

CALGARY BOARD OF EDUCATION

REPORT TO THE REGULAR MEETING OF THE BOARD OF TRUSTEES

PUBLIC AGENDA

June 7, 2011

To: Board of Trustees

From: Naomi E. Johnson, Chief Superintendent of Schools

Re: **2011/2012 Transportation Fee Schedule**

Purpose: Approval

Governance Policy Reference: EL-1: General Executive Constraint
EL-10: Budgeting Process
EL-11: Financial Condition
EL-15: Transportation

Originator: Frank J. Coppinger, Superintendent, Facilities and Environmental Services

Resource Persons: Wayne T. Braun, Director, Corporate Financial Services
Calvin Davies, Director, Community Engagement and Operational Planning
Jon R. Anderson, Manager, Corporate Financial Services
Charlie Llewellyn, Manager, Transportation Services

I. RECOMMENDATIONS

It is recommended that the Board of Trustees approves the 2011/2012 Transportation Fee Schedule comprised of those fees delineated below:

1. A) THAT the 2011/2012 Senior High School Transportation Fee, as outlined in Attachment II – scenario II partial cost recovery, of this report be approved; and
- B) THAT the 2011/2012 Kindergarten Charter Transportation Fee, as outlined in Attachment II – scenario II partial cost recovery, of this report be approved; and
- C) THAT the 2011/2012 Eligible Special Needs Students Transportation Fee, as outlined in Attachment II – scenario II partial cost recovery, of this report be approved; and

- D) THAT the 2011/2012 Conditional Charter Transportation Fee, as outlined in Attachment II – scenario II partial cost recovery, of this report be approved; and
2. THAT the 2011/2012 Junior High (Grades 7-9) Calgary Transit Transportation Fee, as outlined in Attachment II – scenario II partial cost recovery, of this report be approved; and
 3. THAT the 2011/2012 Elementary (Grades 1-6) Charter Transportation Fee, as outlined in Attachment II – scenario II partial cost recovery, of this report be approved.
 4. A) THAT the 2011/2012 Junior High (Grades 7-9) Charter Transportation Fee, as outlined in Attachment II – scenario II partial cost recovery, of this report be approved; and

B) THAT the 2011/2012 Family Maximum Transportation Fee, as outlined in Attachment II – scenario II partial cost recovery, of this report be approved.

II. ISSUE

At the May 17, 2011 meeting of the Board of Trustees the 2011/2012 Transportation Fee Schedule report was not approved and administration was asked to provide alternative scenarios regarding the schedule, and report back to the Board of Trustees at the next public board meeting.

III. BACKGROUND

Executive Limitation 15: Transportation requires that an annual transportation fee schedule be developed and recommended by the Chief Superintendent for approval by the Board of Trustees.

In the development of three scenarios, administration continues to be responsive to student needs while maintaining fiscal responsibility in the management of transportation services in a large metro setting to eligible students. The transportation service levels in each of the three scenarios assumes the same quality of service for our regular, special education and alternative programs as currently provided for 2010-2011.

If the recommendation, scenario II partial cost recovery (attachment II), is not approved two alternative fee schedule scenarios have been calculated and included for the Board of Trustees consideration (attachments I and III).

Over the past five years a number of strategies have been implemented to reduce costs and contain fee increases. These have included:

- 1) Congregated bus stops on bus routes for alternative programs other than language based programs where buses were less than 50 per cent utilized.
- 2) Junior high students accessing Calgary Transit Service (CTS) where appropriate.
- 3) Students attending special needs programs access regular charter bus service or CTS where appropriate.
- 4) Coordinated school start and end times.
- 5) Bus route reductions.
- 6) Reduced central supports within the Transportation Office.
- 7) Utilization of transportation reserves, when available.

