

**BUDGET
REPORT
FOR THE YEAR ENDING AUGUST 31, 2015**

[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

BOARD CHAIR

Tracy McKinnon

Name



Signature

SUPERINTENDENT

George McGuigan

Name

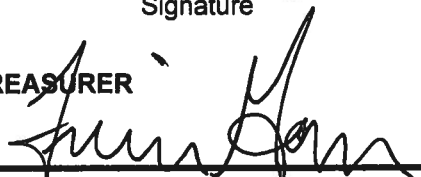


Signature

SECRETARY TREASURER or TREASURER

Francois Gagnon

Name



Signature

Certified as an accurate summary of the year's budget as approved by the Board

of Trustees at its meeting held on May 20, 2014
Date

c.c. Alberta Education
c/o Robert Mah, Financial Reporting & Accountability Branch
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5

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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- 2014/2015 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:

- Budgeting an operating deficit of \$ 255 K
- Operating Revenues to increase by \$ 2.5 M (3%) due mainly to enrolment growth
- Operating Expenses to increase by \$ 3.9 M (7%) due to increase in staffing from enrolment growth, new positions at St. Kateri School opening in September 2014 and the funding shortfall resulting from the elimination of services provided through the Regional Education Consulting Services (RECS) and the transition to the Regional Collaborative Service Delivery (RCSD) model.
- The opening of St. Kateri School will also add costs related to building operations and student transportation.

Significant Business and Financial Risks:

- The most significant business and financial risk relates to the high operating costs in the region and the reliance on local service providers facing uncertainty in their ability to operate. This is particularly true for our student transportation contractor.
- Enrolment growth is always difficult to predict and is reliant on the continued growth of the Oil Sands Industry. On a longer term basis, the increase in the number of "fly-in/fly-out" employees may impact the social fabric of the community and of our families.

BUDGETED STATEMENT OF OPERATIONS
for the Year Ending August 31

	Approved Budget 2014/2015	Fall Budget Update 2013/2014	Actual 2012/2013
REVENUES			
Alberta Education	\$70,407,000	\$67,950,000	\$64,578,366
Other - Government of Alberta	\$790,000	\$0	\$1,169,738
Federal Government and First Nations	\$526,000	\$0	\$507,097
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Property taxes	\$0	\$0	\$0
Fees	\$1,836,000	\$1,250,000	\$2,241,789
Other sales and services	\$630,000	\$1,600,000	\$377,591
Investment income	\$120,000	\$0	\$254,432
Gifts and donations	\$1,406,000	\$0	\$1,474,495
Rental of facilities	\$475,000	\$0	\$528,067
Fundraising	\$468,000	\$0	\$624,872
Gains on disposal of capital assets	\$0	\$0	\$0
Other revenue	\$62,000	\$3,200,000	\$169,966
TOTAL REVENUES	\$76,720,000	\$74,000,000	\$71,926,413
EXPENSES			
Instruction	\$59,416,000	\$57,900,000	\$54,250,104
Plant operations & maintenance	\$10,950,000	\$9,950,000	\$9,300,920
Transportation	\$1,745,000	\$1,675,000	\$1,571,762
Administration	\$2,569,000	\$2,150,000	\$2,429,179
External Services	\$2,295,000	\$2,100,000	\$1,990,247
TOTAL EXPENSES	\$76,975,000	\$73,775,000	\$69,542,212
ANNUAL SURPLUS (DEFICIT)	(\$255,000)	\$225,000	\$2,384,201

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

	Approved Budget 2014/2015	Fall Budget Update 2013/2014	Actual 2012/2013
EXPENSES			
Certificated salaries	\$33,800,000	\$39,125,000	\$30,705,322
Certificated benefits	\$6,360,000		\$5,780,109
Non-certificated salaries and wages	\$16,090,000	\$17,225,000	\$13,745,748
Non-certificated benefits	\$2,625,000	\$0	\$2,244,007
Services, contracts, and supplies	\$13,160,000	\$12,673,000	\$12,118,730
Capital and debt services			
Amortization of capital assets			
supported	\$3,357,000	\$4,700,000	\$3,356,903
unsupported	\$1,490,000	\$0	\$1,490,721
Interest on capital debt			
supported	\$49,000	\$48,000	\$58,277
unsupported	\$0	\$0	\$0
Other interest and finance charges	\$44,000	\$4,000	\$42,395
Losses on disposal of capital assets	\$0	\$0	\$0
Other expense	\$0	\$0	\$0
TOTAL EXPENSES	\$76,975,000	\$73,775,000	\$69,542,212

