

Golden Hills School Division No. 75

Budget 2019/2020 – June 2019
Submission to Alberta Education



Budget Assumptions

No announcement - New Government Minister Adriana LaGrange

- All grants the same as last year with the exception of grants affected by Enrolment Decline and Small School By Necessity Grant.
- Enrolment Decline is \$720,000 decrease as projections are 72.5 students less

Golden Hills School Division - \$89M

Vision & Mission

Motto – Powering Hope and Possibilities

Goals – Education Plan

1. Every Student is successful
2. First Nations, Metis & Inuit (FNMI) students are successful
3. Alberta Education System is inclusive
4. Alberta has quality teaching and school leadership
5. Alberta's Education System is governed effectively

UCP Platform - Quick Summary

- Proclaim Education Act
- Introduce Choice of Education Act
- Facilitate Creation of New Charter Schools
- Support and encourage an expansion of alternative programs
- Maintain funding for independent schools and home school
- Pause curriculum review
- Reform Student Assessment
- Report Cards - clear and understandable
- Focus on excellence outcomes

Alberta Provincial Budget

45 Billion \$ budget - Education
\$7.4B (18%)

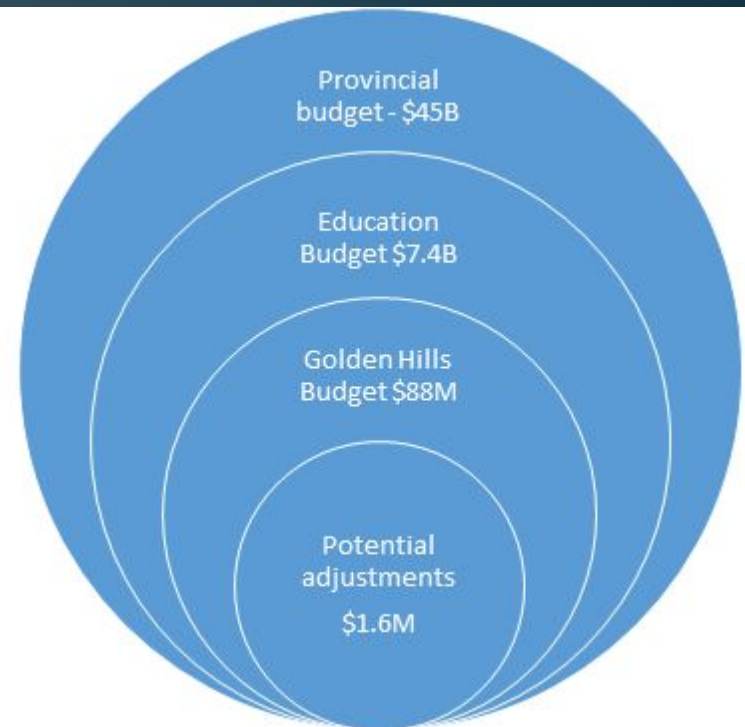
UCP Plan

19/20 - 7.4B deficit

20/21 - 6.6B - (.8B 1.7% - impact
on GHSD - less \$1.6M)

21/22 - 4 B deficit

22/23 - 714M Surplus



For 19/20 What have we heard.....

- Funding of enrolment growth?
- Education Act in effect September 1, 2019 (official)
- Range of ideas with potential budget - increases to 4% decreases
- Teacher Salary deferral?

Anything else?

Risk Assessment

Loss of potential grants

CIF = \$827K, Nutrition = \$200K, Base grants = \$920K

Teacher Salaries = unknown (deferral of arbitration?)

Grid Movement = \$550K

Inflationary costs = Gas, supplies, Utilities

Impact

Staffing cuts - potentially 20+ teachers

Education Assistants - potentially 10 EA's

Inclusive Education budget is subsidized internally - may need to discontinue?