For the 2011/12 school year, there will again be a need to utilize and expand upon the strategies identified above in order to partially cover the shortfall between operating costs and the provincial transportation grants. As such, administration is aligning 10 system wide non-instructional days. Currently, all CBE schools have three professional/organizational days and one appeal day that are aligned system wide. As administration examined school calendars, it was evident that additional non-instructional days were already being designated by schools for parent/student/teacher conferences and professional/organizational purposes at a variety of times throughout the school year. The alignment of these dates across the school system means that no transportation services are required on those days. This system strategy reduces transportation costs and assists in the containment of any proposed transportation fee increases.

Administration acknowledges further challenges need to be addressed including, school/program closures and moves and the opening of any new programs. For the 2011/2012 school year all these items are being addressed in this transportation budget.

IV. ANALYSIS & FINANCIAL IMPACT

Almost every decision faced by the Calgary Board of Education has the potential to please some and at the same time upset others. Fees for transportation are but one example. We often hear from parents whose children do not need to be bused that they resent subsidizing transportation with instructional dollars. At the same time, parents who pay for transportation do not want increases. Among parents whose children are bused, some think that fees should be the same for every student. Others think that busing should cost more if you choose an alternative program than if you have to be bused to your designated school.

These are complex issues without easy answers where values may conflict. The public discussion and debate about transportation fees for the 2011-12 school year has surfaced

many real and difficult issues. As such a comprehensive review of all fees needs to occur early in the 2011-2012 school year in order to ascertain the public's guiding principles for the entire fee structure and balance them with the Board of Trustees' requirements.

In accordance with Section 51(3) of the *School Act*, a school board may charge a fee (as determined by the Provincial Student Transportation Regulation) to the parents of students receiving student transportation services to cover the difference between operating costs and the transportation funding provided by the Provincial government.

Transportation fees are payable by the parents of all students receiving transportation services. Waivers are allowed by Administrative Regulation 6095: Student Transportation to all eligible parents of low income families who qualify. This regulation also sets out the rules for transporting Calgary Board of Education students.

Attachments I, II and III outline relevant transportation fee information for 2011/2012 based on the following scenarios relative to the 2011/2012 fee schedule. The following is a summary of the funding options:

Scenario 1 – Full Cost Recovery

The CBE will rely on the existing transportation grant formulae and costs recovered from user fees to fully fund transportation service expenses for 2011/2012. Reliance on user fees ensures that transportation expenses are based on full cost recovery and that no sources of instructional funding are utilized to subsidize the transportation budget for 2011/2012.

Budget Estimates for 2011/2012		
Student Transportation Expenses	\$ 37,688,000	100.00 %
Provincial Transportation Grants	(28,893,000)	(76.66)%
Fee Stabilization Reserve Fund	<u>\$ NIL</u>	<u>(0.00)%</u>
Costs to be Recovered from Fees	\$ 8,795,000	23.34 %
 Subsidy from Instruction	 <u>\$ NIL</u>	 <u></u>

Scenario 2 – Partial Cost Recovery

The CBE will rely on the existing transportation grant formulae, costs recovered from user fees and will subsidize the transportation budget from funds that could otherwise be used for instructional purposes to balance the transportation operating budget. In this scenario the Kindergarten and the Calgary Transit Service fees for grades 10-12 have been set at a rate commensurate with the Calgary Catholic School District. The fees for eligible special needs students (grades 10-12), conditional Charter, grades 1-9 Charter and CTS have been set at the same rate as the new noon hour supervision fee.

It is important to note that in order to balance the transportation budget approximately \$830,000, which equates to approximately nine teaching positions, would need to come from funds that could be used for instructional purposes.

Budget Estimates for 2011/2012		
Student Transportation Expenses	\$ 37,688,000	100.00 %
Provincial Transportation Grants	(28,893,000)	(76.66)%
Fee Stabilization Reserve Fund	<u>\$ NIL</u>	<u>(0.00)%</u>
Costs to be Recovered from Fees	\$ 7,967,950	21.14 %
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Subsidy from Instruction	\$ 827,000	2.2 %

Scenario 3 – Status Quo

The CBE will maintain a status quo transportation budget and will keep the 2011/2012 transportation fees at the same rate as the 2010/2011 fee schedule. In order to balance the transportation budget approximately \$2.9 million, which equates to approximately 30 teaching positions, would need to come from funds that could be used for instructional purposes.

