



Chinook's Edge School Division

Board of Trustees

Date: Wednesday, May 27, 2020
Time: 9:00 AM
Location: Boardroom

Attendance

Trustees Present: H. Bilton, C. Butler, S. Cooper, M. Copley, C. Huelsman, T. James, G. Kerr J. Knispel-Matejka and A. Tarnoczi

Staff Present: S. Bexon - Communications Officer, S. Russell - Associate Superintendent Corporate Services, K. Sacher - Superintendent/CEO, S. Babb - Executive Assistant to the Superintendent, S. Westwood - Administrative Assistant/Recording Secretary

Call to Order

Chair A Tarnoczi called the meeting to order at 9:01 a.m.

Land Acknowledgement • Treaty 7

Trustee A. Tarnoczi opened the meeting with a Treaty 7 Land Acknowledgement.

Agenda/Minutes Approval

Agenda Approval

Resolution # 20200528001

Moved By: H. Bilton

Motion to accept the agenda as presented.

Carried

Minutes Approval

Resolution # 20200528002

Moved By: T. James

Motion that Chinook's Edge School Division Board of Trustees approve the minutes on the 2020 May 13 Board of Education Meeting as amended.

Carried

New Business

Presentation of the 2020/2021 Budget - attachment

The 2020/2021 Chinook's Edge School Division budget has an operating deficiency of \$1,700,566. With net amortization of \$1.23 million, and capital purchases of \$1.27 million, division operating reserves are expected to decline by \$1.58 million and division capital reserves expected to decline by \$155,000.

The budget is based on a number of key budget assumptions. The assumptions are based on the best information available at the time the budget was prepared. If, during the course of the year, the actual results differ from the budget assumptions, the division may need to make some course corrections to comply with the government's restrictions on use of reserves. Some of the key budget assumptions are:

1. Alberta Education funding will be as indicated to us in April 2020.
2. Transportation, Operations and Maintenance, and Inclusive Education funding will be spent in their respective areas. Investment income in excess of amounts that are required to be allocated to Infrastructure Maintenance and Renewal, scholarships and endowments, capital projects, and school generated funds will be allocated to Instruction. Excess interest is estimated at \$100,000. In addition to the operating grants and fees, an additional \$206,000 was allocated to the Transportation operating budget and bus purchases.
3. Compensation:
 - Certificated salaries includes an estimate for grid movement, for the yet to be negotiated memorandum. This amount could vary depending on the results of the arbitration, local bargaining, the number of retirements, and the number of new teachers hired.
 - Support staff budgets include an estimate for grid movement.
4. CESD hopes to maintain a 1.5% unrestricted reserve of \$1.95 million.

5. Board governance and system administration expenses are expected to remain within the \$4,106,255 provided for administration. Total system administration includes the government's contribution to ATRF and the amortization of capital assets.

Financial Summary

Revenue, Expenses and Accumulated Reserve Projections	2020/2021
Revenue (see below for details)	\$127,147,126
Expenses (see below for details)	\$128,847,692
Excess of revenue over expenses for the year	(1,700,566)
Net non-cash amortization	\$1,236,838
Operating funds used for capital purposes	(1,274,000)
Estimated accumulated operating, capital and unrestricted reserves	
Beginning of year	\$7,333,970
End of year	\$5,596,242

Associate Superintendent Corporate Services S. Russell provided an update to Trustees regarding the additional IMR dollars received.

Associate Superintendent Corporate Services S. Russell updated Trustees on Transportation. Bus registrations for the 2020/2021 school year are coming in and there are a number of families that have decided not to use the bus. This change may make routes more efficient. Several staff members are making final phone calls to families regarding registrations to ensure that no families are missed.

Associate Superintendent Corporate Services S. Russell provided an update to the decision regarding insurance for the division.

Significant Business and Financial Risks

The Division's primary source of revenue is from the Alberta Government, which means that our viability and sustainability is largely dependent on this funding.

For 2020/2021, there is a risk of unforeseen changes to our grants and to our expenses due to Covid-19. As a result of Bill 5, reserves can only be used with prior approval of the Minister.

The budget includes using estimated reserves in central instruction of \$1.2 million at August 31, 2020. This includes expected savings in the average cost of a teacher during 2019/2020 and from school and department reserves at August 31, 2020 that are in excess of 1.5% of their revenue.

The province has not reached a collective agreement with the Alberta Teachers' Association for the 2020/2021 contract year, nor has local budgeting begun. There is some risk that the costs of this future agreement will impact the budget.

Superintendent K. Sacher thanked Treasurer S. Roy and her team for their tireless work on the budget.

Discussion of the 2020/2021 Budget In Camera

Resolution # 20200528003

Moved By: C. Butler

Motion to move In Camera at 9:52 a.m.

Carried

Board Caucus

Resolution # 20200528004

Moved By: M. Copley

The Board of Trustees moved In Caucus at 10:12 a.m.

Carried

Resolution # 20200528005

Moved By: H. Bilton

Motion to return to regular meeting at 10:21 a.m.

Carried

Approval of the 2020/2021 Budget

The Board of Trustees thanked S. Roy and her team for all their hard work. The Board of Trustees are concerned with all the uncertainties moving forward but shared that the budget is well done.

Resolution # 20200528006

Moved By: S. Cooper

Motion that Chinook's Edge School Division Board of Trustees approve the budget for the 2020/2021 school year as presented.

Carried

10:25 a.m.- Treasurer S. Roy left the meeting

Adjournment

Resolution # 20200528007

Moved By: G. Kerr

Motion to adjourn the meeting at 10:25 a.m.

Carried

A. Tarnoczi - Chair

C. Butler - Vice Chair

S. Russell - Corporate Secretary