133 Separate Budgets

Budget Process

- Submit budget twice a year – usually May but this year it is June & November
 - Enrolment is usually a moving target
 - Each Manager estimates, plans, reviews and monitors their own budgets

School Allocations & Standard Costs

Direct Allocations - \$38M (per student basis)

Keep resources in the classroom

Indirect - everything else to schools - except for approximately 3% which goes to Administration costs

Standard Cost consists of:

- average salary
- benefits/
- cost of grid
- leaves (maternity, sick, other)

Teachers \$105,500 - was at \$104,000 for 3 years

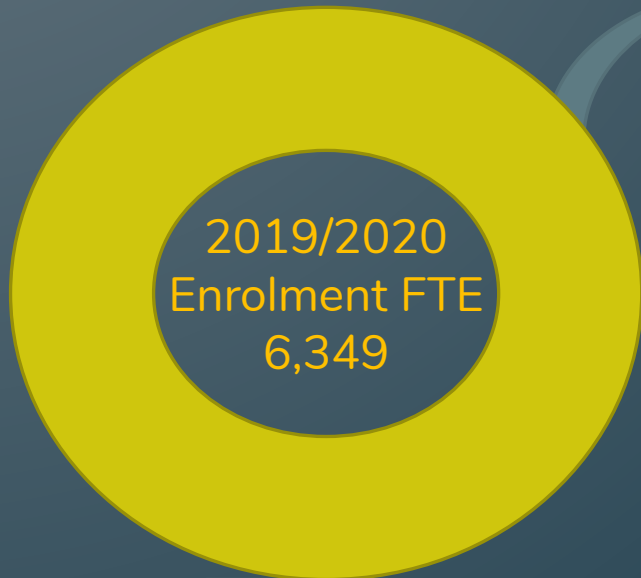
7,052
Headcount

Enrolment

Provincial Enrolment -
\$720K decrease

Less 72.5 FTE (prov)

Distribution of Changes



| | |
|-------|--------------|
| -34 | Kindergarten |
| -55 | Grades 1-3 |
| +12.5 | Grades 4-6 |
| -41 | Grades 7-9 |
| +28 | Grades 10-12 |

Projected Student Numbers (Total - 6,349)

Provincial Students – 5,924

Federal Students – 155

International Students - 270

| Schools/Grade Configuration | 2019/2020 Students | 2018/2019 Students | Difference |
|-------------------------------------------|--------------------|--------------------|---------------|
| Acme Elementary School (K-6), (10-12) | 192.50 | 193.50 | -1.00 |
| Brentwood School (K-6) | 256.50 | 278.50 | -22.00 |
| Carseland School (K-6) | 54.00 | 61.00 | -7.00 |
| Carbon School (K-9) | 67.00 | 78.00 | -11.00 |
| Crowther Memorial Jr. High (7-9) | 506.00 | 575.00 | -69.00 |
| Dr. Elliott School (K-9) | 191.00 | 187.00 | 4.00 |
| Drumheller Valley Secondary School (7-12) | 397.00 | 432.00 | -35.00 |
| Drumheller Outreach (7-12) | 27.00 | 18.00 | 9.00 |
| Greentree Elementary School (K-6) | 344.50 | 347.00 | -2.50 |
| George Freeman School (K-9) | 303.00 | 207.00 | 96.00 |
| Golden Hills Learning Academy (1-12) | 133.00 | 135.00 | -2.00 |
| Northstar Academy (1-12) | 311.00 | 319.50 | -8.50 |
| Prairie Christian Academy (K-6), (7-12) | 275.50 | 273.00 | 2.50 |
| Strathmore High School (10-12) | 571.00 | 569.00 | 2.00 |
| Strathmore Storefront (7-12) | 40.00 | 41.00 | -1.00 |
| Three Hills School (K-12) | 444.00 | 445.50 | -1.50 |
| Trinity Christian Academy (K-9) | 180.50 | 182.00 | -1.50 |
| Trochu Valley School (K-12) | 248.00 | 249.50 | -1.50 |
| Westmount Elementary School (K-6) | 340.50 | 364.50 | -24.00 |
| Wheatland Crossing (K-12) | 363.00 | 355.00 | 8.00 |
| Wheatland Elementary School (K-6) | 323.00 | 343.00 | -20.00 |
| Colony Schools | 356.50 | 343.00 | 13.50 |
| Total | 5,924.50 | 5,997.00 | -72.50 |

