

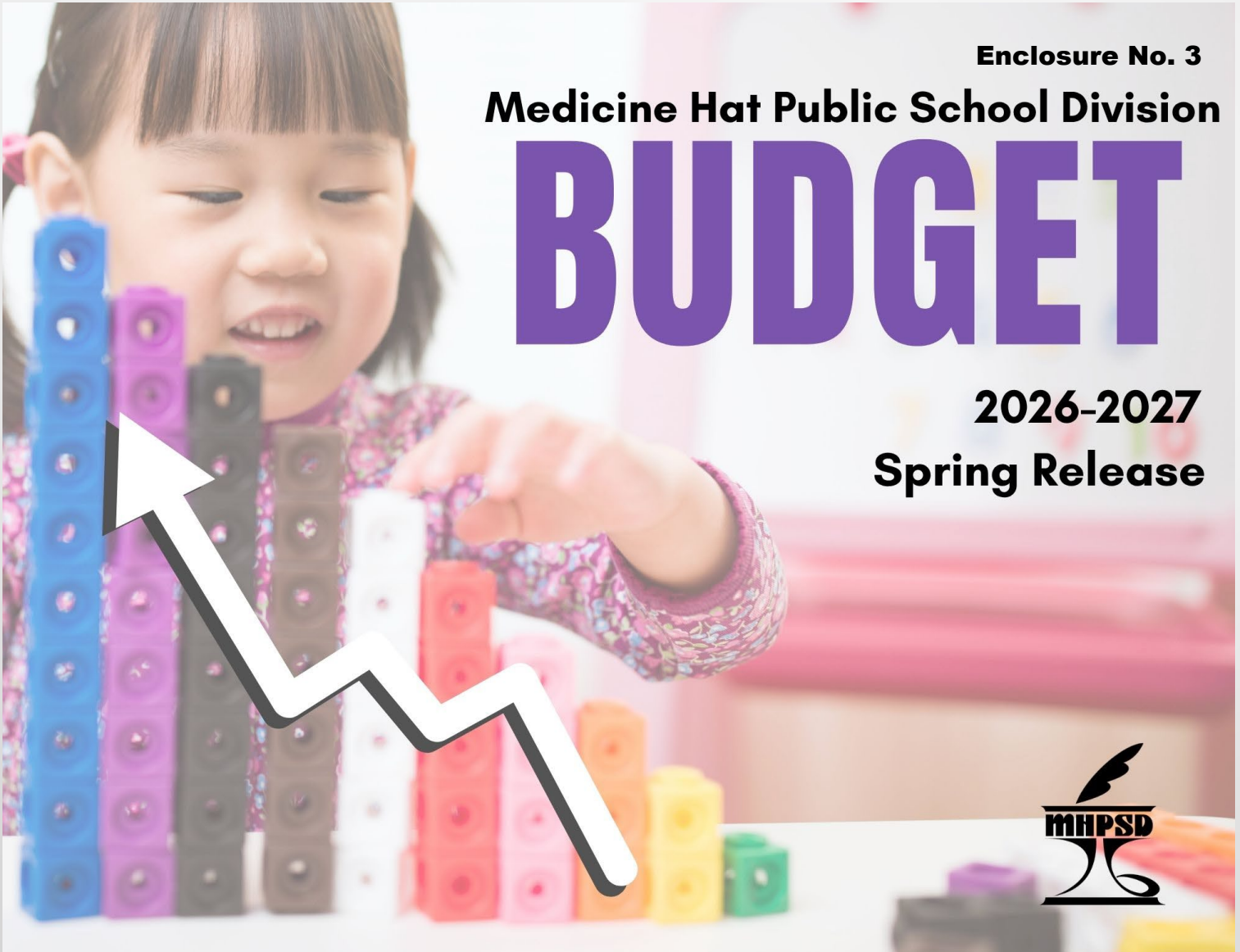
Enclosure No. 3

Medicine Hat Public School Division

BUDGET

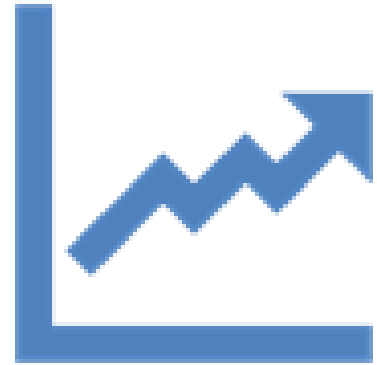
2026-2027

Spring Release



May 26/26- Board Meeting

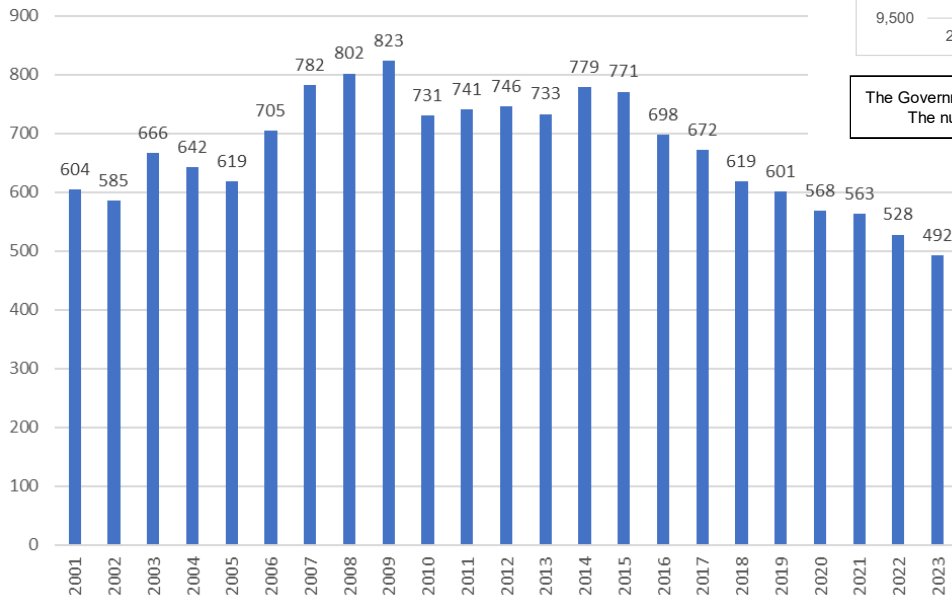
