

BUDGET REPORT

FOR THE YEAR ENDING AUGUST 31, 2012

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

Grande Prairie R.C.S.S.D. #28

Legal Name of School Jurisdiction

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BOARD CHAIR	
Ralph Wohlgemuth Name	Signature
SUPERINTENDENT	
Karl Germann Name	Signature
SECRETARY TREASURER	
Bryan Turner, CA Name	Signature
<p>Certified An accurate summary of the year's budget approved by the Board of Trustees at its meeting held <u>June 20, 2011</u> . Date</p>	

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Color coded cells:

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

HIGHLIGHTS, PLANS, ASSUMPTIONS AND RISKS SUMMARY- 2011/2012 BUDGET REPORT

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

Budget Highlights & Assumptions

Grande Prairie & District Catholic Schools
Budget 11 – 12

The Initial Funding Announcement

Not unlike some previous years, the 11–12 budget was a challenging one. Our initial budget is developed by simply rolling over the previous year’s data and updating the funding allocation and the agreed upon wage increases.

As you are aware, this year’s funding announcement included an increase to our base funding corresponding to the upcoming teacher salary increase of 4.4% (later increased to 4.54%). This resulted in an increase in base revenue of \$779,398. At the same time, they cut several other grants as follows:

AISI – cut by 50%	257,368
Enhanced ESL cut by 100%	15,756
Enrolment growth cut by 100%	10,894
Enrolment decline cut by 100%	31,438
Intrajurisdiction distances cut by 100%	36,717
Relative cost of purchasing cut by 50%	136,413 (next year the rest is cut also)
Grade 4-6 class size initiative cut 100%	274,082

So the net change to revenue was an additional \$16,730. When the AAW was announced at 4.54%, Alberta Education increased the based grant to match, providing us with an additional \$34,000, bringing the total additional revenue provided \$50,000.

The teacher salary increase at the time of the budget announcement was 4.4%. With no staffing changes this increase amounts to an additional charge to certificated staffing of \$913,588.

So just to reiterate, in order for us to meet the certificated salary increase of \$913,588 that the Province forced our Board to agree to several years ago, they gave us an additional \$50,000 of revenue.

Further complicating the situation was the expiration of the CTS Evergreening and the Innovative Classroom Technology grants, totaling another \$229,470

Further budget pressures include grid rollup, where employees move up a step on the grid based on their years of experience, or changes in their education. This has typically been about a 0.50% on both the certificated and the support staff salaries. We continue to face rising costs on all of our utilities as well, as we continue to pay handsomely for the Alberta Advantage. All together our initial budget was projecting a deficit of \$1,400,000

Each Principal reviews the enrollments at their school and provides us with updated projections for the new school year. Principals have real data based on who is moving to the City/Peace Country. Our projections for the 11-12 school year show us to be down slightly, from 3788 students to 3725 with the long term projection is for growth. This year 200 students will exit grade 12 and 300 will enter Kindergarten.

Some cuts are easier to make like CTS Evergreening and Technology. When the grant is lost, we simply remove the expenditures. Others are not so easy, such as the 6 less FTE for certificated staff, the decrease in maintenance staff of 1.0, the 100-200 less EA hours each and every week, and a reduction in library fte of .8

Other reductions include the following:

Newman Theology Course	9,000
Learning Assessments	25,000 (funding set aside for M. Psy)
Focus Programs	5,000
Board donations	15,000 (band to ACSTA and others)
Many many others . . .	

At the end of the day, our draft budget for 2011-12 has a deficit of \$486,000. We will be able to cover off this by bringing in some deferred revenue and show a balanced budget.

Some of the potential risks in this budget include:

- Enrollment decrease beyond projection
- Support staff settlement beyond our estimate
- Possible further cuts to Education funding as a mid-year correction
- Major mechanical failures

