

BUDGET REPORT FOR THE YEAR ENDING AUGUST 31, 2016

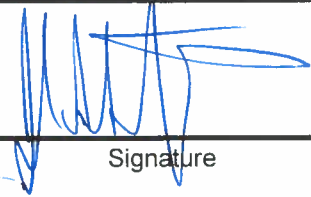

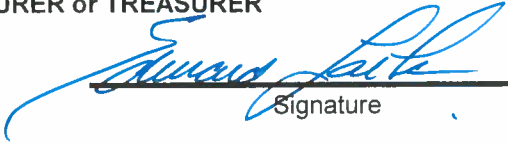
[School Act, Sections 147(2)(b) and 276]

Grande Yellowhead Public School Division No. 77

Legal Name of School Jurisdiction

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Telephone & Fax Numbers, Email Address

BOARD CHAIR	
J. Stitzenberger _____ Name	 _____ Signature
SUPERINTENDENT	
C. Gray _____ Name	 _____ Signature
SECRETARY TREASURER or TREASURER	
E. Latka _____ Name	 _____ Signature
<p>Certified as an accurate summary of the year's budget as approved by the Board of Trustees at its meeting held on <u>June 3 2015</u> . Date</p>	

Version: 150630

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

	Page
BUDGETED STATEMENT OF OPERATIONS & ALLOCATION OF EXPENSES (BY OBJECT)	3
BUDGETED SCHEDULE OF FEE REVENUE	4
PROJECTED STATEMENT OF CHANGES IN ACCUMULATED OPERATING SURPLUS (SUMMARY)	5 & 6
PROJECTED STUDENT STATISTICS	7
PROJECTED STAFFING STATISTICS	8
UTILIZATION OF ACCUMULATED SURPLUS FROM OPERATIONS (A.S.O.)	9 & 10

Color coded cells:

blue cells: require the input of data/descriptors wherever applicable.
 salmon cells: contain referenced juris. information - protected
 green cells: populated based on information previously submitted

grey cells: data not applicable - protected
 white cells: within text boxes REQUIRE the input of points and data
 yellow cells: for Alberta Education use only

HIGHLIGHTS, PLANS, ASSUMPTIONS AND RISKS SUMMARY- 2015/2016 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 a teacher \$100,000 (including salary and benefit premiums)
- standard cost of school-based support staff \$29.99 per hour (including salary and benefit premiums)
- school-based teaching staff up by 1.9 FTE, providing greater supports to students and staff
- school-based support staff down by only 9.8 FTE from the comparable period
- cost savings in centralized instructional programs providing \$100,000 in support to Plant Operations and Maintenance Budget (PO&M)
- use of \$1,034,000 in capital reserves continue to support technology evergreening and fleet replacement
- no increase in instructional materials fees or transportation fees levied on schools
- transitional strategies to support school-based staff of \$745,000; further \$162,000 in governance and administration to target lower costs; and \$118,000 in support of non-capital furniture and equipment replacements, bridged to seek future cost reductions
- redirected centralized funds utilized to address inequities in access for instructional support services
- FNMI programs supported through centralized services directed at FNMI student populations, and school allocations directed at local needs.

Significant Business and Financial Risks:

