



Powering Hope and Possibilities



1st Quarterly Report 2025

For the three months from September 2024 to November 2024

Prepared by the Finance Department for the January 21, 2025 Board Meeting

I BUDGET BENCHMARKS

The first quarterly financial report lists revenues and expenditures recorded to **November 30, 2024**, representing the first **three** months of the fiscal year. As there are three (3) months expended in Q1, the normal benchmark for comparison is 25% (3/12 months). For some categories 30% (3/10 months) is used to reflect expenses incurred only during the instructional months.

The **Spring 2024-25 Budget** was prepared by GHSD and submitted to Alberta Education. All budget points referenced in this report are from this spring 2024-25 budget.

II ACTUALS AND COMPARISON TO BUDGET SHOWS MARGINAL SURPLUS IN Q1

A

**Golden Hills School Division
Statement of Revenue and Expenses
Budget vs. Actual Variance
Period - September 1, 2024 - November 30, 2024**

	Annual Budget	Q1 Prorated Budget	YTD Actuals	YTD Budget Variance	% Budget	Benchmark %
Revenues						
Alberta Education/Infrastructure	86,485,520	21,621,380	21,258,225	(363,155)	25%	25%
Federal government and/or First Nations	1,487,032	446,110	572,179	126,069	38%	30%
Fees	1,543,886	463,166	1,461,888	998,722	95%	30%
Other revenues	12,164,819	3,649,446	3,827,336	177,890	31%	30%
Amortization	4,478,921	1,119,730	1,122,948	3,218	25%	25%
Total revenues	106,160,178	27,299,831	28,242,576	942,745	43%	28%
Expenses						
Certificated salaries & benefits	54,773,772	12,597,968	12,898,145	(300,177)	24%	23%
Non-certificated Salaries & benefits	19,284,703	5,014,023	5,818,786	(804,763)	30%	26%
Sub-Total	74,058,475	17,611,990	18,716,931	(1,104,941)	27%	25%
Supplies and services	27,077,219	8,123,166	7,944,397	178,769	29%	30%
Amortization	5,993,588	1,498,397	1,570,959	(72,562)	26%	25%
Interest charges	-	-	2,155	(2,155)	100%	25%
Total expenses	107,129,282	27,233,553	28,234,442	(1,000,889)	46%	27%
Surplus/(Deficit)	(969,104)	66,278	8,134	(58,144)		

The first quarter shows a minimal surplus as expected. Historically Q1 revenues are higher than subsequent quarters, these include SGF funds collected by schools and enrolment of students in International Student Services. Note that the increase in fees versus budget is due to a reclassification of some sales and services revenue to the extra curricular fees category per Alberta Education guidelines and in part was not a change in actual amounts collected by schools.

Certificated Salaries and benefits are higher than projected. Supplies and services are variable, but typically higher in the first three quarters of the year and these expenses also variably increase in tandem with SGF and ISS revenue increases.

B NOTES ON COMPARISON TO BUDGET –TIMING OF REVENUES HIGHER IN FIRST QUARTER OF YEAR

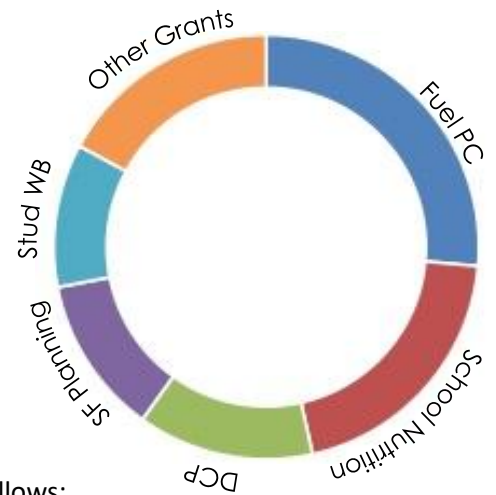
The year-to-date **surplus of revenues over expenses** vs a projected deficit is due to the timing of when some amounts are recorded as revenue. Higher revenues typically recorded at the start of the year include:



In these categories, expenses typically lag behind revenue recognition, creating surpluses in the first quarter. We expect surpluses in the above categories to decrease in subsequent quarters as the full years’ expenses are incurred.