Enrolment



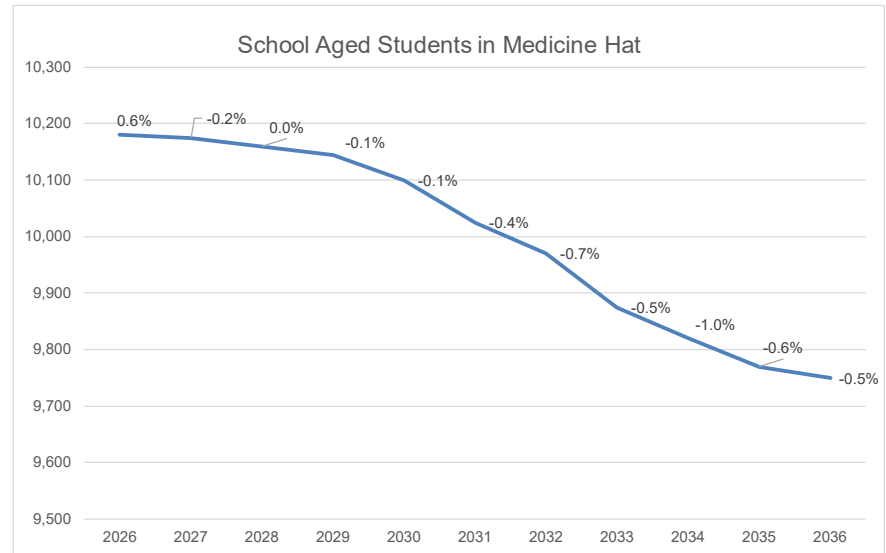
Enrolment

The Government of AB produces workforce planning data to forecast population trends based on births, migration and other demographic factors

