

DATE: June 20, 2017

TO: Board of Trustees

FROM: Darrel Robertson, Superintendent of Schools

SUBJECT: Approval of 2017-2018 Budget

ORIGINATOR: Todd Burnstad, Chief Financial Officer

RESOURCE STAFF: Krista Brandon, Todd Burnstad, Vanessa-Croswell-Klettke

REFERENCE: N/A

ISSUE

At the June 6, 2016 Caucus meeting, the 2017-2018 spring proposed budget was presented to the Board of Trustees for information and discussion.

BACKGROUND

On March 16, 2017 the provincial government announced the funding allocations to school boards for the 2017-2018 school year.

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 provisions 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. Bill 1 will take effect on September 1, 2017.

The 2017-2018 Distribution of Funds was approved by the Board on April 25, 2017 and forms the basis of assumptions used to complete the spring proposed budget.

RELATED FACTS

Edmonton Public School's mission is to inspire student success through high quality learning opportunities, supported by meaningfully engaging students, parents, staff and community.

- Edmonton Public Schools is projecting enrolment growth of 3.6 per cent or 3,438 net students, bringing the total projected enrolment to 99,080 (Attachment II).
- With no change to the base instruction grants received by the province, the 2017-2018 student allocation rates remained at the same levels as 2016-2017.

RECOMMENDATION

1. That the 2017-2018 Budget of \$1,161,205,358 be approved.
2. That the budget report for the year ending August 31, 2018 be approved.

CONSIDERATIONS and ANALYSIS

- Schools and central decision units have completed their budgets using the allocated resources approved in the 2017-2018 Distribution of Funds document.

NEXT STEPS

Once approved the 2017-2018 proposed budget will be posted to the District's website, and the budget report will be submitted to Alberta Education by June 30, 2017.

ATTACHMENTS and APPENDICES

ATTACHMENT I	2017-2018 Proposed Revenue Budget
ATTACHMENT II	Projected 2017-2018 Student Enrolment
ATTACHMENT III	2017-2018 Proposed Budget – Total Allocations
ATTACHMENT IV	2017-2018 Proposed Budget – Direct School Allocations
ATTACHMENT V	2017-2018 Proposed Budget – Other Allocations
ATTACHMENT VI	2017-2018 Proposed Budget – Staffing FTE Comparison
ATTACHMENT VII	2016-2019 Accumulated Operating Surplus Plan
ATTACHMENT VIII	2017-2018 Central Initiatives to Support Schools - Notes
ATTACHMENT IX	2017-2018 Alberta Education Budget Report – TO BE INSERTED JUNE 19, 2017

TB:ja

Edmonton Public Schools
2017-2018 Spring Proposed Revenue Budget

	2017-2018 Spring Proposed Budget (Spring)	2017-2018 Distribution of Funds (Doff)	2016-2017 Fall Revised Budget (Fall)	Variance Spring vs Doff \$	Variance Spring vs Fall \$	Variance Spring vs Fall %	Notes
BASE INSTRUCTION FUNDING							
Early Childhood Services (ECS) Base Instruction	\$ 31,602,100	\$ 30,680,300	\$ 29,317,600	\$ 921,800	\$ 2,284,500	7.8%	
ECS Class Size	7,199,100	6,989,100	6,678,700	210,000	520,400	7.8%	
Base Instruction (Grades 1 to 9)	435,845,300	433,781,300	419,352,900	2,064,000	16,492,400	3.9%	
Class Size (Grades 1 to 3)	35,684,600	35,120,100	34,433,800	564,500	1,250,800	3.6%	
	510,331,100	506,570,800	489,783,000	3,760,300	20,548,100	4.6%	
High School (Grades 10 to 12)	154,992,900	156,107,200	152,755,000	(1,114,300)	2,237,900	1.6%	1
Base Instruction Metro (Grades 10 to 12)	934,900	906,500	906,500	28,400	28,400	3.1%	
Base Instr. Metro Summer (Grades 10 to 12)	5,811,400	5,544,200	5,544,200	267,200	267,200	4.8%	
Outreach Site Funding	314,900	377,800	377,800	(62,900)	(62,900)	(16.6%)	2
Home Education	691,700	691,700	691,700	-	-	-	
	7,752,900	7,520,200	7,520,200	232,700	232,700	3.3%	
SUBTOTAL BASE INSTRUCTION FUNDING	673,076,900	670,198,200	650,058,200	2,878,700	23,018,700	3.5%	1
DIFFERENTIAL COST FUNDING							
ECS Program Unit Funding (PUF)	44,601,900	41,136,700	41,136,700	3,465,200	3,465,200	8.4%	3
Inclusive Education	70,699,000	65,864,100	65,864,100	4,834,900	4,834,900	7.3%	4
English as a Second Language (ESL)	22,450,000	20,902,000	20,902,000	1,548,000	1,548,000	7.4%	5
First Nations, Metis and Inuit Education (FNMI)	9,507,300	9,507,300	9,507,300	-	-	-	6
Building Collaboration and Capacity	30,750	30,750	30,750	-	-	-	7
Socio Economic Status	11,147,300	10,958,600	10,958,600	188,700	188,700	1.7%	
Plant Operations and Maintenance (PO&M)	71,067,000	68,827,600	68,827,600	2,239,400	2,239,400	3.3%	8
Metro Urban Transportation	24,501,800	24,788,300	24,788,300	(286,500)	(286,500)	(1.2%)	3
ECS Special Transportation	2,400,000	2,472,800	2,472,800	(72,800)	(72,800)	(2.9%)	3
Bill 1:							
School Fees Reduction Grant	2,660,800	2,660,800	-	-	2,660,800	100.0%	9
Transportation Fees Reduction Grant	5,334,200	5,334,200	-	-	5,334,200	100.0%	9
Equity of Opportunity	9,323,000	9,174,700	9,174,700	148,300	148,300	1.6%	
Federal French Funding	590,000	590,000	590,000	-	-	-	
SUBTOTAL DIFFERENTIAL COST FUNDING	274,313,050	262,247,850	254,252,850	12,065,200	20,060,200	7.9%	
PROVINCIAL PRIORITY TARGETED FUNDING							
High Speed Networking	2,275,200	2,275,200	2,198,400	-	76,800	3.5%	10
SUBTOTAL PROVINCIAL PRIORITY FUNDING	2,275,200	2,275,200	2,198,400	-	76,800	3.5%	
OTHER PROVINCIAL SUPPORT							
Institutional Support	10,378,200	10,220,700	10,220,700	157,500	157,500	1.5%	3
Regional Collaborative Service Delivery (RCSD)	3,905,800	3,883,800	3,883,800	22,000	22,000	0.6%	11
Provincial School Lease Support	-	2,052,600	2,052,600	(2,052,600)	(2,052,600)	(100.0%)	12
Narrowing Teacher's Salary Gap	239,000	239,000	239,000	-	-	-	
Reduction in System Admin & School Board Governance	(4,182,000)	(4,182,000)	(3,973,000)	-	(209,000)	5.3%	13
SUBTOTAL OTHER PROVINCIAL SUPPORT	10,341,000	12,214,100	12,423,100	(1,873,100)	(2,082,100)	(16.8%)	
TOTAL PROVINCIAL OPERATIONAL FUNDING	960,006,150	946,935,350	918,932,550	13,070,800	41,073,600	4.5%	

**Edmonton Public Schools
2017-2018 Spring Proposed Revenue Budget**

	2017-2018 Spring Proposed Budget (Spring)	2017-2018 Distribution of Funds (DofF)	2016-2017 Fall Revised Budget (Fall)	Variance Spring vs DofF \$	Variance Spring vs Fall \$	Variance Spring vs Fall %	Notes
CAPITAL AND IMR FUNDING							
Infrastructure Maintenance Renewal (IMR)	12,315,000	9,673,300	9,673,300	2,641,700	2,641,700	27.3%	14
Amortization of Capital Allocations and Expended Deferred Capital Revenue	34,249,200	35,137,200	35,137,200	(888,000)	(888,000)	(2.5%)	15
CAPITAL AND IMR FUNDING	46,564,200	44,810,500	44,810,500	1,753,700	1,753,700	3.9%	
OTHER PROVINCIAL REVENUES							
Tuition Agreements	1,285,400	1,262,500	1,262,500	22,900	22,900	1.8%	
Secondments - Provincial	3,585,600	2,889,000	2,889,000	696,600	696,600	24.1%	16
Alberta Education Conditional Grants	270,500	428,800	428,800	(158,300)	(158,300)	(36.9%)	17
Alberta Teachers' Retirement Fund (ATRF)	57,981,100	56,915,300	56,915,300	1,065,800	1,065,800	1.9%	18
SUBTOTAL OTHER PROVINCIAL REVENUES	63,122,600	61,495,600	61,495,600	1,627,000	1,627,000	2.6%	
TOTAL GOVERNMENT OF ALBERTA	1,069,692,950	1,053,241,450	1,025,238,650	16,451,500	44,454,300	4.3%	
OTHER PROVINCIAL GRANTS	2,794,800	3,042,800	3,042,800	(248,000)	(248,000)	(8.2%)	19
FEDERAL GOVERNMENT AND FIRST NATIONS	2,329,100	2,364,600	2,364,600	(35,500)	(35,500)	(1.5%)	
OTHER ALBERTA SCHOOL AUTHORITIES	878,400	795,800	795,800	82,600	82,600	10.4%	20
FEES							
School Fees - School Generated Funds	13,291,900	12,030,100	15,036,142	1,261,800	(1,744,242)	(11.6%)	21
Transportation Fees	7,144,400	6,937,200	12,271,500	207,200	(5,127,100)	(41.8%)	22
Lunch Program Fees	4,462,700	4,166,800	4,166,800	295,900	295,900	7.1%	23
Metro Continuing Education Fees	579,600	899,050	899,050	(319,450)	(319,450)	(35.5%)	24
Textbook Rental Fees	-	-	1,390,800	-	(1,390,800)	(100.0%)	24
Music Instrument & Other Material Fees	218,900	292,700	292,700	(73,800)	(73,800)	(25.2%)	24
SUBTOTAL FEES	25,697,500	24,325,850	34,056,992	1,371,650	(8,359,492)	(24.5%)	
OTHER SALES AND SERVICES							
International Student Tuition	6,462,500	7,050,000	7,050,000	(587,500)	(587,500)	(8.3%)	25
Sales and Services - Schools & Central DU's	4,822,500	5,133,800	5,133,800	(311,300)	(311,300)	(6.1%)	26
Other Sales and Services - School Generated Funds	3,893,100	5,300,000	3,563,858	(1,406,900)	329,242	9.2%	27
Secondments - Other Entities	1,536,700	1,238,200	1,238,200	298,500	298,500	24.1%	16
Adult Education	1,733,700	1,842,550	1,842,550	(108,850)	(108,850)	(5.9%)	28
SUBTOTAL SALES AND SERVICES	18,448,500	20,564,550	18,828,408	(2,116,050)	(379,908)	(2.0%)	
INVESTMENT INCOME	3,200,000	3,200,000	3,200,000	-	-	-	
GIFTS AND DONATIONS							
School Gifts and Donations	4,695,400	5,590,700	5,590,700	(895,300)	(895,300)	(16.0%)	29
EPSB Foundation Support	450,000	450,000	450,000	-	-	-	
SUBTOTAL GIFTS AND DONATIONS	5,145,400	6,040,700	6,040,700	(895,300)	(895,300)	(14.8%)	
FUNDRAISING - School Generated Funds	1,764,100	1,900,000	1,900,000	(135,900)	(135,900)	(7.2%)	29
RENTAL OF FACILITIES	4,114,400	4,971,000	4,971,000	(856,600)	(856,600)	(17.2%)	30
TOTAL OPERATING REVENUE	\$1,134,065,150	\$ 1,120,446,750	\$ 1,100,438,950	\$ 13,618,400	\$ 33,626,200	3.1%	

