



Financial Backgrounder

2013-14

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



**Calgary Board
of Education**

Excellent student results

Provincial Achievement Tests in Grades 3,6 and 9*

- In all nine subjects tested, students outperformed the province at the acceptable standard
- In seven out of nine subjects, students outperformed the province at the standard of excellence

Grade 12 Diploma exam results**

- In all six subjects tested, students outperformed the province at both the acceptable standard and the standard of excellence

*Only one Grade 9 subject was written due to the flood

**Only six out of 11 Diploma exams were written by all students due to the flood

Our Vision and Values

Our Mega-Result

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

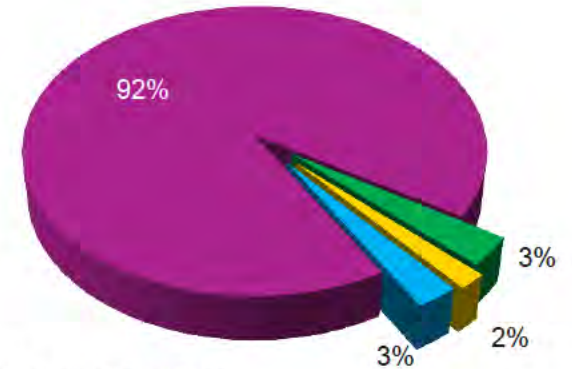
Revenues and Expenses

Revenues: 92% of our revenue comes from the Province.

Staffing Expenses: 78% of our total funding is spent on staffing. Of that, 90.6% goes directly to schools, 9.4% supports all other services.

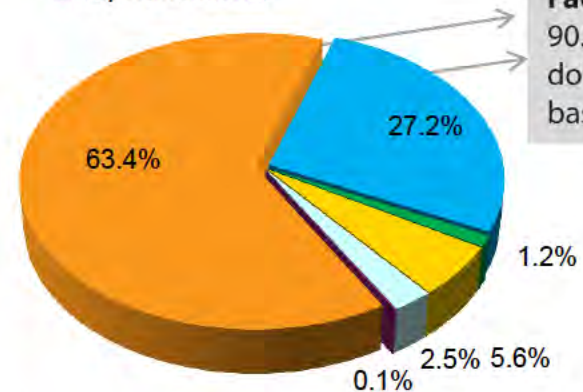
Revenue breakdown

- Alberta Education
- Fees
- Sales and Services
- Other



Staffing complement

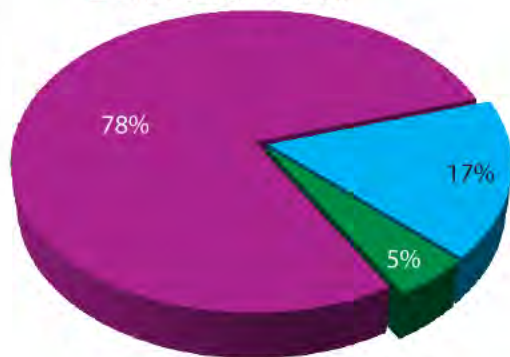
- School-based certificated
- School-based, non-certificated
- Non school-based certificated
- Non school-based, non-certificated
- Union exempt staff
- Superintendents



Fact | A total of 90.6% of staffing dollars are school based.

Expenses breakdown

- salaries, wages & benefits
- services, contracts & supplies
- amortization & other



Fact | The CBE has slightly more than 9,107 full-time equivalent (FTE) staff

Where the money goes

2013-14 Budgeted Expenditures											Total
	Schools & Areas	Office of the Chief Supt	Legal Services	Comm Services	Learning Innovation	Learning Services	Human Resources ¹	Finance & Supply Chain Services	Facilities & Environ Services	Board of Trustees Office	Budget 13-14
Spending by category											
(all figures in \$ thousands)											
salaries, wages & benefits	785,026	998	1,771	2,592	20,939	27,709	9,875	7,218	62,640	661	919,429
contracted serv, supplies and other expenses ²	67,287	144	115	145	746	4,974	4,499	1,129	2,111	849	82,000
amortization	5		13	4	6,827	287	595	8,445	34,528		50,705
corporate responsibility ³		929			4,073	1,413	5,132	1,754	5,411		18,712
transportation ⁴									40,360		40,360
utilities					3,953				19,933		23,886
infrastructure, maintenance & renewal									14,946		14,946
education centre lease and op costs									12,764		12,764
insurance									2,867		2,867
maintenance and repair	143	2	2	5	19	222	10	9	2,653		3,066
minor equipment	2,140	4	17	11	4,434	307	30	50	161		7,154
legal fees			936							40	976
	854,602	2,077	2,853	2,758	40,992	34,912	20,142	18,606	198,374	1,550	1,176,865
% of total	72.6%	0.2%	0.2%	0.2%	3.5%	3.0%	1.7%	1.6%	16.9%	0.1%	100.0%

