

Final 2023/24 Financial Reporting

Board Meeting
November 26, 2024



Statement of Financial Position

		2024	2023
Financial Assets			
Cash and Cash Equivalents	1	\$ 9,142,849	\$ 11,557,094
Accounts Receivable (net after allowances)	2	1,964,433	1,469,576
Portfolio Investments			
Operating		2,003,500	3,003,500
Endowments		2,367,304	2,162,696
Inventories for Resale		-	-
Other Financial Assets		-	-
Total Financial Assets		\$ 15,478,086	\$ 18,192,866

Statement of Financial Position Cont.

		2024	2023
Liabilities			
Bank Indebtedness		\$ -	\$ -
Accounts Payable and Accrued Liabilities	3	3,858,516	4,884,136
Unspent Deferred Contributions		2,150,213	1,610,072
Employee Future Benefits		791,060	871,707
Asset Retirement Obligations and Environmental Liabilities		3,543,985	3,486,766
Debt		-	-
Supported: Debentures		-	-
Unsupported: Debentures		-	-
Mortgages and Capital Loans		-	-
Capital Leases		-	-
Total Liabilities		<u>\$ 10,343,774</u>	<u>\$ 10,852,681</u>
Net Financial Assets		<u>\$ 5,134,312</u>	<u>\$ 7,340,185</u>

Capital Assets

		2024	2023
Non-Financial Assets			
Tangible Capital Assets	4	\$105,208,270	\$109,046,578
Inventory of Supplies		-	-
Prepaid Expenses		1,118,607	604,223
Other Non-Financial Assets		20	20
Total Non-Financial Assets		<u>\$106,326,897</u>	<u>\$109,650,821</u>
Spent Deferred Capital Contributions	5	<u>90,529,771</u>	<u>94,117,924</u>
Net Assets		<u><u>\$ 20,931,438</u></u>	<u><u>\$ 22,873,082</u></u>

PS 3160 – Private Public Partnerships (P3's)

- Effective September 1, 2023, school jurisdictions adopted the Public Private Partnerships (P3) standard. This standard provides guidance on how to account for public private partnerships between public and private sector entities, where the public sector entity procures infrastructure using a private sector partner.
- The Government of Alberta used prospective application to adopt this standard, except for P3 contracts entered prior to April 1, 2023, of which retroactive application is used without restating prior year comparatives. Alberta Education recommends school jurisdictions to follow the same application as the Government of Alberta to adopt this standard.

PS 3160 – Private Public Partnerships (P3's) (cont.)

- Education follows the financial liability model. The assets or capital expenses are recognized as construction progresses. By the time construction is complete, the assets or capital expenses and the corresponding liabilities are fully recognized. When the project is complete and monthly capital payments are made to the proponent, a portion of the payment reduces the liability, and the interest portion is a debt servicing cost.
- Alberta Infrastructure calculated and figured out the changes needed using the finance model and updated the amortization schedules to the implicit interest rate. The previous amortization schedules were based off of the government borrowing rate. The difference in value between the government borrowing rate and the implicit interest rate changes the value of the P3 contract as a whole.

PS 3160 – Private Public Partnerships (P3's) (cont.)

- For our school jurisdictions, this affects the amortization, accumulated amortization and asset value of the Dr. Roy Wilson Learning Center.
- PS 3160 was implemented by the Government of Alberta effective April 1, 2023 and was audited by the Office of the Auditor General for the year ended March 31, 2024. The updated amortization schedules were received from Alberta Infrastructure as they manage the P3 contracts and were used in determining the change and adjustments that were needed to the liability and asset values. The process, calculations and method was deemed appropriate from the Office of the Auditor General.

