



Budget Engagement

February & March 2016

learning | **as unique** | as every student



**Calgary Board
of Education**

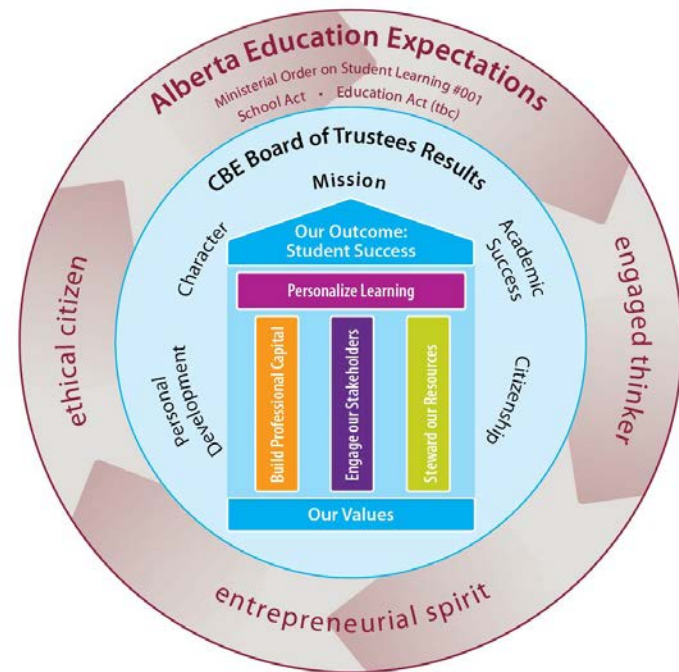
Our Mission and Values

Our Mission

Each student, in keeping with his or her individual gifts, will complete high school with a foundation of learning to function effectively in life, work and continued learning.

Our Values

- Students come first
- Learning is our central purpose
- Public education serves the common good



Excellent student results

Provincial Achievement Tests in Grades 6 and 9

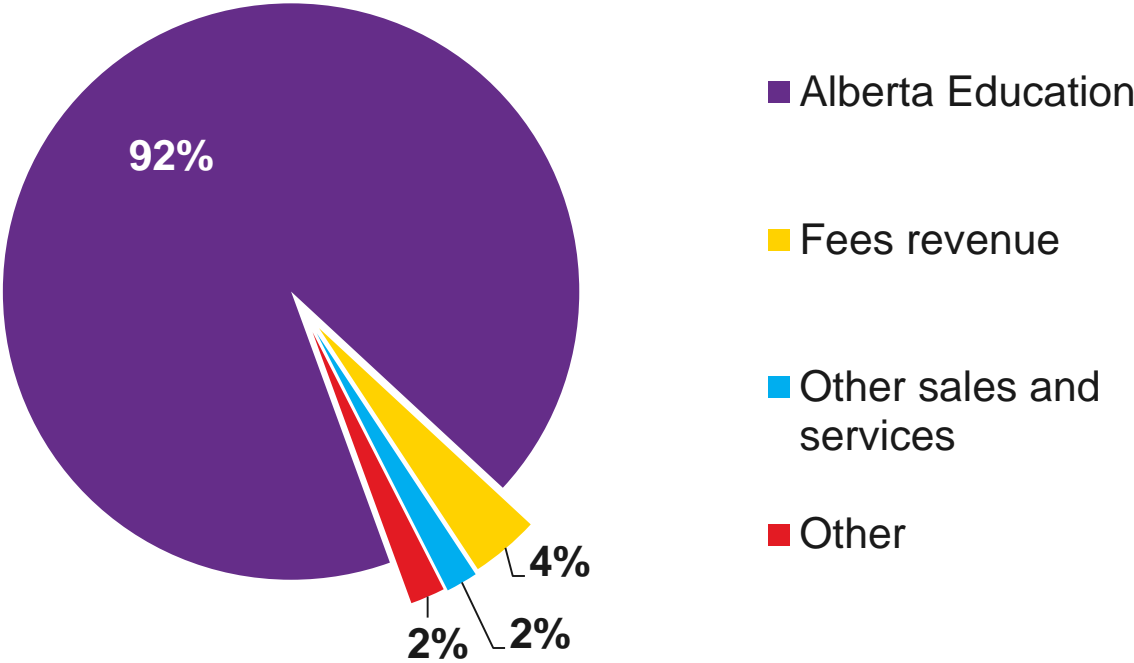
- CBE results exceeded those of the province in every subject at the acceptable standard and the standard of excellence.
- In Knowledge and Employability (KAE) English Language Arts, Science and Social Studies. The percentage of CBE students achieving the acceptable standard was above that in the province as a whole, the percentage of students who achieved the standard of excellence was equal to or slightly above that of the province.

Grade 12 Diploma Exam results

- Over 85 per cent of CBE students achieved the acceptable standard in eight of the eleven subjects.
- In ten of the eleven examinations, the percentage of CBE students achieving the acceptable standard was equal to or above that of students in the province as a whole.
- The percentage of CBE students achieving the standard of excellence exceeded the percentage in the province as a whole on ten of eleven examinations.

