



**BOARD OF TRUSTEES
ELK ISLAND PUBLIC SCHOOLS**

REGULAR
SESSION

THURSDAY, MAY 2, 2024

Boardroom
Central Services Office

AGENDA

Mission: To provide high-quality, student-centred education

9 a.m. **1. CALL TO ORDER** C. Allen

2. LAND ACKNOWLEDGEMENT

3. AMENDMENTS TO AGENDA / ADOPTION OF AGENDA

NEW BUSINESS

4. BUDGET ALLOCATIONS INCLUDING THE USE OF RESERVES S. Stoddard/C. Cole
(encl.)

ADJOURNMENT

RECOMMENDATIONS: BOARD OF TRUSTEES MAY 2, 2024

1. *Call to Order*
2. *Land and People Acknowledgement*
3. That the Agenda be adopted, as amended or as circulated.
4. That the Board of Trustees approves the use of reserves and allocations for 2024-25, as presented.



RECOMMENDATION REPORT

DATE: May 2, 2024

TO: Board of Trustees

FROM: Sandra Stoddard, Superintendent

SUBJECT: 2024-25 Budget Allocations and Use of Reserves

ORIGINATOR: Candace Cole, Secretary-Treasurer

RESOURCE STAFF: Carmine von Tettenborn, Director, Financial Services
Leah Lewis, Director, Financial Services
Christine Gillis, Senior 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: Learning and working environments are supported by effective planning, management and investment in Division infrastructure.

RECOMMENDATION:

That the Board of Trustees approve the use of reserves and allocations for 2024-25, as presented in Attachment 1.

BACKGROUND:

Board Policy 2: Role of the Board, section 1.8 Fiscal Accountability establishes that the Board of Trustees approve the budget allocation of resources.

EIPS establishes assumptions and allocations that are the building blocks of the budget. The proposed use of reserves and allocation of funds allows schools and departments to maintain and invest in essential services and supports the Division's mission, beliefs and priorities.

Our analysis of the budget to date is that it is tight as we are incurring costs due to inflation and grant rates have not increased over 2023-24 levels. We continue to experience increased costs for utilities, Alberta School Employee Benefit Plan (ASEBP) and insurance, and recognize that we cannot access reserves as we have in the past.

Key Budget Priorities

Listed in the Budget Assumptions Report were the Board's key priorities for the 2024-25 Budget. While it would be ideal to be able to put significant resources into each of them, we must also operate within our fiscal realities. Some of these key budget priorities involve adding additional resources, using the existing grant dollars, or changing how we allocate dollars. Below is a list of the key priorities and how they will be addressed in the 2024-25 Budget.

Complexity in Classrooms

- **Leveraging student achievement reserve:** addressing learning gaps. At year-end, any school surplus >1% is allocated to this fund. The funds are to focus on student learning needs and equity of student programming. In 2023-24, these funds were allocated to schools in a meaningful way to tackle learning gaps. Once assurance reviews are completed in the fall, administration will bring a report to the Board on how funds could best be used in the 2024-25 school year focusing on addressing learning gaps.

New Model of Allocations for Specialized Supports: In prior years, specialized support allocations have been focused on two main areas: inclusive support and system programs. These allocations to schools did not consider the complexity of classrooms which was identified through both the Assurance Reviews and the Budget Survey as a pressing concern of all stakeholders. Supports for Students (SFS) has created a new method of allocating inclusive allocations to schools, and slightly modified the allocation method for system programs. This approach aims to offer greater flexibility for administrators while addressing the needs arising from classroom complexity.

The new model of allocations for specialized supports for inclusive students and system programs (through reductions in these areas) is being introduced to allow for a **new complex classroom allocation** of \$1.508 million for schools. This new allocation is based on an algorithm including the following factors:

- Provincial Achievement and Diploma Test results including standard deviation/mean;
- socio-economic factors;
- First Nation, Métis and Inuit self-identified students;
- English as an Additional Language;
- students in care; and
- students with non-levelled special education codes, and student population size.

Overall, the total amount allocated to schools has not changed significantly, but some schools see overall increases and others see overall decreases. Below are the changes for the year in the three allocations.

	2023-24 Fall	2024-25 Budget	Variance
System Program Allocations	\$ 10,187,000	\$ 10,063,000	\$ (124,000)
Inclusive Allocations	7,441,000	5,947,000	(1,494,000)
Classroom Complexity Allocations	-	1,508,000	1,508,000
Contingency	438,000	550,000	112,000
Total Specialized Supports to Schools	\$ 18,066,000	\$ 18,068,000	\$ 2,000

To summarize, the new method of allocation of funds includes:

- new inclusive allocation;
- new system program allocation; and
- a new funding allocation specifically targeting classroom complexity.

The combined new allocation method prioritizes the following key values:

- clarity in the funding process and philosophy;
- equitable distribution of funds;
- allocation for addressing classroom complexity;
- emphasis on site-based decision making; and
- provision of additional funding to schools in spring to support staffing.

The Ministry provided the classroom complexity grant of \$861,000, which EIPS will use for the following items:

- part of the classroom complexity allocations (as per above);
 - a Speech Language Pathologist Assistant position;
 - a Speech Language Pathologist Assistive Technology position; and
 - a Reading Specialist Consultant position – this position will continue to work on the Reading Enrichment and Development (READ) Pilot program with targeted Grade 2 students in 2024-25. This was launched to improve student reading achievement through a powerful targeted intervention program based on the science of reading using effective teaching methods and strategies. The results reviewed in March with the Board showed that the students are making significant growth in their reading skills. In 2023-24, this was only targeted in seven schools at students that scored low on the STAR Early Reading test along with other factors.
- **Reading Enrichment and Development (READ) pilot program:** To further assist in the areas of classroom complexity, administration is including in the allocations an additional request to access reserves for \$222,600 (two full time equivalent teachers) which will expand the READ pilot program. This will allow more students to be targeted in 2024-25, and for this to be evaluated over one more year. The READ pilot program targets students going into Grade 2 that score below the 10th percentile in reading, display characteristics of a reading disability, and have no other cognitive disruptions. The results of this expanded pilot will be taken into consideration in the 2025-26 budget process to see if it can be incorporated into general operations.
 - **Special Education Programs:** The additional special education programs in Fort Saskatchewan implemented last year will remain. (One program in Lamont is on hold currently though as there are not enough students registered in the program).

Curriculum and Resource Development

- The Curriculum grant amount is estimated to be approximately \$305,000 for grades 4-6 Science and French Immersion Language Arts and Literature.
- Plans are to live within the grant to support teachers.
- Plans are currently being formulated to continue with curriculum support in these areas as well as overall new curriculum support and provide professional development to grades 4-6 teachers.

Mental Health Strategic Plan

- This has been a reserve-funded initiative by the Board over the years.
- In 2024-25, it is proposed that \$30,480 be funded from reserves for professional development related to the Mental Health Strategic Plan in areas of Violent Threat Risk Assessment (VTRA) and mental health in schools.
- The Mental Health Advisor position continues into 2024-25 and assists staff in terms of professional development and building staff capacity in a multitude of ways. We are also engaging with caregivers and community partners. With staff, we are moving from support to building capacity, and focusing on universal strategies for items such as regulation. The next steps are more focused work with counselors, more parent engagement and continued training.
- The Mental Health Strategic Pilot grant from the province that funded the reset rooms in the junior high schools for the 2023-24 year has ended. This would be one area, among many, that schools would have the ability to use some funds from the classroom complexity allocation. Schools may also creatively find ways to support the reset room concept and/or mental health strategies by re-aligning current practices. As we saw in 2023-24, there were non-junior high schools that incorporated reset rooms to some extent without any additional funds because they saw value in them. In addition, through the Board funded Mental Health Strategic Plan, staff have been receiving professional development and are implementing mental health strategies in the classrooms.

Collegiate Program/Career Pathways

- This budget priority requests the Board continue to support a Career Pathways teacher from reserves for one more year. This position completes site visits, updates grade books, ensures assignments are done and reviews hours worked. This position must be funded from general operations going forward (2025-26) or else a significant amount of work will need to move back to school responsibility.
- Continue to have a Career Pathways Supervisor focus on collegiate and dual credit opportunities work for 2024-25 and future years. EIPS continues to pursue a Collegiate School in Fort Saskatchewan.

Equity

- Rural
 - Mileage allocation for schools in Sectors 4 and 5 will continue. This is to fund staff traveling to Central Services for professional development and/or meetings. This provides for one principal meeting per month, one assistant principal meeting every two months and one staff person meeting per year.
 - Letter of Understanding to allow for a travel allowance for certificated substitutes for eight rural schools.
 - For the two rural small schools, the amount reduced from their block funding for operations has been lessened, allowing them to keep more funding.
 - There continues to be a \$30 per student Distance allocation for rural (costs more for field trips etc.) provided to schools in Sectors 4 and 5.

