

BUDGET REPORT FOR THE YEAR ENDING AUGUST 31, 2015

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

Black Gold Regional Division No. 18

Legal Name of School Jurisdiction

780-955-6025 telephone; 780-955-6050 fax

Telephone and Fax Numbers

BOARD CHAIR

Johnette Lemke

Name

Signature

SUPERINTENDENT

Dr. Norman Yanitski

Name

Signature

SECRETARY TREASURER or TREASURER

M. Ruth Andres

Name

Signature

**Certified as an accurate summary of the year's budget as approved by the Board
of Trustees at its meeting held on May 28, 2014 .**
Date

c.c. Alberta Education
c/o Robert Mah, Financial Reporting & Accountability Branch
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5

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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- 2014/2015 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:

As per attached 2014-2015 Spring Budget Assumptions document.

Significant Business and Financial Risks:

- we are facing financial challenges in the PO & M program due to insufficient funding. The Operating Reserves in the program will be depleted at the end of 2014-15.
- we are facing financial challenges in the Transportation program, in part due to the elimination of the Fuel Price Contingency funding. Student ride times in the rural areas are getting longer and longer and are a concern, particular for young children. We also face challenges in finding bus contractors in the rural areas.
- deficit budgeting is not sustainable after the reserves are depleted.

BUDGETED STATEMENT OF OPERATIONS
for the Year Ending August 31

	Approved Budget 2014/2015	Fall Budget Update 2013/2014	Actual 2012/2013
REVENUES			
Alberta Education	\$100,873,387	\$97,572,518	\$95,679,168
Other - Government of Alberta	\$362,738	\$326,583	\$417,656
Federal Government and First Nations	\$0	\$0	\$0
Other Alberta school authorities	\$0	\$0	\$2,318
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Property taxes	\$0	\$0	\$0
Fees	\$2,853,444	\$2,909,809	\$2,754,531
Other sales and services	\$850,894	\$801,033	\$1,167,351
Investment income	\$199,081	\$187,319	\$298,124
Gifts and donations	\$100,000	\$100,000	\$161,929
Rental of facilities	\$85,950	\$91,200	\$87,089
Fundraising	\$1,800,000	\$1,800,000	\$1,809,042
Gains on disposal of capital assets	\$0	\$0	\$3,885
Other revenue	\$0	\$0	\$0
TOTAL REVENUES	\$107,125,494	\$103,788,462	\$102,381,093
EXPENSES			
Instruction	\$87,400,063	\$84,941,355	\$80,751,923
Plant operations & maintenance	\$13,412,098	\$12,279,569	\$12,440,785
Transportation	\$4,339,941	\$4,136,738	\$3,907,445
Administration	\$3,714,560	\$3,726,997	\$3,439,365
External Services	\$494,822	\$377,571	\$461,174
TOTAL EXPENSES	\$109,361,484	\$105,462,230	\$101,000,692
ANNUAL SURPLUS (DEFICIT)	(\$2,235,990)	(\$1,673,768)	\$1,380,401

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

	Approved Budget 2014/2015	Fall Budget Update 2013/2014	Actual 2012/2013
EXPENSES			
Certificated salaries	\$53,017,221	\$51,371,329	\$50,174,916
Certificated benefits	\$11,976,467	\$11,809,490	\$10,388,281
Non-certificated salaries and wages	\$15,920,980	\$14,631,583	\$14,293,269
Non-certificated benefits	\$4,195,375	\$3,861,874	\$3,626,715
Services, contracts, and supplies	\$19,486,464	\$19,585,654	\$18,287,515
Capital and debt services			
Amortization of capital assets			
supported	\$3,980,272	\$3,371,741	\$3,360,310
unsupported	\$764,493	\$808,552	\$789,382
Interest on capital debt			
supported	\$2,012	\$22,007	\$54,842
unsupported	\$0	\$0	\$0
Other interest and finance charges	\$18,200	\$0	\$21,302
Losses on disposal of capital assets	\$0	\$0	\$4,160
Other expense	\$0	\$0	\$0
TOTAL EXPENSES	\$109,361,484	\$105,462,230	\$101,000,692

