



MEMORANDUM

Date: May 13, 2015
To: Board of Trustees
From: Tim Monds, Superintendent
Originator: Scott Johnston, Associate Superintendent
Subject: **TRANSPORTATION FEES AND ALLOWANCES FOR 2015-2016**

In order to meet the May 31, 2015 deadline to submit a balanced budget, the Board called a special meeting for May 13, 2015 to discuss transportation fees. On May 12, 2014, Premier Designate Notley announced a one-month extension to the deadline for the 2015-2016 budget submission. The due date for budget submissions is extended from May 31 to June 30. This extension will allow the new government time to review 2015-2016 school authority funding. Administration has not provided a recommendation at this time, however the report below provides options to address the projected deficit.

Budget Impact:

On March 26, 2015, the Treasury Board announced the proposed *Budget 2015*. Targeting reductions in spending, the Provincial budget called for a 2.7 per cent reduction in non-teacher cost areas. School jurisdictions are required to deliver balanced annual operating budgets. For Parkland School Division, proposed budget reductions are compounded by expected, unfunded growth as new students enroll in the Division. In efforts to balance the operational costs for transportation within the constraints of the March proposed budget, fee increases are recommended.

Background:

Regional Transportation

Parkland School Division operates one of the largest regional student transportation systems in the province. This means that we not only provide safe, effective and efficient transportation services to Parkland students, but also to other schools and school divisions. In total, 49 schools are served that are located within Parkland County, Spruce Grove, Stony Plain, Drayton Valley, Devon, Evansburg and Edmonton. Our Regional Transportation system includes:

- Evergreen Catholic School Division
- Wild Rose School Division
- Black Gold School Division
- Grande Yellowhead School Division
- Edmonton Public School Division
- St. Thomas Aquinas School
- Living Waters Christian Academy
- St. Mathew's School
- Columbus Academy
- Drayton Christian and Devon Christian Schools

Current User Fees:

In Alberta, Section 51(3) of the *School Act* states that a Board may charge a parent of a student receiving transportation provided by the Board any fee determined by the Board.

Parkland School Division provides student bus services to Kindergarten to Grade 12 students:

- Who reside more than 2.4 kilometers from their designated school site (eligible – funded);
- Who reside less than 2.4 kilometers and more than 0.9 kilometers from their designated school site provided an urban bus pass is purchased (ineligible – unfunded).

Transportation fees are applied via two forms:

- A transportation surcharge
- A transportation fee for ineligible passengers

The transportation surcharge is an optional fee applied to all students utilizing the regional transportation system. Parkland School Division's practice is that Urban (ineligible) students pay the approved fee to a maximum family rate. Ineligible passengers are charged depending on the ineligibility criteria which includes out-of-boundary, cross-boundary, under 2.4 km and greater than 900m, and private schools. If the student does not attend their designated school, a cross boundary fee is implemented. Rural students are charged only the cross boundary fee where applicable.

Fees are currently charged as per Administrative Procedure 505: Fees and Allowances – Appendix A (March, 2015)

1.0	Transportation Surcharge	
	For each transported student	\$45
2.0	Transportation Fees for Ineligible Passengers	
2.1	ECS (full day / half time)	\$110
2.2	Grades 1 - 12	\$220
2.3	Maximum Rate per Family	\$440
2.4	Cross Attendance Area ECS (full day / half time)	\$150
2.5	Cross Attendance Area Grades 1 to 12	\$300
2.6	Cross Attendance Area (max. per family)	\$600
2.7	Private School ECS (full day / half time)	\$150
2.8	Private School grades 1 - 12	\$300
2.9	Private School (max per family)	\$600

To maintain the current fee structure, services could be reduced through the form of longer ride times and reduction of bus routes. These options will result in lower satisfaction levels from the parents and students utilizing the system. The development of designated rural pick-up locations or longer home to bus pick up walk limits are possible, however these will increase the safety risk of students in

reaching the pickup locations.

Proposed Amendments to the Fee Structure (See Schedule A):

In efforts to balance the operational costs for our regional transportation system, three options are presented:

1. Apply the entire deficit to the transportation surcharge. The transportation surcharge fee increase would be \$54 resulting in a total surcharge fee of \$99 per student.
2. Apply user fees in two forms (consolidation of fees)
 - a. A transportation surcharge increase of \$68, resulting in a total fee of \$113. A family choosing to attend a school of choice would pay \$413 per student or \$826 per family of two or more students
 - b. A school of choice fee. The ineligible passenger fees for students less than 2.4 km and greater than 900 m from schools would be combined into the transportation surcharge and the remaining fees for out of boundary, cross boundary and private schools would be amalgamated to a school of choice fee of \$300.
3. Increase school of choice fees and the increase the transportation surcharge fee (an amalgamation of fees to transportation surcharge and a modest increase to school of choice fees).

