

# public agenda

## Regular Meeting of the Board of Trustees

November 28, 2017  
12:00 p.m.

Multipurpose Room,  
Education Centre  
1221 8 Street SW,  
Calgary, AB

### R-1: Mission |

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

Conflict of Interest reminder: Trustees must disclose any potential pecuniary interest in any matter before the Board of Trustees, as set forth in the agenda as well as any pecuniary interest in any contract before the Board requiring the Board's approval and/or ratification.

Time	Topic	Who	Policy Ref	Attachment
12:00 p.m.	<b>1   Call to Order, National Anthem and Welcome</b>			
	<b>2   Consideration/Approval of Agenda</b>		GC-2	
	<b>3   Awards and Recognitions</b>		GC-3	
	<b>4   Results Focus</b>			
60 mins	4.1 CBE Annual Education Results Report 2016-17 and Three-Year Education Plan 2017-2020	D. Stevenson	R-2; OE-8	Page 4-1
	<b>5   Operational Expectations</b>			
	<b>6   Public Comment [ <a href="#">PDF</a> ]</b>		GC-3.2	
Max 20 mins	Requirements as outlined in Board Meeting Procedures			
	<b>7   Matters Reserved for Board Action</b>	Board	GC-3	
30 mins	7.1 2016-17 Year-end Financial Statements & Audited Financial Statements	B. Grundy	OE-6	Page 7-1



Time	Topic	Who	Policy Ref	Attachment
	<b>8   Consent Agenda</b>	Board	GC-2.6	
	8.1 Approval of Minutes			
	<ul style="list-style-type: none"> <li>▪ Organizational Meeting held October 27, 2017 (<i>THAT the Board approves the minutes of the Organizational Meetings held October 27, 2017</i>)</li> </ul>			Page 8-48
	8.2 First Quarter Budget Variance Report for 2017-18 Operating and Capital Budgets and Fall 2017 Budget Update ( <i>THAT the Board authorizes submission of the Fall 2017 Budget Update to Alberta Education</i> ) ( <i>THAT the Board receives the planned 2017-18 use of operating reserves and designated funds</i> )		OE-5	Page 8-31
	8.3 OE-4: Treatment of Employees – Annual Monitoring ( <i>THAT the Board approves the Chief Superintendent is in compliance with the provisions of policy OE-4</i> )		OE-1,4,8,12	(Nov. 14/17 Page 5-1)
	8.4 Resignation of Chief Superintendent ( <i>THAT the Board accepts the resignation of the Chief Superintendent effective April 26, 2018</i> )		GC-3, B/CSR-1	Page 8-1
	8.5 Items Provided for Board Information		OE-8	
	8.5.1 Correspondence			Page 8-46
	8.5.2 Fourth Quarter Budget Variance Report for the 2016-2017 Budget		OE-5	Page 8-21
	8.5.3 Construction Projects Status Update		OE-7, 9	Page 8-3
	8.5.4 Confirmation – Agenda Planning Decision		OE-9	Page 8-61
	<b>9   In-Camera Session</b>			
3:00 p.m.	<b>10   Adjournment</b>			
	<b>Debrief</b>	Trustees	GC-2.3	

**Notice |**

This public Board meeting will be recorded & posted online.  
Media may also attend these meetings.  
You may appear in media coverage.

Archives will be available for a period of two years.  
Information is collected under the authority of the School Act and the Freedom of Information and Protection of Privacy Act section 33(c) for the purpose of informing the public.

For questions or concerns, please contact:  
Office of the Corporate Secretary at [corpsec@cbe.ab.ca](mailto:corpsec@cbe.ab.ca).

## report to Board of Trustees

## Annual Education Results Report 2016-17 and Three-Year Education Plan 2017-20

Date	November 28, 2017
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	David Stevenson, Chief Superintendent of Schools
Purpose	Decision
Originators	Jeannie Everett, Superintendent, Learning Dany Breton, Superintendent, Facilities and Environmental Services Brad Grundy, Superintendent, Chief Financial Officer, Corporate Treasurer
Governance Policy Reference	Operational Expectation - 1 Result 1 - Mission
Resource Persons	Chris Meaden, Director, Learning Ronna Mosher, Director, Learning Dianne Roulson, Director, Learning Eugene Heeger, Director, Design and Property Development Anne Trombley, Manager, Planning Elizabeth Wood, System Principal, Research & Strategy

### 1 | Recommendation

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It is recommended

- THAT the Board of Trustees approve the Annual Education Results Report 2016-17 and the Three-Year Education Plan 2017-20 and authorize its submission to Alberta Education.



## 2 | Issue

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School authorities use their Three-Year Education Plan and the Annual Education Results Report as key elements of the Alberta Education Accountability Framework for the K - 12 education system. School authorities interpret and report results to parents/guardians, students, the Ministry of Education and the public in a manner and at a time the Minister prescribes as part of ensuring transparency.

The Ministry has stated that results provided are used to improve the quality and effectiveness of education programs provided to students and to improve student learning and achievement. The Minister's requirements, set out in the *Policy and Requirements for School Board Planning and Results Reporting*<sup>1</sup>, ensure that school board and school education plans, and annual results reports are aligned with the Ministry of Education's vision, mission, goals, outcomes and specific performance measures for the education system.

## 3 | Background

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The K - 12 Education system in Alberta is the responsibility of the Ministry of Education. The Ministry allocates funds to school authorities to allow them to carry out delegated responsibilities. School authorities are obligated to demonstrate accountability for this funding and for the success of students. This public transparency addresses outcomes, goals and priorities established by Alberta Education's Business Plan to meet the educational needs of students along with the local outcomes and strategies in the Three-Year Education Plan that consider the unique characteristics of each authority.

## 4 | Analysis

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The *Annual Education Results Report 2016-17 and Three-Year Education Plan 2017-20* are combined into an Accountability Framework to provide a broad strategic plan encompassing CBE schools, Areas, departments and service units in support of CBE and provincial Outcomes. It also informs the budgeting process as outlined in OE-5 Financial Planning.

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<sup>1</sup> Policy and Requirements for School Board Planning and Results Reporting April 2017  
<https://education.alberta.ca/media/3615828/school-board-guide-april-2017.pdf>

The *Annual Education Results Report 2016-17* demonstrates progress made over the past year in meeting the Goals and Outcomes set out by Alberta Education. To assist school authorities in assessing progress, Alberta Education provides the following measure evaluations: Achievement, Improvement and Overall. The Achievement Evaluation is based on a comparison of Current Year<sup>2</sup> data to a set of standards which remain consistent over time. The Improvement Evaluation consists of comparing the Current Year result for each measure with the Previous Three-Year Average. A chi-square statistical test is used by Alberta Education to determine the significance of the improvement. The Overall Evaluation combines the Achievement Evaluation and the Improvement Evaluation. Further details of the way these measures are calculated can be found on pages 40 and 41 of Attachment 1: *Calgary Board of Education Annual Education Results Report 2016-17 and Three-Year Education Plan Report 2017-20*.

The *2016-17 Annual Education Results Report Accountability Pillar Overall Summary* reflects an Achievement Evaluation of *Very High* for:

- Safe and Caring
- Program of Studies
- Drop Out Rate
- Diploma: Excellence
- Citizenship

An Achievement Evaluation of *High* was reported for:

- Education Quality
- High School completion Rate (3 yr)
- PAT: Excellence
- Diploma: Acceptable
- Diploma Exam Participation Rate (4+ Exams)
- Transition Rate (6 yr)
- Work Preparation
- School Improvement

An *Intermediate* Achievement Evaluation was reported for:

- PAT: Acceptable
- Parental Involvement

The *2016-17 Annual Education Results Report Accountability Pillar Overall Summary* reflects an Improvement Evaluation of *Improved Significantly* for:

- Education Quality
- Drop Out Rate
- School Improvement

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<sup>2</sup> For Drop Rate High School Completion Rate (3 yr), Diploma Exam Participation Rate (4+ Exams), Rutherford Scholarship Eligibility Rate and Transition Rate (6 yr) the "Current year" is 2015-16. For all other measures the "Current Year" is 2016-17

An Improvement Evaluation of *Improved* was reported for:

- Safe and Caring
- High School completion Rate (3 yr)
- PAT: Excellence
- Diploma Exam Participation Rate (4+ Exams)

*Maintained* Improvement Evaluation was reported for:

- Program of Studies
- PAT: Acceptable
- Diploma: Excellence
- Rutherford Scholarship Eligibility Rate
- Work Preparation
- Parental Involvement

An Improvement Evaluation of *Declined* was reported for:

- Transition Rate (6 yr)
- Citizenship

A *Declined Significantly* Improvement Evaluation was reported for Diploma: Acceptable.

Overall, the Achievement Evaluation is *High* or *Very High* in 13 of 15 measures. The Citizenship Measure has an Improvement Evaluation of *Declined*. This is tied to perception by parents, students and teachers of whether students at school follow the rules and respect each other.

An Improvement Evaluation of *Declined* is also determined for Transition Rate (6yr). This is attributable to 50 fewer students transitioning to an apprenticeship program as compared to the previous year.

The Achievement Evaluation for the Diploma: Acceptable is *High* and is a notable 2.0 percentage points higher than the provincial results. As of the 2015-16 school year, the weighting of diploma examinations was reduced to 30% from 50%, impacting the interpretation of the results with previous years. This seems to parallel the decline seen in the Improvement Evaluation for this measure.

*Accountability Pillar: First Nations, Métis and Inuit Overall Summary* reflects an Achievement Evaluation of *Intermediate* for:

- Diploma: Acceptable
- Diploma: Excellence

An Achievement Evaluation of *Low* was reported for Drop Out Rate.

A *Very Low* Achievement Evaluation was reported for:

- High School Completion Rate (3yr)
- PAT: Acceptable
- PAT: Excellence
- Diploma Exam Participation Rate (4+ Exams)
- Transition Rate (6 yr)

*Accountability Pillar: First Nations, Métis and Inuit Overall Summary* reflects an Improvement Evaluation of *Improved Significantly* for:

- PAT: Excellence - an increase of 3.3 percentage points over the previous year
- Transition Rate (6 yr) - an increase of 8.2 percentage points over the previous year

An Improvement Evaluation of *Maintained* was reported for:

- Drop Out Rate - an increase of 2.0 percentage points over the previous year
- High School completion Rate (3 yr) - an increase of 3.2 percentage points over the previous year
- PAT: Acceptable - an increase of 4.4 percentage points over the previous year
- Diploma: Acceptable - a decrease increase of 1.5 percentage points from the previous year
- Diploma: Excellence - a decrease increase of 2.7 percentage points from the previous year
- Diploma Exam Participation Rate (4+ Exams) - an increase of 2.5 percentage points over the previous year

A *Declined* Improvement Evaluation for students self-identified as Indigenous, was reported for Rutherford Scholarship Eligibility Rate which had a decrease of 3.8 percentage points from the previous year.

Achievement of First Nation, Metis and Inuit students continues to be of concern for our jurisdiction. The Indigenous Education Strategy within the Three-Year Education Plan is intended to reduce the achievement gap over time. While there has been some increase in measures, in particular the High School Completion Rate (3 yr), greater improvement is required.

For outcomes where the Overall Evaluation is *Issue* or *Concern* targets have been set.

In the Calgary Board of Education the Three-Year Education Plan 2017-20 provides direction and clarity of purpose while remaining broad enough to allow each school, Area, department and service unit to formulate actions in response to the unique needs revealed by their own data. The encompassing outcome remains *Student Success*. Personalize Learning is the overarching strategy. Two other strategies, Build Professional Capital and Engage our Stakeholders are the pillars that support the overarching strategy. These in turn rest on the foundation of a fourth strategy, Steward our Resources.

## 5 | Conclusion

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This Board report demonstrates how strategies developed to facilitate improved Outcomes for CBE students align with the jurisdiction's results. It considers, as well, the ways in which budget and capital and facilities planning support these strategies.



DAVID STEVENSON  
CHIEF SUPERINTENDENT OF SCHOOLS

### **Attachment I: Calgary Board of Education Annual Education Results Report 2016-17 and Three- Year Education Plan 2017-20**

#### **GLOSSARY – Developed by the Board of Trustees**

Board: Board of Trustees

Governance Culture: The Board defined its own work and how it will be carried out. These policies clearly state the expectations the Board has for individual and collective behaviour.

Board/Chief Superintendent Relationship: The Board defined in policy how authority is delegated to its only point of connection – the Chief Superintendent – and how the Chief Superintendent's performance will be evaluated.

OE - Operational Expectations: These policies define both the nonnegotiable expectations and the clear boundaries within which the Chief Superintendent and staff must operate. They articulate the actions and decisions the Board would find either absolutely necessary or totally unacceptable.

Results: These are our statements of outcomes for each student in our district. The Results policies become the Chief Superintendent's and the organization's performance targets and form the basis for judging organization and Chief Superintendent performance.



| achieve | strategies for success



Annual Education Results Report 2016-17  
Three-Year Education Plan 2017-20

learning | as unique | as every student



Calgary Board  
of Education

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## Accountability Statement

The Annual Education Results Report for the 2016-17 school year and the Education Plan for the three years commencing Sept. 1, 2017 for the Calgary Board of Education were prepared under the direction of the Board of Trustees in accordance with its responsibilities under the *School Act* and the *Fiscal Planning and Transparency Act*. This document was developed in the context of the provincial government's business and fiscal plans. The Board of Trustees has used the results reported in the document, to the best of its abilities, to develop the Education Plan and is committed to implementing the strategies contained within Education Plan to improve student learning and results.

The Board of Trustees approved this combined Annual Education Results Report for the 2016-17 school year and the Three-Year Education Plan for 2017-20 on Nov. 28, 2017.

**Trina Hurdman**  
Chair, Board of Trustees  
Calgary Board of Education

**David Stevenson**  
Chief Superintendent of Schools  
Calgary Board of Education

# Annual Education Results Report (AERR) Summary

## Mission

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

## Our Values

Our Values: Students come first.

Learning is our central purpose.

Public education serves the common good.

## Overview

CBE offers a depth and breadth of programs and supports to meet the unique learning needs and interests of a richly diverse population. In addition to responsive and inclusive programming in all CBE schools, we provide opportunities for students to learn in unique settings and outreach programs.

## Fast Facts

More than 121 600 students in 245 schools, including:

- 116 846 students from pre-kindergarten to Grade 12;
- 512 students fully enrolled in CBe-learn (our online learning program), with close to 1300 more registered in courses with CBe-learn while enrolled at another school;
- 786 students in full-day kindergarten in 15 schools;
- 1974 students upgrading high school courses and pursuing continuing education through Chinook Learning Services;
- 20 938 students with identified special education needs, the majority of whom are learning in their community schools;
- almost 25 per cent of CBE students self-identified as English Language Learners;
- over 4971 students self-identified as Indigenous;
- over 8600 students in French Immersion; and
- over 4800 students in bilingual language and culture programs.

## Student Results

On Provincial Achievement Tests (PATs):

- Grade 6 CBE results exceeded those of the province in every subject at the Acceptable Standard and the Standard of Excellence.
- Grade 9 CBE results were equal to or above the provincial results in three of five subjects at the Acceptable Standard and in four out of five subjects at the Standard of Excellence.

On Diploma Examinations:

- The percentage of CBE students achieving the Acceptable Standard was above the provincial results in eight of the eleven diploma examinations.
- At the Standard of Excellence, the percentage of CBE students achieving the standard was above the provincial results on ten of eleven examinations.
- Particularly strong results were achieved in Biology 30, Chemistry 30 and Physics 30 at the Standard of Excellence.

**Note** | Details of provincial assessment results can be found at CBE [Provincial Assessment & Reports](#)

On the *Accountability Pillar Overall Summary*, Alberta Education records evaluations on the following measures: Achievement, Improvement and Overall. The Achievement Evaluation is based on a comparison of Current year data to a set of standards which remain consistent over time. The Improvement Evaluation consists of comparing the Current year result for each measure with the Previous Three-Year Average. A chi-square statistical test is used by Alberta Education to determine the significance of the improvement. The Overall Evaluation combines the Achievement Evaluation and the Improvement Evaluation. Details of the way these measures are calculated can be found on pages 43 and 44.

On the *Accountability Pillar Overall Summary - Oct 2017* the following measures were evaluated by the province as *Improved Significantly*:

- Education Quality
- Drop Out Rate
- School Improvement

CBE also earned an evaluation of *Improved* on:

- Safe and Caring
- High School Completion Rate (3 yr)
- PAT results at the Standard of Excellence
- Diploma Exam Participation Rate (4+ Exams)

In the following areas, already very high achievement was *Maintained* on:

- Program of Studies
- PAT results at the Acceptable Standard
- Diploma Examination results at the Standard of Excellence
- Rutherford Scholarship Eligibility Rate
- Work Preparation
- Parental Involvement

## Engaging Stakeholders

The CBE is committed to implementing the CBE *dialogue* engagement framework to give students, staff, families and community members voice in decisions that affect them in order to have meaningful dialogue. This *dialogue* framework will influence decisions and connect to student success.

The CBE provides opportunities for student voices through:

- the Chief Superintendent's Student Advisory Council;
- surveys and focus groups;
- their school's Principal Advisory Council; and
- the bringing of their ideas and interests to the design of learning tasks.

In February 2017, more than 24 000 CBE students, over 4700 parents/guardians and more than 4900 teachers responded to the provincial Accountability Pillar Survey.

- 89.3% agreed or strongly agreed that students are safe in school, are learning the importance of caring for others, are learning respect for others and are treated fairly in school.
- 82.7% are satisfied that CBE students model the characteristics of active citizenship.
- 89.0% are satisfied with the overall quality of basic education.

## School Councils

School Councils play a key role in education, and council advice is actively sought and seriously considered prior to making decisions on a wide range of school issues. School Councils help build the context of school development plans through direct input at School Council meetings and the opportunities for suggestions and feedback provided to all parents/guardians. The CBE has established administrative regulations and practices that ensure school principals work toward:

- enhancing communication between the school and its parent/guardian community;
- providing a method by which the school, the home and the community may work together for the benefit of students;
- providing a forum for discussion of school philosophies, results and operations that contributes to the creation of the school development plan; and
- reporting to the community on the progress achieved towards the goals and targets in the school development plan.

## CBE Strategies for Excellence and Continued Improvement

Our overall strategy is to personalize learning and this is supported by three other strategies:

- build professional capital;
- engage our stakeholders; and
- steward our resources.

Through these strategies, the CBE supports the outcomes in Alberta Education Business Plan<sup>1</sup> (March 3, 2017) and aligns with provincial Key Strategies including the following:

- 1.3 continue to implement systemic actions to further support student learning and achievement in Mathematics;
- 2.1 ensure all students, teachers and school leaders learn about First Nations, Métis and Inuit perspectives and experiences, treaties, and the history and legacy of residential schools;
- 4.2 ensure that teachers, principals, and other system leaders in Alberta schools have the capacity to meet the new Quality Standards, in collaboration with stakeholders and school authorities; and
- 5.3 ensure school facilities support current and future education programming, are a central part of the community and enable collaborative partnerships.

## Financial Summary

- Alberta Education grant revenue makes up 92 per cent of total revenues.
- Funding is spent primarily on Salaries and Benefits at 78 per cent of total expenses.
- Revenue and expense increases from the prior year are driven by increases in enrolment as well as collective agreement negotiated salary increases and grid movement.
- Overall results are more favorable than budgeted resulting in a \$15.1 million deficit compared with the planned \$19.8 million deficit.

**Note |** Detailed CBE budget and financial information can be found at [Budget and Financial Information](#).

## Links

The Calgary Board of Education Annual Education Results Report 2016-17 and Three-Year Education Plan 2017-20 may be accessed using the following permalink:

<http://www.cbe.ab.ca/FormsManuals/AERR-2016-17-3-YEP-2017-20.pdf>

The Calgary Board of Education Average Class Size Report 2016-17 can be viewed at:

<https://portal.cbe.ab.ca/FormsManuals/Class-Size-Survey-Jurisdiction-Report.pdf>

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<sup>1</sup> Business Plan 2017-20: Education <http://www.finance.alberta.ca/publications/budget/budget2017/education.pdf>

## Our Ultimate Goals

The CBE Annual Education Results Report 2016-17 combined with the CBE Three-Year Education Plan 2017-20 helps the CBE build strategies that support student learning. These strategies align to the Board of Trustees Results to guide our work with fostering student success.

The Board of Trustees defines the Results as:

### Result 1 | Mission

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

### Result 2 | Academic Success

Each student will be literate and numerate, able to integrate and apply the knowledge, skills, attitudes and competencies acquired across all academic disciplines.

### Result 3 | Citizenship

Each student will be a responsible citizen.

### Result 4 | Personal Development

Each student will identify and actively develop individual gifts, talents and interests.

### Result 5 | Character

Each student will demonstrate good character.



# CBE Three-Year Education Plan 2017-20 and Strategies Overview

The CBE Three-Year Education Plan guides our work and connects each CBE employee to our Mission, our Values and our Outcome: Student Success, as defined through the Board of Trustees Results policies. Our task is to create an environment, aligning with Alberta Education’s fundamental goal as defined through the Ministerial Order on Student Learning, “... to inspire all students to achieve success and fulfillment, and reach their full potential by developing the competencies of Engaged Thinkers and Ethical Citizens with an Entrepreneurial Spirit ...” (Alberta Education, 2013). This coherent framework of CBE and provincial outcomes supports individual schools in their work with each student.

## (DRAFT) Calgary Board of Education Three-Year Education Plan 2017-20

**Our Mission:** Each student, in keeping with his or her individual abilities and gifts, will complete high school with a foundation of learning necessary to thrive in life, work and continued learning.

**Our Values:** Students come first. Learning is our central purpose. Public education serves the common good.

### Our Outcome: Student Success

#### Personalize Learning

Success for each student, every day, no exceptions

Instructional design and leadership focus on:

- student agency and intellectual engagement
- active and effortful tasks designed for student interests and learning needs
- assessment that informs teaching and learning
- students knowing what they know, how they know it, how they show it, and what they need next

#### Build Professional Capital

Capacity building with a focus on results

Collaborative learning networks focus on:

- professional and intellectual engagement
- shared standards of practice
- evidence-informed, research-informed and job-embedded professional learning
- staff knowing the decisions they have made, why they made them, what impact those decisions had, and what is required next

#### Engage our Stakeholders

Everyone contributes to the success of public education

Internal and external community members:

- actively recognize public education as foundational to a democratic society
- acknowledge and accept different roles, responsibilities and contributions based on shared outcomes and engagement
- support, practice and benefit from open and responsive communication
- accept responsibility for the success of the organization

#### Steward our Resources

Resource management on behalf of student learning

Decisions and actions at all levels of the organization are:

- based on values and priorities
- consistent with the learning agenda
- evidence-informed
- made within a coherent framework
- strategic & responsive
- sustainable

### Alberta Education Outcomes

- Students are successful
- The achievement gap is eliminated for FNMI students
- The education system is inclusive
- Excellent teachers and leaders
- The education system is well governed and managed

# (DRAFT) Calgary Board of Education Three-Year Education Plan 2017-20

## Strategies and Actions

### Personalize Learning

Evolve, extend and integrate practices consistent with the elements of CBE's vision for high quality teaching and learning.

- extend the use of learning plans and profiles that help each student be known and develop as a learner
- extend the design of responsive, inclusive, rigorous and engaging learning tasks that ensure students participate, progress and achieve

Clarify and extend inclusive practices through responsive, enabling learning environments and instruction.

- identify and create the conditions for success for students as unique learners and as members of their school and home communities

Advance multiple literacies, numeracy and learning competencies for each student across the subject and discipline areas.

- improve clarity and coherence in teaching and learning practices through high impact instructional strategies

Through a focus on: **Literacy** ▪ **Mathematics** ▪ **Indigenous Education** ▪ **High School Success**

### Build Professional Capital

Build coherence and continuous improvement in program provision, service delivery, and professional learning through a collaborative and evidence-informed culture:

- build skill in generating and interpreting data across CBE leadership teams
- further develop task design and assessment practices

Impact student learning through collaborative and distributed leadership practices and professional learning that address shared priorities:

- inclusive learning
- Indigenous cultures, languages and histories
- literacy, numeracy and student learning competencies
- leadership through strategic resourcing

Implement the teacher induction program.

### Engage our Stakeholders

Create opportunities for meaningful dialogue to share information and perspectives to understand the concerns and aspirations of those who will be impacted by decisions.

- implement the *dialogue* engagement framework

Promote a workplace culture built on the values of voice, accountability, clarity of role and responsibility in which all employees find meaning and fulfillment.

- implement action and re-assessment cycles based on input and feedback from the employee engagement survey

Engage local, provincial and global partners in collaborative ventures to support student learning.

- expand opportunities for community members to contribute to student learning
- expand transition opportunities for young adult students

### Steward our Resources

Enhance operational performance through increasingly effective, efficient and streamlined processes and practices.

- optimize, commission, modernize and maintain school facilities to foster enriching learning environments
- promote system-wide approaches to sustainability

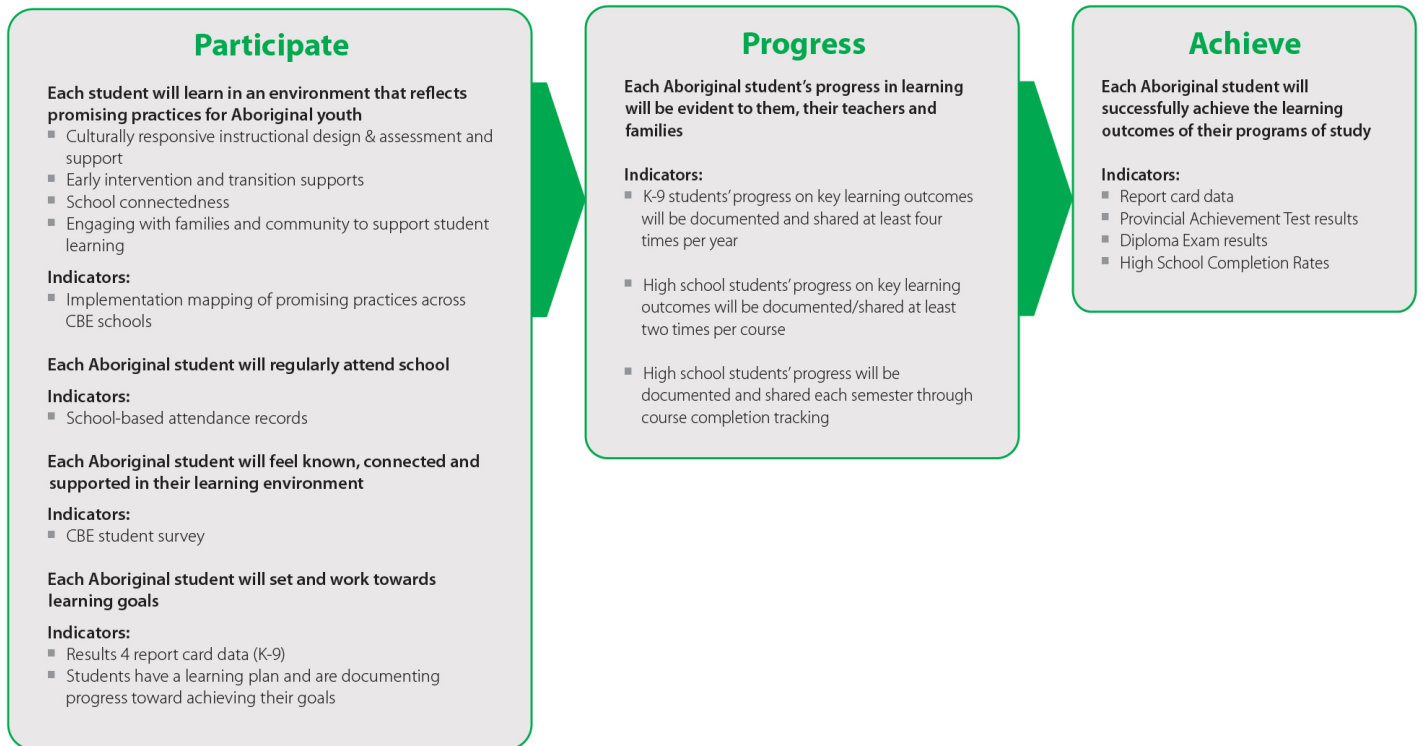
- create new school resource allocation methodology in relation to overall system goals and provincial funding
- improve access to and use of data
- implement the new student information system

Advance instructional leadership through strategic resource management.

## Draft Indigenous Education Strategy 2017-20

**Outcome 1:** Each Aboriginal student will participate, progress and achieve in their learning programs.

**Outcome 2:** Each CBE student's learning experiences are advanced by the strength and diversity of Indigenous knowledge systems (ways of knowing) through their learning programs.



# Draft Indigenous Education Strategy 2017-20

## Priorities

### Cultivating a Balanced and Respectful Relationship

Cultivating a balanced and respectful relationship between Indigenous knowledge systems and existing CBE knowledge systems in how we think about and do everything.

### Advancing Culturally Responsive Instructional Design & Assessment

Honouring Indigenous knowledge systems, languages and histories through responsive learning environments and instructional design & assessment for the benefit of all students.

### Advancing System-Wide Learning

Ensuring staff are knowledgeable, understanding and respectful of the strength and diversity of First Nations, Metis and Inuit; the implications of treaties and agreements with First Nations and Metis; the history and legacy of residential schools.

### Building Respectful Working Relationships with Community

Working with community from the very beginning as part of how we think about and do everything.

## Key Actions

### Key Actions 2017-18

#### Teaching and Learning/Community Engagement

- Strengthen strong collective network of support to advance culturally responsive environments, instructional design & assessment and support across schools
- Cultivate a collective and respectful approach to working with students, families, staff and community
- Strengthen professional learning networks/cohorts with elem/middle/Jr and high schools to extend high impact practices across CBE schools.
- Advance Niitsitapi li tass ksii nii mat tsoo kop (Niitsitapi Learning Centre) as “a beautiful place for learning for all”: EDC/K-3 school program (EDC/K-2 2017/18); supports and services for families; gathering place for community; and, a place of learning for CBE schools.
- Advance system-wide learning to meet new Teacher Quality/Leader Standards for the benefit of all students
- Design district approach for Indigenous languages
- Advance Indigenous knowledge systems and holistic approaches as an integral part of the Three Year Education Plan

#### Business Supports

- Allocation of human and financial resources to enable implementation of high impact strategies
- Success and recruitment strategy for Indigenous education

### Key Actions 2018-19

#### Teaching and Learning/Community Engagement

- Implement plan for Indigenous languages
- Continued revision and extension of previous implementation strategies

### Key Actions 2019-20

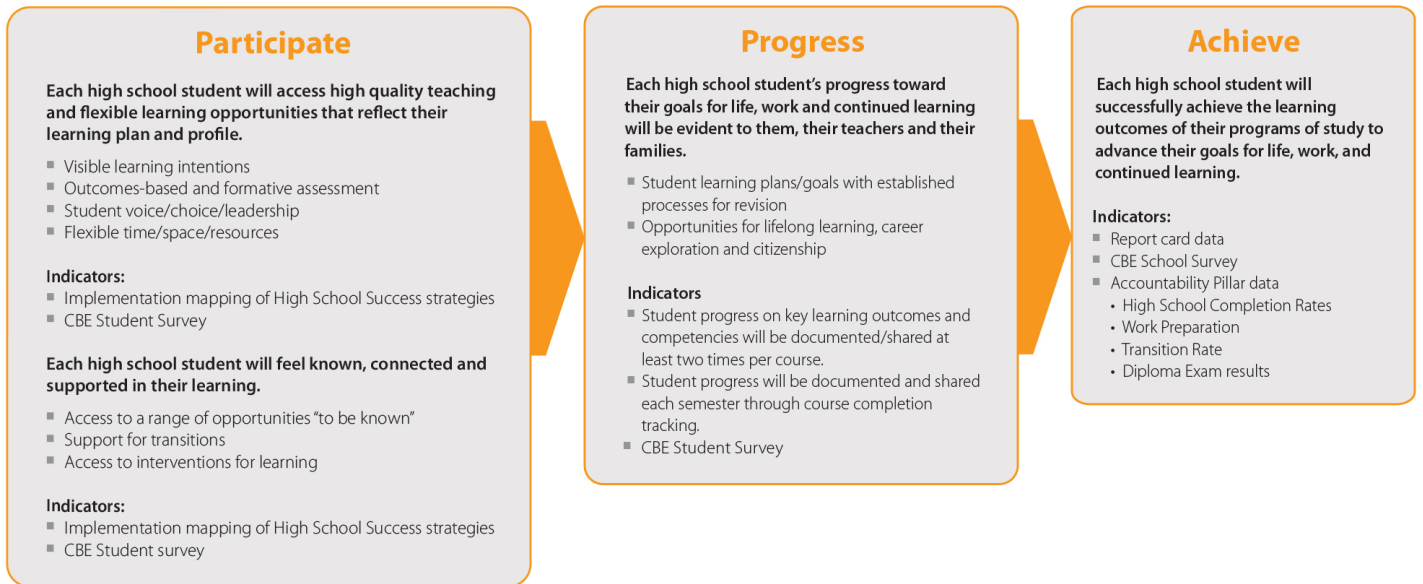
#### Teaching and Learning/Community Engagement

Continued revision and extension of previous implementation strategies

## Draft High School Success Strategy 2017-20

### Outcome:

Each CBE high school student will participate, progress and achieve in their learning programs.



Alberta Education identifies three outcomes for high school redesign • engaged students • high levels of achievement • quality teaching

## Draft High School Success Strategy 2017-20

### Conditions for Success

Moving Forward with High School Redesign (MFWHSR), a province-wide initiative that includes over 280 high schools, highlights “conditions for student success”. Calgary Board of Education continues to evolve our approach to these conditions:

#### Pedagogy

- Designing personalized learning for students through professional learning/networks in task design and assessment.
- Implementing intervention and transition practices.

#### School Leadership

- Building school leadership teams that collaboratively strengthen their response to the principles of high school redesign including personalization, flexibility and relationships.
- Designing collective research-based and evidence-informed practices that accelerate student learning.

#### School Culture

- Establishing a welcoming, caring, respectful and safe learning environment.
- Creating ongoing opportunities for student agency/voice/leadership.
- Engaging with partners around shared goals for student learning and career development.

#### School Structures

- Connecting and making visible the school practices that reflect the principles of high school redesign.



## Key Actions

### Key Actions 2017-18

- Extend our practices and leadership in task design and outcomes-based/formative assessment.
- Incorporate a continuum of practices that allow students to be known and their learning/life goals to be supported and enriched.
- Promote and incorporate a continuum of strength-based strategies for mental health.
- Develop coherence in transition processes.
- Strengthen intervention strategies to include Trauma-informed practices through the high school success learning collaboratives.
- Expand career development opportunities including unique pathways, dual credit and work experience.

### Key Actions 2018-19

- Evolve data sets that inform future action.
- Continued revision and extension of previous implementation strategies.

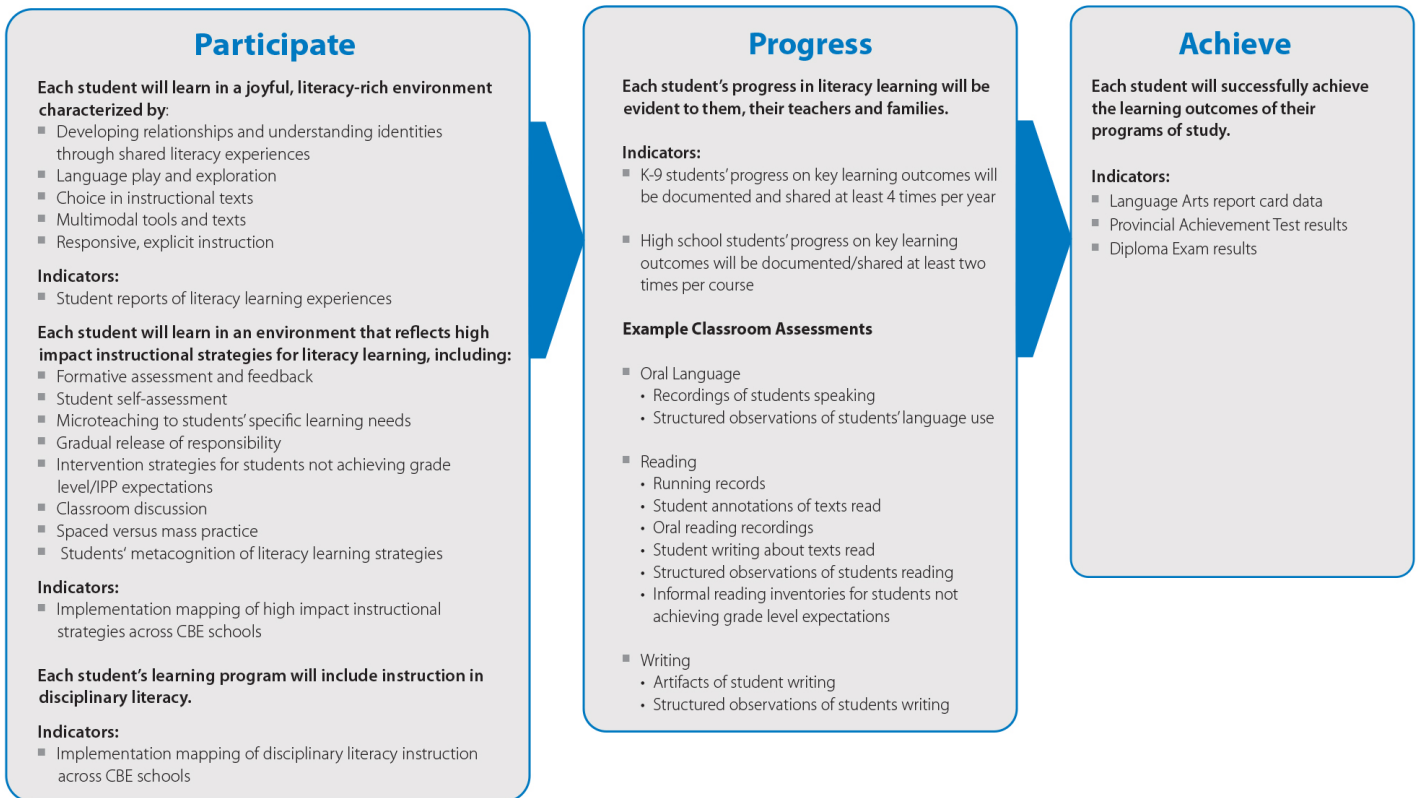
### Key Actions 2019-20

Continued revision and extension of previous implementation strategies.

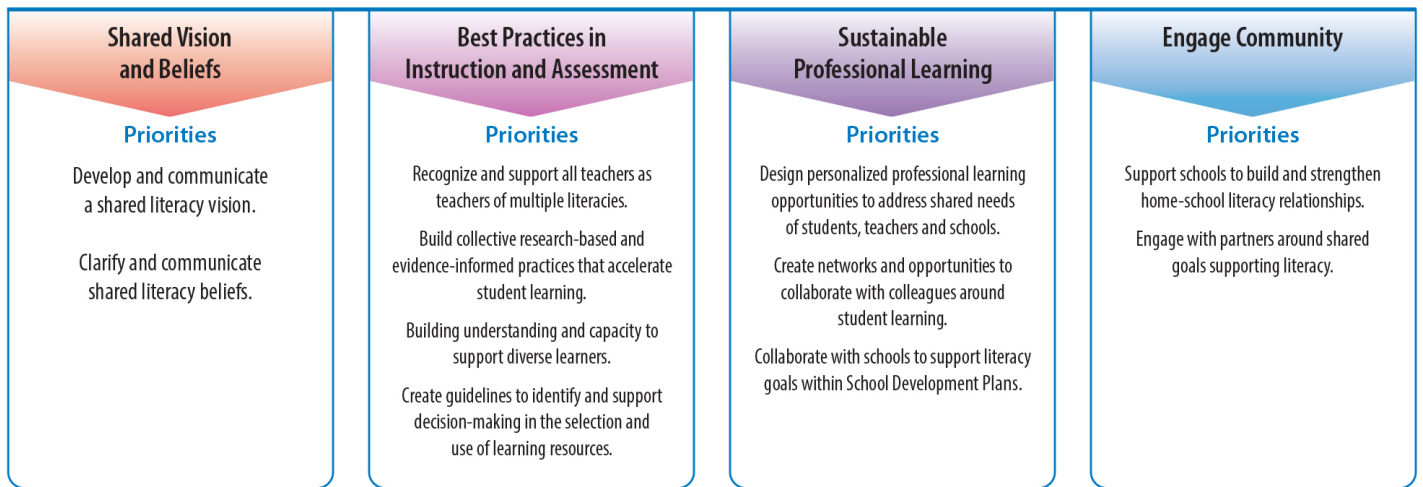
## Draft Literacy Strategy 2017-20

### Outcome:

Each CBE student will participate in intentional, joyful literacy learning and progress and achieve in their learning programs.



## Draft Literacy Strategy 2017-20



### Key Actions

#### Key Actions 2017-18

- Build shared understandings of literacy, disciplinary literacy, literacy-rich learning environments and high-impact literacy instructional and leadership practices
- Identify and build assessment resources for key learning outcomes for Language Arts
- Support literacy cohorts groups
- Clarify shared goals and collaborative work with community partners
- Build data sets to inform future years' actions

#### Key Actions 2018-19

Continue revision and extension of previous implementation strategies:

- support additional cohort groups
- identify and build assessment resources for key disciplinary literacy outcomes for Mathematics, Science and Social Studies

#### Key Actions 2019-20

Continue revision and extension of previous implementation strategies



## Draft Mathematics Strategy 2017-20

**Outcome:** Each CBE student will participate in active, rigorous mathematics learning to progress and achieve in their learning programs.

### Participate

**Each student will learn in an environment that fosters mathematical engagement and proficiency through:**

- Meaningful mathematical discussion
- Productive struggle and challenge
- Active participation in reasoning and sense-making
- Intentional learning progressions and connections
- Procedural fluency developed from conceptual understanding
- A focus on mental math and automaticity

**Indicators:**

- Student reports of learning experiences in mathematics

**Each student will learn in an environment that reflects high impact instructional strategies for math learning, including:**

- Formative assessment and feedback
- Student self-assessment
- Microteaching to students' specific learning needs
- Intervention strategies for students not achieving grade level/IPP expectations
- Classroom discussion
- Spaced versus mass practice

**Indicators:**

- Implementation mapping of high impact instructional strategies across CBE schools

**Each student's learning program will include instruction in numeracy across all subject areas.**

**Indicators:**

- Implementation mapping of numeracy instruction across CBE schools

### Progress

**Each student's progress in mathematics learning will be evident to them, their teachers and families.**

**Indicators:**

- K-9 students' progress on key learning outcomes will be documented and shared at least 4 times per year
- High school students' progress on key learning outcomes will be documented/shared at least 2 times per course

**Example Classroom Assessments**

- Problem Solving and Reasoning
  - Benchmark problems with assessment criteria
  - Structured observations of students solving problems
- Computation and Fluency
  - Running records for basic facts
  - Student computation work samples
  - Student explanations of accuracy, efficiency and flexibility in procedures and strategies
  - Structured observations of students applying procedures and strategies
- Modeling and Representing Mathematical Ideas
  - Artifacts of models and representations
  - Student explanations about connections between mathematical representations
  - Structured observations of students representing mathematical ideas

### Achieve

**Each student will successfully achieve the learning outcomes of their Programs of Study.**

**Indicators:**

- Mathematics report card data
- Provincial Achievement Test Results
- Diploma Exam results

# Draft Mathematics Strategy 2017-20

## Framework and Priorities

### Positive Mathematics School Culture

- Know that every student can be successful and confident at learning mathematics
- Teachers and parents help build mathematical thinking by connecting math to other subjects and everyday life
- Recognize and support all teachers as teachers of numeracy

### Active, Rigorous Mathematics Learning

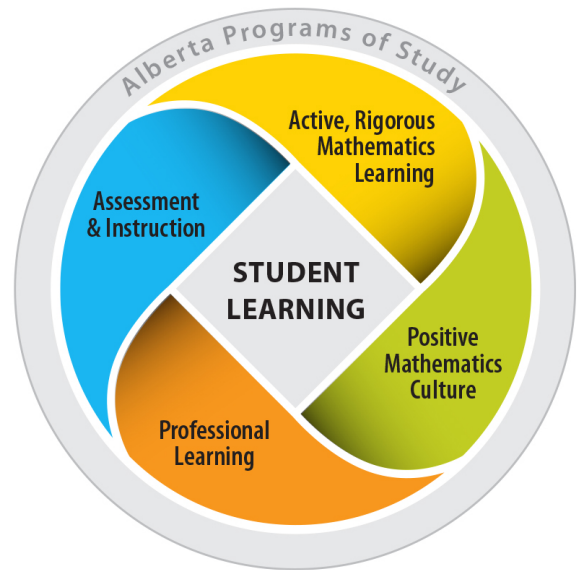
- Build strong mathematical foundations so students can understand complex mathematical ideas
- Ensure students participate in learning activities that develop their mathematical reasoning and communication skills
- Create more opportunities for students to be active problem solvers and make connections between concepts

### Assessment and Instruction

- Build opportunities for students to practice math skills over time
- Focus on the connections between conceptual understanding, problem solving and mental math
- Use mathematical discussion with/among students to build and solidify concepts
- Communicate clearly with families about student learning in math
- Strengthen the use of specific feedback and guidance to students during learning

### Professional Learning

- Build teacher confidence and skill with mathematics content and teaching through:
  - Whole-school learning
  - Teacher collaboration within schools
  - Individual teacher learnings



## Key Actions

### Key Actions 2017-18

- Deploy Math learning coaches in classrooms
- Exceed Alberta Education's recommended instructional time in Math grades 1-9
- Build shared understandings of high-impact mathematics instructional and assessment practices
- Support mathematics professional learning through cohorts, school-based support, and individual teacher opportunities
- Identify and build assessment resources for procedural fluency and problem solving
- Build coherence in communicating with families about mathematics learning
- Build data sets to inform future years' actions

### Key Actions 2018-19

- Support additional mathematics professional learning opportunities
- Identify and build assessment resources for additional learning outcomes for Mathematics
- Build coherence in communicating with families about mathematics learning

### Key Actions 2019-20

Continue revision and extension of previous implementation strategies

## Fostering a Positive Workplace Environment Strategy 2017-20

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**Outcome:** CBE has a workplace culture built on the values of voice, accountability, clarity of role and responsibility in which all employees find meaning and fulfillment.

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### Key Actions

#### Key Actions 2017-18

- Build capacity of leaders to analyze results and plan strategies to address areas of growth where feasible
- Supervisors and workgroups determine how to strategically address areas of growth in work plans
- Implement the strategies within workgroups

#### Progress Indicator

- Responsive implementation plans in workgroups and across workgroups

#### Key Actions 2018-19

- Survey representative group of employees to determine progress
- Celebrate success and use data to inform the adjustment cycle

#### Progress Indicator

- Improvement in targeted areas addressed by plans

#### Key Actions 2019-20

- Share baseline results with stakeholders
- Analyze results and plan strategies to address areas of growth where feasible
- Implement the strategies within workgroups

#### Progress Indicator

- Compare data to 2016-17 results

## Accountability Pillar Overall Summary - Oct 2017

Measure Category	Measure	Calgary School District No. 19			Alberta			Measure Evaluation		
		Current Result	Prev Year Result	Prev 3 Year Average	Current Result	Prev Year Result	Prev 3 Year Average	Achievement	Improvement	Overall
Safe and Caring Schools	Safe and Caring	89.3	89.8	89.0	89.5	89.5	89.3	Very High	Improved	Excellent
Student Learning Opportunities	Program of Studies	82.4	83.2	82.5	81.9	81.9	81.5	Very High	Maintained	Excellent
	Education Quality	89.0	89.4	88.3	90.1	90.1	89.6	High	Improved Significantly	Good
	Drop Out Rate	2.7	2.8	3.1	3.0	3.2	3.3	Very High	Improved Significantly	Excellent
	High School Completion Rate (3 yr)	76.4	75.2	75.4	77.9	76.5	76.1	High	Improved	Good
Student Learning Achievement (Grades K-9)	PAT: Acceptable	75.3	75.5	74.9	73.4	73.6	73.2	Intermediate	Maintained	Acceptable
	PAT: Excellence	20.6	20.4	19.8	19.5	19.4	18.8	High	Improved	Good
Student Learning Achievement (Grades 10-12)	Diploma: Acceptable	85.0	85.1	85.9	83.0	82.7	83.1	High	Declined Significantly	Issue
	Diploma: Excellence	28.6	27.6	28.6	22.2	21.2	21.5	Very High	Maintained	Excellent
	Diploma Exam Participation Rate (4+ Exams)	61.9	61.0	60.9	54.9	54.6	53.1	High	Improved	Good
	Rutherford Scholarship Eligibility Rate	61.6	61.1	61.1	62.3	60.8	60.8	n/a	Maintained	n/a
Preparation for Lifelong Learning, World of Work, Citizenship	Transition Rate (6 yr)	60.0	60.9	60.9	57.9	59.4	59.3	High	Declined	Acceptable
	Work Preparation	78.9	79.3	78.6	82.7	82.6	81.9	High	Maintained	Good
	Citizenship	82.7	83.8	83.1	83.7	83.9	83.6	Very High	Declined	Good
Parental Involvement	Parental Involvement	78.3	78.4	77.8	81.2	80.9	80.7	Intermediate	Maintained	Acceptable
Continuous Improvement	School Improvement	80.1	80.4	78.1	81.4	81.2	80.2	High	Improved Significantly	Good

### Notes

- 1 | Data values have been suppressed where the number of respondents/students is fewer than 6. Suppression is marked with an asterisk (\*).
- 2 | Overall evaluations can only be calculated if both improvement and achievement evaluations are available.
- 3 | Results for the ACOL measures are available in the detailed report: see "ACOL Measures" in the Table of Contents.
- 4 | Survey results for the province and school authorities were impacted by the changes in the number of students responding to the survey through the introduction of the OurSCHOOL/TTFM (Tell Them From Me) survey in 2014.
- 5 | Aggregated PAT results are based upon a weighted average of percent meeting standards (Acceptable, Excellence). The weights are the number of students enrolled in each course. Courses included: English Language Arts (Grades 6, 9, 9 K&E); Français (Grades 6, 9); French Language Arts (Grades 6, 9); Mathematics (6, 9, 9 K&E); Science (Grades 6, 9, 9 K&E); and Social Studies (Grades 6, 9, 9 K&E).
- 6 | Participation in Provincial Achievement Tests was impacted by the flooding in June 2013 (Grade 9 only) and by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by these events.
- 7 | Aggregated Diploma results are a weighted average of percent meeting standards (Acceptable, Excellence) on Diploma Examinations. The weights are the number of students writing the Diploma Examination for each course. Courses included: English Language Arts 30-1; English Language Arts 30-2; French Language Arts 30-1; Français 30-1; Mathematics 30-1; Mathematics 30-2; Chemistry 30; Physics 30; Biology 30; Science 30; Social Studies 30-1; and Social Studies 30-2.
- 8 | Caution should be used when interpreting evaluations and results over time for Mathematics 30-1/30-2, as equating was not in place until the 2016/17 school year. Alberta Education does not comment on province wide trends until it has five years of equated examination data.
- 9 | Participation in Diploma Examinations was impacted by the flooding in June 2013 and by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by these events.
- 10 | Weighting of school-awarded marks in diploma courses increased from 50% to 70% in the 2015/2016 school year. Caution should be used when interpreting trends over time.
- 11 | Due to the change from previous data source systems to Provincial Approach to Student Information (PASI), Rutherford Scholarship Eligibility Rate results prior to 2015 are not available.

## Accountability Pillar: First Nations, Métis and Inuit Overall Summary Oct 2017

Measure Category	Measure	Calgary School District No. 19 (FNMI)			Alberta (FNMI)			Measure Evaluation		
		Current Result	Prev Year Result	Prev 3 Year Average	Current Result	Prev Year Result	Prev 3 Year Average	Achievement	Improvement	Overall
Safe and Caring Schools	Safe and Caring	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Student Learning Opportunities	Program of Studies	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Education Quality	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Drop Out Rate	7.5	5.5	7.8	5.8	6.1	6.7	Low	Maintained	Issue
	High School Completion Rate (3 yr)	36.4	33.2	34.4	53.6	50.2	47.8	Very Low	Maintained	Concern
Student Learning Achievement (Grades K-9)	PAT: Acceptable	44.0	39.6	41.1	51.7	52.4	52.1	Very Low	Maintained	Concern
	PAT: Excellence	6.5	3.2	3.6	6.7	6.3	6.3	Very Low	Improved Significantly	Acceptable
Student Learning Achievement (Grades 10-12)	Diploma: Acceptable	79.6	81.1	83.0	77.1	76.1	76.3	Intermediate	Maintained	Acceptable
	Diploma: Excellence	14.3	17.0	16.3	10.7	10.2	10.2	Intermediate	Maintained	Acceptable
	Diploma Exam Participation Rate (4+ Exams)	16.7	14.2	15.3	21.8	20.7	20.3	Very Low	Maintained	Concern
	Rutherford Scholarship Eligibility Rate	16.5	20.3	20.3	34.2	31.9	31.9	n/a	Declined	n/a
Preparation for Lifelong Learning, World of Work, Citizenship	Transition Rate (6 yr)	33.8	25.6	25.4	31.8	33.5	33.3	Very Low	Improved Significantly	Acceptable
	Work Preparation	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Citizenship	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Parental Involvement	Parental Involvement	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Continuous Improvement	School Improvement	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

### Notes

- 1 | Data values have been suppressed where the number of respondents/students is fewer than 6. Suppression is marked with an asterisk (\*).
- 2 | Overall evaluations can only be calculated if both improvement and achievement evaluations are available.
- 3 | Aggregated PAT results are based upon a weighted average of percent meeting standards (Acceptable, Excellence). The weights are the number of students enrolled in each course. Courses included: English Language Arts (Grades 6, 9, 9 K&E); Français (Grades 6, 9); French Language Arts (Grades 6, 9); Mathematics (6, 9, 9 K&E); Science (Grades 6, 9, 9 K&E); and Social Studies (Grades 6, 9, 9 K&E).
- 4 | Participation in Provincial Achievement Tests was impacted by the flooding in June 2013 (Grade 9 only) and by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by these events.
- 5 | Aggregated Diploma results are a weighted average of percent meeting standards (Acceptable, Excellence) on Diploma Examinations. The weights are the number of students writing the Diploma Examination for each course. Courses included: English Language Arts 30-1; English Language Arts 30-2; French Language Arts 30-1; Français 30-1; Mathematics 30-1; Mathematics 30-2; Chemistry 30; Physics 30; Biology 30; Science 30; Social Studies 30-1; and Social Studies 30-2.
- 6 | Caution should be used when interpreting evaluations and results over time for Mathematics 30-1/30-2, as equating was not in place until the 2016/17 school year. Alberta Education does not comment on province wide trends until it has five years of equated examination data.
- 7 | Participation in Diploma Examinations was impacted by the flooding in June 2013 and by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by these events.
- 8 | Weighting of school-awarded marks in diploma courses increased from 50% to 70% in the 2015/2016 school year. Caution should be used when interpreting trends over time.
- 9 | Due to the change from previous data source systems to Provincial Approach to Student Information (PASI), Rutherford Scholarship Eligibility Rate results prior to 2015 are not available.
- 10 | Student demographic data used when calculating Student Outcome Measures and Provincial Achievement Tests results was updated in October 2016. This impacted results based on enrolment (e.g., self-identified First Nations, Metis and Inuit), exception (e.g., learning disability) and grant program codes (e.g., English as Second Language students) reported in previous years.

## Outcome One: Alberta's students are successful

Performance Measure	Results (in percentages)					Target 2017	Evaluation			Targets		
	2013	2014	2015	2016	2017		Achievement	Improvement	Overall	2018	2019	2020
Overall percentage of students in Grades 6 and 9 who achieved the Acceptable Standard on Provincial Achievement Tests (overall cohort results).	80.2	74.4	74.8	75.5	75.3		Intermediate	Maintained	Acceptable			
Overall percentage of students in Grades 6 and 9 who achieved the Standard of Excellence on Provincial Achievement Tests (overall cohort results).	20.5	19.0	19.9	20.4	20.6		High	Improved	Good			

### Notes

- 1 | Data values have been suppressed where the number of respondents/students is fewer than 6. Suppression is marked with an asterisk (\*).
- 2 | Overall evaluations can only be calculated if both improvement and achievement evaluations are available.
- 3 | Aggregated PAT results are based upon a weighted average of percent meeting standards (Acceptable, Excellence). The weights are the number of students enrolled in each course. Courses included: English Language Arts (Grades 6, 9, 9 K&E); Français (Grades 6, 9); French Language Arts (Grades 6, 9); Mathematics (6, 9, 9 K&E); Science (Grades 6, 9, 9 K&E); and Social Studies (Grades 6, 9, 9 K&E).
- 4 | Participation in Provincial Achievement Tests was impacted by the flooding in June 2013 (Grade 9 only) and by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by these events.

