

# BUDGET REPORT

## FOR THE YEAR ENDING AUGUST 31, 2009

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




LIVINGSTONE RANGE SCHOOL DIVISION NO. 68

Legal Name of School Jurisdiction

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Jim Burdett Name	BOARD CHAIRMAN	 Signature
Ellie Elliott Name	SUPERINTENDENT	 Signature
Don Olsen Name	SECRETARY TREASURER	 Signature

Certified a true and correct summary of the year's budget approved by the Board of Trustees at its meeting held June 9, 2008.

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Color coded cells:

blue cells: require the input of data/descriptors wherever applicable.  
 salmon cells: contain referenced juris. information - protected

Grey cells: data not applicable - protected  
 white cells: within text boxes REQUIRE the input of points and data.

**HIGHLIGHTS, PLANS, ASSUMPTIONS AND RISKS SUMMARY- 2008/2009 BUDGET REPORT**

Following are bulleted points 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 & Assumptions:**

- Enrolment within Livingstone Range School Division No. 68 is projected to decrease by almost another 200 fte students in 2008 - 2009. Added to enrolment declines over previous years, and long-term projections indicating still further declines this is a major factor in budgeting and programming for students.
- Staffing for both certificated and non-certificated positions is anticipated to also decrease, mainly due to the declining enrolment.
- The budget anticipates an increase in funding in most areas by the 4.53% announced as part of the Provincial budget in April of 2008
- The budgeted deficit is in the instruction block where schools have operating reserves in place to offset those deficits. Plant Operations and Maintenance, transportation, and Board and System Administration all have budgeted for a balanced budget. Board and System Admin expenditures are budgeted to come in almost \$0,000 under the maximum allowable cap, based on projected enrolment.
- The effect of the joint windpower project has a positive effect on the Plant Operations and Maintenance budget, especially as we see continued increases in utility costs. This has allowed us to budget for some preventative maintenance work which will have a long-term positive effect.
- Increased dollars are budgeted for elementary schools to assist and ensure that they have sufficient funding to meet the class size initiative targets established by the Province, especially at the K - 3 level where we have not been able to previously meet the target.

**Significant Business and Financial Risks:**

- Livingstone Range School Division No. 68 has negotiated settlements in place for all employee groups covered by collective agreements for the 2008 - 2009 school year, thus greatly decreasing financial risk associated with contract settlements.
- Lack of Provincial capital funding for Willow Creek Composite High School continues to inhibit the Board's ability to move forward with its facility plan which continues to delay potential cost savings for both POM and student instruction, as well as delaying enhanced student programming. A Provincial long-term capital plan is needed to assist boards in their planning.

**Specific Strategies to Reduce Class Size Averages:**

(If your jurisdiction has not met the ACOL guidelines at a particular grade grouping, what does this budget contain to address this circumstance?)

ACOL Grade Grouping      Met / Not Met      Specific class size average reduction strategies

K to 3: Additional dollars have been allocated to K - 3 schools this year to help meet this target, which we anticipate we will achieve in this budget year.

