

EDMONTON PUBLIC SCHOOLS

April 28, 2009

TO: Board of Trustees  
FROM: E. Schmidt, Superintendent of Schools  
SUBJECT: 2009-2010 Proposed Planning Base  
ORIGINATOR: D.R. Power, Assistant Superintendent – Treasurer

RESOURCE

STAFF: Jane Ainslie, Rick Angus, Sandra Bassett, Monika Lukas, Jamie Pallett,  
Eila Stenberg, Madeline Turner

RECOMMENDATION

That the framework of the planning base as outlined in Table 1 be approved.

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The planning base is the financial framework which assists the Board and Administration in preparing annual operational plans. The planning base is composed of four parts: projected revenue, District level committed funds, resources allocated to central decision units, and resources allocated to schools. Table 1 provides historical data about the planning base and compares the 2008-2009 actual planning base (October) to the proposed 2009-2010 planning base (April).

The recommended planning base for 2009-2010 recognizes a total revenue amount equaling \$774.7 M. This amount includes \$771.7 M of provincial funding and \$3.0 M of unrestricted accumulated surplus from 2007-2008. Appendix I details the revenue the District is expecting to receive from the provincial government. The projected revenue amounts are based on the provincial funding announcements made on April 7, 2009 and a projected District student enrolment of 79,034. The projected District student enrolment is 579 less than the actual 2008-2009 student enrolment.

District level committed funds are resources designated for specific purposes and are not available for general allocation. Some of these resources are designated to support areas of emphasis which have been identified through consultation with Trustees, District staff, community partners and other District stakeholders. It is being proposed that District level committed funds total \$107.7 M. Appendix II provides a brief description of these expenditures.

It is recommended that the resources directed to schools be increased by \$13.2 M (2.3%) from the 2008-2009 actual allocation (October). This amount takes into account the following:

- a decrease in student enrolment;
- the introduction of service delivery hours; and
- an adjustment in the collection of school security payments.

Embedded within the central allocations are resources previously identified as District level priority funding (\$950,000) and resources for the service delivery hours being offered by Consulting Services (\$4.5 M). It is recommended that the resources directed to central decision units be increased by \$7.9 M (14.5%) from the 2008-2009 actual allocation (October). If the resources previously identified as District level priority funding and the service delivery hours are removed, the increase to central allocations would be \$2.4 M or 4.5 per cent.

**Table 1 – District Planning Base – 2006-07 Actual to 2009-10 Proposed**

	<b>2006-07 Actual Budget Planning Base Oct 2006</b>	<b>2007-08 Actual Budget Planning Base Oct 2007</b>	<b>2008-09 Actual Budget Planning Base Oct 2008</b>	<b>2009-10 Proposed Budget Planning Base April 2009</b>	<b>Difference between 2008-09 Actual &amp; 2009-10 Proposed</b>
<b>PROJECTED REVENUE</b>	676,732,000	699,489,000	748,063,000	771,716,000	23,653,000
2007-2008 Unrestricted Accumulated Surplus			3,800,000	3,000,000	(800,000)
Total	676,732,000	699,489,000	751,863,000	774,716,000	22,853,000
<b>DISTRICT LEVEL COMMITTED FUNDS</b>					
Personnel Supply Services	7,600,000	8,200,000	8,200,000	8,200,000	0
Professional Improvement Leaves	1,490,000	1,540,000	1,640,000	1,640,000	0
Transportation	28,072,567	27,616,915	30,088,813	29,739,402	(349,411)
Metro	6,335,244	6,102,788	6,597,449	6,678,520	81,071
Debt Services	30,500,000	28,380,454	26,900,000	27,100,000	200,000
External Revenue	8,255,350	8,310,000	9,338,330	9,338,330	0
Utilities	16,000,000	17,500,000	18,500,000	20,600,000	2,100,000
High Speed Network	1,389,660	1,389,660	1,389,660	1,389,660	0
<b>DISTRICT LEVEL PRIORITY FUNDS</b>					
Election	0	850,000	300,000	300,000	0
District Technology Projects	370,000	1,000,000	1,000,000	1,000,000	0
Public Consultation	200,000	200,000	200,000	*	(200,000)
Cluster Support for ELL	0	500,000	1,000,000	1,000,000	0
Aboriginal Task Force	0	300,000	500,000	*	(500,000)
District Level Foundation	0	0	460,000	460,000	0
Board Initiatives	0	0	250,000	*	(250,000)
Multi-Cultural Task Force	0	0	0	250,000	250,000
<b>SCHOOLS</b>	502,249,208	526,952,258	522,576,435	534,411,097	11,834,662
Institutions			38,603,413	39,986,457	1,383,044
Senior High Summer School			5,171,000	5,171,000	0
LRC			881,169	890,018	8,849
School Generated Funds	22,899,109	21,111,000	23,828,000	24,146,000	318,000
<b>CENTRAL ALLOCATIONS</b>	44,620,862	49,535,925	50,786,731	58,732,516	7,945,785
ERECS			3,189,000	3,220,000	31,000
Federal French Funding			463,000	463,000	0
<b>Operating Deficit</b>	6,750,000				
<b>TOTAL PLANNING BASE</b>	676,732,000	699,489,000	751,863,000	774,716,000	22,853,000

\* Responsibilities for these initiatives have been permanently assigned to central decision units. Designated resources have been incorporated into central allocations.