- **Additional Payments from Alberta Education** are normally disbursed on a monthly basis. Exceptions to this are those payments which are received either annually, bi-annually or as a one-time-payment:

Additional Payments Received Q1	Amount Received
■ Dual Credit Program	98,603
■ School Nutrition	74,845
■ Dual Credit Programming-Start Up	50,000
■ Fuel Price Contingency	44,942
■ Low Incidence Supports/Services	40,800
■ Other Irregular Grants < 40K	63,756
	376,946



- **School Generated Funds** Included in the Q1 operations are as follows:

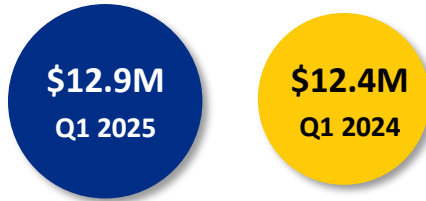
Category	SGF amounts collected - Q1	
	Current year	Prior year
Fees	1,369,490	1,155,435
Athletics	304,349	379,428
Cafeteria/Lunch Programs	181,141	169,099
Trips	145,595	195,172
FT Kindergarten	64,346	70,159
Total	2,064,921	1,969,293

The majority of SGF fees are received and recorded in the first three quarters of the school year and represent current programs for students. All fees charged by schools are cost neutral.

C **NOTES ON COMPARISON TO BUDGET –EXPENSES WITHIN EXPECTATIONS**

Certificated Salaries and Benefits

Total certificated salaries and benefits for the Q1 were **\$12.9M** (24% of a \$54.8M budget) which is within the range of what the budget would permit by the 2nd quarter.



Overall, certificated salary and benefit costs are under the annual budgeted amounts.

Non-Certificated Salaries and Benefits

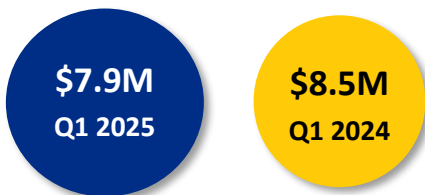
Total non-certificated salaries and benefits for the Q1 were **\$5.8M** (30% of an \$19.3M budget) which is higher than the pro-rated budget. A significant portion of non-certificated staff is paid over 10 months and not 12 months; therefore, the expenditure is typically higher for first 10 months but decreases in the last two months of the fiscal year.



Enrolment fluctuations in the fall may require staffing adjustments. As a result the budgeted amounts are often higher until June and balance out by the end of the year. Also, payroll costs trend lower over the summer months: we anticipate some fluctuation in quarterly labour costs.

Supplies and Services

Supplies and services year-to-date are **\$7.9M** (29% of \$27.1M budget). Typically, many of these costs occur over a 10-month school year and not the 12-month fiscal year, resulting in higher costs in the first 3 quarters and lower costs in the 4th quarter. Department managers will continue to carefully monitor their budgets to ensure they stay within their spending limits.



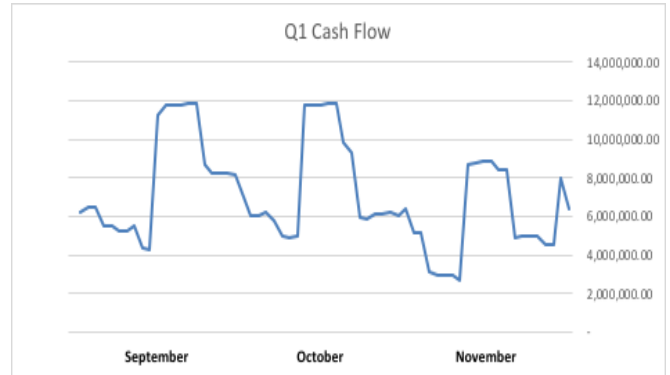
Overall, supply costs year-to-date are higher than the prior year, and within an acceptable range of the Q1 benchmark. Because supplies and services are variable expenses, we typically expect an increase in tandem with SGF and ISS revenues increases; representing the cost of implementing increased trips, activities, and co-curricular programming.

III AVERAGE SOURCE AND USE OF CASH

A CASH REMAINS ABOVE 2M TARGET BALANCE

Monthly Cash Flow September

Grants	7,959,501
ISS Revenue	403,361
SGF Revenue	1,032,461
Total Cash In	9,395,323
Accounts Payable	2,774,577
Payroll	6,846,470
SGF amounts	1,321,775
Board Funded Capital Payments	12,561
Total Cash Out	10,955,383



