BUDGET 2014-2015
FALL UPDATE

MEDICINE HAT SCHOOL DISTRICT NO. 76

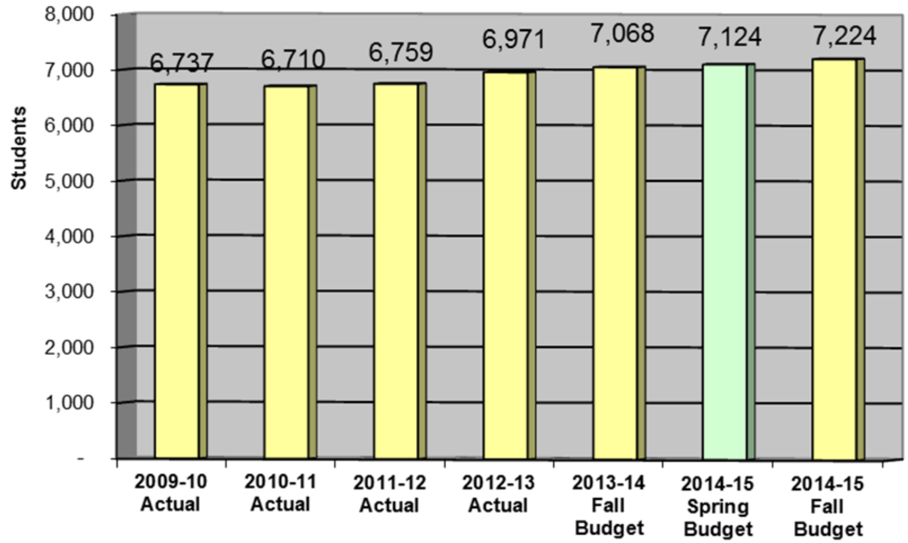
FALL UPDATE

STUDENT ENROLLMENT

FIVE YEAR TREND

Budget 2014 - 2015

	2013-14 Fall Budget	2014-15 Fall Budget	Variance	Percent
Elementary Schools				
Early Childhood Services (ECS)	885	907	22	2.5%
Grades 1 - 3	1,622	1,654	32	2.0%
Grades 4 - 6	1,466	1,526	60	4.1%
Sub-total	3,973	4,087	114	2.9%
Middle & High Schools				
Grades 7 - 9	1,417	1,397	(20)	-1.4%
Grades 10 - 12	1,678	1,740	62	3.7%
Sub-total	3,095	3,137	42	1.4%
Total	7,068	7,224	156	2.2%



	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Fall Budget	Increase	**2014-15 Spring Budget**	Increase	**2014-15 Fall Budget**	Fall to Fall Increase
Community Placements	138	146	169	175	196	0	196	(21)	175	(21)
Alternate Programming	122	89	73	114	116	0	116	(11)	105	(11)
Traditional Schools	6,477	6,475	6,517	6,682	6,756	56	6,812	132	6,944	188
Total	6,737	6,710	6,759	6,971	7,068	56	7,124	100	7,224	156
	1.1%	-0.4%	0.7%	3.1%	1.4%	0.8%		1.4%		2.2%
			Average (previous 5 years)		1.2%					

FALL UPDATE

	Fall Budget 2014/2015	Spring Budget 2014/2015	Variance	% Variance
Certificated Staff FTE's				
School based	402.4	397.3	5.1	1.3%
Non-school based	9.9	9.0	0.9	10.0%
Total Certificated Staff FTE's	412.3	406.3	6.0	1.5%
Non-Certificated Staff FTE's				
Instructional	198.1	198.1	-	0.0%
Non-instructional	79.2	79.2	-	0.0%
Total Non-Certificated Staff FTE's	277.3	277.3	-	0.0%
Eligible Funded Students				
Early childhood services (ECS headcount)	907.0	869.0	38	4.4%
Grades 1 to 9 (headcount)	4,577.0	4,563.0	14	0.3%
Grade 10 to 12 (FTE)	1,740.0	1,692.0	48	2.8%
Total Eligible Funded Students	7,224.0	7,124.0	100	1.4%

