



**BOARD OF TRUSTEES  
ELK ISLAND PUBLIC SCHOOL DIVISION**

REGULAR  
SESSION  
Central Services

**THURSDAY, OCTOBER 24, 2019**

Board Room

Administration Building

**AGENDA**

Mission Statement - To provide high quality student-centered education that builds strong, healthy communities.

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- 9:00 am   **1.   CALL TO ORDER** T. Boymook
- 2.   COMMITTEE OF THE WHOLE**
- 10:00 am   **3.   AMENDMENTS TO AGENDA / ADOPTION OF AGENDA**
- 4.   APPROVAL OF MINUTES**
- 4.1   Board Meeting – Sept. 26, 2019 (encl.)
- 4.2   Board Special Meeting – Oct. 3, 2019 (encl.)
- 5.   CHAIR REPORT** T. Boymook
- 5.1   Committee of School Councils Kick Off - Oct. 1, 2019 (verbal)
- 5.2   Sherwood Heights Junior High School Awards Night – Oct. 16, 2019
- 5.3   Bereavements
- 6.   SUPERINTENDENT REPORT** S. Stoddard
- (verbal)
- 7.   COMMENTS FROM THE PUBLIC AND STAFF  
                  GROUP REPRESENTATIVES**
- ASSOCIATION/LOCAL REPORTS**
- 8.   ASBA ZONE 2/3 REPORT** H. Stadnick
- Sept. 27, 2019 (verbal)
- 9.   ATA LOCAL REPORT** D. Zielke
- (verbal)
- BUSINESS ARISING FROM PREVIOUS MEETING**
- NEW BUSINESS**
- 10.   BUSINESS ARISING FROM IN CAMERA**

11. **MODULAR CLASSROOM PLAN 2020-21** S. Stoddard/B. Dragon  
(encl.)
12. **BOARD POLICIES – EDUCATION ACT** A. Hubick  
(encl.)
- COMMITTEE REPORT**
13. **POLICY COMMITTEE** A. Hubick  
Oct. 15, 2019 (verbal)
- REPORTS FOR INFORMATION**
14. **MACKINNON REPORT** S. Stoddard/C. Cole  
(encl.)
15. **UNAUDITED FINANCIAL REPORT FOR SEPT. 1, 2018  
TO AUG. 31, 2019** S. Stoddard/C. Cole  
(encl.)
16. **UNAUDITED ACCUMULATED SURPLUS AT AUG. 31, 2019** S. Stoddard/C. Cole  
(encl.)
17. **2019-20 ENROLMENT** S. Stoddard/C. Cole  
(encl.)
18. **INSURANCE COSTS FOR 2019-20** S. Stoddard/C. Cole  
(encl.)
19. **TRUSTEES' REPORTS/NOTICES OF MOTIONS/REQUESTS  
FOR INFORMATION** (verbal)

ADJOURNMENT

## RECOMMENDATIONS TO OCTOBER 24, 2019 BOARD OF TRUSTEES

2. That the Board meet In Camera.  
That the Board revert to Regular Session.
3. That the Agenda be adopted as amended or as circulated.
- 4.1 That the Board of Trustees approve the Minutes of Sept. 26, 2019 Board Meeting as amended or as circulated.
- 4.2 That the Board of Trustees approve the Minutes of Oct. 3, 2019 Board Special Meeting as amended or as circulated.
5. That the Board of Trustees receive the Chair report for information.
6. Superintendent's Report.
7. *Comments from the Public and Staff Group Representatives*
8. That the Board of Trustees receive the report from the representative of the ASBA Zone 2/3 for information.
9. That the Board of Trustees receive the report from the representative of the ATA Local #28 for information.
10. Business Arising from In Camera.
11. That the Board of Trustees direct administration to request funding for the relocation of five modular classrooms to SouthPointe School.
12. That the Board of Trustees direct administration to amend references in Board Policies to align with the new *Education Act* and Regulations.
13. That the Board of Trustees receive for information the report from the Policy Committee meeting held Oct. 15, 2019.
14. That the Board of Trustees receive for information a summary of the MacKinnon Report comments on Education.

15. That the Board of Trustees receive for information the Unaudited Financial Report for the period Sept. 1, 2018 to Aug. 31, 2019, for Elk Island Public Schools.
16. That the Board of Trustees receive for information the Unaudited Accumulated Surplus at Aug. 31, 2019.
17. That the Board of Trustees receive for information the Enrolment Report for the 2019-20 school year for Elk Island Public Schools.
18. That the Board of Trustees receive new information regarding increased insurance costs for the 2019-20 year.



## ELK ISLAND PUBLIC SCHOOL DIVISION

**The regular meeting of the Elk Island Public School Division Board of Trustees was held on Thursday, Sept. 26, 2019, in the Board Room, Central Services, Sherwood Park, Alberta.**

**The Board of Trustees Meeting convened with Board Chair Trina Boymook calling the meeting to order at 9:00 a.m.**

Board members present:

T. Boymook	D. Irwin
S. Gordon	J. Seutter
C. Holowaychuk	H. Stadnick
A. Hubick	H. Wall

Board member absent:

R. Footz

Administration present:

M. Liguori	Superintendent
S. Stoddard	Associate Superintendent, Supports for Students
B. Billey	Associate Superintendent, Human Resources
C. Cole	Secretary-Treasurer
L. McNabb	Director, Communication Services
C. Langford-Pickering	Executive Assistant/Recording Secretary
A. Desaulniers	Secretary, Education Executive

**CALL TO ORDER**

Meeting called to order at 9:00 a.m. with all trustees noted above in attendance.

**COMMITTEE OF THE WHOLE**

Moved by Trustee Stadnick:

181/2019

THAT the Board meet In Camera (9:00 a.m.).

**CARRIED  
UNANIMOUSLY**

Moved by Vice-Chair Wall:

182/2019

THAT the Board revert to Regular Session (9:59 a.m.).

**CARRIED  
UNANIMOUSLY**

*The Board recessed at 9:59 a.m. and reconvened at 10:07 a.m. with all trustees noted above in attendance.*

Board Chair Boymook welcomed everyone in attendance and acknowledged with respect the history, spirituality, and culture and languages of the First Nations people with whom Treaty 6 was signed, the territory wherein EIPS resides. We acknowledge our responsibility as Treaty members. We also honour the heritage and gifts of the Metis people.

**AGENDA** The Board Chair called for additions or deletions to the Agenda.

Board Chair Boymook made an amendment under new business to add the Amended 2019-20 Board Trustees Board Meeting Schedule as number 17 and to renumber the remaining agenda items.

Moved by Trustee Irwin:

183/2019

THAT the Agenda be adopted, as amended.

CARRIED  
UNANIMOUSLY

**APPROVAL OF MINUTES**

The Board Chair called for confirmation of the Aug. 29, 2019 Board Meeting Minutes.

Moved by Vice-Chair Wall:

184/2019

THAT the Board of Trustees approve the Minutes of Aug. 29, 2019 Board Meeting, as circulated.

CARRIED  
UNANIMOUSLY

The Board Chair called for confirmation of the Aug. 29, 2019 Board Organizational Meeting Minutes.

Moved by Trustee Seutter:

185/2019

THAT the Board of Trustees approve the Minutes of Aug. 29, 2019 Board Organizational Meeting, as circulated.

CARRIED  
UNANIMOUSLY

**CHAIR REPORT**

Board Chair Boymook presented the Chair's report.

Moved by Board Chair Boymook:

186/2019

THAT the Board of Trustees receive the Chair's report for information.

CARRIED  
UNANIMOUSLY

**SUPERINTENDENT REPORT**

No report was presented.

**COMMENTS, PRESENTATIONS AND DELEGATIONS AT BOARD MEETINGS**

No comments, presentations and delegations were presented.

**ASSOCIATION/LOCAL REPORTS**

ATA Local Report      Board Chair Boymook welcomed ATA representative D. Zielke.  
Representative D. Zielke presented the Local ATA report to the Board.

Moved by Trustee Gordon:

187/2019                      THAT the Board of Trustees receive the report  
from the representative of the ATA Local #28  
for information.

**CARRIED  
UNANIMOUSLY**

**BUSINESS ARISING FROM PREVIOUS MEETING**

No business arising from previous meeting.

**NEW BUSINESS**

Business Arising              No business arising from In Camera.  
from In Camera

READ IN Week              Superintendent Liguori introduced Literacy Consultant T. Martin-Spady  
Resolution                      to present information on READ IN Week 2019, Oct. 7 to 11, 2019.  
The title of this year's event is: 30 Years of READ IN: Celebrate with  
Stories. Board Chair Boymook read and then signed the following  
Proclamation:

WHEREAS READ IN Week recognizes that reading is  
important for the development of the intellectual, emotional,  
and social facets of the individual;

WHEREAS reading opens doors to discovery and provides  
unlimited opportunities for adventure, enjoyment and learning  
for people of all ages;

WHEREAS literacy is crucial for community development  
and economic progress;

WHEREAS the Elk Island Public School Board is proud to  
celebrate learning and life-long education;

Therefore, be it resolved THAT the Elk Island Public School  
Board supports READ IN Week, Oct. 7 to 11, 2019 and  
encourages related activities with the schools.

Moved by Board Chair Boymook:

188/2019                      THAT the Board of Trustees support and approve  
READ IN Week 2018, held Oct. 7 to 11, 2019.

**CARRIED  
UNANIMOUSLY**

Trustee Remuneration	Secretary-Treasurer Cole presented the 2019-20 Trustees' Remuneration report to the Board for approval.  Moved by Trustee Holowaychuk:  189/2019	THAT the Board of Trustees approve that trustees' remuneration for the 2019-20 year remain the same as the prior year.	<u>CARRIED UNANIMOUSLY</u>
Board Committee Representative List 2019-20	Board Chair Boymook presented the 2019-20 Board Committee Representative List for approval.  Moved by Vice-Chair Wall:  190/2019	THAT the Board of Trustees approve the 2019-20 Board Committee Representatives, as presented.	<u>CARRIED UNANIMOUSLY</u>
Teachers' Collective Agreement Negotiations Committee	Board Chair Boymook presented to the Board for approval the recommendation for Chair and Vice-Chair of the Teachers' Collective Agreement Negotiations Committee.  Moved by Trustee Irwin:  191/2019	THAT the Board of Trustees appoint Trina Boymook as Chair and Heather Wall as Vice-Chair of the Teachers' Collective Agreement Negotiations Committee.	<u>CARRIED UNANIMOUSLY</u>
Acting Chair Schedule 2019-20	Board Chair Boymook presented the Acting Chair Schedule for the 2019-20 school year.  Moved by Trustee Hubick:  192/2019	THAT the Board of Trustees approve the 2019-20 schedule for the position of Acting Chair to serve in the absence of the Chair and Vice-Chair, as presented.	<u>CARRIED UNANIMOUSLY</u>
Board Evaluation	Board Chair Boymook presented to the Board the Board Self-Evaluation Report, which was developed at a facilitated workshop on Aug. 29, 2019, to the Board for approval.  Moved by Trustee Holowaychuk:  193/2019	THAT the Board of Trustees approve the Board Self-Evaluation Report as developed at the facilitated workshop on Aug. 29, 2019, and that the Board Chair be authorized to monitor the priorities and suggestions agreed to and bring items forward for Board consideration as deemed appropriate.	<u>CARRIED UNANIMOUSLY</u>



Policy 7:  
Board Operations  
Amendment

Board Chair Boymook presented to the Board the amendment to Board Policy 7: Board Operations for approval.

Moved by Trustee Irwin:

194/2019

THAT the Board of Trustees approve the amendment to Board Policy 7: Board Operations, as presented.

CARRIED  
UNANIMOUSLY

Amended 2019-20  
Board of Trustees  
Meeting Schedule

Board Chair Boymook presented to the Board for approval an amendment to the 2019-20 Board of Trustees Meeting Schedule. The amendment included an additional meeting date of Nov. 28, 2019.

Moved by Trustee Gordon:

195/2019

THAT the Board of Trustees approve the amended 2019-20 Board of Trustees Meeting Schedule, as presented.

CARRIED  
UNANIMOUSLY

#### **COMMITTEE REPORTS**

Student Expulsion  
Committee

Trustee Stadnick presented a report from the Student Expulsion Committee meeting held on Sept. 20, 2019, for information.

Moved by Trustee Stadnick:

196/2019

THAT the Board of Trustees receive the report from the Student Expulsion Committee meeting held Sept. 20, 2019, for information.

CARRIED  
UNANIMOUSLY

#### **REPORTS FOR INFORMATION**

No reports were presented.

#### **TRUSTEES' REPORT/NOTICES OF MOTION/REQUEST FOR INFORMATION**

Reports by Trustees were presented.

The Chair declared the meeting adjourned at 10:38 a.m.

\_\_\_\_\_  
Board Chair

\_\_\_\_\_  
Superintendent



**ELK ISLAND PUBLIC SCHOOL DIVISION**

**The regular meeting of the Elk Island Public School Division Board of Trustees was held on Thursday, Oct. 3, 2019, in the Board Room, Central Services, Sherwood Park, Alberta.**

**The Board of Trustees Special Meeting convened with Board Chair Trina Boymook calling the meeting to order at 9:00 a.m.**

Board members present:

T. Boymook	J. Seutter
S. Gordon	H. Stadnick
R. Footz	H. Wall

Board member absent:

C. Holowaychuk  
A. Hubick  
D. Irwin

Administration present:

M. Liguori	Superintendent
B. Billey	Associate Superintendent, Human Resources
C. Cole	Secretary-Treasurer
C. Langford-Pickering	Executive Assistant/Recording Secretary

**CALL TO ORDER**

Meeting called to order at 9:00 a.m. with all trustees noted above in attendance.

**COMMITTEE OF THE WHOLE**

Moved by Vice-Chair Wall:

197/2019

THAT the Board meet In Camera (9:00 a.m.).

CARRIED UNANIMOUSLY

Moved by Vice-Chair Wall:

198/2019

THAT the Board revert to Regular Session (9:34 a.m.).

CARRIED UNANIMOUSLY

The Chair declared the meeting adjourned at 9:34 a.m.

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Board Chair

\_\_\_\_\_  
Superintendent



# RECOMMENDATION REPORT

**DATE:** Oct. 23, 2019

**TO:** Board of Trustees

**FROM:** Mark Liguori, Superintendent

**SUBJECT:** 2020-21 Modular Classroom Plan

**ORIGINATOR:** Calvin Wait, Director, Facility Services

**RESOURCE STAFF:** Brent Dragon, Planner, Facility Services  
Robert Derech, Assistant Director, Facility Services  
Rick Siebenga, Senior Manager, Facility Services  
Ryan Morrison, Project Manager, Facility Services  
Michelle Kowalchuck, Projects Assistant, Facility Services  
Andree Chiasson, Administrative Assistant, Facility Services

**REFERENCE:** Alberta Education’s School Capital Manual  
Section 10, Modular Classroom Program

**EIPS PRIORITY:** Enhance high-quality learning and working environments

**EIPS GOAL:** Quality infrastructure for all

**EIPS OUTCOME:** Student learning is supported through the use of effective planning, managing and investment in Division infrastructure.

You can pluralize Priority, Goal and Outcome if more than one apply (Priorities, Goals, Outcomes). If more than one apply, list each on its own line. Priorities, goals and outcomes shouldn’t include numbers.

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**RECOMMENDATION:**

**That the Board of Trustees direct administration to request funding for the relocation of five modular classrooms to SouthPointe School.**

**BACKGROUND:**

Elk Island Public Schools (EIPS) 2020-21 Modular Classroom Plan outlines the Division’s highest priorities for modular classroom requests. Modular classrooms are standard classroom units built centrally and distributed to schools to ease enrolment pressures in high growth areas. Modular classrooms are funded through section 10 Modular Classroom Program in the *School Capital Manual, March 2015 (Appendix A)*.

Requests for modular classrooms are due by November 1 of each calendar year for the following school year. Alberta Education reviews each divisions' modular submission under three categories: new or replacement units, relocation of existing units and the demolition of ageing units. Typically, Alberta Education provides funding for new modular classrooms and relocation of modular classrooms when enrolment pressures are projected to exceed 100 per cent utilization at the school level. Funding for the demolition of modular classrooms is typically granted by Alberta Education in situations where issues of health and safety have been identified. Alberta Education also considers enrolment pressures within the context of the surrounding schools. For this reason, EIPS will evaluate modular classroom needs at the school level and consider enrolment and space requirements at the sector level when developing the modular classroom request.

The purpose of the 2020-21 Modular Classroom Plan is to accommodate short term enrolment pressures and provide alternative options to ensure students have access to high-quality learning spaces. Modular classrooms are flexible infrastructure and should be deployed to meet short term enrolment issues across the Division.

*Table 1: Outlines the past three Modular Classroom Program submissions to Alberta Education.*

Plan Year	School	Number Requested	Request Type	Approved
2019-20	Ardrossan Junior Senior High	2	Demolition	Yes*
	Uncas Elementary	1	Demolition	Yes
	SouthPointe School	4	New	No
	École Campbelltown	1	Replacement	Yes
2018-19	SouthPointe School	4	New	No
	Fort Saskatchewan Christian	1	New	Yes
	Ministik School	3	Demolition	Yes
2017-18	Mills Haven Elementary	2	New	Yes
	Ministik School	3	Replacement	No
	Wes Hosford Elementary	8	Replacement	Yes

\*Approval granted for the demolition of two modular classrooms at Ardrossan Junior Senior High. The remaining four modular classrooms were demolished using Infrastructure Maintenance and Renewal (IMR) funding.

Table 1 demonstrates that modular classroom funding has typically not kept pace with the Division needs. Furthermore, in June 2019, the Board of Trustees approved an expenditure of \$300,000 from the Division's unallocated reserves to fund the relocation of three modular classrooms from Mundare School to SouthPointe School. SouthPonte School opened with four modular classrooms in September 2017, with a capacity of 556 student spaces. As of September 2019, SouthPointe School will have a capacity of 597 student spaces with seven modular classrooms. To accommodate the school's intended buildout capacity of 800 student spaces an additional nine modular classrooms will be required. Recent conversations with the City of Fort Saskatchewan have confirmed that SouthPointe School is capable of accommodating a total of 16 modular classrooms.

In 2018-19, four modular classroom projects have been undertaken by the projects team.

- Demolition of six modular units at Ardrossan Junior Senior High
- Demolition of one modular unit at Uncas Elementary
- Replacement of one modular unit at École Campbelltown Elementary
- Relocation of three modular units from Mundare School to SouthPointe School

EIPS has 126 modular classrooms located at 19 facilities. Four modular classrooms, two at Westboro Elementary and two at Uncas Elementary are exempt from instructional area calculations as they are leased for childcare/daycare services.

The following information reflects the completion of the 2018-19 modular classroom projects.

*Table 2: Provides a breakdown of the number of modular classrooms, the average age and the total student capacity of the modular classrooms at each school. The table also categorizes modular classrooms by Instructional, non-instructional.*

Schools	Number of Modular Classrooms	Average Age	Total Student Capacity
<b>Instructional</b>	<b>122</b>	<b>15</b>	<b>2,634</b>
Ardrossan Elementary	10	2	212
École Campbelltown	10	6	213
Clover Bar Junior High	2	10	42
F.R. Haythorne Junior High	2	18	44
Fort Saskatchewan Christian	3	4	60
Fort Saskatchewan Elementary	7	7	158
Fultonvale Elementary Junior High	13	5	283
Glen Allan Elementary	4	29	88
James Mowat Elementary	9	36	226
Lakeland Ridge	6	11	132
Mills Haven Elementary	4	3	88
Pine Street Elementary	4	9	88
SouthPointe School	7	4	146
Uncas Elementary	1	41	21
Woodbridge Farms Elementary	6	38	126
Win Ferguson Elementary	12	29	252
Wes Hosford Elementary	13	5	262
Wye Elementary	9	36	193
<b>Non-Instructional</b>	<b>4</b>	<b>43</b>	<b>80</b>
Uncas Elementary	2	41	42
Westboro Elementary	2	44	38
<b>Grand Total</b>	<b>126</b>	<b>19</b>	<b>2,714</b>

The average age of modular classrooms across the Division is 19 years. As evident in Table 2, many schools have old modular classrooms that are well beyond their anticipated lifecycle of 25 years. Table 2 also illustrates that modular classrooms account for 2,634 student spaces across the Division. Refer to Appendix B for a detailed breakdown of modular classrooms by school by sector.

As represented in Figure 1, EIPS has a total capacity of 21,882 student spaces. Modular classrooms account for 12 per cent of the Division’s total capacity. The management and effective use of these spaces are vital to accommodating students over the short and medium-term.

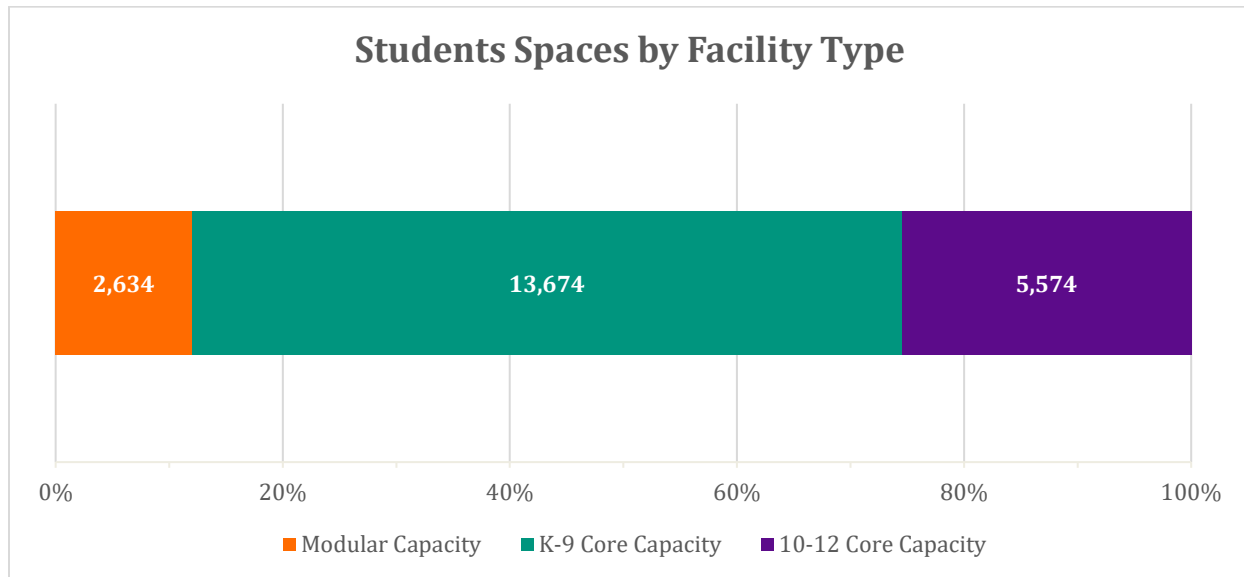


Figure 1: represents the proportion of student spaces categorized by facility type. Modular Capacity accounts for the 122 modular classrooms identified as instructional space in the 2018-19 Area Capacity and Utilization Report (ACU). K-9 Core Capacity accounts for all kindergarten to grade 9 student spaces in core infrastructure. 10-12 Core Capacity accounts for all grade 10 to grade 12 student spaces in core infrastructure. Student spaces have been updated to reflect modular relocation, demolitions and replacements of the four 2018-19 Modular Classroom Projects. Includes Fort Saskatchewan Christian but excludes Strathcona Christian Elementary and Strathcona Christian Academy.

## CONSIDERATION AND ANALYSIS:

### Determination of Need

Conversations with Alberta Education indicated that funding for new modular classrooms and relocation of modular classrooms occurs when enrolment pressures are expected to exceed 100 per cent utilization at the school level. Funding for the demolition of modular classrooms is typically granted by Alberta Education in situations where issues of health and safety have been identified. Alberta Education also considers enrolment pressures within the context of the surrounding schools. For this reason, EIPS will evaluate modular classroom needs at the school level and consider enrolment and space requirements at the sector level when developing all modular classroom requests.

The foundation of the analysis focused on a review of the 2018-19 ACU report for 35 of the Division’s 43 schools. Colony Schools, Strathcona Christian Elementary, Strathcona Christian Secondary, Next Step schools and Elk Island Youth Ranch Learning Centre were not considered. A review of historic utilization rates and enrolment projections were conducted for 35 schools. Of the 35 schools, 12 had a utilization rate at or above 80 per cent in the 2018-19 ACU report.

Table 3: Outlines the official and projected utilization rates for the 12 schools with utilization Rates above 80 per cent in the 2018-19 ACU report. The table also estimates each school's utilization for the next five years. Estimated utilization rates are based on full-time equivalent (FTE) enrolment projections. The net capacity of schools has been adjusted to reflect the 2018-19 Summer Modular Projects.

Name	2018-19 Adjusted Net Capacity	2018-19 Official Utilization	2019-20 Estimated Utilization	2020-21 Estimated Utilization	2021-22 Estimated Utilization	2022-23 Estimated Utilization	2023-24 Estimated Utilization
Brentwood Elementary	561	80%	84%	83%	81%	81%	79%
Woodbridge Farms Elementary	414	81%	79%	76%	73%	72%	70%
SouthPointe School	597	82%	82%	102%	112%	123%	131%
James Mowat Elementary	418	84%	81%	85%	90%	89%	95%
Fort Saskatchewan Elementary	430	85%	82%	83%	85%	90%	94%
Mills Haven Elementary	523	86%	80%	81%	83%	84%	86%
Lakeland Ridge	856	88%	86%	89%	88%	85%	79%
Wes Hosford Elementary	496	90%	83%	80%	78%	71%	70%
Fort Saskatchewan Christian School	424	91%	92%	97%	99%	100%	101%
Win Ferguson Elementary	471	93%	89%	93%	94%	97%	97%
École Campbelltown	558	95%	98%	74%	77%	80%	80%
F.R. Haythorne Junior High	735	96%	96%	94%	92%	91%	87%

The estimated utilization rates for Woodbridge Farms Elementary, Wes Hosford Elementary and F.R. Haythorne Junior High show moderate decreases in utilization for the duration five year period. No additional modular classrooms will be required for these schools to accommodate their anticipated enrolments for the 2020-21 school year.

Modular classrooms are not required at École Campbelltown as enrolment will decrease when Heritage Hills Elementary opens to students for the 2020-21 school year. This will be followed by a gradual increase and stabilization in enrolment at 80 per cent.

Lakeland Ridge is anticipated to have a utilization rate above 89 per cent for the 2020-21 school year. However, a request for modular classrooms at Lakeland Ridge is not recommended because enrolment projections indicate that the enrolment pressure will exist for a period of three years. Furthermore, enrolment at the school is not expected to exceed the net capacity of the building over the five year period. Site and building capacity limitations are also prohibitive to the addition of modular classrooms at Lakeland Ridge.



## RECOMMENDATION REPORT

Mills Haven Elementary is anticipated to have an initial decline in utilization followed by a gradual increase in utilization over the next five years. The utilization rate is not anticipated to exceed 90 per cent over the five-year forecast. Modular classrooms are not required to accommodate the anticipated enrolment increase at Mills Haven Elementary for the 2020-21 school year.

Brentwood Elementary has an estimated utilization increase in 2019-20 however, it is anticipated that the school will gradually decrease to a utilization rate of 79 per cent by 2023-24. The enrolment increase is not expected to exceed the net capacity of the building over the five-year forecast.

Fort Saskatchewan Elementary demonstrates moderate relief for the 2019-20 school year however, it is anticipated that the school will experience an increase in utilization to 94 per cent by 2023-24. Enrolment at Fort Saskatchewan Elementary should be monitored closely. Additional modular classrooms are not required to accommodate the anticipated enrolment for the 2020-21 school year.

James Mowat Elementary is anticipated to have a one year drop in utilization followed by an increase beyond the current utilization. Despite the anticipated increase James Mowat Elementary is not expected to exceed 90 per cent utilization during the 2019-20 school year. Modular classrooms are not required to accommodate the anticipated enrolment increase at James Mowat Elementary for the 2020-21 school year. Fluctuation in the school's utilization rate indicates that enrolment should be monitored to determine if modular classrooms are requested in subsequent years.

Win Ferguson Elementary demonstrates a moderate enrolment increase for the duration of the five-year forecast with a max utilization of 97 per cent. Modular classrooms are not required to meet the anticipated enrolment for the 2020-21 school year however, enrolment should be monitored closely to determine if modular classrooms are required in subsequent years.

Fort Saskatchewan Christian School is expected to exceed 97 per cent utilization during the 2020-21 school year. Enrolment limitations are in place to ensure the school does not become oversubscribed.



Of the 12 schools, SouthPointe School is the only school anticipated to exceed 100 per cent utilization for the 2020-21 school year. SouthPointe School is also expected to phase in grade 9 students for the 2020-21 school year. Nine modular classrooms are required at SouthPointe School to achieve the full build capacity of 800 student spaces. It is recommended that five modular classrooms be requested for the 2020-21 Modular Classroom Plan to meet the anticipated enrolment of SouthPointe School. Enrolment at the school will exceed the current net capacity by 2020-21 unless modular classrooms are added. The addition of five modular classrooms to SouthPointe School is expected to increase the capacity to 715 student spaces and ensure the school will be able to accommodate the anticipated enrolment until 2021-22. It is recommended that enrolment be monitored at the school and the remaining four modular classrooms should be requested in the 2022-23 Modular Classroom Plan. Below an enrolment projection has been provided for SouthPointe School (Figure 2) to demonstrate the anticipated enrolment pressure and how modular classrooms should be phased-in.

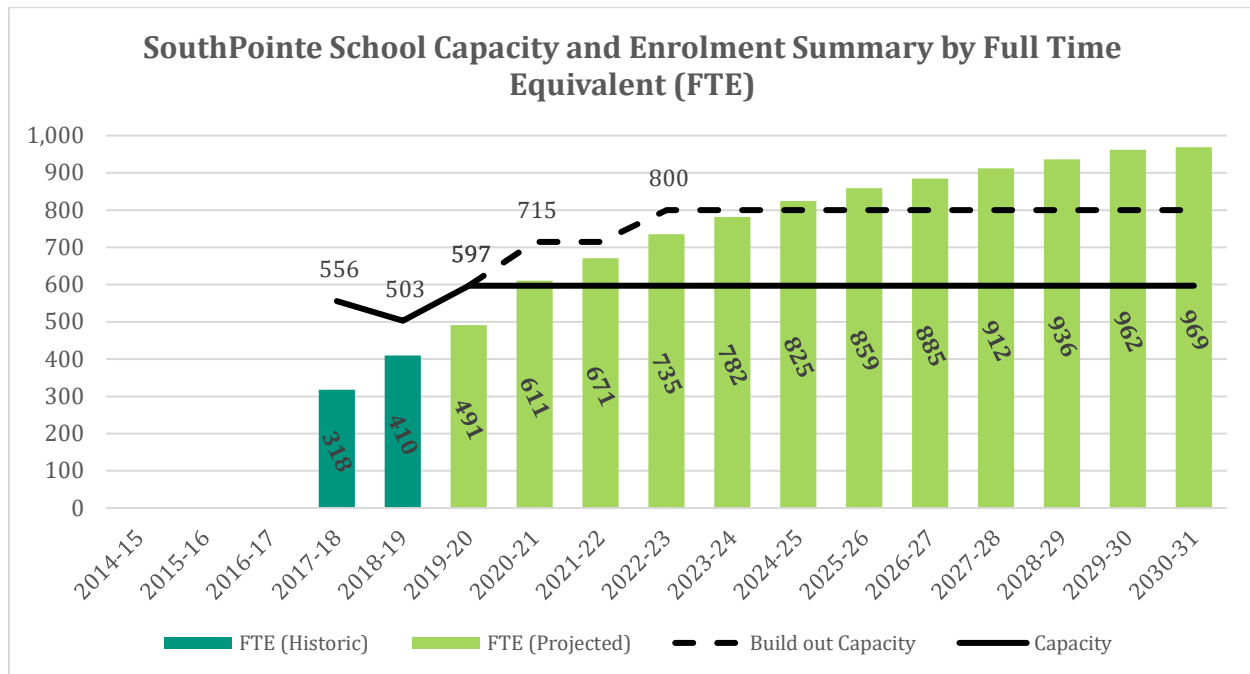


Figure 2: Demonstrates the anticipated capacity and enrolment at SouthPointe School. Capacity is based on historical and anticipated modular classroom additions including the five modular classrooms requested for the 2020-21 school year and anticipated request for four modular classrooms in 2022-23. Full-time equivalent (FTE) enrolment is used.

