

# BUDGET REPORT

## FOR THE YEAR ENDING AUGUST 31, 2013

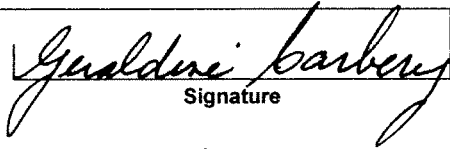
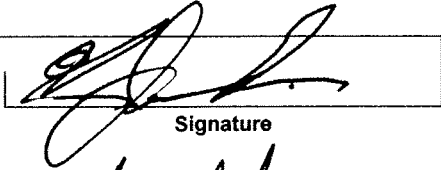
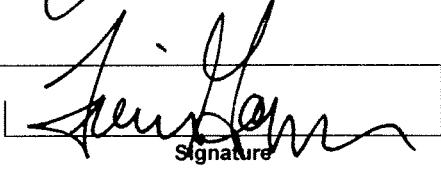
[School Act, Sections 147(2)(b) and 276]

### Fort McMurray Catholic Board of Education

Legal Name of School Jurisdiction

780-799-5700 780-799-5706

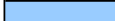

Telephone and Fax Numbers



Geraldine Carbery Name	BOARD CHAIR	 Signature
Kim Jenkins Name	SUPERINTENDENT	 Signature
Francois Gagnon Name	SECRETARY TREASURER	 Signature
Certified An accurate summary of the year's budget approved by the Board of Trustees at its meeting held <u>June 18, 2012</u> . Date		

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Color coded cells:

 blue cells: require the input of data/descriptors wherever applicable.  
 salmon cells: contain referenced juris. information - protected

 Grey cells: data not applicable - protected  
 white cells: within text boxes REQUIRE the input of points and data.

**HIGHLIGHTS, PLANS, ASSUMPTIONS AND RISKS SUMMARY- 2012/2013 BUDGET REPORT**

The following were presented to the Board and approved as underlying the budget. These key points and assumptions used in development of the budget take into consideration the economic environment of the jurisdiction, focus on anticipated changes from current year, and are realistic and consistent with the three year Education Plan. At a minimum, they disclose key budget assumptions, financial & business risks, and specific strategies explaining how this budget will support the jurisdiction's plans.

**Budget Highlights, Plans & Assumptions:**

Based on a conservative student enrolment projection of 4,670 FTE for September 2013, an increase of 4.75% from the previous year. This was calculated by using moving students up one grade and applying a general growth factor of 1.5%.

The large variances in comparing the 2012/13 budget to the 2011/12 budget are due to several factors including:

- enrolment growth of 8% in September 2011 increasing revenues and costs. The 2012 Budget based on a 2% increase in enrolment;
- opening of a new out-of-school care program and the Suncor Centre for the Performing Arts impacting sales and rental revenues and associated costs.

No significant changes in staffing except for 10 new teachers required for increased enrolment.

The Budget is projecting a net shortfall of \$935,000 for 2012/13

**Significant Business and Financial Risks:**

The collective agreements for teachers (ATA) and support staff (CUPE) are expiring on August 31, 2012. The outcome of bargaining with the two groups could have a significant impact on the fiscal situation of the Board. Together, the salaries and benefits costs of employees covered under the two contracts represent more than 70% of the total operating costs of the District.

The rapid growth of the region is continuing to put upward pressure on the cost of goods and services. The elimination of the Relative Cost of Purchasing Goods and Services will have a significant impact on the ability of the Board to provide the support services to our schools and students. Many examples of commercial lease rates doubling in a year are impacting our suppliers of goods and services who have no choice but to pass these costs to their customers.

Given that local prices are about 20% higher than elsewhere in the Province, the current funding model funds our support services at less than 80% of other regions. This is most significant in the area of Plant Operations and Maintenance, Infrastructure & Maintenance Renewal Grant (IMR) and Student Transportation.

Enrolment projections carry an inherent risk given the high transient rate of the community. High swing in enrolment are always possible and may impact the financial position of the Board.

