

## Summary of Financial Results

Finances within a school division must always reflect what a school division values. In order to support excellence in learning and assure that each student has opportunities to become the person God has created them to be, our financial allocations support a maximum allotment of dollars to the classroom and complete equity within the distribution of these dollars.

The audited financial statements for the fiscal year ended August 31, 2025 (2024/2025 fiscal year) were approved at the November 26, 2025, meeting of the Board and forwarded to the Minister of Education.

### ***Highlights of the 2024/2025 Audited Financial Statements***

In 2024/2025 the school division increased its total operating reserves by \$848,838 to an ending balance of \$3,827,774 [2024 – \$2,978,936]. Included in operating reserves is \$854,281 [2024 - \$796,085] belonging to School Generated Funds (SGF). At August 31, 2025, adjusting for School Generated Funds, the total operating reserves were 4.7% [2024– 3.2%] of consolidated school division expenses. The increase in operating reserves is due to significant savings from grants received after the budget was prepared. These grant funds allowed us to save funds originally set aside to cover expenses that were now covered by grants.

The Board finds it prudent to transfer an amount into capital reserves equal to the annual unsupported amortization expense, in previous years, as we had deficits, it was important to balance a deficit in spending with saving for future capital. As we have a surplus in the current year, we can transfer the full amount and requested that \$905,284 be transferred [2024 - \$526,965]. Alberta Education recommends that an accumulated operating surplus to expense ratio be between 1% and 6%. While the Board of Trustees believes in spending today's dollars on today's students, it also recognizes the importance of building reserves for years where funding shortfalls occur. The budgeted reserve balance for August 31, 2025, was \$2,567,584, however due to WMA adjustments, and additional funding from Alberta Education and grants received after the budget was submitted, we did not use reserves in 2024/2025 as expected, reserves are approx. 3.8 million.

Board funded capital transactions for the year totaled \$643,830 [2024 - \$587,550]. The Board internally funded student technology for schools, classroom technology modernizations, e-sports labs, new maintenance vehicles, and a tractor for snow removal.

The following data summarizes the financial results of the school division by functional area for the fiscal year ended August 31, 2025.

### Summary of Operations

	2025		2024
<b>Revenue</b>			
ECS	\$ 3,239,985	4.6%	\$ 3,297,952
Grades 1-12 Instruction	52,936,140	74.4%	49,397,468
Operations and Maintenance	9,592,276	13.5%	10,212,823
Board and System Administration	2,632,109	3.7%	2,448,834
Transportation	2,778,820	3.9%	2,494,058
	<u>\$ 71,179,330</u>		<u>\$ 67,851,135</u>
<b>Expenditures</b>			
ECS	\$ 2,880,499	4.1%	\$ 2,921,853
Grades 1-12 Instruction	52,290,787	74.3%	49,015,662
Operations and Maintenance	9,843,429	14.0%	10,384,292
Board and System Administration	2,571,123	3.7%	2,991,161
Transportation	2,805,354	4.0%	2,847,664
	<u>\$ 70,391,192.00</u>		<u>\$ 68,160,632.00</u>
Operating Surplus (deficit)	<u>\$ 788,138</u>		<u>\$ (309,497)</u>

### Expenditures by Object

	2025	2024	Change
Expenses by Object			
Certificated Salaries & Benefits	\$ 37,105,803	\$ 36,173,320	\$ 932,483
Non-certificated Salaries & Benefits	\$ 16,925,050	\$ 15,207,016	\$ 1,718,034
Services, Contracts, Supplies	\$ 11,795,876	\$ 11,848,231	\$ (52,355)
Amortization of Tangible Capital Assets			
Supported Amortization	\$ 3,633,207	\$ 4,074,195	\$ (440,988)
Unsupported Amortization	\$ 905,285	\$ 836,462	\$ 68,823
Interest and bank charges	\$ 25,971	\$ 21,408	\$ 4,563
<b>Total Expenses by Object</b>	<b>\$ 70,391,192</b>	<b>\$ 68,160,632</b>	<b>\$ 2,230,560</b>

### Per Pupil Spending Comparisons

	2024/2025	2023/2024	2022/2023	2021/2022	2019/2020	Variance
September 30 Enrolment Number (ECS-Grade 12 FTE)	5,220	5,047	4,851	4,857	4,826	3.31%
ECS to Grade 12 Instructional	10,570	10,933	10,362	10,144	10,135	-3.43%
Operations and Maintenance	1,886	1,988	2,073	1,940	1,977	-5.41%
Board and System Administration	493	510	506	498	472	-3.48%
Transportation	537	556	544	451	300	-3.43%
Totals	13,486	13,987	13,485	13,033	12,884	-3.71%

Enrolment source: September 30 Enrolment. Includes all funded and fee-paying children and students.