**Notes to the
2017-2018 Spring Proposed Revenue Budget**

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 3.6% (compared to 3.2% from the Distribution of Funds) (see Attachment II for additional details). For 2017-2018, there are no increases in the per student funding rates, however, the Province continues to fund enrolment growth. A change of note is the High School CEU funding maximum has been reduced from 60 credits to 45 credits, resulting in a decrease of \$1.4 million, however the District will maintain the current allocation method without any cap to credits.

2 Outreach Site Funding

The decrease is related to one less site as compared to Fall 2016. This amount agrees to the Projected Funding sheet the province provided to the District as at February 2017.

3 ECS Program Unit Funding (PUF), Metro Urban Transportation, ECS Special Transportation, & Institutional Support

These budgets are a flow through where any changes from a revenue point of view are offset by an equivalent amount being allocated. The increase in revenue is directly associated with the increase in projected enrolment. For the Transportation grants, the decrease is the net of the increased enrolment growth and the opening of 11 new schools which provides more students the opportunity to walk to their school.

4 Inclusive Education

The Inclusive Education grant is comprised of three components, two of which are enrolment driven. The third component includes providing a per student allocation of \$5,202 for refugee students as well as other differential factors. The overall increase is a result of enrolment growth and the composition of students.

5 English as a Second Language (ESL)

This funding is targeted for students who require additional English language support and instruction to achieve grade level expectations in English and in other subject areas. The anticipated increase in this grant is directly linked to the high number of students who meet this criteria. This funding is provided for a maximum of five years per eligible student.

6 First Nations, Metis and Inuit Education (FNMI)

Funding is based on the projected number of self-identified students as at September 30th and therefore there is no change to this amount for the spring budget. Out of the total amount received, approximately 85% is allocated directly to schools and approximately 15% is allocated to a central decision unit exclusively providing supports for FNMI education.

7 Building Collaboration and Capacity in Education (BCCE)

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 a total of \$42,000 over the next three years.

8 Plant Operations and Maintenance (PO&M)

The province is continuing to increase funding to PO&M. As a district we allocate this funding both to schools and central decision units.

9 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 funding received to support Bill 1 is offset by an equivalent decrease in fee revenue.

10 High Speed Networking

Also known as SuperNet, the District receives \$800 per month per approved site. The increase is due to the opening of 11 new schools and the closing of 3 schools.

11 Regional Collaborative Service Delivery (RCSD)

Currently no funding has been approved for individual schools, the entire balance is directed towards the Inclusive Learning - RCSD cost centre.

**Notes to the
2017-2018 Spring Proposed Revenue Budget**

12 Provincial School Lease Support

This funding is provided by the Province for the lease of privately owned facilities. EPSB submitted an application to continue to receive this funding, however, notification of approvals will not be announced until June 30th (at the earliest). If approved, this amount will be included in the Fall Revised budget.

13 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.

14 Infrastructure Maintenance Renewal (IMR)

Total IMR funding for the District has increased from \$25 Million to \$29.5 Million. Out of the total funds, \$12.3 Million will be expensed for operations for 2017-2018.

15 Amortization of Capital Allocations and Expended Deferred Capital Revenue

This amount is funded by the province and there is an offsetting allocation in Fiscal & Debt services. The amount has been updated based on estimated additions to fixed assets and will be updated in the Fall.

16 Secondments

The revenue increase in secondments is based on the trending of actuals for the last few years.

17 Alberta Education Conditional Grants

The decrease reflects the removal of other non-recurring grants related to specific 2016-2017 school projects. Grants are only included in the spring proposed budget if they are confirmed. It is anticipated these will increase between the spring and the fall as additional grant applications are completed and approved.

18 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.

19 Other Provincial Grants

The 2017-2018 Budget includes Alberta Health Services Mental Health grant for Jasper Place (\$315,000) and an Alberta Health Services grant to cover a Way In Coordinator, 2 Success Coaches, 3 months of 1 Success Coach, and a Mental Health Therapist coordinated by TD Baker school (\$320,000). Also included is the Alberta Advanced Education grant for Metro and the Alberta Health Services SSP grant.

20 Other Alberta School Authorities

The revenue increase is related to increased sponsorships for non-resident students as well as an increase in the number of visiting ECS students.

21 School Fees - School Generated Funds

School generated funds are funds raised in the community for student activities under the control and responsibility of school management. The funds are collected and retained for expenses at the school level. For budget reporting purposes these funds have been consolidated into the District budget. The decrease from the current year budget is in relation to Bill 1: An Act to Reduce School Fees.

22 Transportation Fees

The decrease in transportation fees is due to Bill 1: An Act to Reduce School Fees. The Student Transportation department has been given an allocation of \$5,334,200 to offset the decrease in fees. The overall cost of offering transportation services is expected to continue to increase and the Student Transportation department is offsetting this by drawing down the transportation restricted reserve fund and access to surplus (for additional details refer to Attachment VII).

23 Lunch Program Fees

The lunch fee cost sharing model was rolled out to all schools in 2016-2017 in order to standardize the calculation of fees being charged. The overall increase in fees is primarily because of increased enrolment.

24 Metro Continuing Education Fees, Textbook Rental Fees, Music Instrument & Other Material Fees

Fees are collected and retained to offset expenses at the school level. The District can no longer charge text book rental fees or instructional material fees as per Bill 1 and therefore this revenue amount has been removed from the budget.

**Notes to the
2017-2018 Spring Proposed Revenue Budget**

25 International Student Fees

The total number of international students being budgeted for has decreased from 600 to 550 for the spring budget. This number will be updated in the Fall.

26 Sales and Services - Schools & Central DU's

The spring proposed budget includes other non government grants and revenue. These amounts are only included in the budget upon confirmation/approval of funding.

27 Other Sales and Services - School Generated Funds

The increase is based on projections using 2016-2017 actuals.

28 Adult Education

The decrease is related to a projected decrease in enrolment for various adult non credit courses.

29 School Gifts and Donations/Fundraising - School Generated Funds

This revenue line is an estimate of school generated donations and fundraising activities. These funds are restricted to support the activities and programs at the schools and are directly offset by related expenditures. Schools typically don't fully budget for these in the spring as there is uncertainty around these initiatives.

30 Rental of Facilities

There are no changes to lease rates for the 2017-2018 year and revenue for leased space in open schools is expected to be maintained to current year levels, however, the Leasing Department is anticipating a reduction in revenue from closed sites.

Edmonton Public Schools
Projected 2017-2018 Enrolment vs Actual September 30, 2016 Enrolment
Funded vs Other

Student Enrolment by Division	2017-2018 Projected Enrolment	2016-2017 September 30 Actual Enrolment	Enrolment Increase	Variance %	2015-2016 September 30 Actual Enrolment
Funded Students:					
Early Childhood Services (ECS)	9,462	8,778	684	7.8%	8,575
Elementary - Div I	23,451	22,628	823	3.6%	21,806
Elementary - Div II	21,945	20,757	1,188	5.7%	19,498
Junior High	19,853	19,394	459	2.4%	18,790
Senior High	23,318	23,072	246	1.1%	22,661
Subtotal - Enrolment for Grades 1-12	88,566	85,851	2,715	3.2%	82,755
Subtotal Funded Students	98,028	94,629	3,399	3.6%	91,330
Other :					
International Students	550	511	39	7.6%	534
Home Education	414	414	-	-	382
Other/Non Resident/Blended/Sponsorships/ Unfunded non special needs children	88	88	-	-	112
Subtotal Other Students	1,052	1,013	39	3.8%	1,028
Total Student Enrolment	99,080	95,642	3,438	3.6%	92,358

