

# BUDGET REPORT

## FOR THE YEAR ENDING AUGUST 31, 2010



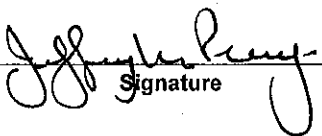
[School Act, Sections 147(2)(b) and 276]

Fort Vermilion School Division No. 52

Legal Name of School Jurisdiction

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Telephone and Fax Numbers

Mr. Wally Schroeder	BOARD CHAIR	
Name		Signature
Mr. Roger Clarke	SUPERINTENDENT	
Name		Signature
Mr. Jeff Perry	SECRETARY TREASURER	
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>June 16, 2009</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- 2009/2010 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:**

Due to continued decline in the economy we anticipate a negative impact on enrolment throughout the division. We have estimated a decline of 126 FTE students compared to the actual 2008-09 school year.

The Board of Trustees have approved an initiative that will be mostly funded out of current reserves. The initiative is the placement of four subject coordinators to provide support in the area of junior high. These supports will include efforts to improve areas of Language Arts, Math, Science and Social Studies as well as have a positive impact on High School Completion because of increased student success in Junior High.

This budget continues to use AISI funding and other Board resources to support the areas of Literacy and High School Completion. This is accomplished through the Director of Literacy along with his two reading specialists and the Director of Culture and Climate formerly Director of High School Completion.

This Board along with other Boards throughout the Province have determined that it is important to deal with support staff in an equitable manner as certified staff. As such, this budget provides a settlement with support staff similar to that of certified staff. This required that operational dollars previously targeted for other purposes be put toward staff settlements. As a result funding increases from the Province being significantly lower in areas of severe needs, transportation, maintenance and all differential funding areas as compared to what the increases in support staff salaries and benefits will be in those areas.

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

Future funding increase differences in dollars that are used for Support Staff and Certified Staff

Although First Nation receivables have improved this still continues to be an area of risk for the FVSD

With the down turn in the economy we have experienced a slow down in staff movement and turnover for certified staff. This is a positive movement for instructional purposes but it does have a impact financially as average teacher costs increase due to annual settlements and an upward movement on the grid.

Potential for a further decline in enrolment due to the economy, home and private schools, etc...

#### **Specific Strategies to Reduce Class Size Averages:**

(If your jurisdiction is not projected to meet the ACOL guidelines at a particular grade grouping, what does this budget contain to address this circumstance?)

ACOL Grade Grouping	Met / Not Met	Specific class size average reduction strategies
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K to 3:

4 to 6:

7 to 9:

10 to 12:

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

	Approved Budget 2009/2010	Final Approved Budget 2008/2009	Actual 2007/2008
<b>REVENUES</b>			
Government of Alberta	\$35,804,352	\$36,168,300	\$35,727,400
Federal Government and/or First Nations	\$4,371,030	\$4,757,715	\$4,460,966
Other Alberta school authorities	\$162,388	\$160,780	\$153,810
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$46,280	\$49,690	\$109,872
Transportation fees	\$0	\$0	\$0
Other sales and services	\$165,000	\$174,500	\$252,541
Investment income	\$25,000	\$150,000	\$292,478
Gifts and donations	\$0	\$0	\$0
Rentals of facilities	\$290,000	\$290,000	\$450,206
Net school generated funds	\$75,000	\$75,000	\$325,594
Gains on disposal of capital assets	\$0	\$0	\$28,951
Amortization of capital allocations	\$2,117,512	\$2,105,672	\$2,537,695
<b>TOTAL REVENUES</b>	<b>\$43,056,562</b>	<b>\$43,931,657</b>	<b>\$44,339,513</b>
<b>EXPENSES</b>			
Certificated salaries	\$18,773,495	\$18,502,885	\$18,681,985
Certificated benefits	\$1,738,605	\$1,816,766	\$1,905,580
Non-certificated salaries and wages	\$10,025,077	\$8,078,057	\$8,752,646
Non-certificated benefits	\$1,679,494	\$2,674,741	\$1,466,286
Services, contracts and supplies	\$7,695,322	\$9,312,467	\$8,926,717
Net school generated funds	\$75,000	\$75,000	\$325,594
Capital and debt services			
Amortization of capital assets			
supported	\$2,117,512	\$2,105,672	\$2,537,695
unsupported	\$1,204,072	\$1,177,309	\$1,186,022
Interest on capital debt			
supported	\$110,985	\$188,760	\$217,083
unsupported	\$0	\$0	\$2,784
Other interest charges	\$0	\$0	\$3,740
Losses on disposal of capital assets	\$0	\$0	\$0
<b>TOTAL EXPENSES</b>	<b>\$43,419,562</b>	<b>\$43,931,657</b>	<b>\$44,006,132</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>(\$363,000)</b>	<b>\$0</b>	<b>\$333,381</b>

