

EDMONTON PUBLIC SCHOOLS

March 11, 2008

TO: Board of Trustees
FROM: E. Schmidt, Superintendent
SUBJECT: 2008-2009 Proposed Planning Base
ORIGINATOR: B. Tams, Assistant Superintendent
RESOURCE
STAFF: Jamie Pallett, Dean Power, Eila Stenberg

RECOMMENDATION

1. That the framework of the planning base as outlined in Table 1, be approved.
2. That the administration be authorized to adjust the resources in the planning base in accordance with the Alberta Education funding announcements contained in the 2008-2009 Provincial Budget, be approved.

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The proposed planning base for 2008-2009 is outlined in Table 1. Also included in Table 1 are the actual budgets from the two proceeding years for comparison purposes. It is important to note that the amounts indicated under the Proposed Planning Base are preliminary figures and are based on the best information available at this time. When determining the projected revenue the following factors were taken into account:

- a. a 4.5 per cent increase in base funding;
- b. a 3 per cent increase in funding for all other rates other than the base rate funding;
- c. a decrease in district enrolment of 622 students.

A detailed description of the revenue forecast is outlined in Appendix I.

When the provincial budget is made public, the forecast revenue will be adjusted to reflect the announced grant rates. Once adjustments are made to the projected revenue, the net percentage increase will be distributed to schools and central decision units.

In addition to the projected revenue, the 2008-2009 planning base will include \$3.8 million which is being carried forward from 2007-2008. These funds are resources remaining from \$7.6 million which the District received from Alberta Education in January 2008.

Table 1

	2006-2007 Actual Budget Planning Base	2007-2008 Actual Budget Planning Base	2008-2009 Proposed Planning Base
PROJECTED REVENUE	\$ 676,732,000	\$ 699,489,000	\$ 725,518,000
Previous Year's Surplus (2007-08)	\$ 0	\$ 0	\$ 3,800,000
Total	\$ 676,732,000	\$ 699,489,000	\$ 729,318,000
SCHOOLS /INSTITUTIONS	\$ 502,249,208	\$ 526,952,258	\$ 547,987,467
School Generated Funds	\$ 22,899,109	\$ 21,111,000	\$ 24,610,000
CENTRAL ALLOCATIONS	\$ 44,620,862	\$ 49,535,925	\$ 53,909,665
Partial Payment of Operating Deficit	\$ 6,750,000	\$ 0	\$ 0
DISTRICT LEVEL COMMITTED FUNDS			
Personnel Supply Services	\$ 7,600,000	\$ 8,200,000	\$ 8,200,000
Professional Improvement Leaves	\$ 1,490,000	\$ 1,540,000	\$ 1,640,000
Transportation	\$ 28,072,567	\$ 27,616,915	\$ 27,984,277
Metro	\$ 6,335,244	\$ 6,102,788	\$ 6,176,931
Debt Services	\$ 30,500,000	\$ 28,380,454	\$ 26,900,000
External Revenue	\$ 8,255,350	\$ 8,310,000	\$ 8,310,000
Utilities	\$ 16,000,000	\$ 17,500,000	\$ 18,500,000
High Speed Network	\$ 1,389,660	\$ 1,389,660	\$ 1,389,660
DISTRICT LEVEL PRIORITY FUNDING			
Election	\$ 0	\$ 850,000	\$ 300,000
District Technology Projects	\$ 370,000	\$ 1,000,000	\$ 1,000,000
Public Consultation	\$ 200,000	\$ 200,000	\$ 200,000
School Cluster Support for English Language Learners	\$ 0	\$ 500,000	\$ 1,000,000
Aboriginal Task Force	\$ 0	\$ 300,000	\$ 500,000
District Level Foundation	\$ 0	\$ 0	\$ 460,000
Board Initiatives	\$ 0	\$ 0	\$ 250,000
PLANNING BASE	\$ 676,732,000	\$ 699,489,000	\$ 729,318,000

Resources to Schools/Institutions

Resources to schools (\$547.9 M) is approximately 91 per cent of the resources available for allocation after District level committed funds and school generated funds are removed. This represents a 4 per cent increase from the 2007-2008 allocation.

Central Allocations

Resources to Central Decision Units (\$53.9M) is approximately 9 per cent of the resources available for allocation after District level committed funds and school generated funds are removed. This represents a 6.8 per cent increase from the 2007-2008 allocation. Embedded within the central allocations are resources to support the English Language Learning Centre (\$600,000) and the Edmonton Regional Educational Consulting Services (\$3.05 M).

