



Divisional Financial Summary as of December 31, 2023

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Date Prepared January 16, 2024

To be presented to the Finance Committee January 18, 2023

1. Balance in reserves

Capital Reserve account balances as of December 31, 2023, are as follows:

	<u>December 31, 2023,</u>	<u>June 30, 2023</u>
Bus Replacement Reserve*	\$415,090.96	\$51,059.13
ICT Capital Reserve	\$53,629.24	\$52,713.98
Land Acquisition Reserve	\$69,719.22	\$68,529.37

*Transfer \$360,000 for purpose of 2 buses as per budget 23/24

2. Financial position - projected Deficit.

At this time of the preliminary report a deficit of \$710,271 by year end year end. The 23-24 budget was planned to reflect a deficit in the amount of \$673,952.

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 and librarians are tending to be slightly higher than the budget. The reason appears to be the average cost of a secretary and librarian appears to be higher than budgeted.

With the mild November and December, the Hydro costs were less than anticipated in prior projections.

Transportation is trending higher than budgeted, at this time as the repair costs and glass replacement for the buses have been increasing in either inflation and/or frequency.



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

The expected spent funds percentage should be in the range of 40% to 50% of either expensed or committed expenses.

	YTD Actual	Budget	Budget Remaining	% Spent
REGULAR INSTRUCTION	13,428,689	40,596,640	27,167,951	33%
STUDENT SUPPORT SERVICES	5,100,451	14,247,630	9,147,179	36%
ADULT LEARNING CENTRES	344,542	1,042,680	698,138	33%
PRESCHOOL SERVICES	50,693	67,000	16,307	76%
DIVISIONAL ADMINISTRATION	1,047,672	2,273,450	1,225,778	46%
INSTRUCTIONAL & OTHER SUPPORT SRVS	603,022	1,647,154	1,044,132	37%
TRANSPORTATION	2,290,047	5,938,994	3,648,947	39%
OPERATION & MAINTENANCE	3,491,295	7,273,864	3,782,569	48%
FISCAL, PAYROLL TAX, TRANSFERS	884,037	1,754,143	870,106	50%
	27,240,448.00	74,841,555.00	47,601,107.00	36%

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 December 31, 2023, is \$ 973,937.40 (balance as of June 30, 2023, \$1,123,937.40).

5. Amount we are in line of credit

As of December 31, 2023, the LOC (line of credit) was NOT used with an ending bank balance of \$1,655,779.79.

The LOC interest rate set at 6.45%

The adjusted book balance is \$1,388,947.88.

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

\$2 Million in wage assistance grant – Reported last month.

\$270,000 for student support learning – Reported last month.



7. Year to Date Sick leave information

Total number of sub replacement days in December 411, with a cost of \$83,291.26. Year to date sub sick days is 1079.5 with a total cost of \$205,801.65.

8. Commentary

The following observations have been made.

- The interest rate remained at 6.45%. The interest rate announcement in early December 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 November, we saw the bank account move out of 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. Further analysis will be done on all payroll groups in the month of January and February.
- This school year saw 6 buses go down; increased maintenance costs due to inflation on the fleet is trending on having an impact on the transportation department.
- If fuel costs are in a favorable position at this time. The department would likely utilize the fuel savings and put the funds into buses reserve or into a new motor.