

DATE: June 25, 2019

TO: Board of Trustees

FROM: Darrel Robertson, Superintendent of Schools

SUBJECT: Approval of the 2019-2020 Spring Budget

ORIGINATOR: Todd Burnstad, Chief Financial Officer

RESOURCE STAFF: Jeremy Higginbotham, Jennifer Price, Madonna Proulx, Amanda Wong

ISSUE

At the June 11, 2019, Caucus meeting, the 2019-2020 spring proposed budget was presented to the Board of Trustees for information and discussion.

BACKGROUND

Provincial Funding

The provincial election was held on April 16, 2019, with the United Conservative Party (UCP) winning the majority vote and forming the new Alberta government. It has since been announced that due to the timing of the election, the Government of Alberta will not be presenting a provincial budget until the fall of 2019.

In lieu of a provincial budget, Alberta Education has provided a document for school jurisdictions to assist with the preparation of the spring budget report for the year ending August 31, 2020; page five of the document states the following:

Budget submissions by school boards must clearly articulate any and all assumptions used in completing your 2019-2020 revenue assumptions.

RELATED FACTS

Edmonton Public School Board Budget Assumptions (as presented in the 2019-2020 Distribution of Funds Report at the April 30, 2019 Public Board Meeting)

- No changes to student funding rates.
- Provincial funding will be provided for the over 3,200 new students projected for the District.
- Provincial fee support (*An Act to Reduce School Fees*, formerly known as Bill 1) will be continued; however, the amount of funding anticipated to be received will continue to be tied to the 2015-2016 financial information provided to the province.
- No additional funding will be provided to support new curriculum implementation.
- With the exception of enrolment growth, there will be no changes to Infrastructure & Maintenance Renewal (IMR), Plant, Operations & Maintenance (PO&M) or Inclusive Education grants.
- The Classroom Improvement Fund (CIF) will be discontinued (\$10.9 million was received in 2018-2019)

- Any compensation adjustment related to the teachers' agreement will be fully funded by the province; however, changes to other terms and conditions resulting from central or local bargaining will be covered by the District. A placeholder of \$2.5 million has been allocated in the spring budget for these estimated costs (included on Attachment V).
- The Nutrition Grant will continue for 2019-2020 at the same amount as in 2018-2019 of \$1.2 million.
- Funding for Educational Programs in an Institution (EPI) will continue.
- The funding formula for Program Unit Funding (PUF) remains unchanged.
- The funding formula for both high school redesign and the credit enrolment unit (CEU) remain unchanged.

2019-2020 Edmonton Public Schools Budget Highlights

- The 2019-2020 Spring Revenue Budget (Attachment I) factors in the increase in an anticipated revenue associated with enrolment growth.
- Enrolment growth is projected at 3.2 per cent or an additional 3,262 new students, bringing the total 2019-2020 Projected Student Enrolment to 105,127 (Attachment II). Of the total anticipated enrolment growth, over 30 per cent of the students are Early Childhood, who receive base funding at half the amount of a Grade 1 to 12 student.
- Additional grants, such as Institutional Services and Program Unit Funding (PUF) are offset by an equal allocation.
- As we are not projecting any changes to student funding rates, with the exception of mild/moderate allocation rates (as noted below), the District will maintain student allocation rates and staff unit costs at the same levels as the current year.
- In order to align the District's special education coding criteria with Alberta Education's special education coding criteria, changes were made to adjust the allocation rate for students identified with a mild/moderate code. As this change becomes fully implemented, we anticipate an increase in the number of students who will be eligible to receive the allocation.
- Transportation fees are charged in compliance with an *Act to Reduce School Fees*. The cost of providing transportation service for our students continues to rise; even with an approved fee increase of five per cent combined with the transportation funding received from the province for eligible riders, there is still not enough to cover escalating costs. As a result, the District will fund a projected shortfall of \$2.4 million through our operating surplus as approved at the May 28, 2019, public Board meeting.
- School and central allocations are based on our budget assumptions as detailed in this report and will be updated in the fall based on the September 30 actual enrolment and may be further reviewed and updated once the 2019-2020 provincial budget has been released.
- The province has announced a June 30, 2019, due date for jurisdictions to submit their board-approved 2019-2020 spring budgets.

RECOMMENDATION

- 1. That the 2019-2020 Budget of \$1,216,360,562 be approved.**
- 2. That the budget report for the year ending August 31, 2020 be approved.**

CONSIDERATIONS and ANALYSIS

- The District continues to grow more rapidly than any other metro school board in the province and resources are required to support our staff and our projected number of 105,127 students.

- A high level calculation shows the impact of enrolment growth funding to be approximately \$31.3 million for the upcoming school year. This calculation has been included on page two of Attachment I.
- Metro school boards in the province are required to operate with board and system administrative costs of less than 3.6 per cent. As reported in our 2017-2018 Audited Financial Statements, Edmonton Public Schools operates at 3.2 per cent, which is well below the maximum.
- Schools and central decision units have completed their budgets using the allocated resources approved in the original 2019-2020 Distribution of Funds Report.
- Using our budget assumptions, we were able to meet our obligations around staffing procedures and deadlines outlined in our collective agreements. Details of the projected staffing FTEs have been included on Attachment VI.
- In order to balance the current proposed budget under the assumptions as detailed above, the District requires accessing \$5 million of accumulated surplus dollars. In addition, the District will be releasing an additional \$17 million of accumulated surplus dollars in conjunction with the fall revised budget. This will bring our estimated accumulated surplus balance to \$22 million by August 31, 2020, which represents less than 2 per cent of our annual operating budget (Attachment VII).

NEXT STEPS

Once approved, the 2019-2020 proposed budget will be submitted to the province and posted to the District's website.

ATTACHMENTS and APPENDICES

ATTACHMENT I	2019-2020 Proposed Revenue Budget
ATTACHMENT II	Projected 2019-2020 Student Enrolment
ATTACHMENT III	2019-2020 Proposed Budget – Total Allocations
ATTACHMENT IV	2019-2020 Proposed Budget – Direct School Allocations
ATTACHMENT V	2019-2020 Proposed Budget – Other Allocations
ATTACHMENT VI	2019-2020 Proposed Budget – Staffing FTE Comparison
ATTACHMENT VII	Accumulated Operating Surplus Plan
ATTACHMENT VIII	2019-2020 Alberta Education Budget Report

TB:ja

**Edmonton Public Schools
2019-2020 Spring Revenue Budget**

	2019-2020 Spring Budget	2019-2020 Preliminary Budget	2018-2019 Fall Revised Budget	Variance Spring vs Prelim \$	Variance Spring vs Fall \$	Variance Spring vs Prelim %	Notes
BASE INSTRUCTION FUNDING							
Early Childhood Services (ECS) Base Instruction	\$ 34,244,000	\$ 34,247,300	\$ 30,680,300	\$ (3,300)	\$ 3,563,700	(0.0%)	
Base Instruction (Grades 1 to 9)	460,470,000	459,461,300	451,071,500	1,008,700	9,398,500	0.2%	
Class Size (ECS to Grade 3)	44,118,600	44,070,700	43,454,700	47,900	663,900	0.1%	
	538,832,600	537,779,300	525,206,500	1,053,300	13,626,100	0.2%	1
High School (Grades 10 to 12)	168,197,100	168,203,300	161,440,500	(6,200)	6,756,600	(0.0%)	1
Base Instruction Metro (Grades 10 to 12)	947,600	873,700	847,400	73,900	100,200	8.5%	1
Base Instr. Metro Summer (Grades 10 to 12)	7,033,800	7,258,800	7,040,500	(225,000)	(6,700)	(3.1%)	
Outreach Site Funding	314,900	314,900	314,900	-	-	-	
Home Education	387,600	387,600	387,600	-	-	-	
	8,683,900	8,835,000	8,590,400	(151,100)	93,500	(1.7%)	1
SUBTOTAL BASE INSTRUCTION FUNDING	715,713,600	714,817,600	695,237,400	896,000	20,476,200	0.1%	1
DIFFERENTIAL COST FUNDING							
ECS Program Unit Funding (PUF)	40,465,000	46,815,000	46,815,000	(6,350,000)	(6,350,000)	(13.6%)	2,3
Inclusive Education	78,473,100	78,394,200	75,284,500	78,900	3,188,600	0.1%	
English as a Second Language (ESL)	22,979,700	22,979,700	22,288,700	-	691,000	-	
First Nations, Metis and Inuit Education (FNMI)	10,315,700	10,236,500	10,134,600	79,200	181,100	0.8%	
Innovation in First Nations Education	32,000	32,000	30,750	-	1,250	-	
Socio Economic Status	11,961,800	11,943,700	11,635,200	18,100	326,600	0.2%	
Plant Operations and Maintenance (PO&M)	76,918,300	76,918,300	73,647,400	-	3,270,900	-	
Metro Urban Transportation	26,784,400	25,801,100	25,445,900	983,300	1,338,500	3.8%	3
ECS Special Transportation	2,710,200	2,769,500	2,710,200	(59,300)	-	(2.1%)	3
Equity of Opportunity	10,014,700	9,999,500	9,741,200	15,200	273,500	0.2%	
Federal French Funding	609,900	609,900	609,900	-	-	-	
SUBTOTAL DIFFERENTIAL COST FUNDING	281,264,800	286,499,400	278,343,350	(5,234,600)	2,921,450	(1.8%)	
PROVINCIAL PRIORITY TARGETED FUNDING							
High Speed Networking	2,294,400	2,299,900	2,299,900	(5,500)	(5,500)	(0.2%)	
SUBTOTAL PROVINCIAL PRIORITY FUNDING	2,294,400	2,299,900	2,299,900	(5,500)	(5,500)	(0.2%)	
OTHER PROVINCIAL SUPPORT							
Institutional Support	9,816,200	9,463,000	9,463,000	353,200	353,200	3.7%	3
Regional Collaborative Service Delivery (RCSD)	4,744,900	4,744,900	4,744,900	-	-	-	
Provincial Fee Support:				-	-	-	
School Fees Reduction Grant	2,660,800	2,660,800	2,660,800	-	-	-	4
Transportation Fees Reduction Grant	5,334,200	5,334,200	5,334,200	-	-	-	4
Classroom Improvement Fund (CIF)	-	-	10,931,400	-	(10,931,400)	-	5
Provincial School Lease Support	1,855,300	1,855,300	1,855,300	-	-	-	6
Narrowing Teacher's Salary Gap	239,000	239,000	239,000	-	-	-	
Decrease of LAPP Employer Contributions	(1,159,300)	(1,159,300)	(1,159,300)	-	-	-	7
Reduction in System Admin & School Board Governance	(4,443,000)	(4,443,000)	(4,443,000)	-	-	-	8
SUBTOTAL OTHER PROVINCIAL SUPPORT	19,048,100	18,694,900	29,626,300	353,200	(10,578,200)	1.9%	
TOTAL PROVINCIAL OPERATIONAL FUNDING	1,018,320,900	1,022,311,800	1,005,506,950	(3,990,900)	12,813,950	(0.4%)	