GRANT REVENUES

	Grants	Net	Expense Offset
Instructional Grants:			
Base Grants [100 additional students = 81 FTE]	$ 570,900		$ -
Class Size	94,300		-
CEU’s	192,300		-
Inclusive Education	28,500		-
Small Schools by Necessity	68,700		-
RCSD support	58,800		58,800
Pension Support	23,400		23,400
Institutional Programs – PAS (hospital)	22,200		22,200
PUF	59,800		59,800
Total Instructional Grants	$ 1,118,900		$ 164,200
Net Increase		$ 954,700	

GRANT REVENUES

	Grants	Net	Expense Offset
Other Grants			
Transportation	$ 19,900		$ -
Before and After School Support	180,000		180,000
My Place & HUGS	40,700		40,700
Debt Support	(119,700)		(119,700)
Plant Operations & Maintenance (POM) 2%	119,300		-
Infrastructure Maintenance Renewal (IMR) 106%	1,325,100		1,325,100
Total	$ 1,565,300		$ 1,426,100
Net Increase (Other Grants)		$ 139,200	
Instructional Grants	1,118,900		164,200
Net Increase (Instruction)		954,700	
	$ 2,684,200		$ 1,590,300
Net Increase (All Grants)		$ 1,093,900	

Total Grants $79.8 million

An improvement of $2,684,200 or 3.5% from Spring Estimates.

Excluding Grants with direct offset expenses the net increase is $1.1 million of 1.4%

LOCAL REVENUES

	Grants	Net	Expense Offset
Local Revenue			
Fees (no fee change - improved collection)	$ 165,000		-
Other Sales (Health Spending Rebate $200,000)	50,000		-
Investment Income	40,000		-
Gifts and Donations (Cenovus)	150,000		150,000
Rental of Facilities	(10,000)		-
Total	$ 395,000		$ 150,000
Net Increase (Local Revenue)		$ 245,000	
All Grants	2,684,200		1,590,300
Net Increase (All Grants)		1,093,900	
	$ 3,079,200		$ 1,740,300
Net Increase (All Revenues)		$ 1,338,900	

Expenditures – Staffing

	Expenses	Net	Offset Revenue
Certificated Changes			
Additional Teachers (6 FTE)	$ 584,400	(PUF)	97,400
Savings - (revaluation of average teacher costs)	(291,200)		
Sub-total	293,200		97,400
Non-Certificated Changes			
Salaries	78,500	(Before & After)	180,000
Benefits - (revaluation of average benefit costs)	(156,800)		(16,500)
Sub-total	(78,300)		163,500
Total	$ 214,900		$ 260,900
		$ (46,000)	

Total Wages & Benefits - $63,001,000
with staff compliment of 690 FTE

Expenditures – Services, Contracts and Supplies

	Expenses	Net	Offset Revenue
Instruction			
Site Based Mini-Budgets	$ 36,500		$ -
Literacy-Learning Common Project	150,000		150,000
RCSD Programming	58,700		58,700
PUF Programming	39,500		39,500
Information Technology Services	50,000		-
Alternate Programs - Facilities	18,200		-
School Services	409,200		-
	$ 762,100		$ 248,200
Transportation	22,800		-
Facilities			
Plant Operations Maintenance (POM)	114,500		-
Infrastructure Renewal (IMR)	1,325,100		1,325,100
External Services			
My Place and HUG Projects	40,400		40,400
Board & Administration	24,400		-
	$ 2,289,300		$ 1,613,700
		$ 675,600	

Services, Contracts and Supplies budget of $17,990,800

OPERATING SUMMARY

	Gross	Net	Offset
Revenue			
Grants	$ 2,684,200		$ 1,590,300
Local Revenue	395,000		150,000
	$ 3,079,200		$ 1,740,300
Net Increase on Revenue		$ 1,338,900	
Expense			
Staffing		46,000	
Services, Contracts and Supplies		(675,600)	
Capital and Debt Services		38,900	
Operating Surplus		$ 748,200	

