

**BUDGET  
REPORT  
FOR THE YEAR ENDING AUGUST 31, 2016**

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

**Northland School Division No. 61**

Legal Name of School Jurisdiction

Bag 1400, 9809-77 Avenue, Peace River, AB. T8S 1V2

Telephone & Fax Numbers, Email Address

**BOARD CHAIR**

Dr. Colin J. Kelly

Name



Signature

**SUPERINTENDENT**

Dr. Donna S. Barrett

Name



Signature

**SECRETARY TREASURER or TREASURER**

Trudy Rasmuson, CMA

Name



Signature

**Certified as an accurate summary of the year's budget as approved by the Board**

**of Trustees at its meeting held on June 27, 2015**

Date

Version: 150630

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.	grey cells: data not applicable - protected
salmon cells: contain referenced juris. information - protected	white cells: within text boxes REQUIRE the input of points and data.
green cells: populated based on information previously submitted	yellow cells: for Alberta Education use only

### HIGHLIGHTS, PLANS, ASSUMPTIONS AND RISKS SUMMARY- 2015/2016 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 using multiple strategies that are tailored to the contextual needs of each community.
2. The Division will continue to implement to recommended actions from the external literacy review.
3. The Division will be implementing the actions outlined in the Attendance Initiative report.
4. Staff will continue to be provided with school-based and online professional learning opportunities that support the Northland literacy initiative, experiential learning and culturally-appropriate programming.
5. Resources will continue to be directed to support capacity-building in indigenous languages and cultural programming, including land-based learning and curriculum weaving.
6. Schools continue 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.
7. The New Teacher Orientation will continue to support new/beginning teachers to become familiar with the Northland context and to provide quality teacher and learning opportunities. All schools will host community suppers and special events and focus on community engagement throughout the year.
8. Libraries will continue to be upgraded and schools will lead projects that will encourage the dissemination of books throughout the communities.
9. Implementation of the 2013 maintenance review recommendations will continue, providing a safe and caring learning environment for teachers and staff.
10. Northland has completed the implementation of the new Human Resources and Financial Management system (SRB), and will be using the system to improve systems and processes.
11. The Division will implement the recommendations of the Auditor General's report to use community-based strategies to improve attendance.
12. Leadership staff will continue to work on community-based partnerships with the First Nations and Metis communities.

#### **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 division is the salary increase and grid movement for certificated and uncertificated staff of approximately \$1.2 million.
  - Because of the small communities where the Division operates schools and the high-needs of some of the students, class sizes are well below the provincial average, adding significant salary costs.
  - Although the Division received 30 mobile home units to replace some aging teacherages, the grant money received from the province to move the units was about 50% of what what required. The Division funded the additional \$850,000. Nominal rent increases were set, which left a significant funding shortfall.
  - There is a potential for a significant reduction in federal revenue if the First Nations adopt the provincial funding model.
  - We continue to provide in excess of 475 hours of instructional time for ECS students; however, current funding for ECS makes this a challenge.
  - The high school CEU completion rate is low, which affects the funding of the Division's high school project. With the current funding model, NSD's high school program is unsustainable.
  - 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.
  - Northland School Division does not collect additional school fees of any kind.

