




School Jurisdiction Code: 1280

# BUDGET REPORT FOR THE YEAR ENDING AUGUST 31, 2015

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

NORTHLAND SCHOOL DIVISION NO.61  
Legal Name of School Jurisdiction

(780) 624-2060 (Telephone) (780) 624-5914 (Fax)  
Telephone and Fax Numbers

<b>BOARD CHAIR</b>	
Dr. Colin J. Kelly Name	 Signature
<b>SUPERINTENDENT</b>	
Dr. Donna Barrett Name	 Signature
<b>SECRETARY TREASURER or TREASURER</b>	
Dennis M. Walsh, C.M.A. Name	 Signature
<b>Certified as an accurate summary of the year's budget as approved by the Board of Trustees at its meeting held on</b> <u>May 29, 2014</u> <b>Date</b>	

c.c. Alberta Education  
c/o Robert Mah, Financial Reporting & Accountability Branch  
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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:**

1. Northland School Division will continue to place sustained emphasis on strengthening language (English and Aboriginal) by multiple strategies that are tailored to the contextual needs of each community. Northland leadership will establish baseline data for these areas and will train all staff in effective teaching of research based strategies.
2. Implement the recommended actions from the external literacy review completed May, 2014.
3. Staff will be provided with school based and online professional learning opportunities to support the 3rd year of the Northland literacy initiative experiential learning and culturally appropriate programming.
4. Resources will be directed to support capacity building in Indigenous languages and cultural programming including land based learning and curriculum weaving.
5. Schools are supported to work with staff and their school communities using school based data to determine priorities, develop plans, and monitor progress to improve outcomes for students in literacy, numeracy, attendance, and successful course completion through the use of culturally relevant programming.
6. The New Teacher Orientation/Teacher Mentorship Program will support new/beginning teachers to become familiar with the Northland context and to provide quality teacher and learning opportunities for all students. All schools will host a community engagement day and focus on Community Engagement throughout the year.
7. Pedagogical Supervisors will provide job embedded professional development to improve instruction and build capacity of principal and literacy leads.
8. Northland for the second year will coordinate a district wide initiative to upgrade school libraries.
9. We will continue our commitment to maintaining a safe and caring learning environment for students and staff, by implementing the recommendations of the 2013 maintenance review.
10. Resources will be directed to strengthen CTF/CTS programming including dual credit programming.
11. Northland School Division will begin implementation of Alberta Education's Learning and Technology Policy Framework.
12. Northland will have implemented a new Human Resources and Financial Management system (SRB) to improve processes for human resources and financial management. Our contract with Bellamy will expire the end of August 2014. Mybudgetfile a program that was purchase last year was used by Northland for the first time in preparing our 2014 – 2015 budget.
13. Northland School Division will launch the new division website.
14. Staffing in School Food Services reflects the jurisdiction ratio of cooks to students based on the projected enrolments.
15. Instructional Programming accounts for 64.3% of the total expense.
16. Board of Trustees and Local School Board Committees expenses are projected at 1.3% and Administration expenses are projected at 4.8%.
17. Working with the Auditor General's office to improve community based strategies on improving division attendance.
18. Leadership staff will work on our community based partnerships with our First Nation and Metis communities.
19. We will continue to develop alternative programming to enhance High School completion.

**Significant Business and Financial Risks:**

The current budget reflects Northland School Division's efforts to implement recommendations in the Northland Inquiry Team Report (2010) supporting improvements in the division. However, efforts are constrained by current funding as follows:

- The major financial burden on the school division will be the salary increase based on grid movement for Certified and Uncertified Staff of approximately \$1,000,000 and the substitute and teacher replacement cost which is budgeted at \$550,000 for 2014 – 2015.
- Our use of Extended Disability Benefits (EDB) has increased over the past several years. For the period ending December 31, 2013 EDB increased by 20%.
- Rising facility costs have created budgetary pressures; Water is a 26% increase, Insurance is a 60% increase over the last 2 years, Heating is a 38% increase over the last 2 years.
- There will be a significant unfunded liability of \$1,000,000 for maintenance to teacher's residences.
- There is potential for a significant reduction in Federal Revenue if several of our schools come under First Nation control.
- We continue to provide in excess of 475 hours of instructional time for ECS students; however, current funding for ECS makes this a challenge.
- Maintenance funding is status quo. However, as the building infrastructure continues to deteriorate there is increased potential for unexpected emergencies. - These situations create health and safety issues and disrupt the education of students who have no alternate location for instruction when schools are not operational.

