

**DATE:** April 25, 2017

**TO:** Board of Trustees

**FROM:** Darrel Robertson, Superintendent of Schools

**SUBJECT:** 2017-2018 Distribution of Funds

**ORIGINATOR:** Todd Burnstad, Chief Financial Officer

**RESOURCE STAFF:** Krista Brandon

**REFERENCE:** [Bill 1: An Act to Reduce School Fees](#)

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## ISSUE

This report identifies the proposed distribution of funds for the 2017-2018 budget.

## BACKGROUND

### Provincial Funding

On March 16, 2017 the provincial government announced funding to school boards for the 2017-2018 school year. With no funding rate decreases to grants and with projected enrolment growth funding, the 2017-2018 budget (Attachment I) reflects the government's commitment to supporting education, even under the current economic situation in Alberta.

In conjunction with the 2017-2018 budget the Alberta government has proposed legislation to reduce school fees for Alberta families with the introduction of *Bill 1: An Act to Reduce School Fees*. Bill 1 contains provision to prevent school authorities from charging for instructional supplies and materials and from charging transportation fees for eligible students taking the bus to their designated school when they reside 2.4 kilometers or more away. In lieu of charging these fees, funding has been provided to the District based on information reported in our 2015-2016 audited financial statements. If passed, Bill 1 will take effect on September 1, 2017.

### Key Message

The Distribution of Funds sets the stage for allocations to schools and central decision units. These allocations support the District's Vision, Mission, and Values as well as the 2014-2018 Priorities.

### Budget Highlights

- With no changes to funding, we have been able to maintain the student allocation rates as well as the staff unit costs at the same levels as in the current year, this results in a fairly "status quo" budget for schools and central decision units. Some schools will be impacted by the projected enrolment growth, but student driven allocations are available to support them.
- A projected enrolment growth of 3.2 per cent or 3,074 new students, brings the total projected enrolment to 98,716 (Attachment II).

## RELATED FACTS

### Budget Assumptions

- Edmonton Public Schools assumes that any compensation adjustment related to the teachers' agreement (which expired in August 2016) will be fully funded by the province. The Distribution of Funds has not included any potential impact in the 2017-2018 budget.
- There is uncertainty with the new *Education Act* around the content and timing (both of which could significantly impact Edmonton Public Schools). As such the Distribution of Funds has not factored in any impact either from a funding or expense point of view.

## RECOMMENDATION

**That Distribution of Funds for the 2017-2018 budget be approved.**

## CONSIDERATIONS and ANALYSIS

### Bill 1: An Act to Reduce School Fees:

We are continuing to gather additional information around Bill 1 and the impact to Edmonton Public School Board. The District is required to submit an updated fee policy and related schedules to the Province before the end of June.

### Accumulated Operating Surplus:

In conjunction with the approval of the distribution of the District's surplus plan (approved on November 29, 2016), surplus funds were directed towards supporting the District's most vulnerable students including our English Language Learners (ELL) as well as our students identified as having severe special needs. This plan included accessing \$6 Million of surplus funds for the 2017-2018 school year to maintain the increased student allocation rates. This has been reflected as access to operating reserve funds on Attachment III.

The District is currently completing a forecast in order to update our projected ending accumulated surplus balance for the year ended August 31, 2017. Once completed, a list of initiatives requiring access to surplus funds will be updated, with the goal to release these funds in conjunction with the spring proposed budget.

## NEXT STEPS

Following approval of the Distribution of Funds, Budget Services will update the budget allocations using the pre-enrolment information (not available until April 24, 2017). The allocations will then be sent out to schools and central decision units on May 1, 2017 for completion of the 2017-2018 Spring Proposed Budget.

## ATTACHMENTS and APPENDICES

|                |  |
|----------------|--|
| ATTACHMENT I   | 2017-2018 Spring Proposed Revenue Budget                 |
| ATTACHMENT II  | Student Draft Projected Enrolment 2017-2018 vs 2016-2017 |
| ATTACHMENT III | Distribution of Funds                                    |
| ATTACHMENT IV  | Request for Increase's to Central Base Allocations       |