**BUDGETED STATEMENT OF OPERATIONS**  
for the Year Ending August 31

	Approved Budget 2012/2013	Final Approved Budget 2011/2012	Actual 2010/2011
<b>REVENUES</b>			
Government of Alberta	\$59,530,000	\$51,667,000	\$50,046,306
Federal Government and/or First Nations	\$330,000	\$370,000	\$376,681
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Fees	\$850,000	\$970,000	\$591,834
Other sales and services	\$710,000	\$1,372,000	\$453,117
Investment income	\$120,000	\$98,000	\$192,636
Gifts and donations	\$880,000	\$875,000	\$349,170
Fundraising	\$400,000	\$415,000	\$0
Rental of facilities	\$495,000	\$65,000	\$225,317
Gain on disposal of capital assets	\$0	\$0	\$3,400
Amortization of capital allocations	\$3,100,000	\$1,180,000	\$1,306,843
Other revenue	\$0	\$0	\$37,219
<b>TOTAL REVENUES</b>	\$66,415,000	\$57,012,000	\$53,582,523
<b>EXPENSES</b>			
ECS - Grade 12 Instruction	\$53,470,000	\$47,435,000	\$42,299,779
Operations & Maintenance of Schools and Maintenance Shops	\$8,500,000	\$7,625,000	\$6,821,292
Transportation	\$1,650,000	\$1,612,000	\$1,475,492
Board & System Administration	\$2,350,000	\$2,300,000	\$2,236,549
External Services	\$1,380,000	\$940,000	\$744,528
<b>TOTAL EXPENSES</b>	\$67,350,000	\$59,912,000	\$53,577,640
<b>ANNUAL SURPLUS (DEFICIT)</b>	(\$935,000)	(\$2,900,000)	\$4,883

**BUDGETED ALLOCATION OF EXPENSES (BY OBJECT)**  
for the Year Ending August 31

	Approved Budget 2012/2013	Final Approved Budget 2011/2012	Actual 2010/2011
<b>EXPENSES</b>			
Certificated salaries	\$30,820,000	\$27,420,000	\$25,959,643
Certificated benefits	\$5,885,000	\$4,497,000	\$2,349,638
Non-certificated salaries and wages	\$13,390,000	\$12,300,000	\$11,340,805
Non-certificated benefits	\$2,500,000	\$2,054,000	\$2,102,654
Services, contracts, and supplies	\$10,050,000	\$10,720,000	\$8,948,055
<b>Capital and debt services</b>			
Amortization of capital assets			
supported	\$3,100,000	\$1,180,000	\$1,306,843
unsupported	\$1,550,000	\$1,664,000	\$1,492,300
Interest on capital debt			
supported	\$55,000	\$77,000	\$77,702
unsupported	\$0	\$0	\$0
Other interest charges	\$0	\$0	\$0
Loss on disposal of capital assets	\$0	\$0	\$0
Other expense	\$0	\$0	\$0
<b>TOTAL EXPENSES</b>	\$67,350,000	\$59,912,000	\$53,577,640

**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
<b>Actual balances per AFS at August 31, 2011</b>	\$20,072,009	\$13,307,248	\$1,255,312	\$176,483	\$1,078,829	\$5,509,449
<b>2011/2012 Estimated impact to net assets for:</b>						
Estimated surplus(deficit)	(\$950,000)			(\$950,000)		
Estimated Board funded capital asset additions		\$0		\$980,000	\$0	(\$980,000)
Estimated Amortization of capital assets (expense)		(\$2,930,000)		\$2,930,000		
Estimated Amortization of capital allocations (revenue)		\$1,050,000		(\$1,050,000)		
Estimated Unsupported debt principal repayment		\$0		\$0		
Estimated reserve transfers (net)				\$0	\$0	\$0
Estimated Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
<b>Estimated Balances for August 31, 2012</b>	\$19,122,009	\$11,427,248	\$3,165,312	\$2,086,483	\$1,078,829	\$4,529,449
<b>2012/2013 Budget Projections for:</b>						
Budgeted surplus(deficit)	(\$935,000)			(\$935,000)		
Projected Board funded capital asset additions		\$0		\$1,400,000	\$0	(\$1,400,000)
Budgeted Amortization of capital assets (expense)		(\$4,650,000)		\$4,650,000		
Budgeted Amortization of capital allocations (revenue)		\$3,100,000		(\$3,100,000)		
Budgeted Unsupported debt principal repayment		\$0		\$0		
Projected reserve transfers (net)				\$0	\$0	\$0
Projected Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
<b>Projected Balances for August 31, 2013</b>	\$18,187,009	\$9,877,248	\$5,180,312	\$4,101,483	\$1,078,829	\$3,129,449

**ANTICIPATED CHANGES IN NET ASSETS SUMMARY- 2012/2013 BUDGET REPORT**

The following explains the anticipated changes to Unrestricted Net Assets, Investment in Capital Assets, Operating Reserves and Capital Reserves for 2011/2012 and 2012/2013 and breaks down the planned additions to unsupported capital.