### Board Funded Capital Additions

	2025	2024
Furniture and Equipment	\$ 106,474.00	\$ 82,382.00
Technology	405,225.00	270,888.00
Asphalt Replacement	-	40,899.00
Outdoor classroom	-	30,100.00
Vehicles	132,131.00	163,281.00
	<u>\$ 643,830.00</u>	<u>\$ 587,550.00</u>
Additions from operations	\$ 107,251.00	\$ 38,935.00
Additions from Capital Reserves	536,579.00	548,615.00
	<u>\$ 643,830.00</u>	<u>\$ 587,550.00</u>

## Budget Summary for the Fiscal Year Ending August 31, 2026

### Executive Summary

In developing the divisional operating budget, Senior Administrators and Principals were guided by the following core commitments that describe the value of stewardship within our school division:

“We respect and protect God’s creation.”

“We ensure that our resources and efforts best serve the educational needs of all our students.”

“We are accountable to our supporters and will operate in a fiscally responsible manner.”

“We ensure that decisions are both fact and policy driven.”

“We support and provide processes which promote fair and objective decision-making through a

Catholic perspective.”

“We are open and transparent.”

The 2025/2026 operating budget has been developed within the guidelines of the Funding Manual for School Authorities 2025/26 School Year, produced by Alberta Education. Ignoring capital revenue, funding provided through the Alberta Education Funding Framework, accounts for 92% of the School Division’s annual operating revenue. The Alberta Government’s funding and assurance model was designed to provide flexible, stable, and predictable funding to enable local planning and decision-making. This approach to funding uses an Adjusted Enrolment Method (AEM) utilizing enrolment over two school years to calculate funding. The premise is that it allows boards to plan and budget in advance, rather than waiting for student enrolment to be finalized on September 30 each year. The disadvantage to this is that divisions with growing enrolment do not receive the funding until after the growth is realized. Furthermore, if enrolments are less than estimated, funding is clawed back.

The School Division received a finalized funding profile and funding commitment letter from Alberta Education on May 15, 2025.

The following illustrates the different grants within the Funding Framework:

Base Instruction	Services & Supports	School	Community	Jurisdiction
<ul style="list-style-type: none"> <li>•ECS</li> <li>•Grades 1-9</li> <li>•High School</li> <li>•Rural Small Schools</li> <li>•Outreach Programs</li> </ul>	<ul style="list-style-type: none"> <li>•Specialized Learning Support</li> <li>•Moderate Language Delay (ELP)</li> <li>•PUF</li> <li>•English as an Additional Language</li> <li>•Refugee</li> <li>•FNMI</li> <li>•Classroom Complexity</li> </ul>	<ul style="list-style-type: none"> <li>•Operations &amp; Maintenance</li> <li>•Transportation</li> <li>•School Technology</li> <li>•Infrastructure Maintenance Renewal</li> </ul>	<ul style="list-style-type: none"> <li>•Socioeconomic Status</li> <li>•Geographic</li> <li>•School Nutrition</li> </ul>	<ul style="list-style-type: none"> <li>•System Administration</li> <li>•Teacher Salary Settlement</li> </ul>

Alberta Education's funding commitment for 2025/2026 is \$60,254,316. Operational Funding for 2024/2025, adjusted for additional enrolment was \$57,139,401. Therefore, the overall increase in the funding framework of \$3,114,915 is 5.5%.

Funding for 2025/2026 will not be sufficient to support current increases in costs including salary increases and grid movement for teachers and support staff, benefits costs, utilities, and other software licensing costs. The funding shortfall for 2025/2026 is approximately \$184,634. This shortfall will be mitigated using operating reserves.



## 2025/2026 Operating Budget Highlights

### ***Government of Alberta Funding Framework Revenue Assumptions***

One of the goals of Alberta Education's Funding and Assurance Model is to provide predictable funding. For 2025/2026 most grant rates remained the same however due to growth and the fluctuation of the Adjusted Enrolment Method (AEM) we have noted the following adjustments.