Full time equivalents (FTEs)

Superintendents	-	2	1	1	1	1	1	1	1	-	9
Staff (incl ATA, Staff Assn, CUPE, trades)	7,707	-	3	11	134	164	42	41	788	-	8,889
Union exempt staff	10	3	8	11	31	21	41	25	57	2	209
Total FTEs	7,717	5	12	23	166	186	84	67	846	2	9,107

¹ Human Resources FTE count is net of 52.9 FTEs budgeted for professional improvement leaves and secondments.

² These include all other expenses such as rentals, supplies, textbooks, school generated funds, interests etc.

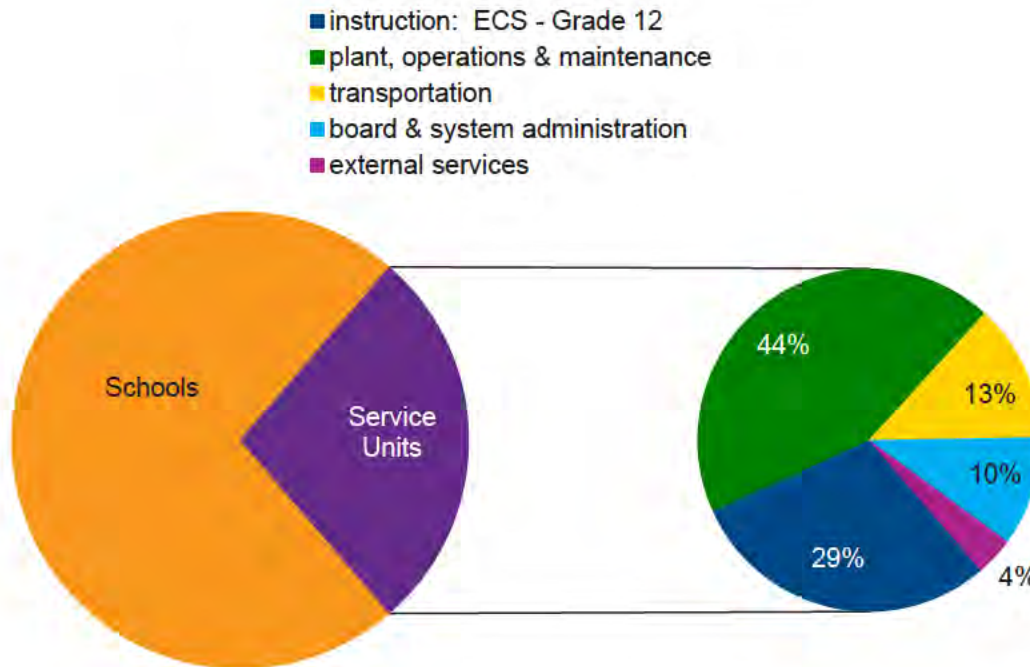
³ These expenses are held within the Service Units but are for the benefit of the entire organization. Examples include interest and bad debt expenses, costs for staff seconded or on professional leaves, software licenses

⁴ Transportation costs shown here include charter, Calgary transit and special education transportation costs

Service Unit Spending

Service Units are allocated just over 27% of the CBE's total expenditure budget. The chart below shows how that \$322M is allocated to the various program categories.

Service Unit expenses by program/block



Fact | Less than 3% of total CBE spending of \$1,177M is allocated to board and system administration.

Fact | "Administration" costs make up only 10% (\$33.3M) of total service unit spending or 2.8% of total expenses.

Fact | "Administration" includes:

- Financial services
- Human resources
- Legal services
- Technology services
- Communications
- Board of Trustees
- Chief's Office

The structural deficit

Currently, the CBE is spending more money on on-going operations than what is received as revenue. The remainder is funded by the use of reserves.

This is the structural deficit and is not sustainable.