The addition of nine modular classrooms at SouthPointe School is expected to alleviate the enrolment pressure until 2023-24. However, the addition of modular classrooms will not be sufficient to ensure that school can accommodate kindergarten to Grade 9 students within the school's current attendance area. Furthermore, if five modular classrooms are added in 2020-21 and four modular classrooms are added in 2022-23 the enrolment in elementary and junior high grades will surpass 90 per cent utilization by 2023-24 across the Sector. Enrolment projections also indicate that additional prekindergarten to Grade 9 student spaces will be required before 2028-29 as the Sector achieves 100 per cent utilization (Figure 3).

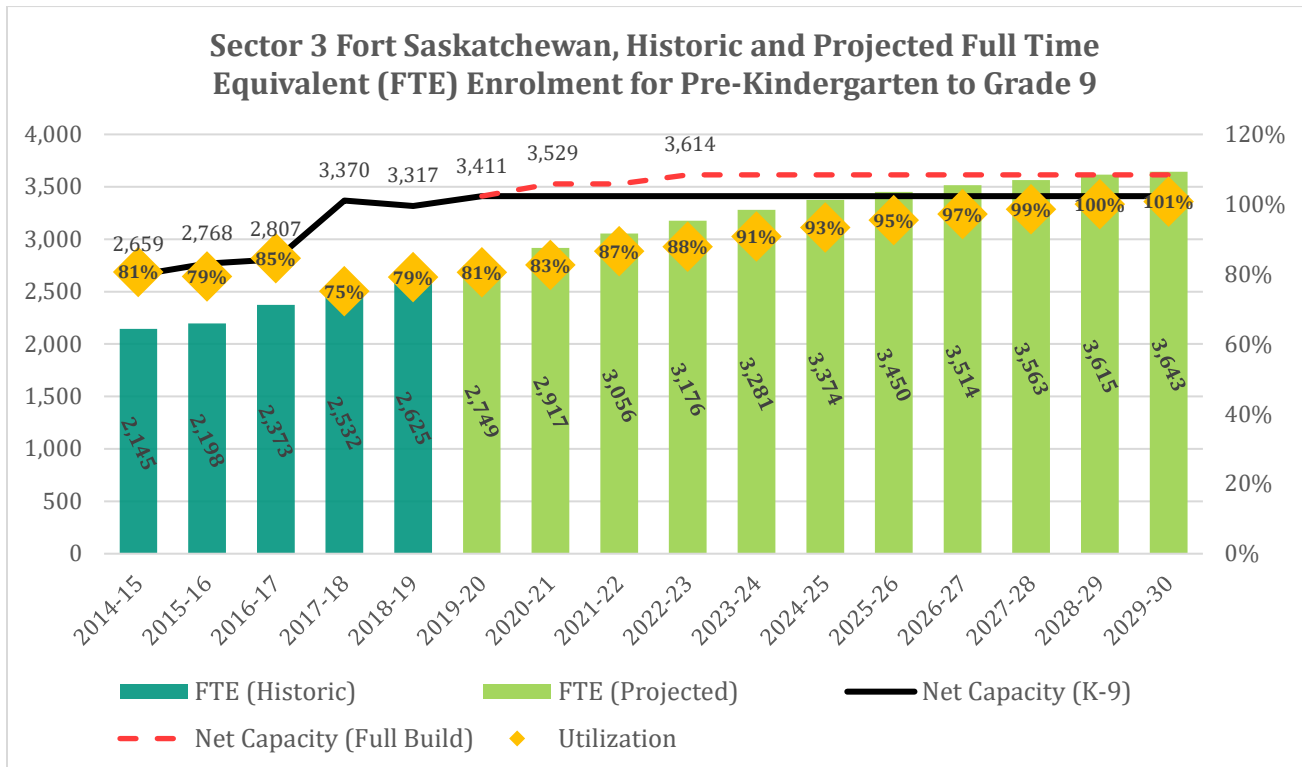


Figure 3: Prekindergarten to Grade 9 full-time equivalent enrolment in sector 3 schools. Utilization is based on the sum of anticipated FTE enrolment and the sum of elementary and junior high net capacity within the sector. Net Capacity (Full Build) assumes the five modular classrooms are added to SouthPointe School in 2020-21 school year and four modular classrooms are added to southPointe School in 2022-23. Utilization is calculated based on the Net Capacity (Full Build).

Sector 3 is also projected to be at 91 per cent utilization for pre-kindergarten to Grade 12 enrolment by 2025-26 two years after enrolment in elementary and Junior high grades exceed 90 per cent. Should no additional space, beyond the nine additional modular classrooms be added to SouthPointe School Sector 3 will achieve a total utilization of 98 per cent by 2030-31. This means across all schools in Fort Saskatchewan only 84 student spaces will be available to accommodate excess enrolment.

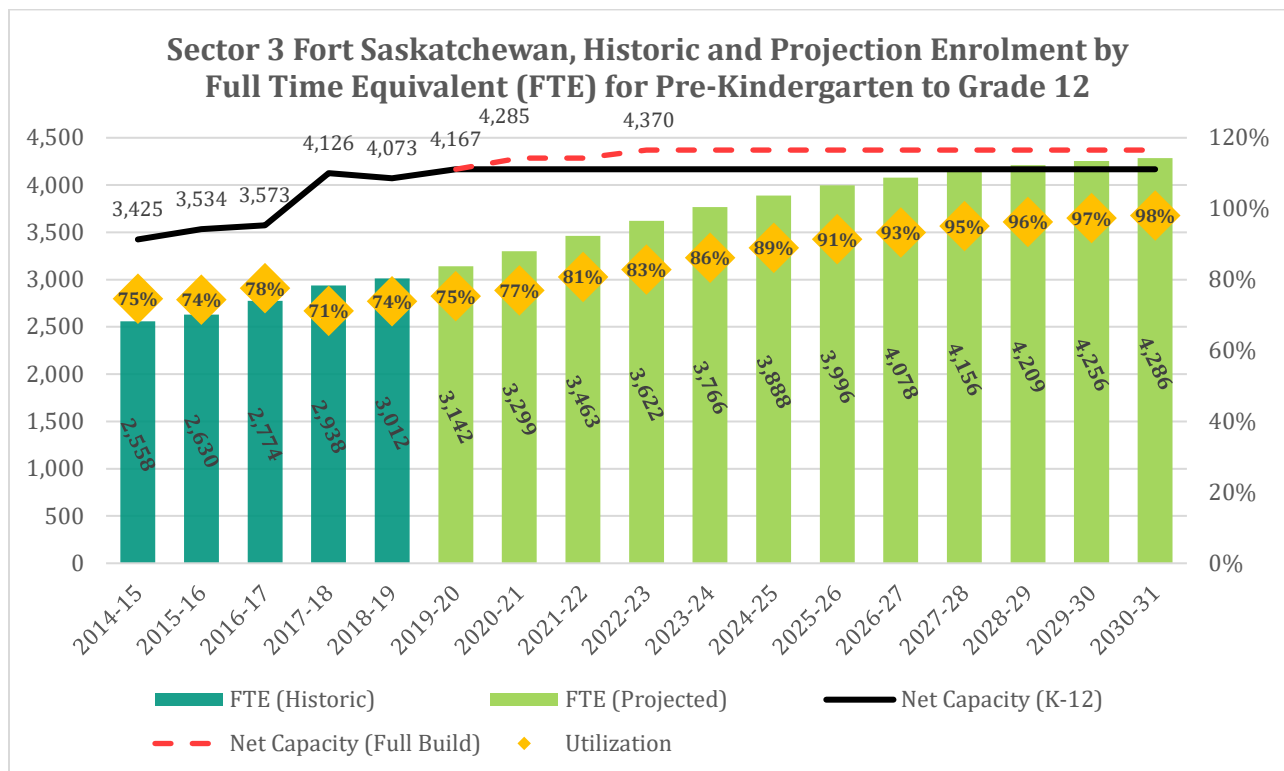


Figure 4: Prekindergarten to Grade 12 full-time equivalent enrolment in Sector 3 schools. Utilization is based on the sum of anticipated FTE enrolment and the sum of all net capacity within the sector. Net Capacity (Full Build) assumes the five modular classrooms are added to SouthPointe School in the 2020-21 school year.

The above graphs demonstrate that Fort Saskatchewan is expected to achieve a 100 per cent utilization across all grades by 2028-29 if modular classrooms are not added to SouthPointe School. Furthermore should the capacity of Sector 3 remain at 4,285 student spaces enrolment mitigation strategies will be limited as the sector will exceed 92 per cent utilization by 2025-26. Enrolment relief could be achieved temporarily in the elementary and junior high grades by conducting a grade reconfigurations to better utilize excess capacity in Fort Saskatchewan High. However, such solutions are only temporary and additional capacity in the form of additional core capacity will be required beyond 2030-31.



## **Modular Classrooms For Relocation.**

To accommodate the projected enrolment growth at SouthPointe School additional modular classrooms are required by 2020-21. Modular classrooms can be relocated from Sectors 1 and 2 without a significant impact on the sectors' long term ability to accommodate students. For this reason, administration is recommending the relocation of five modular classrooms to SouthPointe School. Modular classrooms selected for relocation will not impact the donor school's ability to accommodate current designated students well into the future. By relocating five modular classrooms to SouthPointe School by September 2020 enrolment pressures are anticipated to be mitigated for a period of two years. The school's enrolment will be monitored and the need for additional modular classrooms will be determined annually.

## **COMMUNICATION PLAN:**

The following communication will occur if/when the recommendation is approved:

1. A completed modular classroom program request form will be submitted to Alberta Education for approval.
2. If/when Alberta Education approves the request(s):
  - a. the applicable school administrator(s) will be advised of the approval and provided with approximate delivery dates.
  - b. A prep sheet will be prepared for Alberta Infrastructure that includes an estimate of the unit cost, school site plan and work plan.

## **ATTACHMENT(S):**

1. Appendix A: Section 10 Modular Classroom Program *School Capital Manual, March 2015*
2. Appendix B: Modular Classrooms by School by Sector

BD:bd

- In urban areas, school jurisdictions must identify an entire school for designation as a Special Needs, K&E or ESL School.
- In rural areas, school jurisdictions must identify a separate wing of a school as a Special Needs, K&E or ESL school.
- School jurisdictions may apply to Education to have a school or portion of a school (rural areas only) designated as a Special Needs, K&E or ESL School.

Education, in consultation with Infrastructure, will review the designation application. Infrastructure will also review the proposed facility to determine its ability to accommodate these programs. If the application and facility are acceptable, a school (urban location) or separate wing of a school (rural location) will be designated as a Special Needs, K&E or ESL school.

The Student Allowance Factors for these schools are 3.0 for students with severe disabilities and 1.5 for students with mild/moderate disabilities, K&E and ESL students.

The enrolment of the designated school or wing of a school will be included in the calculation of a jurisdiction's utilization rate, but will be excluded from a geographic sector utilization rate.

### **Annual Updates and Review Process**

Each year school jurisdictions will be required to send updates to the Instructional Area Forms (Form 18) for each of their schools. This should include any changes to the instructional area (i.e., through the addition or removal of modulars), and any changes to the exempt space. In addition, for any new schools, jurisdictions are required to submit a new Instructional Area Form, as well as the small scale plans and data sheets to [edc.cpdata@gov.ab.ca](mailto:edc.cpdata@gov.ab.ca) for review.

Each year school jurisdictions will be sent Area, Capacity, Utilization (ACU) reports with detailed information on each of their schools. These include information on gross area, instructional area, rated areas, adjusted enrolment, capacity (based on the Instructional Area form), and utilization rates. Utilization rates are provided for each individual school, for the jurisdiction overall, for open schools in the jurisdiction and for closed schools in the jurisdiction. Combined utilization rates do not include outreach facilities. If a jurisdiction identifies errors or omissions with the information on the ACU reports, they should contact Education, Capital Planning by email at [edc.cpdata@gov.ab.ca](mailto:edc.cpdata@gov.ab.ca) to request a review. The email should include a detailed description of the concerns. If the concerns are related to capacity, the small scale plan and instructional area form along with room numbers, the room purpose, and a clear explanation of the issue or concern, should be included.

Education and Infrastructure will review the request and provide a response to the jurisdiction. In some cases the jurisdiction may be required to provide additional information.

## **10. Modular Classroom Program**

Modular Classrooms are standard classroom units built at a central location and transported to schools across Alberta.

Funding is provided for modular classrooms to ease enrolment pressures in communities where school jurisdictions are experiencing high student enrolment growth. Modular classrooms are provided to address increases in enrolments and may be removed as enrolment declines. Funding may also be provided for new modular classrooms to replace older portable classrooms where there are demonstrated health and safety concerns.

The modular classroom program does not apply to modular classrooms that are part of a new or replacement school or a modernization capital project. Additionally this program does not include modular classrooms for decanting.

Modular classroom units meet specifications that ensure significantly improved heating and ventilation, soundproofing, resistance to mold, ease of serviceability and several other factors that differentiate them from the older portable classroom units located at schools throughout the province. The Government of Alberta plans to replace all of the older portable units with modular classrooms as funding becomes available for evergreening.

Modular classroom units can be requested each year in early November through the Modular Submission Process.

Infrastructure has developed plans and specifications for modular classrooms that are used in the manufacturing of all classroom units. School jurisdictions are expected to use only modular classrooms built to government specifications. If the school jurisdiction wishes to use a different plan, it must submit its equivalent plans to the Ministers of Education and Infrastructure for review and approval. Drawings and specifications for modular classrooms are available from the Infrastructure Learning Facilities Branch.

Jurisdictions who wish to purchase modular classrooms outside of the modular classroom program may do so under the GOA's current contract or through their own contractor. Should the jurisdiction choose to use their own contractor they must follow all contracting and tendering requirements.

If a P3 school is fully built out to its approved capacity and the jurisdiction wishes to add additional modular classrooms this will be outside of the P3 contract and will require the jurisdictions to cover 100% of the cost to procure and set-up the modular unit. Jurisdictions should consult with their Education Senior Manager in Capital Planning as there will be implications to the DBFM agreement.

### **10.1 Modular Classroom Links**

Modular classrooms can be attached directly to a school, attached to a school using a connecting link, or remain a freestanding unit (i.e., not attached to the main school structure). A connecting link is the connecting corridor used to attach the modular classrooms to the permanent building.

The width of the modular connecting link can be adjusted to meet site conditions. A standard modular connecting link is available and has been designed to be used in conjunction with the standard modular classrooms and uses the same materials and finishes. The ends of the modular connecting links:

- are open ended to allow connection to the school building and modular classrooms;
- have double doors on one sidewall; and
- have windows on the opposite sidewall.

School jurisdictions are expected to use the standard modular connecting link, instead of site built, wood frame construction connecting links, wherever possible. If a site built, wood frame constructed link is deemed necessary, it should be no larger than is necessary to provide

sufficient setback from the permanent structure to meet the Alberta Building Code requirements for fire separation.

## 10.2 Procedures for the Modular Classroom Program

Each year, in October, Alberta Education requests jurisdictions to submit their requirements for modular units and the relocation of existing modular classrooms or free-standing portable classrooms to address enrolment pressures, health and safety issues and evergreening. Jurisdictions are required to complete forms as part of the application process (see Form 9 in Appendices and online at <http://education.alberta.ca/departement/ipr/capitalplanning/infrastructureresources.aspx>).

The submissions are due to Alberta Education by November 1st of each year and will include a prioritized list of requested units that identifies the number of units required, the school(s) to which the units are to be allocated and other necessary information as outlined in the forms.

Upon approval of new modular classrooms, jurisdictions will appoint a consultant and design team. Boards are required to submit a site plan and cost sheet to Infrastructure and Education for review and approval. Upon receipt of the completed prep sheets the jurisdiction will receive 90 per cent of the provincial funding.

Once approved, Infrastructure will order the units(s) from the manufacturer and advise the jurisdiction to proceed with the development of a pre-tender package, which includes drawings, specifications, and a cost estimate, for the delivery and set up of the modular units.

Jurisdictions must submit the pre-tender package with a letter requesting permission to tender to Infrastructure for review. Bids that are greater than \$200,000 will require approval from the Contract Review Committee (CRC) prior to the jurisdiction entering into a contract for set-up and delivery.

Jurisdictions must ensure that they are following all relevant contract legislation and requirements, including the New West Partnership Trade Agreement and the *School Building and Tendering Regulation*.

After jurisdictions award the contract, the jurisdiction or the contractor must apply for a development and building permit(s). It is suggested that jurisdictions hand over the modular site to an installation and works contractor and commence site work at least two months prior to the opening of the modular classrooms. Jurisdictions need to coordinate delivery of modular units to meet this two month recommendation.

Jurisdictions are to provide confirmation to Alberta Infrastructure when modular space is operational, and supply project plans to ensure that school capacity information is updated.

The funding allocation for furniture and equipment for new modular units is \$12,000 per unit and the allowable consultants fees are up to a maximum of 12.58 per cent of the delivery, set-up and link project costs (excludes purchase of the unit and F&E).

If the school jurisdiction has not ordered the approved modular classrooms within six months of the approval date, the approval and all associated funding may be rescinded and the modular classrooms reallocated to the next highest provincial priority.

Jurisdictions are required to submit their Statement of Final Costs (SFC) for all modular projects within six months of the completion of the installation and set-up. The statement of final costs is reviewed by Infrastructure and Education. Once the SFC has been approved the provincial portion of the actual expenditures up to the remaining 10 per cent will be forwarded to the jurisdiction.

### **10.3 Relocation of Portables/Modular Classrooms**

Funding may be available for the relocation of portables and modular classrooms from an existing school (donor school) to another school (receiver school) for the purpose of easing enrolment pressures at the receiver school. Modular relocation requests should be submitted through the annual Modular Submission Process.

Request for approval for the relocation of modular classrooms is similar to requesting new units. See Form 10 in Appendices and online at <http://education.alberta.ca/departement/ipr/capitalplanning/infrastructureresources.aspx>) for details of the specific information required for the submissions.

Upon approval of modular relocations, boards will be required to submit a site plan and relocation cost sheet to Infrastructure for review. Once approved, Infrastructure will advise the jurisdiction to proceed with the development of a pre-tender package, which includes drawings, specifications, and an updated cost estimate, for the set-up and delivery of the units.

Jurisdictions must submit the pre-tender package with a letter requesting permission to tender to Infrastructure for review. Bids that are greater than \$200,000 will require approval from the CRC prior to the board entering into a contract for set-up and delivery. There is no furniture and equipment allocation for modular relocations and the consultants' fees are to a maximum of 12.58 per cent of the delivery, set-up and link project costs.

Jurisdictions must ensure that they are following all relevant contract legislation and requirements, including the New West Partnership Trade Agreement and the *School Building and Tendering Regulation*.

If the school jurisdiction has not completed the approved modular move within six months of the approval date, the approval and all associated funding may be rescinded.

Jurisdictions are required to submit their Statement of Final Costs (SFC) for all modular relocation projects within six months of the delivery of the unit to its new location. The statement of final costs is reviewed by Infrastructure and Alberta prior to the release of the final 10 per cent of funds.

### **10.4 Declaration of Surplus Modular Classrooms**

When a jurisdiction finds that they have a modular classroom that is no longer needed to accommodate the instructional needs of students, they are to advise Education of the surplus unit(s) through the completion and submission of the Declaration of Surplus Modular Classrooms Form. See Form 16 in the Appendices and online at <http://www.education.alberta.ca/departement/ipr/capitalplanning/infrastructureresources.aspx>



Appendix B  
Modular Classrooms by School by Sector

School	Identification Number (T#)	Construction Year	Student Capacity
<b>Sector 1 Sherwood Park</b>	<b>Grand Total</b>	<b>62</b>	<b>1276</b>
École Campbelltown	<b>Total</b>	<b>10</b>	<b>213</b>
	T3684	2019	20
	T3688	2004	21
	T5588	2010	21
	T6009	2004	23
	T7443	2016	23
	T7466	2016	21
	T7467	2016	21
	T7468	2016	21
	T7469	2016	21
T7471	2016	21	
Clover Bar Junior High	<b>Total</b>	<b>2</b>	<b>42</b>
	T5550	2009	21
	T5551	2009	21
F.R. Haythorne Junior High	<b>Total</b>	<b>2</b>	<b>44</b>
	T3682	2001	22
	T3683	2001	22
Glen Allan Elementary	<b>Total</b>	<b>4</b>	<b>88</b>
	T3702	1977	23
	T3703	1977	23
	T3704	2003	21
	T3705	2003	21
Lakeland Ridge	<b>Total</b>	<b>6</b>	<b>132</b>
	T1140	2007	22
	T1141	2007	22
	T1142	2007	22
	T1143	2007	22
	T1637	2010	22
	T1638	2010	22
Mills Haven Elementary	<b>Total</b>	<b>4</b>	<b>88</b>
	T7451	2016	22
	T7452	2016	22
	T7658	2017	22
	T7659	2017	22
Pine Street Elementary	<b>Total</b>	<b>4</b>	<b>88</b>
	T3689	2004	23
	T6012	2004	23
	T6708	2016	21
	T6709	2016	21

Appendix B  
Modular Classrooms by School by Sector

School	Identification Number (T#)	Construction Year	Sum of Capacity (GA)
Westboro Elementary	<b>Total</b>	<b>2</b>	<b>0</b>
	T3690*	1975	19
	T3691*	1975	19
Wes Hosford Elementary	<b>Total</b>	<b>13</b>	<b>262</b>
	T3714	2003	19
	T3715	2003	19
	T5710	2012	19
	T6439	2015	19
	T6716	2015	19
	T7666	2017	19
	T7667	2017	19
	T7668	2017	19
	T7669	2017	23
	T7670	2017	23
	T7671	2017	22
	T7672	2017	21
	T7673	2017	21
Woodbridge Farms Elementary	<b>Total</b>	<b>6</b>	<b>126</b>
	T3727	1981	21
	T3728	1981	21
	T3729	1981	21
	T3730	1981	21
	T3731	1981	21
	T3732	1981	21
Wye Elementary	<b>Total</b>	<b>9</b>	<b>193</b>
	T3696	1977	22
	T3697	1977	22
	T3698	1977	22
	T3699	1977	22
	T3700	1980	21
	T3701	1980	21
	T6010	1980	22
	T6011	1980	20
T6639	2015	21	

\* Modular Classrooms excluded from Instructional Area Calculations

Appendix B  
Modular Classrooms by School by Sector

School	Identification Number (T#)	Construction Year	Student Capacity
<b>Sector 2 Strathcona County</b>	<b>Grand Total</b>	<b>26</b>	<b>516.00</b>
Ardrossan Elementary	<b>Total</b>	<b>10</b>	<b>212</b>
	T7587	2017	22
	T7588	2017	22
	T7589	2017	21
	T7590	2017	21
	T7591	2017	21
	T7592	2017	21
	T7593	2017	21
	T7594	2017	21
	T7595	2017	21
T7596	2017	21	
Fultonvale Elementary Junior High	<b>Total</b>	<b>13</b>	<b>283</b>
	T6205	2013	22
	T6206	2013	22
	T6207	2013	22
	T6208	2013	21
	T6209	2013	22
	T6210	2013	22
	T6417	2015	22
	T6418	2015	22
	T6419	2015	21
	T6420	2015	22
	T6421	2015	22
	T6422	2015	21
T7690	2017	22	
Uncas Elementary	<b>Total</b>	<b>3</b>	<b>21</b>
	T3668*	1978	21
	T3670	1978	21
	T3671*	1978	21

\* Modular Classrooms excluded from Instructional Area Calculations

Appendix B  
Modular Classrooms by School by Sector

School	Identification Number (T#)	Construction Year	Student Capacity
<b>Sector 3 Fort Saskatchewan</b>	<b>Grand Total</b>	<b>38</b>	<b>842</b>
Fort Saskatchewan Christian School	<b>Total</b>	<b>3</b>	<b>60</b>
	T7196	2015	20
	T7197	2015	20
	T7198	2015	20
Fort Saskatchewan Elementary	<b>Total</b>	<b>7</b>	<b>158</b>
	T1513	2010	23
	T1514	2010	23
	T1515	2010	23
	T1516	2010	22
	T6438	2015	23
	T6690	2016	22
	T6715	2016	22
James Mowat Elementary	<b>Total</b>	<b>9</b>	<b>226</b>
	T3733	1976	21
	T3734	1976	22
	T3735	1981	24
	T3736	1981	24
	T3737	1981	24
	T3738	1981	30
	T3739	1981	30
	T3740	1981	30
T5711	2012	21	
SouthPointe School	<b>Total</b>	<b>7</b>	<b>146</b>
	T6125	2013	20
	T6126	2013	20
	T6127	2013	20
	T7170	2016	22
	T7171	2016	20
	T7172	2016	22
	T7173	2016	22
Win Ferguson Elementary	<b>Total</b>	<b>12</b>	<b>252</b>
	T3672	1978	21
	T3673	1978	21
	T3674	1978	21
	T3675	1978	21
	T3676	1979	21
	T3677	1979	21
	T3678	1979	21
	T3679	1979	21
	T6275	2013	21
	T6276	2013	21
	T6640	2015	21
T7446	2016	21	

Sector 4 Lamont County has no modular classrooms

Sector 5 County of Minburn has no modular classrooms



# RECOMMENDATION REPORT

**DATE:** Oct. 24, 2019

**TO:** Board of Trustees

**FROM:** Policy Committee

**SUBJECT:** Board Policies – *Education Act*

**ORIGINATOR:** Annette Hubick, Chair, Policy Committee

**RESOURCE STAFF:** Mark Liguori, Superintendent

**REFERENCE:** Policy 10: Policy Making

**EIPS PRIORITY:** Enhance high-quality learning and working environments.

**EIPS GOAL:** Quality infrastructure for all.

**EIPS OUTCOME:** Student learning is supported through the use of effective planning, managing and investment in Division infrastructure.

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**RECOMMENDATION:**

**That the Board of Trustees direct administration to amend references in Board Policies to align with the new *Education Act* and Regulations.**

**BACKGROUND:**

The new *Education Act* and Regulations came into force on Sept. 1, 2019. As a result, all Board Policies require updates to align with the *Education Act*.

On October 15, the Policy Committee met and discussed how to proceed with referencing the *Education Act* in policies. It recommends policies that reference the *School Act* be amended by EIPS administration, replacing all references with the *Education Act*, specific sections and any corresponding regulations. The work excludes amendments to policies that are required as a result of the introduction of the *Education Act*. Amendments of this nature will follow regular protocol.

**COMMUNICATION PLAN:**

The Board Policies and Administrative Procedures will be updated on the website, and stakeholders will be advised.

**ATTACHMENT(S):**

N/A



# INFORMATION REPORT

**DATE:** Oct. 24, 2019

**TO:** Board of Trustees

**FROM:** Mark Liguori, Superintendent

**SUBJECT:** MacKinnon Report: Comments related to Education

**ORIGINATOR:** Candace Cole, Secretary-Treasurer

**RESOURCE STAFF:**

**REFERENCE:**

**EIPS PRIORITY:** Enhance high quality learning and working environments.

**EIPS GOAL:** Quality infrastructure for all.

**EIPS OUTCOME:** Student learning is supported through the use of effective planning, managing, and investment in Division infrastructure.

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**ISSUE:**

**That the Board of Trustees receive for information a summary of the MacKinnon Report comments on Education.**

**BACKGROUND:**

The Alberta government appointed an independent panel of experts to review Alberta's finances and economy to get our economy back on track and our budget balanced by 2022-23. The MacKinnon Panel on Alberta's Finances recommended ways to eliminate waste, duplication and non-essential spending to fund government's key priorities, while ensuring high-quality, front-line services for Albertans.

The Panel mandate was to review a range of economic factors and financial processes, including:

- government's fiscal outlook,
- department and agency expenditure trends and cost drivers,
- a plan to balance the budget by 2022-23, without raising taxes,
- a new fiscal framework that requires future balanced budgets and a plan to retire the accumulated debt,
- government's operating and capital budgeting, fiscal planning and public reporting processes and systems, and
- business investment climate in Canada and its impact on Alberta's economy.

The government will use the information provided in the MacKinnon Report to plan Budget 2019, which will be released on Oct. 24, 2019.

On Sept. 3, 2019 the Alberta government released the MacKinnon Report. There are two recommendations specifically on Education, and a few others that do have implications to school boards.

## CURRENT SITUATION OR KEY POINT:

Attachment 1 is the Education – K-12 section of the MacKinnon Report. The two recommendations for Education are as follows:

1. **Recommendation 5:** The Panel recommends that government work with education stakeholders to decrease the percentage of government funding that goes to administration and governance (currently 24.6%) to a level comparable to British Columbia (17%).

Table 13 (page 2 of Attachment 1) shows the much talked about comparison of Alberta school board's System Administration of 24.6% compared to the BC school board's 16.91% of System Administration. From discussions with Alberta Education, it has been found that these figures are NOT comparing apples to apples. This is not a valid comparison. Furthermore, school divisions have been mandated to keep their Board System and Administration (BSA) costs below 3.6% (or 5.4% depending on size of division) of the divisions' total expenditures. EIPS has met this mandate.

2. **Recommendation 6:** The Panel recommends that government completely review and revise its current education funding formula to ensure enrolment growth is addressed and to provide incentives for sharing services and achieving better outcomes for students.

The government has started work on looking at the funding and assurance model. The Minister of Education has directed Alberta Education to review its funding and accountability frameworks. Staff from the department have begun engaging with school jurisdictions, trustees and other education stakeholders to find opportunities to enhance predictability, transparency, sustainability and accountability.

There are a few other recommendations/themes that may potentially have an impact on school boards.

