32%	\$144,328,398	\$2,522,430
EXPENSES								
Instruction - Pre-K	\$4,567,627	\$4,612,081	\$3,701,884	\$3,550,438	76.98%	95.91%	\$4,612,081	\$0
Instruction - K to Grade 12	\$111,158,136	\$113,435,603	\$85,708,385	\$85,741,241	75.59%	100.04%	\$115,280,167	\$1,844,564
Operations and Maintenance	\$17,459,256	\$17,459,256	\$14,803,191	\$14,115,885	80.85%	95.36%	\$17,459,256	\$0
Transportation	\$3,332,560	\$3,332,560	\$2,960,372	\$3,968,463	119.08%	134.05%	\$4,010,426	\$677,866
Administration	\$4,298,885	\$4,298,885	\$3,346,187	\$3,246,229	75.51%	97.01%	\$4,298,885	\$0
External services [International Services]	\$500,000	\$500,000	\$375,000	\$357,085	71.42%	95.22%	\$500,000	\$0
Total Expenses	\$141,316,464	\$143,638,385	\$110,895,019	\$110,979,321	77.26%	100.08%	\$146,160,815	\$2,522,430
Operating surplus (deficit)	(\$284,560)	(\$1,832,417)	(\$1,609,148)	(\$2,438,277)			(\$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	\$5,700,612	\$4,871,483			\$5,477,343	
School Generated Funds included in Accumulated Operating Surplus	(\$2,916,960)	(\$2,916,960)	(\$3,486,020)	(\$3,486,020)			(\$3,486,020)	
Adjusted Accumulated Operating Surplus (Adjusted ASO) at end of period	\$4,108,240	\$2,560,383	\$2,214,592	\$1,385,463			\$1,991,323	
Adjusted ASO as a % of budgeted expenditures (excluding SGF accounts)	2.91%	1.78%	2.00%	1.25%			1.58%	

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 yearend 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).

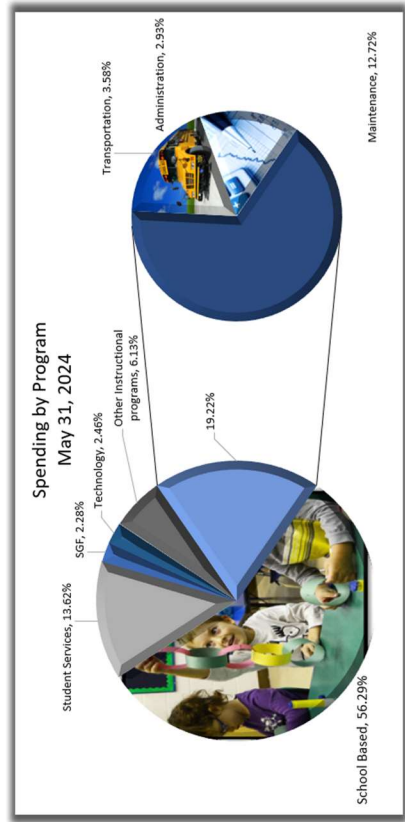
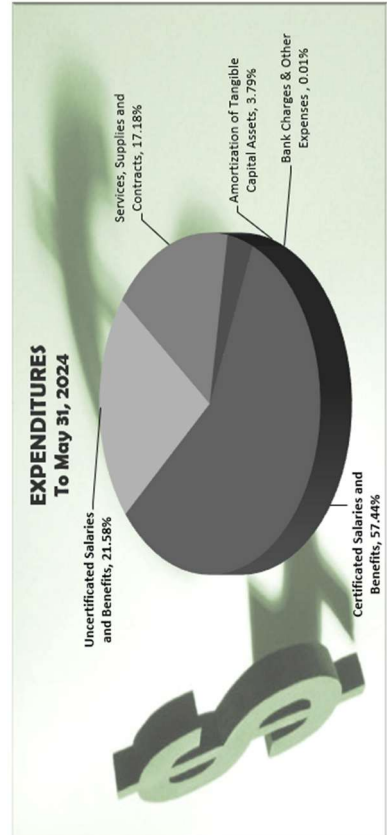
OPERATION RESULTS:

For the nine (9) months ended May 31st, 2024, \$108.54 million of revenues have been recorded which is 76.54% of budget. Based on the forecasted timing of revenues received/recognized, it was forecasted that a total of \$109.29 million would have been received in the reporting period. The actuals are lower than forecasted amounts. This is due to fees, fundraising and donations being under forecasted amounts but are being offset by Alberta Education funding and investment income where the actuals were above the forecasted amount for this quarter.