Enrolment by Wards (1-5)

| Ward # | # of Students - Projected 19/20 | # of Students - Actuals 18/19 | Difference | Percentage |
|----------------------------------------------------------------------------------|------------------------------------|----------------------------------|----------------|---------------|
| Ward 1 (Three Hills, Torrington, Huxley, Trochu) | 967.50 | 968.00 | - 0.50 | - 0.00 |
| Ward 2 (Acme, Carbon, Linden) | 450.50 | 458.50 | - 8.00 | - 0.02 |
| Ward 3 (Drumheller) | 768.50 | 797.00 | - 28.50 | - 0.04 |
| Ward 4 (Strathmore) | 2,653.50 | 2,695.00 | - 41.50 | - 0.02 |
| Ward 5 (Carseland, Gleichen, Cluny, Hussar, Rockyford, Standard) | 417.00 | 416.00 | 1.00 | 0.00 |
| TOTAL | 5,257.00 | 5,334.50 | - 77.50 | - 0.01 |
| | | | | |
| Colony | 356.50 | 343.00 | 13.50 | 0.04 |
| NSA | 311.00 | 319.50 | - 8.50 | - 0.03 |
| TOTAL | 5,924.50 | 5,997.00 | - 72.50 | - 0.01 |

Plant Operations & Maintenance/IMR Initiatives - Proj \$480K deficit

\$480K
projected
deficit

2019/2020

- Assumed Status Quo funding
- Utilities down
 - carbon levy
 - contracted rates

Started with a \$1.2 M
projected deficit

Points of Interest

- \$340K allocated to IMR from POM
 - Labour redistribution/hoping for flexibility
- Replaced HVAC/Carpenter for plumber to reduce contracted costs while having current staff trained in HVAC & carpentry
- More restrictions on compliance ie elevators \$\$\$
- Carbon Tax unknown (federal)

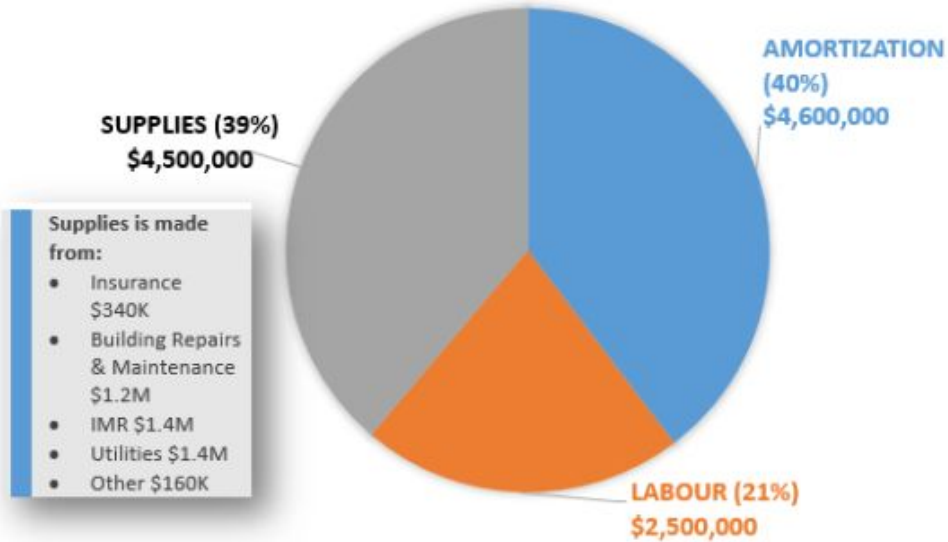


Plant Operations & Maintenance

| Funding | Budget 2019/2020 |
|----------------------------------------|---------------------|
| Alberta Educa | |
| Infrastructure | |
| Amortization | \$4,557,887 |
| Total Funding | \$11,208,394 |
| Expenses | |
| Amortization - Supported & Unsupported | \$4,624,004 |
| Staffing | \$2,533,270 |
| Supplies & Services | \$4,531,181 |
| Total Expenses | \$11,688,455 |
| Total Deficit | \$ (480,061) |

FEDERAL CARBON TAX
 RATE NOT INCLUDED
 IMR FLEXIBILITY?

