

BUDGET REPORT FOR THE YEAR ENDING AUGUST 31, 2010

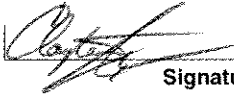

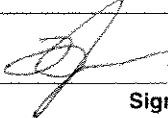
[School Act, Sections 147(2)(b) and 276]

Pembina Hills Regional Division No. 7

Legal Name of School Jurisdiction

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Telephone and Fax Numbers


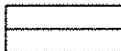
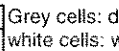
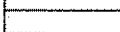
Clayton Jespersen Name	BOARD CHAIR	 Signature
Richard Harvey Name	SUPERINTENDENT	 Signature
Tracy Meunier, CGA Name	SECRETARY TREASURER	 Signature

Certified a true and correct summary of the year's budget approved by the Board of Trustees at its meeting held May 27, 2009.

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Color coded cells:

 blue cells: require the input of data/descriptors wherever applicable.	 Grey cells: data not applicable - protected	 white cells: within text boxes REQUIRE the input of points and data.
 salmon cells: contain referenced juris. information - protected		

HIGHLIGHTS, PLANS, ASSUMPTIONS AND RISKS SUMMARY- 2009/2010 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 & Assumptions:

Pembina Hills will continue with their Wildly Important Goal (WIG) for 2009/2010 - High School Completion.

Over the past number of years the jurisdiction has worked on aligning Alberta Education Goals with Board Goals and Priorities, School Education Plans, SMART Goals and Individual Professional Growth Plans. The Board and jurisdiction will focus on 4 priority areas and strategic plans for Human Resources, Guidance & Counseling, and Technology Evergreening.

Key jurisdiction strategies include changes to the school calendar to facilitate parent-teacher-student meetings in October in order to collaboratively plan for student success and 6 early dismissals to focus time for staffs to work in PLC dialogues about students and student learning; high school completion liaison positions; unleashing talent with powerful staff development focussed on school and student improvement (principles as learning leaders, classroom assessment coaches, professional learning communities, and a comprehensive professional development plan.

Pembina Hills' is projecting a decline of 2.04% (80 students) in grades 1-12 student population & 3.23% (12 students) decline in Kindergarten population.

The overall funding increase for Pembina Hills in the 2009/2010 budget is estimated at 3%, made up of the following increases: 4.80% for Basic Instruction, Outreach Sites & Small Class Size Initiative; 0% increase in Severe Disabled funding; 3% increase in Plant Operations & Maintenance and Transportation funding; 1% for all other funding increases.

Expenses are projected to increase 3%, with the exception of certificated salary increases at 4.80% for which the province has committed to fund through the Basic Instruction and Small Class Size Initiative funding increases.

Pembina Hills is committed to the provincial priorities of AISI, Class Size Initiative, Student Health & High-Speed Networking.

The division is committed to the Class Size Initiative by committing \$61,870 of division funds to the Class Size Initiative project to ensure both the Alberta Education guidelines are met in Kindergarten - grade 3. The Alberta Education guidelines for grades 7-12 are large for Pembina Hills, given the size of the grades 10-12 CTS classes and the small junior/senior high classes the division offers in Jarvie, Fawcett, Clyde, Fort Assiniboine, and Swan Hills.

Pembina Hills' is projecting to hold 6.84% of total expenses in Accumulated Surplus & Operating Reserve by August 31, 2010. Currently the division is at 9.15%.

Pembina Hills' is projecting to hold 18 operating days of accumulated surplus & operating reserve by August 31, 2010. Currently, the division is at 23 operating days.

BUDGETED STATEMENT OF REVENUES AND EXPENSES
for the Year Ending August 31

	Approved Budget 2009/2010	Final Approved Budget 2008/2009	Actual 2007/2008
REVENUES			
Government of Alberta	\$45,804,472	\$44,940,364	\$45,556,669
Federal Government and/or First Nations	\$37,410	\$40,910	\$48,135
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Instruction resource fees	\$256,978	\$271,436	\$324,013
Transportation fees	\$221,651	\$95,863	\$120,857
Other sales and services	\$498,110	\$579,630	\$788,888
Investment income	\$226,000	\$277,467	\$439,796
Gifts and donations	\$0	\$0	\$83,590
Rentals of facilities	\$19,900	\$13,400	\$15,543
Net school generated funds	\$483,400	\$483,400	\$502,111
Gains on disposal of capital assets	\$6,000	\$6,000	\$5,500
Amortization of capital allocations	\$1,037,024	\$901,938	\$1,120,580
TOTAL REVENUES	\$48,590,945	\$47,610,408	\$49,005,682
EXPENSES			
Certificated salaries	\$21,545,674	\$20,906,914	\$19,972,337
Certificated benefits	\$2,705,008	\$2,622,769	\$2,641,755
Non-certificated salaries and wages	\$9,474,186	\$9,570,404	\$8,965,402
Non-certificated benefits	\$1,993,425	\$2,015,373	\$2,052,403
Services, contracts and supplies	\$10,470,877	\$10,571,682	\$12,698,189
Net school generated funds	\$483,400	\$483,400	\$502,111
Capital and debt services			
Amortization of capital assets			
supported	\$1,037,024	\$901,938	\$1,120,580
unsupported	\$580,242	\$516,885	\$490,213
Interest on capital debt			
supported	\$319,099	\$408,730	\$711,795
unsupported	\$0	\$0	\$0
Other interest charges	\$7,600	\$7,595	\$0
Losses on disposal of capital assets	\$0	\$0	\$0
TOTAL EXPENSES	\$48,616,535	\$48,005,690	\$49,154,785
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$25,590)	(\$395,282)	(\$149,103)