Expenditures are \$110.98 million as of May 31st, 2024, which is 77.26% of the budget. Based on the forecasted timing of expenditures being paid/recognized, it was forecasted that a total of \$110.90 million would have incurred in the reporting period. The actuals are slightly under forecasted as at May 31st, 2024. Overall, the expenditures recorded are consistent with the forecasted budget as it accounts for 100.08% of the forecast. This is also an indicator that the budgets are being carefully monitored throughout the Division to ensure that the departments are not incurring cost overruns.

Lethbridge School Division
Schedule of Program Operations
For the period ended May 31, 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	\$11,435,603	\$17,459,256	\$3,332,560	\$4,298,885	\$500,000	\$143,638,385		
FORECAST - May 31, 2024	\$3,701,884	\$85,708,585	\$14,803,191	\$2,960,372	\$3,346,187	\$375,000	\$110,895,019		
EXPENSES									
Certificated salaries and benefits	\$1,599,779	\$81,459,219			\$614,911	\$68,375	\$83,742,284	\$81,779,918	77.94%
Non-Certificated salaries and benefits	\$1,901,130	\$16,186,580	\$4,034,815	\$97,322	\$1,899,364	\$48,692	\$23,947,903	\$28,476,226	84.10%
SUB - TOTAL	\$3,500,909	\$77,625,799	\$4,034,815	\$97,322	\$2,314,275	\$117,067	\$87,690,187	\$110,256,143	79.53%
Services, contracts and supplies	\$49,529	\$7,252,769	\$6,836,527	\$3,864,448	\$928,105	\$240,018	\$19,071,396	\$26,118,379	67.83%
Amortization of capital assets	\$0	\$849,713	\$3,244,523	\$6,693	\$103,849	\$0	\$4,204,778	\$5,229,863	80.40%
Interest and other finance charges	\$0	\$9,394	\$0	\$0	\$0	\$0	\$9,394	\$35,000	26.84%
Losses on disposal of capital assets	\$0	\$3,576	\$0	\$0	\$0	\$0	\$3,576	\$0	100.00%
TOTAL EXPENSES	\$3,550,438	\$85,741,241	\$14,115,865	\$3,968,463	\$3,246,229	\$357,085	\$110,979,321	\$143,638,385	77.26%
Total unexpended funds period to date	\$1,061,643	\$27,694,362	\$3,343,391	(\$635,903)	\$1,052,656	\$142,915	\$32,659,064	\$143,638,385	22.74%
% Expended of Budget	76.98%	75.59%	80.85%	119.08%	75.51%	71.42%	77.26%		
% Expended of Forecast	95.91%	100.04%	95.36%	134.05%	97.01%	95.22%	100.08%		



Lethbridge School Division
Notes to the Statement of Operations
For the nine (9) months ended May 31st, 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 approximately 95% 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 3rd quarter, the Division has received 77.37% of the total budget. The Division has received \$1.5 million over its initial operating budget due to mid-year funding announcements like the \$758,000 for enrolment growth, additional \$77,850 of school nutrition funds, \$78,957 in fuel contingency funding and the remaining \$677,000 is the additional funding adjustment to transportation.

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 was received in 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, school generated activities, and preschool. Based on the forecasts of the third quarter, the Division has received 32.41% of the total budget.

Sales and Services

Sales and services include international students, other revenues and other school generated funds. Based on the forecasts for the third quarter, the Division has received 235.28% of the total budget.

The reason for this increase is due to receiving \$548,048 from a Canadian Microsoft settlement which will be used to offset prior and current year technology costs as well as higher than budgeted international student fee revenue (\$500,000 was budgeted, as at May 31, 2024 \$746,263 has been collected).

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 97.48% of the total budget. The Division's GICs either matured or renewed in February 2024 and therefore a large portion of interest was recorded in that quarter.

Donations and Other Contributions

Donations and other contributions are revenues that have been received for school generated activities fundraising/donations and donations for the Ready Set Go programs. The Division has received 57.55% of its total budget for donations and other contributions.