- Base Instruction: 5.07%
- Services and Supports: 11.53%
- School Nutrition: 31.52%
- Plant Operations and Maintenance: 7.16%
- System Administration: 1.36%
- Transportation: 16.53%

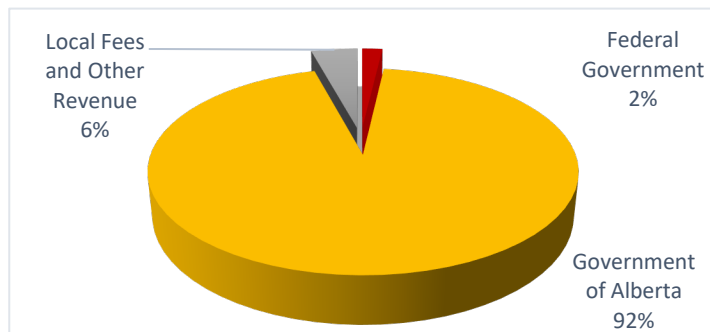
Further to the above, a new School Technology (Cyber Security) grant has been added to our school funding.

A separate grant is provided to pay for the teacher salary settlement. It should be noted that this grant does not provide for grid movement.

However, the supplemental enrolment growth funding we had received in the prior year is no longer offered.

### **Sources of Revenue**

The Holy Spirit Catholic School Division is economically dependent upon the provincial government for its revenues. This is illustrated in the chart to the right. Ninety-two percent (92%) of revenue comes from the provincial government. Federal Government funding, at 2% of total revenue, includes tuition fees charged for federally funded First Nations students who



live on reserves and attend school in either Pincher Creek or Lethbridge. Local fees and other revenue, which make up 6% of total revenue, consist of Early Learning Program fees, transportation fees, school fees, interest revenue, facility rental revenue, and other school generated funds. The budget for local fees and revenues also reflects estimates for donations and school-based fundraising activities. These estimates are based on current fundraising projects as well as historical data. As illustrated on the following page, overall revenue for 2025/2026 will increase by \$4 million or 5.8%.

### Budgeted Revenue

Revenue Category	Budget 2025/2026	Budget 2024/2025	Change	% change
Alberta Education and Alberta Infrastructure	\$ 67,264,430	\$ 63,348,961	\$ 3,915,469	6.18%
Other - Government of Alberta	328,579	323,657	4,922	1.52%
Federal Government and First Nations	1,506,601	1,394,210	112,391	8.06%
Fees	2,354,561	2,215,389	139,172	6.28%
Sales of Services and Products	557,600	557,600	0	0.00%
Investment Income	380,000	400,000	(20,000)	-5.00%
Gifts and Donations	198,750	198,750	0	0.00%
Rental of Facilities	75,000	75,000	0	0.00%
Fundraising	250,000	250,000	0	0.00%
Other Revenue	237,095	380,776	(143,681)	-37.73%
<b>TOTAL REVENUES</b>	<b>\$ 73,152,616</b>	<b>\$ 69,144,343</b>	<b>\$ 4,008,273</b>	<b>5.80%</b>

### Enrolment

Student enrolment is the primary driver of funding for the School Division. The Adjusted Enrolment Method uses two years of enrolment data to determine funding rates. While this provides funding certainty and allows for earlier planning, the effect of increased enrolment on funding is delayed with the formula. The AEM is calculated as follows;

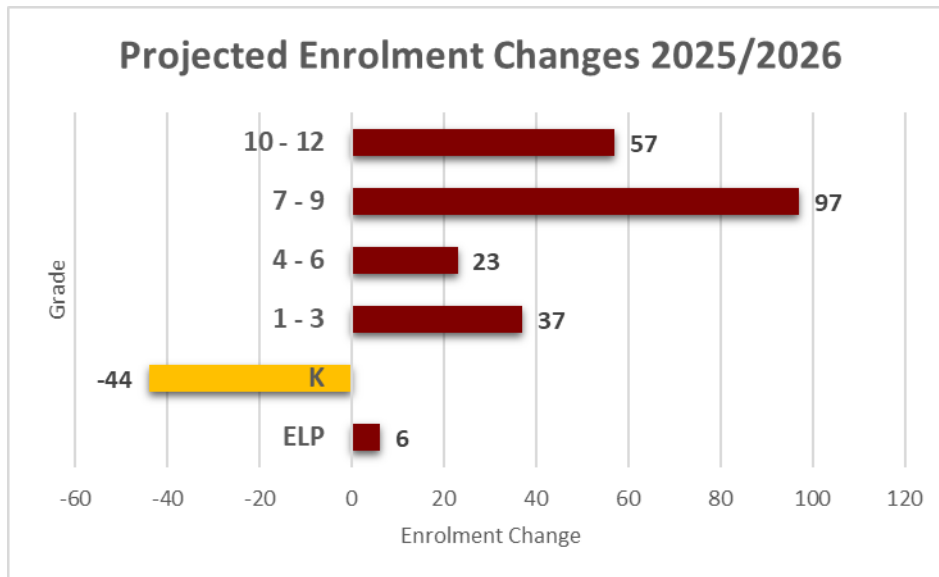
School Year	Enrolment Count (FTE)	Weighted Factor
2024/2025	Estimate	30%
2025/2026	Projection	70%

