



AGENDA

Golden Hills School Division No. 75

Vision: *Inspiring confident, connected, caring citizens of the world*

Mission: *Engaging all learners in achieving their highest levels of academic and personal competence within a caring, innovative environment.*

Regular Meeting of The Board of Trustees

Tuesday, March 28, 2017

Start time 9:30 AM

Boardroom of the Golden Hills School Division No. 75

AGENDA

1. **Attendance**
2. **Call to Order**
3. **In Camera**
4. **Approval Of Agenda**
5. **Welcome Public, Vision and Mission Statements**
6. **Presentation of Minutes**
 - 6.1 **Regular Meeting of The Board of Trustees (2017/02/21)**
7. **REPORTS**
 - 7.1. **Chair's Report**
 - 7.2. **Board Committees**
 - 7.3. **Board Representatives to External Organizations**
 - 7.4. **Administration Reports**
8. **NEW BUSINESS**
 - 8.1. **Action Items**
 - 8.1.1. **Capital Planning**
 - 8.1.2. **SERP (Supplemental Executive Retirement Plan)**
 - 8.1.3. **Audit Tender**
 - 8.1.4. **Golden Hills School Division Mission, Vision and Motto**

T. Sabir

T. Sabir

T. Sabir

B. Daverne

8.2. Information Items

8.2.1. **Monthly Enrolment Monitoring Report (Feb 2017)**

T. Sabir

8.2.2. **Budget Announcement**

T. Sabir

8.2.3. **Second Quarter Financial Report (Dec/Jan/Feb)**

T. Sabir

8.2.4. **PCA Society Update**

F. Cotton

9. School Monitoring Reports

9.1. **Acme/Carbon/Dr. Elliott (K. Ratzlaff/M. Steen)**

9.2. **Greentree (R. Campbell-Bentley/C. Gerodo)**

10. ADJOURNMENT

Draft



MINUTES

Golden Hills School Division No. 75

Regular Meeting of The Board of Trustees

Meeting Type : REGULAR BOARD MEETING

Date : Tuesday, February 21, 2017

Start time : 9:30 AM

Location : Boardroom of the Golden Hills School Division No. 75

Minutes

Attendance

Present were:

a) Chair

- David Price

b) Vice-Chair

- Larry Tucker

c) Trustee

- Barry Kletke
- Alan Larsen
- Joyce Bazant

d) Superintendent

- Bevan Daverne

e) Associate Superintendent

- Wes Miskiman

g) Secretary Treasurer

- Tahra Sabir

h) Recording Secretary

- Kristy Polet

Absent:

c) Trustee

- Sherri Nielsen

f) Deputy Superintendent

- Dr. Kandace Jordan

Call to Order

Chair Price called the meeting to order at 9:32 a.m.

In Camera

Resolution #BD20170221.1001

MOVED by Trustee Larsen that the Board of Trustees go *In Camera* at 9:32 a.m. to discuss legal matters.

Carried

Resolution #BD20170221.1002

MOVED by Trustee Bazant that the Board of Trustees rise from *In Camera* at 10:35 a.m.

Carried

BREAK

Recessed at 10:35 a.m.

Reconvene at 10:40 a.m.

Approval Of Agenda

Resolution #BD20170221.1003

MOVED by Trustee Kletke that the Board of Trustees approve the agenda as amended:

- add to Action item; 8.1.3. Locally Developed/Acquired Courses

Carried

Presentation of Minutes

Resolution #BD20170221.1004

MOVED by Trustee Larsen that the Board of Trustees approve minutes of January 24, 2017 as presented.

Carried

Chair's Report
(REPORTS)

Chair Price reported on the following:

- Wild Rose Education Critic Representative, Mrs. Leela Aheer, met with Superintendent Daverne and Chair Price on Friday, February 17, 2017. Discussion around CEU model and would like to invite her to tour our schools.

Board Committees
(REPORTS)

No information to present at this time.

Board Representatives to External Organizations
(REPORTS)

Trustee Kletke presented information on the Public School Boards' Association of Alberta (PSBAA) Council Meeting held on February 9 - 11, 2017.

- Guest Speaker, Marni Pearce, co-chair of the Alberta Mentoring Partnership, presented on the positive impact that mentors have on our students. This is a practice that Golden Hills School Division embraces and provides in our schools. It was noted that not all Divisions offer mentoring.

Chair Price and Trustee Nielsen presented information on the Alberta School Boards Association (ASBA) Zone 5 Meeting held Friday, February 3, 2017.

- Honorable Minister Eggen may meet with ASBA Zones instead of individual Boards.
- Discussed new position that was formed by the Premier, Education Stakeholder Liaison.
- Discussed the new Alberta Teachers Association (ATA) Ad "Voice for Kids".

Administration Reports
(REPORTS)

Associate Superintendent Miskiman presented information on the following:

- HR Update:
 - Annual Long Service Awards - being held on Thursday, May 25, 2017 at the Travelodge in Strathmore.
 - Teacher Award - Edwin Parr 2016-2017 going through nominees.
 - Excellence in Teaching Awards has been put on hold. Alberta Education is working with stakeholder representatives to design the specifics of the new program, which will be announced once this important work is finalized.

- A Staff Wellness Program is been organized and will encompass the Physical, Mental & Healthy eating aspects.

Secretary Treasurer Sabir presented information on the following:

- Discussed the Trochu Valley Fitness Centre progress - an up to date financial budget will be presented at next Board Meeting.

