



Lethbridge School District No. 51

FALL UPDATE TO THE 2018-2019 BUDGET

Lethbridge School District No. 51

Department of Business Affairs
November 27th, 2018



Fall Update to the 2018-2019 Budget

What has changed since the legally adopted budget in the spring?

Revenues

Government of Alberta

Government of Alberta revenue decrease mainly consists of the following:

- Reduced enrolment - \$1.1 million (enrolment decreased 0.85% over budget projections from 11,601 students to 11,502 students). Enrolment still increased from the prior year by 228 students (2.02%).
- Overall decrease in Projects/Contract revenue of \$27,351. There increases in the Classroom Improvement Fund (CIF), Institutional Grants, and School Nutrition funding (prior year carryforward); however, there were decreases in the Regional Collaborative Services Delivery (RCSD) grant and the Official Languages in Education (OLEP) grants.
- Capital allocations revenues increased by \$1.1 million for the increased supported amortization which correlates to the increased amortization expenses.

Fees

Decrease in estimated optional fees at some school sites.

Other Sales and Services

Decrease in the Making Connections #4 (FCSS) grant revenues as there was less carryforward available from the prior year.

Donations

There was a decrease in projected donations in relation to the Poverty Intervention Committee based on historical amounts received.

Expenses by Program

Instruction

Increase in Instruction relates to additional staffing hired from Classroom Improvement Fund (CIF) and for class size. Approximately an additional 5.45 FTE teachers hired to address enrolment growth and other site needs. For support staffing there was a 4.14 FTE decrease in educational assistants (reallocation of staffing relating to difficulty hiring), an increase in Early Education Program (EEP) managers, and an increase in speech language pathologists (SLP).

Operations and Maintenance

Plant Operations and Maintenance expenditures mainly increased due to an increase for amortization on school facilities that needs to be recognized. There was an offsetting reduction in revenue recognized for this purposes in Alberta Education Revenues.

Transportation

No change to budgeted expenditures.

Administration

Slight decrease in Administration relates to updating the contracted and general services (i.e. reduction in consulting).

The administration budget represents 3.16% of the total updated budget, which is below the 3.6% limit prescribed by Alberta Education.

External Services

External Services represents the costs of the International Services Program. No change to budgeted expenditures.

Operating Surplus/Deficit

There is an increase in the operating deficit due to the use of one-time reserve funds in the budget update. Schools and programs, such as Inclusive Education, are utilizing one-time funds to provide services to students.

Accumulated Surplus from Operations

The change in the Accumulated Surplus from Operations (AOS) since the spring report is due to a smaller year-end surplus in 2017-2018 than anticipated, which was a result of the additional revenues received during the year and average salary costs being lower than anticipated.

AOS will be lower at the end of August 31, 2019 than originally anticipated due to school sites allocating one-time reserves to enhance budget expenditures. One-time reserves have been allocated to be spent on staffing in Inclusive Education, Early Education Program (EEP), West Lethbridge Middle School startup costs, Elementary literacy assessment, class size support, plant operations and maintenance utility costs due to new facilities and carbon tax levy costs, and school and program based priorities.

Capital Reserves are greater than anticipated at August 31, 2018 and August 31, 2019 due to that the technology evergreening funding was reallocated to capital reserves.

Expenses by Object

Certificated Salaries and Benefits

This increase represents the hiring of an additional 5.45 FTE teachers.

Non-certificated Salaries and Benefits

This decrease represents a reduction of 9.72 FTE support staff. This reduction mostly relates to the educational assistant positions as these were reallocated to other support staffing (i.e. EEP managers, Speech Language Pathologists) and to fund increases in teachers (part of CIF allocations).

Services, Contracts, and Supplies

Increase in services, contracts, and supplies relates to the use of one-time funds to replace equipment, furniture, purchase literacy resources, supplies, and additional classroom resources and classroom enhancements.

Amortization Expense

Increase in original estimate of supported amortization due to the addition of new facilities coming in-service and increase in non-supported amortization due to the purchase of equipment and vehicles. The estimate has been adjusted to reflect the actual amortization of these capital assets.

Certificated Staffing FTE

A total of 628.77 FTE budgeted for certificated staffing. This increased from the preliminary budget as there was an additional 5.45 FTE teachers added for CIF and to address class sizes.

Non-Certificated Staffing FTE

A total of 519.79 FTE budgeted for non-certificated staffing. This decrease from the preliminary budget as represents a reduction of 9.72 FTE support staff. This reduction mostly relates to the educational assistant positions as these were reallocated to other support staffing (i.e. EEP managers, Speech Language Pathologists) and to fund increases in teachers (part of CIF allocations).

Eligible Funded Students

Eligible funded students are enrolments that are funded by Alberta Education, not the head count at September 30th. Funded enrolment decreased over the May budget at Grades 1 to 12. Funded enrolment increased at Preschool over original projections.

Highlights of the 2018-2019 budget as compared to the 2017-2018 budget may be found in the Executive Summary to the budget in the November 2018 AERR report.