TB:ja

**Edmonton Public Schools**  
**2017-2018 Spring Proposed Revenue Budget - Distribution of Funds**

|   | <b>2017-2018<br/>Spring Proposed<br/>Budget</b> | <b>2016-2017<br/>Fall Revised<br/>Budget</b> | <b>Variance<br/>Spring vs Fall<br/>\$</b> | <b>Variance<br/>Spring vs Fall<br/>%</b> | <b>Notes</b> |
|---|---|--|---|--|--------------|
| <b>BASE INSTRUCTION FUNDING</b>                     |   |  |   |  |              |
| Early Childhood Services (ECS) Base Instruction     | \$ 30,680,300                                   | \$ 29,317,600                                | \$ 1,362,700                              | 4.6%                                     |              |
| ECS Class Size                                      | 6,989,100                                       | 6,678,700                                    | 310,400                                   | 4.6%                                     |              |
| Base Instruction (Grades 1 to 9)                    | 433,781,300                                     | 419,352,900                                  | 14,428,400                                | 3.4%                                     |              |
| Class Size (Grades 1 to 3)                          | 35,120,100                                      | 34,433,800                                   | 686,300                                   | 2.0%                                     |              |
|   | <b>506,570,800</b>                              | <b>489,783,000</b>                           | <b>16,787,800</b>                         | <b>3.4%</b>                              | 1            |
| High School (Grades 10 to 12)                       | <b>156,107,200</b>                              | 152,755,000                                  | 3,352,200                                 | 2.2%                                     | 1            |
| Base Instruction Metro (Grades 10 to 12)            | 906,500   | 906,500                                      | -   | -  |              |
| Base Instr. Metro Summer (Grades 10 to 12)          | 5,544,200                                       | 5,544,200                                    | -   | -  |              |
| Outreach Site Funding                               | 377,800   | 377,800                                      | -   | -  |              |
| Home Education                                      | 691,700   | 691,700                                      | -   | -  |              |
|   | <b>7,520,200</b>                                | <b>7,520,200</b>                             | <b>-</b>                                  | <b>-</b>                                 | 2            |
| <b>SUBTOTAL BASE INSTRUCTION FUNDING</b>            | <b>670,198,200</b>                              | <b>650,058,200</b>                           | <b>20,140,000</b>                         | <b>3.1%</b>                              | 1            |
| <b>DIFFERENTIAL COST FUNDING</b>                    |   |  |   |  |              |
| ECS Program Unit Funding (PUF)                      | 41,136,700                                      | 41,136,700                                   | -   | -  | 2            |
| Inclusive Education                                 | 65,864,100                                      | 65,864,100                                   | -   | -  | 2            |
| English as a Second Language (ESL)                  | 20,902,000                                      | 20,902,000                                   | -   | -  | 2            |
| First Nations, Metis and Inuit Education (FNMI)     | 9,507,300                                       | 9,507,300                                    | -   | -  | 2            |
| Building Collaboration and Capacity                 | 30,750  | 30,750                                       | -   | -  | 3            |
| Socio Economic Status                               | 10,958,600                                      | 10,958,600                                   | -   | -  | 2            |
| Plant Operations and Maintenance (PO&M)             | 68,827,600                                      | 68,827,600                                   | -   | -  | 2            |
| Metro Urban Transportation                          | 24,788,300                                      | 24,788,300                                   | -   | -  | 2            |
| ECS Special Transportation                          | 2,472,800                                       | 2,472,800                                    | -   | -  | 2            |
| School and Transportation Fees Reduction            | 7,995,000                                       | -  | 7,995,000                                 | 100.0%                                   | 4            |
| Equity of Opportunity                               | 9,174,700                                       | 9,174,700                                    | -   | -  |              |
| Federal French Funding                              | 590,000   | 590,000                                      | -   | -  |              |
| <b>SUBTOTAL DIFFERENTIAL COST FUNDING</b>           | <b>262,247,850</b>                              | <b>254,252,850</b>                           | <b>7,995,000</b>                          | <b>3.1%</b>                              |              |
| <b>PROVINCIAL PRIORITY TARGETED FUNDING</b>         |   |  |   |  |              |
| High Speed Networking                               | 2,275,200                                       | 2,198,400                                    | 76,800                                    | 3.5%                                     | 5            |
| <b>SUBTOTAL PROVINCIAL PRIORITY FUNDING</b>         | <b>2,275,200</b>                                | <b>2,198,400</b>                             | <b>76,800</b>                             | <b>3.5%</b>                              |              |
| <b>OTHER PROVINCIAL SUPPORT</b>                     |   |  |   |  |              |
| Institutional Support                               | 10,220,700                                      | 10,220,700                                   | -   | -  | 2            |
| Regional Collaborative Service Delivery (RCSD)      | 3,883,800                                       | 3,883,800                                    | -   | -  | 2            |
| Provincial School Lease Support                     | 2,052,600                                       | 2,052,600                                    | -   | -  | 2            |
| Narrowing Teacher's Salary Gap                      | 239,000   | 239,000                                      | -   | -  | 2            |
| Reduction in System Admin & School Board Governance | (4,182,000)                                     | (3,973,000)                                  | (209,000)                                 | 5.3%                                     | 6            |
| <b>SUBTOTAL OTHER PROVINCIAL SUPPORT</b>            | <b>12,214,100</b>                               | <b>12,423,100</b>                            | <b>(209,000)</b>                          | <b>(1.7%)</b>                            |              |
| <b>TOTAL PROVINCIAL OPERATIONAL FUNDING</b>         | <b>946,935,350</b>                              | <b>918,932,550</b>                           | <b>28,002,800</b>                         | <b>3.0%</b>                              |              |