Budget Estimates for 2011/2012		
Student Transportation Expenses	\$ 37,688,000	100.00 %
Provincial Transportation Grants	(28,893,000)	(76.66)%
Fee Stabilization Reserve Fund	<u>\$ NIL</u>	<u>(0.00)%</u>
Costs to be Recovered from Fees	\$ 5,901,900	5.66 %
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Subsidy from Instruction	\$ 2,893,100	7.7 %

Note: A summary of the transportation fee schedule details for each of the above scenarios has been provided in a comparison table – see Attachment IV.

V. FINANCIAL IMPACT

For each of the three scenarios above, the budget estimates provide for expected service route changes, student ridership assumptions, and contracted service costs to CBE carriers. Contracted carrier costs reflect a confirmed zero per cent consumer price index adjustment for carrier employee wages and reflect the increased cost of fuel (fuel price clause).

The transportation budget scenarios developed have included many strategies to reduce operating costs (see background) while ensuring access by students to transportation against a provincially announced 0 zero per cent per student grant rate increase.

In addition, Alberta Education implemented a funding reduction in the relative cost of purchasing adjustment for transportation by 50 per cent, resulting in a \$0.4 million funding loss and placing further pressure on this budget.

For reference, Attachment V: 2011/2012 Transportation Fee Scenario Comparison for the Four Metro Boards in Alberta has been provided.

VI. IMPLEMENTATION CONSEQUENCES

Should the Board of Trustees not approve any of the proposed scenarios for the 2011/2012 Transportation Fee Schedule, administration would need to adjust service levels and transportation routes for the start of the 2011-2012 school year and transportation service might not be fully operational when school begins.

Should the Board of Trustees approve a 2011-2012 transportation fee schedule, Community Engagement and Operational Planning and Communications Services will prepare a plan to communicate the schedule to schools and the parents of students.

VII. CONCLUSION

A Transportation Fee Schedule with recommended rates for the 2011/2012 year will be implemented upon approval of the Board of Trustees. This will fulfill the Chief Superintendent's obligations under Executive Limitation 15: Transportation, Executive Limitation 11: Financial Condition, Executive Limitation 10: Budgeting Process and Executive Limitation 1: General Executive Constraint.

NAOMI E. JOHNSON
CHIEF SUPERINTENDENT OF SCHOOLS

Attachment I: 2011/2012 Transportation Fee Scenario I – Full Cost Recovery

Attachment II: 2011/2012 Transportation Fee Scenario II – Partial Cost Recovery

Attachment III: 2011/2012 Transportation Fee Scenario III – Status Quo

Attachment IV: 2011/2012 Transportation Fee Information Scenarios Comparison Table

Attachment V: 2011/2012 Transportation Fee Scenario Comparison for the Four Metro Boards in Alberta

Attachment VI: Procedures, Service Provisions and Fee Structure

Calgary Board of Education
2011/2012 TRANSPORTATION FEE INFORMATION

Scenario 1 – Full Cost Recovery

A. 2011/2012 Transportation Fee Schedule

The following fee schedule is recommended for the 2011/2012 school year:

	<u>2011/2012</u>	<u>2010/2011</u>
1.A) <u>Senior High School</u>	Per month	Per month
	fee	fee
Calgary Transit*	\$35.75	\$35.75
Ineligible Transit	\$54.25	\$54.25

** Calgary Transit student monthly bus passes are set at \$54.25 per month for the 2011/2012 school year. It is proposed that, for the 2011/2012 school year, the CBE continue to provide a rebate of \$18.50 per month (\$18.50 per month 2010/2011)*

	Per month	Per month
	fee	fee
B) Kindergarten Charter Transportation	\$33.50	\$20.00
C) Eligible Special Needs Students (grades 10-12)	\$33.50	\$20.00
D) Conditional Charter	\$33.50	\$20.00
2. Junior High (grades 7-9) Calgary Transit**	\$33.50	\$20.00
3. Elementary (grades 1-6) Charter Transportation	\$33.50	\$20.00
4. A) Junior High (grades 7-9) Charter Transportation	\$33.50	\$20.00
B) Family Maximum	\$67.00	\$40.00

