

2025/26 Budget Framework

Provincial Budget 2025 Communication

- Transition from the three-year weighted moving average to the new average adjusted enrolment methodology based on two years of enrolment data.
 - This shift will increase the amount of funding provided to growing school authorities while still shielding those with declining enrolment. This method will see 30% of the funding based on the current school year's enrolment and 70% based on upcoming year enrolment projections.
- The following Learning Support grants will receive a 2.32% grant rate increase.
 - Program Unit Funding (PUF);
 - Specialized Learning Support Grant (SLS);
 - Moderate Language Delay Grant;
 - English as an Additional Language allocation (EAL);
 - First Nations, Métis, and Inuit Education (FNMI);
 - Refugee Student Grant;
 - Socio-Economic Status Grant;
 - Geographic Grant; and
 - School Nutrition Grant.
- Student transportation will also receive a 2.32% grant rate increase.
- The Classroom Complexity Grant will receive a 20% grant rate increase. This increase in funding will further support the diverse needs of students by addressing classroom complexity and improving access to educational assistants.
- Operations and Maintenance will receive a 3% grant rate increase.
- A new School Technology Grant will provide funding for both SuperNet services and the cybersecurity needs of school authorities' IT systems.
 - Receiving \$150,000 for Tier 2 funding for FTE enrolment between 10,000 - 40,000 students.
 - This includes a 20% increase to the per-site funding rate for SuperNet – rising from \$800 to \$960 per site – the first adjustment in decades.
- Continue to support dual credit programming and new collegiate schools in start-up operating funding and to support the capital costs of new collegiate schools opening in the 2025/26 and 2026/27 school year.
- Alberta's government has decided to change the distance criteria for Grades 1 to 6 students to 1.6 kilometres instead of 1 kilometre, effective September 1, 2025. The criteria for Grades 7 to 12 students will remain unchanged at 2 kilometres.
- For school authorities who have already implemented the 1-kilometre criteria, Alberta Education will provide one-year transition funding for the 2025/26 school year to school authorities that continue to implement the 1-kilometre distance.

****The 2024/25 Funding Manual for School Authorities will be posted online by early April. School jurisdiction funding profiles for the 2025/25 school year were made available on extranet on March 25th.**

Reserves

The maximum operating reserve balance for the 2025/26 school year will be equal to six per cent of the Total Expenses reported in the August 31, 2025 Audited Financial Statement.

Any operating reserve balance in excess of the operating reserve maximum will be recovered by Alberta Education through an equivalent reduction from the remaining scheduled payments for the remainder of the 2026/27 school year.

School jurisdictions will be required to maintain a minimum 1 per cent operating reserve balance.

Red Deer Public Schools Budget - March 27 - 28, 2024 - Board Retreat made decisions on:

- Accessing Division operating reserves
- School Fees
- Specialized Services

At the Board Retreat the Board of Trustees established a plan and provided direction to Senior Administration for the 2025-26 school year.

Weighted Moving Average/Enrolment

Per-student funding is now allocated on a weighted moving average (WMA) system.

Under the WMA system, enrolment funding is now based on two years of enrolments: an estimate for the current year and a projection for the next year. The projection enrolment is the most heavily weighted element in the formula at 70%, followed by the current year at 30%.

School Allocations

<u>School Year</u>	<u>Weighted Factor</u>	<u>Enrolment Count (FTE)</u>
2024/25	30%	Estimated
2025/26	70%	Projection

2025/2026 Base Instruction (ECS - Grade 12) Estimates as of February 2025

- Actual Student Enrolment for 2024/2025 - 10,826.5 FTE students
- Estimated Student Enrolment for 2025/2026 - 10,826.5 FTE students (no student increase)

Staffing Costs

The ASEBP Trustees gave final approval (second reading) to September 1, 2025, premium rates for the Active Plan. Instead of a 5.3% increase (which, based on claims experience, would be break-even), the ASEBP Trustees have limited the base increase to 4.3% for 2025-26. Here are the premium rate changes by line of benefit:

- Life Insurance: no change
- Accidental Death & Dismemberment Insurance: no change
- Extended Disability Benefits: 5.2 increase
- Extended Health Care: 4.1% increase
- Dental Care: 5.1% increase
- Vision Care: no change
- Employee and Family Assistance Program: no change

Future premium rates will be dependent on claims experience, investment returns, plan design changes, etc.

