



Divisional Financial Summary as of March 31, 2024

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To be presented to the Finance Committee May 14, 2024

1. Balance in reserves

Capital Reserve account balances as of March 31, 2024, are as follows:

| | <u>March 31, 2024,</u> | <u>June 30, 2023</u> |
|--------------------------|------------------------|----------------------|
| Bus Replacement Reserve* | \$181,906.44 | \$51,059.13 |
| ICT Capital Reserve | \$54,078.40 | \$52,713.98 |
| Land Acquisition Reserve | \$70,303.14 | \$68,529.37 |

* \$180,000 from accumulated surplus.

2. Financial position - projected Deficit \$915,935

At this time of the preliminary report a deficit of \$915,935 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 \$241,982 more than the budgeted deficit. Of the \$241,982, \$180,000 is related to the approval of a bus purchase. The remaining \$61,982 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 \$298,000 over budget. This estimate is down from the prior months projects due to efforts to reduce spending for the remainder of the year.



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

The expected spent funds percentage should be in the range of 70% to 75% of either expensed or committed expenses.

| | YTD Actual | Budget | Budget Remaining | % Spent |
|------------------------------------|---------------|---------------|------------------|---------|
| REGULAR INSTRUCTION | 22,921,602 | 40,595,129 | 17,673,527 | 56% |
| STUDENT SUPPORT SERVICES | 9,080,491 | 14,247,630 | 5,167,139 | 64% |
| ADULT LEARNING CENTRES | 624,309 | 1,042,680 | 418,371 | 60% |
| PRESCHOOL SERVICES | 53,765 | 67,000 | 13,235 | 80% |
| DIVISIONAL ADMINISTRATION | 1,492,318 | 2,273,450 | 781,132 | 66% |
| INSTRUCTIONAL & OTHER SUPPORT SRVS | 1,011,852 | 1,648,665 | 636,813 | 61% |
| TRANSPORTATION | 3,863,988 | 5,938,994 | 2,075,006 | 65% |
| OPERATION & MAINTENANCE | 5,619,582 | 7,273,864 | 1,654,282 | 77% |
| FISCAL, PAYROLL TAX, TRANSFERS | 1,214,924 | 1,754,143 | 539,219 | 69% |
| | 45,882,831.00 | 74,841,555.00 | 28,958,724.00 | 61% |

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 March 31, 2024, is \$ 898,937.40 (balance as of June 30, 2023, \$1,123,937.40).

5. Amount we are in line of credit

As of March 31, 2023, the LOC (line of credit) is in use with an ending bank balance of \$(1,930,315.90)

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

The adjusted book balance is \$(2,759,787.42).

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

The provincial funding provided an additional \$62,500 for career development.

The funds are unknown if it will be continuing for the following school year.

Additional Knowledge and elder keeper funds \$35,000 received in April, a total of \$50,000 for 23/24.



7. Year to Date Sick leave information

Total number of sub replacement days in February 280.5, with a cost of \$56,051.06. Year to date sub sick days is 1843 with a total cost of \$359,055.84.

8. Commentary

The following observations have been made.

- The interest rate remained at 6.45%. The division will be utilizing the LOC for the remainder of the school year. This is a normal pattern for the operation of the division. The funds from the province will continue in monthly installments and funds from municipalities will be received in the fall and early winter.
- 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.
- Efforts made by the maintenance department to reduce expenses occurred. Snow clearing did not occur during spring break as favorable weather conditions melted the snow. Additional floor waxing did not occur during spring break. Warmer temperatures also reduced hydro/nat gas expenses, less than projected.
- 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.
- Transportation is seeing an increase in costs on supplies for bus repairs, costs have been anticipated to increase however the increase appears to be greater than originally anticipated.
- Transportation is benefiting from the lower fuel prices and the relief in fuel costs will assist on the purchase of an additional bus and overage on bus parts.