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

	**	2017-2018 Spring Proposed Budget	2017-2018 Distribution of Funds	**	Variance \$	Variance %	Notes
Projected Revenue							
Operating Revenue		\$ 1,134,065,150	\$ 1,120,446,750		\$ 13,618,400	1.2%	
Operating Reserve Funds *		27,140,208	6,000,000		21,140,208	352.3%	*
Operating Revenue		<u>\$ 1,161,205,358</u>	<u>\$ 1,126,446,750</u>		<u>\$ 34,758,608</u>	<u>3.1%</u>	
School Allocations							
School Allocations Levels 1 to 8		\$ 655,708,100	\$ 650,450,459		\$ 5,257,641	0.8%	1
Other Supplemental School Allocations		149,213,776	148,042,819		1,170,957	0.8%	2
		<u>804,921,876</u>	<u>798,493,278</u>		<u>6,428,598</u>	<u>0.8%</u>	
School Generated Funds/External Revenues		31,605,930	33,046,366		(1,440,436)	(4.4%)	3
Subtotal School Allocations	73.8%	<u>836,527,806</u>	<u>831,539,644</u>	73.8%	<u>4,988,162</u>	<u>0.6%</u>	
Other Allocations							
Metro Continuing Education		11,755,934	11,715,296		40,638	0.3%	
External Revenue Allocations - Central		11,938,884	12,198,295		(259,411)	(2.1%)	
District Level Fixed Costs	6.4%	72,413,032	71,876,867	6.4%	536,165	0.7%	
District Level Committed Costs	7.3%	82,842,420	82,702,556	7.3%	139,864	0.2%	
		<u>178,950,270</u>	<u>178,493,014</u>		<u>457,256</u>	<u>0.3%</u>	
Central Decision Units***	5.3%	60,605,974	59,498,792	5.3%	1,107,182	1.9%	4
Subtotal Other Allocations		<u>239,556,244</u>	<u>237,991,806</u>		<u>1,564,438</u>	<u>0.7%</u>	
Alberta Teachers' Retirement Fund (ATRF)		<u>57,981,100</u>	<u>56,915,300</u>		<u>1,065,800</u>	<u>1.9%</u>	5
Total Allocations		<u>1,134,065,150</u>	<u>1,126,446,750</u>		<u>7,618,400</u>	<u>0.7%</u>	
Planned Use of Reserves *		27,140,208	-		27,140,208	100.0%	*
Total Budget		<u>\$ 1,161,205,358</u>	<u>\$ 1,126,446,750</u>		<u>\$ 34,758,608</u>	<u>3.1%</u>	

* Additional details around the District's accumulated operating reserve is included on Attachment VII.

** 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
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 fall revised budget using the September 30th headcount.

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 to these allocations are detailed on the Direct Schools Allocations (Attachment IV).

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 hence the decrease.

4 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.

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.

**Edmonton Public Schools
2017-2018 Spring Proposed Budget
Direct School Allocations**

	2017-2018 Spring Proposed Budget	2017-2018 Distribution of Funds	Variance \$	Variance %	Notes
School Allocations					
Kindergarten (1/2 day)	\$ 18,373,056	\$ 18,088,702	\$ 284,354	1.6%	
Kindergarten (full day)	3,317,164	3,915,369	(598,205)	(15.3%)	
Elementary	224,839,886	224,005,083	834,803	0.4%	
Junior High	90,505,568	90,826,159	(320,591)	(0.4%)	
Senior High	108,908,232	107,197,566	1,710,666	1.6%	
International Students	4,260,870	4,430,376	(169,506)	(3.8%)	
Special Needs Levels 4 - 8	133,610,122	132,453,458	1,156,664	0.9%	
Institutions, ASD & Early Education (PUF) Allocations	71,893,202	69,533,746	2,359,456	3.4%	
Subtotal School Allocations	655,708,100	650,450,459	5,257,641	0.8%	1
Other Supplemental School Allocations					
Base Allocation	52,097,316	53,164,793	(1,067,477)	(2.0%)	
Class Size Funding	35,922,298	34,537,402	1,384,896	4.0%	
Plant Operation & Maintenance - Schools	16,793,893	19,778,398	(2,984,505)	(15.1%)	2
* First Nations, Metis and Inuit Education (FNMI)	7,838,535	7,838,535	-	-	
* Program Enhancement Allocations	15,512,807	12,084,284	3,428,523	28.4%	*3
* Other Miscellaneous Allocations	2,094,973	793,050	1,301,923	164.2%	*4
School Fees Reduction	2,660,800	2,660,800	-	-	5
Equity Fund	4,000,000	4,000,000	-	-	6
High Social Vulnerability	4,000,000	4,000,000	-	-	
Regional Collaborative Service Delivery (RCSD)	3,905,827	3,883,770	22,057	0.6%	
Enhanced Support for Schools	874,973	1,818,680	(943,707)	(51.9%)	7
Facility Use Payments - Christian Schools	1,346,792	1,346,792	-	-	
amiskwaciy Base Rent	1,277,382	1,181,935	95,447	8.1%	8
Foundation Full Day Kindergarten Funding	367,594	427,348	(59,754)	(14.0%)	9
Community Use of Schools	520,586	527,032	(6,446)	(1.2%)	
Subtotal Other Supplemental School Allocations	149,213,776	148,042,819	1,170,957	0.8%	
Subtotal School and Other Supplemental Allocations	804,921,876	798,493,278	6,428,598	0.8%	
School Generated Funds/External Revenues	31,605,930	33,046,366	(1,440,436)	(4.4%)	
Total Direct School Allocations	\$ 836,527,806	\$ 831,539,644	\$ 4,988,162	0.6%	

* See Attachment IV^A - for a detailed breakdown of this line item.

**Edmonton Public Schools
2017-2018 Spring Proposed Budget
Direct School Allocations
Detailed Breakdown - Other Supplemental School Allocations**

	2017-2018 Spring Proposed Budget	2017-2018 Distribution of Funds	Variance \$	Variance %	Notes
First Nations, Metis and Inuit Education (FNMI)					
FNMI Per Student	\$ 7,397,535	\$ 7,397,535	\$ -	-	
Transportation to amiskwacyi & Awasis Program	441,000	441,000	-	-	
	\$ 7,838,535	\$ 7,838,535	\$ -	-	

FNMI funding is based on the number of self identified students at September 30th. Out of the total amount received, the majority is allocated directly to schools and a portion is allocated to a central decision unit to support FNMI education.

	2017-2018 Spring Proposed Budget	2017-2018 Distribution of Funds	Variance \$	Variance %	Notes
Program Enhancement Allocations					
New to District	\$ 4,500,000	\$ 4,500,000	\$ -	-	
Guaranteed Enrolment	5,844,416	2,442,131	3,402,285	139.3%	
Outreach Program	3,434,916	3,543,948	(109,032)	(3.1%)	
Transfers from Institutions	350,000	350,000	-	-	
Establishment Facilities Grant	1,083,569	992,224	91,345	9.2%	
Establishment Program Grant	299,906	255,981	43,925	17.2%	
	\$ 15,512,807	\$ 12,084,284	\$ 3,428,523	28.4%	3
Other Miscellaneous Allocations					
Addition to Basic	\$ 1,015,667	\$ 793,050	\$ 222,617	28.1%	
New Teacher Allocation (New Schools)	1,079,306	-	1,079,306	100.0%	
	\$ 2,094,973	\$ 793,050	\$ 1,301,923	164.2%	4

**Notes to the
2017-2018 Spring Proposed Budget
Direct School 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

School Allocations for the approved budget are based on enrolment projections which attempt to predict the number of students at each grade level and the number of students with special needs. The fall revised budget is based on an actual headcount at September 30th. It is expected that there will be differences in the composition of students between the approved and the revised budgets. In addition, part of this variance is offset by the variance in the Program Enhancement Allocations line called 'Guaranteed Enrolment' which provides funding to District Programs in the spring, which are then allocated to actual students in the fall.

2 Plant Operation & Maintenance - Schools

The total amount of anticipated Plant Operation and Maintenance (PO&M) funding has been updated to reflect the new custodial agreement, the current unit cost of a head custodian (which is funded through the base allocation), and the transfer of \$1 million to fund the payment of utilities now being paid centrally vs at each of the schools. The total amount of PO&M funding is allocated between central decision units and schools. This line item reflects the amount being allocated directly to schools.

3 Program Enhancement Allocations

New to District

This allocation is held centrally and allocated to schools during the year to support students arriving after September 30th.

Guaranteed Enrolment

This allocation provides a guaranteed amount of funds for approved special education programs where due to low student enrolment, the student driven allocation is not able to support the program. The guaranteed enrolment is provided based on 12 students for mild-moderate funded special education programs and 7 students for severe funded special education programs. If the number of students registered in a special education program does not generate the guaranteed level of funding for that program, the school will receive funds to reach the guaranteed level. This allocation is always higher in the spring vs the fall as program enrolment details are incomplete in the spring.

Outreach Program

This allocation is provided to the Outreach and New Directions sites to cover fixed and committed costs in order to support high risk students that have been placed by the District. The allocation is lower due to cost efficiencies being realized with the consolidation of some of the sites.

Transfers from Institutions

This allocation is given to schools for students who meet district special needs coding criteria and who were enrolled in an institutional school on September 30th and will be subsequently returned to a school after that date.

Establishment Facilities Grant

This allocation provides financial support to physically accommodate students in schools identified for new alternative and special education programs. The annual amount of the allocation is \$150,000 which is then added onto any prior approved/deferred amounts.

Establishment Program Grant

This allocation provides financial support in terms of start up costs associated with the implementation of new programs. The annual amount of the allocation is \$100,000 which is then added onto any prior approved/deferred amounts.

**Notes to the
2017-2018 Spring Proposed Budget
Direct School Allocations - continued**

4 Other Miscellaneous Allocations

Addition to Basic

This allocation is for schools with unique situations that require additional funds for instructional and/or operational purposes. This allocation is analyzed and adjusted every budget cycle.

New Teacher Allocation (New Schools)

This one time allocation was provided to 7 out of the 11 new schools for the 2017-2018 year outside of the per student allocations. This allocation is to compensate for low projected enrolment and will be re-evaluated in the fall based on September 30th enrolment.

5 School Fees Reduction

In conjunction with the 2017 Budget the Alberta government 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. In lieu of charging these fees, funding has been provided to the District based on information reported in our 2015-2016 audited financial statements. Using this information an allocation was created to give each school a \$10/student allocation and to give high schools an allocation equal to the actual amount collected in 2015-2016 related to textbook rental fee (which can no longer be charged). The Bill will take effect on September 1, 2017.

6 Equity Fund

The spring Equity Fund allocation is based on an initial allocation of \$4 million. In the fall this amount will be increased by factoring the transfer of school surplus carry forward balances in excess of 3%.

The Equity Fund was established by the Board in 2014-2015 to enhance opportunities for all schools in the District and to support the District's Four Cornerstone Values: Collaboration, Accountability, Integrity, and Equity.

The Equity Fund allocation is distributed to the six School Leadership Groups supervised by the Assistant Superintendents. The percentage allocated to School Leadership Groups was determined through the Superintendent's meetings with the District Support Team and the Superintendent's Community of Practice (SCOPE). Within each School Leadership Group, catchment allocations are determined in consultation with the Assistant Superintendent, and based on criteria established by the Leadership Group. Priority is given to projects impacting literacy, numeracy, and mental health.