- ensuring sustainability in programs and operations
- one-time Provincial support for 2013-2014 teacher salary increases of \$93,000 carried forward to 2014-2015
- exposure to higher costs for preventative maintenance work due to reductions in PO&M staffing reflective of funding reductions
- collective agreement with Canadian Union of Public Employees expires August 31, 2015
- collective agreement with Alberta Teachers Association expires August 31, 2016
- 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.
- aspects of transitioning from straight CEU funding to enrolment-based funding on high schools is uncertain with regards to expanding student opportunity within other constructs: student and parents expectations, teacher contracts, and staff expectations
- matching grant rate increases to grid increases does not adjust for movement on the grid
- operation and maintenance of unsupported buildings
- reduced PO&M and Infrastructure Maintenance Renewal funding, will increase the deferred maintenance issues
- instructional support services (health and mental health) at risk without a sustainable funding plan in place either within the responsible government agency or board funding
- 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 2015/2016	Fall Budget Update 2014/2015	Actual 2013/2014
REVENUES			
Alberta Education	\$58,821,319	\$57,805,104	\$57,551,846
Other - Government of Alberta	\$0	\$153,198	\$610,998
Federal Government and First Nations	\$18,500	\$8,760	\$29,860
Other Alberta school authorities	\$0	\$4,500	\$170,930
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Property taxes	\$0	\$0	\$0
Fees	\$979,029	\$968,554	\$1,095,755
Other sales and services	\$215,299	\$946,673	\$6,510
Investment income	\$0	\$0	\$258,999
Gifts and donations	\$474,140	\$2,000	\$486,739
Rental of facilities	\$0	\$50,673	\$10,628
Fundraising	\$1,040,378	\$449,662	\$992,075
Gains on disposal of capital assets		\$0	\$5,975
Other revenue	\$9,043	\$9,043	\$17,492
TOTAL REVENUES	\$61,557,708	\$60,398,167	\$61,237,807
EXPENSES			
Instruction - Early Childhood Services	\$3,345,455	\$0	\$0
Instruction - Grades 1-12	\$44,691,860	\$49,313,689	\$46,392,373
Plant operations & maintenance	\$7,640,022	\$6,808,626	\$6,929,665
Transportation	\$4,087,859	\$4,166,093	\$4,317,683
Administration	\$2,644,463	\$2,707,279	\$2,866,955
External Services	\$172,000	\$93,190	\$288,440
TOTAL EXPENSES	\$62,581,659	\$63,088,877	\$60,795,116
ANNUAL SURPLUS (DEFICIT)	(\$1,023,951)	(\$2,690,710)	\$442,691

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

	Approved Budget 2015/2016	Fall Budget Update 2014/2015	Actual 2013/2014
EXPENSES			
Certificated salaries	\$28,051,170	\$27,440,189	\$25,992,450
Certificated benefits	\$5,566,773	\$5,080,584	\$5,613,095
Non-certificated salaries and wages	\$9,097,996	\$10,385,924	\$10,204,283
Non-certificated benefits	\$2,424,540	\$2,815,315	\$2,560,776
Services, contracts, and supplies	\$14,530,006	\$14,898,716	\$13,815,991
Capital and debt services			
Amortization of capital assets			
supported	\$1,612,908	\$0	\$1,343,988
unsupported	\$1,291,716	\$2,461,754	\$1,207,596
Interest on capital debt			
supported	\$0	\$0	\$3,664
unsupported	\$3,049	\$2,895	\$3,703
Other interest and finance charges	\$3,500	\$3,500	\$0
Losses on disposal of capital assets	\$0	\$0	\$49,570
Other expense	\$0	\$0	\$0
TOTAL EXPENSES	\$62,581,659	\$63,088,877	\$60,795,116

BUDGETED SCHEDULE OF FEE REVENUE
for the Year Ending August 31

	Approved Budget 2015/2016	Fall Budget Update 2014/2015	Actual 2013/2014
FEES			
Transportation fees	\$56,800	\$56,192	\$63,572
Basic instruction supplies, text book rental, material fees	\$338,988	\$335,361	\$379,404
Technology user fees	\$0	\$0	\$0
Alternative program fees	\$0	\$0	\$0
Fees for optional courses	\$62,130	\$61,465	\$69,538
Fees for students from other boards	\$0	\$0	\$0
Tuition fees (international & out of province)	\$0	\$0	\$0
Kindergarten & preschool	\$520	\$514	\$582
Extracurricular fees	\$273,398	\$270,473	\$305,995
Field trips	\$195,623	\$193,530	\$218,947
Lunch supervision fees	\$7,200	\$7,123	\$8,058
Other (describe)* Student Leadership	\$14,320	\$14,167	\$16,027
Other (describe) Lock/Locker	\$4,625	\$4,576	\$5,176
Other (describe) Graduation	\$13,575	\$13,430	\$15,193
Other (describe) Yearbook	\$11,850	\$11,723	\$13,263
Other (describe)	\$0	\$0	\$0
TOTAL FEES	\$979,029	\$968,554	\$1,095,755

