

# BUDGET REPORT

## FOR THE YEAR ENDING AUGUST 31, 2011

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

The Board of Trustees of the Red Deer Public School District No. 104

Legal Name of School Jurisdiction

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Telephone and Fax Numbers

<b>BOARD CHAIR</b>	
Mr. L. Lee Name	Signature
<b>SUPERINTENDENT</b>	
Mr. P. Langstraat Name	Signature
<b>SECRETARY TREASURER</b>	
Mr. C. McClintock Name	Signature
<p>Certified a true and correct summary of the year's budget approved by the Board of Trustees at its meeting held <u>November 24, 2010</u> .</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- 2010/2011 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:**

Collective Agreement with teachers requires increase to salaries of 2.92%. Government has not provided funding for this increase.  
 Collective Agreement with unionized support staff requires increase to salaries of 3.0%  
 Non-unionized classified staff will receive increase of 3.0%  
 Employment levels of both teaching and non-teaching staff will remain essentially unchanged.  
 A small drop of 0.1% in enrollment is expected.  
 The projected deficit will be funded from existing board reserves.  
 The district expects to meet the class size initiative averages all all grade levels in 2010/11

#### **Significant Business and Financial Risks:**

Despite assurances, provincial government may not fully fund teacher salary increases for this or future years.  
 The board has honoured the express wish of the Minister and is incurring a deficit to maintain staffing levels. It is unlikely that this situation can be sustained through 2011/12.

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

	Approved Budget 2010/2011	Final Approved Budget 2009/2010	Actual 2008/2009
<b>REVENUES</b>			
Government of Alberta	\$91,756,604	\$92,772,443	\$84,169,781
Federal Government and/or First Nations	\$106,730	\$118,261	\$143,773
Other Alberta school authorities	\$352,806	\$346,364	\$201,530
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$1,287,055	\$1,440,045	\$1,656,808
Transportation fees	\$186,560	\$192,750	\$238,837
Other sales and services	\$1,301,852	\$1,235,592	\$2,579,151
Investment income	\$80,000	\$80,000	\$246,350
Gifts and donations	\$0	\$0	\$109,627
Rentals of facilities	\$44,350	\$44,000	\$107,184
School generated funds	\$1,746,309	\$1,152,560	\$568,844
Gains on disposal of capital assets	\$0	\$0	\$0
Amortization of capital allocations	\$3,707,185	\$0	\$3,408,500
Other revenue	\$0	\$0	\$0
<b>TOTAL REVENUES</b>	<b>\$100,569,451</b>	<b>\$97,382,015</b>	<b>\$93,430,385</b>
<b>EXPENSES</b>			
Certificated salaries	\$50,594,931	\$47,126,266	\$45,891,210
Certificated benefits	\$6,486,270	\$6,041,587	\$6,950,986
Non-certificated salaries and wages	\$14,929,115	\$14,858,398	\$14,352,643
Non-certificated benefits	\$3,732,279	\$3,714,600	\$2,327,438
Services, contracts and supplies	\$16,911,546	\$22,456,267	\$18,135,614
School generated funds	\$1,746,309	\$1,152,560	\$568,844
Capital and debt services			
Amortization of capital assets			
supported	\$3,707,185	\$0	\$3,408,500
unsupported	\$1,502,999	\$1,291,718	\$1,032,153
Interest on capital debt			
supported	\$1,426,733	\$1,576,963	\$676,898
unsupported		\$0	\$0
Other interest charges	\$15,623	\$15,150	\$14,225
Losses on disposal of capital assets		\$0	\$8,903
Other expense		\$0	\$0
<b>TOTAL EXPENSES</b>	<b>\$101,052,991</b>	<b>\$98,233,509</b>	<b>\$93,367,414</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>(\$483,539)</b>	<b>(\$851,494)</b>	<b>\$62,971</b>