Within each School Leadership group, a portion of the allocation is directed towards an assessment fund in support of timely, informative student assessments. Programming for student differences consultants from each Leadership group work with Inclusive Learning services to prioritize student assessments. A portion is also directed to a holdback fund to support schools that encounter unusual or unexpected budget challenges during the school year. These funds are distributed to schools at the discretion of the Assistant Superintendent.

7 Enhanced Support for Schools

The decrease in this allocation is offset by the addition of 2 new assistant superintendents (central) which were added to provide enhanced support for schools.

8 amiskwacy Base Rent

This allocation is tied to the lease payment for this property. The base rent was increased effective September 1, 2016 and therefore the allocation was also increased.

9 Foundation Full Day Kindergarten Funding

The projected enrolment for Foundation Full Day Kindergarten is being projected with 23 less students. It is expected that this number will increase in the Fall.

**Edmonton Public Schools
2017-2018 Spring Proposed Budget
Other Allocations**

	2017-2018 Spring Proposed Budget	2017-2018 Distribution of Funds	Variance \$	Variance %	Notes
District Level Fixed Costs					
Debt and Fiscal Services	\$ 45,876,991	\$ 46,340,826	\$ (463,835)	(1.0%)	1
Utilities	20,000,000	19,000,000	1,000,000	5.3%	2
Insurance	3,939,241	3,939,241	-	-	
High Speed Networking	2,596,800	2,596,800	-	-	
	72,413,032	71,876,867	536,165	0.7%	
District Level Committed Costs					
Student Transportation	40,251,775	40,395,808	(144,033)	(0.4%)	
School Plant Operations & Maintenance	15,276,051	15,276,051	-	-	
Human Resources Supply Services	13,469,918	13,469,918	-	-	
* Language and Cultural Support	4,077,223	4,077,223	-	-	*
Enterprise Systems	4,218,183	4,034,286	183,897	4.6%	3
Professional Improvement Leaves	1,440,000	1,340,000	100,000	7.5%	4
Enhanced Support for District Plan	1,000,000	1,000,000	-	-	
Central Building Maintenance	1,000,000	1,000,000	-	-	
Staff Development	650,000	650,000	-	-	
Election	480,000	480,000	-	-	5
* Partnership Commitments	446,490	446,490	-	-	*
Human Resources Secondments	122,334	122,334	-	-	
Audit	136,946	136,946	-	-	
Board Initiative Fund	45,000	45,000	-	-	
Survey	160,000	160,000	-	-	
District Awards	30,000	30,000	-	-	
Youth Engagement Model	26,000	26,000	-	-	
Trustee Transition Allowance	12,500	12,500	-	-	
	82,842,420	82,702,556	139,864	0.2%	
External Revenue Allocation	11,938,884	12,198,295	(259,411)	(2.1%)	
Metro Continuing Education	11,755,934	11,715,296	40,638	0.3%	
	23,694,818	23,913,591	(218,773)	(0.9%)	
Central Decision Units					
** Board and Office of the Superintendent	8,563,473	7,478,276	1,085,197	14.5%	**6
** Corporate Services	21,086,229	21,064,244	21,985	0.1%	**6
** Finance and Infrastructure	18,610,061	18,610,061	-	-	**
Inclusive Learning	6,751,631	6,751,631	-	-	
International Programs	1,179,000	1,179,000	-	-	
Curriculum and Resource Support	2,462,602	2,462,602	-	-	
Research and Innovation for Student Learning	1,086,067	1,086,067	-	-	
Student Information	866,911	866,911	-	-	
	60,605,974	59,498,792	1,107,182	1.9%	
Total	\$ 239,556,244	\$ 237,991,806	\$ 1,564,438	0.7%	

* See Attachment V^A - for a detailed breakdown of this line item.

** See Attachment V^B - for a detailed breakdown of this line item.

Edmonton Public Schools
2017-2018 Spring Proposed Budget
Other Allocations
Detailed Breakdown - District Level Committed Costs

	2017-2018 Spring Proposed Budget	2017-2018 Distribution of Funds	Variance \$	Variance %	Notes
Language and Cultural Support					
FNMI Education	\$ 1,668,736	\$ 1,668,736	\$ -	-	
Diversity Education	1,375,158	1,375,158	-	-	
Languages Centre at Woodcroft	1,033,329	1,033,329	-	-	
	\$ 4,077,223	\$ 4,077,223	\$ -	-	
Partnership Commitments					
Partnership for Kids	\$ 182,000	\$ 182,000	\$ -	-	
Confucius Institute - prog. coordinator	205,490	205,490	-	-	
Cappies	20,000	20,000	-	-	
Community University Partnerships	10,000	10,000	-	-	
Careers: The Next Generation	10,000	10,000	-	-	
United Way	9,000	9,000	-	-	
Corporate Challenge	5,000	5,000	-	-	
Welcome to Kindergarten	5,000	5,000	-	-	
	\$ 446,490	\$ 446,490	\$ -	-	

Edmonton Public Schools
2017-2018 Spring Proposed Budget
Other Allocations
Detailed Breakdown - Central Decision Units

	2017-2018 Spring Proposed Budget	2017-2018 Distribution of Funds	Variance \$	Variance %	Notes
Board and Office of the Superintendent					
Board of Trustees	\$ 1,144,625	\$ 1,049,625	\$ 95,000	9.1%	6
Office of the Superintendent of Schools	767,833	767,833	-	-	
Governance and Strategic Support Serv.	1,361,742	1,361,742	-	-	
District Support Services	1,875,878	1,875,878	-	-	
General Counsel	857,408	857,408	-	-	
School Leadership Group A	382,778	354,774	28,004	7.9%	6
School Leadership Group B	434,015	349,145	84,870	24.3%	6
School Leadership Group C	455,511	349,145	106,366	30.5%	6
School Leadership Group D	427,061	346,060	81,001	23.4%	6
School Leadership Group E	428,311	83,333	344,978	100.0%	6
School Leadership Group F	428,311	83,333	344,978	100.0%	6
	\$ 8,563,473	\$ 7,478,276	\$ 1,085,197	14.5%	
Corporate Services					
Communications	\$ 3,224,454	\$ 3,202,469	\$ 21,985	0.7%	6
District Information Security	450,203	450,203	-	-	
District Records and FOIP Management	606,450	606,450	-	-	
District Technology	6,605,934	6,605,934	-	-	
Edmonton Public Schools Foundation	413,055	413,055	-	-	
Human Resources	9,786,133	9,786,133	-	-	
	\$ 21,086,229	\$ 21,064,244	\$ 21,985	0.1%	
Finance and Infrastructure					
Facilities Services & Building Ops	\$ 3,248,106	\$ 3,248,106	\$ -	-	
Distribution Centre	1,563,667	1,563,667	-	-	
Financial Services	6,693,040	6,693,040	-	-	
Planning & Property Management	7,105,248	7,105,248	-	-	
	\$ 18,610,061	\$ 18,610,061	\$ -	-	

**Notes to the
2017-2018 Spring Proposed Budget
Other Allocations**

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

1 Debt and Fiscal Services

This decision unit is responsible for supported debenture and principal repayments and interest costs, and the amortization costs for all District capital assets, e.g. buildings, furniture and equipment, and vehicles.

2 Utilities

The increase relates to \$1 million dollars being transferred from the PO&M school allocation to cover garbage charges that are now paid for centrally.

3 Enterprise Systems

This decision unit is responsible for our main district enterprise information systems license and maintenance fees including Financial (Oracle Business Suite), Human Resources (PeopleSoft) and Student Information (PowerSchool) as well as other feeder systems. The increase is related to current costs for the District enterprise systems.

4 Professional Improvement Leaves

The increase of \$100,000 is based on an approved Board recommendation report dated October 18, 2016.

5 Election

Each year we include an allocation for the Election. This money is accrued every year and in the year of the election, this money is used to fund the election costs (estimated at \$1.9 million) for the Fall of 2017.

6 Changes in Central DUs

As approved in the Distribution of Funds report dated April 25, 2017, the base allocation for Central DU's has been increased by \$2.1 million.

In order to provide better support for schools, 2 additional Assistant Superintendents will be in place for the 2017-2018 school year, the Enhanced Support for Schools allocation was also redirected from being a School allocation to support the new Assistant Superintendent structure.

As part of the Central realignment, some programs were moved from Governance & Strategic Support Services to Communications and Board of Trustees.

Also included is the approved increase to Trustee remuneration effective October 16, 2017 and a few position reclassifications in other Central DUs.

**Edmonton Public Schools
2017-2018 Spring Proposed Budget
Staff FTE's**

Staffing Group	2017-2018 Spring Proposed Budget		2016-2017 Fall Revised Budget		NET CHANGE Spring vs Fall	2015-2016 Fall Revised Budget	
	Budget	%	Budget	%		Budget	%
Schools							
Teaching FTE	4,872.17	63%	4,803.68	62%	68.50	4,595.61	62%
Support FTE	2,030.15	26%	2,062.75	27%	(32.60)	2,005.32	27%
Custodial FTE	618.48	8%	582.37	8%	36.11	565.61	8%
Exempt FTE	264.76	3%	246.22	3%	18.54	219.70	3%
Total Schools FTE	7,785.56	100%	7,695.01	100%	90.55	7,386.24	100%
Central Services							
Teaching FTE	180.25	18%	175.63	18%	4.62	129.27	14%
Support FTE	148.35	15%	156.82	16%	(8.47)	163.17	18%
Custodial FTE	64.78	6%	50.88	5%	13.90	60.65	7%
Maintenance FTE	231.00	23%	210.00	21%	21.00	209.00	23%
Exempt FTE	380.30	38%	390.40	40%	(10.10)	336.58	37%
Total Central Services FTE	1,004.68	100%	983.72	100%	20.96	898.67	100%
Metro Continuing Education							
Teaching FTE	6.80	22%	6.60	21%	0.20	5.60	17%
Support FTE	14.14	45%	16.57	52%	(2.43)	16.83	50%
Custodial FTE	0.68	2%	0.69	2%	(0.01)	1.83	5%
Exempt FTE	9.81	31%	7.80	25%	2.01	9.60	28%
Total Metro Cont. Ed. FTE	31.43	100%	31.66	100%	(0.23)	33.86	100%
Total FTE's	8,821.66		8,710.39		111.28	8,318.78	
Total by Group							
Teaching FTE	5,059.22	57%	4,985.90	57%	73.32	4,730.48	57%
Support FTE	2,192.64	25%	2,236.14	26%	(43.49)	2,185.32	26%
Custodial FTE	683.93	8%	633.93	7%	50.00	628.09	8%
Maintenance FTE	231.00	3%	210.00	2%	21.00	209.00	3%
Exempt FTE	654.86	7%	644.42	7%	10.45	565.88	7%
Total FTE's	8,821.66	100%	8,710.39	100%	111.28	8,318.78	100%