**Edmonton Public Schools
2019-2020 Spring Revenue Budget**

	2019-2020 Spring Budget	2019-2020 Preliminary Budget	2018-2019 Fall Revised Budget	Variance Spring vs Prelim \$	Variance Spring vs Fall \$	Variance Spring vs Prelim %	Notes
CAPITAL AND IMR FUNDING							
Infrastructure Maintenance Renewal (IMR)	13,399,200	13,399,200	13,399,200	-	-	-	9
Amortization of Capital Allocations and Expended Deferred Capital Revenue	43,483,300	44,250,000	42,800,000	(766,700)	683,300	(1.7%)	10
CAPITAL AND IMR FUNDING	56,882,500	57,649,200	56,199,200	683,300	683,300	1.2%	
OTHER PROVINCIAL REVENUES							
Educational Programs Cost Recovery	1,734,900	1,313,300	1,313,300	421,600	421,600	32.1%	11
Secondments - Provincial	2,899,000	2,899,000	2,899,000	-	-	-	
Alberta Education Conditional Grants	1,236,100	1,236,100	1,236,100	-	-	-	12
Alberta Teachers' Retirement Fund (ATRF)	58,275,600	57,952,400	57,952,400	323,200	323,200	0.6%	
SUBTOTAL OTHER PROVINCIAL REVENUES	64,145,600	63,400,800	63,400,800	744,800	744,800	1.2%	
TOTAL GOVERNMENT OF ALBERTA	\$ 1,139,349,000	\$ 1,143,361,800	\$ 1,125,106,950	\$ (4,012,800)	\$ 14,242,050	(0.4%)	
OTHER PROVINCIAL GRANTS	2,853,300	2,853,300	2,853,300	-	-	-	
FEDERAL GOVERNMENT AND FIRST NATIONS	2,403,300	2,428,500	2,428,500	(25,200)	(25,200)	(1.0%)	
OTHER ALBERTA SCHOOL AUTHORITIES	887,700	841,700	841,700	46,000	46,000	5.5%	13
FEES							
School Fees - School Generated Funds	15,382,300	14,905,300	14,905,300	477,000	477,000	3.2%	14
Transportation Fees	9,119,400	8,169,700	8,169,700	949,700	949,700	11.6%	15
Lunch Program Fees	4,983,000	4,734,500	4,734,500	248,500	248,500	5.2%	16
Metro Continuing Education Fees	802,400	798,800	798,800	3,600	3,600	0.5%	
Music Instrument & Other Material Fees	269,700	307,600	307,600	(37,900)	(37,900)	(12.3%)	17
SUBTOTAL FEES	30,556,800	28,915,900	28,915,900	1,640,900	1,640,900	5.7%	
OTHER SALES AND SERVICES							
International Student Tuition	6,413,300	6,413,300	6,462,500	-	(49,200)	-	
Sales and Services - Schools & Central DU's	4,616,800	5,080,300	5,080,300	(463,500)	(463,500)	(9.1%)	18
Other Sales and Services - School Generated Funds	4,587,100	4,444,900	4,444,900	142,200	142,200	3.2%	
Secondments - Other Entities	1,344,500	1,344,500	1,344,500	-	-	-	
Adult Education	2,131,700	1,877,300	1,877,300	254,400	254,400	13.6%	19
SUBTOTAL SALES AND SERVICES	19,093,400	19,160,300	19,209,500	(66,900)	(116,100)	(0.3%)	
INVESTMENT INCOME	3,123,200	4,600,000	4,600,000	(1,476,800)	(1,476,800)	(32.1%)	20
GIFTS AND DONATIONS							
School Gifts and Donations	6,583,500	6,841,000	6,841,000	(257,500)	(257,500)	(3.8%)	21
EPSB Foundation Support	411,500	411,500	411,500	-	-	-	22
SUBTOTAL GIFTS AND DONATIONS	6,995,000	7,252,500	7,252,500	(257,500)	(257,500)	(3.6%)	
FUNDRAISING - School Generated Funds	2,025,900	1,963,100	1,963,100	62,800	62,800	3.2%	21
RENTAL OF FACILITIES	4,139,300	4,202,400	4,202,400	(63,100)	(63,100)	(1.5%)	
TOTAL OPERATING REVENUE	\$ 1,211,426,900	\$ 1,215,579,500	\$ 1,197,373,850	\$ (4,152,600)	\$ 14,053,050	(0.3%)	

High level calculation of enrolment growth revenue (see note 23 for additional information):

Net increase in revenue between 2019-2020 and 2018-2019	\$ 14,053,050	
Add back impact of Classroom Improvement Fund (CIF)	10,931,400	5
Add back change in ECS Program Unit Funding (PUF)	6,350,000	2
	\$ 31,334,450	23

**Notes to the
2019-2020 Spring Revenue Budget**

Unless otherwise noted, variance explanations have been provided for amounts where the 2019-2020 spring budget differs from the 2019-2020 preliminary budget by more than five per cent

1 Base Instruction Funding

The overall increase in base instruction funding is due to a projected enrolment growth of 3,262 students, or 3.2 per cent (see Attachment II). For 2019-2020, while we anticipate no increase in per student funding rates, we are projecting that the province will continue to fund enrolment growth.

2 ECS Program Unit Funding (PUF)

The projected decrease in revenue is primarily due to reducing the projected number of family oriented programming (FOPS) visits from eleven to nine for children enrolled in the program. This change does not impact the supports provided to children during instructional time, but it does reduce the amount of grant funding available.

3 ECS Program Unit Funding (PUF), Metro Urban Transportation, ECS Special Transportation & Institutional Support

These budgets amounts are a flow-through, where any change from the amount currently shown will be offset by an equivalent amount allocated to schools or central decision units. For the Metro Urban Transportation grant, the increase in revenue is due to the expected number of eligible passengers, which is the number of funded students and children, calculated on the basis of enrolment, and a number of other factors which affect eligibility for transportation. Additional information on Transportation can be found in Note 15.

4 School and Transportation Fees Reduction

This funding is related to the *Act to Reduce School Fees*. Funding is provided based on 100 per cent of the basic instruction fee revenue reported on our 2015-2016 Audited Financial Statements. The transportation fee portion is based on 45 per cent of the transportation fee revenue that was reported on our 2015-2016 Audited Financial Statements. We are assuming that this funding will continue in 2019-2020.

5 Classroom Improvement Fund (CIF)

The Classroom Improvement Fund (CIF) Grant Program was established as part of the central table Memorandum of Agreement between the Teachers' Employer Bargaining Association and the Alberta Teachers' Association. The grant was introduced in the 2017-2018 school year as a one-time grant with the intent to improve the student experience in the classroom; with new conditions the grant was extended for another year in 2018-2019. To date, announcements have not been made for the continuance of this grant and as such, we have not included it in the 2019-2020 spring budget.

6 Provincial Lease Support

This funding is provided by the province for the lease of privately owned facilities. An application to continue to receive this funding has been submitted and notification of approval is typically received later in the summer. As the District has consistently received this funding over the past number years, we are assuming this funding will continue in 2019-2020.

7 Decrease of LAPP Employer Contributions

The Board of Trustees of LAPP has reduced the contribution rates by one per cent for both employers and employees effective January 1, 2018. Alberta Education will process a payment reduction, estimated based on the proportion of each participating jurisdictions' non-certificated employees compared to the total number of non-certificated employees in all jurisdictions. This reduction is anticipated until 2020-2021.

8 Reduction in System Admin & School Board Governance

Alberta Education began processing a deduction from school jurisdictions' payments equivalent to ten per cent of school boards' allowable administration maximum in the 2013-2014 school year. The deduction was originally calculated based on total expenditures in the 2011-2012 Audited Financial Statements and has increased year over year since it was implemented.

9 Infrastructure Maintenance Renewal (IMR)

The District continues to be in alignment with the Alberta Education Capitalization Policy and capitalizes 40 to 55 per cent of IMR funding. As provincial IMR funding has not been announced, the amount reflected in the spring budget remains unchanged from the 2018-2019 fall budget.

10 Amortization of Capital Allocations and Expended Deferred Capital Revenue

This amount is for the amortization of buildings and other capital items that have been fully funded by the government. As an amortization expense is recorded, an offsetting revenue amount from the province is recognized. Amortization for capital items covered by the District are allocated in Fiscal and Debt Services and are not included in this amount.

11 Educational Programs Cost Recovery

Includes an ongoing contract between the District and Alberta Health Services (AHS) for supports to Alberta School for the Deaf as well as for Hospital School Campuses to provide programming for adults under the care of forensic psychiatry. The increase in revenue reflects a new contract with CASA (Child, Adolescent and Family Mental Health) for ongoing supports provided by Hospital School Campuses for learners from pre-Kindergarten to Grade 12.

12 Alberta Education Conditional Grants

This amount reflects the School Nutrition Grant that we are assuming will continue in 2019-2020.

13 Other Alberta School Authorities

This amount reflects the revenue received in 2018-2019 from other school districts for their sponsored students and visiting ECS children from organizations such as Getting Ready for Inclusion Today (GRIT).

**Notes to the
2019-2020 Spring Revenue Budget**

14 School Fees - School Generated Funds

School generated funds are funds raised in the community for student activities (such as drama, ski club, and school teams) under the control and responsibility of school management. The funds are collected and retained for expenses at the school level. The amount reflected in the spring is the prior year ending balance and will be updated in the fall when the current year actual revenues are finalized.

15 Transportation Fees

The increase in transportation fees is due to a projected increase in ridership which is in alignment with projected enrolment growth. The Board approved to increase fees by five per cent annually (each September in 2018, 2019 and 2020); however, the fee increase effective for 2018 was covered through the District surplus. Even with the fee increase, an additional \$2.4 million is required to offset funding gaps; this shortfall is being funded through the District surplus for 2019-2020.

16 Lunch Program Fees

The lunch fee cost sharing program was rolled out to all schools in 2016-2017 in order to standardize the calculation of fees being charged. Lunch program fees are budgeted at the school level. The overall increase is primarily due to increased enrolment.

17 Music Instrument Fees

Music instrument fees are collected and retained to offset related expenses. This revenue amount is entered at the school level.

18 Sales & Services - Schools & Central DUs

The budget includes other non-government grants and revenue. These amounts are only included in the budget upon confirmation/approval of funding and will be updated in the fall.

19 Adult Education

The increase is related to a projected increase in enrolment for various adult non-credit courses.

20 Investment Income

The decrease is based on the projected cash flow analysis for the District and takes into account current interest rates, withdrawals from our investment account in 2018-2019, and dipping into overdraft as a result of the three teacher payrolls that occur in late June and early July of each year.

21 School Gifts and Donations/Fundraising - School Generated Funds

This revenue line is an estimate of school generated gifts and donations. These funds are restricted to support the activities and programs at our schools and are directly offset by related expenditures. Schools typically don't fully budget for these in the spring as there is uncertainty around these initiatives.