Other Revenues

Other revenues include rentals, gains on disposal of tangible capital assets, and other revenues. There are rentals 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 third quarter of 2024. The Division has received 90.29% of its total budget for other revenues.

**Overall, revenues are comparable to the operating budget as at May 31, 2024
as 76.54% of the operating budget 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* and Appendices for charts on these functional areas.

Instruction – Pre-Kindergarten

Instruction – Pre-K, represents expenditures from early education, which includes the early education program and the program unit funding (PUF) for early learners requiring specialized supports. Pre-K expenditures are at 76.98% 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 75.59% of the total budget. See the *Statement of Instructional (Pre-K to Grade 12) Program Expenditures* for details of the major programs within this functional area. The August 31st projection has been adjusted for the changes in Alberta Education, and other federal funding discussed above in revenues.

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 80.85% of the total budget. Actual costs are slightly lower than 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 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 119.08% of the total budget. The year-to-date costs are more than budgeted due to the change in the transportation grant mid-year. There is also a timing issue as transportation costs are incurred for 10 months, but the revenue received from Alberta Education is divided over 12 months. The Division has also paid the Christian School Societies their portions of the transportation funding in one payment versus monthly as the Alberta Education funding is paid to the Division. Lastly, the Division has received \$79,957 in fuel contingency funding as of May 31, 2024 which will also help offset the costs.

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 75.51% 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 71.42% of the total budget. This is a self-sustaining program (revenue brought in covers all the expenses).

Overall, expenditures are comparable to the operating budget as at May 31, 2024 at 77.26% of the operating budget.

Lethbridge School Division
Schedule of Instructional (K to Grade 12) Program Expenditures
For the period ended May 31, 2024

PROGRAM	Budget	Forecast	Actual Results	Variances		Projection	
	Updated Budget 2023-2024 (Sept 30th 2023)	Forecasted To May 31st, 2024	Actual Year Ended May 31st, 2024	% Expended Updated Budget		August 31st Projection	Change from Updated Budget
School Based Instruction (K-12)	\$74,303,311	\$55,772,074	\$54,900,367	73.89%		\$75,139,161	\$835,850
Inclusive Learning Supports	\$10,938,088	\$9,342,166	\$9,533,673	87.16%		\$11,398,754	\$460,666
Shared Instructional Services	\$10,563,077	\$8,329,064	\$9,284,713	87.90%		\$10,563,077	\$0
School Generated Funds Activities	\$5,003,971	\$3,752,978	\$2,534,768	50.66%		\$5,003,971	\$0
Technology	\$2,704,280	\$2,099,130	\$2,728,958	100.91%		\$2,704,280	\$0
Institutional Programs	\$1,047,458	\$785,594	\$774,936	73.98%		\$1,047,458	\$0
Division of Instructional Services	\$824,500	\$618,375	\$630,531	76.47%		\$824,500	\$0
Indigenous Programming	\$643,865	\$482,899	\$492,863	76.55%		\$643,865	\$0
Counselling Program	\$3,351,480	\$2,513,610	\$2,578,183	76.93%		\$3,351,480	\$0
Other Instructional Programs	\$4,055,573	\$2,012,495	\$2,282,249	56.27%		\$4,055,573	\$0
Total Instructional (K to Grade 12) Program Expenditures	\$113,435,603	\$85,708,385	\$85,741,241	75.59%		\$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 (Pre-K to Grade 12)
For the nine (9) months ended May 31st, 2024

This statement provides further information about expenditures in programs that are within the Instruction (Kindergarten - Grade 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 73.89% 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 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 25.0% per quarter as the educational assistants are paid over 10 months. Therefore, a high portion is forecasted over the period based on scheduled hours worked. Inclusive Learning Supports expenditures are at 87.16% spent of their total budget. Costs are higher than forecasted due to increases in contracted services in consulting fees.

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% as the ATA Professional Development fund is contributed in the 2nd quarter as well as substitute costs are only during the school year (September to June). Shared Instructional Services expenditures are at 87.90% 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 expenditures are at 50.66% of the total budget. This is lower than forecasted because all possible 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 100.91% spent of the total budget. This also includes \$742,875 in capital purchases during the year. Some expenses will be offset by a Microsoft settlement that the Division received in the 3rd quarter in the amount of \$548,048.