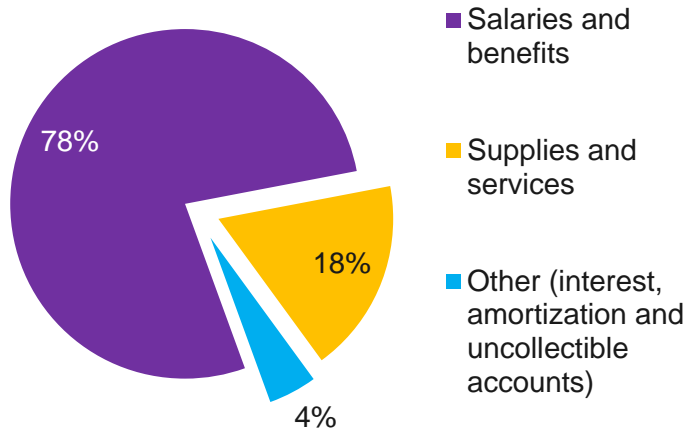
Revenues for 2015-16

Revenue: 92.5 % (or \$1.2B) of our revenue comes from the Province.



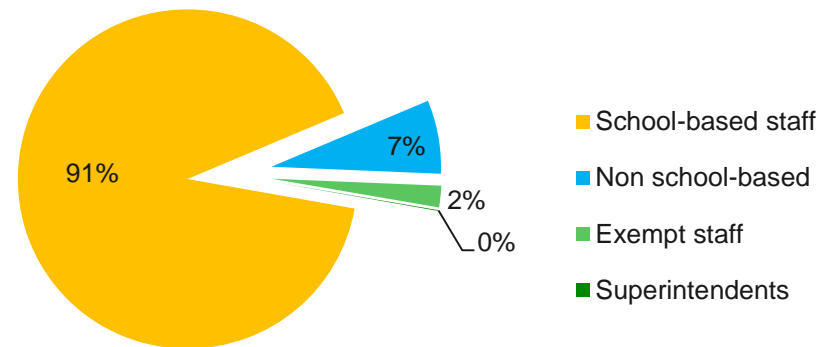
Expenses for 2015-16

Expenses breakdown



Staffing Expenses: 78% (\$1.02B) of our total funding is spent on staffing.