22 Edmonton Public Schools Foundation

The revenue is based on projected revenue from the Edmonton Public Schools Foundation to fund full-day Kindergarten. This amount will be updated with fall budget.

23 Enrolment Growth

As the fastest growing metro school board in the province, one of our key budget assumptions includes continuing to receive enrolment growth funding. With no changes to grant or student funding rates, a high level calculation of the impact of enrolment growth funding can be done by comparing the 2018-2019 budgeted revenue against the 2019-2020 budget which includes enrolment growth of 3.2 per cent. To this figure, we have added back the Classroom Improvement Fund and the impact of a decrease in our Program Unit Funding (PUF) both of which are currently decreasing the change in total revenue but are not driven by enrolment. This results in an adjusted change in revenue of \$31.3 million which is a better representation of the true impact of enrolment growth funding.

Edmonton Public Schools
Spring Projected Enrolment 2019-2020

Student Enrolment by Division	2019-2020	2019-2020	2018-2019			Fall 2018-2019	
	Spring Projected Enrolment	Preliminary Budget Projected Enrolment	Fall Sept 30 Actual Enrolment	Enrolment Spring vs Prelim	Variance Spring vs Prelim %	Enrolment Spring vs Sept 30	Variance Spring vs Sept 30 %
Funded Students:							
Early Childhood Services (ECS)	10,253	10,254	9,186	(1)	0.0%	1,067	11.6%
Elementary - Division I	23,867	23,835	23,750	32	0.1%	117	0.5%
Elementary - Division II	23,283	23,223	22,882	60	0.3%	401	1.8%
Junior High	21,785	21,726	20,896	59	0.3%	889	4.3%
Senior High	25,094	25,094	24,327	-	0.0%	767	3.2%
Subtotal - Enrolment for Grades 1-12	94,029	93,878	91,855	151	0.2%	2,174	2.4%
Subtotal Funded Students	104,282	104,132	101,041	150	0.1%	3,241	3.2%
Subtotal Other Students	845	845	824	-	0.0%	21	2.5%
Total Student Enrolment	105,127	104,977	101,865	150	0.1%	3,262	3.2%

Edmonton Public Schools
2019-2020 Spring Proposed Budget
Total Allocations

		2019-2020 Spring Proposed Budget	2019-2020 Distribution of Funds		Variance \$	Variance %	Notes
Projected Revenue	*			*			
Operating Revenue		\$ 1,211,426,900	\$ 1,215,579,500		\$ (4,152,600)	(0.3%)	
Operating Reserve Funds ^A		4,933,662	2,500,000		2,433,662	97.3%	A
Operating Revenue		\$ 1,216,360,562	\$ 1,218,079,500		\$ (1,718,938)	(0.1%)	
School Allocations							
School Allocations Levels 1 to 8		\$ 673,428,017	\$ 683,536,231		\$ (10,108,214)	(1.5%)	1
Other Supplemental School Allocations		163,576,690	165,209,429		(1,632,739)	(1.0%)	2
		837,004,707	848,745,660		(11,740,953)	(1.4%)	
School Generated Funds/External Revenues		38,544,120	37,267,073		1,277,047	3.4%	3
Subtotal School Allocations	72.0%	875,548,827	886,012,733	72.7%	(10,463,906)	(1.2%)	
Other Allocations							
Metro Continuing Education		13,648,870	13,225,800		423,070	3.2%	
External Revenue Allocations - Central		10,446,237	11,676,275		(1,230,038)	(10.5%)	4
District Level Fixed Costs	7.1%	86,182,002	84,075,901	6.9%	2,106,101	2.5%	5
District Level Committed Costs	8.4%	101,956,013	94,833,412	7.8%	7,122,601	7.5%	6
		212,233,122	203,811,388		8,421,734	4.1%	
Central Decision Units**	5.8%	70,302,979	70,302,979	5.8%	-	-	
Subtotal Other Allocations		282,536,101	274,114,367		8,421,734	3.1%	
Alberta Teachers' Retirement Fund (ATRF)		58,275,634	57,952,400		323,234	0.6%	7
Total Budget Allocations		\$ 1,216,360,562	\$ 1,218,079,500		\$ (1,718,938)	(0.1%)	

A Additional details around the District's planned use of accumulated operating reserve is included on Attachment VII.

* The amount as a percentage of the total allocations.

** The maximum expenditure for system administration and school board governance is 3.6 per cent. The total amount allocated to central decision units includes portions allocated to instruction and are not included in the 3.6 per cent cap calculation.

Note: Some of the 2019-2020 Distribution of Funds figures have been reclassified to conform to the comparable Spring Proposed Budget presentation.

**Notes to the
2019-2020 Spring Proposed Budget
Total Allocations**

Unless otherwise noted, variance explanations have been provided for amounts where the 2019-2020 spring proposed budget differs from the 2019-2020 Distribution of Funds by more than five per cent.

1 School Allocations Levels 1 to 8

School Allocations for the Distribution of Funds report are based on high level enrolment projections which predict the number of students at each grade level and the number of students in need of specialized supports and services. School Allocations for the spring proposed budget are based on pre-enrolment information, which is more detailed than the enrolment used in the Distribution of Funds report. For 2019-2020, there have been no changes to the per- student allocation rates. See Attachment IV for additional details.

2 Other Supplemental School Allocations

Included in this category of school allocations are Equity Funds, Enhanced Support for Schools, amiskwaciy Academy base rent and Program Enhancement allocations. Specific changes to these allocations are detailed on the Direct Schools Allocations (Attachment IV).

3 School Generated Funds/External Revenues

School fees must be approved by the Minister of Education before they can be charged to parents. As such, our schools take an analytical approach to estimating their School Generated Funds (SGF) fees in the spring. The increase is also due to the projected increase in enrolment.

4 External Revenue Allocations - Central

The central external revenue is comprised mostly of secondment revenue from the Alberta Government, other grants, and lease and parking revenue. This allocation is a flow through amount, whereby there is a direct revenue amount related to the allocation.

5 District Level Fixed Costs

These allocations have been updated to reflect the anticipated fixed and committed costs for 2019-2020. Additional details on these costs have been included in Attachment V.

6 District Level Committed Costs

In alignment with our student population increases, District costs are also increasing. This line represents an allocation for a variety of costs at the District level to limit their impact to school budgets (also see Attachment V).

7 Alberta Teachers' Retirement Fund (ATRF)

This amount represents a flow-through of teacher retirement benefits paid by the province on behalf of our teachers and matches the revenue from the province.

**Edmonton Public Schools
2019-2020 Spring Proposed Budget
Direct School Allocations**

	2019-2020 Spring Proposed Budget	2019-2020 Distribution of Funds	Variance \$	Variance %	Notes
School Allocations					
Kindergarten (half day)	\$ 20,350,134	\$ 19,860,767	\$ 489,367	2.5%	1
Kindergarten (full day)	3,570,732	3,644,968	(74,236)	(2.0%)	1
Elementary	231,021,625	233,513,046	(2,491,421)	(1.1%)	
Junior High	98,267,084	98,648,950	(381,866)	(0.4%)	
Senior High	115,375,868	115,462,426	(86,558)	(0.1%)	
International Students	2,670,300	2,681,544	(11,244)	(0.4%)	2
Special Needs Levels 4 - 8	128,142,700	129,512,218	(1,369,518)	(1.1%)	3
Institutions, Alberta School for the Deaf & Pre-Kindergarten Program Allocations	74,029,574	80,212,312	(6,182,738)	(7.7%)	4
Subtotal School Allocations	673,428,017	683,536,231	(10,108,214)	(1.5%)	
Other Supplemental School Allocations					
Base Allocation	52,874,201	53,201,705	(327,504)	(0.6%)	
Class Size Funding: K-3 School Allocations	42,118,577	41,454,700	663,877	1.6%	5
Class Size Funding: ECS Inclusive Learning	2,000,000	2,000,000	-	-	5
Plant Operation & Maintenance - Schools	20,332,305	20,083,648	248,657	1.2%	6
* First Nations, Métis and Inuit Education (FNMI)	8,505,933	8,243,324	262,609	3.2%	7
* Program Enhancement Allocations	14,353,295	16,804,410	(2,451,115)	(14.6%)	8
Addition to Basic	705,478	753,104	(47,626)	(6.3%)	9
Classroom Improvement Fund	-	-	-	-	10
School Fees Reduction	2,660,800	2,660,800	-	-	
Equity Fund	7,800,000	7,800,000	-	-	11
High Social Vulnerability	4,000,000	4,000,000	-	-	
Regional Collaborative Service Delivery (RCSD)	4,744,945	4,744,945	-	-	
Facility Use Payments - Christian Schools	1,346,792	1,346,792	-	-	
amiskwaciy Base Rent	1,281,010	1,290,195	(9,185)	(0.7%)	
Foundation Full-Day Kindergarten Funding	439,062	411,514	27,548	6.7%	12
Community Use of Schools	414,292	414,292	-	-	
Subtotal Other Supplemental School Allocations	163,576,690	165,209,429	(1,632,739)	(1.0%)	
Subtotal School and Other Supplemental Allocations	837,004,707	848,745,660	(11,740,953)	(1.4%)	
School Generated Funds/External Revenues	38,544,120	37,267,073	1,277,047	3.4%	13
Total Direct School Allocations	\$ 875,548,827	\$ 886,012,733	\$ (10,463,906)	(1.2%)	

* See Attachment IV^A - for a detailed breakdown of this line item.

Note: Some of the 2019-2020 Distribution of Funds figures have been reclassified to conform to the comparable Spring Proposed Budget presentation.

Edmonton Public Schools
2019-2020 Spring Proposed Budget
Direct School Allocations
Detailed Breakdown - Other Supplemental School Allocations

	2019-2020 Spring Proposed Budget	2019-2020 Distribution of Funds	Variance \$	Variance %	Notes
First Nations, Métis, and Inuit Education (FNMI)					
FNMI Per Student	\$ 8,064,933	\$ 7,802,324	\$ 262,609	3.4%	
Transportation to amiskwaciy & Awasis Program	441,000	441,000	-	-	
	\$ 8,505,933	\$ 8,243,324	\$ 262,609	3.2%	7

FNMI funding is based on the number of self-identified students at September 30th. Out of the total amount received, the majority (83 per cent) is allocated directly to schools and the remainder (17 per cent) is allocated to a central decision unit to support FNMI education.

	2019-2020 Spring Proposed Budget	2019-2020 Distribution of Funds	Variance \$	Variance %	Notes
Program Enhancement Allocations					
New to District	\$ 4,500,000	\$ 4,500,000	\$ -	-	
Guaranteed Enrolment	2,696,609	5,196,609	(2,500,000)	(48.1%)	
Outreach Program	3,433,757	3,384,872	48,885	1.4%	
Transfers from Institutions	300,000	300,000	-	-	
Establishment Facilities Grant	1,589,871	1,589,871	-	-	
Establishment Grant New Schools	1,500,000	1,500,000	-	-	
Establishment Program Grant	333,058	333,058	-	-	
	\$ 14,353,295	\$ 16,804,410	\$ (2,451,115)	(14.6%)	8

**Notes to the
2019-2020 Spring Proposed Budget
Direct School Allocations**

Unless otherwise noted, variance explanations have been provided for amounts where the 2019-2020 spring proposed budget differs from the 2019-2020 Distribution of Funds by more than five per cent.