Superintendent Daverne presented information on the following:

- Strathmore K - 9 School
 - design work is moving forward.
 - Architects requested school be "Named". As per our Administrative Procedure 540 - *Naming Renaming Facilities*, a committee will be formed to name the school at a future date.
 - Tender - tentatively set to go out in the Spring.
- Wheatland Crossing
 - furniture has been delivered and school staff had the opportunity to tour the facility.

Wheatland Crossing School Joint-Use Agreement
(Action Items)

Resolution #BD20170221.1005

MOVED by Trustee Bazant that the Board of Trustees reviews the Joint Use Agreement for Wheatland Crossing Recreation Facility in consideration for approval.

Carried

Budget Development Principles and Process
(Action Items)

Resolution #BD20170221.1006

MOVED by Trustee Kletke that the Board of Trustees adopts the Budgeting Principles and timeline for the 2017-2018 fiscal year subject to a potential review following a provincial budget announcement.

Carried

Locally Developed/Acquired Courses
(Action Items)

Resolution #BD20170221.1007

MOVED by Trustee Larsen that the Board of Trustees authorizes the use of the acquired locally developed courses and any learning resources detailed in the course outline for use in Golden Hills School Division.

Military Studies 15 (3 & 5 Credits)	Acquired from Calgary School	January 27, 2017 until August 31, 2020
Military Studies 25 (3 & 5 Credits)	District No. 19	

Carried

Monthly Enrolment Monitoring Report (January 2017)
(Information Items)

Secretary Treasurer Sabir presented information on the Monthly Enrolment Monitoring Report (January 2017).

**Transportation
Monitoring Report**
(Information Items)

Secretary Treasurer Sabir presented information on the Transportation Monitoring Report covering the periods of September 30, 2015 - August 31, 2016 and September 2016 to current.

ADJOURNMENT

Resolution #BD20170221.1008

MOVED by Trustee Bazant that the meeting adjourn at 12:10 p.m.

Carried

Chair

Secretary-Treasurer

Draft



CAPITAL PLANNING

"Inspiring confident, connected, caring citizens of the world"

March 28, 2017

Background:

Alberta Education and Alberta Infrastructure require boards to submit annual capital planning priorities by April 1, 2017.

Capital planning considers the following needs: leases, modular classrooms, modernizations, new schools and replacement (new) schools. Alberta Education evaluates all requests according to factors such as utilization rates, facility condition, and enrolment patterns in order to establish the provincial priorities which may receive funding approval.

The Board previously approved the following modular requests at the October 25, 2016 meeting:

School	Request
Strathmore High School (Strathmore)	Three New Modular classrooms
Trinity Christian Academy (Strathmore)	Three New Modular classrooms

Currently, Golden Hills has several Capital Projects underway throughout the jurisdiction:

- Wheatland Crossing - New School (April 30, 2013 announcement)
- Strathmore – K-9 School (January 23, 2015 announcement)

There are continuing challenges with the aging schools in South Kneehill County, with Greentree School in Drumheller and with Westmount School in Strathmore. These schools will require modernizing so they will be able to facilitate 21st Century learning opportunities.

Recommendation:

That the Board of Trustees approves the request for the modernizations in order of priority:

1. Westmount School (\$ 3,543,863 deferred maintenance)
2. Greentree School (\$ 3,995,548 deferred maintenance)

That the Board of Trustees approves the request for continued support for the following:

Conversion of existing Acme elementary sized gym to flex space and Career Technology Studies Area with the addition of a newly constructed, appropriately sized gym, with opportunity for potential community partnerships.

Bevan Daverne
Superintendent

Tahra Sabir
Secretary-Treasurer



SUPPLEMENTARY EXECUTIVE RETIREMENT PROGRAM SERP

"Inspiring confident, connected, caring citizens of the world"

March 28, 2017

Background:

Golden Hills School Division has a Supplementary Executive Retirement Program (SERP) as a supplemental employee retirement plan under the school districts' direction and control pursuant to the terms and conditions under the Canada Revenue Agency (CRA) Advance Tax Ruling Document.

The benefit payable from SERP has the following options:

1. Upon termination of employment prior to attainment of age 55;
2. Upon retirement from the school district on or following attainment of age 55;
3. In the event of death while employed.

Golden Hills recommends a payout of benefits over a period of 10 years.

Recommendation:

That the Board of Trustees approves to pay out the SERP benefit over ten years in annual payments.

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Bevan Daverne
Superintendent of Schools

A handwritten signature in blue ink, appearing to read "Tahra Sabir".

Tahra Sabir
Secretary Treasurer



AUDIT TENDER

“Inspiring confident, connected, caring citizens of the world”

March 28, 2017

Background:

Pursuant to the School Act s 146 the Board shall appoint an auditor and further to Golden Hill’s Administrative Procedure 515, contracts for auditing shall be tendered a minimum of once every five fiscal years.

The following timeline shows what has happened in the past.