**Edmonton Public Schools**  
**2017-2018 Spring Proposed Revenue Budget - Distribution of Funds**

|  | 2017-2018<br>Spring Proposed<br>Budget | 2016-2017<br>Fall Revised<br>Budget | Variance<br>Fall vs Spring<br>\$ | Variance<br>Fall vs Spring<br>% | Notes    |
|--|--|-------------------------------------|----------------------------------|---------------------------------|----------|
| <b>CAPITAL AND IMR FUNDING</b>   |  |                                     |                                  |                                 |          |
| Infrastructure Maintenance Renewal (IMR)                                     | 9,673,300                              | 9,673,300                           | -                                | -                               | 2        |
| Amortization of Capital Allocations and<br>Expended Deferred Capital Revenue | 35,137,200                             | 35,137,200                          | -                                | -                               | 2        |
| <b>CAPITAL AND IMR FUNDING</b>   | <b>44,810,500</b>                      | <b>44,810,500</b>                   | <b>-</b>                         | <b>-</b>                        |          |
| <b>OTHER PROVINCIAL REVENUES</b>   |  |                                     |                                  |                                 |          |
| Tuition Agreements   | 1,262,500                              | 1,262,500                           | -                                | -                               | 7        |
| Secondments - Provincial   | 2,889,000                              | 2,889,000                           | -                                | -                               | 7        |
| Alberta Education Conditional Grants   | 428,800                                | 428,800                             | -                                | -                               | 7        |
| Alberta Teachers' Retirement Fund (ATRF)                                     | 56,915,300                             | 56,915,300                          | -                                | -                               | 2        |
| <b>SUBTOTAL OTHER PROVINCIAL REVENUES</b>                                    | <b>61,495,600</b>                      | <b>61,495,600</b>                   | <b>-</b>                         | <b>-</b>                        |          |
| <b>TOTAL GOVERNMENT OF ALBERTA</b>   | <b>1,053,241,450</b>                   | <b>1,025,238,650</b>                | <b>28,002,800</b>                | <b>2.7%</b>                     |          |
| <b>OTHER PROVINCIAL GRANTS</b>   | <b>3,042,800</b>                       | <b>3,042,800</b>                    | <b>-</b>                         | <b>-</b>                        | <b>7</b> |
| <b>FEDERAL GOVERNMENT AND FIRST NATIONS</b>                                  | <b>2,364,600</b>                       | <b>2,364,600</b>                    | <b>-</b>                         | <b>-</b>                        | <b>7</b> |
| <b>OTHER ALBERTA SCHOOL AUTHORITIES</b>                                      | <b>795,800</b>                         | <b>795,800</b>                      | <b>-</b>                         | <b>-</b>                        | <b>7</b> |
| <b>FEES</b>  |  |                                     |                                  |                                 |          |
| School Fees - School Generated Funds   | 10,639,300                             | 13,300,000                          | (2,660,700)                      | (20.0%)                         | 4        |
| Transportation Fees  | 6,937,200                              | 12,271,500                          | (5,334,300)                      | (43.5%)                         | 4        |
| Lunch Program Fees   | 4,166,800                              | 4,166,800                           | -                                | -                               | 7        |
| Metro Continuing Education Fees  | 556,400                                | 556,400                             | -                                | -                               | 7        |
| Textbook Rental Fees   | 1,390,800                              | 1,390,800                           | -                                | -                               | 7        |
| Music Instrument & Other Material Fees                                       | 292,700                                | 292,700                             | -                                | -                               | 7        |
| <b>SUBTOTAL FEES</b>   | <b>23,983,200</b>                      | <b>31,978,200</b>                   | <b>(7,995,000)</b>               | <b>(25.0%)</b>                  |          |
| <b>OTHER SALES AND SERVICES</b>  |  |                                     |                                  |                                 |          |
| International Student Tuition  | 7,050,000                              | 7,050,000                           | -                                | -                               | 7        |
| Sales and Services - Schools & Central DU's                                  | 5,133,800                              | 5,133,800                           | -                                | -                               | 7        |
| Other Sales and Services - School Generated Funds                            | 5,300,000                              | 5,300,000                           | -                                | -                               | 7        |
| Secondments - Other Entities   | 1,238,200                              | 1,238,200                           | -                                | -                               | 7        |
| Adult Education  | 2,185,200                              | 2,185,200                           | -                                | -                               | 7        |
| <b>SUBTOTAL SALES AND SERVICES</b>   | <b>20,907,200</b>                      | <b>20,907,200</b>                   | <b>-</b>                         | <b>-</b>                        |          |
| <b>INVESTMENT INCOME</b>   | <b>3,200,000</b>                       | <b>3,200,000</b>                    | <b>-</b>                         | <b>-</b>                        | <b>7</b> |
| <b>GIFTS AND DONATIONS</b>   |  |                                     |                                  |                                 |          |
| School Gifts and Donations   | 5,590,700                              | 5,590,700                           | -                                | -                               | 7        |
| EPSB Foundation Support  | 450,000                                | 450,000                             | -                                | -                               | 7        |
| <b>SUBTOTAL GIFTS AND DONATIONS</b>  | <b>6,040,700</b>                       | <b>6,040,700</b>                    | <b>-</b>                         | <b>-</b>                        |          |
| <b>FUNDRAISING - School Generated Funds</b>                                  | <b>1,900,000</b>                       | <b>1,900,000</b>                    | <b>-</b>                         | <b>-</b>                        | <b>7</b> |
| <b>RENTAL OF FACILITIES</b>  | <b>4,971,000</b>                       | <b>4,971,000</b>                    | <b>-</b>                         | <b>-</b>                        | <b>7</b> |
| <b>TOTAL OPERATING REVENUE</b>   | <b>\$ 1,120,446,750</b>                | <b>\$ 1,100,438,950</b>             | <b>\$ 20,007,800</b>             | <b>1.8%</b>                     |          |