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

	Approved Budget 2011/2012	Final Approved Budget 2010/2011	Actual 2009/2010
REVENUES			
Government of Alberta	\$36,926,432	\$37,749,660	\$36,008,847
Federal Government and/or First Nations	\$0	\$16,290	\$15,121
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Fees	\$141,580	\$141,580	\$142,315
Other sales and services	\$628,997	\$576,328	\$360,449
Investment income	\$22,500	\$50,000	\$68,032
Gifts and donations	\$0	\$0	\$0
Fundraising	\$1,350,000	\$1,350,000	\$1,336,717
Rentals of facilities	\$118,281	\$118,281	\$87,268
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$2,418,726	\$2,418,726	\$2,403,899
Other revenue	\$641,030	\$0	\$0
TOTAL REVENUES	\$42,247,546	\$42,420,865	\$40,422,648
EXPENSES			
Certificated salaries	\$22,805,725	\$19,985,879	\$20,220,798
Certificated benefits	\$0	\$2,235,762	\$2,273,202
Non-certificated salaries and wages	\$7,236,654	\$5,638,839	\$5,444,008
Non-certificated benefits	\$0	\$1,299,298	\$1,331,917
Services, contracts and supplies	\$9,337,667	\$10,393,587	\$7,840,234
Capital and debt services			
Amortization of capital assets			
supported	\$2,418,726	\$2,418,726	\$2,403,900
unsupported	\$260,217	\$260,217	\$234,395
Interest on capital debt			
supported	\$188,557	\$188,557	\$293,270
unsupported	\$0	\$0	\$0
Other interest charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Other expense	\$0	\$0	\$0
TOTAL EXPENSES	\$42,247,546	\$42,420,865	\$40,041,724
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$0	\$0	\$380,924

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

	Approved Budget 2011/2012	Final Approved Budget 2010/2011	Actual 2009/2010
REVENUES			
ECS - Grade 12 Instruction	\$36,139,161	\$33,732,742	\$31,713,476
Operations & Maintenance of Schools and Maintenance Shops	\$3,946,672	\$6,247,087	\$6,232,387
Transportation	\$2,004,432	\$2,079,980	\$1,935,337
Board & System Administration	\$157,281	\$361,056	\$248,163
External Services	\$0	\$0	\$293,288
TOTAL REVENUES	\$42,247,546	\$42,420,865	\$40,422,651
EXPENSES			
ECS - Grade 12 Instruction	\$33,626,727	\$31,169,547	\$29,323,566
Operations & Maintenance of Schools and Maintenance Shops	\$4,020,203	\$6,780,317	\$7,108,782
Transportation	\$1,921,673	\$1,792,057	\$1,665,587
Board & System Administration	\$2,678,943	\$2,678,943	\$1,943,791
External Services	\$0	\$0	\$0
TOTAL EXPENSES	\$42,247,546	\$42,420,864	\$40,041,726

**PROJECTED STATEMENT OF CHANGES IN NET ASSETS (SUMMARY)
FOR THE YEAR ENDING AUGUST 31**

	(1)	(2)	(3)	(4)	(5)	(6)
	TOTAL NET ASSETS (2+3+6)	INVESTMENT IN CAPITAL ASSETS	ACCUMULATED OPERATING SURPLUS (4+5)	UNRESTRICTED NET ASSETS	INTERNALLY RESTRICTED NET ASSETS	
					OPERATING RESERVES	CAPITAL RESERVES
Actual balances per AFS at August 31, 2010	\$5,388,474	\$4,040,097	\$540,445	\$0	\$540,445	\$807,932
2010/2011 Estimated impact to net assets for:						
Estimated surplus(deficit)	\$0			\$0		
Estimated Board funded capital asset additions		\$221,000		\$0	\$0	(\$221,000)
Estimated Amortization of capital assets (expense)		\$0		\$0		
Estimated Amortization of capital allocations (revenue)		\$0		\$0		
Estimated Unsupported debt principal repayment		\$0		\$0		
Estimated reserve transfers (net)				\$0	\$0	\$0
Estimated Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
Estimated Balances for August 31, 2011	\$5,388,474	\$4,261,097	\$540,445	\$0	\$540,445	\$586,932
2011/2012 Budget Projections for:						
Budgeted surplus(deficit)	\$0			\$0		
Projected Board funded capital asset additions		\$0		\$0	\$0	\$0
Budgeted Amortization of capital assets (expense)		(\$2,678,943)		\$2,678,943		
Budgeted Amortization of capital allocations (revenue)		\$2,418,726		(\$2,418,726)		
Budgeted Unsupported debt principal repayment		\$0		\$0		
Projected reserve transfers (net)				\$0	\$0	\$0
Projected Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
Projected Balances for August 31, 2012	\$5,388,474	\$4,000,880	\$800,662	\$260,217	\$540,445	\$586,932

ANTICIPATED CHANGES IN NET ASSETS SUMMARY- 2011/2012 BUDGET REPORT

The following explains the anticipated changes to Unrestricted Net Assets, Investment in Capital Assets, Operating Reserves and Capital Reserves for 2010/2011 and 2011/2012 and breaks down the planned additions to unsupported capital.