Estimates for the 2025/2026 enrolment were made in the first week of January and submitted to Alberta Education. The deadline for this submission is early as it is before registration for the new year has opened. Enrolment is predicted using demographic data and principal estimates.



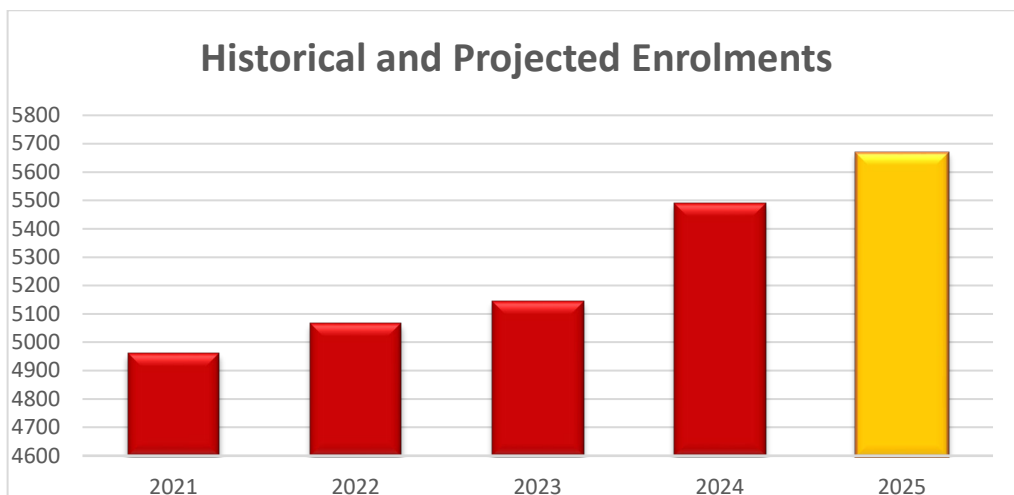
## 2025/2026 Enrolment Projection

Including our funded Early Learning Program children, the school division is expecting 5,667 [2024 – 5,491] students in September 2025. This is a predicted increase of 176 students or 3.2%. The chart below illustrates the increases or decreases at each division level.



## Enrolment Projections

Enrolment has shown continual growth, and as such we have reflected this in our projections for the 2025/2026 school year. Enrolment variations are expected to be uneven, particularly in West Lethbridge, especially within the Father Leonard Van Tighem School boundary. The new West Lethbridge elementary school, located in the Piers subdivision is expected to open in 2026.





## Enrolment by School

School	Budget 30-Sep-25		Actual 30-Sep-24		Headcount Change	Headcount % Change
	Headcount	FTE	Headcount	FTE		
CARE	6.00	6.00	7.00	7.00	(1.00)	-16.67%
Catholic Central High	1,042.00	1,042.00	986.00	986.00	56.00	5.37%
Ecole St. Mary	423.00	399.00	413.00	384.50	10.00	2.36%
Father Leonard Van Tighem	680.00	655.00	653.00	631.00	27.00	3.97%
Our Lady of The Assumption	189.00	181.00	179.00	168.00	10.00	5.29%
St. Catherine	175.00	166.00	184.00	175.50	(9.00)	-5.14%
St. Francis Junior High	704.00	704.00	614.00	614.00	90.00	12.78%
St. Joseph	311.00	298.50	328.00	310.00	(17.00)	-5.47%
St. Mary - Taber	176.00	195.00	174.00	174.00	2.00	1.14%
St. Michael's - Bow Island	44.00	42.00	47.00	45.00	(3.00)	-6.82%
St. Michael's - Pincher Creek	305.00	294.50	312.00	301.00	(7.00)	-2.30%
St. Patrick Fine Arts	300.00	282.00	292.00	272.50	8.00	2.67%
St. Patrick -Taber	181.00	166.50	190.00	175.00	(9.00)	-4.97%
St. Paul	305.00	291.00	296.00	281.00	9.00	2.95%
St. Teresa of Calcutta	401.00	378.50	399.00	370.00	2.00	0.50%
The Children of St. Martha	219.00	204.00	218.00	200.50	1.00	0.46%
Trinity Learning Centre	51.00	51.00	50.00	50.00	1.00	1.96%
Early Learning Program	155.00	96.00	149.00	74.50	6.00	3.87%
	<u>5,667.00</u>	<u>5,452.00</u>	<u>5,491.00</u>	<u>5,219.50</u>	<u>176.00</u>	3.11%