### Strategies

#### Personalize Learning

*Evolve, extend and integrate practices consistent with the elements of CBE's vision for high quality teaching and learning.*

- extend the use of learning plans and profiles that help each student be known and develop as a learner
- extend the design of responsive, inclusive, rigorous and engaging learning tasks that ensure students participate, progress and achieve

*Clarify and extend inclusive practices through responsive, enabling learning environments and instruction.*

- identify and create the conditions for success for students as unique learners and as members of their school and home communities

*Advance multiple literacies, numeracy and learning competencies for each student across the subject and discipline areas.*

- improve clarity and coherence in teaching and learning practices through high impact instructional strategies

#### Build Professional Capital

*Build coherence and continuous improvement in program provision, service delivery, and professional learning through a collaborative and evidence-informed culture.*

*Accelerate collective impact on student learning through collaborative and distributed leadership practices and professional learning that addresses shared priorities:*

- inclusive learning
- Indigenous cultures, languages and histories
- literacy, numeracy and student learning competencies
- leadership through strategic resourcing

## Outcome One: Alberta's students are successful (continued)

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2013	2014	2015	2016	2017	2017	Achievement	Improvement	Overall	2018	2019	2020
Overall percentage of students who achieved the Acceptable Standard on diploma examinations (overall results).	86.3	86.5	86.2	85.1	85.0	88.3*	High	Declined Significantly	Issue	85.9	86.0	86.1
Overall percentage of students who achieved the Standard of Excellence on diploma examinations (overall results).	27.1	29.2	29.0	27.6	28.6		Very High	Maintained	Excellent			

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2012	2013	2014	2015	2016	2017*	Achievement	Improvement	Overall	2018	2019	2020
High School Completion Rate - Percentage of students who completed high school within three years of entering Grade 10.	73.1	74.8	76.2	75.2	76.4		High	Improved	Good			
Drop Out Rate - annual dropout rate of students aged 14 to 18	3.7	3.3	3.3	2.8	2.7		Very High	Improved Significantly	Excellent			
High school to post-secondary transition rate of students within six years of entering Grade 10.	59.0	60.4	61.3	60.9	60.0		High	Declined	Acceptable			
Percentage of Grade 12 students eligible for a Rutherford Scholarship.	n/a	n/a	n/a	61.1	61.6		n/a	Maintained	n/a			
Percentage of students writing four or more diploma exams within three years of entering Grade 10.	60.8	48.5	60.7	61.0	61.9		High	Improved	Good			

\*Alberta Education requires jurisdictions to set targets for any performance measures where the *Overall* evaluation is *Issue* or *Concern*.

Year over year, Alberta Education revises results to reflect updated information.

- The 2016 result for this measure published in the October 2016 update to the Accountability Pillar Survey was 87.2%.
- The 2016 result for this measure published in the October 2017 update to the Accountability Pillar Survey was 85.1%.
- The target set for 2017 was 88.3% which would represent an increase of 1.1 percentage points on the result provided in October 2016. This target was not met.

\* The measures in this table only include results up to 2015-16. The "Target 2017" column refers to the result found in the 2016-17 May update not the result for the 2016-17 school year. The target set for 2017 is targeting the 2015-16 results.

### Notes

- 1 | Data values have been suppressed where the number of respondents/students is fewer than 6. Suppression is marked with an asterisk (\*).
- 2 | Overall evaluations can only be calculated if both improvement and achievement evaluations are available.
- 3 | Diploma Examination Participation, High School Completion and High school to Post-secondary Transition rates are based upon a cohort of grade 10 students who are tracked over time.
- 4 | Aggregated Diploma results are a weighted average of percent meeting standards (Acceptable, Excellence) on Diploma Examinations. The weights are the number of students writing the Diploma Examination for each course. Courses included: English Language Arts 30-1; English Language Arts 30-2; French Language Arts 30-1; Français 30-1; Mathematics 30-1; Mathematics 30-2; Chemistry 30; Physics 30; Biology 30; Science 30; Social Studies 30-1; and Social Studies 30-2.
- 5 | Caution should be used when interpreting evaluations and results over time for Mathematics 30-1/30-2, as equating was not in place until the 2016/17 school year. Alberta Education does not comment on province wide trends until it has five years of equated examination data.
- 6 | Participation in Diploma Examinations was impacted by the flooding in June 2013 and by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by these events.
- 7 | Weighting of school-awarded marks in diploma courses increased from 50% to 70% in the 2015/2016 school year. Caution should be used when interpreting trends over time.
- 8 | Due to the change from previous data source systems to Provincial Approach to Student Information (PASI), Rutherford Scholarship Eligibility Rate results prior to 2015 are not available.

## Strategies

### **Personalize Learning**

*Evolve, extend and integrate practices consistent with the elements of CBE's vision for high quality teaching and learning.*

- extend the use of learning plans and profiles that help each student be known and develop as a learner
- extend the design of responsive, inclusive, rigorous and engaging learning tasks that ensure students participate, progress and achieve

*Clarify and extend inclusive practices through responsive, enabling learning environments and instruction.*

- identify and create the conditions for success for students as unique learners and as members of their school and home communities

*Advance multiple literacies, numeracy and learning competencies for each student across the subject and discipline areas.*

- improve clarity and coherence in teaching and learning practices through high impact instructional strategies

### **Build Professional Capital**

*Build coherence and continuous improvement in program provision, service delivery, and professional learning through a collaborative and evidence-informed culture.*

*Accelerate collective impact on student learning through collaborative and distributed leadership practices and professional learning that addresses shared priorities:*

- inclusive learning
- Indigenous cultures, languages and histories
- literacy, numeracy and student learning competencies
- leadership through strategic resourcing



## Outcome One: Alberta's students are successful (continued)

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2013	2014	2015	2016	2017	2017	Achievement	Improvement	Overall	2018	2019	2020
Percentage of teachers, parents and students who are satisfied that students model the characteristics of active citizenship.	82.4	83.1	82.3	83.8	82.7		Very High	Declined	Good			
Percentage of teachers and parents who agree that students are taught attitudes and behaviours that will make them successful at work when they finish school.	77.3	78.2	78.2	79.3	78.9		High	Maintained	Good			

### Notes

- 1 | Data values have been suppressed where the number of respondents/students is fewer than 6. Suppression is marked with an asterisk (\*).
- 2 | Survey results for the province and school authorities were impacted by the changes in the number of students responding to the survey through the introduction of the OurSCHOOL/TTFM (Tell Them From Me) survey in 2014.

### Strategies

#### Personalize Learning

*Evolve, extend and integrate practices consistent with the elements of CBE's vision for high quality teaching and learning.*

- extend the use of learning plans and profiles that help each student be known and develop as a learner

*Clarify and extend inclusive practices through responsive, enabling learning environments and instruction.*

- identify and create the conditions for success for students as unique learners and as members of their school and home communities

#### Build Professional Capital

*Build coherence and continuous improvement in program provision, service delivery, and professional learning through a collaborative and evidence-informed culture.*

#### Engage our Stakeholders

*Engage local, provincial and global partners in collaborative ventures to support student learning.*

- expand transition opportunities for young adult students

## Outcome Two: The systemic education achievement gap between First Nations, Métis and Inuit students and all other students is eliminated

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2013	2014	2015	2016	2017	2017	Achievement	Improvement	Overall	2018	2019	2020
Overall percentage of self-identified FNMI students in Grades 6 and 9 who achieved the Acceptable Standard on Provincial Achievement Tests (overall cohort results).	47.0	41.1	42.4	39.6	44.0	44.2*	Very Low	Maintained	Concern	45.0	45.9	48.0
Overall percentage of self-identified FNMI students in Grades 6 and 9 who achieved the Standard of Excellence on Provincial Achievement Tests (overall cohort results).	4.4	4.4	3.3	3.2	6.5	4.9*	Very Low	Improved Significantly	Acceptable			
Overall percentage of self-identified FNMI students who achieved the Acceptable Standard on diploma examinations (overall results).	78.9	81.4	86.6	81.1	79.6		Intermediate	Maintained	Acceptable			
Overall percentage of self-identified FNMI students who achieved the Standard of Excellence on diploma examinations (overall results).	10.2	16.1	15.7	17.0	14.3		Intermediate	Maintained	Acceptable			

\*Alberta Education requires jurisdictions to set targets for any performance measures where the *Overall* evaluation is *Issue* or *Concern*.

Overall percentage of self-identified FNMI students in Grades 6 and 9 who achieved the Acceptable Standard on Provincial Achievement Tests (all student cohort results) was a *Concern* in the 2015-16 AERR; accordingly a target was set for 2017.

- The target for 2017 was 44.2% and the result for 2017 was 44.0%; The CBE result for this measure increased by 4.4 percentage points between 2016 and 2017, very nearly meeting the 2017 target.

Overall percentage of self-identified FNMI students in Grades 6 and 9 who achieved the Standard of Excellence on Provincial Achievement Tests (all student cohort results) was a *Concern* in the 2015-16 AERR; accordingly a target was set for 2017.

- The target set for 2017 was 4.9% which would represent an increase of 1.7 percentage points over the October 2016 update. The CBE result for this measure increased by 3.3 percentage points between 2016 and 2017, exceeding the 2017 target.

### Notes

- 1 | Data values have been suppressed where the number of respondents/students is fewer than 6. Suppression is marked with an asterisk (\*).
- 2 | Overall evaluations can only be calculated if both improvement and achievement evaluations are available.
- 3 | Aggregated PAT results are based upon a weighted average of percent meeting standards (Acceptable, Excellence). The weights are the number of students enrolled in each course. Courses included: English Language Arts (Grades 6, 9, 9 K&E); Français (Grades 6, 9); French Language Arts (Grades 6, 9); Mathematics (6, 9, 9 K&E); Science (Grades 6, 9, 9 K&E); and Social Studies (Grades 6, 9, 9 K&E).
- 4 | Participation in Provincial Achievement Tests was impacted by the flooding in June 2013 (Grade 9 only) and by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by these events.
- 5 | Aggregated Diploma results are a weighted average of percent meeting standards (Acceptable, Excellence) on Diploma Examinations. The weights are the number of students writing the Diploma Examination for each course. Courses included: English Language Arts 30-1; English Language Arts 30-2; French Language Arts 30-1; Français 30-1; Mathematics 30-1; Mathematics 30-2; Chemistry 30; Physics 30; Biology 30; Science 30; Social Studies 30-1; and Social Studies 30-2.
- 6 | Caution should be used when interpreting evaluations and results over time for Mathematics 30-1/30-2, as equating was not in place until the 2016/17 school year. Alberta Education does not comment on province wide trends until it has five years of equated examination data.
- 7 | Participation in Diploma Examinations was impacted by the flooding in June 2013 and by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by these events.
- 8 | Weighting of school-awarded marks in diploma courses increased from 50% to 70% in the 2015/2016 school year. Caution should be used when interpreting trends over time.

## Strategies

### **Personalize Learning**

*Evolve, extend and integrate practices consistent with the elements of CBE's vision for high quality teaching and learning.*

- extend the use of learning plans and profiles that help each student be known and develop as a learner
- extend the design of responsive, inclusive, rigorous and engaging learning tasks that ensure students participate, progress and achieve

*Clarify and extend inclusive practices through responsive, enabling learning environments and instruction.*

- identify and create the conditions for success for students as unique learners and as members of their school and home communities

*Advance multiple literacies, numeracy and learning competencies for each student across the subject and discipline areas.*

- improve clarity and coherence in teaching and learning practices through high impact instructional strategies

### **Build Professional Capital**

*Build coherence and continuous improvement in program provision, service delivery, and professional learning through a collaborative and evidence-informed culture.*

*Accelerate collective impact on student learning through collaborative and distributed leadership practices and professional learning that addresses shared priorities:*

- inclusive learning
- Indigenous cultures, languages and histories
- literacy, numeracy and student learning competencies
- leadership through strategic resourcing

### **Engage our Stakeholders**

*Create opportunities for meaningful dialogue to share information and perspectives to understand the concerns and aspirations of those who will be impacted by decisions*

*Engage local, provincial and global partners in collaborative ventures to support student learning.*

- expand opportunities for community members to contribute to student learning
- expand transition opportunities for young adult students

**Outcome Two: The systemic education achievement gap between First Nations, Métis and Inuit students and all other students is eliminated (continued)**

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2012	2013	2014	2015	2016	2017*	Achievement	Improvement	Overall	2018	2019	2020
High School Completion Rate - Percentage of self-identified FNMI students who completed high school within three years of entering Grade 10.	32.1	34.8	35.1	33.2	36.4	38.3*	Very Low	Maintained	Concern	38.9	40.2	42.5
Drop Out Rate - annual dropout rate of self-identified FNMI students aged 14 to 18	9.3	8.8	9.0	5.5	7.5		Low	Maintained	Issue	6.2	5.4	5.3
High school to post-secondary transition rate of self-identified FNMI students within six years of entering Grade 10.	25.6	26.2	24.6	25.6	33.8	29.8*	Very Low	Improved Significantly	Acceptable			
Percentage of Grade 12 self-identified FNMI students eligible for a Rutherford Scholarship.	n/a	n/a	n/a	20.3	16.5		n/a	Declined	n/a			
Percentage of self-identified FNMI students writing four or more diploma exams within three years of entering Grade 10.	15.3	13.9	16.3	14.2	16.7	18.7*	Very Low	Maintained	Concern	18.8	19.9	21.8

\* The measures in this table only include results up to 2015-16. The "Target 2017" column refers to the result found in the 2016-17 May update not the result for the 2016-17 school year. The target set for 2017 is targeting the 2015-16 results.

\*Alberta Education requires jurisdictions to set targets for any performance measures where the *Overall* evaluation is *Issue* or *Concern*.

High School Completion Rate - Percentage of self-identified FNMI students who completed high school within three years of entering Grade 10 was a *Concern* in the 2015-16 AERR; accordingly a target was set.

- The target set for 2016 was 38.3% which would represent an increase of 5.1 percentage points over the 2015 result of 33.2%. The CBE result for this measure increased by 3.2 percentage points between 2015 and 2016, but did not meet the target.

High school to post-secondary transition rate of self-identified FNMI students within six years of entering Grade 10 was a *Concern* in the 2015-16 AERR; accordingly a target was set.

- The target set for 2016 was 29.8% which would represent an increase of 4.2 percentage points over the 2015 result of 25.6%. The 2016 result of 33.8% exceeded the target.

Percentage of self-identified FNMI students writing four or more diploma exams within three years of entering Grade 10 was a *Concern* in the 2015-16 AERR; accordingly a target was set.

- The target set 2016 was 18.7% which would represent an increase of 4.5 percentage points over the 2016 result of 14.2%. The CBE result for this measure increased by 2.5 percentage points between 2015 and 2016, but did not meet the target.

**Notes**

- 1 | Data values have been suppressed where the number of respondents/students is fewer than 6. Suppression is marked with an asterisk (\*).
- 2 | Overall evaluations can only be calculated if both improvement and achievement evaluations are available.
- 3 | Diploma Examination Participation, High School Completion and High school to Post-secondary Transition rates are based upon a cohort of grade 10 students who are tracked over time.
- 4 | Weighting of school-awarded marks in diploma courses increased from 50% to 70% in the 2015/2016 school year. Caution should be used when interpreting trends over time.
- 5 | Due to the change from previous data source systems to Provincial Approach to Student Information (PASI), Rutherford Scholarship Eligibility Rate results prior to 2015 are not available.
- 6 | Student demographic data used when calculating Student Outcome Measures and Provincial Achievement Tests results was updated in October 2016. This impacted results based on enrolment (e.g., self-identified First Nations, Métis and Inuit), exception (e.g., learning disability) and grant program codes (e.g., English as Second Language students) reported in previous years.

## Strategies

### Personalize Learning

*Evolve, extend and integrate practices consistent with the elements of CBE's vision for high quality teaching and learning.*

- extend the use of learning plans and profiles that help each student be known and develop as a learner
- extend the design of responsive, inclusive, rigorous and engaging learning tasks that ensure students participate, progress and achieve

*Clarify and extend inclusive practices through responsive, enabling learning environments and instruction.*

- identify and create the conditions for success for students as unique learners and as members of their school and home communities

*Advance multiple literacies, numeracy and learning competencies for each student across the subject and discipline areas.*

- improve clarity and coherence in teaching and learning practices through high impact instructional strategies

### Build Professional Capital

*Build coherence and continuous improvement in program provision, service delivery, and professional learning through a collaborative and evidence-informed culture.*

*Accelerate collective impact on student learning through collaborative and distributed leadership practices and professional learning that addresses shared priorities:*

- inclusive learning
- Indigenous cultures, languages and histories
- literacy, numeracy and student learning competencies
- leadership through strategic resourcing

### Engage our Stakeholders

*Create opportunities for meaningful dialogue to share information and perspectives to understand the concerns and aspirations of those who will be impacted by decisions*

*Engage local, provincial and global partners in collaborative ventures to support student learning.*

- expand opportunities for community members to contribute to student learning
- expand transition opportunities for young adult students

## Outcome Three: Alberta's education system is inclusive

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2013	2014	2015	2016	2017	2017	Achievement	Improvement	Overall	2018	2019	2020
Percentage of teacher, parent and student agreement that: students are safe at school, are learning the importance of caring for others, are learning respect for others and are treated fairly in school.	88.3	89.0	88.2	89.8	89.3		Very High	Improved	Excellent			

### Notes

- 1 | Data values have been suppressed where the number of respondents/students is fewer than 6. Suppression is marked with an asterisk (\*).
- 2 | Survey results for the province and school authorities were impacted by the changes in the number of students responding to the survey through the introduction of the OurSCHOOL/TTFM (Tell Them From Me) survey in 2014.

### Strategies

#### Personalize Learning

*Evolve, extend and integrate practices consistent with the elements of CBE's vision for high quality teaching and learning.*

- extend the use of learning plans and profiles that help each student be known and develop as a learner
- extend the design of responsive, inclusive, rigorous and engaging learning tasks that ensure students participate, progress and achieve

*Clarify and extend inclusive practices through responsive, enabling learning environments and instruction.*

- identify and create the conditions for success for students as unique learners and as members of their school and home communities

#### Build Professional Capital

*Accelerate collective impact on student learning through collaborative and distributed leadership practices and professional learning that addresses shared priorities:*

- inclusive learning
- Indigenous cultures, languages and histories

#### Engage our Stakeholders

*Create opportunities for meaningful dialogue to share information and perspectives to understand the concerns and aspirations of those who will be impacted by decisions*

*Engage local, provincial and global partners in collaborative ventures to support student learning.*

- expand opportunities for community members to contribute to student learning

### CBE Disclosure

The CBE Public Interest Disclosure (Whistleblower Protection) policy was approved in February 2014. From September 30, 2016, up to and including September 29, 2017 the following has been received:

Disclosures received by the Designated Officer	0
Disclosures acted on	0
Disclosures not acted on	0
Investigations commenced by the Designated Officer as a result of disclosures	0

## Outcome Four: Alberta has excellent teachers, and school and school authority leaders

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2013	2014	2015	2016	2017	2017	Achievement	Improvement	Overall	2018	2019	2020
Percentage of teachers, parents and students satisfied with the opportunity for students to receive a broad program of studies including fine arts, career, technology, and health and physical education.	82.4	83.1	81.1	83.2	82.4		Very High	Maintained	Excellent			

### Notes

- 1 | Data values have been suppressed where the number of respondents/students is fewer than 6. Suppression is marked with an asterisk (\*).
- 2 | Survey results for the province and school authorities were impacted by the changes in the number of students responding to the survey through the introduction of the OurSCHOOL/TTFM (Tell Them From Me) survey in 2014.

### Strategies

#### Build Professional Capital

*Build coherence and continuous improvement in program provision, service delivery, and professional learning through a collaborative and evidence-informed culture.*

- build skill in generating and interpreting data across CBE leadership teams

*Impact student learning through collaborative and distributed leadership practices and professional learning that addresses shared priorities:*

- inclusive learning
- Indigenous cultures, languages and histories
- literacy, numeracy and student learning competencies
- leadership through strategic resourcing

*Implement the teacher induction program.*

#### Engage our Stakeholders

*Create opportunities for meaningful dialogue to share information and perspectives to understand the concerns and aspirations of those who will be impacted by decisions*

*Engage local, provincial and global partners in collaborative ventures to support student learning.*

- expand opportunities for community members to contribute to student learning
- expand transition opportunities for young adult students

## Outcome Five: Alberta's education system is well governed and managed

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2013	2014	2015	2016	2017		2017	Achievement	Improvement	Overall	2018	2019
Percentage of teachers, parents and students indicating that their school and schools in their jurisdiction have improved or stayed the same the last three years.	78.7	78.3	75.6	80.4	80.1		High	Improved Significantly	Good			
Percentage of teachers and parents satisfied with parental involvement in decisions about their child's education.	77.4	77.9	77.2	78.4	78.3		Intermediate	Maintained	Acceptable			
Percentage of teachers, parents and students satisfied with the overall quality of basic education.	88.3	87.8	87.6	89.4	89.0		High	Improved Significantly	Good			

### Notes

- 1 | Data values have been suppressed where the number of respondents/students is fewer than 6. Suppression is marked with an asterisk (\*).
- 2 | Survey results for the province and school authorities were impacted by the changes in the number of students responding to the survey through the introduction of the OurSCHOOL/TTFM (Tell Them From Me) survey in 2014.

### Strategies

#### Build Professional Capital

*Build coherence and continuous improvement in program provision, service delivery, and professional learning through a collaborative and evidence-informed culture.*

- build skill in generating and interpreting data across CBE leadership teams

#### Engage our Stakeholders

*Create opportunities for meaningful dialogue to share information and perspectives to understand the concerns and aspirations of those who will be impacted by decisions*

*Promote a workplace culture built on the values of voice, accountability, clarity of role and responsibility in which all employees find meaning and fulfilment.*

*Engage local, provincial and global partners in collaborative ventures to support student learning.*

- expand opportunities for community members to contribute to student learning

#### Steward our Resources

*Enhance operational performance through increasingly effective, efficient and streamlined processes and practices.*

- optimize, commission, modernize and maintain school facilities to foster enriching learning environments
- promote system-wide approaches to sustainability
- create new school resource allocation methodology in relation to overall system goals and provincial funding
- improve access to and use of data
- implement the new student information system

*Advance instructional leadership through strategic resource management.*



## Summary of Financial Results for 2016-17

### Year-Over-Year Highlights

The 2016-17 deficit of \$15.1 million is \$29.6 million lower than the prior year surplus of \$14.5 million. The deficit is primarily driven by funding from Alberta Education not keeping pace with the escalating costs required to operate the CBE while maintaining service levels for students, operate within the constraints of labour union collective agreements and open 20 new, replacement and modernized schools. Specifically, these factors are visible in the following operating financial information:

- Overall revenue increased by \$14.0 million due to:
  - An increase in revenue from Alberta Education of \$21.5 million, an increase of 1.8 per cent. Total funding increased due to enrolment growth as funding rates were held constant.
  - Offset by a decrease in investment returns. Cash and investment balances have decreased steadily since September 1, 2015 as funds were needed for the payment of new school construction and commissioning.
- Total expenses increased \$43.7 million due to the opening of new schools (\$11.1 million), enrolment growth and programming enhancements (\$10.6 million), addition of two new area offices (\$1.1 million), step increment increases for various employee groups (\$16.3 million) and non-discretionary cost increases (\$4.6 million).

### Actual to Budget Highlights

The CBE's 2016-17 budget was developed and approved by the Board of Trustees in the spring of 2016 for implementation in September of that same year. The budget was based on estimates of an expected enrolment increase of 1,694 for the 2016-17 school year. At the Sept. 30, 2016 student count date, actual enrolment for the year was 468 students higher than originally budgeted. As a result, both revenues and expenses were adjusted for the additional enrolment growth. The budget presented for comparative purposes in this report is the Fall 2016 Update budget which incorporates the finalized September 30<sup>th</sup> enrolment number. That budget update was accepted by the Board of Trustees on Dec. 1, 2016.

The 2016-17 deficit of \$15.1 million is \$4.7 million better than the budgeted deficit \$19.8 million. As noted above, the deficit is primarily driven by funding from Alberta Education not keeping pace with the escalating costs required to operate the CBE at consistent student service levels, operate within the constraints of labour union collective agreements and open 20 new, replacement and modernized schools. The differences in financial results from the fall budget include:

- Savings from budget in Service Units of \$7.2 million due to position vacancies, strategic sourcing benefits realized and [spending restrictions](#) in place during the year;
- Increased transportation costs of \$8.0 million relating to additional routes, students with complex transportation needs and transportation to support the school-within-a-school model.
- Savings from budget of \$5.5 million for activities that were in progress at year-end and the budget will be carried forward to 2017-18.

### Accumulated Surplus

As at Aug. 31, 2017 the CBE has an accumulated surplus balance of \$217.1 million which is reduced from the \$234.0 million balance in the prior year. The \$16.9 million reduction reflects the operating deficit of \$15.1 million and unrealized investment losses of \$1.7 million.

## Reserves

To balance the budget going forward the CBE must balance service and program level changes within available revenue and reserves.

The \$15.1 million deficit was funded via transfers to and from unrestricted surplus as follows:

- transfer from operating reserves totalling \$20.7 million:
  - \$19.4 million from the fiscal stability (operating) reserve;
  - \$1.3 million from designated funds (operating reserve);
- net of an investment of \$5.6 million in board-funded capital.

Balances remaining in reserves of \$59.7 million are sufficient to cover the planned use in 2017-18.

Reserves balances that are available for use in 2017-18 and future years are:

- \$21.8 million in the fiscal stability reserve
- \$5.5 million in designated operating funds
- \$32.4 million in capital reserves

## Program Expenditure Information

**SCHEDULE OF PROGRAM OPERATIONS**  
for the Year Ended August 31, 2017 (in dollars)

REVENUES	2017							2016
	Instruction		Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL	TOTAL
	ECS	Grades 1 - 12						
(1) Alberta Education	\$ 51,717,000	\$ 936,078,000	\$ 159,666,000	\$ 34,050,000	\$ 48,774,000	\$ -	\$ 1,230,285,000	\$ 1,208,794,000
(2) Other - Government of Alberta	\$ -	\$ 88,000	\$ 273,000	\$ -	\$ 15,000	\$ -	\$ -	\$ 376,000
(3) Federal Government and First Nations	\$ -	\$ 968,000	\$ -	\$ -	\$ 12,000	\$ 2,189,000	\$ 3,169,000	\$ 2,987,000
(4) Other Alberta school authorities	\$ -	\$ 348,000	\$ 315,000	\$ -	\$ -	\$ -	\$ 663,000	\$ 648,000
(5) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(6) Alberta municipalities special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(7) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Fees	\$ 155,000	\$ 29,092,000	\$ -	\$ 8,642,000	\$ -	\$ 13,893,000	\$ 51,782,000	\$ 49,876,000
(9) Other sales and services	\$ 401,000	\$ 19,847,000	\$ 1,077,000	\$ -	\$ 943,000	\$ 4,654,000	\$ 26,922,000	\$ 27,272,000
(10) Investment income	\$ -	\$ 377,000	\$ -	\$ -	\$ -	\$ 3,747,000	\$ 4,124,000	\$ 12,146,000
(11) Gifts and donations	\$ -	\$ 9,100,000	\$ (63,000)	\$ -	\$ -	\$ 39,000	\$ 9,076,000	\$ 8,740,000
(12) Rental of facilities	\$ -	\$ -	\$ 2,000,000	\$ -	\$ 424,000	\$ 3,012,000	\$ 5,436,000	\$ 6,867,000
(13) Fundraising	\$ -	\$ 7,485,000	\$ -	\$ -	\$ -	\$ -	\$ 7,485,000	\$ 7,166,000
(14) Gains on disposal of tangible capital assets	\$ -	\$ 18,000	\$ -	\$ -	\$ -	\$ -	\$ 18,000	\$ 44,000
(15) Other revenue	\$ -	\$ 351,000	\$ 18,000	\$ -	\$ -	\$ -	\$ 369,000	\$ 426,000
(16) <b>TOTAL REVENUES</b>	\$ 52,273,000	\$ 1,003,752,000	\$ 163,286,000	\$ 42,692,000	\$ 50,168,000	\$ 27,534,000	\$ 1,339,705,000	\$ 1,325,699,000
<b>EXPENSES</b>								
(17) Certificated salaries	\$ 26,997,000	\$ 612,397,000	\$ -	\$ -	\$ 1,178,000	\$ 474,000	\$ 641,046,000	\$ 627,085,000
(18) Certificated benefits	\$ 3,007,000	\$ 137,463,000	\$ -	\$ -	\$ 723,000	\$ 90,000	\$ 141,283,000	\$ 142,787,000
(19) Non-certificated salaries and wages	\$ 12,272,000	\$ 113,834,000	\$ 51,348,000	\$ 2,128,000	\$ 15,173,000	\$ 13,928,000	\$ 208,683,000	\$ 200,703,000
(20) Non-certificated benefits	\$ 3,087,000	\$ 30,056,000	\$ 13,203,000	\$ 554,000	\$ 3,752,000	\$ 2,894,000	\$ 53,546,000	\$ 48,632,000
(21) SUB - TOTAL	\$ 45,363,000	\$ 893,750,000	\$ 64,551,000	\$ 2,682,000	\$ 20,826,000	\$ 17,386,000	\$ 1,044,558,000	\$ 1,019,207,000
(22) Services, contracts and supplies	\$ 1,509,000	\$ 106,964,000	\$ 71,467,000	\$ 48,609,000	\$ 12,566,000	\$ 3,556,000	\$ 244,671,000	\$ 233,130,000
(23) Amortization of supported tangible capital assets	\$ -	\$ -	\$ 33,140,000	\$ -	\$ -	\$ -	\$ 33,140,000	\$ 29,221,000
(24) Amortization of unsupported tangible capital assets	\$ -	\$ 15,855,000	\$ 4,888,000	\$ -	\$ 3,434,000	\$ -	\$ 24,177,000	\$ 22,871,000
(25) Supported interest on capital debt	\$ -	\$ -	\$ 273,000	\$ -	\$ -	\$ -	\$ 273,000	\$ 463,000
(26) Unsupported interest on capital debt	\$ -	\$ 15,000	\$ 277,000	\$ -	\$ (5,000)	\$ 60,000	\$ 347,000	\$ 257,000
(27) Other interest and finance charges	\$ -	\$ 680,000	\$ 55,000	\$ -	\$ -	\$ 119,000	\$ 854,000	\$ 793,000
(28) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(29) Other expense	\$ -	\$ 2,172,000	\$ -	\$ 1,635,000	\$ 104,000	\$ 2,909,000	\$ 6,820,000	\$ 5,196,000
(30) <b>TOTAL EXPENSES</b>	\$ 46,872,000	\$ 1,019,436,000	\$ 174,651,000	\$ 52,926,000	\$ 36,925,000	\$ 24,030,000	\$ 1,354,840,000	\$ 1,311,138,000
(31) <b>OPERATING SURPLUS (DEFICIT)</b>	\$ 5,401,000	\$ (15,684,000)	\$ (11,365,000)	\$ (10,234,000)	\$ 13,243,000	\$ 3,504,000	\$ (15,135,000)	\$ 14,561,000

## Budget Summary: Fall 2017 Update to the 2017-18 Operating Budget

On Nov 28, 2017, the Board of Trustees will be asked to receive the Fall 2017 Update to the 2017-18 Operating Budget, reflecting total planned spending of \$1,399.0 million, an increase of \$19.5 million from the approved budget, and authorize submission to Alberta Education.

The development of the 2016-17 Budget was guided by the CBE's values:

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

The approved 2017-18 Operating Budget was prepared using a consultative process and focused resources on achieving the vision as articulated in the CBE values, the Three-Year Education Plan and guidance from Alberta Education.

In consideration of our values and funding provided, our budget highlights are:

- Funds allocated directly to schools via the Resource Allocation Method (RAM) have increased by \$12.5 million to fund enrolment growth of 1.7 per cent and the opening of four new schools. The RAM is the mechanism used by the CBE to determine and allocate funding to each school and facilitate principal staffing and spending decision-making. The RAM book can be found [here](#).
- Instructional supplies or materials and transportation fees have been reduced or eliminated under Bill 1: An Act to Reduce School Fees which will make life more affordable for Albertans. A government grant of approximately \$18.3 million will be received in lieu of fees charged.
- This budget reflects best estimates and the assumption that transportation expenses will be fully funded by targeted government grants and fees for students who do not qualify for fee-free or fee-reduced transportation service. No dollars will be contributed from the global budget to support transportation. The portion of the fee replacement grant applied to transportation is approximately \$7.9 million in lieu of fees charged. Transportation registration and route planning was underway at the time this report was written.
- The number of school-based teachers will increase by 92 full time equivalent positions and school-based support staff by 26 full time equivalent positions.
- School budgets have been reduced by 1.4 per cent (on a status-quo basis) and service units by 3.7 per cent (on an absolute basis) of the operating budget amount that would have been required to maintain operations at a level similar to 2016-17.
- Non-facility capital project spending is budgeted at \$22.9 million, including \$2.6 million to support the commissioning of new schools scheduled to open in the 2018-19 year, \$2.2 million for wireless upgrades to address functionality issues, \$5.6 million for technology replacement and refresh and \$7.0 million for the development and implementation of the new Student Information System (SIS).
- As required by law, the budget for 2017-18 is balanced.

The CBE's 2017-18 budget report can be found at the following location:

<http://www.cbe.ab.ca/about-us/budget-and-finance/operating-budget-2017-18/Documents/Working-Together-for-Student-Success-Budget-Report-for-2017-18.pdf>

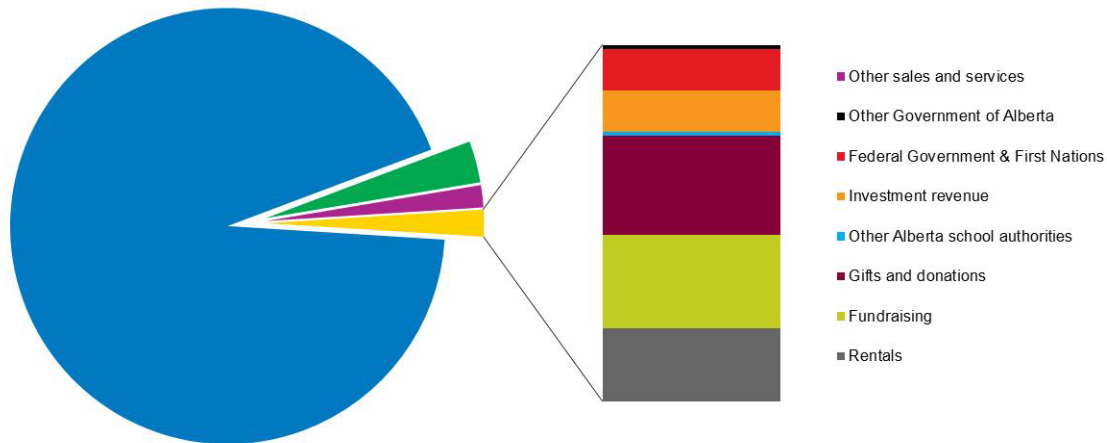
The fall update report will be submitted to Alberta Education immediately following its receipt by the Board of Trustees. It reflects financial support for the outcomes, strategies and actions articulated in the CBE's Three-Year Education Plan and forms the basis of the 2017-18 updated work plans for each of the CBE's service units and fall resource deployment by principals at schools.

Of the \$1,384.0 million in total expected revenues (not including approved transfers from operating reserves and designated funds) approximately 93 per cent, or \$1,290.9 million, is Alberta Education grant revenue. The total planned spending is \$1,399.0 million leaving a deficit of \$15.0 million, which will be funded from draws on reserves.

## Revenues

	Fall Budget Update		Budget <sup>1</sup>
	2017-18		
	(in \$ thousands)	%	(in \$ thousands)
Alberta Education	1,290,857	93%	1,274,436
Fees revenue	42,594	3%	42,594
Other	27,838	2%	26,864
Other sales and services	22,731	2%	20,644
<b>Revenues</b>	<b>1,384,021</b>	<b>100%</b>	<b>1,364,538</b>

<sup>1</sup> 2017-18 Budget been reclassified for comparative purposes.



## Expenses by Type

	Fall Budget Update		Budget
	2017-18		
	(in \$ thousands)	%	(in \$ thousands)
Certificated permanent salaries and benefits	781,943	56%	764,576
Non-certificated permanent salaries and benefits	263,587	19%	261,973
Supplies and services	239,331	17%	240,065
Other (interest, amortization and uncollectible accounts)	71,869	5%	73,049
Certificated temporary salaries and benefits	30,710	2%	27,706
Non-certificated temporary salaries and benefits	11,581	1%	12,169
<b>Expenses by type</b>	<b>1,399,021</b>	<b>100%</b>	<b>1,379,538</b>



For detailed information regarding the source and use of school generated funds, interested parties should contact the school's office.

A full discussion and analysis of the CBE's year-end financial statements and historical financial documents can be found at the following link subsequent to Board of Trustee approval, scheduled for Nov. 28, 2017: <http://www.cbe.ab.ca/trustees/budget.asp>

The provincial roll-up of financial results can be found at: <http://education.alberta.ca/admin/funding/audited.aspx>

## Summary of Facility & Capital Plans 2016-17

Calgary has experienced high growth over the past decade. Calgary's population has increased by 144 235 persons in the last five years, an average of 28 847 persons per year. The current population is 1 246 337 people (2017 City Census). There are approximately 20 new developing communities as indicated in the City of Calgary's 2017 *Suburban Residential Growth 2017-2021*.

New school construction is necessary in outlying communities of the city to provide students with equitable access to instructional programs and to comply with the Board of Trustees' Governance Policies. New school construction priorities are approved by the Board of Trustees and these priorities are submitted to the provincial government in accordance with the annual School Capital Plan process.

The CBE's Three-Year School Capital Plan 2018-21 was approved on March 14, 2017 by the Board of Trustees and can be found on the Schools Under Development page on the CBE Website at: <http://www.cbe.ab.ca/FormsManuals/Three-Year-School-Capital-Plan.pdf>

The capital priorities for the three-year period covered by the plan consist of:

- 20 new school construction projects totaling \$438.6 million
- 11 major modernization projects totaling \$147 million

New school construction projects and school modernization projects previously approved by the province through CBE school capital plans as well as recently completed projects are listed below.

### Approved New Schools and Modernization Requests

In May 2013, the Provincial Government announced the approval of six new schools for the CBE to accommodate enrolment growth in Calgary's new and developing communities as part of the Building Alberta Schools Construction Program (BASCP). The six new schools consisted of three elementary, two middle, and one high school. In June 2014 the Provincial Government announced that they would not be pursuing the BASCP procurement package and that the new schools, with the exception of the North East High School, would be handed over to the CBE for development and construction. The construction process is now complete and these schools were opened for the 2016-17 school year:

- Copperfield School (Elementary)
- Kenneth D. Taylor School (Evanston Elementary)
- Nelson Mandela School (North East High School)
- New Brighton School (Elementary)
- Peter Lougheed School (Saddle Ridge Middle)
- William D Pratt School (Royal Oak Middle)

In February 2014 the Provincial Government announced funding for the development and construction of six additional schools for CBE as part of their commitment to build fifty new schools. Construction was completed on 5 of the 6 schools for the September 2016-17 school year:

- Auburn Bay School (Elementary)
- Buffalo Rubbing Stone School (Panorama Elementary).
- McKenzie Highlands School (McKenzie Towne Middle)
- Dr. Martha Cohen School (New Brighton/Copperfield Middle)
- Eric Harvie School (Tuscany Elementary)
- Marshall Springs School (Evergreen Middle ) – September 2017

In September 2014, the Provincial Government announced funding for four starter schools and the design development of a new high school in South East Calgary. These four starter schools would subsequently proceed as full build-outs for completion and opening in the 2017-2018 school year and the high school in 2018-19:

- Dr. George Stanley School (Cranston Middle)
- Dr. Roberta Bondar School (Aspen Woods Elementary)
- Hugh A Bennett School (Saddle Ridge Elementary)
- Seton High School (SE High School) - September 2018
- West Ridge School (West Springs/Cougar Ridge Middle)

The completion of the Booth Centre for Chinook Learning Services was expected in the summer of 2014. Due to significant flood damage in June 2013 the development was abandoned and alternative concepts for the redevelopment of the site with the Calgary Municipal Land Corporation and developers were explored. A Land Use Re-designation Application was submitted and approved by the City of Calgary.

In January 2014 the Provincial Government announced funding for four additional major modernizations which were completed in the 2016-2017 school year. Both Jack James and Bowness High Schools opened in September 2016, while Christine Meikle and the New Aboriginal Learning Centre opened in January 2017.

- Bowness High School (Major Modernization)
- Christine Meikle School (Replacement School)
- Harold W. Riley School (New Aboriginal Learning Centre)
- Jack James High School (Major Modernization)

In February & March 2014 the Provincial Government approved limited capital funding to rebuild Elbow Park School and flood mitigation funding for Rideau Park school, damaged by the 2013 Floods. The rebuilt Elbow Park School opened in early 2017 and Rideau Park School flood mitigation work will be completed in November 2017

In October 2014 the Provincial Government announced funding for phase 3 of a consolidated advancement of education capital projects. This announcement which was subsequently approved for full development provides the CBE with 3 new schools and two additional high school major modernizations for completion in the 2017/2018 school year.

- Griffith Woods School (Springbank Hill/Discovery Ridge K-9)
- James Fowler High School Modernization
- Lord Beaverbrook High School Modernization
- Manmeet Singh Bhullar School (Martindale Elementary School)
- Ron Southern School (Silverado Elementary School)

## Enrolment Program Overview

In the 2017-18 school year the Calgary Board of Education will provide programs and services in 245 schools, addressing the complexity and diversity of a population of 121 691 students

<b>Type and Number of Schools<sup>1</sup> 2017-18</b>	
Elementary	142
Elementary Junior or Middle	45
Junior	17
Junior Senior	2
Senior	22
Elementary Junior Senior <sup>2</sup>	1
Unique Settings including Discovering Choices Outreach at four locations	16
<b>Total</b>	<b>245</b>

<sup>1</sup> School is defined as an instructional setting with a unique school code assigned by Alberta Education.  
<sup>2</sup> Home Education

<b>Student Enrolment as of Sept. 30, 2017</b>	
Early Learning	227
Kindergarten	9 054
Grades 1 to 3	29 080
Grades 4 to 6	27 183
Grades 7 to 9	24 267
Grades 10 to 12	27 035
CBe-learn	463
Chinook Learning Services <sup>1</sup>	1 974
Home Education	267
Outreach Programs	1 288
Unique Settings	853
<b>Total Enrolment</b>	<b>121 691</b>

<sup>1</sup> 606 students are over 20 years old.

<b>CBE Budgeted Employee Count<sup>1</sup> 2016-17</b>	
Certificated <sup>2</sup>	6 443
Non-certificated <sup>2</sup>	3 487
<b>Total</b>	<b>9 929</b>

<sup>1</sup> Reported as Full-Time Equivalent as of Sept. 30, 2016  
<sup>2</sup> Excludes substitute teachers and staff on secondment and professional improvement leaves.

## Program Overview

The CBE offers a depth and breadth of programs and supports to meet the unique learning interests and needs of our increasingly diverse student populations.

### Unique Settings and Outreach Programs Providing Specialized Services and Supports

- CBe-Learn
- Children's Village School
- Chinook Learning Services
- Christine Meikle School
- Discovering Choices Outreach: Bowness, Downtown, Marlborough, Westbrook
- Dr. Gordon Townsend School at Alberta Children's Hospital
- Dr. Oakley School
- Emily Follensbee School
- Encore CBE
- High School Integration Class
- Nexus
- Project Trust
- West View School
- William Roper Hull School
- Wood's Homes Schools – George Wood Learning Centre and William Taylor Learning Centre
- Young Adult Program (YAP)

### Sports-Supported Learning Opportunities

- National Sport School
- National Sports Academy

### Specialized School-Based Programming

- Autism
- Behaviour
- Blind and Visually Impaired
- Complex Needs
- Deaf and Hard of Hearing
- Developmental Disabilities
- Early Development Pre-School
- English Language Learning
- Gifted and Talented
- Learning Disability
- Mental Health

### Pathway Categories and Programs

- Dual Credit
- Internships
- Off-campus Exploratory Programs
- Registered Apprenticeship Programs (RAP)

### CBE-Supported Community-Based Programming

- Adolescent Day Treatment Program (ADTP) at Holy Cross Centre
- Alberta Adolescent Recovery Centre (AARC)
- Calgary Youth Attendance Centre (CYAC)
- Emergency Women's Shelter Liaison
- Enviro's Wilderness Base Camp
- ExCel
- HERA Program

### Alternative Programs

#### Content program focus

- Arts-Centred Learning
- Performing and Visual Arts
- Science School

#### Teaching philosophy programs

- Alice Jamieson Girls' Academy
- All Boys Alternative Program
- Montessori Program
- Traditional Learning Centres

#### Language and culture programs

- Aboriginal Culture Program: Medicine Wheel Kindergarten, Niitsitapi Learning Centre, Piitoayis Family School
- French Immersion (Early and Late) Program
- German Bilingual Program
- Mandarin Bilingual Program
- Spanish Bilingual Program



## Measure Evaluation Reference

### Achievement Evaluation

Achievement Evaluation is based upon a comparison of Current Year data to a set of standards which remain consistent over time. The Standards are calculated by taking the 3 year average of baseline data for each measure across all school jurisdictions and calculating the 5th, 25th, 75th and 95th percentiles. Once calculated, these standards remain in place from year to year to allow for consistent planning and evaluation.

The table below shows the range of values defining the 5 Achievement Evaluation levels for each measure.

Measure	Very Low	Low	Intermediate	High	Very High
Safe and Caring	0.00 - 77.62	77.62 - 81.05	81.05 - 84.50	84.50 - 88.03	88.03 - 100.00
Program of Studies	0.00 - 66.31	66.31 - 72.65	72.65 - 78.43	78.43 - 81.59	81.59 - 100.00
Education Quality	0.00 - 80.94	80.94 - 84.23	84.23 - 87.23	87.23 - 89.60	89.60 - 100.00
Drop Out Rate	100.00 - 9.40	9.40 - 6.90	6.90 - 4.27	4.27 - 2.79	2.79 - 0.00
High School Completion Rate (3 yr)	0.00 - 57.03	57.03 - 62.36	62.36 - 73.88	73.88 - 81.79	81.79 - 100.00
PAT: Acceptable	0.00 - 66.07	66.07 - 70.32	70.32 - 79.81	79.81 - 84.64	84.64 - 100.00
PAT: Excellence	0.00 - 9.97	9.97 - 13.44	13.44 - 19.56	19.56 - 25.83	25.83 - 100.00
Diploma: Acceptable	0.00 - 73.77	73.77 - 80.97	80.97 - 86.66	86.66 - 90.29	90.29 - 100.00
Diploma: Excellence	0.00 - 7.14	7.14 - 13.15	13.15 - 19.74	19.74 - 24.05	24.05 - 100.00
Diploma Exam Participation Rate (4+ Exams)	0.00 - 31.10	31.10 - 44.11	44.11 - 55.78	55.78 - 65.99	65.99 - 100.00
Transition Rate (6 yr)	0.00 - 39.80	39.80 - 46.94	46.94 - 56.15	56.15 - 68.34	68.34 - 100.00
Work Preparation	0.00 - 66.92	66.92 - 72.78	72.78 - 77.78	77.78 - 86.13	86.13 - 100.00
Citizenship	0.00 - 66.30	66.30 - 71.63	71.63 - 77.50	77.50 - 81.08	81.08 - 100.00
Parental Involvement	0.00 - 70.76	70.76 - 74.58	74.58 - 78.50	78.50 - 82.30	82.30 - 100.00
School Improvement	0.00 - 65.25	65.25 - 70.85	70.85 - 76.28	76.28 - 80.41	80.41 - 100.00

### Notes

- 1 | For all measures except Drop Out Rate: The range of values at each evaluation level is interpreted as greater than or equal to the lower value, and less than the higher value. For the Very High evaluation level, values range from greater than or equal to the lower value to 100%.
- 2 | Drop Out Rate measure: As "Drop Out Rate" is inverse to most measures (i.e. lower values are "better"), the range of values at each evaluation level is interpreted as greater than the lower value and less than or equal to the higher value. For the Very High evaluation level, values range from 0% to less than or equal to the higher value.

## Improvement Table

For each jurisdiction, Improvement Evaluation consists of comparing the Current Year result for each measure with the previous three-year average. A chi-square statistical test is used to determine the significance of the improvement. This test takes into account the size of the jurisdiction in the calculation to make improvement evaluation fair across jurisdictions of different sizes.

The table below shows the definition of the 5 Improvement Evaluation levels based upon the chi-square result.

Evaluation Category	Chi-Square Range
Declined Significantly	3.84 + (current < previous 3-year average)
Declined	1.00 - 3.83 (current < previous 3-year average)
Maintained	less than 1.00
Improved	1.00 - 3.83 (current > previous 3-year average)
Improved Significantly	3.84 + (current > previous 3-year average)

## Overall Evaluation Table

The overall evaluation combines the Achievement Evaluation and the Improvement Evaluation. The table below illustrates how the Achievement and Improvement Evaluations are combined to get the Overall Evaluation.

Improvement	Achievement				
	Very High	High	Intermediate	Low	Very Low
Improved Significantly	Excellent	Good	Good	Good	Acceptable
Improved	Excellent	Good	Good	Acceptable	Issue
Maintained	Excellent	Good	Acceptable	Issue	Concern
Declined	Good	Acceptable	Issue	Issue	Concern
Declined Significantly	Acceptable	Issue	Issue	Concern	Concern

## Category Evaluation

The category evaluation is an average of the Overall Evaluation of the measures that make up the category. For the purpose of the calculation, consider an Overall Evaluation of Excellent to be 2, Good to be 1, Acceptable to be 0, Issue to be -1, and Concern to be -2. The simple average (mean) of these values rounded to the nearest integer produces the Category Evaluation value. This is converted back to a colour using the same scale above (e.g. 2 = Excellent, 1 = Good, 0 = Intermediate, -1 = Issue, -2 = Concern).

## Accountability Pillar Overall Summary - Oct 2017 - Province

Measure Category	Measure	Alberta			Measure Evaluation		
		Current Result	Prev Year Result	Prev 3 Year Average	Achievement	Improvement	Overall
Safe and Caring Schools	Safe and Caring	89.5	89.5	89.3	Very High	Improved Significantly	Excellent
Student Learning Opportunities	Program of Studies	81.9	81.9	81.5	Very High	Improved Significantly	Excellent
	Education Quality	90.1	90.1	89.6	Very High	Improved Significantly	Excellent
	Drop Out Rate	3.0	3.2	3.3	High	Improved Significantly	Good
	High School Completion Rate (3 yr)	77.9	76.5	76.1	High	Improved Significantly	Good
Student Learning Achievement (Grades K-9)	PAT: Acceptable	73.4	73.6	73.2	Intermediate	Maintained	Acceptable
	PAT: Excellence	19.5	19.4	18.8	Intermediate	Improved Significantly	Good
Student Learning Achievement (Grades 10-12)	Diploma: Acceptable	83.0	82.7	83.1	Intermediate	Maintained	Acceptable
	Diploma: Excellence	22.2	21.2	21.5	High	Improved Significantly	Good
	Diploma Exam Participation Rate (4+ Exams)	54.9	54.6	53.1	Intermediate	Improved Significantly	Good
	Rutherford Scholarship Eligibility Rate	62.3	60.8	60.8	n/a	Improved Significantly	n/a
Preparation for Lifelong Learning, World of Work, Citizenship	Transition Rate (6 yr)	57.9	59.4	59.3	High	Declined Significantly	Issue
	Work Preparation	82.7	82.6	81.9	High	Improved Significantly	Good
	Citizenship	83.7	83.9	83.6	Very High	Maintained	Excellent
Parental Involvement	Parental Involvement	81.2	80.9	80.7	High	Improved Significantly	Good
Continuous Improvement	School Improvement	81.4	81.2	80.2	Very High	Improved Significantly	Excellent

### Notes

- 1 | Data values have been suppressed where the number of respondents/students is fewer than 6. Suppression is marked with an asterisk (\*).
- 2 | Overall evaluations can only be calculated if both improvement and achievement evaluations are available.
- 3 | Results for the ACOL measures are available in the detailed report: see "ACOL Measures" in the Table of Contents.
- 4 | Survey results for the province and school authorities were impacted by the changes in the number of students responding to the survey through the introduction of the OurSCHOOL/TTFM (Tell Them From Me) survey in 2014.
- 5 | Aggregated PAT results are based upon a weighted average of percent meeting standards (Acceptable, Excellence). The weights are the number of students enrolled in each course. Courses included: English Language Arts (Grades 6, 9, 9 K&E); Français (Grades 6, 9); French Language Arts (Grades 6, 9); Mathematics (6, 9, 9 K&E); Science (Grades 6, 9, 9 K&E); and Social Studies (Grades 6, 9, 9 K&E).
- 6 | Participation in Provincial Achievement Tests was impacted by the flooding in June 2013 (Grade 9 only) and by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by these events.
- 7 | Aggregated Diploma results are a weighted average of percent meeting standards (Acceptable, Excellence) on Diploma Examinations. The weights are the number of students writing the Diploma Examination for each course. Courses included: English Language Arts 30-1; English Language Arts 30-2; French Language Arts 30-1; Français 30-1; Mathematics 30-1; Mathematics 30-2; Chemistry 30; Physics 30; Biology 30; Science 30; Social Studies 30-1; and Social Studies 30-2.
- 8 | Caution should be used when interpreting evaluations and results over time for Mathematics 30-1/30-2, as equating was not in place until the 2016/17 school year. Alberta Education does not comment on province wide trends until it has five years of equated examination data.
- 9 | Participation in Diploma Examinations was impacted by the flooding in June 2013 and by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by these events.
- 10 | Weighting of school-awarded marks in diploma courses increased from 50% to 70% in the 2015/2016 school year. Caution should be used when interpreting trends over time.
- 11 | Due to the change from previous data source systems to Provincial Approach to Student Information (PASI), Rutherford Scholarship Eligibility Rate results prior to 2015 are not available.



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Calgary Board  
of Education

## report to Board of Trustees

### Presentation of the 2016-17 Financial Results of the Calgary Board of Education, for the year ended August 31, 2017

Date	November 28, 2017
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	Trustee Lisa Davis Chair, Audit Committee
Purpose	Decision
Governance Policy Reference	GC-3: Board Job Description GC-5E: Audit Committee, Terms of Reference

## 1 | Recommendations

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- THAT the Board of Trustees approves the Financial Results of the Calgary Board of Education for the year ended August 31, 2017, including the Audited Financial Statements for the year ended August 31, 2017 and the Auditors' Report dated November 28, 2017, for submission to the Minister of Alberta Education.

## 2 | Background

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In accordance with section 146 of the School Act, the Board of Trustees must appoint an auditor. The Board of Trustees appointed KPMG LLP, who has now completed their examination of the 2016-17 financial statements.

The unsigned auditors' professional opinion on these financial statements is included in the Auditors' Report, to be dated November 28, 2017. The Auditors will sign their report upon approval of the audit by the Board of Trustees (anticipated on November 28, 2017).

Pursuant to section 151(1) of the School Act, the auditor must send to the Minister, on or before November 30 in each year, copies of:

- the financial statements,
- the auditor's report on the financial statements, and



- (c) any written communication between the auditor and the board respecting the systems of internal control and accounting procedures of the board.

In order to assist the Board of Trustees with its work, the Board established an Audit Committee with the following responsibilities that specifically apply to the audited financial statements:

- To recommend external auditors.
- To review annually the external auditors' performance, reporting any issues.
- To serve as liaison to the external auditors, and arrange a meeting with the Board of Trustees prior to public presentation of the annual audited statements.
- To review and recommend approval of the annual audit plan.
- To review and report on the annual financial statements and audit findings report.
- To review with the external auditors the auditing process, any significant difficulties encountered during the audit including any restrictions on scope of work or access to required information.
- To meet at least two times annually as a Committee and at least once annually with the external auditors.
- To receive and review internal audit reports.

The Audit Committee has reviewed copies of all of the above information, and has discussed all of these documents with the auditors and with senior Administration. The Committee recommends that the Board of Trustees approves the Financial Statements and the Auditor's Report thereon, as submitted. Board approval of the financial statements is a requirement of the *School Act*.

