

Date: May 31, 2023
To: Board of Trustees
From: Scot Leys, Superintendent
Resource Person(s): Peter Neale, Associate Superintendent
Re: 2023-24 PROJECTED (Spring) Budget

Purpose

To provide budget information to the Board in preparation of the final budget approval in May 2023. Trustees are encouraged to review the information and ask questions needed prior to the budget being adopted.

Appendix

[2023-24 PROJECTED \(Spring\) Budget \(approved 2022-05-31\)](#)

[2023-24 PROJECTED \(Spring\) Budget Key Information](#)

- A1 [Budget Consultation Plan 2023-24 \(2023-01-19\)](#)
- A2 [Budget Direction 2023-24 \(2023-04-19, 2023-05-11\)](#)
- A3 [Grants and Allocation Flowchart](#)
- A4 [Budget Projection and Deficit Breakdown \(One-Page\)](#)
- A5 [All Budgets Summary](#)
- A6 [Clearview Budget Projection](#)
- A7 [Reserves Projection](#)
- A8 [School Budget Information](#)
 - 6.1 Synopsis
 - 6.2 School Allocations
 - 6.3 Staffing Summary and Changes
 - 6.4 Enrolments by School
 - 6.5 Allocation Matrix

A9 Budget Details by Department

9.1 [Support Services](#)

SERVICES: Central: Administration

SERVICES: Central: Governance

SERVICES: Facilities

SERVICES: Transportation

9.2 [Shared Learning Supports](#)

SERVICES: Communications

SERVICES: Contingency, Strategic Initiatives

SERVICES: Human Services

SERVICES: Inclusive

SERVICES: Learning Leadership Team

SERVICES: Shared Instructional

SERVICES: Technology

9.3 [Schools](#)

Big Valley School (K-9)

Botha School (K-6)

Brownfield School (K-9)

Byemoor School (K-9)

Colony Schools (K-9)

Coronation School (K-12)

Donalda School (K-9)

Erskine (K-9)

Gus Wetter School (K-12)

Stettler Elementary School (K-6)

WEH Stettler Secondary Campus (7-12)

Wm. E. Hay Cafeteria

9.4 [School Generated Funds](#)

Budget Process

- Schools have revised and provided their budgets based on student enrolments and updated information. Schools prepared their budgets based on available allocations and reserves. Schools were asked to ensure their “other revenues” estimates were reasonable as compared to prior years.
- In the budget process, each school and department budget were reviewed in detail to ensure projected expenditures were reasonable, and reflected past activity.
- Support Services budgets (Maintenance, Administration, Transportation, and Governance Services) were reviewed in detail by the Associate Superintendent and management, and updated based on revised funding and cost estimates. The Instruction Support budgets were also reviewed.
- No changes were made to the allocation system following the Board’s direction on April 19, 2023 and May 11, 2023.
- School generated funds are fully amalgamated in the final budget numbers. Revenues are assumed to be equal to expenditures, and consistent with actual dollars from 2022-23.
- Summary of significant determinations in forming the budget includes:
 - A new framework for school fees was implemented, with the consideration to simplify the list of fees, remove fees where possible, standardize fees across the division, and look to a principle-based approach for fees not related to curricular activities.
 - Establish a central support budget for leaves under the employment agreements with school-based support staff.
 - FNMI: Truth and Reconciliation and Community portion of the FNMI funding will be a shared service, and the 10% of per student funding will return to schools.
 - Inclusive Services: increase by 10% or \$200,000 to shared services, of which \$100,000 is estimated to go to schools on a needs basis. The year-to-year increase in specialized learning supports dollars was \$430,000, so schools will expect of this increase \$330,000 in a combination of direct dollars (\$230,000) and more inclusive services supports (\$100,000).
 - Outreach funding is shifted to \$50,000 per site.
 - Teacher compensation funding is provided on a teacher FTE basis (not per student).
 - Dollars for curriculum and dual credit support not yet considered.
 - \$276,382 from enrolment increase in 2022-23 to be provided in 2023-24 will be provided to maintain facility services.
 - End of year reserves is assumed same as projected in the approved fall budget.

