

EDMONTON PUBLIC SCHOOLS

April 11, 2000

TO: Board of Trustees
FROM: E. Dossdall, Superintendent of Schools
SUBJECT: Student Transportation Fees for 2000-2001
ORIGINATOR: G. Reynolds, Department Head
RESOURCE
STAFF: Irene Billey, Rick Craig, Terry Kowalyk

RECOMMENDATION

That the following schedule of monthly bus pass fees, effective August 2000, be approved:

	<u>From:</u>	<u>To:</u>
A. <u>Edmonton Transit Passes</u>		
Kindergarten & Elementary (in neighbourhoods where schools have been closed or have not been built)	\$ 5.00	\$ 5.00
Elementary Special Needs	\$ 5.00	\$ 5.00
Elementary	\$ 24.00	\$ 20.00
Junior High	\$ 24.00	\$ 20.00
Senior High	\$ 24.00	\$ 20.00
B. <u>Charter Yellow Bus</u>		
i) Regular:		
Kindergarten & Elementary (in neighbourhoods where schools have been closed or have not been built)	\$ 5.00	\$ 5.00
Elementary Special Needs	\$ 5.00	\$ 5.00
Elementary	\$ 24.00	\$ 20.00
Junior High	\$ 24.00	\$ 20.00
Senior High	\$ 24.00	\$ 20.00
ii) Alternative Programs:		
Kindergarten & Elementary		
1st child	\$ 40.00	\$ 36.00
2nd child	\$ 40.00	\$ 36.00
Family Maximum:	\$100.00	\$90.00

iii) Special Needs Curb:	<u>From:</u>	<u>To:</u>
Elementary	\$ 5.00	\$ 5.00
Junior	\$ 24.00	\$ 20.00
Senior High	\$ 24.00	\$ 20.00

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The recommended fee schedule for 2000-2001 will generate \$4,528,600, which along with the provincial transportation grant of \$13,107,474 will total \$17,636,074 in revenue. This revenue along with the projected surplus of \$1,000,000 from 1999-2000 will exceed the proposed transportation expenditure of \$18,050,586 by \$585,488. The \$585,488 will be carried forward as a surplus to the 2001-2002 school year to enable the district to maintain more stable transportation fees. Under this scenario, the only monthly bus pass fee that remains the same is for students without a local school designated to attend elementary programs and all of the other fees decrease by \$4.00 per pass per month.

Background

At the time the 1999-2000 budget was approved the district projected a carry forward deficit was \$1,004,000 from 1998-99, whereas the actual carry-forward ended up at \$1,222,213. A number of factors have occurred over the past year which will result in a projected carry forward surplus of approximately \$1,000,000 from 1999-2000 to 2000-01:

- increased revenue from increased student pass fees of approximately \$500,000.
- discussions with Alberta Learning over this past year has resulted in an increase to our urban transportation block grant as a result of definitions of special schools such as Argyll Home Education Centre, the three outreach centres, and the Christian Schools counted as one site rather than three in the calculation of the grant. We have realized a \$876,801 retroactive adjustment to our 1998-99 block grant, and
- a \$868,378 adjustment to our 1999-2000 block grant.

Student transportation fees have fluctuated dramatically over the past several years as a result of legal requirements and significant revenue and expenditure changes. Appendix I shows the history of monthly student transportation fees from 1994 to the fees proposed for the 2000-2001 school year. The extent to which student fees increase or decrease is dependent on the level of provincial funding and on expenditures related to the number of students purchasing public transit passes, the number of students and type of programs supported by yellow school bus service, and the cost of school bus contracts.

Recognizing that provincial funding for transportation will continue to fluctuate, the most viable approach for minimizing significant fee increases and decreases in the future involves managing the number of students using Edmonton Transit and the number of students and type of programs supported by yellow bus service. Student transportation fees are a key factor in

determining the Transportation Services budget as the number of students purchasing bus passes has a significant impact on transportation expenditures and revenues. Fee variations are particularly noticeable with respect to the number of students using Edmonton Transit where the demand for bus passes is more price elastic than the demand for yellow bus passes.

As Edmonton Transit bus pass fees are lowered, ridership increases causing a major increase in expenditures as revenue generated from bus pass fees does not cover the cost that the district is charged by the City to purchase the passes. The result is that with each incremental reduction in the fee, the variance between the expenditure and revenue grows creating an escalating deficit. For this reason, it is important that transportation fees correlate with projected ridership in order to balance the Transportation Services budget.

Included in the expenditure projections are increases to the charter yellow bus rates, the number of charter yellow buses operating, the cost for Edmonton Transit student passes (from \$37 to \$38 a month), the number of transit passes purchased, and the number of students requiring curb service transportation.

With respect to legal requirements, the November 25, 1998 amendment to the School Act, Student Transportation Regulation, may assist in stabilizing student fees as school boards now have two years to use any surplus revenue generated from student fees to subsidize transportation for students. The extended time frame is more sensitive to the complexity associated with balancing transportation revenues with expenditures and provides greater flexibility for school boards to effectively manage revenue generated from student fees.

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APPENDIX I - History of Monthly Student Transportation Fees