**EPSB
Accumulated Operating Surplus Plan
2017-2018**

	Amount	Total Amount
Accumulated operating surplus at September 1, 2016 (excluding SGF)		\$ 96,564,304
Transfer to Capital Reserves (Board approved February 28, 2017)		(15,000,000)
Projected Operating deficit for the year ending August 31, 2017 (at May 2017)		(23,164,415)
Projected Accumulated operating surplus at September 1, 2017 (excluding SGF)		58,399,889

2017-2018 Planned use of surplus funds:

Surplus funds released in the 2017-2018 Spring Budget:

A Core Technology Enterprise Management	5,000,000	
B Infrastructure Investment Framework - Year 2	4,100,000	
C Student Transportation (access to restricted reserve)	1,300,000	
D Student Transportation (estimated access to surplus)	3,100,000	
E Equity Needs	7,959,001	
F Central initiatives to support schools - Central access to surplus:		
<u>District Business Systems and School Support Applications</u> - Funds to support the implementation customization and/or maintenance of business systems and school applications including E-Biz, Archibus, PeopleSoft, Symphony, QuickBooks, FOIP and PowerSchool and the District Intranet.	1,642,137	
<u>Strategic Planning and Administration</u> - Funds to support the data population and completion of the District Dashboard, the review and alignment of administrative regulations with the new Education Act, the development of District level strategic partnerships and the creation of a structure for principal readiness.	220,000	
<u>Facilities and Operations</u> - Funds to support school building improvements, facility assessments for schools involved with Space For Students in Mature Communities initiatives and the continuation of a fibre network connection to allow back up internet in the event of a service disruption.	1,050,000	
<u>Supports for the Establishment of New Schools and Programming</u> - Funds to support the staffing, communications, visual identity, space, and programming needs for new schools. Also included is support for expanding programs including: career pathways, evidence based decision making, locally developed course management as well as specialized assessments.	2,769,070	
	27,140,208	(27,140,208)
Subtotal accumulated operating surplus balance*		31,259,681

* The District's Accumulated Operating Surplus Plan will be updated in the fall based on the actual operating results from the 2016-2017 school year. In conjunction with the Fall 2017-2018 Budget Update, the goal is release surplus funds to Schools (under the 3% carryforward threshold) as well as direct school surplus funds in excess of 3% to the Equity Fund.

EPSB
Accumulated Operating Surplus Plan
2017-2018

Notes: Surplus Funds Released as part of the 2017-2018 Spring Budget:

- A Core Technology Enterprise Management - currently, schools are responsible for the cost of core technology infrastructure at their respective sites. Schools are charged monthly by District Technology for service and support of this core infrastructure, which includes servers, switches, wi-fi access points and Internet service. In a new enterprise management model, maintenance, management and evergreening of core technology infrastructure will become the responsibility of District Technology. Schools will no longer be responsible for budgeting for the maintenance and replacement of their core technology infrastructure. Following 2017-2018, funds to sustain this model will be provided out of the District's operating budget as a fixed annual cost.
- B Infrastructure Investment Framework - Year 2 - Investment in District infrastructure will continue in an effort to narrow the equity gap between schools. Items such as interior paint, furniture and equipment, minor instructional upgrades, gym floors, air ducts, interior and exterior entrance areas, and general office areas will continue to be addressed.
- C Student Transportation (restricted reserve): For 2017-2018 Student Transportation anticipates an increase in total ridership and operating costs, however there will be fewer riders eligible to pay a transportation fee (in compliance with Bill 1). In lieu of transferring the increased costs to the eligible riders, the District will deplete the existing restricted transportation surplus and will also access additional surplus funds as noted below.
- D Student Transportation (operating surplus): This access to surplus request is in addition to depleting the transportation restricted reserve balance, as noted above, and is required to offset the anticipated additional costs associated with an increase in ridership and operating costs without transferring this to students/families in the form of an increase in Student Transportation Fees for eligible riders.
- E Equity Needs: Funds to support schools in the areas of: curriculum, literacy, numeracy, English language learners, student assessment, data analysis, FNMI, resources, mental health and other areas of need.
- F Central initiatives to support schools: Starting in 2015-2016, where schools were allowed access of up to 3% of their surplus, Central leaders decided to pool their unrestricted operating surplus funds and using a collaborative approach, prioritize initiatives that directly support the District's Strategic Plan. This process has continued for 2017-2018 and details of the planned initiatives have been included on Attachment VIII.

Central Initiatives to Support Schools - Notes
2017-2018 Access to Surplus (Spring Proposed Budget)

Initiative Name	Description	Funding Requested For 2017-2018
District Business Systems and School Support Applications		
1 Building Capacity in Quantitative data analysis.	Data Analysts to support Assessment, Research and Career Pathways.	\$265,000
2 Resource Strategy Implementation	1.0 FTE teacher consultant and funds to support the implementation of the resource strategy which began in 2016-2017. This includes the identification, review and revision (where appropriate) of existing resources created by Edmonton Public Schools.	\$150,757
3 Final Phase Intranet	Last phase of the Intranet project including project management, building and Testing.	\$190,000
4 MyBlueprint E. Portfolio	Support the implementation of MyBlueprint Education Planner tool across the District. The yearly cost of the system includes: All About Me Portfolio K-6; Education Planner 7-12 (Alberta Edition); Data Services; (PowerSchool API, SSO, Staff Portal Training, Proactive Support and Dedicated Service; Resource Centre, Lesson Plans, Tutorial Videos; Complimentary Upgrades to New Versions; Setup, Maintenance, Secure Canadian Hosting; French Editions (K-12)). A commitment was made to pay for this licence centrally for three years. This is year three of the project.	\$91,380
5 Evidence Based decision making	Includes 4 additional research consultants (including 2 data analysts). Required to meet the district demands for program evaluations and evidence-based decision making.	\$520,000
6 PeopleSoft Roadmap	The current version of PeopleSoft does not support the needs of the District relating to human resources data, functionality and the ability to implement a comprehensive human resources/talent management strategy. It does not effectively support interfaces with other District systems (e.g. E-Biz & business intelligence). This initiative is a continuation of work that was initiated in the 2016-17 school year.	\$325,000
7 Archibus	Upgrading and support costs.	\$100,000
District Business Systems and School Support Applications		\$1,642,137
Strategic Planning and Administration		
8 Principal Readiness	To continue to provide support for Principal Development Programs	\$80,000
9 District Dashboard (new system)	The development of phase 1 of this system was funded through a project budget. The system is now in production and will require ongoing IT staffing support. It is anticipated support for this system can be reduced once phase 2 is put into production	\$140,000
Strategic Planning and Administration		\$220,000

Initiative Name	Description	Funding Requested For 2017-2018
Facilities and Operations		
10 Inclusive Learning Relocation	To fit up Inclusive Learning Space at New sites	\$750,000
11 School within a School	Costs to facilitate the School within a School model currently in place for two new schools anticipated to open in January 2018.	\$300,000
Facilities and Operations		\$1,050,000
Supports for the Establishment of New Schools and Programming		
12 Career Pathways implementation across grades and divisions.	A minimum of 8.5 consultants including: a cross department data analyst, a program evaluator and a communications consultant. In addition, a full time administrative assistant and a full time data analyst are required to support the transition of career pathways from inception to K-12 teaching and learning.	\$1,389,128
13 Evidence-based decision making	Assessment consultants in the area of high school humanities and math. (HLAT & MIPI work) Support ongoing work around the MIPI and HLAT writing tests and ongoing support around GKB.AR as well as other District work – i.e. District-wide focus on Reading, Gifted and Talented, Career Pathways. Build capacity in evidence-based decision making and assisting schools in data analysis.	\$275,000
14 Locally Developed Courses (LDC) Management and Development	1.0 FTE teacher consultant, 0.2 admin support and funds for teacher supply coverage for the review, management and development of LDCs.	\$156,849
15 Psychologist and Academic Assessment	Funds for external contracts for specialized assessment. The need is expected to be the same for the 2017-2018 year as previously required in prior years.	\$200,000
16 Early Years Expansion	District level supports for schools participating in phase three of the Early Years expansion. implementation of the Early Years resources (inquiry and play) to support professional learning for EAs and teachers.	\$175,500
17 Library System	The implementation of the new library system across the district is now complete. Project funding to staff the implementation was 2.0 FTE. The ongoing staffing requirement has been reduced to 1.0 FTE.	\$60,000
18 Learner Support Plan (new system)	The development of this system was funded through a project budget. The system is now in production and will require ongoing IT staffing support. The staffing request is a reduction from 1.0 FTE in 2016-2017 to 0.75 FTE in 2017-2018	\$105,000

Initiative Name	Description	Funding Requested For 2017-2018
19 Special Education Program Reviews	District Level initiatives re: Austim and Gifted program reviews. Dedicated 0.6 TFE to act as project leads and backfill consultant time on school-linked teams. On-going work already started. funding is a new ask.	\$68,000
20 EYE Implementation	The EYE-TA is used as baseline data for Early years programming. The initiative includes yearly implementation costs, supply coverage and District reports and maps.	\$125,000
21 New school grand opening costs	Each school has a budget of \$10k for their grand opening, which includes printing and the purchase of a grand opening gift from the Board of Trustees.	\$110,000
22 Graphic design support	Continuation of graphic design contract FTE position to meet school and Central demand.	\$104,593
Supports for the Establishment of New Schools and Programming		\$2,769,070
Total Central Access to Surplus Funds for Spring 2017-2018		\$ 5,681,207

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Color coded cells:

blue cells: require the input of data/descriptors wherever applicable.	grey cells: data not applicable - protected
salmon cells: contain referenced juris. information - protected	white cells: within text boxes REQUIRE the input of points and data.
green cells: populated based on information previously submitted	yellow cells: to be completed when yellow only.