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

	Approved Budget 2010/2011	Final Approved Budget 2009/2010	Actual 2008/2009
<b>REVENUES</b>			
ECS - Grade 12 Instruction	\$82,456,409	\$73,899,926	\$73,560,509
Operations & Maintenance of Schools and Maintenance Shops	\$12,457,369	\$17,192,156	\$12,337,531
Transportation	\$2,561,301	\$2,849,410	\$2,900,174
Board & System Administration	\$2,049,182	\$2,545,539	\$2,560,343
External Services	\$1,045,190	\$894,984	\$2,071,828
<b>TOTAL REVENUES</b>	<b>\$100,569,451</b>	<b>\$97,382,015</b>	<b>\$93,430,385</b>
<b>EXPENSES</b>			
ECS - Grade 12 Instruction	\$82,508,583	\$74,751,420	\$73,385,203
Operations & Maintenance of Schools and Maintenance Shops	\$12,457,369	\$17,192,156	\$12,669,798
Transportation	\$2,992,667	\$2,849,410	\$2,713,111
Board & System Administration	\$2,049,182	\$2,545,539	\$2,527,474
External Services	\$1,045,190	\$894,984	\$2,071,828
<b>TOTAL EXPENSES</b>	<b>\$101,052,991</b>	<b>\$98,233,509</b>	<b>\$93,367,414</b>

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

	(1)	(2)	(3)	(4)	(5)	(6)
	TOTAL NET ASSETS (2+3+6)	INVESTMENT IN CAPITAL ASSETS	ACCUMULATED OPERATING SURPLUS (4+5)	UNRESTRICTED NET ASSETS	INTERNALLY RESTRICTED NET ASSETS	
					OPERATING RESERVES	CAPITAL RESERVES
<b>Actual balances per AFS at August 31, 2009</b>	\$16,279,531	\$7,738,074	\$7,913,068	\$1,891,994	\$6,021,074	\$628,389
<b>2009/2010 Estimated impact to net assets for:</b>						
Estimated surplus(deficit)	\$1,616,493			\$1,616,493		
Estimated Board funded capital asset additions		\$2,958,135		(\$1,527,083)	(\$1,132,053)	(\$298,999)
Estimated Amortization of capital assets (expense)		(\$4,823,244)		\$4,823,244		
Estimated Amortization of capital allocations (revenue)		\$3,549,075		(\$3,549,075)		
Estimated Unsupported debt principal repayment		\$0		\$0		
Estimated reserve transfers (net)				(\$1,405,462)	\$1,386,237	\$19,225
Estimated Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
<b>Estimated Balances for August 31, 2010</b>	\$17,896,025	\$9,422,040	\$8,125,369	\$1,850,111	\$6,275,258	\$348,615
<b>2010/2011 Budget Projections for:</b>						
Budgeted surplus(deficit)	(\$483,539)			(\$483,539)		
Projected Board funded capital asset additions		\$1,144,327		(\$1,144,327)	\$0	\$0
Budgeted Amortization of capital assets (expense)		(\$5,210,184)		\$5,210,184		
Budgeted Amortization of capital allocations (revenue)		\$3,707,185		(\$3,707,185)		
Budgeted Unsupported debt principal repayment		\$0		\$0		
Projected reserve transfers (net)				(\$19,225)		\$19,225
Projected Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
<b>Projected Balances for August 31, 2011</b>	\$17,412,485	\$9,063,368	\$7,981,276	\$1,706,018	\$6,275,258	\$367,840

**ANTICIPATED CHANGES IN NET ASSETS SUMMARY- 2010/2011 BUDGET REPORT**

The following explains the anticipated changes to Unrestricted Net Assets, Investment in Capital Assets, Operating Reserves and Capital Reserves for 2009/2010 and 2010/2011 and breaks down the planned additions to unsupported capital.

