

# BUDGET REPORT

## FOR THE YEAR ENDING AUGUST 31, 2013




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

**Black Gold Regional Division No. 18**

Legal Name of School Jurisdiction

780-955-6025 (telephone); 780-955-6050 (fax)

Telephone and Fax Numbers

<b>BOARD CHAIR</b>	
<b>Sandy Koroll</b> Name	 Signature
<b>Dr. Norman Yanitski</b> Name	<b>SUPERINTENDENT</b>  Signature
<b>M. Ruth Andres</b> Name	<b>SECRETARY TREASURER</b>  Signature
<b>Certified An accurate summary of the year's budget approved by the Board of Trustees at its meeting held <b>May 30, 2012</b> .</b> Date	

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### HIGHLIGHTS, PLANS, ASSUMPTIONS AND RISKS SUMMARY- 2012/2013 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:**

- increase in Government of Alberta revenue as a result of:
  - an increase in projected enrolment of 1.3 percent (107 FTE students)
  - a 1% increase in Base Instruction and CSI grants and a 2% increase to other grants
  - an increase received through a revised special education funding grant, entitled Inclusive Education
- no increase in Instructional Resource Fees and Transportation Fees
- a reallocation of projected SGF revenue between Fees, Other Sales and Services and Fundraising to comply with new reporting requirements
- decreased Certificated Salary expense due to decrease in FTE and an assumed attrition rate for retiring teachers
- an increase in Certificated Benefits reflects an increase in the cost of benefits and the GOA contribution to ATRF
- added additional support for e-librarian and e-materials
- no change in the site-based allocation rate to schools but decreased Services, Contracts and Supplies as the previous year budgeted for a reduction in school reserves
- provided funding to support the Healthy School Initiative
- budgeted to continue a pilot project for a full day, every day kindergarten program at one of our schools
- budgeted for a GPS system to be installed in the busses
- budgeted an increased amount for electrical costs
- the deficit budget is fully supported through operating reserves

**Significant Business and Financial Risks:**

- the negotiation of new Collective Agreements for all Black Gold staff
- particular challenges in the Operations & Maintenance program area as funding has not kept pace with increased costs
- deficit budgeting is not sustainable after the reserves are depleted

**BUDGETED STATEMENT OF OPERATIONS**  
for the Year Ending August 31

	Approved Budget 2012/2013	Final Approved Budget 2011/2012	Actual 2010/2011
<b>REVENUES</b>			
Government of Alberta	\$91,673,028	\$90,303,914	\$82,909,393
Federal Government and/or First Nations	\$0	\$0	\$29,321
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Fees	\$2,948,750	\$1,369,192	\$2,961,567
Other sales and services	\$492,500	\$305,031	\$534,927
Investment income	\$213,344	\$265,224	\$348,264
Gifts and donations	\$0	\$0	\$276,060
Fundraising	\$1,200,000	\$2,860,138	\$1,179,880
Rental of facilities	\$96,100	\$91,576	\$116,146
Gain on disposal of capital assets	\$0	\$0	\$12,806
Amortization of capital allocations	\$3,393,794	\$3,449,952	\$3,176,165
Other revenue	\$0	\$0	\$0
<b>TOTAL REVENUES</b>	<b>\$100,017,516</b>	<b>\$98,645,027</b>	<b>\$91,544,529</b>
<b>EXPENSES</b>			
ECS - Grade 12 Instruction	\$80,540,998	\$80,150,726	\$71,244,450
Operations & Maintenance of Schools and Maintenance Shops	\$12,497,951	\$12,393,340	\$12,175,299
Transportation	\$4,045,515	\$4,075,056	\$3,745,743
Board & System Administration	\$3,237,647	\$3,126,693	\$2,912,865
External Services	\$323,671	\$305,654	\$365,899
<b>TOTAL EXPENSES</b>	<b>\$100,645,782</b>	<b>\$100,051,469</b>	<b>\$90,444,256</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>(\$628,266)</b>	<b>(\$1,406,442)</b>	<b>\$1,100,273</b>