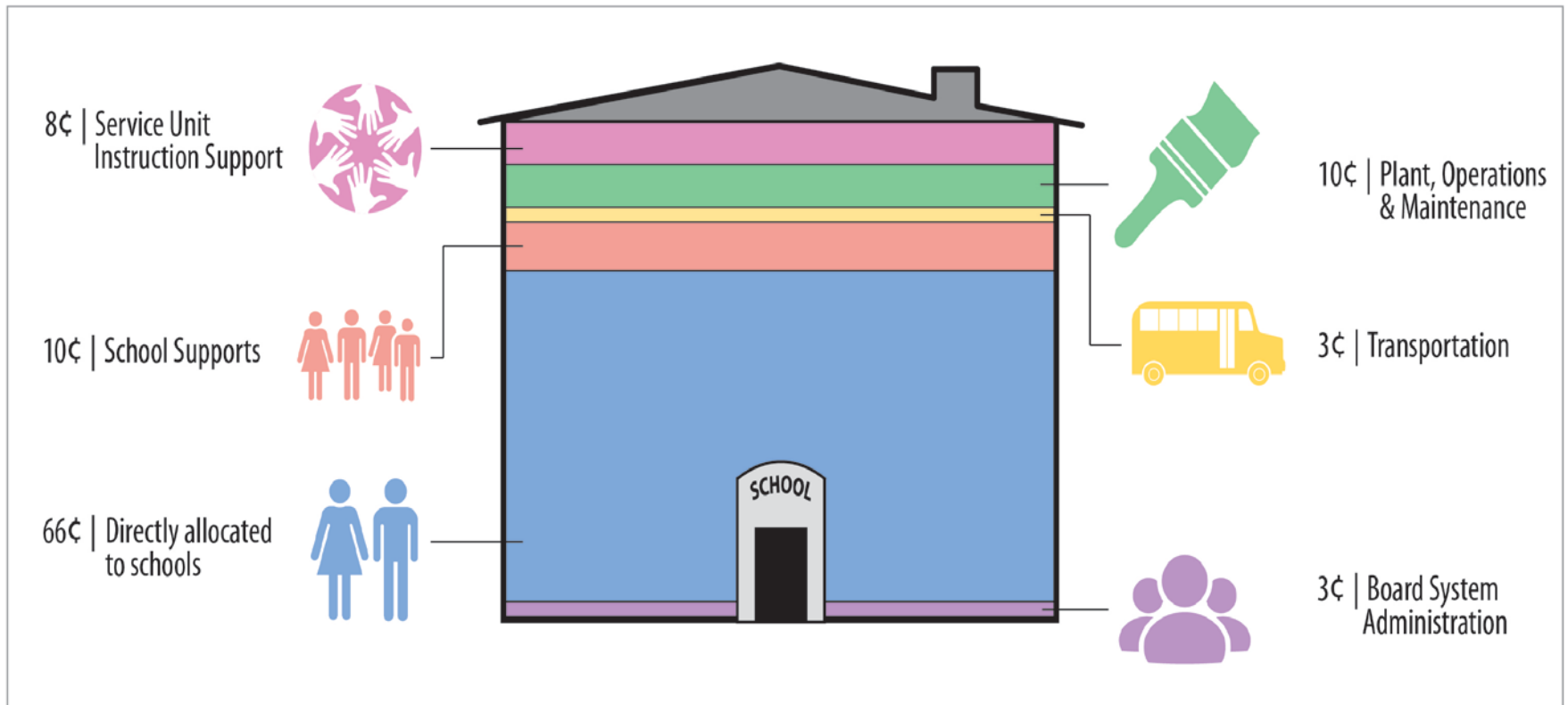
Staffing complement



Fact | The CBE has over 13,000 staff (9,653 FTEs).

Fact | The number of superintendents decreased from 9 to 7, or 22%.

Use of Alberta Education funding



Summary of Expenses

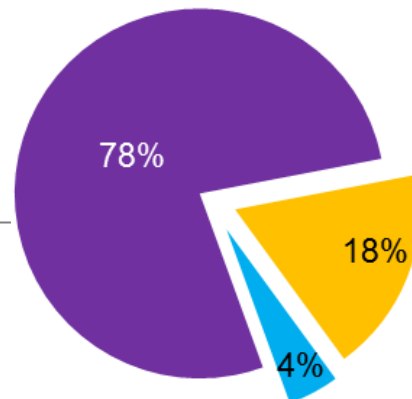
2015-16 Budget

	Schools & Areas	Service Unit System Budgets	Learning	Facilities and Environmental Services	Legal	Communications	Finance/Technology Services	Human Resources	Chief Supt's Office	Board of Trustees	Total
FTEs by:											
Superintendent	-	-	1	1	1	1	1	-	2	-	7
Staff (incl ATA, Staff Assn, CUPE, trades)	8,772	42	218	218	3	11	141	44	-	-	9,449
Exempt Staff	10	-	26	50	10	10	48	41	3	-	197
Total FTEs	8,782	42	244	269	14	21	190	85	5	-	9,653

2015-16 Fall Budget Update

Salaries and benefits	917,517	6,427	32,412	27,963	1,865	2,459	23,969	9,980	919	418	1,023,929
Supplies and services	82,049	18,420	4,856	122,793	137	653	1,960	5,551	236	868	237,524
Other (interest, amortization and uncollectible accounts)	59	49,478	1,400	5,060	14	-	3,014	13	2	-	59,041
	999,625	74,325	38,668	155,816	2,016	3,112	28,943	15,544	1,157	1,286	1,320,494
2014-15 Fall Budget Update	952,554	68,205	40,523	136,667	1,826	2,673	27,642	15,521	1,371	1,509	1,248,491
Increase/ (decrease) ⁽¹⁾	47,071	6,120	(1,855)	19,149	190	439	1,301	23	(214)	(223)	72,003

Fact | 78% of our expenses are spent on staffing.



Fact | The remaining 22% of expenses are allocated as follows:

- 4% amortization
- 3% transportation
- 2% utilities
- 3% maintenance
- 9% supplies & services
- 1% other

Board & System Administration

2015-16 Board & System Administration Expenses

	System Accounts	Learning	FES	General Counsel	Communications	Finance/Tech Services	Human Resources	Chief Supt's Office	Board of Trustees	Total
Salaries & benefits	15	362	197	1,671	1,685	8,285	6,559	919	418	20,113
Dues & fees	8	4	-	23	2	170	108	21	252	588
Rentals	-	-	2,605	-	-	-	2	42	-	2,648
Maintenance & repair	981	1	27	2	-	7	6	2	-	1,026
Insurance	-	-	-	-	-	76	-	-	-	76
Professional & tech services	962	-	1,313	19	83	523	4,230	83	572	7,785
Utilities	49	-	266	4	9	32	22	2	1	383
Transportation	-	-	-	-	-	-	-	-	-	-
Travel	5	-	0	19	4	28	75	15	33	179
Supplies	(589)	24	103	43	5	113	74	22	9	(196)
Minor equipment	1	-	-	22	1	53	30	4	-	110
Textbooks & materials	-	-	-	6	0	1	4	1	1	13
Amortization	2,154	23	11	14	-	476	13	2	-	2,692
Interest & finance charges	257	-	-	-	-	100	-	-	-	357
Total	3,842	414	4,523	1,823	1,788	9,864	11,121	1,113	1,286	35,773
Total service unit budget 2015-16	74,363	38,666	150,820	2,016	3,111	33,909	15,541	1,156	1,286	320,869
% of BSA to total service unit budget	5.2%	1.1%	3.0%	90.4%	57.5%	29.1%	71.6%	96.3%	100.0%	11.1%

Operating Reserves

The CBE has one of the lowest levels of reserves in the province, taking into consideration the number of students. The CBE has about \$300 in accumulated operating reserve for each student. The average across the province is \$770.

We started 2015-16 with \$46M of operating reserves. The Board approved the use of all available reserves to be used for:

- One time resources to schools
- New school commissioning
- Wireless upgrades in schools
- Upgrades to CTS/CTF and Fine and Performing Arts equipment

We are currently reviewing our financial position to determine if any reserves will be available.