With the additional 100 students, an additional six certificated teachers and some budget adjustments - the result is an anticipated operating surplus of $748,200

FALL UPDATE

OPERATIONS (SUMMARY)	Fall Budget 2014/2015	Spring Budget 2014/2015	Variance	% Variance
Revenues				
Alberta Education	$ 78,927,800	$ 76,464,300	$ 2,463,500	3.2%
Other - Government of Alberta	$ 871,600	650,900	220,700	33.9%
Government of Alberta	79,799,400	77,115,200	$ 2,684,200	3.5%
Other Alberta School Authorities	136,600	136,600	-	0.0%
Fees	1,571,600	1,406,600	165,000	11.7%
Other sales and services	1,180,900	1,130,900	50,000	4.4%
Investment Income	184,400	144,400	40,000	27.7%
Gifts and donations	459,300	309,300	150,000	48.5%
Rental of Facilitilies	58,700	68,700	(10,000)	-14.6%
Fundraising	1,250,000	1,250,000	-	0.0%
Total Revenues	$ 84,640,900	$ 81,561,700	$ 3,079,200	3.8%
Expenses By Program				
Instruction	$ 67,469,300	$ 66,706,100	$ 763,200	1.1%
Plant Operations & Maintenance	9,958,400	8,648,000	1,310,400	15.2%
Transportation	2,063,800	2,041,000	22,800	1.1%
Board and System Administration	2,617,400	2,587,900	29,500	1.1%
External Services	1,783,800	1,578,700	205,100	13.0%
Total Expenses	$ 83,892,700	$ 81,561,700	$ 2,331,000	2.9%
Excess (Deficiency) of Revenues over Expenses	$ 748,200	$ -	$ 748,200	

Operating Budget – Surplus of $748,200

FALL UPDATE

Expenses by Object	Fall Budget 2014/2015	Spring Budget 2014/2015	Variance	% Variance
Certificated Salaries	$ 38,280,900	$ 38,067,300	$ 213,600	0.6%
Certificated Benefits	10,400,400	10,320,800	79,600	0.8%
Non-certificated Salaries	11,571,200	11,492,700	78,500	0.7%
Non-certificated Benefits	2,963,400	3,120,200	(156,800)	-5.0%
Total Wages & Benefits	63,215,900	63,001,000	214,900	0.3%
Services, contracts and supplies expense	17,990,800	15,701,500	2,289,300	14.6%
Capital and Debt Services			-	0.0%
Amorization - Supported	1,681,400	1,747,200	(65,800)	-3.8%
Amortization - Unsupported	966,600	1,023,500	(56,900)	-5.6%
Interest - Supported	2,400	56,300	(53,900)	-95.7%
Interest - Unsupported	35,600	17,600	18,000	102.3%
Total Capital & Debt Services	2,686,000	2,844,600	(158,600)	-5.6%
Other Expenses	-	-	-	0.0%
Total Expenses	$ 83,892,700	$ 81,547,100	$ 2,345,600	2.9%