*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" or "Other revenue" (rather than fee revenue):	Approved Budget 2015/2016
Optional non-study programs	\$0
Optional extracurricular participation	\$0
Student travel	\$0
Sales or rentals of other supplies/services	\$14,030
Other (describe)	\$0
Other (describe)	\$0
Other (describe)	\$0
Other (describe)	\$0
Other (describe)	\$0
TOTAL	\$14,030

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, 2014	\$19,880,406	\$7,781,855	\$431,714	\$8,676,845	\$3,291,443	\$5,385,402	\$2,989,992
2014/2015 Estimated impact to AOS for:							
Prior period adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Estimated surplus(deficit)	(\$2,844,446)			(\$2,844,446)	(\$2,844,446)		
Estimated Board funded capital asset additions		\$2,437,834		(\$2,038,667)	(\$1,676,667)	(\$362,000)	(\$399,167)
Estimated Disposal of unsupported tangible capital assets	\$0	\$0		\$0	\$0		\$0
Estimated amortization of capital assets (expense)		(\$2,461,754)		\$2,461,754	\$2,461,754		
Estimated capital revenue recognized - Alberta Education		\$1,343,588		(\$1,343,588)	(\$1,343,588)		
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)				(\$421,860)	\$1,009,541	(\$1,431,401)	\$421,860
Estimated Assumptions/Transfers of Operations (Explain)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Estimated Balances for August 31, 2015	\$17,035,960	\$9,122,474	\$431,714	\$4,469,087	\$877,086	\$3,592,001	\$3,012,685
2015/2016 Budget projections for:							
Budgeted surplus(deficit)	(\$1,023,951)			(\$1,023,951)	(\$1,023,951)		
Projected Board funded capital asset additions		\$1,034,000		\$0	\$0		(\$1,034,000)
Budgeted Disposal of unsupported tangible capital assets	\$0	\$0		\$0	\$0		\$0
Budgeted Amortization of capital assets (expense)		(\$2,904,624)		\$2,904,624	\$2,904,624		
Budgeted capital revenue recognized - Alberta Education		\$1,612,908		(\$1,612,908)	(\$1,612,908)		
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)				(\$794,867)	(\$816,867)	\$22,000	\$794,867
Projected Assumptions/Transfers of Operations (Explain)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Projected Balances for August 31, 2016	\$16,012,009	\$8,885,709	\$431,714	\$3,921,034	\$307,033	\$3,614,001	\$2,773,552

Reduction in A.S.O.: Please provide an explanation as to use of A.S.O. on Pages 9 (ASO) and 10 (ASO Use)

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

The following explains the anticipated changes to each component of the Accumulated Operating Surplus for 2014/2015 and provides detail on planned additions to unsupported capital. Additional space is provided on Page 6. The anticipated use of Unrestricted Surplus and Operating Reserves for 2015/2016 should be explained on Page 9 and detailed on 10 by cost object and program.

Reason for expected changes in Investment in Tangible Capital Assets and Endowments as well as intended uses of Operating and Capital Reserves: 2014/2015 (Additional space provided on the next page)

Change in Investment in Tangible Capital Assets
\$1,500,000 Approved by the Minister for expansion of Grande Cache Community High School.

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

The following explains the anticipated changes to each component of AOS for 2014/2015 and 2015/2016 and provides detail on the planned additions to unsupported capital. The anticipated use of Unrestricted Surplus and Operating Reserves should be explained on Page 9 and detailed on Page 10.

Reason for expected changes in Investment in Tangible Capital Assets and Endowments as well as the intended uses of the balances remaining for Unrestricted Surplus, Operating Reserves and Capital Reserves as at August 31, 2016.