2016-17 Budget Timeline

The CBE budget process is ongoing throughout the year, but much of the work begins in January for the upcoming school year. It is that work that is detailed in the table below.

The chart below identifies work Administration expects to be undertaking in developing the CBE operating budget for 2016-17. The Board of Trustees is involved in the process where noted below.

Date	Event*
January	<ul style="list-style-type: none"> • Confirm staffing numbers and information • Identify other potential budget changes
February	<ul style="list-style-type: none"> • Update salary and benefit budgets • Reallocation of existing budgets • Receive and consider any new budget request
February – March	<ul style="list-style-type: none"> • Engage stakeholders for solution requirements & budget options • Consider a range of budget options
Late March – Early April	<ul style="list-style-type: none"> • Province releases budget
Late March – Early April	<ul style="list-style-type: none"> • Preliminary analysis of provincial budget's impact on CBE
Early April, after budget announcements	<ul style="list-style-type: none"> • CBE releases initial budget situation
April	<ul style="list-style-type: none"> • Budget Assumptions Report presented to Board of Trustees for approval • Budget balancing decisions are made • Online opportunity for public feedback and comments
May	<ul style="list-style-type: none"> • Proposed 2016-17 operating budget presented to Board of Trustees for review
May 31	<ul style="list-style-type: none"> • 2016-17 operating budget approved by Board of Trustees, submitted to Alberta Education
September 30	<ul style="list-style-type: none"> • School enrolment finalized, provincial funding adjustments made

We are here

Where are we now?

	Sept 30 2016	Subtract One time items	Add System growth & new schools	Projections
Gov't Revenue	1,207,573	(17,000)	37,882	1,228,455
Fees	49,651	-	6,431	56,082
Other Sales	23,196	-	598	23,794
Invest. & other	22,145	-	464	22,609
Total Revenue	1,302,565	(17,000)	45,375	1,330,940
Teacher Sal & Ben	767,467	(15,491)	38,061	790,037
Support Sal & Ben	256,462	(203)	7,958	264,217
Supply & Service	237,524	(23,022)	9,389	223,891
Amortization	52,115	-	21,095	73,210
Interest & uncollectible	6,926	-	164	7,090
Total Expense	1,320,494	(38,716)	76,667	1,358,445
Surplus/ (Deficit)	(17,929)	21,716	(31,292)	(27,505)

Decision Making Criteria for program and service evaluation

1. Meets the CBE's mandate/mission and supports our values and aligns with our foundational documents
2. Advances our learning agenda
3. Enables the personalization of learning
4. Builds our professional capital
5. Supports well defined, effective, efficient business processes
6. Ensures infrastructure and environments that enable learning
7. Leverages other community resources that serve overlapping populations or is a shared responsibility
8. Viable from the perspective of stakeholders

Request for input

Given that our shared values are that students come first, learning is our central purpose and public education serves the common good, what top priorities do you think the CBE should focus on for 2016-17 and into the future?

Request for input

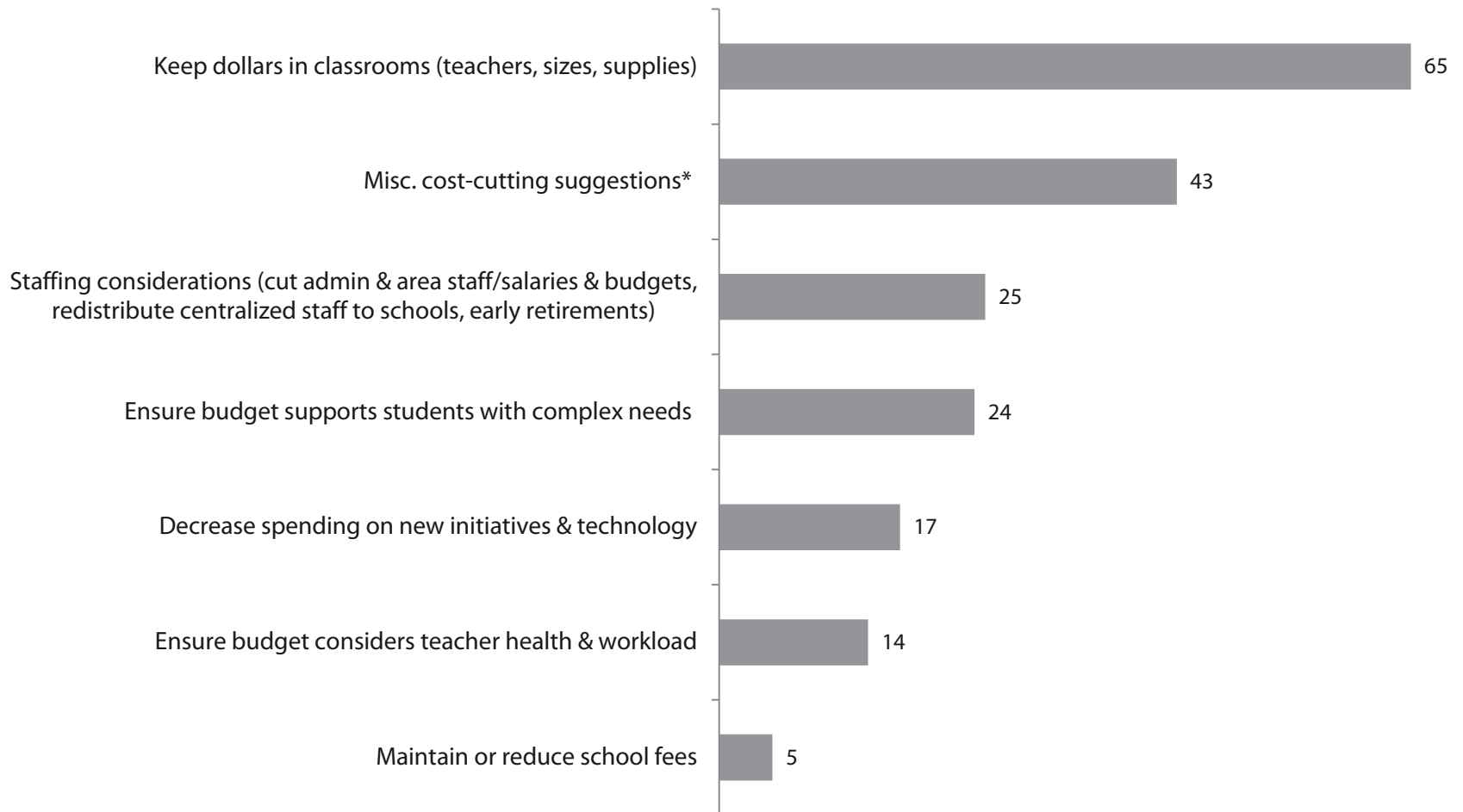
In crafting the 2016-17 and future budgets, what should the CBE consider stopping, starting and continuing in supporting success for each student?