**Notes to the  
2017-2018 Spring Proposed Revenue Budget - Distribution of Funds**

*Unless otherwise noted, variance explanations have been provided for amounts where the 2017-2018 spring proposed budget differs from the 2016-2017 fall revised budget by more than 5%.*

**1 Base Instruction Funding**

The overall increase in base instruction funding is due to a projected enrolment growth of 3,074 students (see Attachment II for additional details). For 2017-2018, there are no increases in the per student funding rates, however, the Province is funding enrolment growth.

**2 Various Grants**

The budget amounts have been carried forward from 2016-2017 and will be updated when the budgets are completed in the spring. These budgets are a flow-through where any change from the amount currently shown will be offset by an equivalent amount allocated to schools or central decision units.

**3 Building Collaboration and Capacity in Education (BCCE)**

This is the second year of a three year grant that started in 2016-2017. The purpose of this grant is to increase opportunities for First Nations students to receive culturally responsive and meaningful education programs and services through enhanced collaboration and coordination among education stakeholders. The grant provides \$335 per First Nation student residing on a reserve but attending EPSB. In addition, EPSB submitted a grant application requesting \$14,000/ year for a total of \$42,000 over the three years.

**4 School and Transportation Fees Reduction**

This targeted funding is related to Bill 1: An Act to Reduce School Fees. To support Bill 1, during its initial year of implementation, funding is provided based on 100% of the basic instruction supplies fee revenue reported on our 2015-2016 audited financial statements. The transportation fee portion is based on 45% of the transportation fee revenue that was also reported on our 2015-2016 audited financial statements. There may be additional requirements related to this funding when the regulation is finalized. The increase in funding received to support Bill 1 is offset by the equivalent amount of a decrease in fee revenue.

**5 High Speed Networking**

Also known as SuperNet, the District receives \$800 per month per approved site. The increase reflects the closing of 3 schools and the opening of 11 new schools in September 2017.

**6 Reduction in System Admin & School Board Governance**

Alberta Education began processing a deduction from school jurisdictions payments equivalent to 10 per cent of boards' allowable administration maximum in the 2013-2014 school year. The deduction was originally calculated based on total expenditures in the 2011-2012 audited financial statements and has increased year over year since it was implemented.

**7 Other Provincial Revenues/Grants, Fees, Sales and Services, Gifts and Donations, Fundraising & Rental of Facilities**

The budget amount has been carried forward from 2016-2017 and will be updated in the spring when the budget amounts are entered directly by the individual school or central decision unit.