This results in an increase of approximately \$532.70 in employer contributions for every employee.

For 2025, the CRA has held the CPP contribution rate at 5.95% in 2025. It has increased the maximum pensionable earnings to \$71,300 from \$68,500 in 2024.

This results in an increase of \$166.60 in employer contributions for every employee.

Beginning January 1, 2024, there is a second additional CPP contribution (CPP2) on earnings above the annual maximum pensionable earnings. In 2024, the maximum allowable amount is 4% of \$73,200, which totals \$188. In 2025, the maximum allowable amount increases to 4% of \$81,200, totaling \$396.

EI contributions have also increased by \$39.70 in employer contributions for every employee.

Total employer contribution increases of approximately \$769.00 for Classified/CUPE and \$947.00 for Certificated per employee.

Average Teacher Costs

Average Cost 2024/25 Budget	Projected Actual Costs 2024/25	Variance Amount	Average Cost 2025/26 Budget	Change
\$109,400	\$109,590	-\$190	\$110,250	0.78%

Average Classified Staff Costs

Position	Average Cost 2024/25 Budget	Projected Actual Costs 2024/25	Variance Amount	Average Cost 2025/26 Budget	Change
EA	\$51,700	\$52,357	-\$657	\$52,850	2.22%

Instructional Assistant	\$56,600	\$58,905	-\$2,305	\$59,400	4.95%
Transliterator	\$62,800	\$68,294	-\$5,494	\$69,000	9.87%
Secretary – 10 Month	\$56,700	\$57,625	-\$925	\$58,125	2.51%
Fin. Secretary – Elem. (10)	\$60,800	\$61,927	-\$1,127	\$62,425	2.67%
Fin. Secretary – Middle. (10)	\$61,800	\$63,171	-\$1,371	\$63,700	3.07%

- Variance includes a 3% pay increase approved November 2024, after the standard cost was set.
- Average classified staff costs are more volatile than teacher costs, hence the greater variations.
- Other classified staff positions are budgeted at actual rates. These positions include:
 - Financial Secretary – High School – 12 month
 - Office Manager – 10 month
 - Office Manager 12 month
 - Other Classified positions (example - EA funded by school)

Central Services Budgets

- TBD

Reserves

The state of our operating reserves at August 31, 2024 is as follows:

School & Instruction related	\$2,749,057
Operations and Maintenance	\$510,480
Board & System Administration	\$1,718,436
Transportation	\$0.00
TOTAL	\$4,977,973

Unrestricted Surplus (School Generated Funds)	\$3,159,531
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With a current projected 2024-2025 budget deficit of \$700,000, the state of our reserves will be approximately \$4.2 million as of August 31, 2025 year end.

Allocations to Schools

The Per Pupil Allocation (PPA): TBD

Schools will not be required to update their Base Program Allocation (PPA) and ESL enrolment based on projected or actual student enrolment at their school. The school WMA enrolment is set to match the actual WMA that the Division will be receiving for funding.

Schools are still able to update their French language funding as it is received by the Federal Government and International Student enrolment as that is externally funded.

School Fees Allocation

No changes for the 2025/26 school year.

Budget Preparation and Submission

- Board Strategic Planning - **March 27th - 28th** - Board budget decisions
- Funding Profile available on **March 25th**
- Final School budgets will be open for schools to work on **March 31st**.
- Schools are to submit their Final budgets no later than **April 11th**.
- Principal one-on-one meetings held through in person meetings **April 8th - 11th**.
- The budget must be reviewed and approved by the board by **May 31st**.

School budgets must be submitted with a **zero** variance.