

BUDGET REPORT

FOR THE YEAR ENDING AUGUST 31, 2014

[School Act, Sections 147(2)(b) and 276]

Palliser Regional Division No. 26

Legal Name of School Jurisdiction

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Telephone and Fax Numbers



Don Zech Name	BOARD CHAIR	"ORIGINAL SIGNED" Signature
Kevin Gietz Name	SUPERINTENDENT	"ORIGINAL SIGNED" Signature
Michelle Gibb Name	SECRETARY TREASURER	"ORIGINAL SIGNED" Signature



Certified An accurate summary of the year's budget approved by the Board of Trustees at its meeting held **May 21, 2013** .
Date

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Color coded cells:

 blue cells: require the input of data/descriptors wherever applicable.
 salmon cells: contain referenced juris. information - protected

 Grey cells: data not applicable - protected
 white cells: within text boxes REQUIRE the input of points and data.

HIGHLIGHTS, PLANS, ASSUMPTIONS AND RISKS SUMMARY- 2013/2014 BUDGET REPORT

The following were presented to the Board and approved as underlying the budget. These key points and assumptions used in development of the budget take into consideration the economic environment of the jurisdiction, focus on anticipated changes from current year, and are realistic and consistent with the three year Education Plan. At a minimum, they disclose key budget assumptions, financial & business risks, and specific strategies explaining how this budget will support the jurisdiction's plans.

Budget Highlights, Plans & Assumptions:

Overall:
 The surplus for the 2013-14 school year is budgeted to be \$19,706.

Revenues:
 Projected enrolments have been used to calculate revenues for the 2013-14 year (consistent with the prior year).
 Revenue has been decreased for grants that have been reduced or eliminated.

Salaries and Benefits:
 Certificated staffing is done on a needs-based approach to determine the number of FTE required based on the projected enrolment at each school and attempting to meet class size guidelines.
 Average teacher cost is \$95,000 (consistent with the previous year as there is no teacher salary increase included in the budget).
 Teacher prep time in high schools has been maintained at 10% with prep time in K to 9 being reduced to 7.5%.
 There has been no increase given to staff salaries, certificated and non-certificated as there is currently no collective agreement in place.
 Benefit rates have remained the same as the 2012-13 year (no increase is known at this time).
 Class size guidelines are budgeted to be met in all grades.

Capital Purchases:
 6 New Buses, Financial Accounting Software and a server have been included in the budget

New Schools:
 No new schools have been included in the budget

Significant Business and Financial Risks:

Reduction in Grants - with the continuous reduction and elimination of Grants, there is reduced revenue available to fund expenses.
 Grid Step Increases - there is no funding available for those certificated teachers that move a step up on the grid.
 Collective Agreement Local Bargaining - the budget does not include costs that will be negotiated through the collective agreement with the ATA.

BUDGETED STATEMENT OF OPERATIONS
for the Year Ending August 31

	Approved Budget 2013/2014	Final Approved Budget 2012/2013	Actual 2011/2012
REVENUES			
Government of Alberta	\$76,140,633	\$78,419,750	\$71,863,575
Federal Government and/or First Nations	\$370,000	\$378,653	\$218,450
Other Alberta school authorities	\$90,000	\$50,000	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Fees	\$1,286,514	\$646,047	\$1,183,283
Other sales and services	\$33,000	\$27,559	\$403,202
Investment income	\$68,400	\$65,000	\$76,025
Gifts and donations	\$13,023	\$0	\$147,809
Fundraising	\$1,301,529	\$1,314,552	\$1,301,529
Rental of facilities	\$313,215	\$332,591	\$357,173
Gain on disposal of capital assets	\$0	\$0	\$13,000
Amortization of capital allocations	\$861,274	\$861,274	\$861,274
Other revenue	\$1,169,673	\$1,169,674	\$1,173,944
TOTAL REVENUES	\$81,647,261	\$83,265,100	\$77,599,264
EXPENSES			
ECS - Grade 12 Instruction	\$66,549,285	\$67,188,550	\$61,732,992
Operations & Maintenance of Schools and Maintenance Shops	\$8,575,981	\$9,030,899	\$9,086,676
Transportation	\$3,709,052	\$3,873,113	\$3,555,928
Board & System Administration	\$2,327,477	\$2,672,730	\$2,327,477
External Services	\$466,390	\$486,132	\$486,255
TOTAL EXPENSES	\$81,628,185	\$83,251,424	\$77,189,328
ANNUAL SURPLUS (DEFICIT)	\$19,076	\$13,676	\$409,936