Births by Year for Mothers Living in Medicine Hat



Medicine Hat Population Projections - Next 10 Years



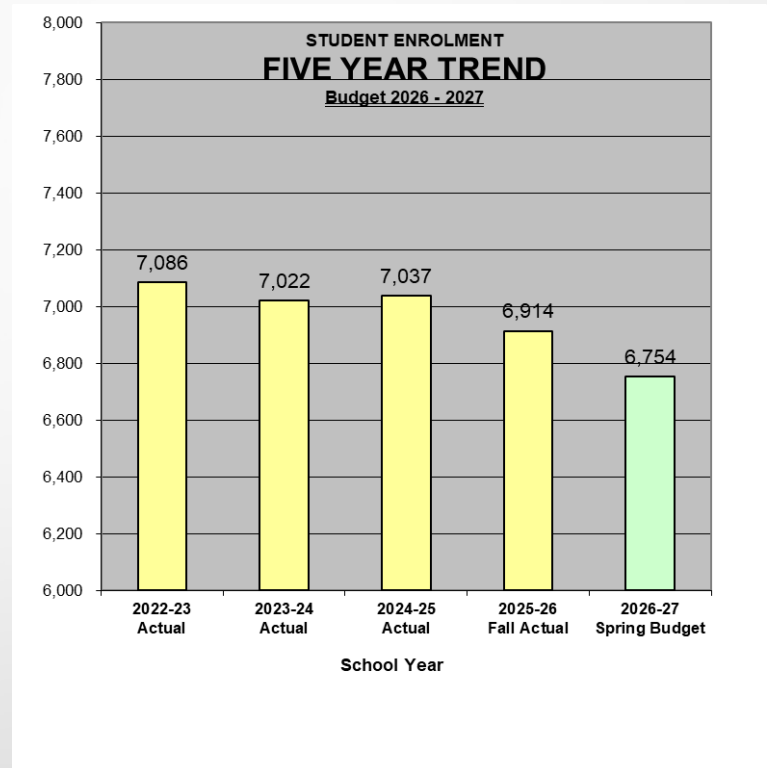
The Government of Alberta produces workforce planning data to predict population trends based on births, migration, etc. The number of school age students is projected to continue to decline in Medicine Hat over the next 10 years.

The number of school-age children in MH is projected to decline over the next 10 years, consistent with the birth rate trend of the past decade