1 Kindergarten

The spring proposed budget is based on actual pre-enrolment for our schools whereas the Distribution of Funds school allocations are based on a high level projection from our Planning department. The fall revised budget is based on an actual headcount at September 30.

2 International Students

The total number of international students projection continues to be steady, but for the spring proposed budget, schools do not have specific international enrolment numbers for their schools.

3 Special Needs Levels 4-8

School Allocations for the spring proposed budget are based on enrolment projections which attempt to predict the number of students at each grade level and the number of students requiring specialized supports. It is expected that there will be differences in the composition of students between the spring proposed and the distribution of funds.

4 Institutions, Alberta School for the Deaf & Pre-Kindergarten Program Allocations

The decrease in allocation is directly linked to the decrease in ECS Program Unit Funding (PUF) revenue as a result of reducing the projected number of family oriented programming (FOPS) visits from eleven to nine for children enrolled in the program. This change does not impact the supports provided to children during instructional time.

5 Class Size Funding

The allocation is provided to schools for the purpose of lowering class sizes and student to teacher ratios. The allocation is calculated annually on a per pupil basis with approximately 92 per cent of total funding being allocated directly towards Kindergarten to Grade 3 students. The remaining eight per cent of total funding is allocated to pre-Kindergarten Programs and Inclusive Learning Early Years.

6 Plant Operation & Maintenance - Schools

Due to increased enrolment, the total amount of projected PO&M funding has increased. This grant is allocated between central decision units and schools; this line item reflects the amount being allocated directly to schools.

7 First Nations, Métis, and Inuit Education (FNMI)

The per student allocation is based on the number of students who self-identify at September 30th. The spring proposed budget is based on the September 30 frozen enrolment count from the previous school year. The transportation portion of the allocation provides transportation for junior high students attending amiskwaciy Academy and elementary students attending the Awasis program.

8 Program Enhancement Allocations

New to District

This allocation is held centrally and allocated to schools during the year to support students arriving after September 30.

Guaranteed Enrolment

This allocation provides a guaranteed amount of funds for approved special education programs where, due to low student enrolment, the student-driven allocation is not able to support the program. The guaranteed enrolment is provided based on 12 students for mild-moderate funded special education programs and 7 students for severe funded special education programs. If the number of students registered in a special education program does not generate the guaranteed level of funding for that program, the school will receive funds to reach the guaranteed level. This allocation is only a placeholder for the spring proposed budget and will be updated in the fall based on actual enrolment at our District centre programs.

Outreach Program

This allocation is provided to the Outreach and New Directions sites to cover fixed and committed costs in order to support high risk students that have been placed by the District.

**Notes to the
2019-2020 Spring Proposed Budget
Direct School Allocations**

8 Program Enhancement Allocations - continued

Transfers from Institutions

This allocation is given to schools for students who meet District special needs coding criteria, who were enrolled in an institutional school on September 30, and will subsequently return to a school after that date.

Establishment Facilities Grant

This allocation provides financial support to physically accommodate students in schools identified for new alternative and special education programs. The annual amount varies depending on the number of new alternative and special education programs and any prior approved/deferred amounts.

Establishment Grant New Schools

Both Thelma Chalifoux (Larkspur 7-9) and Soraya Hafez (McConachie K-6) schools are scheduled to open in September 2020. Staff (including principals) are required to start preparing for the opening in early 2020. In addition, there are other startup expenses not funded by the Province. The District has established a new school startup allocation of \$750K per school.

Establishment Program Grant

This allocation provides financial support for start up costs associated with the implementation of new programs. The annual amount of the allocation is \$100K which is then added to any prior approved/deferred amounts.

9 Addition to Basic

This allocation is for schools with unique situations that require additional funds for instructional and/or operational purposes. This allocation is analyzed and adjusted every budget cycle.

10 Classroom Improvement Fund (CIF)

The Classroom Improvement Fund (CIF) Grant Program was established as part of the central table Memorandum of Agreement between the Teachers' Employer Bargaining Association and the Alberta Teachers' Association. The grant was introduced in 2017-2018 as a one time grant with the intent to improve the student experience in the classroom. With new conditions, the grant was extended for another year in 2018-2019. The total amount of the grant in 2018-2019 was \$10.9 million which was allocated to schools. To date, announcements have not been made for the continuance of this grant and as such, we have not included it in the 2019-2020 Spring Proposed Budget, and have identified this as one of our budget assumptions.

11 Equity Fund

In the spring budget, this allocation totals \$7.8 million. For the fall revised budget, any school surplus balances in excess of the three per cent carryforward threshold will be added to the Equity Fund for use in 2019-2020.

Equity Fund additional information

The Equity Fund was established by the Board in 2014-2015 to enhance opportunities for all schools in the District and to support the District's Cornerstone Values: Collaboration, Accountability, Integrity, and Equity.

The Equity Fund allocation is distributed to the six school leadership groups supervised by the Assistant Superintendents. The percentage allocated to School Leadership Groups was determined through the Superintendent's meetings with the District Support Team and the Superintendent's Community of Practice (SCOPE). Within each School Leadership Group catchment, allocations are determined in consultation with the Assistant Superintendent and based on criteria established by the Leadership Group. Priority is given to projects impacting literacy, numeracy, and mental health.

12 Foundation Full-Day Kindergarten Funding

The projected enrolment for full-day Kindergarten has increased from the projected amount on the Distribution of Funds and will be updated in the fall based on actual enrolment.

13 School Generated Funds/External Revenues (SGF)

School generated funds are funds raised in the community for student activities. School external revenues include textbook rental fees, lunch program fees, grants, as well as school lease rentals. In compliance with the *School Act*, school fees must be approved by the Minister of Education before they can be charged to parents.

**Edmonton Public Schools
2019-2020 Spring Proposed Budget
Other Allocations**

	2019-2020 Spring Proposed Budget	2019-2020 Distribution of Funds	Variance \$	Variance %	Notes
District Level Fixed Costs					
Fiscal and Debt Services	\$ 56,950,517	\$ 56,714,416	\$ 236,101	0.4%	1
Utilities	21,750,000	20,000,000	1,750,000	8.8%	2
Insurance	4,764,685	4,764,685	-	-	
High Speed Networking	2,716,800	2,596,800	120,000	4.6%	
	86,182,002	84,075,901	2,106,101	2.5%	
District Level Committed Costs					
Student Transportation	47,055,635	42,331,187	4,724,448	11.2%	3
School Plant Operations & Maintenance	16,372,192	15,212,039	1,160,153	7.6%	4
Human Resources Supply Services	14,241,330	14,241,330	-	-	
Core Technology Enterprise Management	4,782,266	4,782,266	-	-	
* Language and Cultural Support	5,192,821	5,192,821	-	-	
Enterprise Systems	4,994,278	4,994,278	-	-	
Placeholder for Staffing Agreements	2,500,000	1,000,000	1,500,000	150.0%	5
Professional Improvement Leaves	1,640,000	1,640,000	-	-	
Board of Trustees	1,002,055	1,002,055	-	-	
Central Building Maintenance	1,000,000	1,000,000	-	-	
PeopleSoft Road Map	441,000	441,000	-	-	
Staff Development	650,000	650,000	-	-	
Election	480,000	480,000	-	-	
* Partnership Commitments	458,990	720,990	(262,000)	(36.3%)	6
Infrastructure Parking Allocation	405,000	405,000	-	-	
Audit	136,946	136,946	-	-	
Board Initiative Fund	45,000	45,000	-	-	
ASBA Membership	210,000	210,000	-	-	
PSBAA Membership	120,000	120,000	-	-	
District Feedback Survey	160,000	160,000	-	-	
District Awards	30,000	30,000	-	-	
Youth Engagement Model	26,000	26,000	-	-	
Trustee Transition Allowance	12,500	12,500	-	-	
	101,956,013	94,833,412	7,122,601	7.5%	
External Revenue Allocation	10,446,237	11,676,275	(1,230,038)	(10.5%)	7
Metro Continuing Education	13,648,870	13,225,800	423,070	3.2%	
	24,095,107	24,902,075	(806,968)	(3.2%)	
Central Decision Units					
** Office of the Superintendent	7,012,235	7,012,235	-	-	
** Corporate Services	24,144,714	24,144,714	-	-	
** Finance and Infrastructure	18,864,853	18,864,853	-	-	
Inclusive Learning	9,465,189	9,465,189	-	-	
International Programs	1,179,000	1,179,000	-	-	
Curriculum and Resource Support	6,858,650	6,858,650	-	-	
Research and Innovation for Student Learning	1,802,089	1,802,089	-	-	
Student Information	976,249	976,249	-	-	
Central Decision Units	70,302,979	70,302,979	-	0.0%	
Total	\$ 282,536,101	\$ 274,114,367	\$ 8,421,734	3.1%	

* See Attachment V^A - for a detailed breakdown of this line item.

** See Attachment V^B - for a detailed breakdown of this line item.

Note: Some of the 2019-2020 Distribution of Funds figures have been reclassified to conform to the comparable Spring Proposed Budget presentation.

Edmonton Public Schools
2019-2020 Spring Proposed Budget
Other Allocations
Detailed Breakdown - District Level Committed Costs

	2019-2020 Spring Proposed Budget	2019-2020 Distribution of Funds	Variance \$	Variance %	Notes
Language and Cultural Support					
First Nations, Métis, and Inuit (FNMI) Education	\$ 1,707,602	\$ 1,707,602	\$ -	-	
Diversity Education	2,373,460	2,373,460	-	-	
Languages Centre at Woodcroft	1,111,759	1,111,759	-	-	
	<u>\$ 5,192,821</u>	<u>\$ 5,192,821</u>	<u>\$ -</u>	<u>-</u>	
Partnership Commitments					
Partnership for Kids (All in for Youth)	\$ 192,000	\$ 454,000	\$ (262,000)	(57.7%)	6
Confucius Institute - program coordinator	205,490	205,490	-	-	
Cappies	20,000	20,000	-	-	
Community University Partnerships	12,500	12,500	-	-	
Careers: The Next Generation	10,000	10,000	-	-	
United Way	4,000	4,000	-	-	
Corporate Challenge	5,000	5,000	-	-	
Welcome to Kindergarten	10,000	10,000	-	-	
	<u>\$ 458,990</u>	<u>\$ 720,990</u>	<u>\$ (262,000)</u>	<u>(36.3%)</u>	

Edmonton Public Schools
2019-2020 Spring Proposed Budget
Other Allocations
Detailed Breakdown - Central Decision Units

	2019-2020 Spring Proposed Budget	2019-2020 Distribution of Funds	Variance \$	Variance %	Notes
Office of the Superintendent					
Office of the Superintendent of Schools	\$ 595,569	\$ 595,569	\$ -	-	
Board Office and Strategic District Supports	1,182,642	1,182,642	-	-	
District Support Services	2,093,379	2,093,379	-	-	
General Counsel	657,408	657,408	-	-	
School Leadership Group A	382,778	382,778	-	-	
School Leadership Group B	434,015	434,015	-	-	
School Leadership Group C	382,761	382,761	-	-	
School Leadership Group D	427,061	427,061	-	-	
School Leadership Group E	428,311	428,311	-	-	
School Leadership Group F	428,311	428,311	-	-	
	\$ 7,012,235	\$ 7,012,235	\$ -		
Corporate Services					
Communications	\$ 3,490,335	\$ 3,490,335	\$ -	-	
District Information Security	446,203	446,203	-	-	
District Records and FOIP Management	742,283	742,283	-	-	
District Technology	7,029,784	7,029,784	-	-	
Edmonton Public Schools Foundation	413,055	413,055	-	-	
Human Resources	12,023,054	12,023,054	-	-	
	\$ 24,144,714	\$ 24,144,714	\$ -		
Finance and Infrastructure					
Facilities Services & Building Operations	\$ 3,072,691	\$ 3,072,691	\$ -	-	
Distribution Centre	1,563,667	1,563,667	-	-	
Financial Services	7,016,425	7,016,425	-	-	
Planning & Property Management	7,212,070	7,212,070	-	-	
	\$ 18,864,853	\$ 18,864,853	\$ -		

**Notes to the
2019-2020 Spring Proposed Budget
Other Allocations**

Unless otherwise noted, variance explanations have been provided for amounts where the 2019-2020 spring proposed budget differs from the 2019-2020 Distribution of Funds by more than five per cent.

