

BUDGET REPORT

FOR THE YEAR ENDING AUGUST 31, 2008

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

ELK ISLAND CATHOLIC SEPARATE REGIONAL DIVISION NO. 41

Legal Name of School Jurisdiction

(780) 467-8896 (780) 467-5469

Telephone and Fax Numbers

BOARD CHAIRMAN	
Tony Sykora	
Name	Signature
SUPERINTENDENT	
Chris Diachuk	
Name	Signature
SECRETARY TREASURER	
Alberta Hutchings	
Name	Signature
Certified a true and correct summary of the year's budget approved by the Board of Trustees at its meeting held June 20, 2007 .	

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	blue cells: require the input of data.
	dark grey cells: input not possible or applicable - protected
	white cells: protected for totals/subtotals & formatting; require the input of data for text boxes.
	salmon cells: referenced - protected

HIGHLIGHTS, ASSUMPTIONS AND RISKS SUMMARY- 2007/2008 BUDGET REPORT

Following are bulleted points which will help Financial Reporting and Accountability Branch better understand the approved budget. Note these key points are consistent with the three year Education Plan and the Capital Plan due to Alberta Education at the same time as Budget Report, in Spring 2007. The summary points focus on anticipated changes from the current year enrolment, staff, contracts, programs, projects, services, plans, business and financial risks underlying the approved budget.

Budget Highlights & Assumptions:

- 1) *The operating budget for the 2007/2008 school year is a balanced conservative status quo budget.*
- 2) *The budget reflects the Board's commitment to providing as much funding as possible directly to the instruction component where it will be of greatest benefit to the students.*
- 3) *The staffing component for schools is a centrally based budget system.*
- 4) *Enrolments of 5893 are conservatively projected at 5454 in Grades 1 to 12 and 439 in kindergarten.*
- 5) *The Division is block funded for 180 severe disabilities students. Funding in 2007-08 has been straight-lined in budget.*
- 6) *Spending per F.T.E (full time equivalent) student \$9,156.*
- 7) *313.68 F.T.E. certified teaching staff and 107.51 F.T.E. support staff.*
- 8) *Revenue projections include provincial base grant increase of 3%. The Division does not qualify for a proportionate share of the specialized grant categories. The socio-economic factors in our community affect our per pupil funding.*
- 9) *Alberta Initiative for School Improvement (AISII) will provide for innovative programming (4.3 F.T.E. certified staff).*
- 10) *The fuel incentive grant is appreciated and it is hopeful this support will continue as gas prices climb.*

Significant Business and Financial Risks:

- 1) *The Province is not keeping pace with inflation, and as a result, we have had to trim expenditures across the board to balance core educational services.*
- 2) *Elk Island Catholic Schools has the highest socio economic factor in the Province which disadvantages the Division in the funding model. Elk Island Catholic Schools gets less money per student as compared to other school jurisdictions in the Province. Student achievement results in diploma exams are showing a rapid decline in this Division. It is not known if a factor may be as a result of the direct correlation to the decreased funding which occurred when the renewed funding framework was introduced. Under funding schools ultimately imposes real and substantial long-term costs for students.*
- 3) *First Nations Funding continues to decline as the equity factor in funding grows greater in disparity. In 2007/2008 this Division will receive \$40,561 less under this grant.*
- 4) *The budget provides for a 3% increase in salaries, however, labour strife may be inevitable as teachers attempt to preserve their standard of living while our Board will strive to operate within inadequate means.*
- 5) *Enrolment remains stable with the possibility of more students. Space in our schools is limited and with no capital announcements, it makes planning difficult.*
- 6) *Under funding of the instructional program places constraints on school budgets. The instructional staff budget continues to be a struggle to reach the CSI guidelines in all grade divisions.*
- 7) *The high cost of utilities and under funding of Operations and Maintenance places constraints on this operation. The Infrastructure Maintenance Renewal (IMR) funding was cut in half in 2007/2008. The up and down funding structure makes it very difficult to plan for repair and maintenance of schools on a regular basis.*
- 8) *Escalating transportation costs require us to make a number of adjustments, including increasing field trip fees, however, it is anticipated that we can maintain our board owned fleet and purchase four new buses in 2007/2008.*
- 9) *The Division's reserves are dangerously low and are very low compared to the Provincial average.*
- 10) *New curriculum mandated by Alberta Education for social studies and science imposes funding constraints with no funds announced to support the new initiatives.*
- 11) *The Division is faced with forming numerous 4x4's to qualify for Alberta Education transportation grants. The lack of recognition by the government to fund students that are transported from outside the boundary (with consent of neighboring board) is problematic.*
- 12) *The Board has been forced to find a means of paying a \$42,000 "School of Choice Fee" levied by Elk Island Public School Board to transport their "out of boundary students" to our Division Schools.*