CAPITAL BUDGET

	2013-14 Spring Budget	2013-14 Fall Budget		2014-15 Spring Budget	Increase	2014-15 Fall Budget		2015-16 Forecast		2016-17 Forecast
EXPENDITURES										
Capital Projects										
Dr. Roy Wilson Learning Centre	1,233,000	1,233,000		-	-	-		-		-
Medicine Hat High School Modernization	-	-		18,600,000	-	18,600,000		18,700,000		-
Modular Units - New Units (WLC)	-	-		-	400,000	400,000		-		-
Modular Units - Relocations (Connaught)	-	-		-	50,000	50,000		-		-
Total Capital Projects	1,233,000	1,233,000		18,600,000	450,000	19,050,000		18,700,000		-
Capital Equipment										
Computer Replacements	315,000	315,000		400,000	-	400,000		400,000		400,000
Network, Infrastructure and other Equipment	120,000	120,000		125,000	-	125,000		125,000		125,000
VOIP (phone system)	30,000	30,000		-	-	-		-		-
Photocopiers	60,000	200,000		-	-	-		-		-
Central Duplicating	-	900,000		-	-	-		-		-
* Smart Boards & Projectors	-	-	(1)	-	-	-	*	200,000	*	200,000
	525,000	1,565,000		525,000	-	525,000		725,000		725,000
Plant & Operations										
Vehicles	65,000	65,000		70,000	-	70,000		70,000		70,000
Equipment	80,000	80,000		75,000	-	75,000		75,000		75,000
Total Capital Equipment Acquisitions	670,000	1,710,000		670,000	-	670,000		870,000		870,000
Total Capital Expenditures	1,903,000	2,943,000		19,270,000	450,000	19,720,000		19,570,000		870,000

Note (1) - Technology Plan - currently reflects the District assuming responsibility for smart boards in 2014-15, this w ill have to be re-evaluated in the 2015-2016 budget.

Reserve Budget

	2012-13 Closing Balance (Aug 31,2013)	2013-14 Closing Balance (Aug 31,2014)		2014-15 Transfers In		2014-15 Transfers Out	2014-15 Closing Balance (Aug 31,2015)	
Unrestricted Net Assets				(Operating Surplus)				
			(1)	748,200				
Unrestricted	$ 1,684,814	$ 1,566,400	(3)	(100,600)	(2)	(120,000)	$ 894,000	1
			(11)	-	(8)	(1,200,000)		
Operating Reserves								
Working Capital	$ 2,023,500	$ 1,996,700	(3)	$ 100,600	(11)	-	$ 2,097,300	3
School Based - Mini Budget	366,300	489,600			(4)	-	489,600	4
School Based - Committed	618,700	1,007,000	(9)	300,000	(7)	(1,200,000)	107,000	4
School Based - SGF	-	1,330,000	(10)	-			1,330,000	4
Fund Raising Initiatives	463,800	493,700	(5)	30,000			523,700	4
Board & Administration - Discretionary	-	-	(8)	2,250,000			2,250,000	1
Board & Administration - Committed	2,300,000	2,300,000	(8)	100,000	(7)	(2,400,000)	-	4
Total Operating Reserves	$ 5,772,300	$ 7,617,000		$ 2,780,600		$ (3,600,000)	$ 6,797,600	
Total Accumulated Operating Surplus	$ 7,457,114	$ 9,183,400		$ 2,680,000		$ (4,920,000)	$ 7,691,600	
Capital Reserves								
Instruction Block								
Computers	$ 853,800	$ 687,700	(6)	$ 604,300	(7)	$ (525,000)	$ 150,000	
					(8)	(617,000)		
Copiers	207,500	-					-	
Other	114,900	-					-	
Plant & Operations	202,000	260,000	(6)	177,100	(7)	(100,000)	199,800	
					(8)	(137,300)		
External Services	56,300	62,700	(6)	6,400	(7)	(45,000)	24,100	
Board & Administration	1,047,700	907,200	(6)	47,100	(7)	(450,000)	108,600	
					(8)	(395,700)		
Total Capital Reserves	2,482,200	1,917,600		834,900		(2,270,000)	482,500	2
Total Net Assets (not invested in Capital Assets)	$ 9,939,314	$ 11,101,000		$ 3,514,900		$ (7,190,000)	$ 8,174,100	

Reserve Summary

	2013-14 Closing Balance (Aug 31,2014)	Transfers Out	2014-15 Closing Balance (Aug 31,2015)	
Summary:				
Discretionary (Operating)	$ 1,566,400	$ 1,577,600	$ 3,144,000	1
Discretionary (Capital)	1,917,600	(1,435,100)	482,500	2
	$ 3,484,000	$ 142,500	$ 3,626,500	
Discretionary (Working Capital = 2.5%)	1,996,700	100,600	2,097,300	3
Non-discretionary (Committed)	5,620,300	(3,170,000)	2,450,300	4
	$ 11,101,000	$ (2,926,900)	$ 8,174,100	