- Voice-Over IP System
 - Division infrastructure will see a change from traditional phone systems to a VOIP system for 2023-24
 - Schools should plan minimal telephone expenditures for 2023-24 with the transition to the VOIP system.
 - Landlines (non-VOIP) will be paid by Facilities Services as a security line.
 - If schools require a fax line or more than one landline will be a school decision and responsibility.
- Dollars provided for the enrolment increase in 2022-23 of approximately \$276,000 to be used to address funding shortfalls and increases in insurance, utilities and gas in Facilities Services, as well as maintaining custodial services.
- Budget increases in Shared Learning Supports based on consultations and identified needs.
- Budgeted increases in Transportation Services and Facilities Services for utilities, fuel and gas. \$200,000 was estimated for the new Fuel Price Contingency grants and matched in the Transportation Services budget.
- Transportation funding was increased from 2022-23 to 2023-24 due to a new funding formula. Also, the fuel price contingency grant is expected to continue, and funding supports are available for training and recruitment: the budget does not include consideration for training and recruitment grants at this time. Estimated increases in the base funding for transportation services is expected to be \$600,000 higher than prior years, with an estimated increase of two-three routes in the Town of Stettler.
- Schools are budgeting to draw down reserves by \$380,000 using unspent dollars from 2022-23.
- **Total projected budget deficit for all services and supports, including schools, is \$721,421.**
- Projected ending operating reserve balance for 2022-23 is \$1,597,000 with an allowable amount of \$1,650,000 (estimated). This may be adjusted depending on determinations for using reserves or IMR for VOIP and Bell/Intercom systems, and determinations on use of capital reserves for school bus purchases as well as amounts that can be provided for support building evergreening.
- Projected ending operating reserve balance for 2023-24 is \$931,782 with an allowable amount of \$1,650,000 (estimated). Assumes \$100,000 in technology equipment for capital evergreening and \$500,000 in school buses. The reserve for school chromebooks is considered an operating reserve at this time for \$112,500.
- Compensation increases were provided to all staff: teachers received a compensation increase of 2.0% in September, with support staff receiving 2.0% to compensation and an increase of \$25 to the health spending account and pension supplement.
- Average staffing costs are assumed the same staff will continue in 2023-24, resulting in an increase in addition to the 2% due to movement on the grid.
- Staffing costs are also projected to increase due to the increase in benefit costs from ASEBP and statutory benefits.

- The Mental Health Capacity Building initiatives will continue for 2022-23, providing \$261,000 to support this program.

- Summary of Allocation Updates

- To MAINTAIN services, in-year allocations were increased for the following:

\$100,000	Human Services
\$75,000	Communications Services
\$75,000	Technology Services
\$25,000	Certificated Leaves
\$25,000	Insurance

- To address STRATEGIC changes, in-year allocations were increased for the following:

\$150,000	Principal Leadership Framework (0.25 FTE)
\$75,000	School Technology Fund
\$50,000	School Resource Officer
\$50,000	LLT Professional Learning
\$25,000	Intellimedia
\$7,500	Report Card (MDM)

Provided hold harmless dollars to Botha School to the same level as the next lowest school increase

- Funding for Full-Day Kindergarten for Stettler Elementary School and Gus Wetter School at 1.0 FTE for each full-time kindergarten student

- Planning for use of year end reserves from 2022-23 to 2023-24:

\$75,000	Division Principal
\$15,000	Botha School After-School Care

- Areas of further risk

- Compensation increases for 2021-22, 2022-23, and 2023-24: collective bargaining is on-going for ATA staff.
- Utilities, Gas, Fuel: increases may be higher than actual.
- Interest rates: \$50,000 has been budgeted based on historical actuals. Should interest rates continue to be higher than historical, actual interest income will be higher (for 2023-24, estimated revenues are at least \$275,000).
- Due to the site-based nature of the central budgets and school budgets, budgeted activities may not reflect actual ending balances at the year end.
- Facilities Services is dependent on instructional supplemental funding, including for 2023-24 \$276,000 from the 2022-23 enrolment increase and reserves.