- Equity for All
 - The additional special education programs in Fort Saskatchewan implemented last year will remain. (One program in Lamont is on hold currently though as there are not enough students registered in the program).
 - Complexity allocation considers lower socio-economic status factors and other factors that are unique to each school.
 - Classified staff will be able to take their second personal business day without providing the funds for a sub to the Division.

Retention of Staff

- The Division is looking to hire more permanent educational assistants and less hourly for the 2024-25 year.
- Classified staff will be able to take their second personal business day without providing the funds for a sub to the Division.

Artificial Intelligence (AI)/Digital Tools Considerations

- Allocations include a two-year position for an AI Seconded Principal. The position would be responsible for developing and implementing a strategic plan for the use of education and system software solutions and applications in schools (digital products vision). The successful candidate would work closely with school administrators and senior administration to guide the direction of current and future use of technology in our schools. Areas of focus include training and awareness of artificial intelligence and its role in our systems tools and education applications, and strategic planning for software and applications for teachers that focus on instructional practices and assessment.

Allocation Methodology Changes

Administration reviewed and changed some allocation methodologies to reflect the changes in how Alberta Education is funding school divisions for 2024-25.



All Schools' Basic and Administrative Allowances Allocation

When working with a very tight budget, we want to give schools as much as possible to support students in the classroom, and thus, try to hold schools harmless of significant cost increases.

School budgets are at 95-97% staffing every fall and this is the biggest impact on their budget. As a bare minimum, schools should be allocated enough to cover the increases in standard costs. Given the small enrolment change year over year, the fall budget staffing was a good starting point to determine how much we should increase basic allocations and administrative allowances to schools. Staffing levels in the fall supported 16 fewer students (excluding Outreach) than we currently have in regular enrolment.

Using the 2023-24 Fall Budget, new standard costs for 2024-25 were entered and the standard cost impact from 2023-24 to 2024-25 was identified for all schools. The amounts that were funded from EL and SSS were allocated to those areas, and the rest was included in basic allocations to schools for the Spring Budget.

While allocations to schools overall will increase as basic and administrative allowance allocations to fund the increase in standard costs, there will be shifts between each school in their basic allocations due to:

- changes in enrolment from fall to spring, and
- last fall, enrolment increases and decreases were not funded at the same allocation rate as was used in the spring (this is due to the WMA being only funded at 50% for the current year).

Departments

Actual increases to departments for salary costs (benefits and grid movement) were also calculated and allocated to departments.

Supports for Students - Allocations to Schools

The total amount to be allocated will remain the same, but the allocation methodology has changed as outlined above.

Reserves

The reserve numbers included in this report are the projections completed at the end of January. Financial Services has reviewed the projections submitted to the end of March 31, 2024. These projections indicate that we are on par with the projections brought in January with the exceptions noted below. As a reminder to the Board, the January projections proposed a transfer of \$800,000 from operating reserves to capital reserves. This was recommended to keep EIPS below the 3.2% reserve cap still in place for Aug. 31, 2024, and to replenish capital reserves. That proposed transfer would have kept EIPS below the cap by \$1.4 million. It was recommended that approval for such a transfer wait until the June Board meeting as it:

- allowed for another set of projections to be completed (in case any additional items arose), and
- would be after the release of the budget (in case we needed more funds for next year).



RECOMMENDATION REPORT

New Items since Projections in January 2024

- SouthPointe School needs landscaping repair completed. This will be completed over two years. First year costs are \$210,000 (summer 2024) and second year costs are \$137,000 (summer 2025) for a total of \$347,000. First year costs of this project will have to come from the current year's surplus as the IMR for 2023-24 has been spent and there are no other funds available to complete this work. This means that the transfer to capital reserves (mentioned above) will have to be reduced by \$210,000.
- Based on proposed spending in 2024-25 and a desire to ensure our unallocated operating reserve balances remain at a reasonable level, the transfer to capital reserves (mentioned above) will have to be reduced by an additional \$222,600. This is the amount expected to be funded from reserves in 2024-25 for the two READ program specialists.
- The transfer to capital reserves will not happen until June and may be adjusted based on new information.

COMMUNICATION PLAN:

Once approved, the budget allocations will be incorporated into the 2024-25 Budget which will be presented to the Board for approval on June 6, 2024.

ATTACHMENT(S):

1. Budget Allocations Report



Your Future **in MIND** ●●●●●

ELK ISLAND PUBLIC SCHOOLS

**Budget
Allocation
Report**

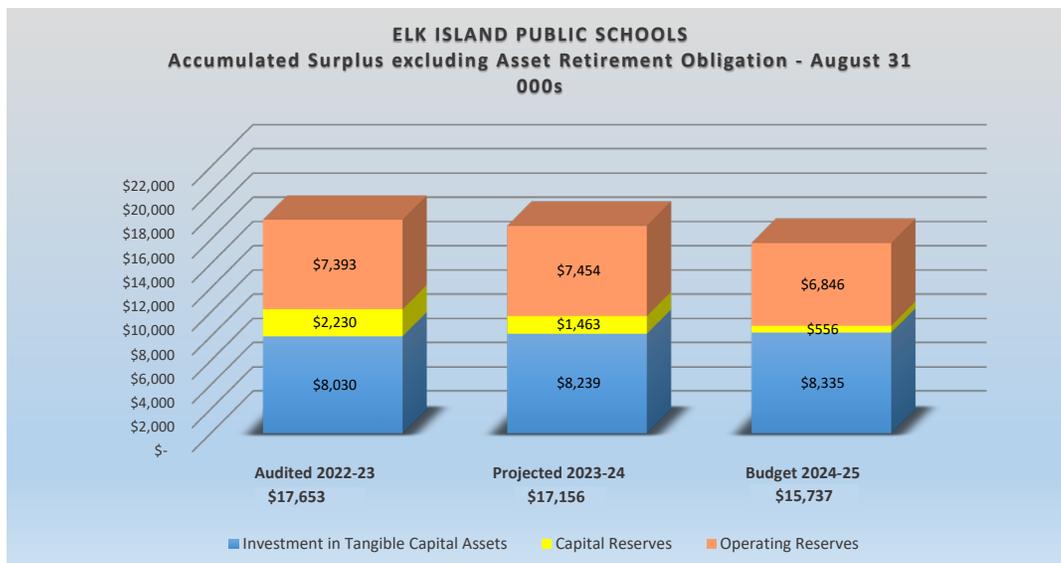
2024-25

This document includes the Budget Allocations
for The Board of Trustees of Elk Island Public Schools
for the 2024-25 school year.

**Report to
Board of
Trustees**
May 2, 2024

Accumulated Surplus/(Deficit)						
	A=B+C+D+E+F	B	C	D	E Internally Restricted	
	Accumulated Surplus	Investment in Tangible Capital Assets	Asset Retirement Obligation	Unrestricted Surplus	Operating Reserves	Capital Reserves
Audited - August 31, 2023	\$ 8,341,434	\$ 8,030,335	\$ (9,311,430)	\$ -	\$ 7,392,944	\$ 2,229,585
Surplus/(Deficit)	(781,696)	-	(284,269)	(497,427)	-	-
Board Funded Capital Asset Additions	-	1,873,119	-	(609,119)	-	(1,264,000)
Net Amortization, Debt & Disposals	-	(1,664,783)	-	1,534,842	-	129,941
Net Reserve Transfers	-	-	-	(428,296)	60,896	367,400
Projection - August 31, 2024	\$ 7,559,738	\$ 8,238,671	\$ (9,595,699)	\$ -	\$ 7,453,840	\$ 1,462,926
Surplus/(Deficit)	(1,804,343)	-	(386,545)	(1,417,798)	-	-
Board Funded Capital Asset Additions	-	1,510,417	-	(543,840)	-	(966,577)
Net Amortization, Debt & Disposals	-	(1,414,179)	-	1,354,179	-	60,000
Net Reserve Transfers	-	-	-	607,459	(607,459)	-
Budget - August 31, 2025	\$ 5,755,395	\$ 8,334,909	\$ (9,982,244)	\$ -	\$ 6,846,381	\$ 556,349

- A. Accumulated surplus includes investment in Board funded tangible capital assets, asset retirement obligation, unrestricted surplus and internally restricted reserves.
- B. Board funded (unsupported) tangible capital assets.
- C. Asset retirement obligation, representing future costs to abate asbestos from school buildings. These costs would only draw down reserves if unfunded by the provincial government.
- D. Surplus/(Deficit) that is transferred to reserves at the end of each year.
- E. Operating reserves includes Schools - Operations, School Generated Funds, Central Services and Division Allocated and Unallocated Reserves.
- F. Capital reserves includes Capital Allocated and Unallocated Reserves, available for future unsupported capital purchases.