1 Fiscal and Debt Services

This decision unit is responsible for debenture and capital loan principal payments, interest costs and the amortization cost for supported District capital assets such as buildings.

2 Utilities

This allocation is provided to the the Energy Management cost centre to pay for the District's utilities. The increase in the allocation reflects the rising costs of utilities.

3 Student Transportation

The Board approved a decision to increase transportation fees by five per cent annually each September in 2018, 2019 and 2020. However, this fee increase combined with other Transportation funding is not enough to offset funding gaps in student transportation. As such an additional \$2.4 million from surplus funds has been allocated to offset transportation funding gaps.

4 School Plant Operations & Maintenance (PO&M)

Due to increased enrolment, the total amount of projected PO&M funding has increased. This grant is allocated between central decision units and schools.

5 Placeholder for Staffing Agreements

This allocation represents total potential implementation costs for staffing agreements that have not been factored into the 2019-2020 unit costs. Funds have been set aside under District Level Committed Costs so that individual school budgets are not impacted by any agreement terms or conditions that are ratified during 2019-2020.

6 Partnership Commitments

Strategic District Supports pays for yearly membership fees that provide the District access to support instruction in schools. In 2018-2019, a one-time increase of \$262,000 was provided to Partnerships For Kids. This has now been removed for the 2019-2020 Spring Proposed Budget.

7 External Revenue Allocation

This allocation is a flow through amount, whereby there is a direct revenue amount related to the allocation. The decrease is primarily related to a reduction in miscellaneous grant amounts and will be updated in the fall.

**Edmonton Public Schools
2019-2020 Spring Proposed Budget
Staff FTEs**

Staffing Group	2019-2020 Spring Proposed Budget	Total FTEs %	2018-2019 Fall Revised Budget**	Total FTEs %	NET CHANGE Spring vs Fall	2018-2019 Spring Proposed Budget*	Total FTEs %	NET CHANGE Spring vs Spring
Schools								
Teaching FTE	5,228.80	62%	5,168.78	62%	60.01	5,078.46	62%	150.34
Support FTE	2,231.94	27%	2,211.03	27%	20.91	2,180.28	27%	51.66
Custodial FTE	640.45	8%	631.94	8%	8.51	629.71	8%	10.74
Exempt FTE	275.69	3%	281.44	3%	(5.75)	277.59	3%	(1.90)
Total Schools FTE	8,376.88	100%	8,293.19	100%	83.69	8,166.04	100%	210.84
Central Services								
Teaching FTE	188.04	19%	207.29	19%	(19.26)	204.77	19%	(16.73)
Support FTE	161.92	16%	175.82	16%	(13.90)	186.50	17%	(24.58)
Custodial FTE	66.22	7%	67.22	6%	(1.00)	66.00	6%	0.22
Maintenance FTE	194.00	20%	244.00	22%	(50.00)	244.00	22%	(50.00)
Exempt FTE	371.94	38%	390.58	36%	(18.64)	383.26	35%	(11.32)
Total Central Services FTE	982.12	100%	1,084.91	100%	(102.79)	1,084.53	100%	(102.41)
Metro Continuing Education								
Teaching FTE	8.75	23%	8.72	25%	0.03	8.13	24%	0.62
Support FTE	15.27	40%	15.97	45%	(0.70)	16.14	48%	(0.87)
Custodial FTE	0.69	2%	0.69	2%	-	0.69	2%	-
Exempt FTE	13.25	35%	10.00	28%	3.25	9.00	27%	4.25
Total Metro Cont. Ed. FTE	37.96	100%	35.38	100%	2.58	33.96	100%	4.00
Total FTEs	9,396.96		9,413.48		(16.52)	9,284.53		112.43
Total by Group								
Teaching FTE	5,425.58	58%	5,384.79	57%	40.79	5,291.36	57%	134.22
Support FTE	2,409.14	26%	2,402.83	26%	6.31	2,382.92	26%	26.22
Custodial FTE	707.35	8%	699.84	7%	7.51	696.40	8%	10.95
Maintenance FTE	194.00	2%	244.00	3%	(50.00)	244.00	3%	(50.00)
Exempt FTE	660.89	7%	682.02	7%	(21.13)	669.85	7%	(8.96)
Total FTEs	9,396.96	100%	9,413.48	100%	(16.52)	9,284.53	100%	112.43

Notes:

* The 2018-2019 Spring Proposed Budget FTE information does not include the Classroom Improvement Fund.

** The 2018-2019 Fall Revised Budget FTE information includes the Classroom Improvement Fund (\$10.9 million) that was allocated directly to schools.

Variance Analysis

The total 2019-2020 budgeted FTEs appear to have a decrease from the 2018-2019 Fall Revised Budget. As the 2019-2020 budget was completed factoring in projected enrolment growth of 3.2 per cent, the otherwise expected increase in FTEs is being offset by the impact of the Classroom Improvement Fund (\$10.9 million received in 2018-2019 and directed to staffing) and further offset by a reduction in central services staff as a result of surplus funded initiatives that have been discontinued for 2019-2020.

**Edmonton Public Schools
Accumulated Operating Surplus Plan
2019-2020**

ATTACHMENT VII

	Amount	Total Amount
Accumulated operating surplus as at September 1, 2018		\$ 67,493,340
Less: School Generated Funds (SGF)		<u>(2,805,832)</u>
Accumulated operating surplus as at September 1, 2018 (excluding SGF)		64,687,508
Projected Operating deficit for the year ending August 31, 2019 (at May 2019)		(24,416,383)
Net impact of capital items (reclassification entry required at year end)		<u>1,355,255</u>
Projected accumulated operating surplus at September 1, 2019 (excluding SGF) *		<u>\$ 41,626,380</u>

2019-2020 Planned Use of Surplus Funds:

Surplus funds released in the 2019-2020 Spring proposed budget:

A Interim Base Funding for Central Decision Units	\$ 2,500,000	
B Student Transportation	2,433,662	
	<u>4,933,662</u>	
Total use of surplus funds being released in the 2019-2020 Spring Proposed Budget	\$ 4,933,662	(4,933,662)

Targeted for release in the fall of 2019:

C School surpluses (up to 3 per cent, net of repayment of deficits)	\$ 15,000,000	
D Third Party Leases	2,000,000	
	<u>17,000,000</u>	
Total use of surplus funds being released in the fall of 2019	\$ 17,000,000	(17,000,000)

Net impact of capital items (reclassification entry required at year end)		<u>2,500,000</u>
---	--	------------------

Estimated accumulated operating surplus balance as at August 31, 2020 (excluding SGF) **		<u>\$ 22,192,718</u>
---	--	-----------------------------

* This balance will be updated in the fall based on the actual operating results from the 2018-2019 school year.

Notes:

Surplus funds released as part of the 2019-2020 Spring Proposed Budget

- A The \$2.5 million allocated in the spring 2019-2020 budget represents the amount of the 2018-2019 operating surplus funds required to cover the new interim central base allocations. Further details around the District's planned use of accumulated operating reserves will be included with the fall budget.
- B The Board approved a decision to increase transportation fees by five per cent annually each September in 2018, 2019 and 2020. However, the fee increase combined with other transportation funding is still not enough to cover the cost of the service; as such, an additional \$2.4 million from surplus funds has been allocated to offset funding gaps.

Surplus funds to be released in conjunction with the 2019-2020 Fall Revised Budget

- C School surpluses up to three per cent - Schools are allowed to carry forward a surplus balance of up to the three per cent of their prior year fall budget. Any surplus amount that exceeds the three per cent carry forward threshold will be added to the Equity Fund for use during the 2019-2020 school year.
- D Third Party Leases - These funds are being held to offset potential lease rate increases, relocation and/or leasehold improvement costs where the District is a tenant under a third party lease agreement, including the recently announced relocation of Centre High in 2019-2020.