4 to 6: We currently meet the Provincial target

7 to 9: We currently meet the Provincial target

10 to 12: We currently meet the Provincial target

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

	Approved Budget 2008/2009	Final Approved Budget 2007/2008	Actual 2006/2007
<b>REVENUES</b>			
Government of Alberta	\$37,454,077	\$36,405,443	\$37,065,670
Federal Government and/or First Nations	\$2,405,250	\$2,210,462	\$2,444,653
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$171,877	\$177,235	\$188,441
Transportation fees	\$0	\$0	\$0
Other sales and services	\$901,344	\$914,870	\$1,015,568
Investment income	\$283,884	\$171,334	\$236,878
Gifts and donations	\$0	\$0	\$0
Rentals of facilities	\$44,940	\$42,500	\$60,708
Net school generated funds	\$950,000	\$1,000,000	\$959,864
Gains on disposal of capital assets	\$0	\$0	\$1,930
Amortization of capital allocations	\$1,642,571	\$1,700,000	\$1,690,633
<b>TOTAL REVENUES</b>	<b>\$43,853,943</b>	<b>\$42,621,844</b>	<b>\$43,664,341</b>
<b>EXPENSES</b>			
Certificated salaries	\$20,209,306	\$19,853,484	\$19,319,361
Certificated benefits	\$2,230,177	\$2,634,278	\$2,324,123
Non-certificated salaries and wages	\$7,670,198	\$7,810,072	\$7,233,795
Non-certificated benefits	\$1,606,728	\$1,602,586	\$1,413,900
Services, contracts and supplies	\$9,866,181	\$8,313,531	\$8,534,396
Net school generated funds	\$950,000	\$1,000,000	\$959,864
Capital and debt services			
Amortization of capital assets			
supported	\$1,642,571	\$1,700,000	\$1,690,633
unsupported	\$417,317	\$560,442	\$542,720
Interest on capital debt			
supported	\$149,102	\$186,799	\$230,303
unsupported	\$0	\$0	\$0
Other interest charges	\$3,000	\$3,000	\$2,398
Losses on disposal of capital assets	\$0	\$0	\$40,162
<b>TOTAL EXPENSES</b>	<b>\$44,744,578</b>	<b>\$43,664,192</b>	<b>\$42,291,655</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>(\$890,635)</b>	<b>(\$1,042,348)</b>	<b>\$1,372,686</b>

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

	Approved Budget 2008/2009	Final Approved Budget 2007/2008	Actual 2006/2007
<b>REVENUES</b>			
ECS - Grade 12 Instruction	\$31,763,186	\$31,187,240	\$31,676,084
Operations & Maintenance of Schools and Maintenance Shops	\$6,879,564	\$6,528,734	\$7,066,076
Transportation	\$3,227,246	\$3,084,863	\$3,116,967
Board & System Administration	\$1,983,947	\$1,821,007	\$1,805,214
External Services	\$0	\$0	\$0
<b>TOTAL REVENUES</b>	<b>\$43,853,943</b>	<b>\$42,621,844</b>	<b>\$43,664,341</b>
<b>EXPENSES</b>			
ECS - Grade 12 Instruction	\$32,655,561	\$32,229,588	\$30,769,663
Operations & Maintenance of Schools and Maintenance Shops	\$7,053,826	\$6,528,734	\$6,599,811
Transportation	\$3,227,246	\$3,084,863	\$3,116,967
Board & System Administration	\$1,807,945	\$1,821,007	\$1,805,214
External Services	\$0	\$0	\$0
<b>TOTAL EXPENSES</b>	<b>\$44,744,578</b>	<b>\$43,664,192</b>	<b>\$42,291,655</b>

**PROJECTED STATEMENT OF CHANGES IN NET ASSETS (SUMMARY)  
FOR THE YEAR ENDING AUGUST 31**

	(1)	(2)	(3)	(4)	(5)	(6)
	TOTAL NET ASSETS (2+3+6)	INVESTMENT IN CAPITAL ASSETS	ACCUMULATED OPERATING SURPLUS (4+5)	UNRESTRICTED NET ASSETS	INTERNALLY RESTRICTED NET ASSETS	
					OPERATING RESERVES	CAPITAL RESERVES
<b>Actual balances per AFS at August 31, 2007</b>	\$9,611,960	\$4,748,181	\$4,863,779	\$1,728,670	\$3,135,109	\$0
<b>2007/2008 Estimated Impact to net assets for:</b>						
Estimated surplus(deficit)	(\$1,042,348)			(\$1,042,348)		
Estimated Board funded capital asset additions		\$536,979		(\$536,979)	\$0	\$0
Estimated Amortization of capital assets (expense)		(\$2,260,442)		\$2,260,442		
Estimated Amortization of capital allocations (revenue)		\$1,700,000		(\$1,700,000)		
Estimated Unsupported debt principal repayment		\$0		\$0		
Estimated Net reserve transfers				\$1,070,490	(\$1,070,490)	\$0
Estimated Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
<b>Estimated Balances for August 31, 2008</b>	<b>\$8,569,612</b>	<b>\$4,724,718</b>	<b>\$3,844,894</b>	<b>\$1,780,275</b>	<b>\$2,064,619</b>	<b>\$0</b>
<b>2008/2009 Budget Projections for:</b>						
Budgeted surplus(deficit)	(\$890,635)			(\$890,635)		
Projected Board funded capital asset additions		\$583,281		(\$583,281)	\$0	\$0
Budgeted Amortization of capital assets (expense)		(\$2,059,888)		\$2,059,888		
Budgeted Amortization of capital allocations (revenue)		\$1,642,571		(\$1,642,571)		
Budgeted Unsupported debt principal repayment		\$0		\$0		
Projected Net reserve transfers				\$650,926	(\$650,926)	\$0
Projected Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
<b>Projected Balances for August 31, 2009</b>	<b>\$7,678,977</b>	<b>\$4,890,682</b>	<b>\$2,788,295</b>	<b>\$1,374,602</b>	<b>\$1,413,693</b>	<b>\$0</b>

