



November 28, 2023

**SPECIAL Board
Meeting Package**

VIRTUAL MEETING

KEEWATIN-PATRICIA DISTRICT SCHOOL BOARD

SPECIAL BOARD MEETING # 1

Tuesday, November 28, 2023 Time: directly after COTW - IC	Virtual Meeting via Google Meet (Google Link for internal use only)
AGENDA	

1. Call to Order Chair
2. Land Acknowledgement Chair
3. Roll Call Exec Asst
4. Approval of Special Agenda for November 28, 2023 Δ Chair
5. Declaration of Conflict of Interest Chair
6. Presentation of Reports – Finance
6.01 - 2022-2023 DRAFT Financial Statements for the year ended August 31, 2023 Δ
 - Variance Analysis - Revenue and Expenditures R. Findlay
 ○ 2022-2023 Actual v Budget N. Pearson
 - Variance Analysis - Revenue and Expenditures J. Pyzer
 ○ 2022-2023 Actual v Prior Year
 - Balance Sheet
7. Adjournment Chair

Next meeting date: December 12, 2023

Δ indicates an attachment included in the meeting package

Report to Board

Subject:

Purpose: **Decision** **Information** **Discussion**

Recommendation

Link to Strategic Plan

Background Information

Current Situation

Financial Implications: **Yes** **No**

If yes, please briefly describe the financial implications

Appendices (Executive Summary, Powerpoints, Additional Documents etc.)

November 28, 2023

Management's Report on the 2022-23 Audited Financial Statements
(in thousands of dollars)

The 2022-23 fiscal year resulted in a \$51 Public Sector Accounting Standards (PSAS) Deficit, decreasing our Accumulated Surplus (also known as *Reserves*) to **\$37,498** as of August 31, 2023. While revenues were \$4,113 (3.9%) higher than budgeted, expenses were also up by \$3,402 (3.2%) compared to estimates.

OPERATING RESULTS

A variance report on operating revenues and expenses compared to budget is attached as **Appendix 1**. Highlights and explanations for some of the more significant revenue and expense variances follow. Note that the terms *Estimates* and *Budget* will be used interchangeably.

REVENUES - \$108,926

Provincial Grants under the "Grants for Student Needs" or "GSN" funding model were **\$78,099**. This was \$956 (1.2%) lower than the estimates. Much of this decrease was due to a decline in *Pupils of the Board* student enrolment compared to projections.

Provincial Grants – Other at **\$3,559** was \$861 more than the estimates. The estimates contain only known grants when they are approved. Additional grants - known as *Priority and Partnership Fund* (PPF) grants - are funds received during the year to address specific provincial initiatives such as student mental health needs. We typically are very conservative in our estimates of PPF grants because they are not guaranteed revenue on a year-to-year basis due to their specific focus on certain initiatives. In 2022-23, PPF grants were \$785 more than estimated.

Education Property Tax revenues of **\$13,731** were \$175 lower than the estimates. Fortunately, our overall funding is not affected by declines in education property tax because provincial grants are topped up to ensure we receive a total funding allocation that is based on student enrolment and the provincial education funding formula.

School Generated Funds revenues of **\$2,094** were \$1,504 higher than the estimates, mainly because schools ran regular events after COVID protocols and restrictions were lifted.

Federal Grants and Fees of **\$8,592** were \$1,549 higher than the estimates mainly due to higher than budgeted student enrolment for *Other Pupils of the Board* (tuition-paying pupils). Our budgeted enrolment was very conservative because we were uncertain about the number of students from northern communities returning to school after the Covid pandemic. We also had *Jordan's Principle* Education Assistant support funding of \$423 from the First Nation Inuit Health Branch (FNIHB) that was not budgeted.

Other Fees & Revenues of **\$2,550** were \$1,189 (87.4%) more than budgeted due to initiatives that were funded in the year that were not known at budget preparation time. This includes revenue received from Wauzhushk Onigum Nation (WON) (\$803) to fund positions such as Grad Coaches and Family Case Managers. Additional unbudgeted revenue was also received from Microsoft Settlement funds to support learning technology in the classroom (\$241), and OSBIE insurance proceeds to settle a claim (\$47).