School Jurisdiction Code: 3020

**BUDGET
REPORT
FOR THE YEAR ENDING AUGUST 31, 2020**

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

3020 Edmonton School District No. 7

Legal Name of School Jurisdiction

One Kingsway NW Edmonton AB AB T5H 4G9; 780-429-8063; todd.burnstad@epsb.ca

Contact Address, Telephone & Email Address

BOARD CHAIR

Michelle Draper

Name

Signature

SUPERINTENDENT

Mr. Darrel Robertson

Name

Signature

SECRETARY TREASURER or TREASURER

Mr. Todd Burnstad

Name

Signature

**Certified as an accurate summary of the year's budget as approved by the Board
of Trustees at its meeting held on**

June 25, 2019

Date

Version: 170615

c.c. Alberta Education
c/o Jianan Wang, Financial Reporting & Accountability Branch
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
Phone: (780) 427-3855
E-MAIL: EDC.FRA@gov.ab.ca

	A	B	C	D	E	F	G	H	I
1	School Jurisdiction Code:								3020
2									
3	TABLE OF CONTENTS								
4									
5									Page
6	BUDGETED STATEMENT OF OPERATIONS & ALLOCATION OF EXPENSES (BY OBJECT)								3
7	BUDGETED SCHEDULE OF FEE REVENUE & SUPPLEMENTARY DETAILS OF FEE REVENUE								4 & 5
8	PROJECTED STATEMENT OF CHANGES IN ACCUMULATED OPERATING SURPLUS (2017/2018 & 2018/2019)								6
9	SCHEDULE OF USES FOR ACCUMULATED SURPLUSES AND RESERVES (2018/2019, 2019/2020 & 2020/2021)								7
10	ANTICIPATED CHANGES IN ACCUMULATED OPERATING SURPLUS (SUPPLEMENTARY INFORMATION)								8 & 9
11	PROJECTED STUDENT STATISTICS								10
12	PROJECTED STAFFING STATISTICS								11
13	BOARD AND SYSTEM ADMINISTRATION CALCULATION								12
14									
15	Color coded cells:								
16	blue cells: require the input of data/descriptors wherever applicable.				grey cells: data not applicable - protected				
17	salmon cells: contain referenced juris. information - protected				white cells: within text boxes REQUIRE the input of points and data.				
18	green cells: populated based on information previously submitted				yellow cells: to be completed when yellow only.				
19									
20	HIGHLIGHTS, PLANS, ASSUMPTIONS AND RISKS SUMMARY- 2019/2020 BUDGET REPORT								
21	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								
22	consideration the economic environment of the jurisdiction, focus on anticipated changes from current year, and are realistic and consistent with the three year								
23	Education Plan. At a minimum, they disclose key budget assumptions, financial & business risks, and specific strategies explaining how this budget will								
24	support the jurisdiction's plans.								
25	<u>Budget Highlights, Plans & Assumptions:</u>								
26	<u>Assumptions:</u>								
27	- No changes to student funding rates.								
28	- Provincial funding will be provided for the over 3,200 new students projected for the District.								
29	- Provincial fee support (<i>An Act to Reduce School Fees</i> , formerly known as Bill 1) will be continued; however, the amount of funding anticipated to be received will continue to								
30	be tied to the 2015-2016 financial information provided to the province.								
31	- No additional funding will be provided to support new curriculum implementation.								
32	- With the exception of enrolment growth, there will be no changes to Infrastructure & Maintenance Renewal (IMR), Plant, Operations & Maintenance (PO&M) or Inclusive								
33	Education grants.								
34	- The Classroom Improvement fund (CIF) will be discontinued (\$10.9M was received in 2018-2019).								
35	- Any compensation adjustment related to the teachers' agreement will be fully funded by the province; however, changes to other terms and conditions resulting from								
36	central or local bargaining will be covered by the District. A placeholder of \$2.5 million has been allocated in the spring budget for these estimates.								
37	- The Nutrition Grant of \$1.2M will continue for 2019-2020.								
38	- Funding for Educational Programs in an Institution (EPI) will continue.								
39	- The funding formula for Program Unit Funding (PUF) remains unchanged.								
40	- The funding formula for both high school redesign and the credit enrolment unit (CEU) remain unchanged.								
41	<u>2019-2020 Edmonton Public Schools Budget Highlights</u>								
42	- The 2019-2020 Spring Revenue Budget factors in the increase in anticipated revenue associated with enrolment growth.								
43	- Enrolment growth is projected at 3.2 per cent or an additional 3,262 new students, bringing the total 2019-2020 Projected Student Enrolment to 105,127. Of the total								
44	anticipated enrolment growth, over 30 per cent of the students are Early Childhood, who receive base funding at half the amount of a Grade 1 to 12 student.								
45	- Additional grants, such as Institutional Services and Program Unit Funding (PUF) are offset by an equal allocation to schools.								
46	- As we are not projecting any changes to student funding rates, with the exception of mild/moderate allocation rates, the District will maintain student allocation rates and								
47	staff unit costs at the same levels as the current year.								
48	- In order to align the District's special education coding criteria with Alberta Education's special education coding criteria, changes were made to adjust the allocation rate								
49	for students identified with a mild/moderate code. As this change becomes fully implemented, we anticipate an increase in the number of students who will be eligible to								
50	receive the allocation.								
51	- Transportation fees are charged in compliance with an <i>Act to Reduce School Fees</i> . The cost of providing transportation service for our students continues to rise; even with								
52	an approved fee increase of five per cent combined with the transportation funding received from the province for eligible riders, there is still not enough to cover escalating								
53	costs. As a result, the District will fund a projected shortfall of \$2.4 million through our operating surplus as approved at the May 28, 2019, public Board meeting.								
54	- School and central allocations are based on our budget assumptions as detailed in this report and will be updated in the fall based on the September 30 actual enrolment								
55	and may be further reviewed and updated once the 2019-2020 provincial budget has been released.								
56	The province has announced a June 30, 2019, due date for jurisdictions to submit their board-approved 2019-2020 spring budgets.								
57	<u>Consideration and Analysis:</u>								
58	- The District continues to grow more rapidly than any other metro school board in the province and resources are required to support our staff and our projected number of								
59	105,127 students.								
60	- A high level calculation shows the impact of enrolment growth funding to be approximately \$31.3 million for the upcoming school year.								
61	- Metro school boards in the province are required to operate with board and system administrative costs of less than 3.6 per cent. Edmonton Public Schools operates at 3.3								
62	per cent, which is well below the maximum.								
63	- Schools and central decision units have completed their budgets using the allocated resources approved in the original 2019-2020 Distribution of Funds Report.								
64	- Using our budget assumptions, we were able to meet our obligations around staffing procedures and deadlines outlined in our collective agreements. Details of the								
65	projected staffing FTEs have been included in the staffing tab of this report.								
66	- In order to balance the current proposed budget under the assumptions as detailed above, the District requires accessing \$5 million of accumulated surplus dollars. In								
67	addition, the District will be releasing an additional \$17 million of accumulated surplus dollars in conjunction with the fall revised budget. This will bring our estimated								

BUDGETED STATEMENT OF OPERATIONS
for the Year Ending August 31

	Approved Budget 2019/2020	Fall Budget Update 2018/2019	Actual Audited 2017/2018
REVENUES			
Alberta Education	\$1,095,865,700	\$1,125,106,950	\$1,094,358,885
Alberta Infrastructure	\$43,483,300	\$0	\$0
Other - Government of Alberta	\$2,853,300	\$2,853,300	\$3,895,481
Federal Government and First Nations	\$2,403,300	\$2,428,500	\$2,568,945
Other Alberta school authorities	\$887,700	\$841,700	\$1,611,241
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Property taxes	\$0	\$0	\$0
Fees	\$30,556,800	\$28,915,900	\$27,060,642
Other sales and services	\$19,093,400	\$19,209,500	\$20,127,400
Investment income	\$3,123,200	\$4,600,000	\$3,905,732
Gifts and donations	\$6,995,000	\$7,252,500	\$8,970,989
Rental of facilities	\$4,139,300	\$4,202,400	\$4,406,907
Fundraising	\$2,025,900	\$1,963,100	\$2,038,168
Gains on disposal of capital assets	\$0	\$0	\$0
Other revenue	\$0	\$0	\$0
TOTAL REVENUES	\$1,211,426,900	\$1,197,373,850	\$1,168,944,390
EXPENSES			
Instruction - Early Childhood Services	\$62,703,378	\$70,458,842	\$81,724,782
Instruction - Grades 1-12	\$888,759,768	\$874,432,222	\$813,119,675
Plant operations & maintenance	\$156,345,634	\$178,207,817	\$183,327,299
Transportation	\$47,763,819	\$46,554,138	\$46,133,776
Administration	\$40,532,077	\$41,235,257	\$37,760,172
External Services	\$20,255,886	\$20,067,876	\$17,035,480
TOTAL EXPENSES	\$1,216,360,562	\$1,230,956,152	\$1,179,101,184
ANNUAL SURPLUS (DEFICIT)	(\$4,933,662)	(\$33,582,302)	(\$10,156,794)

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

	Approved Budget 2019/2020	Fall Budget Update 2018/2019	Actual Audited 2017/2018
EXPENSES			
Certificated salaries	\$540,957,844	\$538,630,598	\$510,898,334
Certificated benefits	\$131,090,854	\$130,428,861	\$117,565,065
Non-certificated salaries and wages	\$226,912,452	\$230,361,809	\$225,891,183
Non-certificated benefits	\$60,725,017	\$61,498,066	\$57,336,578
Services, contracts, and supplies	\$200,333,974	\$215,102,897	\$213,005,271
Capital and debt services			
Amortization of capital assets			
Supported	\$43,483,247	\$42,800,000	\$42,707,388
Unsupported	\$12,087,945	\$11,323,170	\$10,508,557
Interest on capital debt			
Supported	\$0	\$0	\$0
Unsupported	\$344,729	\$364,551	\$388,380
Other interest and finance charges	\$424,500	\$446,200	\$797,381
Losses on disposal of capital assets	\$0	\$0	\$3,047
Other expenses	\$0	\$0	\$0
TOTAL EXPENSES	\$1,216,360,562	\$1,230,956,152	\$1,179,101,184

BUDGETED SCHEDULE OF FEE REVENUE
for the Year Ending August 31

	Approved Budget 2019/2020	Fall Budget Update 2018/2019	Actual 2017/2018
FEES			
TRANSPORTATION	\$9,119,400	\$8,169,700	\$7,773,708
BASIC INSTRUCTION SUPPLIES (Instructional supplies, & materials)	\$0	\$146,064	\$146,064
LUNCHROOM SUPERVISION & NOON HOUR ACTIVITY FEES	\$4,983,000	\$4,734,500	\$4,381,629
FEES TO ENHANCE BASIC INSTRUCTION			
Technology user fees	\$0	\$0	\$0
Alternative program fees	\$227,440	\$218,927	\$218,927
Fees for optional courses	\$3,902,459	\$2,772,438	\$2,464,838
ECS enhanced program fees	\$0	\$0	\$0
ACTIVITY FEES	\$7,583,579	\$7,276,846	\$7,276,846
Other fees to enhance education (Describe here)	\$802,400	\$1,819,011	\$1,020,216
NON-CURRICULAR FEES			
Extra-curricular fees	\$3,077,097	\$2,952,465	\$2,952,465
Non-curricular goods and services	\$861,425	\$825,949	\$825,949
NON-CURRICULAR TRAVEL	\$0	\$0	\$0
OTHER FEES (Describe here)	\$0	\$0	\$0
TOTAL FEES	\$30,556,800	\$28,915,900	\$27,060,642

*PLEASE DO NOT USE "SCHOOL GENERATED FUNDS" AS A CATEGORY

Please disclose amounts paid by parents of students that are recorded as "Other sales and services" (rather than fee revenue). Note that this schedule should include only amounts collected from parents and so it may not agree with the Statement of Operations.	Approved Budget 2019/2020	Fall Budget Update 2018/2019	Actual 2017/2018
Cafeteria sales, hot lunch, milk programs	\$1,283,069	\$1,283,069	\$1,283,069
Special events	\$1,362,155	\$1,362,155	\$1,362,155
Sales or rentals of other supplies/services	\$897,294	\$897,294	\$897,294
Out of district unfunded student revenue	\$0	\$0	\$0
International and out of province student revenue	\$6,413,300	\$6,462,500	\$6,883,046
Adult education revenue	\$2,131,700	\$1,877,300	\$0
Preschool	\$0	\$0	\$0
Child care & before and after school care	\$0	\$0	\$0
Lost item replacement fees	\$0	\$0	\$0
Bulk supply sales	\$0	\$0	\$0
Other (describe) Library fines, book donations	\$215,664	\$215,664	\$215,664
Other (describe) Other (Describe)	\$0	\$0	\$0
Other (describe) Other (Describe)	\$0	\$0	\$0
Other (describe) 0	\$0	\$0	\$0
Other (describe) 0	\$0	\$0	\$0
TOTAL	\$12,303,182	\$12,097,982	\$10,641,228