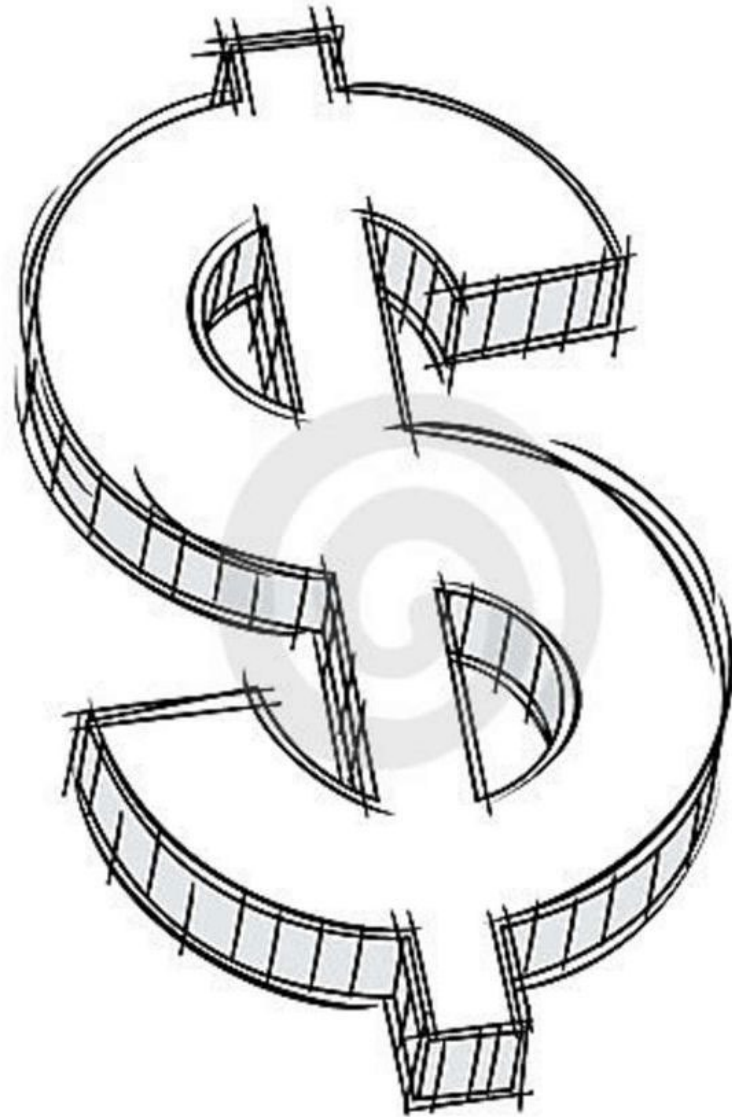
Enrolment

	2025-26 Fall Actual	Increase/ (Decrease) from Prior Year	2026-27 Spring Budget
Pre-Kindergarten (Community/ELP)	299	(27)	272
Kindergarten	354	11	365
Traditional Schools - Grades 1-12	5,863	(147)	5,716
Other Programs (HUB/Outreach)	299	(22)	277
	6,815	(185)	6,630
International Students	99	25	124
	6,914	(160)	6,754

Although enrolment has declined by 332 students over the last five years, this decrease is lower than expected, given that more than 250 additional students are graduating each year than are entering ECS.