**Edmonton Pubic Schools**  
**Projected 2017-2018 vs September 30, 2016 Enrolment, Proposed 2016-2017 Enrolment**  
**Funded vs Other**

| <b>Student Enrolment by Division</b> | <i>DRAFT</i><br><b>2017-2018<br/>Projected<br/>Enrolment</b> | <b>2016-2017<br/>September 30<br/>Actual Enrolment</b> | <b>Enrolment<br/>Increase</b> | <b>Variance<br/>%</b> | <b>2015-2016<br/>September 30<br/>Actual Enrolment</b> |
|--------------------------------------|--|--|-------------------------------|-----------------------|--|
| <b>Funded Students:</b>              |  |  |                               |                       |  |
| Early Childhood Services (ECS)       | <b>9,186</b>   | 8,778  | 408                           | 4.6%                  | 8,575  |
| Elementary                           | <b>45,021</b>  | 43,385   | 1,636                         | 3.8%                  | 41,304   |
| Junior High                          | <b>19,919</b>  | 19,394   | 525                           | 2.7%                  | 18,790   |
| Senior High                          | <b>23,578</b>  | 23,072   | 506                           | 2.2%                  | 22,661   |
| Subtotal - Enrolment for Grades 1-12 | <b>88,517</b>  | 85,851   | 2,666                         | 3.1%                  | 82,755   |
| <b>Subtotal Funded Students</b>      | <b>97,703</b>  | 94,629   | 3,074                         | 3.2%                  | 91,330   |
| <b>Subtotal Other Students</b>       | <b>1,013</b>   | 1,013  | -                             | 0.0%                  | 1,028  |
| <b>Total Student Enrolment</b>       | <b>98,716</b>  | 95,642   | 3,074                         | 3.2%                  | 92,358   |

NOTE: The 2017-2018 projected enrolment figures are preliminary and will be updated using actual pre-enrolment data.

**Edmonton Public Schools**  
**2017-2018 Spring Proposed Budget - Distribution of Funds**  
**Total Allocations**

|   |           | <b>2017-2018<br/>Spring Proposed<br/>Budget</b> | <b>2016-2017<br/>Fall Revised<br/>Budget</b> |           | <b>Variance<br/>\$</b> | <b>Variance<br/>%</b> | <b>Notes</b> |
|---|-----------|---|--|-----------|------------------------|-----------------------|--------------|
| <b>Projected Revenue</b>                        | <b>**</b> |   |  | <b>**</b> |                        |                       |              |
| Operating Revenue                               |           | <b>\$ 1,120,446,750</b>                         | \$ 1,100,438,950                             |           | \$ 20,007,800          | 1.8%                  |              |
| Operating Reserve Funds *                       |           | <b>6,000,000</b>                                | 60,752,015                                   |           | (54,752,015)           | (90.1%)               | *            |
| Operating Revenue                               |           | <b>\$ 1,126,446,750</b>                         | \$ 1,161,190,965                             |           | <b>\$ (34,744,215)</b> | <b>(3.0%)</b>         |              |
| <b>School Allocations</b>                       |           |   |  |           |                        |                       |              |
| School Allocations Levels 1 to 8                |           | <b>\$ 649,344,909</b>                           | \$ 633,874,832                               |           | \$ 15,470,077          | 2.4%                  | 1            |
| Other Supplemental School Allocations           |           | <b>149,148,369</b>                              | 151,127,460                                  |           | (1,979,091)            | (1.3%)                | 2            |
|   |           | <b>798,493,278</b>                              | 785,002,292                                  |           | 13,490,986             | 1.7%                  |              |
| School Generated Funds/External Revenues        |           | <b>33,046,366</b>                               | 35,707,066                                   |           | (2,660,700)            | (7.5%)                | 3            |
| <b>Subtotal School Allocations</b>              | 73.8%     | <b>831,539,644</b>                              | 820,709,358                                  | 73.6%     | 10,830,286             | 1.3%                  |              |
| <b>Other Allocations</b>                        |           |   |  |           |                        |                       |              |
| Metro Continuing Education                      |           | <b>11,715,296</b>                               | 11,715,296                                   |           | -                      | -                     | 4            |
| External Revenue Allocations - Central          |           | <b>12,198,295</b>                               | 12,198,295                                   |           | -                      | -                     | 4            |
| District Level Fixed Costs                      | 6.4%      | <b>71,876,867</b>                               | 73,800,067                                   | 6.6%      | (1,923,200)            | (2.6%)                | 5            |
| District Level Committed Costs                  | 7.3%      | <b>82,470,556</b>                               | 82,610,556                                   | 7.4%      | (140,000)              | (0.2%)                | 6            |
|   |           | <b>178,261,014</b>                              | 180,324,214                                  |           | (2,063,200)            | (1.1%)                |              |
| Central Decision Units***                       | 5.3%      | <b>59,730,792</b>                               | 57,650,905                                   | 5.2%      | 2,079,887              | 3.6%                  | 7            |
| <b>Subtotal Other Allocations</b>               |           | <b>237,991,806</b>                              | 237,975,119                                  |           | 16,687                 | 0.0%                  |              |
| <b>Alberta Teachers' Retirement Fund (ATRF)</b> |           | <b>56,915,300</b>                               | 56,915,300                                   |           | -                      | -                     | 8            |
| <b>Total Allocations</b>                        |           | <b>1,126,446,750</b>                            | 1,115,599,777                                |           | 10,846,973             | 1.0%                  |              |
| Planned Use of Reserves *                       |           | -   | 45,591,188                                   |           | (45,591,188)           | (100.0%)              | *            |
| <b>Total Budget</b>                             |           | <b>\$ 1,126,446,750</b>                         | \$ 1,161,190,965                             |           | <b>\$ (34,744,215)</b> | <b>(3.0%)</b>         |              |