1. There is the overall theme that Alberta spends too much and the Province's expenditures need to be reduced to balance the budget. Education is the second largest item in the budget. In order to achieve reductions, something will have to be cut from Education too.
2. Public Sector Labour: The report addresses cost of living in Alberta comparing Calgary to Vancouver, Toronto and Montreal. Calgary had the lowest tax and utility costs of all four cities and this leads nicely into their focus on public sector compensation, bargaining and size.
  - a. The report states "Alberta teacher salary levels are higher than in British Columbia but lower than in Ontario; however, Alberta teachers have other special benefits and, when these are included, their compensation is the highest across the comparator provinces". The special benefits referred to relate to when the Government of Alberta and the Alberta Teachers Association in 2008 struck the first provincial collective agreement. As part of this agreement the government assumed 100% of the pre-1992 Teachers Pension Plan liability, which was

- valued at \$7.7 billion in the 2018/19 Government of Alberta annual report. The MacKinnon Report stated that as a result of government taking on funding of the liability, teachers' take-home pay was 3.1% higher.
- b. Since 2015, despite the recession and growing deficits and debt, size of the public sector has grown.
  - c. Public sector compensation has also increased as there were some economic increases for some unions of 2.5% in 2016-17 and staff are moving through their pay grids as well.
  - d. The following two recommendations related to Public Sector Labour will likely have impacts for school divisions going forward:

**Recommendation 10:** The Panel recommends that the government should establish a labour relations framework that creates long-term goals for compensation in line with other comparable provinces.

**Recommendation 12:** The Panel recommends that the government establish a legislative mandate that sets the salary levels for all public sector employees, including all fees and other compensation for insured medical and health services and all third parties, and applies to all negotiations and arbitrations. In the event of a strike, the mandate would form the basis for back to work legislation.

3. Capital: There will be less new capital approved in the near future.

**Recommendation 13:** The Government of Alberta should bring its net public capital stock in line with the average per capita capital stock in the other provinces over the next ten years as part of its balanced budget plans and long-term fiscal sustainability.

The Panel found that government net capital stock per capita, both provincial and municipal, has been consistently above the 10-province average, especially in the last decade. Attachment 2 has more information on their long-range planning.

**Recommendation 14:** The Government of Alberta should stabilize and rationalize the allocation of Capital Maintenance and Renewal (CMR) spending and give priority to CMR in the areas of greatest need in future capital expenditure decisions.

There is concern that this will impact our Infrastructure Maintenance and Renewal funding.



4. Procurement: School divisions and the public sector in general are being encouraged to work together to find efficiencies

**Recommendation 17:** The Government of Alberta should form a procurement council which would be a joint effort of government and business/industry to examine innovation and efficiency in the government's procurement methods. The intent would be to make it easier to do business with government, enable better access to procurement opportunities for small, medium and large Alberta businesses, and enhance the procurement capacity with government.

**Recommendation 18:** The government should refresh its policy on major procurements to look at how to achieve the best value for money for taxpayers. This should include exploring innovative partnerships, examining emerging innovations in other provinces, and reviewing success factors and programs that have worked well in the past.

5. Fixed Budget Date: This is good news for school divisions as this allows us to do better planning.

**Recommendation 25:** The Panel recommends that Alberta establish a fixed budget date.

Finally, there is another report called the KPMG Report that provides considerable analysis. The KPMG report was relied upon to develop much of the MacKinnon Report – especially the data regarding the various sectors. The KPMG report provides more details and the relevant sections to Education are found on Attachment 3. Main items in this report are:

- 10-year overall comparisons
- Public sector workforce and collective bargaining
- Health
- Community and social services (including seniors)
- Advanced education
- Education

In addition, a MNP Report was also prepared. It contains data to support the recommendations/comments about Alberta's finances in the MacKinnon Report, but does not specifically address school boards.

Complete copies of all three reports can be found in the following link:

<https://www.alberta.ca/mackinnon-report-on-finances.aspx>

#### **ATTACHMENT(S):**

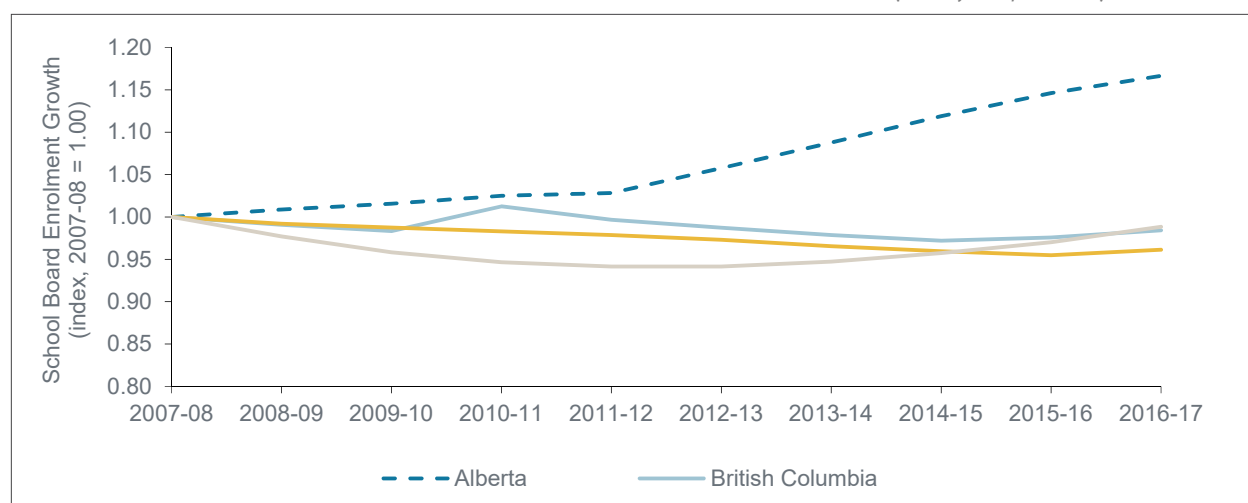
1. MacKinnon Report (Blue Ribbon Panel) as it applies to Education
2. Detailed capital recommendations from MacKinnon Report
3. KPMG report – Education Sections only

## Education – K – 12

The provincial government spends over \$8 billion on education for children in grades K – 12. This makes education the second largest ministry expense (after Health) and accounts for close to 17% of the province's operating budget.

Over the last 10 years, Alberta Education expenditures have grown by an average of 3.5% per year while the relevant school age population (0 - 19) in the province has grown by 1.5%. Since 2007/08, enrolment in Alberta has risen by 16.7% while it has declined in the comparator provinces. In Ontario, enrolment declined by 3.9% while it dropped by 1.6% in British Columbia and 1.2% in Quebec.

FIGURE 10: ALBERTA'S SCHOOL ENROLMENT HAS GROWN MORE THAN COMPARABLE PROVINCES (INDEX, 2007/08 = 1.00)



Note: A caveat to note with Quebec enrolments is that their secondary school technically ends after Grade 11.

Source: Provincial enrolments from Statistics Canada Table 37-10-0007-01.

Alberta spends \$11,121 per student. British Columbia spends \$9,681 per student, the lowest among our comparator group, while Ontario spends \$17,077 and Quebec spends \$12,325 per student.

A review of Alberta Education expenditures indicates that 75.4 cents of every dollar spent on education is used to deliver K-12 programming while 24.6 cents is spent on supporting and administering the operations of school boards and the system. By comparison, British Columbia spends 83 cents, Ontario spends 73 cents and Quebec (K-11) spends 76 cents to deliver programs to students.

TABLE 13: EDUCATION BUDGET ESTIMATES 2018/19

% of Total Expenses / Per Student FTE Expense	AB		BC		ON		QC	
	%	\$	%	\$	%	\$	%	\$
Deliver K-12 Programming	75.4%	\$8,381	83.1%	\$8,040	72.9%	\$12,444	75.8%	\$9,349
Primary to Secondary Ed	47.7%	\$5,300	65.3%	\$6,316	47.9%	\$8,174	46.8%	\$5,769
Supports for Students	15.8%	\$1,752	2.4%	\$230	12.4%	\$2,118	12.2%	\$1,509
Supports for Teachers	12.0%	\$1,330	15.4%	\$1,494	12.6%	\$2,152	16.8%	\$2,071
Supporting and Administering School Board Operations and the System	24.6%	\$2,740	16.91%	\$1,639	27.1%	\$4,632	24.18%	\$2,976
Enterprise Strategy	1.9%	\$209	0.01%	\$1	0.3%	\$50	0.08%	\$9
System Management	7.2%	\$804	1.2%	\$116	0.2%	\$39	0.5%	\$66
Enterprise Operations	15.5%	\$1,727	15.7%	\$1,522	26.3%	\$4,491	23.2%	\$2,857
Enterprise Technology	-	-	-	-	0.3%	\$52	0.4%	\$44
<b>Total Expenditures per Student</b>		<b>\$11,121</b>		<b>\$9,681</b>		<b>\$17,077</b>		<b>\$12,325</b>

Note: Totals may not add up due to rounding. Consolidated views for British Columbia and Ontario do not exist; expenditures by school boards for these provinces were included using estimating assumptions. Quebec's total represents K to 11 programming.

Source: Analysis of Budget Estimates for 2018-19 for Alberta, British Columbia, Ontario and Quebec; Per student expenditures based on student data for 2017-18.

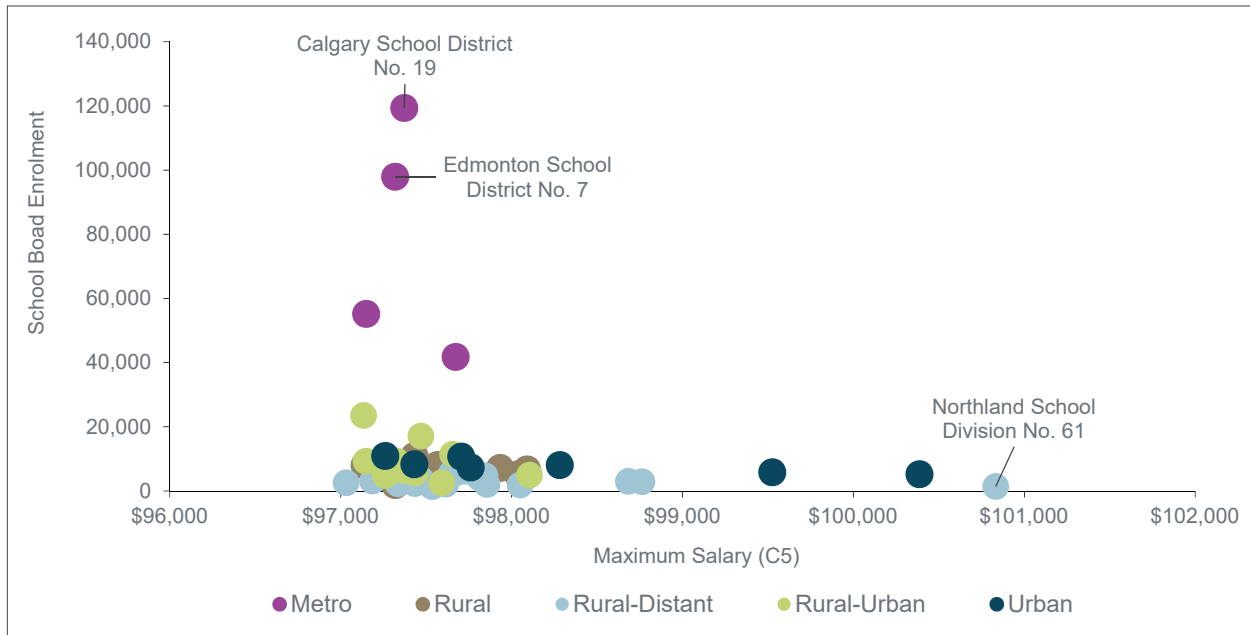
A significant component of education spending is teachers' salaries. The Panel found that the maximum teacher salaries in Alberta are comparable to those in Ontario but higher than those in British Columbia. (See page 50 for comparisons of teachers' salaries and benefits.) As Figure 11 indicates, most maximum salaries for teachers in Alberta are clustered between \$97,000 and \$98,000, with school boards in northern Alberta being outliers. There appears to be no pattern between teacher maximum salaries and enrolment.

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The level of spending by a school board is not the key factor that drives better outcomes.

.....

**FIGURE 11: TEACHER MAXIMUM SALARIES SIMILAR ACROSS THE PROVINCE**

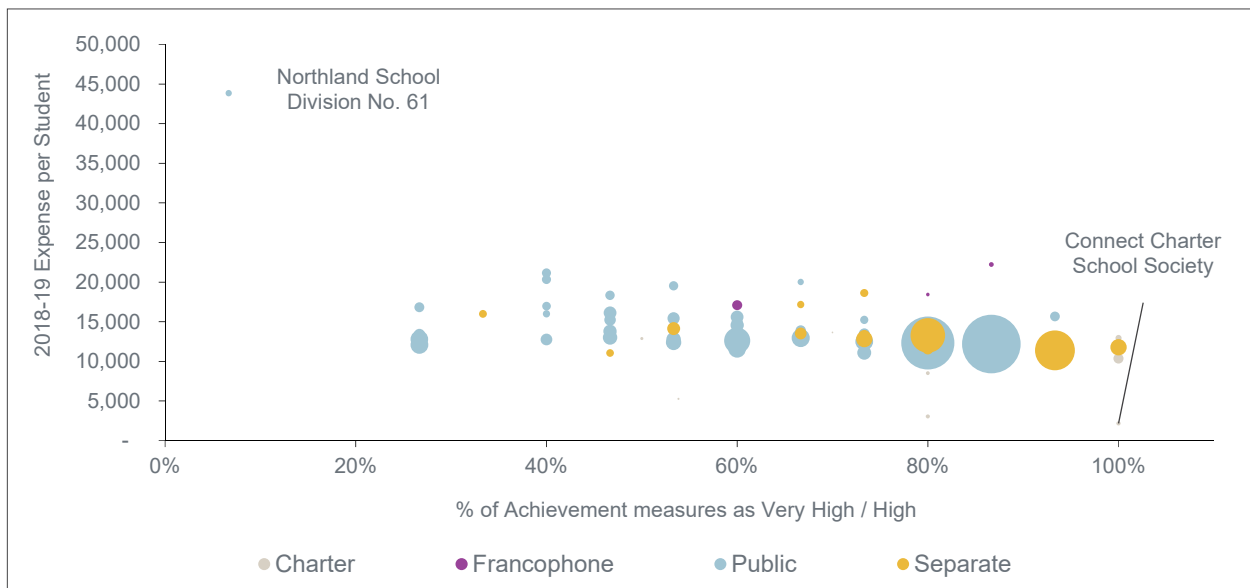


Note: Figures are based on C5 maximum salary.

Source: Teacher Salary Grids and School Board Enrolments from the Ministry of Education; School Board Enrolment from the Ministry of Education.

There are significant differences in school board performance across the province. Alberta Education uses 16 measures that make up their accountability structure. As Figure 12 indicates, the level of spending by a school board is not the key factor that drives better outcomes. A number of school boards that have very high to high expenses per student have student achievement outcomes that are below 50%.

**FIGURE 12: LEVEL OF SPENDING IN SCHOOLS DOES NOT DRIVE OUTCOMES**



Note: Bubble size relates to 2018-19 Enrolment. 2018-19 Expense per student is forecasted due to availability of data.

Source: Accountability Pillar Results for Annual Education Results Report (AERR) from the Ministry of Education; School Authorities Audited Financial Statements; School Board Enrolment from the Ministry of Education.

Education funding is provided to school boards through a funding formula. The current funding formula is based primarily on per student funding provided through a base grant based on enrolment. There are also a number of additional grants that provide incremental funding based on the attributes of students (e.g. grants for students with special needs).

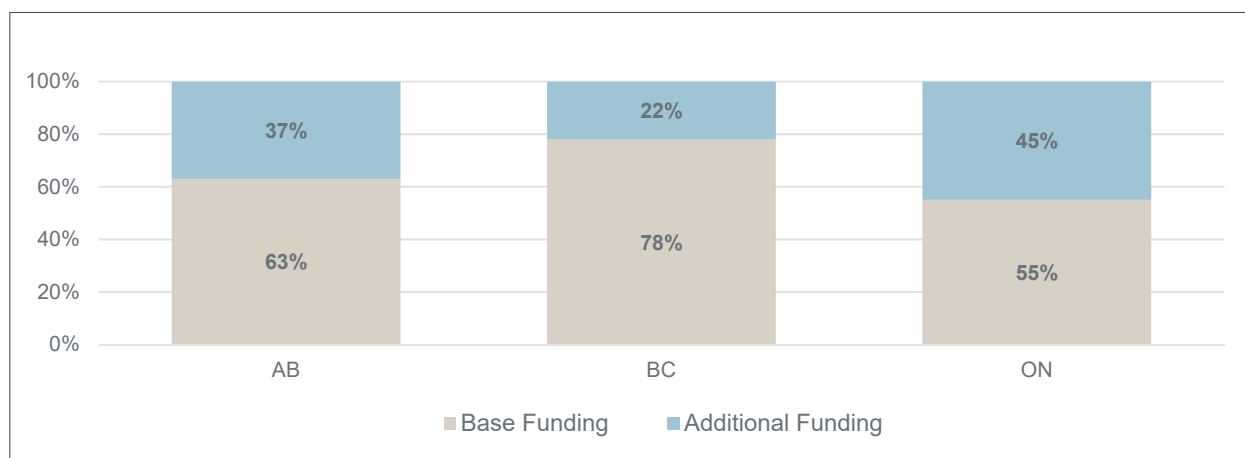
Funding formulas based purely on numbers of students as opposed to the outcomes achieved have a number of shortcomings. Perhaps the most significant drawback of enrolment-based funding is that it incents competition between boards at the expense of collaboration in key areas where greater efficiencies could be achieved. This includes areas such as shared procurement using the purchasing power of several boards, sharing expenses for busing, and sharing expensive infrastructure such as high schools. Another shortcoming of the current funding formula is that it is not linked to boards achieving the strategic goals of the ministry, for example, as they might relate to anticipating changes in the labour market or understanding diversity. Hence linking some portion of funding to school boards achieving the strategic outcomes desired by the ministry might create more alignment across districts, promote greater collaboration and lower school board administrative costs.

.....

Perhaps the most significant drawback of enrolment-based funding is that it incents competition between boards at the expense of collaboration in key areas where greater efficiencies could be achieved.

.....

**FIGURE 13: SCHOOL BOARDS RECEIVE HIGHER PERCENTAGE OF FUNDING FROM SPECIAL GRANTS (2018-19 ESTIMATES)**



Note: Quebec information is not available.

Source: Alberta Operational Funding to School Boards from the Ministry of Education; British Columbia Operational Funding to School Boards from BC Government Operating Grants Table; Ontario Operational Funding to School Boards from Ontario: A Guide to the Grants for Student Needs.

Many school boards across Alberta and in the rest of Canada run sizeable operating reserves arising from government funding not expended in the year it was received. As of August 31, 2018, the total amount held in operating reserves by Alberta school boards was \$318 million. However, reserves held by Alberta school boards do not seem to be out of line with other jurisdictions. Many of the Alberta school boards in the sample have reserves of less than a \$1,000 per student, less than that held by some comparator school boards in other provinces.

Based on what the Panel heard and learned during our review, the Panel believes there is a significant opportunity to achieve greater efficiency and ensure that a greater percentage of funding goes to the classroom.

- **Recommendation 5:** The Panel recommends that government work with education stakeholders to decrease the percentage of government funding that goes to administration and governance (currently 24.6%) to a level comparable to British Columbia (17%).

From the Panel’s review, the total amount of funding government spends on education is not out of line with comparable provinces. We do, however, believe there is scope for reducing administrative expenses to the level achieved in British Columbia. We found there is limited sharing of services and expertise among school boards and this likely contributes to higher costs in delivering services such as busing.

- **Recommendation 6:** The Panel recommends that government completely review and revise its current education funding formula to ensure enrolment growth is addressed and to provide incentives for sharing services and achieving better outcomes for students.

While the formula has some strengths in terms of funding growth in the student population, it does not incent efficiency or reward innovation, performance and outcomes. There is also a complex array of special purpose grants which should be examined to determine whether they are achieving the intended results.

.....

The Panel believes there is a significant opportunity to achieve greater efficiency and ensure that a greater percentage of funding goes to the classroom.

.....

## Appendix 4: Improving planning, transparency and financial reporting

### Improvements to Capital Planning and Reporting

The Panel examined the current framework for capital planning and reporting in Alberta relative to best practices in other Canadian provinces, and found significant improvements have been made in response to the 2017 Report of the Auditor General and the 2017 Ernst and Young (E&Y) report on best practices.

The capital planning process in Alberta is a detailed process where ministries identify and prepare submissions to be considered for Capital Plan funding. A Deputy Minister's Capital Planning Committee (DMCPC) reviews processes, and Treasury Board Committee (TBC) and Cabinet assess proposals and resource needs associated with capital planning.

- The Panel believes there are a number of additional steps that government should take to improve capital planning and reporting:
- The Deputy Minister's Capital Planning Committee (DMCPC) should have its role formalized and expanded to providing advice to the Ministers' Capital Committee on Capital and Treasury Board Committee (TBC).
- The government should discontinue publishing the list of unfunded projects with the Capital Plan. Publishing the list contributes to bias in favour of spending on new facilities rather than maintaining existing facilities. It also limits the degree of flexibility government has for future priorities and sets unreasonable expectations. No other province publishes an unfunded project list.
- The government should legislate a strong governance framework for capital planning in Alberta through the passage of an Alberta Infrastructure Act.
- The government should support long-term capital planning and reporting by preparing and publicly releasing a 20-year Strategic Capital Plan. This will promote greater transparency and help government stick to a medium- to long-term vision for capital.
- The government should ensure that capital approval processes and systems consider future operating impacts as a mandatory requirement for approval. The budgeted operating costs for capital projects should fully reflect the impact of proposed capital projects, including those that commence beyond the prevailing three-year operating plan and typically take a number of years to complete. The government should consider requiring certain capital projects to cover the operating costs of their capital requests as a starting position for approval. If ministries cannot accommodate operating costs within their existing budget, the project should be deemed not to have the requisite priority or value. This will create better discipline in the capital planning and approval system.

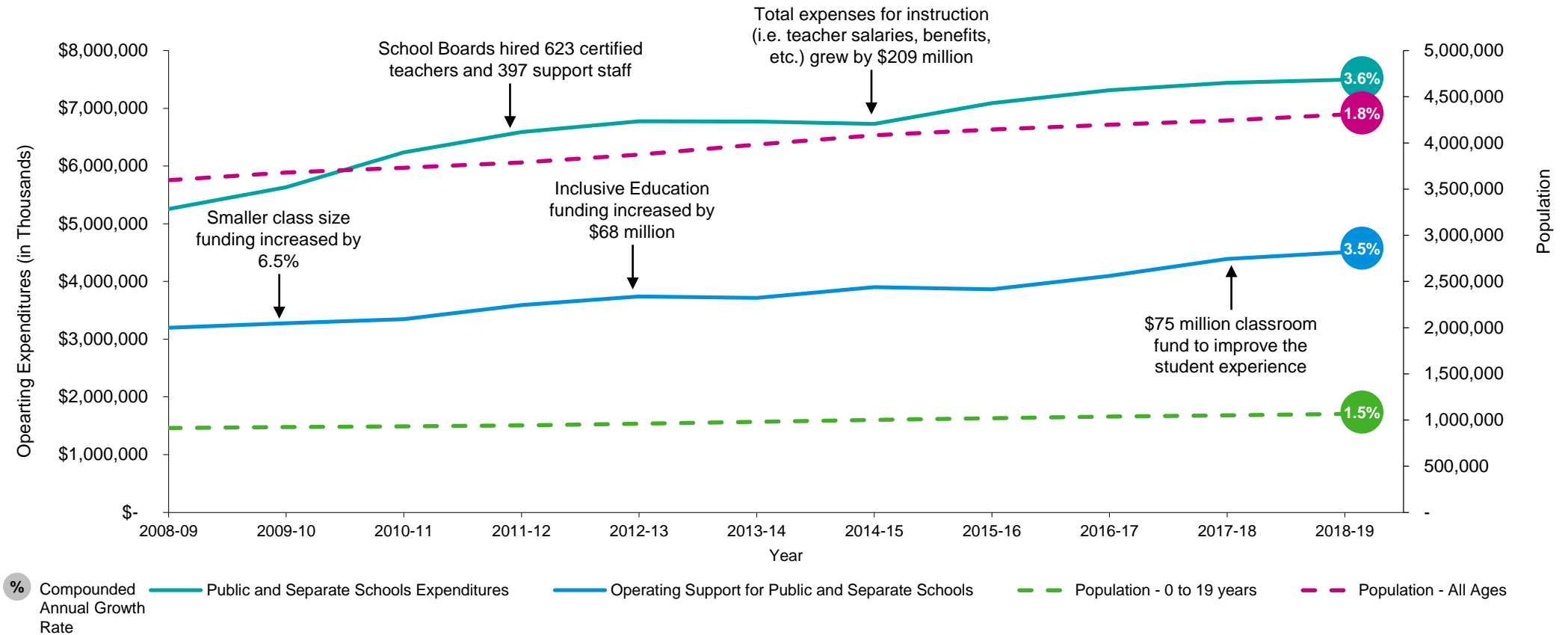
# Education





# Key Trends for Education in Alberta

**Figure 56: 10 Year Trend for Alberta's Major Expenditures in Education**



Source: Analysis of Budget Estimates from 2008-09 to 2018-19 for Alberta and Consolidated Actuals for School Board Expenditures 2008-09 to 2017-18; Population data from Statistics Canada Table 17-10-0005-01.



This research and analysis was completed at the request of the Panel. KPMG's role was to provide research and analysis but has not provided any recommendations or opinions. As such, the Panel is responsible for all recommendations and the Panel's report, and the Government of Alberta is responsible for all decisions arising from the Panel's report.

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# School Board Geography (1 of 3)

Table 32 shows the five year average expenses and enrollment of schools boards in different geographic areas.

**Rural-Distant school boards spend the most across all areas but have the least number of student enrolments per school board.**

Figure 57 on the following page shows the total school board expenditures by each of these regions from 2010 to 2018. Metro and Rural-Urban school boards saw their expenditures grow the most by 4.4% CAGR and 4.7% CAGR, respectively.

Figure 58 shows the total school board expenditures normalized by the number of student enrolments from 2010 to 2018. Rural-Distant and Rural-Urban saw their per student expenditures grow the most by 2.8% CAGR and 2.1% CAGR, respectively.

**Table 32: School Board Expense by Function and Geography**

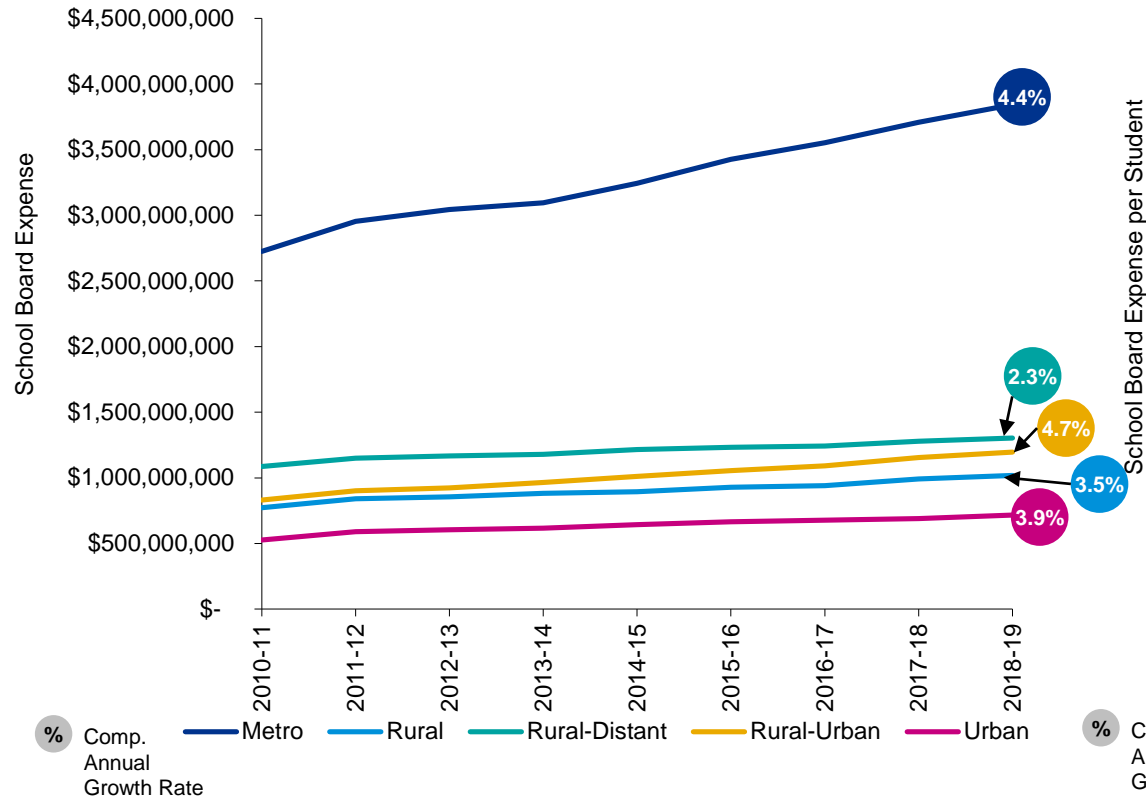
Expense Function	School Board Geography (Five Year Average per Student)				
	Metro	Urban	Rural-Urban	Rural	Rural-Distant
<b>Instruction – ECS to Grade 12</b>	\$9,382	\$10,027	\$9,606	\$9,848	\$11,494
<b>Operations and Maintenance</b>	\$1,541	\$1,618	\$1,532	\$1,557	\$2,074
<b>Transportation</b>	\$439	\$306	\$595	\$680	\$1,081
<b>Board and System Administration</b>	\$336	\$399	\$373	\$479	\$618
<b>External Services</b>	\$179	\$81	\$38	\$81	\$281
<b>Five Year Average Enrolments</b>					
<b>Total</b>	299,031	54,553	90,656	75,455	80,701
<b>Per School Board</b>	74,758	7,793	9,066	5,804	3,509

Note: 2017-18 and 2018-19 figures are based on a forecast of Cost per per Student x Enrolment figures as School Authority level summarized financial statements were not available for those years.

Source: School Authorities Audited Financial Statements; School Board Enrolment from the Ministry of Education.