Reserves											
	A	B	C		D	E = A+B+C+D	F	G		H	I = E+F+G+H
	Audited 31-Aug-23	Contributions /(Use)	Capital Effect	Budget/Projection Transfers	Projected 31-Aug-24	Contributions /(Use)	Capital Effect	Budget Transfers	Budget 31-Aug-25		
OPERATING RESERVES											
Central Services	\$ 219,356	\$ 951,835	\$ -	\$ (798,156)	\$ 373,035	\$ 61,965	\$ -	\$ -	\$ 435,000		
Schools - Operations	1,007,565	310,641	-	(52,442)	1,265,764	4,236	-	-	1,270,000		
School Generated Funds (SGF)	2,439,169	(300,000)	-	-	2,139,169	-	-	-	2,139,169		
Central Services & Schools	3,666,090	962,476	-	(850,598)	3,777,968	66,201	-	-	3,844,169		
Leveraging Student Achievement	101,021	(101,021)	-	48,580	48,580	(48,580)	-	-	-		
Projects and Initiatives	-	(196,950)	-	196,950	-	(625,080)	-	625,080	-		
SouthPointe School Site Maintenance (See Note 1)	-	(210,000)	-	210,000	-	-	-	-	-		
Budgeted Transfer to Support Operations	-	(906,616)	-	906,616	-	(810,339)	-	810,339	-		
EIPS Division Allocated	101,021	(1,414,587)	-	1,362,146	48,580	(1,483,999)	-	1,435,419	-		
EIPS Division Unallocated (See Note 1)	3,625,833	(45,316)	925,723	(878,948)	3,627,292	-	810,339	(1,435,419)	3,002,212		
	\$ 7,392,944	\$ (497,427)	\$ 925,723	\$ (367,400)	\$ 7,453,840	\$ (1,417,798)	\$ 810,339	\$ -	\$ 6,846,381		

B/F. Budgeted deficits are supported by school, department and Division reserves.

C/G. Net effect of unsupported capital transactions.

D/H. Budgeted transfers between the EIPS Division Allocated/Unallocated operating reserves and between capital/operating reserves.

	A	B	C		D	E = A+B+C+D	F	G		H	I = E+F+G+H
	Audited 31-Aug-23	Contributions /(Use)	Capital Effect	Budget/Projection Transfers	Projected 31-Aug-24	Contributions /(Use)	Capital Effect	Budget Transfers	Budget 31-Aug-25		
CAPITAL RESERVES											
Facility Services	\$ 17,229	\$ 15,541	\$ (17,229)	\$ -	\$ 15,541	\$ -	\$ (15,541)	\$ -	\$ -		
Aging Equipment at Schools	5,392	-	(4,688)	(704)	-	-	-	-	-		
Various Capital Purchases - To be Determined	100,000	-	-	(100,000)	-	-	-	-	-		
Building Management System	440,000	-	(181,000)	(259,000)	-	-	-	-	-		
School Buses	-	-	(163,609)	163,609	-	-	(581,036)	581,036	-		
Salisbury Composite High Stormwater Project	1,646,504	-	(842,625)	(803,879)	-	-	-	-	-		
IT Infrastructure (Access Points/VOIP)	-	-	(54,849)	54,849	-	-	(370,000)	370,000	-		
EIPS Division Allocated	2,191,896	-	(1,246,771)	(945,125)	-	-	(951,036)	951,036	-		
Opening Balance	20,460	-	-	-	20,460	-	-	-	\$ 20,460		
Proceeds on Sale of Assets	-	114,400	-	-	114,400	60,000	-	-	174,400		
Transfer (to)/from Capital Allocated	-	-	-	945,125	945,125	-	-	(951,036)	(5,911)		
Potential Trsf. from Operating Res. (June 2024) (See Note 1)	-	-	-	367,400	367,400	-	-	-	367,400		
EIPS Division Unallocated	20,460	114,400	-	1,312,525	1,447,385	60,000	-	(951,036)	556,349		
	\$ 2,229,585	\$ 129,941	\$ (1,264,000)	\$ 367,400	\$ 1,462,926	\$ 60,000	\$ (966,577)	\$ -	\$ 556,349		

B/F. Proceeds on disposal of unsupported assets.

C/G. Use of reserves for purchases of unsupported assets.

D/H. Budgeted transfers between the EIPS Division Allocated/Unallocated capital reserves and between capital/operating reserves.

Note 1

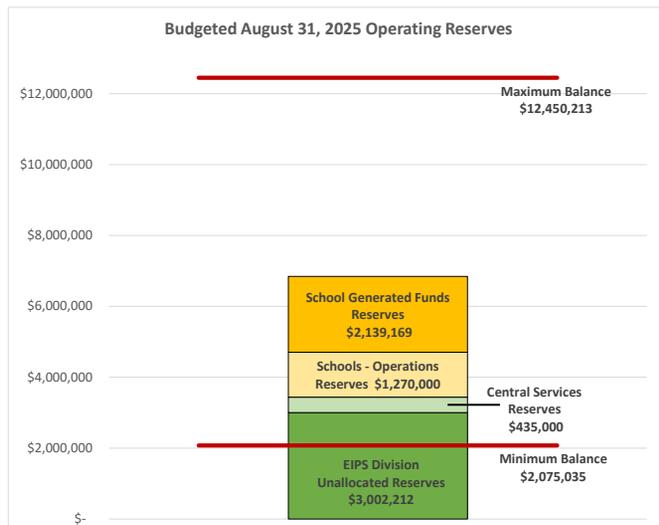
A potential transfer of \$367,400 from operating reserves to capital reserves has been included in 2023-24 and will be brought to the Board for approval in June 2024. This potential amount has been reduced from the amount reported to the Board in March 2024 to accommodate adjustments to other amounts, including additional spending on SouthPointe School site maintenance in 2023-24 and additional proposed operating reserve spending for 2024-25.

Operating Reserves - Three-Year Projection												
		2024-25				2025-26				2026-27		K = H + I + J Estimate
		A	B	C	D	E = A + B + C + D	F	G	H = E + F + G	I	J	
		Projections	Contributions	2024-25	Transfer	Budget	Contributions	Transfer	Estimate	Contributions	Transfer	
		31-Aug-24	/(Use)	Capital Effect ¹		31-Aug-25	/(Use)		31-Aug-26	/(Use)	Transfer	31-Aug-27
Central Services & Schools (includes SGF)	L	\$ 3,777,968	\$ 66,201	\$ -	\$ -	\$ 3,844,169	\$ -	\$ -	\$ 3,844,169	\$ -	\$ -	\$ 3,844,169
Leveraging Student Achievement		48,580	(48,580)			-			-			-
Mental Health Strategic Plan			(30,480)		30,480	-			-			-
Seconded Principal Artificial Intelligence Work			(163,000)		163,000	-	(163,000)	163,000	-			-
Two READ Specialist Positions			(222,600)		222,600	-			-			-
Career Pathways Position			(120,000)		120,000	-			-			-
Existing Position Support			(69,000)		69,000	-			-			-
Other Minor Adjustments			(20,000)		20,000	-			-			-
Replacement School Start-Up Funds						-	(420,000)	420,000	-			-
Capital Effect Transfer to Support Operations			(810,339)		810,339	-	(648,099)	648,099	-	(828,683)	828,683	-
EIPS Division Allocated Reserves	M	48,580	(1,483,999)	-	1,435,419	-	(1,231,099)	1,231,099	-	(828,683)	828,683	-
Capital Effect - Purchases from Operating Budget				(543,840)		(543,840)	(526,000)		(1,069,840)	(526,000)		(1,595,840)
Capital Effect - Annual Amortization				1,354,179		1,354,179	1,174,099		2,528,278	1,354,683		3,882,961
Transfer to Allocated Reserves	N				(1,435,419)	(1,435,419)		(1,231,099)	(2,666,518)		(828,683)	(3,495,201)
EIPS Division Unallocated Opening Balance		3,627,292				3,627,292			3,627,292			3,627,292
EIPS Division Unallocated Reserves	O	3,627,292	-	810,339	(1,435,419)	3,002,212	648,099	(1,231,099)	2,419,212	828,683	(828,683)	2,419,212
Total EIPS Division Reserves	P = M + O	3,675,872	(1,483,999)	810,339	-	3,002,212	(583,000)	-	2,419,212	-	-	2,419,212
Total Operating Reserves	Q = L + P	\$ 7,453,840	\$ (1,417,798)	\$ 810,339	\$ -	\$ 6,846,381	\$ (583,000)	\$ -	\$ 6,263,381	\$ -	\$ -	\$ 6,263,381

(1) Capital Effect relates to assets purchased from current year funding, offset by the annual amortization. A surplus is created because the current purchases are less than the amortization of prior year purchases. The effect is non-cash but the surplus created is available for use. Although the Capital Effect is projected to decrease over the next three years (contribute less to EIPS Division Unallocated Reserves), this decrease is partially offset by a decreased funding requirement for the Fiscal Services budget (capital amortization budget).

Operating Reserve Analysis

Effective Aug. 31, 2023, the Government of Alberta has implemented new restrictions on school board operating reserves, including a minimum and maximum reserve balance. New for Aug. 31, 2025, these balances now include School Generated Fund reserves (previously excluded), in addition to other operating reserves. The maximum limit for reserves is 6% of prior year expenditures (previously was 3.2%).



