



DATE: June 28, 2023

TO: Board of Trustees

FROM: Shawna Warren, Superintendent

ORIGINATOR: Liliana LeVesconte, Associate Superintendent, Corporate Services

GOVERNANCE POLICY: [Policy 405 - Budget Development and Transparency](#)

ADDITIONAL REFERENCE: [AP 415 - Fiscal Reporting](#)
 Education Act: Sections 139(1)(2), 143, 180, 183, 184
 Assurance Domain - [Governance](#)

SUBJECT: Monthly Financial Report- May 2023

PURPOSE:

For information.

BACKGROUND:

The Board Financial Report for May 2023 is included for Trustee information.

Every month, at the Public Meeting of the Board, as stated in Policy 405 - 2.6 – “The Board shall receive a financial report of budget and year-to-date revenues and expenditures, along with a variance analysis for the previous month.”

The Monthly Budget Report includes a column for Instructional Centralized Supports. In addition, a Non-budgeted Additional Grants column for amounts received after the approved budget is tracked outside the approved budget. The Instructional Centralized Supports include Information Technology, Education Planning, Community Engagement, Curriculum Development, Specialized Learning Support, Program Unit Funding (PUF), Human Resources, Student Health and Wellness, Division PD, Division Principal and Evergreening.

As of the end of May 2023, the Division’s deficit is \$4.17M.

The Division received unbudgeted grants released, totalling \$1,049,344 (unspent balance to date \$403k) offsetting our anticipated deficit:

Alberta School Councils Engagement (includes unspent funds from prior year)	\$12,416
Dual Credit Programming (includes unspent funds from prior year)	\$186,109
Learning Disruption Support (includes unspent funds from prior year)	\$178,794
Low Incidence Support Services (LISS)	\$40,902
Support for Ukrainian Students	\$63,250
Curriculum Planning (unspent funds from prior year)	\$230,465
French as a Second Language	\$59,758
Mental Health in Schools	\$277,650

Not including the unbudgeted grants, the Division has a \$4.57M deficit, as opposed to a deficit of \$1.76M as planned as of May 31, 2023. The Targeted Deficit for 2022-2023 is \$2,337,972, however, the ministerial approval reduced that deficit to \$2,037,417. The Division will be required to meet the access to the Unrestricted Surplus as approved by the Minister, by adding to our operating statement a portion of the PUF Deferred funds, and/or offset our capital expenditures costs from the capital reserve, and/or reduce the planned Capital Contribution to Reserves.

When compared to the budget, the actual variances by program:

- Pre-K - 12
 - Revenues are tracking to budget and include the ATA Salary Settlement top up (\$404k), Student Enrolment Growth grant (\$138k), offset by lower-than-expected fee collection, higher than anticipated donations (\$184k), mostly related to graduation, and fundraising revenues (\$78k) and several smaller revenues sources.
 - Expenses are higher than budgeted by \$2.08M, mainly due to accelerated timing of instructional expenses over the first 10 months of the fiscal year (while funding continues in equal monthly payments), and the ATA Salary Settlement (404k).
 - Underfunded ATA Salary Settlements which are based on 2021-2022 counts and do not include the related benefit cost (\$72k);
 - CPP and EI costs are expected to decrease due to reaching maximum contributions (\$200k);
 - 10 months employees and sub costs not taking place over the summer months; and
 - Increased unbudgeted costs with subs (\$185k).
- Centralized Instructional Services
 - Revenues are higher than budgeted by \$566k due to additional Indigenous Student funding for Learning Services and interest revenue. A portion of interest revenue was allocated to supporting technology upgrades (\$159k).
 - Expenses are \$484k higher due to Learning Services and Supports expenses offsetting the additional revenue as well as some expenses taking place over the first 10 months of the year but anticipated to track closer to budget by the end of the school year. Additional amortization for the Loft Boards that were capitalized at year end, but not budgeted (\$171K). The amortization is anticipated to affect the year end deficit.
- Operations & Maintenance
 - Revenue includes additional, unbudgeted Alberta Education funding of \$85k to cover the rent for Legal Public School and a settlement from the liquidation of assets under the ASBIE old insurance of \$95k and 275K of additional interest revenue has been transferred to offset the loss incurred due to disposal of assets.
 - Expenses are higher than budgeted by \$1.16M due to \$176k for the SCHS Flood while the insurance funds were received in the 2021-2022 school year, higher than budgeted snow clearing costs (\$197k), and the loss on disposal of obsolete surveillance equipment (\$255k), higher than budgeted salaries and benefits expense due to unbudgeted positions (\$120k), all anticipated to affect the year end deficit. Utility costs are higher during the winter season, and the timing of insurance premiums will level out by the end of the year.



