



Date: May 28, 2025 **Agenda Item:** 8.1

To: Board of Trustees

From: Shawna Warren, Superintendent

Originator(s): Sean Nicholson, Associate Superintendent, Corporate Services
Steven Holkham, Director, Facility Services

Subject: **IMR/CMR Update Report**

Background:

Sturgeon Public School Division serves approximately 70,000 Square Meters across 14 sites that span parts of St. Albert, the majority of Sturgeon County, Morinville, Bon Accord, Gibbons, Redwater and Legal. The Division has four sites that we do not manage the maintenance of. The majority of the division schools were built between 1950 to 1980.

The Division receives both Infrastructure Maintenance and Renewal (IMR) & Capital Maintenance and Renewal (CMR) funding to help maintain and repair these buildings.

As per the Funding Manual, IMR and CMR are both targeted grants that may only be used for the purpose for which it is intended. School Jurisdictions may use the funding to:

- A. Ensure school facilities meet all regulatory requirements, particularly as they pertain to providing a safe and healthy learning environment.
- B. Preserve and improve the quality of the learning environment by:
- C. Meet the requirements of children/students requiring specialized supports and services; or
- D. Replace or upgrade building components to improve energy conservation and efficiency to achieve cost savings as a result.

CMR can be spent on similar items, but is focused on large-scale projects that meet the criteria for capitalization, such as whole system replacements or substantial building component replacements.

The report is broken down into three sections:

- 1. Infrastructure Maintenance and Renewal (**IMR**) & Capital Maintenance and Renewal (**CMR**) Funding
- 2. Infrastructure Maintenance and Renewal (IMR) Update
- 3. Capital Maintenance and Renewal (CMR) Update
- 4. Facility Services IMR & CMR Challenges

Infrastructure Maintenance and Renewal (IMR) & Capital Maintenance and Renewal (CMR) Funding

The IMR program is annual funding based on the school year (**September 1 to August 31**), and CMR is the Government of Alberta fiscal year (**April 1st to March 31st**), which is allocated to school jurisdictions on a formula basis. IMR/CMR plans address critical maintenance and renewal projects in the division's facilities.

1. IMR statement of final costs must be submitted to Alberta Education by **December 30** of each school year.
2. CMR statement of final costs must be submitted to Alberta Education by **June 30** of each school year.

The Government of Alberta changed Infrastructure Maintenance Renewal (IMR) funding allocations in 2021-2022 by dividing the total amount of funds received into IMR and Capital Maintenance Renewal (CMR) funding. Below is a list of the funding received over the last five years.

School Year	IMR	CMR	Total
2021 - 2022	\$718,661	\$779,217	\$1,497,878
2022 - 2023	\$700,368	\$483,829	\$1,184,197
2023 - 2024	\$695,683	\$355,263	\$1,050,946
2024 - 2025	\$688,143	\$879,614	\$1,567,757
2025 - 2026	\$658,509	\$871,000	\$1,529,509

IMR and CMR funding has declined slightly for the 2025-2026 School Year. IMR and CMR funding did decline in 2022-2023 for two years, but has increased by over half a million dollars for the previous year.

Infrastructure Maintenance and Renewal (IMR) Update

The Division spent \$662,459 on IMR in the 2023-2024 school year. Provided as an attachment for information is the 2023-2024 Infrastructure Maintenance and Renewal (IMR) Expenditures, previously shared at the November 27, 2024, Public Board meeting.

The Division had an opening balance for the 2024-2025 school year of \$401,114 and has been approved for funding in the amount of \$688,143, for a total of \$1,089,257 available for planning.

The Facilities Services Team has been focusing the IMR funding towards the following project areas in the 2024-2025 school year.

<u>Project Type</u>	<u>Location</u>	<u>Estimated Costs</u> <u>(Updated May, 2025)</u>
PA System Repairs	Various Schools	\$175,800
Mechanical Equipment Repairs	Various Schools	\$80,000
Electrical & Security System Repairs	Various Schools	\$36,100
Painting	Various Schools	\$100,000
Flooring Repairs	Various Schools	\$95,900
Concrete/Asphalt Repairs	Various Schools	\$190,000
Minor Exterior Repairs	Various Schools	20,400
Minor Interior Repairs	Various Schools	138,200
Roofing Repair	Various Schools	\$28,600
Total Estimated Costs:	Total	\$865,000

This will leave the Division with a carry forward of \$224,257 for the 2025-2026 School Year. The estimated funding for 2025-2026 is \$658,509, and this will leave a total of \$882,766 available for the 2025-2026 school year.

