

**BUDGET
REPORT
FOR THE YEAR ENDING AUGUST 31, 2015**

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

Grande Yellowhead Public School Division No. 77

Legal Name of School Jurisdiction

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BOARD CHAIR

Mr. J. Stitzenberger

Name

Signature

SUPERINTENDENT

Mr. C. Gray

Name

Signature

SECRETARY TREASURER or TREASURER

Mr. E. Latka

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 4, 2014 .
Date**

c.c. Alberta Education
c/o Robert Mah, Financial Reporting & Accountability Branch
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TABLE OF CONTENTS

	Page
BUDGETED STATEMENT OF OPERATIONS	3
BUDGETED ALLOCATION OF EXPENSES (BY OBJECT)	3
PROJECTED STATEMENT OF CHANGES IN ACCUMULATED OPERATING SURPLUS (SUMMARY)	4
PROJECTED STUDENT STATISTICS	5
PROJECTED STAFFING STATISTICS	6

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<div style="border: 1px solid black; width: 20px; height: 10px; display: inline-block; margin-right: 5px; background-color: #ffe4e1;"></div> salmon cells: contain referenced juris. information - protected	<div style="border: 1px solid black; width: 20px; height: 10px; display: inline-block; margin-right: 5px;"></div> white cells: within text boxes REQUIRE the input of points and data.

HIGHLIGHTS, PLANS, ASSUMPTIONS AND RISKS SUMMARY- 2014/2015 BUDGET REPORT

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

Budget Highlights, Plans & Assumptions:

- Standard cost of certificated staff is \$97,800, support staff is \$29.99 per hour.
- Wage and salary increases based on Collective Agreements and the Assurance for Students Act.
- Capital purchases include: replacement of 5 buses, as per schedule of replacement; computer/server replacement in 3 schools.
- No increase in Instructional Materials Fees or Transportation Fees.
- The Budget figures for 2014 - 2015 include provisions for the employer's portion of contributions to the Alberta Teacher's Retirement Fund. This is estimated to be \$2,689,664. This has been included as a Government of Alberta Revenue, as well as a benefit expense for certificated staff.
- No change in the reserve fund for School Generated Funds.
- Utilization of \$638,800 in Unrestricted Surplus to support one-time projects, maintaining staffing levels and government clawback.
- Reduced CEU funding for Work Experience and ADLC courses represents \$170,000 in reduced funding.
- Student Statistics for Grades 10-12 report CEU's, without adjustment for reduced funding. Student count would be 26 equivalent student lower with this adjustment.
- Funding clawback estimated to be \$292,000.

Significant Business and Financial Risks:

- Three years of Grant increases announced, reduces uncertainty for future planning.
- Possible decreases in provincial transportation support in Hinton, due to increased population.
- Attracting and retaining staff including availability of housing for staff in "special" areas: Jasper, Grande Cache.
- Ensuring sustainability in programs and operations.
- The dynamic nature of GYPSD communities, industry instability related to national and international oil/gas and coal markets, and factors challenging agricultural markets greatly affect our ability to predict the stability and sustainability of educational and instructional needs of students.
- Enrolment Disparity becoming zone specific within GYPSD where there is a loss of students and related funds in one zone, and in another a possible maintenance and/or gain in both students and funding.
- Small Rural Schools (by necessity): Funding is critical in sustaining the cost of educational programs in such circumstances.
- High School completion rates need to be measured in reference to programs completed, not simply a "diploma". Programs completed by non-academic students need to be acknowledged and recognized. Such programs are high cost in nature and require an evergreening funding process for equipment replacement e.g. technology, CTS, etc.
- Competition/Choice: the promotion of choice "at all costs" is a significant issue in low populated rural areas with a limited student population.
- Matching grant rate increases to grid increases, although helpful, does not adjust for movement on the grid.
- PO&M funding formulae require continued review and extension to support non-school/maintenance facilities.
- Reduced PO&M and IMR funding, will increase the deferred maintenance issues.
- There is an overall lack of available Community Services and an inequity in access of services. Community Services appear to have reduced staff, vacant positions, and services for Special Needs students reduced and/or not available.
- Parameters of Regional Collaborative Service Delivery model are still uncertain, and outcomes may affect current services provided.