\* In conjunction with the approval of the distribution of the District's surplus plan (approved on November 29, 2016), surplus funds were directed towards supporting the District's most vulnerable students including our English Language Learners (ELL) as well as our students identified as having severe special needs. This plan included accessing \$6 Million of surplus funds for the 2017-2018 school year to maintain the increased student allocation rates.

The District is currently completing a forecast in order to update our projected ending accumulated surplus balance for the year ended August 31, 2017. Once completed, an updated list of initiatives requiring access to surplus funds will be forwarded for approval, with the goal to release these funds in conjunction with the spring proposed budget.

\*\* The amount as a percentage of the total allocations (prior to using any reserve funds).

\*\*\* The maximum expenditure for system administration and school board governance is 3.6 per cent. The total amount allocated to Central Decision Units includes portions allocated to instruction and are not included in the 3.6 per cent cap calculation.

**Notes to the  
2017-2018 Spring Proposed Budget - Distribution of Funds  
Total Allocations**

*Unless otherwise noted, variance explanations have been provided for amounts where the 2017-2018 spring proposed budget differs from the 2016-2017 fall revised budget by more than 5%.*

**1 School Allocations Levels 1 to 8**

School Allocations for the distribution of funds report are based on high level enrolment projections which predict the number of students at each grade level and the number of students in need of specialized supports and services. For 2017-2018, there have been no changes to the per student allocation rates. The allocations will be updated for the spring proposed budget using updated pre-enrolment data.

**2 Other Supplemental School Allocations**

Included in this category of school allocations are Equity Fund, Enhanced Support for Schools, amiskwaciy Academy base rent and Program Enhancement allocations. Specific changes in some of the allocations are included below:

| Allocation  | Details  | \$ Variance<br>Increase<br>/(Decrease) |
|---|--|--|
| <u>Base Allocation</u>                                      | The Base Allocation pays for the unit cost of a school principal, head custodian, and an administrative assistant for a school with optimal enrolment. With 3 schools closing and 11 new schools opening in September the amount of funds required for the base allocation will be increased.  | 2,120,000                              |
| <u>Program Enhancement Allocations</u>                      | There was a small prior year carry forward that has been removed.  | (127,945)                              |
| <u>School Fees Reduction</u>                                | In support of Bill 1: <i>An Act to Reduce School Fees</i> a new allocation will be provided to schools to offset the amount previously collected in the form of fees to parents for instructional materials and supplies. The amount now allocated is directly linked to the amount of funding being received from the province for this initiative. | 2,660,700                              |
| <u>Equity Fund</u>  | The Equity Fund has been adjusted back to the base amount of \$4 Million, as the 2016-2017 fall budget allocation included additional surplus funds.   | (5,556,232)                            |
| <u>High Social Vulnerability - 1 Year Transitional Fund</u> | Based on a recommendation report by the 2015-2016 Budget Allocation Principal Committee, the High Social Vulnerability calculation was updated. Part of the recommendation report included providing a 1 year transitional fund for the 2016-2017 school year, as such, this transitional allocation will be discontinued for 2017-2018.             | (1,075,614)                            |
|   |  | <b>(1,979,091)</b>                     |

**3 School Generated Funds/External Revenues**

School generated funds are funds raised in the community for expenses at the school level. School external revenues previously included textbook rental fees, lunch program fees, grants, as well as school lease rentals. In compliance with Bill 1, effective September 1, 2017, the District can no longer charge for instructional supplies or materials. The current decrease reflects only the portion of fees that are now being funded by the Province. The full impact of Bill 1 on this revenue category will be updated when the schools complete their spring budgets.



