



## Divisional Financial Summary as of February 29, 2024

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To be presented to the Finance Committee March 18, 2024

### 1. Balance in reserves

Capital Reserve account balances as of February 29, 2024, are as follows:

	<u>February 29, 2024,</u>	<u>June 30, 2023</u>
Bus Replacement Reserve*	\$181,329.77	\$51,059.13
ICT Capital Reserve	\$53,924.98	\$52,713.98
Land Acquisition Reserve	\$70,103.68	\$68,529.37

\* \$180,000 from accumulated surplus.

### 2. Financial position - projected Deficit \$987,947

At this time of the preliminary report a deficit of \$987,947 by year end year end. The 23-24 budget was planned to reflect a deficit in the amount of \$673,952.

The projection shows a total of \$313,994 more than the budget. Of the \$313,994 \$180,000 is related to the approval of a bus purchase. The remaining \$133,994 is from a few areas in operating that are anticipated to run over budget.

The main contributor is the interest costs on the division's Line of Credit. The interest rate is at 6.45%. The budget anticipated the interest rate to be within a range of 5.5-6.5%. The projections are now based on an interest rate being sustained at 6.5% for the remaining 6 months. With the exception of January and February as the division will not be utilizing the LOC for those months.

The wages area for secretaries, librarians and clinicians appears to be slightly higher than the budget. The reason appears to be the average cost of the positions is higher than the budget.

If the maintenance department trends on the same operational costs as the prior year the overall costs will be approximately \$342,569 over budget. Efforts to



reduce spending for the remainder of the year are underway and April's projections will reflect the adjustments.

### 3. Comparison between the budget and actual (by Function)

The expected spent funds percentage should be in the range of 60% to 70% of either expended or committed expenses.

	YTD Actual	Budget	Budget Remaining	% Spent
REGULAR INSTRUCTION	19,660,373	40,596,640	20,936,267	48%
STUDENT SUPPORT SERVICES	7,663,617	14,247,630	6,584,013	54%
ADULT LEARNING CENTRES	540,157	1,042,680	502,523	52%
PRESCHOOL SERVICES	51,275	67,000	15,725	77%
DIVISIONAL ADMINISTRATION	1,341,043	2,273,450	932,407	59%
INSTRUCTIONAL & OTHER SUPPORT SRVS	857,396	1,647,154	789,758	52%
TRANSPORTATION	3,284,259	5,938,994	2,654,735	55%
OPERATION & MAINTENANCE	5,043,051	7,273,864	2,230,813	69%
FISCAL, PAYROLL TAX, TRANSFERS	1,102,032	1,754,143	652,111	63%
	39,543,203.00	74,841,555.00	35,298,352.00	53%

### 4. Balance owing on bus garage

As of June 30, 2023, as stated in the audited financial statements the Debenture Debt account is \$41,658,467. The balance owing on the bus garage account as of February 29, 2024, is \$ 923,937.40 (balance as of June 30, 2023, \$1,123,937.40).

### 5. Amount we are in line of credit

As of February 29, 2023, the LOC (line of credit) was NOT used with an ending bank balance of \$1,839,533.21.

The LOC interest rate set at 6.45% (unchanged from prior month)

The adjusted book balance is \$1,759,923.60.

### 6. New funding or grants received over \$10,000

The provincial funding issued an additional \$81,000. Additional revenues are associated with increased student enrollment. Funds will be used to offset operating costs.



### **7. Year to Date Sick leave information**

Total number of sub replacement days in February 1585.5, with a cost of \$60,754.63.  
Year to date sub sick days is 1,396.54 with a total cost of \$303,004.78.

### **8. Commentary**

The following observations have been made.

- The interest rate remained at 6.45%. The interest rate announcement in early January resulted in no change. The Division saw interest revenue from a positive account balance. This should continue for the next month.
- The 23/24 budget was created with consideration of interest costs in mind, however 6.5% was the highest consideration at the time of the budget being prepared. Should the interest rate exceed 6.5% the division will incur interest expenses greater than budgeted.
- The months of September through to January municipalities will be paying the special levy and will help the bank account move out of the LOC by the end of calendar year. In the month of February, the division did not utilize the LOC.
- 23/24 budget was created using average salaries. The average salary for a few employee groups will have an impact on the overall bottom line of the budget.
- General maintenance supply costs have increased having an impact on cleaning supplies and repair and maintenance. Projects normally scheduled for the last quarter of the school year will be reviewed and possibly delayed to a new fiscal year. Projects such as additional wax cleaning and cost sharing on school projects are being reviewed.