# School Board Geography (2 of 3)

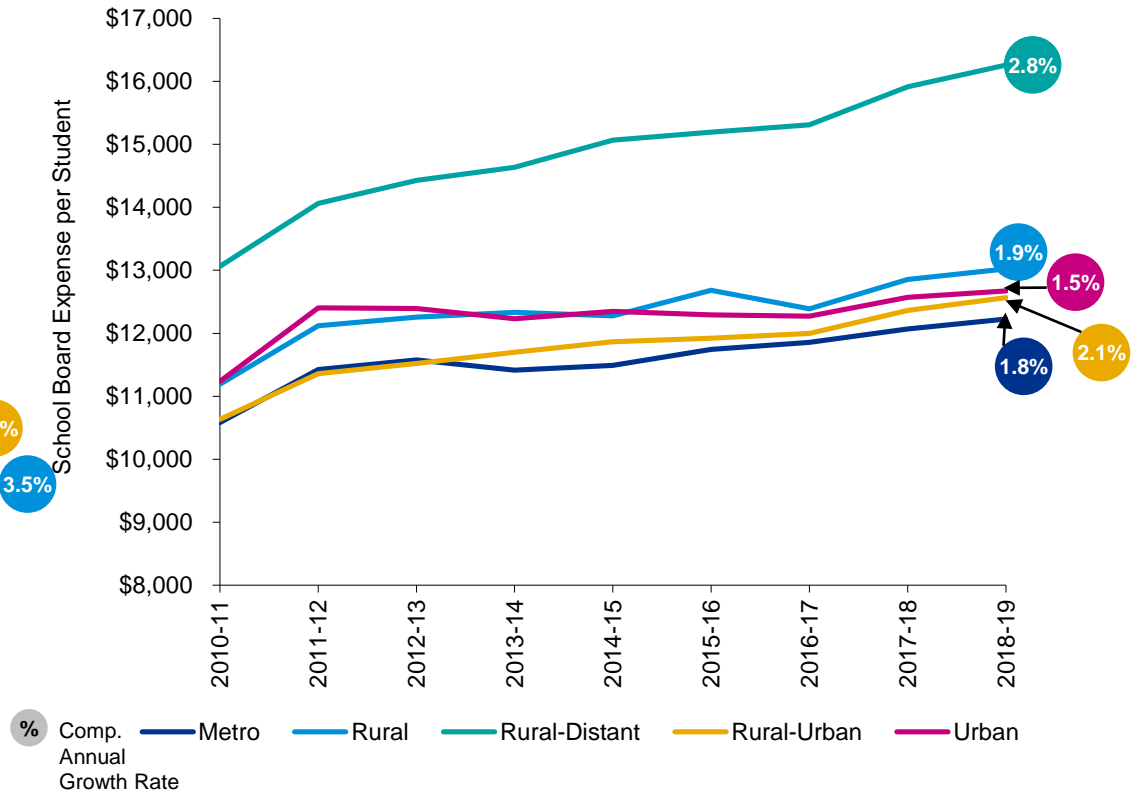
**Figure 57: School Board Expense by Geography**



Note: Excludes Charter and Francophone schools as only Public and Separate schools are categorized by geography. Due to summary data availability, 2017-18 and 2018-19 total expenses by school board were forecasted.

Source: School Authorities Audited Financial Statements.

**Figure 58: School Board Expense by Geography per Student**



Note: Excludes Charter and Francophone schools as only Public and Separate schools are categorized by geography. Due to summary data availability, 2017-18 and 2018-19 total expenses by school board were forecasted.

Source: School Authorities Audited Financial Statements; School Board Enrolment from the Ministry of Education.

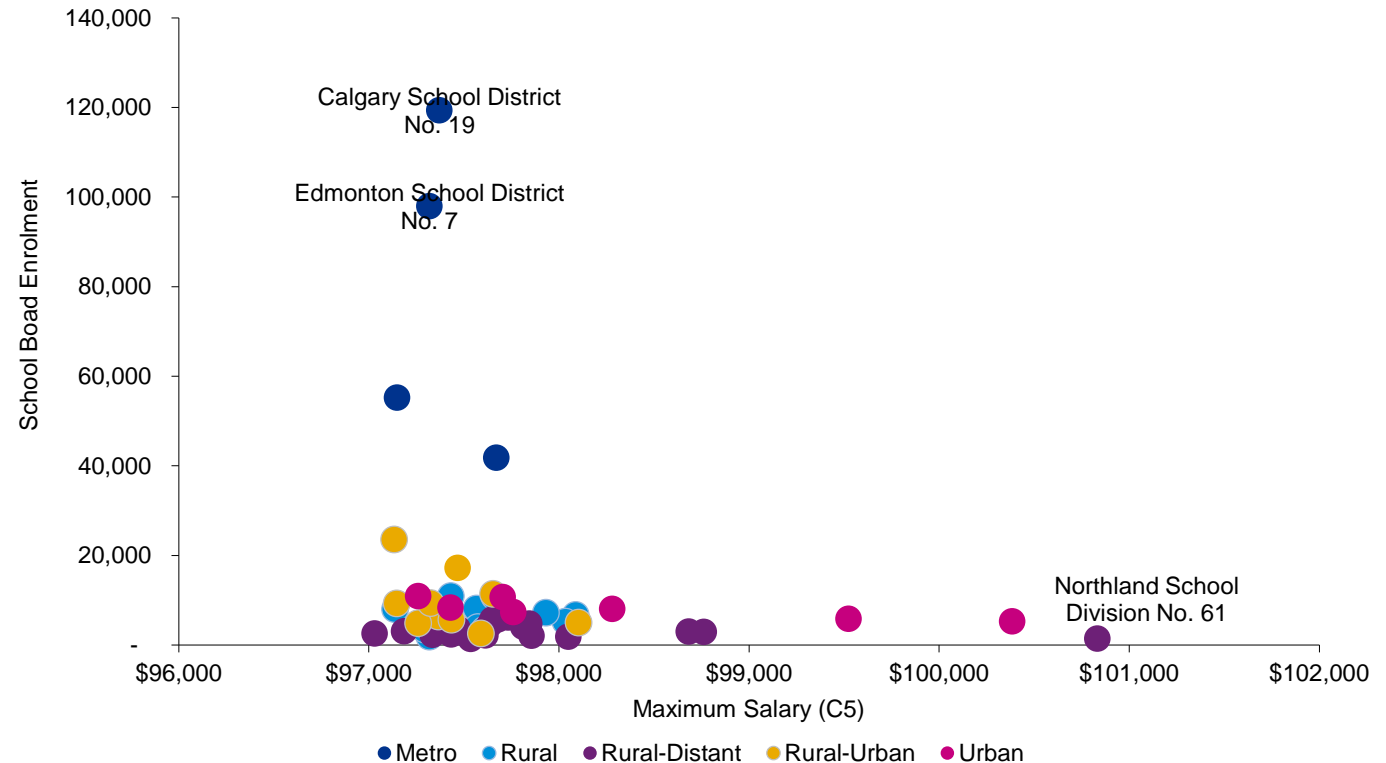
# School Board Geography (3 of 3)

There is variation in the teacher salary grids for each school board and geography.

However, based on the analysis in Figure 59, there appears to be no correlation between the teacher maximum salaries, enrolment and geography.

As depicted in Figure 59, most maximum salaries (C5) for teachers in Alberta are between \$97K and \$98K, with a number of outlier school boards over this amount. These outlier school boards are largely from the Northern region of the province, with the top five paying schools boards being: Northland, the two Fort McMurray boards, Fort Vermilion, and Peace River.

Figure 59: Teacher Maximum Salary by Public School Board Geography



Note: Figures are based on C5 maximum salary.

Source: Teacher Salary Grids and School Board Enrolments from the Ministry of Education; School Board Enrolment from the Ministry of Education.

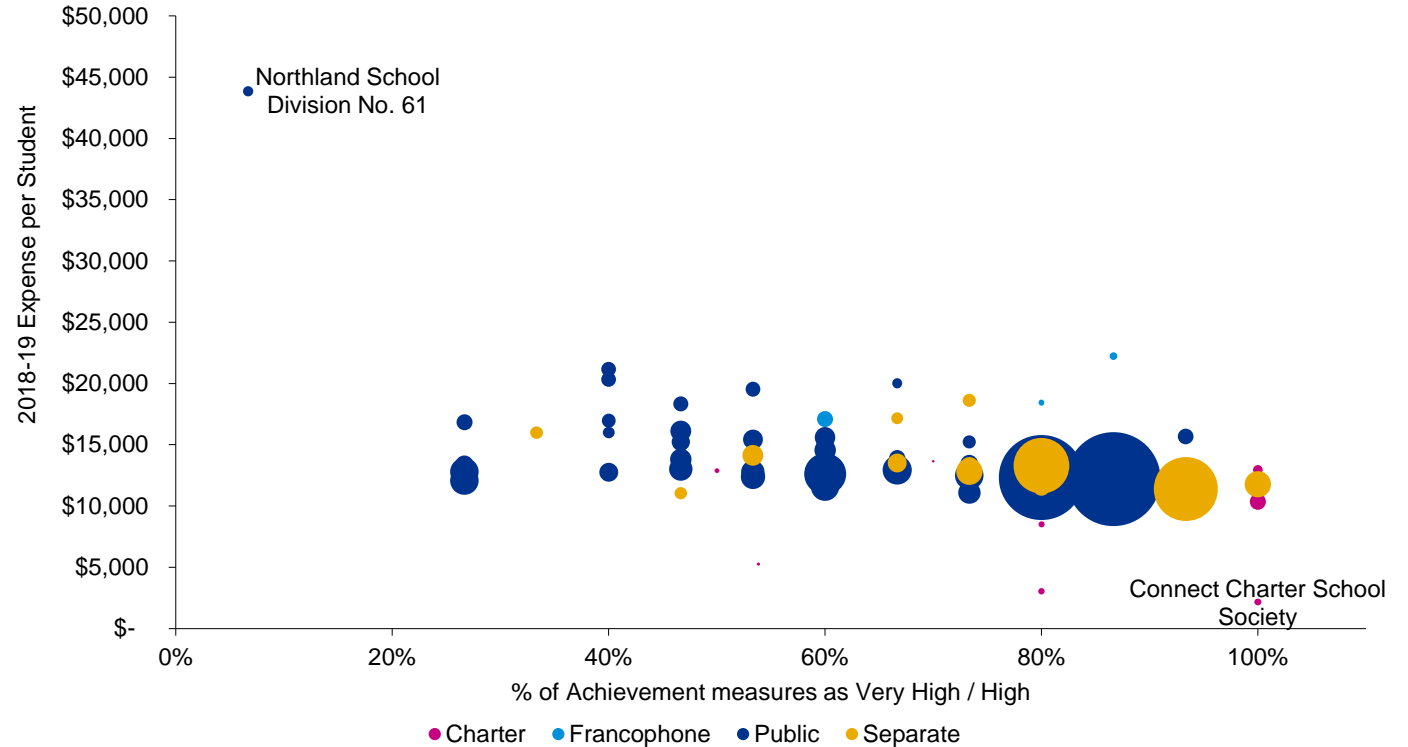
# School Board Performance

Alberta Education measures School Board performance using 16 measures that make up their Accountability Pillar. These measures are organized across six categories:

- Safe and caring schools
- Student learning opportunities
- Student achievement learning
- Preparation for lifelong learning, work of work, citizenship
- Parental involvement
- Continuous improvement.

Figure 60 shows the percentage of measures that were rated as very high or high against their total expenses per student from 2018-19.

**Figure 60: Percentage of All Achievement Measures Scored as Very High / High per School Board**



Note: Bubble size relates to 2018-19 Enrolment. 2018-19 Expense per student is forecasted due to availability of data.  
 Source: Accountability Pillar Results for Annual Education Results Report (AERR) from the Ministry of Education; School Authorities Audited Financial Statements; School Board Enrolment from the Ministry of Education.

# School Board Enrolment (1 of 2)

**Since 2007/08, student enrolment growth has been significant in Alberta as compared to the other provinces.**

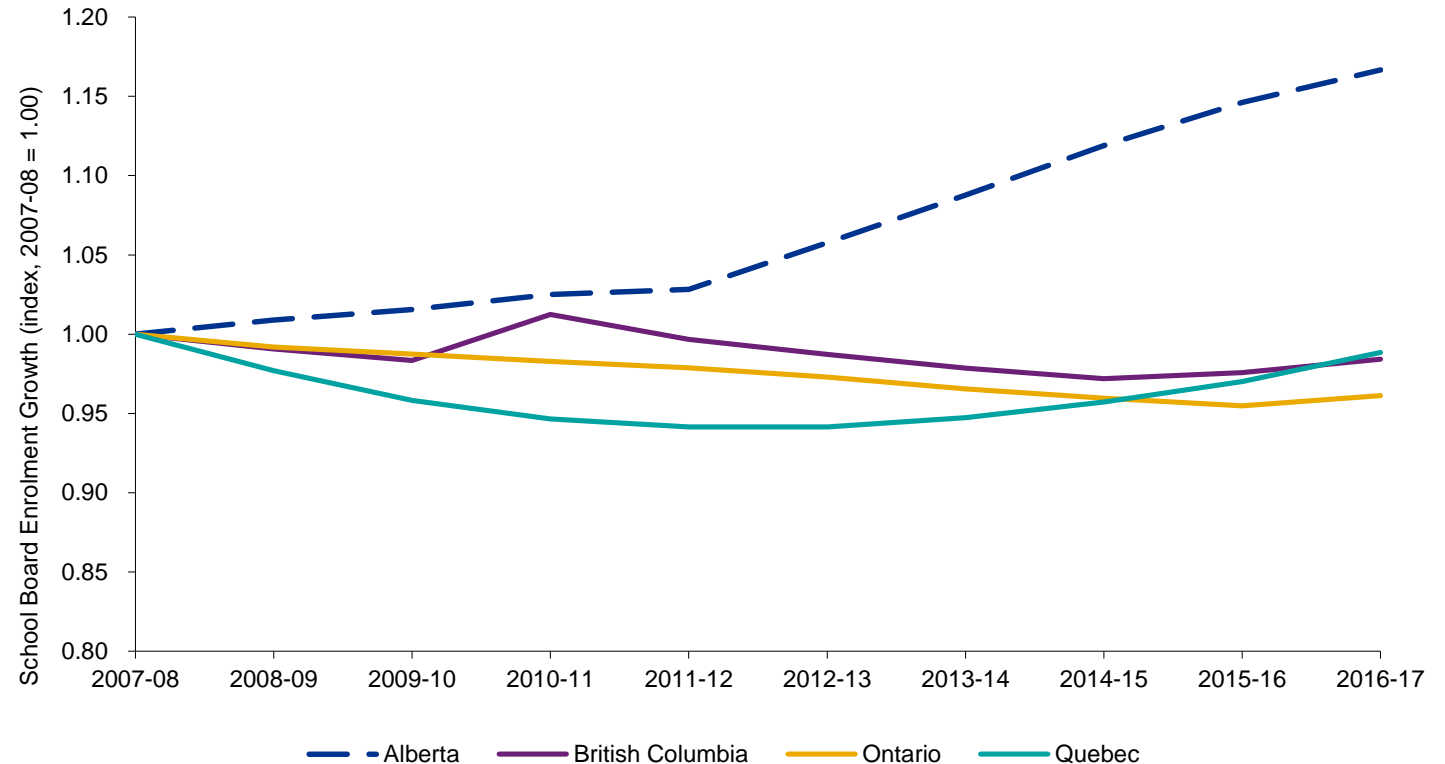
Alberta's enrolment growth was 16.7% in 2016/17 while the other provinces declined: -1.2% in Quebec, -1.6% in British Columbia, and -3.9% in Ontario.

Figure 62 on the following page shows the enrolments from 2016/17 by province broken down by Early Childhood (ECS), Primary, Middle and Secondary.

Some variability will result from differences in the comparator province education systems (e.g. Quebec's secondary education system ends at grade 11).

Alberta's funded enrollments for ECS schools have grown by 3.7% CAGR while primary school enrolments have grown by 2.7% CAGR between 2009/10 and 2018/19. Middle and Secondary school enrolments have grown by 0.9% and 0.6% CAGR, respectively.

**Figure 61: School Board Enrolment Growth (Index, 2007-08 = 1.00)**

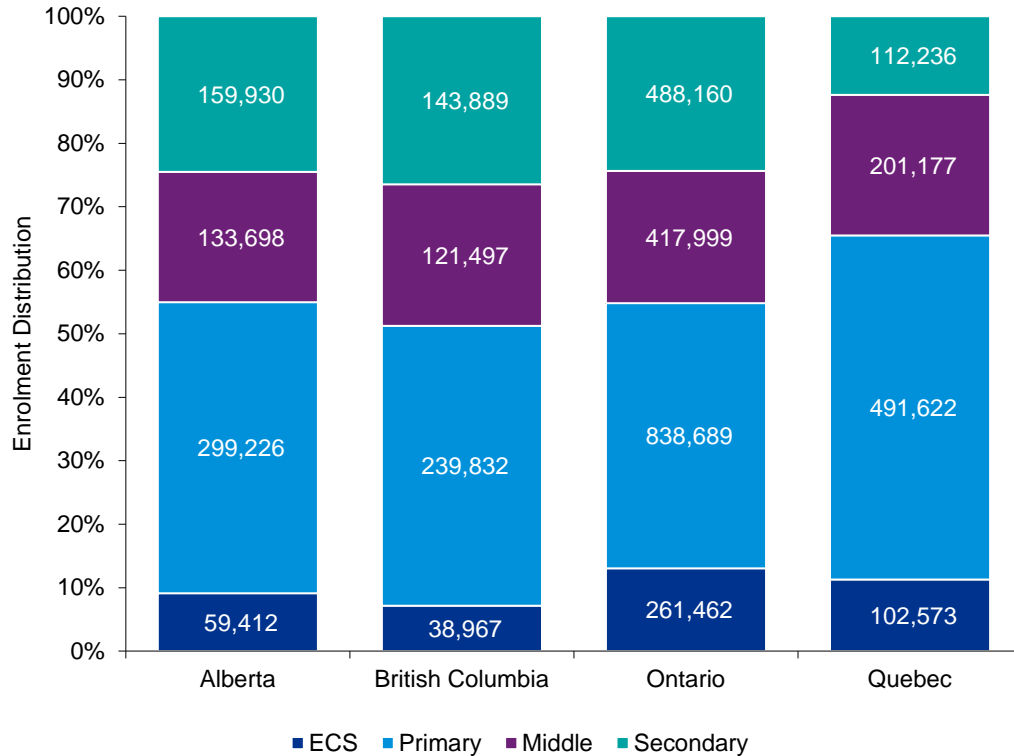


Note: A caveat to note with Quebec enrolments is that their secondary school technically ends after Grade 11.

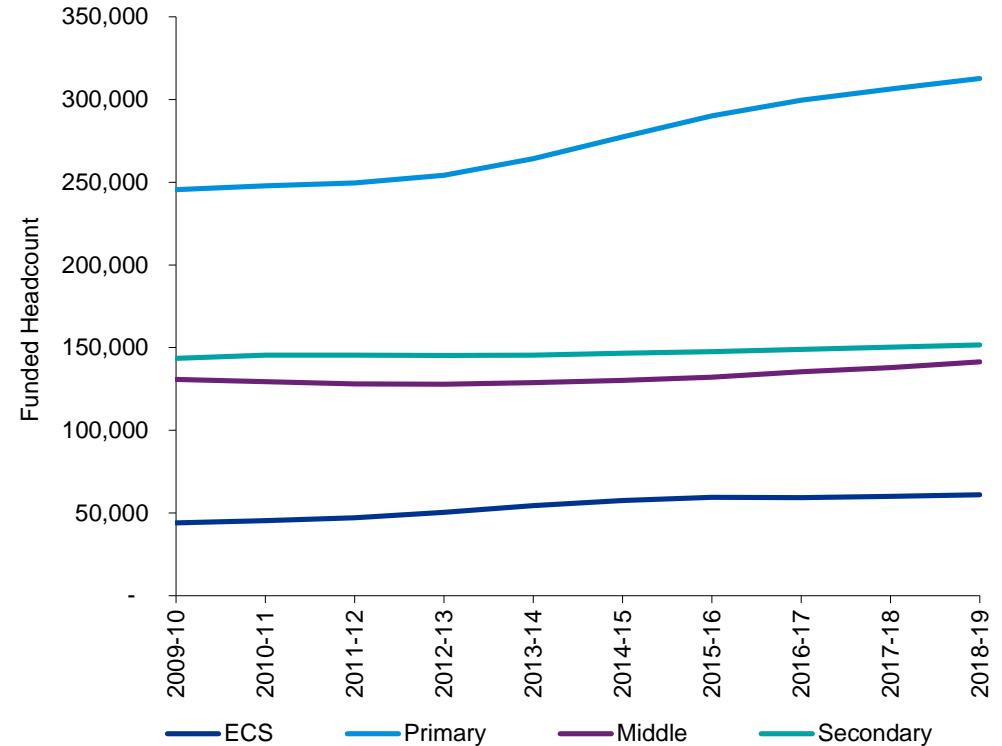
Source: Provincial enrolments from Statistics Canada Table 37-10-0007-01.

# School Board Enrolment (2 of 2)

**Figure 62: 2016-17 Enrolment Distribution**



**Figure 63: Funded Enrolment in Alberta School Boards**



Note: For the purpose of analysis: ECS is defined as Junior Kindergarten and Kindergarten, Primary School is defined as Grades 1 to 6, Middle School is defined as Grades 7 to 9, and Secondary School is defined as Grades 10 to 13.

Source: Grade classification taken from Scholaro's definition of Canada's Education System; Provincial Enrolment taken from Statistics Canada Table 37-10-0007-01.

Source: Grade classification taken from Scholaro's definition of Canada's Education System; Historical Enrolment from the Ministry of Education.

# Education Funding Models

	Alberta	British Columbia	Ontario
<b>Funding Model Summary</b>	Mainly per-student driven	Mainly per-student driven	Mainly per-student driven
<b>Funding Model Components</b>	<ul style="list-style-type: none"> <li>Base funding based on per-student basis</li> <li>Differential funding based on demographic and geographic factors</li> <li>Targeted funding for specific programs</li> <li>Capital funding</li> </ul>	<ul style="list-style-type: none"> <li>Base funding on per-student basis</li> <li>Supplementary grants based on demographic and geographic factors, as well as funding protection against enrolment decline</li> </ul>	<ul style="list-style-type: none"> <li>Base funding on per-student basis</li> <li>School Foundation grant based on benchmarks</li> <li>Special Purpose grants based on demographic and geographic factors</li> </ul>
<b>Funding Model Components</b>			
<b>Base Funding</b>	<ul style="list-style-type: none"> <li>ECS Base Instruction</li> <li>Grades 1-12 Base Instruction</li> <li>Home Education</li> </ul>	<ul style="list-style-type: none"> <li>Standard Enrolment</li> <li>Continuing Education</li> <li>Distributed Learning</li> <li>Alternate Schools</li> <li>Home Schooling</li> </ul>	<ul style="list-style-type: none"> <li>Classroom Teachers</li> <li>ECS Educators</li> <li>Education Assistants</li> <li>Textbooks, Learning Materials</li> <li>Classroom Computers and Library</li> </ul>
<b>Additional Funding</b>	<ul style="list-style-type: none"> <li>Class Size Grants</li> <li>Early Literacy (Grades 1-2)</li> <li>ECS Administration and Program</li> <li>ESL / Francisation</li> <li>Equity of Opportunity / Inclusive Education</li> <li>First Nations, Metis and Inuit Education</li> <li>Plant Operations and Maintenance</li> <li>Transportation</li> <li>Others including Northern Allowance, Hutterite Colony Schools, Sever Disabilities, Small Board/Schools, Socio-Economic Status</li> </ul>	<ul style="list-style-type: none"> <li>Supplement for Unique Student Needs</li> <li>Classroom Enhancement</li> <li>Special Needs</li> <li>English Language Learning</li> <li>Aboriginal Education</li> <li>Adult Education</li> <li>Newcomer Refugees</li> <li>Supplement for Enrolment Decline</li> <li>Supplement for Salary Differentials</li> <li>Supplement for Unique Geographic Factors</li> <li>Transportation</li> </ul>	<ul style="list-style-type: none"> <li>Special Education</li> <li>Language</li> <li>Indigenous Education</li> <li>Geographic Circumstances</li> <li>Safe and Accepting Schools</li> <li>Continuing Education</li> <li>Cost Adjustment and Teacher Qualifications and Experience</li> <li>Transportation</li> <li>Declining Enrolment</li> <li>School Facility Operations and Administration</li> </ul>

Note: Quebec information not available.

Source: Provincial Funding Model Analysis from the Ministry of Education.



This research and analysis was completed at the request of the Panel. KPMG's role was to provide research and analysis but has not provided any recommendations or opinions. As such, the Panel is responsible for all recommendations and the Panel's report, and the Government of Alberta is responsible for all decisions arising from the Panel's report.

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# School Board Operational Funding

A comparison of grants was completed for Alberta, British Columbia and Ontario.

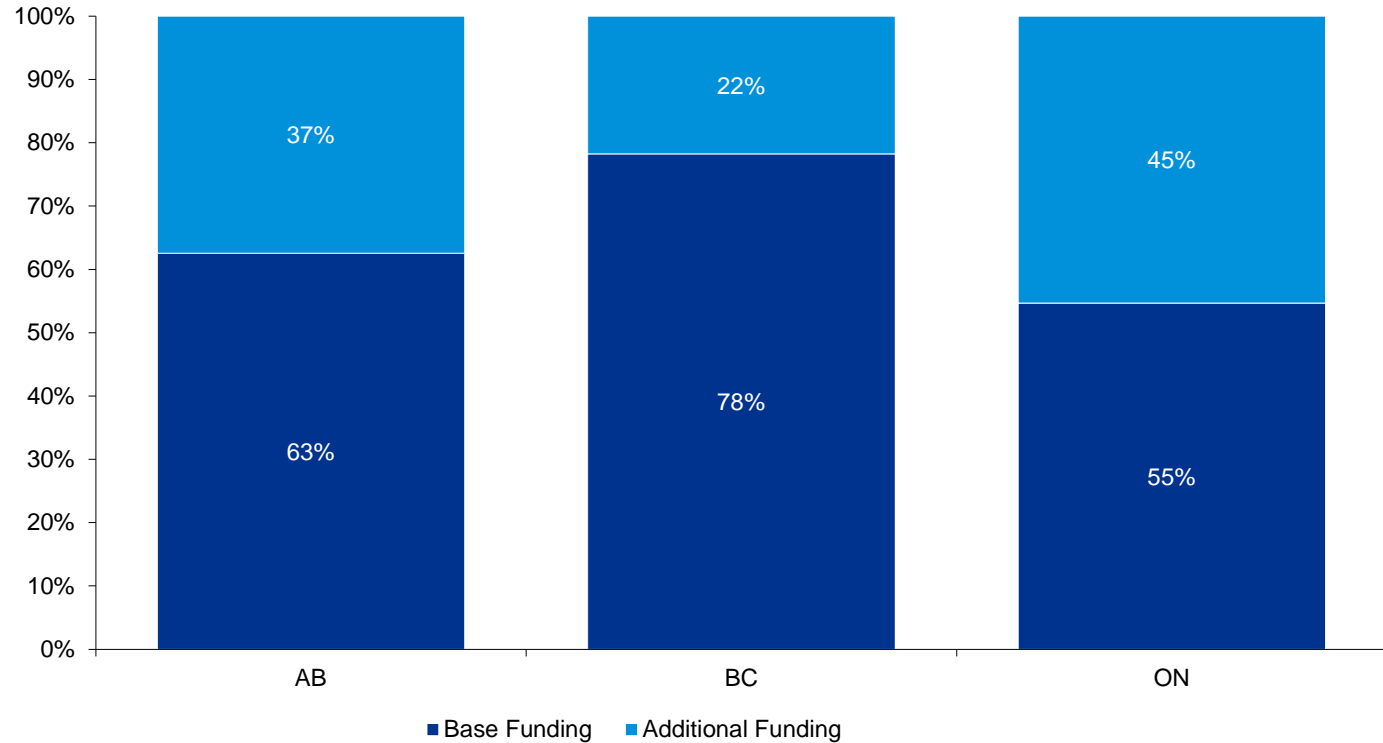
**As per Figure 64, Ontario and Alberta use a higher proportion of grants for additional funding, in comparison to British Columbia.**

The table below outlines the key categories of these grants for 2018-19.

**Table 33: School Board Operational Funding (2018-19)**

In Millions	AB	BC	ON
Base Funding Grants	4,208	4,021	12,650
Differential Grants	1,946	-	-
Targeted Grants	530	-	-
Other Provincial Support	42	-	-
Supplementary Funding	-	1,119	-
Special Purpose Grants	-	-	10,484

**Figure 64: School Board Operational Funding (2018-19 Estimates)**



Note: Quebec information is not available.

Source: Alberta Operational Funding to School Boards from the Ministry of Education; British Columbia Operational Funding to School Boards from BC Government Operating Grants Table; Ontario Operational Funding to School Boards from Ontario: A Guide to the Grants for Student Needs.

# Class Size (1 of 2)

One of the key grants that Alberta has been using since 2004/05 is the Class Size Initiative.

**Since 2004/05, a total of \$3.3 billion has been spent under this initiative in Alberta (\$295 million was spent in 2018/19).**

Table 34 summarizes the comparator Province's use of class size grants / funding to address similar issues. Alberta's class sizes are comparable across the comparator provinces.

Of the comparator provinces, Alberta and British Columbia fund class size initiatives. Ontario and British Columbia legislate class sizes, and Quebec does not use any class size incentives or regulations.

Table 35 on the following page highlights key literature on the use of class size initiatives. The Auditor General of Alberta found that in its review of Alberta's Class Size initiative, the number of school jurisdictions meeting the Department's class size targets in 2017 was lower than in 2004.

**Table 34: Class Size Comparison**

	Alberta	British Columbia	Ontario	Quebec
<b>Targeted Grant Line – Funding Formula</b>	Yes – Class Size Grants	Yes – Classroom enhancement fund allocation	No – reflected as part of Pupil Foundation Grant and Teacher Qualifications and Experience Grant	N/A
<b>Legislated Class Size</b>	No	Yes	Yes	
<b>Class Size Guidelines</b>	<b>ACOL Guidelines:</b> K-3: 17 students 4-6: 23 students 7-9: 25 students 10-12: 27 students	<b>School Act:</b> K: 22 students 1-3: 24 students 4-12: <30 students	<b>Class Size Regulation:</b> K: 26-29 students 1-3: <=20 (for 90% of classes, 23 for rest) 4-8: 24.5 students 9-12: 28 students	<b>Provincial Collective Agreement:</b> Junior K: 17 students Senior K: 19 students 1: 22 students 2: 24 students 3-6: 26 students 7: 28 students 8: 29 students 9-11: 32 students
<b>Actual Class Size (2018-19)</b>	K-3: 20.4 students 4-6: 22.8 students 7-9: 23.5 students 10-12: 23.5 students	K: 18 students 1-3: 19.9 students 4-7: 23.9 students 8-12: 22.1 students	*funded class size only given K: 25.6 students 1-3: 19.8 students 4-8: 23.8 students 9-12: 22 students	1: 23 students 2-3: 25 students 4-8: 27 students 9-12: 30 students

Source: Class Size Comparison provided by the Ministry of Education.