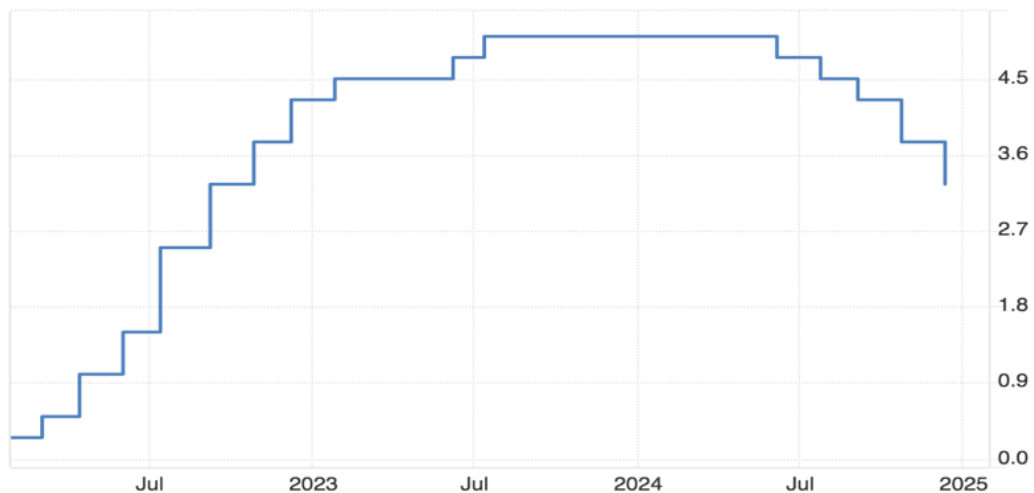
B GOLDEN HILLS INVESTMENTS

As of November 31, 2024, **\$11.5M** of the cash balance has been invested into GIC's with maturing dates ranging from December 9, 2024 to April 25, 2027, earning yields averaging 4.61%. Of these investments, **\$1M** are cashable within 90 days.

As at the end of Q1 2025 \$445K interest was accrued for payout at maturity on these 100% guaranteed investments.

Compared with the BOC interest rate which stands at 3.25%, management expects a favourable return on it's cash flow over the next two fiscal years as a result of favourable timing of when these GIC investments were secured.

CA Interest Rate - percent



IV REVENUE AND EXPENSES BY ENVELOPE

A

**Golden Hills School Division
Revenue and Expenses by Envelope
From September 1, 2024 - November 30, 2024**

	SGF	ECS-Grade 12	Operations and Maintenance	Transportation	Board and System Admin	External Services	Total	Budget %	Benchmark %
Revenue									
Alberta Education/ Infrastructure	-	17,235,787	1,814,256	1,422,457	785,725	-	21,258,225	25%	25%
Federal Gov't/First Nations	-	572,179	-	-	-	-	572,179	24%	25%
Fees	1,265,625	196,263	-	-	-	-	1,461,888	95%	25%
Fundraising revenues -SGF	109,612	-	-	-	-	-	109,612	32%	25%
Other sales & services	614,057	744,352	-	17,683	-	1,872,038	3,248,130	30%	25%
Investment Income	-	-	-	-	223,224	2,731	225,955	30%	25%
Gifts & donations -SGF	-	25,200	-	-	-	-	25,200	38%	25%
Rental of facilities	-	1,320	5,742	-	-	-	7,062	5%	25%
Gain on disposal of Capital assets	-	-	-	6,525	-	-	6,525	100%	0%
Other revenues	-	200,499	-	-	4,353	-	204,852	100%	30%
Amortization of capital allocations	-	69,436	1,053,512	-	-	-	1,122,948	25%	25%
Total revenues	1,989,294	19,045,036	2,873,510	1,446,665	1,013,302	1,874,769	28,242,576	40%	23%
Expenditures									
Certificated salaries & wages	-	10,472,894	-	-	147,315	59,863	10,680,072	24%	25%
Certificated benefits	-	2,196,345	-	-	17,520	4,208	2,218,073	21%	25%
Non-certificated salaries & wages	-	2,791,650	586,560	635,354	324,216	263,826	4,601,606	30%	26%
Non-certificated benefits	-	855,747	149,935	81,654	79,870	49,974	1,217,180	32%	26%
Service, contracts and supplies	2,149,076	2,733,255	1,042,023	383,524	311,824	1,324,695	7,944,397	29%	25%
Amortization	-	191,584	1,078,416	197,450	63,755	39,754	1,570,959	26%	25%
Interest/bank charges	-	120	-	-	-	2,035	2,155	100%	25%
Total expenses	2,149,076	19,241,595	2,856,934	1,297,982	944,500	1,744,355	28,234,442	38%	25%
Positive/-Negative variance to date	(159,782)	(196,559)	16,576	148,683	68,802	130,414	8,134		