	(in \$ thousands)	
	2012-13	2013-14
	(Actuals)	(Budget)
Expenses funded by revenues	1,167,661	1,165,048
Expenses funded by reserves	5,390	11,817
Total expenses	1,173,051	1,176,865

The cost of staffing

Three-year average salary increase (2011 – 2013)

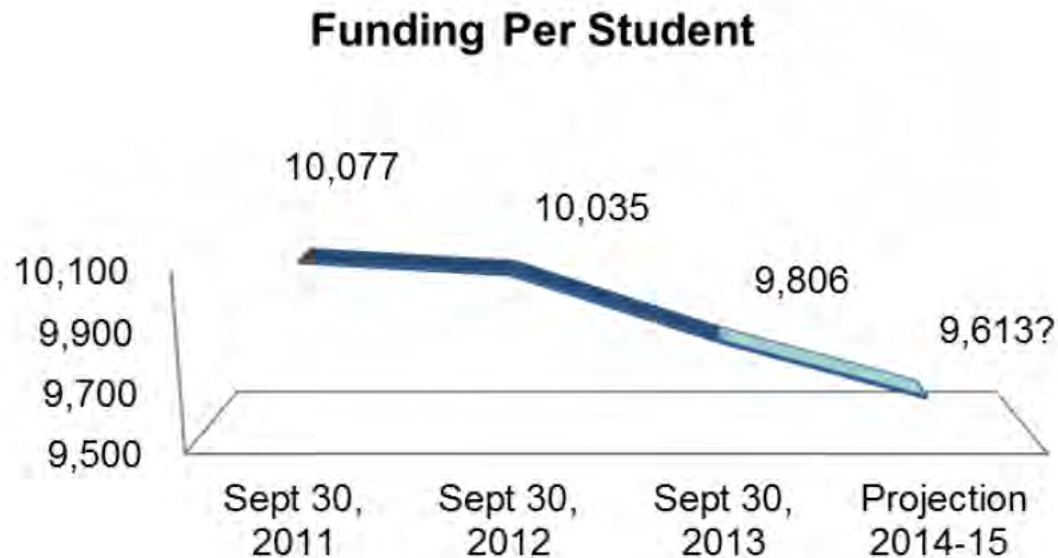
Alberta Teachers Association	Staff Association Main body & Professional Support Staff	CUPE	Trades	Exempt
2.20%	1.78%	2.52%	2.97%	1.26%

Fact | Under the ATA agreement in 2014/15, movement of teachers through the salary grid, net of attrition and replacement, will **add approximately \$7.6M to CBE costs.**

Fact | Hiring teachers to support anticipated 2014/15 enrollment growth will **add \$11.4M to CBE costs.**

Funding per student

Provincial funding, on a per student basis, has decreased over time. Pending the outcome of the provincial budget, that trend may continue.



A summary of fees

	Budget 2013-14		
	Transportation	Noon Supervision	ISM
Government grants	32,202	-	-
Reserve funding	2,179	-	-
Available funding	34,380	-	-
Salaries and Benefits			
Busing Aides	1,523	-	-
Central Administration	1,167	-	-
Noon Supervision	-	8,459	-
Contracts and Services			
Transportation Services	40,363	-	-
Other Supplies and Services	-	-	7,885
Waivers	804	588	600
Bad Debt	236	657	330
	44,093	9,704	8,815
Funding Gap	(9,712)	(9,704)	(8,815)
Fees	8,283	7,323	8,815
Net surplus / (deficit)	(1,429)	(2,381)	-

Fact | Deficits in fee categories are subsidized from the global budget.

Fact | A subsidy of \$1.0 million is the cost equivalent of 10 teacher positions.

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.