Respectfully submitted by:
Richard Findlay, Superintendent of Business
Natalie Pearson, Finance Manager

EXPENSES - \$108,977

Instruction expenses of **\$73,428** were \$891 (1.2%) higher than the estimates. This variance is explained by unbudgeted PPF expenditures for salaries and benefits and classroom supplies (\$785) and additional supplies and textbooks for math and tutoring (\$800). These unbudgeted amounts were offset by lower staffing costs because of positions that were budgeted but unfilled during the school year due to staffing shortages.

Administration expenses of **\$5,861** were \$319 (5.8%) more than the estimates. The variance is made up of expenditures that were higher than the budget, including retroactive salary payments (\$96), legal costs (\$50), software contracts (\$133), and house rental in Sioux Lookout (\$17).

Transportation expenses of **\$6,719** were \$398 (5.6%) lower than the estimates, mainly due to bus cancellations and driver shortages.

Pupil Accommodation expenses of **\$18,685** were \$115 (0.6%) over the estimates. This variance resulted from higher than expected expenditures for snow removal, garbage removal, fire alarms, and rental accommodations for the Dryden High School Alternative Education program.

School Generated Funds expenses of **\$2,186** were \$1,596 (270.5%) over the estimates. This variance aligns with the fact that schools were back to normal and running events after the COVID protocols and restrictions were lifted.

Other expenses of **\$2,098** were \$879 (72.1%) more than the estimates. This variance was mainly due to an accrual for potential retroactive salary increases for the 2022-23 school year. The Ministry directed that this salary accrual be placed as an *Other Non-Operating* expense so that it would be separated out from normal operating expenses.

COMPLIANCE

Surplus / Deficit

The 2022-23 surplus for Ministry of Education compliance purposes is **\$832**. The Board was **compliant** with the "Balanced Budget Determination" requirement (i.e., deficit less than 1% of operating budget, or \$830 deficit). Note that this is different from the PSAS deficit value of \$51 referenced at the beginning of this report.

Administration and Governance

The net expenses of **\$3,508** were within the funding allocation of **\$3,508**. Therefore, the Board was **compliant** with this enveloping requirement.

Respectfully submitted by:
Richard Findlay, Superintendent of Business
Natalie Pearson, Finance Manager

APPENDIX 1

Keewatin-Patricia DSB
2022-23 Financial Statements
Consolidated Statement of Operations
For the year ended August 31
Variance Report (in thousands of dollars)

			Restated	2022-23	2022-23
	2022-23	2022-23	2021-22	Act v Bud	Act v Bud
	Actual	Budget	Actual	Variance \$	Variance %
REVENUES					
Provincial Grants for Student Needs	78,099	79,055	75,580	(956)	-1.2%
Provincial Grants - Other	3,559	2,698	8,757	861	31.9%
Local Taxation	13,731	13,906	13,625	(175)	-1.3%
School Generated Funds	2,094	590	1,183	1,504	254.9%
Federal Grants & Fees	8,592	7,043	7,752	1,549	22.0%
Investment Income	85	-	11	85	
Other Revenue - School Boards	216	160	227	56	35.0%
Other Fees & Revenues	2,550	1,361	1,781	1,189	87.4%
TOTAL REVENUES	108,926	104,813	108,916	4,113	3.9%
EXPENSES					
Instruction	73,428	72,537	69,227	891	1.2%
Administration	5,861	5,542	5,629	319	5.8%
Transportation	6,719	7,117	6,176	(398)	-5.6%
Pupil Accommodation	18,685	18,570	17,953	115	0.6%
School Generated Funds	2,186	590	1,163	1,596	270.5%
Other Expenses	2,098	1,219	4,415	879	72.1%
TOTAL EXPENSES	108,977	105,575	104,563	3,402	3.2%
Annual Surplus/(Deficit)	(51)	(762)	4,353	711	-93.3%
Accumulated Surplus at beginning of year	37,549	27,531	35,372		
Accumulated Surplus, PSAS adjustments	-	(2,176)	(2,176)		
Accumulated Surplus at beginning of year, as restated	37,549	25,355	33,196		
Accumulated Surplus at end of year	37,498	24,593	37,549		

Respectfully submitted by:
Richard Findlay, Superintendent of Business
Natalie Pearson, Finance Manager