Budgeted August 31, 2024 Operating Reserve Balances (excluding SGF)

Central Services Reserves	\$ 435,000
Schools - Operations Reserves	1,270,000
School Generated Funds Reserves	2,139,169
EIPS Division Allocated Reserves	-
EIPS Division Unallocated Reserves	3,002,212
Total Budgeted Operating Reserves	\$ 6,846,381
Estimated 2023-24 Total Operating Expenses	\$ 207,503,542
Total Operating Reserve Maximum Limit based on 6% rate	12,450,213
Room for Additional Surplus Before Exceeding Maximum Limit	5,603,832
Total Operating Reserve Minimum Limit based on 1% rate	2,075,035
Room for Additional Spending (Deficit) Before Falling Below Minimum Limit	4,771,346

Accumulated Surplus and Reserve Notes

EIPS' accumulated surplus includes investment in tangible capital assets, asset retirement obligation, and reserves.

- Investment in tangible capital assets (ITCA) includes the unamortized balance of all previous unsupported capital asset purchases. As these asset costs are amortized slowly over time, the balance in ITCA decreases. As we purchase more unsupported assets, the balance increases.
- Asset retirement obligation (ARO) represents the potential future costs of asbestos remediation at school sites. Due to Public Sector Accounting Standards Board standards introduced in 2022-23, EIPS must record the legal obligation associated with the retirement of tangible capital assets that are controlled by the Division. The ARO balance represents estimated, potential future costs. Should EIPS want to consider completing remediation on a particular building, an amount would need to be incorporated into the budget for funding this remediation (funded by current year funding or reserves).
- Reserves includes both operating reserves and capital reserves, available for use to fund costs not covered by current year funding. More information on these balances is included on the following page.

Reserve Limits

For 2024-25, Alberta Education has changed the maximum limit on operating reserves.

- In prior years there were two limits depending on the number of students in the school board, and now there is only one limit applicable to all boards. EIPS' previous limit was 3.2% of prior year expenditures. Now going forward, the maximum limit for all school boards is 6.0% of prior year expenditures.
- In prior year, school generated fund balances were not applicable towards the maximum limit (they were excluded). In 2024-25, the calculation was revised so school generated funds now apply towards EIPS' maximum operating reserve limit and must be considered when determining if the Division is over the limit.
- **For EIPS, the operating reserve limit for August 31, 2025 is estimated to be \$12,450,213, and EIPS will be well below this limit with an operating reserve balance of \$6,846,381.**

Reserve Assumptions

The following assumptions were made when Administration examined reserves:

- In February, schools and departments prepared forecasts using January actual results. These results were used to calculate their expected carryforward balance for the start of 2024-25.
- Projects funded by reserves in 2023-24 were expected to be completed as planned.
- School generated funds balances are projected to fall \$300,000 in 2023-24, and then remain stable in 2024-25.

Reserve Notes (continued)

- EIPS has estimated (on a consolidated basis), an approximate 1% reserve carryforward for school and department at the end of 2024-25.

Operating Reserves

Operating reserves are available for use by the Division. When an initiative is identified as reserve-funded, the cost of the initiative is transferred from Division Unallocated Operating Reserves to Division Allocated Operating Reserves to reflect that those dollars have been set aside for a particular purchase and are no longer available.

For 2024-25, the following initiatives have been identified and funds have been allocated accordingly (see Page 3, columns B and D):

- Any surplus at a school >1% at August 31, 2024 will be put into the Leveraging Student Achievement reserve and will be allocated for uses focusing on student learning needs and equity of student programming. Based on projections, the estimated balance available for use in 2024-25 will be approximately \$48K, but this amount will be finalized in fall 2024.
- \$30,480 for continuation of the Mental Health Strategic Plan, supporting areas including professional development in Violent Threat Risk Assessment (VTRA), Mental Health in Schools, etc.
- \$163,000 for a seconded principal to complete work related to Artificial Intelligence.
 - The focus would be on setting the strategic direction for our staff with a digital products vision (crucial for adoption with many of our current systems). The role will develop a framework that consultants and school leaders will follow in digital transformation and products within the Division.
 - Areas that would be touched on include digital citizenship, Artificial Intelligence (AI) awareness and use, learning (tools teachers are using for instruction), instruction (use of AI and other digital tools in lesson planning), digital assessment, communication, collaboration, etc.
- \$222,600 for two READ specialist certificated positions.
 - These positions will work on the Reading Enrichment and Development (READ) pilot program, expanding the pilot from last year. The program improves student reading achievement through a targeted intervention approach.
- \$120,000 for a Career Pathways teacher.
 - In order to ensure the Career Pathways Supervisor can continue to focus on an EIPS collegiate school and to prevent work being transferred to school sites, a Career Pathways teacher is required to complete site visits, update gradebooks, monitor assignments, review hours, etc.
- \$69,000 for existing position support, and \$20,000 for other minor adjustments.
- \$810,339 will be transferred to support overall operations; this is funded by the Capital Effect surplus (resulting from current unsupported capital purchases being less than amortization of prior year purchases).

Reserve Notes (continued)

For 2025-26 and later, the following initiatives have been identified and funds have been allocated accordingly (see Page 3, columns F and I):

- Sherwood Heights solution school start-up funds are planned at \$420,000 in 2025-26. The additional start-up funds cover transition costs not funded by the provincial government, including principal time, support staff time, supplies, library materials and other equipment to prepare the school. EIPS, along with other school divisions, provides additional start-up funds for new and replacement schools.
- \$163,000 for 2025-26 to continue to fund a seconded principal completing work related to artificial intelligence and digital transformation.
- Funds will continue to be transferred each year to support overall operations, funded by the Capital Effect.

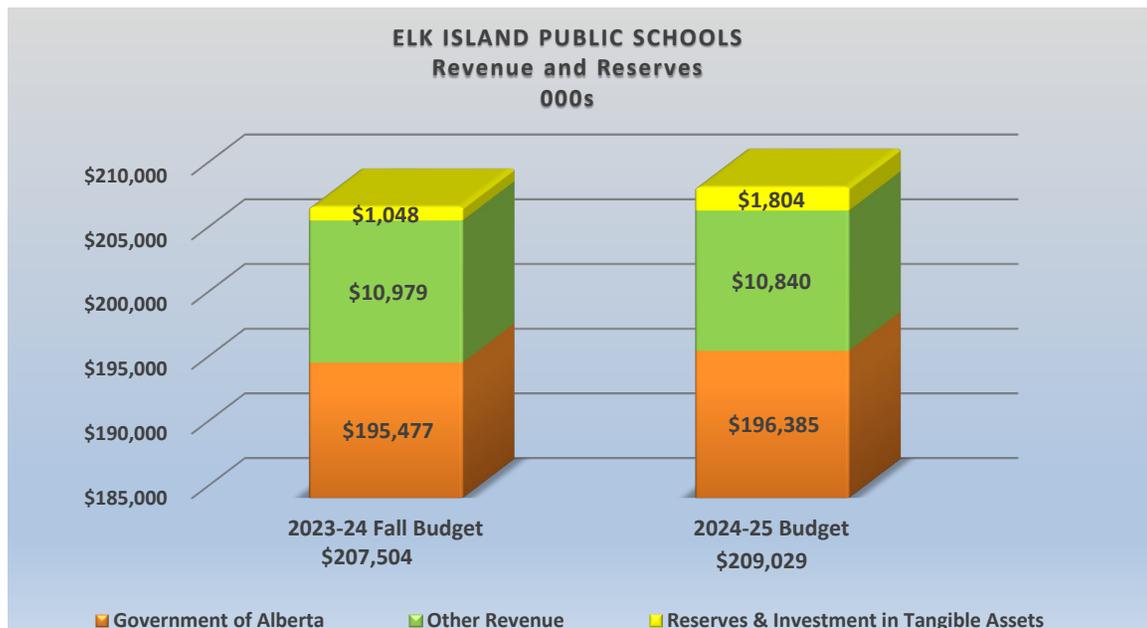
Capital Reserves

Capital reserves are required to be used on capital items and improvements and cannot be spent on operating expenses (such as teacher salaries, supplies, etc.). When a capital purchase is identified as reserve-funded, the cost of the initiative is transferred from Division Unallocated Capital Reserves to Division Allocated Capital Reserves to reflect that those dollars have been set aside for a particular purchase and are no longer available.

For 2024-25, the following initiatives have been identified and funds have been allocated accordingly (see the lower half of page 2, column G):

- \$15,541 towards Facility Services vehicles. This is funded by the sale proceeds from previous Facility Services vehicles and is put towards the cost of replacement vehicles.
- \$581,036 for four school bus replacements. The schools will amortize the costs over the lives of the buses. Schools expected to purchase buses in 2024-25 include Bev Facey Community High, Lakeland Ridge, Salisbury Composite High, and a bus shared between Rudolph Hennig Junior High and Fort Saskatchewan High.
- \$370,000 for information technology infrastructure, including wireless access points and VOIP phone infrastructure.

