

DATE: June 10, 2014
TO: Board of Trustees
FROM: Darrel Robertson, Superintendent of Schools
SUBJECT: 2014-2015 Student Transportation Fees
ORIGINATOR: David Fraser, Executive Director, Corporate Services
RESOURCE STAFF: Lorne Parker, Christopher Wright
REFERENCE: N/A

ISSUE

Annually, Student Transportation fees are reviewed and amended if required. The sale of bus passes and the use of Student Transportation carry-forward funds are utilized to cover the annual funding gap between the cost of the District's transportation service delivery and provincial grants.

ACTION REQUESTED

That the 2014-2015 Proposed Student Transportation Fees, to be effective August 2014 (Attachment I), be approved.

BACKGROUND

Student Transportation is funded from two sources; provincial transportation grants, and student transportation fees. In recent years, funding has fluctuated largely through the inclusion and removal of the provincial fuel subsidy. Notwithstanding the inconsistent nature of provincial revenue, the District provides a service delivery model that is comprehensive and responsive, yet allows for stability in bus pass prices through the retention and utilization of carry-forward funds. Entering the 2013-2014 school year, Student Transportation had a carry-forward balance of \$5,998,293 which was accrued over time through a combination of bus pass fees, operational efficiencies and provincial fuel funding. It is anticipated that the current carry-forward balance will be reduced by approximately \$750,000 in order to cover a 2013-2014 operational deficit.

For the 2014-2015 school year, provincial transportation grants are anticipated to decline by approximately \$1,240,000 compared to the 2013-2014 school year, despite an anticipated increase in total student enrolment. The reduction in funding is a result of recent revisions to the Alberta Education transportation grant calculation.

RELATED FACTS

In considering the proposed 2014-2015 fee increase, the following should be noted:

- Prior to the 2014-2015 school year, only one other fee increase has been requested since the 2008-2009 school year. The previous increase, approved for the 2010-2011 school year, represented an increase of 12.5 and 11.6 per cent on the lower and higher priced passes respectively. The 2010-2011 bus pass prices have remained in effect through the 2013-2014 school year.

- The 2014-2015 budgeted operating costs represent a 20.6 per cent increase since the last fee increase in 2010-2011. The majority of the cost increase is a result of increased demand from new and developing communities over the past two years.
- The anticipated 2014-2015 provincial grants represent an increase of approximately 8.5 per cent since 2010-2011.
- The proposed increase on the \$27 pass to \$30 represents an increase of 11 per cent.
- The proposed increase on the \$48 pass to \$55 represents an increase of 14.6 per cent.
- One component of the 2014-2015 cost increases is the result of higher daily rates paid to the contract carriers. The increase in yellow bus carrier rates for 2014-2015 represents approximately 2.7 per cent of the total yellow bus costs for the year.

In order to minimize the increase to bus pass rates and offset the effects of new service requirements and reductions in provincial funding, it is proposed that \$2,800,000 of the carry-forward funds be applied to the 2014-2015 budget plan. The use of carry-forward funds will supplement the estimated \$11,913,700 in transportation fees collected in order to cover the funding gap.

The extent to which student transportation fees increase or decrease annually is dependent on:

- the level of provincial funding;
- expenditures related to the District’s cost of purchasing Edmonton Transit (ETS) student bus passes from the City;
- the number of students purchasing public transit passes;
- the number of schools served;
- the number of students and type of programs supported by yellow bus service;
- the cost of school bus contracts;
- the un-funded and non-statutory services offered by the District; and
- the compliance to regulations and eligibility procedures.

OPTIONS

Approve the proposed increase to Student Transportation fees to, in part, cover the anticipated total funding gap for 2014-2015 of approximately \$14,700,000.

CONSIDERATIONS & ANALYSIS

While it is not currently possible to definitively note pending fee increases by all other jurisdictions, a combination of fee increases, use of surplus funds or service reductions can be expected in most instances.

Calgary Board of Education (CBE)

Kindergarten: \$330/year (53 per cent increase)

Grades 1 – 9: \$330/year (12 per cent increase)

Special Needs: \$330/year (12 per cent increase)

Calgary Transit: \$40/month (reimbursed from \$60/month)

Notes:

- No option for monthly pass sales.
- Some service reductions expected.
- Use of surplus funds expected.

Edmonton Catholic School District (ECSD)

Kindergarten: no fees

Elementary students: \$30/month (no increase anticipated)

Junior High/Senior High/ETS: \$47/month (no increase anticipated)

Notes:

- ECSD does not offer a discount for annual passes, whereas the proposed annual EPSB rates of \$240 and \$470 represent lower monthly rates for elementary students (designated school or language program) and the same monthly rate for junior high, senior high, and ETS passes.
- ECSD has had four previous rate increases since 2008-2009 for junior high/senior high/ETS passes, compared to one increase by EPSB.

NEXT STEPS

Should the proposed Student Transportation Fees for 2014-2015 be approved, Student Transportation and schools will collaborate to distribute fee information to parents prior to the end of June 2014.

ATTACHMENTS & APPENDICES

ATTACHMENT I 2014-2015 Proposed Student Transportation Fees

CW:em

2014 – 2015 Proposed Student Transportation Fees

TYPE OF TRANSPORTATION	MONTHLY FEE	ANNUAL FEE
<u>EDMONTON TRANSIT</u>		
Kindergarten	No Charge	No Charge
Elementary Special Needs	\$30.00	\$240.00
Elementary (school has been closed or not built)	\$30.00	\$240.00
Family Maximum (school has been closed or not built) Kindergarten not included	\$72.00	n/a
Elementary (attending a school other than designated school)	\$55.00	\$470.00
Family Maximum (attending a school other than designated school)	n/a	n/a
Elementary (Bilingual or Immersion)	\$30.00	\$240.00
Elementary (Other Programs of Choice)	\$55.00	\$470.00
Junior High	\$55.00	\$470.00
Senior High	\$55.00	\$470.00
Family Maximum (Junior or Senior High)	n/a	n/a
<u>YELLOW SCHOOL BUS</u>		
Regular:		
Kindergarten	No Charge	No Charge
Elementary (school has been closed or not built)	\$30.00	\$240.00
Family Maximum (school has been closed or not built) Kindergarten not included	\$72.00	\$570.00
Junior High	\$55.00	\$470.00
Junior High (student attends same school as attended in elementary)	\$30.00	\$240.00
Senior High	\$55.00	\$470.00
Family Maximum (Junior or Senior High)	n/a	n/a
Special Needs Curb Service:		
Kindergarten and Early Education	No Charge	No Charge
Elementary	\$30.00	\$240.00
Family Maximum (Elementary) Kindergarten and Early Education not included	\$72.00	\$570.00
Junior High	\$55.00	\$470.00
Senior High	\$55.00	\$470.00
Family Maximum (Junior or Senior High)	n/a	n/a
Alternative Programs:		
Kindergarten	No Charge	No Charge
Elementary (Bilingual or Immersion)	\$30.00	\$240.00
Family Maximum (Bilingual or Immersion) Kindergarten not included	\$72.00	\$570.00
Elementary (Other Programs of Choice)	\$55.00	\$470.00
Family Maximum (Other Programs of Choice) Kindergarten not included	\$135.00	\$1,149.00
Conditional Riders:		
Kindergarten to Grade 12	\$55.00	n/a
Family Maximum	n/a	n/a