The ineligible passenger fees for students less than 2.4 km and greater than 900 m from schools would be combined into the transportation surcharge and the remaining fees for out of boundary, cross boundary and private schools would be amalgamated to a school of choice fee with a 10% increase to \$330.

The transportation surcharge fee would increase \$66 and the total surcharge fee would be \$111. The school of choice fee would be \$330, so a student choosing a school of choice would pay \$441 or \$882 for a family of two or more students.

Jurisdictional Responses to the proposed Budget 2015:

Rocky View School Division: The Board of Trustees increased their fee schedule for 2015/2016 by \$25 per student to offset an \$874,000 shortfall in funding. Additionally, the Board is injecting \$550,000 from transportation reserves subject to ministerial approval (April 2, 2015):

- Rural: \$200 capped at \$400 per family
- Urban: \$220 capped at \$440 per family
- Non-resident fees set at a later date

The Division proposes to introduce triple busing (each bus providing three distinct runs) in Airdrie in September 2016 and explore the feasibility of increase double or in some cases triple busing within the Town of Cochrane beginning September 2017.

Black Gold School Division: \$9,638,447 in operating reserves with \$1,090,442 in transportation reserves. No revisions to fees at this time:

- Eligible students: no charge
- Non designated / school of choice: \$90 capped at \$220 per family
- Ineligible for funding: \$225 capped at \$525 per family

Elk Island Public: Payride Busing, School of Choice, ECS Noon Time Busing, ECS One Way Busing and Non Resident Busing fees are increasing between \$10 and \$40 for per student and \$50 for family rate, or 4.21% to 11.43%. These increases will help offset the cost of providing the service.

- Payride (< 2.4 km) increased \$20 to \$345 per student capped at \$850 per family
- School of Choice increased \$40 to \$390 per student capped at \$850 per family
- Non-resident increased \$40 to \$715 capped at \$850 per family
- All fees add \$50 if paid after June 30th

Chinook's Edge: Adding a fee to students within the 2.4 km walk-limit and school-of-choice.

- \$300 per student capped at \$600 per family

Administration would be pleased to respond to any questions.

SJ:jlf

SCHEDULE A :

1.0 TRANSPORTATION SURCHARGE (for each transported student)

Current
2015-16
45

	Option 1			Option 2			Option 3		
	Proposed increase	Revised 2015-16	Total	Proposed increase	Revised 2015-16	Total	Proposed increase	Revised 2015-16	Total
	54	99	540,000	68	113	680,000	66	111	660,000
2.0 TRANSPORTATION FEES FOR INELIGIBLE PASSENGERS									
IN STONY PLAIN, SPRUCE GROVE AND TO THOSE STUDENTS ATTENDING PRIVATE SCHOOLS(Res 043-01)									
2.1 ECS (full day/half time)	0	110		(110)	-		(110)	-	
2.2 Grades 1 to 12	0	220	0	(220)	-	(137,500)	(220)	-	(137,500)
2.3 Maximum Rate Per Family	0	440		(440)	-		(440)	-	
2.4 Cross Attendance Area ECS (full day/half time)	0	150		-	150		15	165	
2.5 Cross Attendance Area Grades 1 to 12	0	300	0	-	300	-	30	330	15,000
2.6 Cross Attendance Area Maximum Rate Per Family	0	600		-	600		60	660	
2.7 Private School Grades ECS (full day/half time)	0	150		-	150		15	165	
2.8 Private School Grades 1 to 12	0	300	0	-	300	-	30	330	4,050
2.9 Private School Maximum Rate Per Family	0	600		-	600		60	660	
			540,000			542,500			541,550
	Difference		5,500	Difference		8,000	Difference		7,050

PROPOSED DEFICIT 2015-2016

Revenues

Fees	534,500	Fee increase
Fees - other	24,000	Increase in riders
Surplus	(105,000)	2014-15 budget, surplus not available to use
Grant Reduction	(96,000)	2015-16 provincial grant announcements at 2014-15 amounts
	357,500	

Expenditures

Service purchased	(30,000)	Transition costs
Transportation - busses	340,000	Four additional routes, additional cost for GPS monitoring
Capital	12,500	GPS and student tracking, video for 4 additional routes
Capital - Student tracking	14,000	Student tracking, 23 units @ 600/unit
Puf (recovery)	21,000	
	357,500	