

# BUDGET REPORT

## FOR THE YEAR ENDING AUGUST 31, 2009

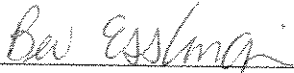
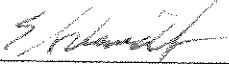

[School Act, Sections 147(2)(b) and 276]

EDMONTON SCHOOL DISTRICT NO.7

Legal Name of School Jurisdiction

TEL.NO. 429-8000 FAX NO. 429-8318

Telephone and Fax Numbers

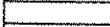

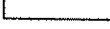
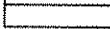
<u>B. ESSLINGER</u> Name	BOARD CHAIRMAN	<u></u> Signature
<u>E. SCHMIDT</u> Name	SUPERINTENDENT	<u></u> Signature
<u>D.R. POWER</u> Name	SECRETARY TREASURER	<u></u> Signature

Certified a true and correct summary of the year's budget approved by the Board of Trustees at its meeting held May 27, 2008.

**TABLE OF CONTENTS**

<b>BUDGETED STATEMENT OF REVENUES AND EXPENSES</b>	<b>3</b>
<b>BUDGETED ALLOCATION OF REVENUES AND EXPENSES (BY PROGRAM)</b>	<b>3</b>
<b>PROJECTED STATEMENT OF CHANGES IN NET ASSETS (SUMMARY)</b>	<b>4</b>
<b>PROJECTED STUDENT STATISTICS</b>	<b>5</b>
<b>PROJECTED STAFFING STATISTICS</b>	<b>6</b>
<b>PROJECTED CLASS SIZE AVERAGES</b>	<b>6</b>

Color coded cells:

	blue cells: require the input of data/descriptors wherever applicable.		Grey cells: data not applicable - protected
	salmon cells: contain referenced juris. information - protected		white cells: within text boxes REQUIRE the input of points and data.

**HIGHLIGHTS, PLANS, ASSUMPTIONS AND RISKS SUMMARY- 2008/2009 BUDGET REPORT**

Following are bulleted points 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 & Assumptions:**

- 1). Decrease enrolment of 622 students.
- 2). Staffing and S.E.S. costs projected to increase by 4.5 percent.
- 3). Improving student achievement and increasing high school completion rates continues to be our focus.
- 4). Continuing to meet the diverse needs of students with emphasis on:
  - Support of English Language learners, Aboriginal students and those students who are deemed to be "at risk";
  - Early Learning;
  - Citizenship, good character and positive relationships;
  - Student and staff wellness and nutritional health.
- 5). Instructional Programming includes:
  - Full day kindergarten programming in the districts 25 top high needs schools;
  - English Language Learning Centres for students that have little or no English or who have little or no formal educational training;
  - Reading Recovery support in 22 elementary schools.
- 6). Board and System Administration expenditures continue to be less than the maximum limit allowed by Alberta Educatuion.
- 7). Ten-year facilities plan addresses best utilization of space.
- 8). District human resources strategy to enhance organizational capacity and employee capability.

**Significant Business and Financial Risks:**

- 1). Abundance of school space in certain areas of the city.
- 2). Increased operational maintenance costs for aging buildings.
- 3). The district and schools continue to generate substantial external revenue from other sources (Casinos, etc.) to enhance programming and school amenities.

**Specific Strategies to Reduce Class Size Averages:**

(If your jurisdiction has not met the ACOL guidelines at a particular grade grouping, what does this budget contain to address this circumstance?)

ACOL Grade Grouping	Met / Not Met	Specific class size average reduction strategies
K to 3:	Not Met.	
4 to 6:	Met.	
7 to 9:	Met.	
10 to 12:	Met.	

- 1). We will add teaching resources in the K-3 language arts programming with the goal to decrease class sizes and increasing levels of achievement.
  - 2). By mid-September, additional staffing will be made available to address the largest class sizes at the K-3 level.
  - 3). The majority of K-3 students with special needs are enrolled in small classes. However, since most of these classes are split 2-3-4 or 3-4, these small classes get counted in the 4-6 category. The K-3 students, however, have the benefit of small classes even though they are classified in the 4-6 grade levels.
- 4 to 6: Met.  
 7 to 9: Met.  
 10 to 12: Met.

