



Northern Lights

PUBLIC SCHOOLS

Working Together to Help Every Student Learn and Excel

December 20, 2024

sent via email: education.minister@gov.ab.ca

The Honourable Demetrios Nicolaides
Minister of Education
423 Legislature Building
10800 - 97 Avenue
Edmonton, Alberta T5K 2B6

Re: Funding Formula Suggestions

Dear Minister Nicolaides,

On behalf of the Northern Lights Public Schools (NLPS) Board of Trustees, I'd like to express our appreciation for your commitment to exploring changes to the funding framework. The current funding model fails to provide adequate, consistent, and timely resources, impacting our ability to maintain a reasonable level of service to students. It is important to emphasize that any funding model change must be accompanied by adequate funding to be effective.

Some of the key challenges NLPS faces with the current funding model include:

- **Predictability and Stability:** The Weighted Moving Average (WMA) aimed for predictability by setting funding in the spring. While ineffective for growing divisions, it can serve to lessen the financial impact on divisions with declining enrolment. However, its reliance on final enrolment counts means it comes with complex calculations.
 - **Solution:** A per-student funding model with a smoothing grant for large fluctuations in enrollment would allow for more responsive adjustments to funding levels based on actual student needs.
 - As a return to a per-student funding model would be more costly, it must be accompanied by adequate funding to be effective.

- Keeping Pace with Costs: The base grant, a critical component of education funding, has not kept pace with the rising costs of providing quality education. Inflation, increasing student needs, and labour costs all put pressure on existing resources. Between 2019-2019 and 2023-2024, NLPS per student costs have increased by nearly \$2000, but Alberta Education funding has only increased by \$517 per student.
 - Solution: Alberta has one of the lowest per-student levels in Canada. Funding increases must keep pace with inflation and the Canadian average per-student funding. Without such adjustments, school divisions face difficult choices regarding class sizes, support services, and staff retention.
- Flexibility and Autonomy: The ability to allocate resources effectively at the division level is also crucial. This was restricted in an effort to draw down school board reserves. However, now that many boards have significantly depleted reserves, this should be reconsidered.
 - Solution: Removing restrictions on transfers between grant envelopes and reserves, including requiring Ministerial approval, would give school boards more autonomy in addressing specific needs. This flexibility could lead to more targeted and effective use of resources, improving the quality of education and support services.
- Rural Sparsity and Expanse: School boards face unique challenges but share commonalities related to sparsity and geographic expanse, which are not adequately recognized or addressed within the existing funding framework. Rural Alberta, specifically in the NLPS northeastern region, provides significant revenue to the province. The elimination of the Small School by Necessity grant and the negative impact of low utilization rates negatively impact small schools, which are the hub of many rural communities.
 - Solution: Simplifying formulas used and greater clarity around indexes used would help school boards to understand how dollar amounts are determined, and allow for more accurate planning.
 - Consider re-implementation of the Small Schools by Necessity grant and correct the negative impact of low utilization rates on small rural schools to prevent the inevitable closure of small rural schools, preserving the vitality of rural Alberta communities.

- Transparency, Accountability, and Equity: Transparency and equity in funding allocation across the entire K-12 education system is required. Understanding where funding goes and why shortfalls occur is essential for informed decision-making and ensuring equitable resource distribution.
 - Solution: Public funding should be allocated only to schools that operate as truly public institutions. This includes enrollment policies that include all students within their catchment area, regardless of their financial status, academic ability, learning style, or special needs. Additionally, there must be consistent oversight, accountability, and transparency across all publicly funded systems. It is critical to elevate and protect true public education in Alberta.

We respectfully submit these recommendations for your consideration as you prepare for Budget 2025. We are confident that by implementing these changes, Alberta's world-class education system will be a more equitable, responsive, and sustainable system that ensures all students have the opportunity to succeed.

Sincerely,



Karen Packard
Board Chair

cc: Minister of Finance
Minister of Energy and Minerals Brian Jean
MLA Scott Cyr
MLA Glenn van Dijken
ASBA President Marilyn Dennis
PSBAA President Dennis MacNeil
Alberta School Board Chairs



Increasing Costs of Education

The current funding framework in Alberta is insufficient, leaving school boards to grapple with financial constraints that impact their ability to hire and retain teachers, maintain reasonable class sizes, and provide essential supports and services for students.

Alberta Education Funding from 2018-2019 to 2023-2024



3.9%

The increase in Alberta Education Funding per student

In 2023-2024, teacher staffing costs were over **\$700,000 HIGHER** than in 2018-2019, but we hired **29 FEWER** teachers

NLPS Expenditures from 2018-2019 to 2023-2024



13.3%

The increase in NLPS spending per student



9.5%

The increase in NLPS staffing costs



9.3%

The increase in NLPS transportation costs



31.3%

The increase in NLPS software costs in the last two school years