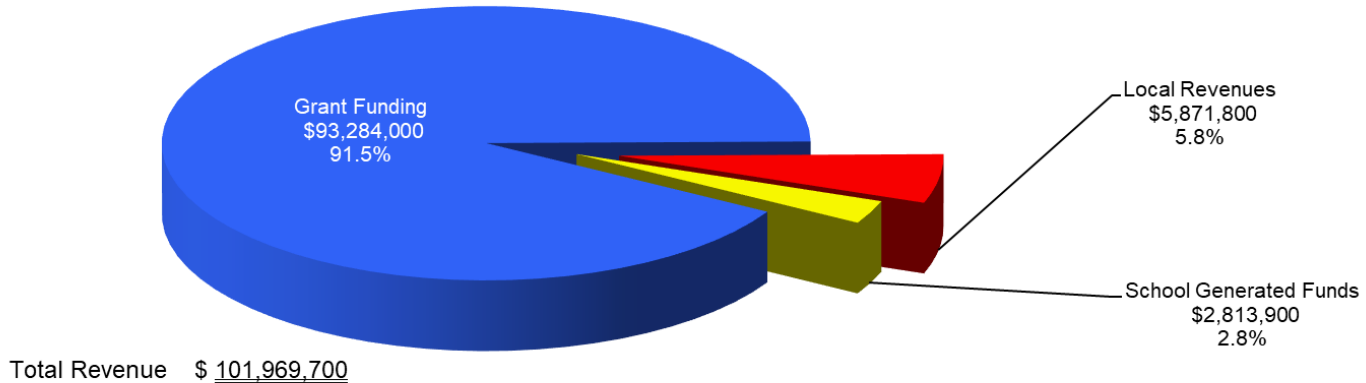


REVENUE

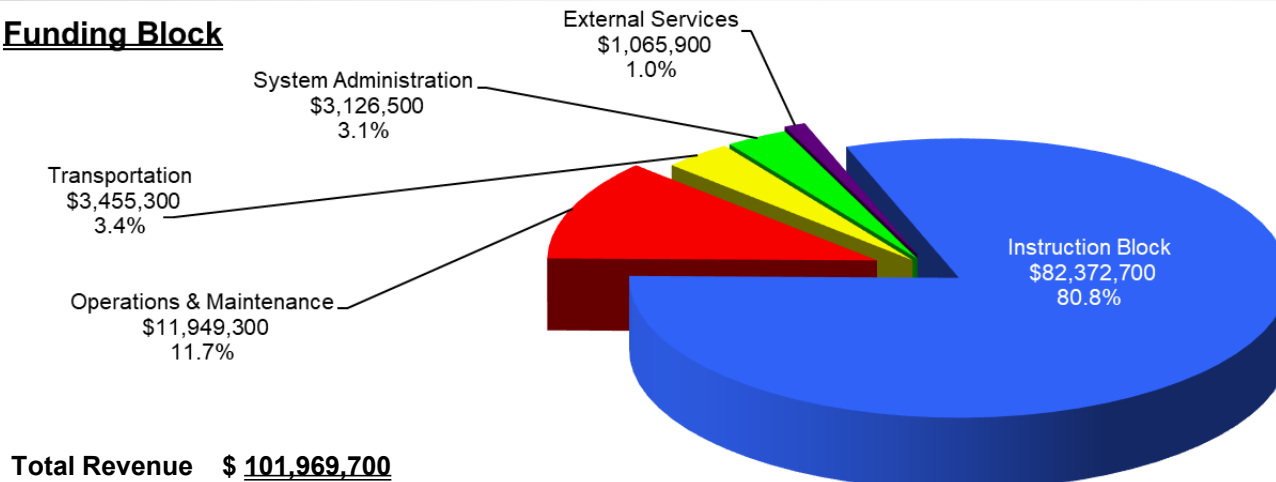


Revenue Sources

Funding Source



Funding Block



GRANT REVENUE

	Fall Budget 2025-26	Increase (Decrease)	%	Spring Budget 2026-27
	(Current Year)			(Next Year)
Instructional Block	\$ 70,421,000	\$ 4,196,400	6.0%	\$ 74,617,400
Operations and Maintenance	11,931,600	(144,300)	(1.2%)	11,787,300
Transportation	3,535,000	(79,700)	(2.3%)	3,455,300
External Services	530,500	-	-	530,500
System Administration	3,072,500	(179,000)	(5.8%)	2,893,500
Total Grant Funding	\$ 89,490,600	\$ 3,793,400	4.2%	\$ 93,284,000



INSTRUCTION GRANT REVENUE

	Increase (Decrease) from 2025/26	
Base Grant Rate Increase	3%	\$ 1,340,600
Base Grants - Enrollment Decline WMA		(890,000) 70% from 2026/27
Base Grants - Enrollment Decline WMA		(209,800) 30% from 2025/26
Base Student Funding		240,800
Other Instruction Grants		645,900
Instruction Grants Impacting Bottom Line - Preliminary		886,700
Class Size Grant		945,000
Complexity Teams		1,699,700
Instruction Grants Impacting Bottom Line - Total		3,531,400
Grants With Offset Costs (Teacher pension, etc.)		665,000
Net Grant Revenue Change - Instruction		\$ 4,196,400

New in 2026/27 – the increase to base grants is required to cover the cost of the 3% ATA settlement. In recent years this was addressed in a separate grant.