Fall Update – Reserve Benchmarks

	2011-12 Closing Balance (Aug 31,2012)	2012-13 Closing Balance (Aug 31,2013)		2013-14 Closing Balance (Aug 31,2014)		2014-15 Closing Balance (Aug 31,2015)	
Operating Reserves as a % of Operating Expenditures							
Operating Expenditures	$ 77,991,231	$ 80,015,069		$ 79,869,900		$ 83,892,700	
Operating Reserves as a % of Budget							
Working Capital	2.44%	2.53%		2.50%		2.50%	
Committed	3.70%	4.69%		7.04%		2.92%	
Discretionary & Unrestricted	1.15%	2.11%		1.96%		3.75%	
Total Operating Reserves	**7.29%**	**9.32%**		**11.50%**		**9.17%**	
Provincial Average	4.73%	6.15%					
Average of Similar Size School Districts	6.45%	8.78%				(Ministry concern if lower than 2.5%)	
Operating Reserves Per Student							
Students - Head count	6,756	6,971		7,068		7,224	
Less - $^{1}/_{2}$ ECS students	(382)	(430)		(443)		(454)	
Students - FTE's (full time equivalents)	6,374	6,541		6,625		6,770	
Operating Reserves / Student	**$ 892**	**$ 1,140**	/ Student	**$ 1,386**	/ Student	**$ 1,136**	/ Student
Provincial Average	$ 573	$ 742					
Average of Similar Size School Districts	$ 756	$ 1,023					
Capital Reserves Per Student							
Capital Reserves / Student	**$ 351**	**$ 380**	/ Student	**$ 289**	/ Student	**$ 71**	/ Student
Provincial Average	$ 274	$ 242					
Average of Similar Size School Districts	$ 209	$ 228					

Reserve Budget – Footnotes

(Reserve Management Plan)

Note (1) - The Unrestricted Net Assets balance should be adequate to cover any operating deficits, however the Board approves that the excess, if any, shall come out of the Board's Discretionary Operating Reserves or the Working Capital Reserve effective the respective year end.

Note (2) - The above represents a debt repayment (capital lease) resulting in a decrease in Unrestricted and increase in investment in Capital assets.

Note (3) - The above transfers represent a transfer to maintain the Working Capital Reserve at 2.5% of Budgeted Operating expenditures.

Note (4) - The above transfers represent an estimated transfer to/(from) restrict unused school based budgets and commitments from prior years. The actual transfer will reflect actual carry forward balances at year end.

Note (5) - The above transfer is a estimate only - the actual transfer into or out of this reserve shall reflect the net activity in the Fund Raising Bank Account.

Note (6) - The above transfers into Capital Reserves are based upon unsupported budgeted amortization - if actual amortization is different the Administration is authorized, at their discretion, to adjust to approximate the actual amortization numbers.