#### ATTACHMENTS

- The Financial Results of the Calgary Board of Education, including the Audited Financial Statements, for the year ended August 31, 2017, and including the Auditors' Report thereon, dated November 28, 2017.



# Financial results of the Calgary Board of Education



For the year ended August 31, 2017

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**Calgary Board  
of Education**

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**CALGARY BOARD OF EDUCATION  
STATEMENT OF ADMINISTRATION RESPONSIBILITY  
AUGUST 31, 2017**

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**Statement of administration responsibility**

The Board of Trustees is responsible for ensuring that Administration fulfills its responsibility for financial reporting and control through its own ongoing monitoring and evaluation of its governance policies. The Board of Trustees carries out its responsibility for review of the consolidated financial statements principally through its Audit Committee. The Audit Committee, which consists of two Trustees and not fewer than three public members, meets with Administration and the External Auditor to discuss the results of the audit examination and financial reporting matters. The Audit Committee also reviews the consolidated financial statements, the Auditors' Report and other information, and recommends their approval to the Board of Trustees. The External Auditors have full access to the Audit Committee, with and without the presence of Administration.

In the context of the responsibilities of the Board, the Calgary Board of Education's Administration is responsible for the preparation, presentation and integrity of the consolidated financial statements and has prepared them in accordance with Canadian Public Sector Accounting Standards. The consolidated financial statements present fairly the financial position of the Calgary Board of Education as at August 31, 2017 and the results of its operations and cash flows for the year then ended.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, Administration has developed Administrative Regulations and maintains a system of internal controls, procedures and guidelines, supplemented by ongoing monitoring and evaluation of results, to provide reasonable assurance that assets are safeguarded and that transactions are properly executed in accordance with the governance policies established by the Board of Trustees.

KPMG LLP, the External Auditors appointed by the Board of Trustees, has performed an audit of the consolidated financial statements in this report. Their independent professional opinion on these consolidated financial statements is included in the Independent Auditors' Report.

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DAVID STEVENSON  
CHIEF SUPERINTENDENT OF SCHOOLS

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BRAD GRUNDY  
CHIEF FINANCIAL OFFICER,  
AND CORPORATE TREASURER

November 28, 2017

## **INDEPENDENT AUDITORS' REPORT**

To the Board of Trustees of the Calgary Board of Education

We have audited the accompanying consolidated financial statements of the Calgary Board of Education, which comprise the consolidated statement of financial position as at August 31, 2017, the consolidated statements of operations, accumulated remeasurement gains and losses, changes in net debt, and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Calgary Board of Education as at August 31, 2017, and its consolidated results of operations, its consolidated remeasurement gains and losses, its consolidated changes in net debt, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants

November 28, 2017  
Calgary, Canada

**CALGARY BOARD OF EDUCATION  
CONSOLIDATED STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED AUGUST 31, 2017, WITH COMPARATIVE INFORMATION FOR 2016**

	<u>Budget (Note 19)</u>	<u>Actuals</u>	
	<u>2017</u> (In thousands)	<u>2017</u> (In thousands)	<u>2016</u> (In thousands)
<b>Revenues</b>			
Alberta Education	\$ 1,230,690	\$ 1,230,285	\$ 1,208,794
Other Government of Alberta	618	376	733
Federal Government and First Nations	2,650	3,169	2,987
Other sales and services	19,340	26,922	25,587
Fees revenue (Note 13)	51,476	51,782	51,561
Investment revenue	3,345	4,124	12,146
Other Alberta school authorities	572	663	648
Gifts and donations	6,142	9,076	8,740
Fundraising	9,800	7,485	7,166
Rentals	6,281	5,436	6,867
Gain on disposal of assets	-	18	44
Other revenue	58	369	426
<b>Total revenues</b>	<u>\$ 1,330,972</u>	<u>\$ 1,339,705</u>	<u>\$ 1,325,699</u>
<b>Expenses</b> (Sch 3)			
Instruction: grades 1-12	1,020,043	1,014,823	988,983
Instruction: early childhood services	51,048	51,485	49,003
Board and system administration	37,073	36,925	33,548
Transportation	45,393	52,926	48,447
Plant operations and maintenance (Sch 4)	174,053	174,651	167,923
External services	23,188	24,030	23,234
<b>Total expenses</b>	<u>1,350,798</u>	<u>1,354,840</u>	<u>1,311,138</u>
<b>Annual (deficit) / surplus</b>	<u>\$ (19,826)</u>	<u>\$ (15,135)</u>	<u>\$ 14,561</u>

The accompanying notes and supplementary schedules are part of these consolidated financial statements.

**CALGARY BOARD OF EDUCATION  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED AUGUST 31, 2017, WITH COMPARATIVE INFORMATION FOR 2016**

		2017 (in thousands)	2016 (in thousands)
<b>Financial assets</b>			
Cash and cash equivalents	(Sch 5 and Note 3)	\$ 86,417	\$ 184,493
Accounts receivable (net after allowances)	(Note 4)	21,062	52,877
Portfolio investments	(Sch 5)	100,305	96,850
<b>Total financial assets</b>		<b>207,784</b>	<b>334,220</b>
<b>Liabilities</b>			
Deferred revenue	(Sch 2 and Notes 5, 14)	1,115,450	1,079,129
Accounts payable and accrued liabilities	(Note 6)	89,889	90,744
Employee future benefits	(Note 7)	25,545	24,828
Other liabilities - asset retirement obligations	(Note 8)	327	327
Supported debt: debentures	(Note 9)	1,369	2,936
Unsupported debt: capital leases	(Note 10)	12,541	10,181
<b>Total liabilities</b>		<b>1,245,121</b>	<b>1,208,145</b>
<b>Net debt</b>		<b>\$ (1,037,337)</b>	<b>\$ (873,925)</b>
<b>Non-financial assets</b>			
Tangible capital assets	(Sch 6)		
Land		\$ 2,711	\$ 2,711
Construction in progress		58,785	156,367
Buildings	1,631,957		
Less: Accumulated amortization	(533,543)	1,098,414	869,831
Furniture and equipment	152,118		
Less: Accumulated amortization	(112,871)	39,247	36,427
Vehicles	10,073		
Less: Accumulated amortization	(7,077)	2,996	3,644
Computer software and hardware	167,156		
Less: Accumulated amortization	(125,147)	42,009	32,488
Total tangible capital assets		1,244,162	1,101,468
Prepaid expense		10,301	6,435
<b>Total non-financial assets</b>		<b>1,254,463</b>	<b>1,107,903</b>
<b>Accumulated surplus</b>		<b>\$ 217,126</b>	<b>\$ 233,978</b>
Accumulated surplus is comprised of:	(Sch 1 and Note 11)		
Accumulated operating surplus		215,115	230,250
Accumulated remeasurement gains and losses		2,011	3,728
		<b>\$ 217,126</b>	<b>\$ 233,978</b>

Contractual obligations and contingent liabilities (Note 15)

Subsequent event (Note 20)

**The accompanying notes and supplementary schedules are part of these consolidated financial statements.**

**Approved by:**

Trina Hurdman, Chair of Board of Trustees

Date Signed

**CALGARY BOARD OF EDUCATION  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED AUGUST 31, 2017, WITH COMPARATIVE INFORMATION FOR 2016**

	<u>2017</u>	<u>2016</u>
	(in thousands)	(in thousands)
<b>Cash flows from:</b>		
<b>Operating transactions</b>		
Annual (deficit) / surplus	\$ (15,135)	\$ 14,561
Add (deduct) items not affecting cash:		
Amortization of tangible capital assets	57,317	52,092
Gains on disposal of capital assets	(18)	(44)
Expended deferred capital revenue	(33,140)	(29,221)
Changes in:		
Accounts receivable	31,815	(32,098)
Prepaid expenses	(3,866)	2,100
Accounts payable and accrued liabilities	(855)	14,323
Deferred operating revenue (Note 5)	(14,673)	(18,912)
Employee future benefits	717	(600)
Supported debt: debentures	(1,567)	(1,975)
<b>Cash flows from operating transactions</b>	<u>20,595</u>	<u>226</u>
<b>Capital transactions</b>		
Purchases of tangible capital assets		
Buildings	(165,636)	(290,819)
Equipment	(11,477)	(14,316)
Vehicles	(204)	(348)
Computer equipment	(22,694)	(14,072)
Net proceeds from disposal of tangible capital assets	18	44
Deferred capital revenue UDCR and EDCR	50,994	236,471
Expended deferred capital revenue	33,140	29,221
<b>Cash flows used in capital transactions</b>	<u>(115,859)</u>	<u>(53,819)</u>
<b>Investing transactions</b>		
Purchase of portfolio investments	(18,276)	(105,120)
Disposition of portfolio investments	13,445	109,651
Withdrawal of portfolio investments	-	7,642
Remeasurement gains reclassified to the statement of operations	53	(8,034)
Foreign currency translation	(394)	-
<b>Cash flows (used in) from investing transactions</b>	<u>(5,172)</u>	<u>4,139</u>
<b>Financing transactions</b>		
Repayment of capital leases	(1,408)	(1,096)
Additional financing capital leases	3,768	3,190
<b>Cash flows from financing transactions</b>	<u>2,360</u>	<u>2,094</u>
Decrease in cash and cash equivalents	(98,076)	(47,360)
Cash and cash equivalents, beginning of year	184,493	231,853
Cash and cash equivalents, end of year	\$ <u>86,417</u>	\$ <u>184,493</u>

The accompanying notes and supplementary schedules are part of these consolidated financial statements.

**CALGARY BOARD OF EDUCATION  
CONSOLIDATED STATEMENT OF ACCUMULATED REMEASUREMENT GAINS AND LOSSES  
FOR THE YEAR ENDED AUGUST 31, 2017, WITH COMPARATIVE INFORMATION FOR 2016**

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	<u>2017</u>	<u>2016</u>
	(In thousands)	(In thousands)
<b>Accumulated remeasurement gains, beginning of year</b>	<b>\$ 3,728</b>	<b>\$ 9,680</b>
Unrealized gains (losses) attributable to:		
Portfolio investments	(1,376)	2,082
Foreign currency translation	(394)	-
Amounts reclassified to the statement of operations:		
Portfolio investments	53	(8,034)
Net remeasurement change for the year	<u>(1,717)</u>	<u>(5,952)</u>
<b>Accumulated remeasurement gains, end of year</b>	<b>\$ <u>2,011</u></b>	<b>\$ <u>3,728</u></b>

The accompanying notes and supplementary schedules are part of these consolidated financial statements.

**CALGARY BOARD OF EDUCATION  
CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT  
FOR THE YEAR ENDED AUGUST 31, 2017, WITH COMPARATIVE INFORMATION FOR 2016**

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	<u>Budget (Note 19)</u>	<u>Actuals</u>	
	<u>2017</u> (In thousands)	<u>2017</u> (In thousands)	<u>2016</u> (In thousands)
<b>Annual (deficit) / surplus</b>	\$ (19,826)	\$ (15,135)	\$ 14,561
Effect of changes in tangible capital assets			
Acquisition of tangible capital assets	(59,625)	(200,011)	(319,554)
Amortization of tangible capital assets	57,370	57,317	52,092
Other changes	(3,765)	-	-
<b>Total effect on changes in tangible capital assets</b>	\$ (6,020)	\$ (142,694)	\$ (267,462)
Changes in			
Prepaid expense	-	(3,866)	2,100
Net remeasurement gains	-	(1,717)	(5,952)
<b>Changes in net debt</b>	\$ (25,846)	\$ (163,412)	\$ (256,753)
<b>Net debt, beginning of year</b>	(656,159)	(873,925)	(617,172)
<b>Net debt, end of year</b>	\$ (682,005)	\$ (1,037,337)	\$ (873,925)

The accompanying notes and supplementary schedules are part of these consolidated financial statements.

**CALGARY BOARD OF EDUCATION  
SCHEDULE 1 – ACCUMULATED SURPLUS  
FOR THE YEAR ENDED AUGUST 31, 2017, WITH COMPARATIVE INFORMATION FOR 2016  
(in thousands)**

	ACCUMULATED SURPLUS	ACCUMULATED REEVALUATION GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
<b>Balance at August 31, 2016</b>	233,978	3,728	230,250	147,373	3,856	-	39,803	39,218
<b>Prior period adjustments:</b>								
Benefits expense overstated in prior years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
<b>Adjusted Balance, August 31, 2016</b>	233,978	3,728	230,250	147,373	3,856	-	39,803	39,218
Annual surplus	(15,135)	-	(15,135)	-	-	(15,135)	-	-
Board funded tangible capital asset additions	-	-	-	35,172	-	(11,443)	-	(23,729)
Net reevaluation gains (losses) for the year	(1,717)	(1,717)	-	-	-	-	-	-
Endowment contributions	-	-	-	-	(6)	6	-	-
Amortization of tangible capital assets	-	-	-	(57,317)	-	57,317	-	-
Capital revenue recognized	-	-	-	33,140	-	(33,140)	-	-
Debt principal repayments (unsupported)	-	-	-	1,408	-	(1,408)	-	-
Net transfers to operating reserves	-	-	-	-	-	(5,637)	5,637	-
Net transfers from operating reserves	-	-	-	-	-	26,352	(26,352)	-
Net transfers to capital reserves	-	-	-	-	-	(16,912)	-	16,912
Net transfers from capital reserves	-	-	-	-	-	-	-	-
<b>Balance at August 31, 2017</b>	217,126	2,011	215,115	159,776	3,850	-	19,088	32,401

	INTERNALLY RESTRICTED RESERVES BY PROGRAM									
	School & Instruction Related		Operations & Maintenance		Board & System Administration (1)		Transportation		External Services	
	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
<b>Balance at August 31, 2016</b>	47,988	16,918	40	21,346	(8,225)	754	-	-	-	200
<b>Prior period adjustments:</b>										
Benefits expense overstated in prior years	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
<b>Adjusted Balance, August 31, 2016</b>	47,988	16,918	40	21,346	(8,225)	754	-	-	-	200
Annual surplus	-	-	-	-	-	-	-	-	-	-
Board funded tangible capital asset additions	-	(16,918)	-	(5,857)	-	(754)	-	-	-	(200)
Net reevaluation gains (losses) for the year	-	-	-	-	-	-	-	-	-	-
Endowment contributions	-	-	-	-	-	-	-	-	-	-
Amortization of tangible capital assets	-	-	-	-	-	-	-	-	-	-
Capital revenue recognized	-	-	-	-	-	-	-	-	-	-
Debt principal repayments (unsupported)	-	-	-	-	-	-	-	-	-	-
Net transfers to operating reserves	5,158	-	-	-	479	-	-	-	-	-
Net transfers from operating reserves	(24,373)	-	(40)	-	(1,939)	-	-	-	-	-
Net transfers to capital reserves	-	10,386	-	1,462	-	4,935	-	-	-	129
Net transfers from capital reserves	-	-	-	-	-	-	-	-	-	-
<b>Balance at August 31, 2017</b>	28,773	10,386	-	16,951	(9,685)	4,935	-	-	-	129



**CALGARY BOARD OF EDUCATION  
SCHEDULE 2- CAPITAL SURPLUS  
FOR THE YEAR ENDED AUGUST 31, 2017, WITH COMPARATIVE INFORMATION FOR 2016  
(in thousands)**

	Unexpended Deferred Capital Revenue (in thousands)				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects <sup>(A)</sup>	Surplus from Provincially Approved Projects <sup>(B)</sup>	Proceeds on Disposal of Provincially Funded Tangible Capital Assets <sup>(C)</sup>	Unexpended Deferred Capital Revenue from Other Sources <sup>(D)</sup>	
<b>Balance at Aug. 31, 2016</b>	75,658	-	12,306	-	943,883
Prior period adjustments:	1	-	-	-	-
Adjusted balance, Aug. 31, 2016	75,659	-	12,306	-	943,883
Add:					
Unexpended capital revenue received from:					
Alberta Education school building & modular projects (excl. IMR)	69,144				
Infrastructure Maintenance & Renewal capital related to school facilities	6,248				
Unexpended capital revenue receivable from					
Alberta Education school building & modular (excl. IMR)	8,028				
Interest earned on unexpended capital revenue	711	-	-	-	
Insurance proceeds (and related interest)			-	-	
Transferred in (out) tangible capital assets (amortizable, @ net book value)					-
Expended capital revenue - current year	(157,741)	-	(3,930)	-	161,671
Surplus funds approved for future project	-	-			
Deduct:					
Capital revenue recognition - Alberta Education					33,140
Capital revenue recognition - Other Government of Alberta					
<b>Balance at Aug. 31, 2017</b>	2,049	-	8,376	-	1,072,414
	(A)	(B)	(C)	(D)	
<b>Balance of Unexpended Deferred Capital Revenue at Aug. 31, 2017 (A) + (B) + (C) + (D)</b>				10,425	

**Deferred Capital Contributions**

(A) - Represents funding received from the Province of Alberta toward new approved projects ONLY.

(B) - Represents any surplus of funding over costs from column (A) approved by Minister for future capital expenditures.

(C) - Represents proceeds on disposal of provincially funded capital assets to be expended on approved capital projects per 10 (2) (a) of Disposition of Property Regulation 181/20 of the School Act.

(D) - Represents capital contributions received from entities OTHER THAN the Province of Alberta restricted for the acquisition of capital assets.

\* Grants received and capitalized under the Infrastructure Maintenance Renewal(IMR) Program are included in this statements under Public Sector Accounting Standards

**CALGARY BOARD OF EDUCATION  
SCHEDULE 3– PROGRAM OF OPERATIONS  
FOR THE YEAR ENDED AUGUST 31, 2017, WITH COMPARATIVE INFORMATION FOR 2016  
(in thousands)**

	2017							2016
	Instruction: early childhood services	Instruction: grades 1-12	Board and system administration	Transportation	Plant operations and maintenance	External services	Total	Total
<b>Revenues</b>								
Alberta Education	51,717	936,078	48,774	34,050	159,666	-	1,230,285	1,208,794
Other Government of Alberta	-	88	15	-	273	-	376	733
Federal Government and First Nations	-	968	12	-	-	2,189	3,169	2,987
Other sales and services	401	19,847	943	-	1,077	4,654	26,922	25,587
Fees revenue	155	29,092	-	8,642	-	13,893	51,782	51,561
Investment revenue	-	377	-	-	-	3,747	4,124	12,146
Other Alberta school authorities	-	348	-	-	315	-	663	648
Gifts and donations	-	9,100	-	-	(63)	39	9,076	8,740
Fundraising	-	7,485	-	-	-	-	7,485	7,166
Rentals	-	-	424	-	2,000	3,012	5,436	6,867
Gain on disposal of assets	-	18	-	-	-	-	18	44
Other revenue	-	351	-	-	18	-	369	426
<b>Total revenues</b>	<b>52,273</b>	<b>1,003,752</b>	<b>50,168</b>	<b>42,692</b>	<b>163,286</b>	<b>27,534</b>	<b>1,339,705</b>	<b>1,325,699</b>
<b>Expenses</b>								
Certificated salaries	28,025	611,369	1,178	-	-	474	641,046	627,085
Certificated benefits	3,094	137,376	723	-	-	90	141,283	142,787
Non-certificated staff salaries	13,429	112,677	15,173	2,128	51,348	13,928	208,683	200,703
Non-certificated staff benefits	3,377	29,766	3,752	554	13,203	2,894	53,546	48,632
<b>Sub-total</b>	<b>47,925</b>	<b>891,188</b>	<b>20,826</b>	<b>2,682</b>	<b>64,551</b>	<b>17,386</b>	<b>1,044,558</b>	<b>1,019,207</b>
Supplies and services	2,723	105,750	12,566	48,609	71,467	3,556	244,671	233,130
Amorization of supported tangible capital assets	-	-	-	-	33,140	-	33,140	29,221
Amorization of unsupported tangible capital assets	710	15,145	3,434	-	4,888	-	24,177	22,871
Unsupported interest on capital debt	-	-	-	-	277	60	337	257
Supported debt interest	-	-	-	-	273	-	273	463
Other interest and finance charges	30	665	(5)	-	55	119	864	793
Other expense	97	2,075	104	1,635	-	2,909	6,820	5,196
<b>Total expenses</b>	<b>51,485</b>	<b>1,014,823</b>	<b>36,925</b>	<b>52,926</b>	<b>174,651</b>	<b>24,030</b>	<b>1,354,840</b>	<b>1,311,138</b>
<b>Operating surplus / (deficit)</b>	<b>788</b>	<b>(11,071)</b>	<b>13,243</b>	<b>(10,234)</b>	<b>(11,365)</b>	<b>3,504</b>	<b>(15,135)</b>	<b>14,561</b>

**CALGARY BOARD OF EDUCATION  
SCHEDULE 4 – OPERATIONS AND MAINTENANCE EXPENSES  
FOR THE YEAR ENDED AUGUST 31, 2017, WITH COMPARATIVE INFORMATION FOR 2016  
(in thousands)**

Expenses	Custodial	Maintenance	Utilities & telecommunications	Expensed IMR, modular unit relocations & lease payments	Facility planning & operations administration	Unsupported amortization & other expenses	Supported capital & debt services	2017 Total operations & maintenance	2016 Total operations & maintenance
Non-certificated staff salaries	32,772	11,014		2,134	5,428			51,348	49,774
Non-certificated staff benefits	8,464	2,594		252	1,893			13,203	12,959
Supplies and services	3,984	7,875	26	35,521	1,236			48,642	50,375
Electricity			10,221					10,221	9,584
Natural gas/heating fuel			5,680					5,680	4,370
Sewer and water			2,472					2,472	2,409
Telecommunications			180					180	165
Insurance					3,790			3,790	2,994
Amorization of tangible capital assets (Supported)							33,140	33,140	29,221
Amorization of tangible capital assets (Unsupported)						4,888		4,888	5,171
Interest on capital debt (Supported)							273	273	463
Interest on capital debt (Unsupported)						277		277	257
Lease payment for facilities				482				482	181
Other interest charges						55		55	0
<b>Total expenses</b>	<b>45,220</b>	<b>21,483</b>	<b>18,579</b>	<b>38,389</b>	<b>12,347</b>	<b>5,220</b>	<b>33,413</b>	<b>174,651</b>	<b>167,923</b>
<b>Square meters</b>									
School buildings								1,458,412	1,288,516

**CALGARY BOARD OF EDUCATION  
SCHEDULE 5 – CASH AND INVESTMENTS  
AS AT AUGUST 31, 2017, WITH COMPARATIVE INFORMATION FOR 2016  
(in thousands)**

Cash & cash equivalents	2017			2016
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash	1.30%	\$ 85,544	\$ 85,544	\$ 127,827
Cash equivalents				
Other, including GIC's	1.30%	873	\$ 873	56,666
<b>Total cash and cash equivalents</b>	<b>1.30%</b>	<b>\$ 86,417</b>	<b>\$ 86,417</b>	<b>\$ 184,493</b>

See Note 3 for additional detail.

Portfolio Investments	2017				2016
	Average Effective (Market) Yield	Cost	Fair Value	Balance	Balance
Guaranteed investment certificates <sup>(1)</sup>	1.98%	13,190	13,190	13,190	10,561
Fixed income securities					
Corporate	2.30%	51,043	48,767	48,767	53,842
<b>Total fixed income securities</b>	<b>2.30%</b>	<b>\$ 51,043</b>	<b>\$ 48,767</b>	<b>\$ 48,767</b>	<b>\$ 53,842</b>
Equities					
Canadian	1.63%	\$ 12,060	\$ 12,927	\$ 12,927	\$ 11,096
Foreign	1.94%	16,314	18,881	18,881	14,791
<b>Total equities</b>	<b>1.81%</b>	<b>28,374</b>	<b>31,808</b>	<b>31,808</b>	<b>25,887</b>
Restricted investments <sup>(2)</sup>	1.81%	5,391	6,540	6,540	6,560
<b>Total portfolio investments</b>	<b>2.07%</b>	<b>\$ 97,998</b>	<b>\$ 100,305</b>	<b>\$ 100,305</b>	<b>\$ 96,850</b>

(1) Restricted long-term investments are included in the GIC balance and relate to cash collateral requirements on capital leases entered into between the years Aug. 31, 2012 and Aug. 31, 2017 (Note 10)

(2) Restricted investments are related to EducationMatters' Endowment Fund and consist of T-bills, equities and mutual funds

The following represents the maturity structure for portfolio investments based on principal amount:

	2017	2016
Under 1 year	0.0%	0.0%
1 to 5 years	100.0%	100.0%
6 to 10 years	0.0%	0.0%
11 to 20 years	0.0%	0.0%
Over 20 years	0.0%	0.0%
	100.0%	100.0%

**CALGARY BOARD OF EDUCATION  
SCHEDULE 6 – TANGIBLE CAPITAL ASSETS  
AS AT AUGUST 31, 2017, WITH COMPARATIVE INFORMATION FOR 2016  
(in thousands)**

**SCHEDULE OF CAPITAL ASSETS  
for the Year Ended August 31, 2017 (in dollars)**

	2017						2016
	Land	Construction In Progress	Buildings	Furniture & Equipment	Vehicles	Computer Hardware & Software	Total
Estimated useful life			25-50 Years	5-10 Years	5-10 Years	3-5 Years	
<b>Historical cost</b>							
Beginning of year	2,711	156,367	1,368,739	142,664	9,869	144,729	1,825,079
Additions	-	165,636	-	11,477	204	22,694	200,011
Transfers in (out)	-	(263,218)	263,218	-	-	-	-
Less disposals including write-offs	-	-	-	(2,023)	-	(267)	(2,290)
	<b>2,711</b>	<b>58,785</b>	<b>1,631,957</b>	<b>152,118</b>	<b>10,073</b>	<b>167,156</b>	<b>2,022,800</b>
<b>Accumulated amortization</b>							
Beginning of year	-	-	498,908	106,237	6,225	112,241	723,611
Amortization	-	-	34,635	8,680	852	13,150	57,317
Transfers in (out)	-	-	-	(23)	-	23	-
Less disposals including write-offs	-	-	-	(2,023)	-	(267)	(2,290)
	<b>-</b>	<b>-</b>	<b>533,543</b>	<b>112,871</b>	<b>7,077</b>	<b>125,147</b>	<b>778,638</b>
<b>Net Book Value at August 31, 2017</b>	<b>2,711</b>	<b>58,785</b>	<b>1,098,414</b>	<b>39,247</b>	<b>2,996</b>	<b>42,009</b>	<b>1,244,162</b>
<b>Net Book Value at August 31, 2016</b>	<b>2,711</b>	<b>156,367</b>	<b>869,831</b>	<b>36,427</b>	<b>3,644</b>	<b>32,488</b>	<b>1,101,468</b>
		<b>2017</b>	<b>2016</b>				
Total cost of assets under capital lease		40,727	36,573				
Total amortization of assets under capital lease		15,332	12,962				

**Disposals and write downs**

During 2017, tangible capital assets with a net book value of \$nil (2016 - \$nil) were disposed of for net proceeds of \$18 (2016 - \$44).

**CALGARY BOARD OF EDUCATION  
SCHEDULE 7 – REMUNERATION  
FOR THE YEAR ENDED AUGUST 31, 2017**

	FTE	Remuneration <sup>1</sup>	Benefits <sup>2</sup>	Negotiated Allowances <sup>3</sup>	Performance Bonuses <sup>4</sup>	ERIP's / Other Paid <sup>5</sup>	Other Accrued <sup>7</sup> Unpaid Benefits	Expenses <sup>6</sup>
<b>Board Members:</b>								
<b>Chair</b>								
Joy Bowen-Eyre	1.0	58,894	7,044	4,100			-	4,399
<b>Other members</b>								
Lynn Ferguson	1.0	45,000	6,980	4,100			-	2,584
Judy Hehr	1.0	46,731	6,980	4,100			-	3,222
Julie Hrdlicka	1.0	46,731	6,980	4,100			-	4,278
Trina Hurdman (Vice Chair)	1.0	51,731	7,169	4,100			-	842
Pamela King	1.0	45,000	6,980	4,100			-	4,496
Amber Stewart	1.0	46,731	6,875	4,100			-	2,770
<b>Subtotal</b>	<b>7.0</b>	<b>340,818</b>	<b>49,008</b>	<b>28,700</b>			-	<b>22,591</b>
David Stevenson, Chief Superintendent	1.0	295,300	79,565	15,000	-	-	504,875	5,194
Brad Grundy, Chief Financial Officer	1.0	237,000	53,924	7,000	-	-	89,197	8,815
Janice Barkway, Corporate Secretary	0.47	87,718	19,318	0	-	12,914	-	956
Kelly-Ann Fenney	0.53	99,374	18,676	-	-	-	19,604	113
Certificated teachers	6,470.9	640,750,086	141,188,244	-	-	-	-	
Non-certificated - other	3,497.2	207,917,301	52,245,343	-	-	1,111,244	-	
<b>TOTALS</b>	<b>9,978.1</b>	<b>849,727,597</b>	<b>193,654,078</b>	<b>50,700</b>	-	<b>1,124,158</b>	<b>613,676</b>	<b>37,669</b>

**CALGARY BOARD OF EDUCATION  
SCHEDULE 7 – REMUNERATION  
FOR THE YEAR ENDED AUGUST 31, 2017**

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**Notes for Trustees**

<sup>1</sup> **Remuneration** includes honorarium payment and accruals.

Trustee remuneration is established annually through Governance Policy GC-2E Trustee Remuneration. Remuneration reported is on an accrual basis and differs from cash paid in the year. Amounts reported include provisions for the retirement allowance accrual, as applicable.

<sup>2</sup> **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of trustees including: Canada Pension Plan, life insurance, and accidental death and dismemberment coverage. In lieu of other benefits, each Trustee receives the remainder of the package (valued at 10% of basic honorarium) in regular payments.

<sup>3</sup> **Negotiated allowances** are a transportation allowance of \$4,100 annually.

<sup>6</sup> **Expenses** will include the reimbursement of travel, subsistence, conferences fees and other costs, to the Trustee or on his/her behalf that are related to professional development. Expenses are not included on the Schedule of Program Operations as salaries or benefits.

**Notes for Employees**

<sup>1</sup> **Remuneration** includes regular base salaries, administrative allowances, overtime, lump-sum payments, honoraria, deferred salary leave, accruals, and any other direct cash remuneration. This includes negotiated allowance, performance bonuses, ERIP's/Other as described below. Remuneration reported is on an accrual basis and other differs from cash paid in the year.

<sup>2</sup> **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement, pensions, senior management registered pension plans, Canada Pension Plan, employment insurance, health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, and long and short term disability plans. Government ATRF contributions of individual jurisdictions are included in the audit confirmations that is accessible on Extranet. Individual employee contributions, such as to the Superintendent, can be estimated by using the following formula:

$E = E * ER \text{ rate } * (\text{subject to ATRF Maximum contributions}) \text{ where}$

$D = \text{Salary updated to plan members files}$

ER rate (2017) – 11.95% (this contribution rate is also available at

[http://atrf.com/contribution\\_rate/jurisdictions\\_charter\\_schools.aspx](http://atrf.com/contribution_rate/jurisdictions_charter_schools.aspx)

Benefits for certificated superintendent include Alberta Education contributions to the Alberta Teachers Retirement Fund as well as any supplemental pension plan contributions, if applicable. Benefits for non-certificated superintendents and including the Secretary and Treasurer include the Local Authorities Pension Plan contributions as well as any supplementary pension plan contributions, if applicable.

<sup>3</sup> **Negotiated allowances** include monies paid to an employee including car or travel allowance, isolation allowance, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. Excluded from this category is certificated school-based employee allowances outlined in collective agreements (these are included in remuneration).

<sup>4</sup> **Performance bonuses** include those monies paid to employees that are tied to the achievement of some specified goals or objectives.

<sup>5</sup> **Early Retirement Incentive Plans (ERIPs)/Other** includes termination benefits such as severance pay, retiring allowances (ERIP's), and other settlement costs due to loss of employment. These are disclosed on a cash basis.

<sup>6</sup> **Expenses** will include the reimbursement of travel, subsistence, moving costs, conference fees, etc., to the employee or on his/her behalf in performing the responsibilities of employment. Expenses are not included on the Schedule of Program Operations as salaries or benefits.

<sup>7</sup> **Other Accrued Unpaid Benefits** includes untaken vacation pay and supplemental pension expenses accrued up to Aug. 31, 2017.

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**1. NATURE OF OPERATIONS**

The Calgary Board of Education (the "Corporation"), is an independent legal entity with an elected Board of Trustees as stipulated in the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3, and operates as "Calgary School District No. 19". The Corporation is registered as a charitable organization under the *Income Tax Act* (Canada) and, therefore, is exempt from income tax and may issue official receipts to donors for income tax purposes.

The Corporation is economically dependent upon the Government of the Province of Alberta, since the viability of its on-going operations depends on grants and contributions from Alberta Education and other provincial ministries.

School jurisdictions have been deemed to be controlled by the Government of Alberta according to criteria set out in the CPA Canada Public Sector Accounting Handbook Section 1300, Government Reporting Entity. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now considered related parties of school jurisdictions for financial reporting purposes. These include government departments, health authorities, post-secondary institutions and all school jurisdictions in Alberta.

The Corporation provides a full range of educational services for all instructional programs ranging from Kindergarten through Grade 12 to the Province of Alberta, and is principally funded by the Province of Alberta through the Alberta Ministry of Education.

**2. SIGNIFICANT ACCOUNTING POLICIES**

These consolidated financial statements were prepared by management in accordance with the Public Sector Accounting Standards (PSAS) without reference to Sections PS 4200 to PS 4270. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of consolidated financial statements for a period involves the use of estimates and approximations, which have been made using judgment. Actual results could differ from those estimates and approximations. The consolidated financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

**(a) Basis of consolidation**

These consolidated financial statements reflect the assets, liabilities, revenues, and expenses of the reporting entity, which is comprised of all controlled entities.

- EducationMatters (the "Foundation") was established in 2003 by the Corporation under a trust indenture. The Corporation's Board of Trustees appoints the Governors of the Foundation. The Foundation is a registered charity and promotes activities that support public education for the benefit of Calgary's students. The Foundation is controlled by the Corporation; therefore its assets, liabilities, revenues and expenses have been consolidated with the Corporation's financial statements.
- School generated funds, which include the assets, liabilities, revenues and expenses at the school level, which are controlled by the Corporation, are reflected in the consolidated financial statements.

Inter-departmental and inter-organizational transactions and balances between these organizations are eliminated upon consolidation.

**(b) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These investments generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments.

**(c) Accounts receivable**

Accounts receivable are shown net of allowance for doubtful accounts.



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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(d) Portfolio investments**

The Corporation's portfolio investments include GICs, bonds, equity instruments and mutual funds that have no maturity date or have a maturity of greater than one year. Equity instruments that are quoted in an active market and other portfolio investments that have the characteristics of equity investments are recorded at fair value, and the associated transaction costs are expensed upon initial recognition. The Corporation has designated its bond portfolio that would otherwise be classified into the amortized costs category at fair value as the Corporation manages and reports the performance of it on a fair value basis. Other investments not quoted in an active market are reported at cost or amortized cost.

The unrealized change in the fair value is recognized in the Statement of Accumulated Remeasurement Gains and Losses as a remeasurement gain or loss until the portfolio investments are derecognized. Upon derecognition, the accumulated remeasurement gains or losses associated with the derecognized portfolio investments are reversed and reclassified to the Statement of Operations.

Impairment of portfolio investments is recognized when the loss in value of a portfolio investment is other than temporary, and is included in the Statement of Operations. In the case of an item in the fair value category, a reversal of any net remeasurement gains recognized in previous reporting periods up to the amount of the write-down is reported in the Accumulated Statement of Remeasurement Gains and Losses. The loss is not reversed if there is a subsequent increase in value.

Detailed information regarding portfolio investments is disclosed in Schedule 5.

**(e) Deferred revenue**

Deferred revenue includes contributions received for operations which have stipulations that meet the definition of a liability per *Public Sector Accounting Standard (PSAS) s3200*. These contributions are recognized by the Corporation once it has met all eligibility criteria to receive the contributions. When stipulations are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability.

Deferred revenue also includes contributions for capital expenditures, unexpended and expended:

- Unexpended Deferred Capital Revenue (UDCR)  
Unexpended Deferred Capital Revenue represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure has not been made at year-end. These contributions must also have stipulations that meet the definition of a liability per *PS 3200* when expended. The majority of these funds are from the Province of Alberta.
- Expended Deferred Capital Revenue (EDCR)  
Expended Deferred Capital Revenue represent externally restricted supported capital funds that have been expended but have yet to be amortized over the useful life of the related capital asset. Amortization over the useful life of the related capital asset is due to certain stipulations related to the contributions that require that the school jurisdiction to use the asset in a prescribed manner over the life of the associated asset.

**(f) Pensions and employee future benefits**

Alberta Teachers' Retirement Fund ("ATRF")

The Corporation's certificated employees are required to contribute to the Alberta Teachers' Retirement Fund (ATRF), a multi-employer defined benefits pension plan. ATRF contributions by the Province for current service are reflected as a cost to operate the education system in Alberta and the Corporation's proportionate share are formally recognized in the accounts of the Corporation, even though the Corporation has no legal obligation to pay these costs. The amount of current service contributions are recognized as "Revenue from the Government of Alberta" and as "Certificated benefits" expense.

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(f) Pensions and employee future benefits (continued)**

Local Authorities Pension Plan (“LAPP”)

The Corporation and its non-certificated employees participate in LAPP, a multi-employer pension plan. The Corporation accounts for this plan on a defined contribution basis in accordance with PSA 3250.110 and does not record a share of the unfunded liabilities. Pension costs of LAPP included in these consolidated financial statements comprise the cost of employer contributions for current service of participating employees during the year.

Supplemental Integrated Pension Plan (“SiPP”) and Supplementary Executive Retirement Program (“SERP”)

The Corporation established supplementary pension plans for certain members of senior administration. The plan provides a supplement to the LAPP or ATRF (as appropriate) and is comprised of both a registered and non-registered portion.

The registered SiPP is a multi-employer plan. The Corporation accounts for this plan on a defined contribution basis in accordance with PSA 3250.110 and does not record a share of the unfunded liabilities.

The non-registered SiPP OverCap plan, or SERP, is administered by the Corporation and is an OverCap plan to the SiPP. LAPP/ATRF and SiPP together can provide the maximum benefit of 2% of final average earnings to the maximum, which changes every year as set by the CRA. SERP tops up the pension benefit to 2% on any earnings over this maximum. The cost of SERP is sponsored by the Corporation and is actuarially determined using the projected benefit method pro-rated on service and management’s best estimate of expected salary and benefit escalation, retirement ages of employees and plan investment performance. Actuarial valuations of this plan occur annually as at Aug. 31.

Supplementary Retirement Plan (“SRP”)

The Corporation provides a non-registered SRP for certain senior employees of the Corporation, based on approved terms and conditions of the plan. The plan provides for annual contributions of 10 per cent of the employee’s salary which is above the LAPP or ATRF pensionable earnings cap.

Enrollment in SiPP, SERP and SRP

The following table reflects the number of employees enrolled in each of the SiPP, ERP and SRP plans as at Aug. 31:

	<u>2017</u>	<u>2016</u>
Supplemental Integrated Pension Plan (SiPP)	7	6
Supplementary Executive Retirement Program (SERP)	7	6
Supplementary Retirement Plan (SRP)	<u>27</u>	<u>28</u>
<b>Total</b>	<b><u>41</u></b>	<b><u>40</u></b>

Post-Retirement and Post-Employment Benefits Plans

The Corporation has a number of other defined benefit plans providing post-employment and post-retirement benefits for supplementary health care, dental care, life insurance and retiring allowances (collectively “Post-Retirement and Post-Employment Benefits Plans”). These plans are not funded by separately designated plan assets. For those plans, the future benefits cost is actuarially determined using the projected unit credit method pro-rata on service and using management’s best estimate of expected salary escalation, termination and retirement rates and mortality. The discount rate used to measure obligations is based on the internal cost of borrowing.

The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan. The EARSL for employees of the Corporation is 12 years. The most recent valuation of the obligation was performed at Aug. 31, 2015. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of Aug. 31 was adopted.

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(g) Asset Retirement Obligation**

The Corporation recognizes the fair value of an Asset Retirement Obligation (“ARO”) in the period in which it incurs a legal obligation associated with the retirement of certain buildings and related assets. Certain building assets contain asbestos. Although the asbestos is appropriately contained in accordance with environmental regulations, it is the Corporation’s practice to, if necessary, remediate any asbestos upon disposal of a tangible capital building asset. The Corporation recognizes an ARO only when the related assets have been approved by the Board of Trustees for disposition and when the fair value of the liability can be reasonably determined.

The estimated fair value of the ARO is capitalized as part of the related long-lived asset and accreted on the same basis as the underlying asset. The ARO provision is adjusted for the passage of time, which is recognized as accretion expense, and for revisions to the timing or the amount of the estimated liability. Actual costs incurred are charged against the asset retirement obligation to the extent of the liability recorded. Differences between the actual costs incurred and the liability are recognized in the Statement of Operations when remediation is completed.

**(h) Tangible capital assets**

Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the asset. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Donated tangible capital assets are recorded at their fair market value at the date of donation, except in circumstances where fair value cannot be reasonably determined, when they are then recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at original cost less accumulated amortization.

Construction in progress is a tangible capital asset that is recorded as an acquisition to the applicable asset class at substantial completion.

Sites and buildings are written down to residual value when conditions indicate they no longer contribute to the ability of the Corporation to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. For supported assets, the write-downs are accounted for as reductions to Expended Deferred Capital Revenue.

Buildings that are demolished or destroyed are written-off.

Capital assets which are paid for directly by the Province of Alberta on behalf of the Corporation are recorded by the Corporation at fair market value when title has transferred. A corresponding deferred capital grant is recorded and reflected in revenue over the life of the asset. Maintenance expenses paid directly by the Province of Alberta on behalf of the Corporation related to these assets are expensed and the corresponding grant is recognized as revenue.

The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over the estimated useful life of the asset in the year following substantial completion. Estimated useful life is as follows:

Buildings	25 - 50 years
Furniture and equipment	5 - 10 years
Computer software and hardware	3 - 5 years
Vehicles	5 - 10 years

**(i) Assets**

In June 2015, the Public Sector Accounting Board (PSAB) issued this accounting standard effective for fiscal years starting on or after April 1, 2017. The standard (PS 3210) provides guidance for applying the definition of assets set out in PS 1000 Financial Statement concepts, and establishes general disclosure standards for assets. Under the new standard, for unrecognized assets, disclosing major categories may provide additional resources available to the school jurisdiction. Additionally, information about the major categories of assets that are not recognized should be

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(i) Assets (continued)**

disclosed in the notes to the consolidated financial statements. When an asset is not recognized because a reasonable estimate of the amount involved cannot be made, the reasons for this must be disclosed. The Corporation adopted this accounting standard prospectively as of Sept. 1, 2016. The adoption of this standard did not have a significant effect on the consolidated financial statements of the Corporation.

**j) Capital leases**

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incidental to ownership of the property to the Corporation are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs (e.g., insurance, maintenance costs, etc.). The discount rate used to determine the present value of the lease payments is the lower of the Corporation's incremental borrowing rate or the interest rate implicit in the lease.

**k) Prepaid expenses**

Prepaid expenses include advanced payments such as health insurance, and are charged to expense over the periods expected to benefit from such costs.

**l) Operating and capital reserves**

Certain amounts are internally or externally restricted for future operating or capital purposes. Transfers to and from reserves are recorded when approved by the Board of Trustees. Capital reserves are restricted to capital purposes and may only be used for operating purposes with approval by the Minister of Education. Reserves are disclosed in the Schedule of Changes in Accumulated Surplus.

**m) Trust funds under administration**

Trust funds and their related operations administered by the Corporation are not included in the consolidated financial statements as they are not controlled by the Corporation. Disclosure for trust funds under administration are detailed in Note 16.

**n) Revenue recognition**

Revenues are recorded on an accrual basis. Instruction and support allocations are recognized in the year to which they relate. Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Volunteers contribute a considerable number of hours each year to schools; such as volunteering in the classroom, supporting the milk programs and the raising of school generated funds. These contributed services are not recognized in the consolidated financial statements.

Eligibility criteria are criteria that the Corporation has to meet in order to receive certain contributions. Stipulations describe what the Corporation must perform in order to keep the contributions. Contributions without eligibility criteria or stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity. Contributions with eligibility criteria but without stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity and all eligibility criteria have been met.

Donations of materials and services are recognized as revenue when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Corporation's operations and would otherwise have been purchased.

Contributions with stipulations are recognized as revenue in the period the stipulations are met, except when and to the extent that the contributions give rise to an obligation that meets the definition of a liability in accordance with *Section PS 3200*. Such liabilities are recorded as deferred revenue. The following items fall under this category:

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**n) Revenue recognition (continued)**

- Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year the stipulated related expenses are incurred;
- Unexpended deferred capital revenue; or
- Expended deferred capital revenue.

**o) Expenses**

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Allocation of costs:

- Actual salaries of personnel assigned to two or more programs are allocated based on the time spent in each program.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

**p) Program reporting**

The Corporation's operations have been segmented as follows:

- **Instruction: grades 1 – 12.** The provision of grades 1-12 instructional services that fall under the basic public education mandate.
- **Instruction: early childhood services.** The delivery of basic public education to ECS (early childhood services) students.
- **Plant operations and maintenance.** The operation and maintenance of all school buildings and maintenance shop facilities.
- **Transportation.** The provision of regular and special education bus services (to/from school), whether contracted or board operated, including transportation facilities.
- **Board and system administration.** The provision of board governance and system-focused office administration.
- **External services.** All projects, activities, and services offered outside the public education mandate for ECS children and students in Grades 1-12. Services offered beyond the mandate for public education are to be self-supporting, and Alberta Education funding may not be utilized to support these programs.

The allocation of revenues and expenses are reported by program, source, object and type on Schedule 3 Program of Operations.

**q) Financial instruments**

The Corporation classifies its financial instruments at either the fair value or amortized cost. The accounting policy for each category is as follows:

*Fair Value*

This category includes derivatives and portfolio investments in equity instruments quoted in an active market. The Corporation has designated its bond portfolio that otherwise would be classified into the amortized cost category at fair value as the Corporation manages and reports performance of it on a fair value basis. These are initially recognized at cost and subsequently carried at fair value. Unrealized changes in fair value are recognized into the Statement of Remeasurement Gains and Losses until they are realized and de-recognized, when they are transferred to the statement of operations, upon disposal.

Transaction costs related to financial instruments in the fair value category are expensed as incurred.

Where the decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the Statement of Operations. Upon disposal, the

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(q) Financial instruments (continued)**

amount held in accumulated remeasurement gains and losses associated with that instrument is removed from accumulated surplus and recognized in the Statement of Operations.

*Cost / Amortized Cost*

This category consists of cash and cash equivalents, accounts receivable, guaranteed investment certificates (GICs), accounts payable and accrued liabilities, long-term debt and capital lease obligations. They are initially recorded at cost and subsequently measured at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are written down to the net recoverable value with the write-downs being recognized into the statement of operations.

Unless otherwise noted, it is management's opinion that the Corporation is not exposed to significant credit, liquidity, and market risk, which includes currency, interest rate and other price risks.

**(r) Measurement uncertainty**

The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of consolidated financial statements for a period involves the use of estimates and approximations, which have been made using professional judgment. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization, estimated employee future benefits and rates used in the determination of asset retirement obligations.

**(s) Budgetary information**

Budget information is presented on the Statement of Operations and Statement of Changes in Net Debt and on the related schedules and represents the budget approved by the Board of Trustees and submitted to Alberta Education in June 2016. The budget was amended in November 2016 and accepted by the Board of Trustees at that time.

**(t) Contingent assets**

In June 2015, the Public Sector Accounting Board issued this accounting standard effective for fiscal years starting on or after April 1, 2017. By definition, a contingent asset is a possible asset arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one or more future events not wholly within the public sector entity's control occurs or fails to occur. Resolution of the uncertainty will confirm the existence or non-existence of an asset. The Corporation adopted this accounting standard prospectively as of Sept. 1, 2016. The adoption of this standard did not have a significant impact on the consolidated financial statements of the Corporation.

**(u) Contractual Rights**

In June 2015, the Public Sector Accounting Board issued this accounting standard effective for fiscal years starting on or after April 1, 2017. By definition, a contractual right arises out of a contract or agreement that is binding between two or more parties, has clear economic consequences and is enforceable by law. The Corporation adopted this accounting standard prospectively as of Sept. 1, 2016. The adoption results in additional note disclosure (see note 15).

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(v) Related Party Disclosures**

In March 2015, the Public Sector Accounting Board issued this accounting standard effective for fiscal years starting on or after April 1, 2017 and to be applied prospectively. By definition, a related party transaction is a transfer of economic resources or obligations between related parties, or the provision of services by one party to a related party. The Corporation adopted this accounting standard prospectively as of Sept. 1, 2016. The adoption of this standard did not have a significant impact on the consolidated financial statements of the Corporation.

**(w) Inter-entity transactions**

In March 2015, the Public Sector Accounting Board issued this accounting standard effective for fiscal years starting on or after April 1, 2017. By definition, inter-entity transactions are those transactions occurring between commonly controlled entities. Commonly controlled entities are all public sector entities that comprise a government's reporting entity. The Corporation adopted this accounting standard prospectively as of Sept. 1, 2016. The adoption of this standard did not have a significant effect on the consolidated financial statements of the Corporation.

**(x) Future accounting standards**

As at Aug. 31, 2017, the following Exposure drafts from PSAS are in place:

- Restructuring transactions – PSAB has issued a new Handbook Section (PS 3430) regarding restructuring transactions. The proposed effective date for Government organizations for year-ends beginning Apr.1, 2018 with earlier adoption permitted.
- Asset retirement obligations – PSAB has issued a Exposure Draft (PS 3280) that addresses the reporting of legal obligations associated with the retirement of tangible capital assets. The Public Sector Accounting Standards Board has not set an effective date for adoption of the standard.

None of the above is expected to have a significant effect on the consolidated financial statements of the Corporation.

**3. CASH AND CASH EQUIVALENTS**

	<b>2017</b>		<b>2016</b>	
	Effective market yield	Amortized cost	Effective market yield	Amortized cost
Bank balances <sup>(1)</sup>	\$	87,951	\$	130,253
Outstanding cheques		(2,407)		(2,426)
Cash equivalents (GIC)	1.30	873	1.40	56,666
<b>Total cash and equivalents</b>		<b>\$ 86,417</b>		<b>\$ 184,493</b>

<sup>(1)</sup> Includes cash balances restricted for EducationMatters in the amount of \$401 (2016 - \$135).

General operating and other bank indebtedness

The Corporation maintains a line of credit to a maximum of \$25,000 (2016 - \$19,200) with a 2.95% (2016 – 2.95%) borrowing rate that has been negotiated with its banker for general operating purposes. The line of credit is secured against the Corporation's accounts receivable at bank prime rate. At Aug. 31, 2017, no amount has been drawn against the Corporation's general operating line of credit (2016 - \$nil).

Supplementary cash flow information

For the year ended Aug. 31, 2017, cash interest paid on debenture debt amounted to \$273 (2016 - \$463) and cash interest earned (both operating and capital) and dividends received on portfolio investments totalled \$3,691 (2016 - \$3,828).

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**4. ACCOUNTS RECEIVABLE**

	2017			2016
	Gross amount	Allowance for doubtful accounts	Amortized cost	Amortized cost
Alberta Education - capital	\$ 10,095	\$ -	\$ 10,095	\$ 39,055
Fees	6,045	(4,816)	1,229	1,858
Other	2,453	(92)	2,361	2,057
Federal government	2,231	-	2,231	2,425
Municipalities	1,855	-	1,855	2,039
Alberta Treasury Board and Finance	1,481	-	1,481	3,120
Alberta Education - operating grants	998	-	998	1,046
Insurance claims	376	-	376	546
Other Alberta school jurisdictions	221	-	221	420
Alberta Education - sub teacher	195	-	195	167
First Nations	20	-	20	28
Alberta Education - other	-	-	-	116
	<u>\$ 25,970</u>	<u>\$ (4,908)</u>	<u>\$ 21,062</u>	<u>\$ 52,877</u>

**5. DEFERRED REVENUE**

	2017	2016
<b>Unexpended deferred operating revenue</b>		
School Generated Funds (Note 14)	\$ 15,259	\$ 16,233
Infrastructure Maintenance Renewal grants	1,189	11,707
International Student Fees	9,965	8,688
Alberta Education operating grants	2,335	3,099
Other	3,863	7,557
Total unexpended deferred operating revenue	32,611	47,284
Unexpended deferred capital revenue	10,425	87,963
Expended deferred capital revenue	1,072,414	943,882
<b>Total deferred revenue</b>	<b>\$ 1,115,450</b>	<b>\$ 1,079,129</b>

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2017	2016
Other trade payables and accrued liabilities	\$ 50,423	\$ 47,852
Salaries and benefit costs	30,560	34,191
Accrued vacation liability	8,456	8,287
Federal Government	197	211
Alberta Health Services	129	12
Alberta Capital Finance Authority (interest on supported debt)	99	185
Post-secondary institutions	18	-
Other Alberta school jurisdictions	7	3
Other Government of Alberta ministries	-	3
<b>Total</b>	<b>\$ 89,889</b>	<b>\$ 90,744</b>



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**7. EMPLOYEE FUTURE BENEFITS**

**(a) Employee Future Benefits Schedule**

	<u>2017</u>	<u>2016</u>
Supplemental integrated pension plan	\$ 723	\$ 262
Supplementary retirement plan	245	217
Post retirement and post-employment benefit plans	<u>24,577</u>	<u>24,349</u>
Employee future benefits	<u>\$ 25,545</u>	<u>24,828</u>

**(b) Supplemental Integrated Pension Plan (SiPP) and Supplemental Executive Retirement Program (SERP)**

The Corporation's net pension expense for the registered portion of SiPP for the year was \$46 (2016 - \$30).

The net pension expense for SERP was \$476 (2016 - \$101). The total liability for the SERP at Aug. 31, 2017 was \$723 (2016 - \$262).

**(c) Supplementary Retirement Plan (SRP)**

The total liability for the SRP at Aug. 31, 2017 was \$245 (2016 - \$217).

**(d) Post-Retirement and Post-Employment Benefits Plans (PRB/PEB)**

Changes in PRB/PEB

The following table provides the plans' change in Post Retirement and Post-Employment Benefits Plans ("PRB/PEB") for the year ended Aug. 31, 2017 and 2016:

To date, \$24,577 (2016 - \$24,349) has been accrued in the Corporation's consolidated financial statements as a liability for PRB/PEB.

	<u>2017</u>	<u>2016</u>
Liability for PRB/PEB, beginning of year	\$ 24,349	\$ 24,583
Current service cost	1,286	1,223
Interest cost	1,244	1,263
Benefits payments	(3,339)	(3,670)
Amortization of net actuarial losses	<u>1,037</u>	<u>950</u>
Liability for PRB/PEB, end of year	<u>\$ 24,577</u>	<u>\$ 24,349</u>

Plan Funded Status

Reconciliation of funded status of benefit plans to the amounts recorded in the consolidated financial statements is as below:

	<u>2017</u>	<u>2016</u>
Accrued benefit obligation, ending balance	\$ 33,019	\$ 33,519
Unamortized net actuarial losses	<u>(8,442)</u>	<u>(9,170)</u>
Liability for PRB/PEB, ending balance	<u>\$ 24,577</u>	<u>\$ 24,349</u>

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**7. EMPLOYEE FUTURE BENEFITS (continued)**

Components of Net Periodic Post - Retirement Benefit Cost

The net period benefits cost for pension plans include the following components for the year ended Aug. 31 are:

	<u>2017</u>	<u>2016</u>
Current period service cost	\$ 1,286	\$ 1,223
Amortization of net actuarial (gains) losses	1,037	950
Benefit expenses	<u>2,323</u>	<u>2,173</u>
Benefit interest expenses	1,244	1,263
Total benefit expenses	<u>\$ 3,567</u>	<u>\$ 3,436</u>

The accrued benefit obligations for employee future benefit plans as at Aug. 31, 2017 are based on actuarial valuations for accounting purposes as at Aug. 31, 2015. These actuarial valuations were based on assumptions about future events. The economic assumptions used in these valuations are the Corporation's best estimates of expected rates of:

	<u>2017</u>	<u>2016</u>
Discount rate on accrued benefit obligation	4.60%	3.80%
Rate of Compensation increase	3.50%	3.50%
Supplemental health care (SHC) cost trend rate	7.00%	7.00%
Dental cost trend rate	4.50%	4.50%

**(e) Alberta Teachers Retirement Fund (ATRF)**

The current service and past service costs of the ATRF are met by contributions by active members and the Province of Alberta. Under the terms of the *Teachers' Pension Plan Act*, the Corporation does not make pension contributions for certificated staff and does not report on any unfunded liabilities. The service costs for the members are funded and contributed by the Province of Alberta in the amount of \$73,005 (2016 - \$75,693) and are included in these consolidated financial statements as revenue from the Government of Alberta and as certificated benefits expense. At Aug. 31, 2016, the ATRF reported a surplus of \$1,891,699 (2016 - \$1,227,747).