**ANTICIPATED CHANGES IN NET ASSETS SUMMARY- 2008/2009 BUDGET REPORT**

Following are bulleted points explaining the anticipated changes to Unrestricted Net Assets, Investment in Capital Assets, Operating Reserves and Capital Reserves for 2007/2008 and 2008/2009 and breaking down the planned additions to unsupported capital.

**Board funded capital asset additions:**

	<u>2007 - 2008</u>	<u>2008 - 2009</u>
<b>Vehicles</b>		
- POM	\$ 26,979	\$ 38,281
- Transportation	\$ 410,000	\$ 445,000
<b>Equipment :</b>		
- Instruction	\$ 100,000	\$ 100,000
	<u>\$ 536,979</u>	<u>\$ 583,281</u>

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

	Budgeted 2008/2009 (Note 2)	Actual 2007/2008	Actual 2006/2007	Notes
<b>GRADES 1 TO 12</b>				
<b>Eligible Funded Students:</b>				
Grades 1 to 9	2,446	2,575	2,711	Head count
Grades 10 to 12	906	948	973	Note 3
<b>Total</b>	<b>3,352</b>	<b>3,523</b>	<b>3,684</b>	Grades 1-12 students eligible for base instruction funding from Alberta Education.
<b>Other Students:</b>				
<b>Total</b>	<b>253</b>	<b>280</b>	<b>280</b>	Note 4
<b>Total Net Enrolled Students</b>	<b>3,605</b>	<b>3,803</b>	<b>3,964</b>	
<b>Home Ed and Blended Program Students</b>	<b>4</b>	<b>-</b>	<b>7</b>	Note 5
<b>Total Enrolled Students, Grades 1-12</b>	<b>3,609</b>	<b>3,803</b>	<b>3,971</b>	
<b>Of the Eligible Funded Students:</b>				
<b>Severely Disabled Students served</b>	<b>183</b>	<b>186</b>	<b>148</b>	Total eligible funded severely disabled student FTEs; including Code 40s (excluding Code 47s).

**EARLY CHILDHOOD SERVICES (ECS)**

<b>Eligible Funded Children</b>	<b>185</b>	<b>196</b>	<b>248</b>	ECS children eligible for ECS base instruction funding from Alberta Education.
<b>Other children</b>	<b>-</b>	<b>-</b>	<b>-</b>	ECS children not eligible for ECS base instruction funding from Alberta Education.
<b>Enrolled Children - ECS</b>	<b>185</b>	<b>196</b>	<b>248</b>	
<b>Program Hours</b>	<b>475</b>	<b>475</b>	<b>475</b>	Minimum: 475 Hours
<b>FTE Ratio</b>	<b>0.500</b>	<b>0.500</b>	<b>0.500</b>	Actual hours divided by 950
<b>FTE's Enrolled, ECS</b>	<b>93</b>	<b>98</b>	<b>124</b>	
<b>Of the Eligible Funded Children:</b>				
<b>Severely Disabled Children served</b>	<b>13</b>	<b>18</b>	<b>21</b>	Total eligible funded severely disabled children FTEs, including Code 40 children in program units.