Audit Fiscal Years	Issue	Who	Motion
Year 2004/2005 Year 2005/2006 Year 2006/2007	Tendered in April 7, 2005	Gregory Harriman	2005-06-28-370
Year 2007/2008	Reappointment	Gregory Harriman	2008-04-22-906
Year 2008/2009	Reappointment	Gregory Harriman	2009-05-26-1224
Year 2010/2011 Year 2011/2012 Year 2012/2013		Collins Barrow	2010-05-11-185
Year 2013/2014 Year 2014/2015 Year 2015/2016	Reappointment - Engagement letters	Collins Barrow	Letter dated Aug 27, 2014 Letter dated Sept 22, 2015 Motion: 20160831.2011
Year 2016/2017 – 2019/2020			

Recommendation:

That the Board of Trustees approves the recommendation to Tender for Auditors in March 2017 for a 3 year appointment beginning with the fiscal period of 2016/2017 and ending 2019/2020.

Bevan Daverne
Superintendent of Schools

Tahra Sabir
Secretary/Treasurer



GOLDEN HILLS SCHOOL DIVISION MISSION, VISION and MOTTO

"Inspiring confident, connected, caring citizens of the world"

March 28, 2017

Background:

Currently, Golden Hills School Divisions Vision, Mission and Values statements are as follows:

Vision Statement:

Inspiring confident, connected, caring citizens of the world

Mission Statement:

Engaging all learners in achieving their highest levels of academic and personal competence within a caring, innovative environment

Over the past year a process has been underway to review the current Vision and Mission statements. This collaborative process has been undertaken to review and update these foundational statements in order to better reflect our current Golden Hills School Division.

This collaboration process included a facilitated approach that involved our senior leadership, school support teams, as well as all school administrators. Similar processes have been undertaken by many of our schools.

The revised and recommended Motto, Vision and Mission Statements are as follows:

Motto:

Powering hope and possibilities

Mission Statement:

Intentionally maximizing learning for all

Vision Statement:

Inspiring confident, connected, caring citizens of the world

Recommendation:

That the Board of Trustees review and update the Mission, Vision and Motto statements for Golden Hills School Division.

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Bevan Daverne
Superintendent of Schools



ENROLMENT BACKGROUNDER

"Inspiring confident, connected, caring citizens of the world"

March 28, 2017

Background:

The Board of Trustees regularly monitors enrolment and notes trends over time. Funding is primarily enrolment-driven and monitoring and projecting enrolment trends informs the board's budgeting processes.

As per the attached monitoring report, information is provided on September 30, 2016 enrolment of provincially funded students, Siksika funded students and International funded students.

Alberta Education calculates funding for Kindergarten to Grade 9 based on the full-time equivalent student count as of September 30, 2016. High school funding is based on the Credit Enrolment Units earned per student.

Recommendation:

That the Board of Trustees receives the Enrolment Monitoring Report for information and for the record.

A handwritten signature in blue ink, appearing to read "Bevan Daverne".

Bevan Daverne
Superintendent

A handwritten signature in blue ink, appearing to read "Tahra Sabir".

Tahra Sabir
Secretary-Treasurer

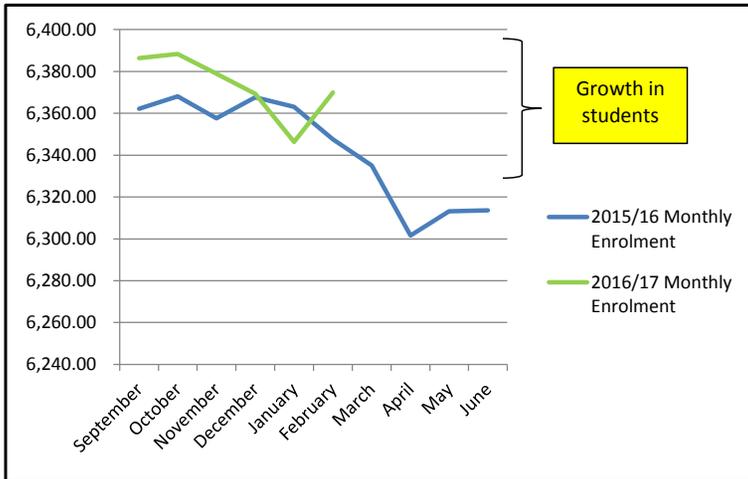
Golden Hills School Division No. 75 Enrolment

Summary of Totals - Year to Year Comparison

January 31, 2017 & February 28, 2017

Funded Total Enrolment	28-Feb-17 Enrolment	31-Jan-17 Enrolment	Difference	% Change
Provincially Funded Students	6,040.25	6,016.75	23.50	0.39%
Siksika Students	155.00	155.00	0.00	0.0%
International Students	174.65	174.65	0.00	0.0%
Total	6,369.90	6,346.40	23.50	0.4%

Last Year Monthly Enrolment & Comparison to September 2016



Grade Figure Analysis Comparison of Sept 2016 and Sept 2015

Provincially Funded	30-Sep-15	30-Sep-16	Difference	% Change
Kindergarten	215.50	203.50	-12.00	-5.9%
Grades 1-3	1,414.00	1,435.00	21.00	1.5%
Grades 4-6	1,445.00	1,431.00	-14.00	-1.0%
Grades 7-9	1,453.00	1,448.00	-5.00	-0.3%
Grades 10-12	1,503.00	1,539.25	36.25	2.4%
Total	6,030.50	6,056.75	26.25	0.4%