REVENUE AND RESERVE SUMMARY					
		2023-24	2024-25		
	Note	Fall Budget	Budget	Change	% Change
Revenue					
Government of Alberta					
Alberta Education (Page 8)		\$ 190,920,965	\$ 192,270,226	\$ 1,349,261	0.7%
Other Government of Alberta	A	4,556,117	4,114,439	(441,678)	(9.7%)
		<u>195,477,082</u>	<u>196,384,665</u>	<u>907,583</u>	<u>0.5%</u>
Other Alberta School Authorities					
Fees	B	307,773	315,536	7,763	2.5%
Other Sales and Services	B	5,091,198	4,961,038	(130,160)	(2.6%)
Investment Income	C	2,821,460	2,665,592	(155,868)	(5.5%)
Gifts and Donations	D	512,078	909,000	396,922	77.5%
Rental of Facilities	D	1,610,652	1,405,437	(205,215)	(12.7%)
Fundraising	B	231,740	231,740	-	-
		403,200	351,232	(51,968)	(12.9%)
		<u>206,455,183</u>	<u>207,224,240</u>	<u>769,057</u>	<u>0.4%</u>
Reserves					
Central Services		(215,484)	(61,965)	153,519	(71.2%)
Schools, including SGF		59,256	(4,236)	(63,492)	(107.1%)
		<u>(156,228)</u>	<u>(66,201)</u>	<u>90,027</u>	<u>(57.6%)</u>
EIPS Division Allocated		1,204,587	1,483,999	279,412	23.2%
EIPS Division Unallocated		-	-	-	-
		<u>1,204,587</u>	<u>1,483,999</u>	<u>279,412</u>	<u>23.2%</u>
Investment In Tangible Capital Assets					
Asset Retirement Obligation		-	386,545	386,545	100.0%
		<u>1,048,359</u>	<u>1,804,343</u>	<u>755,984</u>	<u>72.1%</u>
Total to Allocate		<u>\$ 207,503,542</u>	<u>\$ 209,028,583</u>	<u>\$ 1,525,041</u>	<u>0.7%</u>



ALBERTA EDUCATION REVENUE					
		2023-24	2024-25		%
	Note	Fall Budget	Budget	Change	Change
Base Instruction					
Early Childhood Services (ECS)		\$ 4,348,422	\$ 4,250,391	\$ (98,031)	(2.3%)
Grades 1 to 9		76,110,369	76,416,797	306,428	0.4%
High Schools		30,108,007	31,569,047	1,461,040	4.9%
Hutterite Colony Funding		53,000	53,000	-	0.0%
Distance Education		13,500	13,500	-	0.0%
Outreach Programs		250,000	350,000	100,000	40.0%
Rural Small Schools		1,841,432	1,841,432	-	0.0%
	E	<u>112,724,730</u>	<u>114,494,167</u>	<u>1,769,437</u>	<u>1.6%</u>
Supports and Services					
Specialized Learning Supports (SLS)		12,545,014	12,616,114	71,100	0.6%
Specialized Learning Supports - Kindergarten		1,322,970	1,311,915	(11,055)	(0.8%)
Moderate Language Delay		145,200	189,640	44,440	30.6%
ECS Pre-K Program Unit Funding (PUF)		1,927,387	1,932,117	4,730	0.2%
First Nations, Métis, and Inuit Education		1,868,139	1,876,488	8,349	0.4%
Classroom Complexity		861,061	861,269	208	0.0%
English as an Additional Language	F	388,080	437,316	49,236	12.7%
Refugee Students		1,210	-	(1,210)	(100.0%)
Institutional Programs	G	362,858	432,986	70,128	19.3%
		<u>19,421,919</u>	<u>19,657,845</u>	<u>235,926</u>	<u>1.2%</u>
School - System Needs					
Operations & Maintenance		16,267,352	16,341,697	74,345	0.5%
SuperNet		374,400	374,400	-	0.0%
Transportation	H	14,124,018	15,595,238	1,471,220	10.4%
Infrastructure Maintenance and Renewal (IMR)	I	988,477	1,218,276	229,799	23.2%
		<u>31,754,247</u>	<u>33,529,611</u>	<u>1,775,364</u>	<u>5.6%</u>
Community					
Socio-Economic Status		1,081,372	1,089,484	8,112	0.8%
Geographic		1,495,300	1,484,120	(11,180)	(0.7%)
School Nutrition Program		199,500	199,500	-	0.0%
		<u>2,776,172</u>	<u>2,773,104</u>	<u>(3,068)</u>	<u>(0.1%)</u>
Jurisdictions					
System Administration	J	6,186,944	6,545,977	359,033	5.8%
Teacher Salary Settlement		3,416,480	3,456,020	39,540	1.2%
Supplemental Growth	K	-	150,000	150,000	100.0%
		<u>9,603,424</u>	<u>10,151,997</u>	<u>548,573</u>	<u>5.7%</u>
Other					
Dual Credit Programming		248,043	160,000	(88,043)	(35.5%)
French Language Funding		291,974	225,000	(66,974)	(22.9%)
Lease Support		651,746	651,746	-	-
Odyssey Language Program		162,000	-	(162,000)	(100.0%)
Mental Health Pilot Program	L	1,371,632	-	(1,371,632)	(100.0%)
Fuel Price Contingency Program		357,720	357,720	-	-
New Curriculum Funding	M	786,115	304,780	(481,335)	(61.2%)
Secondments	N	976,548	113,640	(862,908)	(88.4%)
		<u>4,845,778</u>	<u>1,812,886</u>	<u>(3,032,892)</u>	<u>(62.6%)</u>
Supported Amortization		1,191,695	1,247,616	55,921	4.7%
Teacher Pensions		8,603,000	8,603,000	-	-
		<u>\$ 190,920,965</u>	<u>\$ 192,270,226</u>	<u>\$ 1,349,261</u>	<u>0.7%</u>

Revenue & Reserve Summary Notes

A. Other Government of Alberta \$442,000 decrease (9.7%)

There is a \$273,000 decrease in the Alberta Infrastructure (AI) supported amortization. In addition, in 2023-24 there was \$169,000 in funding for a modular move between École Campbelltown and SouthPointe School and modular demolition at Uncas Elementary. There are no plans for this type of work in 2024-25.

B. Fees, Other Sales and Services, Fundraising \$338,000 decrease (4.1%)

The primary reason for the decreases in these categories is related to a change in the base year utilized for estimating School Generated Funds (SGF). For 2024-25, a 5% inflationary increase was applied to 2022-23 actuals. Last year, a 5% increase was added to 2018-19 - the last 'normal year' for school activities given 2020-21 was a recovery year as activities were returning to normal post-pandemic. This has no impact on allocations.

C. Investment Income \$397,000 increase (77.5%)

The investment income has been projected based on an estimated interest rate and projected spending for 2024-25. The operating budget's interest income increased \$226,000 and the SGF investment income increased \$171,000, as the prior year amounts were conservative estimates.

D. Gifts and Donations \$205,000 decrease (12.7%)

The Gift and Donations revenue was updated to remove all revenues not known to continue for 2024-25 at the time of drafting this report. These reductions include the following:

- \$4,000 in supported amortization;
- \$8,000 donation from Shell for the Fort Saskatchewan outdoor initiative which is expected to be completed in 2023-24;
- \$10,000 donation from the Town of Lamont;
- \$42,000 SGF gift and donation revenue;
- \$56,000 donation for Castle (Scotford Colony); and
- \$85,000 reduction in Partners 4 Science donations as it is actively being used to build new science kits.

Alberta Education Revenue Notes

E. Base Instruction \$1.77 million increase (1.6%)

Revenue will increase because revenue is calculated on the three-year Weighted Moving Average (WMA). The years used are 2022-23, 2023-24 and 2024-25. As enrolment has increased each year, revenue will increase as well. The 2024-25 enrollment has increased by 53 students. This funding increase is essentially the growth Alberta Education (AE) is funding.

The Outreach program will receive an additional \$100,000 as it has moved up a funding level due to its increased enrolment.

Rural Small Schools Grant have remained at the same funding groups as the prior year.

School	Group	2023-24 Block Funding Rate
Bruderheim	Group 5	920,716
Mundare	Group 5	920,716
Total		2,323,202

F. English as an Additional Language \$49,000 increase (12.7%)

The English as an Additional Language (EAL) Grant is funded using the three-year WMA. From 2023-24 the number of EAL students has increased as there have been more families moving here from war-torn countries. This revenue is allocated to schools with EAL enrolment to help with those students' needs.

G. Institutional Programs \$70,000 increase (19.3%)

In June 2023, EIPS submitted a budget template to AE outlining its budgetary needs for its Institutional Programs. In November 2023, EIPS received approval for a budget of \$430,000; however, this missed the cutoff for updating the Fall Budget which is why the value reported is lower. The slight increase between the \$430,000 approved and the \$433,000 in the Spring Budget is related to the standard cost increase. EIPS is hopeful this standard cost will be approved in the 2024-25 application process.