BUDGETED SCHEDULE OF SUPPLEMENTARY DETAILS OF FEE REVENUE
for the Year Ending August 31

(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Explanation of Other Costs (Column "(C)")	Other Costs (Explain under (B))* 2019/2020	Entry Fees and Admissions 2019/2020	Transportation Component 2019/2020	Supplies & Materials** 2019/2020	Total 2019/2020
FEES						
	TRANSPORTATION	\$0	\$0	\$9,119,400	\$0	\$9,119,400
	BASIC INSTRUCTION SUPPLIES (Instructional supplies, & materials)	\$0	\$0	\$0	\$0	\$0
	LUNCHROOM SUPERVISION & NOON HOUR ACTIVITY FEES	\$0	\$4,983,000	\$0	\$0	\$4,983,000
FEES TO ENHANCE BASIC INSTRUCTION						
	Technology user fees	\$0	\$0	\$0	\$0	\$0
	Alternative program fees	\$0	\$0	\$0	\$227,440	\$227,440
	Fees for optional courses	\$0	\$259,234	\$0	\$3,643,224	\$3,902,459
	ECS enhanced program fees	\$0	\$0	\$0	\$0	\$0
	ACTIVITY FEES	\$0	\$7,583,579	\$0	\$0	\$7,583,579
	Other fees to enhance education	\$0	\$802,400	\$0	\$0	\$802,400
NON-CURRICULAR FEES						
	Extra-curricular fees	\$0	\$3,077,097	\$0	\$0	\$3,077,097
	Non-curricular goods and services	\$0	\$861,425	\$0	\$0	\$861,425
	NON-CURRICULAR TRAVEL	\$0	\$0	\$0	\$0	\$0
OTHER FEES***						
		\$0	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0	\$0
	TOTAL FEES	\$0	\$17,566,735	\$9,119,400	\$3,870,664	\$30,556,800

**Supplies and Materials represent consumables (one-time use such as paper), reuseable supplies, equipment rental, workbooks).

***Describe purpose of other fees. DO NOT use blanket names such as "Kindergarten", "Instructional Fees", "School Division Fees", "Registration Fees", etc.

***Use Other Fees only for fees which do not meet predefined categories as described on Pages 14 & 15 of the Budget Guidelines 2019/2020

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, 2018	\$207,590,932	\$83,259,998	\$0	\$67,493,340	\$0	\$67,493,340	\$56,837,594
2018/2019 Estimated impact to AOS for:							
Prior period adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Estimated surplus(deficit)	(\$24,416,383)			(\$24,416,383)	(\$24,416,383)		
Estimated board funded capital asset additions		\$20,059,300		(\$9,296,000)	(\$9,296,000)	\$0	(\$10,763,300)
Estimated disposal of unsupported tangible capital assets	\$0	\$0		\$0	\$0		\$0
Estimated amortization of capital assets (expense)		(\$53,008,359)		\$53,008,359	\$53,008,359		
Estimated capital revenue recognized - Alberta Education		\$40,514,400		(\$40,514,400)	(\$40,514,400)		
Estimated capital revenue recognized - Alberta Infrastructure		\$1,208,022		(\$1,208,022)	(\$1,208,022)		
Estimated capital revenue recognized - Other GOA		\$0		\$0	\$0		
Estimated capital revenue recognized - Other sources		\$0		\$0	\$0		
Estimated changes in Endowments	\$0		\$0	\$0	\$0		
Estimated unsupported debt principal repayment		\$634,682		(\$634,682)	(\$634,682)		
Estimated reserve transfers (net)				\$0	\$23,061,128	(\$23,061,128)	\$0
Estimated assumptions/transfers of operations (explain)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Estimated Balances for August 31, 2019	\$183,174,549	\$92,668,043	\$0	\$44,432,212	\$0	\$44,432,212	\$46,074,294
2019/2020 Budget projections for:							
Budgeted surplus(deficit)	(\$4,933,662)			(\$4,933,662)	(\$4,933,662)		
Projected board funded capital asset additions		\$31,130,412		(\$8,933,712)	(\$8,933,712)	\$0	(\$22,196,700)
Budgeted disposal of unsupported tangible capital assets	\$0	\$0		\$0	\$0		\$0
Budgeted amortization of capital assets (expense)		(\$55,571,192)		\$55,571,192	\$55,571,192		
Budgeted capital revenue recognized - Alberta Education		\$41,642,305		(\$41,642,305)	(\$41,642,305)		
Budgeted capital revenue recognized - Alberta Infrastructure		\$1,840,942		(\$1,840,942)	(\$1,840,942)		
Budgeted capital revenue recognized - Other GOA		\$0		\$0	\$0		
Budgeted capital revenue recognized - Other sources		\$0		\$0	\$0		
Budgeted changes in Endowments	\$0		\$0	\$0	\$0		
Budgeted unsupported debt principal repayment		\$654,233		(\$654,233)	(\$654,233)		
Projected reserve transfers (net)				\$0	\$2,433,662	(\$2,433,662)	\$0
Projected assumptions/transfers of operations (explain)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Projected Balances for August 31, 2020	\$178,240,887	\$112,364,743	\$0	\$41,998,550	(\$0)	\$41,998,550	\$23,877,594

SCHEDULE OF USES FOR ACCUMULATED SURPLUSES AND RESERVES
for the Year Ending August 31

		Unrestricted Surplus Usage			Operating Reserves Usage			Capital Reserves Usage		
		Year Ended			Year Ended			Year Ended		
		31-Aug-2020	31-Aug-2021	31-Aug-2022	31-Aug-2020	31-Aug-2021	31-Aug-2022	31-Aug-2020	31-Aug-2021	31-Aug-2022
Projected opening balance		\$0	\$0	\$0	\$44,432,212	\$41,998,550	\$26,998,550	\$46,074,294	\$23,877,594	\$23,877,594
Projected excess of revenues over expenses (surplus only)	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0						
Budgeted disposal of unsupported tangible capital assets	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0
Budgeted amortization of capital assets (expense)	Explanation - add'l space on AOS3 / AOS4	\$55,571,192	\$55,571,192	\$55,571,192		\$0	\$0			
Budgeted capital revenue recognized	Explanation - add'l space on AOS3 / AOS4	(\$43,483,247)	(\$43,483,247)	(\$43,483,247)		\$0	\$0			
Budgeted changes in Endowments	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0			
Budgeted unsupported debt principal repayment	Explanation - add'l space on AOS3 / AOS4	(\$654,233)	(\$654,233)	(\$654,233)		\$0	\$0			
Projected reserves transfers (net)	Explanation - add'l space on AOS3 / AOS4	\$2,433,662	\$0	\$0	(\$2,433,662)	\$0	\$0	\$0	\$0	\$0
Projected assumptions/transfers of operations	Explanation - add'l space on AOS3 / AOS4	\$0	(\$6,500,050)	(\$6,500,050)	\$0	(\$15,000,000)	(\$15,000,000)	\$0	\$0	\$0
Increase in (use of) school generated funds	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0		\$0	\$0
New school start-up costs	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0		\$0	\$0
Decentralized school reserves	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0		\$0	\$0
Non-recurring certificated remuneration	Explanation - add'l space on AOS3 / AOS4	(\$2,500,000)	(\$2,500,000)	(\$2,500,000)		\$0	\$0			
Non-recurring non-certificated remuneration	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0			
Non-recurring contracts, supplies & services	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0			
Professional development, training & support	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0			
Transportation Expenses	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0			
Full-day kindergarten	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0			
English language learners	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0			
First nations, Metis, Inuit	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0			
OH&S / wellness programs	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0			
B & S administration organization / reorganization	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0			
Debt repayment	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0			
POM expenses	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0		\$0	\$0
Non-salary related programming costs (explain)	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0			
Repairs & maintenance - School building & land	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0			
Repairs & maintenance - Technology	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0			
Repairs & maintenance - Vehicle & transportation	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0			
Repairs & maintenance - Administration building	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0			
Repairs & maintenance - POM building & equipment	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0			
Repairs & maintenance - Other (explain)	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0			
Capital costs - School land & building	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital costs - School modernization	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital costs - School modular & additions	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital costs - School building partnership projects	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital costs - Technology	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital costs - Vehicle & transportation	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital costs - Administration building	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital costs - POM building & equipment	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Costs - Furniture & Equipment	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital costs - Other	Reallocate to Row 41-48 or Describe Asset	(\$8,933,712)	\$0	\$0	\$0	\$0	\$0	(\$22,196,700)	\$0	\$0
Building leases	Alberta College (Centre High re Grant MacEwan)	\$0	\$0	\$0		\$0	\$0		\$0	\$0
Student Transportation support	Explanation - add'l space on AOS3 / AOS4	(\$2,433,662)	(\$2,433,662)	(\$2,433,662)		\$0	\$0		\$0	\$0
Other 2 - please use this row only if no other row is appropriate	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0		\$0	\$0
Other 3 - please use this row only if no other row is appropriate	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0		\$0	\$0
Other 4 - please use this row only if no other row is appropriate	Explanation - add'l space on AOS3 / AOS4	\$0	\$0	\$0		\$0	\$0		\$0	\$0
Estimated closing balance for operating contingency		\$0	\$0	\$0	\$41,998,550	\$26,998,550	\$11,998,550	\$23,877,594	\$23,877,594	\$23,877,594

Out of Balance

Total surplus as a percentage of 2020 Expenses	5.42%	4.18%	2.95%
ASO as a percentage of 2020 Expenses	3.45%	2.22%	0.99%

**ANTICIPATED CHANGES IN ACCUMULATED OPERATING SURPLUS (SUPPLEMENTARY DETAIL)
for the Year Ending August 31**

The following provides further explanation of the anticipated changes to each component of AOS for the 2018/2019, 2019/2020, 2020/2021 and 2021/2022 years as outlined on pages 6 and 7. Please provide information on the acquisition of significant unsupported capital, non-recurring project expenditures, and intended use of funds to August 31, 2021. Note that unrestricted surplus, operating reserves, and/or capital reserves should include the jurisdiction's contingency for unexpected or emergent issues.

Additional detail on uses of Accumulated Operating Surplus:

2018/2019 Budget

Provide an explanation of material changes from the fall budget update originally submitted in November, 2018 for annual operating surplus (deficit), capital acquisitions, endowments, and/or other changes affecting unrestricted surplus, operating reserves, and capital reserves.