TOTAL EXPENSES



Building Repairs & Maintenance

| ITEM | COST |
|---------------------------------------------------------------------------|------------------------|
| Caretaking Contracting (48%) | \$ 606,755.00 |
| Caretaking Supplies (12%) | \$ 150,000.00 |
| Snow Removal (12%) | \$ 150,000.00 |
| Garbage (6%) | \$ 77,200.00 |
| HVAC/Plumbing (9%) | \$ 112,000.00 |
| Electrical (3%) | \$ 40,000.00 |
| Security (1%) | \$ 15,000.00 |
| Life Safety (Fire Alarm, Extinguishers, Emergency Lights Inspection) (1%) | \$ 20,000.00 |
| Misc. | \$ 100,000.00 |
| TOTAL | \$ 1,270,955.00 |

Transportation Initiatives

Projected - \$301 K deficit



- 100% board owned routes starting September 2019
- Consolidation of routes while keeping ride times reasonable
- Maintenance adjustments without compromising bus rides
- Continue to source parts from suppliers to reduce costs
- Negotiate with suppliers for reduced pricing
- Reduce bus driver wait time for repairs
- Reduce service time with scheduled maintenance visits

Transportation

| Funding | Budget 2019/2020 |
|----------------------------------------|---------------------|
| Alberta Education | \$3,591,486 |
| Field trip Reimbursement | \$ 75,000 |
| Total Funding | \$3,666,486 |
| Expenses | |
| Amortization - Supported & Unsupported | \$ 746,640 |
| Staffing | \$1,832,900 |
| Supplies & Services | \$1,388,127 |
| Total Expenses | \$3,967,667 |
| Total Deficit | \$ (301,181) |

Use of Savings - What we are planning for?

| Item | Amount |
|------------------------|------------|
| POM Deficit | \$ 480,061 |
| Transportation Deficit | \$ 301,181 |
| Total | \$ 781,242 |

Impact on reserves

- Dependent on Budget Announcement
- Future funding from Alberta Education
- Expenditure Decisions made by Golden Hills
- Enrolment Volatility

Challenges

- Enrolment Volatility
 - Economy
 - Change in Policies
 - Regulations and Reporting
- Other Uncontrolled rising costs
 - Staffing Costs
 - Property Insurance
 - Fuel Prices
 - Other rising costs - impacted by FEX

Staffing Changes

Assumptions grants the same - declining enrolment is only impact.

- Certificated Teachers – down from 18/19
- Support Staff – down from 18/19
- Transportation – increase of 3 FTE due to taking over 3 contracted routes



Alberta Education Template

| | | School Jurisdiction Code: 2155 | | |
|-------------------------------------------------------------------|--|---------------------------------|------------------------------------|--------------------------------|
| BUDGETED STATEMENT OF OPERATIONS for the Year Ending August 31 | | | | |
| | | Approved Budget 2019/2020 | Fall Budget Update 2018/2019 | Actual Audited 2017/2018 |
| REVENUE | | | | |
| Alberta Education | | \$73,678,262 | \$74,030,739 | \$73,460,150 |
| Alberta Infrastructure | | \$327,000 | \$0 | \$0 |
| Other - Government of Alberta | | \$475,529 | \$310,914 | \$361,004 |
| Federal Government and First Nations | | \$1,623,314 | \$1,622,314 | \$1,610,701 |
| Other Alberta school authorities | | | \$0 | \$0 |
| Out of province authorities | | | \$0 | \$0 |
| Alberta Municipalities-special tax levies | | \$47,200 | \$47,200 | \$47,200 |
| Property taxes | | | \$0 | \$0 |
| Fees | | \$1,499,165 | \$1,402,496 | \$1,163,170 |
| Other sales and services | | \$7,463,852 | \$7,046,608 | \$8,940,348 |
| Investment income | | | \$150,000 | \$146,489 |
| Gifts and donations | | \$100,000 | \$165,658 | \$147,226 |
| Rental of facilities | | \$100,000 | \$97,000 | \$150,731 |
| Fundraising | | \$425,000 | \$400,000 | \$416,103 |
| Gains on disposal of capital assets | | | \$0 | \$23,970 |
| Other revenue | | \$2,400,000 | \$2,300,000 | \$655,324 |
| TOTAL REVENUES | | \$88,139,322 | \$87,572,929 | \$87,122,415 |
| EXPENSES | | | | |
| Instruction - Early Childhood Services | | \$3,408,835 | \$3,370,900 | \$3,135,836 |
| Instruction - Grades 1-12 | | \$61,182,138 | \$60,501,271 | \$59,418,148 |
| Plant operations & maintenance | | \$11,208,394 | \$11,754,503 | \$10,710,343 |
| Transportation | | \$3,967,667 | \$4,041,040 | \$4,063,166 |
| Administration | | \$2,705,530 | \$2,591,078 | \$2,780,440 |
| External Services | | \$6,448,000 | \$6,234,137 | \$5,802,517 |
| TOTAL EXPENSES | | \$88,920,564 | \$88,492,929 | \$85,910,450 |
| ANNUAL SURPLUS (DEFICIT) | | (\$781,242) | (\$920,000) | \$1,211,966 |