BUDGETED STATEMENT OF OPERATIONS
for the Year Ending August 31

	Approved Budget 2014/2015	Fall Budget Update 2013/2014	Actual 2012/2013
REVENUES			
Alberta Education	\$57,598,276	\$57,419,387	\$57,574,280
Other - Government of Alberta	\$153,198	\$170,781	\$738,259
Federal Government and First Nations	\$8,760	\$8,760	\$29,500
Other Alberta school authorities	\$4,500	\$7,500	\$102,262
Out of province authorities			
Alberta Municipalities-special tax levies			
Property taxes			
Fees	\$971,349	\$918,924	\$1,005,634
Other sales and services	\$946,673	\$946,673	\$2,375
Investment income		\$110,000	\$176,617
Gifts and donations	\$2,000	\$2,000	\$459,818
Rental of facilities	\$50,673	\$41,572	\$15,678
Fundraising	\$449,662	\$449,662	\$884,587
Gains on disposal of capital assets			
Other revenue	\$9,043	\$9,043	\$20,524
TOTAL REVENUES	\$60,194,134	\$60,084,302	\$61,009,534
EXPENSES			
Instruction	\$48,373,226	\$48,807,757	\$46,512,506
Plant operations & maintenance	\$6,808,626	\$7,010,837	\$7,385,708
Transportation	\$4,136,670	\$4,226,288	\$4,022,655
Administration	\$2,727,279	\$2,755,509	\$2,632,724
External Services	\$93,190	\$93,190	\$155,058
TOTAL EXPENSES	\$62,138,991	\$62,893,581	\$60,708,651
ANNUAL SURPLUS (DEFICIT)	(\$1,944,857)	(\$2,809,279)	\$300,883

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

	Approved Budget 2014/2015	Fall Budget Update 2013/2014	Actual 2012/2013
EXPENSES			
Certificated salaries	\$27,172,593	\$32,665,527	\$25,931,400
Certificated benefits	\$5,053,179		\$5,497,111
Non-certificated salaries and wages	\$9,816,500	\$12,630,287	\$9,763,690
Non-certificated benefits	\$2,656,841		\$2,667,809
Services, contracts, and supplies	\$14,971,152	\$15,272,662	\$14,168,207
Capital and debt services			
Amortization of capital assets			
supported	\$1,343,588	\$1,467,608	\$1,472,050
unsupported	\$1,118,166	\$845,261	\$1,188,791
Interest on capital debt			
supported	\$423	\$5,687	\$12,636
unsupported	\$3,049	\$3,049	\$3,666
Other interest and finance charges	\$3,500	\$3,500	\$3,291
Losses on disposal of capital assets			
Other expense			
TOTAL EXPENSES	\$62,138,991	\$62,893,581	\$60,708,651

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	ACCUMULATED OPERATING SURPLUS (2+3+4+7)	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	ACCUMULATED SURPLUS FROM OPERATIONS (5+6)	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
						OPERATING RESERVES	CAPITAL RESERVES
Actual balances per AFS at August 31, 2013	\$19,437,715	\$7,400,804	\$431,714	\$8,134,470	\$2,773,328	\$5,361,142	\$3,470,727
2013/2014 Estimated impact to AOS for:							
Estimated surplus(deficit)	(\$2,809,279)			(\$2,809,279)	(\$2,809,279)		
Estimated Board funded capital asset additions		\$662,000		(\$362,000)		(\$362,000)	(\$300,000)
Estimated Disposal of unsupported tangible capital assets	\$0	\$0		\$0	\$0		\$0
Estimated amortization of capital assets (expense)		(\$2,312,869)		\$2,312,869	\$2,312,869		
Estimated capital revenue recognized - Alberta Education		\$1,467,608		(\$1,467,608)	(\$1,467,608)		
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		\$20,951		(\$20,951)	(\$20,951)		
Estimated reserve transfers (net)				(\$483,261)	\$381,746	(\$865,007)	\$483,261
Estimated Assumptions/Transfers of Operations (Explain)	\$0	\$0		\$0	\$0	\$0	\$0
Estimated Balances for August 31, 2014	\$16,628,436	\$7,238,494	\$431,714	\$5,304,240	\$1,170,105	\$4,134,135	\$3,653,988
2014/2015 Budget projections for:							
Budgeted surplus(deficit)	(\$1,944,857)			(\$1,944,857)	(\$1,944,857)		
Projected Board funded capital asset additions		\$1,139,500		(\$538,667)	(\$176,667)	(\$362,000)	(\$600,833)
Budgeted Disposal of unsupported tangible capital assets	\$0	\$0		\$0	\$0		\$0
Budgeted Amortization of capital assets (expense)		(\$2,461,754)		\$2,461,754	\$2,461,754		
Budgeted capital revenue recognized - Alberta Education		\$1,343,588		(\$1,343,588)	(\$1,343,588)		
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		\$20,951		(\$20,951)	(\$20,951)		
Projected reserve transfers (net)				(\$421,860)	\$287,169	(\$709,029)	\$421,860
Projected Assumptions/Transfers of Operations (Explain)	\$0	\$0		\$0	\$0	\$0	\$0
Projected Balances for August 31, 2015	\$14,683,579	\$7,280,779	\$431,714	\$3,496,071	\$432,965	\$3,063,106	\$3,475,015

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

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

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

- Transfers to Capital Reserves for Vehicle Replacement: \$319,626

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

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

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

- Use of \$176,700 of Unrestricted Surplus to convert accounting system software.
- Use of \$638,800 of Unrestricted Surplus for consultations, maintaining staffing levels and funding clawback of \$292,000.
- Use of \$972,800 of Operating Reserves to maintain operating levels, and reduce school-based reserves.
- Use of \$100,800 of Capital Reserves to convert accounting system software.
- Use of \$500,000 of Capital Reserves to for bus replacement.
- Transfer of \$458,000 to Capital reserves for replacement of passenger vehicles, buses, and equipment.