HIGHLIGHTS, PLANS, ASSUMPTIONS AND RISKS SUMMARY- 2017/2018 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:

With no reductions to grants, and enrolment growth being funded, the 2017-2018 Spring Proposed Budget clearly demonstrates the government's commitment to support education, even under the current financial situation facing Alberta. With the implementation of Bill 1 coming late within our budgeting cycle there is the possibility that some fee revenue may need to be realigned in the future, as our School Generated Funds chart of accounts will need to be overhauled to be able to provide the detailed information that Bill 1 requires.

Key Message:

Edmonton Public School's mission is to inspire student success through high quality learning opportunities, supported by meaningfully engaging students, parents, staff and community. The mandate of the Edmonton Public School Board is to ensure that students receive the best education possible in Edmonton's more than 200 public schools. The budget highlights our focus on the District's Vision, Mission, Values and the 2014-2018 Priorities.

Vision

Transforming the learners of today into the leaders of tomorrow.

Mission

We inspire student success through high quality learning opportunities, supported by meaningfully engaged students, parents, staff and community.

Values

Supporting the Vision, Mission and Priorities are the District's core values of accountability, collaboration, equity and integrity.

District Priorities 2014-2018

Foster growth and success for every student by supporting their journey from early learning through high school completion and beyond.

Provide welcoming, high quality learning and working environments.

Enhance public education through communication, engagement and partnerships.

Assumptions:

- Edmonton Public Schools is projecting enrolment growth of 3.6 per cent or just over 3,400 new students, bringing the total projected enrolment to 99,080.
- With no change to base instruction grants, the 2017-2018 student allocation rates remained at the same level as 2016-2017.

Plans:

- The District has plans to use accumulated surplus from operations totalling \$27.1M. Please refer to pages 7-8 for this information. Much of this planning will be dependent upon the District's final Accumulated Surplus from Operations as at August 31, 2017.
- The Teacher's Employer Bargaining Association and the Alberta Teacher's Association have reached a tentative agreement. As part of the agreement, the Alberta government has committed to providing school boards with additional grants from the Classroom Improvement Fund (CIF) for the 2017-2018 school year, pending ratification. Edmonton Public School's portion is anticipated to be \$10.6 million dollars. If given adequate notice we anticipate being able to spend this entire amount in 2017-2018.

Highlights:

- Spending on Administration and Board Governance is 3.16% of total budget spending which is below the 3.6% administrative spending limit required by the Province.
- The budget includes projected increases to staffing levels of about 111.28 FTEs, out of which 73.32 FTEs are certificated staff and 37.96 FTEs are non-certificated staff to provide educational services for over 3,400 additional students.
- Bill 1 has had a significant impact on our district and will change the way we budget our School Generated Funds.

Significant Business and Financial Risks:

The District continues to face growing infrastructure pressures to meet demands of enrolment growth in new neighborhoods throughout the City while maintaining aging infrastructure in mature neighborhoods. Capital reserves will allow the District to support some capital projects on a go forward basis, however these reserves represent only 7% of the District's annual budget.

The facility lifecycle needs of an aging school infrastructure with static funding will lead to a greater deferred maintenance backlog.

The Phase 2 impact of Bill 1 is not known at this time and may have a significant impact on our District moving forward.

BUDGETED STATEMENT OF OPERATIONS
for the Year Ending August 31

	Approved Budget 2017/2018	Fall Budget Update 2016/2017	Actual 2015/2016
REVENUES			
Alberta Education	\$1,069,692,950	\$1,025,238,650	\$999,312,051
Other - Government of Alberta	\$2,794,800	\$3,042,800	\$4,000,245
Federal Government and First Nations	\$2,329,100	\$2,364,600	\$2,362,433
Other Alberta school authorities	\$878,400	\$795,800	\$930,877
Out of province authorities		\$0	\$0
Alberta Municipalities-special tax levies		\$0	\$0
Property taxes		\$0	\$0
Fees	\$25,697,500	\$31,978,200	\$39,083,594
Other sales and services	\$18,448,500	\$20,907,200	\$15,922,867
Investment income	\$3,200,000	\$3,200,000	\$3,105,962
Gifts and donations	\$5,145,400	\$6,040,700	\$7,969,921
Rental of facilities	\$4,114,400	\$4,971,000	\$4,148,259
Fundraising	\$1,764,100	\$1,900,000	\$1,998,332
Gains on disposal of capital assets	\$0	\$0	\$1
Other revenue	\$0	\$0	\$0
TOTAL REVENUES	\$1,134,065,150	\$1,100,438,950	\$1,078,834,542
EXPENSES			
Instruction - Early Childhood Services	\$68,953,525	\$67,006,922	\$73,447,888
Instruction - Grades 1-12	\$840,098,158	\$841,613,888	\$735,375,646
Plant operations & maintenance	\$152,122,791	\$152,179,978	\$144,973,812
Transportation	\$45,152,385	\$43,941,843	\$38,807,077
Administration	\$36,678,706	\$36,358,529	\$33,628,317
External Services	\$18,199,793	\$20,089,805	\$19,198,030
TOTAL EXPENSES	\$1,161,205,358	\$1,161,190,965	\$1,045,430,770
ANNUAL SURPLUS (DEFICIT)	(\$27,140,208)	(\$60,752,015)	\$33,403,772

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

	Approved Budget 2017/2018	Fall Budget Update 2016/2017	Actual 2015/2016
EXPENSES			
Certificated salaries	\$507,746,883	\$501,293,834	\$471,541,317
Certificated benefits	\$126,318,058	\$124,285,449	\$112,637,439
Non-certificated salaries and wages	\$218,987,122	\$219,483,571	\$190,984,966
Non-certificated benefits	\$57,802,496	\$58,012,981	\$52,183,847
Services, contracts, and supplies	\$204,459,973	\$212,009,220	\$174,171,618
Capital and debt services			
Amortization of capital assets			
Supported	\$34,249,215	\$35,137,207	\$33,061,120
Unsupported	\$10,895,431	\$10,203,868	\$10,046,730
Interest on capital debt			
Supported		\$0	\$0
Unsupported	\$383,780	\$402,435	\$420,532
Other interest and finance charges	\$362,400	\$362,400	\$383,201
Losses on disposal of capital assets	\$0	\$0	\$0
Other expenses	\$0	\$0	\$0
TOTAL EXPENSES	\$1,161,205,358	\$1,161,190,965	\$1,045,430,770

BUDGETED SCHEDULE OF FEE REVENUE
for the Year Ending August 31

	Approved Budget 2017/2018	Fall Budget Update 2016/2017	Actual 2015/2016
FEEES			
TRANSPORTATION	\$7,144,380	\$12,271,500	\$11,768,592
BASIC INSTRUCTION SUPPLIES (Instructional supplies, & materials)		\$1,697,200	\$2,660,750
LUNCHROOM SUPERVISION & ACTIVITY FEES (Optional & Mandatory)	\$4,462,709	\$4,166,800	\$4,658,552
FEEES TO ENHANCE BASIC INSTRUCTION			
Technology user fees	\$0	\$0	\$0
Alternative program fees	\$168,290	\$170,000	\$165,873
Fees for optional courses	\$3,346,898	\$2,892,700	\$3,653,595
Students from other boards			\$0
Tuition from ineligible students			\$6,610,717
ECS enhanced program fees	\$0	\$0	\$551,826
ACTIVITY FEES	\$6,538,074	\$6,450,000	\$5,525,978
Other fees to enhance education	\$0		
Other enhancement fees Service Charge		\$0	\$57,093
Other enhancement fees Kindergarten		\$570,000	\$0
Other enhancement fees		\$0	\$0
Other enhancement fees		\$0	\$0
Other enhancement fees		\$0	\$0
NON-CURRICULAR FEES			
Extra-curricular fees	\$3,048,527	\$3,440,000	\$3,384,413
Non-curricular supplies and materials	\$409,022	\$320,000	\$46,205
NON-CURRICULAR TRAVEL	\$0	\$0	
OTHER FEES	\$579,600		
Other non-curricular fees		\$0	\$0
Other non-curricular fees		\$0	\$0
Other non-curricular fees		\$0	\$0
Other non-curricular fees		\$0	
Other non-curricular fees		\$0	
TOTAL FEES	\$25,697,500	\$31,978,200	\$39,083,594

*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" (rather than fee revenue). Note that this schedule should include only amounts collected from parents and so it may not agree with the Statement of Operations.	Approved Budget 2017/2018	Fall Budget Update 2016/2017	Actual 2015/2016
Cafeteria sales, hot lunch, milk programs	\$1,648,752	\$924,500	\$916,022
Special events	\$1,096,670	\$1,608,100	\$1,780,736
Sales or rentals of other supplies/services	\$932,498	\$1,304,600	\$1,471,950
Out of district student revenue	\$0	\$0	
International and out of province student revenue	\$6,462,500	\$7,050,000	
Student travel (international, recognition trips, non-curricular)			\$0
Adult education revenue	\$1,733,700	\$2,185,200	\$0
Preschool	\$0	\$0	
Child care & before and after school care	\$0	\$0	\$0
Lost item replacement fees	\$318,248	\$293,800	
Other (describe) Library fines, book donations	\$0	\$0	\$292,481
Other (describe)	\$0	\$0	\$0
Other (describe)	\$0	\$0	\$0
Other (describe)	\$0	\$0	
Other (describe)	\$0	\$0	
TOTAL	\$12,192,368	\$13,366,200	\$4,461,189

BUDGETED SCHEDULE OF SUPPLEMENTARY DETAILS OF FEE REVENUE
for the Year Ending August 31

(A)	(B)	(C)	(D)	(E)	(F)
	Explanation of Other Costs (Column "(C)")	Other Costs (Explain under (B))* 2017/2018	Transportation Component 2017/2018	Supplies & Materials** 2017/2018	Total 2017/2018
FEES					
	TRANSPORTATION	\$0	\$7,144,380	\$0	\$7,144,380
	LUNCH SUPERVISION & ACTIVITY Lunchroom supervisor and custodial wages	\$4,462,709	\$0	\$0	\$4,462,709
FEES TO ENHANCE BASIC INSTRUCTION					
	Technology user fees	\$0	\$0	\$0	\$0
	Alternative program fees	\$0	\$0	\$168,290	\$168,290
	Fees for optional courses Admissions	\$836,725	\$502,034	\$2,008,139	\$3,346,898
	ECS enhanced program fees	\$0	\$0	\$0	\$0
	ACTIVITY FEES Admissions	\$3,313,450	\$2,533,673	\$690,951	\$6,538,074
	Other fees to enhance education	\$0	\$0		\$0
NON-CURRICULAR FEES					
	Extra-curricular fees Admissions	\$1,218,273	\$526,486	\$1,303,768	\$3,048,527
	Non-curricular supplies, materials, and services	\$0	\$0	\$409,022	\$409,022
	NON-CURRICULAR TRAVEL	\$0	\$0	\$0	\$0
OTHER FEES***					
	Metro Continuing Education Fees	\$0	\$0	\$579,600	\$579,600
		\$0	\$0		\$0
		\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0
	TOTAL FEES	\$9,831,157	\$10,706,573	\$5,159,770	\$25,697,500

**Supplies and Materials may include consumables (one-time use such as paper), reuseable supplies, equipment rental, workbooks).