- Transportation Services
 - Revenue is higher than budgeted due to Transportation fees being collected at the beginning of the year, and additional revenue received for the fuel subsidy program.
 - Expenses are higher than budgeted mainly due to fuel subsidy received being paid out to the bus contractors and contractor cost taking place over 10 months as opposed to 12.
- System Administration
 - Revenue is higher than budgeted due to additional interest earned on the deposit accounts (\$112k), and unbudgeted \$45k for ASBIE property equity final payout.
 - Expenses are tracking as per budget.
- External Services
 - Revenues are lower than budgeted due to less Alberta Education Interchanges (secondments).
 - Expenses are lower than budgeted due to less secondments and less subs budgeted under this category.
- Non-Budgeted Additional Grants
 - Grants were received later in the year and continue to come but are anticipated to be spent by the end of the year.
- Capital Investment to May 31, 2023 adds up to \$504k which will reduce the overall access to our unrestricted surplus.

Administration is prepared to respond to questions at the June 28, 2023, Public Board meeting.

ATTACHMENT(S):

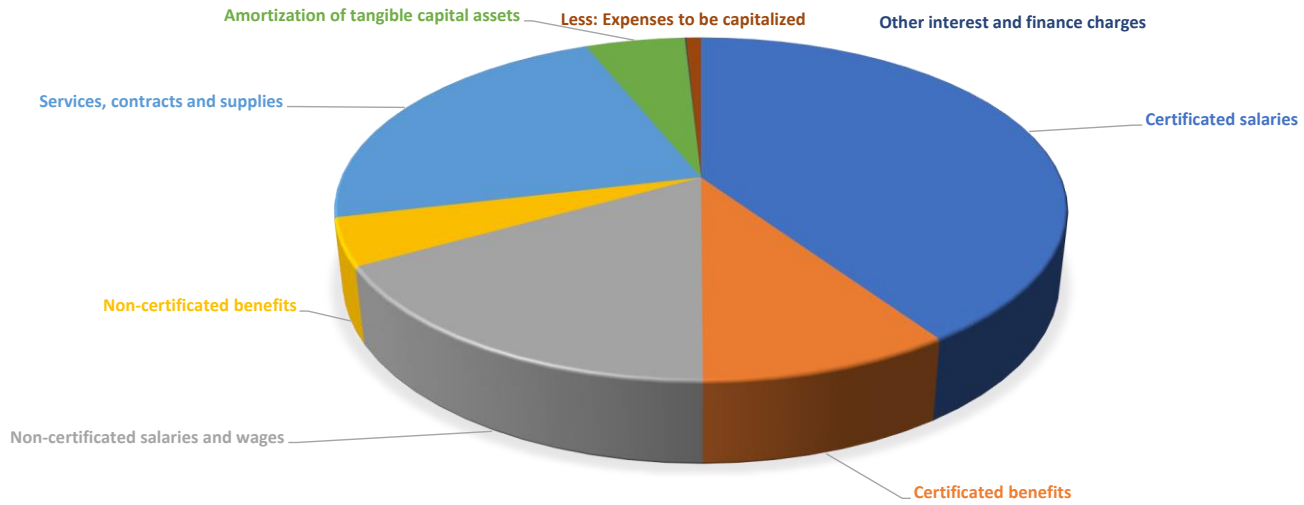
1. May 2023 Monthly Financial Report

The Sturgeon Public School Division
2022-2023 School Year

May 2023 - Target Percent - 75%

	Pre-K to Grade 12	Instructional Centralized Supports	Operations & Maintenance	Transportation	System Administration	External Services	TOTAL	Non budgeted Additional Grants
REVENUES								
Alberta Education	\$ 29,593,269	\$ 9,884,467	\$ 4,008,063	\$ 3,729,592	\$ 2,016,702	\$ 147,721	\$ 49,379,815	\$ 1,049,345
Alberta Infrastructure & Amortization	\$ -	\$ -	\$ 2,929,724				\$ 2,929,724	
Other - Government of Alberta	\$ 842,774	\$ -					\$ 842,774	
Federal Government and First Nations	\$ 298,132	\$ 519,716					\$ 817,848	
Fees	\$ 1,132,196	\$ -		\$ 720,090		\$ 1,954	\$ 1,854,241	
Sales of services and products	\$ 218,972	\$ 495		\$ 950	\$ 1,412	\$ 72,713	\$ 294,542	