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

	Approved Budget 2012/2013	Final Approved Budget 2011/2012	Actual 2010/2011
<b>EXPENSES</b>			
Certificated salaries	\$50,323,092	\$50,398,991	\$47,125,651
Certificated benefits	\$10,806,541	\$10,288,925	\$4,919,023
Non-certificated salaries and wages	\$14,114,601	\$13,824,979	\$13,348,530
Non-certificated benefits	\$3,722,980	\$3,573,031	\$3,188,624
Services, contracts, and supplies	\$17,503,257	\$17,728,045	\$17,819,100
Capital and debt services			
Amortization of capital assets			
supported	\$3,393,794	\$3,449,952	\$3,176,165
unsupported	\$726,675	\$678,512	\$677,959
Interest on capital debt			
supported	\$54,842	\$109,034	\$172,446
unsupported	\$0	\$0	\$0
Other interest charges	\$0	\$0	\$16,758
Loss on disposal of capital assets	\$0	\$0	\$0
Other expense	\$0	\$0	\$0
<b>TOTAL EXPENSES</b>	<b>\$100,645,782</b>	<b>\$100,051,469</b>	<b>\$90,444,256</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	OPERATING RESERVES	CAPITAL RESERVES
<b>Actual balances per AFS at August 31, 2011</b>	\$18,339,325	\$6,602,983	\$9,596,554	\$486,327	\$9,130,227	\$2,139,788
<b>2011/2012 Estimated impact to net assets for:</b>						
Estimated surplus(deficit)	(\$1,406,442)			(\$1,406,442)		
Estimated Board funded capital asset additions		\$1,014,646		\$0	(\$806,646)	(\$408,000)
Estimated Amortization of capital assets (expense)		(\$4,128,464)		\$4,128,464		
Estimated Amortization of capital allocations (revenue)		\$3,449,952		(\$3,449,952)		
Estimated Unsupported debt principal repayment		\$0		\$0		
Estimated reserve transfers (net)				\$806,442	(\$1,406,442)	\$800,000
Estimated Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
<b>Estimated Balances for August 31, 2012</b>	\$16,932,883	\$6,939,117	\$7,661,978	\$544,839	\$7,117,139	\$2,331,788
<b>2012/2013 Budget Projections for:</b>						
Budgeted surplus(deficit)	(\$628,266)			(\$628,266)		
Projected Board funded capital asset additions		\$600,000		(\$200,000)	(\$400,000)	\$0
Budgeted Amortization of capital assets (expense)		(\$4,120,469)		\$4,120,469		
Budgeted Amortization of capital allocations (revenue)		\$3,393,794		(\$3,393,794)		
Budgeted Unsupported debt principal repayment		\$0		\$0		
Projected reserve transfers (net)				\$0	\$0	
Projected Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
<b>Projected Balances for August 31, 2013</b>	\$16,304,617	\$6,812,442	\$7,160,387	\$443,248	\$6,717,139	\$2,331,788

**ANTICIPATED CHANGES IN NET ASSETS SUMMARY- 2012/2013 BUDGET REPORT**

The following explains the anticipated changes to Unrestricted Net Assets, Investment in Capital Assets, Operating Reserves and Capital Reserves for 2011/2012 and 2012/2013 and breaks down the planned additions to unsupported capital.

**2011-2012 Estimated Board Funded Capital Asset Additions**

**From Operating Reserves**

- \$55,189 HVAC upgrade (central office building)
- \$39,204 Leduc Estates School, portable retrofit
- \$221,612 Equipment
- \$172,760 Computer Hardware and Software
- \$27,881 Vehicle
- \$90,000 Ecole Leduc Junior High School, portable move and retrofit

**From Capital Reserves**

- \$270,000 Leduc Estates School new modular purchase
- \$138,000 Robina Baker parking lot