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

	Approved Budget 2015/2016	Fall Budget Update 2014/2015	Actual 2013/2014
<b>REVENUES</b>			
Alberta Education	\$38,334,542	\$37,011,527	\$38,136,250
Other - Government of Alberta	\$930,824	\$930,824	\$774,716
Federal Government and First Nations	\$22,175,563	\$23,696,172	\$20,838,515
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	\$1,186,841	\$1,494,069	\$1,162,953
Investment income	\$40,000	\$40,000	\$67,600
Gifts and donations	\$450,000	\$450,000	\$801,935
Rental of facilities	\$1,045,540	\$957,530	\$832,865
Fundraising	\$0	\$0	\$394,866
Gains on disposal of capital assets	\$0	\$0	\$200
Other revenue	\$0	\$0	\$0
<b>TOTAL REVENUES</b>	\$64,163,310	\$64,580,122	\$63,009,900
<b>EXPENSES</b>			
Instruction - Early Childhood Services	\$2,066,571	\$0	\$0
Instruction - Grades 1-12	\$38,756,733	\$41,553,778	\$39,307,283
Plant operations & maintenance	\$10,646,054	\$10,187,496	\$11,647,020
Transportation	\$3,582,035	\$3,555,872	\$3,741,924
Administration	\$3,793,603	\$3,933,415	\$3,510,503
External Services	\$5,511,916	\$5,345,664	\$5,092,838
<b>TOTAL EXPENSES</b>	\$64,356,912	\$64,576,225	\$63,299,568
<b>ANNUAL SURPLUS (DEFICIT)</b>	(\$193,602)	\$3,897	(\$289,668)

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

	Approved Budget 2015/2016	Fall Budget Update 2014/2015	Actual 2013/2014
<b>EXPENSES</b>			
Certificated salaries	\$21,815,258	\$21,919,528	\$20,878,113
Certificated benefits	\$4,742,909	\$4,172,140	\$4,390,192
Non-certificated salaries and wages	\$12,976,830	\$13,602,297	\$12,583,963
Non-certificated benefits	\$3,214,034	\$3,473,654	\$2,805,020
Services, contracts, and supplies	\$16,791,052	\$16,882,421	\$16,819,765
Capital and debt services			
Amortization of capital assets			
supported	\$3,562,723	\$0	\$3,526,233
unsupported	\$1,208,944	\$4,481,023	\$2,243,316
Interest on capital debt			
supported	\$0	\$0	\$9,178
unsupported	\$0	\$0	\$216
Other interest and finance charges	\$45,162	\$45,162	\$2,430
Losses on disposal of capital assets	\$0	\$0	\$41,142
Other expense	\$0	\$0	\$0
<b>TOTAL EXPENSES</b>	\$64,356,912	\$64,576,225	\$63,299,568

**BUDGETED SCHEDULE OF FEE REVENUE**  
for the Year Ending August 31

	<b>Approved Budget 2015/2016</b>	<b>Fall Budget Update 2014/2015</b>	<b>Actual 2013/2014</b>
<b>FEEES</b>			
Transportation fees	\$0	\$0	\$0
Basic instruction supplies, text book rental, material fees	\$0	\$0	\$0
Technology user fees	\$0	\$0	\$0
Alternative program fees	\$0	\$0	\$0
Fees for optional courses	\$0	\$0	\$0
Fees for students from other boards	\$0	\$0	\$0
Tuition fees (international & out of province)	\$0	\$0	\$0
Kindergarten & preschool	\$0	\$0	\$0
Extracurricular fees	\$0	\$0	\$0
Field trips	\$0	\$0	\$0
Lunch supervision fees	\$0	\$0	\$0
Other (describe)*	\$0	\$0	\$0
Other (describe)	\$0	\$0	\$0
Other (describe)	\$0	\$0	\$0
Other (describe)	\$0	\$0	\$0
Other (describe)	\$0	\$0	\$0
<b>TOTAL FEES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

*\*PLEASE DO NOT USE "SCHOOL GENERATED FUNDS" AS A CATEGORY*

<b>Please disclose amounts paid by parents of students that are recorded as "Other sales and services" or "Other revenue" (rather than fee revenue):</b>	<b>Approved Budget 2015/2016</b>
Optional non-study programs	\$0
Optional extracurricular participation	\$0
Student travel	\$0
Sales or rentals of other supplies/services	\$0
Other (describe)	\$0
Other (describe)	\$0
Other (describe)	\$0
Other (describe)	\$0
Other (describe)	\$0
<b>TOTAL</b>	<b>\$0</b>