Schools - Year to Year Comparison

Configuration	SCHOOL	February 28, 2017 Provincially Funded	January 31, 2017 Provincially Funded	Difference	% Change
K-6, 10-12	Acme School	197.00	195.00	2.00	1.0%
K-6	Brentwood Elementary School	347.50	347.50	0.00	0.0%
K-9	Carbon School	99.00	99.00	0.00	0.0%
K-6	Carseland School	68.00	68.00	0.00	0.0%
7-9	Crowther Memorial Jr. High School	564.00	563.00	1.00	0.2%
K-9	Dr. Elliott Community School	171.50	169.50	2.00	1.2%
7-12	Drumheller Valley Secondary School	393.00	389.00	4.00	1.0%
K-6	Greentree School	387.50	386.00	1.50	0.4%
K-12	Prairie Christian Academy School	272.00	268.00	4.00	1.5%
10-12	Strathmore High School	606.00	600.00	6.00	1.0%
K-12	Three Hills School	448.50	447.50	1.00	0.2%
K-9	Trinity Christian Academy	171.00	171.00	0.00	0.0%
K-12	Trochu Valley School	274.00	274.00	0.00	0.0%
K-6	Westmount School	442.50	441.50	1.00	0.2%
K-6	Wheatland Elementary School	359.00	358.00	1.00	0.3%
K-12	Wheatland Crossing	332.50	332.50	0.00	0.0%
Totals		5,133.00	5,109.50	23.50	0.5%
Configuration	SCHOOL	Provincially Funded	Provincially Funded	Difference	% Change
7-9	Anchors II Outreach	14.00	14.00	0.00	0.0%
7-12	Drumheller Outreach	18.00	18.00	0.00	0.0%
1-12	Golden Hills Learning Academy	122.50	122.50	0.00	0.0%
1-12	NorthStar Academy	377.25	377.25	0.00	0.0%
7-12	Strathmore StoreFront	34.00	34.00	0.00	0.0%
Totals		565.75	565.75	0.00	0.0%
Configuration	COLONY SCHOOLS	Provincially Funded	Provincially Funded	Difference	% Change
K-9	Colonies	341.50	341.50	0.00	0.0%



BUDGET ANNOUNCEMENT

“Inspiring confident, connected, caring citizens of the world”

March 28, 2017

Background:

Funding History

Year	Description	Amount if Enrolment is Unchanged	Total \$ Impact if Enrolment is Unchanged
2013/2014 March 7, 2013	AISI Decrease POM Decrease Transportation Decrease Infrastructure, Maintenance and Renewal decrease Administration	\$500K decrease \$220K decrease \$320K decrease \$200K decrease \$270K decrease	\$1.5M loss
2014/2015 March 6, 2014	Class Size Inclusive Education IMR IMR One time funding	\$47K increase \$72,880 increase \$230,000 increase Total = \$350,650 \$974,403	\$350,650 increase Not including IMR one time funding
2015/2016 Announced March 26, 2015 Change in government new budget announced May 28, 2015	3.1% Cuts in: ECS PUF, Equity of Opportunity, First Nations, Hutterite Colonies, Inclusive Education, Outreach, Plant Operations & Maintenance, Small School by Necessity, Socio Economic Status 1.4% Cut in Transportation Conditions to Access to reserves All Cuts reversed. 2% gain in Base Grants to support Collective Agreement and a 1% lump sum payment	Overall impact – 1% loss	\$694,000
2016/2017 Announced April 14, 2016	<i>No changes in all the basic grant rates.</i> IMR 70% increase - \$652,000. RCSD 2.7% increase - \$13,270 Carbon Tax Levy <i>Budget deadline extended until June 30, 2016</i>	\$75,000	Minimal increase in RCSD and Carbon tax will negatively impact POM and Transportation that continue to operate in deficits

MOST RECENT	Description	Amount if Enrolment is Unchanged	Total \$ Impact if Enrolment is Unchanged
2017/2018 Announced March 16, 2017	<i>No change in Base Grants</i> Small School By Necessity decrease (part due to consolidation of East Wheatland) Plant Operations and Maintenance Increase IMR Increase <u>Carbon Levy</u> Electricity Carbon levy - GHSD has a contract so not exposed by \$32,000 RCSD decrease CEU cap reduced from 60 to 45 per student Bill 1 – Resource Fees Eliminated to Parents – funding now received from Alberta Education	(\$224,000) \$65,000 \$286,000 (\$150,000 announced last year) *Direct costs only indirect costs not include Golden Hills Share approx. \$79K decrease Still to be determined \$300,000 (government to subsidize)	Overall decrease of \$250,000 not including IMR and CEU cap impact still to be determined.

Golden Hills will continue to pursue program initiatives and system improvements to ensure that students get the best education in Golden Hills Schools. The challenges will continue and administration will work through the details and ensure decisions align with the vision and mission for Golden Hills and Alberta Education.

Recommendation:

That the Board of Trustees receives as information.



Bevan Daverne
Superintendent



Tahra Sabir
Secretary-Treasurer



SECOND QUARTERLY FINANCIAL REPORT

"Inspiring confident, connected, caring citizens of the world"

March 28, 2017

Background:

The Office of the Auditor General (OAG) recommends that school board trustees hold management accountable for achieving goals while staying within budget. In order for trustees to hold management accountable they must monitor actual spending against the budget. The OAG recommends that this monitoring should be through quarterly interim reporting.

The Quarterly Financial Report (attached) provides monitoring information and major variances will be reviewed.

The Quarterly Financial Report for September 2016 – February 2017 (attached) will be discussed at the Board Meeting.