BUDGETED ALLOCATION OF REVENUES AND EXPENSES (BY PROGRAM)
for the Year Ending August 31

	Approved Budget 2009/2010	Final Approved Budget 2008/2009	Actual 2007/2008
REVENUES			
ECS - Grade 12 Instruction	\$35,921,057	\$35,039,083	\$34,739,805
Operations & Maintenance of Schools and Maintenance Shops	\$5,849,877	\$5,724,523	\$6,556,258
Transportation	\$4,903,554	\$5,004,097	\$4,994,757
Board & System Administration	\$1,823,357	\$1,762,205	\$1,799,221
External Services	\$93,100	\$80,500	\$915,641
TOTAL REVENUES	\$48,590,945	\$47,610,408	\$49,005,682
EXPENSES			
ECS - Grade 12 Instruction	\$36,012,919	\$35,553,176	\$34,994,986
Operations & Maintenance of Schools and Maintenance Shops	\$5,849,877	\$5,724,523	\$6,610,674
Transportation	\$4,837,282	\$4,885,286	\$4,852,735
Board & System Administration	\$1,823,357	\$1,762,205	\$1,787,121
External Services	\$93,100	\$80,500	\$909,269
TOTAL EXPENSES	\$48,616,535	\$48,005,690	\$49,154,785

**PROJECTED STATEMENT OF CHANGES IN NET ASSETS (SUMMARY)
FOR THE YEAR ENDING AUGUST 31**

	(1)	(2)	(3)	(4)	(5)	(6)
	TOTAL NET ASSETS (2+3+6)	INVESTMENT IN CAPITAL ASSETS	ACCUMULATED OPERATING SURPLUS (4+5)	UNRESTRICTED NET ASSETS	INTERNALLY RESTRICTED NET ASSETS	
					OPERATING RESERVES	CAPITAL RESERVES
Actual balances per AFS at August 31, 2008	\$9,965,411	\$3,813,679	\$4,472,341	\$903,069	\$3,569,272	\$1,679,391
2008/2009 Estimated impact to net assets for:						
Estimated surplus(deficit)	(\$395,282)			(\$395,282)		
Estimated Board funded capital asset additions		\$1,711,291		\$0	(\$234,237)	(\$1,477,054)
Estimated Amortization of capital assets (expense)		(\$1,418,823)		\$1,418,823		
Estimated Amortization of capital allocations (revenue)		\$901,938		(\$901,938)		
Estimated Unsupported debt principal repayment		\$0		\$0		
Estimated Net reserve transfers				(\$121,603)	(\$769,095)	\$890,698
Estimated Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
Estimated Balances for August 31, 2009	\$9,570,129	\$5,008,085	\$3,469,009	\$903,069	\$2,565,940	\$1,093,035
2009/2010 Budget Projections for:						
Budgeted surplus(deficit)	(\$25,590)			(\$25,590)		
Projected Board funded capital asset additions		\$522,918		\$0	\$0	(\$522,918)
Budgeted Amortization of capital assets (expense)		(\$1,617,266)		\$1,617,266		
Budgeted Amortization of capital allocations (revenue)		\$1,037,024		(\$1,037,024)		
Budgeted Unsupported debt principal repayment		\$0		\$0		
Projected Net reserve transfers				(\$554,652)	(\$91,862)	\$646,514
Projected Assumptions/Transfers of Operations	\$0	\$0	\$0	\$0	\$0	\$0
Projected Balances for August 31, 2010	\$9,544,539	\$4,950,761	\$3,377,147	\$903,069	\$2,474,078	\$1,216,631

ANTICIPATED CHANGES IN NET ASSETS SUMMARY- 2009/2010 BUDGET REPORT

The following explains the anticipated changes to Unrestricted Net Assets, Investment in Capital Assets, Operating Reserves and Capital Reserves for 2008/2009 and 2009/2010 and breaks down the planned additions to unsupported capital.