Request for input

- What would you suggest as the top priorities for our budget planning as the CBE focuses on 2016-17 and future years?
- What single change would have the greatest impact on student learning?
- What are the most important things that the CBE should keep in mind in deciding how to allocate our scarce resources?

Budget Comments Examples: 2015-16

Your budget comments included...



Budget Comment Examples: 2015-16

- Apply the busing fees to all.
- Do not cut anymore at the high school level.
- ...start cutting back on sports and field trips, and directing that teacher effort towards our core work.
- High needs schools need to be financed differently than those schools which are not high needs.
- Overcrowding may be one way to address the cuts and likely unavoidable.
- Cut enhanced programming for special needs, gifted, language programs, etc.

Budget Comments Examples: 2015-16

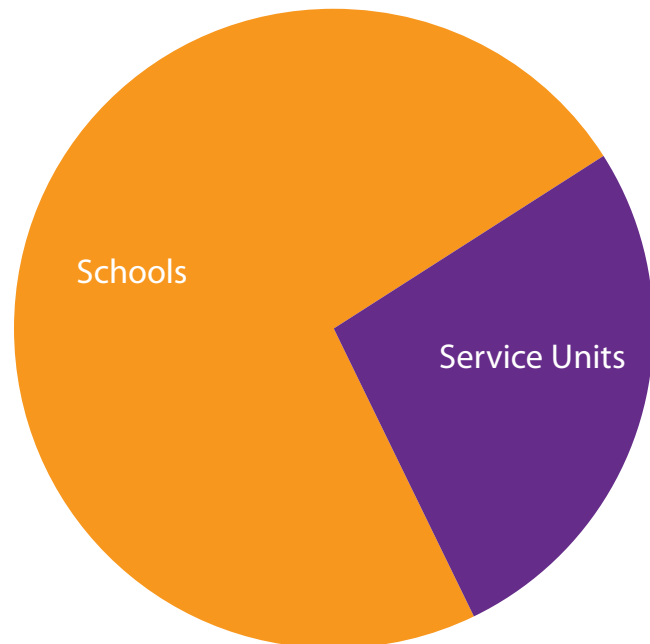
- You cannot cut back any more.
- Cut the technology budgets.
- We continue to be extremely concerned about class size at our school.
- Time to reduce administration costs and staff.
- Cut the budget for spending on books and technologies first.
- Focus on our core work of educating students.
- Please support teachers to serve our children well.

Budget background information

Service Unit Spending

Service Units account for just under 24% of the CBE's total expenditure budget. The chart below shows how that \$321M is allocated to the various program categories.

Service unit expenses by program/block



All Expenses by Program

Instruction ECS - Gr 12 (\$1.05B)

Plant, operations & maintenance (\$167M)

Transportation (\$48M)

Board & system administration (\$36M)

External services (\$23M)

Fact | 2.7% of total CBE spending of \$1.3B is allocated to board and system administration.

Fact | "Administration" costs make up only 11% (\$36M) of total service unit spending, or 2.7% of total expenses.