***Describe purpose of fees. DO NOT use blanket names such as "Kindergarten", "Instructional Fees", "School Division Fees", "Registration Fees", etc.

***Where possible, use predefined categories as described on Pages 14 & 15 of the Budget Guidelines 2017/2018.

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, 2016	\$219,465,602	\$62,904,234	\$0	\$99,497,837	\$0	\$99,497,837	\$57,063,531
2016/2017 Estimated impact to AOS for:							
Prior period adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Estimated surplus(deficit)	(\$23,164,415)			(\$23,164,415)	(\$23,164,415)		
Estimated board funded capital asset additions		\$5,777,600		(\$5,777,600)	(\$5,777,600)	\$0	\$0
Estimated disposal of unsupported tangible capital assets	\$0	\$0		\$0	\$0		\$0
Estimated amortization of capital assets (expense)		(\$45,341,075)		\$45,341,075	\$45,341,075		
Estimated capital revenue recognized - Alberta Education		\$35,137,207		(\$35,137,207)	(\$35,137,207)		
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		\$597,316		(\$597,316)	(\$597,316)		
Estimated reserve transfers (net)				(\$3,828,952)	\$19,335,463	(\$23,164,415)	\$3,828,952
Estimated assumptions/transfers of operations (explain)	\$0	\$0	\$0	(\$15,000,000)	\$0	(\$15,000,000)	\$15,000,000
Estimated Balances for August 31, 2017	\$196,301,187	\$59,075,282	\$0	\$61,333,422	\$0	\$61,333,422	\$75,892,483
2017/2018 Budget projections for:							
Budgeted surplus(deficit)	(\$27,140,208)			(\$27,140,208)	(\$27,140,208)		
Projected board funded capital asset additions		\$6,000,000		(\$6,000,000)	(\$6,000,000)	\$0	\$0
Budgeted disposal of unsupported tangible capital assets	\$0	\$0		\$0	\$0		\$0
Budgeted amortization of capital assets (expense)		(\$45,144,646)		\$45,144,646	\$45,144,646		
Budgeted capital revenue recognized - Alberta Education		\$34,249,215		(\$34,249,215)	(\$34,249,215)		
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		\$615,716		(\$615,716)	(\$615,716)		
Projected reserve transfers (net)				(\$4,279,715)	\$22,860,493	(\$27,140,208)	\$4,279,715
Projected assumptions/transfers of operations (explain)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Projected Balances for August 31, 2018	\$169,160,979	\$54,795,567	\$0	\$34,193,214	\$0	\$34,193,214	\$80,172,198

SCHEDULE OF USES FOR ACCUMULATED SURPLUSES AND RESERVES
for the Year Ending August 31

	Unrestricted Surplus Usage			Operating Reserves Usage			Capital Reserves Usage		
	Year Ended			Year Ended			Year Ended		
	31-Aug-2018	31-Aug-2019	31-Aug-2020	31-Aug-2018	31-Aug-2019	31-Aug-2020	31-Aug-2018	31-Aug-2019	31-Aug-2020
Projected opening balance	\$0	\$0	\$0	\$61,333,422	\$34,193,214	\$21,456,126	\$75,892,483	\$80,172,198	\$92,229,472
Projected excess of revenues over expenses (surplus only)	\$0	\$0	\$0						
Budgeted disposal of unsupported tangible capital assets	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0
Budgeted amortization of capital assets (expense)	\$45,144,646	\$55,797,747	\$53,601,701		\$0	\$0			
Budgeted capital revenue recognized	(\$34,249,215)	(\$41,105,791)	(\$40,244,811)		\$0	\$0			
Budgeted changes in Endowments	\$0	\$0	\$0		\$0	\$0			
Budgeted unsupported debt principal repayment	(\$615,716)	(\$634,682)	(\$654,233)		\$0	\$0			
Projected reserves transfers (net)	\$22,860,493	\$679,814	(\$4,702,657)	(\$27,140,208)	(\$12,737,088)	\$0	\$4,279,715	\$12,057,274	\$4,702,657
Projected assumptions/transfers of operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increase in (use of) school generated funds	\$0	\$0	\$0		\$0	\$0		\$0	\$0
New school start-up costs									
Decentralized school reserves									
Non-recurring certificated remuneration									
Non-recurring non-certificated remuneration									
Non-recurring contracts, supplies & services									
Professional development, training & support									
Salary negotiation expenses									
Full-day kindergarten									
English language learners									
First nations, Metis, Inuit									
OH&S / wellness programs									
B & S administration organization / reorganization									
Debt repayment									
Fort McMurray wild fire related costs (unfunded)								\$0	\$0
Non-salary related programming costs (explain)									
Repairs & maintenance - School building & land									
Repairs & maintenance - Technology									
Repairs & maintenance - Vehicle & transportation									
Repairs & maintenance - Administration building									
Repairs & maintenance - POM building & equipment									
Repairs & maintenance - Other (explain)									
Capital costs - School land & building				\$0	\$0	\$0	\$0	\$0	\$0
Capital costs - School modernization				\$0	\$0	\$0	\$0	\$0	\$0
Capital costs - School modular & additions				\$0	\$0	\$0	\$0	\$0	\$0
Capital costs - School building partnership projects				\$0	\$0	\$0	\$0	\$0	\$0
Capital costs - Technology				\$0	\$0	\$0	\$0	\$0	\$0
Capital costs - Vehicle & transportation				\$0	\$0	\$0	\$0	\$0	\$0
Capital costs - Administration building				\$0	\$0	\$0	\$0	\$0	\$0
Capital costs - POM building & equipment				\$0	\$0	\$0	\$0	\$0	\$0
Capital costs - Other				\$0	\$0	\$0	\$0	\$0	\$0
Building leases									
Student Transportation - Use of Restricted Reserve									
Equity Needs									
Other 3 - please use this row only if no other row is appropriate									
Other 4 - please use this row only if no other row is appropriate									
Estimated closing balance for operating contingency	\$0	\$0	\$0	\$34,193,214	\$21,456,126	\$21,456,126	\$80,172,198	\$92,229,472	\$96,932,129

Total surplus as a percentage of 2018 Expenses	9.85%	9.79%	10.20%
ASO as a percentage of 2018 Expenses	2.94%	1.85%	1.85%

**ANTICIPATED CHANGES IN ACCUMULATED OPERATING SURPLUS (SUPPLEMENTARY DETAIL)
for the Year Ending August 31**

The following provides further explanation of the anticipated changes to each component of AOS for the 2016/2017, 2017/2018, 2018/2019, and 2019/2020 years as outlined on pages 6 and 7. Please provide information on the acquisition of significant unsupported capital, non-recurring project expenditures, and intended use of funds to August 31, 2020. Note that unrestricted surplus, operating reserves, and/or capital reserves should include the jurisdiction's contingency for unexpected or emergent issues.

Additional detail on uses of Accumulated Operating Surplus:

2016/2017

Provide an explanation of material changes from the fall budget update originally submitted in November, 2016 for annual operating surplus (deficit), capital acquisitions, endowments, and/or other changes affecting unrestricted surplus, operating reserves, and capital reserves.

In conjunction with the 2016-2017 Spring Budget, the Board of Trustees approved the distribution of \$32.5 million of surplus funds to be used during the 2016-2017 school year. Based on the actual ending surplus balances at schools and central decision units at the end of August 2016, schools and central decision units were allowed to carry forward surplus amounts of up to 3%. As such, the actual amount of surplus released in the 2016-2017 Fall Revised Budget was \$60.7 million.

Current projections indicate that although \$60.7 million of surplus funds were distributed during the 2016-17 year, approximately \$20 million will not be used. The current annual operating deficit for 2016-17 is projected to be \$23.1 million not \$4.3 million as originally anticipated during the 2016-2017 Spring Budget. Thus, the District is forecasting Operating reserves of \$61.3 million for August 31, 2017 and an AOS of \$169.2 million versus the 2016-2017 Spring Budget Projections of \$46.9 million and \$149.3 million respectively.

2017/2018

Please provide additional detail regarding uses of unrestricted surplus, operating reserves, and capital reserves not described on pages 6 and 7.