**BUDGETED STATEMENT OF REVENUES AND EXPENSES**  
for the Year Ending August 31

	Approved Budget 2008/2009	Final Approved Budget 2007/2008	Actual 2006/2007
<b>REVENUES</b>			
Government of Alberta	\$676,987,750	\$646,487,919	\$636,277,592
Federal Government and/or First Nations	\$2,290,069	\$1,889,249	\$2,383,117
Other Alberta school authorities	\$5,287,199	\$4,619,650	\$4,111,039
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$2,388,491	\$2,302,928	\$3,293,211
Transportation fees	\$8,334,024	\$7,833,220	\$8,028,332
Other sales and services	\$12,209,130	\$11,647,712	\$21,972,544
Investment income	\$3,500,000	\$0	\$3,373,456
Gifts and donations	\$1,502,391	\$1,673,322	\$5,794,946
Rentals of facilities	\$1,618,183	\$1,872,946	\$2,700,607
Net school generated funds	\$11,510,763	\$10,825,090	\$13,555,111
Gains on disposal of capital assets	\$0	\$0	\$1,863,285
Amortization of capital allocations	\$10,210,000	\$10,686,000	\$11,558,476
<b>TOTAL REVENUES</b>	<b>\$735,838,000</b>	<b>\$699,838,036</b>	<b>\$714,911,716</b>
<b>EXPENSES</b>			
Certificated salaries	\$347,456,412	\$324,043,926	\$334,521,157
Certificated benefits	\$45,516,790	\$42,449,754	\$41,639,444
Non-certificated salaries and wages	\$126,305,350	\$123,756,431	\$128,022,615
Non-certificated benefits	\$30,108,232	\$29,178,587	\$27,136,197
Services, contracts and supplies	\$148,969,720	\$134,412,945	\$107,307,607
Net school generated funds	\$11,510,763	\$10,825,090	\$13,555,111
Capital and debt services			
Amortization of capital assets			
supported	\$10,210,000	\$10,686,000	\$11,558,476
unsupported	\$13,602,000	\$14,228,000	\$12,664,245
Interest on capital debt			
supported	\$1,357,000	\$1,788,000	\$2,136,827
unsupported	\$66,000	\$306,000	\$112,488
Other interest charges	\$500,000	\$500,000	\$273,829
Losses on disposal of capital assets	\$0	\$0	\$0
<b>TOTAL EXPENSES</b>	<b>\$735,602,267</b>	<b>\$692,174,733</b>	<b>\$678,927,996</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$235,733</b>	<b>\$7,663,303</b>	<b>\$35,983,720</b>

**BUDGETED ALLOCATION OF REVENUES AND EXPENSES (BY PROGRAM)**  
for the Year Ending August 31

	Approved Budget 2008/2009	Final Approved Budget 2007/2008	Actual 2006/2007
<b>REVENUES</b>			
ECS - Grade 12 Instruction	\$578,084,060	\$549,171,462	\$555,373,686
Operations & Maintenance of Schools and Maintenance Shops	\$86,897,343	\$83,780,525	\$84,944,803
Transportation	\$28,425,672	\$27,354,931	\$27,033,203
Board & System Administration	\$27,881,843	\$26,465,423	\$26,784,873
External Services	\$14,549,082	\$13,065,695	\$20,775,151
<b>TOTAL REVENUES</b>	<b>\$735,838,000</b>	<b>\$699,838,036</b>	<b>\$714,911,716</b>
<b>EXPENSES</b>			
ECS - Grade 12 Instruction	\$579,718,898	\$541,632,994	\$520,734,922
Operations & Maintenance of Schools and Maintenance Shops	\$87,024,634	\$83,903,250	\$91,494,041
Transportation	\$30,421,327	\$28,525,078	\$26,485,498
Board & System Administration	\$23,888,386	\$25,047,716	\$19,438,384
External Services	\$14,549,082	\$13,065,695	\$20,775,151
<b>TOTAL EXPENSES</b>	<b>\$735,602,267</b>	<b>\$692,174,733</b>	<b>\$678,927,996</b>