BUDGETED ALLOCATION OF EXPENSES (BY OBJECT)
for the Year Ending August 31

	Approved Budget 2013/2014	Final Approved Budget 2012/2013	Actual 2010/2011
EXPENSES			
Certificated salaries	\$40,593,006	\$41,210,902	\$37,479,177
Certificated benefits	\$9,291,243	\$9,122,039	\$7,908,306
Non-certificated salaries and wages	\$12,028,988	\$12,331,713	\$12,382,167
Non-certificated benefits	\$3,150,448	\$3,822,831	\$2,854,486
Services, contracts, and supplies	\$14,739,892	\$14,971,596	\$14,693,152
Capital and debt services			
Amortization of capital assets			
supported	\$861,274	\$861,274	\$861,274
unsupported	\$813,215	\$781,950	\$732,987
Interest on capital debt			
supported	\$149,119	\$149,119	\$184,237
unsupported	\$1,000	\$0	\$888
Other interest charges	\$0	\$0	\$0
Loss on disposal of capital assets	\$0	\$0	\$92,654
Other expense	\$0	\$0	\$0
TOTAL EXPENSES	\$81,628,185	\$83,251,424	\$77,189,328

PROJECTED STATEMENT OF CHANGES IN NET ASSETS (SUMMARY)
for the Year Ending August 31

	(1)	(2)	(3)	(4)	(5)	(6)
	TOTAL NET ASSETS (2+3+6)	INVESTMENT IN CAPITAL ASSETS	ACCUMULATED OPERATING SURPLUS (4+5)	UNRESTRICTED NET ASSETS	INTERNALLY RESTRICTED NET ASSETS	
					OPERATING RESERVES	CAPITAL RESERVES
Actual balances per AFS at August 31, 2012	\$6,741,692	\$4,457,378	\$2,284,314	\$1,281,557	\$1,002,757	\$0
2012/2013 Estimated impact to net assets for:						
Estimated surplus(deficit)	\$39,300			\$39,300		
Estimated Board funded capital asset additions		\$530,000		(\$530,000)	\$0	\$0
Estimated Amortization of capital assets (expense)		(\$1,645,000)		\$1,645,000		
Estimated Amortization of capital allocations (revenue)		\$861,274		(\$861,274)		
Estimated Unsupported debt principal repayment		\$0		\$0		
Estimated reserve transfers (net)				\$0	\$0	\$0
Estimated Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
Estimated Balances for August 31, 2013	\$6,780,992	\$4,203,652	\$2,577,340	\$1,574,583	\$1,002,757	\$0
2013/2014 Budget projections for:						
Budgeted surplus(deficit)	\$19,076			\$19,076		
Projected Board funded capital asset additions		\$980,000		(\$980,000)	\$0	\$0
Budgeted Amortization of capital assets (expense)		(\$1,674,489)		\$1,674,489		
Budgeted Amortization of capital allocations (revenue)		\$861,274		(\$861,274)		
Budgeted Unsupported debt principal repayment		\$0		\$0		
Projected reserve transfers (net)				\$0	\$0	\$0
Projected Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
Projected Balances for August 31, 2014	\$6,800,068	\$4,370,437	\$2,429,631	\$1,426,874	\$1,002,757	\$0

ANTICIPATED CHANGES IN NET ASSETS SUMMARY- 2013/2014 BUDGET REPORT

The following explains the anticipated changes to Unrestricted Net Assets, Investment in Capital Assets, Operating Reserves and Capital Reserves for 2012/2013 and 2013/2014 and breaks down the planned additions to unsupported capital.

The 2012-13 Board Funded Capital Asset additions include the purchase of 6 School Buses one of which is a Wheel Chair Accessible Bus.

The 2013-14 Budget for Palliser Regional Division No. 26 includes the followig capital expenditures:

1. Purchase of 6 School Buses one of which is Wheel Chair Accessible. A capital budget of \$550,000 is included. Palliser is replacing the older fleet of buses with new school buses.
2. Servers - \$30,000 is included as a capital expenses for the purchase of additional servers and equipment to house Palliser's Technology requirements.
3. The purchase, data conversion, implementation and training of a Financial Accounting Software package as the current contract with Bellamy Software is coming to an end. The capital outlay included is \$400,000.

The total capital additions purchased as Board Funded Capital Assets is \$980,000.