- Transportation funding is based on a new service-delivery model and a new funding model, with actual funding to be based on student ridership to be determined in the Fall of 2023. To meet the new service framework, Clearview has purchased approximately \$450,000 in school buses which will be amortized over 10 years. Should funding not align with budgeted estimated and expected costs, Clearview may have additional resources or less in resources.

Assumptions

The budget was prepared based on all enrolment and staffing information as of May 2023. The following assumptions are considered in the budget:

- Budgets have been developed with all information provided by the Alberta Government on funding for 2023-24. Should the Alberta Government adjust funding, budgets will be impacted include the potential of a new Government due to the 2023 election or new mandates on education.
- Insurance costs continue to be a significant consideration, primarily in the building insurance area. Budgets have been prepared using actuals from 2022-23, with actual insurance information to be known in November 2023. Cost escalation for building insurance has seen an increase from previous years.
- Staffing costs, including certificated teachers, has been estimated based on 2022-23 actuals. The collective agreements for certificated staff are in process for negotiations, and should negotiations see an increase in compensation or staffing costs there will be a reduction in other services/supports and/or a reduction in reserves. Average costing for school-based staff was done based on all available information.
- Other Assumptions
 - Funding levels will be unchanged to the funding commitment provided by the Government.
 - Reserves will continue to be drawn down as budgeted.
 - Collective bargaining is continuing, and some statutory benefit rates for 2024 are unknown at this time.
 - Enrolment projections will be materially correct.
 - The Alberta Government has funded facilities grants based on including playschool students in PASI (administration ensured AB ED is aware of this, and no changes were made).

School-Based Budgets

Enrolments

- Enrolment information is prepared based on estimates provided by schools and reviewed for reasonableness.
- Enrolments are projected to be overall consistent with 2022-23 at 2,379 students (2022-23: 2,374). For Aboriginal learners and ESL, the projection is assumed to be the same as 2022-23.

Reserves

- Under Board Policy 25 "Financial Allocation Model":

“In submitting budgeted expenditures, ending school reserves shall be no more than:

For schools with students less than 500:

The greater of \$25,000 or 5% of their allocations (Alberta Education)

For schools with students 500 or greater:

The greater of \$25,000 or 3% of their allocations (Alberta Education)

- School budget reserves are expected to decrease by a net of \$380,000 to \$450,000.
- No schools are projected to be above the 3% or 5% range, or \$25,000.

Allocations

- Based on the revised projections, allocations per student (based on the WMA and spring projections) for schools will be on average \$8,939, with the increase attributed to net increases in funding.
- With higher student allocations available to smaller, rural schools, rural schools have a larger per student allocation but do not have the economies of scale, such as the ability to have “full” classes and cover overhead costs; for larger schools, the per student allocations are smaller whereas with larger enrolments, larger schools have the advantage of economies of scale not available to smaller schools.
- Total dollars allocated to schools is projected to be \$20.3 million, and increase of \$1 million from 2022-23.

Staffing Costs

- Staffing levels and costs for all budgets have been calculated based on actual staffing as at March 2023. Salary information was prepared based on actual staffing, and adjusted for grid movements.
- Benefit and statutory deduction costs were also calculated based on actual information as at March 2023. During the FINAL (Fall) budget process a recalculation of the average cost for health benefits will typically be done.
- All school-based support staff are charged to schools based on an average costings (teachers, school administrative assistants, educational assistants and learning commons assistant).
- Average staffing costs observed an increase from the prior year from increases in benefit costs including health benefits and statutory deductions, as well as compensation increases.
- Total salary and benefits costings are as follows:

	2023-24 Prelim	2022-23 Final	2021-22 Final	2020-21 Final	2019-20 Final
Teacher (annual)	\$107,500	\$103,250	\$101,250	\$100,000	\$100,000
Educ. Assist.(hr)	\$33.00	\$31.75	\$31.50	\$30.75	\$31.38
Admin Assist (hr)	\$40.00	\$38.50	\$38.25	\$37.50	\$36.40

- Clearview budgets are primarily used for staffing. For the entire school division budget, 74% of all costs are used for staffing (50% teacher staffing); for school-based budgets, staffing costs represent 93% of a school's budget (77% of a school's budget is teacher staffing).