**NOTES:**

- Enrolment is to be completed WHEREVER APPLICABLE and are 'as at September 30th' for each year.
- Budgeted enrolment is to be based on best information available at time of this 2008/2009 budget report preparation.
- The # of FTE grade 10-12 students is determined by taking the total # of students' credits / 35; where 35 CEU's = 1 FTE.
- 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 INAC (Code 330), students younger than 5 1/2 or older than 19, and out-of-province and foreign students.
- 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 2008/2009	Actual 2007/2008	Actual 2006/2007	Notes
<b>CERTIFICATED STAFF</b>				
School Based	230.1	235.6	235.5	Teacher certification required for performing functions at the school level.
Non-School Based	5.2	6.2	7.2	Teacher certification required for performing functions at the system/central office level.
<b>Total Certificated Staff FTE</b>	<b>235.3</b>	<b>241.8</b>	<b>242.7</b>	<b>FTE for personnel possessing a valid Alberta teaching certificate or equivalency.</b>
<b>Certificated Staffing Change due to:</b>				
Enrolment Change	(10.0)	(9.7)	(5.0)	If negative change impact, the small class size initiative is to include any/all teachers retained.
Small Class Size Initiative	3.5	8.8	1.1	If enrolment change impact on teacher FTEs is negative, include any/all teachers retained.
Other Factors	-	-	-	Descriptor (required):
<b>Total Change</b>	<b>(6.5)</b>	<b>(0.9)</b>	<b>(3.9)</b>	<b>Year-over-year change in Certificated FTE</b>
<b>Breakdown, where total change is Negative:</b>				
Continuous contracts terminated	-	-	-	FTEs
Non-permanent contracts not being renewed	-	-	-	FTEs
Other (retirement, attrition, etc.)	(6.5)	(0.9)	(3.9)	Descriptor (required): Retirements
<b>Total Negative Change in Certificated FTEs</b>	<b>(6.5)</b>	<b>(0.9)</b>	<b>(3.9)</b>	<b>Breakdown required where year-over-year total change in Certificated FTE is 'negative' only.</b>
<b>Of the Certificated Staff:</b>				
Class size teachers retained from prior years	17.8	12.6	10.9	FTEs
Class size teachers newly hired	-	5.2	1.7	FTEs
<b>Total Class Size Initiative Teacher FTE's</b>	<b>17.8</b>	<b>17.8</b>	<b>12.6</b>	<b>FTE for teachers hired and retained to meet the ACOL class size averages guidelines.</b>
<b>NON-CERTIFICATED STAFF</b>				
Instructional	181.9	173.3	158.6	Personnel providing instruction support for schools under 'Instruction' program areas.
Non-Instructional	76.3	79.3	79.3	Personnel in Transportation, Board & System Admin., O&M and External service areas.
<b>Total Non-Certificated Staff FTE</b>	<b>238.2</b>	<b>252.5</b>	<b>237.8</b>	<b>FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.</b>
<b>Non-Certificated Staffing Change due to:</b>				
Enrolment Change	(14.3)	-	(4.3)	FTEs
Other Factors	-	14.7	-	Descriptor (required): change in number of students with special programming needs
<b>Total Change</b>	<b>(14.3)</b>	<b>14.7</b>	<b>(4.3)</b>	<b>Year-over-year change in Non-Certificated FTE</b>

**PROJECTED CLASS SIZE AVERAGES  
FULL TIME EQUIVALENT (FTE) AVERAGE CLASS SIZE**

	Budgeted 2008/2009	Actual 2007/2008	Actual 2006/2007	Notes
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**ACOL GUIDELINE GRADE GROUPING**

K to Grade 3	17.0	17.3	19.8	If budgeted > 17, requires pg. 2 budget highlights on specific strategies to reduce to guideline.
Grades 4 to 6	22.0	22.2	22.8	If budgeted > 23, requires pg. 2 budget highlights on specific strategies to reduce to guideline.
Grades 7 to 9	22.0	21.7	21.9	If budgeted > 25, requires pg. 2 budget highlights on specific strategies to reduce to guideline.
Grades 10 to 12	18.0	17.3	18.0	If budgeted > 27, requires pg. 2 budget highlights on specific strategies to reduce to guideline.

FTE statistics are 'as at September 30th' for each year. All applicable FTEs and the class size average information is to be entered to 1 decimal place.