Fall 2018-2019

In conjunction with the 2018-2019 spring approved budget, the Board of Trustees approved the distribution of \$39.1 million of surplus funds to be used during the 2018-2019 school year. Based on the August 31, 2018, actual ending surplus balance, the updated amount of surplus released as part of the 2018-2019 fall revised budget was \$48.6 million. The District's accumulated operating surplus provided a unique opportunity to be able to address some of the facility inequities that currently exist at our schools from both a technology and a facility infrastructure point of view. As such, the District continued to fund an infrastructure investment framework during 2018-2019. The surplus also provided an opportunity for central decision units to carry out one time strategic planning and administrative initiatives and supports for schools and programming. Based on this plan, the District's accumulated operating surplus was projected to be approximately \$34 million at the end of the 2018-2019 school year or just under three per cent of the District's annual operating budget.

Capital Reserves

Board approved in 2018-2019 is the capital investment of portables for approximately \$7 million:

Portables	\$7,005,000
-----------	-------------

2019/2020

Please provide additional detail regarding uses of unrestricted surplus, operating reserves, and capital reserves not described on pages 6 and 7.

This spring budget report shows that current revenue projections and spending trends are indicating that the District will end 2018-2019 with a \$24.4M operating deficit and an accumulated operating surplus of approximately \$44 million or 3.7 per cent. However on June 25 the board approved the fall release of an additional \$17 million from our accumulated operating surplus. Should our current budget assumptions materialize, this would bring our estimated accumulated surplus balance to \$24 million by August 31, 2020, which represents less than 2 per cent of our annual operating budget.

As in other years the surplus/deficit plan will be updated in the fall based on the 2018-2019 ending surplus/deficit balances.

Summary of Spring Plans

Interim base allocations	\$2,500,000
--------------------------	-------------

Student Transportation	<u>\$2,433,662</u>
------------------------	--------------------

Total use of surplus plans being released in the Spring Budget	\$4,933,662
--	-------------

Targeted for release in the fall

School Surplus's up to 3%	\$15,000,000
---------------------------	--------------

Third Party leases	<u>\$2,000,000</u>
--------------------	--------------------

Total 2019-2020 targeted release of surplus funds	\$21,933,662
---	--------------

Notes

Surplus funds released as part of the 2019-2020 Spring Proposed Budget:

The \$2.5 million allocated in the spring 2019-2020 budget represents the amount of the 2018-2019 operating surplus funds required to cover interim central base allocations. Further details around the District's planned use of accumulated operating reserves will be included with the fall budget. This balance will be updated in the fall based on the actual operating results from the 2018-2019 school year.

The Board approved a decision to increase transportation fees by five per cent annually each September in 2018, 2019 and 2020. However, the fee increase combined with other transportation funding is still not enough to cover the cost of the service; as such, an additional \$2.4 million from surplus funds has been allocated to offset funding gaps.

Surplus funds to be released in conjunction with the 2019-2020 Fall Revised Budget:

School surpluses up to three per cent - Schools are allowed to carry forward a surplus balance of up to the three per cent of their prior year fall budget. Any surplus amount that exceeds the three per cent carry forward threshold will be added to the Equity Fund for use during the 2019-2020 school year.

Third Party Leases - These funds are being held to offset potential lease rate increases, relocation and/or leasehold improvement costs where the District is a tenant under a third party lease agreement, including the recently announced relocation of Centre High in 2019-2020.

**ANTICIPATED CHANGES IN ACCUMULATED OPERATING SURPLUS (SUPPLEMENTARY DETAIL)
for the Year Ending August 31**

The following provides further explanation of the anticipated changes to each component of AOS for the 2018/2019, 2019/2020, 2020/2021 and 2021/2022 years as outlined on pages 6 and 7. Please provide information on the acquisition of significant unsupported capital, non-recurring project expenditures, and intended use of funds to August 31, 2021. Note that unrestricted surplus, operating reserves, and/or capital reserves should include the jurisdiction's contingency for unexpected or emergent issues.

Additional detail on uses of Accumulated Operating Surplus:

2020/2021

Please provide additional detail regarding uses of unrestricted surplus, operating reserves, and capital reserves not described on pages 6 and 7.

2020-2021 and 2021-2022 estimates

Operating Reserves

School surpluses up to three per cent - Schools are allowed to carry forward a surplus balance of up to the three per cent of their prior year fall budget. Any surplus amount that exceeds the three per cent carry forward threshold will be added to the Equity Fund for use during these school years.

School Surplus's up to 3%	\$15,000,000 per year
---------------------------	-----------------------

Capital Reserves

Self-funded mature neighborhood replacement school if not completed in 2019-2020	\$15,000,000
--	--------------

Other information can be found in the June 25, 2019 board approved spring budget report. A copy of the report is enclosed and can also be found on the District website.

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

	Budgeted 2019/2020 (Note 2)	Actual 2018/2019	Actual 2017/2018	Notes
GRADES 1 TO 12				
Eligible Funded Students:				
Grades 1 to 9	68,935	67,327	65,195	Head count
Grades 10 to 12	25,094	24,432	23,231	Note 3
Total	94,029	91,759	88,426	Grades 1-12 students eligible for base instruction funding from Alberta Education.
Percentage Change	2.5%	3.8%		
Other Students:				
Total	845	1,062	949	Note 4
Total Net Enrolled Students	94,874	92,821	89,375	
Home Ed and Blended Program Students	302	300	352	Note 5
Total Enrolled Students, Grades 1-12	95,176	93,121	89,727	
Percentage Change	2.2%	3.8%		
Of the Eligible Funded Students:				
Students with Severe Disabilities	2,903	2,869	2,525	FTE of students with severe disabilities as reported by the board via PASI.
Students with Mild/Moderate Disabilities	5,302	5,435	1,874	FTE of students identified with mild/moderate disabilities as reported by the board via PASI.
EARLY CHILDHOOD SERVICES (ECS)				
Eligible Funded Children	10,253	9,087	9,203	ECS children eligible for ECS base instruction funding from Alberta Education.
Other Children	-	8	3	ECS children not eligible for ECS base instruction funding from Alberta Education.
Total Enrolled Children - ECS	10,253	9,095	9,206	
Program Hours	475	475	475	Minimum: 475 Hours
FTE Ratio	0.500	0.500	0.500	Actual hours divided by 950
FTE's Enrolled, ECS	5,127	4,548	4,603	
Percentage Change	12.7%	-1.2%		
Of the Eligible Funded Children:				
Students with Severe Disabilities	1,644	1,944	1,217	FTE of students with severe disabilities as reported by the board via PASI.
Students with Mild/Moderate Disabilities	668	737	134	FTE of students identified with mild/moderate disabilities as reported by the board via PASI.
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 2019/2020 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 AANDC (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 2019/2020	Actual 2018/2019	Fall Budget 2018/2019	Actual 2017/2018	Notes
CERTIFICATED STAFF					
School Based	5,228.8	5,168.8	5,167.8	5,017.3	Teacher certification required for performing functions at the school level.
Non-School Based	196.8	216.0	216.9	193.0	Teacher certification required for performing functions at the system/central office level.
Total Certificated Staff FTE	5,425.6	5,384.8	5,384.8	5,210.3	FTE for personnel possessing a valid Alberta teaching certificate or equivalency.
Percentage change from prior period	0.8%	3.3%	0.8%	3.3%	
If an average standard cost is used, please disclose rate:	\$ 102,791	\$ 102,791		\$ 102,791	
Student F.T.E. per certificated Staff	18.5	18.1		18.1	
Certificated Staffing Change due to:					
	-	-			
Enrolment Change	40.8	(0.0)	174.5		If negative change impact, the small class size initiative is to include any/all teachers retained.
Small Class Size Initiative	-	-	n/a		If enrolment change impact on teacher FTEs is negative, include any/all teachers retained.
Other Factors	-	-	n/a		Descriptor (required):
Total Change	40.8	(0.0)	n/a		Year-over-year change in Certificated FTE
Breakdown, where total change is Negative:					
Continuous contracts terminated	-	-	n/a		FTEs
Non-permanent contracts not being renewed	-	-	n/a		FTEs
Other (retirement, attrition, etc.)	-	-	n/a		Descriptor (required):
Total Negative Change in Certificated FTEs	-	-	n/a		Breakdown required where year-over-year total change in Certificated FTE is 'negative' only.
Please Allocate					
NON-CERTIFICATED STAFF					
Instructional	2,570.4	2,550.6	2,541.5	2,471.6	Personnel providing instruction support for schools under 'Instruction' program areas.
Plant Operations & Maintenance	952.4	994.4	997.8	939.6	Personnel providing support to maintain school facilities
Transportation	18.3	17.3	17.3	17.8	Personnel providing direct support to the transportation of students to and from school
Other	430.3	466.4	472.1	457.6	Personnel in Board & System Admin. and External service areas.
Total Non-Certificated Staff FTE	3,971.4	4,028.7	4,028.7	3,886.6	FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.
Percentage Change	-1.4%	3.7%	-1.4%	3.7%	
Explanation of Changes:					
While staff did increase in schools, it did not increase quite as much as enrolment growth as staffing is offset by the assumption of discontinuance of CIF funds. Staff in central is lower as in 2018-2019 central staff accessed accumulated surplus for one time initiatives that will not continue in 2019-2020.					
Additional Information					
Are non-certificated staff subject to a collective agreement? <input type="checkbox"/>					
Please provide terms of contract for 2019/20 and future years for non-certificated staff subject to a collective agreement along with the number of qualifying staff FTE's.					
For Maintenance, Custodial, and Support agreements 2019-2020 will be last year of three year agreements with wage increases and staffing FTE's as follows: Maintenance 1.25% increase and 194 FTE; Custodial 1.25% increase and 707.35 FTE; Support 1% increase and 2,409.14 FTE; no increase is anticipated for exempt staff and 660.89 FTE.					

BOARD AND SYSTEM ADMINISTRATION 2019/2020 EXPENSES UNDER (OVER) MAXIMUM LIMIT	
TOTAL EXPENSES (From "Total" column of Line 28 of Schedule of Program Operations)	\$1,216,360,562
Enter Number of Net Enrolled Students:	94,874
Enter Number of Funded (ECS) Children:	10,253
Enter "C" if Charter School	<input type="text"/>
STEP 1	
Calculation of maximum expense limit percentage for Board and System Administration expenses	
If "Total Net Enrolled Students" are 6,000 and over = 3.6%	3.60%
If "Total Net Enrolled Students" are 2,000 and less = 5.4%	
<p>The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .00045 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .00045 = 0.675% plus 3.6% = maximum expense limit of 4.28%).</p>	
STEP 2	
A. Calculate maximum expense limit amounts for Board and System Administration expenses	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$43,788,980
B. Considerations for Charter Schools and Small School Boards:	
If charter schools and small school boards,	
The amount of Small Board Administration funding (<i>Funding Manual</i> Section 1.13)	\$0
2019/2020 MAXIMUM EXPENSE LIMIT (the greater of A or B above)	\$43,788,980
Actual Board & System Administration from G31 of "Budgeted Statement of Operations"	
	\$40,532,077
Amount Overspent	\$0

3020

3.33%