H. Transportation \$1.47 million increase (10.4%)

The variance here is a timing difference. When the Fall Budget was prepared, the Transportation Grant was still under review, a final value was received later in the year. The 2024-25 grant is expected to remain close to what EIPS received in 2023-24.

I. Infrastructure Maintenance and Renewal (IMR) \$230,000 increase (23.2%)

The IMR funding assumes that Facility Services will spend 100% of the 2023-24 IMR funding this year and have no carryforward balance. The IMR budget for 2024-25 has been reduced for an estimated capital component (which is budgeted through supported amortization slowly over time).

	2023-24 Fall	2024-25 Budget	Variance
IMR Funding	\$ 2,238,000	\$ 2,218,000	\$ (20,000)
Prior Year Carryforward	-	-	-
IMR Capitalized	(1,250,000)	(1,000,000)	250,000
IMR Revenue Total	\$ 988,000	\$ 1,218,000	\$ 230,000

Alberta Education Revenue Notes (continued)

In addition, the Capital Maintenance Renewal (CMR) Grant increased from \$1,143K to \$2,832K in 2024-25 (\$1,689K increase). This grant was reduced in prior years to offset a one-time CMR Stimulus Grant that was allocated to school boards in 2019-20. In 2024-25 it is no longer being reduced.

These two grants are targeted.

J. System Administration **\$359,000 increase (5.8%)**

This grant is calculated using 3.2% of the 2022-23 expenditures, which were approximately \$11 million higher than 2021-22.

K. Supplemental Growth **\$150,000 increase (100.0%)**

When the Fall Budget was prepared, the Supplemental Growth total was not known, and the details were provided in late November 2023. The amount received in 2023-24 was \$582,000. This grant will fluctuate each year, as the basis of the calculation is the variance between current and prior year's enrolment.

L. Mental Health in Schools Pilot Program **\$1.37 million decrease (100.0%)**

The pilot program runs until December 2024, but EIPS used the remaining funds in the 2023-24 school year. The driving factor behind this decision was the staffing concern of finding qualified candidates for a partial year. In addition, it is hard to make a change mid-year and manage the students' and parents' expectations. Thus, there will be no funds available in 2024-25.

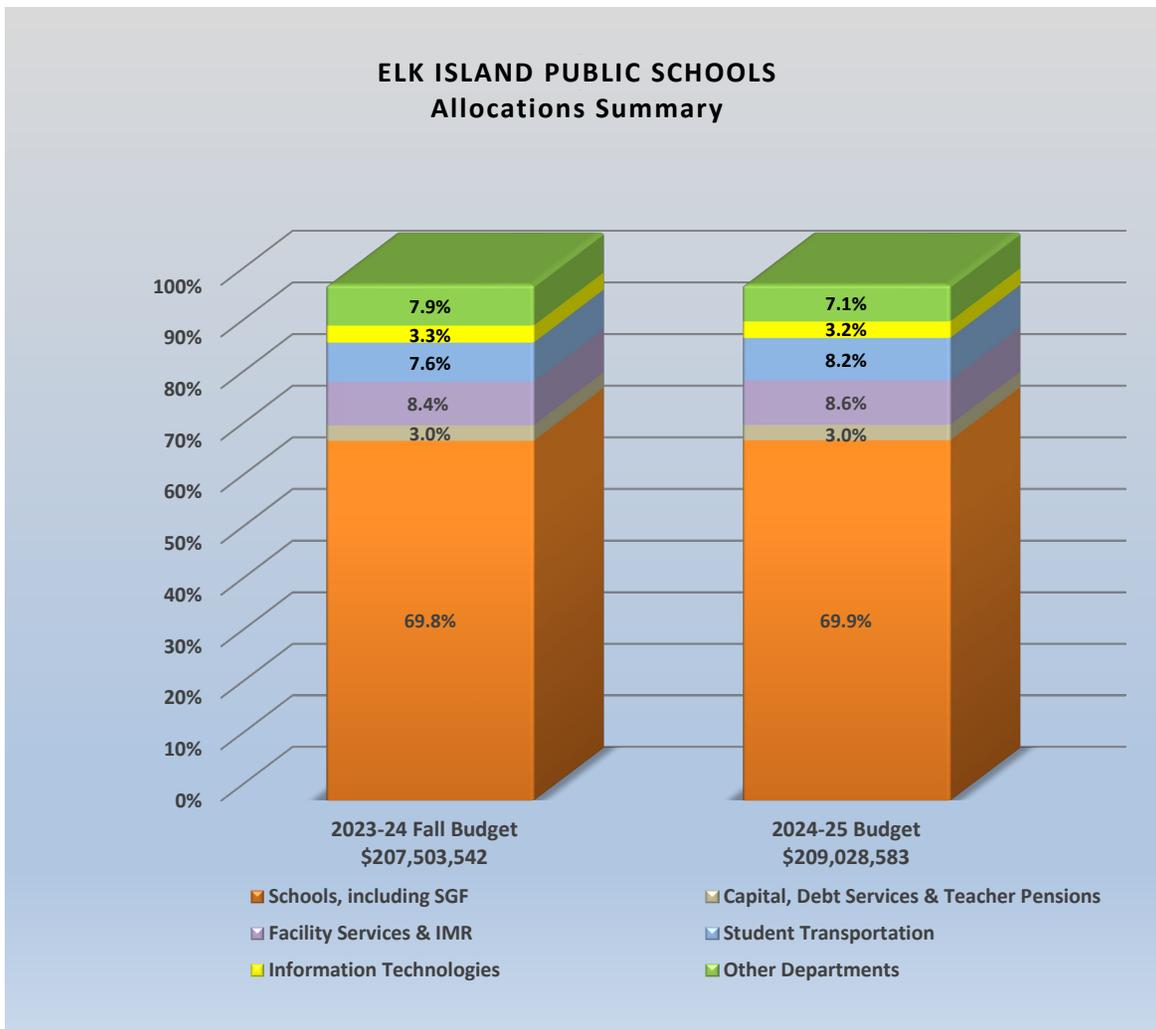
M. New Curriculum **\$481,000 decrease (61.2%)**

The New Curriculum 2024-25 budget has been estimated at \$305,000, which still needs to be submitted and approved by AE. In 2023-24 the curriculum work was for grades ECS to 6 and in 2024-25 it will be for grades 4 to 6 resulting in a decrease in funding.

N. Secondments **\$863,000 decrease (88.4%)**

The variance results from fewer staff being seconded to AE. Currently, in 2024-25 there is one secondment, in 2023-24 there were eight secondments. This value will be updated if any new contracts are approved in the coming months.

Allocation Summary					
	Page Ref	2023-24 Fall Budget	2024-25 Budget	\$ Change	% Change
Schools, including SGF		\$ 139,609,426	\$ 138,850,783	\$ (758,643)	(0.5%)
Supports for Students - Schools		5,203,931	7,100,135	1,896,204	36.4%
	13	144,813,357	145,950,918	1,137,561	0.8%
Facility Services		16,510,292	16,759,130	248,838	1.5%
Other Departments		16,467,584	14,908,401	(1,559,183)	(9.5%)
Student Transportation		15,699,981	17,121,971	1,421,990	9.1%
Information Technologies		6,797,855	6,770,631	(27,224)	(0.4%)
Capital, Debt Services & Teacher Pensions		6,225,996	6,299,256	73,260	1.2%
Infrastructure Maintenance and Renewal (IMR)		988,477	1,218,276	229,799	23.2%
	17	62,690,185	63,077,665	387,480	0.6%
		\$ 207,503,542	\$ 209,028,583	\$ 1,525,041	0.7%