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

	Budgeted 2009/2010 (Note 2)	Actual 2008/2009	Actual 2007/2008	Notes
GRADES 1 TO 12				
Eligible Funded Students:				
Grades 1 to 9	2,889	2,955	2,946	Head count
Grades 10 to 12	1,701	1,732	1,684	Note 3
Total	4,590	4,687	4,630	Grades 1-12 students eligible for base instruction funding from Alberta Education.
Other Students:				
Total	-	-	-	Note 4
Total Net Enrolled Students	4,590	4,687	4,630	
Home Ed and Blended Program Students	-	-	-	Note 5
Total Enrolled Students, Grades 1-12	4,590	4,687	4,630	
Of the Eligible Funded Students:				
Severely Disabled Students served	176	170	168	Total eligible funded severely disabled student FTEs; including Code 40s (excluding Code 47s).
EARLY CHILDHOOD SERVICES (ECS)				
Eligible Funded Children	360	372	345	ECS children eligible for ECS base instruction funding from Alberta Education.
Other children	-	-	-	ECS children not eligible for ECS base instruction funding from Alberta Education.
Total Enrolled Children - ECS	360	372	345	
Program Hours	475	475	475	Minimum: 475 Hours
FTE Ratio	0.500	0.500	0.500	Actual hours divided by 950
FTE's Enrolled, ECS	180	186	173	
Of the Eligible Funded Children:				
Severely Disabled Children served	62	62	59	Total eligible funded severely disabled children FTEs, including Code 40 children in program units.
NOTES:				
1) Enrolment is to be completed WHEREVER APPLICABLE and are 'as at September 30th' for each year.				
2) Budgeted enrolment is to be based on best information available at time of this 2008/2009 budget report preparation.				
3) The # of FTE grade 10-12 students is determined by taking the total # of students' credits / 35; where 35 CEU's = 1 FTE.				
4) 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 19, and out-of-province and foreign students.				
5) 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 2009/2010	Actual 2008/2009	Actual 2007/2008	Notes
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CERTIFICATED STAFF

School Based	246.5	249.4	251.4	Teacher certification required for performing functions at the school level.
Non-School Based	4.3	4.3	4.5	Teacher certification required for performing functions at the system/central office level.
Total Certificated Staff FTE	250.7	253.6	255.9	FTE for personnel possessing a valid Alberta teaching certificate or equivalency.

Certificated Staffing Change due to:

Enrolment Change	(0.9)	-	0.8	If negative change impact, the small class size initiative is to include any/all teachers retained.
Small Class Size Initiative	-	-	-	If enrolment change impact on teacher FTEs is negative, include any/all teachers retained.
Other Factors	(2.0)	(2.3)	(2.5)	Descriptor (required): Grid increment costs; benefit increases
Total Change	(2.9)	(2.3)	(1.7)	Year-over-year change in Certificated FTE

Breakdown, where total change is Negative:

Continuous contracts terminated	-	-	-	FTEs
Non-permanent contracts not being renewed	-	-	-	FTEs
Other (retirement, attrition, etc.)	2.9	2.3	1.7	Descriptor (required): Retirement
Total Negative Change in Certificated FTEs	2.9	2.3	1.7	Breakdown required where year-over-year total change in Certificated FTE is 'negative' only.

Of the Certificated Staff:

Class size teachers retained from prior years	21.9	22.0	22.1	FTEs
Class size teachers newly hired	-	-	0.3	FTEs
Total Class Size Initiative Teacher FTE's	21.9	22.0	22.3	FTE for teachers hired and retained to meet the ACOL class size averages guidelines.

NON-CERTIFICATED STAFF

Instructional	187.3	203.3	201.9	Personnel providing instruction support for schools under 'Instruction' program areas.
Non-Instructional	113.4	112.8	113.0	Personnel in Transportation, Board & System Admin., O&M and External service areas.
Total Non-Certificated Staff FTE	300.7	316.2	314.9	FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.

Non-Certificated Staffing Change due to:

Enrolment Change	(7.0)	1.0	-	FTEs
Other Factors	(8.5)	(2.3)	-	Descriptor (required): Grid increment costs; benefit increases; severe disabled funding profile
Total Change	(15.5)	(1.3)	-	Year-over-year change in Non-Certificated FTE

**PROJECTED CLASS SIZE AVERAGES
FULL TIME EQUIVALENT (FTE) AVERAGE CLASS SIZE**

	Budgeted 2009/2010	Actual 2008/2009	Actual 2007/2008	Notes
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ACOL GUIDELINE GRADE GROUPING

K to Grade 3	17.0	17.4	17.1	If budgeted > 17, requires pg. 2 budget highlights on specific strategies to reduce to guideline.
Grades 4 to 6	21.6	21.6	20.8	If budgeted > 23, requires pg. 2 budget highlights on specific strategies to reduce to guideline.
Grades 7 to 9	22.3	22.1	22.3	If budgeted > 25, requires pg. 2 budget highlights on specific strategies to reduce to guideline.
Grades 10 to 12	19.5	19.3	20.3	If budgeted > 27, requires pg. 2 budget highlights on specific strategies to reduce to guideline.

NOTE: FTE statistics are 'as at September 30th' for each year. All applicable FTEs and the class size average information is to be entered to 1 decimal place.