JRP:bly

Appendix I - Edmonton Public Schools Revenue Forecast for the 2009-2010 School Year

Appendix II - 2008-2009 District Level Expenditures and 2009-2010 Projected District Level Expenditures

**EDMONTON PUBLIC SCHOOLS  
REVENUE FORECAST  
FOR THE 2009-2010 SCHOOL YEAR**

	<b>SEPTEMBER COUNT 2008-2009</b>	<b>CHANGES</b>	<b>INITIAL FORECAST 2009-2010</b>	
<b>BASE FUNDING</b>				
ECS BASE	17,416,000	49,000	17,465,000	1
GRADES 1 TO 12	403,937,000	17,789,000	421,726,000	2
SENIOR HIGH SUMMER SCHOOL	6,900,000	332,000	7,232,000	3
HOME EDUCATION	845,000	(12,000)	833,000	4
<b>DIFFERENTIAL COST FUNDING</b>				
ECS MILD & MODERATE	1,124,000	156,000	1,280,000	5
ECS PROGRAM UNIT FUNDING	23,139,000	1,049,000	24,188,000	6
SEVERE DISABILITIES	33,905,000	0	33,905,000	
ESL	12,173,000	563,000	12,736,000	7
FIRST NATIONS, METIS & INUIT	7,707,000	(700,000)	7,007,000	8
SOCIO ECONOMIC STATUS	9,114,000	44,000	9,158,000	9
SMALL SCHOOL BY NECESSITY	3,015,000	30,000	3,045,000	10
ENROLMENT GROWTH & DECLINE	914,000	10,000	924,000	10
RELATIVE COST OF PURCHASING	5,681,000	189,000	5,870,000	11
METRO URBAN TRANSPORTATION	18,262,000	125,000	18,387,000	12
ECS SPECIAL TRANSPORTATION	1,475,000	69,000	1,544,000	13
FUEL FUNDING INITIATIVE	1,300,000	(600,000)	700,000	14
DAILY PHYSICAL ACTIVITY	206,000	2,000	208,000	10
<b>FEDERAL FRENCH FUNDING</b>	463,000	0	463,000	
<b>PROVINCIAL PRIORITY TARGETED FUNDING</b>				
INITIATIVE FOR SCHOOL IMPROVEMENT	10,659,000	108,000	10,767,000	10
HIGH SPEED NETWORKING	1,390,000	0	1,390,000	
CLASS SIZE INITIATIVE	29,422,000	1,412,000	30,834,000	15
<b>OTHER PROVINCIAL SUPPORT</b>				
INSTITUTIONAL SUPPORT	7,256,000	73,000	7,329,000	10
REGIONAL EDUCATION CONSULTING SERVICES	3,189,000	31,000	3,220,000	10
LRDC - ESTIMATED UTILIZATION	881,000	9,000	890,000	10
CAREER & TECHNOLOGIES STUDIES FUNDING	1,298,000	0	1,298,000	
INNOVATIVE CLASSROOM TECHNOLOGY FUNDING	2,696,000	0	2,696,000	
<b>INSTRUCTIONAL FUNDING</b>	<u>604,367,000</u>	<u>20,728,000</u>	<u>625,095,000</u>	
<b>PLANT OPERATIONS AND MAINTENANCE</b>	<u>62,325,000</u>	<u>1,870,000</u>	<u>64,195,000</u>	16
<b>TOTAL OPERATIONAL FUNDING</b>	<u>666,692,000</u>	<u>22,598,000</u>	<u>689,290,000</u>	
<b>CAPITAL</b>				
DEBENTURE INTEREST	1,357,000	(458,000)	899,000	17
AMORTIZATION OF CAPITAL GRANTS	10,210,000	(507,000)	9,703,000	18
AMORT OF INVEST IN CAPITAL ASSETS	13,602,000	2,302,000	15,904,000	18
	<u>25,169,000</u>	<u>1,337,000</u>	<u>26,506,000</u>	
<b>SCHOOL GENERATED FUNDS</b>	<u>23,828,000</u>	<u>318,000</u>	<u>24,146,000</u>	19
<b>OTHER</b>				
OTHER SCHOOL JURISDICTIONS	2,095,000	0	2,095,000	
PROVINCIAL GRANTS	1,089,000	0	1,089,000	
FEDERAL GOVERNMENT	1,843,000	0	1,843,000	
TUITION AGREEMENTS	723,000	0	723,000	
BUS PASS SALES	8,334,000	0	8,334,000	
INTERNATIONAL STUDENT FEES	3,014,000	0	3,014,000	
METRO CONTINUING EDUCATION FEES	3,919,000	0	3,919,000	
EXTERNAL REVENUE - CENTRAL DU'S	7,574,000	0	7,574,000	
MISCELLANEOUS	3,783,000	(600,000)	3,183,000	20
	<u>32,374,000</u>	<u>(600,000)</u>	<u>31,774,000</u>	
<b>TOTAL OPERATING REVENUE</b>	<u><u>748,063,000</u></u>	<u><u>23,653,000</u></u>	<u><u>771,716,000</u></u>	