*** The fees associated with Calgary Transit student monthly bus passes will be provided on an equitable basis with the fees for charter bus transportation for Junior High students. As a result, it is proposed that the CBE continue to provide an approved rebate for the eligible Junior High students with Calgary Transit student monthly bus passes at \$20.75 per month for 2011/2012 (\$34.25 per month in 2010/2011).*

Scenario 2 – Partial Cost Recovery**A. 2011/2012 Transportation Fee Schedule**

The following fee schedule is recommended for the 2011/2012 school year:

	<u>2011/2012</u>	<u>2010/2011</u>
1. A) <u>Senior High School</u>	Per month fee	Per month fee
Calgary Transit*	\$39.25	\$35.75
Ineligible Transit	\$54.25	\$54.25

** Calgary Transit student monthly bus passes are set at \$54.25 per month for the 2011/2012 school year. It is proposed that, for the 2011/2012 school year, the CBE continue to provide a rebate of \$15.00 per month (\$18.50 per month 2010/2011)*

	Per month fee	Per month fee
B).Kindergarten Charter Transportation	\$21.50	\$20.00
C).Eligible Special Needs Students (grades 10-12)	\$29.50	\$20.00
D).Conditional Charter	\$29.50	\$20.00
2. Junior High (grades 7-9) Calgary Transit**	\$29.50	\$20.00
3. Elementary (grades 1-6) Charter Transportation	\$29.50	\$20.00
4. A) Junior High (grades 7-9) Charter Transportation	\$29.50	\$20.00
B) Family Maximum	\$59.00	\$40.00

*** The fees associated with Calgary Transit student monthly bus passes will be provided on an equitable basis with the fees for charter bus transportation for Junior High students. As a result, it is proposed that the CBE continue to provide an approved rebate for the eligible Junior High students with Calgary Transit student monthly bus passes at \$20.75 per month for 2011/2012 (\$34.25 per month in 2010/2011).*

Scenario 3 – Status Quo**A. 2011/2012 Transportation Fee Schedule**

The following fee schedule is recommended for the 2011/2012 school year:

	<u>2011/2012</u>	<u>2010/2011</u>
1.A) <u>Senior High School</u>	Per month	Per month
	fee	fee
Calgary Transit*	\$35.75	\$35.75
Ineligible Transit	\$54.25	\$54.25

* *Calgary Transit student monthly bus passes are set at \$54.25 per month for the 2011/2012 school year. It is proposed that, for the 2011/2012 school year, the CBE continue to provide a rebate of \$18.50 per month (\$18.50 per month 2010/2011)*

	Per month	Per month
	fee	fee
B) Kindergarten Charter Transportation	\$20.00	\$20.00
C) Eligible Special Needs Students (grades 10-12)	\$20.00	\$20.00
D) Conditional Charter	\$20.00	\$20.00
2. Junior High (grades 7-9) Calgary Transit**	\$20.00	\$20.00
3. Elementary (grades 1-6) Charter Transportation	\$20.00	\$20.00
4. A) Junior High (grades 7-9) Charter Transportation	\$20.00	\$20.00
B) Family Maximum	\$40.00	\$40.00

** *The fees associated with Calgary Transit student monthly bus passes will be provided on an equitable basis with the fees for charter bus transportation for Junior High students. As a result, it is proposed that the CBE continue to provide an approved rebate for the eligible Junior High students with Calgary Transit student monthly bus passes at \$20.75 per month for 2011/2012 (\$34.25 per month in 2010/2011).*

