



Annual Report: First Quarter Interim Financial Report, 2019-2020

To: Finance, Budget and Enrolment Committee

Date: 22 January, 2020

Report No.: 01-20-3819

Strategic Directions

- Allocate Human and Financial Resources Strategically to Support Student Needs

Recommendation

It is recommended that the First Quarter Interim Financial Report – 2019-2020 be received.

Context

Enclosed is the first quarter report from 1 September 2019 to 30 November 2019 outlining the financial position of the Board relative to the approved budget. It is important to note that this is an early look at the Board's financial position after the first three months of operation in the 2019-20 school year. While there have been changes in enrolment and expenditure forecasts as outlined in Appendix A, the Board remains in a balanced financial position for the 2019-20 year, as outlined in the report.

Assumptions and Risk Factors

The following assumptions and risk factors that could have an impact on the current year projection have been identified. Staff will continue to monitor these areas closely and will provide updates to the Board on a regular basis:

1. Enrolment:

The enrolment count of students in October has been completed. The remaining risk to enrolment is the final count date in March, which has an impact on Grants for Student Needs revenue.

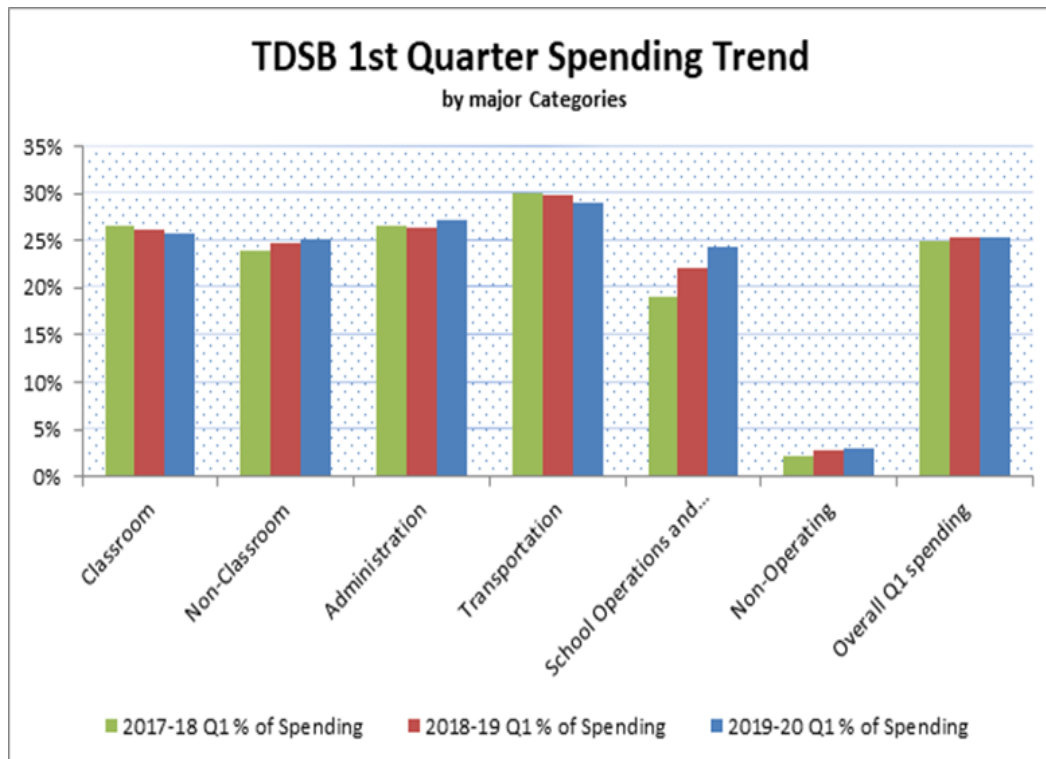
2. Inflation on Utility Prices:

The pace of economic activity and global events are major factors that influence pricing. Staff monitor commodity prices daily and are positioned to lock in prices based on conditions. Currently the Board has locked in over 90% of its nature gas consumption for the year. Costs for water and electricity are the major areas of pricing risk for the Board. At this time projections are in line with budget projections. The risk to pricing could develop if actual electrical and water prices in 2019-20 outpace opportunities to mitigate costs through market hedging, conservation efforts by the Board and any funding adjustments provided by the Ministry.

Provided in this report are several appendices that summarize the results of the operations for the first quarter:

- Appendix A provides a high level update on the projected operating financial position of the Board as of the end of the first quarter.
- Appendix B provides a high level financial information in the Public Sector Accounting Board (PSAB) format on changes to both revenue and expenses since the original budget was approved. In the second section of the appendix, enrolment changes are highlighted based on the 31 October 2019 count. The last section of the appendix outlines the changes to Board staffing during the same timeframe.
- Appendix C provides a summary of revenues for the quarter ending 30 November 2019. The first section of this appendix provides information on the Grant for Student Needs, while the second section of the appendix provides information on other revenues of the Board. The actual results for the first quarter and a comparison to the same period in the prior year are included in the appendix.

- Appendix D provides the summary of expenses for the quarter ending 30 November 2019, based on Ministry of Education classifications. The appendix includes the Board approved original budget and revised budget. The right side of the appendix provides actual results of the first quarter's operations and a comparison to the same period in the prior year. The chart below shows that the overall 1st quarter spend as a percentage of budget is similar to prior years and is where it is expected to be at this time of year.



- Appendix E provides detailed department budgets and actual spending. These detailed pages contain the following information:
 - Department name
 - Description of department
 - Total Salaries and Benefits
 - Total Operating expenses of department
- Appendix F provides an update on the Priorities and Partnership funds (formerly Education Program Other Grants or EPOs) provided to the Board as at 31 December 2019.

Enrolment Changes

Day school enrolment projections for 2019-20 versus the original budget projections based on 31 October 2019 actual enrolment has been updated per schedule below.

Projected Pupils of the Board Enrolments

Category	Actual 2018-19	2019-2020		Change in Enrolment
		Original Budget	October 31 Projection	
JK/SK	34,791	34,487	34,900	413
Grade 1 to 3	53,410	53,163	53,373	210
Grade 4 to 8	84,960	85,779	85,797	18
Total Elementary	173,162	173,429	174,070	641
Secondary	69,268	69,361	69,181	-180
Total Day School	242,430	242,790	243,251	461

Revenue and Expenditure Changes

The financial position of the board has been updated based on both enrolment changes and other changes in operations. The current financial forecasts an additional use of the working fund reserves from the original budget of \$21.0M to \$27.4M, which will leave a forecasted working reserve balance of \$1.9M at year end.

The original budget for the 2019-20 year includes in-year savings target of \$7M which now is forecasted to be \$9.2M. Staff continue to monitor and will report back any changes in the second quarter.

Action Plan and Associated Timeline

Not applicable.

Resource Implications

Not applicable.

Communications Considerations

Not applicable.

Board Policy and Procedure Reference(s)

Not applicable.

Appendices

- Appendix A: Updated Projected Operating Financial Position for 2019-20
- Appendix B: Dashboard Summary
- Appendix C: Detailed Revenue Summary
- Appendix D: Detailed Expense Summary by Category
- Appendix E: Detailed Department Budgets
- Appendix F: Updated Priorities and Partnership Funds

From

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