Schools					
		2023-24	2024-25	\$	%
	Note	Fall Budget	Budget	Change	Change
Schools					
Basic Allocations					
Early Childhood Services Regular		\$ 3,071,980	\$ 2,939,177	\$ (132,803)	(4.3%)
Elementary - Grades 1 to 6		39,499,052	39,858,431	359,379	0.9%
Junior High - Grades 7 to 9		18,212,926	18,683,766	470,840	2.6%
Senior High - Grades 10 to 12		21,548,953	22,458,754	909,801	4.2%
School Fixed Rate Allocations		12,526,668	12,607,242	80,574	0.6%
Fall Allocation Adjustment		(398,962)	-	398,962	(100.0%)
Administrative Allowances		1,672,994	1,675,371	2,377	0.1%
	A	96,133,611	98,222,741	2,089,130	2.2%
School Programs*	B	2,142,246	971,238	(1,171,008)	(54.7%)
Early Learning & Specialized Supports	C	20,682,826	18,895,860	(1,786,966)	(8.6%)
Other	D	817,532	546,123	(271,409)	(33.2%)
Year-End Carryforward	E	985,040	922,851	(62,189)	(6.3%)
		120,761,255	119,558,813	(1,202,442)	(1.0%)
Elk Island Youth Ranch Learning Center		336,206	340,627	4,421	1.3%
Next Step Consolidated		2,811,774	2,853,567	41,793	1.5%
		123,909,235	122,753,007	(1,156,228)	(0.9%)
Contingency - To Be Allocated (TBA)	F	540,867	1,184,220	643,353	118.9%
Carryforward - TBA	G	(1,248,309)	(945,922)	302,387	24.2%
Leveraging Student Achievement - TBA		101,021	48,580	(52,441)	(51.9%)
Capital Lease		(181,397)	(181,397)	-	-
Teacher Pensions		8,242,659	8,242,659	-	-
School Generated Funds (SGF) inc. Reserves	H	8,245,350	7,749,636	(495,714)	(6.0%)
Schools		139,609,426	138,850,783	(758,643)	(0.5%)
Supports for Students - Schools					
Early Learning					
Government of Alberta Revenue		4,262,833	4,304,195	41,362	1.0%
Block Allocation		1,347,063	1,390,858	43,795	3.3%
One-Time Allocation		100,000	-	(100,000)	(100.0%)
Transfers		(3,081,191)	(2,733,382)	347,809	11.3%
Year-End Carryforward		19,640	18,835	(805)	(4.1%)
	I	2,648,345	2,980,506	332,161	12.5%
School Nutrition Program					
Government of Alberta Revenue		199,500	199,500	-	0.0%
Other Revenue		9,242	9,242	-	0.0%
		208,742	208,742	-	0.0%
Mental Health Capacity Building					
Government of Alberta Revenue		235,532	235,532	-	-
Specialized Supports - Schools					
Government of Alberta Revenue		17,024,638	17,126,325	101,687	0.6%
Block Allocation		2,030,016	2,195,297	165,281	8.1%
One-Time Allocation		266,138	-	(266,138)	(100.0%)
Division Allocated Reserve		60,000	253,080	193,080	321.8%
Transfers		(17,613,494)	(16,148,429)	1,465,065	8.3%
Other Revenue		9,078	-	(9,078)	(100.0%)
Year-End Carryforward		1,239	-	(1,239)	(100.0%)
	J	1,777,615	3,426,273	1,648,658	92.7%
Partners 4 Science					
Block Allocation		87,968	88,988	1,020	1.2%
Year-End Carryforward		-	-	-	-
Transfers		4,630	4,630	-	0.0%
Other Revenue		241,099	155,464	(85,635)	(35.5%)
	K	333,697	249,082	(84,615)	(25.4%)
Supports for Students - Schools		5,203,931	7,100,135	1,896,204	36.4%
TOTAL		\$ 144,813,357	145,950,918	\$ 1,137,561	0.8%

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* School programs include: Language, International Baccalaureate, Advanced Placement, First Nations, Métis, and Inuit, and Mental Health Pilot allocations to schools.

Schools Notes

A. Basic Allocations \$2.09 million increase (2.2%)

Basic allocations have been increased to schools. This primarily relates to covering the standard cost increases of \$1.5 million and the balance for enrolment changes.

B. School Programs \$1.17 million decrease (54.7%)

The changes are as follows:

- \$98,000 in additional English as an Additional Language allocations;
- (\$39,000) decrease in First Nations, Métis, and Inuit allocations. Allocations for project proposal will be transferred to schools in the upcoming months; and
- (\$1.23 million) decrease as the 2023-24 Mental Health in School Pilot Program is completed.

C. Early Learning & Specialized Supports \$1.79 million decrease (8.6%)

The reduction of \$1.79 million in transfers to schools from Early Learning and Supports for Students Schools is the result of both departments holding a contingency for both the finalization of spring allocations and for fall enrolment changes and emerging needs.

Subsequent to finalizing allocations for this report, Specialized Supports will be allocating an additional \$1.4 million to schools. Below is a detailed summary of the allocations and contingencies to be allocated (TBA).

	2023-24 Fall	2024-25 Budget	Variance
System Program Allocations	\$ 10,187,000	\$ 10,063,000	\$ (124,000)
Inclusive Allocations	7,441,000	5,947,000	(1,494,000)
Classroom Complexity Allocations	-	1,508,000	1,508,000
Contingency	438,000	550,000	112,000
Total Specialized Supports to Schools	\$ 18,066,000	\$ 18,068,000	\$ 2,000

Also subsequent to finalizing allocations for this report, Early Learning adjusted the allocations for the Play and Learn at Schools (PALS) programs. The current enrollment trend is reflecting the PALS students will be less than 2023-24 and thus \$230,000 less is being allocated to schools. This will be held in contingency and will be allocated to schools if the PALS enrolment increases.

D. Other \$271,000 decrease (33.2%)

This category includes many smaller allocations to schools; however, most of this variance relates to the following:

- Curriculum and Early Learning sub allocations of \$143,000 were reduced to zero as at the time of writing this report it was not known how much could be supported. These will be updated once allocations are determined.
- The Castle School (Scotford Colony) received a donation of \$56,000 which has not been confirmed for the 2024-25 school year.
- In 2023-24 there was \$66,000 in one-time allocations given to schools to address urgent needs. These have been removed.

Schools Notes (continued)

E. Year-End Carryforward **\$62,000 decrease (6.3%)**

2023-24 Fall Budget reflected the Aug. 31, 2023, actual surplus up to 1% reported at the schools. This year, the year-end carryforward is the estimated 1% carryforward for schools which is projecting lower.

F. Contingency – To Be Allocated (TBA) **\$643,000 increase (118.9%)**

Contingency funds are being held for uncertainties that will not be resolved until 2024-25.

G. Carryforward - TBA **\$302,000 increase (24.2%)**

The Carryforward total of (\$946,000) is made up of two amounts.

The first is the 2023-24 carryforward amount of \$324,000 that could be allocated to schools if their financial actuals on August 31, 2024, are higher than what was projected in February 2024 to top them up to the one percent as part of projections. This will be reduced to zero in the Fall Budget.

The second is the estimated 2024-25 one percent carryforward reduction amount of (\$1.27) million, which trues up the budget as a portion of the funds will not be spent in 2024-25 and will be carried into 2025-26.

H. School Generated Funds (SGF) inc. Reserves **\$496,000 decrease (6.0%)**

In 2023-24 Fall Budget EIPS had budgeted a \$300,000 reduction in SGF reserves as the 2023-24 ending balance was high. In 2024-25 there has been no reduction budgeted.

In addition, there was a change in the base year utilized for estimating School Generated Funds (SGF). For 2024-25, a 5% inflationary increase was applied to 2022-23 actuals. Last year, a 5% increase was added to 2018-19 - the last 'normal year' for school activities given 2020-21 was a recovery year as activities were returning to normal post-pandemic. This has no impact on allocations.

I. Early Learning **\$332,000 increase (12.5%)**

Most of this variance will be allocated to schools in the fall. In the spring, some funds are held to ensure students arriving after the Spring Budget are supported and to ensure students that have the highest needs are met. It is prudent not to allocate these dollars and hire staff until we know these students are arriving for certain.

Subsequent to finalizing allocations for this report, Early Learning adjusted the allocations for the Play and Learn at Schools (PALS) programs. The current enrollment trend is reflecting the PALS students will be less than 2023-24 and thus \$230,000 less is being allocated to schools. This will be held in contingency and will be allocated to schools if the PALS enrolment increases.

The One-Time Allocation provided in the Fall Budget 2023-24 was later removed as it was determined the funds were not required by Early Learning.

There is an increase in Alberta Education funding for supporting an increase in early learning students with moderate language delays. The block was increased to cover benefits increases and grid movement.

Schools Notes (continued)

J. Specialized Supports - Schools \$1.65 million increase (92.7%)

Most of this variance will be allocated to schools. In the spring, some funds are held to ensure students arriving after the Spring Budget are supported and to ensure students that have the highest needs are met. It is prudent not to allocate these dollars and hire staff until we know these students are arriving for certain.

Overall, the total revenue and allocations being provided to Specialized Supports Schools is staying consistent to the prior budget. The revenue increase primarily relates to extra students registered into the system education programs.

Subsequent to finalizing allocations for this report, Specialized Supports will be allocating an additional \$1.4 million to schools. Below is a detailed summary of the allocations and contingencies to be allocated (TBA).

	2023-24 Fall	2024-25 Budget	Variance
System Program Allocations	\$ 10,187,000	\$ 10,063,000	\$ (124,000)
Inclusive Allocations	7,441,000	5,947,000	(1,494,000)
Classroom Complexity Allocations	-	1,508,000	1,508,000
Contingency	438,000	550,000	112,000
Total Specialized Supports to Schools	\$ 18,066,000	\$ 18,068,000	\$ 2,000

The Division Allocated Reserves are increasing by \$193,000 which is the funding for the two full time equivalent Reading Enrichment and Development (READ) pilot program teachers for \$223,000 offset by a \$30,000 reduction for the Mental Health Strategic plan.

K. Partners 4 Science \$85,000 decrease (25.4%)

This program received donations to build science kits for the new curriculum. Each year these funds are utilized in the continued process of building those kits. This decrease reflects the expected funds spent in 2023-24.