ECS-Grade 12 labour cost analysis	Prior Yr Q1	Current Yr Q1	\$ Change	% Change
Certificated salaries	10,050,791	10,472,894	422,103	4.2%
Certificated benefits	2,113,270	2,196,345	83,075	3.9%
Non-certificated salaries & wages	2,565,284	2,791,650	226,366	8.8%
Non-certificated benefits	727,975	855,747	127,772	17.6%
Total ECS-Grade 12 labour cost	15,457,320	16,316,636	859,316	5.6%

B ANALYSIS OF REVENUE/EXPENSES BY ENVELOPE

1. INSTRUCTION

School Generated Funds are allowable fees collected and held by individual schools and are associated with non-curricular supplies and travel as well as other fees to enhance education. To follow Alberta Education guidelines, some amounts have been reclassified from "Other Sales and Services" category to "Fees" revenue. A lease agreement with Alberta Infrastructure was not renewed in September, and the building was used for GHSD staff and students instead. The lower than budgeted rental revenue was offset by lower rental expenses.

2. PLANT OPERATIONS AND MAINTENANCE (PO&M)

Golden Hills School Division
Statement of Revenue and Expenses - Comparison to Budget
Plant Operations and Maintenance
Period - September 1 2024 - November 30, 2024

	Annual Budget	Q1 Budget	Q1 Actuals	Budget Remaining \$	Q1 Budget %	Q1 Benchmark %
Revenues						
Alberta Education	7,029,856	1,757,464	1,814,256	5,215,600	26%	25%
Other revenues	0	0	5,742	-5,742	100%	25%
Amortization of capital allocations	4,096,256	1,024,064	1,053,512	3,042,744	26%	25%
Total revenues	11,126,112	2,781,528	2,873,510	8,252,602	51%	25%
Expenses						
Non-certificated salaries & benefits	3,014,122	753,531	736,495	2,277,627	24%	25%
Supplies and services	4,487,921	1,121,980	1,042,023	3,445,898	23%	25%
Amortization	4,243,274	1,060,819	1,078,416	3,164,858	25%	25%
Total expenses	11,745,317	2,936,329	2,856,934	8,888,383	24%	25%
Surplus/(deficit)	(619,205)	(154,801)	16,576			

	Prior Year Q1	Current Year Q1	% Change
Expenses			
Non-certificated salaries & wages	542,782	586,560	8.1%
Non-certificated benefits	144,810	149,935	3.5%
Total Labour expenses	687,592	736,495	7.1%
Services, contracts & supplies	1,375,006	1,042,023	-24.2%
Amortization	1,121,669	1,078,416	-3.9%
Total service & supplies	2,496,675	2,120,439	-15.1%
Total expenses	3,184,267	2,856,934	-10.3%

The annualized bottom line agrees to the estimated budget for the year, with some timing variations in revenue and spending. Management anticipates PO&M to meet its budget target at year-end.

3. TRANSPORTATION

Golden Hills School Division
Statement of Revenue and Expenses - Comparison to Budget
Transportation
Period - September 1, 2024 - November 30, 2024

	Annual Budget	Q1 Prorated Budget	Q1 Actuals	Budget Remaining \$	Q1 Budget %	Q1 Benchmark %
Revenues						
Alberta Education	5,255,074	1,313,769	1,422,457	3,832,617	27.1%	25.0%
Other revenues	0	0	24,208	(24,208)	100.0%	25.0%
Total revenues	5,255,074	1,313,769	1,446,665	3,808,409	27.5%	25.0%
Expenses						
Non-certificated salaries & benefits	2,353,825	588,456	717,008	1,636,817	30.5%	25.0%
Contracted Bus Services	100,000	30,000	28,597	71,403	28.6%	30.0%
Fuel	960,000	240,000	178,432	781,568	18.6%	25.0%
Other Supplies and services	1,301,584	325,396	176,495	1,125,089	13.6%	25.0%
Amortization	539,665	134,916	197,450	342,215	36.6%	25.0%
Total expenses	5,255,074	1,366,319	1,297,982	3,957,092	24.7%	26.0%
Surplus/(deficit)	-	(52,551)	148,683			

	Prior Yr Q1	Current Yr Q1	% Change
Expenses			
Non-certificated salaries & wages	553,025	635,354	14.9%
Non-certificated benefits	70,121	81,654	16.4%
Total Labour expenses	623,146	717,008	15.1%
Services, contracts & supplies	608,378	383,524	-37.0%
Amortization	144,360	197,450	36.8%
Total service & supplies	752,738	580,974	-22.8%
Total expenses	1,375,884	1,297,982	-5.7%

Overall, with careful monitoring of expenses throughout the year, management anticipates Transportation to meet its budget target by year-end.