Uses of Operating Reserves:

1) Core Technology Enterprise Management	Currently, schools are responsible for the cost of core technology infrastructure at their respective sites. Schools are charged monthly by District Technology for service and support of this core infrastructure, which includes servers, switches, wi-fi access points and Internet service. In a new enterprise management model, maintenance, management and evergreening of core technology infrastructure will become the responsibility of District Technology. Schools will no longer be responsible for budgeting for the maintenance and replacement of their core technology infrastructure. Following 2017-2018, funds to sustain this model will be provided out of the District's operating budget as a fixed annual cost.	\$ 5,000,000
2) Infrastructure Investment Framework - Year 2	For emergent needs in schools that are not covered under maintenance funding or IMR. Examples include a rotational program to clean ducts and improve overall air quality in schools and installation of security systems.	4,100,000
3) Student Transportation (access to restricted reserve)	For 2017-2018 Student Transportation anticipates an increase in total ridership and operating costs, however there will be fewer riders eligible to pay a transportation fee (in compliance with Bill 1). In lieu of transferring the increased costs to the eligible riders, the District will deplete the existing restricted transportation surplus and will also access additional surplus funds as noted below.	1,300,000
4) Student Transportation (estimated access to surplus)	This access to surplus request is in addition to depleting the transportation restricted reserve balance, as noted above, and is required to offset the anticipated additional costs associated with an increase in ridership and operating costs without transferring this to students/families in the form of an increase in Student Transportation Fees for eligible riders.	3,100,000
5) Equity Needs	Funds to support schools in the areas of: curriculum, literacy, numeracy, English language learners, student assessment, data analysis, FNMI, resources, mental health and other areas of need.	7,959,001
6) Central Initiatives to support schools - Central Access to Surplus	<u>District Business Systems and School Support Applications</u>	1,642,137
	Funds to support the implementation, customization, and/or maintenance of business systems and school applications.	
	<u>Strategic Planning and Administration</u>	220,000
	Funds to support the data population and completion of the District Dashboard, the review and alignment of administrative regulations with the new Education Act, the development of District level strategic partnerships and the creation of a structure for principal readiness.	
	<u>Facilities and Operations</u>	1,050,000
	Funds to support school building improvements, facility assessments for schools involved with Space of Students in Mature Communities initiatives and the continuation of a fibre network connection to allow back up internet in the event of a service disruption.	
	<u>Supports for the Establishment of New Schools and Programming</u>	<u>2,769,070</u>
	Funds to support the staffing, communications, visual identity, space, and programming needs for new schools. Also included is support for expanding programs including: career pathways, evidence based decision making, locally developed course management as well as specialized assessments.	
		\$ 27,140,208

**ANTICIPATED CHANGES IN ACCUMULATED OPERATING SURPLUS (SUPPLEMENTARY DETAIL)
for the Year Ending August 31**

The following provides further explanation of the anticipated changes to each component of AOS for the 2016/2017, 2017/2018, 2018/2019, and 2019/2020 years as outlined on pages 6 and 7. Please provide information on the acquisition of significant unsupported capital, non-recurring project expenditures, and intended use of funds to August 31, 2020. Note that unrestricted surplus, operating reserves, and/or capital reserves should include the jurisdiction's contingency for unexpected or emergent issues.

Additional detail on uses of Accumulated Operating Surplus:

2018/2019

Please provide additional detail regarding uses of unrestricted surplus, operating reserves, and capital reserves not described on pages 6 and 7.

Uses of Operating Reserves:

1) Equity Fund	\$ 2,000,000
The fund is used to enhance opportunities for all schools in the District and support the District's Four Cornerstone Values: Collaboration, Accountability, Integrity and Equity. This fund will be used to support school catchment work and address individual school emergent circumstances.	
2) Infrastructure Investment Framework - Year 3	2,137,088
For emergent needs in schools that are not covered under maintenance funding or IMR. Examples include a rotational program to clean ducts and improve overall air quality in schools and installation of security systems.	
3) Property Management Capital	1,100,000
Lifecycle needs on our closed school buildings and buildings used for central services' DUs (e.g., Centre for Education, Distribution Centre, etc.). This fund would cover major costs such as boilers and roofs that cannot be paid with IMR dollars and could also cover capital items.	
4) Enterprise systems - Purchase, installation, and upgrade of key enterprise systems, e.g., PeopleSoft HR, PowerSchool, Archibus, Intranet, etc.	<u>3,500,000</u>
	\$ 8,737,088

2019/2020

Please provide additional detail regarding uses of unrestricted surplus, operating reserves, and capital reserves not described on pages 6 and 7.

Uses of Operating Reserves:

1) Equity Fund	\$ 2,000,000
The fund is used to enhance opportunities for all schools in the District and support the District's Four Cornerstone Values: Collaboration, Accountability, Integrity and Equity. This fund will be used to support school catchment work and address individual school emergent circumstances.	

August 31, 2020

Describe the jurisdiction's intended use of unrestricted surplus, operating reserves, and capital reserves balances expected as at August 31, 2020.

Minimum Reserve Target - To be financially responsible and prudent the District is targeting to maintain a minimum operating reserve balance of \$20 million.

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

	Budgeted 2017/2018 (Note 2)	Actual 2016/2017	Actual 2015/2016	Notes
GRADES 1 TO 12				
Eligible Funded Students:				
Grades 1 to 9	65,248	62,649	60,094	Head count
Grades 10 to 12	23,318	23,228	22,661	Note 3
Total	88,566	85,877	82,755	Grades 1-12 students eligible for base instruction funding from Alberta Education.
Percentage Change	3.1%	3.8%		
Other Students:				
Total	638	1,042	646	Note 4
Total Net Enrolled Students	89,204	86,919	83,401	
Home Ed and Blended Program Students	414	514	382	Note 5
Total Enrolled Students, Grades 1-12	89,618	87,433	83,783	
Percentage Change	2.5%	4.4%		
Of the Eligible Funded Students:				
Students with Severe Disabilities	2,118	2,514	2,386	FTE of students with severe disabilities as reported by the board via PASI.
Students with Mild/Moderate Disabilities		-	-	FTE of students identified with mild/moderate disabilities as reported by the board via PASI.

EARLY CHILDHOOD SERVICES (ECS)

Eligible Funded Children	9,462	8,691	8,575	ECS children eligible for ECS base instruction funding from Alberta Education.
Other Children	-	88	65	ECS children not eligible for ECS base instruction funding from Alberta Education.
Total Enrolled Children - ECS	9,462	8,779	8,640	
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	4,731	4,390	4,320	
Percentage Change	7.8%	1.6%		
Of the Eligible Funded Children:				
Students with Severe Disabilities	1,315	1,783	1,783	FTE of students with severe disabilities as reported by the board via PASI.
Students with Mild/Moderate Disabilities	1,495	1,069	1,022	FTE of students identified with mild/moderate disabilities as reported by the board via PASI.

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 2016/2017 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 AANDC (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 2017/2018	Actual 2016/2017	Fall Budget 2016/2017	Actual 2015/2016	Notes
CERTIFICATED STAFF					
School Based	4,876.2	4,807.7	4,807.7	4,599.6	Teacher certification required for performing functions at the school level.
Non-School Based	183.1	178.2	178.2	130.9	Teacher certification required for performing functions at the system/central office level.
Total Certificated Staff FTE	5,059.2	4,985.9	4,985.9	4,730.5	FTE for personnel possessing a valid Alberta teaching certificate or equivalency.
Percentage change from prior period	1.5%	5.4%	1.5%	5.4%	
If an average standard cost is used, please disclose rate:	\$ 102,791	\$ 102,791		\$ 102,791	
Student F.T.E. per certificated Staff	18.6	18.4		18.6	
Certificated Staffing Change due to:	Please Allocate				
	73.3	-			
Enrolment Change	73.3	-	255.4		If negative change impact, the small class size initiative is to include any/all teachers retained.
Small Class Size Initiative	-	-	n/a		If enrolment change impact on teacher FTEs is negative, include any/all teachers retained.
Other Factors	-	-	n/a		Descriptor (required):
Total Change	73.3	-	n/a		Year-over-year change in Certificated FTE
Breakdown, where total change is Negative:					
Continuous contracts terminated	-	-	n/a		FTEs
Non-permanent contracts not being renewed	-	-	n/a		FTEs
Other (retirement, attrition, etc.)	-	-	n/a		Descriptor (required):
Total Negative Change in Certificated FTEs	-	-	n/a		Breakdown required where year-over-year total change in Certificated FTE is 'negative' only.
NON-CERTIFICATED STAFF					
Instructional	2,357.9	2,345.7	2,345.7	2,266.3	Personnel providing instruction support for schools under 'Instruction' program areas.
Plant Operations & Maintenance	937.0	908.9	908.9	870.5	Personnel providing support to maintain school facilities
Transportation	17.8	17.8	17.8	18.0	Personnel providing direct support to the transportation of students to and from school
Other	449.7	452.2	452.2	433.6	Personnel in Board & System Admin. and External service areas.
Total Non-Certificated Staff FTE	3,762.4	3,724.6	3,724.6	3,588.4	FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.
Percentage Change	1.0%	3.8%	1.0%	3.8%	
Explanation of Changes:					
Increase is due to increased enrolment and the addition of 11 new schools in the Fall of 2017. Fall budget 2016/2017 numbers are used as the Actual 2016-2017 numbers as these are our best approximation of 2016-2017 actuals.					
Additional Information					
Are non-certificated staff subject to a collective agreement? Some are					
Please provide terms of contract for 2017/18 and future years for non-certificated staff subject to a collective agreement along with the number of qualifying staff FTE's.					
Custodial Collective Agreement - expires August 31, 2017 - FTE=684 Support Collective Agreement - expires August 31, 2017 - FTE=2193 Maintenance Collective Agreement-expires August 31, 2017 - FTE=231					

**BOARD AND SYSTEM ADMINISTRATION
2017/2018 EXPENSES UNDER (OVER) MAXIMUM LIMIT**

3020

TOTAL EXPENSES (From "Total" column of Line 28 of Schedule of Program Operations)	\$1,161,205,358
Enter Number of Net Enrolled Students:	89,204
Enter Number of Funded (ECS) Children:	9,462
Enter "C" if Charter School	
STEP 1	
Calculation of maximum expense limit percentage for Board and System Administration expenses	
If "Total Net Enrolled Students" are 6,000 and over = 3.6%	3.60%
If "Total Net Enrolled Students" are 2,000 and less = 5.4%	
<p>The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .00045 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .00045 = 0.675% plus 3.6% = maximum expense limit of 4.28%).</p>	
STEP 2	
A. Calculate maximum expense limit amounts for Board and System Administration expenses	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$41,803,393
B. Considerations for Charter Schools and Small School Boards:	
If charter schools and small school boards,	
The amount of Small Board Administration funding (<i>Funding Manual</i> Section 1.13)	\$0
2017/2018 MAXIMUM EXPENSE LIMIT (the greater of A or B above)	\$41,803,393
Actual Board & System Administration from G31 of "Budgeted Statement of Operations"	\$36,678,706
Amount Overspent	\$0

3.16%