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
Actual balances per AFS at August 31, 2014	\$9,762,460	\$7,705,593	\$0	\$926,987	\$926,987	\$0	\$1,129,880
<b>2014/2015 Estimated impact to AOS for:</b>							
Prior period adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Estimated surplus(deficit)	\$3,897			\$3,897	\$3,897		
Estimated Board funded capital asset additions		\$1,714,414		(\$1,214,414)	(\$1,214,414)		(\$500,000)
Estimated Disposal of unsupported tangible capital assets	\$10,000	\$0		\$10,000	\$10,000		\$0
Estimated amortization of capital assets (expense)		(\$4,481,023)		\$4,481,023	\$4,481,023		
Estimated capital revenue recognized - Alberta Education		\$3,272,623		(\$3,272,623)	(\$3,272,623)		
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
<b>Estimated Balances for August 31, 2015</b>	<b>\$9,776,357</b>	<b>\$8,211,607</b>	<b>\$0</b>	<b>\$934,870</b>	<b>\$934,870</b>	<b>\$0</b>	<b>\$629,880</b>
<b>2015/2016 Budget projections for:</b>							
Budgeted surplus(deficit)	(\$193,602)			(\$193,602)	(\$193,602)		
Projected Board funded capital asset additions		\$770,000		(\$770,000)	(\$770,000)		\$0
Budgeted Disposal of unsupported tangible capital assets	\$0	\$0		\$0	\$0		\$0
Budgeted Amortization of capital assets (expense)		(\$4,771,667)		\$4,771,667	\$4,771,667		
Budgeted capital revenue recognized - Alberta Education		\$3,562,723		(\$3,562,723)	(\$3,562,723)		
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
Projected Assumptions/Transfers of Operations (Explain)	\$0		\$0	\$0	\$0		\$0
<b>Projected Balances for August 31, 2016</b>	<b>\$9,582,755</b>	<b>\$7,772,663</b>	<b>\$0</b>	<b>\$1,180,212</b>	<b>\$1,180,212</b>	<b>\$0</b>	<b>\$629,880</b>

ANTICIPATED CHANGES IN ACCUMULATED OPERATING SURPLUS SUMMARY - 2014/2015 BUDGET REPORT

The following explains the anticipated changes to each component of the Accumulated Operating Surplus for 2014/2015 and provides detail on planned additions to unsupported capital. Additional space is provided on Page 6. The anticipated use of Unrestricted Surplus and Operating Reserves for 2015/2016 should be explained on Page 9 and detailed on 10 by cost object and program.

Reason for expected changes in investment in Tangible Capital Assets and Endowments as well as intended uses of Operating and Capital Reserves: 2014/2015 (Additional space provided on the next page)

Reasons for changes in investment in Tangible Capital Assets (i.e. supported tangible capital asset acquisitions or material dispositions):  
See next page

**ANTICIPATED CHANGES IN ACCUMULATED OPERATING SURPLUS  
for the Year Ending August 31**

The following explains the anticipated changes to each component of AOS for 2014/2015 and 2015/2016 and provides detail on the planned additions to unsupported capital. The anticipated us of Unrestricted Surplus and Operating Reserves should be explained on Page 9 and detailed on Page 10.

**Reason for expected changes in Investment in Tangible Capital Assets and Endowments as well as the intended uses of the balances remaining for Unrestricted Surplus, Operating Reserves and Capital Reserves as at August 31, 2016.**

**2014/2015**

Reasons for changes in Investment in Tangible Capital Assets (i.e. supported tangible capital asset acquisitions or material dispositions):  
The following is a list of some of the major capital expenditures for the 2014-2015 Budget totalling \$1,714,414

Construction items pertaining to Gift Lake School	\$122,593
Shed at Little Buffalo	\$ 10,846
Technology items - Servers, School PA System	\$ 90,157
HR and Finance Management System	\$ 43,920
School Food Services New Kitchen Equipment	\$ 61,432
4 - New School Buses	\$337,917
2 - Vehicle Replacements	\$ 72,451
2 - Bobcat Replacements	\$ 63,268
Miscellaneous equipment	\$ 11,830
Unsupported Portion of Housing Project	\$900,000

Other information related to changes in AOS for the 2014/2015 budget year:

The Unsupported Portion of the Housing Project will be reduced when some of the existing housing units (some of which are supported) are sold and the proceeds are applied to the set-up and installation of the new housing units.