# Class Size (2 of 2)

**Table 35: Class Size Literature Review**

	Summary
<b>Drummond Report</b>	<ul style="list-style-type: none"> <li>▪ The Ontario government has emphasized the importance of smaller classes in promoting improved education outcomes.</li> <li>▪ Empirical evidence of the benefit of smaller class sizes on education outcomes presents a complicated picture.</li> <li>▪ Research has suggested that no solid evidence exists to show that smaller classes improve student achievement in the later primary and secondary grades in Canada. Evidence does exist that shows a positive relationship between smaller class sizes in early primary school students.</li> <li>▪ Evidence suggests that, in terms of value for money, investments in lower class sizes do not provide the greatest possible benefit.</li> <li>▪ The Programme for International Student Assessment (PISA) finds that raising teacher quality is a more effective route to improved student outcomes than creating smaller classes.</li> </ul>
<b>Office of the Auditor General</b>	<ul style="list-style-type: none"> <li>▪ The OAG examined the design and operating effectiveness of the processes to define the desired results of the Class Size Initiative.</li> <li>▪ Based on the audit findings, the OAG believes the department has, over time, converted Class Size Initiative funding to additional base instructional funding.</li> <li>▪ Despite the \$2.7B in funding spent on the initiative since its inception, the number of school jurisdictions that met the department's class size targets in 2017 is lower than in 2004.</li> <li>▪ The department stopped requiring school jurisdictions, from the 2008-09 school year onwards, to report on how they were using initiative funding.</li> <li>▪ At the end of the 2010-11 school year, School Jurisdictions felt the department's funding model penalized jurisdictions that had made a conscious effort to reduce class sizes, as jurisdictions with lower class size averages received less funding. In response, the department changed the Class Size Initiative funding formula to look at a per-student allocation vs. the original average class size. The department also changes its funding to focus solely on the grade groups K-3.</li> </ul>
<b>Other Findings</b>	<p>Evidence does exist that shows a positive relationship between smaller class sizes in early primary school students (K to 3). Additional Factors that lead to positive educational outcomes include but are not limited to:</p> <ul style="list-style-type: none"> <li>▪ Parental support</li> <li>▪ Special education availability</li> <li>▪ Financial situation</li> <li>▪ Teacher preparedness and professional development investment</li> <li>▪ School readiness factors before entering Grade 1 (e.g. physical health and emotional well-being)</li> <li>▪ Child environment risk reduction and early childhood intervention.</li> </ul>

Source: Drummond Report: Commission on the Reform of Ontario's Public Services (2012); Office of the Auditor General: Audit of Alberta Education Processes to Manage the Student Class Size Initiative (2018); Reviewed studies include Government of Quebec: Factors that may affect students academic achievement (2019); Canadian Education Statistics Council: Key factors to support literacy success in school-aged populations (2009); Oxford Academic: The impact of poverty on educational outcomes for children (2007); Balestra, Eugster and Liebert: Class composition, special needs students, and peers' achievement (2016).



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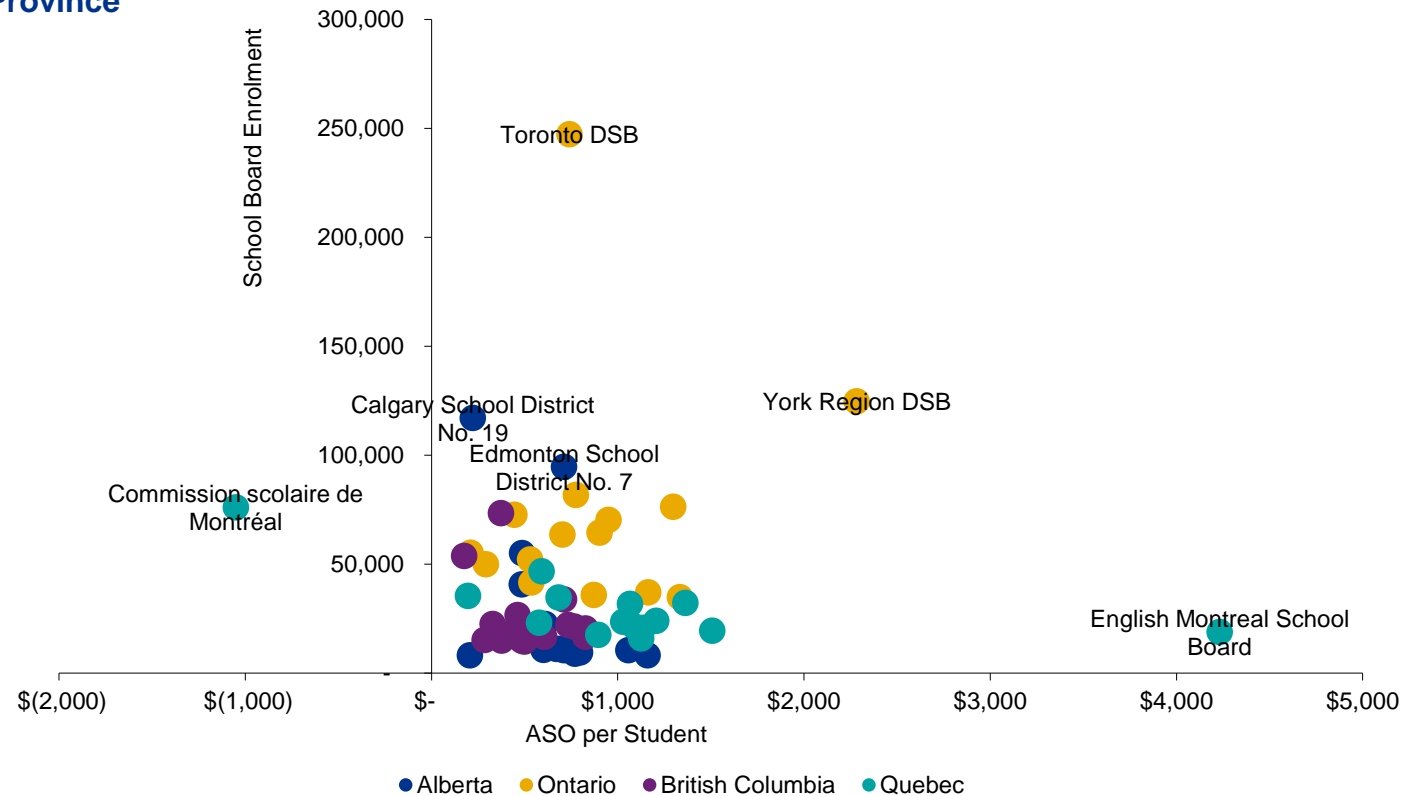
# Accumulated Surplus from Operations (1 of 2)

Based on a sample of the 15 largest school boards in the comparator provinces, many school boards have operating reserves that represent government funding not expended in the year it was provided.

Figure 65 shows the accumulated surpluses from a sample of school boards across the comparator provinces on a per student basis.

Many of Alberta's school boards have less than \$1,000 per student in their reserves. This represents \$392 million in available funding across the school boards as of August 31, 2018.

**Figure 65: Accumulated Surplus from Operations per 15 largest School Boards in each Province**



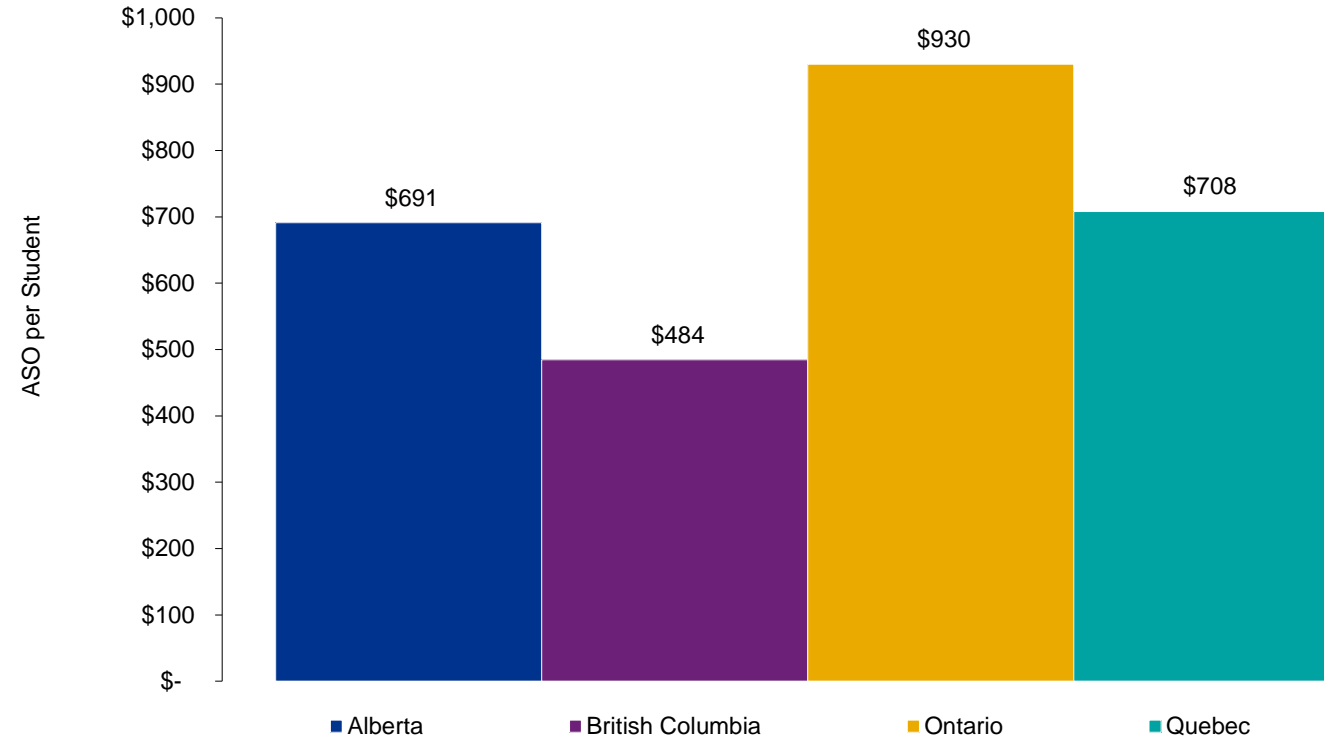
**Note:** Due to data availability limitations, the Accumulated Surplus of Operations for comparator provinces was gathered for the largest 15 school boards with significant outliers excluded.

**Source:** 2017-18 Audited Financial Statements per School Board for comparator provinces; 2017-18 Accumulated Surplus from Operations for Alberta from the Ministry of Education; Enrolments for comparator provinces taken from Annual Enrolment Reports; Enrolments for AB from the Ministry of Education.

# Accumulated Surplus from Operations (2 of 2)

Based on a sample of the 15 largest school boards in the comparator provinces, on an aggregate basis, the accumulated surpluses from operations in Alberta (on a per student basis) are lower than to Quebec and Ontario's school boards sampled, and higher than the school boards sampled in British Columbia.

Figure 66: Accumulated Surplus from Operations (ASO) per Student by Province



Note: Due to data availability limitations, the Accumulated Surplus of Operations for comparator provinces was gathered for the largest 15 school boards with significant outliers excluded. For Alberta this is representative of all School Boards.

Source: 2017-18 Audited Financial Statements per School Board for comparator provinces; 2017-18 Accumulated Surplus from Operations for Alberta from the Ministry of Education; Enrolments for comparator provinces taken from Annual Enrolment Reports; Enrolments for AB from the Ministry of Education.

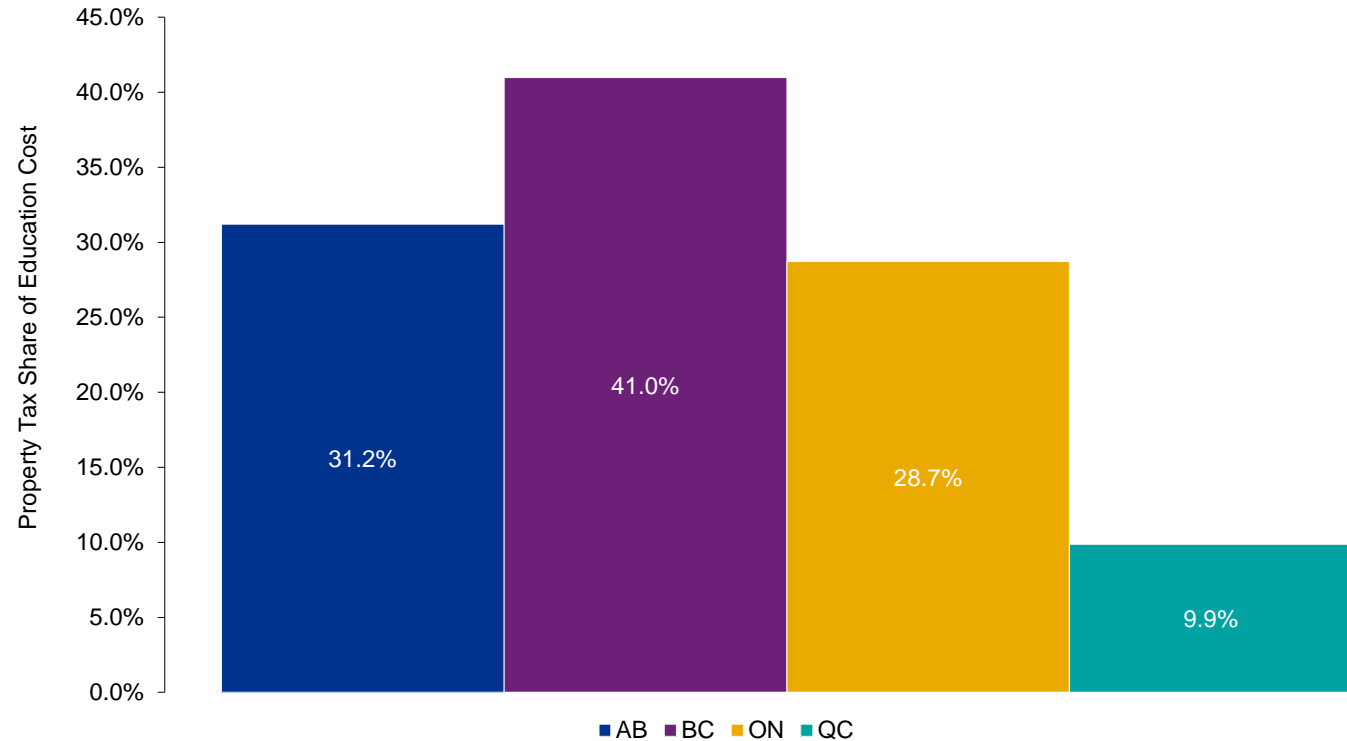
# Education Property Tax

The comparator provinces each use the same principles for levying property taxes on assessment to contribute to the K-12 Education system.

Figure 67 shows, proportionately, how other provinces use property taxes as a percentage of general revenues to fund education.

Alberta funds a greater portion of education costs from property taxes when compared to Quebec and Ontario, and less when compared to British Columbia.





Figure 67: Provincial Property Tax as a Share of Education Cost (2017-18)



Note: In Quebec, local school boards collect tax revenue to support education costs and school boards are the only body with the authority to levy property taxes for Education.

Source: 2017-18 Provincial/Territorial Officials Committee (PTOC) on Local Government report.

# Education Business Model Differences (1 of 2)

				
<b>Organization</b>	Ministry of Education (includes autonomous school authorities)	Ministry of Education (includes autonomous school authorities)	Ministry of Education (includes autonomous school authorities)	Ministry of Education, Recreation and Support (Includes Governing Boards, school boards, and Community Learning Centres)
<b>Funding</b>	<ul style="list-style-type: none"> <li>Base instruction funding on a per student basis</li> <li>Class size funding</li> <li>Additional funding for specific services / differentials</li> </ul>	<ul style="list-style-type: none"> <li>Base instruction funding per student basis</li> <li>Additional funding for specific services / differentials</li> </ul>	<ul style="list-style-type: none"> <li>Base instruction funding per student basis</li> <li>Additional funding for specific services / differentials</li> </ul>	<ul style="list-style-type: none"> <li>Formula that consists of student allocation plus additional allocations for various administrative services / functions</li> <li>Additional funding based on various differentials</li> </ul>
<b>Catholic School Boards Established under Legislation?</b>	Yes	No	Yes	No
<b>Core Business</b>	Each of the four provincial ministries have responsibility for developing curriculum and funding for K – 12 (K - 11 in Quebec); responsibility also encompasses early childhood learning in all four provinces			
<b>Additional Unique Responsibilities</b>	N/A	N/A	Responsible for policy and programs to support child care Operates schools for blind, deaf and deafblind students	Ministry is responsible for both Education and Advanced Education In-school child care is included as part of publicly funded school services Also includes oversight for 37 Community Learning Centres

Source: Business Plans (Service Plans), Annual Reports and Ministry websites.



This research and analysis was completed at the request of the Panel. KPMG's role was to provide research and analysis but has not provided any recommendations or opinions. As such, the Panel is responsible for all recommendations and the Panel's report, and the Government of Alberta is responsible for all decisions arising from the Panel's report.

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# Education Business Model Differences (1 of 2)

				
<b>Common goals</b>	Student success, focus on Indigenous		N/A	N/A
<b>Variation in Goals</b>	Explicit focus on diversity, inclusion and teaching excellence	N/A	N/A	N/A
<b>Number of School Authorities</b>	74	60	72 School Boards 10 School Authorities	69 School Boards of Which 9 were English Language <sup>(a)</sup>
<b>Total Expenditures per Student <sup>(b)</sup></b>	\$11,121	\$9,681	\$17,077	\$12,325

Notes: (a) Based on 2008-09 information  
 (b) Based on Budget Estimates for Operating Expenditures 2018-19 and student data for 2017-18.  
 Source: Business Plans (Service Plans), Annual Reports and Ministry websites.

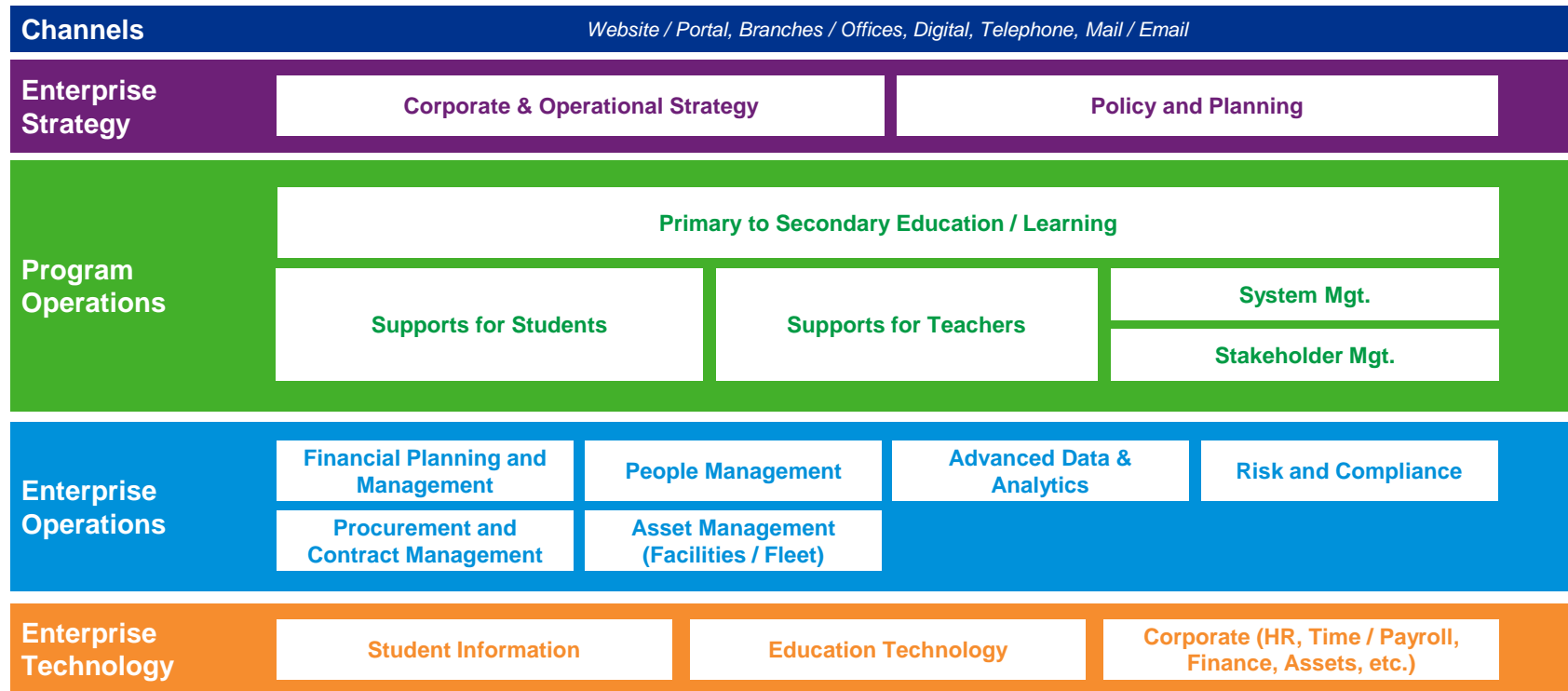


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# Connected Enterprise Framework for Education



# Education Expenditure Comparisons

**Table 35: Education Budget Estimates  
2018-19**

**% of Total Expenses // Per Student**

				
<b>Enterprise Strategy</b>	<b>1.9%</b>	<b>\$209</b>	<b>0.01%</b>	<b>\$1</b>
<b>Program Operations</b>	<b>82.6%</b>	<b>\$9,184</b>	<b>84.3%</b>	<b>\$8,157</b>
Primary to Secondary Ed	47.7%	\$5,300	65.3%	\$6,316
Supports for Students	15.8%	\$1,752	2.4%	\$230
Supports for Teachers	12.0%	\$1,330	15.4%	\$1,494
System Management	7.2%	\$804	1.2%	\$116
<b>Enterprise Operations</b>	<b>15.5%</b>	<b>\$1,727</b>	<b>15.7%</b>	<b>\$1,522</b>
<b>Enterprise Technology</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$44</b>
<b>Total Expenditures per Student</b>	<b>\$11,121</b>	<b>\$9,681</b>	<b>\$17,077</b>	<b>\$12,325</b>

Note: Consolidated views for British Columbia and Ontario do not exist; expenditures by school boards for these provinces were included using estimating assumptions.

Source: Analysis of Budget Estimates for 2018-19 for Alberta, British Columbia, Ontario and Quebec; Per student expenditures based on student data for 2017-18.

# Innovative Models in Education

The following outlines some practices and innovative models in education systems that have been used to increase efficiencies while driving improved outcomes for students and teachers.

Practice	Description	Known / Identified Results	Further Information / Source
<b>Single vs Multiple Public School Boards</b>	<p>Only three provinces in Canada (Alberta, Ontario and Saskatchewan) fully fund religious schools via separate school boards. Alberta and Saskatchewan also provide partial government funding to independent schools of all religions, helping to keep tuition fees within reach for lower- and middle-income families. Ontario along with Atlantic Canada do not support independent schools families.</p> <p>In contrast BC provides an example of an education system that treats families of all religions equally. B.C.'s public school system is fully secular, with Catholic and other religious schools available to families as independent schools. While BC has been reviewing its funding formula the point is that taxpayer funding is available to qualifying independent schools. This financial support has helped keep tuition fees accessible for more families.</p>	<p>An article published by the Fraser Institute (August 2018) concluded that by removing religious schools from the public system while introducing partial funding for independent schools, would offer greater choice to parents and save money. A 2014 study found that if Ontario moved to B.C.'s model of a single public system with partial funding to independent schools, Ontario taxpayers would save between \$849.1 million and \$1.9 billion annually.</p>	<p><a href="https://www.fraserinstitute.org/article/ontario-should-look-to-bc-as-a-model-for-education-reform">https://www.fraserinstitute.org/article/ontario-should-look-to-bc-as-a-model-for-education-reform</a></p>

Note: This information does not represent KPMG's advice or opinion.



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# Innovative Models in Education

Practice	Description	Known / Identified Results	Further Information / Source
<p><b>For profit schools</b></p>	<p>Based on a report by the Fraser Institute, Alberta is the only Canadian province with charter schools, which provide greater diversity, choice and autonomy within the public school system. Alberta is also one of the most generous provinces in supporting parents that choose to homeschool their children and has one of the highest rates of subsidies to families choosing independent schools. And yet, despite the generous subsidies, Alberta’s rate of independent school enrolment is less than B.C., Quebec, Manitoba and even Ontario which provides no funding to families choosing independent schools.</p> <p>Current legislation in Alberta, and indeed all Canadian provinces, excludes for-profit independent schools from receiving government operating grants—even if they follow all other school regulations—which limits their ability to participate in the province’s education system, since it requires high rates of tuition.</p> <p>Sweden has incorporated for-profits into the mix of education delivery on a level playing field which has enabled greater choice to parents and students but not at a cost to government. Australia has also recently been experimenting with varying values for school vouchers. The idea is to better target support to families in need, to ensure greater school choice for lower-income Australian families.</p>	<p>There is research showing the benefits of school choice for students and families. A recent comparison of standardized test results in British Columbia between public schools and non-elite independent schools (the analysis excluded high tuition or “elite” independent schools) showed that independent schools had better results (statistically significant) than comparable public schools in 10 out of 11 test areas.</p> <p>Sweden experienced a large increase of in for profit providers. Swedish students attending independent schools increased from 2 per cent in 1992 when reforms began, to 14.1 per cent in elementary and lower-secondary grades and 25.1 per cent in upper-secondary grades by 2014.</p>	<p><a href="https://www.fraserinstitute.org/article/alberta-government-should-increase-access-to-for-profit-schools">https://www.fraserinstitute.org/article/alberta-government-should-increase-access-to-for-profit-schools</a></p>

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# A Closer Look at Education

**The following pages are based on information from Alberta Education and the PBCO, including:**

- Maximum teacher compensation, including the pre-1992 Teachers Pension Plan liability.
- Summary of the 2008 provincial collective agreement with the Alberta Teacher's Association.
- Summary of assignable hour provisions in Alberta's teachers agreement.

# Comparison of Maximum Teacher Compensation

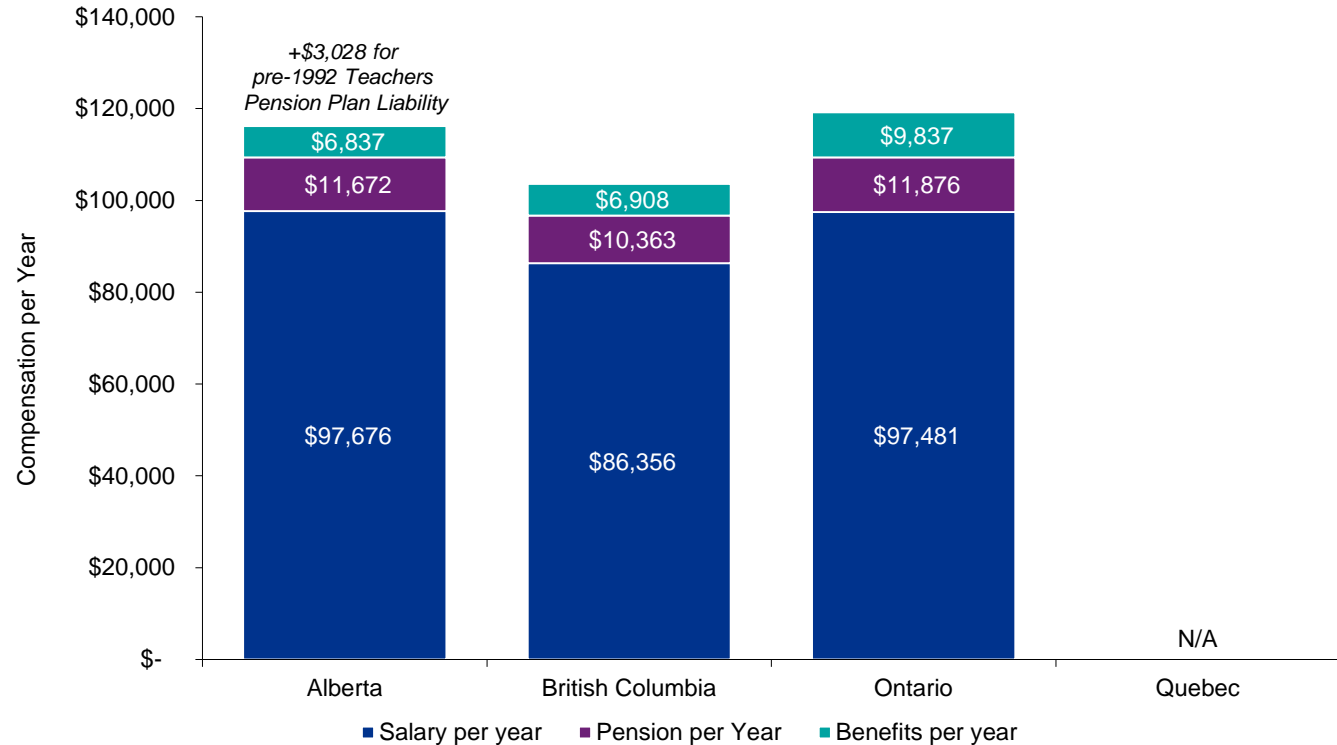
**Ontario's teachers receive the most compensation (salary, benefits and pension) of the three comparator provinces at \$119K.**

By comparison, Alberta's teachers receive \$116K and British Columbia's teachers receive \$104K.

**When Alberta's total pre-1992 Teachers Pension Plan liability is considered as part of this, the total teacher compensation increases to \$119K and is comparable to Ontario and higher than British Columbia.**

Further information on the 2008 Provincial Collective Agreement that resulted in Government assuming the teacher's contributions of this pension liability is provided on the following page.

**Figure 18: Teacher Maximum Compensation**



**Note:** Figures are based on C5 maximum salary and the equivalents across the comparator provinces. The per teacher amount in Alberta for the pre-1992 teacher's pension liability is based on the 3.1% contribution of teacher's salary that was assumed by Government, per the Ministry of Education.

**Source:** Teacher Maximum Total Compensation: Cross-Jurisdictional Analysis, 2017-18 from the Ministry of Education. Teacher Pension Plan liability history provided by Government of Alberta

# 2008 Provincial Collective Agreement with the ATA

**In 2008, the Government of Alberta and the Alberta Teachers Association struck the first provincial collective agreement. As part of this agreement, Government assumed 100% of the pre-1992 Teachers Pension Plan liability, which was valued at \$7.7 billion in the 2018/19 Government of Alberta Annual report. Prior to this, there was a shared contribution rate of 3.1% of salary for teachers and 6.3% for Government.**

This 5 year agreement (September 1, 2007 to August 31, 2012) included:

- An assumption of the full pre-1992 unfunded pension liability contribution (effective January 1, 2008).
- A wage increase of 3% in the first year, with subsequent annual wage increases based on the year-over-year change in the Statistics Canada table of Alberta's Average Weekly Earnings (4.52%, 5.99%, 2.92% and 4.54% in each subsequent year).
- A \$1,500 lump sum payment per teacher.
- A commitment to no-strikes or lock-outs.
- A letter from the Premier to the Alberta Teacher's Association President stating that no changes would be made to the class size initiative and that Government had no intention of making changes to legislation, regulation or policy that affects teacher's employment conditions.
- A letter from the Minister of Education to the Alberta Teacher's Association President assuring the establishment of a Consultation Committee, approval for the Practice Review Bylaw, and that Principals would remain members of the Alberta Teacher's Association.
- A commitment that hours of work / minutes of instruction would not be bargained for in any collective agreements that do not already have those provisions; in agreements that do have provisions, they would not be altered, except for sunsets which would be extended to 2012.