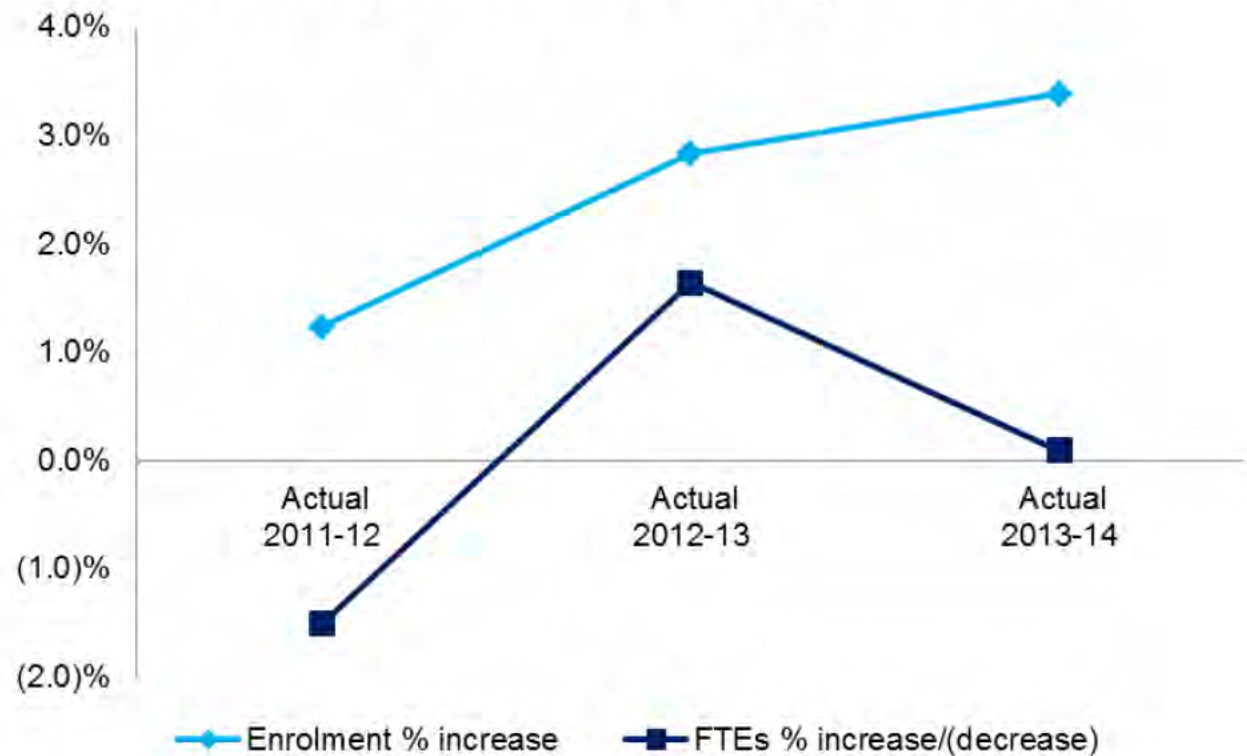
Historical trends

Fact | Over the last three years, enrolment has steadily increased.

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

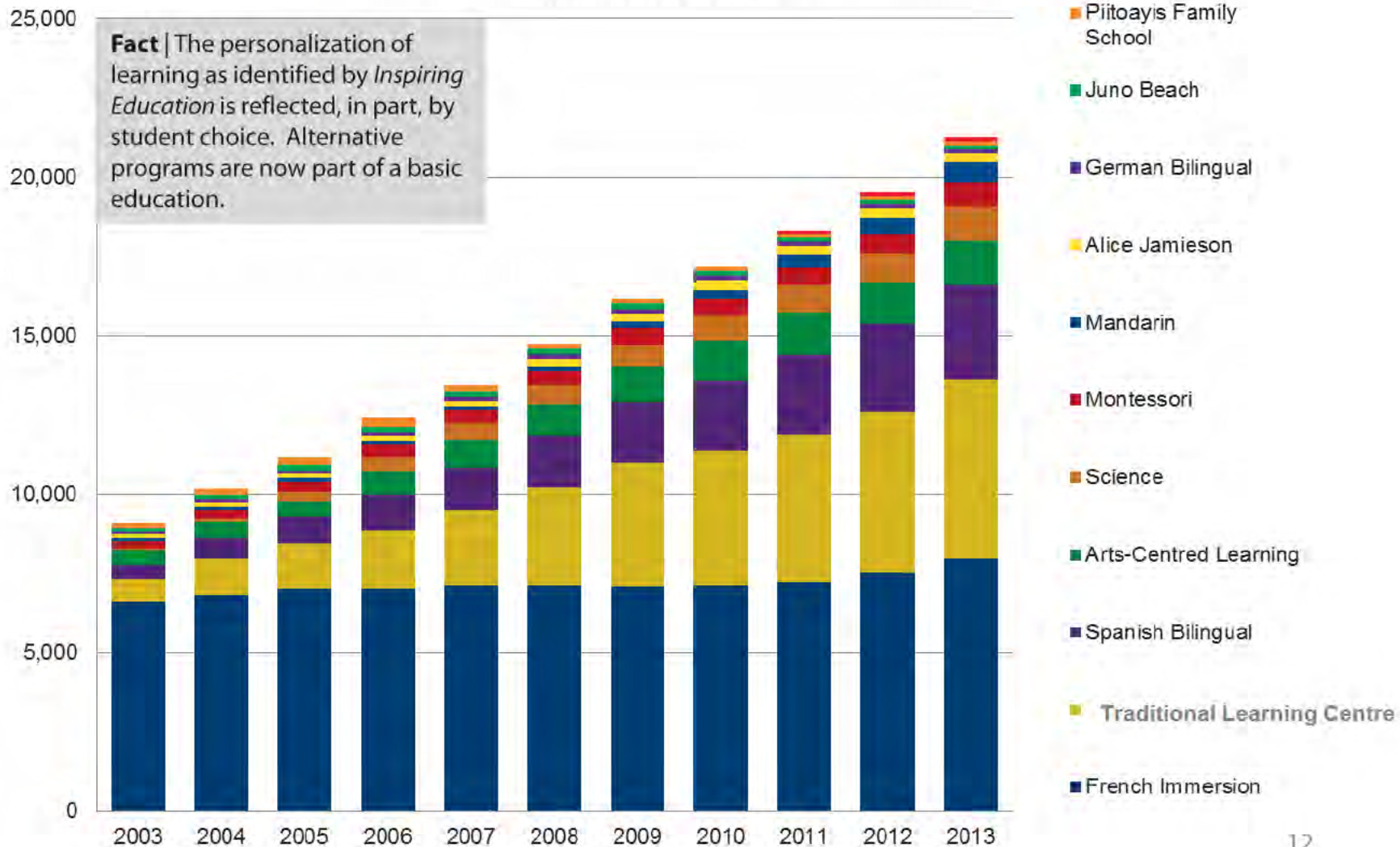
Fact | While staffing costs have increased over time, per student funding has decreased.