**(f) Local Authorities Pension Plan (LAPP)**

The Corporation participates in the LAPP, which is a multi-employer pension plan and does not report on any unfunded liabilities. The service costs for the employees for the current year of \$21,518 (2016 - \$20,530) are included in these consolidated financial statements and comprise the Corporation's costs of employer contributions. At Dec. 31, 2016, the LAPP reported a deficiency of \$637,357 (2016 - \$923,416).

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**8. ASSET RETIREMENT OBLIGATION**

	<u>2017</u>	<u>2016</u>
Balance, beginning of year	\$ 327	\$ 327
Obligations discharged, during the year	-	-
Balance, end of year	<u>\$ 327</u>	<u>\$ 327</u>

An interest rate of 5.35 per cent is applicable to discount expected cash flows for calculation of the initial obligation and a rate of 3.7 per cent would be applicable for accretion of the obligation.

The Corporation has not recorded an asset retirement obligation for the estimated costs of restoring certain schools that may have asbestos as the Corporation is unable to determine the value of this liability as all locations and amounts of asbestos are unknown.

**9. DEBENTURES AND OTHER SUPPORTED DEBT**

The debentures for the acquisition of school buildings are funded directly by Alberta Education (pre-1995). Those debentures were issued by Alberta Capital Finance Authority (ACFA) for periods of 15, 20 or 25 years in those years prior to 1995 when the Corporation had local taxing authority, at fixed interest rates ranging from 7.625 per cent to 9.750 per cent, and mature at various dates to 2020. Balances at Aug 31, 2017 are \$1,369 (2016 - \$2,936) and are repayable by 2020. All debenture principal and interest payments are fully guaranteed by the Province of Alberta. Minimum principal repayments of debentures based on the terms above are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	841	128	969
2019	296	52	348
2020	<u>232</u>	<u>24</u>	<u>256</u>
Total	<u>\$ 1,369</u>	<u>\$ 204</u>	<u>\$ 1,573</u>

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**10. CAPITAL LEASES**

Capital leases are approved by the Alberta Minister of Education for internally financed projects. All capital leases are secured by identified assets of the Corporation (see Note 3). The Corporation has set aside restricted long-term investments of \$13,190 (refer to Schedule 5) to retire the outstanding lease obligation as of Aug. 31, 2017. As of Aug. 31, 2017, capital lease obligations pertaining to the Corporation are as summarized below:

	<u>2017</u>	<u>2016</u>
Finance contracts, secured by certain building components at interest rates ranging from 2.17 per cent - 3.17 per cent, repayable in annual installments of \$610,155 including interest, maturing August 2018 through August 2022.	\$ 2,606	\$ 3,131
Finance contracts, secured by certain building components at interest rates ranging from 1.67 per cent - 3.17 per cent, repayable in annual installments of \$509,887 including interest, maturing August 2018 through August 2022.	5,407	3,097
Finance contracts, secured by certain building components at interest rates ranging from 1.67 per cent - 2.94 per cent, repayable in annual installments of \$411,490 including interest, maturing August 2019 through August 2022.	2,398	2,832
Finance contracts, secured by certain building components at interest rates ranging from 1.67 per cent - 2.52 per cent, repayable in annual installments of \$127,180 including interest, maturing August 2022.	<u>2,130</u>	<u>1,121</u>
	<u>\$ 12,541</u>	<u>\$ 10,181</u>

Minimum lease payments for future years are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 3,191	\$ 305	\$ 3,496
2019	2,428	216	2,644
2020	1,313	154	1,467
2021	2,937	124	3,061
2022	2,672	67	2,739
Total	<u>\$ 12,541</u>	<u>\$ 866</u>	<u>\$ 13,407</u>

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**11. ACCUMULATED SURPLUS**

The components of the Corporation's accumulated surplus are described below:

**(a) Accumulated remeasurement gains and losses**

Under PSAS, the change in the fair value of investments is recognized in the Statement of Accumulated Remeasurement Gains and Losses as a remeasurement gain or loss until the portfolio investments are derecognized. Upon derecognition, the accumulated remeasurement gains or losses associated with the derecognized portfolio investments are reversed and reclassified to the Statement of Operations. For the year ended Aug. 31, 2017, total accumulated surplus from accumulated remeasurement gains was \$2,011 (2016 - \$3,728).

**(b) Accumulated operating surplus**

i. Restricted surplus from operations

Where certain instructional initiatives are planned or in progress, the Corporation has designated or restricted operating funds for these specific purposes. Operating reserves have been established for specific program requirements to stabilize annual fee rates or to offset the cost of programs and services in future years. These fund designations and reserves have been established consistent with Provincial legislation and by Board of Trustees' resolution and will be applied to finance future expenses in accordance with the specific requirements of each of these resolutions.

Operating funds have been designated by the Board of Trustees for the following purposes:

	<u>2017</u>	<u>2016</u>
School decentralized budgets	\$ 2,854	\$ 5,862
Instructional and service unit initiatives	2,677	1,052
EducationMatters	1,918	1,812
Total designated operating fund	<u>\$ 7,449</u>	<u>\$ 8,726</u>
Fiscal stability	\$ 21,803	\$ 41,241
Total operating reserves	<u>\$ 21,803</u>	<u>\$ 41,241</u>
<b>Total operating surpluses</b>	<b><u>\$ 29,252</u></b>	<b><u>\$ 49,967</u></b>

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**11. ACCUMULATED SURPLUS (continued)**

**(b) Accumulated operating surplus (continued)**

ii. Capital reserves

The Corporation's capital reserves and designated capital funds are established by Board of Trustees' resolution and in accordance with Provincial legislation, and are funded from proceeds on disposals of capital assets, provision from operating funds, or from lease revenues. To date, the following capital reserves and designated capital funds have been established:

	<u>2017</u>	<u>2016</u>
Building reserve	\$ 9,019	\$ 9,019
Other capital reserves	22,584	29,401
Plant, operations and maintenance asset replacement	798	798
Total capital reserves	<u>\$ 32,401</u>	<u>\$ 39,218</u>

The reserves and designated funds are to be applied to finance future capital expenditures in accordance with the specific requirements of each Board resolution. At Aug. 31, 2017, \$16,913 (2016 - \$23,729) is committed or designated for a specified purpose leaving \$15,489 (2016 - \$15,489) which remains available for new building commitments.

iii. Investments in capital assets

	<u>2017</u>	<u>2016</u>
Investment in capital assets	<u>\$ 159,776</u>	<u>\$ 147,374</u>

Investment in capital assets represents the Corporation's net investment of operating funds that have been used from time to time to purchase building improvements, capital equipment and technology infrastructure to support the general operating activities of the Corporation.

iv. Endowments

As a result of consolidating EducationMatters, the Corporation has included the Endowment Fund which represents the principal amounts contributed for the benefit of students which must be held in perpetuity by EducationMatters in accordance with stipulations placed by the contributor.

	<u>2017</u>	<u>2016</u>
Endowments	<u>\$ 3,850</u>	<u>\$ 3,856</u>

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**11. ACCUMULATED SURPLUS (continued)**

**(b) Accumulated surplus from operations (continued)**

v. *Adjusted accumulated surplus*

The Corporation has recorded a provision for employee future benefits. Since this provision reflects estimated future obligations, it is not required to be funded from current operations. Accumulated surplus is adjusted as follows:

	<u>2017</u>	<u>2016</u>
Restricted surplus from operations	\$ 29,252	\$ 49,967
Employee future benefits	(10,164)	(10,164)
<b>Unrestricted surplus and operating reserve</b>	<u>\$ 19,088</u>	<u>\$ 39,803</u>
Accumulated surplus	\$ 227,290	\$ 244,142
Employee future benefits	(10,164)	(10,164)
<b>Adjusted accumulated surplus</b>	<u>\$ 217,126</u>	<u>\$ 233,978</u>

Adjusted accumulated surplus represents mostly encumbered and capital asset investment balances such as commitments made in the 2016-17 and 2017-18 budget process for capital and operating initiatives as well as our net investment in capital assets.

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**12. RELATED PARTIES**

**(a) Province of Alberta and economic dependence**

The Corporation is economically dependent upon the Government of the Province of Alberta, since the viability of its on-going operations depends on grants and contributions from Alberta Education and other provincial ministries.

Effective 2005-06, school jurisdictions have been deemed to be controlled by the Government of Alberta according to criteria set out in the Canadian Institute of Chartered Accountants Public Sector Accounting Standards Section 1300, Government Reporting Entity. All entities consolidated or accounted for on a modified equity basis in the accounts of the Government of Alberta are now considered related parties of school jurisdictions for financial reporting purposes. These include government departments, health authorities, post-secondary institutions and all school jurisdictions in Alberta.

Assets, liabilities and transactions of the Corporation that relate to the Government of Alberta are as follows:

	Assets (at cost or net realizable value)	Liabilities	Revenues	Expenses
<b>Government of Alberta (GOA):</b>				
<b>Education</b>				
Accounts receivable / accounts payable	\$ 12,222	\$ -	\$ -	\$ -
Prepaid expenses / deferred revenue	-	3,520	-	-
Unexpended deferred capital revenue	-	10,425	-	-
Expended deferred capital revenue	-	1,072,414	33,140	-
Other revenue and expenses	-	-	600	-
Grant revenue & expenses	-	-	1,230,285	-
<b>Other Alberta school jurisdictions</b>	220	7	1,036	76
<b>Treasury Board and Finance (Principal)</b>	1,382	-	-	-
<b>Treasury Board and Finance (Accrued Interest)</b>	99	1,288	273	-
<b>Alberta Health Services</b>	-	129	48	1,132
<b>Post-secondary institutions</b>	-	18	9	714
<b>Other Government of Alberta</b>	-	-	-	326
Alberta Pensions Administration Corporation	-	-	-	41,224
Alberta Labour - STEP	-	-	15	-
Alberta Community and Social Services	-	-	161	-
<b>TOTAL 2017</b>	<b>\$ 13,923</b>	<b>\$ 1,087,801</b>	<b>\$ 1,265,567</b>	<b>\$ 43,472</b>
<b>TOTAL 2016</b>	<b>\$ 43,925</b>	<b>\$ 1,047,380</b>	<b>\$ 1,241,029</b>	<b>\$ 41,116</b>

**(b) Other**

Various parent groups, including societies and other associations, solicit donations and undertake fundraising activities to provide operating and capital donations to further the objectives of the Corporation. The financial information of these groups is not consolidated in these financial statements as the Corporation has no control over any of those entities.



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**13. FEES REVENUE**

	<u>2017</u>	<u>2016</u>
Transportation fees	\$ 8,642	\$ 8,173
Fees charged for instruction materials and supplies	9,870	10,134
Noon supervision	13,884	13,389
Other (school generated funds and Chinook)	19,386	19,865
Total fees	<u>\$ 51,782</u>	<u>\$ 51,561</u>

**14. SCHOOL GENERATED FUNDS**

	<u>2017</u>	<u>2016</u>
Deferred school generated revenue, beginning of year	\$ <u>16,233</u>	\$ <u>17,221</u>
Gross receipts		
Fees	18,350	16,382
Fundraising	10,125	9,894
Gifts and donations	6,485	6,895
Grants to school	275	321
Other sales and services	<u>165</u>	<u>1,739</u>
Total gross receipts	\$ 35,400	\$ 35,231
Less:		
Related expenses and uses of funds	30,294	29,342
Direct costs including costs of goods sold to raise funds	<u>6,080</u>	<u>6,877</u>
	<u>(974)</u>	<u>(988)</u>
Deferred school generated revenue, end of year (Note 5)	<u>\$ 15,259</u>	<u>\$ 16,233</u>

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**15. CONTRACTUAL OBLIGATIONS AND CONTINGENT LIABILITIES**

**(a) Contractual obligations**

	<u>2017</u>	<u>2016</u>
Capital projects <sup>(1)</sup>	\$ 91,784	\$ 80,620
Office lease <sup>(2)</sup>	200,050	213,154
Service providers <sup>(3)</sup>	<u>118,799</u>	<u>103,496</u>
Total	<u>\$ 410,633</u>	<u>\$ 397,270</u>

(1) Capital projects:

The Corporation has contractual commitments to complete major capital projects relating to school buildings and administrative sites. The full amount of the outstanding contractual obligations as at the reporting date is to be funded by capital contributions from Alberta Education.

(2) Office lease:

The Corporation entered into various operating lease agreements for office spaces that expire up to February 2031, from which the annual rental of \$1,765 (2016 - \$1,848) is recovered annually.

(3) Service providers:

As at Aug. 31, 2017, the Corporation has the following commitments relating to service and grant contracts:

- The Corporation has revised its service agreement related to certain payroll and human resources administration processes expiring Oct. 14, 2019.
- Effective Sept 1, 2006, the Corporation entered into a Master Transportation Agreement with Southland Transportation Ltd. for the provision of student school bus transportation services. The initial term of the agreement was ten years (expired Aug. 31, 2016) and the Corporation has renewed twice for one year, now expiring Aug. 31, 2018. Each year during the term, the Corporation enters into a yearly service agreement with the carrier, outlining the services to be provided, the applicable daily base rate, and all other anticipated fees and charges under the agreement.
- The Corporation entered into an electricity supply agreement with Enmax to the end of December 2020. The Corporation entered in a natural gas supply agreement with Direct Energy expiring December 2020.

Estimated payment requirements for each of the next five years and thereafter are as follows:

	<u>Capital Projects</u>	<u>Office Lease and operating costs</u>	<u>Service Providers</u>	<u>Total</u>
2018	\$ 75,942	\$ 13,746	\$ 62,627	\$ 152,315
2019	12,542	13,794	20,413	46,749
2020	3,300	13,576	14,042	30,918
2021	-	13,822	11,174	24,996
2022	-	14,068	9,237	23,305
Thereafter	<u>-</u>	<u>131,044</u>	<u>1,306</u>	<u>132,350</u>
<b>Total</b>	<u>\$ 91,784</u>	<u>\$ 200,050</u>	<u>\$ 118,799</u>	<u>\$ 410,633</u>

**(b) Contingent liabilities**

From year to year, legal actions are brought against the Corporation in the normal course of operations. Management believes that the ultimate resolution of claims presently outstanding is not expected to be significant to the overall financial position of the Corporation.

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**16. TRUST FUNDS UNDER ADMINISTRATION**

	<u>2017</u>	<u>2016</u>
Scholarship trust funds	\$ 14	\$ 9
School staff funds	19	121
	<u>\$ 33</u>	<u>\$ 130</u>

**17. THE URBAN SCHOOLS INSURANCE CONSORTIUM (“USIC” or “the CONSORTIUM”)**

The Corporation is a member of USIC, a licensed reciprocal insurance exchange under Alberta’s *Insurance Act*, which facilitates the placement of property and liability insurance coverage for 14 school jurisdictions throughout the Province of Alberta. Under the agreement created at the time USIC was established, decisions related to the financial and operating activities of the Consortium are shared. No partner is in a position to exercise unilateral control. Amounts are paid by each of the members to the consortium to pay for insurance premiums on policy renewals and to self-insure a portion of each member’s risk exposure.

The Corporation has elected not to proportionately consolidate pro-rata share of assets, liabilities, revenues and expenses of the consortium, as the accumulated consortium funds are payable only upon membership termination or dissolution of the consortium.

The Corporation’s share of the accumulated and unencumbered consortium funds as at Aug. 31, 2017 was \$2,596 (2016 - \$1,539).

**18. SEGMENTED INFORMATION**

Segmented information has been identified based upon lines of service provided and activities performed by the Corporation. Alberta Education requires that school jurisdictions disclose expenses based on the type of activity or services provided, regardless of whether they are incurred at schools or centrally. The services that have been separately disclosed in the segmented information, along with a description of those services, are as follows:

i. *Instruction (ECS and grades 1 – 12)*

Instruction is comprised of both the delivery of instruction in schools as well as school administration and support provided for instruction centrally.

ii. *Plant, operations and maintenance*

Activities related to the construction, operation, maintenance, safety and security of school buildings and support provided to administer these activities are included as plant, operations and maintenance.

iii. *Transportation*

The Corporation offers transportation services to students meeting eligibility criteria. All direct activities related to transporting students and the support to run the program is included in Transportation.

iv. *Administration*

Administration includes system-wide activities for the purpose of general regulation and direction of the affairs of the school jurisdiction.

v. *External services*

External services includes services offered outside the Corporations regular educational programs for kindergarten to Grade 12 students such as continuing adult education.

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**18. SEGMENTED INFORMATION (continued)**

Certain allocation methodologies are employed in the preparation of segmented financial information. Amortization expense is allocated to segments based upon the purpose of the capital asset that is being utilized.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 2. See Schedule 3 – Program of Operations for details.

**19. BUDGET COMPARATIVES**

The CBE's annual budget is first prepared in the spring prior to the start of the school year using enrolment estimates and Alberta Government budget announcements. This 2016-17 budget was approved by the Board of Trustees on Jun. 21, 2016 and submitted to Alberta Education on June 21, 2016. In the fall, the budget was updated to reflect actual enrolment numbers and was accepted by the Board of Trustees on November 29, 2016.

The fall budget update is presented in the Consolidated Statement of Operations for comparative purposes. The table below shows the original approved budget compared with the budget as presented for comparative purposes and the difference is the impact of the updated enrolment numbers on revenues and planned expenditures.

Amounts budgeted for capital assets acquired only include board-funded assets, which excludes all capital activity that is funded directly by the Province of Alberta, such as new school construction and modular units. During the year, the actual Board-funded capital acquisitions were \$35,172 (2016 - \$34,464) as shown in Schedule 1.

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**19. BUDGET COMPARATIVES (continued)**

	<u>Original Budget</u>	<u>Budget as presented for comparative purposes</u>	<u>Increase /(Decrease)</u>
<b>Revenues</b>			
Alberta Education	\$ 1,224,643	\$ 1,230,690	\$ 6,047
Other Government of Alberta	618	618	-
Federal Government & First Nations	2,650	2,650	-
Other sales and services	19,091	19,340	249
Fees revenue	51,067	51,476	409
Investment revenue	3,345	3,345	-
Other Alberta school authorities	522	572	50
Gifts and donations	6,142	6,142	-
Fundraising	9,800	9,800	-
Rentals	6,270	6,281	11
Other revenue	-	58	58
<b>Total revenues</b>	<u>\$ 1,324,148</u>	<u>\$ 1,330,972</u>	<u>\$ 6,824</u>
<b>Expenses</b>			
Instruction: grades 1-12	1,013,866	1,020,043	6,177
Instruction: early childhood services	51,068	51,048	(20)
Board and system administration	36,952	37,073	121
Transportation	45,301	45,393	92
Plant operations and maintenance	173,880	174,053	173
External services	22,907	23,188	281
<b>Total expenses</b>	<u>\$ 1,343,974</u>	<u>\$ 1,350,798</u>	<u>\$ 6,824</u>
<b>Annual surplus / (deficit)</b>	<u>\$ (19,826)</u>	<u>\$ (19,826)</u>	<u>\$ -</u>
<b>Transfer from operating reserves/designated funds</b>			
Transfer from operating reserves	26,126	26,126	-
Transfer from designated funds - schools	-	5,862	5,862
Transfers from designated funds - service units	-	1,052	1,052
	<u>\$ 26,126</u>	<u>\$ 33,040</u>	<u>\$ 6,914</u>
<b>Add/(deduct) capital items paid by operating funds</b>			
Capital assets acquired	(34,464)	(59,625)	(25,161)
Board funded amortization	29,729	24,229	(5,500)
Debt repayments	(3,765)	(3,765)	-
Use of capital reserves	2,200	25,947	23,747
	<u>\$ (6,300)</u>	<u>\$ (13,214)</u>	<u>\$ (6,914)</u>
<b>Cost to be reduced/efficiencies identified</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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**20. SUBSEQUENT EVENT**

**Classroom Improvement Fund**

On Sept. 8, 2017 the Corporation was approved by Alberta Education to receive grant funding in the total amount of \$13,022 to be distributed to schools over the 2017-18 school year to improve the student experience in the classroom. The Classroom Improvement Fund (CIF) may be used for the following types of items: hiring additional teachers, hiring of additional non-teaching staff, cost of new or augmented development initiatives to address student specific needs, materials or equipment for the classroom, as well as other items. This grant as well as the corresponding expenses of the same amount will be reflected in the Fall 2017 Budget Update.

**21. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified where necessary to conform to the current year's presentation.



# Management's Discussion and Analysis

## For the year ended August 31, 2017

### Overview

The Calgary Board of Education (CBE) is the public school board in Calgary, Alberta, Canada. We believe every student is unique and personalized learning delivered by capable and competent educators, ably led, is the key to their success. From Early Childhood Services (ECS) - Grade 12 as well as continuing adult education the CBE operates a variety of programs and services to support each and every student. The CBE is one of the best public education systems in the world. Outstanding education depends on making wise decisions about how to invest public resources on behalf of over 119,000 students. It's an important responsibility. The money we spend educating youth is one of the most important investments society can make in its future.

We work with students, families, communities, Alberta Education and employees to build positive learning and working environments. Our work is guided by the Board of Trustees' policies, the CBE Three-Year Education Plan and the direction set by Alberta Education.

Our values guide our work:

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

### Priorities for learning

The CBE is organized so that school-based staff devote the maximum amount of time to instruction. It is the CBE's belief that the teacher in the classroom with students has the most direct impact on a student's educational outcomes. This means that many services and supports that directly impact staff and students are provided through supporting service units. Doing this creates efficiency in services provided and significantly reduces the administrative burden placed on school-based leaders and their staff.

Each school is led by a principal who is responsible for meeting the learning needs of each student through the provision of high-quality teaching and learning. Financial resources are allocated to each school in support of teaching and learning. Principals make staffing and deployment decisions using those funds because it is the CBE's belief that school principals, in consultation with their communities, students, and staff, are best positioned to make school-based spending decisions. As a result, individual school results may vary from the budget and from the prior year based on the inherently variable nature of school-based spending decisions.

Personalization of learning remained our overarching strategy in the 2016-17 school year. This included:

- improving results for our First Nations, Métis and Inuit learners through a new Indigenous Education strategy that includes, in part, graduations coaches in each of our high schools and the opening of our [Niitsitapi Learning Centre](#);
- extending and enhancing inclusive practices through the continued building of professional capital;
- advancing our leadership practices through a focused leadership development program and the development of a new teacher induction process. Teacher practice is the single biggest determinant of a student's success so investing in our teachers is the best investment we can make in our students;
- developing a systemic approach for mathematics and implementing the literacy strategy; and
- further refining the [High School Success](#) strategy.

## Support for student success

Students are at the centre of everything we do at the CBE; our budget and our spending reflects that focus. The funding provided to the CBE and the allocation of resources within the CBE supports the organization's achievement of the expectations and results established by the Board.

Our work is guided by our [Three-Year Education Plan](#), which connects each CBE employee to student success. Our goal is to create an environment where each student can become an engaged learner, prepared for success in life, work and future learning.

## Operating activities

### Instruction

In the 2016-17 school year, \$1.1 billion dollars (including 8,624 Full Time Equivalent (FTEs)) were allocated to instruction in direct support of the achievement of success for each student. This includes spending in schools and areas as well as supports that are centrally managed including: psychologists, braille assistants, deaf and hard of hearing specialists, mental health specialists, occupational and physical therapists, speech language pathologists, strategists, school/family liaison workers, multicultural services, school-based technology support, student records and more. Public education requires an integrated network of professionals working in collaboration to support students in their learning.

### Plant, Operations and Maintenance

Costs incurred in the plant, operations and maintenance block are essential for the safe operation of our facilities and provide quality learning environments for students. The CBE has made a decision to concentrate school-based facility operations staff (cleaners and facility operators) under the management of our Facility and Environmental Services service unit and not allocate them to schools directly. This approach ensures that our school administrators can continue to focus on the critical function of instructional leadership.

A total of \$174.6 million (including 884 FTEs, 627 of which are school-based facility operations staff) was provided to maintain quality learning environments in support of student success in 2016-17. The remaining 257 FTEs are the staff responsible for the construction, maintenance, safety and security of all school buildings such as painters, carpenters, security operators and safety specialists. Also



included within this group are the staff that complete the maintenance and repair work funded via the *Infrastructure Maintenance and Renewal* grant.

## Transportation

The CBE is one of the largest transportation service providers in the Province of Alberta. In 2016-17, about 38,000 CBE students traveled safely and reliably to and from school daily via various modes of transportation including yellow school buses and Calgary Transit services. Of those, approximately 26,000 were on a yellow school bus on more than 1,100 routes.

These yellow school bus riders are typically in kindergarten - Grade 9. Half attend a regular program or are students with complex transportation needs. The other half are students enrolled in a wide range of language and non-language alternative programs (sometimes referred to as “programs of choice”). Some students do not have a community school where they live and need to travel out of their community to reach their designated school. Others choose to attend an alternative program, and others have exceptional learning needs that are best met in special settings.

The funding received from the Province targeted for transportation did not fully cover the cost of the service levels we offered. The cost of transportation in 2016-17 was \$52.9 million (including 43 FTEs, 30 of which are school-based busing aides and 13 of whom are schedulers, fee clerks, IT and administrative support). Provincial transportation funding was \$34.0 million and parent fees totalling \$8.6 million were charged to supplement the funding received for the provision of transportation. For more detail on the transportation program, please see page 15.

## External services

External services are services that are offered outside of the regular educational programs for ECS - Grade 12. These programs are offered on a cost recovery basis and include activities such as adult education, continuing education and the noon supervision program. External services are fully funded via non-provincial revenue.

Total external services costs in 2016-17 were \$24.0 million (including 262 FTEs). Of this amount, \$14.2 million (226 FTEs) relate to the noon supervision program.

The noon supervision program is a fee-based service that provides supervision to grades one through six students over the lunch period. The noon supervision program utilizes non-teaching staff so as to maximize the teacher time available under the collective agreement to support student learning. Lunch room supervision must be compliant with the Staff Association Main Body collective agreement language outlined in Clause 11.5.1 which states parameters around scheduling, and must be Staff Association employees working in compliance with position descriptions. The Noon Services Administrative Regulation provides guidelines for noon services offered to students as well as the charging of fees and can be found [on our website](#).

## Board and System Administration

Finally, board and system administration<sup>1</sup> costs support student success by providing core system supports to student learning. These costs were \$36.9 million (including 158 FTEs). At 2.7 per cent of

<sup>1</sup> Board and system administration includes the costs of administrative functions and core program supports for the jurisdiction, at the system level. This grouping of costs is a reporting requirement by Alberta Education. Details of these expenses are provided in the Financial section of this report.

operating expenses, these costs were well below the Alberta Education cap of 3.6 per cent. This means that \$11.8 million (the difference between 3.6 percent and 2.7 percent of total expenditures) of the allowable administrative allocation was made available to fund other supports to students. The CBE is committed to maximizing the funds available to directly support students and their learning.

## Staffing and full time equivalents (FTEs)

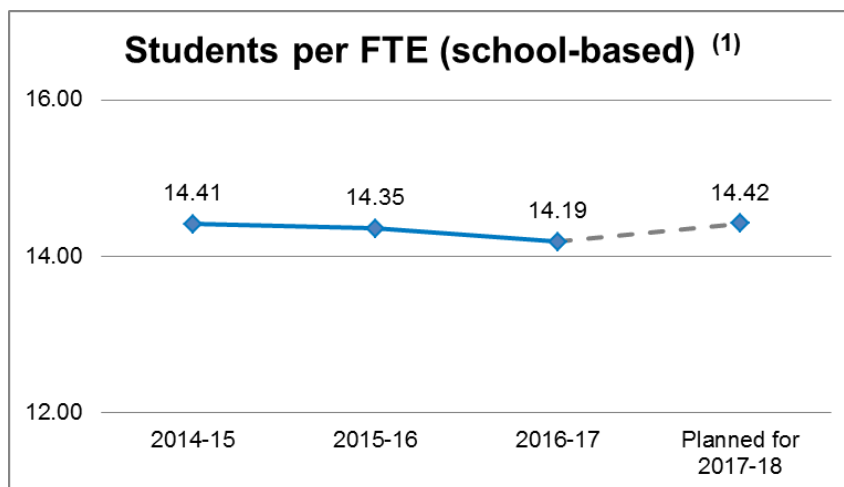
More than 14,000 people worked for the CBE in fiscal 2016-17, which equated to 9,971 full-time equivalent (FTE) positions. Each one of our employees plays an important role in supporting students in their learning. Teachers, principals and school-based employees work with students to unlock their passions and potential. They are supported by knowledgeable employees who work in a variety of other capacities across all of the supporting service units.

The CBE spends the greatest proportion of its funds (77 per cent) on salaries and benefits with certificated staff (teachers) making up the majority of that total. The provincial grant increases in past years has not been sufficient to keep up with enrolment growth and to cover the negotiated wage rate increases and wage grid movement for teachers and support staff. As a result, the number of FTEs has not always increased at a rate equal to enrolment growth. This impacts the ratio of students to school-based staff.

## Students per school-based FTE

While grant rates did not increase for 2016-17, enrolment growth and the use of reserves provided sufficient funding to allow the CBE to maintain the ratio of students to school-based staff.

The following tables show the average number of CBE students per school-based full-time equivalent staff position:

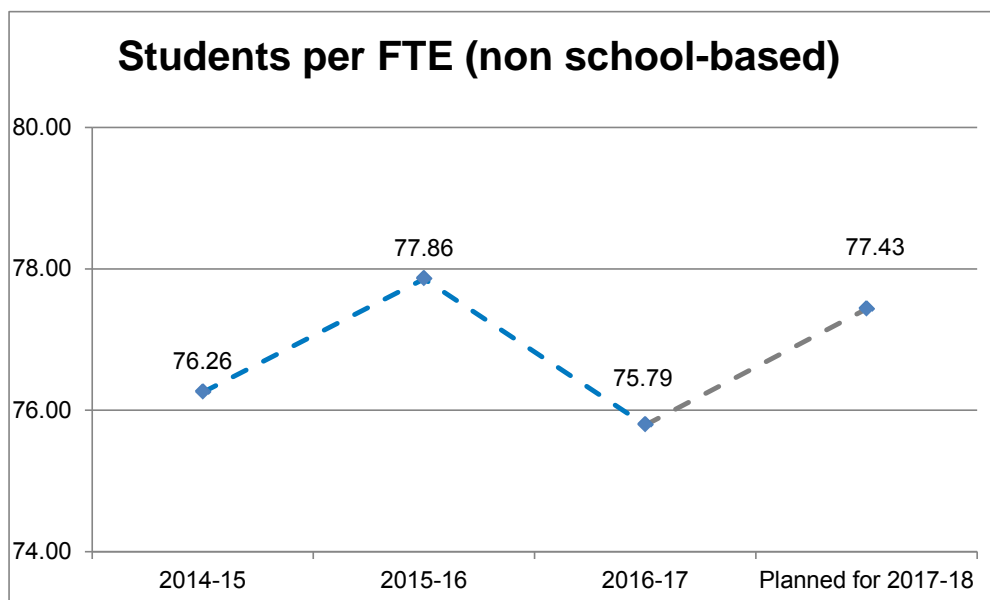


(1) For purposes of this graph, school-based staff does not include staff in service units that work directly in schools, such as facility operations staff, and centrally managed school supports including school technology support specialists and psychologists.

School-based staff are funded through a variety of sources: the Resource Allocation Method (RAM) budget, centrally held school-related budgets, the Regional Collaborative Service Delivery budget and provincial Program Unit Funding.

## Students to non school-based FTEs

The ratio of students to non school-based FTEs are not as closely tied to enrolment as school-based staffing levels. Since resource allocations are prioritized to schools, central support staffing increases have not kept pace with enrolment growth which usually results in increases to the ratio. For 2016-17, the ratio decreased as 71 additional non-school based positions were added. These were mainly for facility operations and maintenance staff hired to service the new schools.



## 2016-17 achievements

We are a leader in public education and are proud of the students and their results. We offer a depth and breadth of programming and supports to meet the unique learning needs and interests of all learners in an increasingly diverse population.

Student enrolment at the CBE continues to grow. Over the past ten years, enrolment has increased by 17,700 (17.4 per cent) students. Enrolment for 2016-17 increased to 119,147, up 2,162 (1.8 per cent) from the previous year. To put that in perspective, a large elementary school has a student population of about 600 students; for 2016-17 the CBE grew by the equivalent of approximately four such schools.

Many new doors opened for the CBE and for our students in 2016-17. Eighteen new and replacement schools welcomed students and two major modernizations were completed. In all, 12,525 new student spaces opened during the school year. Never before have so many CBE schools opened in one year. The new schools provide much needed learning spaces and allow students to attend schools closer to their home communities. For a full list of schools opened and modernizations completed during the year, see page 36. The 12,525 new student spaces will assist in providing students with learning spaces; however, with continuing enrolment growth, the demand for even more new schools persists.

With the increased student spaces and modernizations came more learning opportunities for students. The modernization of Jack James High School includes additions and upgrades to programs such as auto body, building trades, horticulture and child care. The modernization of Bowness High School includes a new wing of classrooms, a culinary arts classroom, a robotics lab, as well as automotive and wood shop upgrades.

While this unprecedented number of major capital projects was primarily funded by Alberta Education, the CBE is investing more than \$30 million over 2015 to 2019 to set up our new, replacement and modernized schools for success. This helps ensure that our schools will meet our students' needs today, tomorrow and into the future. Ongoing operating costs increased by \$11.1 million in 2016-17 to operate the new schools that opened during the year and will increase by another \$2.3 million in 2017-18 for the four new schools opening in that year.

Our new Canadian and refugee students continue to be supported through our programming, such as Literacy, English and Academic Development (LEAD) classes. In 2016-17, we welcomed 3,368 newcomers to our Kingsland Centre. Over 1,800 students were assessed for English language proficiency and identified as English Language Learners, bringing the total number of English Language Learners to almost 25,400.

We have continued to support graduation coaches in our high schools, and have added similar supports in some of our elementary/middle/ junior schools. The coaches provide holistic, consistent, daily supports to teachers and students that help to ensure Aboriginal students can be successful today and into the future.

CBE students achieved high standards on the 2016-17 Provincial Achievement Tests and Diploma Examinations once again.

### **Grades 6 and Grade 9 PAT Results**

- CBE student results in Grade 6 were equal to or better than the province in all measures at both the Acceptable Standard and the Standard of Excellence. In Grade 9 our results were equal to or better than the provincial results in French Language Arts, Science and Social Studies at the Acceptable Standard and in French Language Arts, Mathematics, Science and Social Studies at the Standard of Excellence.
- While the CBE is 4.3 percentage points above the province in Grade 6 mathematics, our Grade 9 result at the Acceptable Standard shows a point from which we can improve. Our K-12 Mathematics Strategy is being implemented in 2017-18 and is designed to support student success in mathematics.

### **Grade 12 Diploma Examinations**

- CBE results were above provincial results in all but three of the Diploma Exams at the Acceptable Standard and in 10 out of 11 at the Standard of Excellence. More than 40 per cent of CBE students writing the Biology 30 and Chemistry 30 Diploma Exams achieved the Standard of Excellence. In Physics 30, more than half the students achieved the Standard of Excellence this year.

This year, the Three-Year Education Plan prioritized the need for an employee engagement survey. This was supported by our Board of Trustees, superintendents and union/employee group partners. In spring 2017, nearly 8,000 employees across the CBE participated in the inaugural employee engagement survey, which was provided by a third-party partner. The results of the survey will be used to provide direction for continuous improvement.

We enhanced supports available to our schools in 2016-17 with the opening of two additional Area offices in the spring bringing the total to seven Area offices. Each Area office is responsible for supporting approximately 35 schools. The CBE believes that this revised Area office structure will ensure greater consistency and coordination across our system and allow our school based leaders to focus more time and energy on instructional leadership.

# Financial highlights and achievements

## Operating highlights

The CBE is continually challenged to support the delivery of the Three-Year Education Plan goals and objectives with the funding it receives. Specifically the growth of the infrastructure (new schools and related equipment) required to deliver education in the Three-Year Education Plan often outpaces the growth in Alberta Education funding which is based on a per-student formula rather than actual costs of providing public education. This requires utilizing a variety of sources of savings (service level reductions, cutbacks to programming, service unit support reductions, use of reserves) to continue to deliver the level of service expected by the community and plan for the future.

## Year-over-year highlights

The 2016-17 deficit of \$15.1 million is \$29.7 million lower than the prior year surplus of \$14.6 million. The deficit is primarily driven by three factors: the cost of maintaining student centred programs and services outpaces the funding provided by Alberta Education, meeting the funding requirements of our collective agreements, and opening and operating 20 new, replacement and modernized schools. These factors are highlighted in the financial information presented in the attached financial statements. Specifically:

- Overall revenue increased by \$14.0 million (1.1 per cent) due to:
  - an increase in revenue from Alberta Education of \$21.5 million. Total funding increased due to enrolment growth as funding rates were held constant.
  - offset by a decrease in investment returns. Cash and investment balances have decreased steadily since Sept. 1, 2015 as funds were needed for the payment of new school construction and commissioning.
- Total expenses increased \$43.7 million (3.3 per cent) due to:
  - enrolment growth, student complexity and programming enhancements of \$31.7 million;
  - step increment increases for various employee groups of \$16.3 million;
  - additional staff, utilities and insurance costs related to operating 20 new, replacement and modernized schools of \$11.1 million;
  - increased transportation costs of \$4.5 million; and,
  - a reduction in expenses of \$19.9 million from one-time costs in 2015-16 for the lump sum payment for teachers as stated within the ATA Collective Agreement and additional resources allocated to schools for furthering the goals of each schools' development plan.

## Actual to budget highlights

The CBE's 2016-17 budget was developed and approved by the Board of Trustees in the spring of 2016 for implementation in September of that same year. The budget was based on estimates of an expected enrolment increase of 1,694 for the 2016-17 school year. At the Sept. 30, 2016 student count date, actual enrolment for the year was 468 students higher than originally budgeted. As a result, both revenues and expenses were adjusted for the additional enrolment growth. The budget presented for comparative purposes in this report is the Fall 2016 Update budget which incorporates the finalized September 30<sup>th</sup> enrolment number. That budget update was accepted by the Board of Trustees on Dec. 1, 2016.

The 2016-17 actual deficit of \$15.1 million is \$4.7 million lower than the budgeted deficit of \$19.8 million. As noted above, the deficit is primarily driven by funding not keeping pace with the escalating costs required to operate the CBE at consistent student service levels, the cost of complying with our labour union collective agreements and the cost of opening and operating 20 new, replacement and modernized schools. The differences in financial results from the fall budget include:

- less spending than budgeted in Service Units of \$7.4 million due to position vacancies, [spending restrictions](#) in place during the year and strategic sourcing benefits realized.
- increased transportation costs of \$8.2 million relating to additional routes, students with complex transportation needs and transportation to support the school-within-a-school model. See page 16 for more information on transportation services.
- available budgeted amounts of \$5.5 million for activities that were in progress at year-end and the budget will be carried forward for completion in 2017-18.

## Capital highlights

The CBE receives funding for capital assets (for example, school buildings, modular classrooms) through two main sources. First, funds are received for specific buildings or projects through targeted grants through Alberta Education. Second, the CBE funds other capital assets—such as technology, furniture, equipment and vehicles—by setting aside the funds from the per-student funding received from Alberta Education. Use of this funding is called board-funded capital activities.

Total additions to tangible capital assets was \$200.0 million for 2016-17. Of that total, \$35.2 million was Board-funded capital and the remaining \$164.8 million were new school construction costs funded with school-specific construction grants. New schools that reached substantial completion during the year will begin incurring an amortization expense in 2017-18 with offsetting recognition of the related construction grant revenue.

Capital reserves have decreased by \$6.8 million from August 31, 2016 as projects that were budgeted and in progress in the prior year were completed during the year and funded with the use of capital reserves. The ending balance for capital reserves includes \$16.9 million of projects that were underway in 2016-17 and are continuing into 2017-18. A few examples of these projects include the implementation of a new student information system (PowerSchool), equipment upgrades for CTS/CTF and Fine and Performing Arts as well as wireless network upgrades and technology replacements.

Investment in net Board-funded capital assets increased by \$12.4 million due to:

- Board-funded capital additions of \$35.2 million for purchases such as technology infrastructure upgrades, school alarm systems, security cameras and technology hardware purchases;
- debt repayment of \$1.4 million related to energy efficiency retrofit work; and
- net of board-funded capital asset amortization of \$24.2 million.

## Financial position highlights

### Accumulated surplus

As at Aug. 31, 2017 the CBE has an accumulated surplus balance of \$217.1 million which is \$16.9 million lower than the \$234.0 million balance in the prior year. The reduction primarily reflects the operating deficit of \$15.1 million and unrealized investment losses of \$1.8 million.

### Reserves

To balance the budget going forward the CBE must balance service and program level changes within available revenue and reserves.

For 2016-17, the \$15.1 million deficit was funded via transfers to and from unrestricted surplus as follows:

- transfer from operating reserves totalling \$20.7 million:
  - \$19.4 million from the fiscal stability reserve;
  - \$1.3 million from designated funds reserve;
- net of an investment of \$5.6 million in Board-funded capital.

Balances remaining in reserves of \$59.7 million are sufficient to cover the planned use in 2017-18. Reserves balances that are available for use in 2017-18 and future years (subject to Board of Trustee approval) are:

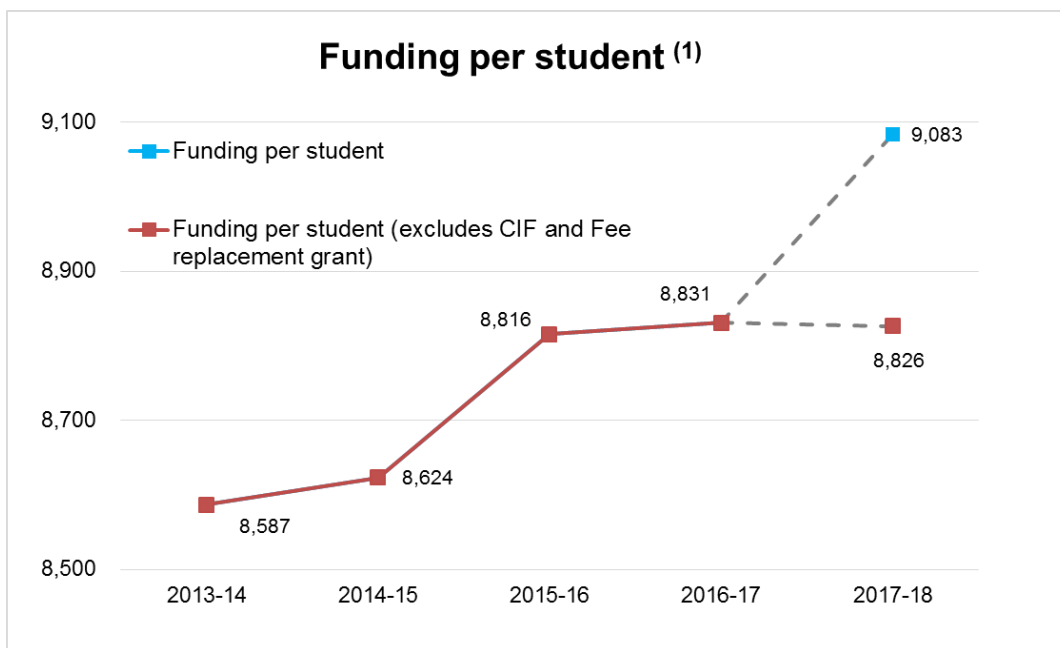
- \$21.8 million in the fiscal stability reserve (1.6 per cent of 2017-18 budgeted operating expenses)
- \$5.5 million in designated operating funds
- \$32.4 million in capital reserves

## Alberta Education funding per student

CBE's enrolment in 2016-17 was up by 2,162 students from Sept. 30 of the prior year. Grant rates have not increased since 2015-16 and as such, the funding per student for 2016-17 and expected for 2017-18 has not changed.

In 2017-18, the CBE anticipates receiving a \$13.0 million one-time grant for the Classroom Improvement Fund grant. This grant is being provided to improve the student experience in the classroom and may be used for hiring additional teachers, non-teaching staff or purchasing materials for the classroom. The CBE will also receive a fee replacement grant in lieu of charging fees under the new regulations. Those two grants are for specified purposes and not available to fund regular operations.

Funding per student is summarized below:



(1) Funding (in this chart) does not include Infrastructure Maintenance & Renewal, the Alberta Teachers' Retirement Fund, transportation grants or expended deferred capital revenues as these grants are targeted and do not fund regular operations.



## Financial results and analysis

### Consolidated financial results

The CBE's consolidated financial statements are presented in accordance with Public Sector Accounting Standards and in the format prescribed by Alberta Education (see Appendix IV for definitions). This format includes comparisons with the Fall 2016 Budget Update as well as prior year actuals. Expenditures reported in the consolidated financial statements are grouped based on the lines of service provided and activities performed by the CBE, regardless of whether these activities happen in schools or centrally.

An alternate view of expenditures is presented below with comparative figures and on pages 20-33 for schools and service units. This is the view commonly presented in the CBE's Budget Reports and provides more information as to the specific types of expenditures that were made during the year.

	Fall Budget Update 2016-17	Actuals 2016-17	Actuals 2015-16	Fall Update vs Actual Variance		Actual to Actual Variance	
				Favourable / (Unfavorable)	%	Increase / (Decrease)	%
	(in \$ thousands)			(in \$ thousands)	%	(in \$ thousands)	%
<b>Revenues</b>							
Alberta Education	1,230,690	<b>1,230,285</b>	1,208,794	(405)		21,491	
Other Government of Alberta	618	<b>376</b>	733	(242)		(357)	
Federal Government & First Nations	2,650	<b>3,169</b>	2,987	519		182	
Other sales and services	19,340	<b>26,922</b>	25,587	7,582		1,335	
Fees revenue	51,476	<b>51,782</b>	51,561	306		221	
Investment revenue	3,345	<b>4,124</b>	12,146	779		(8,022)	
All other revenue	22,853	<b>23,047</b>	23,891	194		(844)	
	<u>1,330,972</u>	<u><b>1,339,705</b></u>	<u>1,325,699</u>	<u>8,733</u>	0.7	<u>14,006</u>	1.1
<b>Expenses by object</b>							
Salaries and benefits	1,037,993	<b>1,044,558</b>	1,019,207	(6,565)		25,351	
Supplies and services	247,869	<b>244,671</b>	233,130	3,198		11,541	
Other (interest, amortization and uncollectible accounts)	64,936	<b>65,611</b>	58,801	(675)		6,810	
	<u>1,350,798</u>	<u><b>1,354,840</b></u>	<u>1,311,138</u>	<u>(4,043)</u>	(0.3)	<u>43,702</u>	3.3
Annual surplus / (deficit)	(19,826)	<b>(15,135)</b>	14,561	4,691		(29,696)	
Net applications of operating funds	33,040	<b>20,721</b>	1,130	12,319		19,591	
Capital transactions	(13,214)	<b>(5,586)</b>	(15,691)	(7,628)		10,105	
Net operating surplus / (deficit)	-	<b>-</b>	-	-		-	

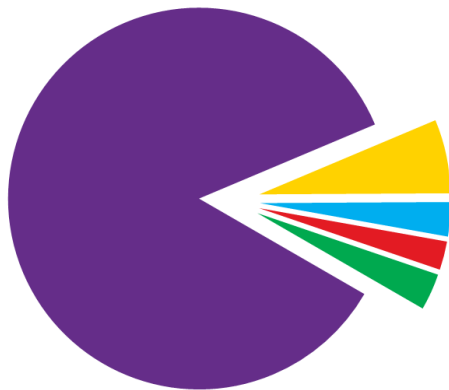
# Year-over-year review

## Revenue

### Alberta Education funding

	Student funding
	Alberta teachers' retirement funding
	Student transportation
	Expended deferred capital revenues
	Infrastructure maintenance and renewal
	<b>Alberta Education funding</b>

Actuals		Increase/ (Decrease)	
2016-17	2015-16	(in \$ thousands)	%
(in \$ thousands)			
1,052,184	1,031,296	20,888	2.0
73,004	75,693	(2,689)	(3.6)
34,050	35,027	(977)	(2.8)
33,140	29,221	3,919	13.4
37,907	37,557	350	0.9
<b>1,230,285</b>	<b>1,208,794</b>	<b>21,491</b>	<b>1.8</b>



The CBE received \$1,230.3 million or 92 per cent of total revenue from Alberta Education. Of those funds, \$1,052.2 million were provided for instruction and to support student learning. The CBE can generally decide how best to use these funds.

The remaining \$178.1 million, or 15 per cent of total Alberta Education funding, has a specified use such as *Alberta Teachers' Retirement Fund* (\$73.0 million), *student transportation* (\$34.1 million) or *infrastructure maintenance and renewal (IMR)* (\$37.9 million).

The \$20.9 million increase in *Student funding* is the result of increased enrolment. All funding rates remained consistent with 2015-16.

The *Alberta Teachers' Retirement Fund* is a flow-through transaction whereby funds received are designated for payment to the ATRF. ATRF revenue has declined due to changes in the amount allocated to the CBE.

*Expended deferred capital revenues* increased \$3.9 million due to the eight new schools that were completed before Aug. 31, 2016 and began incurring amortization costs during the year. *Expended deferred capital revenues* fully offsets this amortization expense.

## Non-Alberta Education revenue

	Actuals		Increase /	
	2016-17	2015-16	(Decrease)	%
	(in \$ thousands)		(in \$ thousands)	
Fees	51,782	51,561	221	0.4
Sales and services	26,922	25,587	1,335	5.2
Gifts and donations	9,076	8,740	336	3.8
Fundraising	7,485	7,166	319	4.4
Rentals	5,436	6,867	(1,431)	(20.8)
Investment income	4,124	12,146	(8,022)	(66.0)
Federal grants and education agreements	3,169	2,987	182	6.1
Other Alberta school authorities	663	648	15	2.3
Other government of Alberta revenue	376	733	(357)	(48.7)
Other revenue	369	426	(57)	(13.4)
Gain on disposal of assets	18	44	(26)	(59.2)
	<b>109,420</b>	<b>116,905</b>	<b>(7,485)</b>	<b>(6.4)</b>

Other revenue of \$109.4 million, or 8.2 per cent of total revenue, was received from the sources listed above. Changes to note include:

*Fees* revenue is increased slightly from the prior year. This is due to an increase in enrolment. The next two pages provide more detail for the amounts and types of fees charged by the CBE.

*Sales and services, gifts and donations, fundraising and other revenue* are mainly generated in schools and are inherently variable depending on the activity of each school.

*Rentals* income declined by \$1.4 million due to the loss of charter school lease revenue per direction from Alberta Education. Charter school leases are mandated at \$1.00 per year.

*Investment income* has decreased from the prior year due to lower balances that were available to invest. Average cash and investment balances have declined by \$152 million since Sept. 1, 2015 related to the completion of new school construction and the use of reserves to fund new school commissioning costs and the planned operating deficit.

### Fees

The CBE charges fees to enhance the learning experience for students and provide services that reflect the expectations that families have for the scope, breadth and depth of programs offered by the CBE. Fee revenue represents the local voice in public education. We calculate our fees on a cost recovery basis. They are charged to cover the gap between the cost of programs and services and the funding provided to us by the government. In many cases, no specific provincial funding is provided.

Fees are set in the spring prior to the school year and are estimated at a level to cover the cost of providing those services. No overhead allocations are charged to fee based programs. Any surplus resulting from these programs is added to a related reserve to moderate year over year changes in fees.

In 2016-17 fees were charged for instructional supplies and materials (ISM), transportation, noon supervision and other incidentals through a centrally managed process. Transportation and noon supervision fees are only charged to students using those services. Other fees were charged at the school level to cover the cost of activities that enhance the learning experience such as fees for optional courses, field trips and extracurricular activities.

The following fees were centrally set and managed:

	2015-16	2016-17	2017-18
Transportation	\$ 300	\$ 335	\$ 335*
Noon Supervision (four day – five day)	\$ 255 - \$ 285	\$ 255 - \$ 285	\$ 255 - \$ 285
ISM: kindergarten	\$ 15	\$ 15	\$ -
ISM: Grades 1 – 6	\$ 30	\$ 30	\$ -
ISM: Grades 7 - 9	\$ 137	\$ 137	\$ -
ISM: Grades 10 - 12	\$ 152	\$ 152	\$ -

\*This fee applies to non-eligible students as defined by the regulations passed by the provincial government in June 2017.

### 2016-17 fee revenue summary

Fees revenues are comprised of the following components:

	Fall Budget 2016-17	Actual 2016-17	Actual 2015-16	Budget to 2016-17 Actual	Actual to Actual
				Favourable / (Unfavourable)	Increase / (Decrease)
(in \$ thousands)					
Transportation	8,509	8,642	8,173	133	469
Instructional supplies and materials <sup>(1)</sup>	9,986	9,870	10,134	(116)	(264)
Noon supervision	13,960	13,884	13,389	(75)	495
Other fees <sup>(2)</sup>	19,001	19,386	19,865	385	(479)
<b>Total fees</b>	<b>51,456</b>	<b>51,782</b>	<b>51,561</b>	<b>326</b>	<b>221</b>

(1) Instructional supplies and materials fees reflected above include fees charged centrally.

(2) Other fees are those charged directly by schools such as for optional courses, field trips and extracurricular activities.

Fees revenue reported in the tables presented are the fees charged to parents in the year, including fees that are waived or deemed uncollectible.

Fees waived increased year-over-year by \$0.6 million and can be attributed to the enrolment increase, economic pressures and the greater communication efforts to our parent population on the availability of waivers. The CBE's objectives for fee waivers is that no student is denied access to public education

due to an inability to pay a fee. For those who can pay but choose not to, the CBE has collection processes in place to preserve the fairness and equity of the fee system.

Additional fee reporting is also included in the Audited Financial Statements that discloses the spending for the year associated with the various fees charged (Appendix V).

## Transportation fees

	Fall Budget 2016-17	Actual 2016-17	Actual 2015-16	Budget to 2016-17 Actual Favourable / (Unfavourable)	Actual to Actual Increase / (Decrease)
(in \$ thousands)					
Government grants and other	34,806	34,050	35,027	(756)	(977)
Reserve funding	-	-	122	-	(122)
Available funding	<u>34,806</u>	<u>34,050</u>	<u>35,149</u>	<u>(756)</u>	<u>(1,099)</u>
<b>Salary and benefits</b>					
Busing aides	1,396	1,370	1,378	26	(8)
Student transportation coordination	830	829	850	1	(21)
Transportation fee services	483	482	487	1	(5)
<b>Contracts and services</b>					
Charter buses	37,256	43,373	39,722	(6,117)	3,651
Calgary transit and taxis	1,519	1,938	1,868	(419)	70
Other charter	1,936	2,847	2,118	(911)	729
Student passes and route data	525	451	665	74	(214)
<b>Uncollectible accounts expense</b>	511	348	327	163	21
<b>Waived fees</b>	936	1,288	1,032	(352)	256
	<u>45,392</u>	<u>52,926</u>	<u>48,447</u>	<u>(7,534)</u>	<u>4,479</u>
Funding gap	(10,586)	(18,876)	(13,298)	(8,290)	(5,578)
Fees charged	8,509	8,642	8,173	133	469
Net deficit	<u>(2,077)</u>	<u>(10,234)</u>	<u>(5,125)</u>	<u>(8,157)</u>	<u>(5,109)</u>

The CBE arranges transportation for students by contracting with yellow school bus providers or working with Calgary Transit to ensure transportation is available to move students safely, reliably, affordably and in alignment with bell times. A total of 38,000 students were transported in the 2016-17 year; 26,000 students were on yellow school buses, while 12,000 used Calgary Transit. This is an increase of 100 compared to the 2015-16 year, in which 37,900 students were transported; 27,400 students were on yellow school buses, and 10,500 used Calgary Transit.

During the budget preparation process in the spring of 2016 (and updated in the Fall 2016 Budget), the transportation program was budgeted at a level where the global budget was subsidizing the transportation program by \$2.1 million.

Over the course of the year, transportation costs escalated due to:

- Carbon tax impacts
- The addition of new regular bus routes in response to demand
- One-time bus routes in support of the school-within-a-school model for new schools opening part-way during the year
- Increased students with complex transportation needs

Parent fees were not increased to accommodate the cost increases and as such the program ended the year requiring a \$10.2 million transfer from the global budget.