**EDMONTON PUBLIC SCHOOLS  
REVENUE PROJECTION FOR 2009-2010  
INITIAL FORECAST**

1. The projected decrease in enrolment (-\$752,000) is offset by the 4.8% grant rate increase (\$801,000).
2. The projected decrease in enrolment (-\$1,564,000) is offset by the 4.8% grant rate increase (\$19,353,000).
3. The funding rate has increased by 4.8%. The number CEU's in the adjustment have not been adjusted
4. The projected decrease in enrolment (-\$50,000) is partly offset by the 4.8% grant rate increase (\$38,000).
5. Assessments since September 30 have resulted in an increase in enrolment (\$143,000) and the grant rate has increased by 1% (\$13,000).
6. Program unit funding rates have increased by 1%, as well the impact of the final budget changes for 2008-09 have been incorporated.
7. The ESL enrolment has been projected to increase (\$432,000) and the grant rate has increased by 1% (\$131,000).
8. A decrease is being projected in FNMI funding because Alberta Education will no longer be funding those students who have not self-identified using the current Alberta Education FNMI codes, although they did initially self-identify using the old district registration form which requested a Yes/No answer (-\$773,000). This is partly offset by the 1% grant rate increase (\$73,000)
9. The projected decrease in enrolment has had a negative impact on this funding (-\$55,000) which is offset by the 1% grant rate increase (\$99,000).
10. The funding rate has been increased by 1%
11. RCPA is impacted by the change in the other grant areas.
12. Transportation funding is projected to decrease as a result of the decrease in enrolment as well as from the impact on the formula of opening Lillian Osborne school (-\$380,000). This is offset by the 3% grant rate increase (\$505,000).
13. The funding rate has increased by 3% (\$45,000), as well the number of children being transported has been increased based on the 2008-09 funding applications (\$24,000).
14. Fuel funding support is continuing based on the extent that the price per litre exceeds \$0.60 however, the estimate is being adjusted to reflect the current fuel price.
15. The funding rate has been increased by 4.8%
16. The funding rate has been increased by 3%
17. The debenture interest continues to decrease as the debt on school buildings is paid down.
18. The change in amortization reflects the change in assets acquired.
19. School Generated Funds has been adjusted to reflect the latest financial specs uploaded by the schools.
20. Projected interest revenue has been reduced to reflect the current projected cash flow and the declining interest rates.

## 2008-2009 District Level Expenditures and 2009-2010 Projected District Level Expenditures

<b>Expenditure</b>	<b>Explanation</b>	<b>08-09</b>	<b>09-10</b>
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.	\$1.64M	\$1.64M
Transportation	Resources to cover the costs associated with transporting students within the District.	\$30.09M	\$29.74M
Metro Continuing Education	Expenditures generated through course and program fees and CEU's at Metro Continuing Education.	\$6.60M	\$6.68M
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.	\$26.90M	\$27.10M
External Revenue	Projected external revenue identified by central services decision units.	\$9.34M	\$9.34M
Utilities	Resources to cover school utility costs.	\$18.50M	\$20.60M
High Speed Network	Resources to cover the costs associated with managing and operating the High Speed Internet links for schools.	\$1.39M	\$1.39M
Election	Resources to cover costs associated with Trustee elections. Resources will be accumulated over three years.	\$0.30M	\$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"> <li>• Upgrade of Student Information System (SIS)</li> <li>• Upgrade of Budget Planning System</li> <li>• Upgrade of Facilities Management System</li> <li>• Development of Records Management System</li> </ul>	\$1.00M	\$1.00M
Public Consultations	Resources to cover the costs associated with developing a public consultation framework.	\$0.20M	*

<b>Expenditure</b>	<b>Explanation</b>	<b>08-09</b>	<b>09-10</b>
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.	\$1.00M	\$1.00M
Aboriginal Task Force	Resources intended to support recommendations coming from the District's Aboriginal Task Force.	\$0.50M	*
District Level Foundation	Resources for the District level foundation which will focus on engaging the community's support in public education.	\$0.46M	\$0.46M
Board Initiatives	Resources for planning and organizing Board led initiatives that will advance the District priorities.	\$0.25M	*
Multi-Cultural Task Force	Resources intended to support recommendations coming from the District's Multi-Cultural Task Force	0	\$0.25M
<b>TOTAL</b>		<b>\$106.37M</b>	<b>\$107.70M</b>

\* Responsibilities for these initiatives have been permanently assigned to central decision units. Designated resources have been incorporated into central allocations.