Recommendation:

That the Board of Trustees receives the Quarterly Financial Report as information and for the record.

A handwritten signature in blue ink, appearing to read "Bevan Daverne".

Bevan Daverne
Superintendent

A handwritten signature in blue ink, appearing to read "Tahra Sabir".

Tahra Sabir
Secretary-Treasurer

Golden Hills School Division No.75



2nd Quarterly Report - DRAFT

September 2016 – February 2017

Prepared by the Finance Department for the March 28, 2017 Board Meeting

Purpose of Quarterly Report

1. Monitor Activity
2. Review Variances
3. Highlight Key Points

I CONTEXT

The first quarterly financial report lists revenues and expenditures recorded to **February 28, 2017**, which represent the first **six** months of the fiscal year. The number of months expended in the 2nd quarter are six (6); therefore the normal benchmark for comparison is 50% (6/12 months) or 60% (6/10) months for some categories.

The updated 2016-17 Budget was submitted to Alberta Education November 23, 2016 and budget points of reference are from the November 30, 2016 fall budget submitted.

II. ACTUALS AND COMPARISON TO BUDGET

A.

Golden Hills School Division No.75							
Statement of Revenue and Expenses							
Budget vs. Actual Variance							
Period - September 1, 2016 - February 28, 2017							
	Initial 2016/17 Annual Budget submitted June 30, 2016	Revised 2016/17 Annual Budget submitted Nov 30, 2016	Prorated 2016-17 Budget for Q2	YTD Actuals 2016/2017 -Q2	YTD Budget Variance-Q2	% Budget Rec'd/Used	Management Benchmark %
Revenues							
Alberta Education	71,877,143	70,917,593	35,458,797	34,928,616	(530,181)	49%	50%
Federal Government and/or First Nations	1,415,106	1,418,092	709,046	864,557	155,511	61%	50%
Alberta Municipalities	40,000	40,000	20,000	17,200	(2,800)	43%	50%
Fees	6,104,013	5,328,950	2,664,475	3,804,529	1,140,054	71%	70%
Other Revenues	300,017	1,362,264	681,132	2,282,476	1,601,344	168%	50%
Amortization	2,057,182	2,913,297	1,456,649	1,563,064	106,416	54%	50%
Total Revenues	81,793,461	81,980,196	40,990,098	43,460,442	2,470,344	53%	51%
EXPENSES							
Certificated Salaries and Benefits	47,238,227	48,119,379	24,059,690	22,870,589	1,189,100	48%	50%
Non-Certificated Salaries and Benefits	15,461,170	15,914,839	7,957,420	8,390,182	(432,763)	53%	53%
Sub-Total	62,699,397	64,034,218	32,017,109	31,260,771	756,338	49%	51%
Supplies and Services	17,230,453	15,690,358	7,845,179	10,205,604	(2,360,425)	65%	55%
Amortization	4,244,598	4,255,559	2,127,780	2,286,020	(158,240)	54%	50%
Interest Charges	90,000	90,000	45,000	39,802	5,198	44%	50%
Total Expenses	84,264,448	84,070,135	42,035,068	43,792,198	(1,757,130)	52%	52%
Surplus/(Deficit)	(2,470,987)	(2,089,939)	(1,044,970)	(331,755)			
Exclude: SGF excess revenue over expenses				(464,031)	-464,031		
POSITIVE/(NEGATIVE) BUDGET VARIANCE				(795,786)	249,183		

Notes: Overall, a Deficit of -\$332K for the second quarter is well within the expected range for the projected deficit budget planned for the 2016-17 fiscal year. Even excluding the current SGF surplus, the operations deficit of -796K is also well within the planned deficit budget of -\$2,090K.

The **-\$332K** year-to-date deficit is actually a **-\$796K** YTD operating deficit at the end of the 2nd quarter if you exclude the surplus as a result of the SGF activity, yielding an **overall positive operating budget variance of \$249K** and can be explained, in part, as follows:

- Timing of revenue from Alberta Education is normally disbursed on a monthly basis. Exceptions to this are those payments which are received either annually, bi-annually or as a one-time-payment:

Alberta Education non-monthly Grant Revenues Received in Q1/Q2		
Name of Grant	Amount Received	% of Grant Received
Building Collaboration/Capacity in Education	\$ 51,925	100%
Regional Collaborative Service Delivery	\$ 642,088	58%
RCSD - Other Provincial Allocation	\$ 135,996	100%
Supernet grant	\$ 139,992	58%
Family School Resource Counseling	\$ 110,961	50%
Total	<u>\$ 1,080,962</u>	

- Revenues from Alberta Education have contributed to the overall revenue variance by **\$201K** (1,081K less a 6-month calculated equivalent of 880K), primarily due to certain grants being received in lump amounts covering more than 6 months of revenues.
- Included in the first quarters' operations are the following:

SGF Revenues	\$2,517,323
SGF Expenses	<u>-\$2,053,292</u>
Unexpended	\$ 464,031

Note – the unexpended SGF funds are not recorded as deferred revenues but instead, an operating reserve is established at year end.

C Notes on Comparison to Budget - Expenses

Certificated Salaries and Benefits

Total Certificated Salaries and Benefits for the 2nd quarter were **\$18,817,955** (48% of a \$47.2M budget) which is less than what the budget would permit by the 2nd quarter primarily because benefit costs are lower in the 1st quarter and higher in January then drop off as maximums on premiums are reached. As well, hiring of staff occurs throughout the 1st quarter so labour costs are typically lower than budget at the start of the fiscal year.