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

	Approved Budget 2007/2008	Final Approved Budget 2006/2007	Actual 2005/2006
REVENUES			
Government of Alberta			
Alberta Education	\$47,622,176	\$47,610,796	\$42,674,946
Alberta Infrastructure and Transportation	\$0	\$0	\$512,998
Alberta Finance	\$425,821	\$561,013	\$699,198
Other Government of Alberta	\$6,800	\$6,800	\$7,263
Federal Government and/or First Nations	\$86,000	\$86,000	\$99,160
Other Alberta school authorities	\$0	\$0	\$698
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$0	\$0	\$0
Instruction resource fees	\$376,050	\$375,095	\$390,064
Transportation fees	\$129,100	\$118,900	\$118,294
Other sales and services	\$899,147	\$846,288	\$1,209,980
Investment income	\$270,000	\$32,500	\$184,131
Gifts and donations	\$5,000	\$5,000	\$25,051
Rentals of facilities	\$43,250	\$46,200	\$82,469
Net school generated funds	\$96,000	\$130,000	\$95,243
Gains on disposal of capital assets	\$0	\$3,000	\$16,486
Amortization of capital allocations	\$1,986,342	\$1,967,670	\$2,015,342
TOTAL REVENUES	\$51,945,686	\$51,789,262	\$48,131,323
EXPENSES			
Certificated salaries	\$25,688,488	\$24,438,683	\$23,832,845
Certificated benefits	\$3,082,619	\$2,932,642	\$3,097,658
Non-certificated salaries and wages	\$9,403,120	\$9,349,555	\$7,533,836
Non-certificated benefits	\$1,880,624	\$1,869,911	\$1,708,636
Services, contracts and supplies	\$8,771,689	\$9,570,874	\$6,708,696
Net school generated funds	\$96,000	\$130,000	\$95,243
Capital and debt services			
Amortization of capital assets			
supported	\$2,592,425	\$2,468,913	\$2,015,342
unsupported	\$0	\$0	\$530,467
Interest on capital debt			
supported	\$425,821	\$561,013	\$699,897
unsupported	\$0	\$0	\$0
Other interest charges	\$4,900	\$4,900	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
TOTAL EXPENSES	\$51,945,686	\$51,326,491	\$46,222,620
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$0	\$462,771	\$1,908,703

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

	Approved Budget 2007/2008	Final Approved Budget 2006/2007	Actual 2005/2006
REVENUES			
ECS - Grade 12 Instruction	\$38,881,324	\$37,651,334	\$35,214,416
Operations & Maintenance of Schools and Maintenance Shops	\$7,517,216	\$8,684,623	\$7,634,544
Transportation	\$2,826,188	\$2,729,906	\$2,623,557
Board & System Administration	\$1,947,741	\$2,006,980	\$1,834,633
External Services	\$773,217	\$716,419	\$824,173
TOTAL REVENUES	\$51,945,686	\$51,789,262	\$48,131,323
EXPENSES			
ECS - Grade 12 Instruction	\$38,881,324	\$37,188,563	\$33,921,573
Operations & Maintenance of Schools and Maintenance Shops	\$7,517,216	\$8,684,623	\$7,268,671
Transportation	\$2,826,188	\$2,729,906	\$2,525,242
Board & System Administration	\$1,947,741	\$2,006,980	\$1,682,961
External Services	\$773,217	\$716,419	\$824,173
TOTAL EXPENSES	\$51,945,686	\$51,326,491	\$46,222,620

**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
Actual balances per AFS at August 31, 2006	\$7,224,930	\$4,767,972	\$2,139,401	\$363,460	\$1,775,941	\$317,557
2006/2007 Estimated impact to net assets for:						
Estimated surplus(deficit)	\$630,000			\$630,000		
Estimated Board funded capital asset additions		\$617,865		\$0	(\$90,000)	(\$527,865)
Estimated Amortization of capital assets (expense)		(\$2,585,618)		\$2,585,618		
Estimated Amortization of capital allocations (revenue)		\$2,023,641		(\$2,023,641)		
Estimated Unsupported debt principal repayment		\$0		\$0		
Estimated Net reserve transfers				(\$1,191,977)	\$550,000	\$641,977
Estimated Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
Estimated Balances for August 31, 2007	\$7,854,930	\$4,823,860	\$2,599,401	\$363,460	\$2,235,941	\$431,669
2007/2008 Budget Projections for:						
Budgeted surplus(deficit)	\$0			\$0		
Projected Board funded capital asset additions		\$378,000		\$0	(\$123,000)	(\$255,000)
Budgeted Amortization of capital assets (expense)		(\$2,592,425)		\$2,592,425		
Budgeted Amortization of capital allocations (revenue)		\$1,986,342		(\$1,986,342)		
Budgeted Unsupported debt principal repayment		\$0		\$0		
Projected Net reserve transfers				(\$606,083)	\$0	\$606,083
Projected Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
Projected Balances for August 31, 2008	\$7,854,930	\$4,595,777	\$2,476,401	\$363,460	\$2,112,941	\$782,752