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

	Approved Budget 2014/2015	Fall Budget Update 2013/2014	Actual 2012/2013
<b>REVENUES</b>			
Alberta Education	\$36,668,698	\$36,992,443	\$37,200,087
Other - Government of Alberta	\$930,824	\$0	\$966,929
Federal Government and First Nations	\$20,966,622	\$20,293,271	\$20,862,392
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	\$0	\$0	\$0
Other sales and services	\$1,274,650	\$2,279,255	\$656,887
Investment income	\$40,000	\$10,000	\$10,292
Gifts and donations	\$450,000	\$222,878	\$665,555
Rental of facilities	\$957,530	\$1,052,648	\$973,522
Fundraising	\$0	\$0	\$251,134
Gains on disposal of capital assets	\$0		\$156,458
Other revenue	\$0	\$0	\$0
<b>TOTAL REVENUES</b>	\$61,288,324	\$60,850,495	\$61,743,256
<b>EXPENSES</b>			
Instruction	\$39,379,882	\$39,327,747	\$39,872,808
Plant operations & maintenance	\$9,438,207	\$9,029,030	\$9,696,288
Transportation	\$3,572,677	\$3,678,263	\$3,721,237
Administration	\$3,774,411	\$3,428,402	\$3,233,159
External Services	\$5,287,162	\$5,606,329	\$5,172,372
<b>TOTAL EXPENSES</b>	\$61,452,339	\$61,069,771	\$61,695,864
<b>ANNUAL SURPLUS (DEFICIT)</b>	(\$164,015)	(\$219,276)	\$47,392

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

	Approved Budget 2014/2015	Fall Budget Update 2013/2014	Actual 2012/2013
<b>EXPENSES</b>			
Certificated salaries	\$20,940,642	\$21,556,506	\$21,031,067
Certificated benefits	\$4,351,911	\$4,150,964	\$4,092,469
Non-certificated salaries and wages	\$13,306,691	\$12,219,849	\$13,282,741
Non-certificated benefits	\$3,642,980	\$2,912,849	\$2,916,643
Services, contracts, and supplies	\$14,683,930	\$16,165,900	\$15,450,160
<b>Capital and debt services</b>			
<b>Amortization of capital assets</b>			
supported	\$3,272,623	\$2,998,969	\$3,192,543
unsupported	\$1,208,400	\$1,027,049	\$1,609,872
<b>Interest on capital debt</b>			
supported	\$0	\$28,901	\$23,193
unsupported	\$0	\$784	\$433
<b>Other interest and finance charges</b>	\$45,162	\$8,000	\$29,008
<b>Losses on disposal of capital assets</b>	\$0		\$67,735
<b>Other expense</b>	\$0	\$0	\$0
<b>TOTAL EXPENSES</b>	\$61,452,339	\$61,069,771	\$61,695,864

**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
<b>Actual balances per AFS at August 31, 2013</b>	\$10,052,128	\$8,465,499	\$0	\$247,204	\$247,204	\$0	\$1,339,425
<b>2013/2014 Estimated impact to AOS for:</b>							
Estimated surplus(deficit)	(\$219,276)			(\$219,276)	(\$219,276)		
Estimated Board funded capital asset additions		\$1,181,488		(\$1,181,488)	(\$1,181,488)	\$0	\$0
Estimated Disposal of unsupported tangible capital assets	\$0	\$0		\$0	\$0		\$0
Estimated amortization of capital assets (expense)		(\$4,026,018)		\$4,026,018	\$4,026,018		
Estimated capital revenue recognized - Alberta Education		\$3,020,254		(\$3,020,254)	(\$3,020,254)		
Estimated capital revenue recognized - Other GOA		\$0		\$0	\$0		
Estimated capital revenue recognized - Other sources		\$0		\$0	\$0		
Estimated changes in Endowments	\$0		\$0	\$0	\$0		
Estimated Unsupported debt principal repayment		\$0		\$0	\$0		
Estimated reserve transfers (net)				\$0	\$0	\$0	\$0
Estimated Assumptions/Transfers of Operations (Explain)	\$0	\$0		\$0	\$0	\$0	\$0
<b>Estimated Balances for August 31, 2014</b>	\$9,832,852	\$8,641,223	\$0	(\$147,796)	(\$147,796)	\$0	\$1,339,425
<b>2014/2015 Budget projections for:</b>							
Budgeted surplus(deficit)	(\$164,015)			(\$164,015)	(\$164,015)		
Projected Board funded capital asset additions		\$0		\$0	\$0	\$0	\$0
Budgeted Disposal of unsupported tangible capital assets	\$0	\$0		\$0	\$0		\$0
Budgeted Amortization of capital assets (expense)		(\$4,481,023)		\$4,481,023	\$4,481,023		
Budgeted capital revenue recognized - Alberta Education		\$3,272,623		(\$3,272,623)	(\$3,272,623)		
Budgeted capital revenue recognized - Other GOA		\$0		\$0	\$0		
Budgeted capital revenue recognized - Other sources		\$0		\$0	\$0		
Budgeted changes in Endowments	\$0		\$0	\$0	\$0		
Budgeted Unsupported debt principal repayment		\$0		\$0	\$0		
Projected reserve transfers (net)				\$0	\$0	\$0	\$0
Projected Assumptions/Transfers of Operations (Explain)	\$0	\$0		\$0	\$0	\$0	\$0
<b>Projected Balances for August 31, 2015</b>	\$9,668,837	\$7,432,823	\$0	\$896,589	\$896,589	\$0	\$1,339,425