Investment income	\$ 75,000	\$ 159,018	\$ 275,535		\$ 232,361		\$ 741,913	
Gifts and donations	\$ 257,681	\$ -					\$ 257,681	
Rental of facilities	\$ 29,434	\$ 13,073	\$ -			\$ 19,249	\$ 61,755	
Fundraising	\$ 151,293	\$ -					\$ 151,293	
Other	\$ 2,983	\$ 723	\$ 176,255		\$ 47,687		\$ 227,648	
TOTAL REVENUES	\$ 32,601,734	\$ 10,577,492	\$ 7,389,577	\$ 4,450,633	\$ 2,298,161	\$ 241,637	\$ 57,559,234	\$ 1,049,345
Approved Budget Revenues	\$ 43,158,454	\$ 13,348,236	\$ 9,291,157	\$ 5,693,792	\$ 2,789,294	\$ 372,178	\$ 74,653,111	
Percent Collected of Budget Received	75.54%	79.24%	79.53%	78.17%	82.39%	64.93%	77.10%	
EXPENSES								
Certificated salaries	\$ 23,281,397	\$ 1,854,065			\$ 262,004	\$ 182,640	\$ 25,580,107	\$ 183,885
Certificated benefits	\$ 5,666,850	\$ 230,040			\$ 29,574	\$ 22,087	\$ 5,948,551	\$ 19,844
Non-certificated salaries and wages	\$ 2,786,875	\$ 5,274,429	\$ 1,534,307	\$ 130,476	\$ 937,492	\$ 13,877	\$ 10,677,458	\$ 153,089
Non-certificated benefits	\$ 666,146	\$ 1,454,318	\$ 419,564	\$ 33,352	\$ 234,912	\$ 5,397	\$ 2,813,689	\$ 30,322
Services, contracts and supplies	\$ 3,926,410	\$ 1,711,927	\$ 3,251,491	\$ 4,764,339	\$ 602,597		\$ 14,256,764	\$ 259,174
Amortization of tangible capital assets	\$ 180,803	\$ 141,817	\$ 2,974,113	\$ 2,145	\$ 23,446		\$ 3,322,324	\$ -
Other interest and finance charges	\$ 17,651	\$ -		\$ 17,664	\$ 446		\$ 35,761	\$ -
Less: Expenses to be capitalized	\$ (279,623)	\$ (171,291)	\$ (47,684)	\$ (5,851)			\$ (504,450)	\$ -
TOTAL EXPENSES	\$ 36,246,510	\$ 10,495,305	\$ 8,131,791	\$ 4,942,125	\$ 2,090,472	\$ 224,001	\$ 62,130,205	\$ 646,315
Approved Budget Expenses	\$ 45,556,346	\$ 13,348,236	\$ 9,291,157	\$ 5,693,792	\$ 2,789,294	\$ 372,178	\$ 77,051,003	
Percent Spent of Budget	79.56%	78.63%	87.52%	86.80%	74.95%	60.19%	80.64%	
OPERATING SURPLUS (DEFICIT)	\$ (3,644,777)	\$ 82,187	\$ (742,214)	\$ (491,492)	\$ 207,689	\$ 17,636	\$ (4,570,971)	\$ 403,030

ACTUAL EXPENSES BY OBJECT



ACTUAL EXPENSES BY PROGRAM