**2015/2016**

Reasons for changes in Investment in Tangible Capital Assets (i.e. supported tangible capital asset acquisitions or material dispositions):

Parking Lot at St Theresa	\$200,000
4 - School Buses (to replace 1 - 66 passenger and 3 - 54 passenger buses)	\$400,000
3 - Maintenance truck replacements (3/4 ton w/service boxes)	\$120,000
School Food Services Kitchen Equipment	\$ 25,000
Miscellaneous Maintenance and Custodial Equipment	\$ 25,000

Planned Uses for remaining Unrestricted Surplus, Operating Reserves, and Capital Reserves (including time frame) after August 31, 2016:

Other information related to changes in AOS for the budgeted 2015/2016 budget year:

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

	Budgeted 2015/2016 (Note 2)	Actual 2014/2015	Actual 2013/2014	Notes
<b>GRADES 1 TO 12</b>				
<b>Eligible Funded Students:</b>				
Grades 1 to 9	1,229	1,169	1,163	Head count
Grades 10 to 12	72	70	85	Note 3
<b>Total</b>	<b>1,301</b>	<b>1,239</b>	<b>1,248</b>	Grades 1-12 students eligible for base instruction funding from Alberta Education.
Percentage Change	5.0%	-0.7%		
<b>Other Students:</b>				
<b>Total</b>	<b>1,109</b>	<b>1,165</b>	<b>1,064</b>	Note 4
<b>Total Net Enrolled Students</b>	<b>2,410</b>	<b>2,404</b>	<b>2,312</b>	
<b>Home Ed and Blended Program Students</b>	<b>9</b>	<b>7</b>	<b>5</b>	Note 5
<b>Total Enrolled Students, Grades 1-12</b>	<b>2,419</b>	<b>2,411</b>	<b>2,317</b>	
Percentage Change	0.3%	4.1%		
<b>Of the Eligible Funded Students:</b>				
Severely Disabled Students served	79	79	155	Total eligible funded severely disabled student FTEs; including Code 40s (excluding Code 47s).

**EARLY CHILDHOOD SERVICES (ECS)**

Eligible Funded Children	168	204	166	ECS children eligible for ECS base instruction funding from Alberta Education.
Other Children	93	79	110	ECS children not eligible for ECS base instruction funding from Alberta Education.
<b>Total Enrolled Children - ECS</b>	<b>261</b>	<b>283</b>	<b>276</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>274</b>	<b>297</b>	<b>290</b>	
Percentage Change	-7.8%	2.5%		
<b>Of the Eligible Funded Children:</b>				
Severely Disabled Children served	30	35	26	Total eligible funded severely disabled children FTEs, including Code 40 children in program units.