**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**

See Next Tab

**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**

**Planned Changes to Board Funded Tangible Capital Assets 2013/2014**

The following is a list of some of the major capital expenditures for the 2013-2014 budget totalling \$1,181,488:

Wireless for 15 schools	\$ 91,000
Student Safety - Voip redundancy	\$ 39,000
Mini-trailers and CTS Kits	\$115,000
HR and Finance Management System	\$300,000
4 - New School Buses	\$355,000
School Food Services New Equipment	\$167,000
Parking Lot at St Theresa	\$100,000
Other Equipment	\$ 14,488

**2014/2015**

The following is a list of some of the major capital expenditures for the 2014 - 2015 budget totalling \$636,100:

4 - School Buses	\$400,000
3 - Trucks for Maintenance	\$136,000
Tractor/Snowblower	\$ 27,000
Landscaping unit for Bobcat	\$ 8,500
HVAC Duct Cleaning unit	\$ 13,600
Video Conferencing upgrade	\$ 13,000
Server Replacements	\$ 38,000

**Other Information:**

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

	Budgeted 2014/2015 (Note 2)	Actual 2013/2014	Actual 2012/2013	Notes
<b>GRADES 1 TO 12</b>				
<b>Eligible Funded Students:</b>				
Grades 1 to 9	1,198	1,163	1,153	Head count
Grades 10 to 12	80	85	131	Note 3
<b>Total</b>	<b>1,278</b>	<b>1,248</b>	<b>1,284</b>	Grades 1-12 students eligible for base instruction funding from Alberta Education.
<b>Other Students:</b>				
<b>Total</b>	<b>1,091</b>	<b>1,064</b>	<b>1,111</b>	Note 4
<b>Total Net Enrolled Students</b>	<b>2,369</b>	<b>2,312</b>	<b>2,395</b>	
<b>Home Ed and Blended Program Students</b>	<b>9</b>	<b>5</b>	<b>11</b>	Note 5
<b>Total Enrolled Students, Grades 1-12</b>	<b>2,378</b>	<b>2,317</b>	<b>2,406</b>	
<b>Of the Eligible Funded Students:</b>				
Severely Disabled Students served	155	155	83	Total eligible funded severely disabled student FTEs; including Code 40s (excluding Code 47s).

**EARLY CHILDHOOD SERVICES (ECS)**

<b>Eligible Funded Children</b>	174	166	189	ECS children eligible for ECS base instruction funding from Alberta Education.
<b>Other children</b>	93	110	108	ECS children not eligible for ECS base instruction funding from Alberta Education.
<b>Total Enrolled Children - ECS</b>	<b>267</b>	<b>276</b>	<b>297</b>	
<b>Program Hours</b>	<b>997</b>	<b>997</b>	<b>997</b>	Minimum: 475 Hours
<b>FTE Ratio</b>	<b>1.049</b>	<b>1.049</b>	<b>1.049</b>	Actual hours divided by 950
<b>FTE's Enrolled, ECS</b>	<b>280</b>	<b>290</b>	<b>312</b>	
<b>Of the Eligible Funded Children:</b>				
Severely Disabled Children served	26	26	21	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
<b><u>CERTIFICATED STAFF</u></b>				
School Based	198.0	197.6	200.8	Teacher certification required for performing functions at the school level.
Non-School Based	10.0	12.0	18.0	Teacher certification required for performing functions at the system/central office level.
Total Certificated Staff FTE	208.0	209.6	218.8	FTE for personnel possessing a valid Alberta teaching certificate or equivalency.
<b>Certificated Staffing Change due to:</b>				
Enrolment Change	-	-	-	If negative change impact, the small class size initiative is to include any/all teachers retained.
Other Factors	1.6	9.2	14.4	Descriptor (required):
Total Change	1.6	9.2	14.4	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	-	21.0	20.0	FTEs
Other (retirement, attrition, etc.)	2.0	3.0	4.0	Descriptor (required):
Total Negative Change in Certificated FTEs	2.0	24.0	24.0	Breakdown required where year-over-year total change in Certificated FTE is 'negative' only.
<b><u>NON-CERTIFICATED STAFF</u></b>				
Instructional	112.9	115.1	120.2	Personnel providing instruction support for schools under 'Instruction' program areas.
Non-Instructional	184.2	172.6	172.7	Personnel in Transportation, Board & System Admin., O&M and External service areas.
Total Non-Certificated Staff FTE	297.1	287.6	292.9	FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.
<b>Non-Certificated Staffing Change due to:</b>				
Enrolment Change	-	-	-	FTEs
Other Factors	9.5	5.3	36.9	Descriptor (required):
Total Change	9.5	5.3	36.9	Year-over-year change in Non-Certificated FTE