OTHER GRANT REVENUE

	Increase (Decrease) from 2025/26	
Operations and Maintenance (O&M) Rate Increase	5%	\$ 769,400
Infrastructure Maintenance Renewal (IMR)		(847,900)
Net Facilities Funding Change		<u>(78,500)</u>
Transportation Rate Increase	3%	106,100
Transportation Funding Distance Eligibility Criteria		(185,800)
Net Transportation Funding Change		<u>(79,700)</u>
System Administration Funding		(179,000)
Net Grant Revenue Change - Preliminary		<u>\$ (337,200)</u>
Grants With Offset Costs (supported amortization)		(73,800)
Net Other Grant Revenue Change		<u><u>\$ (411,000)</u></u>



Revenue Summary

	Fall Budget 2025-26	Increase (Decrease)	%	Spring Budget 2026-27
	(Current Year)			(Next Year)
OPERATIONS (SUMMARY)				
Revenues				
Government of Alberta	\$ 89,490,600	\$ 3,793,400	4.2%	\$ 93,284,000
Fees	2,848,600	(103,100)	(3.6%)	2,745,500
Sales of Services and Products	4,397,400	222,500	5.1%	4,619,900
Investment Income	520,000	44,600	8.6%	564,600
Donations and Other Contributions	703,000	(11,300)	(1.6%)	691,700
Other Revenue	45,000	19,000	42.2%	64,000
Total Revenues	\$ 98,004,600	\$ 3,965,100	4.0%	\$ 101,969,700