**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
<b>Actual balances per AFS at August 31, 2007</b>	\$133,241,539	\$91,045,425	\$36,108,159	\$13,408,159	\$22,700,000	\$6,087,955
<b>2007/2008 Estimated impact to net assets for:</b>						
Estimated surplus(deficit)	(\$1,944,816)			(\$1,944,816)		
Estimated Board funded capital asset additions		\$21,585,343		(\$21,585,343)	\$0	\$0
Estimated Amortization of capital assets (expense)		(\$24,914,000)		\$24,914,000		
Estimated Amortization of capital allocations (revenue)		\$10,686,000		(\$10,686,000)		
Estimated Unsupported debt principal repayment		\$306,000		(\$306,000)		
Estimated Net reserve transfers				\$0	\$0	\$0
Estimated Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
<b>Estimated Balances for August 31, 2008</b>	\$131,296,723	\$98,708,768	\$26,500,000	\$3,800,000	\$22,700,000	\$6,087,955
<b>2008/2009 Budget Projections for:</b>						
Budgeted surplus(deficit)	\$235,733			\$235,733		
Projected Board funded capital asset additions		\$17,325,733		(\$17,325,733)	\$0	\$0
Budgeted Amortization of capital assets (expense)		(\$23,812,000)		\$23,812,000		
Budgeted Amortization of capital allocations (revenue)		\$10,210,000		(\$10,210,000)		
Budgeted Unsupported debt principal repayment		\$312,000		(\$312,000)		
Projected Net reserve transfers				\$0	\$0	\$0
Projected Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
<b>Projected Balances for August 31, 2009</b>	\$131,532,456	\$102,744,501	\$22,700,000	\$0	\$22,700,000	\$6,087,955

**ANTICIPATED CHANGES IN NET ASSETS SUMMARY- 2008/2009 BUDGET REPORT**

Following are bulleted points explaining the anticipated changes to Unrestricted Net Assets, Investment in Capital Assets, Operating Reserves and Capital Reserves for 2007/2008 and 2008/2009 and breaking down the planned additions to unsupported capital.

- The district is expected to end 2007-08 with an estimated balance of unrestricted assets of \$3.8 million as compared to \$13.4 million on August 31, 2007.
- 2008-09 has been budgeted for a balanced budget. The expenditure budget provides for the expenditure of the surplus of \$3.8 million and total estimated revenue for 2008-09.
- On August 31, 2007 the district had operating reserves of \$22.7 million and capital reserves of \$6.1 million. The district has no plans to utilize any portion of these reserves in 2007-08. Consequently, these reserves will be carried forward to 2008-09 for utilization in the future.
- The estimated board funded capital asset additions for 2007-08 and projected board funded capital asset additions for 2008-09 consist of the following estimated expenditure:

	<u>2007-08</u>	<u>2008-09</u>
	(\$ Million)	
IMR capital expenditure	\$ 7.8	\$ 8.3
Furniture and Equipment	11.5	8.1
Capital building and other projects	<u>2.3</u>	<u>.9</u>
	\$ <u>21.6</u>	\$ <u>17.3</u>