Notes: Overall, certificated salary and benefit costs are well within budget.

Non-Certificated Salaries and Benefits

Total Non-Certificated Salaries and Benefits for the 2nd quarter were **\$8,390,182** (53% of a \$15.5M budget) which is slightly above the budget; however, a significant portion of non-certificated staff is paid over 10 months and not 12 months; therefore the expenditure is higher for first 10 months but decreases in the last TWO months.

The variance of -\$433K will be monitored over the next quarter; however, because of the decreased payroll costs over the summer months, we anticipate this cost to balance itself at year-end.

Supplies and Services

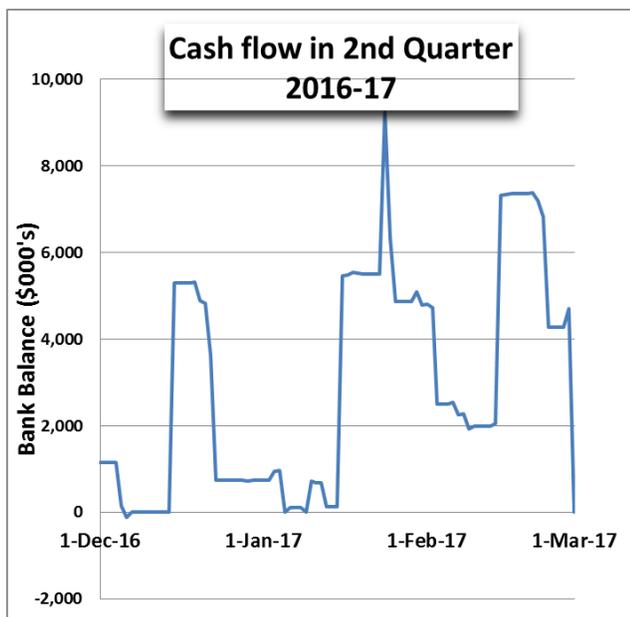
Supplies and services year-to-date are **\$10,205,604** (65% of \$17.2M budget). Because many of these costs occur over a 10-month school year and not the 12-month fiscal year, this results in higher costs in the first 3 quarters and lower costs in the 4th quarter. Department managers will continue to carefully monitor their budgets throughout the year to ensure they stay within their spending limits.

- Overall, supply costs and depreciation expenses year-to-date at February 28th are only slightly more compared to the same time period last year by \$185K.*

III AVERAGE SOURCE AND USE OF CASH

A. Approximate average monthly cash flow values as at February 28, 2017:

Statement of Cash Flow	
Grants	6,136,800.00
Account Receivable	350,000.00
Total Cash In	6,486,800.00
Accounts Payable	4,200,000.00
Payroll	3,800,000.00
Total Cash Out	8,000,000.00



Included in the Grants as well as the Accounts Payable are monthly operating grants and monthly grant amounts for capital projects.

B. **Golden Hills is currently in a positive cash position.**

Cash is critical for short-term operations as it pays the salaries and vendors, which comprises the largest part of the budget. Note: as of February 28, 2017, **\$2.5M** of the cash balance has been invested into 6-12 month GIC's to obtain more favourable investment returns, of which \$1.0M will mature within 30 days of quarter end.

We continue to enlist the services of an Institutional Cash Management Financial Advisory Teams – Raymond James Ltd. As at February 28th, we had all of our **\$2.5M** invested in GIC's with Raymond James, with maturing dates ranging from March 30'2017 to February 28'2018, earning yields ranging from 1.20%-1.70%.

C. **Other Notes:**

Depreciation is a method of recovering the cost of a **tangible asset** over its useful life for example a building. Amortization is the same process as depreciation, only for **intangible** assets - items that have value, but that you can't touch. For example, a patent or a trademark has value, as does goodwill. In addition, amortization also has a meaning in paying off a debt, like a mortgage, but in the current context it has to do with business assets. Overall, amortization is a more general term which may apply to both tangible and intangible assets and/or liabilities, whereas, depreciation is a term restricted to tangible assets only.

IV. REVENUE AND EXPENSES BY ENVELOPE
SEPTEMBER 1, 2016 – FEBRUARY 28, 2017

A.