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

	Approved Budget 2009/2010	Final Approved Budget 2008/2009	Actual 2007/2008
<b>REVENUES</b>			
ECS - Grade 12 Instruction	\$31,458,352	\$31,589,993	\$30,959,005
Operations & Maintenance of Schools and Maintenance Shops	\$5,512,233	\$5,981,299	\$7,190,428
Transportation	\$2,963,446	\$3,307,475	\$3,028,234
Board & System Administration	\$2,049,486	\$2,020,885	\$1,976,814
External Services	\$1,073,045	\$1,052,005	\$1,185,032
<b>TOTAL REVENUES</b>	<b>\$43,056,562</b>	<b>\$43,931,657</b>	<b>\$44,339,513</b>
<b>EXPENSES</b>			
ECS - Grade 12 Instruction	\$31,821,352	\$31,589,993	\$31,047,111
Operations & Maintenance of Schools and Maintenance Shops	\$5,512,233	\$5,981,299	\$6,837,977
Transportation	\$2,963,446	\$3,307,475	\$3,174,269
Board & System Administration	\$2,049,486	\$2,020,885	\$1,761,743
External Services	\$1,073,045	\$1,052,005	\$1,185,032
<b>TOTAL EXPENSES</b>	<b>\$43,419,562</b>	<b>\$43,931,657</b>	<b>\$44,006,132</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, 2008</b>	\$11,237,718	\$7,352,881	\$3,135,277	\$0	\$3,135,277	\$749,560
<b>2008/2009 Estimated Impact to net assets for:</b>						
Estimated surplus(deficit)	(\$113,571)			(\$113,571)		
Estimated Board funded capital asset additions		\$984,190		(\$984,190)	\$0	\$0
Estimated Amortization of capital assets (expense)		(\$3,278,256)		\$3,278,256		
Estimated Amortization of capital allocations (revenue)		\$2,105,672		(\$2,105,672)		
Estimated Unsupported debt principal repayment		\$0		\$0		
Estimated Net reserve transfers				(\$30,734)	\$15,635	\$15,099
Estimated Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
<b>Estimated Balances for August 31, 2009</b>	\$11,124,147	\$7,164,487	\$3,195,001	\$44,089	\$3,150,912	\$764,659
<b>2009/2010 Budget Projections for:</b>						
Budgeted surplus(deficit)	(\$363,000)			(\$363,000)		
Projected Board funded capital asset additions		\$1,020,000		(\$1,020,000)	\$0	\$0
Budgeted Amortization of capital assets (expense)		(\$3,321,584)		\$3,321,584		
Budgeted Amortization of capital allocations (revenue)		\$2,117,512		(\$2,117,512)		
Budgeted Unsupported debt principal repayment		\$0		\$0		
Projected Net reserve transfers				(\$14,605)	\$14,605	\$0
Projected Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
<b>Projected Balances for August 31, 2010</b>	\$10,761,147	\$6,980,415	\$3,016,073	(\$149,444)	\$3,165,517	\$764,659

**ANTICIPATED CHANGES IN NET ASSETS SUMMARY- 2009/2010 BUDGET REPORT**

The following explains the anticipated changes to Unrestricted Net Assets, Investment in Capital Assets, Operating Reserves and Capital Reserves for 2008/2009 and 2009/2010 and breaks down the planned additions to unsupported capital.

08/09 The end result of the 2008/09 school year will depend on the amount of planned projects for the summer that can be completed. At this point we anticipate a small deficit that will be offset by board funded capital assets purchased being less than the amortization of previously purchased board funded capital assets.

09/10 There is a planned deficit for the 2009/10 school year due to the approval of a board initiative. This again will be offset by planned board funded capital asset purchases being less than the amortization of previously purchased board funded capital assets.

Capital Assets purchased for the 2009/10 school year included:

6 buses  
replacement of older divisional vehicles  
evergreening of technology in the schools

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

	Budgeted 2009/2010 (Note 2)	Actual 2008/2009	Actual 2007/2008	Notes
<b>GRADES 1 TO 12</b>				
<b>Eligible Funded Students:</b>				
Grades 1 to 9	2,073	2,159	2,290	Head count
Grades 10 to 12	670	673	614	Note 3
<b>Total</b>	<b>2,743</b>	<b>2,832</b>	<b>2,904</b>	Grades 1-12 students eligible for base instruction funding from Alberta Education.
<b>Other Students:</b>				
<b>Total</b>	<b>245</b>	<b>272</b>	<b>325</b>	Note 4
<b>Total Net Enrolled Students</b>	<b>2,988</b>	<b>3,104</b>	<b>3,229</b>	
<b>Home Ed and Blended Program Students</b>	<b>13</b>	<b>13</b>	<b>9</b>	Note 5
<b>Total Enrolled Students, Grades 1-12</b>	<b>3,001</b>	<b>3,117</b>	<b>3,238</b>	
<b>Of the Eligible Funded Students:</b>				
Severely Disabled Students served	81	81	88	Total eligible funded severely disabled student FTEs; including Code 40s (excluding Code 47s).