PROJECTED SCHEDULE OF CHANGES IN ACCUMULATED OPERATING SURPLUS (SUMMARY)
for the Year Ending August 31

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	ACCUMULATED OPERATING SURPLUS (2+3+4+7)	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	ACCUMULATED SURPLUS FROM OPERATIONS (5+6)	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
						OPERATING RESERVES	CAPITAL RESERVES
Actual balances per AFS at August 31, 2013	\$20,387,015	\$7,172,418	\$0	\$10,580,592	\$636,342	\$9,944,250	\$2,634,005
2013/2014 Estimated impact to AOS for:							
Estimated surplus(deficit)	(\$1,199,541)			(\$1,199,541)	(\$1,199,541)		
Estimated Board funded capital asset additions		\$551,595		\$0	\$0	\$0	(\$551,595)
Estimated Disposal of unsupported tangible capital assets	\$0	\$0		\$0	\$0		\$0
Estimated amortization of capital assets (expense)		(\$4,133,191)		\$4,133,191	\$4,133,191		
Estimated capital revenue recognized - Alberta Education		\$2,985,478		(\$2,985,478)	(\$2,985,478)		
Estimated capital revenue recognized - Other GOA		\$0		\$0			
Estimated capital revenue recognized - Other sources		\$326,133		(\$326,133)	(\$326,133)		
Estimated changes in Endowments	\$0		\$0	\$0	\$0		
Estimated Unsupported debt principal repayment		\$0		\$0	\$0		
Estimated reserve transfers (net)				(\$806,286)	\$393,255	(\$1,199,541)	\$806,286
Estimated Assumptions/Transfers of Operations (Explain)	\$0	\$0		\$0	\$0	\$0	\$0
Estimated Balances for August 31, 2014	\$19,187,474	\$6,902,433	\$0	\$9,396,345	\$651,636	\$8,744,709	\$2,888,696
2014/2015 Budget projections for:							
Budgeted surplus(deficit)	(\$2,235,990)			(\$2,235,990)	(\$2,235,990)		
Projected Board funded capital asset additions		\$424,000		\$0	\$0	\$0	(\$424,000)
Budgeted Disposal of unsupported tangible capital assets	\$0	\$0		\$0	\$0		\$0
Budgeted Amortization of capital assets (expense)		(\$4,744,765)		\$4,744,765	\$4,744,765		
Budgeted capital revenue recognized - Alberta Education		\$3,678,871		(\$3,678,871)	(\$3,678,871)		
Budgeted capital revenue recognized - Other GOA		\$0		\$0	\$0		
Budgeted capital revenue recognized - Other sources		\$301,401		(\$301,401)	(\$301,401)		
Budgeted changes in Endowments	\$0		\$0	\$0	\$0		
Budgeted Unsupported debt principal repayment		\$0		\$0	\$0		
Projected reserve transfers (net)				(\$761,368)	\$1,474,622	(\$2,235,990)	\$761,368
Projected Assumptions/Transfers of Operations (Explain)	\$0	\$0		\$0	\$0	\$0	\$0
Projected Balances for August 31, 2015	\$16,951,484	\$6,561,940	\$0	\$7,163,480	\$654,761	\$6,508,719	\$3,226,064

ANTICIPATED CHANGES IN ACCUMULATED OPERATING SURPLUS SUMMARY- 2014/2015 BUDGET REPORT

The following explains the anticipated changes to Unrestricted Surplus, Investment in Tangible Capital Assets, Endowments, Operating Reserves and Capital Reserves for 2013/2014 and 2014/2015 and breaks down the planned additions to unsupported capital. Additional space is provided in the next tab.

**Reason for Changes in Unrestricted Surplus; Investment in Tangible Capital Assets; Endowments; Operating Reserves; and Capital Reserves
2013/2014**

1,199,541 13-14 projected deficit to be funded from operating reserves

806,286 13-14 unfunded amortization of capital assets (expense) added back to capital reserves

269,985 13-14 reduction in Investment in Capital Assets; difference in non-funded capital asset purchases less unsupported amortization of capital assets

**ANTICIPATED CHANGES IN ACCUMULATED OPERATING SURPLUS
for the Year Ending August 31**

The following explains the anticipated changes to Unrestricted Surplus, Investment in Tangible Capital Assets, Endowments, Operating Reserves and Capital Reserves for 2013/2014 and 2014/2015 and breaks down the planned additions to unsupported capital.