2011/2012 Transportation Fee Information Scenarios Comparison Table

Scenario	1 Full Cost Recovery		2 Partial Cost Recovery		3 Status Quo	
	2010/2011	2011/2012	2010/2011	2011/2012	2010/2011	2011/2012
Summary of Fees/month (\$)						
Senior High School						
Calgary Transit	\$35.75	\$35.75	\$35.75	\$39.25	\$35.75	\$35.75
Ineligible Transit	\$54.25	\$54.25	\$54.25	\$54.25	\$54.25	\$54.25
Kindergarten and Grades 1-9						
Kindergarten Charter	\$20.00	\$33.50	\$20.00	\$21.50	\$20.00	\$20.00
Elementary (grades 1-6) Charter	\$20.00	\$33.50	\$20.00	\$29.50	\$20.00	\$20.00
Junior High (grades 7-9) Charter	\$20.00	\$33.50	\$20.00	\$29.50	\$20.00	\$20.00
Junior High (grades 7-9) Calgary Transit	\$20.00	\$33.50	\$20.00	\$29.50	\$20.00	\$20.00
Eligible Special Needs Students (grades 10-12)	\$20.00	\$33.50	\$20.00	\$29.50	\$20.00	\$20.00
Family Maximum	\$40.00	\$67.00	\$40.00	\$59.00	\$40.00	\$40.00
Conditional Charter	\$20.00	\$33.50	\$20.00	\$29.50	\$20.00	\$20.00

2011-2012 Transportation Fee Scenario Comparison for the Four Metro Boards in Alberta

	Calgary Public Scenario 1 Full Cost Recovery	Calgary Catholic	Edmonton Public	Edmonton Catholic
Kindergarten	\$33.50/mo	\$215.00/yr	NIL	NIL
Grades 1-6	\$33.50/mo	\$215.00/yr	\$215.00 or (\$27.00/mo)	\$30.00/mo
Grades 7-9 (charter)	\$33.50/mo	N/A (public transit) other than exceptional cases	N/A (public transit) other than exceptional cases	\$45.00/mo
Grades 7-9 (public transit)	\$33.50/mo	\$39.25/mo	\$405.00 or (\$48.00/mo)	\$39.00/mo
Grades 10-12 (public transit)	\$35.75/mo	\$39.25/mo	\$405.00 or (\$48.00/mo)	\$39.00/mo
Alternative Programs	N/A	\$215.00/yr (yellow) \$39.25/mo (public transit)	\$405.00 or (\$48.00/mo)* \$215.00 or (\$27.00/mo)** \$63.25/mo***	N/A except language based (Language based same fees as regular program)
Conditional Riders	\$33.50/mo	N/A (do not allow)	\$48.00/mo****	N/A
Family Maximum	\$67.00/mo	\$430.00 (yellow)	\$525.00 or (\$66.00/mo) \$1010.00 or (\$120.00/mo)*****	\$26.00/mo/student Elem. \$41.00/mo/student Jr/Sr.

*Elementary only other than language based

**Elementary language based

***Jr and Sr High public transit passes

****No family maximum

*****Family max for alternative programs other than language based

2011-2012 Transportation Fee Scenario Comparison for the Four Metro Boards in Alberta

	Calgary Public Scenario 2 Partial Cost Recovery	Calgary Catholic	Edmonton Public	Edmonton Catholic
Kindergarten	\$21.50/mo	\$215.00/yr	NIL	NIL
Grades 1-6	\$29.50/mo	\$215.00/yr	\$215.00 or (\$27.00/mo)	\$30.00/mo
Grades 7-9 (charter)	\$29.50/mo	N/A (public transit) other than exceptional cases	N/A (public transit) other than exceptional cases	\$45.00/mo
Grades 7-9 (public transit)	\$29.50/mo	\$39.25/mo	\$405.00 or (\$48.00/mo)	\$39.00/mo
Grades 10-12 (public transit)	\$39.25/mo	\$39.25/mo	\$405.00 or (\$48.00/mo)	\$39.00/mo
Alternative Programs	N/A	\$215.00/yr (yellow) \$39.25/mo (public transit)	\$405.00 or (\$48.00/mo)* \$215.00 or (\$27.00/mo)** \$63.25/mo***	N/A except language based (Language based same fees as regular program)
Conditional Riders	\$29.50/mo	N/A (do not allow)	\$48.00/mo****	N/A
Family Maximum	\$59.00/mo	\$430.00 (yellow)	\$525.00 or (\$66.00/mo) \$1010.00 or (\$120.00/mo)*****	\$26.00/mo/student Elem. \$41.00/mo/student Jr/Sr.