**EARLY CHILDHOOD SERVICES (ECS)**

Eligible Funded Children	215	234	264	ECS children eligible for ECS base instruction funding from Alberta Education.
Other children	28	29	11	ECS children not eligible for ECS base instruction funding from Alberta Education.
<b>Total Enrolled Children - ECS</b>	<b>243</b>	<b>263</b>	<b>275</b>	
<b>Program Hours</b>	<b>475</b>	<b>475</b>	<b>475</b>	Minimum: 475 Hours
<b>FTE Ratio</b>	<b>0.500</b>	<b>0.500</b>	<b>0.500</b>	Actual hours divided by 950
<b>FTE's Enrolled, ECS</b>	<b>122</b>	<b>132</b>	<b>138</b>	
<b>Of the Eligible Funded Children:</b>				
Severely Disabled Children served	9	12	15	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 this 2008/2009 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 2009/2010	Actual 2008/2009	Actual 2007/2008	Notes
<b>CERTIFICATED STAFF</b>				
School Based	207.5	213.8	224.0	Teacher certification required for performing functions at the school level.
Non-School Based	11.0	7.0	7.0	Teacher certification required for performing functions at the system/central office level.
<b>Total Certificated Staff FTE</b>	<b>218.5</b>	<b>220.8</b>	<b>231.0</b>	FTE for personnel possessing a valid Alberta teaching certificate or equivalency.
<b>Certificated Staffing Change due to:</b>				
Enrolment Change	(6.3)	(7.5)	(1.0)	If negative change impact, the small class size initiative is to include any/all teachers retained.
Small Class Size Initiative	-	-	2.5	If enrolment change impact on teacher FTEs is negative, include any/all teachers retained.
Other Factors	4.0	(2.7)	2.5	Descriptor (required): Subject Co-ordinator Initiative - 4 positions
<b>Total Change</b>	<b>(2.3)</b>	<b>(10.2)</b>	<b>4.0</b>	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	-	-	-	FTEs
Other (retirement, attrition, etc.)	2.3	10.2	-	Descriptor (required): Attrition
<b>Total Negative Change in Certificated FTEs</b>	<b>2.3</b>	<b>10.2</b>	<b>-</b>	Breakdown required where year-over-year total change in Certificated FTE is 'negative' only.
<b>Of the Certificated Staff:</b>				
Class size teachers retained from prior years	10.2	10.2	9.0	FTEs
Class size teachers newly hired	-	-	1.2	FTEs
<b>Total Class Size Initiative Teacher FTE's</b>	<b>10.2</b>	<b>10.2</b>	<b>10.2</b>	FTE for teachers hired and retained to meet the ACOL class size averages guidelines.
<b>NON-CERTIFICATED STAFF</b>				
Instructional	133.5	138.5	143.8	Personnel providing instruction support for schools under 'Instruction' program areas.
Non-Instructional	113.7	114.2	109.8	Personnel in Transportation, Board & System Admin., O&M and External service areas.
<b>Total Non-Certificated Staff FTE</b>	<b>247.2</b>	<b>252.7</b>	<b>253.6</b>	FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.
<b>Non-Certificated Staffing Change due to:</b>				
Enrolment Change	(5.5)	(0.9)	15.5	FTEs
Other Factors	-	-	-	Descriptor (required):
<b>Total Change</b>	<b>(5.5)</b>	<b>(0.9)</b>	<b>15.5</b>	Year-over-year change in Non-Certificated FTE

**PROJECTED CLASS SIZE AVERAGES  
FULL TIME EQUIVALENT (FTE) AVERAGE CLASS SIZE**

	Budgeted 2009/2010	Actual 2008/2009	Actual 2007/2008	Notes
<b>ACOL GUIDELINE GRADE GROUPING</b>				
K to Grade 3	15.5	16.5	16.9	If budgeted > 17, requires pg. 2 budget highlights on specific strategies to reduce to guideline.
Grades 4 to 6	22.4	20.1	19.9	If budgeted > 23, requires pg. 2 budget highlights on specific strategies to reduce to guideline.
Grades 7 to 9	21.6	21.2	20.0	If budgeted > 25, requires pg. 2 budget highlights on specific strategies to reduce to guideline.
Grades 10 to 12	23.5	19.5	19.0	If budgeted > 27, requires pg. 2 budget highlights on specific strategies to reduce to guideline.

NOTE: FTE statistics are 'as at September 30th' for each year. All applicable FTEs and the class size average information is to be entered to 1 decimal place.