

# BOARD BUDGET MEETING

MAY 27, 2024



# BUDGET MEETING OUTLINE

- BUDGET HIGHLIGHTS, PLANS, ASSUMPTIONS
  - EXECUTIVE SUMMARY
  - DIVISIONAL PRIORITIES
  - CHANGES TO REVENUE
  - STAFFING CONSIDERATIONS
  - ENROLMENT CHANGES
  - REVIEW OF EXPENDITURES
  - OPERATING RESERVES IMPACT
  - SIGNIFICANT BUSINESS RISKS

# BUDGET EXECUTIVE SUMMARY

- Budget Details
  - 2024 - Anticipate a smaller decrease of (\$383,553) to operating reserves then planned. (\$324,859) vs. (\$708,412).
  - 2025 - Small planned deficit of (\$313,114)
  - Resulting in a decrease in operating reserves of (\$320,030)
  - Resulting in an operating reserve balance of 2.52% of exp's
- Challenging Budget
  - - Decrease in AB Education Funding & FN Funding
  - + Anticipated Jordan Principle Funding
  - + Reduction of divisional and instructional positions
  - + Reduction in Teaching positions
  - - Increase in school support staff
  - - Services, Contracts, & Supplies - increases due to inflation

# BUDGET EXECUTIVE SUMMARY

- DATA
  - Enrollment - Slight increase 0.44%
  - Staff - Teachers - Down 1.9% (4.1 FTE)
  - Staff - Support - Up 3% (7.3 FTE)
- Business and Financial Risks
  - Cost escalations
  - Labour Relations - all collective agreements end Aug 31, 2024
  - Cost of Learning Support increases
  - Cost of Maintenance increase (insurance, utilities, services)
  - Use of reserves reduces future years flexibility

# BUDGET DIVISIONAL PRIORITIES

- Board Priority Emphasis through Strategic Planning:
  - Academics
    - Grade 9 PATs
    - Diploma Exams
    - Mental Health & Wellness
  - Built into the budget
    - Increase average time teachers are in front of students. (884 hours to 905 hours).
    - Relocation of resources - narrow the scope of work
    - Continue Mental Health Initiatives & Family School Liaison Supports for students.
    - Jordan's Principle applications for additional supports

# CHANGES TO AB ED REVENUES

AB Education Rates - No Change

Stats Canada Changes affect AB ED Formulas

- (\$323K) Socio Economic Status Grant
- \$142K Geographic Grant
- (\$ 75K) Nutrition Grant

# CHANGES TO AB ED REVENUES

## AB Education Revenue Adjustments

- (\$315K) IMR - only budgeted 50% - rest capital
- (\$283K) ATRF - Teacher Pension rates down
- \$255K - Capital Revenue / Amortization
- \$156K Grades 10-12 WMA increase
- \$136K Summer School 100 / FACES 620 FTE
- \$ 47K System Admin

# CHANGES - NON-AB ED FUNDING

## Federal Funding

- (\$429K) FN enrollment down 35 FTE from PY Budget, 13.5 from PY Actual
- \$721K Jordan's Principle (Can-FPW-WAD-CR) Awaiting approval (FPW-WAD-CR-ISS-ABD-LIV-MH)

## Other Revenue

- Interest - Higher Rates
- Mental Health, Nutrition, Careers, Town of FM



# STAFFING

- TEACHING STAFF
  - Down 4.1 from the prior year start
  - Benefits overall cost is down
    - ASEBP 2% - CPP 8% - EI 1.84%
    - ATRF rate decrease (AB Education pays premium)
- SUPPORT STAFF
  - UP 1 Mental Health Therapist
  - Up Success Coach
  - Up 5.3 Educational Assistants
  - Up 2 Bus Drivers
  - Down 1 International Program Coordinator
  - Down 1 Career Practitioner

# PROJECTED ENROLMENT

- FUNDED STUDENTS
  - ECS - Projected 7% decrease - 19 Students
  - GRADES 1-12 - 1% increase - 27 Students
    - HIGH SCHOOL - increase of 35 Students
      - Big Group coming up from grade 9 and smaller grade 12 group leaving.
    - GRADES 1-9 - decrease of 8 Students
    - HOME ED STUDENTS - increase of 7 Students
- OTHER STUDENTS
  - FN FROM ON RESERVE - decrease of 13.5 Students
  - INTERNATIONAL - decrease of 2 students