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 73.98% 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 76.47% spent of the total budget.

Indigenous Programming

The Indigenous programming 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 aboriginal cultures and lifestyles. Indigenous education expenditures are at 76.55% of the total budget.



Division's Indigenous Grad Ceremony 2024

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 76.93% 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, and Making Connections the BOOST program, the Digital Wellness initiatives, and new curriculum funding. Other Instructional Program expenditures are at 56.27% spent of the total budget.

Overall, instructional (Pre-K to Grade 12) program expenditures are at 75.59% of its annual operating budget



General Stewart Elementary Students Showcase Talents

Lethbridge School Division
Schedule of School Based Instruction Expenditures

For the period ended May 31, 2024

	Budget Updated Budget 2023-2024 (Sept 30th 2023)	Forecast Forecasted To May 31, 2024	Actual Results Actual Year Ended May 31, 2024	Variances	
				% Expended Updated Budget	% Expended Forecast to August 31, 2024
SCHOOL					
High Schools:					
Lethbridge Collegiate Institute	\$7,344,111	\$5,510,363	\$5,563,724	75.76%	100.97%
Winston Churchill High School	\$5,707,447	\$4,284,005	\$4,238,267	74.26%	98.93%
Chinook High School	\$7,116,324	\$5,340,663	\$4,959,583	69.69%	92.86%
Victoria Park High School	\$2,028,834	\$1,523,221	\$1,537,131	75.76%	100.91%
Immanuel Christian Secondary School	\$1,956,222	\$1,468,328	\$1,506,449	77.01%	102.60%
Middle Schools:					
GS Lakie Middle School	\$3,076,947	\$2,310,099	\$2,286,659	74.32%	98.99%
Wilson Middle School	\$3,946,427	\$2,960,618	\$2,979,595	75.50%	100.64%
Gilbert Paterson	\$4,692,643	\$3,522,332	\$3,529,923	75.22%	100.22%
Senator Joyce Fairbairn Middle School	\$3,713,218	\$2,789,693	\$2,593,070	69.83%	92.95%
Elementary Schools:					
Senator Buchanan	\$2,118,872	\$1,590,408	\$1,597,514	75.39%	100.45%
Immanuel Christian Elementary School	\$1,687,176	\$1,266,066	\$1,238,101	73.38%	97.79%
Ecole Agnes Davidson	\$3,290,702	\$2,470,307	\$2,388,231	72.58%	96.68%
Fleetwood-Bawden	\$2,114,700	\$1,587,762	\$1,570,337	74.26%	98.90%
Galbraith	\$2,206,204	\$1,657,153	\$1,629,090	73.84%	98.31%
Lakeview	\$2,354,300	\$1,767,446	\$1,741,581	73.97%	98.54%
General Stewart	\$902,798	\$678,101	\$660,884	73.20%	97.46%
Westminster	\$1,420,649	\$1,066,285	\$1,046,861	73.69%	98.18%
Lethbridge Christian School	\$1,564,266	\$1,173,997	\$1,163,507	74.38%	99.11%
Coalbanks Elementary School	\$3,644,695	\$2,735,013	\$2,706,229	74.25%	98.95%
Nicholas Sheran	\$2,574,602	\$1,932,952	\$1,928,893	74.92%	99.79%
Park Meadows	\$2,219,540	\$1,665,732	\$1,662,210	74.89%	99.79%
Dr. Robert Plaxton	\$2,298,155	\$1,724,755	\$1,709,115	74.37%	99.09%
Mike Mountain Horse	\$3,460,999	\$2,597,156	\$2,526,581	73.00%	97.28%
Dr. Probe Elementary School	\$2,863,480	\$2,149,619	\$2,136,832	74.62%	99.41%
Total School Based Instruction Expenditures	\$74,303,311	\$55,772,074	\$54,900,367	73.89%	98.44%

Lethbridge School Division
Schedule of School Generated Funds (SGF)
For the period ended May 31, 2024