District Level Committed Funds

District Level Committed Funds are resources designated for specific purposes and are not available for general allocation. The table below provides a description of each of the items under this category. These resources will be allocated to the central decision unit managing these responsibilities at a later date.

Expenditure	Explanation	07-08	08-09
Personnel Supply Services	Resources to cover the costs associated with teacher, custodial and support staff District-funded absences, and for custodial and maintenance retirement bonuses as per the respective Collective Agreements.	\$8.20M	\$8.20M
Professional Improvement Leaves	Resources to cover the costs associated with the accumulated salary charges and expenditures related to Clause 23 Professional Improvement Leaves and Tuition Support and the Teacher Development Program.	\$1.54M	\$1.64M
Transportation	Resources to cover the costs associated with transporting students within the District.	\$27.62M	\$27.98M
Metro Continuing Education	Expenditures generated through course and program fees and CEU's at Metro Continuing Education.	\$6.10M	\$6.18M
Debt Services	Resources to cover the costs associated with the District's long term debt and debenture, capital loan principal repayments and interest costs incurred by the District.	\$28.38M	\$26.90M
External Revenue	Projected external revenue identified by central services decision units.	\$8.31M	\$8.31M
Utilities	Resources to cover school utility costs.	\$17.50M	\$18.50M
High Speed Network	Resources to cover the costs associated with managing and operating the High Speed Internet links for schools.	\$1.39M	\$1.39M
TOTAL		\$99.04M	\$99.10M

District Level Priority Funding

These resources are designated to support district priorities and areas of emphasis as identified through consultation with trustees, district staff, community partners and other district stakeholders. These resources will be allocated to the central decision unit managing these responsibilities at a later date.

Expenditure	Explanation	07-08	08-09
Election	Resources to cover costs associated with Trustee elections. Resources will be accumulated over three years.	\$0.85M	\$0.30M
District Technology Projects	Resources to cover the costs associated with upgrading District wide technology software. Items include: <ul style="list-style-type: none">• Upgrade of Student Information System (SIS)• Upgrade of Budget Planning System• Upgrade of Facilities Management System• Development of Records Management System	\$1.00M	\$1.00M
Public Consultations	Resources to cover the costs associated with developing a public consultation framework.	\$0.20M	\$0.20M
School Cluster Support for English Language Learners	Resources supporting a pilot project intended to provide transition programming and additional supports to schools serving English Language Learners.	\$0.50M	\$1.00M
Aboriginal Task Force	Resources intended to support recommendations coming from the District's Aboriginal Task Force.	\$0.30M	\$0.50M
District Level Foundation	Resources for the District level foundation which will focus on engaging the community's support in public education.	0	\$0.46M
Board Initiatives	Resources for planning and organizing Board led initiatives that will advance the District priorities.	0	\$0.25M
TOTAL		\$2.85M	\$3.71M