Net Assets (Note 12)

	2024	2023
Unrestricted Surplus	\$ 565,581	1,385,576
Operating Reserves	4,190,000	4,325,300
Accumulated Surplus (Deficit) from Operations 6	4,755,581	5,710,876
Capital Reserves 7	2,646,000	3,539,100
Cash Reserves 8	7,401,581	9,249,976
Endowments 9	2,214,099	2,152,749
Accumulated Remeasurement Gains(Losses)	181,307	28,524
Investment in Capital Assets	11,134,451	11,441,833
Accumulated Surplus (Deficit) 10	\$ 20,931,438	\$ 22,873,082

	2024	2023
Accumulated Surplus (Deficit) from Operations	\$ 4,755,581	\$ 5,710,876
Add: Non-vesting employee benefits	272,900	288,700
Less: School Generated Funds	(1,508,700)	(1,312,600)
Adjusted Accumulated Surplus (Deficit) from Operations	\$ 3,519,781	\$ 4,686,976

Statement of Operations

	Spring Budget 2023/24	Fall Budget 2023/24	Actual 2023/24	Actual 2022/23 (Restated)
Total Revenues	\$91,455,300	\$92,016,800	\$93,860,793	\$95,543,657
Expenses				
Instruction (ECS)	74,707,100	74,929,000	8,631,545	8,559,444
Instruction (1-12)			68,831,598	67,450,441
PO&M	12,292,000	12,447,900	11,666,515	12,162,448
Transportation	3,044,300	3,089,700	3,008,793	2,607,022
Board & System Admin	2,869,200	2,945,500	3,108,174	3,008,091
External Services	832,700	832,700	769,945	780,391
Total Expenses	\$93,745,300	\$94,244,800	\$96,016,570	\$94,567,837
Operating Surplus (Deficit)	\$ (2,290,000)	\$ (2,228,000)	\$ (2,155,777)	\$ 975,820

Notes to the AFS and Remaining Schedules

- There were no significant changes to the AFS Notes and Schedules 1-10.

AFS Variance Analysis

- The budget comparison in the Audited Financial Statements (AFS) is the Spring Budget.

Revenue

	2023/24 Spring Budget	2023/24 Fall Budget	Aug 31/24 Actual	Variance to Fall Budget Favorable (Unfavorable)	Variance to Fall Budget as %	Variance Driving Surplus (Deficit) Favourable (Unfavourable)	Variance Driving Surplus as %
Grant Revenue	83,573,300	82,366,500	80,841,154	(1,525,346)	-1.85%	25,156	0.03%
Local Revenue & SGF	4,659,800	6,012,100	9,434,532	3,422,432	56.93%	50,232	0.84%
Supported Debt	3,222,200	3,638,200	3,585,106	(53,095)	-1.46%	-	0.00%
Total Revenue	\$ 91,455,300	\$ 92,016,800	\$ 93,860,793	1,843,991	2.00%	\$ 75,388	0.08%

The actual revenue variance for is \$1.8M higher than budget, but there are many self-balancing items driving that amount, such as IMR that have an offsetting reduction in expenses. The pink columns show items driving bottom line surplus.

The revenue variance driving the overall bottom line is the following:

- Grant Revenues – \$25,156 or .03% higher than budget
- Local Revenues – \$50,232 or .84% higher than budget

Revenue

- **Grant Revenue** - \$25,156 or .03% higher than budget
 - Actual student needs vs estimated student needs for our Pre-K (3 & 4 year old's) and Kindergarten as per the final AB Ed submission in late Dec.
 - Kindergarten Severe - needs and funding lower than budget (\$27,000)
 - Pre-K – needs and funding lower than budget (\$68,000)
(\$95,000)
 - Learning Loss \$72,500

Revenue

- **Non-Grant Revenue** - \$50,232 (.84%) higher than budget
 - Investment income - lower than anticipated with interest rate drops during year (\$93,600)
 - ELP and Play & Learn Fees – less students eligible for full fees (\$28,000)
 - Facility rentals higher than budget \$34,000
 - International tuition higher than budget \$123,400
 - Misc. other \$14,400