Capital Maintenance and Renewal (CMR) Update

The Division spent \$513,619 in CMR in the 2024-2025 school year (**April 1, 2024, to March 31, 2025**). Provided as an attachment for information is the 2024-2025 Capital Maintenance and Renewal (CMR) Expenditures as reported to the Government of Alberta.

- 2024-2025 Opening CMR Balance: \$611,286
- 2024-2025 Funding Amount: \$879,614
- Less Expenditures in 2024-2025: \$513,619
- 2025-2026 Opening Balance: \$977,281

The Division has an opening balance for the 2025-2026 CMR year of \$977,281 and has been approved for funding in the amount of \$871,000, for a total of \$1,848,281 available for planning.

The Facilities Services Team is planning on focusing the CMR funding towards the following project areas in the 2025-2026 CMR year (April 1, 2025, to March 31, 2026)

CMR Project Type	Status	Location	Estimated Costs
PA System Replacements	In Progress	Various Schools	\$50,000
Roofing Replacements	Planning	Various Schools	\$475,000
Mechanical System Replacements	Planning	Various Schools	\$500,000
Electrical System Replacements	In Progress	Various Schools	\$125,000
Concrete/Asphalt Replacements	In Progress	Various Schools	\$100,000
Camera Replacement Pilot Project	Development	Various Schools	\$50,000.
Dry System Replacement	Out for tender	Guthrie	\$150,000
Contingency	Planning	Various Schools	\$100,000
Total Estimated Costs:			\$1,450,000

This will leave the Division with a remaining balance of \$398,281 in CMR funding at the end of 2025-2026, if all projects are completed.

Facility Services IMR & CMR Challenges

Funding and Construction Cost Increase

From 2021 to 2024, the Division saw a total decrease in IMR/CMR funding of \$0.6M. This decrease was during a time when construction costs were on the rise and inflation rates were at an all-time high. In the 2024-2025 school year, the Division did see an increase in funding of \$0.5M, returning it to the same level as in 2020-2021. This Division's IMR/CMR funding for the 2025-2026 school year is \$1.5M, which is slightly lower than what was received in 2024-2025 of \$1.6M, despite cost increases.

Tariffs have a significant impact on the construction sector. Higher construction costs may have an impact on the number of IMR & CMR projects the Division can deliver in the next couple of years. Tariffs could also impact procurement, manufacturing and delivery of key products with longer lead times that are required for projects. Tariffs also threaten the value of the Canadian dollar and will have an impact on the Division's IMR & CMR spending capabilities.

Age of Infrastructure

Sturgeon School Division is experiencing challenges with the amount of funding received annually for the IMR/CMR programs and the Division's needs. The majority of the buildings in the Division were built between the 1950s and 1980s, these buildings require more maintenance and upkeep than newer buildings. Many of our buildings are aging, the electrical/mechanical systems are close to end of life. Aging buildings and systems create a strain on the operations staff and resources by leading to more work orders. Our older buildings require more resources to maintain, but the funding does not consider the age of our buildings and we get the same funding for both a new building and an older building.

Capital Project Approval and Utilization

The Division getting a capital project approved would help with the resource drain of our older buildings. However, this is a large challenge every school division faces because each division is competing with one another for capital project approval. In a climate where schools across the province are over capacity, aging buildings with lower utilization are a challenge to get approval. Underutilized buildings still have a certain amount of square meters that the Facilities Services team needs to maintain and service. Utilization affects funding, but it doesn't consider the fact that these buildings still need to be operated despite low utilization.

Status & Relationship to Superintendent Leadership Quality Standard (SLQS):

This report aligns with the [SLQS](#) in the following way:

COMPETENCY: (6) School Authority Operations and Resources

INDICATORS:

- a. providing direction on fiscal and resource management in accordance with all statutory, regulatory and school authority requirements;
- c. delegating responsibility to staff, where appropriate, to enhance operational efficiency and effectiveness; and
- e. establishing data-informed strategic planning and decision-making processes that are responsive to changing contexts.