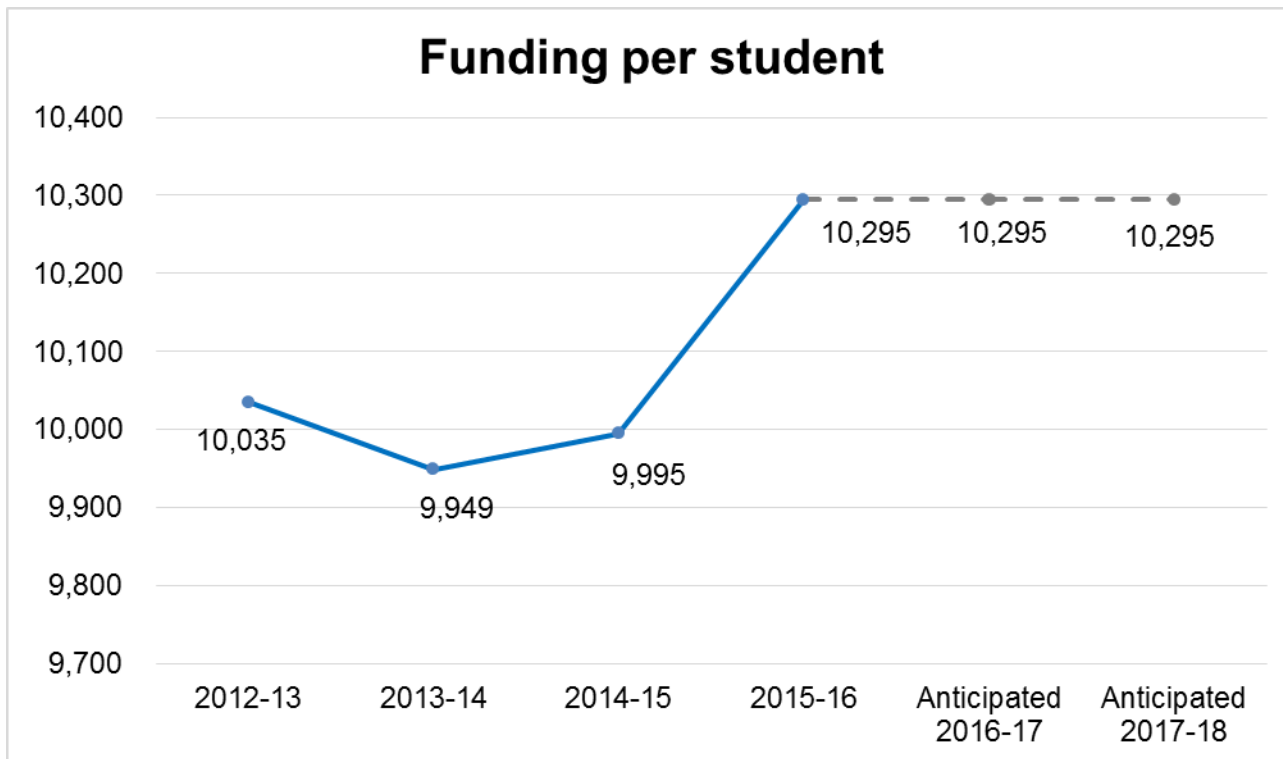
Fact | "Administration" includes:

- Board of Trustees
- Chief's Office
- Technology Services
- Human Resources
- Legal Services
- Financial Services
- Communications

Funding per student

Provincial funding, on a per student basis, has increased with the prior year's funding announcement.

Pending the outcome of the provincial budget, we anticipate the per-student amount to remain consistent for the next year.



Fees

Fall Budget Update 2015-16

	Transportation	Noon Supervision	Instructional Supplies Materials	Total
(all figures in \$ thousands)				
Government grants	34,877	-	-	34,877
Reserve funding	122	-	-	122
Available funding	34,999	-	-	34,999
Busing aides	1,390	-	-	1,390
Program delivery	1,343	-	-	1,343
Noon supervision	-	10,626	-	10,626
Salaries and benefits	2,733	10,626	-	13,359
Transportation services	43,647	-	-	43,647
Other supplies and services	202	253	7,930	8,385
Contracts and services	43,849	253	7,930	52,032
Waivers	921	1,153	910	2,984
Uncollectible accounts	502	1,019	263	1,784
	48,005	13,051	9,103	70,159
Funding gap	(13,006)	(13,051)	(9,103)	(35,160)
Fees	8,370	13,051	9,103	30,524
Net (deficit) / surplus	(4,636)	-	-	(4,635)