JRP:bly

Appendix I – Preliminary Revenue Forecast for the 2008-2009 School Year

**EDMONTON PUBLIC SCHOOLS
REVENUE FORECAST
FOR THE 2008-2009 SCHOOL YEAR**

	JANUARY 2007-2008 FORECAST	CHANGES	PRELIMINARY 2008-2009 FORECAST	Note
BASE FUNDING				
ECS BASE	15,399,000	813,000	16,212,000	1
GRADES 1 TO 12	388,446,000	14,018,000	402,464,000	2
SENIOR HIGH SUMMER SCHOOL	2,764,000	124,000	2,888,000	3
HOME EDUCATION	788,000	35,000	823,000	3
DIFFERENTIAL COST FUNDING				
ECS MILD & MODERATE	919,000	27,000	946,000	4
ECS PROGRAM UNIT FUNDING	21,198,000	0	21,198,000	
SEVERE DISABILITIES	32,434,000	973,000	33,407,000	4
ESL	9,526,000	1,053,000	10,579,000	5
FIRST NATIONS, METIS & INUIT	7,307,000	219,000	7,526,000	4
SOCIO ECONOMIC STATUS	8,718,000	190,000	8,908,000	6
SMALL SCHOOL BY NECESSITY	2,884,000	87,000	2,971,000	4
ENROLMENT GROWTH & DECLINE	1,036,000	31,000	1,067,000	4
RELATIVE COST OF PURCHASING	3,823,000	129,000	3,952,000	7
METRO URBAN TRANSPORTATION	17,445,000	261,000	17,706,000	8
ECS SPECIAL TRANSPORTATION	1,411,000	43,000	1,454,000	4
FUEL FUNDING INITIATIVE	804,000	0	804,000	
DAILY PHYSICAL ACTIVITY	199,000	6,000	205,000	4
FEDERAL FRENCH FUNDING	447,000	0	447,000	
PROVINCIAL PRIORITY TARGETED FUNDING				
INITIATIVE FOR SCHOOL IMPROVEMENT	10,337,000	311,000	10,648,000	4
HIGH SPEED NETWORKING	1,390,000	0	1,390,000	
CLASS SIZE INITIATIVE	26,993,000	810,000	27,803,000	4
OTHER PROVINCIAL SUPPORT				
INSTITUTIONAL SUPPORT	6,644,000	0	6,644,000	
REGIONAL EDUCATION CONSULTING SERVICE	2,969,000	86,000	3,055,000	4
LRDC - ESTIMATED UTILIZATION	856,000	25,000	881,000	4
ONE-TIME FUNDING	7,638,000	(7,638,000)	0	9
INSTRUCTIONAL FUNDING	<u>572,375,000</u>	<u>11,603,000</u>	<u>583,978,000</u>	
PLANT OPERATIONS AND MAINTENANCE	<u>60,460,000</u>	<u>1,218,000</u>	<u>61,678,000</u>	10
TOTAL OPERATIONAL FUNDING	<u>632,835,000</u>	<u>12,821,000</u>	<u>645,656,000</u>	
CAPITAL				
DEBENTURE INTEREST	1,707,000	(350,000)	1,357,000	11
AMORTIZATION OF CAPITAL GRANTS	10,686,000	(476,000)	10,210,000	12
AMORT OF INVEST IN CAPITAL ASSETS	14,228,000	(626,000)	13,602,000	12
	<u>26,621,000</u>	<u>(1,452,000)</u>	<u>25,169,000</u>	
SCHOOL GENERATED FUNDS	<u>24,610,000</u>	<u>0</u>	<u>24,610,000</u>	
OTHER				
OTHER SCHOOL JURISDICTIONS	1,716,000	0	1,716,000	
PROVINCIAL GRANTS	900,000	0	900,000	
FEDERAL GOVERNMENT	1,407,000	0	1,407,000	
TUITION AGREEMENTS	691,000	0	691,000	
BUS PASS SALES	7,833,000	0	7,833,000	
INTERNATIONAL STUDENT FEES	3,014,000	0	3,014,000	
METRO CONTINUING EDUCATION FEES	3,899,000	0	3,899,000	
EXTERNAL REVENUE - CENTRAL DU'S	6,840,000	0	6,840,000	
MISCELLANEOUS	3,783,000	0	3,783,000	
	<u>30,083,000</u>	<u>0</u>	<u>30,083,000</u>	
TOTAL OPERATING REVENUE	<u>714,149,000</u>	<u>11,369,000</u>	<u>725,518,000</u>	

**EDMONTON PUBLIC SCHOOLS
PRELIMINARY REVENUE PROJECTION
FOR THE 2008-2009 SCHOOL YEAR**

1. The increase in the base funding rate for ECS is estimate to be 4.5 % (\$699,000). The ECS enrolment is also projected to increase by 42 children (\$114,000).
2. The increase in the base funding rate for school age students is estimated to be 4.5% (\$17,334,000). The grade 1 to 12 funded enrolled FTE is projected to decrease by 608 FTE (-\$3,316,000).
3. The remaining base funding rates are expected to increase by 4.5%.
4. The increase being assumed for all of the funding rates other than base funding is 3%.
5. The foreign born ESL population is projected to increase by 5% and the Canadian born population by 13% (\$745,000). The impact of the 3% rate increase is an additional \$308,000.
6. Socio economic funding is impacted by the decrease in the enrolment projection (-\$70,000) and the estimated 3% increase in the funding rate (\$190,000).
7. Relative cost of purchasing funding is impacted by the net increase in the other funding amounts.
8. The impact of the decrease in projected enrolment (-\$215,000) is offset by the estimated 3% funding rate increase (\$476,000).
9. This was a one time funding announcement.
10. Plant operation and maintenance funding for 2008-09 is based on the 2007-08 student count. The Sept 2007 student count dropped by 1% from the prior year (-\$579,000). This is offset by the estimated 3% increase in funding (\$1,797,000)
11. The debenture interest continues to decrease as the debt on school buildings is paid down.
12. The change in amortization reflects the change in assets acquired.