ANTICIPATED CHANGES IN NET ASSETS SUMMARY- 2007/2008 BUDGET REPORT

Following are explanations for the anticipated changes to Unrestricted Net Assets, Investment in Capital Assets, Operating Reserves and Capital Reserves for 2006/2007 and 2007/2008 and includes a breakdown of the planned additions to unsupported capital.

- 1) Estimated Surplus/Deficit Of \$630,000 (Unrestricted Net Assets) = \$80,000 transportation, \$50,000 Administration, \$500,000 Instruction
- 2) Estimated Board funded capital asset additions (Operating reserves) of \$90,000 = Lighting retrofit
- 3) Estimated Board funded capital asset additions (Capital reserves) of \$527,865 = \$227,865 Buses, \$300,000 Gym Floors
- 4) Estimated Net reserve transfers (Operating reserve) of \$550,000 = Administration/Instruction Surplus
- 5) Estimated Net reserve transfers (Capital Reserves) of \$641,977 = Amortization flip and transportation surplus
- 6) Projected Board funded capital asset additions of \$123,000 - Administration - Elections \$75,000, 4x4 Formation \$23,000, OH&S - \$25,000
- 7) Projected Board funded capital asset additions of \$255,000 = Bus purchases
- 8) Projected Net reserve transfers of \$606,083 = Amortization flip of unsupported capital

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

	Budgeted 2007/2008 (Note 3)	Projected 2006/2007 (Note 3)	Actual 2005/2006	Notes
GRADES 1 TO 12				
Eligible Funded Students:				
Grades 1 to 9	4,119	4,159	4,174	Head count
Grades 10 to 12	1,335	1,311	1,287	Note 1
Total	5,454	5,470	5,461	Grades 1-12 students eligible for base instruction funding from Alberta Education.
Other Students:				
First Nations (on Reserves)	-	-	-	Students for which tuition fee payments are made from Band or INAC, (Code 330).
Other	3	6	8	< 5 years, 6 months; > 19 years; out-of-prov & foreign students.
Total	3	6	8	Grades 1-12 students not eligible for base instruction funding from Alberta Education.
Total Net Enrolled Students	5,457	5,476	5,469	
Home Ed and Blended Program Students	-	-	-	Note 2
Total Enrolled Students, Grades 1-12	5,457	5,476	5,469	
Of the Total Grades 1 to 12:				
Severely Disabled	180	180	180	Code 40s (excluding Code 47).
Aboriginal Learners	-	-	-	Self-declared, off reserves & not in the First Nations count above (Codes 331, 332, 333, 334).
English as a Second Language	13	6	6	Codes 301 and 303.
Francisation	-	-	-	Francophone authorities only, Codes 306 and 307.
Mild & Moderate Disabilities/Gifted&Talented	272	260	250	For information purposes only, Code 51-57 and Code 80.
EARLY CHILDHOOD SERVICES (ECS)				
Eligible Funded children	439	430	393	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	439	430	393	
Program Hours	475	475	475	Minimum: 475 Hours
FTE Ratio	0.500	0.500	0.500	Actual hours divided by 950
FTE's Enrolled, ECS	220	215	197	
Of the Total ECS:				
Severely Disabled (Program Unit)	24	24	13	Code 40s.
Mild & Moderate Disabilities/Gifted&Talented	30	32	30	Codes 30 and 80.
English as a Second Language	-	-	-	Codes 301 and 303; including eligible children as young as 3 1/2 years old for 2007/08 only.
Aboriginal Learners	-	-	-	Self-declared, off reserves & not in the First Nations count above, (Codes 331, 332, 333, 334).
Francisation	-	-	-	Codes 306 and 307; including eligible children as young as 3 1/2 years old for 2007/08 only.
NOTES:				
1) The # of FTE grade 10-12 students is determined by taking the total # of students' credits / 35; where 35 CEU's = 1 FTE.				
2) 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.				
3) Enrolment reported is based on best information available at time of this 2007/08 budget report preparation and is complete.				