Over the duration of this agreement, teacher wages increased by an average of 4.2% per year (or 22.3% cumulatively). By comparison, the Consumer Price Index increased by 2.3% per year over that same time period. Since the agreement has expired in 2012, teacher wages have not been increased, except for a 2% increase in 2015/16 (this equates to a 0.3% increase per year from 2012/13 to 2017/18), while the Consumer Price Index increased by 1.5% per year over that same time period.

Note: Statistics Canada revised their methodology for calculating the Average Weekly Earnings in 2009, which resulted in higher than expected wage increases for teacher. The matter went to arbitration, which ruled in favour of the ATA. The agreement referred specifically to a Statistics Canada table, rather than to a specific methodology.

Source: Notes on 2007-12 Memorandum of Agreement with the Alberta Teacher's Association provided by the Ministry of Education; CPI Inflation provided by Alberta Treasury Board and Finance.



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# Assignable Hours in Teachers Agreement

As per analysis completed by the Government of Alberta, there are a number of assignable hour provisions for teachers that have been trialed or implemented, as described below. The Government of Alberta has indicated that these provisions are not out of line with other jurisdictions; however, it is unclear if some jurisdictions include assignable hours in their regulation rather than their collective agreements.

Contract Provision	Impacts to Productivity / Operations
<b>Instructional and Assignable Time Limits</b> (907 hours and 1,200 hours respectively)	<ul style="list-style-type: none"> <li>Instructional time includes instruction, examinations / testing and other student activities where direct student–teacher interaction and supervision are maintained.</li> <li>Assignable time includes instruction, supervision, parent-teacher conferences, teachers' convention, staff meetings, etc. Caps on instructional and assignable time pre-existed in some agreements covering the majority of teachers in Alberta.</li> <li>Remaining agreements without time caps included a standard provision with a max of 1200 hours assignable time and 907 instructional hours.</li> <li>There was a minor productivity loss as the majority of teachers were already assigned less than set maximums.</li> <li>An environmental scan from Ontario and western Canada identified limited commonalities or trends.</li> <li>Jurisdictions have uniquely addressed this matter with varying definitions and thresholds.</li> </ul>
<b>LOU: Time off for compression trial program review</b>	<ul style="list-style-type: none"> <li>A one-time trial program (by 9 school boards) to offset compressed instructional calendars by providing teachers with time-off in relation to the additional time worked.</li> <li>This expired on August 31, 2018.</li> </ul>
<b>LOU: Impact of assignable time on smaller schools review</b>	<ul style="list-style-type: none"> <li>Tracking hours became a task of teachers and leaders in schools that required additional time.</li> <li>Teachers were neutral to positive on the change and Principals indicated that this affected their workload.</li> <li>This expired on August 31, 2018.</li> </ul>
<b>LOU: Pilot Project on Right to Disconnect</b>	<ul style="list-style-type: none"> <li>The pilot was intended to clarify when it is appropriate for staff to send and review electronic communications; this was done through voluntary participation by individual school boards and their ATA Locals in the pilot project for the 2019-20 school year; only 1 school board volunteered.</li> <li>This expires on August 31, 2020.</li> </ul>
<b>Lieu Days for Principals</b> (framework agreement 2012-2016)	<ul style="list-style-type: none"> <li>Principals were granted a minimum of 2 paid leave days per school year.</li> <li>This expired on August 31, 2016, however, administrators' lieu days was part of local negotiations in the 2016-18 round of bargaining with 35 school boards or more extending lieu days to their Principals.</li> </ul>





# INFORMATION REPORT

**DATE:** Oct. 24, 2019

**TO:** Board of Trustees

**FROM:** Mark Liguori, Superintendent

**SUBJECT:** Unaudited Financial Report for Sept. 1, 2018 to Aug. 31, 2019

**ORIGINATOR:** Candace Cole, Secretary-Treasurer

**RESOURCE STAFF:** Shirley Hagen, Director, Financial Services  
Leah Lewis, Assistant Director, Financial Services  
Sandy Vallee, Accountant, Financial Services

**REFERENCE:** Board Policy 2: Role of the Board

**EIPS PRIORITY:** Enhance high quality learning and working environments.

**EIPS GOAL:** Quality infrastructure for all.

**EIPS OUTCOME:** Student learning is supported through the use of effective planning, managing, and investment in Division infrastructure.

---

**ISSUE:**

**That the Board of Trustees receive for information the Unaudited Financial Report for the period Sept. 1, 2018 to Aug. 31, 2019 for Elk Island Public Schools.**

**BACKGROUND:**

Board Policy 2: Role of the Board, Section 8, Fiscal Accountability, establishes that the Board of Trustees will monitor the fiscal management of the Division through receipt of quarterly variance analysis.

**CURRENT SITUATION OR KEY POINT:**

Financial Services has prepared an unaudited financial report for the twelve-month period ended Aug. 31, 2019. This report compares current results to the fall budget. Notes are provided for variances exceeding five per cent of budget and \$75,000.

For the year ended Aug. 31, 2019, the Division has an overall deficit of \$877,000. Revenue and expense variances are detailed in the Fourth Quarter Report 2018-19.

**ATTACHMENT:**

1. Fourth Quarter Report 2018-19



Your Future in **MIND**

***ELK ISLAND PUBLIC SCHOOLS REGIONAL DIVISION NO. 14***

**Fourth  
Quarter  
Report**

**2018-19**

This document includes the Financial Statements of Elk Island Public Schools Regional Division No. 14 for the period September 1, 2018 to August 31, 2019 and variance notes to these statements.

**Report to the  
Board of Trustees**

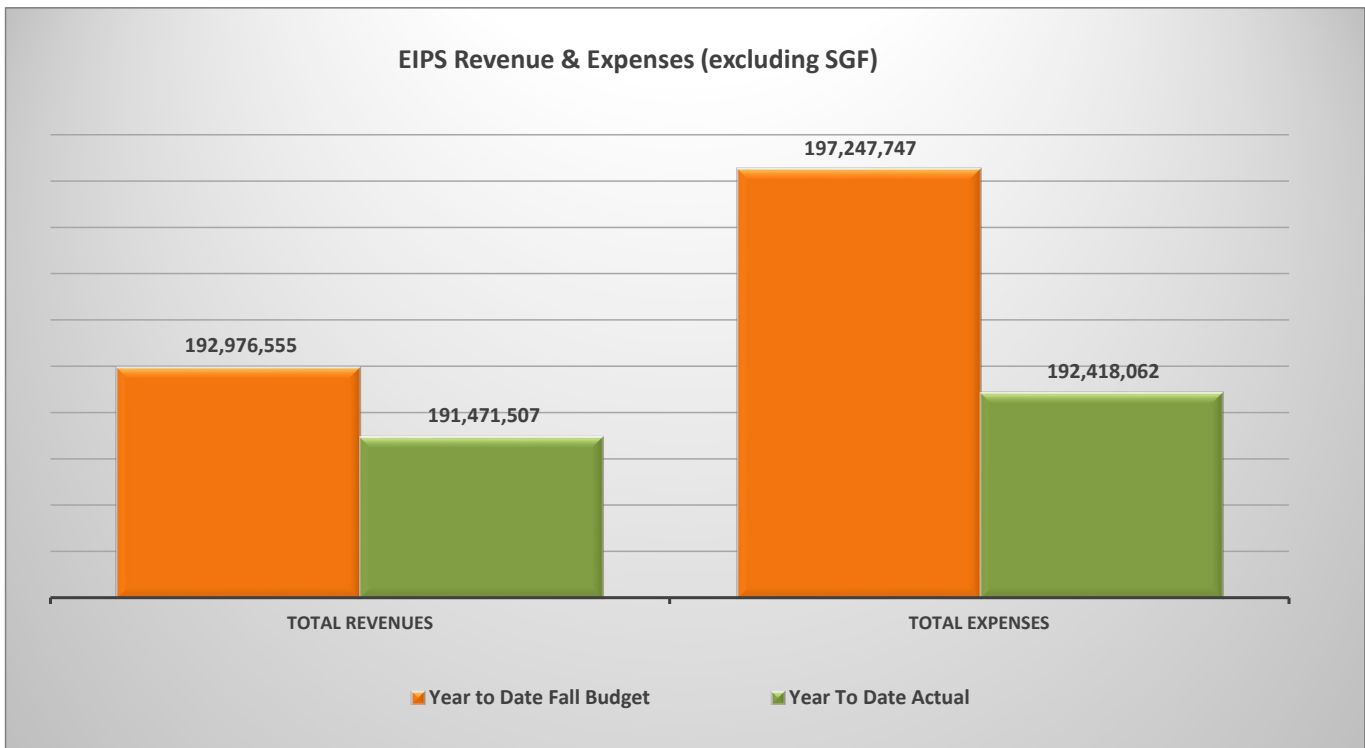
October 24, 2019

This information has not been audited.

**Elk Island Public Schools**  
**Highlights**  
**For The Year Ended August 31, 2019**  
**(excluding School Generated Funds)**

<b>CURRENT RESULTS</b>	
<b>\$947,000 DEFICIT</b>	
<i>\$4,271,000 deficit budgeted for year end, resulting in:</i>	
<b>\$3,324,000 Variance</b>	
<b>The variance is comprised of:</b>	
Revenue less than budget	\$ (1,505,000)
Spending less than budget	
Schools	\$ 867,000
Central Services	\$ 243,000
Infrastructure, Maintenance, and Renewal	<u>\$ 3,720,000</u>
<b>Variance</b>	<b><u>\$ 3,325,000</u></b>
<i>Fourth Quarter Results for Prior Year 2017-18:</i>	
<i>\$2,844,000 deficit</i>	
<i>\$2,035,000 budget variance</i>	

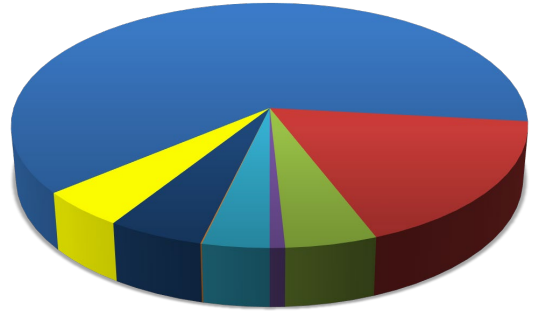
<b>REVENUES ARE</b> 1% ↓ \$1,505,000 <b>below Budget</b>  <u>Significant Variances:</u>  <b>Infrastructure Maintenance and Renewal (IMR)</b> operating spending was \$3.7 million below budget, and revenues are recorded to match this spending. This was offset by additional spending on IMR capital projects, which are recorded as expenses slowly over time.	<b>EXPENSES ARE</b> 2% ↓ \$4,829,000 <b>below Budget</b>  <u>Significant Variances:</u>  Spending for schools was below budget, including reduced spending in Programming for Student Differences and in the start-up budget for Davidson Creek Elementary.
Alberta Education grant revenue for Grade 10-12 Credit Enrolment Units was greater than budgeted by \$0.8 million.  Other Government of Alberta revenue was greater than budgeted by \$1.1 million to support costs related to abatement and demolition.	



**Elk Island Public Schools**  
**Revenue & Expense Analysis (excluding SGF)**  
**For The Year Ended August 31, 2019**

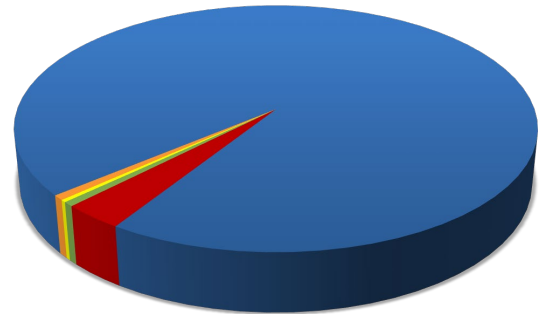
**Revenues by Object**

	\$	%
Base Funding	120,312,724	62.8%
Differential Cost Funding	33,338,189	17.4%
Transportation	9,640,910	5.0%
IMR	1,595,267	0.8%
Other AB ED	7,016,350	3.7%
Supported Amortization AB ED	141,699	0.1%
Teacher Pensions	10,109,093	5.3%
Other (not AB ED)	9,317,275	4.9%
<b>\$</b>	<b>191,471,507</b>	<b>100.0%</b>



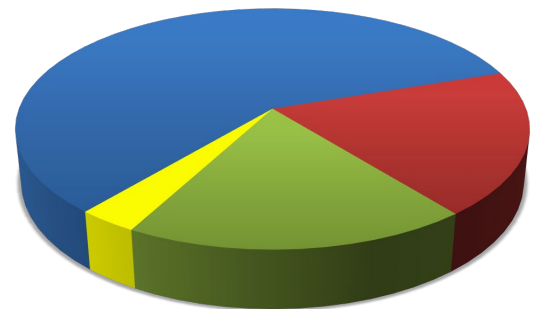
**Revenues by Source**

	\$	%
Alberta Education	182,154,232	95.1%
Other Govt of Alberta	6,368,177	3.3%
Fees	1,124,841	0.6%
Sales and Services	588,721	0.3%
Other	1,235,536	0.7%
<b>\$</b>	<b>191,471,507</b>	<b>100.0%</b>



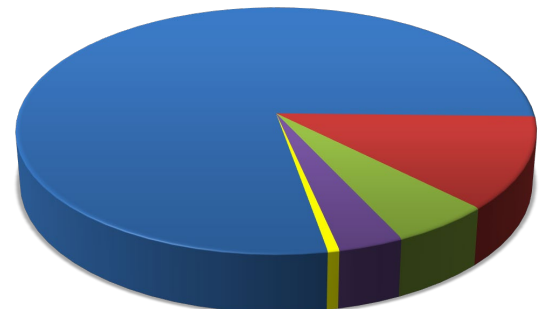
**Expenses by Object**

	\$	%
Certificated Salaries & Benefits	113,001,035	58.7%
Classified Salaries & Benefits	37,300,226	19.4%
Services, Contracts & Supplies	35,850,490	18.6%
Capital & Debt Services	6,266,311	3.3%
<b>\$</b>	<b>192,418,062</b>	<b>100.0%</b>



**Expenses by Program**

	\$	%
Instruction (excluding SGF)	150,392,031	78.2%
Plant Operations & Maintenance	23,271,638	12.1%
Transportation	10,623,295	5.5%
Board and System Administration	6,902,389	3.6%
External Services	1,228,709	0.6%
<b>\$</b>	<b>192,418,062</b>	<b>100.0%</b>



**Elk Island Public Schools**  
**Statement of Revenues and Expenses**  
**For The Year Ended August 31, 2019**

	Spring Budget	Fall Budget	Actual	Variance Favorable/ (Unfavorable)
<b>OPERATIONS</b>				
Alberta Education	\$ 186,439,015	\$ 188,998,061	\$ <b>182,154,232</b>	\$ (6,843,829)
Other Government of Alberta	834,535	1,225,944	<b>6,368,177</b>	5,142,233
Other Alberta School Authorities	275,902	170,134	<b>152,824</b>	(17,310)
Fees	2,001,478	1,032,000	<b>1,124,841</b>	92,841
Other Sales and Services	533,711	471,989	<b>588,721</b>	116,732
Investment Income	476,000	449,000	<b>455,040</b>	6,040
Gifts and Donations	395,040	388,570	<b>352,155</b>	(36,415)
Rental of Facilities	241,857	240,857	<b>265,111</b>	24,254
Gains on Disposal	-	-	<b>10,406</b>	10,406
<b>Revenues</b>	<u>191,197,538</u>	<u>192,976,555</u>	<u><b>191,471,507</b></u>	<u>(1,505,048)</u>
Certificated Salaries & Benefits	113,627,228	113,573,847	<b>113,001,035</b>	572,812
Classified Salaries & Benefits	38,010,423	38,021,400	<b>37,300,226</b>	721,174
Services, Contracts & Supplies	36,138,887	39,146,555	<b>35,850,490</b>	3,296,065
Capital & Debt Services	6,687,402	6,505,945	<b>6,266,311</b>	239,634
<b>Expenses</b>	<u>194,463,940</u>	<u>197,247,747</u>	<u><b>192,418,062</b></u>	<u>4,829,685</u>
<b>Operations Surplus/(Deficit)</b>	<u>\$ (3,266,402)</u>	<u>\$ (4,271,192)</u>	<u><b>\$ (946,555)</b></u>	<u>\$ 3,324,637</u>
<b>SCHOOL GENERATED FUNDS (SGF)</b>				
Revenues	7,125,298	7,527,117	<b>7,566,303</b>	39,186
Expenses	7,125,298	7,527,117	<b>7,497,113</b>	30,004
<b>SGF Surplus/(Deficit)</b>	<u>-</u>	<u>-</u>	<u><b>69,190</b></u>	<u>69,190</u>
<b>TOTAL SURPLUS/(DEFICIT)</b>	<u>(3,266,402)</u>	<u>(4,271,192)</u>	<u><b>(877,365)</b></u>	<u>3,393,827</u>
<b>Transfer (to) from Reserves - Operations</b>	3,266,402	4,271,192	946,555	3,324,637
<b>Transfer (to) from Reserves - SGF</b>	-	-	(69,190)	69,190
<b>NET FINANCIAL POSITION</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>EXPENSES BY DECISION UNIT</b>				
Schools (Pages 7 and 8)	\$ 137,587,854	\$ 137,156,948	\$ <b>136,290,409</b>	\$ 866,539
Central Services (Page 10)	56,876,086	60,090,799	<b>56,127,653</b>	3,963,146
	<u>194,463,940</u>	<u>197,247,747</u>	<u><b>192,418,062</b></u>	<u>4,829,685</u>
School Generated Funds (SGF)	7,125,298	7,527,117	<b>7,497,113</b>	30,004
	<u>\$ 201,589,238</u>	<u>\$ 204,774,864</u>	<u><b>\$ 199,915,175</b></u>	<u>\$ 4,859,689</u>
<b>EXPENSES BY PROGRAM</b>				
Instruction (excluding SGF)	\$ 152,089,208	\$ 152,415,709	\$ <b>150,392,031</b>	\$ 2,023,678
Operations & Maintenance	23,725,515	26,013,046	<b>23,271,638</b>	2,741,408
Transportation	10,762,035	10,890,564	<b>10,623,295</b>	267,269
Board and System Administration	7,065,435	7,021,240	<b>6,902,389</b>	118,851
External Services	821,747	907,188	<b>1,228,709</b>	(321,521)
	<u>194,463,940</u>	<u>197,247,747</u>	<u><b>192,418,062</b></u>	<u>4,829,685</u>
School Generated Funds (SGF)	7,125,298	7,527,117	<b>7,497,113</b>	30,004
	<u>\$ 201,589,238</u>	<u>\$ 204,774,864</u>	<u><b>\$ 199,915,175</b></u>	<u>\$ 4,859,689</u>

**Elk Island Public Schools**  
**Statement of Revenues (excluding SGF)**  
**For The Year Ended August 31, 2019**

	Fall Budget	Actual	Variance (\$)	Variance (%)	Note Reference
<b>ALBERTA EDUCATION</b>					
<b>Base Funding</b>					
Early Childhood Services	\$ 4,749,338	\$ 4,755,336	\$ 5,998	0%	
Base Instruction (Gr 1-9)	78,657,867	78,692,174	34,307	0%	
Base Instruction (Gr 10-12)	28,890,871	29,709,926	819,055	3%	A
Home Education	52,631	52,631	-	-	
Class Size	7,907,130	7,891,315	(15,815)	(0%)	
System Administration Reduction	(788,658)	(788,658)	-	-	
	<u>119,469,179</u>	<u>120,312,724</u>	<u>843,545</u>	<u>1%</u>	
<b>Differential Cost Funding</b>					
Plant Operations & Maintenance	13,335,175	13,335,175	-	-	
Inclusive Education	10,112,539	10,134,546	22,007	0%	
Program Unit Funding	4,412,228	4,620,639	208,411	5%	
Equity of Opportunity	1,894,352	1,899,439	5,087	0%	
Socio-Economic Status	1,354,520	1,359,221	4,701	0%	
Small School by Necessity	325,719	326,043	324	0%	
First Nations, Métis and Inuit	1,025,536	1,023,180	(2,356)	(0%)	
English as a Second Language	419,404	427,945	8,541	2%	
Outreach Programs	188,918	188,918	-	-	
Hutterite Colony Funding	23,083	23,083	-	-	
	<u>33,091,474</u>	<u>33,338,189</u>	<u>246,715</u>	<u>-</u>	
<b>Transportation Funding</b>	9,641,854	9,640,910	(944)	(0%)	
<b>Infrastructure Maintenance and Renewal</b>	5,315,529	1,595,267	(3,720,262)	(70%)	B
<b>Other</b>					
Regional Collaborative Service Delivery	1,073,531	1,059,353	(14,178)	(1%)	
Lease Support	651,746	651,746	-	-	
Secondments	1,194,154	1,120,752	(73,402)	(6%)	
SuperNet	393,600	390,039	(3,561)	(1%)	
Institutional Programs	392,424	364,033	(28,391)	(7%)	
French Language Funding	126,895	130,784	3,889	3%	
Grants - Alberta Education	76,773	57,335	(19,438)	(25%)	
School Fees	1,221,697	1,221,697	-	-	
School Nutrition Program	199,800	187,238	(12,562)	(6%)	
Classroom Improvement Fund	1,993,800	1,993,800	-	-	
Dual Credit Programming	50,000	47,965	(2,035)	(4%)	
LAPP Adjustment	(208,392)	(208,392)	-	-	
	<u>7,166,028</u>	<u>7,016,350</u>	<u>(149,678)</u>	<u>(2%)</u>	
<b>Supported Amortization</b>	4,313,997	141,699	(4,172,298)	(97%)	C
<b>Teacher Pensions</b>	10,000,000	10,109,093	109,093	1%	
<b>TOTAL ALBERTA EDUCATION</b>	<u>188,998,061</u>	<u>182,154,232</u>	<u>(6,843,829)</u>	<u>(4%)</u>	
Other Government of Alberta	1,225,944	6,368,177	5,142,233	419%	D
Other Alberta School Authorities	170,134	152,824	(17,310)	(10%)	
Fees	1,032,000	1,124,841	92,841	9%	E
Other Sales and Services	471,989	588,721	116,732	25%	F
Investment Income	449,000	455,040	6,040	1%	
Gifts and Donations	388,570	352,155	(36,415)	(9%)	
Rental of Facilities	240,857	265,111	24,254	10%	
Gains on Disposal of Capital Assets	-	10,406	10,406	100%	
	<u>3,978,494</u>	<u>9,317,275</u>	<u>5,338,781</u>	<u>134%</u>	
<b>TOTAL REVENUES</b>	<u>\$ 192,976,555</u>	<u>\$ 191,471,507</u>	<u>\$ (1,505,048)</u>	<u>(1%)</u>	4

**Elk Island Public Schools  
Revenue Notes  
For the Year Ended August 31, 2019**

**A. Base Funding – Base Instruction (Gr 10-12)**

Actual revenue for Credit Enrolment Units were greater than budget, most notably at Salisbury Composite High and Next Step Continuing Education - Credit.

**B. Infrastructure Maintenance Renewal (IMR)**

Revenue has been recognized to match IMR project expenses incurred to August 31, 2019. The revenue variance in IMR is offset by an equal variance in expense, resulting in no impact to the bottom line.

IMR projects are classified as either operating or capital, as per accounting standards. Revenue and expenses for operating IMR projects are recorded in the Division’s statements the year the project is undertaken. Capital IMR projects are recorded in the Division’s statements slowly over a number of years.

In 2018-19, the Division had significantly more IMR projects classified as capital (rather than operating) than planned, resulting in an expense variance for operating projects.

Additionally, actuals are below budget as not all planned IMR projects were completed. The balance remaining at year end has been deferred and will be carried forward to complete these projects in the 2019-20 school year.

Details on spending on operating and capital IMR projects are included in the table below:

	<b>Annual Budget</b>	<b>Actual Expenses</b>	<b>Variance</b>
Operating Projects	\$ 5,315,529	\$ 1,595,267	\$ 3,720,262
Capital Projects	1,417,349	4,329,957	(2,912,608)
<b>Total IMR Projects</b>	<b>\$ 6,732,878</b>	<b>\$ 5,925,224</b>	<b>\$ 807,654</b>

**C. Supported Amortization**

On April 1, 2018, the Government of Alberta transferred responsibility for funding new capital projects from Alberta Education to Alberta Infrastructure. In June 2019, the Government of Alberta advised that all previous capital funding be restated to be shown as funded from Alberta Infrastructure rather than Alberta Education. As a result, most of the supported amortization budgeted under Alberta Education is now being supported by Alberta Infrastructure. The offset to this variance can be seen in the Other Government of Alberta line.

**D. Other Government of Alberta**

This budget is comprised of supported amortization from Alberta Finance and Infrastructure, speech language and mental health capacity building services from Alberta Health Services and various other grants and initiatives.

On April 1, 2018, the Government of Alberta transferred responsibility for funding new capital projects from Alberta Education to Alberta Infrastructure. In June 2019, the Government of Alberta advised that all previous capital funding be restated to be shown as funded from Alberta Infrastructure rather than Alberta Education.

As a result, most of the supported amortization budgeted under Alberta Education is now being supported by Alberta Infrastructure. The offset to this variance can be seen in the Supported Amortization line.

In addition, included in the actuals is revenue of \$1.125 million for abatement and demolition of the old Ardrossan Elementary building, demolition of one modular at Uncas Elementary and demolition of two modulars at Ardrossan Junior Senior High. As these projects are being supported by Alberta Infrastructure, revenue has been accrued to match expenses incurred to August 31, 2019. These expenses were incurred in the Facilities department, so a matching variance is explained on Page 12 in Note H.

**E. Fees**

This budget is primarily composed of transportation fees for payride bussing and bus pass replacements. Other school fees, including course fees and extracurricular fees, are recorded in school generated funds.

Revenue is greater than budget due to the new supplemental bus fee that was collected this year.

**F. Other Sales and Services**

This budget includes revenue for non-government secondments, grants, registration for Continuing Education Non-Credit and various other sales and services.

Actual revenue received for Continuing Education Non-Credit registrations was greater than budgeted.



**Elk Island Public Schools**  
**Detailed Expenditures - Schools (Page 1)**  
**For The Year Ended August 31, 2019**

	Fall Budget	Actual	Variance (\$)	Variance (%)	Note Reference
<b>Sector 1 - Sherwood Park</b>					
Bev Facey Community High	\$ 7,233,130	\$ 7,161,971	\$ 71,159	1%	
Brentwood Elementary	3,168,361	3,108,732	59,629	2%	
Clover Bar Junior High	2,659,582	2,657,828	1,754	0%	
Davidson Creek Elementary	3,068,084	3,023,075	45,009	1%	
École Campbelltown	3,339,944	3,289,174	50,770	2%	
F.R. Haythorne Junior High	4,404,111	4,369,866	34,245	1%	
Glen Allan Elementary	2,634,072	2,569,065	65,007	2%	
Lakeland Ridge	4,565,480	4,491,390	74,090	2%	
Mills Haven Elementary	3,099,769	3,054,788	44,981	1%	
Pine Street Elementary	2,960,149	2,898,549	61,600	2%	
Salisbury Composite High	7,424,402	7,485,101	(60,699)	(1%)	
Sherwood Heights Junior High	3,474,585	3,461,508	13,077	0%	
Strathcona Christian Academy Elementary	3,603,136	3,550,746	52,390	1%	
Strathcona Christian Academy Secondary	3,880,520	3,818,206	62,314	2%	
Wes Hosford Elementary	3,011,254	2,935,483	75,771	3%	
Westboro Elementary	3,093,253	3,031,192	62,061	2%	
Woodbridge Farms Elementary	2,454,353	2,407,047	47,306	2%	
	<u>64,074,185</u>	<u>63,313,721</u>	<u>760,464</u>	<u>1%</u>	
<b>Sector 2 - Strathcona County</b>					
Ardrossan Elementary	3,737,973	3,682,164	55,809	1%	
Ardrossan Junior Senior High	5,315,549	5,316,283	(734)	(0%)	
Fultonvale Elementary Junior High	3,304,951	3,257,684	47,267	1%	
Uncas Elementary	1,528,708	1,442,994	85,714	6%	A
Wye Elementary	2,634,244	2,586,134	48,110	2%	
	<u>16,521,425</u>	<u>16,285,259</u>	<u>236,166</u>	<u>1%</u>	
<b>Sector 3 - Fort Saskatchewan</b>					
Castle (Scotford Colony)	205,224	186,021	19,203	9%	
École Parc Élémentaire	2,253,956	2,235,611	18,345	1%	
Fort Saskatchewan Christian	2,731,222	2,684,239	46,983	2%	
Fort Saskatchewan Elementary	2,797,871	2,756,094	41,777	1%	
Fort Saskatchewan High	2,920,327	2,884,663	35,664	1%	
James Mowat Elementary	2,483,402	2,446,717	36,685	1%	
Rudolph Hennig Junior High	3,052,802	3,019,653	33,149	1%	
SouthPointe School	2,833,121	2,780,236	52,885	2%	
Win Ferguson Elementary	2,952,825	2,862,756	90,069	3%	
	<u>22,230,750</u>	<u>21,855,990</u>	<u>374,760</u>	<u>2%</u>	
<b>Sector 4 - Lamont County</b>					
Andrew School	1,461,482	1,436,701	24,781	2%	
Bruderheim School	1,223,819	1,205,987	17,832	1%	
Lamont Elementary	2,454,921	2,412,219	42,702	2%	
Lamont High	2,372,470	2,364,319	8,151	0%	
Mundare School	1,493,081	1,461,187	31,894	2%	
	<u>9,005,773</u>	<u>8,880,413</u>	<u>125,360</u>	<u>1%</u>	
<b>Sector 5 - County of Minburn</b>					
A.L. Horton Elementary	2,584,228	2,606,204	(21,976)	(1%)	
Pleasant Ridge Colony	90,183	89,679	504	1%	
Vegreville Composite High	2,980,040	2,946,623	33,417	1%	
	<u>5,654,451</u>	<u>5,642,506</u>	<u>11,945</u>	<u>0%</u>	

**Elk Island Public Schools**  
**Detailed Expenditures - Schools (Page 2)**  
**For The Year Ended August 31, 2019**

	Fall Budget	Actual	Variance (\$)	Variance (%)	Note Reference
<b>Supports For Students</b>					
Programming for Student Differences	3,171,152	<b>2,885,064</b>	286,088	9%	<b>B</b>
Mental Health Capacity Building	225,061	<b>201,958</b>	23,103	10%	
Classroom Improvement Fund	1,993,800	<b>1,993,800</b>	-	-	
Regional Collaborative Service Delivery	1,015,214	<b>1,001,036</b>	14,178	1%	
Specialized Supports	194,585	<b>218,064</b>	(23,479)	(12%)	
School Nutrition Program	199,800	<b>187,238</b>	12,562	6%	
Partners 4 Science	163,528	<b>163,304</b>	224	0%	
Technology Integration	448,074	<b>448,553</b>	(479)	(0%)	
	<u>7,411,214</u>	<u><b>7,099,017</b></u>	<u>312,197</u>	<u>4%</u>	
<b>Other</b>					
Elk Island Youth Ranch Learning Centre	367,666	<b>344,764</b>	22,902	6%	
Next Step Continuing Education - Credit	516,751	<b>598,355</b>	(81,604)	(16%)	<b>C</b>
Next Step Home Education/Centre for Education	146,975	<b>123,129</b>	23,846	16%	
Next Step Outreach	2,308,741	<b>2,256,219</b>	52,522	2%	
Ardrossan Elementary - Replacement	182,646	<b>148,209</b>	34,437	19%	
Davidson Creek Elementary- Start Up	289,698	<b>55,306</b>	234,392	81%	<b>D</b>
SouthPointe School - Start Up	130,064	<b>130,064</b>	-	-	
Other School Allocations	(17,791)	<b>(233,000)</b>	215,209	(1210%)	<b>E</b>
Standard Cost Conversion	-	<b>318,782</b>	(318,782)	100%	<b>F</b>
Teacher Pensions	9,369,400	<b>9,471,675</b>	(102,275)	(1%)	
Division Year End Carry Forward	(1,035,000)	-	(1,035,000)	100%	<b>G</b>
	<u>12,259,150</u>	<u><b>13,213,503</b></u>	<u>(954,353)</u>	<u>(8%)</u>	
<b>Total School Sites</b>	<u><u>\$ 137,156,948</u></u>	<u><u><b>\$ 136,290,409</b></u></u>	<u><u>\$ 866,539</u></u>	<u><u>1%</u></u>	

**Elk Island Public Schools  
Expense Notes – Schools  
For the Year Ended August 31, 2019**

**A. Sector 2 – Strathcona County – Uncas Elementary**

Expenses were below budget due to changes in certificated staffing during the year. In addition, less furniture purchases were made than budgeted.

