

BUDGET REPORT

FOR THE YEAR ENDING AUGUST 31, 2011

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

Holy Spirit Roman Catholic Separate Regional Division No. 4

Legal Name of School Jurisdiction

Phone: 403-327-9555 Fax: 403-327-9595

Telephone and Fax Numbers

BOARD CHAIR	
Nadine King Name	Signature
SUPERINTENDENT	
Chris Smeaton Name	Signature
SECRETARY TREASURER	
Lisa Palmarin, CGA Name	Signature
<p>Certified a true and correct summary of the year's budget approved by the Board of Trustees at its meeting held June 23, 2010 .</p>	

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Budget Highlights & Assumptions:

Without adequate funding for the next year, the school division is faced with the difficult task of reducing expenditures in order to balance the budget. Consequently, to address the shortfall of revenues, operating reserves of \$460,000 will be used to mitigate budget reductions. This represents all available operating reserves. Without the necessary funding to support the government's agreement with teachers in the province, it will be very difficult to maintain the same quality of services for our students in the coming year.

The school division will spend 77% of its operating expenditures on salaries and benefits. This amount is consistent with prior years. However, because of inadequate funding, both certificated and non-certificated staff will be reduced.

Funding for Special Education is insufficient due to the increasing needs of students and rising costs of salaries and benefits. As a result, the school division is compelled to use money from other sources in order to meet the needs of students. The estimated additional support to special education in 2010 / 2011 will be \$769,275 in excess of the funding.

Funding for plant operations and maintenance will be insufficient in 2010 /2011, making it difficult to maintain the school division's facilities. As a result, it is estimated that caretaking staff will be reduced by 6.5%.

Students who are not subsidized by the government for bus transportation will be required to pay a monthly user fee. While the user fee will not cover the cost of the bus transportation, it will help us to ensure that out transportation system remains viable for our students.

Significant Business and Financial Risks:

The budget was prepared based on estimated enrolment. If enrolment is lower than estimated, this will result in a decrease in estimated funding from Alberta Education. The school division is already budgeting to use all available operating reserves. Should revenue be lower than estimated and expenses be higher, there is the risk of falling into an unfunded deficit by the end of August, 2011. It is not the Board's desire to spend tomorrow's money on today's students. Therefore, constant monitoring of income and control of expenses are essential.

Significant Business and Financial Risks:

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

	Approved Budget 2010/2011	Final Approved Budget 2009/2010	Actual 2008/2009
REVENUES			
Government of Alberta	\$41,543,219	\$40,768,954	\$40,598,779
Federal Government and/or First Nations	\$1,147,250	\$1,384,000	\$1,079,833
Other Alberta school authorities	\$7,000	\$7,000	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$305,707	\$295,920	\$398,512
Transportation fees	\$7,000	\$0	\$0
Other sales and services	\$220,425	\$430,974	\$192,157
Investment income	\$0	\$0	\$23,195
Gifts and donations	\$0	\$0	\$5,023
Rentals of facilities	\$0	\$0	\$0
School generated funds	\$738,702	\$738,702	\$1,614,533
Gains on disposal of capital assets	\$0	\$0	\$599,623
Amortization of capital allocations	\$1,552,323	\$1,552,323	\$1,552,323
Other revenue	\$0	\$0	\$0
TOTAL REVENUES	\$45,521,626	\$45,177,873	\$46,063,978
EXPENSES			
Certificated salaries	\$21,805,414	\$21,493,418	\$21,015,819
Certificated benefits	\$2,494,169	\$2,407,402	\$2,553,797
Non-certificated salaries and wages	\$8,260,256	\$8,177,302	\$7,751,835
Non-certificated benefits	\$2,672,871	\$2,504,601	\$2,218,442
Services, contracts and supplies	\$7,987,580	\$7,730,235	\$7,027,138
School generated funds	\$738,702	\$738,702	\$1,614,533
Capital and debt services			
Amortization of capital assets			
supported	\$1,552,323	\$1,552,323	\$1,552,323
unsupported	\$351,053	\$368,209	\$232,198
Interest on capital debt			
supported	\$119,258	\$105,681	\$119,258
unsupported	\$0	\$0	\$0
Other interest charges	\$0	\$0	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
Other expense	\$0	\$0	\$0
TOTAL EXPENSES	\$45,981,626	\$45,077,873	\$44,085,343
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$460,000)	\$100,000	\$1,978,635

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

	Approved Budget 2010/2011	Final Approved Budget 2009/2010	Actual 2008/2009
REVENUES			
ECS - Grade 12 Instruction	\$35,370,871	\$35,273,508	\$36,259,594
Operations & Maintenance of Schools and Maintenance Shops	\$6,509,505	\$6,496,307	\$6,238,766
Transportation	\$1,598,250	\$1,286,298	\$1,302,804
Board & System Administration	\$2,043,000	\$2,121,760	\$2,262,814
External Services	\$0	\$0	\$0
TOTAL REVENUES	\$45,521,626	\$45,177,873	\$46,063,978
EXPENSES			
ECS - Grade 12 Instruction	\$35,780,871	\$35,273,508	\$35,380,484
Operations & Maintenance of Schools and Maintenance Shops	\$6,509,505	\$6,496,307	\$5,894,308
Transportation	\$1,598,250	\$1,286,298	\$1,237,989
Board & System Administration	\$2,093,000	\$2,021,760	\$1,572,562
External Services	\$0	\$0	\$0
TOTAL EXPENSES	\$45,981,626	\$45,077,873	\$44,085,343