# EXPENDITURE REVIEW

## BY OBJECT

- Certificated Salaries - Decrease (\$446K)
  - Reduced FTE by 4.1
  - Average cost of teacher increase
- SUPPORT STAFF SALARIES INCREASE - \$408K
  - 7.3 FTE increase in staff
  - Average cost of support staff position increase
- BENEFIT DECREASE (\$85K)
  - ATRF decrease (\$283) - No Impact as both in Revenues & Exp's
  - ASEBP increase - 2% to 3.4%
  - CPP increase 4% to 8%+
  - EI increase 1.84%

# EXPENDITURE REVIEW - CONTINUED

- SERVICES, CONTRACTS AND SUPPLIES increase \$358K
  - Increase in costs
    - Amortization 304K (IMR, CMR)
    - Contracted Services 187K (Custodial, Learning Support)
    - Repairs and Maintenance 119K (Grounds, implementation, Bus)
    - Insurance 47K (Property Values)
    - Dues and Fees 27K (under budgeted in prior years)
    - Supplies 23K (Nutrition, Pilot Projects, Curriculum Impl.)
    - Travel & Subsistence 6K
  - Decrease in Costs
    - IMR 315K (Only budgeted 50%)
    - Professional Development 43K (Curriculum Innovation)
    - Utilities 56K (Budgeted high in the prior year, Sale of DO Claresholm)

# OPERATING RESERVE IMPACT

- AUGUST 31, 2023 OPERATING RESERVES
  - \$2,071,511
  - 3.72% OF OPERATING EXPENDITURES
- ANTICIPATED 2023-2024 IMPACT - REDUCTION OF \$324,859
  - DEFICIT OF \$287,342
  - \$1,746,652 OPERATING RESERVES
  - 3.09% OF OPERATING EXPENSES
- ALLOWABLE RESERVES - 4.37% next year 6%
  - 2,472,921
- IMPACT OF THIS BUDGET - REDUCTION OF \$320,050
  - DEFICIT OF \$313,144
  - \$1,426,602 OPERATING RESERVES
  - 2.52% OF OPERATING EXPENSES

MINIMUM OPERATING RESERVE REQUIRED - \$565,886

# SIGNIFICANT BUSINESS & FINANCIAL RISKS

- CONTINUATION OF RISING COSTS FOR PRODUCTS, SERVICES AND STAFFING (BENEFITS COSTS, UTILITIES, CONTRACTORS, INSURANCE, BUSES)
  - *All Current Collective Agreements expire August 31, 2024 (ATA, CUPE, WCSBDA)*
- BUDGETED INTERNATIONAL PROGRAM FUNDING IS CONTINGENT ON STUDENTS ATTENDING, WHICH CAN BE IMPACTED BY FACTORS OUT OF OUR CONTROL.
- LEARNING SUPPORT REQUIREMENTS ARE COSTING THE DIVISION \$7,400,000 WHICH IS MORE THAN THE FUNDING RECEIVED OF \$4,180,000. THE DIFFERENCE HAS TO COME OUT OF INSTRUCTIONAL FUNDING WHICH REDUCES THE RESOURCES TO SUPPORT STUDENT EDUCATION.

# SIGNIFICANT BUSINESS & FINANCIAL RISKS

- THE BUDGET REQUIRED TO OPERATE AND MAINTAIN SCHOOLS IS \$8,885,000 WHICH IS MORE THAN THE FUNDING RECEIVED TO MAINTAIN SCHOOLS \$8,385,000. THE DIFFERENCE HAS TO COME OUT OF INSTRUCTIONAL FUNDING WHICH REDUCES THE RESOURCES TO SUPPORT STUDENT EDUCATION. (THIS NUMBER EXCLUDES THE CMR / IMR FUNDING FOR PROJECTS THAT ARE CAPITALIZED)
- THIS BUDGET REQUIRES THE USE OF RESERVES TO BALANCE THE BUDGET. THIS REDUCES THE DIVISION'S FUTURE FLEXIBILITY IN MEETING UNFORESEEN NEEDS

QUESTIONS?