The above enrolment represents provincially and federally funded students. Not included above are up to 20 full-time fee-paying international students. We also anticipate an additional 205 fee-paying Early Learning Program children. Total enrolment is therefore expected to be 5,891 [2024/2025 – 5,695].

### Spending by Program Area

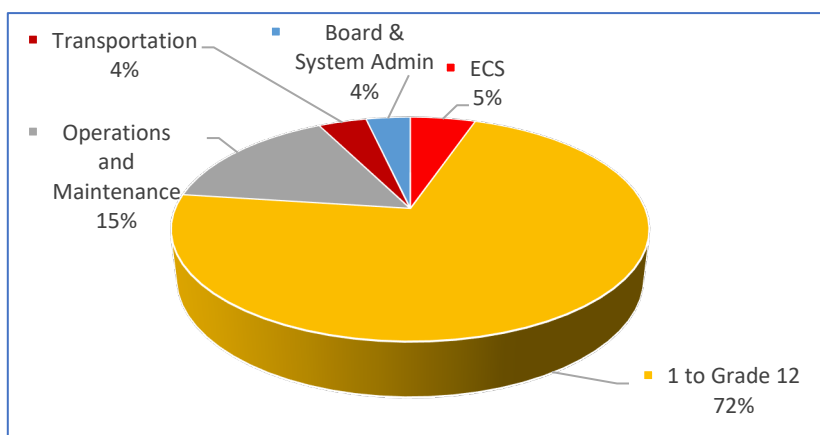
The 2025/2026 Operating Budget of \$74,173,709 is comprised of expenditures in the following functional areas:

	<u>Budget 2025/2026</u>	<u>Actual 2024/2025</u>	<u>Change</u>	<u>% Change</u>
<b>Revenue</b>	\$ 73,152,616.00	\$ 71,179,330.00	\$ 1,973,286.00	\$ 0.03
<b>Expenses</b>				
Instruction - ECS	\$ 3,838,683.00	\$ 2,880,499.00	\$ 958,184.00	\$ 0.33
Instruction - 1-12	\$ 53,886,679.00	\$ 52,290,787.00	\$ 1,595,892.00	\$ 0.03
Plant Operations & Maintenance	\$ 11,061,988.00	\$ 9,843,429.00	\$ 1,218,559.00	\$ 0.12
Transportation	\$ 2,912,973.00	\$ 2,805,354.00	\$ 107,619.00	\$ 0.04
Board & System Administration	\$ 2,473,386.00	\$ 2,571,123.00	\$ (97,737.00)	\$ (0.04)
Total Expenses	\$ 74,173,709.00	\$ 70,391,192.00	\$ 3,782,517.00	\$ 0.05
Operating Surplus (deficit)	\$ (1,021,093.00)	\$ 788,138.00	\$ (1,809,231.00)	

There was an expected operating deficit of \$1,021,096. As student numbers were lower than projected, and increased classroom complexity required the hiring of additional education assistants, we expect this deficit to be approx. \$1.7 million including amortization.

Amortization of unsupported tangible capital assets and amortization of unsupported ARO tangible capital assets have no effect on accumulated operating reserves. Adjusting for these two amounts totaling \$836,462 the operating deficit is now estimated to be \$884,634. However as noted above, additional funding through grants and Alberta Education in 2024/2025 we realized a surplus of 788,138 instead of the deficit planned.