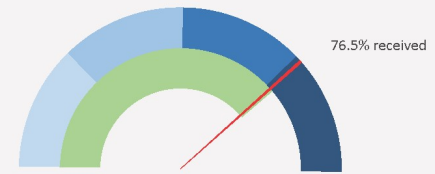
	SGF Balances		Actual Results		SGF Balances As at May 31, 2024	Change in SGF Increase (Decrease)
	August 31st 2023		Revenues up to May 31st	Expenses up to May 31st		
SCHOOL						
UPDATED BUDGET 2023-2024 (September 30th)	N/A		\$7,657,971	(\$7,657,971)	N/A	N/A
High Schools:						
Lethbridge Collegiate Institute	\$170,115		\$524,604	(\$440,032)	\$254,687	\$84,572
Winston Churchill High School	\$265,358		\$314,504	(\$334,430)	\$245,432	(\$19,926)
Chinook High School	\$199,041		\$335,255	(\$287,791)	\$246,505	\$47,464
Victoria Park High School	\$463,357		\$87,725	(\$24,653)	\$526,429	\$63,072
Immanuel Christian Secondary School	\$109,870		\$98,471	(\$116,461)	\$91,880	(\$17,990)
Middle Schools:						
GS Lakie Middle School	\$315,552		\$318,171	(\$369,701)	\$264,022	(\$51,530)
Wilson Middle School	\$183,427		\$151,217	(\$115,781)	\$218,863	\$35,436
Gilbert Paterson	\$136,845		\$197,746	(\$96,754)	\$237,837	\$100,992
Senator Joyce Fairbairn Middle School	\$191,272		\$157,424	(\$71,295)	\$277,401	\$86,129
Elementary Schools:						
Senator Buchanan	\$38,075		\$18,981	(\$17,872)	\$39,184	\$1,109
Immanuel Christian Elementary School	\$23,216		\$8,014	(\$7,810)	\$23,420	\$204
Ecole Agnes Davidson	\$120,561		\$33,657	(\$24,694)	\$129,524	\$8,963
Fleetwood-Bawden	\$69,541		\$25,566	(\$15,667)	\$79,440	\$9,899
Galbraith	\$97,155		\$12,707	(\$8,107)	\$101,755	\$4,600
Lakeview	\$71,514		\$15,254	(\$8,748)	\$78,020	\$6,506
General Stewart	\$4,436		\$1,669	(\$1,932)	\$4,173	(\$263)
Westminster	\$66,965		\$43,760	(\$11,097)	\$99,628	\$32,663
Lethbridge Christian School	\$47,353		\$27,294	(\$32,829)	\$41,818	(\$5,535)
Coalbanks Elementary School	\$57,954		\$39,245	(\$8,816)	\$88,383	\$30,429
Nicholas Sheran	\$53,382		\$12,663	(\$19,473)	\$46,572	(\$6,810)
Park Meadows	\$35,576		\$36,080	(\$7,879)	\$63,777	\$28,201
Dr. Robert Plaxton	\$25,797		\$36,571	(\$23,358)	\$39,010	\$13,213
Mike Mountain Horse	\$58,557		\$19,512	(\$5,069)	\$73,000	\$14,443
Dr. Probe Elementary School	\$112,041		\$189,495	(\$86,276)	\$215,260	\$103,219
School Generated Funds	\$2,916,960		\$2,705,585	(\$2,136,525)	\$3,486,020	\$569,060
Total SGF investment accounts (GICs)	\$0		\$0		\$0	\$0
Total School Generated Funds	\$2,916,960		\$2,705,585	(\$2,136,525)	\$3,486,020	\$569,060

Lethbridge School Division Summary of Revenues Quarterly Reporting - May 31st, 2024

Financial Data as at June 6th

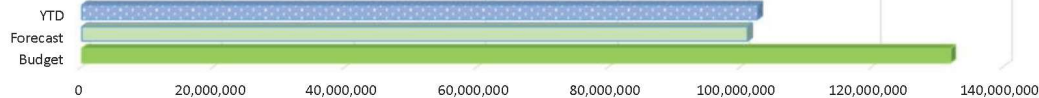
	Budget	Forecast	YTD	Variance	YTD %
Government of Alberta	131,951,278	100,997,161	102,534,242	(1,537,081)	77.7%
Federal & First Nations	388,944	849,610	663,115	186,495	170.5%
Other School Authorities	40,000	40,000	45,000	(5,000)	112.5%
Fees	5,298,261	3,973,696	1,622,072	2,351,624	30.6%
Other Sales & Services	989,150	1,068,548	1,632,866	(564,318)	165.1%
Investment Income	590,031	442,523	575,177	(132,654)	97.5%
Gifts & Donations	368,000	276,000	365,151	(89,151)	99.2%
Rental of Facilities	20,304	18,333	18,333	(0)	90.3%
Fundraising	2,160,000	1,620,000	1,085,087	534,913	50.2%
Gain on Disposal	0	0	0	0	0.0%
	141,805,968	109,285,871	108,541,044	744,827	76.5%
					77.1%