Annual enrolment rate increase vs total FTE rate increase/(decrease)



CBE Alternative Programs 2003-2013

Alternative Program Enrolment (2003-2013)



Students per Full-Time Equivalent (FTE) Staff

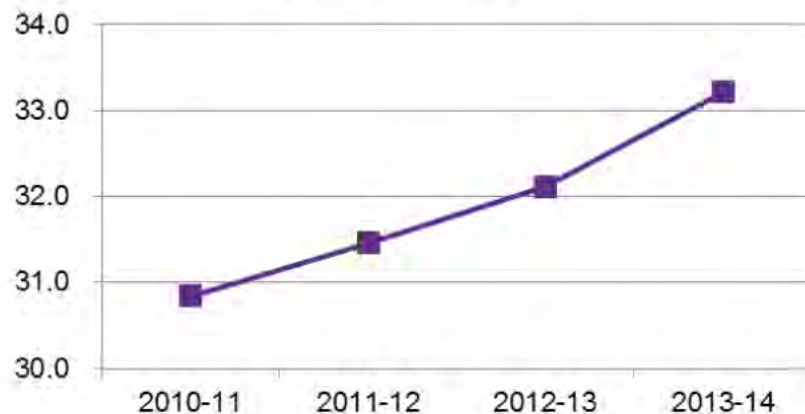
Certificated staff in schools contribute to the CBE's excellent results.

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.