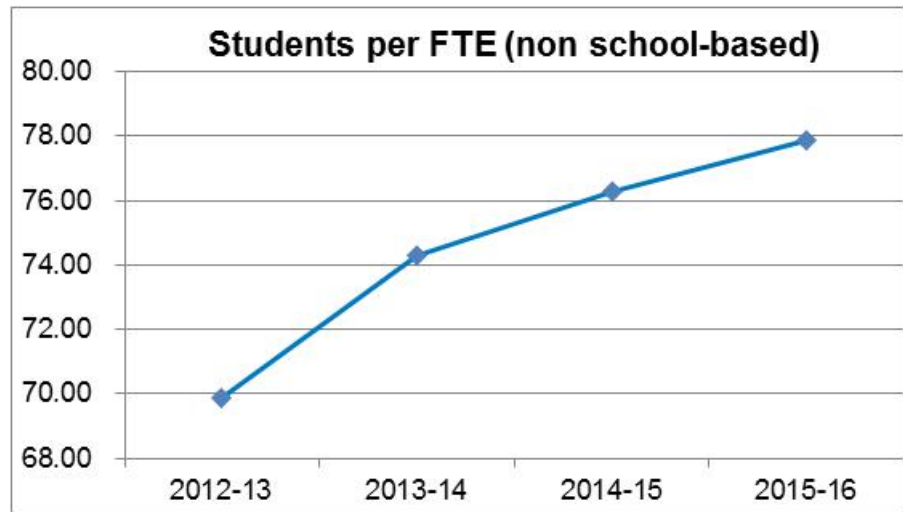
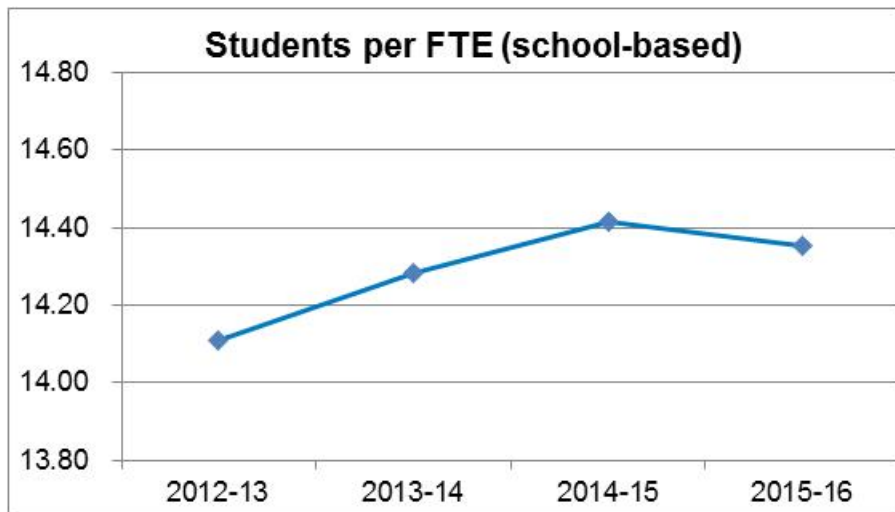
Fact | These three fee types (transportation, noon supervision and ISM) will not be subsidized by the instructional budget in 2016-17

The CBE charges fees for instructional supplies and materials (ISM) and incidentals, transportation and noon supervision.

Fees are set in the spring for the following school year and are estimated at a level to cover the cost of providing those services.

Students per Full-Time Equivalent (FTE) staff

The number of students per school-based certificated staff has increased only marginally even though enrolment has increased steadily. The CBE prioritizes certificated staff in schools.



Fact | Over the last three years, enrolment has steadily increased, and will continue to increase.

Fact | The increase in the number of staff has not kept pace with enrolment growth.

Fact | While staffing costs have increased over time, per-student funding has decreased.

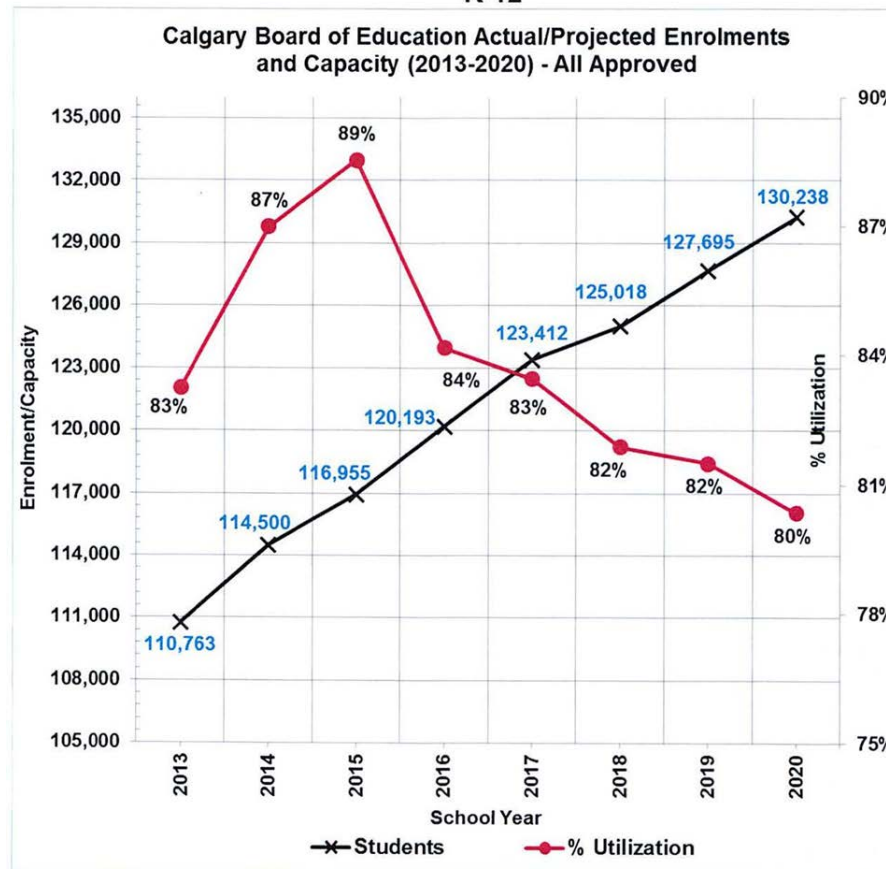
School facility utilization trends

The CBE experienced a 3.4% enrolment increase from 2013-14 to 2014-15. This trend is anticipated to continue in 2015-16 with a projected 2.1% enrolment increase.