**Notes to the  
2017-2018 Spring Proposed Budget - Distribution of Funds  
Total Allocations**

*Unless otherwise noted, variance explanations have been provided for amounts where the 2017-2018 spring proposed budget differs from the 2016-2017 fall revised budget by more than 5%.*

**4 Metro Continuing Education & External Revenue Allocations - Central**

The budget amount has been carried forward from 2016-2017 and will be updated when the budgets are completed in the spring as the budget is entered directly by the individual central decision unit. The central external revenue is comprised mostly of secondment revenue from the Alberta Government, other grants, and lease and parking revenue.

**5 District Level Fixed Costs**

These allocations have been updated to reflect the anticipated fixed costs for 2017-2018.

**6 District Level Committed Costs**

These allocations include Facility and Maintenance Services (to support schools and central), staff supply services, student transportation, partnership commitments, audit fees, and secondments. The decrease is related to the removal of an initial allocation provided for the first year to cover the costs of shared SRO's for 4 Junior High Schools. This cost will now be covered by the schools starting in 2017-2018.

Also included in this category are the transportation fees charged by the District. This includes the amounts charged for regular bus services to and from school (excluding field trips) as well as the sale of public transit bus passes to qualifying students. In compliance with Bill 1, effective September 1, 2017 the District can no longer charge transportation fees to students going to their designated school if that school is greater than 2.4 kilometers from home. The province has provided an estimated amount of funding to offset the estimated impact of Bill 1. Therefore, the current figure reflects the decrease in fee revenue offset by the equivalent amount of funding being received. EPSB is analyzing the estimate provided by the Province for reasonability. This amount will be updated closer to finalizing the 2017-2018 budget.

**7 Central Decision Units**

As the District continues to grow, the work of the central decision units also increases in order to support the additional students. On average, the percentage of funds allocated to central decision units remains around 5% of the District's total annual operating budget. As such, the proposed distribution of funds includes a placeholder of \$2.1 million for potential increases for central decision units. Included on Attachment IV is a listing of the requests by central. Upon approval, increases in base allocation will be reflected in the 2017-2018 budget.

**8 Alberta Teachers' Retirement Fund (ATRF)**

This amount represents a flow-through of teacher retirement benefits paid by the Province on behalf of our teachers and matches the revenue from the Province.

**EPSB - Requests for Increases to Central Base Allocations - 2017-2018**

These requests are for ongoing initiatives/work and NOT for one time projects.

|   | Director/Managing Director | Description/Rationale for ongoing increase to Base Allocation   | Amount of Increase to Base (\$) |
|---|----------------------------|---|---------------------------------|
| 1 | Leona Morrison             | <u>Inclusive Learning</u> - Mobile Mental Health Transition Team. This team has been in place for a little more than a year and consists of a clinical psychologist, mental health nurse and clinical social worker. The team has served nearly 50 families so far. The focus of their work is to support students (and their families) with complex mental health concerns transition into, and out of, tertiary services and programming.   | 376,000                         |
| 2 | Leona Morrison             | <u>Diversity Education</u> - Diversity & Comprehensive School Health Teams - Request includes funds for 0.5 Admin Assistant, a full time coordinator for the Comprehensive School Health initiatives and additional dollars to continue with enhanced opportunities for training in the area of Mental Health supports (MHFA, Go To Educator and roll out of the District's Mental Health Framework).   | 232,000                         |
| 3 | Lisa Austin                | <u>Communications</u> - 1 FTE for videographer. We hired a videographer on contract last spring. Since then, they have produced more than 55 minutes' worth of videos on various topics for the District, from infrastructure to staff group appreciation and how to get ready for the first day of school. One minute of finished/produced video costs about \$1500. So, the videographer has almost cost recovered their entire FTE in less than a year. Videos, particularly when distributed through our social media channels, continue to be a very effective way for us to engage with our stakeholders. | 115,052                         |
| 4 | Lisa Austin                | <u>Communications</u> - 1 FTE for Intranet Coordinator. Over the last two years, the District has invested a significant amount of money to redevelop and rebuild the District Intranet (Staffroom). With the launch of the new, robust Intranet set for 2017-18, this FTE is essential to the ongoing caretaking and improvement of the Intranet so we protect our investment and ensure the tool continues to be an effective and useful resource for staff.  | 115,052                         |
| 5 | Angela Anderson            | <u>HR Staff Relations</u> - Currently an Administrative Assistant is shared between Leadership Development and Staff Relations. Due to the increased volume in both areas, a 1.0 FTE Administrative Assistant is required in each (an addition of 1.0 FTE). This will ensure adequate support is provided to handle the increasing growth and complexity of these two portfolios and will ensure that service meets required timelines.   | 94,939                          |