Total Revenue Tachometer:

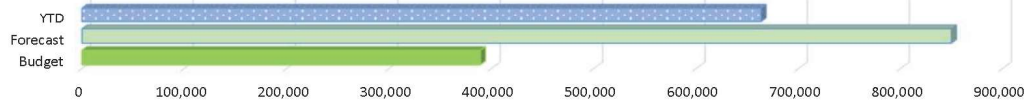


Year-to-date (YTD)
compared to budget
and forecast, including
% of budget indicator

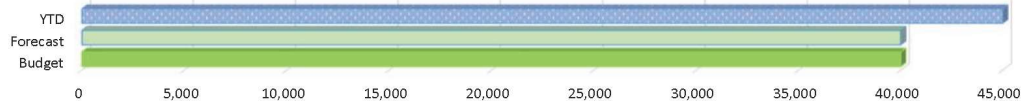
Government of Alberta



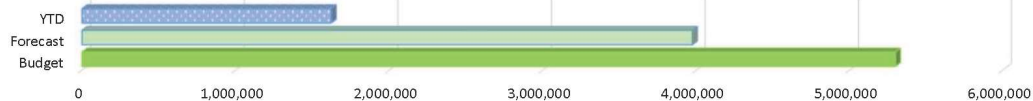
Federal & First Nations



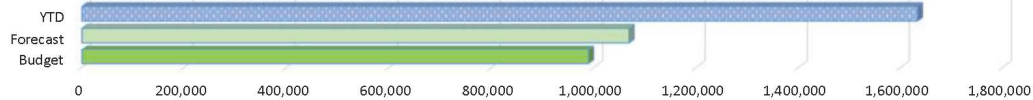
Other School Authorities



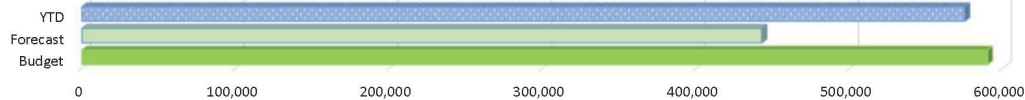
Fees



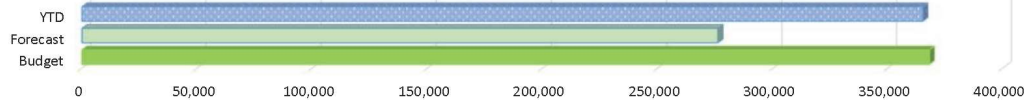
Other Sales & Services



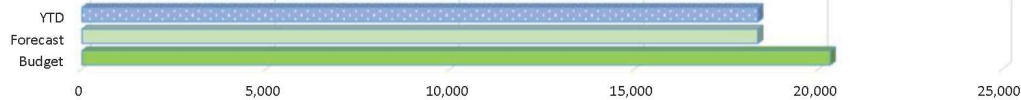
Investment Income



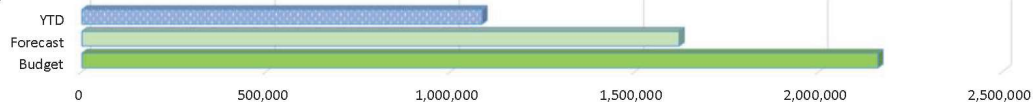
Gifts & Donations



Rental of Facilities



Fundraising

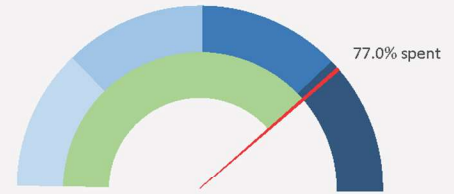


Lethbridge School Division Summary of Expenses Quarterly Reporting - May 31st, 2024