The CBE currently faces high utilization rates in many schools. The province has announced the building of 17 new schools. They are scheduled to open between 2016-18; however, they will not meet our anticipated enrolment increases.

CBE SYSTEM UTILIZATION – (2013 – 2020)

K-12



Fact | High utilization rates have many impacts:

- Grade configurations
- Community Schools
- Transportation
- Staffing
- Maintenance

Fact | The learning space available at the CBE compared against enrolment demonstrates the increasing capacity challenge.

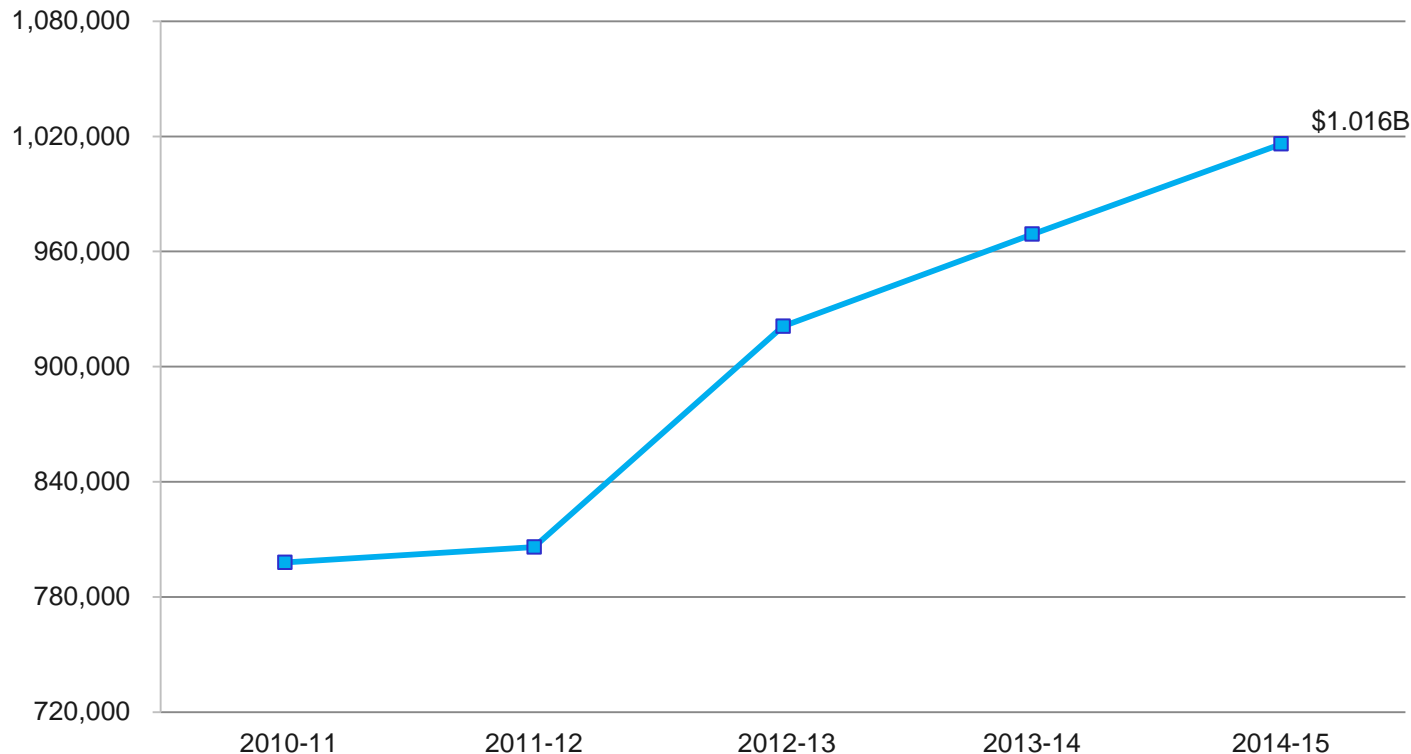
Note: Assumes all schools approved in 2016-2019 Plan

Deferred maintenance trends

Deferred maintenance is an estimate of the required costs to maintain safe, comfortable, and supportive learning environments.

In addition to capacity challenges, the CBE is experiencing increasing deferred maintenance challenges due to insufficient maintenance funding.

**Deferred maintenance costs
(\$ millions)**



Fact | IMR funding was \$18M in 2012-13.

Fact | In 2013-14 funding dropped to \$14M.

The deferred maintenance backlog continues to grow as our schools and modular classrooms age.

Deferred maintenance for 2014-15 is estimated to grow to 1.016B.

Keep up-to-date

cbe.ab.ca/budget



Calgary Board of Education