Staffing Levels

- Staffing estimates have been revised to reflect the available resources and projected enrolments. Total staffing is estimated to increase from the 2022-2023 Final Budget by 9.0 FTE to 314.9 FTE, primarily to meet budget needs, increases in funding, and an increase in enrolments. School-based certificated staffing is projected to increase by 4.2 FTE, primarily in part due to the incoming small school principal administration time framework that will see small schools funded for at least 0.25 FTE.
- The Students to Teacher ratio provides a metric to determine how well schools are maintaining school supports for learning. The lower the ratio, the more teachers and staff are available to support learning.
- *Students to All Staff* ratio is 10.8 students for each school-based staff (2022-23: 11.0), based on the actual WMA enrolment data.
- *Students to Teacher* ratio is 15.9 students for each school-based staff (2023-24: 16.3), based on the actual WMA enrolment data.
- Overall, these ratios help to show that, in general, teaching staff and support staff are being maintained:

	2023-24 Proj	2022-23 Final	2021-22 Final	2020-21 Final	2019-20 Final
Students to Teacher	15.9	16.3	15.8	16.3	16.1
Students to All Staff	10.8	11.0	10.7	11.1	11.5

First Nation, Metis, and Inuit Self-Identified Students

- For each self-identified FNMI student, schools would receive \$1,320 to support the education of students.
- With 187.7 WMA FTE students now self-identified, this provides a total of funding to schools totaling \$247,764 based on the weighted-moving average.
- A central fund for Aboriginal Learner supports was established using the “Truth and Reconciliation” and “Community Demographic” components of Clearview’s funding at \$54,884.

Shared Learning Services

- For Technology Evergreening, Clearview has evergreening two different supports. Infrastructure evergreening is related to the entire system and sees all schools contributing to sustaining our infrastructure (exempting colony schools). The second supports are student devices from Grades 3-9 which ensures all students from Grade 3-9 have equal access to technology throughout Clearview (exempting colony schools), and sees this evergreening supported by schools and grades only from Grade 3-9.

\$125,000 Technology infrastructure (annual allocation)
\$75,000 Student devices evergreening (annual allocation)

For 2023-24, it is assumed that ½ of the student devices evergreening will be spent with the remainder placed in an operating reserves (estimated ending balance of \$112,500).

For 2023-24, it is assumed that ½ of the technology infrastructure evergreening will be spent on CAPITAL needs, with the remainder placed in a capital reserve (estimated ending balance of \$356,052).

- For School Technology Evergreening (Photocopiers and Classroom Display Devices), a NEW budget for 2023-24 has been established at \$75,000 per year. This is based on:

Classroom Display: 150 rooms @ \$1,000 over ten years (\$15,000) (difference of \$1,000 and actual paid by school)
Photocopiers: \$325,000 over five years (\$60,000)

For 2023-24, it is assumed that ½ of the school technology evergreening will be spent on CAPITAL needs, with the remainder placed in a capital reserve (estimated ending balance of \$37,500).

- A breakdown of the services supported centrally are as follows:

\$1,514,179 Inclusive Services (Central)
\$807,700 Technology Services
\$425,000 Teacher Medical, Family Leaves, Personal
\$275,000 Human Services
\$232,500 Software
\$150,000 Communications (\$75,000 funded from Administration)
\$128,800 Curriculum Supports
\$110,880 Shared Instruction Amortization (funded from reserves, deferred revenues)
\$150,000 Communication Supports (\$75,000 funded from reserves)
\$100,000 Support Staff Leaves (\$100,000 supported from reserves)
\$100,000 Division Principal (\$100,000 supported from reserves)
\$100,000 Learning Leadership Supports (\$50,000 funded from reserves)
\$100,000 Contingency and Strategic Initiatives
\$75,000 Professional Learning (\$50,000 funded from reserves)
\$65,000 Insurance
\$50,000 School Resource Officer Supports
\$50,000 Dual Credit

\$4,434,059