### Noon supervision fees

	Fall Budget 2016-17	Actual 2016-17	Actual 2015-16	Budget to 2016-17 Actual Favourable / (Unfavourable)	Actual to Actual Increase / (Decrease)
(in \$ thousands)					
<b>Salary and benefits</b>					
School-based staff	10,349	10,686	10,249	(337)	437
Central administration	627	498	549	129	(51)
<b>Contracts and services</b>					
Other supplies and services	191	87	227	104	(140)
<b>Uncollectible accounts expense</b>	977	971	937	6	34
<b>Waived fees</b>	1,816	1,938	1,722	(122)	216
	<u>13,960</u>	<u>14,180</u>	<u>13,684</u>	<u>(220)</u>	<u>496</u>
Funding gap	13,960	14,180	13,684	(220)	496
Fees charged	13,960	13,884	13,389	(76)	(495)
Net deficit	<u>-</u>	<u>(296)</u>	<u>(295)</u>	<u>(296)</u>	<u>1</u>

The 2016-17 noon supervision program budget was balanced. Fee rates were set at a level that covered the majority of the anticipated cost of running the program. Lunchroom staff are hired for a minimum of two hours per day (in accordance with the staff association collective agreement), however only 1.5 hours of labour are charged to the noon supervision program for which fees are recovered. The remaining 0.5 hours per day must be covered by the schools' budget.

Actual 2016-17 results show that the fee revenues did not cover all of the costs of providing the service; therefore, the deficit was covered using global budget dollars.

In 2016-17, the average number of students attending the noon supervision program was 52,199 or 95 per cent of the total elementary population. This was an increase of 1,899 students, or 3.8 per cent over the 2015-16 average student count of 50,300.

Noon supervision fees charged for 2016-17 increased due to growth in the number of students attending the program. There was no increase in the year-over-year fee rates.

### **Instructional Supplies and Materials (ISM) Fees**

Up until the 2017-18 school year, the CBE has charged parents and independent students fees for instructional supplies and materials as authorized under the provincial *School Act* [sec. 60(2)(j)]. These supplies and materials have been purchased directly by schools and are deemed by the CBE to be necessary for the instruction of students. All students receive the necessary supplies and materials regardless of fee payment.

The fee levels for instructional supplies and materials for kindergarten to Grade 12 students were budgeted to offset all costs of supplying those instructional supplies and materials. There were no changes in fee levels in the 2016-17 school year.

The CBE charged \$15 per student in kindergarten and \$30 per student in Grades 1 – 6. The supplies and materials purchased include pencils, markers, and photocopied materials appropriate to their grade level.

The CBE charged \$137 per student in Grades 7 – 9 and \$152 for Grades 10 – 12. This fee was used to purchase items such as textbooks, novels, photocopy paper and per-copy charges, basic Career and Technology Foundations/Studies supplies and other instructional supplies and materials.

The total amount of Instructional Supplies and Materials fees for the year ended Aug. 31, 2017 was \$9.9 million (budgeted at \$10 million). Each school is required to provide an annual report to parents on fees, which is posted on each school's website in the fall for the previous school year.

Other fees of \$19.4 million were charged and collected by schools. These include fees for field trips, musical instrument rental, online learning, etc. These are subject to school-based decision making, with parent, teacher and student input.

## Fee regulations

In June 2017, the provincial government passed two new regulations that impact the charging of fees by school jurisdictions: [School Fees and Costs Regulation](#) and [School Transportation Regulation](#). These are in effect for the 2017-18 school year.

Under the *School Fees and Costs Regulation*, school boards may no longer charge fees to cover the costs of textbooks, workbooks or photocopying, printing or paper supplies. As a result, instructional supplies and materials (ISM) fees have been eliminated for the 2017-18 year. Other highlights of the regulation include the following restrictions for school boards:

- a fee may not be charged that is not set out in their reviewed fee schedule.
- a fee may not be charged for an amount that exceeds the amount set out in the reviewed fee schedule.
- a fee may not exceed the amount the board estimates to be the projected cost of providing the subject matter of the charge.
- a fee may not be charged that is not clearly expressed in the reviewed fee schedule to connect to specific goods or a specific service or learning experience that is calculated to benefit students.

Under the *School Transportation Regulation*, school boards are directed to eliminate or reduce transportation fees for students who live 2.4 km or more away from their designated regular program school. Students requiring complex learning needs transportation or attending a special setting will also be exempt from transportation fees.

The CBE has developed three new or modified Administrative Regulations effective Sept. 1, 2017 that address the provincial government's fee regulations:

- [School Fees](#)
- [Student Transportation](#)
- [Noon Services](#)



## Expenses

In 2016-17, with student enrolment increasing by 1.8 per cent, the CBE's objective was to generally maintain student to school-based staffing ratios as well as fund the \$11.1 million incremental cost of operating the new schools that opened in the year. New schools require administrative staff such as principals, office staff and library staff as well as additional insurance and utility costs. Expenses increased by \$43.7 million, or 3.3 per cent. The majority of this increase is in salaries, benefits, supplies and services.

	Actuals		Increase/ (Decrease)	
	2016-17	2015-16	(in \$ thousands)	%
Certificated salaries and benefits	782,329	769,872	12,457	1.6
Non-certificated salaries and benefits	262,229	249,335	12,894	5.2
Supply and services	244,671	233,130	11,541	5.0
Amortization expense	57,317	52,092	5,225	10.0
Interest and finance charges	1,474	1,513	(39)	(2.6)
Other (uncollectible accounts and waivers)	6,820	5,196	1,624	31.2
	<b>1,354,840</b>	<b>1,311,138</b>	<b>43,702</b>	<b>3.3</b>



- The \$25.4 million increase in *certificated and non-certificated salaries and benefits* is the combined result of several changes from 2015-16 to 2016-17 including:
  - increases to staffing to address enrolment growth, student complexity and programming enhancements of \$19.5 million,
  - movement within collective agreement salary grids of \$16.3 million,
  - staffing increases to run new schools that opened in the year of \$9.5 million, and;
  - a reduction for one-time costs of \$19.9 million incurred in 2015-16 for the ATA lump sum payment and furthering the goals of each schools' development plan.
- The \$11.5 million increase in *supplies and services* is largely the result of increased transportation costs (page 15) and increased utility costs for the addition of new schools and heating during a colder than average winter.
- Amortization expense* increased by \$5.2 million mainly due to the eight new schools that were completed before Aug. 31, 2016 and began incurring amortization costs during the year. Amortization expense for school facilities is fully offset with corresponding revenue provision from Alberta Education.

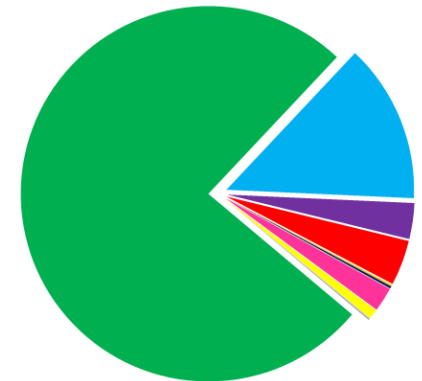
## Expenses by Operating Unit (in \$ thousands)

Expenses can also be viewed by service unit and schools to understand the costs to support learning. This chart shows that the majority of the CBE's resources are allocated to schools and how the service units spend money to support student success in schools.

FTEs presented here and in the following schools / service unit tables reflect budgeted positions; actual positions filled during the year may vary.

	Schools & Areas	Service Unit System Budgets	Learning	Facilities and Enviro. Services	Legal Services	Comm and Community Engagement	Finance / Technology Services	Human Resources	Chief Supt's Office	Board of Trustees	Total
<b>FTEs by:</b>											
Staff (incl ATA, Staff Assn, CUPE, trades)	9,079	54	219	193	3	11	147	46	1	-	9,753
Exempt Staff	-	-	10	48	7	7	34	32	2	-	140
Managers	-	-	8	16	2	3	9	7	-	-	45
Directors	7	-	6	4	1	-	4	4	-	-	26
Superintendent	-	-	1	1	1	1	1	-	2	-	7
<b>Total FTEs</b>	<b>9,086</b>	<b>54</b>	<b>244</b>	<b>262</b>	<b>14</b>	<b>22</b>	<b>195</b>	<b>89</b>	<b>5</b>	<b>-</b>	<b>9,971</b>
<b>2016-17 Actuals</b>											
Salaries and benefits	937,278	6,928	33,554	27,378	1,767	2,409	22,975	10,558	1,291	420	1,044,558
Supplies and services	84,765	141,802	6,076	8,508	99	69	886	1,333	115	1,018	244,671
Other (interest, amortization and)	72	57,858	1,027	3,225	15	-	3,392	20	2	-	65,611
	<b>1,022,115</b>	<b>206,588</b>	<b>40,657</b>	<b>39,111</b>	<b>1,881</b>	<b>2,478</b>	<b>27,253</b>	<b>11,911</b>	<b>1,408</b>	<b>1,438</b>	<b>1,354,840</b>
2016-17 Fall Budget Update	1,020,794	200,661	39,162	40,836	2,082	2,726	29,478	12,549	1,219	1,291	1,350,798
Favourable / (unfavourable)	(1,321)	(5,927)	(1,495)	1,725	201	248	2,225	638	(189)	(147)	(4,042)

- Schools and Areas spending was \$1.3 million higher than budget due to higher school generated fund activity which is inherently variable.
- Service Unit System spending was more than budgeted by \$5.9 million due to increased student transportation costs and uncollectible fees.
- Learning shows an over-spending of \$1.5 million and this is offset by a revenue surplus. This is due to increased activities associated with targeted funding initiatives such as the Sinneave Foundation School Works project, Official Languages in Education Protocol grant, Off Campus Credit and Digital Acquisitions.
- Other service units show savings from the fall budget, which is related to spending constraints introduced during the year in an effort to maximize funds available for future year use.



## Schools and Areas

	2016-17 Actuals		2015-16 Actuals		Increase/(Decrease) (Actuals vs. Actuals)	
	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)
<b>Expenses</b>						
Certificated permanent salaries and benefits	6,333	734,134	6,121	709,231	212	24,903
Non-certificated permanent salaries and benefits	2,753	170,129	2,661	161,151	92	8,978
Other supplies		59,433		55,775		3,658
Certificated temporary salaries and benefits		24,932		36,135		(11,203)
Professional services		10,891		10,238		653
Non-certificated temporary salaries and benefits		8,082		6,388		1,694
Minor equipment		5,578		6,953		(1,375)
Transportation charges		2,484		2,395		89
Maintenance and repairs		1,909		1,993		(84)
Textbooks and materials		1,556		1,970		(414)
Travel and subsistence		1,005		1,040		(35)
Rental equipment and facilities		773		757		16
Dues and fees		701		775		(74)
Utilities		400		356		44
Interest and finance charges		70		40		30
Insurance		34		-		34
Amortization expenses		4		9		(5)
<b>Total expenses</b>	<b>9,086</b>	<b>1,022,115</b>	<b>8,782</b>	<b>995,206</b>	<b>304</b>	<b>26,906</b>

	2016-17 Actuals		2015-16 Actuals		Percentage of Total	
	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)	2016-17	2015-16
Schools	8,398	972,865	8,149	947,284	95.2	95.2
Areas	60	6,229	51	6,802	0.6	0.7
Facility Operations	628	43,021	582	41,120	4.2	4.1
<b>Total expenses</b>	<b>9,086</b>	<b>1,022,115</b>	<b>8,782</b>	<b>995,206</b>	<b>100.0</b>	<b>100.0</b>

Students come first and learning is our central purpose. CBE schools live by these words each and every day, and Area offices support them in making it happen.

The 2016-17, Provincial Achievement Test and Diploma Exam results show that CBE students continue to lead the Province in academic outcomes. This is a strong validation of our commitment to students coming first and learning being our central purpose.

Schools create engaging learning experiences and support students in a variety of ways. They also connect with our families and communities to help support student success. For many CBE students and families, their experiences with the CBE occur solely through our schools.

Schools make learning meaningful for individual students and their families. They work collaboratively with service units to create and implement system initiatives that enhance learning experiences and honour the hopes of students and their families. Some of the ways this happens in schools include:

- Teachers personalize learning for students and communicate student progress and achievement to parents/guardians.
- Educational assistants provide valuable support to help students be successful within our diverse classrooms.
- Principals provide leadership to school staff and lead learning at the school. They also work with school councils, parent societies and other groups to implement and communicate priorities and initiatives.
- Office staff communicate with schools, students, employees and families to ensure there is a common understanding and implementation of necessary processes and procedures.
- Facility operators keep schools clean, comfortable and safe.
- Area directors support instructional leaders and teachers to improve student instruction and success.

Our schools are organized into seven Areas, each of which is led by a director. Area offices play an important role in providing instructional leadership to principals, helping to deliver system services to schools, supporting school operations and ensuring effective collaboration amongst schools where appropriate. Area offices also work collaboratively together to ensure consistent leadership and direction for principals and schools across the system.

Significant variances from 2015-16 to highlight include:

- An increase of \$33.9 million in *permanent salaries and benefits* is the result of additional staffing due to increased enrolment and student complexity, collective agreement grid movement and additional staff hired to work in the new schools that opened during the year. Those increases are offset by a cost reduction from one-time spending in 2015-16 for the ATA lump sum payment.
- A decline of \$11.2 million in temporary certificated salaries and benefits is due mainly to the one-time spending that occurred in 2015-16 to support school development plans.
- Spending in other expense categories will fluctuate relative to enrolment and is also dependent on programming changes which are evidenced by changes to school generated revenue. This programming varies each year depending on community needs.
- The increase of 304 FTEs pertains to:
  - 295 relating to enrolment growth and new schools that opened in the year
  - 9 resulting from the establishment of two new Area offices and a realignment of service delivery

## System Accounts (Service Unit System Budgets)

	2016-17 Actuals		2015-16 Actuals		Increase/(Decrease) (Actuals vs. Actuals)	
	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)
<b>Expenses</b>						
Amortization expenses		49,787		44,333		5,454
Transportation charges		48,159		43,708		4,451
Maintenance and repairs		42,426		42,599		(173)
Utilities		23,648		21,124		2,524
Professional services		10,929		9,756		1,173
Rental equipment and facilities		10,006		9,269		737
Other (uncollectible accounts)		6,797		5,196		1,601
Insurance		4,707		4,570		137
Certificated permanent salaries and benefits	30	3,488	37	4,597	(7)	(1,109)
Non-certificated permanent salaries and benefits	24	1,392	13	(86)	11	1,478
Interest and finance charges		1,273		1,379		(106)
Dues and fees		1,219		769		450
Non-certificated temporary salaries and benefits		1,129		803		326
Certificated temporary salaries and benefits		919		892		27
Other supplies		462		303		159
Minor equipment		241		215		26
Travel and subsistence		6		-		6
<b>Total expenses</b>	<b>54</b>	<b>206,588</b>	<b>50</b>	<b>189,427</b>	<b>4</b>	<b>17,161</b>

Corporate accounts, while monitored and maintained by service units, fund supplies, programs, activities and services that directly or indirectly support the system in providing student learning.

Examples include Professional Improvement Fund (ATA and non-ATA) leave costs, staff secondments for union activities, legal fees, amortization of facilities, interest expense and bank charges. In some years these accounts may also include system provisions for severance accruals or retroactive payroll costs due to union settlements.

Significant changes from 2015-16 to highlight include:

- *Amortization expense* increased \$5.5 million due to new schools completed prior to August 31, 2016 and being amortized in 2016-17.
- *Transportation charges* increased \$4.5 million due to bus route configurations and complex needs.
- *Utilities* increased \$2.5 million primarily related to increased electrical and gas consumption by the new schools, combined with a colder than average winter.
- An increase of \$1.2 million in *Professional services* from the Official Student Records program, Teachers Induction in Professional Series and higher legal costs.
- *Other (uncollectible accounts)* increased \$1.6 million due to more waived transportation fees and increased ISM uncollectible accounts with the elimination of ISM fees going forward, there is an anticipated impact on the ability to collect ISM fees owed from prior years.
- *Certificated salaries and benefits* includes staffing costs to prepare for new schools opening. \$1.1 million more was incurred in 2015-16 to prepare for the opening of schools in 2016-17.
- *Non-certificated salaries and benefits* increased \$1.5 million due to a ruling made during the year that deems vacation pay as pensionable earnings. Previously, vacation pay had not been treated as pensionable earnings and as such, pension contributions were not being made on these amounts.

## System Accounts by Service Unit

	Chief's Office	Communications	Facilities & Environmental Services	Finance / Technology Services	General Counsel	Human Resources	Learning	Education Matters	Total
	(in \$ thousands)								
<b>Expenses</b>									
Amortization expenses	-	-	34,729	15,050	8	-	-	-	49,787
Transportation charges	-	-	48,159	-	-	-	-	-	48,159
Maintenance and repairs	-	-	38,243	4,183	-	-	-	-	42,426
Utilities	-	-	19,483	4,165	-	-	-	-	23,648
Professional services	-	249	3,870	1,710	741	4,279	76	6	10,931
Rental equipment and facilities	-	-	10,006	-	-	-	-	-	10,006
Other (uncollectible accounts)	-	-	-	6,797	-	-	-	-	6,797
Insurance	-	-	-	4,707	-	-	-	-	4,707
Certificated salaries and benefits	-	-	330	237	-	3,411	430	-	4,408
Non-certificated salaries and benefits	-	206	(38)	1,368	-	452	14	518	2,520
Interest and finance charges	-	-	-	1,273	-	-	-	-	1,273
Dues and fees	-	17	-	-	-	1,202	-	-	1,219
Other supplies	-	11	14	(1,131)	-	1,709	15	(158)	460
Minor equipment	-	-	241	-	-	-	-	-	241
Travel and subsistence	-	2	4	-	-	-	-	-	6
<b>Total</b>	-	485	155,041	38,359	749	11,053	535	366	206,588

The Chief Superintendent's Office system budget includes funds allocated throughout the year for unforeseen or emerging issues.

Communications and Community Engagement service unit budget is related to community engagement.

Facilities & Environmental Services corporate budgets include utilities costs for the system, amortization for school buildings and student transportation (charter costs, taxis, Handi-bus). Also included are the maintenance and repair costs associated with Infrastructure, Maintenance and Renewal targeted revenues. FES is responsible for maintenance projects such as the replacement of roofs, windows, siding and building mechanical systems that fail or exceed their life expectancy. The majority of our facilities are more than 47 years old. While the safety of our students and staff is always ensured, the estimated deferred maintenance figures are in excess of \$1 billion and are growing each year.

Finance/Technology Services accounts include budget provisions for technology licenses, subscriptions and fees, amortization for board-funded assets, post-employment benefits expense, Alberta Teacher's Retirement Fund for service unit staff, bank charges, waived and uncollectible fees, internal audit and insurance.

General Counsel includes the cost of external legal counsel fees.

Human Resources corporate budget includes the cost of the outsourced HR system service provider, provision to advance leadership practice, Professional Improvement Fellowship (PIF) budget (in accordance with the ATA Collective Agreement), budgeted secondments and staff development funds.

Learning Services corporate budgets include provisions for programs supporting suicide prevention and therapeutic intervention, the budget for Calgary Police Services school resource officers as well as amortization for learning information systems.

In accordance with Public Sector Accounting Standards, EducationMatters is consolidated for the CBE's financial reporting purposes.

## Learning Services (excluding Chinook Learning Services)

	2016-17 Actuals		2015-16 Actuals		Increase/(Decrease) (Actuals vs. Actuals)	
	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)
<b>Expenses</b>						
Non-certificated permanent salaries and benefits	101	12,083	101	11,251	-	832
Certificated permanent salaries and benefits	72	9,511	69	9,675	3	(164)
Other supplies		1,686		1,320		366
Professional services		1,192		905		287
Amortization expenses		962		1,236		(274)
Minor equipment		466		532		(66)
Certificated temporary salaries and benefits		462		871		(409)
Non-certificated temporary salaries and benefits		297		555		(258)
Travel and subsistence		251		343		(92)
Dues and fees		80		5		75
Maintenance and repairs		24		38		(14)
Textbooks and materials		19		40		(21)
Utilities		17		42		(25)
Transportation charges		17		25		(8)
Insurance		4		4		-
Interest and finance charges		3		34		(31)
<b>Total expenses</b>	<b>173</b>	<b>27,074</b>	<b>170</b>	<b>26,876</b>	<b>3</b>	<b>198</b>

Learning provides supports and services that are designed and implemented to achieve student success, the goal of the Three-Year Education Plan.

These supports and services focus on: Indigenous education, alternative programs, assessment, attendance, curriculum, early learning, English language learning, exceptional needs, international students, the personalization of learning (Iris), Multicultural Services, outreach, psychological services, suspension, speech language, deaf & hard of hearing, vision, second languages programming, family school liaison and critical incident response team.

In 2016-17 the work of Learning supported student learning in many ways:

- Working on the Indigenous Education Strategy focussing on building a strong collective network of support to advance culturally responsive environments and support across schools.
- Working on the Literacy Strategy focussing on building shared understandings of literacy and high-impact literacy instructional and leadership practices.
- Development of a Math Strategy that will guide principals and teachers in determining appropriate actions to take to improve student outcomes in math.
- Supporting safe learning environments by providing training on general principles of violence risk assessment.

Significant changes in the Learning service unit from 2015-16 include:

- *Permanent salaries and benefits* increased \$0.7 million due to the move of the Indigenous Education team from the Area offices to the Learning service unit.

- *Professional services* increase of \$0.3 million is the result of increased recruitment costs, covered by student tuition, due to an increase in the number of international students as well as an increase in costs for designated funding projects. See Appendix VI for international student information.
- *Temporary salaries and benefits* decrease of \$0.7 million is the result of not holding a new teacher cohort in 2016-17, the Early Development Instrument being completed in 2015-16 and one-time support for the large intake of new refugees during 2015-16.

## Learning Services - Chinook Learning Services

	2016-17 Actuals		2015-16 Actuals		Increase/(Decrease) (Actuals vs. Actuals)	
	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)
<b>Expenses</b>						
Certificated temporary salaries and benefits		3,748		4,013		(265)
Non-certificated permanent salaries and benefits	53	3,630	56	3,651	(3)	(21)
Non-certificated temporary salaries and benefits		2,085		2,007		78
Certificated permanent salaries and benefits	18	1,738	18	1,582	-	156
Other supplies		1,320		1,542		(222)
Professional services		403		384		19
Textbooks and materials		259		180		79
Minor equipment		235		35		200
Interest and finance charges		62		59		3
Utilities		52		48		4
Rental equipment and facilities		33		35		(2)
Travel and subsistence		13		14		(1)
Maintenance and repairs		5		35		(30)
Dues and fees		-		8		(8)
<b>Total expenses</b>	<b>71</b>	<b>13,583</b>	<b>74</b>	<b>13,593</b>	<b>(3)</b>	<b>(10)</b>

Chinook Learning Services support student success to complete, upgrade or enhance their high school diplomas as they prepare to enter post-secondary institutions or the workforce.

In 2016-17, the services of Chinook Learning supported student achievement in several ways:

- High school upgrading.
- Summer school for students in Grades 10-12.
- Off-campus programs and summer band camps.
- Adult English Language Learning.
- Non-credit continuing education (professional development, personal development & corporate training).

Programming provided to adult learners is provided for a fee, which is included in *other sales and services* (\$4.0 million). Programming that is not within the ECS – Grade 12 mandate is provided, at a minimum, on a cost-recovery basis.

Significant changes from 2015-16 include:

- *Certificated permanent salaries and benefits* increased \$0.2 million with a focus on hiring continuous teachers to support diverse student population and build professional capital aligned with the Three-Year Education Plan.
- *Minor equipment* increase of \$0.2 million is the result of one time funding in 2016-17 from the Federal Government for equipment for the Language Instruction for Newcomers to Canada (LINC) program.



## Facilities and Environmental Services

	2016-17 Actuals		2015-16 Actuals		Increase/(Decrease) (Actuals vs. Actuals)	
	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)
<b>Expenses</b>						
Non-certificated permanent salaries and benefits	258	25,229	253	25,285	5	(56)
Maintenance and repairs		6,378		3,973		2,405
Amortization expenses		3,225		3,573		(348)
Non-certificated temporary salaries and benefits		1,635		1,963		(328)
Professional services		1,151		1,083		68
Certificated permanent salaries and benefits	4	514	6	553	(2)	(39)
Other supplies		371		4,276		(3,905)
Dues and fees		276		248		28
Travel and subsistence		162		185		(23)
Utilities		144		137		7
Minor equipment		26		23		3
Rental equipment and facilities		-		22		(22)
<b>Total expenses</b>	<b>262</b>	<b>39,111</b>	<b>259</b>	<b>41,321</b>	<b>3</b>	<b>(2,210)</b>

Facilities & Environmental Services (FES) provides students and employees with quality learning and working environments.

The supports and services provided by FES include the areas of planning for student accommodation and transportation; design, construction, renovation, maintenance and day-to-day operations of school and CBE facilities; internal deliveries; environmental initiatives; and, emergency, safety and security services.

IMR expenditures and pupil transportation are not included in the financial information above. They are captured in the System Accounts (page 24).

Significant variances from 2015-16 to highlight include:

- *Maintenance and repairs* increased \$2.4 million. This is due to a shift in classification of supplies to maintenance and repairs in 16-17 to better represent the nature of the materials used. This classification will continue into following years.
- *Other supplies* decreased \$3.9 million. The majority of this change is related to a shift in supply cost per the above complemented by an increased focus on cost savings by the service unit.

## Legal Services

	2016-17 Actuals		2015-16 Actuals		Increase/(Decrease) (Actuals vs. Actuals)	
	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)
<b>Expenses</b>						
Non-certificated permanent salaries and benefits	13	1,598	13	1,490	-	108
Certificated permanent salaries and benefits	1	165	1	173	-	(8)
Professional services		30		1		29
Other supplies		17		13		4
Dues and fees		17		13		4
Minor equipment		16		18		(2)
Amortization expenses		15		13		2
Textbooks and materials		11		11		-
Travel and subsistence		6		6		-
Utilities		3		1		2
Non-certificated temporary salaries and benefits		3		19		(16)
Maintenance and repairs		-		-		-
<b>Total expenses</b>	<b>14</b>	<b>1,881</b>	<b>14</b>	<b>1,758</b>	<b>-</b>	<b>123</b>

Legal Services provides the business functions of law, privacy and access.

The service unit handles CBE's Administrative Regulation development, contract administration, Corporate Secretary and administrative support to the Board of Trustees.

In 2016-17, Legal Services supported students, schools and the organization by:

- Delivering important information and training to schools on complex legal and privacy issues.
- Managing the legal affairs of the CBE.
- Providing or coordinating the delivery of legal services on behalf of the CBE.
- Providing risk mitigation oversight.
- Managing the CBE's compliance with the Freedom of Information and Protection of Privacy (FOIP).
- Overseeing the CBE's compliance with applicable law, regulations and policies.
- Coordinating the development of the CBE's administrative regulations and procedures.
- Managing contract processes and standards and maintaining a repository.
- Providing legal counsel to the Board of Trustees and the Chief Superintendent.
- Managing the proceedings of the Board of Trustees.
- Maintaining the corporate record of the Board of Trustees proceedings.
- Maintaining and managing the CBE's "whistle blower" program.

Significant variances from 2015-16 to highlight include:

- *Salaries and benefits* increased by \$0.1 million due to a vacant position filled in 2016-17.

## Communications and Community Engagement

	2016-17 Actuals		2015-16 Actuals		Increase/(Decrease) (Actuals vs. Actuals)	
	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)
<b>Expenses</b>						
Non-certificated permanent salaries and benefits	22	2,400	21	2,332	1	68
Professional services		20		34		(14)
Other supplies		16		19		(3)
Dues and fees		13		12		1
Certificated permanent salaries and benefits	-	11	-	6	-	5
Utilities		10		8		2
Minor equipment		7		13		(6)
Travel and subsistence		1		2		(1)
Maintenance and repairs		-		1		(1)
Textbooks and materials		-		1		(1)
Non-certificated temporary salaries and benefits		-		96		(96)
<b>Total expenses</b>	<b>22</b>	<b>2,478</b>	<b>21</b>	<b>2,524</b>	<b>1</b>	<b>(46)</b>

Communications and Community Engagement (Communications) communicates and engages with parents, government and community stakeholders and staff about what matters most to them. This service unit supports student learning by allowing schools and other service units to focus their time on teaching and learning while Communications deals with areas such as media relations, emergency communications, website management and development, public information, strategic communications planning, leading and supporting engagements and print and production design.

In 2016-17, Communications and Community Engagement supported students, schools and the organization by:

- Assisting schools in communicating with parents and their communities.
- Corporate communications planning and strategic counsel, including support for service units.
- Crisis communications.
- Managing corporate media relations and social media.
- Communications and engagement support for the Board of Trustees and board-government relations.
- Developing corporate information products (reports, stories, videos and web material) for print and web communication.
- Acting as the first point of contact for public information.
- Developing and producing teaching and learning materials, such as professional development training videos for teachers.
- Managing our corporate and staff websites as well as supporting school websites.

Communication and Community Engagement introduced SchoolMessenger in June 2016. SchoolMessenger is a system-wide tool to help schools and service units communicate with parents by phone, email, and text message. In addition, Communications dedicated resources to lead and support community engagement initiatives and developed an engagement framework called *dialogue*. Communications continued to advance the school website technology platform and have begun migrating school websites to the new platform. Communications continues to support communications and engagement related to school construction, including web communications.

## Finance / Technology Services

	2016-17 Actuals		2015-16 Actuals		Increase/(Decrease) (Actuals vs. Actuals)	
	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)
<b>Expenses</b>						
Non-certificated permanent salaries and benefits	194	22,460	192	23,011	2	(551)
Amortization expenses		3,301		2,914		387
Non-certificated temporary salaries and benefits		388		227		161
Professional services		263		200		63
Minor equipment		218		177		41
Dues and fees		206		196		10
Certificated permanent salaries and benefits	1	127	1	129	-	(2)
Other supplies		113		392		(279)
Interest and finance charges		66		-		66
Utilities		44		42		2
Travel and subsistence		41		39		2
Other (uncollectible accounts)		24		-		24
Maintenance and repairs		2		3		(1)
Textbooks and materials		-		-		-
<b>Total expenses</b>	<b>195</b>	<b>27,253</b>	<b>193</b>	<b>27,330</b>	<b>2</b>	<b>(77)</b>

Finance / Technology Services (FTS) stewards financial and technology policies, practices, processes and decision-making within CBE so that resources are used to maximize student outcomes. FTS also enables a fiscally responsible, transparent and publically accountable CBE.

FTS provides a range of services including School Financial Management, central management of system level fees, technology support directly to schools, information technology infrastructure and support, procurement, insurance and risk management, records management as well as financial operations such as accounts payable, revenue and treasury, and budget development and control and financial reporting.

In 2016-17, FTS supported students, schools and the organization by:

- Preparing the annual budget and related monthly and quarterly reports.
- Monitoring and reporting on financial performance through the year.
- Supporting sound financial practices in schools and across the CBE.
- Providing financial administration of fees for noon supervision services, student transportation, and instructional supplies and materials programs, including waivers and collections.
- Seeking the best deals possible when purchasing goods and services.
- Managing vendors and paying the bills according to credit terms.
- Designing, building, and supporting the CBE's technology infrastructure.
- Ensuring that computers, tablets and other school-based technology is available, accessible and appropriate for students and their learning.
- Identifying significant risks and ensuring those risks that cannot be fully mitigated are transferred through insurance coverage.

Significant variances from 2015-16 to highlight include:

- *Salaries and benefits* decreased by \$0.4 million due to vacant positions.
- *Supplies* decreased \$0.3 million due to purchases in 2015-16 for school-based record retention materials to comply with new government legislation.
- *Amortization expense* increased \$0.4 million due to the completion of financial systems and technology infrastructure capital projects.

## Human Resources

	2016-17 Actuals		2015-16 Actuals		Increase/(Decrease) (Actuals vs. Actuals)	
	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)
<b>Expenses</b>						
Non-certificated permanent salaries and benefits	77	8,644	75	8,251	2	393
Certificated permanent salaries and benefits	12	1,543	10	1,388	2	155
Professional services		918		499		419
Non-certificated temporary salaries and benefits		326		221		105
Other supplies		123		124		(1)
Travel and subsistence		78		65		13
Textbooks and materials		71		2		69
Minor equipment		70		82		(12)
Dues and fees		56		103		(47)
Certificated temporary salaries and benefits		43		51		(8)
Amortization expenses		20		13		7
Utilities		19		14		5
Rental equipment and facilities		-		6		(6)
Maintenance and repairs		-		1		(1)
<b>Total expenses</b>	<b>89</b>	<b>11,911</b>	<b>85</b>	<b>10,820</b>	<b>4</b>	<b>1,091</b>

Human Resources supports employees in all matters related to their employment relationship with the CBE.

The work of Human Resources is to support students, schools and the organization by:

- Supporting over 13,000 employees while they provide a first-class education to Calgary students.
- Proactively recruiting approximately 1,300 employees while balancing current and future projected needs.
- Supporting continuous learning and leadership development for all employees.
- Overseeing recruitment, total rewards, workforce planning, labour and employee relations, partner services, employee development, payroll, our human resources management system, the Employee Health Resource Centre, operations and integrated solutions, and organizational development and leadership.

Significant variances from 2015-16 to highlight include:

- *Salaries and benefits* increased \$0.6 million mainly due to four additional FTEs added in 2016-17 budget. There were two certificated system principal positions added to support the Teachers Induction Program and build consistency in Leadership and Learning as defined in the CBE Three-Year Education Plan. In addition one HR Analyst position to support the Leadership Cohort program in Talent Management and one Senior Compensation Consultant position to define efficiencies and recommendations relative to compensation which accounts for more than 75 per cent of CBE's budget.
- *Professional services* increased \$0.4 million mainly due to transition expenses to repatriate HR Application Management Services from the incumbent provider to execute CBE's strategic initiative and steward CBE's resources pillar of the Three Year Education Plan. CBE will be building professional capacity to own the payroll services and Employee Contact Center in 2017-18.

## Chief Superintendent's Office

	2016-17 Actuals		2015-16 Actuals		Increase/(Decrease) (Actuals vs. Actuals)	
	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)	FTEs	(in \$ thousands)
<b>Expenses</b>						
Certificated permanent salaries and benefits	2	984	2	564	-	420
Non-certificated permanent salaries and benefits	3	299	3	277	-	22
Rental equipment and facilities		95		86		9
Other supplies		9		11		(2)
Certificated temporary salaries and benefits		8		11		(3)
Dues and fees		7		3		4
Utilities		3		3		-
Travel and subsistence		2		4		(2)
Amortization expenses		1		2		(1)
Non-certificated temporary salaries and benefits		-		14		(14)
<b>Total expenses</b>	<b>5</b>	<b>1,408</b>	<b>5</b>	<b>975</b>	<b>-</b>	<b>433</b>

The Chief Superintendent's office leads strategic planning for student success based on the Board of Trustees' values and policies.

- The Chief Superintendent, as both the Chief Executive Officer and Chief Educational Officer, develops the Three-Year Education Plan to improve student success and ensures that students and their learning are at the centre of organizational decisions.
- The Deputy Chief Superintendent leads the learning and operations in each of CBE's 243 schools.
- The Chief Superintendent's Office is a key liaison point between all components of the CBE and the many individuals and groups who hold an interest in public education.

Significant variances from 2015-16 to highlight include:

- *Salaries and benefits* expense increased by \$0.4 million due to a Board of Trustees mandated retroactive adjustment for the supplemental pension plan.

## Board of Trustees

	<u>2016-17 Actuals</u>	<u>2015-16 Actuals</u>	<u>Increase/(Decrease)</u> <u>(Actuals vs. Actuals)</u>
	<u>(in \$ thousands)</u>	<u>(in \$ thousands)</u>	<u>(in \$ thousands)</u>
<b>Expenses</b>			
Professional services	748	610	138
Non-certificated permanent salaries and benefits	420	430	(10)
Dues and fees	243	241	2
Travel and subsistence	22	19	3
Other supplies	3	7	(4)
Utilities	2	1	1
Textbooks and materials	-	-	-
<b>Total expenses</b>	<u>1,438</u>	<u>1,308</u>	<u>130</u>

The Board of Trustees budget includes items related directly to the governance of the organization, including Trustee remuneration, office expenses and travel costs, financial audit fees, election costs, and Alberta School Boards Association fees. Staff costs for the two FTEs are now included in the Office of the Corporate Secretary. During the course of the year, the Board of Trustees also draws upon the services and supports of other service units in support of their governance needs. Those costs are not reflected here.

Significant variances from 2015-16 to highlight include:

- *Professional services* increase of \$0.1 million is due an increase in the estimated expenses related to the October 2017 public school board trustee elections.

For more information on the remuneration of the Board of Trustees, please see Schedule 7 of the consolidated financial statements.

## Reserves

	Reserve balance Sept 1, 2016	Fall Update planned transfers from reserves	Actual transfers to/ (from) reserves	Reserve balance Aug 31, 2017	Anticipated 2017-18 use of reserves
(all figures in \$ thousands)					
<b>Operating reserves</b>					
Unrestricted reserves	41,241	(26,126)	(19,438)	21,803	(7,000)
Restricted reserves	(8,352)	-	106	(8,246)	-
Designated operating funds	6,914	(6,914)	(1,383)	5,531	-
Total operating reserves	39,803	(33,040)	(20,715)	19,088	-
<b>Capital reserves</b>					
Building reserve	9,019	(2,200)	-	9,019	(2,200)
Other capital reserves	29,401	(23,747)	(6,817)	22,584	(19,473)
Plant, operations and maintenance asset replacement	798	-	-	798	-
Total capital reserves	39,218	(25,947)	(6,817)	32,401	(21,673)
<b>Total reserves</b>	<b>79,021</b>	<b>(58,987)</b>	<b>(27,532)</b>	<b>51,489</b>	<b>(21,673)</b>

The 2016-17 budget anticipated the use of \$33.0 million operating reserves. Actual operating results were more favourable than budgeted due to spending restrictions put in place for the year. As such the use of operating reserves was less than originally planned which makes more resources available to fund activities in 2017-18 such as the recent Board of Trustees' approved teacher coaching model to support the CBE's math strategy.

Unrestricted reserves is comprised of the Fiscal Stability reserve. This reserve was established at the end of 2006-07 and amended in September 2016 to:

- stabilize the CBE's operating activities from year to year if provincial funding does not keep pace with student growth.
- stabilize the CBE's operating activities from year to year in years of temporary student decline.
- provide funds for planned or unexpected dramatic operational consequences or emergencies.
- provide funds for one-time initiatives that generate operating budget savings.

The targeted minimum balance under the terms and conditions for this reserve is \$5 million or 0.5% of the total annual operating budget. This is a modest amount for an organization the size of the CBE.

Capital activities in 2016-17 planned on using \$25.9 million from capital reserves. This included activities such as new school commissioning, the construction of a gymnasium at Nelson Mandela High School, Career and Technology Studies/Foundations and Fine and Performing Arts equipment upgrades and implementation of the replacement Student Information System. Some of this work had scope reductions or planned delays in order to reduce spending. As a result, the actual draw on capital reserves was \$6.8 million, which frees up resources for projects continuing into 2017-18.



## Financial position

As at Aug. 31, 2017, the CBE has an accumulated surplus balance of \$217.1 million, reflecting net financial debt of \$1,037.3 million and non-financial assets of \$1,254.5 million. Net debt includes \$1,072.4 million of unearned funding that has been spent on the construction of capital assets (deferred revenue). That funding will be recognized and brought into income over the useful life of the related assets. If the deferred revenue were fully recognized, the Aug. 31, 2017 financial position would result in net financial assets of \$35.1 million.

The CBE had a combined total of \$186.7 million in cash, cash equivalents and portfolio investments as at Aug. 31, 2017. The balance is due to the timing difference between when cash comes in and when related payments are made as well as the timing of significant new school construction activity.

Cash related to CBE's daily operations reflects the outstanding payments owed to vendors. Cash related to capital are the funds received from the province for capital construction that have not yet been spent. Lastly, the CBE's cash related to savings is the cash based on unrestricted reserves, surplus, designated funds and capital reserves.

## Capital expenditures

There was a significant amount of non board-funded capital activity underway in 2016-17. Seventeen new schools, modernizations and replacement schools were under construction incurring \$165.6 million in construction costs during the year. Of those projects, nine new school facilities opened in the winter of 2017 and one replacement school was completed. Another four new schools will open in 2017-18 as well as two modernizations and one school in 2018-19. See the table on the next page summarizing new school construction and modernizations.

The CBE is grateful for the many new schools the Province has committed to funding but is challenged with resourcing the costs of managing construction and commissioning of these schools. In the past two years, the CBE spent over \$22 million of reserves and operating funds on these activities with more planned for 2017-18 and beyond.

Another challenge the CBE faces is providing the resources for maintenance and renewal work necessary for established school facilities. Approximately 54 per cent of CBE schools were built prior to 1970 which means that the majority of our facilities are more than 47 years old.

The CBE continues to develop appropriate strategies for the additional student space created in some schools as a result of new school openings in the 2016-17 and 2017-18 school years. No decisions have been made to date and public engagement is underway. Strategies could include program consolidation, expanding programs of choice, and leasing unused space.

## School facility projects

#	School (*yet to be officially named)	Project type	Status
<b>Schools that opened in 2016-17</b>			
1	Kenneth D. Taylor School ES	New school	Opened September 2016
2	Peter Lougheed School MS	New school	Opened September 2016
3	Copperfield School ES	New school	Opened September 2016
4	New Brighton School ES	New school	Opened September 2016
5	William D. Pratt School MS	New school	Opened September 2016
6	Buffalo Rubbing Stone ES	New school	Opened September 2016
7	Auburn Bay ES	New school	Opened September 2016
8	Nelson Mandela High School	New school	Opened September 2016
9	Bowness HS	Modernization	Opened September 2016
10	Jack James HS	Modernization	Opened September 2016
11	Niitsitapi Learning Centre	Modernization, new school community	Opened January 2017
12	Christine Meikle	Replacement school	Opened January 2017
13	Elbow Park School	Replacement school (flood)	Opened February 2017
14	Eric Harvie ES	New school	Opened January 2017
15	McKenzie Highlands School MS	New school	Opened March 2017
16	Dr. Martha Cohen School MS	New school	Opened March 2017
17	West Ridge School MS	New school	Opened January 2017
18	Dr. George Stanley School MS	New school	Opened January 2017
19	Hugh A. Bennett School ES	New school	Opened January 2017
20	Dr. Roberta Bondar School ES	New school	Opened January 2017
<b>Schools opening in 2017-18</b>			
1	Marshall Springs MS	New school	Opened September 2017
2	Manmeet Singh Bhullar School ES	New school	Opened August 2017
3	Ron Southern School ES	New school	Opening November 2017
4	Griffith Woods School K-9	New school	Opening 2018
<b>Schools opening in 2018-19 and beyond</b>			
1	Joane Cardinal-Schubert High School	New school	Opening 2018-19
2	James Fowler HS	Modernization	Expected completion fall 2018
3	Lord Beaverbrook HS	Modernization	Expected completion fall 2018
4	Coventry Hills / Country Hills ES*	New school	TBD
5	Cranston ES*	New school	TBD
6	Evergreen ES*	New school	TBD
7	Forest Lawn High School	Modernization	TBD

## Outlook for 2017-18

Student success is at the center of every budget-related decision we make. Our values guide our work: students come first, learning is our central purpose and public education serves the common good.

The provincial budget announced in March 2017 made it possible for the CBE to prepare a budget that supports the stability we need as we educate 121,690 students in 2017-18, open another four new schools and plan for the modernization and opening of several more in 2017-18 and beyond. Consistent with prior years, the Province of Alberta is still facing a challenging economic environment. We will continue to review our programs and operations and make changes where necessary in order to maximize efficiency and resources. The CBE continues to achieve great results for students by making operating decisions that are consistent with our values. The favourable financial results in 2016-17 demonstrate the CBE's prudent financial management.

The CBE will operate in compliance with the new *School Fees and Costs Regulation* and the *School Transportation Regulation*. The *School Fees and Costs Regulation* restricts the charging of fees for textbooks, workbooks or photocopying, printing or paper supplies. The regulation further restricts the charging of fees that are not set out in the fee schedule that has undergone Ministerial review and approval (where required). The *School Transportation Regulation* restricts the charging of fees to students who live beyond 2.4 km from their regular program designated school. In order to meet the requirements of these regulations, the CBE has made adjustments to transportation service levels and reported to the Minister all possible fees that could be charged to CBE families during the year (which have been approved).

The 2017-18 operating budget was prepared with guidance from the CBE's Results, Three Year Education Plan, Governance Policies and Budget 2017 (the Alberta Government's Fiscal plan for 2017).

Funding rates from the provincial government have not been increased for 2017-18. The increased revenue from enrolment is not sufficient to keep pace with increased costs which include the cost to maintain staff to student ratios in schools, grid movement in accordance with collective agreements and employee terms of reference and the operating costs related to the opening of new schools. Both school and service unit budgets were reduced in order to balance the budget and moderate the use of reserves. School budgets were reduced by 1.4 per cent (on a status-quo basis) and service units by 3.7 per cent (on an absolute basis) of the operating budget amount that would have been required to maintain operations at a level similar to 2016-17.

The 2017-18 budget also has capital provisions for the Student Information System replacement, wireless upgrades and technology (device/hardware) replacements. The budget was balanced with the planned use of \$9.8 million from operating and capital reserves.

In 2017-18 the CBE learning strategy will focus on:

- Personalizing learning
- Advancing leadership practices
- Implementing kindergarten – Grade 12 literacy and math strategies
- Implementing High School Success strategies
- Improving results for First Nations, Métis and Inuit students

## Compliance

For the year ended Aug. 31, 2017, the CBE was in full compliance with the provincial funding framework. In addition, all transfers of funds affecting the CBE's operating and capital reserves were made in accordance with provincial regulations and the Board of Trustees' direction and approval.

## Glossary of terms and acronyms

Alberta Education revenue	All funds received from Alberta Education, including amortization of Alberta Education-funded facilities. This is sometimes referred to as Provincial funding.
Alternative programs	Section 21(1) of the Alberta School Act defines alternative programs as, "an education program that (a) emphasizes a particular language, culture, religion or subject matter, or b) uses a particular teaching philosophy." CBE alternative programs include: All Boys, All Girls, Arts-Centered Learning, Canadian Studies, Montessori, Science, Traditional Learning Centre and immersion and bilingual language programs.
Amortization	Amortization expenses for both supported and unsupported capital assets (–unsupported –capital assets are non-facility, –supported" capital assets are funded by externally restricted capital funding/contributions). Amortization is a –non-cash" expenditure which means that an equivalent amount of cash is available to support other priorities. As a general rule, the CBE uses amortization related cash to fund non-facility capital needs.
Capital assets	These are goods that are acquired that have a useful life that extends beyond one year and are of more than minor value. For example, computers, most musical instruments, furniture, machinery, etc. Capital assets are amortized over their useful life. Amortization periods are defined by Alberta Education.
CBE	Calgary Board of Education
CEU	Credit Enrolment Units (CEU) are a funding unit used to calculate base instructional funding at the high school level. CEUs are assigned when the course, the student, and the student's achievement in a course meet certain criteria.
Collective agreement	An agreement between a union or association that sets out terms and conditions of employment including general wage increases, benefits, grid movement, and other employment terms.
Deferred maintenance	The practice of postponing repair and maintenance activities to property (such as school buildings) in order to save costs and/or meet budget funding levels.
Designated funds	Operating reserves that have been internally restricted for specific use. Typically these are unspent budgeted funds pertaining to projects initiated in a year that are not yet fully complete and are permitted to be carried forward for use in the following year. The transfer to and from all reserves requires Board of Trustee approval.
Designated school	All students have a designated school that is determined by the attendance

	area set by the resident school board. Designated schools offer regular programming and are not schools of choice. Designated schools are usually, but not always, the closest school to the residence of the student that offers regular programming.
ECS	Early Childhood Services includes Kindergarten and educational programming for children as young as 2½ years old.
Enrolment	Total number of students including those enrolled in Home Education, outreach programs and Chinook Learning Services.
Expended deferred capital revenues	As facility capital projects are amortized (expensed) over the course of their estimated useful life, a corresponding amount of Alberta Education revenue is recognized to show that provincial funding fully offsets the cost of the building.
Fixed cost	A cost that will not change based on fluctuations in activity.
Fall Update Budget	An update to the budget submitted in the spring is due to Alberta Education by November 30 of each year. This Fall Update Budget reflects updated revenue and expense estimates for actual September 30 enrolment counts.
General wage increase	An overall wage increase or lump sum applicable to an entire union (or exempt) group.
Grid movement	The increase in the salary paid to an employee based on movement through progressive salary grid levels. The movement is based on the passage of time.
Infrastructure, maintenance and renewal (IMR)	<p>IMR funding is provided by the Province to ensure that the health, safety and essential upgrading needs of facilities are met. IMR funding may be spent only for approved purposes such as:</p> <ul style="list-style-type: none"> <li>▪ ensure school facilities meet all regulatory requirements, particularly as they pertain to</li> <li>▪ providing a safe and healthy learning environment;</li> <li>▪ preserve and improve the quality of the learning environment by: <ul style="list-style-type: none"> <li>○ replacing building components that have failed,</li> <li>○ prolonging the life of the facility through planned, proactive replacement of major components; and</li> <li>○ upgrading of the educational areas to meet program requirements;</li> </ul> </li> <li>▪ meet the facility requirements of students with special needs; and</li> <li>▪ replace or upgrade building components to improve energy conservation and efficiency and to achieve costs savings as a result.</li> </ul>
Instructional supplies and materials (ISM)	Alberta Education's definition of ISM include the following items/costs: textbooks, workbooks, photocopying, printing/paper and any common fees charged to an entire student body or grade cohort.
Operational Expectations	Policies established by the Board of Trustees by which the Chief Superintendent's performance and successful operation of the organization is evaluated.
RAM	Resource Allocation Method
Regular program	A CBE school or program within a school that is not considered an alternative program.
Reserves	Dollars that have been accumulated from prior years that are available to

	support current year projects, programs and services. Reserves can be restricted by board motion or external parties.
System administration	The overall management, administration and educational leadership of the CBE at the system level. Also includes Board of Trustees remuneration and office budgets. Examples include functions in human resources, finance, information technology, legal and communications that provide system-level support.
Total revenue	All funds received from Alberta Education plus all other revenues.
Unrealized investment gain / loss	Realized gains or losses on investments are reported when an investment is divested at an amount above or below the original cost. An unrealized gain or loss is recognized at each fiscal year-end date for investments that have not been disposed of but have changes in fair market value.