2014/2015

Reasons for changes in Investment in Tangible Capital Assets (i.e. supported tangible capital asset acquisitions or material dispositions):

Other information related to changes in AOS for the 2014/2015 budget year:

2015/2016

Board Funded Capital Asset Acquisitions

\$360,000 Purchase of Buses

\$674,000 Replacement of Technology

Changes in Operating Reserves

\$ 22,000 net increase to fund Educational Leadership program

Transfers to Capital Reserves

\$22,185 contributions for multipurpose bus replacement

\$44,000 contributions for Division Office modernization

\$395,705 contributions for equipment replacement

\$6,184 contributions for passenger vehicle replacement

\$326,853 contributions for bus fleet replacement

Planned Uses for remaining Unrestricted Surplus, Operating Reserves, and Capital Reserves (including time frame) after August 31, 2016:

2017 - Annual staffing contingencies

2024 - School-based fleet replacement

2018 - Furniture & Equipment, Instructional

2017 - Professional Development

2017 - Student Programming

2018 - Support staff role review

2017 - School Generated Funds, as designated by each fund and purpose

2020 - Non-Capital Technology replacement

2017 - Election Expenses

As Needed - Unsupported Building (Administration), non-capital repairs

As Needed - Unsupported Building (Other), non-capital repairs

2017 - School Building HVAC replacement (Unsupported)

2020 - Unsupported Debt payments

2025 - Unsupported Building (Administration), capital expenditures

2017 - Unsupported Land Transfer Costs related to new school

2020 - Capital Technology replacement

As Needed - Fleet vehicle replacement (passenger, maintenance and buses)

Other Information related to changes in AOS for the budgeted 2015/2016 budget year:

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

	Budgeted 2015/2016 (Note 2)	Actual 2014/2015	Actual 2013/2014	Notes
GRADES 1 TO 12				
Eligible Funded Students:				
Grades 1 to 9	3,207	3,230	3,205	Head count
Grades 10 to 12	1,339	1,369	1,353	Note 3
Total	4,546	4,599	4,558	Grades 1-12 students eligible for base instruction funding from Alberta Education
Percentage Change	-1.2%	0.9%		
Other Students:				
Total	12	13	8	Note 4
Total Net Enrolled Students	4,558	4,612	4,566	
Home Ed and Blended Program Students	-	-	-	Note 5
Total Enrolled Students, Grades 1-12	4,558	4,612	4,566	
Percentage Change	-1.2%	1.0%		
Of the Eligible Funded Students:				
Severely Disabled Students served	N/A	N/A	N/A	Total eligible funded severely disabled student FTEs, including Code 40s (excluding Code 47s)
EARLY CHILDHOOD SERVICES (ECS)				
Eligible Funded Children	366	357	406	ECS children eligible for ECS base instruction funding from Alberta Education
Other Children	-	-	-	ECS children not eligible for ECS base instruction funding from Alberta Education
Total Enrolled Children - ECS	366	357	406	
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	308	301	342	
Percentage Change	2.5%	-12.1%		
Of the Eligible Funded Children:				
Severely Disabled Children served	70	70	44	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 2015/2016	Actual 2014/2015	Fall Budget 2014/2015	Actual 2013/2014	Notes
CERTIFICATED STAFF					
School Based	283.7	281.6	281.6	274.6	Teacher certification required for performing functions at the school level
Non-School Based	6.0	8.0	8.0	6.0	Teacher certification required for performing functions at the system/central office level
Total Certificated Staff FTE	289.7	289.6	289.6	280.6	FTE for personnel possessing a valid Alberta teaching certificate or equivalency
<i>Explanation required where change unrelated to enrolment</i>	0.0%	2.5%	2.5%		
<i>Percentage change from Fall Budget</i>	0.0%				
Is an average standard cost used to derive certificated salaries?	<input type="checkbox"/> Yes				
If an average standard cost is used, please disclose rate	\$ 100,000				
Explanation of Changes:					
NON-CERTIFICATED STAFF					
Instructional	185.2	218.7	195.0	203.3	Personnel providing instruction support for schools under 'Instruction' program areas
Plant Operations & Maintenance	9.8	11.8	11.8		Personnel providing support to maintain school facilities
Transportation	45.2	46.2	46.2		Personnel providing direct support to the transportation of students to and from school
Other Non-Instructional	19.4	19.6	20.7	71.0	Personnel in Board & System Admin. and External service areas
Total Non-Certificated Staff FTE	259.6	296.4	273.8	274.3	FTE for personnel not possessing a valid Alberta teaching certificate or equivalency
<i>Percentage Change</i>	-12.4%	8.1%	-0.2%		
<i>Percentage change from Fall Budget</i>	-5.2%				
Explanation of Changes:					
Cost reductions					
Additional Information					
Are non-certificated staff subject to a collective agreement?	<input type="checkbox"/> Yes				
Please provide terms of contract for 2015/16 and future years for non-certificated staff subject to a collective agreement along with the number of qualifying staff FTE's					
Contract expires August 31, 2015					

