

EDMONTON PUBLIC SCHOOLS

September 14, 2010

TO: Board of Trustees

FROM: E. Schmidt, Superintendent of Schools

SUBJECT: Budget Update

ORIGINATOR: D. Fraser, Executive Director, Corporate Services
B. J. Smith, Executive Director, Finance and Infrastructure

RESOURCE
STAFF: Sandra Bassett

RECOMMENDATION

That the 2010-2011 proposed budget be increased by \$3,180,000.

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The 2010-2011 approved planning base recognizes a total revenue amount equaling \$823 M. This amount includes \$800.7 M of provincial funding and \$22.3 M from the District's operating reserve.

The Minister of Education announced in July 2010, an increase in funding was applied in the form of a 2.92% increase to the base student and class size initiative grants. Edmonton Public Schools' share of this increased funding is \$14,579,000.

The additional funding from Alberta Education does not entirely offset the total amount of funds required from reserve to balance the 2010-2011 budget. In both options there is an amount of funds (\$7.8 M Option 1; \$11.0 M Option 2) required from operating reserves. This will mean that the Board will have to apply future unrestricted surplus funds to future budgets. Without additional provincial funding or a reduction in costs or services, the ability of EPS to maintain this level of expenditure is limited to approximately three years and will require steps to be undertaken to look for areas of cost reduction and/or cost efficiencies.

The amount of resources directed to schools was 4.51 % over the 2009-10 expenditures budget. Likewise central resource also increased 4.51 %. This increase was .51% less than the proposed teacher unit cost increase of 5.02%.

An increase of \$3.18 M in the planning base would increase the resources directed to schools, and central services to 5.02 % and match the increase of the teacher unit cost. The Board will be meeting the Minister of Education's expectations that "teaching and classroom support

complements will not be reduced” and that “progress in meeting class size guidelines will continue”. By providing the additional \$3.18 M some schools and central departments will have the opportunity to slightly increase their staffing complements and achieve the Minister’s expectations.

As of September 9, 2010 enrolment stands at 80,121, slightly higher than the same time last year (80,032). As schools finalize their enrolments, it is expected that enrolment will approximate or be slightly above the budgeted estimate of 79,799. Actual enrolment will not be finalized until September 30th.

The following provides a staffing update regarding teaching and support staff, as of September 9, 2010:

Teaching Staff:

There were 112 teachers on continuing contract who required placement for the 2010-2011 school year. This number includes teachers identified for transfer in the spring and fall, administrative transfers, and teachers requiring alternative assignments for medical reasons. Human Resources has successfully placed 101 teachers in permanent assignments and there are currently 11 teachers still requiring placement. These teachers have been temporarily assigned as itinerant teachers through Human Resources Supply Services.

In terms of teachers on probationary contracts in 2009-10 who were recommended for continuing contracts, 181 teachers have been offered assignments for the 2010-11 school year and continuing contracts have been issued. There are 34 teachers who still need assignments for which a continuing contract can be issued.

To date, 112 teachers have been issued probationary contracts for the 2010-11 school year and there are 256 teachers who may be eligible for probationary or temporary contracts. Final contract status for these 256 teachers will be determined prior to September 15, 2010.

Note: Schools will begin uploading their teacher FTE’s into the Teacher Assignment System in mid-September and a final FTE count will be determined by September 30th, pending final student enrolment numbers.

Support Staff:

There were 51 support staff identified for layoff prior to the end of June 2010. Since then, 13 support staff have been recalled into permanent positions and 38 support staff remain on the recall list. There are also six support staff who have been or are in the process of being identified for layoff.

BJS/ej

APPENDIX I – 2010-2011 Edmonton Public School’s Budget

APPENDIX II – Recommendation Funding Allocation Increase; Operating Reserve Funding

EDMONTON PUBLIC SCHOOLS

2010/2011 BUDGET

	<u>Approved</u>		<u>With July 2010 Announcement</u>		<u>Recommended</u>
Operating Reserves	\$22.3 m	Operating Reserves	\$7.8 m	Operating Reserves	\$11.0 M
		July 2010 Announcement	\$14.5 M	July 2010 Announcement	\$14.5 M
Projected Reserves	\$800.7 M	Projected Revenue	\$800.7 M	Projected Revenue	\$800.7 M
	\$823 M		\$823 M		\$826.2 M



3.2

EDMONTON PUBLIC SCHOOLS

Recommendation Funding Allocation Increase

School Allocations (includes 4.51% increase)	\$ 462,665,000
Central Allocations (includes 4.51% increase)	60,900,000

Teacher Unit Cost increase 5.02 %

Allocation Rate 4.51 %

Shortfall .51 %

Cost to Offset Shortfall Percentage of 0.51 %

Schools Additional Funding \$ 2,869,500

Central Additional Funding 310,500

\$ 3,180,000

Operating Reserve Funding

Approved Budget	\$ 22,285,000
July 2010 Funding Announcement	(<u>14,519,000</u>)
	7,766,000
Additional Allocation	<u>3,180,000</u>
Reserve Funding Required 2010/11	\$ <u>10,946,000</u>