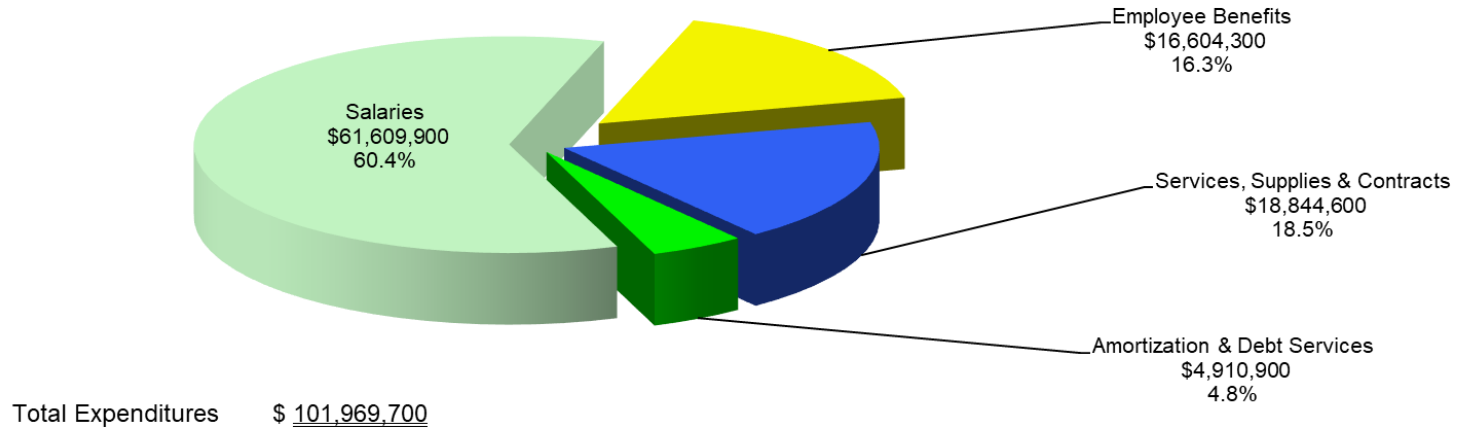


EXPENSES

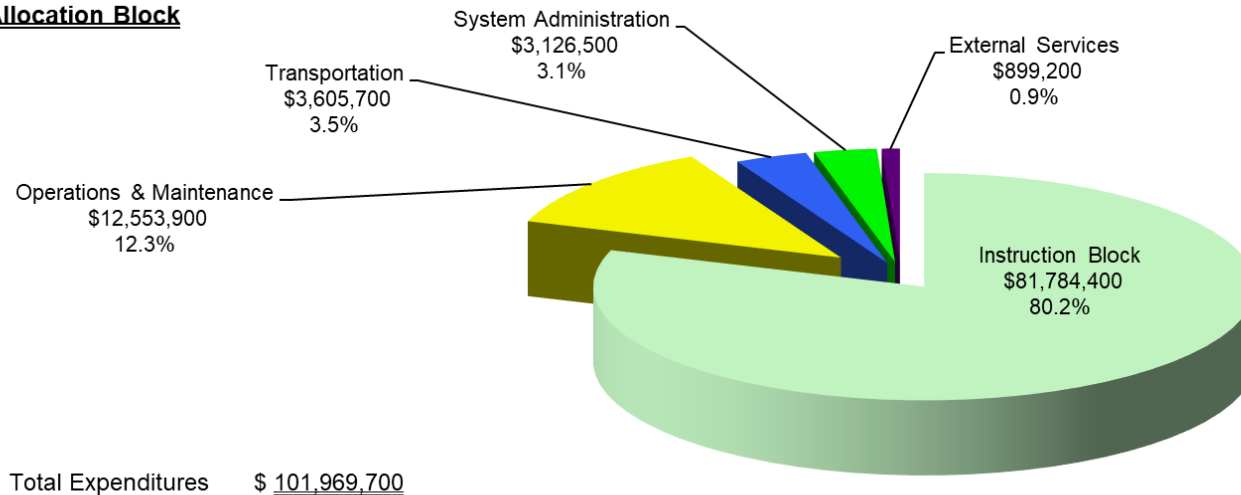


Expenditures

Expense Type (or Object)



Allocation Block



Salaries And Benefits – All Groups

	\$ Change From Prior Year
Increase (Decrease) in FTE	\$ 667,500
Wage Settlements - 3% All Groups	1,667,100
ATA Grid Harmonization	314,300
Grid Movement	101,600
Substitute Cost Increases	189,800
Total - Change in Salaries	2,940,300
Increase (Decrease) in FTE	120,700
Benefit Cost Increases	608,400
Pension	224,100
PD (includes new curriculum PD)	216,400
Total - Change in Benefits	1,169,600
Total - Change in Staffing Costs	\$ 4,109,900

Although base grants increased by 3% (\$1.34M), this increase does not keep pace with the rising cost of staff wages and benefits, resulting in continuing budget pressure.



Staffing FTE Changes

	Staff FTE		
	2025/26 Actual	2026/27 Budget	Total Increase (Decrease)
Certificated	383.64	390.28	6.64
Education Assistants	139.21	149.28	10.07
Clerical	36.30	34.90	(1.40)
Custodial	43.63	40.25	(3.38)
Non-Union	81.10	80.37	(0.73)
Total - All Staff	683.88	695.08	11.20

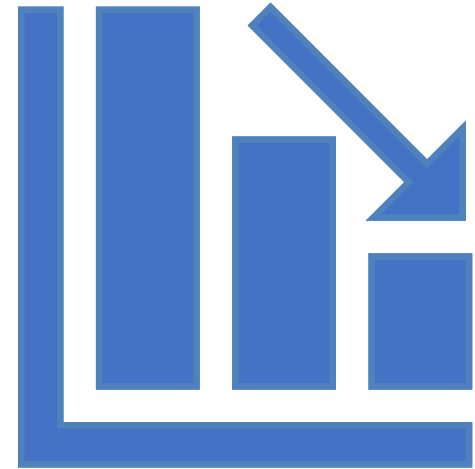


Purchased Services and Supplies Summary

	Fall Budget 2025-26	Increase (Decrease)	%	Spring Budget 2026-27
	(Current Year)			(Next Year)
Expenses By Program				
Instruction	\$ 10,707,100	\$ (118,200)	(1.1%)	\$ 10,588,900
Operations and Maintenance	4,309,100	(90,100)	(2.1%)	4,219,000
Transportation	3,404,100	86,400	2.5%	3,490,500
System Administration	480,300	(400)	(0.1%)	479,900
External Services	90,300	(24,000)	(26.6%)	66,300
Total Expenses	\$ 18,990,900	\$ (146,300)	(0.8%)	\$ 18,844,600