UTILIZATION OF ACCUMULATED SURPLUS FROM OPERATIONS
for the Year Ending August 31

Where boards anticipate a decline in Accumulated Surplus in Operations on Page 5 (AOS) during the 2015/16 school year, please identify the justification for the use of these reserves. Document each cost on Page 10 (ASO Use), "Detailed Breakdown for the Budgeted Utilization of Accumulated Surplus from Operations for the Year Ended August 31, 2016."

Uncertificated Staffing Reduction Transition Strategy

This is seen to be one-time funds in an effort to gradually transition to reduced staffing levels. The inclusion of these funds would reduce staffing levels to historical, and then subsequently reduce them further. Allocations are targeted to school-based uncertificated staff.

Inclusive Education Implementation Strategy

In response to a study on inclusive education within the Division resources have been redirected to focus on classroom teacher supports. Essential to this is a transition strategy to build the capacity of teachers while continuing existing supports, and expecting to minimize these costs in the future, in order to orientate and support new staff only.

Financial System Transition Strategy

The current cost of licensing the financial system, when compared to alternatives, can be reduced by an estimated \$ 100,000 per year. However, this will require one time utilization of Accumulated Operating Surplus, in order to maintain dual software while the transition is completed.

Non-Capital One-time Expenditures

These are incidental expenditures that regularly occur for furniture and equipment. However the utilization of the Accumulated Operating Surplus, would allow for further investigations into more cost savings over the year, in order that these costs can be absorbed into the operating budget.

School Jurisdiction Code:

1085

**DETAILED BREAKDOWN FOR THE BUDGETED UTILIZATION OF ACCUMULATED SURPLUS FROM OPERATIONS
for the Year Ending August 31, 2016**

					Expected Cost	
	Explanation	Recurring? ¹	Capital? ²	Program ³	Object ⁴	
1	Uncertificated Staffing Reduction Transition Strategy	One-Time	Operating	Instruction Gr 1 12	Non-cert salaries and wages	\$540,000
2	Inclusive Education Implementation Strategy	One-Time	Operating	Instruction Gr 1 12	Certificated salaries	\$204,575
3	Financial System Transition Strategy	One-Time	Operating	Administration	Services contracts and supplies	\$162,000
4	Non-Capital one-time expenditures	Recurring	Operating	Instruction Gr 1 12	Services contracts and supplies	\$118,000
5						\$0
6						\$0
7						\$0
8						\$0
9						\$0
10						\$0
11						\$0
12						\$0
13						\$0
14						\$0
15						\$0
16						\$0
17						\$0
18						\$0
19						\$0
20						\$0
21						\$0
22						\$0
23						\$0
24						\$0
25						\$0
Use Of A.S.O. for Budget Year 2015/2016						\$1,024,575
Unexplained Reduction of A.S.O. (Cannot be more than \$10,000)						(\$476,522)
¹ Use drop-down menu If expense is recurring indicate how the project will be funded in the future ² Use drop-down menu Capital items should be funded through capital reserves, if available. ³ Use drop-down menu If expenditure represents an "Operating" expense, indicate to which Program this item was included on the Budgeted Statement of Operations ⁴ Use drop-down menu If expenditure represents an "Operating" expense, indicate to which Expenditure Object this item was included on the Budgeted Allocation of Expenses (by Object)						