**2012-2013 Projected Board Funded Capital Asset Additions**

- \$600,000 for equipment

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

	Budgeted 2012/2013 (Note 2)	Actual 2011/2012	Actual 2010/2011	Notes
<b>GRADES 1 TO 12</b>				
<b>Eligible Funded Students:</b>				
Grades 1 to 9	6,133	5,956	5,775	Head count
Grades 10 to 12	2,188	2,285	2,508	Note 3
<b>Total</b>	<b>8,319</b>	<b>8,241</b>	<b>8,283</b>	Grades 1-12 students eligible for base instruction funding from Alberta Education.
<b>Other Students:</b>				
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	Note 4
<b>Total Net Enrolled Students</b>	<b>8,319</b>	<b>8,241</b>	<b>8,283</b>	
<b>Home Ed and Blended Program Students</b>	<b>8</b>	<b>3</b>	<b>7</b>	Note 5
<b>Total Enrolled Students, Grades 1-12</b>	<b>8,327</b>	<b>8,244</b>	<b>8,290</b>	
<b>Of the Eligible Funded Students:</b>				
<b>Severely Disabled Students served</b>	<b>220</b>	<b>232</b>	<b>232</b>	Total eligible funded severely disabled student FTEs; including Code 40s (excluding Code 47s).

**EARLY CHILDHOOD SERVICES (ECS)**

<b>Eligible Funded Children</b>	770	720	734	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>	770	720	734	
<b>Program Hours</b>	491	493	493	Minimum: 475 Hours
<b>FTE Ratio</b>	0.517	0.519	0.519	Actual hours divided by 950
<b>FTE's Enrolled, ECS</b>	398	374	381	
<b>Of the Eligible Funded Children:</b>				
<b>Severely Disabled Children served</b>	97	90	90	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 2012/2013 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 19, 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 2012/2013	Actual 2011/2012	Actual 2010/2011	Notes
<b>CERTIFICATED STAFF</b>				
School Based	498.5	501.5	502.1	Teacher certification required for performing functions at the school level.
Non-School Based	20.8	22.2	19.9	Teacher certification required for performing functions at the system/central office level.
<b>Total Certificated Staff FTE</b>	<b>519.3</b>	<b>523.7</b>	<b>522.0</b>	<b>FTE for personnel possessing a valid Alberta teaching certificate or equivalency.</b>
<b>Certificated Staffing Change due to:</b>				
Enrolment Change	4.4	6.2	4.0	If negative change impact, the small class size initiative is to include any/all teachers retained.
Other Factors	(8.8)	(4.5)	7.0	Descriptor (required): One Time Funding not continued; AISI reduction.
<b>Total Change</b>	<b>(4.4)</b>	<b>1.7</b>	<b>11.0</b>	<b>Year-over-year change in Certificated FTE</b>
<b>Breakdown, where total change is Negative:</b>				
Continuous contracts terminated	-	-	-	FTEs
Non-permanent contracts not being renewed	-	-	-	FTEs
Other (retirement, attrition, etc.)	(4.4)	-	-	Descriptor (required): Retirement.
<b>Total Negative Change in Certificated FTEs</b>	<b>(4.4)</b>	<b>-</b>	<b>-</b>	<b>Breakdown required where year-over-year total change in Certificated FTE is 'negative' only.</b>
<b>NON-CERTIFICATED STAFF</b>				
Instructional	257.0	259.5	258.4	Personnel providing instruction support for schools under 'Instruction' program areas.
Non-Instructional	98.1	97.0	96.2	Personnel in Transportation, Board & System Admin., O&M and External service areas.
<b>Total Non-Certificated Staff FTE</b>	<b>355.1</b>	<b>356.5</b>	<b>354.6</b>	<b>FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.</b>
<b>Non-Certificated Staffing Change due to:</b>				
Enrolment Change	-	-	3.7	FTEs
Other Factors	(1.4)	1.9	8.8	Descriptor (required): One Time Funding not continued.
<b>Total Change</b>	<b>(1.4)</b>	<b>1.9</b>	<b>12.5</b>	<b>Year-over-year change in Non-Certificated FTE</b>