Financial Data as at June 6th

	Budget	Forecast	YTD	Variance	YTD %
Salaries	89,056,427	68,441,631	68,950,201	(508,570)	77.4%
Benefits	21,651,967	16,979,257	18,005,043	(1,025,786)	83.2%
Professional Development	1,059,987	596,268	632,726	(36,458)	59.7%
Contracted Services	8,640,319	7,030,102	8,394,681	(1,364,579)	97.2%
Other Services	3,052,682	2,826,684	2,606,963	219,721	85.4%
Supplies	5,179,010	3,853,319	3,406,659	446,660	65.8%
Other Expenditures	1,011,364	759,574	366,813	392,761	36.3%
Capital, Transfer & Projects	14,500,417	10,308,186	8,616,234	1,691,952	59.4%
	144,152,173	110,795,019	110,979,319	(184,300)	77.0%
		76.9%			

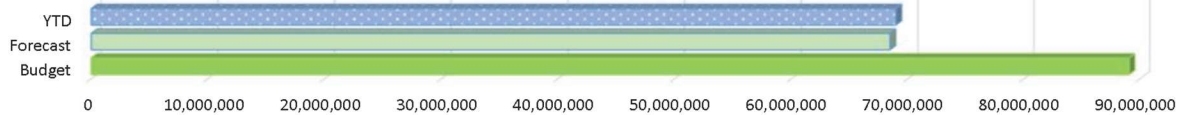
Total Expense Tachometer:



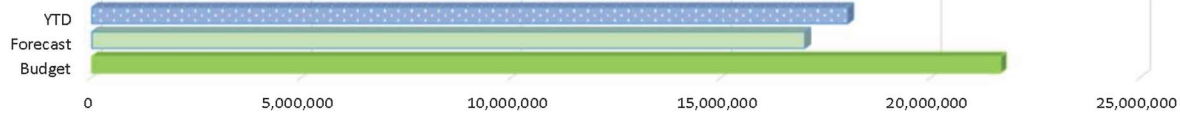
Year-to-date (YTD)
compared to budget
and forecast, including
% of budget indicator

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 75% of the approved budget).

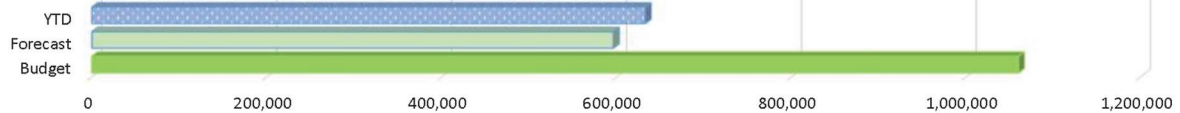
Salaries



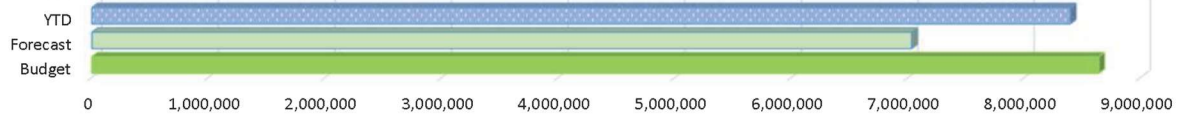
Benefits



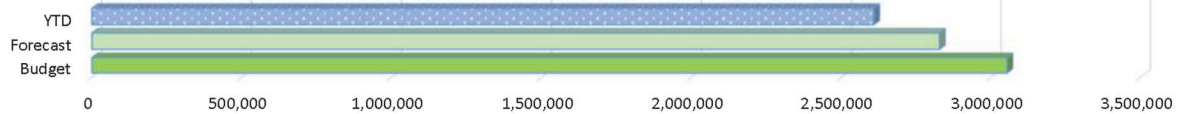
Professional Development



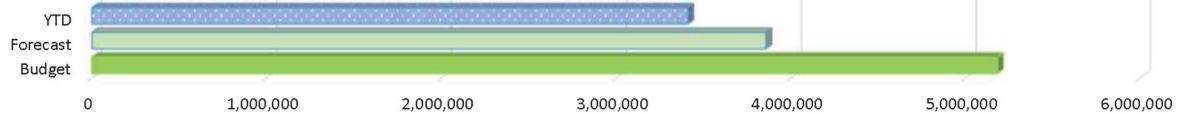
Contracted Services



Other Services



Supplies



Other Expenditures