**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
Actual balances per AFS at August 31, 2009	\$5,980,306	\$4,472,858	\$722,024	\$0	\$722,024	\$785,424
2009/2010 Estimated impact to net assets for:						
Estimated surplus(deficit)	\$100,000			\$100,000		
Estimated Board funded capital asset additions		\$221,693		\$0	\$0	(\$221,693)
Estimated Amortization of capital assets (expense)		\$0		\$0		
Estimated Amortization of capital allocations (revenue)		\$0		\$0		
Estimated Unsupported debt principal repayment		\$0		\$0		
Estimated reserve transfers (net)				\$0	\$0	\$0
Estimated Assumptions/Transfers of Operations	\$0	\$0	\$0	(\$100,000)	\$100,000	\$0
Estimated Balances for August 31, 2010	\$6,080,306	\$4,694,551	\$822,024	\$0	\$822,024	\$563,731
2010/2011 Budget Projections for:						
Budgeted surplus(deficit)	(\$460,000)			(\$460,000)		
Projected Board funded capital asset additions		\$0		\$0	\$0	
Budgeted Amortization of capital assets (expense)		(\$1,903,376)		\$1,903,376		
Budgeted Amortization of capital allocations (revenue)		\$1,552,323		(\$1,552,323)		
Budgeted Unsupported debt principal repayment		\$0		\$0		
Projected reserve transfers (net)				\$460,000	(\$460,000)	\$0
Projected Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
Projected Balances for August 31, 2011	\$5,620,306	\$4,343,498	\$713,077	\$351,053	\$362,024	\$563,731

ANTICIPATED CHANGES IN NET ASSETS SUMMARY- 2010/2011 BUDGET REPORT

The following explains the anticipated changes to Unrestricted Net Assets, Investment in Capital Assets, Operating Reserves and Capital Reserves for 2009/2010 and 2010/2011 and breaks down the planned additions to unsupported capital.

The Board is planning to transfer \$460,000 from operating reserves in order to minimize the impact on school division's operations due to insufficient provincial funding. The remaining estimated amount in the operating reserves represents in large part, the Teachers' Professional Development Fund, which the Board is contractually obligated to provide. This reserve cannot be accessed unless it is for the specific purposes of funding teacher PD.

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

	Budgeted 2010/2011 (Note 2)	Actual 2009/2010	Actual 2008/2009	Notes
GRADES 1 TO 12				
Eligible Funded Students:				
Grades 1 to 9	2,899	2,928	2,919	Head count
Grades 10 to 12	974	986	1,044	Note 3
Total	3,873	3,914	3,963	Grades 1-12 students eligible for base instruction funding from Alberta Education.
Other Students:				
Total	113	131	125	Note 4
Total Net Enrolled Students	3,986	4,045	4,088	
Home Ed and Blended Program Students	-	-	-	Note 5
Total Enrolled Students, Grades 1-12	3,986	4,045	4,088	
Of the Eligible Funded Students:				
Severely Disabled Students served	202	202	198	Total eligible funded severely disabled student FTEs; including Code 40s (excluding Code 47s).
EARLY CHILDHOOD SERVICES (ECS)				
Eligible Funded Children	501	445	428	ECS children eligible for ECS base instruction funding from Alberta Education.
Other children	8	6	7	ECS children not eligible for ECS base instruction funding from Alberta Education.
Total Enrolled Children - ECS	509	451	435	
Program Hours	475	475	475	Minimum: 475 Hours
FTE Ratio	0.500	0.500	0.500	Actual hours divided by 950
FTE's Enrolled, ECS	255	226	218	
Of the Eligible Funded Children:				
Severely Disabled Children served	63	63	35	Total eligible funded severely disabled children FTEs, including Code 40 children in program units.
NOTES:				
1 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 2010/2011 budget report preparation.				
3 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 2010/2011	Actual 2009/2010	Actual 2008/2009	Notes
<u>CERTIFICATED STAFF</u>				
School Based	225.0	236.1	243.8	Teacher certification required for performing functions at the school level.
Non-School Based	7.2	8.2	7.5	Teacher certification required for performing functions at the system/central office level.
Total Certificated Staff FTE	232.2	244.3	251.3	FTE for personnel possessing a valid Alberta teaching certificate or equivalency.
Certificated Staffing Change due to:				
Enrolment Change	-	(7.4)	(10.5)	If negative change impact, the small class size initiative is to include any/all teachers retained.
Other Factors	(12.1)	-	-	Descriptor (required): funding shortfall
Total Change	(12.1)	(7.4)	(10.5)	Year-over-year change in Certificated FTE
Breakdown, where total change is Negative:				
Continuous contracts terminated	-	-	-	FTEs
Non-permanent contracts not being renewed	9.1	1.9	7.5	FTEs
Other (retirement, attrition, etc.)	3.0	5.5	3.0	Descriptor (required):
Total Negative Change in Certificated FTEs	12.1	7.4	10.5	Breakdown required where year-over-year total change in Certificated FTE is 'negative' only.
<u>NON-CERTIFICATED STAFF</u>				
Instructional	170.9	188.9	187.6	Personnel providing instruction support for schools under 'Instruction' program areas.
Non-Instructional	42.2	44.2	42.2	Personnel in Transportation, Board & System Admin., O&M and External service areas.
Total Non-Certificated Staff FTE	213.1	233.1	229.8	FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.
Non-Certificated Staffing Change due to:				
Enrolment Change	-	-	(5.8)	FTEs
Other Factors	20.0	3.3	-	Descriptor (required): funding
Total Change	20.0	3.3	(5.8)	Year-over-year change in Non-Certificated FTE