**B. Supports for Students – Programming for Student Differences**

This budget consists of the Program Unit Funding (PUF), Early Childhood Services Mild Moderate and Enhanced Kindergarten programs.

Based on the Division's finalized PUF grant submission, the Division has a surplus in the Program Unit Funding for 2018-19, with a portion of the surplus funds being returned to Alberta Education.

**C. Other – Next Step Continuing Education – Credit**

Expenses were greater than budget as a result of greater enrolment than budgeted. This deficit is offset by a positive revenue variance for CEUs earned, resulting in an overall surplus for Next Step Continuing Education - Credit.

**D. Other – Davidson Creek Elementary – Start Up**

This budget reflects school opening costs not covered by provincial capital funding. The majority of the remaining budget is being returned to Division Unallocated reserves.

**E. Other – Other School Allocations**

This variance relates to adjustments as a result of changes to the Division's portion of Alberta Education revenue related to the removal of the CEU cap for 2017-18.

Unallocated in-year contingency funding is also included in this variance.

**F. Standard Cost Conversion**

This is comprised of the net conversion between standard costs and actual salaries and benefits charged to schools.

**G. Other – Division Year End Carry Forward**

The budget is an adjustment that reduces overall expenses to align school budgets with historical spending patterns.

**Elk Island Public Schools**  
**Detailed Expenditures - Central Services**  
**For The Year Ended August 31, 2019**

	Fall Budget	Actual	Variance (\$)	Variance (%)	Note Reference
<b>Governance</b>					
Board of Trustees	\$ 532,098	\$ 508,686	\$ 23,412	4%	
<b>Education Executive</b>					
Superintendent	1,117,720	1,030,908	86,812	8%	A
Communication:	582,052	564,586	17,466	3%	
	<u>1,699,772</u>	<u>1,595,494</u>	<u>104,278</u>	<u>6%</u>	
<b>Supports For Students</b>					
Associate Superintendent	1,154,769	961,885	192,884	17%	B
Career & Learning Design	1,185,439	1,057,073	128,366	11%	C
Curriculum & Instructional Supports	1,687,145	1,618,073	69,072	4%	
Specialized Supports	1,493,952	1,374,313	119,639	8%	D
	<u>5,521,305</u>	<u>5,011,344</u>	<u>509,961</u>	<u>9%</u>	
<b>Human Resources</b>					
Associate Superintendent	2,583,827	2,454,869	128,958	5%	
Staff Relations & Training	829,077	648,488	180,589	22%	E
Recruitment & Staffing	2,656,633	2,752,235	(95,602)	(4%)	F
	<u>6,069,537</u>	<u>5,855,592</u>	<u>213,945</u>	<u>4%</u>	
<b>Business Services</b>					
Secretary-Treasurer	698,309	588,426	109,883	16%	G
Financial Services	1,784,154	1,703,670	80,484	5%	
	<u>2,482,463</u>	<u>2,292,096</u>	<u>190,367</u>	<u>8%</u>	
<b>Facility Services</b>					
Facilities	15,374,831	16,522,742	(1,147,911)	(7%)	H
Infrastructure Maintenance and Renewal	5,315,529	1,595,267	3,720,262	70%	I
	<u>20,690,360</u>	<u>18,118,009</u>	<u>2,572,351</u>	<u>12%</u>	
<b>Information Technologies</b>	5,374,484	5,297,824	76,660	1%	
<b>Student Transportation</b>	10,889,003	10,613,560	275,443	3%	
<b>Next Step Continuing Education - Non-Credi</b>	429,885	424,623	5,262	1%	
<b>Fiscal Services</b>					
Capital and Debt Services	6,110,511	5,632,308	478,203	8%	J
Division Year End Carry Forward	(320,000)	-	(320,000)	100%	K
Teacher Pensions	630,600	637,418	(6,818)	(1%)	
Other Central Allocations	(19,219)	140,699	(159,918)	832%	L
	<u>6,401,892</u>	<u>6,410,425</u>	<u>(8,533)</u>	<u>(0%)</u>	
<b>TOTAL CENTRAL SERVICES</b>	<u>\$ 60,090,799</u>	<u>\$ 56,127,653</u>	<u>\$ 3,963,146</u>	<u>7%</u>	

**Elk Island Public Schools  
Expense Notes – Central Services  
For the Year Ended August 31, 2019**

**A. Education Executive – Superintendent**

Expenses are below year to date budget in the Records Management program and the Planning program. As these are internally restricted funds, the surplus will be carried forward to support Division strategic planning and to continue work on records management.

**B. Supports for Students – Associate Superintendent**

Expenses are below budget within the First Nations, Métis and Inuit (FNMI) program. As these are internally restricted funds and work in this area is ongoing, the surplus will be carried forward to support FNMI initiatives in the 2019-20 school year.

**C. Supports for Students – Career & Learning Design**

A targeted donation to support Career and Technology Foundations was only partially accessed and will carry forward to 2019-20.

The Junior High Athletics program was underspent and the surplus will be carried forward to support the program.

**D. Supports for Students – Specialized Supports**

Expenses were below budget in staffing expenses for consultants, as well as contracted services.

**E. Human Resources – Staff Relations & Training**

The Off to a Good Start program was underspent as expenses were lower than projected. These internally restricted funds will be returned to this project reserve to support future year programs.

The Files Digitization program was also underspent. As this is an ongoing priority, the surplus in this program will be carried forward to continue work on digitization in the 2019-20 school year.

The CTS Bridge to Certification program was utilized to support staff earning their certification. The surplus remaining will be carried forward to provide mentorship training for staff in the program.

**F. Human Resources – Recruitment & Staffing**

Expenses are greater than budget as costs related to maternity leaves and accompanying medical time have been significantly greater than the three year average used to prepare the budget.

These expenses were partially offset by surpluses in Certificated staffing programs.

#### G. Business Services – Secretary-Treasurer

Insurance expenses are below budget due to an insurance premium reduction received from the Alberta School Boards Insurance Exchange (ASBIE).

In addition, legal expenses for the Division were below budget.

#### H. Facility Services – Facilities

Expenses are greater than budget due to the demolition of modulars at Uncas Elementary and Ardrossan Junior Senior High, as well as the abatement and demolition of the old Ardrossan Elementary building, totaling \$1.125 million. These expenses are fully offset by a matching variance in revenue from Alberta Infrastructure, resulting in no impact to the Division's bottom line. If these expenditures are not included, Facility Services has an overall deficit of \$23,000.

Costs related to utilities were greater than budgeted by \$345,000.

This variance was offset by spending below budget for the relocation of modulars from Mundare School to SouthPointe School. Funds remaining are internally restricted and will be spent in 2019-20 as work is completed.

#### I. Infrastructure Maintenance & Renewal (IMR)

Revenue has been recognized to match IMR project expenses incurred to August 31, 2019. The expense variance in IMR is offset by an equal variance in revenue, resulting in no impact to the bottom line.

IMR projects are classified as either operating or capital, as per accounting standards. Revenue and expenses for operating IMR projects are recorded in the Division's statements the year the project is undertaken. Capital IMR projects are recorded in the Division's statements slowly over a number of years.

In 2018-19, the Division had significantly more IMR projects classified as capital (rather than operating) than planned, resulting in an expense variance for operating projects.

Additionally, actuals are below budget as not all planned IMR projects were completed. The balance remaining at year end has been deferred and will be carried forward to complete these projects in the 2019-20 school year.

Details on spending on operating and capital IMR projects are included in the table below:

	<b>Fall Budget</b>	<b>Actual Expenses</b>	<b>Variance</b>
Operating Projects	\$ 5,315,529	\$ 1,595,267	\$ 3,720,262
Capital Projects	1,417,349	4,329,957	(2,912,608)
<b>Total IMR Projects</b>	<b>\$ 6,732,878</b>	<b>\$ 5,925,224</b>	<b>\$ 807,654</b>

#### J. Capital and Debt Services

Expenses were below budget as less capital asset amortization was recorded than planned as a result of changes in projected capital costs and asset lifecycles.

Additionally, expenses in Capital and Debt Services were offset by increased capital asset purchases at the school level.

**K. Division Year End Carry Forward**

The budget is an adjustment that reduces overall expenses to align departmental budgets with historical spending patterns.

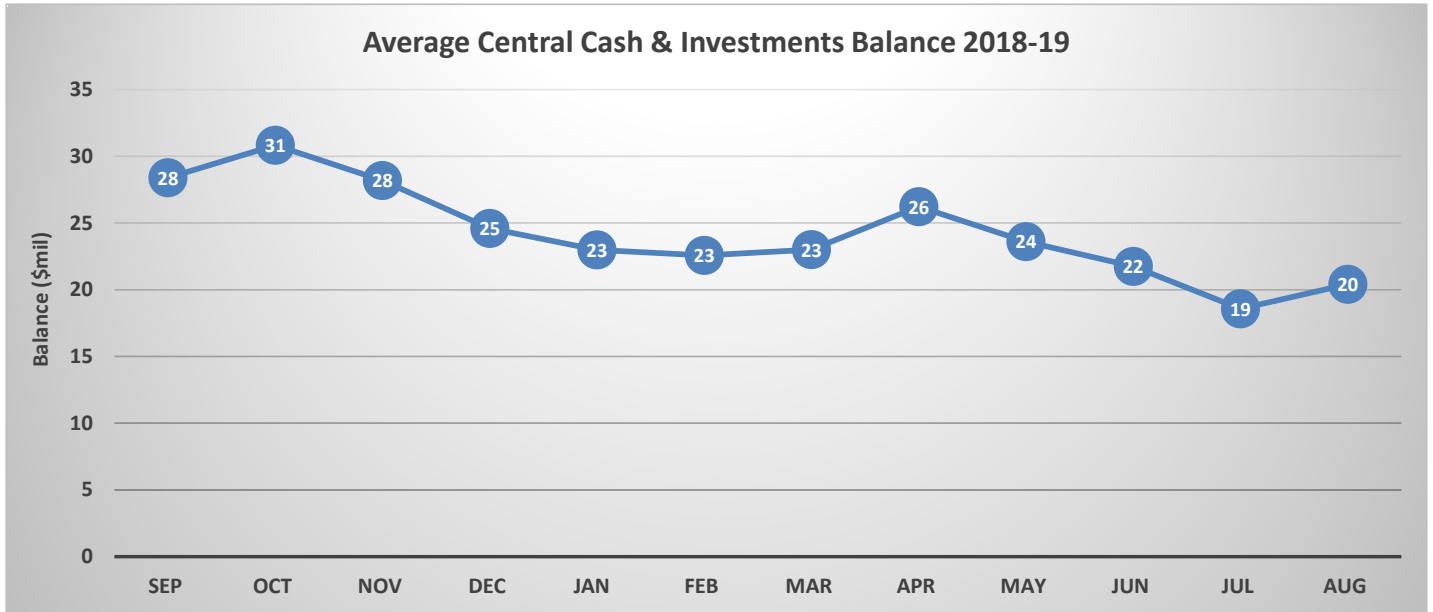
**L. Other Central Allocations**

This variance includes Division capital purchases for aging CTS equipment.

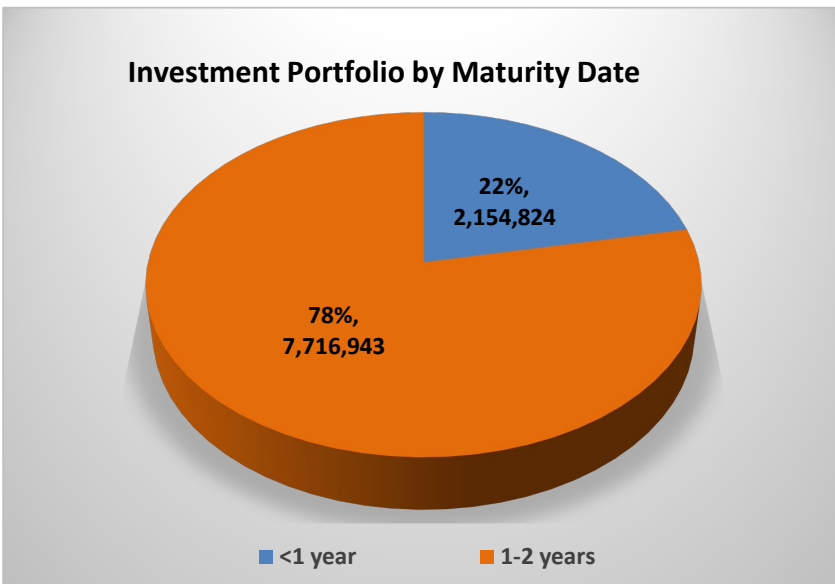
Additionally, the variance relates to the accrual of salaries to the end of August. When salaries are paid in September the individual departments will be charged and the accrual cleared.

**Elk Island Public Schools**  
**Statement of Cash and Investments**  
**As At August 31, 2019**

	<u>August 31, 2019</u>	<u>August 31, 2018</u>
Cash Account Balances	\$ 7,438,615	\$ 10,919,524
Guaranteed Investment Certificates	9,871,766	15,175,485
<b>Total Central Cash and Investments</b>	<b>17,310,381</b>	<b>26,095,009</b>
Less Restricted Funds (Trusts)	(464,923)	(870,836)
<b>Total Available Central Cash and Investments</b>	<b>\$ 16,845,458</b>	<b>\$ 25,224,173</b>



Cash and investment balances decreased during the 2018-19 year. The Division accessed its reserves in 2017-18 and 2018-19 (incurred a \$3.06 million deficit and \$0.88 million deficit, respectively) but did not have a significant decrease in cash and investments until 2018-19. This is a result of timing differences between recording expenses and making payments. Significant payments made in 2018-19 include capital construction holdbacks, the Division's health spending deposit, and the spending down of government capital deposits.



<b>Investment Return by Year of Purchase</b>	
<b>Year of Purchase</b>	<b>Average Return</b>
2016-17	1.79%
2017-18	2.33%
2018-19	2.78%





# INFORMATION REPORT

**DATE:** Oct. 24, 2019

**TO:** Board of Trustees

**FROM:** Mark Liguori, Superintendent

**SUBJECT:** Unaudited Accumulated Surplus at Aug. 31, 2019

**ORIGINATOR:** Candace Cole, Secretary-Treasurer

**RESOURCE STAFF:** Shirley Hagen, Director, Financial Services  
Leah Lewis, Assistant Director, Financial Services

**REFERENCE:** Board Policy 2: Role of the Board

**EIPS PRIORITY:** Enhance high quality learning and working environments.

**EIPS GOAL:** Quality infrastructure for all.

**EIPS OUTCOME:** Student learning is supported through the use of effective planning, managing, and investment in Division infrastructure.

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**ISSUE:**

**That the Board of Trustees receive for information the Unaudited Accumulated Surplus at Aug. 31, 2019.**

**BACKGROUND:**

Board Policy 2: Role of the Board, Section 8, Fiscal Accountability, establishes that the Board of Trustees will approve the transfer of funds to reserves.

Board Policy 7: Board Operations, Section 12.12, Trustee Compensation and Expenses, states that any Board Governance surplus exceeding the allowable carryforward amounts will be evaluated on an annual basis and placement of funds will be determined at a public meeting of the Board. The Board Governance surplus exceeding the allowable carryforward is \$12,770. It has been allocated to the Division Unallocated Reserve until the Board provides direction during the 2019-20 Fall Budget process.

Administrative Procedure 501, Financial Management gives schools and departments the opportunity to carry forward surplus from one financial year to the next up to two per cent of budget.

This approval process coincides with the year end in preparation for the finalization of the audited financial statements. The information in this report is subject to change based on the audit.



## **CURRENT SITUATION OR KEY POINT:**

Elk Island Public Schools (EIPS) has an operating deficit of \$0.88 million for the year ended Aug. 31, 2019. This decreases the Accumulated Surplus to \$19.75 million. Accumulated surplus is the primary indicator of the financial resources that EIPS has available to provide future services. Accumulated surplus includes investment in Board funded tangible capital assets (\$6.27 million), unrestricted surplus, operating reserves (\$12.58 million), and capital reserves (\$0.89 million).

Transfers from reserves for 2018-19 total \$0.36 million, which includes the operating deficit of \$0.88 million and a surplus of \$0.52 million from current year transactions for unsupported capital assets.

The Division has established school and department reserves, as well as capital reserves, in accordance with Board Policy.

The balance of operating reserves is \$12.58 million. Reserves of \$4.41 million are designated for use by schools and departments to support future years. Division Allocated Reserves has a balance of \$2.81 million; these reserves will be used to fund specific expenses as identified by the Board.

The operating reserves balance is greater than the spring projection by \$3.63 million (Attachment 3 - Column H - Row M).

- Central Services and school reserves are \$0.52 million greater as spending was less than projected, but these reserves are still less than two per cent of budget.
- The Division Allocated reserves are \$1.55 million greater as funds for the enterprise resource planning software were only partially accessed, with the remaining funds to be spent in 2019-20. In addition, the modular reallocation project was not completed at year-end but will be finished later this fall.
- The Division Unallocated reserve is \$1.57 million greater primarily due to:
  - Department surpluses greater than two per cent of budgets (\$0.4 million).
  - Schools surpluses greater than two per cent of budgets (\$0.68 million). Due to budget uncertainty these surpluses were not allocated to the Leveraging Student Achievement reserve.
  - Next Step surpluses greater than two per cent of budgets (\$0.27 million).
  - In-year funding remaining at year end (\$0.14 million).
  - Revenue achieved greater than allocated (\$0.2 million).
  - Capital purchases from school and department operating budgets (\$0.33 million).

These variances were offset by:

- Standard cost deficit (\$0.32 million).
- Departments deficits for hold harmless programs were greater than projected (\$0.11 million).
- Capital effect was lower than projected (\$0.11 million).

As per budget assumptions, a Division Unallocated Reserve will be maintained at a minimum of two per cent of EIPS' budget (approximately \$4 million) to cover emergent issues, price fluctuations and stabilize funding in the future. At Aug. 31, 2019 the balance in this unallocated reserve is \$5.37 million.

The balance of capital reserves at Aug. 31, 2019 is \$0.89 million. These reserves are for the purchase of future capital assets.

Each year, Alberta Education provides a Financial Reporting Profile that compares financial information of school divisions across Alberta and to other comparably sized jurisdictions. This document allows a review and evaluation of the current financial position.

A comparison of EIPS' operating and capital reserves to other divisions is provided in the table below. The current financial position indicates a decrease to operating reserves of 0.7% or 1.74 days and a decrease to capital reserves of \$27 per student. If EIPS maintained capital reserves at the average rate, reserves would be \$4.9 million using the average rate of divisions with similar enrolment. These statistics are useful for analyzing financial health.

	Aug. 31, 2018	Aug. 31, 2019	Change
<b>OPERATING RESERVES (excluding school generated funds)</b>			
<b>As a % of expenses</b>			
EIPS	6.17%	5.47%	- 0.7%
All divisions	4.96%		
Divisions with similar enrolment	5.06%		
<b>Equated to operational days</b>			
EIPS	15.43 days	13.69 days	- 1.74 days
All divisions	12.39 days		
Divisions with similar enrolment	12.66 days		
<b>CAPITAL RESERVES</b>			
<b>Per student</b>			
EIPS	\$81	\$54	- \$27
All divisions	\$357		
Divisions with similar enrolment	\$291		

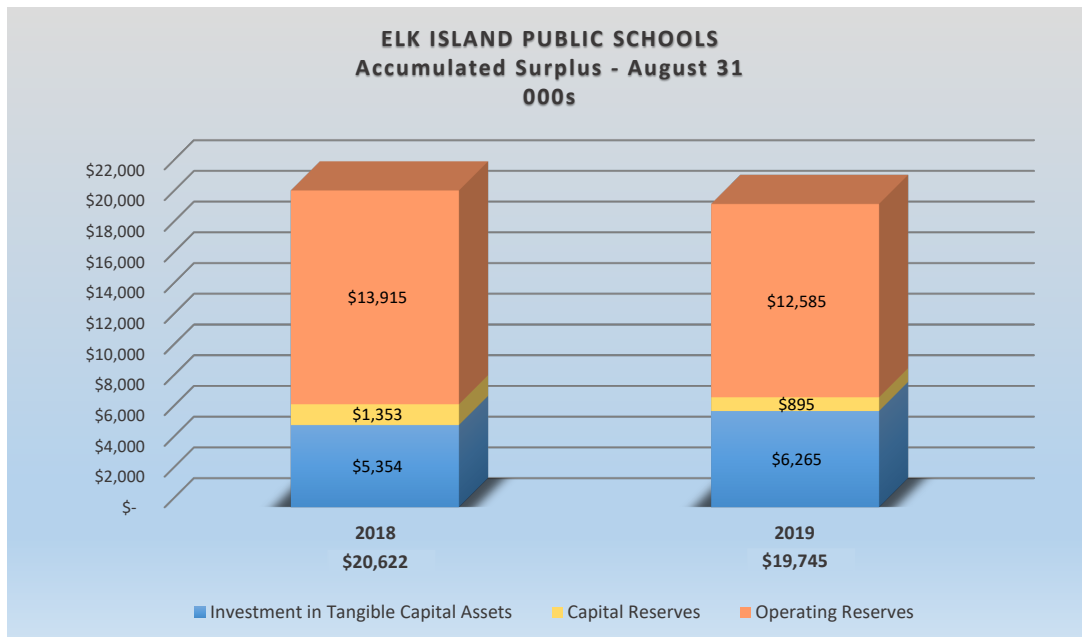
## ATTACHMENT(S)

1. Accumulated Surplus
2. Reserves
3. Operating Reserves
4. Operating Reserves – Central Services
5. Operating Reserves – Schools - Operations
6. Operating Reserves – School Generated Funds

**ELK ISLAND PUBLIC SCHOOLS  
Accumulated Surplus  
August 31, 2019**

	A=B+C+D+E	B	C	D	E
		Investment in Tangible Capital Assets	Unrestricted Surplus	Internally Restricted Operating Reserves	Capital Reserves
	Accumulated Surplus				
<b>Audited - August 31, 2018</b>	\$ 20,622,391	\$ 5,353,861	\$ -	\$ 13,915,213	\$ 1,353,317
Surplus/(Deficit)	(877,365)	-	(877,365)	-	-
Board Funded Capital Asset Additions	-	2,041,969	(535,041)	(973,593)	(533,335)
Net Amortization, Debt & Disposals	-	(1,130,486)	1,055,511	-	74,975
Net Reserve Transfer	-	-	356,895	(356,895)	-
<b>Actual - August 31, 2019</b>	\$ 19,745,026	\$ 6,265,344	\$ -	\$ 12,584,725	\$ 894,957

- A Accumulated surplus which includes investment in Board funded tangible capital assets, unrestricted surplus and internally restricted reserves
- B Board funded (unsupported) tangible capital assets
- C Surplus/(deficit) transferred to reserves
- D Operating reserves including Schools - Operations, School Generated Funds, Central Services and Division reserves
- E Capital reserves available for future unsupported capital purchases



**ELK ISLAND PUBLIC SCHOOLS**  
**Reserves**  
**August 31, 2019**

	A	B	C		D	E = A+B+C+D
	Audited 31-Aug-18	Contributions /(Use)	2018-19 Capital Effect		Transfers	Actual 31-Aug-19
<b>OPERATING RESERVES</b>						
Central Services (Attachment 4)	\$ 907,093	\$ 254,883	\$ -	\$ (72,776)	\$ (72,776)	\$ 1,089,200
Schools - Operations (Attachment 5)	1,483,272	1,148,582	-	(954,038)	(954,038)	1,677,816
School Generated Funds (SGF)(Attachment 6)	1,570,200	69,190	-	-	-	1,639,390
Central Services & Schools	3,960,565	1,472,655	-	(1,026,814)	(1,026,814)	4,406,406
Leveraging Student Achievement	660,796	(271,893)	-	29,794	29,794	418,697
Equity of Opportunity - Distance Allocation	20,996	-	-	(20,996)	(20,996)	-
Election	41,736	-	-	48,750	48,750	90,486
School Building	1,174,126	(489,580)	-	(227,448)	(227,448)	457,098
Central Projects	1,270,000	(126,316)	(771,434)	830,000	830,000	1,202,250
Projects	871,702	(459,663)	(202,159)	431,600	431,600	641,480
EIPS Division Allocated (Attachment 3)	4,039,356	(1,347,452)	(973,593)	1,091,700	1,091,700	2,810,011
EIPS Division Unallocated (Attachment 3)	5,915,292	(1,002,568)	520,470	(64,886)	(64,886)	5,368,308
	<b>\$ 13,915,213</b>	<b>\$ (877,365)</b>	<b>\$ (453,123)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,584,725</b>

**B** 2018-19 deficit of \$877,365

**C** Use of Reserves for Mechanical Cooling for Modulares, Enterprise Resource Planning, and the net effect of unsupported capital transactions

**D** Budgeted transfers to EIPS Division Allocated reserve, and the year-end transfers from schools/departments for surplus in excess of limits in Administrative Procedure 501 - Financial Management

	A	B	C		D	E = A+B+C+D
	Audited 31-Aug-18	Contributions /(Use)	2018-19 Capital Effect		Transfers	Actual 31-Aug-19
<b>CAPITAL RESERVES</b>						
Facility Services	\$ 66,028	\$ 48,350	\$ -	\$ -	\$ -	\$ 114,378
Ardrossan Parking Lot	316,174	-	(298,110)	(18,064)	(18,064)	-
Aging Equipment at Schools	263,346	-	(65,389)	-	-	197,957
Information Technologies Infrastructure	-	-	(169,836)	512,000	512,000	342,164
EIPS Division Allocated	579,520	-	(533,335)	493,936	493,936	540,121
EIPS Division Unallocated	707,769	26,625	-	(493,936)	(493,936)	240,458
	<b>\$ 1,353,317</b>	<b>\$ 74,975</b>	<b>\$ (533,335)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 894,957</b>

**B** Proceeds on the sale of unsupported assets

**C** Use of reserves for the unsupported costs of Ardrossan Parking Lot, Aging Equipment at Schools, and Information Technologies Infrastructure.