# Summary of Third Party Invoices by Total Value Group\*

Appendix I

For the year ending August 31, 2017

Category	Number of Suppliers	% of Suppliers	Total Amount	% of Total Amount
1. Third Parties with total invoices amount greater than \$250,000	172	4%	778,454,243	95%
2. Third Parties with total invoices amount between \$200,000 and \$250,000	23	1%	5,213,061	1%
3. Third Parties with total invoices amount between \$100,000 and \$200,000	80	2%	11,381,881	1%
4. Third Parties with total invoices amount between \$50,000 and \$100,000	111	3%	7,960,173	1%
5. Third Parties with total invoices amount less than \$50,000	3,571	90%	13,550,347	2%
<b>Grand Total</b>	<b>3,957</b>		<b>816,559,704</b>	

\* disclosure made on a cash basis

Appendix I - 1

# Accounts for Third Parties with total Invoices Value > \$250K\* Appendix I

For the year ending August 31, 2017

Category	Number of Vendor	Total Invoices Amount	% of Total Amount
1 SALARIES & BENEFITS	11	409,718,146	52.7%
2 TANGIBLE CAPITAL ASSETS	32	44,180,857	5.7%
3 SUPPLIES (SUPP)	26	36,174,094	4.6%
4 TRANSPORTATION OF PUPILS (TRSP)	8	49,930,941	6.4%
5 UTILITIES	8	26,600,184	3.4%
6 MAINTENANCE & REPAIR	60	175,529,197	22.6%
7 RENTAL EQUIPMENT & FACILITY	2	15,310,134	2.0%
8 PROFESSIONAL & TECHNICAL SERVICES (P&T)	14	16,047,626	2.1%
9 DUES & FEES (D&F)	3	996,161	0.1%
10 FLOW THROUGH FROM AB ED	1	818,673	0.1%
11 DONATIONS	1	662,575	0.1%
12 EMPLOYEE FUTURE BENEFITS	1	651,951	0.1%
13 MINOR EQUIPMENT <\$5000	3	1,039,385	0.1%
14 POSTAGE	1	309,750	0.0%
<b>Grand Total</b>	<b>171</b>	<b>777,969,672</b>	



# Third Parties Payments with Total Payments Value >\$250,000\*

Appendix I

For the year ending August 31, 2017

Category	Total Invoices Amount	% of Total Amount
<b>SALARIES &amp; BENEFITS</b>	<b>409,718,146</b>	<b>52.6%</b>
RECEIVER GENERAL FOR CANADA**	211,177,752	
BOARD OF ADMINISTRATORS**	77,217,289	
SUN LIFE ASSURANCE COMPANY OF CANADA**	49,327,312	
ALBERTA PENSIONS ADMINISTRATION CORP.**	41,305,338	
ASEBP - ALBERTA SCHOOL EMPLOYEE BENEFIT PLAN**	15,411,029	
ALBERTA TEACHERS ASSOCIATION**	10,030,590	
WORKERS' COMPENSATION BOARD**	2,431,711	
CBE STAFF ASSOCIATION**	1,179,431	
CANADIAN UNION OF PUBLIC EMPLOYEES LOCAL 40**	652,470	
LONDON LIFE INSURANCE CO.**	637,309	
LONDON LIFE/CAPITAL ESTATE PLANNING CORP.**	347,914	
<b>TANGIBLE CAPITAL ASSETS</b>	<b>44,180,857</b>	<b>5.7%</b>
APPLE CANADA INC.	5,858,350	
SHARP'S AUDIO-VISUAL LTD.	4,843,966	
DELL CANADA INC.	3,826,485	
CHARTER TELECOM, INC.	3,402,479	
PC CORP INC.	2,733,664	
S.I. SYSTEMS LTD.	2,594,136	
HBI - HERITAGE BUSINESS INTERIORS	2,127,881	
CDI SPACES	1,838,896	
TELUS	1,697,484	
POWERSCHOOL GROUP LLC	1,385,680	
SCHOOLHOUSE PRODUCTS INC.	1,226,838	
ST. JOHN'S MUSIC LTD.	1,023,377	
SCALAR DECISIONS INC.	985,790	
CRESTVIEW ELECTRIC LTD.	908,637	
CONCEPT ELECTRIC LTD.	906,988	
NOSE CREEK ELECTRICAL SERVICES	858,362	
COLLIERS PROJECT LEADERS INC.	840,236	
MACHINE SAFE GUARDING DIRECT	774,973	
UNITECH ELECTRICAL CONTRACTING INC.	751,028	
ONX ENTERPRISE SOLUTIONS LTD.	686,346	
SELETECH ELECTRICAL ENTERPRISES LTD.	649,040	
SKYLINE ATHLETICS INC.	540,884	
ENMAX POWER SERVICES CORPORATION	534,001	
ESC AUTOMATION INC.	457,641	
PREMIERE VAN LINES LTD.	437,528	
BOREAL SCIENCE	432,400	
TRIUNE WOOD INDUSTRIES LTD.	353,738	
BRICK WAREHOUSE LP, THE	345,108	
ACSI	323,462	
CANEM SYSTEMS LTD.	290,833	
GPI OUTDOOR DESIGNS, INC .	287,368	
CABLE CONSULTING	257,258	
<b>SUPPLIES (SUPP)</b>	<b>36,658,664</b>	<b>4.7%</b>
BANK OF MONTREAL	10,285,992	
MARSH CANADA LIMITED	3,162,516	
GRAND & TOY	3,019,675	
LASERNETWORKS INC.	2,971,792	
SWISH MAINTENANCE LIMITED	2,328,733	
ORACLE CANADA ULC	1,330,917	
ALBERTA FIRE & FLOOD LTD.	1,276,744	
URBAN SCHOOLS INSURANCE CONSORTIUM	1,124,559	
ALBERTA BLUE CROSS	1,068,446	

\* disclosure made on a cash basis

\*\* payment includes both employee and employer amounts

Appendix I - 3

# Third Parties Payments with Total Payments Value >\$250,000\*

Appendix I

For the year ending August 31, 2017

Category	Total Invoices Amount	% of Total Amount
SPICERS CANADA ULC	944,542	
D2L CORPORATION	880,207	
SUPREME OFFICE PRODUCTS LTD	876,144	
UNITED LIBRARY SERVICES INC.	841,198	
INTERNATIONAL BACCALAUREATE ORGANIZATION	745,162	
DATA GROUP OF COMPANIES	640,593	
INGLE INTERNATIONAL	631,659	
SYSCO CALGARY, A DIVISION OF SYSCO CANADA INC.	586,640	
PEARSON EDUCATION CANADA	513,944	
ACRODEX INC.	484,687	
LONG & MCQUADE LTD.	478,459	
IMPERIAL OIL LTD.	378,632	
SPORTFACTOR INC.	347,825	
SPECTRUM EDUCATIONAL SUPPLIES LIMITED	332,847	
WEST CANADIAN DIGITAL IMAGING INC.	327,441	
NELSON EDUCATION LTD.	321,988	
CLEVR	272,752	
BIG KAHUNA SPORT COMPANY	484,571	
<b>TRANSPORTATION OF STUDENTS</b>	<b>49,930,941</b>	<b>6.4%</b>
SOUTHLAND TRANSPORTATION LTD.	24,636,656	
FIRST CANADA ULC	10,961,034	
CARDINAL COACH LINES ULC	9,814,978	
1323179 ALBERTA LTD. dba FOUR SEASONS TRANSPORTATION	1,925,006	
DREAMS TRANSPORTATION LTD.	1,011,159	
CHECKER CABS LTD.	830,529	
ENHANCED HEALTH SERVICES INC.	459,067	
MAYFAIR TAXI LTD.	292,513	
<b>UTILITIES</b>	<b>26,600,184</b>	<b>3.4%</b>
ENMAX ENERGY CORPORATION	10,436,282	
DIRECT ENERGY BUSINESS SERVICES	5,848,488	
AXIA SUPERNET LTD.	3,783,549	
CITY OF CALGARY	3,584,537	
TELUS COMMUNICATIONS INC.	1,426,827	
WASTE MANAGEMENT OF CANADA CORP.	710,856	
BELL MOBILITY INC.	505,574	
SHAW TELECOM G.P.	304,070	
<b>MAINTENANCE, REPAIR, CONSTRUCTION</b>	<b>175,529,197</b>	<b>22.5%</b>
MAPLE REINDERS INC.	27,578,662	
CHANDOS CONSTRUCTION LTD.	20,737,101	
LEAR CONSTRUCTION MANAGEMENT LTD.	18,842,010	
GRAHAM CONSTRUCTION & ENGINEERING LP	11,785,660	
UPA CONSTRUCTION GROUP (AB) LTD.	8,072,521	
STUART OLSON CONSTRUCTION LTD.	5,554,565	
STARCRAFT CONSTRUCTION LTD.	5,547,310	
EVEREST CONSTRUCTION MANAGEMENT LTD.	5,423,027	
DELNOR CONSTRUCTION 2012 LTD.	5,408,379	
TRIBUILD CONTRACTING (CALGARY) LTD.	5,072,608	
BIRD CONSTRUCTION GROUP	4,781,892	
CARBON CONSTRUCTORS INC.	4,737,282	
WESTERN WEATHER PROTECTOR LTD.	4,541,329	
SPACEMAKERS CONSTRUCTION SERVICES INC.	4,490,022	
ELLISDON CONSTRUCTION SERVICES INC.	3,932,923	
RUSSPET CONSTRUCTION LTD.	2,828,580	
CLARK BUILDERS	2,803,317	

\* disclosure made on a cash basis

\*\* payment includes both employee and employer amounts

Appendix I - 4

# Third Parties Payments with Total Payments Value >\$250,000\*

Appendix I

For the year ending August 31, 2017

Category	Total Invoices Amount	% of Total Amount
WESTCOR CONSTRUCTION LTD.	2,232,722	
SYNCON MANAGEMENT LTD	2,223,777	
WREM BUILDING SYSTEMS LTD.	2,163,718	
COBRA CORPORATE MANAGEMENT INC.	2,054,048	
DBI SYSTEMS INTEGRATION INC	1,491,301	
GIBBS GAGE ARCHITECTS	1,181,540	
QUALIMECH COMMERCIAL SERVICES LTD.	1,084,751	
GROUP2 ARCHITECTURE INTERIOR DESIGN LTD.	1,047,914	
CHISHOLM INDUSTRIES LTD.	989,396	
CANTERBURY ROOFING LTD.	953,527	
GOLDEN TRIANGLE CONSTRUCTION MANAGEMENT INC.	927,999	
UNITED ROOFING INC.	888,343	
TROTTER & MORTON BLDG TECH. INC	886,548	
FLYNN CANADA LTD.	868,028	
RIDDELL KURCZABA ARCHITECTURE ENGINEERING INTERIOR DESIGN LTD.	788,100	
BIG COUNTRY PLASTERING LTD.	761,560	
A.S.P. RESIDENTIAL SERVICES INC.	733,582	
PIVOTAL PROJECTS INC.	729,565	
WEST SOURCE ENTERPRISES INC.	722,656	
RYDON CONSTRUCTION INC.	673,529	
DEVITT & FORAND CONTRACTORS INC.	657,289	
AZTEC RENOVATIONS AND REFIT INC.	631,099	
SAHURI + PARTNERS ARCHITECTURE INC.	572,501	
APM CONSTRUCTION SERVICES INC.	558,847	
MJS MECHANICAL LTD.	529,685	
OFFICE SOLUTIONS (ALBERTA) INC.	513,858	
FOOTHILLS DECORATING LTD.	499,697	
TURNBULL CONSTRUCTION PROJECT MANAGERS LTD.	483,971	
KAMEX CONSTRUCTION LTD.	483,024	
RGO FLOORING LTD.	480,362	
ZEIDLER BKDI ARCHITECTS	476,077	
CLEAN AIR SERVICES INC.	463,306	
TAFF ARCHITECTURE LTD.	459,367	
BMP MECHANICAL LTD.	416,071	
BOW RIVER ROAD WORK CONTRACTING LTD.	396,955	
THERMAL SYSTEMS KWC LTD.	370,119	
WOLSELEY CANADA INC.	328,220	
HDR ARCHITECTURE ASSOCIATES INC.	322,867	
TECH-COST CONSULTANTS LTD.	297,728	
ALL SYSTEMS COMMUNICATIONS CONTRACTING INC.	266,759	
REGGIN TECHNICAL SERVICES LTD.	265,408	
DONE RITE JANITORIAL SALES & SERVICE	265,262	
SPRUCE PARK ELECTRIC INC.	250,931	
<b>RENTAL EQUIPMENT &amp; FACILITY</b>	<b>15,310,134</b>	<b>2.0%</b>
BENTALL KENNEDY (CANADA) LP	15,039,726	
20 VIC MANAGEMENT INC.	270,407	
<b>PROFESSIONAL &amp; TECHNICAL SERVICES (P&amp;T)</b>	<b>16,047,626</b>	<b>2.1%</b>
HULL SERVICES	3,696,752	
TELUS SOURCING SOLUTIONS PARTNERSHIP	3,485,820	
WOOD'S HOMES	2,477,074	
SOCIETY FOR TREATMENT OF AUTISM	1,626,040	
ALBERTA HEALTH SERVICES	1,131,941	
VECOVA	599,683	
DLA PIPER (CANADA) LLP	560,272	
IMPERIAL PARKING CANADA CORP.	548,580	

\* disclosure made on a cash basis

\*\* payment includes both employee and employer amounts

Appendix I - 5

# Third Parties Payments with Total Payments Value >\$250,000\*

Appendix I

For the year ending August 31, 2017

Category	Total Invoices Amount	% of Total Amount
ACME VISIBLE	459,208	
GALILEO EDUCATIONAL NETWORK	341,500	
FIELD LLP IN TRUST	291,000	
KPMG	289,501	
MEHER GROUP, INC. THE	271,008	
IRON MOUNTAIN CANADA	269,248	
<b>DONATIONS</b>	<b>662,575</b>	<b>0.1%</b>
EducationMatters	662,575	
<b>FLOW THROUGH FROM AB ED</b>	<b>818,673</b>	<b>0.1%</b>
TSUUT'INA NATION	818,673	
<b>EMPLOYEE FUTURE BENEFITS</b>	<b>651,951</b>	<b>0.1%</b>
MANULIFE	651,951	
<b>MINOR EQUIPMENT &lt;\$5000</b>	<b>1,039,385</b>	<b>0.1%</b>
WILLIAM MORRIS OFFICE SOLUTIONS INC.	413,335	
GOVERNMENT OF ALBERTA	320,638	
MEMORY EXPRESS, INC.	305,413	
<b>POSTAGE</b>	<b>309,750</b>	<b>0.0%</b>
POSTAGE BY PHONE/PITNEYWORKS PREPAID	309,750	
<b>DUES &amp; FEES (D&amp;F)</b>	<b>996,161</b>	<b>0.1%</b>
UNIVERSITY OF CALGARY	415,439	
CALGARY SENIOR HIGH SCHOOL ATHLETIC ASSOCIATION	323,310	
ALBERTA SCHOOL BOARDS ASSOCIATION	257,413	
<b>Grand Total</b>	<b>778,454,243</b>	

\* disclosure made on a cash basis

\*\* payment includes both employee and employer amounts

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**Financial Statements**  
**December 31, 2016**

## **Independent Auditors' Report**

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To the Board of Governors  
EducationMatters, Calgary's Public Education Trust

We have audited the accompanying financial statements of EducationMatters, Calgary's Public Education Trust, which comprise the statement of financial position as at December 31, 2016, and the statements of operations, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of EducationMatters, Calgary's Public Education Trust as at December 31, 2016, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*Collins Barrow Calgary LLP*

CHARTERED PROFESSIONAL ACCOUNTANTS

Calgary, Canada  
April 12, 2017

**EducationMatters, Calgary's Public Education Trust**  
**Statement of Financial Position**  
**December 31, 2016**

	2016	2015
<b>Assets</b>		
Current assets		
Cash and cash equivalents (notes 3 and 7)	\$ 1,589,768	\$ 2,281,640
Goods and Services Tax recoverable	<u>-</u>	<u>655</u>
	1,589,768	2,282,295
Investments (notes 4 and 7)	5,059,520	4,534,126
Property and equipment (note 5)	<u>29,053</u>	<u>31,632</u>
	<u>\$ 6,678,341</u>	<u>\$ 6,848,053</u>
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 35,896	\$ 27,846
Deferred operating contributions (note 6)	<u>441,000</u>	<u>440,000</u>
	<u>476,896</u>	<u>467,846</u>
<b>Funds</b>		
Operating funds (including investment in capital assets)	728,963	774,197
Flow-through funds	638,999	941,345
Endowment funds (note 7)	<u>4,833,483</u>	<u>4,664,665</u>
	<u>6,201,445</u>	<u>6,380,207</u>
	<u>\$ 6,678,341</u>	<u>\$ 6,848,053</u>
Commitments (note 8)		
See accompanying notes to the financial statements		

On behalf of the Board,

  
 \_\_\_\_\_, Governor

  
 \_\_\_\_\_, Governor



**EducationMatters, Calgary's Public Education Trust**  
**Statement of Operations**  
**Year Ended December 31, 2016**

	<b>2016</b>				<b>2015</b>
	<b>Operating Funds</b>	<b>Flow-Through Funds</b>	<b>Endowment Funds</b>	<b>Total</b>	
Revenue					
Contributions	\$ 660,000	\$ 1,461,915	\$ 200,398	\$ 2,322,313	\$ 1,916,563
Interfund fees	92,690	(25,364)	(67,326)	-	-
Gains on investments	20,213	-	90,216	110,429	303,904
Interest and dividend revenue	<u>15,025</u>	<u>-</u>	<u>96,570</u>	<u>111,595</u>	<u>172,728</u>
	<u>787,928</u>	<u>1,436,551</u>	<u>319,858</u>	<u>2,544,337</u>	<u>2,393,195</u>
Expenditures					
Grants (notes 6 and 10)	-	1,848,808	151,630	2,000,438	806,359
Salaries and benefits (note 10)	504,448	-	-	504,448	490,862
Communications (note 10)	2,037	-	-	2,037	1,556
Fund development (note 10)	13,760	-	-	13,760	16,673
Office	37,706	-	-	37,706	39,964
Investment fees	39,902	-	-	39,902	36,881
Professional fees	26,597	89	96	26,782	25,954
Special events	3,090	-	-	3,090	30,383
Computer applications and support	46,842	-	-	46,842	43,264
Rent	38,993	-	-	38,993	38,993
Amortization (note 10)	<u>9,101</u>	<u>-</u>	<u>-</u>	<u>9,101</u>	<u>8,038</u>
	<u>722,476</u>	<u>1,848,897</u>	<u>151,726</u>	<u>2,723,099</u>	<u>1,538,927</u>
Excess (deficiency) of revenue over expenditures	<u>\$ 65,452</u>	<u>\$ (412,346)</u>	<u>\$ 168,132</u>	<u>\$ (178,762)</u>	<u>\$ 854,268</u>

See accompanying notes to the financial statements

**EducationMatters, Calgary's Public Education Trust**  
**Statement of Changes in Fund Balances**  
**Year Ended December 31, 2016**

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	Operating Funds	Flow- Through Funds	Endowment Funds	Total
Fund balances, December 31, 2014	\$ 707,463	\$ 725,289	\$ 4,093,187	\$ 5,525,939
Excess of revenue over expenditures	66,163	219,464	568,641	854,268
Interfund transfers	<u>571</u>	<u>(3,408)</u>	<u>2,837</u>	<u>-</u>
Fund balances, December 31, 2015	774,197	941,345	4,664,665	6,380,207
Excess (deficiency) of revenue over expenditures	65,452	(412,346)	168,132	(178,762)
Interfund transfers	<u>(110,686)</u>	<u>110,000</u>	<u>686</u>	<u>-</u>
Fund balances, December 31, 2016	<u>\$ 728,963</u>	<u>\$ 638,999</u>	<u>\$ 4,833,483</u>	<u>\$ 6,201,445</u>

See accompanying notes to the financial statements

**EducationMatters, Calgary's Public Education Trust**  
**Statement of Cash Flows**  
**Year Ended December 31, 2016**

	<b>2016</b>	<b>2015</b>
Cash provided by (used in):		
Operating activities		
Excess (deficiency) of revenue over expenditures	\$ (178,762)	\$ 854,268
Add (deduct) items not affecting cash		
Amortization	9,101	8,038
Unrealized gain on investments	<u>(81,286)</u>	<u>(279,330)</u>
	<u>(250,947)</u>	<u>582,976</u>
Changes in non-cash working capital		
Goods and Services Tax recoverable	655	746
Prepaid expenses	-	4,400
Accounts payable and accrued liabilities	8,050	2,509
Deferred operating contributions	<u>1,000</u>	<u>-</u>
	<u>9,705</u>	<u>7,655</u>
Cash provided by (used in) operating activities	<u>(241,242)</u>	<u>590,631</u>
Investing activities		
Purchase of equipment	(6,522)	(7,182)
Purchase of investments	(567,641)	(359,194)
Disposal of investments	<u>123,533</u>	<u>102,430</u>
Cash used in investing activities	<u>(450,630)</u>	<u>(263,946)</u>
Cash inflow (outflow)	(691,872)	326,685
Cash and cash equivalents, beginning of year	<u>2,281,640</u>	<u>1,954,955</u>
Cash and cash equivalents, end of year	<u>\$ 1,589,768</u>	<u>\$ 2,281,640</u>
Cash and cash equivalents is comprised of:		
Cash	\$ 199,567	\$ 158,314
Treasury bills (note 3)	<u>1,390,201</u>	<u>2,123,326</u>
	<u>\$ 1,589,768</u>	<u>\$ 2,281,640</u>

See accompanying notes to the financial statements

## EducationMatters, Calgary's Public Education Trust

### Notes to Financial Statements

#### December 31, 2016

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#### 1. Nature of Trust

EducationMatters, Calgary's Public Education Trust, (the "Trust") was formed by way of a trust indenture on January 20, 2003. The Trust is a registered charity and a public trust under the *Income Tax Act* (Canada) and, accordingly, is exempt from income taxes and can issue donation receipts for income tax purposes. The Trust's mandate is to promote citizen engagement with and inspire passion for public education and to mobilize resources for programs that enhance public education.

The Board of Trustees of the Calgary Board of Education (the "CBE Board") appoints all Trust governors. At least two, but not more than 50%, of the Trust governors must be members of the CBE Board.

#### 2. Significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

##### (a) Revenue

The Trust receives contributions in the form of donations to specified funds, operating grants and event funding.

The Trust recognizes contributions when the amounts can be reasonably estimated and collection is assured.

The Trust follows the deferral method of accounting for restricted contributions related to general operations of the Trust. These contributions are recognized as revenue in the operating fund in the period in which the related expenses are incurred.

The Trust recognizes interest, dividends and fee revenue when the amounts are earned.

##### (b) Trust funds

The Trust holds operating, flow-through and endowment funds. The Trust follows the deferral accounting method for the operating fund and the restricted fund accounting method for the flow-through and endowment funds.

The Trust restricts endowment fund grants in any fiscal period to a maximum of 4.5% of the market value of the endowment at the end of the prior fiscal year.

## **EducationMatters, Calgary's Public Education Trust**

### **Notes to Financial Statements**

#### **December 31, 2016**

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#### ***Operating funds***

Operating fund contributions received that relate to a subsequent period are shown as deferred operating contributions on the statement of financial position.

#### ***Flow-through funds***

Flow-through funds are spent during the year in which they are received or the year following to support a wide range of programs and projects.

#### ***Endowment funds***

Endowment funds are created by donors to provide long-term support for discretionary spending, general fields of interest or designated specific programs or projects.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and short-term investments with a maturity date of three months or less.

(d) Investments

Investments include pooled investment funds that consist of mutual funds and are measured at fair value.

(e) Property and equipment

The Trust capitalizes administrative assets, consisting of computer equipment and office equipment, at cost and amortizes them over their estimated useful lives of five years on a straight-line basis.

Property and equipment is evaluated for impairment when events or circumstances indicate its carrying value may not be recoverable. Any impairment is measured by comparing the carrying value of the assets to the fair value, based on the present value of future cash flows expected to be generated from the assets.

(f) Measurement uncertainty

The valuation of property and equipment is based on management's best estimates of the future recoverability of these assets and the determination of costs subject to classification as property and equipment. The amounts recorded for amortization of the property and equipment are based on management's best estimates of the remaining useful lives and period of future benefit of the related assets.

The valuation of accrued liabilities is based on management's best estimates of expenses incurred during the year that will be payable in future periods.

## **EducationMatters, Calgary's Public Education Trust**

### **Notes to Financial Statements**

#### **December 31, 2016**

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By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

(g) Financial instruments

The Trust initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions that are measured at the exchange amount.

The Trust subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in pooled investment funds that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess of revenue over expenditures.

Financial assets measured at amortized cost include cash and cash equivalents. The Trust's financial assets measured at fair value include the pooled investment funds.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Financial assets measured at cost or amortized cost are tested for impairment, at the end of each year, to determine whether there are indicators that the asset may be impaired. The amount of the write-down, if any, is recognized in excess of revenue over expenditures. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account. The reversal may be recorded provided it is no greater than the amount that had been previously reported as a reduction in the asset and it does not exceed original cost. The amount of the reversal is recognized in excess of revenue over expenditures.

The Trust recognizes its transaction costs in excess of revenue over expenditures in the period incurred for its equity investments and for all other financial assets and liabilities that are subsequently measured at fair value. Financial instruments that are subsequently measured at cost or amortized cost are adjusted by the transaction costs and financing fees that are directly attributable to their origination, issuance or assumption.

(h) Expenditures

Administrative expenses are charged to endowment funds in accordance with donor agreements. Interest income earned on flow-through funds is allocated to the operating fund in lieu of an administration fee. Expenses incurred for a specific fund are charged to that fund.

## EducationMatters, Calgary's Public Education Trust

### Notes to Financial Statements

#### December 31, 2016

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(i) Donated services

Donated services are not recognized in the financial statements as there is no objective basis available to measure the value of such services.

3. Cash and cash equivalents

Cash and cash equivalents include short-term investments of \$1,390,201 (2015 - \$2,123,326) consisting entirely of investments in Canadian treasury bills with maturity dates of 90 days or less. Short-term investments yield an average interest rate of 0.44% (2015 - 0.63%).

4. Investments

	2016	2015
Pooled Funds - Endowment Fund	\$ 4,683,178	\$ 4,534,126
Pooled Funds - Operating Fund	<u>376,342</u>	<u>-</u>
	<u>\$ 5,059,520</u>	<u>\$ 4,534,126</u>

Investments are comprised of \$5,059,520 (2015 - \$4,534,126) in pooled investment funds measured at fair value. The Trust's policy is to liquidate gifted shares on the same day as they are received. There were no gifted shares held at December 31, 2016 or 2015.

In February 2016, the Board of Governors approved the transfer of \$350,000 or approximately half of the surplus from the operating fund into a pooled investment fund in order to generate a higher return than holding this balance in short-term investments. The investment fund has no restrictions on the use of these funds and the investment fund can be liquidated by the Trust and used for general operating expenditures at any time. This investment fund is monitored by management on an ongoing basis and quarterly by the Finance and Audit Committee and the Board of Governors to assess its performance.

5. Property and equipment

	Cost	Accumulated Amortization	Net Book Value	
			2016	2015
Computer equipment	\$ 144,873	\$ 117,940	\$ 26,933	\$ 30,562
Office equipment	<u>25,850</u>	<u>23,730</u>	<u>2,120</u>	<u>1,070</u>
	<u>\$ 170,723</u>	<u>\$ 141,670</u>	<u>\$ 29,053</u>	<u>\$ 31,632</u>

## EducationMatters, Calgary's Public Education Trust

### Notes to Financial Statements

#### December 31, 2016

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#### 6. Related party transactions

The Trust is economically dependent on contributions from the Calgary Board of Education ("CBE") and is committed to provide services to CBE in fund development, grants and student awards. During the year, the Trust received \$660,000 (2015 - \$660,000) from the CBE. \$440,000 of the contributions received was deferred to 2017 in accordance with spending of the funds over a twelve-month period and is included in deferred operating contributions on the statement of financial position. The Trust rented office space and purchased services of \$38,993 (2015 - \$38,993) and \$7,678 (2015 - \$6,442), respectively, from the CBE. These transactions were recorded at the amounts established and agreed to by the parties.

Grants awarded to CBE schools by the Trust are distributed to recipients by way of the CBE. In 2016, this amount was \$1,516,879 (2015 - \$360,320).

#### 7. Endowment funds

Endowment funds are invested to provide long-term support, and are comprised of the following:

	<b>2016</b>	<b>2015</b>
Cash	\$ 150,305	\$ 130,539
Investments	<u>4,683,178</u>	<u>4,534,126</u>
	<u>\$ 4,833,483</u>	<u>\$ 4,664,665</u>

#### 8. Commitments

The Trust's office lease with the CBE was renewed in August 2016 for an additional one-year term to August 31, 2017 and requires monthly rental payments of \$3,249.

#### 9. Financial instruments

The Trust is exposed to the following significant financial risks:

##### (a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The financial instruments that potentially subject the Trust to significant concentration of credit risk consist primarily of cash and cash equivalents and investments. The Trust mitigates its exposure to credit loss by placing its cash and cash equivalents and investments with major financial institutions.



**EducationMatters, Calgary's Public Education Trust**  
**Notes to Financial Statements**  
**December 31, 2016**

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(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Trust's investments in pooled investment funds expose the company to price risks as equity investments are subject to price changes in the open market.

10. Additional information on fund development

(a) Expenses incurred to raise funds

	<b>2016</b>	<b>2015</b>
Fundraising event	\$ -	\$ 30,383
Fund development expenses	13,760	16,673
Fund development salaries and benefits	<u>136,121</u>	<u>133,835</u>
	<u>\$ 149,881</u>	<u>\$ 180,891</u>

(b) Funds raised during 2016 were \$1,662,313 (2015 - \$1,236,891).

(c) Summary of disbursements

	<b>2016</b>	<b>2015</b>
Grants	\$ 1,565,529	\$ 402,357
Scholarships	<u>434,909</u>	<u>404,002</u>
	<u>\$ 2,000,438</u>	<u>\$ 806,359</u>

In 2016 there were three disbursements of contributions greater than 10% of the gross contributions received in 2016. The following projects were supported:

- (1) Calgary Board of Education Exploratory or Dual Credit programs engage in learning experiences that can: earn students credits in high school and post-secondary education institutions simultaneously; allow students to discover and explore career pathways, which can help them plan for successful transitions to post-secondary and/or the workforce; provide workplace certification/accreditation or; offer preferred placement at post-secondary institutions (\$405,311 in 2016).
- (2) Library to Learning Commons projects transform school libraries in Calgary Board of Education Schools into modern, welcoming Learning Commons (\$198,132 in 2016).

**EducationMatters, Calgary's Public Education Trust**  
**Notes to Financial Statements**  
**December 31, 2016**

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- (3) Maker Education is a way of introducing engineering to young learners. Such concrete experiences provide a meaningful context for understanding abstract science and math concepts traditionally taught by schools while expanding the world of knowledge now accessible to students for the first time. Also included in the funding was a small portion for teacher professional development regarding Maker Education in classrooms (\$170,200 in 2016).

In 2015 there were no disbursements greater than 10% of the funds raised.

- (d) Allocation of total expenditures and disbursements

Total expenditures and disbursements after allocation of salaries and benefits to the cost centres consist of the following:

	<b>2016</b>	<b>2015</b>
Grant disbursements	\$ 2,000,438	\$ 806,359
Communication expenses	2,037	1,556
Fund development expenses, excluding events	149,881	150,508
Events	-	30,383
Program expenses	561,642	542,083
Amortization expense	<u>9,101</u>	<u>8,038</u>
	<u>\$ 2,723,099</u>	<u>\$ 1,538,927</u>

Salary and benefit costs are incurred to operate the Trust and its programs in a cost-effective manner while maximizing all opportunities to further the Trust's mission. The Trust allocates salary and benefits based on the actual time spent in each cost centre by each staff person.



September 14, 2017

Board of Directors  
Urban Schools Insurance Consortium  
c/o Calgary Board of Education  
1221 – 8<sup>th</sup> Street SW  
Calgary AB T2R 0L4

Dear Sirs,

Enclosed please find the management financial statements for Urban Schools Insurance Consortium (“USIC”) for the eight months ended August 31, 2017, with comparative results for the eight months ended August 31, 2016.

## Highlights

Key financial activities and issues for the period are summarized as follows:

- USIC has recorded net comprehensive income of \$291,500 for the eight month period ended August 31, 2017, compared to a net comprehensive loss of (\$211,266) for the same period in 2016 and compared to the budgeted amount for 2017 of \$413,158.
- USIC did not invest any funds this year from the November 2016 property renewal, due to the expected payout on the Fort McMurray 2016 loss. The remaining limit on the 2015/16 property policy was paid out in February 2017. The timing of loss payments during the year will determine the need for any withdrawals from the investments.
- The annualized yield of the investments is 1.21% compared to the budgeted yield of 1% and 2.8% for 2016.
- Upon review of the April 2017 statements, it was determined that the calculation of the pool equity at that time, and as at December 31, 2016, had a misallocation between some of the Catholic school boards and the respective Public school boards. The calculation of pool equity was recalculated back to December 31, 2011, to ensure that the correct balance was carried forward and we can confirm that the equity balances in prior reported periods was correct. While completing that exercise, we reallocated the Dawes Centre premiums over those years for the two Red Deer subscribers, as confirmed with them.

## Financial Review

USIC’s results of operation for the eight months ended August 31, 2017 show a net comprehensive income of \$291,500 which is comprised of net premiums earned, other insurance income and investment income of \$2,574,045, offset by losses and operating expenses of \$2,282,545. The unfavourable variance from actual to budget is mainly attributed to higher than expected losses incurred on the expired general liability policies.

Premium income is \$2,124,988 representing eight months of the 2016-17 property policy premiums, which is slightly lower than the premiums budgeted. The other insurance income is the commission income passed onto USIC from Marsh and is earned evenly over the policy period, which is slightly lower than the amount originally budgeted.



Premium taxes on the premiums written for the 2016-17 policy were paid in February 2017 and are expensed over the entire policy period. The premium tax rate changed in April of 2016 from 3% to 4%. USIC had accrued the full 4% based on the timing of the premiums written, but upon preparation of the premium tax return we were allowed to prorate the premiums for 2016 at a combined 3% and 4%, resulting in a savings of approximately \$8,000.

The losses incurred of \$1,825,560 is comprised of losses paid in the period, the change in the reported claim reserves (as determined by claims data reported at August 31, 2017 provided by the respective loss adjusters), and an adjustment to the incurred but not reported reserves ("IBNR"). The IBNR is calculated comparing the losses paid and the change in the known reserves, to the prorated estimate at August 31<sup>st</sup> based on the 2016/17 ultimate loss reserves per the 2016 actuarial report.

The losses incurred are higher than the budgeted amount by \$159,882. The following summarizes the particular policy years where the differences have occurred.

### August 2017 variance to budget for Losses Incurred

#### Liability policy

Known loss reserves and paid losses exceeding ultimate reserves from the 2016 report	
2008/09 policy year - claims made reserves	4,305
2009/10 policy year - occurrence reserves	79,500
2011/12 policy year - claims made reserves	76,077
	<b>\$ 159,882</b>

Schedule 4 of the financial statement package reports net underwriting income by policy issued. While loss adjusting expenses continue to be paid out on one old auto claim, these payments are sufficiently covered by the established loss reserves. The underwriting loss year to date occurred on the liability policies, where the loss estimates are exceeding the amounts reserved at December 31, 2016. The property losses incurred are estimated in accordance with the budget (assuming a full limit loss of \$3 million is incurred over the remaining policy period).

Comparing the eight months of 2017 to 2016, the loss ratio is lower at 85.9% from 106.4%. Comparing the only in force policy (property), the loss ratio has decreased to 78.4% from 99.1% year to date at August 31, 2016.

	YTD Jan - Aug 2017	YTD Jan - Aug 2016
Losses incurred:		
Paid	\$ 3,835,187	\$ 1,088,270
Outstanding loss reserves (case reserves)	(2,372,846)	2,476,546
Incurred but not reported reserves	363,219	(53,637)
	<b>\$ 1,825,560</b>	<b>\$ 3,511,179</b>
Loss ratio	85.9%	106.4%



General and administrative expenses (G&A) are made up of accruals and actual costs for general operations, as detailed on Schedule 2 of the financial reporting package. The schedule lists major expenses in comparison to budgeted amounts and the prior year.

Overall, G&A expenses are under budget by \$12,575, with the most significant variances for the budgeted costs not yet occurring; actuarial consulting fees and legal fees. Travel, meeting and miscellaneous are also 33% under budget.

The total favourable variance on G&A expenses over the prior year is \$36,959. The most significant variances from the prior year are costs that occurred in 2016, but are not applicable to 2017; the extra actuarial work (ORSA, premium valuation and retention study), and the JLT Claims System installation costs.

USIC's investment portfolio includes marketable securities of low risk, government and corporate debt securities, and investments in equity mutual funds. The cash and cash equivalents are summarized in Schedule 1 of the financial reporting package. The investment income earned for the period was \$147,773 including interest earned, realized and unrealized market gains and losses, and is net of investment management fees. This compares favourably to the budgeted amount of \$120,000, and unfavourably to the investment income to August 31, 2016 of \$353,781. USIC's investment return for the period was 0.81% (1.21% annualized), compared to the annualized rate to August 31, 2016 of 2.78%.

A portion of USIC's cash and investments are restricted to comply with the Insurance Act's minimum reserve and guarantee fund requirements, ensuring sufficient funds are available to meet claim obligations. At the reporting period end, USIC is in full compliance and meets this requirement as follows:

As at August 31,	2017	2016
Required cash and investment balance as required pursuant to the Act:		
Reserve fund	\$ 1,593,741	\$ 2,475,000
Guarantee fund	8,913,318	13,149,559
	10,507,059	15,624,559
Actual cash and investments	17,224,921	18,824,104
Excess over required balance	\$ 6,717,862	\$ 3,199,545

Preceding the financial reporting package is a ratio analysis based on the current financial statements, in comparison to the eight months ended August 31, 2016 and the eight months ended August 31, 2015. Overall the ratios show an improvement in the financial position in 2017 over 2016, with a lower liquidity ratio, lower loss and combined ratios, higher return on equity but a lower investment return. The ratios outside the benchmark are the loss and combined ratios. The loss ratio at 85.9% compared to the benchmark of 75%, and the combined ratio at 107.4% compared to a 100% benchmark, and is a result of the losses on the expired liability policies as discussed earlier.

The decrease in the claim reserves to equity ratio is a result of the reserves decreasing from the payments in the period, and the increase in equity from the 2016 and 2017 operating results.



The MCT calculation at August 31, 2017 is significantly higher than the same time in 2016 and at 358.1% has improved from the December 31, 2016 rate of 304.7% (all without the phase-in from the old MCT calculation). The improvement is mainly a reflection of the decrease in loss reserves due to the payments in the period; additionally the payments reduce the credit risk associated with holding cash. In addition, all BBB bonds previously held have matured now, which has a positive impact on the MCT.

Included with the financial statement package is a review of the Key Metrics that were addressed in the ORSA analysis completed last year. The review includes the metrics that were calculated at December 31, 2016 in comparison to the metrics at August 31, 2017. As previously discussed, the loss and combined ratios are higher than expected due to the general liability losses incurred and the result indicates a yellow highlighted warning that the metric is now between the risk target and risk limit. The only metric that is not feasible to determine at interim periods is the Prior Year Development, which is based on reserves reported in the actuarial report.

Please contact us if you have any questions.

Yours truly,  
**Aon Insurance Managers (Vancouver)**

*Marilyn Scott*

Marilyn Scott, CPA, CA  
Senior Account Executive

**Urban Schools Insurance Consortium  
Management Financial Statements  
For the eight months ended August 31, 2017**

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**Urban Schools Insurance Consortium**  
**Financial Performance Ratios**  
**Expressed in Canadian dollars**

	Benchmark	August 31, 2017	August 31, 2016	August 31, 2015
<b>Liquidity Ratios</b>				
Total liabilities : Liquid assets ratio	< 100%	54.7%	74.2%	65.4%
	<i>OFSI Max 105%</i>			
Total reserves : Total investments ratio	< 100%	50.3%	69.2%	59.5%
<b>Solvency Ratios</b>				
Net retention		\$ 3,000,000	\$ 3,000,000	\$ 3,000,000
Retention : Equity ratio	< 100%	38.2%	60.9%	54.6%
<b>Profitability Ratios</b>				
Loss ratio	< 75%	85.9%	106.4%	83.0%
Expense ratio	< 25%	21.5%	15.6%	13.5%
Combined ratio	< 100%	107.4%	122.0%	96.5%
Investment return		1.2%	2.8%	0.7%
Return on equity	> 8%	3.8%	-4.2%	6.4%
	<i>OFSI Min 5.4%</i>			
<b>Leverage Ratios</b>				
Premiums : Equity ratio	< 400%	27.1%	67.0%	60.0%
	<i>OFSI Max 500%</i>			
Claim reserves : Equity ratio	< 200%	109.9%	263.6%	169.1%
	<i>OFSI Max 200%</i>			
<b>Minimum Capital Test</b>				
Total available capital : minimum capital required	> 180%			
2015 version of MCT calculation		358.1%	194.2%	285.0%
Phased in from 2013 MCT version		367.0%	211.9%	353.1%



**Urban Schools Insurance Consortium**  
**Statement of Financial Position**  
**Expressed in Canadian dollars**

As at August 31,		2017	2016
<b>Assets</b>			
	<i>Note</i>		
Cash and cash equivalents	7 & Schedule 1	\$ 1,574,094	\$ 3,494,663
Marketable securities	7 & Schedule 1	15,592,828	15,262,003
Accrued investment income	7 & Schedule 1	57,999	67,438
Deferred premium taxes	1	19,929	24,750
<b>Total Assets</b>		<b>\$ 17,244,850</b>	<b>\$ 18,848,854</b>
<b>Liabilities</b>			
Claims payable	2	\$ 87,365	\$ -
Accounts payable and accrued expenses	3	69,283	77,026
Deferred revenue	4	75,321	40,151
Unearned premiums	5	531,247	825,000
Provision for unpaid claims and loss adjustment expenses	6	8,631,349	12,982,382
<b>Total Liabilities</b>		<b>9,394,565</b>	<b>13,924,559</b>
<b>Subscribers' Surplus</b>			
Subscribers' contributions		481,391	481,391
Retained Earnings		7,368,894	4,442,904
<b>Total Subscribers' Surplus</b>		<b>7,850,285</b>	<b>4,924,295</b>
<b>Total Liabilities and Subscribers' Surplus</b>		<b>\$ 17,244,850</b>	<b>\$ 18,848,854</b>

**Urban Schools Insurance Consortium**  
**Statement of Comprehensive Income (Loss)**  
Expressed in Canadian dollars

For the eight months ended August 31,	Actual 2017	Budget 2017	Variance Favourable / (Unfavourable)	Actual 2016
<b>Income</b>				
Gross premiums written	\$ -	\$ -	\$ -	\$ -
Change in unearned premium reserve	2,124,988	2,133,334	(8,346)	3,300,000
Premiums earned <i>Schedule 4</i>	2,124,988	2,133,334	(8,346)	3,300,000
Other insurance income	301,284	302,000	(716)	160,680
Investment income	184,618	120,000	64,618	194,590
Realized gains (losses) on investments	(59,092)	-	(59,092)	2,031
Unrealized gains (losses) on investments	22,247	-	22,247	157,160
<b>Total income</b>	<b>2,574,045</b>	<b>2,555,334</b>	<b>18,711</b>	<b>3,814,461</b>
<b>Expenses</b>				
Losses paid	3,835,187	-		1,088,270
Change in outstanding loss reserves	(2,372,846)	-		2,476,546
Change in incurred but not reported reserves	363,219	-		(53,637)
Losses incurred <i>Schedule 4</i>	1,825,560	1,665,678	(159,882)	3,511,179
Premium taxes <i>Schedule 4</i>	78,396	85,334	6,938	99,000
General and administrative expenses <i>Schedule 2</i>	378,589	391,164	12,575	415,548
<b>Total expenses</b>	<b>2,282,545</b>	<b>2,142,176</b>	<b>(140,369)</b>	<b>4,025,727</b>
<b>Total comprehensive income (loss)</b>	<b>\$ 291,500</b>	<b>\$ 413,158</b>	<b>\$ (121,658)</b>	<b>\$ (211,266)</b>

**Urban Schools Insurance Consortium**  
**Statement of Changes in Subscribers' Surplus**  
**Expressed in Canadian dollars**

	Retained Earnings	Subscribers' Contributions	Total Subscribers' Surplus
As at January 1, 2016	\$ 4,654,170	\$ 481,391	\$ 5,135,561
Total comprehensive loss	(211,266)	-	(211,266)
As at August 31, 2016	\$ 4,442,904	\$ 481,391	\$ 4,924,295
As at January 1, 2017	\$ 7,077,394	\$ 481,391	\$ 7,558,785
Total comprehensive income	291,500	-	291,500
As at August 31, 2017	\$ 7,368,894	\$ 481,391	\$ 7,850,285

**Urban Schools Insurance Consortium**  
**Statement of Cash Flows**  
**Expressed in Canadian dollars**

For the eight months ended August 31,	2017	2016
<b>Operating Activities</b>		
Total comprehensive income (loss)	\$ 291,500	\$ (211,266)
Items not involving cash:		
Net investment income	(147,773)	(353,781)
Change in non-cash operating accounts:		
Insurance balances receivable	51,872	1,237,787
Claims recoverable	-	11,149
Prepaid expenses	32,052	102,052
Commissions receivable	452,990	240,437
Deferred premium taxes	86,320	99,000
Claims payable	87,365	-
Accounts payable and accrued expenses	(190,652)	(32,538)
Deferred revenue	(302,171)	(160,213)
Premium tax payable	(127,499)	(148,500)
Unearned premiums	(2,124,988)	(3,300,000)
Provision for unpaid claims and loss adjustment expenses	(2,009,628)	2,422,908
	(3,900,612)	(92,965)
<b>Investing Activities</b>		
Investment income received	192,015	187,718
Investment management fees	(16,432)	(15,530)
Purchases of marketable securities	(7,951,318)	(7,566,320)
Proceeds from sales of marketable securities	7,791,195	5,842,738
	15,460	(1,551,394)
Decrease in cash and cash equivalents	(3,885,152)	(1,644,359)
Cash and cash equivalents, opening	5,459,246	5,139,022
<b>Cash and cash equivalents, ending</b>	<b>\$ 1,574,094</b>	<b>\$ 3,494,663</b>

**Urban Schools Insurance Consortium**  
**Notes**  
**Expressed in Canadian dollars**

As at August 31,	2017	2016		
<b>1 Deferred premium taxes</b>				
Property	\$ 19,929	\$ 16,250		
Liability	-	8,500		
	\$ 19,929	\$ 24,750		
<b>2 Claims payable</b>				
Grande Prairie Public School District	\$ 87,365	\$ -		
<b>3 Accounts payable and accrued expenses</b>				
Management fees	\$ 8,115	\$ 8,013		
Audit fees	19,845	19,477		
Actuarial	16,170	15,729		
- Valuation	-	8,820		
- Premium Valuation	-	-		
Investment management fees	4,085	3,967		
Broker fees	11,667	11,667		
Attorney in Fact	9,401	9,353		
	\$ 69,283	\$ 77,026		
<b>4 Deferred revenue</b>				
Commissions	\$ 75,321	\$ 40,151		
<b>5 Unearned premium reserve</b>				
Property	\$ 531,247	\$ 541,667		
Liability	-	283,333		
	\$ 531,247	\$ 825,000		
<b>6 Loss reserves</b>				
	OSLR	IBNR	Total	Total
Property	\$ 981,339	\$ 1,755,636	\$ 2,736,975	\$ 5,834,079
Liability	3,997,648	1,870,972	5,868,620	6,988,315
Auto	21,984	3,770	25,754	159,988
	\$ 5,000,971	\$ 3,630,378	\$ 8,631,349	\$ 12,982,382

**Urban Schools Insurance Consortium**  
**Notes**  
**Expressed in Canadian dollars**

As at August 31,	2017	2016
<b>7 Restricted cash and marketable securities</b>		
Reserve fund:		
50% of gross premiums written of policy yet to expire	\$ 1,593,741	\$ 2,475,000
Guarantee fund:		
Total liabilities (excluding upr) + \$50,000	8,913,318	13,149,559
Restricted cash and marketable securities	\$ 10,507,059	\$ 15,624,559
Cash and cash equivalents	\$ 1,574,094	\$ 3,494,663
Marketable securities	15,592,828	15,262,003
Accrued interest receivable	57,999	67,438
Total	\$ 17,224,921	\$ 18,824,104
Surplus	\$ 6,717,862	\$ 3,199,545

**Urban Schools Insurance Consortium**  
**Cash and Cash Equivalents and Marketable Securities**  
**Expressed in Canadian dollars**

**Schedule 1**

As at August 31, 2017	Cost	Market Value	Accrued Interest
<b><i>Cash and Cash Equivalents</i></b>			
Cash	\$ 1,458,082	\$ 1,458,082	\$ -
Cash held in trust - Crawford	99,395	99,395	-
Investment Cash - Scotia Assets Management	16,617	16,617	-
	<u>1,574,094</u>	<u>1,574,094</u>	<u>-</u>
<b><i>Marketable Securities</i></b>			
Bonds - maturing within 5 years	11,286,625	11,207,548	57,999
Equities	4,227,245	4,385,280	-
	<u>15,513,870</u>	<u>15,592,828</u>	<u>57,999</u>
Total	<u>\$ 17,087,964</u>	<u>\$ 17,166,922</u>	<u>\$ 57,999</u>
Restricted portion for Reserve & Guarantee Fund (see note 7 for calculation)		10,507,059	
Unrestricted cash , investments & accrued interest		<u>\$ 6,717,862</u>	

**Urban Schools Insurance Consortium  
General and Administrative Expenses  
Expressed in Canadian dollars**

**Schedule 2**

For the eight months ended August 31,	Actual 2017	Budget 2017	Variance Favourable/ (Unfavourable)	Actual 2016
Audit fees	\$ 19,845	\$ 19,866	\$ 21	\$ 14,516
Actuarial - Annual Reserve Valuation	16,170	16,334	164	15,729
- ORSA	-	6,666	6,666	2,205
- Premium Valuation & Allocation	-	-	-	8,820
- Retention Study	-	-	-	18,743
Management fees	32,333	32,366	33	31,874
Legal & government fees	-	2,000	2,000	-
Brokerage fees - Marsh	186,667	186,667	-	186,667
AIF fees - Axxima	74,556	74,765	209	73,864
Claims System				
JLT - Claims System	-	-	-	13,119
JLT - Claims System - Annual Maintenance	32,053	33,334	1,281	32,053
Travel, meeting and miscellaneous	4,465	6,666	2,201	5,458
Director and officer policy premium	12,500	12,500	-	12,500
	<b>\$ 378,589</b>	<b>\$ 391,164</b>	<b>\$ 12,575</b>	<b>\$ 415,548</b>



**URBAN SCHOOLS INSURANCE CONSORTIUM**  
**Calculation of Share of Consortium Pool Equity**

**Schedule 3**

as at August 31, 2017

<b>Member</b>	<b>Restated Percentage Share at Dec/16</b>	<b>Restated Share of Equity at 31/12/16 (Note)</b>	<b>Contribution Written in 2016 Earned Jan - Aug 2017</b>	<b>Share of Contributions</b>	<b>Jan to Aug change in Equity</b>	<b>New Equity Balance</b>	<b>Share at August 31, 2017</b>
Calgary Board of Education	32.9851%	2,493,272	749,706	35.2805%	102,843	2,596,115	33.0703%
Calgary Roman Catholic	12.4867%	943,842	254,974	11.9988%	34,977	978,819	12.4686%
Edmonton Public Schools	24.9173%	1,883,446	532,658	25.0664%	73,069	1,956,515	24.9229%
Fort McMurray S.D. No. 2833	2.1314%	161,108	63,313	2.9795%	8,685	169,793	2.1629%
Grande Prairie S.D. No. 2357	2.3921%	180,812	67,507	3.1768%	9,260	190,072	2.4212%
Grande Prairie Roman Catholic	1.2465%	94,220	33,549	1.5788%	4,602	98,822	1.2588%
Holy Spirit Roman Catholic	1.6765%	126,724	38,704	1.8214%	5,309	132,033	1.6819%
Lethbridge S.D. No. 51	2.7129%	205,065	54,443	2.5620%	7,468	212,533	2.7073%
Medicine Hat S.D. No. 76	2.4016%	181,529	46,165	2.1725%	6,333	187,862	2.3931%
Medicine Hat Catholic	1.1950%	90,328	19,556	0.9203%	2,683	93,011	1.1848%
Red Deer S.D. No. 104	3.0806%	232,855	65,867	3.0996%	9,035	241,890	3.0813%
Red Deer Catholic	2.0674%	156,272	34,581	1.6274%	4,744	161,016	2.0511%
Rocky View Schools (RVS)	8.5941%	649,612	126,189	5.9383%	17,310	666,922	8.4955%
St. Albert P.S.D. No. 5565	2.1128%	159,700	37,776	1.7777%	5,182	164,882	2.1003%
<b>TOTAL</b>	<b>100.0000%</b>	<b>7,558,785</b>	<b>2,124,988</b>	<b>100.0000%</b>	<b>291,500</b>	<b>7,850,285</b>	<b>100.0000%</b>

**Note:**

*Equity calculated as follows:*

	December <u>2016</u>	August <u>2017</u>	Change in Equity
<b>Members Equity after Reserves For Claims</b>	<b>\$ 7,558,785</b>	<b>\$ 7,850,285</b>	<b>\$ 291,500</b>

**Urban Schools Insurance Consortium**  
**Net Underwriting Income - Year to Date**  
**Expressed in Canadian dollars**

Schedule 4

For the eight months ended August 31, 2017	Property	Liability	Auto	Total
<b>Underwriting</b>				
Gross premiums written	\$ -	\$ -	\$ -	\$ -
Change in unearned premium reserve	2,124,988	-	-	2,124,988
Premiums earned	2,124,988	-	-	2,124,988
Losses paid				
Paid Losses	3,360,393	452,281	22,513	3,835,187
Change in outstanding loss reserves	(2,360,000)	9,667	(22,513)	(2,372,846)
Change in incurred but not reported reserves	665,285	(302,066)	-	363,219
Losses incurred	1,665,678	159,882	-	1,825,560
Premium taxes	78,396	-	-	78,396
<b>Net underwriting income (loss)</b>	<b>\$ 380,914</b>	<b>\$ (159,882)</b>	<b>\$ -</b>	<b>\$ 221,032</b>
Loss ratio	78.4%	N/A	N/A	85.9%

Urban Schools Insurance Consortium (USIC)  
Urban Schools Insurance Consortium  
Review of Key Metrics

Appendix III

As at: August 31, 2017 December 31, 2016

Risk Category	Risk Metric	Risk Target	Risk Limit	USIC	USIC	Note
Insurance	Net Loss Ratio	≤ 85%	≥ 125%	86%	48%	
	Prior Year development (negative indicates favourable development)	≤ 0%	≥ 15%	N/A	-23%	1
Premium and Strategy	Net combined ratio	≤ 100%	≥ 135%	107%	66%	
	Ratio of surplus to 2016/17 aggregate limit of \$3.1M	0.85 to 1.05	≤ 0.85	2.53	2.44	2
	Board turnover	≤ 2 per year	≥ 3 per year	0	1	
Operational	Executive Committee turnover	≤ 1 per year	≥ 2 per year	1	0	
	Management/Expert turnover	≤ 1 per 2 years	≥ 1 per year	1	0	
Market (equity, foreign exchange, interest rates)	Interest rate risk per MCT formula at 1.25%	\$0 to \$250,000	≥ \$250,000	\$ 142,000	\$ 77,000	
	Proportion of marketable securities in equities	25%	≥ 30%	28%	26%	3
	Maximum allocation to a single equity security		Greater of \$500,000 and 5%	\$ 710,895 4.6%	\$ 736,560 4.8%	4
Credit/ Default	Credit rating of bonds	≥ BBB	< BBB	A	BBB	
	Maximum allocation to a single fixed income security		Greater of \$500,000 and 2%	\$ 404,756 2.6%	\$ 408,697 2.6%	
	Amounts receivable after 60 days	\$0	≥ \$400,000	\$ -	\$ -	
Liquidity	Ratio of cash and short-term assets to liabilities	20% to 35%	≤ 20%	49%	63%	
	Excess of AMRGF	\$4,300,000 to \$5,300,000	≤ \$1,500,000	\$ 6,717,862	\$ 7,928,116	
MCT	Minimum Capital Test Ratio	180%	180%	367%	326%	4

**Notes:**

- 1 - Based on undiscounted reserves from the actuarial analysis, excluding redundancy and loss reserves on the 2015/16 policy year, as only partially complete at prior year end. Not cost effective to calculate at interim periods.
- 2 - Target and Limit originally proposed with GL coverage of \$2M in aggregate limit, in addition to Property limit of \$3M (ratio calculates to 1.51 with \$5M aggregate )
- 3 - Funds within investment portfolio only, excludes cash held in bank or in escrow
- 4 - Additional metric proposed to be added to future tables in ORSA

**Legend:**

Between Target and Limit  
Outside of Limit



## **APPENDIX C: PROGRAM REPORTING**

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### **Section C.1 FUNDING FRAMEWORK PRINCIPLES**

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Financial resources for education identified by the provincial government are to be allocated to school jurisdictions on an equitable basis that recognizes the diversity among students and school systems and the costs associated with this diversity. The framework for funding provides school jurisdictions with flexibility in the processes of planning and budgeting for the delivery of educational programs and services. School jurisdictions are accountable to the Province, through Alberta Education, and the public for their expenditures and results.

The Province, through Alberta Education, determines the educational funding allocated to school boards. School boards are then responsible for establishing policy and allocating appropriate funds to schools. Alberta Education, has assumed funding responsibility for approved current and future costs of school building projects and for debt on certain existing schools through Alberta Treasury and Finance. In its efforts to direct more resources to instructional services, Alberta Education has imposed specific limitations on Board and System Administration expenditures of 3.6% - 5.4% of total expenses.

### **Section C.2 CHART OF ACCOUNTS - OVERVIEW**

---

Each school jurisdiction's chart of accounts reflects unique information needs and organizational structure as well as program accounting and reporting requirements of Alberta Education.

For purposes of the Audited Financial Statements submitted to Alberta Education, the basic levels of accounting information and code structures must provide information consistent with definitions within the object, program and sub-program classifications.

Location codes must be used to track program costs for each facility in a jurisdiction in the event information reports are required by Alberta Education and/or Alberta Infrastructure. Activity codes may be used by school jurisdictions for administrative purposes in tracking unique project costs or specific elements within a program. **Commencing September 1, 2016, revenues and expenses for each fee must also be tracked in order to demonstrate that "school fees collected have been spent for the same purpose for which they were collected.**

### **Section C.3 REPORTING UNIT DEFINITIONS**

---

#### **PROGRAM AND SUB-PROGRAM**

A program represents any plan or system under which action is taken toward a goal(s).

#### **OBJECT**

Revenues and expenditures are described according to their nature or characteristics (e.g. salaries; supplies and materials).

#### **ACTIVITY**

Activity provides another level of classification for identifying similar groups or processes.

#### **LOCATION**

A location code defines a decision unit such as a site, school, department or individual.

## **Section C.4 PROGRAMS/SUB-PROGRAM FUNDING**

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The *Funding Manual for School Authorities 2015/2016 School Year* describes the purposes and formulae for the funding framework. However, it is important to note that, aside from some targeted funding such as the Regional Collaborative Service Delivery (RCSD) and Board and System Administration expenditure limit, school jurisdictions currently have the flexibility to determine how the funds are best directed. As such, the funding envelope does not necessarily have to correspond with the programs to which revenues are assigned for financial statement purposes.

## **Section C.5 PROGRAM DEFINITIONS**

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### **C.5.1 INSTRUCTION**

Early Childhood Services and Grades 1 – 12 instruction is the provision of activities dealing directly with or aiding in the teaching of students or improving the quality of teaching. The costs of personnel, services, supplies, and furnishings and equipment are allocated to the program, along with capital equipment amortization on the basis of the direct benefit or service contributed. All academic, vocational and technical courses, along with organized instructional activities which may be remedial and/or developmental in nature are included in this definition. Support to instruction is classified in two groups:

#### **School Administration and Instruction Support**

School administration and instruction support includes the provision of activities at school level that do not provide direct instruction to the student in the classroom. Costs for these activities include:

- Release time and allowances for principals, vice-principals, assistant principals, department heads and coordinators;
- Clerical and support staff (staff not working directly in classrooms in support of students, but in an administrative support role) remuneration;
- Library, counseling and testing services provided by school-based staff;
- Support services provided from outside the school (such as contracted services for assessments, therapy for students, etc.) at the school's discretion and supported by the school's budget;
- Communications and document reproduction equipment for instructional support staff;
- Administrative services, contracts and supplies.

#### **System Instructional Support (SIS)**

SIS consists of activities of certificated and non-certified staff across the school jurisdiction for system-based instruction services to:

- Support the implementation of instruction and curriculum;
- Cover other boards' costs, paid to a hosting board in a consortia for services such as film libraries, regional assessment services and professional development consortiums;
- Audit School Generated Funds;
- Coordinate in-service instruction to school staff;
- Assist teachers with program delivery;
- Implement system-wide change initiatives (e.g., curriculum, library, counselling and testing services); and
- Liability insurance related to instructional personnel.

These activities are at the discretion of the board and are budgeted at the system level. Generally, "school generated fund" revenues & expenses may be classified to instruction if it relates to broadening the educational experience of qualifying students.

### **C.5.2 PLANT OPERATIONS AND MAINTENANCE (PO & M)**

PO & M consist of activities that relate to the jurisdiction's responsibility for the construction, operation, maintenance, safety and security of all school buildings, including costs relating to the supervision of this program.

Costs associated with this program include:

- Remuneration expenses for the supervisor of operations and maintenance of school facilities and all clerical and support staff associated with this program;
- Repair, maintenance and security of school buildings, equipment and grounds including services, contracts and supplies;
- Costs related to cleaning and janitorial activities and supplies in school facilities;
- Costs of utilities for school and maintenance facilities;
- Liability insurance related to the proportion of maintenance personnel;
- Property insurance on school building and maintenance facilities;
- Amortization of school and shop facilities, and vehicles and equipment that was purchased with PO & M revenues, with a historic cost of \$5,000 or greater;
- General operational costs associated with the maintenance programs;
- Costs associated with maintenance staff involvement in the capital planning cycle;
- Costs associated with Occupational Health and Safety activities;
- Emergency planning; and
- Facilities Planning and Development – The entire planning, development and construction cycle for capital building projects carried out by central office.