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

	Budgeted 2008/2009 (Note 2)	Actual 2007/2008	Actual 2006/2007	Notes
<b>GRADES 1 TO 12</b>				
<b>Eligible Funded Students:</b>				
Grades 1 to 9	50,668	50,979	51,693	Head count
Grades 10 to 12	20,405	20,648	21,661	Note 3
Total	71,073	71,627	73,354	Grades 1-12 students eligible for base instruction funding from Alberta Education.
<b>Other Students:</b>				
Total	834	834	860	Note 4
<b>Total Net Enrolled Students</b>	71,907	72,461	74,214	
<b>Home Ed and Blended Program Students</b>	571	571	598	Note 5
<b>Total Enrolled Students, Grades 1-12</b>	72,478	73,032	74,812	
<b>Of the Eligible Funded Students:</b>				
Severely Disabled Students served	1,993	1,982	2,089	Total eligible funded severely disabled student FTEs; including Code 40s (excluding Code 47s).
<b>EARLY CHILDHOOD SERVICES (ECS)</b>				
<b>Eligible Funded Children</b>	5,693	5,617	5,553	ECS children eligible for ECS base instruction funding from Alberta Education.
<b>Other children</b>	3	3	5	ECS children not eligible for ECS base instruction funding from Alberta Education.
<b>Total Enrolled Children - ECS</b>	5,696	5,620	5,558	
<b>Program Hours</b>	475	475	475	Minimum: 475 Hours
<b>FTE Ratio</b>	0.500	0.500	0.500	Actual hours divided by 950
<b>FTE's Enrolled, ECS</b>	2,848	2,810	2,779	
<b>Of the Eligible Funded Children:</b>				
Severely Disabled Children served	1,023	1,023	989	Total eligible funded severely disabled children FTEs, including Code 40 children in program units.
<b>NOTES:</b>				
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 this 2008/2009 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 19, 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 2008/2009	Actual 2007/2008	Actual 2006/2007	Notes
<b>CERTIFICATED STAFF</b>				
School Based	4,217.5	4,234.6	4,155.0	Teacher certification required for performing functions at the school level.
Non-School Based	145.7	122.0	132.7	Teacher certification required for performing functions at the system/central office level.
<b>Total Certificated Staff FTE</b>	<b>4,363.2</b>	<b>4,356.6</b>	<b>4,287.7</b>	<b>FTE for personnel possessing a valid Alberta teaching certificate or equivalency.</b>
<b>Certificated Staffing Change due to:</b>				
Enrolment Change	(28.7)	(35.0)	48.6	If negative change impact, the small class size initiative is to include any/all teachers retained.
Small Class Size Initiative	74.6	103.9	108.3	If enrolment change impact on teacher FTEs is negative, include any/all teachers retained.
Other Factors	(39.4)	-	(209.0)	Descriptor (required): increase in teacher cost for 08-09 over 07-08
<b>Total Change</b>	<b>6.5</b>	<b>68.9</b>	<b>(52.1)</b>	<b>Year-over-year change in Certificated FTE</b>
<b>Breakdown, where total change is Negative:</b>				
Continuous contracts terminated	-	-	-	FTEs
Non-permanent contracts not being renewed	-	-	-	FTEs
Other (retirement, attrition, etc.)	-	-	(52.1)	Descriptor (required):
<b>Total Negative Change in Certificated FTEs</b>	<b>-</b>	<b>-</b>	<b>(52.1)</b>	<b>Breakdown required where year-over-year total change in Certificated FTE is 'negative' only.</b>
<b>Of the Certificated Staff:</b>				
Class size teachers retained from prior years	261.9	158.0	49.7	FTEs
Class size teachers newly hired	74.6	103.9	108.3	FTEs
<b>Total Class Size Initiative Teacher FTE's</b>	<b>336.5</b>	<b>261.9</b>	<b>158.0</b>	<b>FTE for teachers hired and retained to meet the ACOL class size averages guidelines.</b>
<b>NON-CERTIFICATED STAFF</b>				
Instructional	1,625.6	1,519.2	1,477.4	Personnel providing instruction support for schools under 'Instruction' program areas.
Non-Instructional	1,348.5	1,224.7	1,202.3	Personnel in Transportation, Board & System Admin., O&M and External service areas.
<b>Total Non-Certificated Staff FTE</b>	<b>2,974.1</b>	<b>2,743.9</b>	<b>2,679.7</b>	<b>FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.</b>
<b>Non-Certificated Staffing Change due to:</b>				
Enrolment Change	-	-	34.5	FTEs
Other Factors	230.2	64.1	(122.7)	Descriptor (required): increased support for special needs, ESL, ELL, custodial, maintenance, dist initiatives
<b>Total Change</b>	<b>230.2</b>	<b>64.1</b>	<b>(88.2)</b>	<b>Year-over-year change in Non-Certificated FTE</b>

**PROJECTED CLASS SIZE AVERAGES  
FULL TIME EQUIVALENT (FTE) AVERAGE CLASS SIZE**

	Budgeted 2008/2009	Actual 2007/2008	Actual 2006/2007	Notes
<b>ACOL GUIDELINE GRADE GROUPING</b>				
K to Grade 3	18.9	19.1	19.1	if budgeted > 17, requires pg. 2 budget highlights on specific strategies to reduce to guideline.
Grades 4 to 6	20.8	20.8	21.0	if budgeted > 23, requires pg. 2 budget highlights on specific strategies to reduce to guideline.
Grades 7 to 9	24.0	24.0	24.2	if budgeted > 25, requires pg. 2 budget highlights on specific strategies to reduce to guideline.
Grades 10 to 12	25.8	25.8	26.1	if budgeted > 27, requires pg. 2 budget highlights on specific strategies to reduce to guideline.

NOTE: FTE statistics are 'as at September 30th' for each year. All applicable FTEs and the class size average information is to be entered to 1 decimal place.