**Students per FTE
(certificated, school-based)**



**Students per FTE
(all other)**

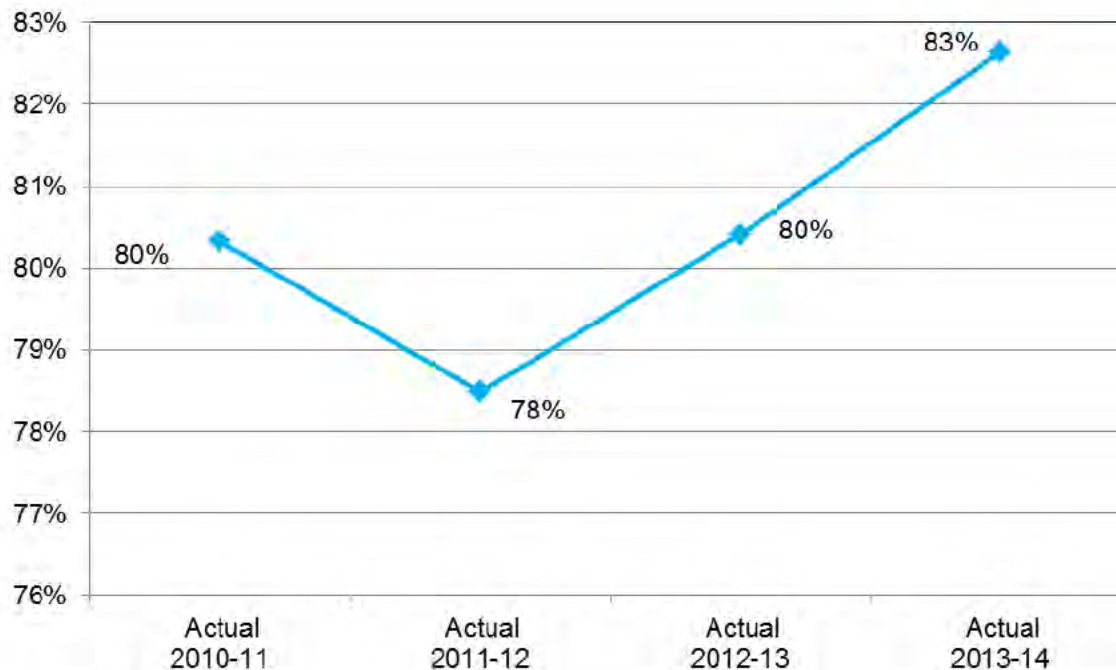


School facility utilization trends

The CBE experienced a 3.4% enrolment increase from 2012-13 to 2013-14. This trend is anticipated to continue.

The CBE currently faces high utilization rates in many schools. The province has announced building 12 new schools (scheduled to open in September 2016) but that will not meet our anticipated enrolment increase

% of Utilization



Fact | High utilization rates have many impacts:

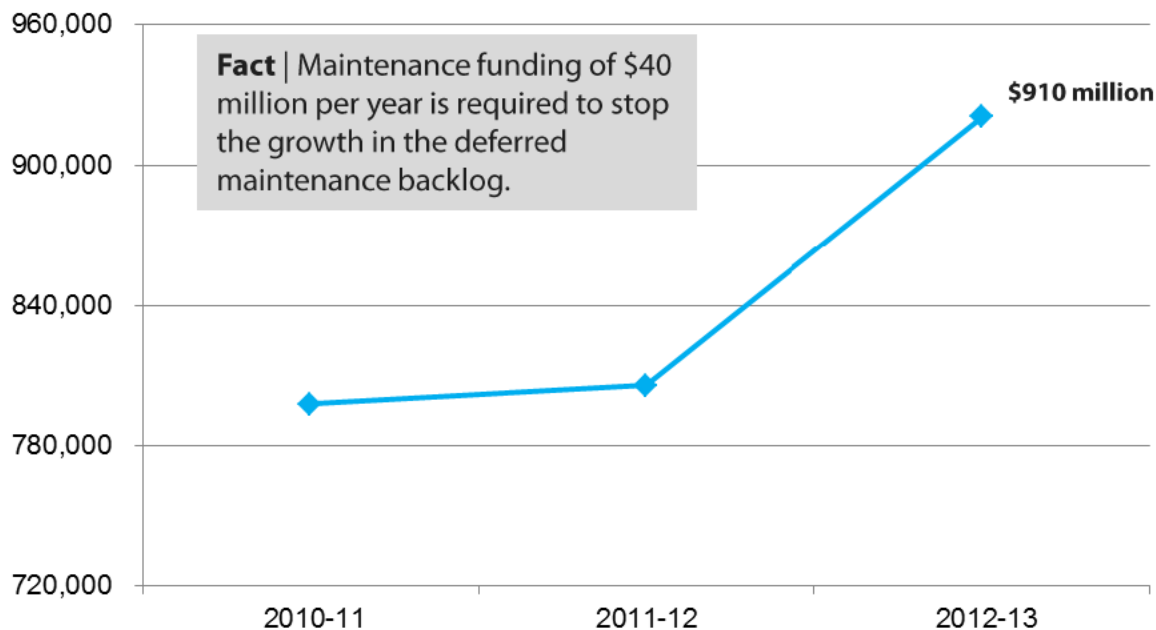
- Grade configurations
- Community Schools
- Transportation
- Staffing
- Maintenance

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 | Maintenance funding of \$40 million per year is required to stop the growth in the deferred maintenance backlog.

Fact | Program Operations and Maintenance 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 2013/14 is estimated to grow to \$969M.



Calgary Board of Education