**ELK ISLAND PUBLIC SCHOOLS**  
**Operating Reserves**  
**August 31, 2019**

	A Audited Balance 31-Aug-18	B Contributions / (Use)	2018-19			E Year End Transfer	F = A + B + C + D + E Actual Balance 31-Aug-19	G Projection Balance 31-Aug-19	H = F - G Variance
			C Capital Effect	D Budget Transfer					
<b>Central Services &amp; Schools</b>	<b>\$ 3,960,565</b>	<b>\$ 1,472,655</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,026,814)</b>	<b>\$ 4,406,406</b>	<b>\$ 3,887,986</b>	<b>\$ 518,420</b>	
Allocated from Division	214,139	(72,233)	-	-	8,798	150,704			
From Schools - Surplus Exceeding 2%	446,657	(199,660)	-	20,996	-	267,993			
<b>Leveraging Student Achievement</b>	<b>660,796</b>	<b>(271,893)</b>	<b>-</b>	<b>20,996</b>	<b>8,798</b>	<b>418,697</b>	<b>433,094</b>	<b>(14,397)</b>	
<b>Equity of Opportunity - Distance Allocation</b>	<b>20,996</b>	<b>-</b>	<b>-</b>	<b>(20,996)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Election</b>	<b>41,736</b>	<b>-</b>	<b>-</b>	<b>48,750</b>	<b>-</b>	<b>90,486</b>	<b>103,053</b>	<b>(12,567)</b>	
SouthPointe School	130,064	(130,064)	-	-	-	-	-	-	
Davidson Creek Elementary	289,698	(55,306)	-	-	(203,448)	30,944	-	30,944	
Ardrossan Elementary Replacement	182,647	(148,210)	-	-	(24,000)	10,437	-	10,437	
Facilities Project Manager (Operating)	116,000	(116,000)	-	-	-	-	-	-	
Planning	120,000	(40,000)	-	-	-	80,000	80,000	-	
Heritage Hills Elementary	335,717	-	-	-	-	335,717	335,717	-	
<b>School Building</b>	<b>1,174,126</b>	<b>(489,580)</b>	<b>-</b>	<b>-</b>	<b>(227,448)</b>	<b>457,098</b>	<b>415,717</b>	<b>41,381</b>	
Roof Replacement	-	-	-	-	-	-	-	-	
Parking Lot (Capital)	-	-	-	-	-	-	-	-	
Enterprise Resource Planning	1,270,000	(126,316)	(771,434)	830,000	-	1,202,250	-	1,202,250	
<b>Central Projects</b>	<b>1,270,000</b>	<b>(126,316)</b>	<b>(771,434)</b>	<b>830,000</b>	<b>-</b>	<b>1,202,250</b>	<b>-</b>	<b>1,202,250</b>	
Full Day Kindergarten	49,525	(49,525)	-	-	-	-	-	-	
Off To a Good Start	198,055	(85,000)	-	-	35,600	148,655	113,055	35,600	
Mechanical Cooling for Modulars	399,122	-	(202,159)	-	-	196,963	199,122	(2,159)	
Modular Relocation	-	(84,969)	-	300,000	-	215,031	-	215,031	
New Curriculum Costs	200,000	(119,169)	-	-	-	80,831	-	80,831	
Records Management	-	(96,000)	-	96,000	-	-	-	-	
Classified Staff Education Fund	25,000	(25,000)	-	-	-	-	-	-	
<b>Projects</b>	<b>871,702</b>	<b>(459,663)</b>	<b>(202,159)</b>	<b>396,000</b>	<b>35,600</b>	<b>641,480</b>	<b>312,177</b>	<b>329,303</b>	
<b>EIPS Division Allocated Reserves</b>	<b>4,039,356</b>	<b>(1,347,452)</b>	<b>(973,593)</b>	<b>1,274,750</b>	<b>(183,050)</b>	<b>2,810,011</b>	<b>1,264,041</b>	<b>1,545,970</b>	
Capital Effect		-	520,470	-	-	520,470	632,413	(111,943)	
Transfer to Division Allocated Reserves		-	-	(974,750)	-	(974,750)	(974,750)	-	
Transfer to Modular Relocation Project		-	-	(300,000)	-	(300,000)	(300,000)	-	
Current Funding Shortfalls		(1,350,000)	-	-	-	(1,350,000)	(1,350,000)	-	
Schools - Surplus Exceeding 2%		-	-	-	681,580	681,580	-	681,580	
Outreach/Cont Educ - Surplus		-	-	-	272,938	272,938	3,634	269,304	
Departments Surpluses >2%		-	-	-	398,705	398,705	-	398,705	
Departments - Internally Restricted Programs		-	-	-	91,859	91,859	26,264	65,595	
Departments - Hold Harmless Programs		-	-	-	(462,666)	(462,666)	(355,936)	(106,730)	
School Building return from Division Allocated		-	-	-	227,448	227,448	202,450	24,998	
In Year Funding Unspent		135,395	-	-	-	135,395	-	135,395	
Standard Cost Deficit		(318,782)	-	-	-	(318,782)	-	(318,782)	
Revenue greater than allocations		201,139	-	-	-	201,139	-	201,139	
Capital purchases from operating budgets		329,680	-	-	-	329,680	-	329,680	
EIPS District Reserve	5,915,292	-	-	-	-	5,915,292	5,915,292	-	
<b>EIPS Division Unallocated Reserve</b>	<b>5,915,292</b>	<b>(1,002,568)</b>	<b>520,470</b>	<b>(1,274,750)</b>	<b>1,209,864</b>	<b>5,368,308</b>	<b>3,799,367</b>	<b>1,568,941</b>	
<b>Total EIPS Division Reserves</b>	<b>9,954,648</b>	<b>(2,350,020)</b>	<b>(453,123)</b>	<b>-</b>	<b>1,026,814</b>	<b>8,178,319</b>	<b>5,063,408</b>	<b>3,114,911</b>	
<b>Total Operating Reserves</b>	<b>\$ 13,915,213</b>	<b>\$ (877,365)</b>	<b>\$ (453,123)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,584,725</b>	<b>\$ 8,951,394</b>	<b>\$ 3,633,331</b>	
<b>EIPS Division Unallocated Reserve (K)</b>									
As a percentage of operating expenses	2.96%					2.69%	1.86%		
Dollars above/(below) 2% of operating expenses	\$ 1,914,113					\$ 1,370,004	\$ (286,990)		

**G** Projection Balance 31-Aug-19 presented as part of the 2019-20 Spring Budget

ELK ISLAND PUBLIC SCHOOLS  
Operating Reserves - Central Services  
August 31, 2019

	Operating				Internally Restricted/Hold Harmless			H Transfers	I = D + G - H Reserve Balance 31-Aug-19
	A Surplus/ (Deficit)	B % of Budget	C Transfer > 2% to Division	D = A - C Carry- forward	E Surplus/ (Deficit)	F Transfer to Division	G = E - F Carry- forward		
<b>Board of Trustees</b>	\$ 23,412	4.4%	\$ 12,770	\$ 10,642	\$ -	\$ -	\$ -	\$ -	\$ 10,642
<b>Education Executive</b>									
Superintendent	52,270	5.8%	34,210	18,060	34,542	-	34,542	-	52,602
Communications	17,466	3.0%	5,825	11,641	-	-	-	-	11,641
<b>Supports For Students - Central</b>									
Associate Superintendent	17,514	3.7%	<sup>2</sup> -	17,514	178,413	229	178,184	(12,915)	208,613
Career & Learning Design	47,386	5.4%	<sup>2</sup> 16,994	30,392	35,662	16,471	19,191	12,915	36,668
Curriculum & Instructional Supports	(8,420)	-0.6%	-	8,420	86,905	86,905	-	-	(8,420)
Specialized Supports	113,840	8.3%	<sup>2</sup> 58,986	54,854	8,798	8,798	-	-	54,854
<b>Human Resources</b>									
Associate Superintendent	96,559	4.4%	52,589	43,970	(41,003)	(97,242)	56,239	-	100,209
Staff Relations & Training	129,962	26.2%	120,051	9,911	16,375	(3,625)	20,000	-	29,911
Recruitment & Staffing	13,326	2.6%	3,044	10,282	(109,961)	(109,961)	-	-	10,282
<b>Business Services</b>									
Secretary - Treasurer	5,880	1.9%	-	5,880	110,730	110,730	-	-	5,880
Financial Services	83,134	4.7%	47,451	35,683	-	-	-	-	35,683
<b>Facility Services</b>	140,268	1.2%	-	140,268	(115,031)	(115,031)	-	-	140,268
<b>Information Technologies</b>	32,119	0.9%	-	32,119	45,863	45,863	-	480	31,639
<b>Student Transportation</b>	345,231	3.2%	-	345,231	-	-	-	-	345,231
<b>Next Step Continuing Education - Non Credit</b>	70,282	16.3%	<sup>2</sup> 46,785	23,497	-	-	-	-	23,497
<b>Total Central Services</b>	<b>\$ 1,180,229</b>	<b>3.0%</b>	<b>\$ 398,705</b>	<b>\$ 781,524</b>	<b>\$ 251,293</b>	<b>\$ (56,863)</b>	<b>\$ 308,156</b>	<b>\$ 480</b>	<b>\$ 1,089,200</b>

<sup>2</sup> Approved Reserve Carryforward Exceptions

				TOTAL TRANSFERS
Transfer Technology Integration Deficit (Schools) to Information Technologies	-	-	480	480
Family School Liaison Surplus to Leveraging Student Achievement Reserve	-	8,798	-	8,798
Off to a Good Start Surplus to Projects Reserve	-	35,600	-	35,600
Division Unallocated Reserve for Hold Harmless Program Deficits (such as Snow Removal and Maternity)	-	(462,666)	-	(462,666)
Balance to Division Unallocated Reserve	398,705	91,859	-	490,564
<b>Total Central Services Transfers (Attachment 2)</b>	<b>398,705</b>	<b>(326,409)</b>	<b>480</b>	<b>72,776</b>
To New Curriculum Costs Division Reserve	-	80,831	-	80,831
To Projects Reserve for Modular Relocation	-	215,031	-	215,031
From Central Projects Reserve for Enterprise Resource Planning (transfer from capital portion)	-	(26,316)	-	(26,316)
	-	269,546	-	269,546
<b>Total Transfers</b>	<b>\$ 398,705</b>	<b>\$ (56,863)</b>	<b>\$ 480</b>	<b>\$ 342,322</b>

**Elk Island Public Schools**  
**Operating Reserves - Schools - Operations**  
**August 31, 2019**

	A	B	C	D = B + C	E = D / A	F	G = D - F
	2018-19						
	Fall Budget	Carry-Forward	Adjustments <sup>1</sup>	Total Carry-Forward	% of Budget	Transfers	Reserve Balance 31-Aug-19
<b>Sector 1 - Sherwood Park</b>							
Bev Facey Community High	\$ 7,233,130	\$ 71,159	\$ 849	\$ 72,008	1.0%	\$ -	\$ 72,008
Brentwood Elementary	3,168,361	59,629	-	59,629	1.9%	-	59,629
Clover Bar Junior High	2,659,582	1,754	-	1,754	0.1%	-	1,754
Davidson Creek Elementary	3,068,084	45,009	-	45,009	1.5%	-	45,009
École Campbelltown	3,339,944	50,770	-	50,770	1.5%	-	50,770
F.R. Haythorne Junior High	4,404,111	34,245	-	34,245	0.8%	-	34,245
Glen Allan Elementary	2,634,072	65,007	-	65,007	2.5%	12,326	52,681
Lakeland Ridge	4,565,480	74,090	-	74,090	1.6%	-	74,090
Mills Haven Elementary	3,099,769	44,981	-	44,981	1.5%	-	44,981
Pine Street Elementary	2,960,149	61,600	-	61,600	2.1%	2,397	59,203
Salisbury Composite High	7,424,402	(60,699)	267,248	206,549	2.8%	2 53,904	152,645
Sherwood Heights Junior High	3,474,585	13,077	-	13,077	0.4%	-	13,077
Strathcona Christian Academy Elementary	3,603,136	52,390	-	52,390	1.5%	-	52,390
Strathcona Christian Academy Secondary	3,880,520	62,314	898	63,212	1.6%	-	63,212
Wes Hosford Elementary	3,011,254	75,771	-	75,771	2.5%	2 -	75,771
Westboro Elementary	3,015,609	54,333	-	54,333	1.8%	-	54,333
Woodbridge Farms Elementary	2,454,353	47,306	-	47,306	1.9%	-	47,306
<b>Sector 2 - Strathcona County</b>							
Ardrossan Elementary	3,737,973	55,809	-	55,809	1.5%	-	55,809
Ardrossan Junior Senior High	5,315,549	(734)	78,164	77,430	1.5%	-	77,430
Fultonvale Elementary Junior High	3,304,951	47,267	-	47,267	1.4%	-	47,267
Uncas Elementary	1,528,708	85,714	-	85,714	5.6%	55,140	30,574
Wye Elementary	2,634,244	48,110	-	48,110	1.8%	-	48,110
<b>Sector 3 - Fort Saskatchewan</b>							
Castle (Scotford Colony)	205,224	19,203	-	19,203	9.4%	15,099	4,104
École Parc Élémentaire	2,253,956	18,345	-	18,345	0.8%	-	18,345
Fort Saskatchewan Christian	2,731,222	46,983	-	46,983	1.7%	-	46,983
Fort Saskatchewan Elementary	2,797,871	41,777	-	41,777	1.5%	-	41,777
Fort Saskatchewan High	2,920,327	35,664	10	35,674	1.2%	-	35,674
James Mowat Elementary	2,483,402	36,685	-	36,685	1.5%	-	36,685
Rudolph Hennig Junior High	3,052,802	33,149	-	33,149	1.1%	-	33,149
SouthPointe School	2,833,121	52,885	-	52,885	1.9%	-	52,885
Win Ferguson Elementary	2,952,825	90,069	-	90,069	3.1%	31,012	59,057
<b>Sector 4 - Lamont County</b>							
Andrew School	1,461,482	24,781	-	24,781	1.7%	-	24,781
Bruderheim School	1,223,819	17,832	-	17,832	1.5%	-	17,832
Lamont Elementary	2,454,921	42,702	-	42,702	1.7%	-	42,702
Lamont High	2,372,470	8,151	24,418	32,569	1.4%	-	32,569
Mundare School	1,493,081	31,894	-	31,894	2.1%	2,032	29,862
<b>Sector 5 - County of Minburn</b>							
A.L. Horton Elementary	2,584,228	(21,976)	-	(21,976)	(0.9%)	-	(21,976)
Pleasant Ridge Colony	90,183	504	-	504	0.6%	-	504
Vegreville Composite High	2,980,040	33,417	(1,604)	31,813	1.1%	-	31,813

Continued on next page



**Elk Island Public Schools**  
**Operating Reserves - Schools - Operations**  
**August 31, 2019**

	A	B	C	D = B + C	E = D / A	F	G = D - F
	2018-19						
	Fall Budget	Carry- Forward	Adjustments <sup>1</sup>	Total Carry- Forward	% of Budget	Transfers	Reserve Balance 31-Aug-19
<b>Supports for Students - Schools</b>							
Programming for Student Differences	3,171,152	510,053	-	510,053	16.1%	509,670	383
Mental Health Capacity Building	225,061	-	-	-	0.0%	-	-
Classroom Improvement Fund	1,993,800	-	-	-	0.0%	-	-
Regional Collaborative Service Delivery	1,015,214	-	-	-	0.0%	-	-
Specialized Supports - Schools	194,585	(23,479)	-	(23,479)	(12.1%)	-	(23,479)
School Nutrition Program	199,800	-	-	-	0.0%	-	-
Partners 4 Science	163,528	1,872	-	1,872	1.1%	-	1,872
Technology Integration	448,074	(480)	-	(480)	(0.1%)	(480)	-
<b>Other</b>							
Next Step Home Education	146,975	23,846	-	23,846	16.2%	3	23,846
Next Step Outreach	2,308,741	52,522	49,117	101,639	4.4%	3	101,639
Next Step Continuing Education - Credit	516,751	(78,644)	226,097	147,453	28.5%	3	147,453
Ardrossan Elementary - Replacement	182,646	34,437	-	34,437	18.9%	4	34,437
Davidson Creek Elementary - Start Up	289,698	234,392	-	234,392	80.9%	4	234,392
SouthPointe School - Start Up	130,064	-	-	-	0.0%	-	-
<b>Total Schools - Operations</b>	<b>\$ 128,395,029</b>	<b>\$ 2,255,486</b>	<b>\$ 645,197</b>	<b>\$ 2,900,683</b>	<b>2.3%</b>	<b>\$ 1,222,867</b>	<b>\$ 1,677,816</b>

<sup>3</sup> Outreach/Continuing Education Surplus to Division Unallocated Reserve

272,938

Transfer Technology Integration to Information Technologies

(480)

Schools Surplus >2% to Division Unallocated Reserve

681,580

**School - Operations Transfers (Attachment 2)**

**954,038**

<sup>4</sup> New and Replacement School Start Up Carryforward to School Building Division Reserve

268,829

**Total Transfers**

**\$ 1,222,867**

<sup>1</sup> Includes CEU and Adult Fee adjustments

<sup>2</sup> Approved Reserve Carryforward Exceptions

**ELK ISLAND PUBLIC SCHOOLS**  
**Operating Reserves - School Generated Funds (SGF)**  
**August 31, 2019**

	A	B	C = A + B	D = C / enrolment
	Reserve Balance 31-Aug-18	2018-19 Surplus/ (Deficit)	Reserve Balance 31-Aug-19	Average \$'s Per Student
A.L. Horton Elementary	\$ 55,813	\$ (11,569)	\$ 44,244	\$ 128
Andrew School	10,124	7,186	17,310	153
Ardrossan Elementary	4,406	10,404	14,810	25
Ardrossan Junior Senior High	122,380	44,011	166,391	205
Bev Facey Community High	272,481	(155,288)	117,193	118
Brentwood Elementary	32,100	(1,168)	30,932	69
Bruderheim School	(1,401)	6,263	4,862	38
Clover Bar Junior High	101,940	(38,082)	63,858	178
Davidson Creek Elementary	-	2,089	2,089	4
École Campbelltown	27,729	(22,154)	5,575	10
École Parc Élémentaire	11,995	1,720	13,715	49
F.R. Haythorne Junior High	140,992	(11,173)	129,819	196
Fort Saskatchewan Christian	27,955	(4,188)	23,767	60
Fort Saskatchewan Elementary	5,926	20,902	26,828	77
Fort Saskatchewan High	(13,966)	(44,247)	(58,213)	(146)
Fultonvale Elementary Junior High	24,136	39,088	63,224	127
Glen Allan Elementary	14,684	2,794	17,478	44
James Mowat Elementary	38,038	(1,662)	36,376	102
Lakeland Ridge	67,340	2,117	69,457	92
Lamont Elementary	9,988	(901)	9,087	31
Lamont High	38,147	5,472	43,619	151
Mills Haven Elementary	40,334	35,226	75,560	167
Mundare School	19,183	4,381	23,564	166
Pine Street Elementary	24,816	4,387	29,203	79
Rudolph Hennig Junior High	15,562	8,589	24,151	57
Salisbury Composite High	213,290	72,534	285,824	249
Sherwood Heights Junior High	21,067	24,078	45,145	79
SouthPointe School	8,042	(655)	7,387	18
Strathcona Christian Academy Elementary	32,276	(3,352)	28,924	49
Strathcona Christian Academy Secondary	63,634	25,412	89,046	150
Uncas Elementary	4,229	7,764	11,993	59
Vegreville Composite High	1,582	25,803	27,385	74
Wes Hosford Elementary	31,458	3,583	35,041	77
Westboro Elementary	14,411	3,415	17,826	50
Win Ferguson Elementary	22,146	(7,271)	14,875	34
Woodbridge Farms Elementary	12,371	10,628	22,999	68
Wye Elementary	16,996	(9,430)	7,566	19
Next Step Outreach	29,169	10,891	40,060	136
Continuing Education	8,827	1,593	10,420	N/A
<b>Total School Generated Funds</b>	<b>\$ 1,570,200</b>	<b>\$ 69,190</b>	<b>\$ 1,639,390</b>	<b>\$ 85</b>



# INFORMATION REPORT

**DATE:** Oct. 24, 2019

**TO:** Board of Trustees

**FROM:** Mark Liguori, Superintendent

**SUBJECT:** 2019-20 Enrolment

**ORIGINATOR:** Candace Cole, Secretary-Treasurer

**RESOURCE STAFF:** Carmine von Tettenborn, Assistant Director, Financial Services  
Lynn Brims, Accountant, Financial Services

**REFERENCE:** N/A

**EIPS PRIORITY:** Enhance high quality learning and working environments.

**EIPS GOAL:** Quality infrastructure for all.

**EIPS OUTCOME:** Student learning is supported through the use of effective planning, managing, and investment in Division infrastructure.

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**ISSUE:**

**That the Board of Trustees receive for information the Enrolment Report for the 2019-20 school year for Elk Island Public Schools.**

**BACKGROUND:**

Elk Island Public Schools (EIPS) enters student information into PowerSchool which is directly linked to the Provincial Approach to Student Information (PASI) system. Alberta Education uses the PASI system to calculate funding allocations to EIPS.

**CURRENT SITUATION OR KEY POINT:**

Financial Services has summarized the Sept. 30, 2019 enrolment. There are 17,400 students in the Division this fall. This is an increase of 230 students (1.3%) from last year and an increase of 119 students (0.7%) from the spring budget.

In comparison to last year, the largest growth area was Fort Saskatchewan with an increase of 187 students (6.1%). Looking at the bottom of Attachment 1 under Enrolment by Grade, there are 169 more students in grades 7-9 from last year due to a large grade 6 class in 2018.

**ATTACHMENT(S):**

1. 2019-20 Enrolment Detail by Sector

Enrolment Detail - by Sector							
	Student Enrolment			Variance from Last Year		Variance from Spring 2019	
	2018-19	2019-20	2019-20	Change	% Change	Change	% Change
	Fall	Spring Budget*	Sept. 30 2019	Fall 2018 to Fall 2019	Fall 2018 to Fall 2019	Spring 2019 to Fall 2019	2019 to Fall 2019
<b>Sector 1 - Sherwood Park</b>							
Bev Facey Community High	988	999	1,022	34	3.4%	23	2.3%
Brentwood Elementary	448	447	451	3	0.7%	4	0.9%
Clover Bar Junior High	359	346	331	(28)	(7.8%)	(15)	(4.3%)
Davidson Creek Elementary	517	569	596	79	100.0%	27	4.7%
École Campbelltown	572	565	554	(18)	(3.1%)	(11)	(1.9%)
F. R. Haythorne Junior High	661	654	646	(15)	(2.3%)	(8)	(1.2%)
Glen Allan Elementary	400	378	385	(15)	(3.8%)	7	1.9%
Lakeland Ridge	759	789	790	31	4.1%	1	0.1%
Mills Haven Elementary	452	419	420	(32)	(7.1%)	1	0.2%
Pine Street Elementary	372	355	366	(6)	(1.6%)	11	3.1%
Salisbury Composite High	1,148	1,135	1,139	(9)	(0.8%)	4	0.4%
Sherwood Heights Junior High	568	600	587	19	3.3%	(13)	(2.2%)
Strathcona Christian Academy Elementary	585	580	584	(1)	(0.2%)	4	0.7%
Strathcona Christian Academy Secondary	591	590	600	9	1.5%	10	1.7%
Wes Hosford Elementary	458	431	438	(20)	(4.4%)	7	1.6%
Westboro Elementary	353	352	362	9	2.5%	10	2.8%
Woodbridge Farms Elementary	338	311	319	(19)	(5.6%)	8	2.6%
	9,569	9,520	9,590	21	0.2%	70	0.7%
<b>Sector 2 -Strathcona County</b>							
Ardrossan Elementary	583	540	551	(32)	(5.5%)	11	2.0%
Ardrossan Junior Senior High	810	855	863	53	6.5%	8	0.9%
Fultonvale Elementary Junior High	499	490	503	4	0.8%	13	2.7%
Uncas Elementary	205	198	208	3	1.5%	10	5.1%
Wye Elementary	389	351	352	(37)	(9.5%)	1	0.3%
	2,486	2,434	2,477	(9)	(0.4%)	43	1.8%
<b>Sector 3 - Fort Saskatchewan</b>							
Castle (Scotford Colony)	24	25	25	1	4.2%	-	0.0%
École Parc Élémentaire	280	294	314	34	12.1%	20	6.8%
Fort Saskatchewan Christian	396	397	410	14	3.5%	13	3.3%
Fort Saskatchewan Elementary	348	304	312	(36)	(10.3%)	8	2.6%
Fort Saskatchewan High	400	446	439	39	9.8%	(7)	(1.6%)
James Mowat Elementary	358	374	382	24	6.7%	8	2.1%
Rudolph Hennig Junior High	423	473	471	48	11.3%	(2)	(0.4%)
SouthPointe School	421	483	492	71	17%	9	2%
Win Ferguson Elementary	436	419	428	(8)	(1.8%)	9	2.1%
	3,086	3,215	3,273	187	6.1%	58	1.8%
<b>Sector 4 - Lamont County</b>							
Andrew School	112	90	76	(36)	(32.1%)	(14)	(15.6%)
Bruderheim School	128	125	131	3	2.3%	6	4.8%
Lamont Elementary	297	292	305	8	2.7%	13	4.5%
Lamont High	287	291	303	16	5.6%	12	4.1%
Mundare School	142	143	153	11	7.7%	10	7.0%
	966	941	968	2	0.2%	27	2.9%
<b>Sector 5 - County of Minburn</b>							
A. L. Horton Elementary	346	328	340	(6)	(1.7%)	12	3.7%
Pleasant Ridge Colony	8	9	9	1	12.5%	-	0.0%
Vegreville Composite High	371	366	356	(15)	(4.0%)	(10)	(2.7%)
	725	703	705	(20)	(2.8%)	2	0.3%
Total Enrolment in Sectors	16,832	16,813	17,013	181	1.1%	200	1.2%
Elk Island Youth Ranch Learning Centre	7	7	10	3	42.9%	3	42.9%
Next Step Home Education/Centre for Education	43	45	24	(19)	(44.2%)	(21)	(46.7%)
Next Step Outreach	288	288	353	65	22.6%	65	22.6%
To Be Allocated (TBA)	-	128	-	-	-	(128)	(100.0%)
<b>Total Enrolment</b>	<b>17,170</b>	<b>17,281</b>	<b>17,400</b>	<b>230</b>	<b>1.3%</b>	<b>119</b>	<b>0.7%</b>
<b>Enrolment by Grade</b>							
ECS	1,422	1,362	1,433	11	0.8%	71	5.2%
Grades 1-3	4,022	4,001	4,012	(10)	(0.2%)	11	0.3%
Grades 4 - 6	4,145	4,110	4,134	(11)	(0.3%)	24	0.6%
Grades 7 - 9	3,585	3,802	3,754	169	4.7%	(48)	(1.3%)
Grades 10 - 12	3,658	3,666	3,680	22	0.6%	14	0.4%
Subtotal	16,832	16,941	17,013	181	1.1%	72	0.4%
Elk Island Youth Ranch Learning Centre	7	7	10	3	42.9%	3	42.9%
Next Step Home Education/Centre for Education	43	45	24	(19)	(44.2%)	(21)	(46.7%)
Next Step Outreach	288	288	353	65	22.6%	65	22.6%
<b>Total Enrolment</b>	<b>17,170</b>	<b>17,281</b>	<b>17,400</b>	<b>230</b>	<b>1.3%</b>	<b>119</b>	<b>0.7%</b>

\* 2019-20 Spring Enrolment has been adjusted to move 20 High School students from ADW to LHS (7), VJS (8) and TAB (5) for comparative purposes.



# INFORMATION REPORT

**DATE:** Oct. 24, 2019

**TO:** Board of Trustees

**FROM:** Mark Liguori, Superintendent

**SUBJECT:** Insurance Costs for 2019-20

**ORIGINATOR:** Candace Cole, Secretary- Treasurer

**RESOURCE STAFF:**

**REFERENCE:** Policy 2: Role of the Board

**EIPS PRIORITY:** Enhance high-quality learning and working environments.

**EIPS GOAL:** Quality infrastructure for all.

**EIPS OUTCOME:** Student learning is supported through the use of effective planning, managing, and investment in Division infrastructure.

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**ISSUE:**

**That the Board of Trustees receive new information regarding increased insurance costs for the 2019-20 year.**

**BACKGROUND:**

The Division is a member of the Alberta School Boards' Reciprocal Insurance Exchange (ASBIE). This is an insurance reciprocal created and designed for school board members of the Alberta School Boards' Association. It was incorporated on Dec. 31, 2002. EIPS joined ASBIE in 2007 as a subscriber (member). There are currently 46 Alberta school divisions as ASBIE subscribers.

ASBIE is sponsored by ASBA and operates under the following principles:

- To benefit member school boards through cooperation in an insurance and risk management program.
- To provide proactive, competitive and value-added products and services at competitive prices, maintaining financial integrity.
- To provide stable and transparent program operations and financial performance to members.
- To operate on a self-supporting basis and neither subsidize nor be subsidized.
- To ensure member ownership of all program information.
- To be a good corporate citizen by demonstrating a high degree of ethical behaviour in the way we conduct our business.



The reciprocal is governed by an advisory board of six directors – three elected school trustees and three school business officials to form the Board. The risk management and insurance operations are provided through Lloyd Sadd Insurance Brokers. The goal is to provide ASBA members with a stable, transparent and comprehensive insurance and risk management program.

For the last few years, ASBIE members have been contributing to reciprocals for both liability and property. Liability reciprocal for 2018-19 was at \$2 million annual aggregate with \$700,000 per occurrence limit. The property reciprocal annual aggregate was at \$4 million with a per occurrence limit of \$1 million.

Some school boards are members of another reciprocal called USIC (Urban Schools Insurance Consortium) which provides insurance to three of the four metro boards, both Grande Prairie boards, both Medicine Hat boards, both Red Deer boards, both Lethbridge boards, Fort McMurray School Division, St. Albert School Division and Rockyview School Division.

In 2018-19, the Division paid approximately \$1.1 million in various types of insurance. The largest two insurance costs are property and liability insurance.

**CURRENT SITUATION OR KEY POINT:**

In the spring of 2019, ASBIE indicated that rates would remain relatively the same except for:

- Increase in the property reciprocal from \$4 million to \$4.5 million
- New requirement for cyber insurance

In late August, ASBIE shared with its subscribers that the insurance market had changed. ASBIE’s property losses and the hardening market would have a significant impact on property rates. The extent of the impact was not known at that time. ASBIE’s existing insurers had declined to renew with ASBIE, but they did give a one to two-month extension to allow enough time for ASBIE to find alternate insurance. For the months of September and October, Lloyd Sadd (insurance brokers for ASBIE) has been working hard to find insurance.

Property Losses

ASBIE shared that its loss profile has increased over the last few years:

<b>Property Loss Ratio</b>			
	<b>Total Insured Losses</b>	<b>Total Premium Collected</b>	<b>Loss Ratio</b>
12 Year Loss Ratio	\$200,577,186	\$57,953,113	346%
10 Year Loss Ratio	\$198,231,409	\$53,038,974	374%
5 Year Loss Ratio	\$126,606,888	\$34,298,643	369%
2018/19 Loss Ratio	\$45,121,230	\$7,598,868	594%



## Hardening Market

The commercial insurance market in Canada has changed. We were once in a soft market (a buyer’s market for insurance) and now in a hard market (seller’s market). Typically, the cycle is seven years between hard markets, but we have not experienced a hard market for 18 years (since the World Trade Centers collapsed in 2001). In a soft market, rates are low and there are several insurers. In a hard market, rates are higher as insurers become more restrictive.

For Canada, the major contributor to a hard market is weather related losses – natural disasters, floods, wildfires, hail, heavy rains, hailstorms, and tornados. These climate related losses are happening with high frequency and high severity. They are not one of every hundred-year events – they are happening annually. Insurers have been losing money. To make matters worse, Alberta has more than 50% of Canada’s large catastrophic losses, they are all in the last decade, and they will likely continue. There were the floods in the south (Calgary and High River), the Fort McMurray fires, Slave Lake fires, and this year the High Level fires. A hard market affects all buyers of insurance. There are factors to each buyer such as industry class, geography location, size, complexity of risk and loss performance.

On October 9, ASBIE shared via teleconference with all ASBIE subscribers that property insurance will be increasing approximately 217%, and liability will increase approximately 20%. Liability insurance is going up as there have now been some new claims. The final invoicing for cyber insurance was also received in early October. Cyber insurance is a new requirement for 2019-20. Vehicle insurance is estimated to remain at status quo.

What does this mean for EIPS?

<b>Insurance Type</b>	<b>2018-19</b>	<b>2019-20</b>	<b>Increase</b>
Property	\$617,618	\$1,951,021	\$1,333,403
Liability	\$222,970	\$266,304	\$43,334
Cyber	0	\$44,309	\$44,309
Auto	\$254,381	\$254,381	0
Other	\$18,004	\$18,145	\$141
<b>TOTAL</b>	<b>\$1,112,973</b>	<b>\$2,534,160</b>	<b>\$1,421,187</b>

The increased cost is an unbudgeted increase for 2019-20. Before hearing the fall budget on October 24, we have an additional expense of \$1.4 million.

In addition to this, there will be an increase to property deductibles (going from \$25,000 to \$50,000). ASBIE has also increased the self-insurance from \$4 million to \$15 million. If we do not have property claims in excess of \$15 million, the \$15 million less claimed amount will stay with ASBIE.

ASBIE is looking into incorporating strategies to reduce insurance rates going forward. Some examples include:

- Negotiating earlier for insurance.
- Increasing our self-insurance and deductibles (as above).
- Denying claims if windows and air are left on when there is smoke outside.



# INFORMATION REPORT

Lloyd Sadd is expecting that as we go through 2020 the market will start to soften, and rates will become more moderated. If any subscriber wants to cancel their membership, they must provide notice on January 1 of any given year—twelve months from the effective date of becoming a subscriber.

**ATTACHMENT(S):**

1. N/A