COMPETENCY: (7) Supporting Effective Governance

INDICATORS:

- e. ensuring that the board’s fiscal and resource management is in accordance with all statutory, regulatory and board requirements;
- f. supporting the board in the fulfilment of its governance functions in the fiduciary, strategic and generative realms; and
- j. building the capacity of the board and staff to predict, communicate and respond to emergent circumstances, including emergency readiness and crisis management, and to political, social, economic, legal and cultural contexts and trends.

Governance Implications:

Education Act

Sections 139(1)(2), 143, 180, 183, 184

Policy 225: Role of the Board

Resource Stewardship

The Board shall ensure effective stewardship of the Board’s resources [Education Act s. 33(1)(i)]. Specifically, the Board, “within the context of the strategic plan, approve budget assumptions and establish priorities at the outset of the budget process” (Policy 225, Section 39)..

Administrative Procedure 600: Capital Plan Development

All sites in Sturgeon Public Schools shall be maintained at as high level as possible within the available resources. Careful planning is a critical part in enabling this to happen.

Administration is prepared to respond to questions at the May 28, 2025, Public Board meeting.

Attachment(s):

1. NEW: 2024-2025 Capital Maintenance and Renewal (CMR) Expenditures (April 1st to March 31st).
2. OLD: 2023-2024 Infrastructure Maintenance and Renewal (IMR) Expenditures (September 1 to August 31). - Previously shared at the November 27, 2024, Public Board meeting.

2024-2025 Capital Maintenance and Renewal (CMR) Expenditures

<u>CMR Project Type</u>	<u>Location</u>	<u>Actual Costs</u>
PA System Replacements	Ochre Park School	\$39,129
PA System Replacements	Landing Trail School	\$55,706
PA System Replacements	Namao School	\$68,225
Mechanical Dry System Replacement	Guthrie School	\$18,186
Mechanical BAS System	Namao School	\$25,613
Mechanical Boiler Replacement	Gibbons School	\$178,195
Asphalt Replacement	Gibbons School	\$71,856.
Electrical System Replacements	Bon Accord School	\$24,537
Electrical System Replacements	Sturgeon Heights School	\$32,172
Total Actual Costs:		\$513,619

2023-2024 Infrastructure Maintenance and Renewal (IMR) Expenditures

Location	Project Description	Costs
Bon Accord	BMS System	\$29,326
Bon Accord School	Fire alarm device modernization	\$6,462
Morinville Public School	Washroom Renovation: Tile, Ceilings, LED Lighting, Partitions, Counters and Fixtures	\$121,053
Morinville Public School	Accessibility front doors access repair	\$1,400
Gibbons	Renovate Boys Washroom 107	\$7,464
Gibbons School	Paint and door refresh	\$15,508
Guthrie	AHU/Boiler/AHE	\$13,336
Guthrie School	Dry system replacement	\$24,808
Landing Trail School	Office refresh: painting, floors, T-bar replacement, and LED lighting	\$38,166
Lilian Schick	Classroom Cabinet Upgrades	\$92,532
Lilian Schick	LED Lighting	\$8,311
Lilian Schick School	Painting doors and frames	\$10,673
Lilian Schick School	Library flooring replacement	\$5,787
Morinville Elementary Public	BMS System	\$9,031
Morinville Elementary Public	MPS Locker Reno	\$6,322
Namao	LED Light Repair	\$28,776
Namao	Fence Project	\$19,388
Ochre Park	Ochre Park Bathroom 22-23	\$8,616
Ochre Park School	Replace damaged exterior brick walls	\$2,928
Redwater School	Galvanized pipe replacement	\$44,975
Redwater School	Mech room abatement	\$25,104

Sturgeon Heights	Concrete/Asphalt - Parking Lot Repair	\$9,495
Sturgeon Heights School	Classroom modernizations	\$16,817
Various Schools	Minor Interior Repairs	\$44,767
Various Schools	Fire Systems	\$34,083
Various Schools	Mechanical Repairs	\$22,742
Various Schools	Minor Exterior Repairs	\$4,888
Various Schools	Minor Roofing Repairs	\$4,846
Various Schools	Security Upgrades	\$3,542
Various Schools	LED Lighting	\$1,314
Total Costs		\$662,459