Our Board is paying for the expansion of the gym at St. Mary's in Sexsmith.

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

	Budgeted 2011/2012 (Note 2)	Actual 2010/2011	Actual 2009/2010	Notes
GRADES 1 TO 12				
Eligible Funded Students:				
Grades 1 to 9	2,697	2,673	2,712	Head count
Grades 10 to 12	698	749	779	Note 3
Total	3,395	3,422	3,491	Grades 1-12 students eligible for base instruction funding from Alberta Education.
Other Students:				
Total	-	9	7	Note 4
Total Net Enrolled Students	3,395	3,431	3,498	
Home Ed and Blended Program Students	-	-	-	Note 5
Total Enrolled Students, Grades 1-12	3,395	3,431	3,498	
Of the Eligible Funded Students:				
Severely Disabled Students served	71	68	71	Total eligible funded severely disabled student FTEs; including Code 40s (excluding Code 47s).

EARLY CHILDHOOD SERVICES (ECS)

Eligible Funded Children	330	349	362	ECS children eligible for ECS base instruction funding from Alberta Education.
Other children	-	9	1	ECS children not eligible for ECS base instruction funding from Alberta Education.
Total Enrolled Children - ECS	330	358	363	
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	165	179	182	
Of the Eligible Funded Children:				
Severely Disabled Children served	17	18	17	Total eligible funded severely disabled children FTEs, including Code 40 children in program units.

NOTES:

- Enrolment is to be completed WHEREVER APPLICABLE and are 'as at September 30th' for each year.
- Budgeted enrolment is to be based on best information available at time of the 2011/2012 budget report preparation.
- The # of FTE grade 10-12 students is determined by taking the total # of students' credits / 35; where 35 CEU's = 1 FTE.
- Other Grade 1-12 students that are not eligible for base instruction funding from Alberta Education include First Nations students living on reserves for which tuition fee payments are made from Band or INAC (Code 330), students younger than 5 1/2 or older than 19, and out-of-province and foreign students.
- 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 2011/2012	Actual 2010/2011	Actual 2009/2010	Notes
<u>CERTIFICATED STAFF</u>				
School Based	217.0	221.8	229.2	Teacher certification required for performing functions at the school level.
Non-School Based	4.0	4.0	4.0	Teacher certification required for performing functions at the system/central office level.
Total Certificated Staff FTE	221.0	225.8	233.2	FTE for personnel possessing a valid Alberta teaching certificate or equivalency.
Certificated Staffing Change due to:				
Enrolment Change	(4.8)	(7.4)	0.3	If negative change impact, the small class size initiative is to include any/all teachers retained.
Other Factors	-	-	-	Descriptor (required):
Total Change	(4.8)	(7.4)	0.3	Year-over-year change in Certificated FTE
Breakdown, where total change is Negative:				
Continuous contracts terminated	-	-	-	FTEs
Non-permanent contracts not being renewed	-	-	-	FTEs
Other (retirement, attrition, etc.)	(4.8)	(7.4)	-	Descriptor (required):
Total Negative Change in Certificated FTEs	(4.8)	(7.4)	-	Breakdown required where year-over-year total change in Certificated FTE is 'negative' only.
<u>NON-CERTIFICATED STAFF</u>				
Instructional	92.2	98.3	85.8	Personnel providing instruction support for schools under 'Instruction' program areas.
Non-Instructional	46.0	43.5	45.6	Personnel in Transportation, Board & System Admin., O&M and External service areas.
Total Non-Certificated Staff FTE	138.1	141.8	131.4	FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.
Non-Certificated Staffing Change due to:				
Enrolment Change	-	-	-	FTEs
Other Factors	(3.7)	10.4	(15.6)	Descriptor (required): Special Education demand changes
Total Change	(3.7)	10.4	(15.6)	Year-over-year change in Non-Certificated FTE