The following Board Funded Capital Assets Additions are budgeted:

**2011/2012:**

- Vehicle - Courier Transit Van: \$ 30,000
- School Gymnasium Lighting Retrofit Project # 2: \$50,000
- HVAC Metasys Upgrade #1 : \$ 75,000
- IMR Various Projects: \$ 325,000
- Father Mercreci Science & Technology Centre: \$ 500,000

**2012/2013**

- Vehicle - Electrician/HVAC Van: \$ 30,000
- School Gymnasium Lighting Retrofit Project # 3: \$70,000
- HVAC Metasys Upgrade # 2: \$150,000
- IMR Various Projects: \$900,000
- Father Mercreci Science & Technology Centre: \$ 250,000

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

	Budgeted 2012/2013 (Note 2)	Actual 2011/2012	Actual 2010/2011	Notes
<b>GRADES 1 TO 12</b>				
<b>Eligible Funded Students:</b>				
Grades 1 to 9	3,288	3,129	2,933	Head count
Grades 10 to 12	896	852	780	Note 3
Total	4,184	3,981	3,713	Grades 1-12 students eligible for base instruction funding from Alberta Education.
<b>Other Students:</b>				
Total	60	63	57	Note 4
<b>Total Net Enrolled Students</b>	4,244	4,044	3,770	
<b>Home Ed and Blended Program Students</b>	-	-	-	Note 5
<b>Total Enrolled Students, Grades 1-12</b>	4,244	4,044	3,770	
<b>Of the Eligible Funded Students:</b>				
Severely Disabled Students served	175	170	156	Total eligible funded severely disabled student FTEs; including Code 40s (excluding Code 47s).

**EARLY CHILDHOOD SERVICES (ECS)**

<b>Eligible Funded Children</b>	762	741	591	ECS children eligible for ECS base instruction funding from Alberta Education.
<b>Other children</b>	90	86	105	ECS children not eligible for ECS base instruction funding from Alberta Education.
<b>Total Enrolled Children - ECS</b>	852	827	696	
<b>Program Hours</b>	475	475	475	Minimum: 475 Hours
<b>FTE Ratio</b>	0.500	0.500	0.500	Actual hours divided by 950
<b>FTE's Enrolled, ECS</b>	426	414	348	
<b>Of the Eligible Funded Children:</b>				
Severely Disabled Children served	90	88	88	Total eligible funded severely disabled children FTEs, including Code 40 children in program units.

**NOTES:**

- 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 the 2012/2013 budget report preparation.
- 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 2012/2013	Actual 2011/2012	Actual 2010/2011	Notes
<b>CERTIFICATED STAFF</b>				
School Based	293.0	283.0	253.0	Teacher certification required for performing functions at the school level.
Non-School Based	10.0	10.0	13.0	Teacher certification required for performing functions at the system/central office level.
Total Certificated Staff FTE	303.0	293.0	266.0	FTE for personnel possessing a valid Alberta teaching certificate or equivalency.
<b>Certificated Staffing Change due to:</b>				
Enrolment Change	10.0	27.0	4.0	If negative change impact, the small class size initiative is to include any/all teachers retained.
Other Factors	-	-	(7.0)	Descriptor (required):
Total Change	10.0	27.0	(3.0)	Year-over-year change in Certificated FTE
<b>Breakdown, where total change is Negative:</b>				
Continuous contracts terminated	-	-	-	FTEs
Non-permanent contracts not being renewed	-	-	-	FTEs
Other (retirement, attrition, etc.)	-	-	(3.0)	Descriptor (required):
Total Negative Change in Certificated FTEs	-	-	(3.0)	Breakdown required where year-over-year total change in Certificated FTE is 'negative' only.
<b>NON-CERTIFICATED STAFF</b>				
Instructional	209.0	208.0	184.0	Personnel providing instruction support for schools under 'Instruction' program areas.
Non-Instructional	64.0	62.0	58.0	Personnel in Transportation, Board & System Admin., O&M and External service areas.
Total Non-Certificated Staff FTE	273.0	270.0	242.0	FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.
<b>Non-Certificated Staffing Change due to:</b>				
Enrolment Change	3.0	28.0	-	FTEs
Other Factors	-	-	(20.0)	Descriptor (required):
Total Change	3.0	28.0	(20.0)	Year-over-year change in Non-Certificated FTE