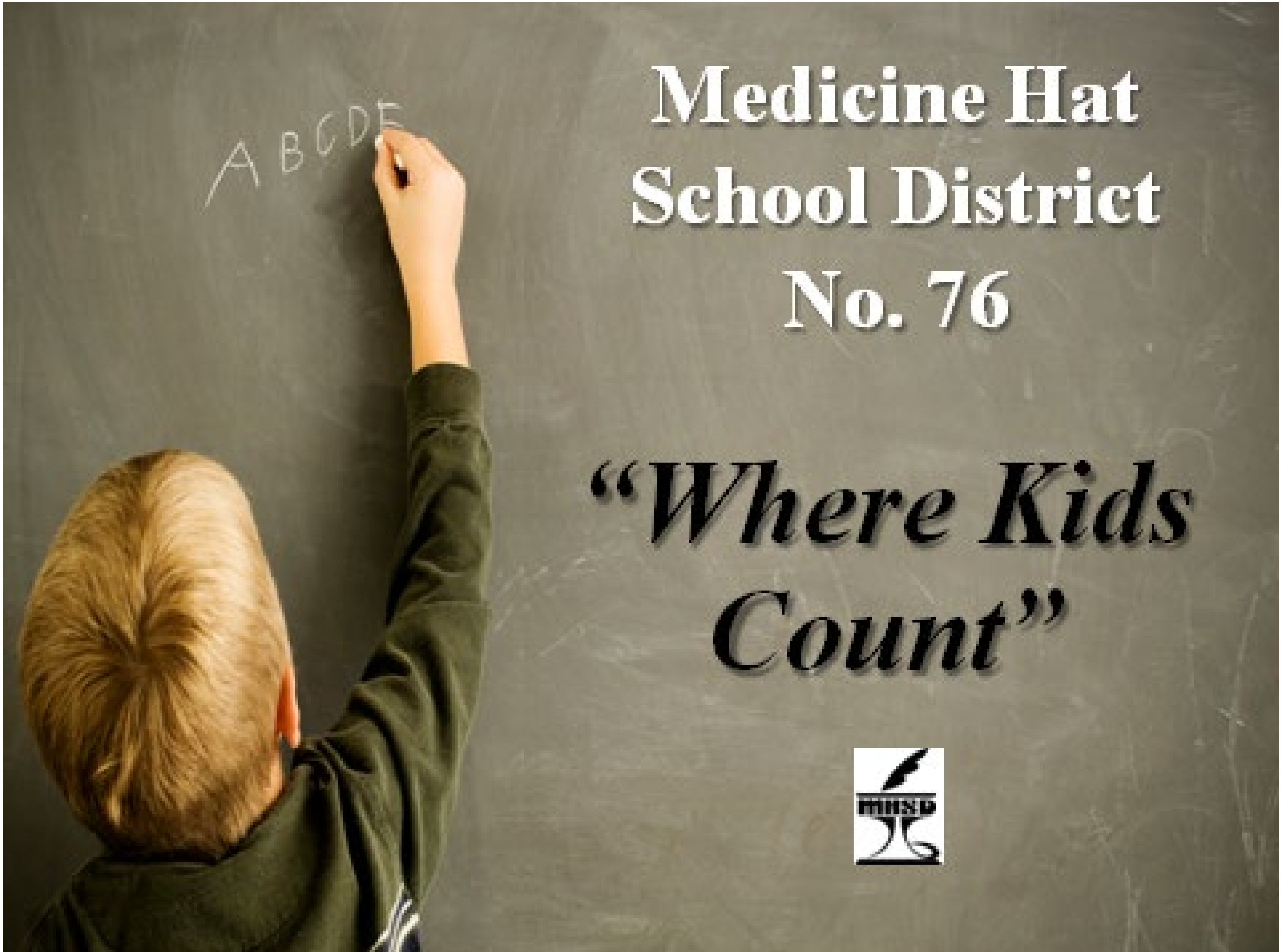
Note (7) - The above transfer out of Capital Reserves are based upon budgeted capital expenditures. If costs are less than budget the draw from the reserve will be adjusted accordingly.

Note (8) - The above transfer out of Capital Reserves is based upon Board approved additions to the Medicine Hat High School modernization project - as well as some restructuring of the capital reserves into Board & Administration (committed).

Note (9) - The above transfers were based on operating results for the year - if MHHS unspent CEU revenues are something other than $300,000 the transfer into this reserve will be adjusted accordingly.

Note (10) - This transfer is to reflect the new PSAS requirement to not defer any unspent SGF funds. A reserve must be set up to ensure these funds a kept for the respective schools. The actual amount set up in this reserve will equal the SGF in net assets at year end (August 31, 2015).

Note (11) - This transfer will only be made if the Unrestricted Net Assets would otherwise go into a negative balance.


ABCDE
Medicine Hat
School District
No. 76
"Where Kids
Count"
MHSD