PROJECTED SCHEDULE OF CHANGES IN ACCUMULATED OPERATING SURPLUS (SUMMARY)
for the Year Ending August 31

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	ACCUMULATED OPERATING SURPLUS (2+3+4+7)	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	ACCUMULATED SURPLUS FROM OPERATIONS (5+6)	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
						OPERATING RESERVES	CAPITAL RESERVES
Actual balances per AFS at August 31, 2013	\$22,452,556	\$12,134,540	\$0	\$4,091,706	\$367,945	\$3,723,761	\$6,226,310
2013/2014 Estimated impact to AOS for:							
Estimated surplus(deficit)	\$1,500,000			\$1,500,000	\$1,500,000		
Estimated Board funded capital asset additions		\$850,000		\$0	\$0	\$0	(\$850,000)
Estimated Disposal of unsupported tangible capital assets	\$0	\$0		\$0	\$0		\$0
Estimated amortization of capital assets (expense)		(\$4,845,000)		\$4,845,000	\$4,845,000		
Estimated capital revenue recognized - Alberta Education		\$2,750,000		(\$2,750,000)	(\$2,750,000)		
Estimated capital revenue recognized - Other GOA		\$0		\$0	\$0		
Estimated capital revenue recognized - Other sources		\$610,000		(\$610,000)	(\$610,000)		
Estimated changes in Endowments	\$0		\$0	\$0	\$0		
Estimated Unsupported debt principal repayment		\$0		\$0	\$0		
Estimated reserve transfers (net)				(\$1,500,000)	(\$1,850,000)	\$350,000	\$1,500,000
Estimated Assumptions/Transfers of Operations (Explain)	\$0	\$0		\$0	\$0	\$0	\$0
Estimated Balances for August 31, 2014	\$23,952,556	\$11,499,540	\$0	\$5,576,706	\$1,502,945	\$4,073,761	\$6,876,310
2014/2015 Budget projections for:							
Budgeted surplus(deficit)	(\$255,000)			(\$255,000)	(\$255,000)		
Projected Board funded capital asset additions		\$950,000		\$0	\$0	\$0	(\$950,000)
Budgeted Disposal of unsupported tangible capital assets	\$0	\$0		\$0	\$0		\$0
Budgeted Amortization of capital assets (expense)		(\$4,847,000)		\$4,847,000	\$4,847,000		
Budgeted capital revenue recognized - Alberta Education		\$2,750,000		(\$2,750,000)	(\$2,750,000)		
Budgeted capital revenue recognized - Other GOA		\$0		\$0	\$0		
Budgeted capital revenue recognized - Other sources		\$607,000		(\$607,000)	(\$607,000)		
Budgeted changes in Endowments	\$0		\$0	\$0	\$0		
Budgeted Unsupported debt principal repayment		\$0		\$0	\$0		
Projected reserve transfers (net)				(\$1,500,000)	(\$1,850,000)	\$350,000	\$1,500,000
Projected Assumptions/Transfers of Operations (Explain)	\$0	\$0		\$0	\$0	\$0	\$0
Projected Balances for August 31, 2015	\$23,697,556	\$10,959,540	\$0	\$5,311,706	\$887,945	\$4,423,761	\$7,426,310

ANTICIPATED CHANGES IN ACCUMULATED OPERATING SURPLUS SUMMARY- 2014/2015 BUDGET REPORT

The following explains the anticipated changes to Unrestricted Surplus, Investment in Tangible Capital Assets, Endowments, Operating Reserves and Capital Reserves for 2013/2014 and 2014/2015 and breaks down the planned additions to unsupported capital. Additional space is provided in the next tab.

Reason for Changes in Unrestricted Surplus; Investment in Tangible Capital Assets; Endowments; Operating Reserves; and Capital Reserves 2013/2014

- Unrestricted Surplus will increase in 2013/14 as a result of project net operating surplus (\$1.5 M) for 2013/14.
- Operating Surplus School budgets and internally restricted School Generated Funds (SGF) will be transferred to the Operating Reserves. (\$350 K)
- Capital Reserves are used to fund the Information Technology evergreening plan and to purchase more learning assistive devices as part of the Technology Plan (\$850 K).
- An amount equivalent to the amortization expenses for equipment and vehicles (\$1.6 M) is transferred annually from Unrestricted Surplus to Capital Reserves to fund the replacement of these assets at the end of lifecycle.

**ANTICIPATED CHANGES IN ACCUMULATED OPERATING SURPLUS
for the Year Ending August 31**

The following explains the anticipated changes to Unrestricted Surplus, Investment in Tangible Capital Assets, Endowments, Operating Reserves and Capital Reserves for 2013/2014 and 2014/2015 and breaks down the planned additions to unsupported capital.