Wages & Benefits

	2023/24 Spring Budget	2023/24 Fall Budget	Aug 31/24 Actual	Variance to Fall Budget Favorable (Unfavorable)	Variance to Fall Budget as %	Variance Driving Surplus (Deficit) Favourable (Unfavourable)	Variance Driving Surplus as %
Cert - Salary	41,957,100	41,844,400	42,519,413	(675,013)	-1.61%	(733,213)	-1.39%
Cert - Benefits	10,972,700	10,993,800	11,045,838	(52,038)	-0.47%		
Total Certificated	52,929,800	52,838,200	53,565,251	(727,051)	-1.38%		
Non-Cert - Salary	14,498,000	14,609,100	14,122,360	486,740	3.33%	601,325	3.18%
Non-Cert - Benefits	4,268,100	4,310,000	4,088,928	221,032	5.13%		
Total Non-Certificated	18,766,100	18,919,100	18,211,288	707,772	3.74%		
Total Salary	56,455,100	56,453,500	56,641,773	(188,273)	-0.33%	\$ (131,888)	-0.18%
Total Benefits	15,240,800	15,303,800	15,134,766	168,994	1.10%		
Total Wages/Benefits	\$ 71,695,900	\$ 71,757,300	\$ 71,776,539	\$ (19,279)	-0.03%		

Wages & Benefit Expenses – \$131,888 (.18%) higher than budget

Wages & Benefits Cont.

- **Certificated** - \$733,213 (1.39%) higher than budget
 - EDB and Mat leave coverage – higher than budgeted \$324,000
 - Classroom teachers and benefits - higher \$481,400
 - PUF teachers – lower than budgeted (\$44,500)
 - Individual PD/Co-curricular – lower than budgeted (\$22,200)
- **Non-Certificated** - \$601,325 (3.18%) lower than budget
 - Custodial overage due to staff changes and overlaps
 - (\$38,600)
 - Clerical savings due to staff on leaves and filling temporarily with subs
 - \$110,270
 - Culinary arts program wages covered by program sales – budget correction
 - \$129,200
 - EA central supports for ECS not required with lower-than-expected student needs
 - \$180,200
 - PUF support savings due to less need expected
 - \$150,180

Services & Supplies

	2023/24 Spring Budget	2023/24 Fall Budget	Aug 31/24 Actual	Variance to Fall Budget Favorable (Unfavorable)	Variance to Fall Budget as %	Variance Driving Surplus (Deficit) Favourable (Unfavourable)	Variance Driving Surplus as %
Services/Supplies	17,309,500	17,623,500	19,447,964	(1,818,980)	-10.32%	56,790	0.32%
Amortization & Debt	4,739,900	4,863,800	4,792,068	66,290	1.36%	71,732	1.47%
	22,049,400	22,487,300	24,240,032	(1,752,690)	-7.79%	128,522	0.57%

Services and Supplies Expenses \$56,790 (.32%) lower than budget

Services and Supplies Cont.

- Services and Supplies – \$56,790 – .32% lower than budget

Items Higher Than Budget:

- Larger projects– CHHS – approved mid-year (\$234,000)
 - Maintenance projects (\$81,000)
- (\$315,000)

Offsetting Items Lower Than Budget:

- Utilities \$296,000
 - College grounds \$34,000
 - Insurance \$35,000
- \$365,000

2023/24 – Surplus (Deficit)

	2023/24 Spring Budget	2023/24 Fall Budget	Aug 31/24 Actual	Variance to Fall Budget Favorable (Unfavorable)	Variance to Fall Budget as %	Variance Driving Surplus (Deficit) Favourable (Unfavourable)	Variance Driving Surplus as %
Total Revenue	\$ 91,455,300	\$ 92,016,800	\$ 93,860,793	\$ 1,843,991	2.00%	\$ 75,388	0.08%
Total Certificated	52,929,800	52,838,200	53,565,251	(727,051)	-1.38%	(733,213)	-1.39%
Total Non-Certificated	18,766,100	18,919,100	18,211,288	707,772	3.74%	601,325	3.18%
Total Wages & Benefits	\$ 71,695,900	\$ 71,757,300	\$ 71,776,539	\$ (19,279)	-0.03%	\$ (131,888)	-0.18%
Services/Supplies	17,309,500	17,623,500	19,447,964	(1,818,980)	-10.32%	56,790	0.32%
Amortization & Debt	4,739,900	4,863,800	4,792,068	66,290	1.36%	71,732	1.47%
Total Expenses	\$ 93,745,300	\$ 94,244,600	\$ 96,016,571	\$ (1,771,969)	-1.88%	\$ (3,366)	0.00%
Surplus (Deficit)	\$ (2,290,000)	\$ (2,227,800)	\$ (2,155,778)	\$ 72,022		\$ 72,022	