Reason for Changes in Unrestricted Surplus; Investment in Tangible Capital Assets; Endowments; Operating and Capital Reserves 2014/2015

2,235,990 14-15 projected deficit to be funded from operating reserves
 761,368 14-15 unfunded amortization of capital assets (expense) added back to capital reserves
 340,493 14-15 reduction in Investment in Capital Assets; difference in non-funded capital asset purchases less unsupported amortization of capital assets

Planned Changes to Board Funded Tangible Capital Assets 2013/2014

From Capital Reserves

- 16,687 Aruba Controller
 - 11,928 Elevator
 - 82,654 Photocopiers
 - 7,129 Server & computer software
 - 26,434 Autoscrubbers
 - 40,096 Bobcat
 - 36,583 2013 Ford
-100,000 Computer Software
 321,511

-181,926 unfunded modular setup, delivery and equipment costs
-48,158 parking lot
 230,084

551,595 total from capital reserves

2014/2015

From Capital Reserves

-154,000 photocopiers
 - 40,000 Bobcat
- 30,000 Vehicle
 224,000

-200,000 unfunded modular setup, delivery and equipment costs

424,000 total from capital reserves

Other Information:

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

	Budgeted 2014/2015 (Note 2)	Actual 2013/2014	Actual 2012/2013	Notes
GRADES 1 TO 12				
Eligible Funded Students:				
Grades 1 to 9	6,520	6,431	6,099	Head count
Grades 10 to 12	2,336	2,341	2,405	Note 3
Total	8,856	8,772	8,504	Grades 1-12 students eligible for base instruction funding from Alberta Education.
Other Students:				
Total	-	-	-	Note 4
Total Net Enrolled Students	8,856	8,772	8,504	
Home Ed and Blended Program Students	9	9	9	Note 5
Total Enrolled Students, Grades 1-12	8,865	8,781	8,512	
Of the Eligible Funded Students:				
Severely Disabled Students served	180	216	195	Total eligible funded severely disabled student FTEs; including Code 40s (excluding Code 47s).

EARLY CHILDHOOD SERVICES (ECS)

Eligible Funded Children	911	859	842	ECS children eligible for ECS base instruction funding from Alberta Education.
Other children	144	91	-	ECS children not eligible for ECS base instruction funding from Alberta Education.
Total Enrolled Children - ECS	1,055	950	842	
Program Hours	489	489	502	Minimum: 475 Hours
FTE Ratio	0.515	0.515	0.528	Actual hours divided by 950
FTE's Enrolled, ECS	543	489	445	
Of the Eligible Funded Children:				
Severely Disabled Children served	150	127	97	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 2014/2015 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 2014/2015	Actual 2013/2014	Actual 2012/2013	Notes
<u>CERTIFICATED STAFF</u>				
School Based	540.6	526.2	516.9	Teacher certification required for performing functions at the school level.
Non-School Based	15.3	14.0	19.8	Teacher certification required for performing functions at the system/central office level.
Total Certificated Staff FTE	555.9	540.2	536.7	FTE for personnel possessing a valid Alberta teaching certificate or equivalency.
Certificated Staffing Change due to:				
Enrolment Change	7.0	15.7	-	If negative change impact, the small class size initiative is to include any/all teachers retained.
Other Factors	8.7	(6.0)	-	Descriptor (required): Expanded French programming, expanded PreK, New School Opening
Total Change	15.7	9.7	-	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	301.4	283.0	269.9	Personnel providing instruction support for schools under 'Instruction' program areas.
Non-Instructional	98.9	95.6	93.8	Personnel in Transportation, Board & System Admin., O&M and External service areas.
Total Non-Certificated Staff FTE	400.3	378.6	363.7	FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.
Non-Certificated Staffing Change due to:				
Enrolment Change	3.0	14.9	-	FTEs
Other Factors	18.7	-	-	Descriptor (required): New school opening, expanded PreK, Increased IT support
Total Change	21.7	14.9	-	Year-over-year change in Non-Certificated FTE