**NOTES:**

- Enrolment is to be completed WHEREVER APPLICABLE and are 'as at September 30th' for each year.
- Budgeted enrolment is to be based on best information available at time of the 2014/2015 budget report preparation.
- The # of FTE grade 10-12 students is determined by taking the total # of students' credits / 35; where 35 CEU's = 1 FTE.
- 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.
- 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		Actual		Fall Budget		Actual		Notes
	2015/2016	2014/2015	2014/2015	2013/2014	2014/2015	2014/2015	2013/2014		
<b>CERTIFICATED STAFF</b>									
School Based	199.5	210.6	204.3	197.6	Teacher certification required for performing functions at the school level.				
Non-School Based	10.2	12.0	13.0	12.0	Teacher certification required for performing functions at the system/central office level.				
<b>Total Certificated Staff FTE</b>	<b>209.7</b>	<b>222.6</b>	<b>217.3</b>	<b>209.6</b>	<b>FTE for personnel possessing a valid Alberta teaching certificate or equivalency.</b>				
<i>Explanation required where change unrelated to enrolment</i>	-5.8%	6.2%	3.7%						
<i>Percentage change from Fall Budget</i>	-3.5%								
is an average standard cost used to derive certificated salaries? If an average standard cost is used, please disclose rate.									
Yes <input type="checkbox"/> No <input type="checkbox"/> \$ 107,185									
<b>Explanation of Changes:</b>									
<b>NON-CERTIFICATED STAFF</b>									
Instructional	115.2	142.7	100.5	115.1	Personnel providing instruction support for schools under 'Instruction' program areas.				
Plant Operations & Maintenance	52.1	57.5	-	-	Personnel providing support to maintain school facilities				
Transportation	42.8	37.5	-	-	Personnel providing direct support to the transportation of students to and from school				
Other Non-Instructional	58.3	53.9	196.0	172.6	Personnel in Board & System Admin. and External service areas.				
<b>Total Non-Certificated Staff FTE</b>	<b>268.4</b>	<b>291.6</b>	<b>296.5</b>	<b>287.6</b>	<b>FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.</b>				
<i>Percentage Change</i>	-8.0%	1.4%	3.1%						
<i>Percentage change from Fall Budget</i>	-9.5%								
<b>Explanation of Changes:</b>									
Some of the instructional non-certificated staff positions (Special Assistants, PUF Special Assistants) are included in the budget as lump sum \$ amounts as the actual number of positions required will not be known until student assessments are completed in September									
<b>Additional Information</b>									
Are non-certificated staff subject to a collective agreement? <input type="checkbox"/> No									
Please provide terms of contract for 2015/16 and future years for non-certificated staff subject to a collective agreement along with the number of qualifying staff FTE's.									



**UTILIZATION OF ACCUMULATED SURPLUS FROM OPERATIONS  
for the Year Ending August 31**

**Where boards anticipate a decline in Accumulated Surplus in Operations on Page 5 (AOS) during the 2015/16 school year, please identify the justification for the use of these reserves. Document each cost on Page 10 (ASO Use), "Detailed Breakdown for the Budgeted Utilization of Accumulated Surplus from Operations for the Year Ended August 31, 2016."**

[Empty box for justification and documentation]

**DETAILED BREAKDOWN FOR THE BUDGETED UTILIZATION OF ACCUMULATED SURPLUS FROM OPERATIONS  
for the Year Ending August 31, 2016**

	Explanation	Recurring <sup>1</sup>	Capital <sup>2</sup>	Program <sup>3</sup>	Object <sup>4</sup>	Expected Cost
1						\$0
2						\$0
3						\$0
4						\$0
5						\$0
6						\$0
7						\$0
8						\$0
9						\$0
10						\$0
11						\$0
12						\$0
13						\$0
14						\$0
15						\$0
16						\$0
17						\$0
18						\$0
19						\$0
20						\$0
21						\$0
22						\$0
23						\$0
24						\$0
25						\$0

**Use Of A.S.O. for Budget Year 2015/2016**

**Unexplained Reduction of A.S.O. (Cannot be more than \$10,000)**

1. Use drop-down menu: If expense is recurring, indicate how the project will be funded in the future.
2. Use drop-down menu: Capital items should be funded through capital reserves, if available.
3. Use drop-down menu: If expenditure represents an "Operating" expense, indicate to which Program this item was included on the Budgeted Statement of Operations.
4. Use drop-down menu: If expenditure represents an "Operating" expense, indicate to which Expenditure Object this item was included on the Budgeted Allocation of Expenses (by Object).

#VALUE!

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