ark.kkaria:
additional line this year

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

| | Approved Budget 2019/2020 | Fall Budget Update 2018/2019 | Actual Audited 2017/2018 |
|---------------------------------------------|---------------------------------|------------------------------------|--------------------------------|
| EXPENSES | | | |
| Certificated salaries | \$38,921,582 | \$38,978,620 | \$37,367,842 |
| Certificated benefits | \$8,927,416 | \$8,871,338 | \$8,504,733 |
| Non-certificated salaries and wages | \$12,541,875 | \$12,807,899 | \$12,316,314 |
| Non-certificated benefits | \$3,076,086 | \$3,141,333 | \$3,020,764 |
| Services, contracts, and supplies | \$19,301,208 | \$19,002,716 | \$19,078,544 |
| Capital and debt services | | | |
| Amortization of capital assets | | | |
| Supported | \$4,439,887 | \$4,174,344 | \$3,803,670 |
| Unsupported | \$1,565,010 | \$1,369,179 | \$1,567,172 |
| Interest on capital debt | | | |
| Supported | | \$0 | \$0 |
| Unsupported | \$65,000 | \$65,000 | \$60,184 |
| Other interest and finance charges | \$7,500 | \$7,500 | \$15,157 |
| Losses on disposal of capital assets | | \$0 | \$0 |
| Other expenses | \$75,000 | \$75,000 | \$176,071 |
| TOTAL EXPENSES | \$88,920,564 | \$88,492,929 | \$85,910,450 |

Golden Hills School Division No. 75

BUDGET 19/20 INFOGRAPH



Preliminary – June 2019

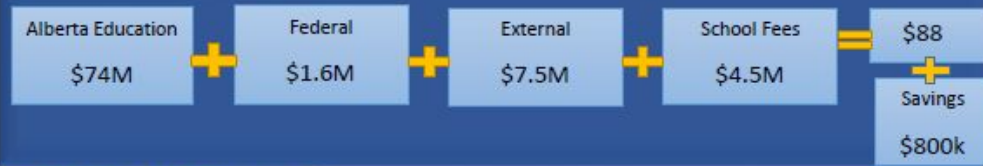
Total Budget ALL Funds \$88.2M

\$800k in savings – Total spend - \$89M

MOTTO: *Powering Hope and Possibilities*

MISSION: Intentionally maximizing learning for all

VISION: Inspiring confident, connected, caring citizens of the world



SALARIES & BENEFITS

| Teachers | Support Staff |
|--------------|---------------|
| \$47,848,998 | \$15,617,961 |
| 54% | 18% |

CONTRACTED SERVICES

\$19,550,708

20%

AMORTIZATION

\$5,902,897

7%

**TOTAL
EXPENDITURES**

\$88,920,564

PROGRAM SUMMARY



| | |
|--------------------------------|--------------|
| Instructional | \$64,590,973 |
| Plant Operations & Maintenance | \$11,208,394 |
| Transportation | \$3,967,667 |
| Administration | \$2,681,018 |
| External Services | \$6,448,000 |

GHSD STAFFING (FTE)

Teachers - 383

Support Staff - 335

Total Staff - 718

Staff & Supplies Expense Comparison



Projected Student Numbers (Total Headcount – 7,052)

Provincial Students – 6,587

Federal Students - 155

International Students - 310



Next Steps



- Board Discussion
- Submit to Alberta Education before June 30, 2019

September 30, 2019 - frozen head count

Budget Announcement - unknown? Mid/late September?

Submit budget in November 2019 with updated enrolment numbers & other changes