GOLDEN HILLS SCHOOL DIVISION #75									
Revenue and Expenses by Envelope									
From September 1, 2016 - February 28, 2017									
REVENUE FROM	SGF	ECS -Grade 12	Operations and Maintenance	Transportation	Board and System Admin	External Services	Total	% Budget Rec'd / Used	Management Benchmark %
ALBERTA EDUCATION		28,973,941.68	2,669,506.71	1,805,285.98	1,266,770.18	0.00	34,715,504.55	49%	50%
OTHER - GOVERNMENT OF ALBERTA		205,461.00	7,650.02	0.00	0.00	0.00	213,111.02	25%	50%
FEDERAL GOV'T AND/OR FIRST NATIONS		739,556.93	125,000.00	0.00	0.00	0.00	864,556.93	61%	50%
ALBERTA MUNICIPALITIES/SCHOOL AUTH.		17,200.00	0.00	0.00	0.00	0.00	17,200.00	43%	50%
INSTRUCTIONAL RESOURCE FEES		340,306.50		0.00	0.00	0.00	340,306.50	88%	90%
FEES	738,614.55	0.00				2,335,648.65	3,074,263.20	51%	55%
FUNDRAISING REVENUES -SGF	326,493.06						326,493.06	44%	50%
OTHER SALES AND SERVICES	1,424,890.35	422,257.75	0.00	11,841.90	39.14	63,896.30	1,922,925.44	30%	50%
INVESTMENT INCOME		0.00		0.00	114,318.07	0.00	114,318.07	100%	100%
GIFTS AND DONATIONS -SGF	27,325.07	62,178.28	0.00	0.00	0.00	0.00	89,503.35	51%	50%
RENTAL OF FACILITIES		494.50	46,771.41	0.00	0.00	0.00	47,265.91	44%	50%
OTHER REVENUES		36,960.00	127,469.94	7,500.00	0.00	0.00	171,929.94	135%	75%
AMORTIZATION OF CAPITAL ALLOCATIONS		67,943.52	1,495,120.92				1,563,064.44	54%	50%
TOTAL REVENUES	2,517,323.03	30,866,300.16	4,471,519.90	1,824,627.88	1,381,127.39	2,399,544.95	43,460,442.41	53%	52%
EXPENDITURES									
CERTIFICATED SALARIES		18,621,263.31	0.00	0.00	196,692.50	0.00	18,817,955.81	48%	50%
CERTIFICATED BENEFITS		4,028,589.03	0.00	0.00	24,044.52	0.00	4,052,633.55	44%	50%
NON-CERTIFICATED SALARIES & WAGES		3,866,160.01	1,100,923.76	1,046,445.43	522,104.39	223,933.45	6,759,567.04	53%	53%
NON-CERTIFICATED BENEFITS		1,075,230.23	284,973.08	107,978.50	116,376.35	46,056.89	1,630,615.05	51%	53%
SERVICE, CONTRACTS AND SUPPLIES	2,053,292.08	3,296,771.91	1,727,821.84	718,819.58	524,591.12	1,884,307.39	10,205,603.92	65%	55%
AMORTIZATION		110,922.24	1,645,221.84	415,431.00	42,061.26	72,383.64	2,286,019.98	54%	50%
INTEREST CHARGES		898.00	0.00	0.00	13,500.00	25,404.28	39,802.28	44%	50%
TOTAL EXPENSES	2,053,292.08	30,999,834.73	4,758,940.52	2,288,674.51	1,439,370.14	2,252,085.65	43,792,197.63	52%	53%
POSITIVE/-NEGATIVE VARIANCE TO DATE	464,030.95	(133,534.57)	(287,421.52)	(464,046.63)	(58,242.75)	147,459.30	(331,755.22)		
Exclude: SGF surplus (budgeted to break-even)							(464,030.95)		
Adjusted YTD Excess of Expenses over Revenues							(795,786.17)		

B. ANALYSIS OF REVENUE/ EXPENSES BY ENVELOPE

1. Instruction

- A negative variance within the Instruction envelope occurred primarily because of the non-certified benefit cost is higher than budgeted.
- Instructional Resource Fees are collected at the schools and a process is in place for monthly submission by the schools to include in the quarterly reports.
- Analysis of collection of Instructional Resources Fees (current year) as at February 28, 2017 is as follows:

Invoiced	Collected	Waived
\$297,721	\$216,350 (72.7%)	\$2,522 (0.8%)

- Note: Resource fees for 2016-17 have remained the same as 2015-16, which had been reduced by 50% from the 2011-12 rates. In the previous year, collections of Resource Fees were 77.3% at February 28, 2016.

Year-to-date collections have been roughly the same as the previous year. Collections have improved with the introduction of KEV with roughly 50% of all parents utilizing the payment-on-line option for school fees. KEV School Cash supports the reclassification of Fees Revenue and permits compliance with the new reporting requirements of Alberta Education.

2. Plant Operations and Maintenance (POM)

Golden Hills School Division No.75					
Statement of Revenue and Expenses - Comparison to Budget					
Plant Operations and Maintenance					
Period - September 2016 - February 2017					
Revenues	Total Budget	YTD Actuals	Budget	% Budget	Management
	Yr 2016/2017	Yr 2016/2017	Remaining	Used	Benchmark %
Alberta Education	6,549,114.00	2,669,506.71	3,879,607.29	41%	50%
Other Revenues	560,917.00	306,891.37	254,025.63	55%	50%
Amortization	2,913,297.00	1,495,120.92	1,418,176.08	51%	50%
Total Revenues	10,023,328.00	4,471,519.00	5,551,809.00	45%	50%
EXPENSES					
Non-Certificated Salaries and Benefits	2,766,708.00	1,385,896.84	1,380,811.16	50%	50%
Sub-Total	2,766,708.00	1,385,896.84	1,380,811.16	50%	50%
Supplies and Services	4,861,081.00	1,727,821.84	3,133,259.16	36%	50%
Amortization	3,106,910.00	1,645,221.84	1,461,688.16	53%	50%
Total Expenses	10,734,699.00	4,758,940.52	5,975,758.48	44%	50%
POSITIVE/(NEGATIVE) VARIANCE	-711,371.00	-287,421.52			
YTD Actuals breakdown					
	YTD @ Feb 28, 2017				
NON-CERTIFICATED SALARIES & WAGES	1,100,923.76				
NON-CERTIFICATED BENEFITS	284,973.08				
TOTAL LABOUR EXPENSE	1,385,896.84				
SERVICE, CONTRACTS AND SUPPLIES	1,727,821.84				
INTEREST CHARGES	-				
AMORTIZATION	1,645,221.84				
TOTAL SERVICE & SUPPLIES	3,373,043.68				
TOTAL EXPENSES	4,758,940.52				

A negative variance of approximately \$ -287K at the end of the 2nd quarter is primarily the result of the higher spending (\$250K) on Building Repairs & Maintenance, including IMR project spending. Included in the **Other Revenues** there is an insurance refund of \$124.5K from the TCA flooding which has been received and recorded in the 2nd quarter.