Central Services					
	Note	2023-24 Fall Budget	2024-25 Budget	\$ Change	% Change
Capital and Debt Services	A	\$ 6,225,996	\$ 6,299,256	73,260	1.2%
Block Allocation		15,339,220	15,697,568	358,348	2.3%
Year-End Carryforward		(44,690)	103,555	148,245	(331.7%)
Allocations - One Time		89,000	-	(89,000)	(100.0%)
Other Revenue		231,740	231,740	-	0.0%
Government of Alberta Revenue		895,022	726,267	(168,755)	(18.9%)
Facility Services	B	16,510,292	16,759,130	248,838	1.5%
Infrastructure Maintenance and Renewal - Targeted	C	988,477	1,218,276	229,799	23.2%
Block Allocation		6,149,645	6,195,451	45,806	0.7%
Year-End Carryforward		41,869	26,333	(15,536)	(37.1%)
Allocations - One Time		231,941	11,447	(220,494)	(95.1%)
Division Allocated Reserve		-	163,000	163,000	100.0%
Government of Alberta Revenue		374,400	374,400	-	0.0%
Information Technologies	D	6,797,855	6,770,631	(27,224)	(0.4%)
Year-End Carryforward		125,295	76,065	(49,230)	(39.3%)
Other Revenue		1,092,948	1,092,948	-	0.0%
Government of Alberta Revenue		14,481,738	15,952,958	1,471,220	10.2%
Student Transportation	E	15,699,981	17,121,971	1,421,990	9.1%
Board of Trustees					
Block Allocation		585,266	585,266	-	0.0%
Allocations - One Time		3,000	-	(3,000)	(100.0%)
Year-End Carryforward		430	5,887	5,457	1269.1%
		588,696	591,153	2,457	0.4%
Education Executive					
Block Allocation		1,452,002	1,480,726	28,724	2.0%
Year-End Carryforward		14,320	9,045	(5,275)	(36.8%)
Division Allocated Reserve		-	69,000	69,000	100.0%
Allocations - One Time		68,100	-	(68,100)	(100.0%)
	F	1,534,422	1,558,771	24,349	1.6%
Supports for Students					
Block Allocation		2,586,925	2,611,935	25,010	1.0%
Year-End Carryforward		23,297	26,389	3,092	13.3%
Division Allocated Reserve		136,950	120,000	(16,950)	(12.4%)
Other Revenue		82,465	76,804	(5,661)	(6.9%)
Allocations - One Time		55,371	15,250	(40,121)	(72.5%)
Government of Alberta Revenue*		2,730,691	1,940,688	(790,003)	(28.9%)
Transfers*		(593,771)	(430,064)	163,707	27.6%
	G	5,021,928	4,361,002	(660,926)	(13.2%)
Human Resources					
Block Allocation		4,842,808	4,865,306	22,498	0.5%
Year-End Carryforward		33,660	15,533	(18,127)	(53.9%)
Other Revenue		317,843	326,316	8,473	2.7%
Government of Alberta Revenue		976,548	113,640	(862,908)	(88.4%)
Transfers		(30,000)	(30,000)	-	0.0%
Allocations - One Time		48,800	12,192	(36,608)	(75.0%)
	H	6,189,659	5,302,987	(886,672)	(14.3%)
Business Services					
Block Allocation		3,107,704	3,068,265	(39,439)	(1.3%)
Year-End Carryforward		25,175	26,223	1,048	4.2%
	I	3,132,879	3,094,488	(38,391)	(1.2%)
Other Departments		16,467,584	14,908,401	(1,559,183)	(9.5%)
TOTAL		\$ 62,690,185	\$ 63,077,665	\$ 387,480	0.6%

* Fall Budget was restated for a classification change.

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Capital and Debt Services	6,225,996	6,299,256	73,260	1.2%
Block Allocation	34,063,570	34,504,517	440,947	1.3%
Year-End Carryforward	219,356	289,030	69,674	31.8%
Division Allocated Reserve	136,950	352,000	215,050	157.0%
Other Revenue	1,724,996	1,727,808	2,812	0.2%
Government of Alberta Revenue	20,446,876	20,326,229	(120,647)	(0.6%)
Transfers	(623,771)	(460,064)	163,707	(26.2%)
Allocations - One Time	496,212	38,889	(457,323)	(92.2%)
	\$ 62,690,185	\$ 63,077,665	\$ 387,480	0.6%

Central Services Notes

A. Capital and Debt Services **\$73,000 increase (1.2%)**

Block Allocations have decreased by \$176,000 as there is less unsupported amortization. In addition, the supported amortization decreased by \$221,000. These decreases were offset by an increase of \$84,000 for departments' 1% carryforwards to be allocated. There has also been a change to how the asset retirement obligation (ARO) is displayed which appears as an increase of \$386,000. The ARO has no impact on allocations.

B. Facility Services **\$249,000 increase (1.5%)**

Block Allocations have increased by \$358,000 for the following:

- \$227,000 for estimated utilities increases;
- \$87,000 increase in insurance costs;
- \$66,000 for inflation on custodial supplies;
- \$58,000 for benefits increases and grid movement; and
- (\$80,000) utilities reduction from the Andrew School closure.

Year-End Carryforward amount increased by \$148,000.

Allocations - One Time have decreased by \$89,000. These funds were for a temporary project manager for six months and community engagement.

The 2023-24 Government of Alberta Revenue included \$169,000 in funding for a modular move between École Campbelltown and SouthPointe School and modular demolition at Uncas Elementary. There are no plans for this type of work in 2024-25.

C. Infrastructure Maintenance and Renewal (IMR) **\$230,000 increase (23.2%)**

The IMR funding is assuming that Facility Services will be able to spend 100% of the 2023-24 IMR funding this year. The IMR funding for 2024-25 has been reduced for an estimated \$1,000,000 capital component. Please refer to the IMR detailed table provided in the Alberta Education Revenue Note section of this report for additional details.

D. Information Technologies **\$27,000 decrease (0.4%)**

Block Allocations have increased by \$46,000 for the following:

- \$68,000 for benefits increases and grid movement;
- \$31,000 for a new software called Azure; and
- (\$53,000) reduction for software licensing and vendor licensing changes.

Year-End Carryforward amount decreased by \$16,000.

Allocations - One Time have decreased by \$220,000. The 2023-24 amount was for evergreening computers and the 2024-25 amount is for the replacement of the uninterrupted power supply batteries at schools.

Division Unallocated Reserves is funding a seconded principal to focus on artificial intelligence for an increase of \$163,000 for two years, with an option for a third year.

Central Services Notes (continued)

E. Student Transportation **\$1.42 million increase (9.1%)**

Year-End Carryforward amount decreased by \$49,000.

Government of Alberta revenue increased by \$1.47 million. In 2023-24, the distance a student lives from their designated school was reduced to 1.0 km for grades 1 to 6 students and 2.0 km for grades 7 to 12 students; this funding increase supports this change.

F. Education Executive **\$24,000 increase (1.6%)**

Block Allocations have increased by \$29,000 for benefits increases and grid movements.

Year-End Carryforward amount decreased by \$5,000.

Division Unallocated Reserves and the Allocation – One Time is a transfer of funding source for a staffing position.

G. Supports for Students **\$661,000 decrease (13.2%)**

Block Allocations have increased by \$25,000 primarily from benefits increases and grid movements.

Allocations – One Time decreased by \$40,000 as funds were removed for the Division professional development day and common exams initiatives.

Government of Alberta Revenue has decreased \$790,000 due to:

- \$8,000 in additional First Nations, Métis, and Inuit Education funding;
- (\$67,000) reduction in OLEP funding which is based on a conservative estimate, more details will be provided in the upcoming months;
- (\$88,000) decrease in dual credit funding, which only includes carryforwards from prior year, new applications will be submitted in upcoming months;
- (\$162,000) revenue removed for the Odyssey program, which is yet to be confirmed; and
- (\$481,000) reduced curriculum funding.

Transfers have increased by \$164,000, reduced transfer to schools for curriculum and First Nations, Métis, and Inuit Education accounts for this total. These funds are being held in contingencies for allocating in upcoming months.

H. Human Resources **\$887,000 decrease (14.3%)**

Block Allocations have increased by \$22,000 for the following:

- \$41,000 for rural sub pilot;
- \$37,000 for benefits increases, staffing changes and grid movement;
- (\$6,000) return of block; and
- (\$50,000) adjustment to long term disability and moving to a three-year average.

Year-End Carryforward amount decreased by \$18,000.

Other Revenue and Government of Alberta Revenue decreased by \$854,000 which is related to secondment revenue. Currently there have been four secondments for 2024-25, of which one is for AE and the other three are for secondments to other organizations.

The Allocation - One Time \$37,000 decrease relates to the 2023-24 classified salary compensation analysis being completed, offset by an allocation for department professional development.

Central Services Notes (continued)

I. Business Services

\$38,000 decrease (1.2%)

Block Allocations have decreased by \$39,000 for the following:

- \$50,000 for benefits increases and grid movement;
- (\$29,000) in reduced block required for insurance;
- (\$30,000) returned contingency for increments as they are now funded annually; and
- (\$30,000) for legal budget reductions.