<u>Capitalization</u>	
Evergreening	(\$724,560)
O&M Estimate	(\$ 55,000) vehicles
	(\$20,000) capital
	(\$50,000) shop tools
LTCHS	( \$60,000) computers
	(\$106556) skills Canada
	(\$ 15,000) other
HHHS	(\$30,000) instructional
Other schools (est.)	(\$65,000)
Innovative Tech Funding	(\$325,711)
Sub-total	(\$1,451,827)
Furniture and Equipment	\$7,500
<b>Total</b>	<b>(\$1,444,327)</b>

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

	Budgeted 2010/2011 (Note 2)	Actual 2009/2010	Actual 2008/2009	Notes
<b>GRADES 1 TO 12</b>				
<b>Eligible Funded Students:</b>				
Grades 1 to 9	6,350	6,407	6,259	Head count
Grades 10 to 12	2,517	2,467	2,465	Note 3
Total	8,867	8,874	8,724	Grades 1-12 students eligible for base instruction funding from Alberta Education.
<b>Other Students:</b>				
Total	40	49	49	Note 4
<b>Total Net Enrolled Students</b>	8,907	8,923	8,773	
<b>Home Ed and Blended Program Students</b>	1	1	1	Note 5
<b>Total Enrolled Students, Grades 1-12</b>	8,908	8,924	8,774	
<b>Of the Eligible Funded Students:</b>				
Severely Disabled Students served	410	401	432	Total eligible funded severely disabled student FTEs; including Code 40s (excluding Code 47s).

**EARLY CHILDHOOD SERVICES (ECS)**

<b>Eligible Funded Children</b>	786	764	817	ECS children eligible for ECS base instruction funding from Alberta Education.
<b>Other children</b>	-	-	-	ECS children not eligible for ECS base instruction funding from Alberta Education.
<b>Total Enrolled Children - ECS</b>	786	764	817	
<b>Program Hours</b>	475	475	475	Minimum: 475 Hours
<b>FTE Ratio</b>	0.500	0.500	0.500	Actual hours divided by 950
<b>FTE's Enrolled, ECS</b>	393	382	409	
<b>Of the Eligible Funded Children:</b>				
Severely Disabled Children served	111	108	119	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.
- ) Budgeted enrolment is to be based on best information available at time of this 2010/2011 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.
- ) 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 2010/2011	Actual 2009/2010	Actual 2008/2009	Notes
<b><u>CERTIFICATED STAFF</u></b>				
School Based	546.1	533.9	537.7	Teacher certification required for performing functions at the school level.
Non-School Based	11.9	11.0	11.0	Teacher certification required for performing functions at the system/central office level.
Total Certificated Staff FTE	558.0	544.9	548.7	FTE for personnel possessing a valid Alberta teaching certificate or equivalency.
<b>Certificated Staffing Change due to:</b>				
Enrolment Change	0.1	-	4.0	If negative change impact, the small class size initiative is to include any/all teachers retained.
Other Factors	-	(3.8)	3.5	Descriptor (required):
Total Change	0.1	(3.8)	7.5	Year-over-year change in Certificated FTE
<b>Breakdown, where total change is Negative:</b>				
Continuous contracts terminated	-	-	-	FTEs
Non-permanent contracts not being renewed	-	2.0	-	FTEs
Other (retirement, attrition, etc.)	-	0.8	-	Descriptor (required):
Total Negative Change in Certificated FTEs	-	2.8	-	Breakdown required where year-over-year total change in Certificated FTE is 'negative' only.
<b><u>NON-CERTIFICATED STAFF</u></b>				
Instructional	173.9	168.6	156.9	Personnel providing instruction support for schools under 'Instruction' program areas.
Non-Instructional	193.5	196.6	197.0	Personnel in Transportation, Board & System Admin., O&M and External service areas.
Total Non-Certificated Staff FTE	367.4	365.2	353.9	FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.
<b>Non-Certificated Staffing Change due to:</b>				
Enrolment Change	2.0	11.3	-	FTEs
Other Factors	-	-	(17.8)	Descriptor (required):
Total Change	2.0	11.3	(17.8)	Year-over-year change in Non-Certificated FTE