Overall, with careful monitoring of expenses throughout the year, we anticipate PO&M to meet its budget target at year-end.

3. Transportation

Golden Hills School Division No.75					
Statement of Revenue and Expenses - Comparison to Budget					
Transportation					
Period - September 1, 2016 - February 28, 2017					
Revenues	Total 2016-17 Budget	2016-17 YTD Actuals	Budget Remaining	% Budget Used	Management Benchmark %
Alberta Education	3,744,000	1,805,286	1,938,714	48.2%	50.0%
Other Revenues	50,000	19,342	30,658	38.7%	50.0%
Total Revenues	3,794,000	1,824,628	1,969,372	48.1%	50.0%
EXPENSES					
Non-Certificated Salaries and Benefits	2,116,657	1,154,424	962,233	54.5%	55.0%
Sub-Total	2,116,657	1,154,424	962,233	54.5%	55.0%
Services and Supplies	1,320,653	718,820	601,833	54.4%	56.0%
Amortization	735,258	415,431	319,827	56.5%	50.0%
Total Expenses	4,172,568	2,288,675	1,883,893	54.9%	54.0%
POSITIVE/(NEGATIVE) VARIANCE	(378,568)	(464,047)			
Variations in Services and Supplies	Budget	Actual	% of Budget Used	Management Benchmark %	
Contracted Bus Services	190,000.00	85,378.26	45%	60%	
Fuel	640,000.00	301,556.00	47%	55%	
Other supplies	490,653.00	331,885.74	68%	55%	
Total	1,320,653.00	718,820.00	54%	56%	

- a. For the second quarter, a negative YTD variance of **-\$464 K** can be attributed to the following:
 - Transportation expends its budget over a **10 month period** vs. a 12 month period. Both salaries and supplies expenses are higher for 10 months than the projected July and August expenditures while revenues are recorded over a 12 month period.
- b. No transportation fees were charged nor will be charged in fiscal 2016-17, as was the case in the previous three fiscal years.

Golden Hills is opting not to shift the financial shortfalls to parents.

Due to reduced funding, there is a planned deficit budget in transportation, of approximately \$-378K which will be covered by operating reserves. Overall, with careful monitoring of expenses throughout the year, we anticipate Transportation to come close to its budget target by year-end.

4. Board and System Administration

A break-even year for Board and System Administration is expected for the year end.

System administration is basically on target but with a negative variance of \$-58K for the second quarter. This is not enveloped funding, rather systems are permitted to spend to a maximum of 3.6% of their expenditures, where the total net enrolment of students is over 6,000. Amounts spent over the limit may be subject to claw back. In effect, the formula has a built in mechanism for reducing Board and System Administration when overall expenses decrease. As system expenditures decrease, the formula for Board and System Administration automatically decrease. Historically, this envelope is under 3.6%.

- a. Below is a summary of the revenues and expenses associated with the **Board of Trustees**:

SUMMARY STATEMENT OF REVENUES AND EXPENSES						
BOARD OF TRUSTEES						
BUDGET vs. ACTUAL						
FOR THE PERIOD OF SEPTEMBER 1, 2016 TO FEBRUARY 28, 2017						
Expense		ANNUAL BUDGET	YTD ACTUALS	BUDGET REMAINING	% BUDGET USED	
Budgeted Revenues		177,600.00	177,600.00	-	100%	
TOTAL REVENUES		\$ 177,600.00	\$ 177,600.00	\$ -	100%	
Trustee Earnings and Benefits		127,900.00	58,983.90	68,916.10	46%	
Trustee Travel & Supplies		49,700.00	19,947.94	29,752.06	40%	
TOTAL EXPENSES		\$ 177,600.00	\$ 78,931.84	\$ 98,668.16	44%	

- To date, Board expenses are well within the range of projected expenditure amounts.

5. External Services

For the first quarter, External Services has a positive variance of **+\$147K**.

External Services includes International Services, joint use agreements and external contract service agreements. Included within this period is, year-to-date, the recognition of **\$2,729,888** of ISS tuition fee revenues of which **\$1,838,941** was originally recorded as Deferred Revenue at prior year end. ISS Revenues are received in unequal amounts throughout the year, much of it in the first few months. As a result, this revenue is pro-rated to each quarter based on an estimation of related expenses (35/30/25/10), while expenses are recognized when they occur.

A break-even for External Services is anticipated for year-end.

QUARTERLY SUMMARY

Golden Hills continues to manage expenses despite the decrease in funding in certain areas and higher costs, and continues to fund programs that are in alignment with our goals and missions.

Overall, GHSD appears to be on track and is aligned with meeting the Board's November 30, 2016 approved and submitted budget (\$2.1 deficit). A planned deficit budget will be covered by our operating reserves.