### **C.5.3 TRANSPORTATION**

Activities related to the transportation of students to, from and between schools, and boarding of eligible students away from home.

Costs associated with this program include:

- Remuneration expenses for the supervision of student transportation and all clerical and support staff associated with the program, including bus aides;
- Conveyance of students to and from school whether buses are contracted or board operated;
- Repair and maintenance of transportation vehicles;
- Operating lease payments on transportation vehicles;
- Amortization of capital costs of transportation vehicles, equipment and shop facilities with a historic cost of \$5,000 or greater;
- Property insurance on bus shops and barns and equipment;
- Liability insurance related to the proportion of transportation personnel;
- Vehicle insurance on board owned vehicles used for student transportation;
- Amounts paid to third-party operators for the transportation of students to & from school;
- Utilities for transportation facilities;
- General operational costs associated with the transportation programs; and
- The sale (Fees) and cost (Services, contracts, and supplies) of public transit passes.

Revenues and expenses associated with the use of transportation services for field trips, co-curricular trips and athletic trips, etc. should be recognized under programs other than transportation (Grade 1 – 12 instruction, for example). If buses are rented to other groups for ancillary revenue, the associated revenues & expenses should be reported as “Other Revenue” under the Transportation program.

### **C.5.4 BOARD & SYSTEM ADMINISTRATION (BSA)**

BSA are system-wide activities for the purpose of general regulation and direction of the affairs of the school jurisdiction. Costs relate directly to the operation of the boards of trustees, superintendents, secretary-treasurers and their respective staffs, including supplies and amortization of administrative equipment and facilities. Categories include:

#### **Board Governance**

Board Governance includes activities related to the work of the elected body responsible for all activities within the jurisdiction. All payments to trustees and for expenses incurred by the body for such things as travel, membership fees and school board elections.

#### **Office of the Superintendent including Instructional Services / Educational Administration**

This category includes activities related to overall jurisdiction educational leadership and administration. This includes those performed by the superintendent of schools; deputy, associate and assistant superintendents. These duties are restricted to functions that may not be considered System Instructional Support. Note that for the purposes of the Unaudited Schedule of Central Administration Expenses, costs associated with the Superintendent's office (including administration staff) should be segregated from other instructional services.

Activities associated with educational administration include:

- System level planning;
- Instructional staffing allocations (human resource planning, and implementation);
- New programming implementation and review;
- Monitoring and evaluation of programs, schools, & the system; and
- Hiring, supervision and evaluation of principals and staff.

#### **Business Administration (Office of the Secretary-Treasurer)**

Business administration includes activities related to the business and financial operations of the school system at the jurisdictional level, performed by the Secretary-Treasurer and related business/finance support staff including:

- Corporate budgeting;
- Financial accounting including accounts payable and receivable, and internal and external audits (excluding School Generated Fund audits which falls under SIS);
- Legal services;
- Liability insurance related to the proportion of central office administrative personnel;
- Property insurance for the administration facility;
- Activities related to the Corporate Secretary and Corporate Treasurers office;
- Corporate records management; and
- May include the payroll function.

**This program does not include support service activities based at the school level.**

#### **General Services Management**

General services management are activities related to central support services such as:

- Human Resources – Personnel planning, employment and development on behalf of the school system as a whole;
- Central Purchasing – Purchasing of services, contracts and supplies on behalf of the school system and with the approval of department managers;

#### **C.5.4 BOARD & SYSTEM ADMINISTRATION (BSA) (Continued)**

##### **General Services Management (continued)**

- Communications, Public Relations and Marketing – Costs associated with system-wide communications and marketing activities;
- Information Technology; and
- May include the payroll function.

##### **Administration Buildings**

These activities relate to the administration building of the division including:

- Operating costs;
- Operating lease payment;
- Interest expense on capital loan associated with the administration buildings;
- Amortization expense of administration buildings.

#### **C.5.5 EXTERNAL SERVICES**

Includes services offered outside the board's regular educational programs for ECS children and students in grades one to 12 who are served by the board. Activities such as adult education, family school liaison programs and those of a cultural and recreational nature are included in this program.

Other costs associated with this program may include:

- Community services, and community use of schools (at cost recovery);
- Joint use agreements with municipalities (may also be classified as PO&M);
- Sales and services provided to external organizations and individuals;
- Administration costs associated with Regional Collaborative Service Delivery (RCSD) and the Regional Learning Consortia (for “banker boards” only);
- Cafeteria programs of a non-instructional nature;
- Noon-hour and lunch room supervision in schools (may also appear under instruction programs);
- Daycare & pre-kindergarten services;
- Any other activity that does not fall into regular programs; and
- Continuing education programs (see below);

Funding that has been provided to support ECS to Grade 12 programs cannot be used to support any adult programs. Programs and courses offered to adult students (20 years or older on September 1<sup>st</sup>) should be accounted for in a manner that separates them from ECS to Grade 12 funds. These programs must be offered on a cost-recovery basis.

**External services must not incur a deficit and funding from Alberta Education must be limited to targeted funding of such programs.**

Jurisdictions offering General Interest Courses, Adult Post-Secondary Programs leading to credentials and/or Adult Post-Secondary Upgrading Programs (which are included as an “External Service” in the Budget Report and AFS) must provide a full cost accounting for these programs or courses upon request. Jurisdictions must allocate overhead and indirect costs on the basis of student counts, program space requirements, staffing allocations, or another predetermined method that is reasonable. If the board incurs an accumulated deficit, it must be eliminated in the following year. A surplus generated by adult post-secondary programs may be carried forward or used at the board’s discretion.



School Jurisdiction Code: 3030

**AUDITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2017**  
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

**Calgary School District No. 19 o/a Calgary Board of Education**

Legal Name of School Jurisdiction

**1221 8 Street SW Calgary AB T2R 0L4**

Mailing Address

**(403) 817-7900 (403) 294-8125 brgrundy@cbe.ab.ca**

Telephone & Fax Numbers, and Email Address

**SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The financial statements of Calgary School District No. 19 o/a Calgary Board of Education presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with Canadian Public Sector Accounting Standards and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong system of budgetary control.

***Board of Trustees Responsibility***

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and approved the financial statements for release.

***External Auditors***

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors were given full access to school jurisdiction records.

***Declaration of Management and Board Chair***

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position, results of operations, remeasurement gains and losses, changes in net financial assets (debt), and cash flows for the year in accordance with Canadian Public Sector Accounting Standards.

**BOARD CHAIR**

**Ms. Trina Hurdman**

Name

Signature

**SUPERINTENDENT**

**Mr. David Stevenson**

Name

Signature

**SECRETARY-TREASURER OR TREASURER**

**Mr. Bradley Grundy**

Name

Signature

**November 28, 2017**

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch  
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5  
EMAIL: EDC.FRA@gov.ab.ca  
PHONE: Mei-Ling: (780) 415-8940; Robert: (780) 427-3855 FAX: (780) 422-6996

Version 20170719

School Jurisdiction Code: 3030

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School Jurisdiction Code: 3030

**STATEMENT OF FINANCIAL POSITION**  
As at August 31, 2017 (in dollars)

		2017	2016
<b>FINANCIAL ASSETS</b>			
Cash and cash equivalents	(Schedule 5; Note 3)	\$ 86,417,000	\$ 184,493,000
Accounts receivable (net after allowances)	(Note 4)	\$ 21,062,000	\$ 52,877,000
Portfolio investments	(Schedule 5)	\$ 100,305,000	\$ 96,850,000
Other financial assets	(Note 6)	\$ -	\$ -
<b>Total financial assets</b>		<b>\$ 207,784,000</b>	<b>\$ 334,220,000</b>
<b>LIABILITIES</b>			
Bank indebtedness		\$ -	\$ -
Accounts payable and accrued liabilities	(Note 6)	\$ 89,889,000	\$ 90,744,000
Deferred revenue	(Note 5; Note 14)	\$ 1,115,450,000	\$ 1,079,129,000
Employee future benefits liabilities	(Note 7)	\$ 25,545,000	\$ 24,828,000
Liability for contaminated sites		\$ -	\$ -
Other liabilities	(Note 8)	\$ 327,000	\$ 327,000
Debt	(Note 9)		
Supported: Debentures and other supported debt		\$ 1,369,000	\$ 2,936,000
Unsupported: Debentures and capital loans			\$ -
Mortgages		\$ -	\$ -
Capital leases	(Note 10)	\$ 12,541,000	\$ 10,181,000
<b>Total liabilities</b>		<b>\$ 1,245,121,000</b>	<b>\$ 1,208,145,000</b>
<b>Net financial assets (debt)</b>		<b>\$ (1,037,337,000)</b>	<b>\$ (873,925,000)</b>
<b>NON-FINANCIAL ASSETS</b>			
Tangible capital assets	(Schedule 6)		
Land		\$ 2,711,000	\$ 2,711,000
Construction in progress		\$ 58,785,000	\$ 156,367,000
Buildings		\$ 1,631,957,000	
Less: Accumulated amortization		\$ (533,543,000)	\$ 1,098,414,000
Equipment		\$ 152,118,000	
Less: Accumulated amortization		\$ (112,871,000)	\$ 39,247,000
Vehicles		\$ 10,073,000	
Less: Accumulated amortization		\$ (7,077,000)	\$ 2,996,000
Computer Equipment		\$ 167,156,000	
Less: Accumulated amortization		\$ (125,147,000)	\$ 42,009,000
<b>Total tangible capital assets</b>		<b>\$ 1,244,162,000</b>	<b>\$ 1,101,468,000</b>
Prepaid expenses	(Note 15)	\$ 10,301,000	\$ 6,435,000
Other non-financial assets	(Note 16)	\$ -	\$ -
<b>Total non-financial assets</b>		<b>\$ 1,254,463,000</b>	<b>\$ 1,107,903,000</b>
<b>Accumulated surplus</b>	(Schedule 1; Note 11)	<b>\$ 217,126,000</b>	<b>\$ 233,978,000</b>
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 215,115,000	\$ 230,250,000
Accumulated remeasurement gains (losses)		\$ 2,011,000	\$ 3,728,000
		<b>\$ 217,126,000</b>	<b>\$ 233,978,000</b>
<b>Contractual obligations</b>	(Note 15)		
<b>Contingent liabilities</b>	(Note 15)		

The accompanying notes and schedules are part of these financial statements.

School Jurisdiction Code: 3030

**STATEMENT OF OPERATIONS**  
For the Year Ended August 31, 2017 (in dollars)

	Budget 2017	Actual 2017	Actual 2016
<b>REVENUES</b>			
Alberta Education	\$ 1,224,643,000	\$ 1,230,285,000	\$ 1,208,794,000
Other - Government of Alberta	\$ 618,000	\$ 376,000	\$ 733,000
Federal Government and First Nations	\$ 2,650,000	\$ 3,169,000	\$ 2,987,000
Other Alberta school authorities	\$ 522,000	\$ 663,000	\$ 648,000
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees (Schedule 8)	\$ 51,047,000	\$ 51,782,000	\$ 51,561,000
Other sales and services	\$ 19,111,000	\$ 26,922,000	\$ 25,587,000
Investment income	\$ 3,345,000	\$ 4,124,000	\$ 12,146,000
Gifts and donations	\$ 6,142,000	\$ 9,076,000	\$ 8,740,000
Rental of facilities	\$ 6,270,000	\$ 5,436,000	\$ 6,867,000
Fundraising	\$ 9,800,000	\$ 7,485,000	\$ 7,166,000
Gains on disposal of capital assets	\$ -	\$ 18,000	\$ 44,000
Other revenue	\$ -	\$ 369,000	\$ 426,000
<b>Total revenues</b>	<b>\$ 1,324,148,000</b>	<b>\$ 1,339,705,000</b>	<b>\$ 1,325,699,000</b>
<b>EXPENSES</b>			
Instruction - ECS	\$ 55,573,000	\$ 51,485,000	\$ 49,003,000
Instruction - Grades 1 - 12	\$ 1,009,370,000	\$ 1,014,823,000	\$ 988,983,000
Plant operations and maintenance (Schedule 4)	\$ 173,880,000	\$ 174,651,000	\$ 167,923,000
Transportation	\$ 45,301,000	\$ 52,926,000	\$ 48,447,000
Board & system administration	\$ 36,943,000	\$ 36,925,000	\$ 33,548,000
External services	\$ 22,907,000	\$ 24,030,000	\$ 23,234,000
<b>Total expenses</b>	<b>\$ 1,343,974,000</b>	<b>\$ 1,354,840,000</b>	<b>\$ 1,311,138,000</b>
<b>Operating surplus (deficit)</b>	<b>\$ (19,826,000)</b>	<b>\$ (15,135,000)</b>	<b>\$ 14,561,000</b>

The accompanying notes and schedules are part of these financial statements.

School Jurisdiction Code: <b>3030</b>		
<b>STATEMENT OF CASH FLOWS</b> For the Year Ended August 31, 2017 (in dollars)		
	2017	2016
<b>CASH FLOWS FROM:</b>		
<b>A. OPERATING TRANSACTIONS</b>		
Operating surplus (deficit)	\$ (15,135,000)	\$ 14,561,000
Add (Deduct) items not affecting cash:		
Total amortization expense	\$ 57,317,000	\$ 52,092,000
Gains on disposal of tangible capital assets	\$ (18,000)	\$ (44,000)
Losses on disposal of tangible capital assets	\$ -	\$ -
Expended deferred capital revenue recognition	\$ (33,140,000)	\$ (29,221,000)
Deferred capital revenue write-down / adjustment	\$ -	\$ -
Donations in kind	\$ -	\$ -
Changes in:		
Accounts receivable	\$ 31,815,000	\$ (32,098,000)
Prepays	\$ (3,866,000)	\$ 2,100,000
Other financial assets	\$ -	\$ -
Non-financial assets	\$ -	\$ -
Accounts payable, accrued and other liabilities	\$ (855,000)	\$ 14,323,000
Deferred revenue (excluding EDCR)	\$ 69,461,000	\$ 246,780,000
Employee future benefit liabilities	\$ 717,000	\$ (600,000)
Supported debt: debentures	\$ (1,567,000)	\$ (1,975,000)
<b>Total cash flows from operating transactions</b>	<b>\$ 104,729,000</b>	<b>\$ 265,918,000</b>
<b>B. CAPITAL TRANSACTIONS</b>		
Purchases of tangible capital assets		
Land	\$ -	\$ -
Buildings	\$ (165,636,000)	\$ (290,819,000)
Equipment	\$ (11,477,000)	\$ (14,316,000)
Vehicles	\$ (204,000)	\$ (348,000)
Computer equipment	\$ (22,694,000)	\$ (14,072,000)
Net proceeds from disposal of unsupported capital assets	\$ 18,000	\$ 44,000
Other (describe)	\$ -	\$ -
<b>Total cash flows from capital transactions</b>	<b>\$ (199,993,000)</b>	<b>\$ (319,511,000)</b>
<b>C. INVESTING TRANSACTIONS</b>		
Purchases of portfolio investments	\$ (18,276,000)	\$ (105,120,000)
Dispositions of portfolio investments	\$ 13,445,000	\$ 117,293,000
Remeasurement (gains) losses reclassified to the statement of operations	\$ 53,000	\$ (8,034,000)
Foreign Currency Translation	\$ (394,000)	\$ -
Other (describe)	\$ -	\$ -
<b>Total cash flows from investing transactions</b>	<b>\$ (5,172,000)</b>	<b>\$ 4,139,000</b>
<b>D. FINANCING TRANSACTIONS</b>		
Issue of debt	\$ -	\$ -
Repayment of debt	\$ (1,567,000)	\$ (1,975,000)
Other factors affecting debt (describe)	\$ -	\$ -
Issuance of capital leases	\$ (1,408,000)	\$ 3,190,000
Repayment of capital leases	\$ 3,768,000	\$ (1,097,000)
Other (describe)	\$ -	\$ -
Supported debt: debentures	\$ 1,567,000	\$ 1,976,000
<b>Total cash flows from financing transactions</b>	<b>\$ 2,360,000</b>	<b>\$ 2,094,000</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>\$ (98,076,000)</b>	<b>\$ (47,360,000)</b>
<b>Cash and cash equivalents, at beginning of year</b>	<b>\$ 184,493,000</b>	<b>\$ 231,853,000</b>
<b>Cash and cash equivalents, at end of year</b>	<b>\$ 86,417,000</b>	<b>\$ 184,493,000</b>

The accompanying notes and schedules are part of these financial statements.

School Jurisdiction Code: 3030

**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)**

For the Year Ended August 31, 2017 (in dollars)

	Budget 2017	2017	2016
Operating surplus (deficit)	\$ (19,826,000)	\$ (15,135,000)	\$ 14,561,000
Effect of changes in tangible capital assets			
Acquisition of tangible capital assets	\$ (34,464,000)	\$ (200,011,000)	\$ (319,555,000)
Amortization of tangible capital assets	\$ 62,223,000	\$ 57,317,000	\$ 52,092,000
Net carrying value of tangible capital assets disposed of	\$ -	\$ -	\$ -
Write-down carrying value of tangible capital assets	\$ -	\$ -	\$ -
Other changes	\$ (3,765,000)	\$ -	\$ -
<b>Total effect of changes in tangible capital assets</b>	\$ 23,994,000	\$ (142,694,000)	\$ (267,463,000)
Changes in:			
Prepaid expenses	\$ -	\$ (3,866,000)	\$ 2,101,000
Other non-financial assets	\$ -	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ (1,717,000)	\$ (5,952,000)
Endowments	\$ -	\$ -	\$ -
<b>Increase (decrease) in net financial assets (net debt)</b>	\$ 4,168,000	\$ (163,412,000)	\$ (256,753,000)
<b>Net financial assets (net debt) at beginning of year</b>	\$ (656,159,000)	\$ (873,925,000)	\$ (617,172,000)
<b>Net financial assets (net debt) at end of year</b>	\$ (651,991,000)	\$ (1,037,337,000)	\$ (873,925,000)

The accompanying notes and schedules are part of these financial statements.

School Jurisdiction Code: 3030

**STATEMENT OF REMEASUREMENT GAINS AND LOSSES**

For the Year Ended August 31, 2017 (in dollars)

	2017	2016
<b>Accumulated remeasurement gains (losses) at beginning of year</b>	\$ 3,728,000	\$ 9,680,000
Prior Period Adj. (Explain) - Linked to Sch. 1	\$ -	\$ -
Prior Period Adjustment (Explain)	\$ -	\$ -
Unrealized gains (losses) attributable to:		
Portfolio investments	\$ (1,376,000)	\$ 2,082,000
Foreign Currency Translation	\$ (394,000)	\$ -
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ 53,000	\$ (8,034,000)
Other	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ (1,717,000)	\$ (5,952,000)
<b>Accumulated remeasurement gains (losses) at end of year</b>	\$ 2,011,000	\$ 3,728,000

The accompanying notes and schedules are part of these financial statements.

School Jurisdiction Code:

3030

**SCHEDULE 1**

**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS**  
for the Year Ended August 31, 2017 (in dollars)

	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
<b>Balance at August 31, 2016</b>	\$ 233,978,000	\$ 3,728,000	\$ 230,250,000	\$ 147,373,000	\$ 3,856,000	\$ -	\$ 39,803,000	\$ 39,218,000
<b>Prior period adjustments:</b>								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted Balance, August 31, 2016</b>	\$ 233,978,000	\$ 3,728,000	\$ 230,250,000	\$ 147,373,000	\$ 3,856,000	\$ -	\$ 39,803,000	\$ 39,218,000
Operating surplus (deficit)	\$ (15,135,000)		\$ (15,135,000)			\$ (15,135,000)		
Board funded tangible capital asset additions				\$ 35,172,000		\$ (11,443,000)	\$ -	\$ (23,729,000)
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year	\$ (1,717,000)	\$ (1,717,000)						
Endowment expenses & disbursements	\$ -		\$ -					
Endowment contributions	\$ -		\$ -		\$ (6,000)	\$ 6,000		
Reinvested endowment income	\$ -		\$ -		\$ -	\$ -		
Direct credits to accumulated surplus (Describe)	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets	\$ -			\$ (57,317,000)		\$ 57,317,000		
Capital revenue recognized	\$ -			\$ 33,140,000		\$ (33,140,000)		
Debt principal repayments (unsupported)	\$ -			\$ 1,408,000		\$ (1,408,000)		
Additional capital debt or capital leases	\$ -			\$ -		\$ -		
Net transfers to operating reserves	\$ -					\$ (5,637,000)	\$ 5,637,000	
Net transfers from operating reserves	\$ -					\$ 26,352,000	\$ (26,352,000)	
Net transfers to capital reserves	\$ -					\$ (16,912,000)		\$ 16,912,000
Net transfers from capital reserves	\$ -					\$ -		\$ -
Assumption/transfer of other operations' surplus	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Balance at August 31, 2017</b>	\$ 217,126,000	\$ 2,011,000	\$ 215,115,000	\$ 159,776,000	\$ 3,850,000	\$ -	\$ 19,088,000	\$ 32,401,000



**SCHEDULE 1**

**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS  
for the Year Ended August 31, 2017 (in dollars)**

	INTERNALLY RESTRICTED RESERVES BY PROGRAM									
	School & Instruction Related		Operations & Maintenance		Board & System Administration		Transportation		External Services	
	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
<b>Balance at August 31, 2016</b>	\$ 47,988,000	\$ 16,918,000	\$ 40,000	\$ 21,346,000	\$ (8,225,000)	\$ 754,000	\$ -	\$ -	\$ -	\$ 200,000
<b>Prior period adjustments:</b>										
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted Balance, August 31, 2016</b>	\$ 47,988,000	\$ 16,918,000	\$ 40,000	\$ 21,346,000	\$ (8,225,000)	\$ 754,000	\$ -	\$ -	\$ -	\$ 200,000
Operating surplus (deficit)										
Board funded tangible capital asset additions	\$ -	\$ (16,918,000)	\$ -	\$ (5,857,000)	\$ -	\$ (754,000)	\$ -	\$ -	\$ -	\$ (200,000)
Disposal of unsupported tangible capital assets or board funded portion of supported		\$ -		\$ -		\$ -		\$ -		\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported		\$ -		\$ -		\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year										
Endowment expenses & disbursements										
Endowment contributions										
Reinvested endowment income										
Direct credits to accumulated surplus (Describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets										
Capital revenue recognized										
Debt principal repayments (unsupported)										
Additional capital debt or capital leases										
Net transfers to operating reserves	\$ 5,158,000				\$ 479,000		\$ -		\$ -	
Net transfers from operating reserves	\$ (24,373,000)		\$ (40,000)		\$ (1,939,000)		\$ -		\$ -	
Net transfers to capital reserves		\$ 10,386,000		\$ 1,462,000		\$ 4,935,000		\$ -		\$ 129,000
Net transfers from capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -
Assumption/transfer of other operations' surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Balance at August 31, 2017</b>	\$ 28,773,000	\$ 10,386,000	\$ -	\$ 16,951,000	\$ (9,685,000)	\$ 4,935,000	\$ -	\$ -	\$ -	\$ 129,000

**SCHEDULE 2**

**SCHEDULE OF CAPITAL REVENUE  
(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)  
for the Year Ended August 31, 2017 (in dollars)**

	Unexpended Deferred Capital Revenue				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects <sup>(A)</sup>	Surplus from Provincially Approved Projects <sup>(B)</sup>	Proceeds on Disposal of Provincially Funded Tangible Capital Assets <sup>(C)</sup>	Unexpended Deferred Capital Revenue from Other Sources <sup>(D)</sup>	
<b>Balance at August 31, 2016</b>	\$ 75,658,000	\$ -	\$ 12,306,000	\$ -	\$ 943,883,000
Prior period adjustments	\$ 1,000	\$ -			
Adjusted balance, August 31, 2016	\$ 75,659,000	\$ -	\$ 12,306,000	\$ -	\$ 943,883,000
Add:					
Unexpended capital revenue <u>received</u> from:					
Alberta Education school building & modular projects (excl. IMR)	\$ 69,144,000				
Infrastructure Maintenance & Renewal capital related to school facilities	\$ 6,248,000				
Other sources:	\$ -			\$ -	
Other sources:	\$ -			\$ -	
Unexpended capital revenue <u>receivable</u> from:					
Alberta Education school building & modular (excl. IMR)	\$ 8,028,000				
Other sources:	\$ -			\$ -	
Other sources:	\$ -			\$ -	
Interest earned on unexpended capital revenue	\$ 711,000	\$ -	\$ -	\$ -	
Other unexpended capital revenue:				\$ -	
Proceeds on disposition of supported capital			\$ -	\$ -	
Insurance proceeds (and related interest)			\$ -	\$ -	
Donated tangible capital assets:					\$ -
Alberta Infrastructure managed projects					\$ -
Transferred in (out) tangible capital assets (amortizable, @ net book value)					\$ -
Expended capital revenue - current year	\$ (157,741,000)	\$ -	\$ (3,930,000)	\$ -	\$ 161,671,000
Surplus funds approved for future project(s)	\$ -	\$ -			
Other adjustments:	\$ -	\$ -	\$ -	\$ -	\$ -
Deduct:					
Net book value of supported tangible capital dispositions or write-offs					\$ -
Other adjustments:		\$ -	\$ -	\$ -	\$ -
Capital revenue recognized - Alberta Education					\$ 33,140,000
Capital revenue recognized - Other Government of Alberta					\$ -
Capital revenue recognized - Other revenue					\$ -
<b>Balance at August 31, 2017</b>	\$ 2,049,000	\$ -	\$ 8,376,000	\$ -	\$ 1,072,414,000
	(A)	(B)	(C)	(D)	
<b>Balance of Unexpended Deferred Capital Revenue at August 31, 2017 (A) + (B) + (C) + (D)</b>				\$ 10,425,000	

**Unexpended Deferred Capital Revenue**

- (A) - Represents funding received from the Government of Alberta to be used toward the acquisition of new approved tangible capital assets with restricted uses only. Please specify department if funds received from a source other than Alberta Education.
- (B) - Represents any surplus of funding over costs from column (A) approved by Minister for future capital expenditures with restricted uses only.
- (C) - Represents proceeds on disposal of provincially funded restricted-use capital assets to be expended on approved capital assets per 10(2)(a) of Disposition of Property Reg. 181/2010.
- (D) - Represents capital revenue received from entities OTHER THAN the Government of Alberta for the acquisition of restricted-use tangible capital assets.

**SCHEDULE 3**

School Jurisdiction Code: 3030

**SCHEDULE OF PROGRAM OPERATIONS  
for the Year Ended August 31, 2017 (in dollars)**

REVENUES	2017							2016
	Instruction		Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL	TOTAL
	ECS	Grades 1 - 12						
(1) Alberta Education	\$ 51,717,000	\$ 936,078,000	\$ 159,666,000	\$ 34,050,000	\$ 48,774,000	\$ -	\$ 1,230,285,000	\$ 1,208,794,000
(2) Other - Government of Alberta	\$ -	\$ 88,000	\$ 273,000	\$ -	\$ 15,000	\$ -	\$ 376,000	\$ 733,000
(3) Federal Government and First Nations	\$ -	\$ 968,000	\$ -	\$ -	\$ 12,000	\$ 2,189,000	\$ 3,169,000	\$ 2,987,000
(4) Other Alberta school authorities	\$ -	\$ 348,000	\$ 315,000	\$ -	\$ -	\$ -	\$ 663,000	\$ 648,000
(5) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(6) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(7) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Fees	\$ 155,000	\$ 29,092,000		\$ 8,642,000		\$ 13,893,000	\$ 51,782,000	\$ 51,561,000
(9) Other sales and services	\$ 401,000	\$ 19,847,000	\$ 1,077,000	\$ -	\$ 943,000	\$ 4,654,000	\$ 26,922,000	\$ 25,587,000
(10) Investment income	\$ -	\$ 377,000	\$ -	\$ -	\$ -	\$ 3,747,000	\$ 4,124,000	\$ 12,146,000
(11) Gifts and donations	\$ -	\$ 9,100,000	\$ (63,000)	\$ -	\$ -	\$ 39,000	\$ 9,076,000	\$ 8,740,000
(12) Rental of facilities	\$ -	\$ -	\$ 2,000,000	\$ -	\$ 424,000	\$ 3,012,000	\$ 5,436,000	\$ 6,867,000
(13) Fundraising	\$ -	\$ 7,485,000	\$ -	\$ -	\$ -	\$ -	\$ 7,485,000	\$ 7,166,000
(14) Gains on disposal of tangible capital assets	\$ -	\$ 18,000	\$ -	\$ -	\$ -	\$ -	\$ 18,000	\$ 44,000
(15) Other revenue	\$ -	\$ 351,000	\$ 18,000	\$ -	\$ -	\$ -	\$ 369,000	\$ 426,000
(16) <b>TOTAL REVENUES</b>	\$ 52,273,000	\$ 1,003,752,000	\$ 163,286,000	\$ 42,692,000	\$ 50,168,000	\$ 27,534,000	\$ 1,339,705,000	\$ 1,325,699,000
<b>EXPENSES</b>								
(17) Certificated salaries	\$ 28,025,000	\$ 611,369,000			\$ 1,178,000	\$ 474,000	\$ 641,046,000	\$ 627,085,000
(18) Certificated benefits	\$ 3,094,000	\$ 137,376,000			\$ 723,000	\$ 90,000	\$ 141,283,000	\$ 142,787,000
(19) Non-certificated salaries and wages	\$ 13,429,000	\$ 112,677,000	\$ 51,348,000	\$ 2,128,000	\$ 15,173,000	\$ 13,928,000	\$ 208,683,000	\$ 200,703,000
(20) Non-certificated benefits	\$ 3,377,000	\$ 29,766,000	\$ 13,203,000	\$ 554,000	\$ 3,752,000	\$ 2,894,000	\$ 53,546,000	\$ 48,632,000
(21) SUB - TOTAL	\$ 47,925,000	\$ 891,188,000	\$ 64,551,000	\$ 2,682,000	\$ 20,826,000	\$ 17,386,000	\$ 1,044,558,000	\$ 1,019,207,000
(22) Services, contracts and supplies	\$ 2,723,000	\$ 105,750,000	\$ 71,467,000	\$ 48,609,000	\$ 12,566,000	\$ 3,556,000	\$ 244,671,000	\$ 233,130,000
(23) Amortization of supported tangible capital assets	\$ -	\$ -	\$ 33,140,000	\$ -	\$ -	\$ -	\$ 33,140,000	\$ 29,221,000
(24) Amortization of unsupported tangible capital assets	\$ 710,000	\$ 15,145,000	\$ 4,888,000	\$ -	\$ 3,434,000	\$ -	\$ 24,177,000	\$ 22,871,000
(25) Supported interest on capital debt	\$ -	\$ -	\$ 273,000	\$ -	\$ -	\$ -	\$ 273,000	\$ 463,000
(26) Unsupported interest on capital debt	\$ -	\$ -	\$ 277,000	\$ -	\$ -	\$ 60,000	\$ 337,000	\$ 257,000
(27) Other interest and finance charges	\$ 30,000	\$ 665,000	\$ 55,000	\$ -	\$ (5,000)	\$ 119,000	\$ 864,000	\$ 793,000
(28) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(29) Other expense	\$ 97,000	\$ 2,075,000	\$ -	\$ 1,635,000	\$ 104,000	\$ 2,909,000	\$ 6,820,000	\$ 5,196,000
(30) <b>TOTAL EXPENSES</b>	\$ 51,485,000	\$ 1,014,823,000	\$ 174,651,000	\$ 52,926,000	\$ 36,925,000	\$ 24,030,000	\$ 1,354,840,000	\$ 1,311,138,000
(31) <b>OPERATING SURPLUS (DEFICIT)</b>	\$ 788,000	\$ (11,071,000)	\$ (11,365,000)	\$ (10,234,000)	\$ 13,243,000	\$ 3,504,000	\$ (15,135,000)	\$ 14,561,000

**SCHEDULE 4**

School Jurisdiction Code: 3030

**SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE EXPENSES  
for the Year Ended August 31, 2017 (in dollars)**

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	Supported Capital & Debt Services	2017 TOTAL Operations and Maintenance	2016 TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$ 32,772,000	\$ 11,014,000	\$ -	\$ 2,134,000	\$ 5,428,000			\$ 51,348,000	\$ 49,774,000
Uncertificated benefits	\$ 8,464,000	\$ 2,594,000	\$ -	\$ 252,000	\$ 1,893,000			\$ 13,203,000	\$ 12,959,000
Sub-total Remuneration	\$ 41,236,000	\$ 13,608,000	\$ -	\$ 2,386,000	\$ 7,321,000			\$ 64,551,000	\$ 62,733,000
Supplies and services	\$ 3,984,000	\$ 7,875,000	\$ 26,000	\$ 35,521,000	\$ 1,236,000			\$ 48,642,000	\$ 50,375,000
Electricity			\$ 10,221,000					\$ 10,221,000	\$ 9,584,000
Natural gas/heating fuel			\$ 5,680,000					\$ 5,680,000	\$ 4,370,000
Sewer and water			\$ 2,472,000					\$ 2,472,000	\$ 2,409,000
Telecommunications			\$ 180,000					\$ 180,000	\$ 165,000
Insurance					\$ 3,790,000			\$ 3,790,000	\$ 2,994,000
ASAP maintenance & renewal payments							\$ -	\$ -	\$ -
Amortization of tangible capital assets									
Supported							\$ 33,140,000	\$ 33,140,000	\$ 29,221,000
Unsupported						\$ 4,888,000		\$ 4,888,000	\$ 5,171,000
Total Amortization						\$ 4,888,000	\$ 33,140,000	\$ 38,028,000	\$ 34,392,000
Interest on capital debt									
Supported							\$ 273,000	\$ 273,000	\$ 463,000
Unsupported						\$ 277,000		\$ 277,000	\$ 257,000
Lease payments for facilities				\$ 482,000				\$ 482,000	\$ 181,000
Other interest charges						\$ 55,000		\$ 55,000	\$ -
Losses on disposal of capital assets						\$ -		\$ -	\$ -
<b>TOTAL EXPENSES</b>	<b>\$ 45,220,000</b>	<b>\$ 21,483,000</b>	<b>\$ 18,579,000</b>	<b>\$ 38,389,000</b>	<b>\$ 12,347,000</b>	<b>\$ 5,220,000</b>	<b>\$ 33,413,000</b>	<b>\$ 174,651,000</b>	<b>\$ 167,923,000</b>

SQUARE METRES									
School buildings								1,458,511.3	1,288,516.0
Non school buildings								58,767.2	15,878.0

**Note:**

**Custodial:** All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.

**Maintenance:** All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.

**Utilities & Telecommunications:** All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.

**Expensed IMR & Modular Unit Relocation & Lease Pmts:** All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects, modular unit (portable) relocation, and payments on leased facilities.

**Facility Planning & Operations Administration:** All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facility planning & project 'administration', administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.

**Unsupported Amortization & Other Expenses:** All expenses related to unsupported capital assets amortization and interest on unsupported capital debt.

**Supported Capital & Debt Services:** All expenses related to supported capital assets amortization and interest on supported capital debt.

**SCHEDULE 5**

School Jurisdiction Code: 3030

**SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS  
for the Year Ended August 31, 2017 (in dollars)**

<b>Cash &amp; Cash Equivalents</b>	<b>2017</b>			<b>2016</b>
	<b>Average Effective (Market) Yield</b>	<b>Cost</b>	<b>Amortized Cost</b>	<b>Amortized Cost</b>
Cash	1.30%	\$ 85,544,000	\$ 85,544,000	\$ 127,827,000
Cash equivalents				
Government of Canada, direct and guaranteed	0.00%	-	-	-
Provincial, direct and guaranteed	0.00%	-	-	-
Corporate	0.00%	-	-	-
Municipal	0.00%	-	-	-
Pooled investment funds	0.00%	-	-	-
Other, including GIC's	1.30%	873,000	873,000	56,666,000
<b>Total cash and cash equivalents</b>	<b>1.30%</b>	<b>\$ 86,417,000</b>	<b>\$ 86,417,000</b>	<b>\$ 184,493,000</b>

See Note 3 for additional detail.

<b>Portfolio Investments</b>	<b>2017</b>			<b>2016</b>	
	<b>Average Effective (Market) Yield</b>	<b>Cost</b>	<b>Fair Value</b>	<b>Balance</b>	<b>Balance</b>
Long term deposits	0.00%	\$ -	\$ -	\$ -	\$ -
Guaranteed investment certificates	1.98%	13,190,000	13,190,000	13,190,000	10,561,000
Fixed income securities					
Government of Canada, direct and guaranteed	0.00%	\$ -	\$ -	\$ -	\$ -
Provincial, direct and guaranteed	0.00%	-	-	-	-
Municipal	0.00%	-	-	-	-
Corporate	2.30%	51,043,000	48,767,000	48,767,000	53,842,000
Pooled investment funds	0.00%	-	-	-	-
<b>Total fixed income securities</b>	<b>2.30%</b>	<b>51,043,000</b>	<b>48,767,000</b>	<b>48,767,000</b>	<b>53,842,000</b>
Equities					
Canadian	1.63%	\$ 12,060,000	\$ 12,927,000	\$ 12,927,000	\$ 11,096,000
Foreign	1.94%	16,314,000	18,881,000	18,881,000	14,791,000
<b>Total equities</b>	<b>1.81%</b>	<b>28,374,000</b>	<b>31,808,000</b>	<b>31,808,000</b>	<b>25,887,000</b>
Supplemental integrated pension plan assets	0.00%	\$ -	\$ -	\$ -	\$ -
Restricted investments	1.81%	5,391,000	6,540,000	6,540,000	\$ 6,560,000
Other (Specify)	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
<b>Total portfolio investments</b>	<b>2.07%</b>	<b>\$ 97,998,000</b>	<b>\$ 100,305,000</b>	<b>\$ 100,305,000</b>	<b>\$ 96,850,000</b>

See Note 5 for additional detail.

The following represents the maturity structure for portfolio investments based on principal amount:

	<b>2017</b>	<b>2016</b>
Under 1 year	0.0%	0.0%
1 to 5 years	100.0%	100.0%
6 to 10 years	0.0%	0.0%
11 to 20 years	0.0%	0.0%
Over 20 years	0.0%	0.0%
	<b>100.0%</b>	<b>100.0%</b>

**SCHEDULE 6**

School Jurisdiction Code: 3030

**SCHEDULE OF CAPITAL ASSETS  
for the Year Ended August 31, 2017 (in dollars)**

<b>Tangible Capital Assets</b>	2017						2016
	Land	Construction In Progress	Buildings	Equipment	Vehicles	Computer Hardware & Software	Total
Estimated useful life			25-50 Years	5-10 Years	5-10 Years	3-5 Years	
<b>Historical cost</b>							
Beginning of year	\$ 2,711,000	\$ 156,367,000	\$ 1,368,739,000	\$ 142,664,000	\$ 9,869,000	\$ 144,729,000	\$ 1,825,079,000
Prior period adjustments	-	-	-	-	-	-	-
Additions	-	165,636,000	-	11,477,000	204,000	22,694,000	200,011,000
Transfers in (out)	-	(263,218,000)	263,218,000	-	-	-	-
Less disposals including write-offs	-	-	-	(2,023,000)	-	(267,000)	(2,290,000)
Historical cost, August 31, 2017	\$ 2,711,000	\$ 58,785,000	\$ 1,631,957,000	\$ 152,118,000	\$ 10,073,000	\$ 167,156,000	\$ 2,022,800,000
<b>Accumulated amortization</b>							
Beginning of year	\$ -	\$ -	\$ 498,908,000	\$ 106,237,000	\$ 6,225,000	\$ 112,241,000	\$ 723,611,000
Prior period adjustments	-	-	-	-	-	-	-
Amortization	-	-	34,635,000	8,680,000	852,000	13,150,000	57,317,000
Other additions	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	(23,000)	-	23,000	-
Less disposals including write-offs	-	-	-	(2,023,000)	-	(267,000)	(2,290,000)
Accumulated amortization, August 31, 2017	\$ -	\$ -	\$ 533,543,000	\$ 112,871,000	\$ 7,077,000	\$ 125,147,000	\$ 778,638,000
<b>Net Book Value at August 31, 2017</b>	\$ 2,711,000	\$ 58,785,000	\$ 1,098,414,000	\$ 39,247,000	\$ 2,996,000	\$ 42,009,000	\$ 1,244,162,000
<b>Net Book Value at August 31, 2016</b>	\$ 2,711,000	\$ 156,367,000	\$ 869,831,000	\$ 36,427,000	\$ 3,644,000	\$ 32,488,000	\$ 1,101,468,000

	2017	2016
Total cost of assets under capital lease	\$ 40,727,000	\$ 36,573,000
Total amortization of assets under capital lease	\$ 15,332,000	\$ 12,962,000

Assets under capital Lease includes buildings with a total cost of \$40,727,000 and accumulated amortization of \$15,332,000 (Remove this line if jurisdiction does not have buildings under capital lease)

**SCHEDULE 7**

School Jurisdiction Code: 3030

**SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES  
for the Year Ended August 31, 2017 (in dollars)**

<b>Board Members:</b>	<b>FTE</b>	<b>Remuneration</b>	<b>Benefits</b>	<b>Negotiated Allowances</b>	<b>Performance Bonuses</b>	<b>ERIP's / Other Paid</b>	<b>Other Accrued Unpaid Benefits (1)</b>	<b>Expenses</b>
Chair	-	\$0	\$0	\$0			\$0	\$0
Joy Bowen-Eyre	1.00	\$58,894	\$7,044	\$4,100			\$0	\$4,399
Other Members	-	\$0	\$0	\$0			\$0	\$0
Lynn Ferguson	1.00	\$45,000	\$6,980	\$4,100			\$0	\$2,584
Judy Hehr	1.00	\$46,731	\$6,980	\$4,100			\$0	\$3,222
Julie Hrdlicka	1.00	\$46,731	\$6,980	\$4,100			\$0	\$4,278
Trina Hurdman (Vice Chair)	1.00	\$51,731	\$7,169	\$4,100			\$0	\$842
Pamela King	1.00	\$45,000	\$6,980	\$4,100			\$0	\$4,496
Amber Stewart	1.00	\$46,731	\$6,875	\$4,100			\$0	\$2,770
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
<b>Subtotal</b>	<b>7.00</b>	<b>\$340,818</b>	<b>\$49,008</b>	<b>\$28,700</b>			<b>\$0</b>	<b>\$22,591</b>
David Stevenson, Chief Superintendent	1.00	\$295,300	\$79,565	\$15,000	\$0	\$0	\$504,875	\$5,194
Brad Grundy, Chief Financial Officer	1.00	\$237,000	\$53,924	\$7,000	\$0	\$0	\$89,197	\$8,815
Janice Barkway, Corporation Secretary	0.47	\$87,718	\$19,318	\$0	\$0	\$12,914	\$0	\$956
Kelly-Ann Fenney	0.53	\$99,374	\$18,676	\$0	\$0	\$0	\$19,604	\$113
		\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated teachers	6,470.90	\$640,750,086	\$141,188,244	\$0	\$0	\$0	\$0	\$0
Non-certificated - other	3,497.20	\$207,917,301	\$52,245,343	\$0	\$0	\$1,111,244	\$0	\$0
<b>TOTALS</b>	<b>9,978.10</b>	<b>\$849,727,597</b>	<b>\$193,654,078</b>	<b>\$50,700</b>	<b>\$0</b>	<b>\$1,124,158</b>	<b>\$613,676</b>	<b>\$37,669</b>

(1) Other Accrued Unpaid Benefits Include: Please describe Other Accrued Unpaid Benefits

School Jurisdiction Code: 3030

**SCHEDULE 8**

**UNAUDITED SCHEDULE OF FEES**  
for the Year Ending August 31, 2017 (in dollars)

	<b>Budgeted Fee Revenues 2016/2017</b>	<b>Actual Fees Collected 2016/2017</b>	<b>Unexpended Balance at September 1, 2016*</b>	<b>Actual Fee Expenditures 2016/2017</b>	<b>Unexpended Balance at August 31, 2017*</b>
<b>Transportation Fees</b>	\$8,509,000	\$8,642,000	\$0	\$8,642,000	\$0
<b>Basic Instruction Fees</b>					
Basic instruction supplies	\$10,597,000	\$9,870,000	\$0	\$9,870,000	\$0
<b>Fees to Enhance Basic Instruction</b>					
Technology user fees	\$0	\$2,000	\$0	\$2,000	\$0
Alternative program fees	\$0	\$605,000	\$235,000	\$593,000	\$247,000
Fees for optional courses	\$6,612,000	\$2,297,000	\$895,000	\$2,254,000	\$938,000
Activity fees	\$9,437,000	\$13,158,000	\$5,127,000	\$12,912,000	\$5,373,000
Early childhood services	\$0	\$0	\$0	\$0	\$0
Other fees to enhance education	\$0	\$0	\$0	\$0	\$0
Other Enhancement fees (describe)	\$0	\$0	\$0	\$0	\$0
Other Enhancement fees (describe)	\$0	\$0	\$0	\$0	\$0
<b>Non-Curricular fees</b>					
Extracurricular fees	\$675,000	\$3,312,000	\$1,291,000	\$3,251,000	\$1,352,000
Non-curricular travel	\$0	\$0	\$0	\$0	\$0
Lunch supervision and noon hour activity fees	\$13,667,000	\$13,896,000	\$0	\$13,896,000	\$0
Non-curricular goods and services	\$0	\$0	\$0	\$0	\$0
Incidental activity fees and other SGF	\$1,550,000	\$0	\$0	\$0	\$0
Other Fees (describe)	\$0	\$0	\$0	\$0	\$0
<b>TOTAL FEES</b>	\$51,047,000	\$51,782,000	\$7,548,000	\$51,420,000	\$7,910,000

\*Unexpended balances cannot be less than \$0

<b>Please disclose amounts paid by parents of students that are recorded as "Other sales and services", "Fundraising", or "Other revenue" (rather than fee revenue):</b>	<b>Actual 2017</b>	<b>Actual 2016</b>
Cafeteria sales, hot lunch, milk programs	\$0	\$0
Special events, graduation, tickets	\$0	\$0
International and out of province student revenue	\$0	\$0
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$0	\$0
Adult education revenue	\$3,197,000	\$3,018,000
Preschool	\$0	\$0
Child care & before and after school care	\$0	\$0
Lost item replacement fee	\$0	\$0
Foreign Tuition	\$10,343,000	\$9,207,000
Music Instruments, library fees, commissions	\$310,000	\$307,000
Other (Describe)	\$0	\$0
<b>TOTAL</b>	\$13,850,000	\$12,532,000



**SCHEDULE 9**

3030

<b>UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING</b> for the Year Ended August 31, 2017 (in dollars)					
	<b>PROGRAM AREA</b>				
	<b>First Nations, Metis &amp; Inuit (FNMI)</b>	<b>ECS Program Unit Funding (PUF)</b>	<b>English as a Second Language (ESL)</b>	<b>Inclusive Education</b>	<b>Small Schools by Necessity (Revenue only)</b>
<b>Funded Students in Program</b>	4,477	683	20,328		
<b>Federally Funded Students</b>	-				
<b>REVENUES</b>					
Alberta Education allocated funding	\$ 5,180,000	\$ 13,679,000	\$ 23,949,000	\$ 75,974,161	\$ -
Other funding allocated by the board to the program	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL REVENUES</b>	<b>\$ 5,180,000</b>	<b>\$ 13,679,000</b>	<b>\$ 23,949,000</b>	<b>\$ 75,974,161</b>	<b>\$ -</b>
<b>EXPENSES (Not allocated from BASE, Transportation, or other funding)</b>					
Instructional certificated salaries & benefits	\$ 6,526,000	\$ 1,420,000	\$ 25,009,000	\$ -	
Instructional non-certificated salaries & benefits	\$ 89,000	\$ 3,582,000	\$ 3,184,000	\$ -	
<b>SUB TOTAL</b>	<b>\$ 6,615,000</b>	<b>\$ 5,002,000</b>	<b>\$ 28,193,000</b>	<b>\$ -</b>	
Supplies, contracts and services	\$ 162,000	\$ 7,651,000	\$ 7,000	\$ -	
Program planning, monitoring & evaluation	\$ -	\$ -	\$ -	\$ -	
Facilities (required specifically for program area)	\$ -	\$ -	\$ -	\$ -	
Administration (administrative salaries & services)	\$ 254,000	\$ 367,000	\$ -	\$ -	
Contracted services and staffing charged centrally	\$ 1,303,000	\$ 908,000	\$ 906,000	\$ -	
All other expenses	\$ -	\$ -	\$ -	\$ 1,014,940,000	
<b>TOTAL EXPENSES</b>	<b>\$ 8,334,000</b>	<b>\$ 13,928,000</b>	<b>\$ 29,106,000</b>	<b>\$ 1,014,940,000</b>	
<b>NET FUNDING SURPLUS (SHORTFALL)</b>	<b>\$ (3,154,000)</b>	<b>\$ (249,000)</b>	<b>\$ (5,157,000)</b>	<b>\$ (938,965,839)</b>	

School Jurisdiction Code: 3030

**SCHEDULE 10**

UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES for the Year Ended August 31, 2017 (in dollars)								
EXPENSES	Allocated to Board & System Administration				Allocated to Other Programs			TOTAL
	Salaries & Benefits	Supplies & Services	Other	TOTAL	Salaries & Benefits	Supplies & Services	Other	
Office of the superintendent	\$ 1,291,000	\$ 10,000	\$ -	\$ 1,301,000	\$ -	\$ 106,000	\$ -	\$ 1,407,000
Educational administration (excluding superintendent)	\$ 562,000	\$ 21,000	\$ -	\$ 583,000	\$ 28,779,000	\$ 4,804,000	\$ -	\$ 34,166,000
Business administration	\$ 5,663,000	\$ 826,000	\$ -	\$ 6,489,000	\$ 4,206,000	\$ (1,368,000)	\$ 6,718,000	\$ 16,045,000
Board governance (Board of Trustees)	\$ 420,000	\$ 1,018,000	\$ -	\$ 1,438,000	\$ -	\$ -	\$ -	\$ 1,438,000
Information technology	\$ 3,533,000	\$ 985,000	\$ -	\$ 4,518,000	\$ 11,362,000	\$ 10,209,000	\$ -	\$ 26,089,000
Human resources	\$ 5,943,000	\$ 1,342,000	\$ -	\$ 7,285,000	\$ 6,988,000	\$ 2,865,000	\$ -	\$ 17,138,000
Central purchasing, communications, marketing	\$ 2,425,000	\$ 54,000	\$ -	\$ 2,479,000	\$ 1,408,000	\$ 297,000	\$ -	\$ 4,184,000
Payroll	\$ 635,000	\$ 3,873,000	\$ -	\$ 4,508,000	\$ -	\$ -	\$ -	\$ 4,508,000
Administration - insurance			\$ 412,000	\$ 412,000			\$ 4,938,000	\$ 5,350,000
Administration - amortization			\$ 3,434,000	\$ 3,434,000			\$ 53,883,000	\$ 57,317,000
Administration - other (admin building, interest)			\$ 3,689,000	\$ 3,689,000			\$ 11,402,000	\$ 15,091,000
Facilities	\$ 178,000	\$ 611,000	\$ -	\$ 789,000	\$ 67,816,000	\$ 116,859,000	\$ -	\$ 185,464,000
Schools and Areas	\$ -	\$ -	\$ -	\$ -	\$ 902,464,000	\$ 83,814,000	\$ -	\$ 986,278,000
Education Matters	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 365,000	\$ 365,000
<b>TOTAL EXPENSES</b>	\$ 20,650,000	\$ 8,740,000	\$ 7,535,000	\$ 36,925,000	\$1,023,023,000	\$ 217,586,000	\$ 77,306,000	\$1,354,840,000

School Jurisdiction Code: **3030**

**SCHEDULE 11**

Average Estimated # of Students Served Per Meal: **335-775**

**UNAUDITED SCHEDULE OF NUTRITION PROGRAM EXPENDITURES  
for the Year Ending August 31, 2017**

		Budget 2017	2017
<b>REVENUES</b>			
Alberta Education		\$ 250,000	\$ 250,000
<b>TOTAL REVENUES</b>		\$ 250,000	\$ 250,000
<b>EXPENSES</b>			
Salaries & Benefits	FTE		
Project Coordinator		\$ -	\$ -
Cook		\$ -	\$ -
Breakfast Supervisor	0.83	\$ 32,293	\$ 30,567
Bowcroft 2nd Supervisor	0.12	\$ 5,070	\$ 4,570
Overtime		\$ 854	\$ 1,376
Food Supplies		\$ 119,440	\$ 121,200
Office Supplies		\$ 700	\$ -
Small Kitchenwares (e.g. toaster, measuring cups/spoons, bowls, cutting boards)		\$ 7,500	\$ 3,932
Non-Capitalized Assets			
Microwave		\$ -	\$ -
Refrigerator		\$ 25,603	\$ 24,764
Stove		\$ -	\$ -
Tables		\$ 437	\$ 545
Other (please describe)		\$ 1,171	\$ 1,133
Other (please describe)		\$ 241	\$ 241
Other (please describe)		\$ -	\$ -
Training (e.g. workshops, training materials)		\$ 2,010	\$ 690
Contracted Services (please describe)		\$ 44,100	\$ 44,831
Other Expenses			
Kitchen Aprons		\$ -	\$ -
Food Delivery		\$ 2,860	\$ 3,230
Cleaning & Sanitation supplies		\$ 1,890	\$ 798
Student and Family Nutrition Education/Travel/Subs		\$ 3,675	\$ 1,307
<b>TOTAL EXPENSES</b>		\$ 247,844	\$ 239,184
<b>ANNUAL SURPLUS/DEFICIT</b>		\$ 2,156	\$ 10,816



## Calgary Board of Education

### Canada's International Education Strategy

International student programs (ISP) are a key part of both a Canada wide strategy supported by Foreign Affairs Canada and Alberta Education's International Strategy. International students have a significant social and economic impact on the province of Alberta.

The CBE has the largest ISP in the province and is one of 133 school districts in Canada actively recruiting around the globe. There are many benefits to welcoming international students into our schools, including the opportunity to expand our local students' knowledge base of the world.

In 2019, as part of the Programme for International Student Assessment (PISA) assessments, the OECD will be measuring the cross-cultural competence of students. When CBE students have the opportunity to take part in international opportunities and when they can study beside students from other parts of the world, they develop critical skills and understandings that are necessary to be globally competent. <http://www.oecd.org/pisa/aboutpisa/Global-competency-for-an-inclusive-world.pdf>

### Who are International Students?

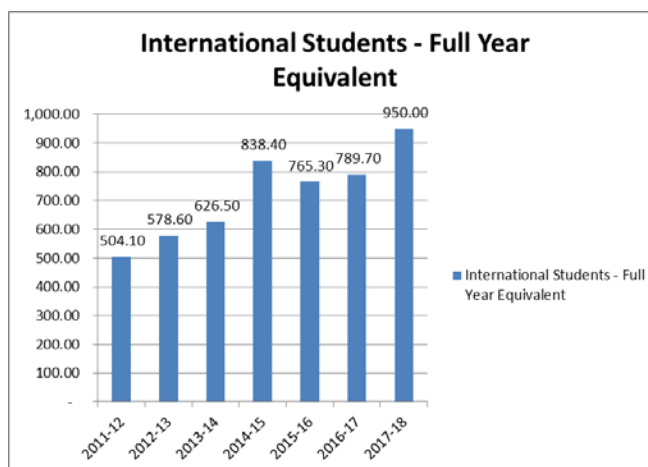
International students are first and foremost CBE students with three distinct differences:

- They pay international student fees which include all costs associated with studying in Alberta (no funding is provided by the province). See fees here [http://www.cbeinternational.ca/apply\\_fees.htm](http://www.cbeinternational.ca/apply_fees.htm).
- They are defined by Immigration, Refugee and Citizenship Canada (IRCC) as students and have permits which enable them to study.
- They most often live with custodians who are not their parents.

International students have the same rights, responsibilities and obligations as any other students. They are motivated for academic, cultural and social reasons to attend CBE schools. They see the benefits of developing English language skills as well as cross-cultural competencies that are gained through the experience of living abroad.

### Our International Student Population

Our international student population has grown steadily since the CBE program started in 2002. In the 2017-2018 school year, 950 international students from 47 countries are studying in 94 schools..



