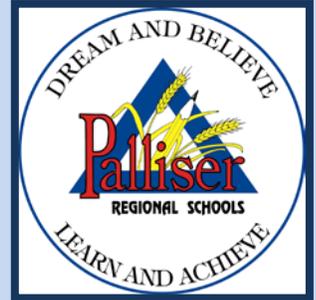


From the Chair ...

Highlights of the Board of Trustees Meeting held Monday, November 30, 2009



- During their annual report to the board, representatives of the division's independent auditor, BDO Dunwoody, presented Palliser Regional Schools' audited financial statements for the year ended Aug. 31, 2009. At the end of the fiscal year, Palliser had an accumulated deficit of \$665,865. This deficit does not affect the day-to-day operations of Palliser, which is on track to eliminate this deficit as part of a balanced budget for 2009-2010.
- In the 2008-09 budget:
 - Palliser exceeded their \$62.7 million budget by four per cent. The division had planned for a \$1.5 million deficit, in order to draw down its reserves, as per the direction of a previous Education Minister. The additional spending was largely in instructional costs, in particular about \$1.5 million in salaries and benefits to teachers and other instructional staff. In addition, instructional services, contracts and supplies exceeded budget by \$1 million; maintenance by \$500,000; transportation by \$220,000; \$280,000 in amortization for technology equipment purchased during the year; and Early Childhood Services by \$184,000. Administration was over budget by \$34,900 for the year but administrative costs remained just 2.91 per cent of all spending, well below the four per cent allowed by Alberta Education.
 - From 2007-08 to 2008-09, Palliser Regional Schools grew from an organization with an operating budget of \$47 million and about 4,000 students to \$63 million and 6,100 students.
 - In response to last year's budget, the budgeting process is being changed to better reflect expenses and revenues. Monthly and quarterly reporting mechanisms are being adopted so administrative staff in central office and school sites can better ensure spending and expenses are on track with budget throughout the year. As part of this ongoing process of adjusting financial processes to Palliser's changing needs, the board created an audit committee in November 2008.
- Despite last year's deficit, Palliser's board expects to address the shortfall within one year. The board passed a balanced 2009-2010 budget with projected revenues of \$63.4 million and expenses to match. Here are some highlights:
 - The new budget reflects a number of changes in the division, including the addition of a new school, John Davidson School in Coaldale, serving the Low-German Mennonite community.
 - This budget reflects the first full budget cycle with the addition of one senior management position (Associate Superintendent of IT and Alternative Programs) and the elimination of 2.5 managerial positions in central office.

- Palliser still does not have a tuition agreement with Siksika Nation, governing funding of First Nations students attending division schools.
 - Wages and benefits represent the largest portion of Palliser's expenses of about \$50.19 million, or 79 per cent of the division's total expenses.
 - Teacher and instructional support staff salaries are actually up, but our full-time equivalents of certificated staff are down. This reflects both the wage increase and the demographics of our teachers, who are paid more based on experience.
 - From a total division staff of about 950, 26 full-time equivalent positions were eliminated, reflecting recent reductions in career and academic counsellors, family school liaison counsellors, child and youth care workers, learning assistants, and technology supports. Reductions were also made in school budgets, transportation and maintenance.
 - Support staff wages increased 4.82 per cent in line with the negotiated increase to certificated staff, a commitment the board has made in the interest of fairness. This increase was not supported by provincial government funding. There's also no provision to cover increases in salaries should the ATA succeed in arbitration over the Average Weekly Earnings Index amount.
 - School divisions of our size are allowed to spend four per cent of our expenses in the area of board and system administration. Palliser for 2009-10 will be significantly below this limit, at 3.21 per cent.
 - There are no major purchases planned this year.
 - Palliser's net assets will be reduced by \$179,034, money being taken back by Alberta Education over the course of this year.
 - Enrolment for 2009-2010 is at 5,783 from Grades 1-12 and 267 full-time equivalents in Early Childhood Services.
- The board accepted Transportation Policy 19.1, regarding inclement weather. This policy has grown out of this summer's Transportation Review. A copy of the board policy and of Administrative Procedure 555, also relating to inclement weather, will be posted on the Palliser website.
 - The next regular board meeting is Monday, Dec. 14, at Palliser Centre in Lethbridge.
 - The regular board meeting scheduled for March 16 has been rescheduled to March 23, 2010. This meeting is expected to be held at Sunnyside School near Lethbridge, as the board continues its efforts to take its meetings out to schools four times a year.



Don Zech, Board Chair
Palliser Regional Schools