Division's Operating Budget



Statement of Operations

	Fall Budget 2025-26 <small>(Current Year)</small>	Increase (Decrease)	%	Spring Budget 2026-27 <small>(Next Year)</small>
Revenues				
Total Revenues	\$ 98,004,600	\$ 3,965,100	4.0%	\$ 101,969,700
Expenses By Program				
Certificated Salaries	\$ 43,085,600	\$ 2,218,400	5.1%	\$ 45,304,000
Certificated Benefits	10,880,300	832,000	7.6%	11,712,300
Non-certificated Salaries	15,584,000	721,900	4.6%	16,305,900
Non-certificated Benefits	4,554,400	337,600	7.4%	4,892,000
Total Wages and Benefits	74,104,300	4,109,900	5.5%	78,214,200
Services, Contracts and Supplies	18,990,900	(146,300)	(0.8%)	18,844,600
Amortization	4,909,400	1,500	0.0%	4,910,900
Total Expenses	\$ 98,004,600	\$ 3,965,100	4.0%	\$ 101,969,700
<i>Final Operating Surplus/(Deficit)</i>	\$ -	\$ -		\$ -

The 2025/26 and 2026/27 budgets are balanced (net zero)



CAPITAL BUDGET and RESERVES



Capital Budget

	2025-26 Fall Budget	Increase	2026-27 Spring Budget
<u>FUNDING</u>			
<u>Capital Projects</u>			
Plant & Operations			
Grants - Capital Maintenance and Renewal (CMR)	1,069,000	29,400	1,098,400
<i>Total Capital Projects Funding</i>	<u>\$1,069,000</u>	<u>29,400</u>	<u>\$ 1,098,400</u>
<u>Capital Equipment</u>			
Technology Projects			
Capital Reserves	732,200	(339,900)	392,300
Plant & Operations			
Vehicles			
Capital Reserves	80,000	(10,000)	70,000
Equipment			
Capital Reserves	43,000	<u>17,300</u>	60,300
<i>Total Capital Equipment Funding</i>	<u>855,200</u>	<u>(332,600)</u>	<u>522,600</u>
<i>Total Funding</i>	<u><u>\$1,924,200</u></u>	<u><u>(303,200)</u></u>	<u><u>\$ 1,621,000</u></u>
<u>Summary</u>			
Grants	\$1,069,000	29,400	\$ 1,098,400
Capital Reserves	855,200	(332,600)	522,600
<i>Total Funding</i>	<u><u>\$1,924,200</u></u>	<u><u>(303,200)</u></u>	<u><u>\$ 1,621,000</u></u>



Accumulated Surplus from Operations (ASO)

- Starting August 31, 2023, Alberta Education set limits on the level of operating reserves held by Divisions as listed below:
 - 2022/23 – 3.15%
 - 2023/24 – 3.20%
 - 2024/25 – 6.00%
 - 2025/26 – 6.00%
 - 2026/27 – 6.00%

	2022/23 ASO	2023/24 ASO	2024/25 ASO	2025/26 ASO	2026/27 ASO
Actual ASO % of Total Expenses	4.65%	3.38%	2.80%	3.08%	3.05%
Alberta Education - Max Limit %	3.15%	3.20%	6.00%	6.00%	6.00%
Max Limit \$	2,978,900	3,072,500	5,710,800	5,880,300	6,118,200
Excess Over (Under) Limit	1,419,400	174,381	(3,044,887)	(2,862,787)	(3,009,587)





To Learn.



To Grow.



**To Build a
Better World**