| Director/Managing Director  | Description/Rationale for ongoing increase to Base Allocation | Amount of Increase to Base (\$) |
|---|---|---------------------------------|
| 6   | Angela Anderson   | 171,039                         |
| <p><u>HR Leadership Development</u> - Over the past four years, the leadership development framework has experienced significant growth. Attendance in the leadership development modules has reached over 500 employees and nearly 100 aspiring and newly appointed principals are being supported through Principal Readiness Programs. Base allocation currently provides for one full-time supervisor with principal experience and one full-time consultant who has no school experience, as well as a 0.5 Administrative Assistant. Over the past year, development and delivery in this portfolio was supported by working with 6 principal consultants who were externally contracted. In order to ensure effective succession planning, high quality program delivery and consistency, a second full-time supervisor is required. This will allow us to reduce the budget required for external resources by over two-thirds.</p>  |   |                                 |
| 8   | Angela Anderson   | 75,591                          |
| <p><u>HR Compensation &amp; Labour Relations</u> - The existing payroll team processes 38 payrolls per year. With a total of 13,427 staff, each Payroll Clerk supports 3,400 to 3,500 employees. This is an increase from approximately 2,500 employees per Payroll Clerk over the past five years. With three new schools last year and 11 more opening this fall, the team will continue to experience significant increases in volume. Due to the increasing complexity of the payroll function, the increased volume, and to support ongoing accuracy and service, an additional Payroll Clerk is required.</p>   |   |                                 |
| 7   | Angela Anderson   | 280,182                         |
| <p><u>HR Consulting</u> - 1 FTE Business Staffing Consultant and 1 FTE Teacher Staffing Consultant. These positions are required for the increased staffing needs created by new school openings and equity fund projects. This will decrease the number of schools supported by consultant from approximately 68 to 52, resulting in more timely service and support. Additionally, the number of teacher contracts issued increased by approximately 51 percent in the 2016-17 school year. This trend is expected to continue. In the Business Staffing area, an increased focus on fit for the specific needs Educational Assistant roles has resulted in more effective hiring to position, but has significantly increased the time required by Staffing Consultants. Educational Assistants have been an area of need in our staffing efforts (approximately two-thirds of all business staffing to support positions is for Educational Assistants) and we expect the number of EAs required for the coming school year to continue to increase by 75 to 100.</p> |   |                                 |

| Director/Managing Director                                      | Description/Rationale for ongoing increase to Base Allocation  | Amount of Increase to Base (\$) |
|---|--|---------------------------------|
| 9 Angela Anderson   | <u>HR Consulting</u> - Due to the ongoing District shortage of EAs and the number of individuals new to the role, an additional EA mentor is required. The District is looking at launching an EA training program this summer which will require support. In addition, the EA Mentors deliver the NVCI training which takes them out of schools where the support is needed.  | 72,777                          |
| 10 Angela Anderson  | <u>HR Consulting</u> - In the 2016-17 school year, the District launched a staff development registration system (PDR). This system will allow for much better coordination and tracking of training and professional development across the District. In order to best leverage the opportunities from the investment made, a dedicated PDR Coordinator is required. Currently there are 10,559 participants in 545 courses managed on this system. This position was previously included in the project budget.  | 67,011                          |
| 11 Angela Anderson  | <u>HR Consulting</u> - 1 FTE Administrative Assistant Mentor is required to support transition of Administrative Assistants due to retirements and new school openings. Schedules of the two existing AA mentors are booked four weeks out, allowing little room to respond to emergent needs. We also have seen a decrease in the number of retired Administrative Assistants interested in long term assignments, increasing support needs for new staff. In the current Administrative Assistant pool, almost 50 percent are 55 or older, with about 40 percent of those individuals over the age of 60. Given these demographics, we expect an ongoing requirement to support new Administrative Assistants. | 81,336                          |
| 12 Nancy Petersen   | <u>District Support Services</u> - increase of 1.0 FTE Supervisor position. Rationale: Increase in calls, expulsions and the addition of the VTRA (Violence Threat Risk Assessment) work. Also includes an increase of \$25K for SES to allow for staff training.  | 167,242                         |
| 13 Nancy Petersen/Grace Cooke                                   | <u>Information Security</u> - increase to base to enable unit to hire a 1.0 FTE. The unit currently has 2.0 FTE. This level of staffing is not sufficient to support the demand of work, or to enable the team to benefit from the potential of some of the equipment and software that can be proactive in nature. An additional staff member would also build capacity and reflect transition planning as one looks long term at the staffing make-up of the unit.   | 65,000                          |
| <b>Request for increase to Base Allocation for 2017-2018</b>    |  | <b>\$1,913,221</b>              |
| Estimated NET increase of DST Reorganization for 2017-2018      |  | <b>\$166,666</b>                |
| <b>Total increase to Central Decision Units Base Allocation</b> |  | <b>\$2,079,887</b>              |