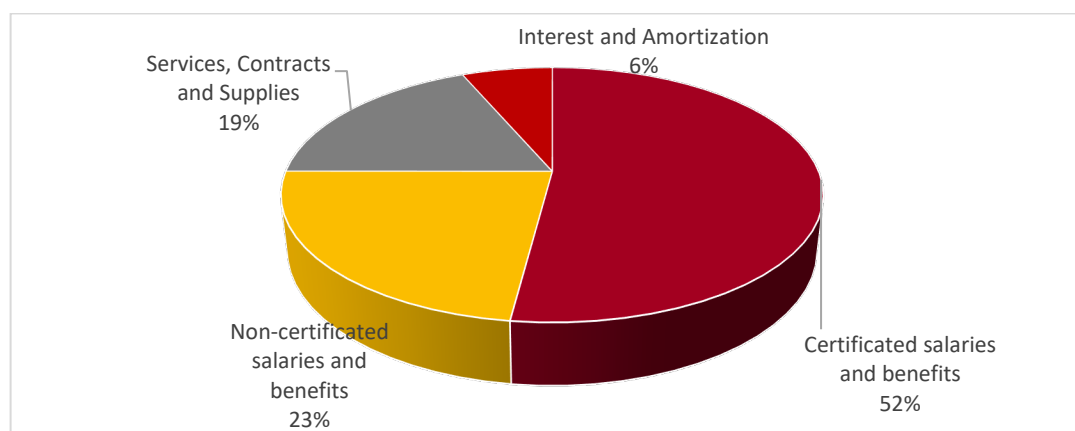
The chart illustrates budgeted expenditures in each area.



### Expenses by Object

In 2025/2026, the School Division will spend 75.02% [Budget 2024/2025 – 74.37%] of its operating expenditures on salaries and benefits for both certificated and non-certificated staff.

	Budget 2025/2026		Budget 2024/2025		Variance	% change
Certificated salaries and benefits	\$ 38,620,875	52.07%	\$ 36,591,729	49.33%	2,029,146	5.55%
Non-certificated salaries and benefits	17,025,022	22.95%	15,680,650	21.14%	1,344,372	8.57%
Services, Contracts and Supplies	13,748,653	18.54%	13,340,116	17.98%	408,537	3.06%
Interest and Amortization	4,779,162	6.44%	4,670,665	6.30%	108,497	2.32%
	<u>\$ 74,173,712</u>	<u>100.00%</u>	<u>\$ 70,283,160</u>	<u>100.00%</u>	<u>3,890,552</u>	<u>5.54%</u>



### Summary of Facility and Capital Plans –

In developing the Capital Plan, the Board of Trustees was guided by Policy 1: Board Mandate, Mission, Values and Goals which states, “the Board is dedicated to serving the educational needs and aspirations of the Catholic parents and children in the communities of Coaldale, Lethbridge, Picture Butte, Pincher Creek and Taber and surrounding areas...” Under Policy 2: Role of the Board, as part of stewardship and under fiscal responsibility, the Board is required to “approve annually the three-year capital plan and facilities master plan for submission to Alberta Infrastructure by the due date.” Administrative Procedure 126: Long Range Facility Planning outlines a process to “maximize utilization of all school facilities and enhance programming opportunities for students.” This ensures the development of a Capital Plan that meets the educational needs of our school communities.

We are currently in progress for the development of the next 10- year capital plan which will be present in February 2026. As such, our 3 year priorities remained the same as the prior year. St. Francis Junior High completed their Value Scoping project in November 2025, and we are hopeful for the announcement of a replacement school in the near future.

The following are the Board's planned projects. Planned projects are subject to funding from the Province.

St. Francis Junior High School, Lethbridge	Modernization/Replacement	Construction - 2027
St. Michael School, Bow Island	Modernization	Value scoping - 2029
Our Lady of the Assumption School, Lethbridge	Modernization	Value scoping - 2029

## For More Information

The Holy Spirit Catholic School Division maintains all current and archived audited financial statements, budgets, and capital plans on the division website:

[https://www.holyspirit.ab.ca/resources\\_publications/reports\\_plans](https://www.holyspirit.ab.ca/resources_publications/reports_plans). This information may also be accessed from our main website (<http://www.holyspirit.ab.ca>) under the "Resources & Publications" tab, by selecting "Reports & Plans."

To view the combined statements, summary reports, and school authority audited financial statements for school divisions across the province, see the Alberta Education website at: <https://www.alberta.ca/k-12-education-financial-statements.aspx>

Additional information regarding the school division's finances or capital facilities plan priorities may be obtained by contacting Acting Secretary Treasurer Amanda Lindemann by email at [secretarytreasurer@holyspirit.ab.ca](mailto:secretarytreasurer@holyspirit.ab.ca) or through the division's main phone line at (403) 327-9555.