*Elementary only other than language based

**Elementary language based

***Jr and Sr High public transit passes

****No family maximum

*****Family max for alternative programs other than language based

2011-2012 Transportation Fee Scenario Comparison for the Four Metro Boards in Alberta

	Calgary Public Scenario 3 Status Quo	Calgary Catholic	Edmonton Public	Edmonton Catholic
Kindergarten	\$20.00/mo	\$215.00/yr	NIL	NIL
Grades 1-6	\$20.00/mo	\$215.00/yr	\$215.00 or (\$27.00/mo)	\$30.00/mo
Grades 7-9 (charter)	\$20.00/mo	N/A (public transit) other than exceptional cases	N/A (public transit) other than exceptional cases	\$45.00/mo
Grades 7-9 (public transit)	\$20.00/mo	\$39.25/mo	\$405.00 or (\$48.00/mo)	\$39.00/mo
Grades 10-12 (public transit)	\$35.75/mo	\$39.25/mo	\$405.00 or (\$48.00/mo)	\$39.00/mo
Alternative Programs	N/A	\$215.00/yr (yellow) \$39.25/mo (public transit)	\$405.00 or (\$48.00/mo)* \$215.00 or (\$27.00/mo)** \$63.25/mo***	N/A except language based (Language based same fees as regular program)
Conditional Riders	\$20.00/mo	N/A (do not allow)	\$48.00/mo****	N/A
Family Maximum	\$40.00/mo	\$430.00 (yellow)	\$525.00 or (\$66.00/mo) \$1010.00 or (\$120.00/mo)*****	\$26.00/mo/student Elem. \$41.00/mo/student Jr/Sr.

*Elementary only other than language based

**Elementary language based

***Jr and Sr High public transit passes

****No family maximum

*****Family max for alternative programs other than language based

The following will be attached to the approved transportation fee schedule.

Procedures

In order to minimize the impact of administrative tasks at the school level, the following procedures will remain in place for 2011/2012:

1. Calgary Transit monthly bus passes will be sold through independent outlets of Calgary Transit at the full price of \$54.25/month. Eligible students will be requested to return expired passes to the school in the following month for a rebate. The rebate is the difference between the Calgary Transit monthly pass cost and the Board's approved fee (\$TBD/month). Parents must register for rebate eligibility.
2. For charter buses and all other modes of transportation provided by the Calgary Board of Education, parents/independent students will sign a transportation agreement. Prior to the beginning of the school year payment can be made in full or by ten post-dated monthly installments.
3. Waiver applications for fees for those families experiencing financial hardship and who qualify under existing Calgary Board of Education fee waiver guidelines will be processed centrally by the Corporate Financial Services Department. Parents must apply for waiver eligibility.

Service Provision

Kindergarten and Grades 1-6	Two-way charter transportation will be provided for students living in the transportation service area for their designated school.
Grades 7-9	Depending on the school or program attended either two-way charter transportation or subsidized Calgary Transit transportation will be provided for students living in the transportation service area for their designated school.
Grades 10-12	Subsidized transportation is provided on Calgary Transit for students living beyond 2.4 km from the school they are attending where Calgary Transit service exists. Alternate service is provided to students' directed schools if there is no Calgary Transit service available.

Fee Structure

The annual student transportation fee amounts are established according to the Student Transportation Regulation (*Alberta Regulation 250/98*). This regulation requires that the cost of transportation service, including delivery coordination, less the Provincial transportation grants and any transfers from established Transportation Reserves, be the

basis for determining the amount of the fee revenues required to establish fee levels. The cost of fee waivers for eligible parents is considered in establishing the amount of revenues to be collected from fees.