Reason for Changes in Unrestricted Surplus; Investment in Tangible Capital Assets; Endowments; Operating and Capital Reserves

2014/2015

- Unrestricted Surplus balance is projected to decrease by \$800 K as a result of a budgeted operating deficit of \$225 K and budgeted capital expenditures.
- Operating Surplus School budgets and internally restricted School Generated Funds (SGF) will be transferred to the Operating Reserves (\$350 K).
- Capital Reserves will be used to fund the Information Technology evergreening plan, to purchase more learning assistive devices as part of the Technology Plan and for unsupported building maintenance capital projects (\$950 K).
- An amount equivalent to the amortization expenses for equipment and vehicles (\$1.6 M) is transferred annually from Unrestricted Surplus to Capital Reserves to fund the replacement of these assets at the end of lifecycle.

Planned Board Funded Tangible Capital Assets for:

2013/2014

• Information Technology Equipment & Upgrades:	\$ 180,000
• Inclusive Education Specialized Equipment:	50,000
• High School Fitness Equipment Room:	20,000
• Unsupported Building Maintenance Projects:	<u>600,000</u>
Total:	<u>\$ 850,000</u>

2014/2015

Information Technology Equipment & Upgrades:	\$ 250,000
Inclusive Education Specialized Equipment:	75,000
School Furniture & Equipment :	50,000
Unsupported Building Maintenance Projects:	<u>575,000</u>
Total:	<u>\$ 950,000</u>

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

	Budgeted 2014/2015 (Note 2)	Actual 2013/2014	Actual 2012/2013	Notes
GRADES 1 TO 12				
Eligible Funded Students:				
Grades 1 to 9	3,549	3,446	3,230	Head count
Grades 10 to 12	1,067	1,036	996	Note 3
Total	4,616	4,482	4,226	Grades 1-12 students eligible for base instruction funding from Alberta Education.
Other Students:				
Total	40	38	43	Note 4
Total Net Enrolled Students	4,656	4,520	4,269	
Home Ed and Blended Program Students	-	-	-	Note 5
Total Enrolled Students, Grades 1-12	4,656	4,520	4,269	
Of the Eligible Funded Students:				
Severely Disabled Students served	180	174	179	Total eligible funded severely disabled student FTEs; including Code 40s (excluding Code 47s).
EARLY CHILDHOOD SERVICES (ECS)				
Eligible Funded Children	965	937	841	ECS children eligible for ECS base instruction funding from Alberta Education.
Other children	145	137	122	ECS children not eligible for ECS base instruction funding from Alberta Education.
Total Enrolled Children - ECS	1,110	1,074	963	
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	555	537	482	
Of the Eligible Funded Children:				
Severely Disabled Children served	165	157	123	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.				
2) Budgeted enrolment is to be based on best information available at time of the 2014/2015 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.				
4) 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 20, and out-of-province and foreign students.				
5) 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 2014/2015	Actual 2013/2014	Actual 2012/2013	Notes
<u>CERTIFICATED STAFF</u>				
School Based	329.5	312.0	296.0	Teacher certification required for performing functions at the school level.
Non-School Based	-	3.0	8.0	Teacher certification required for performing functions at the system/central office level.
Total Certificated Staff FTE	329.5	315.0	304.0	FTE for personnel possessing a valid Alberta teaching certificate or equivalency.
Certificated Staffing Change due to:				
Enrolment Change	17.5	11.0	11.0	If negative change impact, the small class size initiative is to include any/all teachers retained.
Other Factors	-	-	-	Descriptor (required):
Total Change	17.5	11.0	11.0	Year-over-year change in Certificated FTE
Breakdown, where total change is Negative:				
Continuous contracts terminated	-	-	-	FTEs
Non-permanent contracts not being renewed	-	-	-	FTEs
Other (retirement, attrition, etc.)	-	-	-	Descriptor (required):
Total Negative Change in Certificated FTEs	-	-	-	Breakdown required where year-over-year total change in Certificated FTE is 'negative' only.
<u>NON-CERTIFICATED STAFF</u>				
Instructional	219.0	210.0	198.0	Personnel providing instruction support for schools under 'Instruction' program areas.
Non-Instructional	65.0	64.0	52.0	Personnel in Transportation, Board & System Admin., O&M and External service areas.
Total Non-Certificated Staff FTE	284.0	274.0	250.0	FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.
Non-Certificated Staffing Change due to:				
Enrolment Change	10.0	24.0	19.0	FTEs
Other Factors	-	-	-	Descriptor (required):
Total Change	10.0	24.0	19.0	Year-over-year change in Non-Certificated FTE