**PROJECTED STUDENT STATISTICS
FULL TIME EQUIVALENT (FTE) ENROLLED STUDENTS**

	Budgeted 2013/2014 (Note 2)	Actual 2012/2013	Actual 2011/2012	Notes
GRADES 1 TO 12				
Eligible Funded Students:				
Grades 1 to 9	5,384	5,188	4,760	Head count
Grades 10 to 12	1,325	1,335	1,238	Note 3
Total	6,709	6,523	5,998	Grades 1-12 students eligible for base instruction funding from Alberta Education.
Other Students:				
Total	51	52	66	Note 4
Total Net Enrolled Students	6,760	6,575	6,064	
Home Ed and Blended Program Students	17	18	14	Note 5
Total Enrolled Students, Grades 1-12	6,777	6,593	6,078	
Of the Eligible Funded Students:				
Severely Disabled Students served	211	211	213	Total eligible funded severely disabled student FTEs; including Code 40s (excluding Code 47s).

EARLY CHILDHOOD SERVICES (ECS)

Eligible Funded Children	490	644	577	ECS children eligible for ECS base instruction funding from Alberta Education.
Other children	-	-	-	ECS children not eligible for ECS base instruction funding from Alberta Education.
Total Enrolled Children - ECS	490	644	577	
Program Hours	480	480	480	Minimum: 475 Hours
FTE Ratio	0.505	0.505	0.505	Actual hours divided by 950
FTE's Enrolled, ECS	248	325	292	
Of the Eligible Funded Children:				
Severely Disabled Children served	100	109	100	Total eligible funded severely disabled children FTEs, including Code 40 children in program units.

NOTES:

- 1) Enrolment is to be completed WHEREVER APPLICABLE and are 'as at September 30th' for each year.
- 2) Budgeted enrolment is to be based on best information available at time of the 2013/2014 budget report preparation.
- 3) The # of FTE grade 10-12 students is determined by taking the total # of students' credits / 35; where 35 CEU's = 1 FTE.
- 4) Other Grade 1-12 students that are not eligible for base instruction funding from Alberta Education include First Nations students living on reserves for which tuition fee payments are made from Band or INAC (Code 330), students younger than 5 1/2 or older than 20, and out-of-province and foreign students.
- 5) Because they are funded separately, Home Education students are not included with total net enrolled students. In the blended program, funding per student is pro-rated on the percentage of the student's program which is taken at school and at home; home education students are assigned a weighting of 0.25 FTE for base funding.

**PROJECTED STAFFING STATISTICS
FULL TIME EQUIVALENT (FTE) PERSONNEL**

	Budgeted 2013/2014	Actual 2012/2013	Actual 2011/2012	Notes
<u>CERTIFICATED STAFF</u>				
School Based	415.8	427.3	404.9	Teacher certification required for performing functions at the school level.
Non-School Based	10.0	11.0	10.0	Teacher certification required for performing functions at the system/central office level.
Total Certificated Staff FTE	425.8	438.3	414.9	FTE for personnel possessing a valid Alberta teaching certificate or equivalency.
Certificated Staffing Change due to:				
Enrolment Change	-	-	-	If negative change impact, the small class size initiative is to include any/all teachers retained.
Other Factors	(12.5)	23.4	22.7	Descriptor (required): Decrease in prep time; reduction in staff due to budget constraints
Total Change	(12.5)	23.4	22.7	Year-over-year change in Certificated FTE
Breakdown, where total change is Negative:				
Continuous contracts terminated	-	-	-	FTEs
Non-permanent contracts not being renewed	-	-	-	FTEs
Other (retirement, attrition, etc.)	-	-	-	Descriptor (required):
Total Negative Change in Certificated FTEs	-	-	-	Breakdown required where year-over-year total change in Certificated FTE is 'negative' only.
<u>NON-CERTIFICATED STAFF</u>				
Instructional	267.0	277.2	270.2	Personnel providing instruction support for schools under 'Instruction' program areas.
Non-Instructional	105.0	106.0	104.0	Personnel in Transportation, Board & System Admin., O&M and External service areas.
Total Non-Certificated Staff FTE	372.0	383.2	374.2	FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.
Non-Certificated Staffing Change due to:				
Enrolment Change	-	-	-	FTEs
Other Factors	(11.2)	9.0	18.7	Descriptor (required): Reduction in staff due to budget constraints
Total Change	(11.2)	9.0	18.7	Year-over-year change in Non-Certificated FTE