Planned Changes to Board Funded Tangible Capital Assets 2013/2014

- 4 buses planned for replacement.
- Computer/Server replacement at 3 Schools.

2014/2015

- \$362,000 in Technology evergreen replacement (note: may use combination of capital and operating reserves, but shown as using 100% of operating reserves).
- \$277,500 to convert accounting system software, \$100,800 from capital reserves, the balance from unrestricted surplus.
- \$500,000 in purchases of new buses, as part of fleet replacement schedule.

Other Information:

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

	Budgeted 2014/2015 (Note 2)	Actual 2013/2014	Actual 2012/2013	Notes
GRADES 1 TO 12				
Eligible Funded Students:				
Grades 1 to 9	3,229	3,205	3,163	Head count
Grades 10 to 12	1,333	1,353	1,326	Note 3
Total	4,562	4,558	4,489	Grades 1-12 students eligible for base instruction funding from Alberta Education.
Other Students:				
Total	3	8	13	Note 4
Total Net Enrolled Students	4,565	4,566	4,502	
Home Ed and Blended Program Students				Note 5
Total Enrolled Students, Grades 1-12	4,565	4,566	4,502	
Of the Eligible Funded Students:				
Severely Disabled Students served	N/A	N/A	226	Total eligible funded severely disabled student FTEs; including Code 40s (excluding Code 47s).
EARLY CHILDHOOD SERVICES (ECS)				
Eligible Funded Children	406	406	388	ECS children eligible for ECS base instruction funding from Alberta Education.
Other children	-	-	2	ECS children not eligible for ECS base instruction funding from Alberta Education.
Total Enrolled Children - ECS	406	406	390	
Program Hours	800	800	800	Minimum: 475 Hours
FTE Ratio	0.842	0.842	0.842	Actual hours divided by 950
FTE's Enrolled, ECS	342	342	328	
Of the Eligible Funded Children:				
Severely Disabled Children served	60	44	39	Total eligible funded severely disabled children FTEs, including Code 40 children in program units.
NOTES:				
1) Enrolment is to be completed WHEREVER APPLICABLE and are 'as at September 30th' for each year.				
2) Budgeted enrolment is to be based on best information available at time of the 2014/2015 budget report preparation.				
3) The # of FTE grade 10-12 students is determined by taking the total # of students' credits / 35; where 35 CEU's = 1 FTE.				
4) Other Grade 1-12 students that are not eligible for base instruction funding from Alberta Education include First Nations students living on reserves for which tuition fee payments are made from Band or INAC (Code 330), students younger than 5 1/2 or older than 20, and out-of-province and foreign students.				
5) Because they are funded separately, Home Education students are not included with total net enrolled students. In the blended program, funding per student is pro-rated on the percentage of the student's program which is taken at school and at home; home education students are assigned a weighting of 0.25 FTE for base funding.				

**PROJECTED STAFFING STATISTICS
FULL TIME EQUIVALENT (FTE) PERSONNEL**

	Budgeted 2014/2015	Actual 2013/2014	Actual 2012/2013	Notes
<u>CERTIFICATED STAFF</u>				
School Based	279.0	274.8	272.8	Teacher certification required for performing functions at the school level.
Non-School Based	8.0	8.0	8.0	Teacher certification required for performing functions at the system/central office level.
Total Certificated Staff FTE	287.0	282.8	280.8	FTE for personnel possessing a valid Alberta teaching certificate or equivalency.
Certificated Staffing Change due to:				
Enrolment Change	4.2	5.8	3.2	If negative change impact, the small class size initiative is to include any/all teachers retained.
Other Factors			14.6	Descriptor (required):
Total Change	4.2	5.8	17.8	Year-over-year change in Certificated FTE
Breakdown, where total change is Negative:				
Continuous contracts terminated				FTEs
Non-permanent contracts not being renewed				FTEs
Other (retirement, attrition, etc.)				Descriptor (required):
Total Negative Change in Certificated FTEs	-	-	-	Breakdown required where year-over-year total change in Certificated FTE is 'negative' only.
<u>NON-CERTIFICATED STAFF</u>				
Instructional	180.3	203.3	187.5	Personnel providing instruction support for schools under 'Instruction' program areas.
Non-Instructional	78.9	71.0	69.6	Personnel in Transportation, Board & System Admin., O&M and External service areas.
Total Non-Certificated Staff FTE	259.2	274.3	257.1	FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.
Non-Certificated Staffing Change due to:				
Enrolment Change	15.1	11.8	7.4	FTEs
Other Factors		(2.7)	1.4	Descriptor (required):
Total Change	15.1	9.1	8.8	Year-over-year change in Non-Certificated FTE