4. BOARD AND SYSTEM ADMINISTRATION

Board and System Administration currently has a positive variance of **68.8K** for the 1st quarter of the current year compared to the annual budget. The majority of this variance is due to investment income earned to date which was significantly higher than budgeted, excluding this line item revenues and expenses are expected to reach a breakeven point by year end.

Note: Alberta Education makes a provision for a separate System Administration Targeted Grant. The 2.8K grant amount has remained static since 2019.

**Golden Hills School Division
Statement of Revenue and Expenses - Comparison to Budget
Board of Trustees
Period - September 1, 2024 - Nov 30, 2024**

	Annual Budget	YTD Actuals	Budget Remaining	% Budget Used
Revenues				
Budgeted Revenues	301,050	301,050	-	100%
Total revenues	301,050	301,050	-	100%
Expenses				
Trustee Earnings and Benefits	212,050	42,490	169,560	20%
Trustee Travel & Supplies	89,000	19,144	69,856	22%
Total expenses	301,050	61,634	239,416	20%

To date, Board expenses are in line with the range of projected expenditure amounts.

5. EXTERNAL SERVICES

Golden Hills School Division
Statement of Revenue and Expenses - Current to Prior Year Comparison
External Services
Period - Q1 2025 vs Q1 2024

	Q1 2024	Q1 2025	\$ Change	% Change
Total revenues	2,333,310	1,874,769	(458,541)	-20%
Expenditures				
Certificated salaries & wages	59,863	59,863	-	0%
Certificated benefits	4,041	4,208	167	4%
Non-certificated salaries & wages	239,367	263,826	24,459	10%
Non-certificated benefits	46,235	49,974	3,739	8%
Service, contracts and supplies	1,398,159	1,324,695	(73,464)	-5%
Amortization	39,059	39,754	695	2%
Interest/bank charges	5,976	2,035	(3,941)	-66%
Total expenses	1,792,700	1,744,355	(48,345)	-3%
Net Surplus/(deficit) to date	540,610	130,414	(410,196)	-

Despite a decrease in revenues of **458K** vs Q1 of the previous year, External Services continues to see strong demand.

Q1 ISS REVENUE
\$1.9M
 Down 20% from prior year

ENROLMENT
267

STUDENTS



Students represent 24 countries and territories around the world

DORM OCCUPANCY

97%

Strathmore dorm capacity – 96
 Drumheller dorm capacity - 88

NON-DORM

Homestay - 20
 Resides With – 67
 Online - 1

External Services includes International Services, joint-use agreements, and external contract service agreements. Included within this period is the recognition of **\$1.9M** of **ISS tuition fees** revenue, out of the total **\$6.2M** unearned revenue as at Aug 31, 2024. ISS Revenues are received in unequal amounts throughout the year, and most international students prepay tuition several months in advance. As a result, this unearned tuition revenue related to the 2024/2025 fiscal year is pro-rated to each quarter based on an estimation of related expenses (35%/30%/25%/10%), while expenses are recognized when they occur.

GHSD charges a fixed 3.6% admin fee to the ISS and Siksika programs to recognize the administrative costs that these programs use, but which are otherwise not directly charged to the program accounts.

Expenses are expected to increase in future quarters versus revenues and management expects external services to continue to remain in a surplus position to year-end. These dollars will allow us to invest in our dorm facilities which had significant capital maintenance in 2024, with more expected in the current year.

6. SUMMARY AND ACCUMULATED SURPLUS

As at September 1, 2024 the ASO – Accumulated Surplus from Operations totalled **\$5.2M**. Management forecasts that the surplus will be reduced by **969K** in the current fiscal year on a cash basis.

Non-cash accounting items affecting the accumulated surplus include:

- Board funded capital expenses
- Unsupported debt repayments
- Amortization/revenue recognition of Alberta Infrastructure supported capital amounts

These non-cash items are expected to increase ASO by **1.1M** in the current year.

Management forecasts an ending ASO of **5.33M** by year end.

QUARTERLY SUMMARY

Golden Hills continues to manage expenses in line with expected funding despite higher cost inflation in some areas. At the end of Q1 Golden Hills is in a surplus position for the year.

Overall, GHSD is keeping expenditures within the parameters of the Board's May 2024 approved and submitted 2024-25 budget.

We continue to fund programs that are in alignment with our goals and vision of inspiring confident, connected, caring citizens of the world.