### CBE International Student Program

In November 2002, the Board of Trustees approved the startup of an ISP to centralize all of the CBE's international services and programs and expand the scope of the program. CBE's international services and programs office:

- develops and maintains a strong reputation for the CBE worldwide.
- develops and executes a robust recruitment strategy through a variety of means.
- processes the admission, placement and support for all international students in their CBE schools.
- provides opportunities and experiences for students and staff to gain cross-cultural experiences and understandings.
- builds international partnerships that enhance the knowledge and intercultural competencies of both students and staff.
- promoting the CBE [International Certificate](#).

### Recruitment Strategy

Building and maintaining an ISP requires a well-articulated short and long term strategy. This is a highly competitive field and the CBE is competing with 133 Canadian school districts and several other English speaking countries including the US, Britain, New Zealand and Australia for international students. Our recruitment strategy includes:

- high-quality programming combined with specialized support services for students who are studying away from home;
- an efficient intake process for agents and parents that recognizes the complexities and legalities of international admissions;
- a sophisticated communication strategy to attract international students and ensure they have accurate information in making their decisions that includes a strong web and social media presence;
- participating in international recruitment events that enable us to have a face-to-face presence with potential students and agents..

Recruitment travel is a crucial part of an international student program. Meeting face-to-face with agents, parents and students around the world is a critical component to the success of all international student programs and is a key to the CBE's success in this highly competitive market. Costs for this essential part of an ISP are fully covered by the profits generated through the program.

This work is part of the for-profit component of the CBE. The revenue generated through the ISP far exceeds the costs of delivering it. In 2016-17, a significant portion of the \$10.3 million collected in fees was allocated directly to schools to provide instruction for these students. Additionally, international students contributed a net \$2.6 million to the CBE's bottom line after covering all costs.

	(in \$ thousands)		
	2015-16	Actuals 2016-17	Budget 2017-18
Foreign student tuition revenue	\$ 9,207	\$ 10,343	\$ 11,370
Expenses			
Allocations to schools via the RAM	5,521	6,136	7,182
Management, recruitment and operation of ISP	1,548	1,619	1,740
	7,069	7,755	8,922
Surplus contributed to the CBE global budget	\$ 2,138	\$ 2,587	\$ 2,449

## report to Board of Trustees

## First Quarter Budget Variance Report for the 2017-18 Operating and Capital Budgets and Fall 2017 Budget Update

Date	November 28, 2017
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	David Stevenson, Chief Superintendent of Schools
Purpose	Decision and Information
Originator	Brad Grundy, Superintendent, Chief Financial Officer and Corporate Treasurer
Governance Policy Reference	Operational Expectations OE-5: Financial Planning
Resource Persons	Ed Sutlic, Director, Corporate Finance Donna Rogers, Manager, Corporate Planning and Reporting Sharyn Tut, Lead, Corporate Budgets

### 1 | Recommendations

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It is recommended:

- THAT the Board of Trustees receives the Fall 2017 Update to the 2017-18 Operating Budget (Attachment IV), reflecting total planned spending of \$1,401.0 million, an increase of \$21.5 million from the approved 2017-18 Operating Budget, and authorize submission to Alberta Education.
- THAT the Board of Trustees receives the planned 2017-18 use of operating reserves and designated funds (Attachment II) for a total of \$28.7 million.



## 2 | Issue

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Operational Expectations OE-5: Financial Planning requires that quarterly variance reports are prepared and provide explanations for variances in excess of 1% and \$500,000. This report serves as the first quarter report for the 2017-18 fiscal year.

Alberta Education requires a Fall 2017 Budget Update to the 2017-18 Budget, which was approved by the Board of Trustees on June 20, 2017. This update includes forecasted changes related to enrolment and other known adjustments.

## 3 | Background

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The approved 2017-18 Operating Budget was prepared using a consultative process and focused resources on achieving the vision as articulated in the CBE values, the Three-Year Education Plan and guidance from Alberta Education.

The Board approved the Operating Budget on June 20, 2017 and documentation was submitted to Alberta Education. The approved budget was based on enrolment projections for 2017-18, which drives provincial grant funding and school spending.

Enrolment numbers for the school year are counted at Sept. 30 and those are the official enrolment numbers which drive actual funding provided to the CBE by Alberta Education and, in-turn, resources deployed to schools, via the Resource Allocation Method (the RAM) for the school year.

Alberta Education requires an update to the approved 2017-18 operating budget which includes a revised estimate of funding, expenditures, number of students eligible for provincial funding and an estimate of full-time equivalent staff positions (FTEs). This is the Fall 2017 Update to the 2017-18 Budget shown in Attachment IV. It is important to note that the estimate of FTEs is based on resource deployment by school principals as at October, 2017. Actual FTEs and amounts spent on salaries and benefits will vary from this and fluctuate throughout the year.

Also included in the Fall 2017 Update is one-time funding of up to \$2.0 million to support deployment of math coaches to qualifying schools in support of student success in Mathematics. The update also includes new funding from the Classroom Improvement Fund (CIF) provided for in the Alberta Teachers Association collective agreement with the Province. The CIF funding totals slightly more than \$13.0 million for the CBE for 2017-18.

Once this Fall 2017 Update is approved by the Board of Trustees, it will be submitted to Alberta Education for use in their financial forecasting and Provincial budget preparations for the subsequent fiscal year.

Also included in this report is the first quarter operating budget variance analysis in Attachment I. This report is prepared specifically for the Board of Trustees and varies slightly in presentation from the Fall 2017 Update, which is prepared in the format provided by Alberta Education.

## 4 | Analysis

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The 2017-18 First Quarter Budget Variance Report (Attachment I) and Fall 2017 Update (Attachment IV) reflects the budget impacts of changes in student enrolment from what was estimated during the budget preparation in the spring, and the Sept. 30 count. Also included in the Fall 2017 Update budget are adjustments due to better information than what was available when the spring budget was prepared.

The forecasted changes to the budgeted revenues and expenses have been summarized in Attachment I. Explanations have been provided for variances above 1% and \$500,000 of reported line items in accordance with Operational Expectations 5. This includes:

### REVENUE

Total revenue has increased by \$19.5 million. This is comprised of:

- I. Alberta Education funding higher by \$16.4 million due to:
  - New funding from the Classroom Improvement Fund (CIF) of \$13.0 million. The corresponding cost increase has been included in expenses.
  - Base instructional funding has increased \$3.4 million due to actual Sept. 30 enrolment higher by 490 students than what was projected in the spring.
  - Alberta Teachers' Retirement Fund (ATRF) flow through revenues are higher by \$1.8 million. This revenue fully offsets the expense increase. This increase was a result of changes in enrolment from what was projected in the spring to Sept. 30<sup>th</sup> actual counts.
  - Regional Collaborative Services Delivery (RCSD) flow through revenues are higher by \$1.2 million. This revenue fully offsets the expense increase. This increase was a result of changes in enrolment from what was projected in the spring to Sept. 30<sup>th</sup> actual counts.
  - Infrastructure, Maintenance & Repair (IMR) flow through revenues are higher by \$0.4 million. This revenue fully offsets the expense increase.
  - Established revenue budgets of \$0.5 million to better reflect actual external funding related to Learning programs such as Fuel for Kids and Energy Literacy. The corresponding increased expenses fully offset the revenues.
  - The above increases in Alberta Education funding were offset by a \$3.6 million reduction due to changes in assumptions used to determine funding from when the spring budget was prepared. For example, enrolment estimates for English as a Second Language (ESL) funding had assumed all refugees would qualify for ESL funding when not all actually do.
  - Capital allocation revenues reduced overall Alberta Education revenues by \$0.3 million due to lower amounts capitalized in 2017-18 for provincially supported



assets than what was estimated in the approved budget. This reduction is offset fully with a reduction to amortization expense.

- II. Other sales and services increased by \$2.1 million. This increase is mainly related to International Student tuition fees which were revised for changes in enrolment from what was initially projected in 2016-17.
- III. All other revenues increased by \$1.0 million, this includes:
  - Established revenue budgets of \$0.8 million to better reflect actual external funding related to Learning programs. The corresponding expenses fully offset the revenues.
  - Additional \$0.2 million in rental revenues for an extension of the Education Centre 9<sup>th</sup> floor sub-lease.

## **EXPENSES**

Total expenses have increased by \$21.5 million. This is comprised of:

- I. Certificated salaries, wages and benefits are higher by \$22.4 million. This is the combined impact of:
  - An offset to the CIF grant of \$10.6 million [including 100 one-time Full Time Equivalents (FTEs)]. The additional resources are planned to be expended primarily on certificated salaries and benefits.
  - Higher certificated school staff of \$5.5 million (55 FTEs) due to increased enrolment and principal deployment decisions.
  - One time funding in the amount of up to \$2.0 million (approximately 25 temporary positions) to support student success in Mathematics. The additional resources are expected to be expended on temporary certificated salaries and benefits and will be funded through a draw on the fiscal stability reserve.
  - An offset to the ATRF flow-through grant of \$1.8 million.
  - The remainder is a result of realignments to the budget to better reflect actual planned spending and reorganizations in Service Units. There were no changes to the total FTEs in Service Units. These realignments represent transfers between certificated salaries and benefits and other expense items.
- II. Non-certificated salaries, wages and benefits are higher by \$0.3 million. This is the combined impact of:
  - An offset to the CIF grant of \$1.4 million (including one-time 25 FTEs). The additional resources are expected to be expended on non-certificated salaries and benefits.

- An offset to the RCSD flow-through grant of \$0.7 million (including 5 FTEs). The additional resources are expected to be expended on non-certificated salaries and benefits.
  - The remainder is a result of budget realignments to the budget to better reflect actual planned spending. There were no changes to the total FTEs in Service Units. These transfers were made from the non-certificated salaries and benefits to other expense items.
- III. Services, contracts and supplies \$ nil variance is the combined impact of:
- Lower supplies and services of \$4.0 million resulting from changes in principal deployment decisions. This decrease is offset by the below increases:
    - CIF spending of \$1.0 million.
    - RCSD spending of \$0.8 million.
    - Offsetting budgets of \$1.2 million to better reflect actual external funding related to Learning programs. The corresponding expenses fully offset the revenues.
  - The remainder is a result of realignments to the budget to better reflect actual planned spending and reorganizations in Service Units. These transfers were made between salaries and benefits and other expense items. As noted above, there were no increases to service unit FTE counts.
- IV. Amortization expense is lower by \$0.9 million due to lower amounts capitalized in 2017-18 for board funded assets (decrease of \$0.6 million) and lower amounts capitalized for the provincially supported assets of \$0.3 million.
- V. Interest and finance charges expense is lower by \$0.3 million due to revised estimates for energy efficiency retrofit projects and change in interest rates.

#### **OPERATING DEFICIT**

The planned deficit is \$17.0 million. This is an increase of \$2.0 million and reflects the total of the adjustments noted under Revenue and Expense. The planned deficit represents about 1.2% of total expenditures and is within a reasonable +/- 2% margin of error on a \$1.401 billion budget.

#### **FUNDING THE DEFICIT / USE OF RESERVES**

Transfer from operating reserves/designated funds shows the forecasted use of \$7.0 million of operating reserves along with \$10.0 million of reduced capital activities in order to fund the \$17.0 million operating deficit.

Planned draws on reserves include \$7.0 million from operating, \$4.8 million from capital and \$16.9 million in capital designated funds for projects in progress at the end of 2016-17 that will continue in 2017-18.

Further details are provided in Attachment II - first quarter use of reserves and designated funds.

## CAPITAL ACTIVITIES

The 2017-18 first quarter capital budget status report in Attachment III highlights changes between the current approved budget and estimated capital expenditures for the year ended August 31, 2018. Changes are due to incomplete projects at August 31, 2017 continuing into the 2017-18 school year.

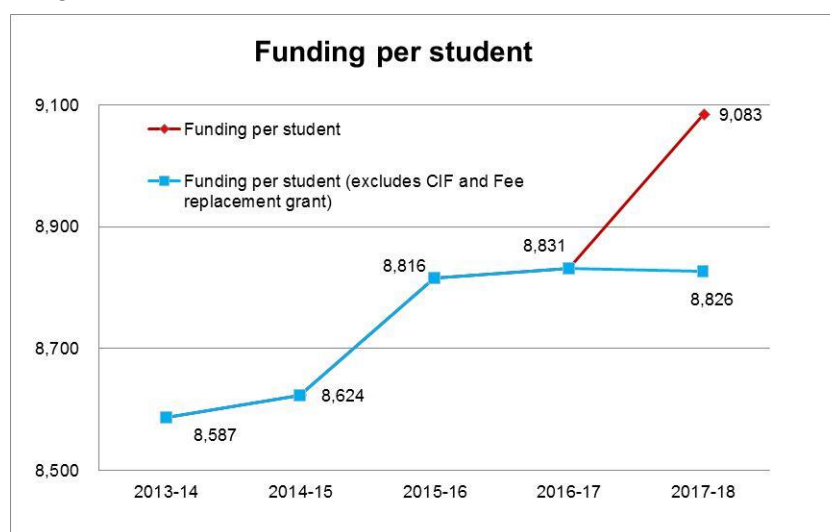
Capital assets acquired has increased by \$16.3 million, of which \$16.9 million was the amount carried forward from 2016-17 to fund projects continuing in 2017-18 that were not complete by August 31, 2017. This is reflected as an increase in the transfer from capital carryforwards.

Amortization for board-funded assets decreased \$0.6 million as noted above. At the time the spring budget was prepared the actual amounts to be spent and capitalized on new school commissioning were estimated in order to project amortization expense for 2017-18. Actual amounts capitalized were lower than estimated and result in reduced amortization expense in 2017-18.

## 5 | Funding Impacts

Funding per student is used as a measure of the amount of funding Alberta Education has been providing on a per-student basis. Alberta Education basic funding per student has remained consistent (decrease of \$5 per student) since the prior year as funding rates have not changed.

When incorporating the new funding from the Classroom Improvement Fund (CIF) of \$13.0 million and \$18.3 million Fee replacement grant, funding per student increases \$252. These grants will be used for the purposes intended.

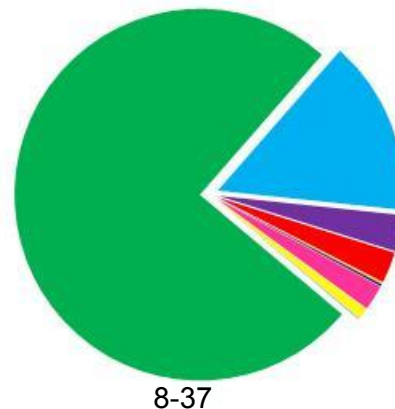


Funding (in this chart) does not include Infrastructure Maintenance & Renewal, the Alberta Teachers' Retirement Fund, transportation grants or expended deferred capital revenues as these grants are targeted and do not fund regular operations.

The following table provides additional information as to the planned spending between schools and service units. Expense and FTE details are provided by major expense category and operating unit.

Summary:

	Schools & Areas	Service Unit System Budgets	Learning	Facilities and Enviro. Services	Legal Services	Comm and Community Engagement	Finance / Technology Services	Human Resources	Chief Supt's Office	Board of Trustees	Total
<b>2017-18 Fall Budget FTEs by:</b>											
Staff (incl ATA, Staff Assn, CUPE, trades)	9,363	17	227	173	1	10	140	46	1	-	9,978
Exempt Staff	-	-	10	39	7	8	39	31	2	-	136
Managers	-	-	7	13	2	3	11	7	-	-	42
Directors	7	-	6	4	1	-	4	4	-	-	26
Superintendents	-	-	1	1	1	1	1	-	2	-	7
	9,370	17	251	229	12	22	195	88	5	-	10,189
2017-18 Budget FTE	9,185	62	251	230	12	22	195	88	5	-	10,050
Increase / (decrease)	185	(45)	-	(1)	-	-	-	-	-	-	139
<b>2017-18 Fall Budget (in \$</b>											
Salaries, wages and benefits	975,022	9,719	37,169	25,288	1,745	2,610	24,950	11,260	912	418	1,089,093
Services, contracts and supplies	80,611	139,959	6,151	9,536	137	84	1,348	1,114	242	878	240,060
Other (interest, amortization and uncollectible accounts)	44	63,199	782	3,190	15	-	4,622	14	2	-	71,868
	1,055,677	212,876	44,102	38,014	1,897	2,694	30,920	12,388	1,156	1,296	1,401,021
2017-18 Budget (in \$ thousands)	1,037,235	213,748	40,494	37,851	1,897	2,694	30,889	12,278	1,156	1,296	1,379,538
Increase / (decrease)	18,442	(872)	3,608	163	-	-	31	110	-	-	21,482
	(a)	(b)	(c)								



Significant changes from the 2017-18 approved budget:

- a) Schools & Areas increase is due to an increase in funding allocated to schools related to increased enrolments and the new Classroom Improvement Funding. Also included are increases in the Alberta Teachers' Retirement Fund and Regional Collaborative Services Delivery flow-through budgets.
- b) Service Unit System budgets decrease is mainly due to lower amortization and energy-efficiency retrofit lease interest expense.
- c) Learning increase is mainly due to the Mathematics strategy and newly established budgets to better reflect actual funding and expenses related to Learning programs. The corresponding expenses fully offset the revenues.

## 6 | Financial Impact

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The forecast anticipates the use of \$28.7 million in operating and capital reserves and maintains an overall balanced position.

## 7 | Conclusion

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The Fall 2017 Update to the 2017-18 Operating Budget will be submitted to Alberta Education by Nov 30, 2017, following Board of Trustee approval.



DAVID STEVENSON  
CHIEF SUPERINTENDENT OF SCHOOLS

### Attachments

**Attachment I:** 2017-18 first quarter operating budget variance analysis

**Attachment II:** 2017-18 first quarter planned use of reserves

**Attachment III:** 2017-18 first quarter capital budget status report summary of board funded capital investments

**Attachment IV:** Fall 2017 Update to the 2017-18 operating budget

### GLOSSARY – Developed by the Board of Trustees

Board: Board of Trustees

Governance Culture: The Board defined its own work and how it will be carried out. These policies clearly state the expectations the Board has for individual and collective behaviour.

Board/Chief Superintendent Relationship: The Board defined in policy how authority is delegated to its only point of connection – the Chief Superintendent – and how the Chief Superintendent's performance will be evaluated.

Operational Expectations: These policies define both the nonnegotiable expectations and the clear boundaries within which the Chief Superintendent and staff must operate. They articulate the actions and decisions the Board would find either absolutely necessary or totally unacceptable.

Results: These are our statements of outcomes for each student in our district. The Results policies become the Chief Superintendent's and the organization's performance targets and form the basis for judging organization and Chief Superintendent performance

## 2017-18 first quarter operating budget variance analysis

<b>Q1 Budget Variance Report</b>				
(in \$ thousands)				
	<b>Approved Budget</b>	<b>Fall Budget Update</b>	<b>Increase / (Decrease)</b>	<b>%</b>
<b>Revenues</b>				
Alberta Education	1,274,436	<b>1,290,857</b>	16,421	1.3%
Fees	42,594	<b>42,594</b>	-	-
Other sales and services	20,644	<b>22,731</b>	2,087	10.1%
All other revenues	20,162	<b>21,137</b>	975	4.8%
Federal Government and First Nations	3,207	<b>3,207</b>	-	-
Investment income	3,167	<b>3,167</b>	-	-
Other - Government of Alberta	328	<b>328</b>	-	-
	<u>1,364,538</u>	<u><b>1,384,021</b></u>	<u>19,483</u>	<u>1.4%</u>
<b>Expenses by object</b>				
Certificated salaries, wages and benefits	792,282	<b>814,655</b>	22,373	2.8%
Non-certificated salaries, wages and benefits	274,142	<b>274,438</b>	296	0.1%
Services, contracts and supplies	240,065	<b>240,060</b>	(5)	(0.0%)
Amortization expenses	67,339	<b>66,436</b>	(903)	(1.3%)
Other expenses	3,802	<b>3,802</b>	-	-
Interest and finance charges	1,908	<b>1,630</b>	(278)	(14.6%)
	<u>1,379,538</u>	<u><b>1,401,021</b></u>	<u>21,483</u>	<u>1.6%</u>
<b>Annual surplus / (deficit)</b>	<u>(15,000)</u>	<u><b>(17,000)</b></u>	<u>(2,000)</u>	<u>13.3%</u>
<b>Transfer from operating reserves/designated funds</b>	<u>5,000</u>	<u><b>7,000</b></u>	<u>2,000</u>	<u>40.0%</u>
<b>Add / (deduct) capital items paid by operating funds</b>				
Capital assets acquired	(22,910)	<b>(39,197)</b>	(16,287)	71.1%
Board funded amortization	28,150	<b>27,524</b>	(626)	(2.2%)
Use of capital designated funds	-	<b>16,913</b>	16,913	100.0%
Use of capital reserves	4,760	<b>4,760</b>	-	-
	<u>10,000</u>	<u><b>10,000</b></u>	<u>-</u>	<u>-</u>
<b>Net operating surplus / (deficit)</b>	<u>-</u>	<u><b>-</b></u>	<u>-</u>	<u>-</u>

(1) Approved by the Board of Trustees on June 20, 2017. Some numbers have been reclassified for comparative purposes.

## 2017-18 first quarter planned use of reserves

	Reserve balance Sept. 1, 2017	Approved planned transfers from reserves	Fall Update planned transfers from reserves	Anticipated reserve balance Aug. 31, 2018
(all figures in \$ thousands)				
<b>Operating reserves</b>				
Unrestricted reserves	21,803	(5,000)	(7,000)	14,803
Restricted reserves	(8,246)	-	-	(8,246)
Designated operating funds	5,531	-	-	5,531
Total operating reserves	<u>19,088</u>	<u>(5,000)</u>	<u>(7,000)</u>	<u>12,088</u>
<b>Capital reserves</b>				
Building reserve	9,019	(2,200)	(2,200)	6,819
Other capital reserves	22,584	(2,560)	(19,473)	3,111
Plant, operations and maintenance asset replacement	798	-	-	798
Total capital reserves	<u>32,401</u>	<u>(4,760)</u>	<u>(21,673)</u>	<u>10,728</u>
<b>Total reserves</b>	<u><b>51,489</b></u>	<u><b>(9,760)</b></u>	<u><b>(28,673)</b></u>	<u><b>22,816</b></u>

## 2017-18 first quarter capital budget status report, summary of board funded capital investments

	Board-funded capital budget (in \$ thousands)				
	Approved Budget Sept 1, 2017	Approved Carry Forward and Revision	Total Fall Budget	Estimate 2018-19	Estimate 2019-20
<b>Capital lease payments (contracts)</b>					
Performance contracts	3,292	(101)	3,191	2,428	1,313
<b>Total Capital Lease Payments (Contracts)</b>	<b>3,292</b>	<b>(101)</b>	<b>3,191</b>	<b>2,428</b>	<b>1,313</b>
<b>Non-facility related projects</b>					
Strategic	-	2,387	2,387	1,965	2,050
Enhancement	2,228	5,176	7,404	6,095	6,359
Maintenance	12,630	8,825	21,455	17,662	18,428
<b>Total non-facility related projects</b>	<b>14,858</b>	<b>16,388</b>	<b>31,246</b>	<b>25,722</b>	<b>26,837</b>
<b>Capital reserve projects</b>					
New school commissioning	2,560	-	2,560	-	-
Nelson Mandela High School gym	2,200	-	2,200	-	-
<b>Total capital reserve projects</b>	<b>4,760</b>	<b>-</b>	<b>4,760</b>	<b>-</b>	<b>-</b>
<b>Total non-facility capital expenditures</b>	<b>22,910</b>	<b>16,287</b>	<b>39,197</b>	<b>28,150</b>	<b>28,150</b>
<b>Financed by the following:</b>					
Contribution to operating activities	(10,000)	-	(10,000)	-	-
Total amortization expense (non-cash)	28,150	(626)	27,524	28,150	28,150
Designated capital funds	-	16,913	16,913	-	-
Capital reserves	4,760	-	4,760	-	-
<b>Total board-funded financing</b>	<b>22,910</b>	<b>16,287</b>	<b>39,197</b>	<b>28,150</b>	<b>28,150</b>

**Definitions:**

Maintenance - Projects that are required to maintain current processes and systems and keep them in good working conditions

Enhancement - Projects that improve or extend the functionality of existing systems, technologies, and processes.

Strategic - Projects that open up new horizons, learning methods, organization models, and value propositions that cut across the organization or physical facility.





**The following attachments are templates provided by Alberta Education and updated with the CBE's 2017-18 first quarter forecast information.**

**These will be submitted to Alberta Education following Board of Trustees approval. While the totals are the same, some groupings may be different in some cases due to Alberta Education reporting requirements.**

## Fall 2017 Update to the 2017-18 Operating Budget

3030 Calgary School District No. 19

School Jurisdiction Code and Name

## FALL 2017 UPDATE TO THE 2017/2018 BUDGET: Page 1

	Fall 2017 Update to the Budget 2017/2018	Spring 2017 Budget Report 2017/2018	Variance	% Variance
<b>OPERATIONS (SUMMARY)</b>				
<b>Revenues</b>				
Alberta Education	\$1,290,857,000	\$1,274,436,000	\$16,421,000	1.3%
Other - Government of Alberta	\$328,000	\$328,000	\$0	0.0%
Federal Government and First Nations	\$3,207,000	\$3,207,000	\$0	0.0%
Other Alberta school authorities	\$303,000	\$303,000	\$0	0.0%
Out of province authorities	\$0	\$0	\$0	0.0%
Alberta municipalities - special tax levies	\$0	\$0	\$0	0.0%
Property taxes	\$0	\$0	\$0	0.0%
Fees	\$42,594,000	\$38,094,000	\$4,500,000	11.8%
Other sales and services	\$22,731,000	\$25,144,000	(\$2,413,000)	-9.6%
Investment income	\$3,167,000	\$3,167,000	\$0	0.0%
Gifts and donation	\$7,634,000	\$7,266,000	\$368,000	5.1%
Rental of facilities	\$5,581,000	\$5,393,000	\$188,000	3.5%
Fundraising	\$7,200,000	\$7,200,000	\$0	0.0%
Gain on disposal of capital assets	\$0	-	#VALUE!	#VALUE!
Other revenue	\$419,000	-	#VALUE!	#VALUE!
Total revenues	\$1,384,021,000	\$1,364,538,000	\$19,483,000	1.4%
<b>Expenses By Program</b>				
Instruction - Early Childhood Services	\$57,328,000	\$57,353,000	(\$25,000)	0.0%
Instruction - Grades 1 - 12	\$1,052,149,000	\$1,030,679,000	\$21,470,000	2.1%
Plant operations and maintenance	\$180,195,000	\$182,195,000	(\$2,000,000)	-1.1%
Transportation	\$48,200,000	\$48,065,000	\$135,000	0.3%
Board & system administration	\$39,093,000	\$37,495,000	\$1,598,000	4.3%
External services	\$24,056,000	\$23,751,000	\$305,000	1.3%
Total Expenses	\$1,401,021,000	\$1,379,538,000	\$21,483,000	1.6%
Annual Surplus (Deficit)	(\$17,000,000)	(\$15,000,000)	(\$2,000,000)	-13.3%
<b>Expenses by Object</b>				
Certificated salaries & wages	\$665,742,000	\$647,031,000	\$18,711,000	2.9%
Certificated benefits	\$148,913,000	\$145,251,000	\$3,662,000	2.5%
Non-certificated salaries & wages	\$215,936,000	\$215,931,000	\$5,000	0.0%
Non-certificated benefits	\$58,502,000	\$58,211,000	\$291,000	0.5%
Services, contracts and supplies	\$240,060,000	\$240,065,000	(\$5,000)	0.0%
Amortization expense - supported	\$38,913,000	\$39,189,000	(\$276,000)	-0.7%
Amortization expense - unsupported	\$27,524,000	\$28,150,000	(\$626,000)	-2.2%
Interest on capital debt - supported	\$128,000	\$128,000	\$0	0.0%
Interest on capital debt - unsupported	\$408,000	\$687,000	(\$279,000)	-40.6%
Other interest and finance charges	\$1,093,000	\$1,093,000	\$0	0.0%
Losses on disposal of tangible capital assets	\$0	\$0	\$0	0.0%
Other expenses	\$3,802,000	\$3,802,000	\$0	0.0%
Total Expenses	\$1,401,021,000	\$1,379,538,000	\$21,483,000	1.6%
<b>Accumulated Surplus from Operations (Projected)</b>				
Accumulated Surplus from Operations - August 31, 2017	\$19,088,000	\$10,916,000	\$8,172,000	74.9%
Accumulated Surplus from Operations - August 31, 2018	\$12,088,000	\$5,916,000	\$6,172,000	104.3%
Capital Reserves - August 31, 2017	\$32,401,000	\$19,573,000	\$12,828,000	65.5%
Capital Reserves - August 31, 2018	\$27,641,000	\$14,813,000	\$12,828,000	86.6%
<b>Certificated Staff FTE's</b>				
School based	6,539.7	6385.7	154.0	2.4%
Non-school based	146.6	145.1	1.5	1.1%
Total Certificated Staff FTE's	6,686.3	6,530.8	155.5	2.4%
<b>Non-Certificated Staff FTE's</b>				
Instructional	2,203.2	2167.0	36.2	1.7%
Plant operations & maintenance	827.3	844.8	(17.5)	-2.1%
Transportation	43.5	43.5	-	0.0%
Other non-instructional	428.7	418.8	9.9	2.4%
Total Non-Certificated Staff FTE's	3,502.7	3,474.0	28.7	0.8%

**Attestation of Secretary-Treasurer/Treasurer:**

This information was formally received by the Board of Trustees at the meeting held on : \_\_\_\_\_



<b>3030 Calgary School District No. 19</b>				
School Jurisdiction Code and Name				
<b>FALL 2017 UPDATE TO THE 2017/2018 BUDGET: Page 2</b>				
	Fall 2017 Update to the Budget 2017/2018	Spring 2017 Budget Report 2017/2018	Variance	% Variance
<b>FEE &amp; SALES TO PARENTS &amp; STUDENTS</b>				
<b>Fees</b>				
Transportation	\$5,930,000	\$5,930,000	\$0	0.0%
Basic instruction supplies	\$0	\$0	\$0	0.0%
Lunchroom Supervision & Activity Fees	\$13,965,000	\$13,965,000	\$0	0.0%
Technology user-fees	\$3,000	\$3,000	\$0	0.0%
Alternative program fees	\$757,000	\$757,000	\$0	0.0%
Fees for optional courses	\$2,868,000	\$2,868,000	\$0	0.0%
ECS enhanced program fees	\$0	\$0	\$0	0.0%
Activity fees	\$11,504,000	\$11,504,000	\$0	0.0%
Other fees to enhance education	\$0	\$0	\$0	0.0%
Extra-curricular fees	\$3,067,000	\$3,067,000	\$0	0.0%
Non-curricular supplies, materials, and services	\$4,500,000	\$0	\$4,500,000	100.0%
Non-curricular travel	\$0	\$0	\$0	0.0%
Other fees	\$0	\$0	\$0	0.0%
<b>Total fees</b>	<b>\$42,594,000</b>	<b>\$38,094,000</b>	<b>\$4,500,000</b>	<b>11.8%</b>
<b>Other Sales to Parents &amp; Students</b>				
Cafeteria sales, hot lunch, milk programs	\$0	\$0	\$0	0.0%
Special events	\$0	\$0	\$0	0.0%
Sales or rentals of other supplies / services	\$140,000	\$4,640,000	(\$4,500,000)	-97.0%
Out of district student revenue	\$0	\$0	\$0	0.0%
International and out of province student revenue	\$11,370,350	\$9,396,000	\$1,974,350	21.0%
Adult education revenue	\$3,298,000	\$3,298,000	\$0	0.0%
Preschool	\$0	\$0	\$0	0.0%
Child care & before and after school care	\$0	\$0	\$0	0.0%
Lost item replacement fees	\$0	\$0	\$0	0.0%
Foreign Tuition	\$0	\$0	\$0	0.0%
Music Instruments, library fees, commissions	\$0	\$0	\$0	0.0%
Other sales (describe here)	\$0	\$0	\$0	0.0%
Other sales (describe here)	\$0	\$0	\$0	0.0%
Other sales (describe here)	\$0	\$0	\$0	0.0%
<b>Total other sales</b>	<b>\$14,808,350</b>	<b>\$17,334,000</b>	<b>(\$2,525,650)</b>	<b>-14.6%</b>
<b>Grades 1 - 12</b>				
Eligible funded students - Grades 1 to 9	81,100.0	81028.0	72.0	0.1%
Eligible funded students - Grades 10 to 12	29,741.0	28801.0	940.0	3.3%
Other students	1,580.0	1403.0	177.0	12.6%
Home ed and blended program students	168.0	180.0	(12.0)	-6.7%
<b>Total Enrolled Students, Grades 1-12</b>	<b>112,589.0</b>	<b>111,412.0</b>	<b>1,177.0</b>	<b>1.1%</b>
<b>Early Childhood Services (ECS)</b>				
Eligible funded children - ECS	9,371.0	9788.0	(417.0)	-4.3%
Other children	-	0.0	-	0.0%
Program hours	475.0	475.0	-	0.0%
<b>ECS FTE's Enrolled</b>	<b>4,685.5</b>	<b>4,894.0</b>	<b>(208.5)</b>	<b>-4.3%</b>
<b>Attestation of Secretary-Treasurer/Treasurer:</b>				
This information was formally received by the Board of Trustees at the meeting held on : _____				

## 3030 Calgary School District No. 19

School Jurisdiction Code and Name

## FALL 2017 UPDATE TO THE 2017/2018 BUDGET

**Comments/Explanations of changes from original Spring 2017/2018 Budget Report:****Explain any changes in revenue or fee items >5% (any highlighted items in cells S10-S24 on Page 1 or cells S10 - S21 and S25 - S38 on Page 2):**

Other sales and services decreased by \$2.4 million. This is due to reclassification of \$4.5 million non-curricular goods and services from Sales to Fees per Alberta Education reporting guidelines offset by \$2.1 million increase mainly related to the International Student tuition fees which was revised for changes in enrolment from what was projected in 2016-17.

Gifts and donations increased \$0.3 million and Other revenues increased by \$0.4 million. This is due to newly established budgets to better reflect actual funding for the Learning programs. The corresponding expenses fully offset the revenues.

**Explain any changes in program expenses >5% (any highlighted items in cells S27-S32 on Page 1):**

No variances to report.

**Explain any changes in expenses by object >5% (any highlighted items in cells S37 - S48 of Page 1):**

Interest and finance charges are lower by \$0.3 million due to revised estimates for retrofit projects and change in interest rates.

**Explain any changes in projected Accumulated Operating Surplus and Capital Reserves as at August 31, 2017 or August 31, 2018 by >5% (highlighted items in cell S52 to S55):**

Transfer from operating reserves/designated funds shows the forecasted use of \$7.0 million of operating reserves and \$10.0 million of capital reserves in order to fund the \$17.0 million operating deficit and increased capital activities. These draws include \$2.0 million in operating and \$16.9 million in capital designated funds for projects in progress at the end of 2017-18 that will continue in 2018-19.

**Explain change in total certificated staff >3% (if cell S58 or S59 on Page 1 is highlighted) or non-certificated staff >3% (if cell S63 - S66 on Page 1 is highlighted):**

No variances to report.

**Explain change in enrolment >3% (if cell S55 or cell S61 on Page 2 is highlighted):**

The opening of over 20 new schools in two years has increased the variability of enrolment projections.

**Attestation of Secretary-Treasurer/Treasurer:**

This information was formally received by the Board of Trustees at the meeting held on : \_\_\_\_\_



operational  
expectations  
monitoring report

Monitoring report for the  
school year 2016-2017

Report date:  
November, 14, 2017  
Resubmitted:  
November 28, 2017

## OE-4: Treatment of Employees

### BOARD OF TRUSTEES ACTION

With respect to OE-4: Treatment of Employees, the Board of Trustees:

- approves that the Chief Superintendent is in compliance with the provisions of this policy.
- Finds the evidence to be compliant with noted exceptions
- Finds evidence to be not compliant

operational  
expectations  
monitoring report

Monitoring report for the  
2016 - 2017 school year

Report date:  
November 14, 2017.

## OE-4: Treatment of Employees

### CHIEF SUPERINTENDENT CERTIFICATION

With respect to Operational Expectations 4: Treatment of Employees, the Chief Superintendent certifies that the proceeding information is accurate and complete.

- In Compliance
- In Compliance with exceptions as noted in the evidence
- Not in Compliance

Signed: *D. Stevenson* Date: Nov. 2, 2017  
David Stevenson, Chief Superintendent

### BOARD OF TRUSTEES ACTION

With respect to Operational Expectations 4: Treatment of Employees, the Board of Trustees:

- Finds the evidence to be compliant
- Finds the evidence to be compliant with noted exceptions
- Finds evidence to be not compliant

### Summary statement/motion of the Board of Trustees:

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Chair, Board of Trustees

**OE-4: Treatment of Employees**

## Executive Summary

The Chief Superintendent shall ensure the recruitment, employment, development, evaluation and compensation of the organization's employees in a manner necessary to enable the organization to achieve its *Results* policies.

This Operational Expectation establishes the values and expectations of the Board of Trustees for the Calgary Board of Education regarding the actions that support relationships between the organization and its employees.

The Chief Superintendent's reasonable interpretation for OE-4: Treatment of Employees was approved on March 6, 2012. The Board of Trustees last monitored OE-4: Treatment of Employees on November 1, 2016.

4.1 Conduct extensive background inquiries and checks prior to hiring any paid personnel.

Indicator 1: Compliant

4.2 Select the most qualified and best-suited candidates for all positions.

Indicator 1: Compliant

4.3 Ensure that all employees are qualified to perform the responsibilities assigned to them.

Indicator 1: Compliant

4.4 Administer clear personnel rules and procedures for employees, including processes for suspension, transfer and termination actions.

Indicator 1: Compliant

Indicator 2: Compliant

Indicator 3: Compliant



4.5 Effectively handle complaints and concerns.

Indicator 1: Compliant

Indicator 2: Compliant

4.6 Maintain adequate job descriptions for all employee positions.

Indicator 1: Compliant

Indicator 2: Compliant

Indicator 3: Compliant

4.7 Protect confidential information

Indicator 1: Non-compliant

4.8 Develop total compensation plans to attract and retain the highest quality “exempt” employees within available resources.

Indicator 1: Compliant

4.9 Honour the terms of negotiated agreements

Indicator 1: Compliant

4.10 Receive Board of Trustees' approval for the bargaining mandate and ratification of all collective agreements for unionized employees.

Indicator 1: Not Applicable

Indicator 2: Not Applicable

4.11 Receive Board of Trustees' approval for total compensation packages for all exempt employees.

Indicator 1: Compliant



4.12 Maintain an organizational culture that positively impacts the ability of employees to responsibly perform their jobs and work in an environment of professional support and courtesy.

Indicator 1: Compliant

Indicator 2: Compliant

Indicator 3: Compliant

4.13 Reasonably include people in decisions that affect them.

Indicator 1: Non-Compliant

## OE-4: Treatment of Employees

The Chief Superintendent shall ensure the recruitment, employment, development, evaluation and compensation of the organization’s employees in a manner necessary to enable the organization to achieve its *Results* policies.

### Board-approved Interpretation |

The Chief Superintendent interprets the Board of Trustees’ values in this statement to mean that the Calgary Board of Education will attract and retain the right people with the right skills at the right time in the right numbers. To attract and retain employees, the Calgary Board of Education must continuously foster working environments that support employees.

In addition to support, it is important that each and every employee understand how their work contributes to organizational performance, student learning and the Board of Trustees’ Results.

For the purposes of this report, the term employees is interpreted to encompass “staff”, “personnel” and “people” as found in OE-4.

### The Chief Superintendent will

4.1 Conduct extensive background inquiries and checks prior to hiring any paid personnel.	Compliant
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### Board-approved Interpretation |

The Chief Superintendent interprets *background inquiries* to be reference checks, a criminal record check including a vulnerable sector search, verification of past employment and verification of academic credentials. These checks are completed prior to an offer of employment.

### Board-approved Indicator and *Evidence of Compliance* |

100% of new employees will have a thorough background check including but not limited to those conditions set out in the interpretation, prior to commencing employment.

*The organization is compliant with this indicator.*

- a) 99.92% of new hire or rehired employees began work after confirmation from Human Resources that the person successfully passed a vulnerable sector police information check.
- b) 100% of new employees provided academic credentials prior to commencing employment.
- c) 100% of new employees have had references checked prior to commencing employment.

Evidence demonstrates the indicator in subsection 4.1 is in compliance.

4.2 Select the most qualified and best-suited candidates for all positions.	Compliant
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**Board-approved Interpretation |**

The Chief Superintendent interprets employment *qualifications* to be education and experience. During the selection process additional attributes are considered such as:

- quality of judgment;
- professional currency;
- effective cross-functional teamwork;
- communication and influencing skills;
- technical competence;
- customer service orientation;
- analytical competence;
- project management skills; and
- personal suitability.

The Chief Superintendent interprets *best-suited* to be those individuals with the required education, experience, attributes and fit with the organization.

**Board-approved Indicator and Evidence of Compliance |**

98% of selected employees are best-suited for their position.

*The organization is compliant with this indicator.*

*100% of selected employees are best-suited for their positions. Suitability is determined through a rigorous selection process which includes;*

- *Ensuring candidate’s qualifications match those identified in the position description;*
- *Analyzing the results of interviews;*
- *Checking references;*
- *Analyzing the results of teacher perceiver interviews;*
- *Reviewing practicum reports and teaching & leadership evaluations.*

Evidence demonstrates the indicator in subsection 4.2 is in compliance.

4.3 Ensure that all employees are qualified to perform the responsibilities assigned to them.	Compliant
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**Board-approved Interpretation |**

Employees must demonstrate an ability to perform the work required. A key measurement of success is how well a new employee performs in a new position. When an employee successfully completes their probationary assessment, they are deemed to possess the knowledge, skills and abilities required of their position. The employee has also demonstrated a cultural fit to the organization.

The Chief Superintendent interprets the *qualifications* of an employee to include an aspect of growth. Market shortages often dictate that an employer select an employee who may not have the full qualifications but certainly the potential to grow into the position.

**Board-approved Indicator and Evidence of Compliance |**

95% of all employees will successfully complete their probationary assessment.

*The organization is compliant with this indicator.*

*99.2% of CBE employees successfully completed their probationary assessment as evidenced by successful performance evaluations and continued employment beyond the probationary period.*

**Evidence demonstrates the indicator in subsection 4.3 is in compliance.**

4.4 Administer clear personnel rules and procedures for employees, including processes for suspension, transfer and termination actions.	Compliant
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**Board-approved Interpretation |**

The Chief Superintendent interprets *rules and procedures* to be subject to the provisions of the collective agreements, terms and conditions of employment, and current statute (*School Act*). The Calgary Board of Education will develop and maintain Human Resource policies and procedures that set out the organizational expectations of the employee and govern processes that impact the employee lifecycle; that is, from hire to termination.

**Board-approved Indicators and Evidence of Compliance |**

1. Human Resource policies are current, foreknown, consistently applied and comply with statute and the provisions of the collective agreements.

*The organization is compliant with this indicator.*

*An internal review of all suspensions, transfers and terminations confirmed compliance with collective agreements and statutes.*

2. Human Resource policies are reviewed on a bi-annual basis to ensure currency and compliance with the collective agreements and statute.

*The organization is compliant with this indicator.*

*Administrative Regulations (ARs) under the accountability of Human Resources continue to be reviewed on a regular basis.*

3. 100% of employees will be made aware of Calgary Board of Education policies or regulations governing:
  - respect in the workplace;
  - conflict of interest; and
  - responsible use of electronic information resources.

*The organization is compliant with this indicator.*

- a) *Every employee is made aware of the policy regarding responsible use of electronic information each time they log in to the CBE network.*
- b) *All new employees are provided CBE documentation regarding regulations governing respect in the workplace, employee code of conduct and responsible use of electronic information resources, through the onboarding process. Employees are responsible for signing off to indicate awareness.*
- c) *Regulations governing respect in the workplace and conflict of interest are available to all employees. These regulations are posted online on the staff insite for employees to access.*

**Evidence demonstrates the indicators in subsection 4.4 are in compliance.**

4.5	Effectively handle complaints and concerns.	Compliant
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**Board-approved Interpretation |**

The Chief Superintendent interprets *complaints and concerns* to be those matters voiced by employees within the context of their employment with the Calgary Board of Education.

The Chief Superintendent interprets *effective* as working relationships characterized by open and respectful dialogue with Calgary Board of Education employees and the resolution of issues in a timely fashion. This is not a random happening. Mechanisms must be developed and maintained, with intention, to foster a working environment where employees are free to voice their issues and expect resolution. Examples of these mechanisms are grievance procedures, the

whistleblower administrative regulation and the respect in the workplace administrative regulation.

**Board-approved Indicators and Evidence of Compliance |**

1. At least three internal mechanisms that support respectful resolution of employees' issues are developed, communicated and maintained.

*The organization is compliant with this indicator.*

*There are eight internal mechanisms that support respectful resolution of employee issues.*

2. 98% of employee inquiries to the Employee Information Centre are resolved within four business days.

*The organization is compliant with this indicator.*

*99.49% of employee inquiries to the Employee Contact Centre (formerly known as the Employee Information Centre) were resolved within four business days.*

**Evidence demonstrates the indicators in subsection 4.5 are in compliance.**

4.6 Maintain adequate job descriptions for all employee positions.	Compliant
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**Board-approved Interpretation |**

The Chief Superintendent interprets a *job description* as an overview of a position that includes and is not limited to a job summary, illustrative examples of the work, and the qualifications, experience, skills and knowledge required of the candidate to perform the work. Further, the Chief Superintendent expects that employees fully understand the roles and responsibilities of the position they hold.

**Board-approved Indicators and Evidence of Compliance |**

1. A position description will be prepared and its currency maintained for all Calgary Board of Education positions.

*The organization is compliant with this indicator.*

*Every new position requires a job description prior to commencing the hiring process. Twenty three job descriptions were created in 2016-2017.*

2. Every employee will be provided with their position description prior to commencing employment.

*The organization is compliant with this indicator.*

*Every employee is provided with the position description as part of the application process. The position description is included in the offer letter provided to each successful candidate.*

3. Every Calgary Board of Education position description will be reviewed once in a three-year period.

*The organization is compliant with this indicator.*

*A review process is in place to ensure all job descriptions will be reviewed on a three-year cycle. The second three-year cycle commenced July 2015.*

<i>Date</i>	<i>Number of Active Position Descriptions</i>
<i>August 2016</i>	<i>521</i>
<i>August 2017</i>	<i>535</i>

*Currently there are 535 active positions resulting from the ongoing review process. In 2016-2017 23 new descriptions were created, 9 existing descriptions were de-activated.*

**Evidence demonstrates the indicators in subsection 4.6 are in compliance.**

4.7	Protect confidential information	Non-compliant
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**Board-approved Interpretation |**

The Chief Superintendent interprets *confidential information* to be personal information about employees. Further, this confidential information exists in the form of a record. The definition of personal information is taken from the FOIP Act, Section 1(n), which states “personal information means recorded information about an identifiable individual.”

Personal information of Calgary Board of Education employees includes items such as:

- confirmation of employment with the Calgary Board of Education without employees’ stated permission;
- business address or home or business telephone number;
- race, national or ethnic origin, colour;
- age, sex, marital status or family status;
- health and health care history; and
- educational, financial, employment or criminal history, including criminal records where a pardon has been given.

A record is defined as personal information that is written, photographed, scanned or stored in any manner.

The Chief Superintendent interprets *protect* to mean the development and maintenance of appropriate security mechanisms that address three areas: physical, technical and administrative. Examples of these mechanisms include secure storage of records (physical), restricted access to records (technical) and protocols governing the release of personal information (administrative).

#### **Board-approved Indicators and *Evidence of Compliance* |**

No breaches in the reporting period.

*The organization is non-compliant with this indicator.*

*There were ten reported breaches of confidential information with respect to employee information:*

- *September 2016: Telus Sourcing Solutions Inc.(TSSI), (HR) reported that an email containing overpayment payroll information was sent to the incorrect employee.*
- *September 2016: An email containing overpayment payroll information was sent to the incorrect employee.*
- *September 2016: Keying error changed the incorrect employee's banking information, resulting in an employee's pay being sent to wrong bank account*
- *September 2016: Recruitment team emailed and mailed information regarding 30 CBE employees who had given notice of their termination to two non HR employees.*
- *January 2017: The incorrect CBE employee received a Benefit Costing Sheet and copy of a void cheque for another CBE employee*
- *January 2017: An employee received a leave of absence letter intended for another CBE employee.*
- *June 2017: An employee was able to access self-service information in PeopleSoft for a previous employee as Teacher Staffing had reactivated a terminated record in error rather than creating new.*
- *August 2017: Life insurance certificates were mailed to the incorrect CBE Employees.*
- *August 2017: A TELUS employee working on the CBE account sent information relating to five CBE employees to another TELUS employee in error.*
- *August 2017: An employee received a Leave of Absence benefits costing sheet in error that was intended for another CBE employee.*

**Evidence demonstrates the indicator in subsection 4.7 is not in compliance.**



4.8 Develop total compensation plans to attract and retain the highest quality “exempt” employees within available resources.	Compliant
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**Board-approved Interpretation |**

The Chief Superintendent interprets *total compensation* to include salaries, benefits, and other perquisites. In order to attract and retain quality exempt employees, total compensation must be competitive subject to the Calgary Board of Education’s ability to pay.

**Board-approved Indicator and Evidence of Compliance |**

Salaries and benefits are periodically reviewed against identified comparators.

*The organization is compliant with this indicator.*

*In August of 2017 salaries of exempt employees were compared to the market data from Alberta organizations as reported from Hay Group PayNet.*

**Evidence demonstrates the indicator in subsection 4.8 is in compliance.**

4.9 Honour the terms of negotiated agreements	Compliant
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**Board-approved Interpretation |**

In order to foster and maintain positive employee and labour relations, the Calgary Board of Education must adhere to the provisions of the collective agreements and the terms and conditions governing exempt employees.

**Board-approved Indicator and Evidence of Compliance |**

85% of grievances will be resolved prior to third party intervention.

*The organization is compliant with this indicator.*

*100% of grievances were resolved prior to third party intervention.*

**Evidence demonstrates the indicator in subsection 4.9 is in compliance.**

4.10 Receive Board of Trustees' approval for the bargaining mandate and ratification of all collective agreements for unionized employees.	Not applicable
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**Interpretation |**

The Chief Superintendent interprets *Board of Trustees' approval* to be a carried motion recorded in the minutes of a meeting of the Board of Trustees.

The Chief Superintendent interprets *bargaining mandate* to be the granting of authority to commence collective bargaining in accordance with the *Labour Relations Code*.

The Chief Superintendent interprets *ratification* to be approval to conclude a collective agreement in accordance with the *Labour Relations Code*.

**Board-approved Indicators and Evidence of Compliance |**

1. The commencement of every round of collective bargaining occurs after the Board of Trustees approves a bargaining mandate.

*This indicator is not applicable at this time.*

*There were no bargaining mandates approved during this monitoring period.*

2. The conclusion of every round of collective bargaining with the ratification of the new collective agreement by the Board of Trustees.

*This indicator is not applicable at this time.*

*There were no conclusions to any collective bargaining during this reporting period.*

**The indicators in this subsection are not applicable at this time.**

4.11 Receive Board of Trustees' approval for total compensation packages for all exempt employees.	Compliant
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**Interpretation |**

The Chief Superintendent interprets *Board of Trustees' approval* to be a carried motion recorded in the minutes of a meeting of the Board of Trustees.

The Chief Superintendent interprets *total compensation* to include salaries, benefits, and other perquisites.

**Board-approved Indicator and Evidence of Compliance |**

Changes to total compensation packages occur after the Board of Trustees' approval.

*The organization is compliant with this indicator.*

*The Board of Trustees approved executive staff compensation in June 2017. Executive staff are a subgroup of exempt staff.*

**Evidence demonstrated the indicator in subsection 4.11 is in compliance.**

4.12 Maintain an organizational culture that positively impacts the ability of employees to responsibly perform their jobs and work in an environment of professional support and courtesy.	Compliant
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#### **Board-approved Interpretation |**

There is a significant correlation between an organization's culture and the level of employee engagement. Employees who are engaged in their work have a purpose, understand organizational expectations and objectives, know they are making a contribution and find value in their achievements. The Chief Superintendent interprets an *environment of professional support and courtesy* to be a culture of respect, trust and participation. The Calgary Board of Education Working Relationship Commitment defines this culture and provides a developmental framework. Employee voice is a critical component and influences the organization's direction and processes wherever possible.

Further, the Chief Superintendent interprets *employee ability and performance* to be linked to capacity building. It is important that employees are current in their work and have opportunities to develop their understanding and skills. Most important is the direct relationship between building employee capacity and student achievement. Professional development provides an opportunity to meet the learning needs of employees, who in turn meet the needs of student learning.

#### **Board-approved Indicators and Evidence of Compliance |**

1. On a bi-annual basis the Calgary Board of Education shall conduct an employee engagement survey utilizing a representative sample of the workforce.
  - Employee response rate to the survey will exceed 35% of those surveyed.
  - Survey results regarding the degree of employee engagement will be equal to or better than the industry benchmark, as determined by the selected survey tool.

*This organization is compliant with this indicator.*

*In March 2017 an employee engagement survey was conducted and available for all CBE staff. The response rate was 61%.*

2. The Calgary Board of Education’s attrition rate for all Calgary Board of Education employees excluding temporaries, substitutes and retirees will be equal to or less than the industry benchmark of 5%.

*The organization is compliant with this indicator.*

*The Calgary Board of Education’s attrition rate is 1.9% as indicated by voluntary separation. The current industry benchmark is 4.6%.*

3. The Calgary Board of Education will achieve within a range of +/- one percentage point from previous three-year average results on the Accountability Pillar Survey pertaining to teacher responses about professional development.

*The organization is compliant with this indicator.*

*In the May 2017 Accountability Pillar Survey report, 80.7% of CBE teachers responded “Agree” or “Strongly Agree” to the following question:*

*“Thinking back over the past three years, to what extent do you agree or disagree that professional development opportunities made available through the jurisdiction have...*

- a) Effectively addressed your professional development needs*
- b) Significantly contributed to your on-going professional development*
- c) Been focused on the priorities of the jurisdiction”*

**Evidence demonstrates the indicators in subsection 4.12 are in compliance.**

4.13 Reasonably include people in decisions that affect them.	Non-compliant
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**Board-approved Interpretation |**

The Chief Superintendent interprets *reasonable inclusion* of employees in decision-making to begin with a framework that provides clarity for employees about their participation in the process. This framework is built on the platform of inform, consult, involve, collaborate and empower. The framework is designed to reflect the interests and concerns of employees who are impacted by pending decisions.

**Board-approved Indicator and Evidence of Compliance |**

On a bi-annual basis the Calgary Board of Education shall conduct an employee engagement survey utilizing a representative sample of the workforce.

- Survey results pertaining to reasonable inclusion of employees in decisions that affect them will be equal to or better than the industry benchmark, as determined by the selected survey tool.

*The organization is not compliant with this indicator.*

*An employee engagement survey was conducted in March 2017. Survey results which measure employee's perceptions about the appropriateness of their own influence and decision making authority within the organization are scored below the industry benchmark on the section pertaining to inclusion of employees in decision making. The CBE scored 48% on the Empowerment and Influence dimension compared to the public sector score of 50%.*

**Evidence demonstrates the indicator in sub section 4.13 is not in compliance.**

**ATTACHMENT: OE-4 Capacity Building and/or Process Information**

**GLOSSARY – Developed by the Board of Trustees**

Board: The Board of Trustees

Operational Expectations: These policies define both the nonnegotiable expectations and the clear boundaries within which the Chief Superintendent and staff must operate. They articulate the actions and decisions the Board would find either absolutely necessary or totally unacceptable.

Monitoring Report: The Board wants to know that its values have driven organizational performance. The Chief Superintendent will present to the Board, for its evaluation, a report that summarized how either compliance has been achieved on Operational Expectations or how reasonable progress has been made in Results. Each monitoring report requires: a re-statement of the full policy, by section; a reasonable interpretation of each section; data sufficient to prove compliance or reasonable progress; and a signed certification from the Chief Superintendent of the status.

Reasonable Interpretation: Once the Board has stated its values in policy, the Chief Superintendent is required to "interpret" policy values, saying back to the Board, "here is what the Board's value means to me." The Board then judges whether this interpretation is reasonable. In other words, does the Chief Superintendent "get it?" This reasonable interpretation is the first step required in monitoring compliance on Operational Expectations and monitoring reasonable progress on Results.

Compliance: Evidence or data that allow the Board to judge whether the Chief Superintendent has met the standard set in the Operational Expectations values.

Non-compliance: In gathering evidence and data to prove to the Board that its Operational Expectations values have been adhered to, there may be areas where the standards were not met. The policy or subsection of the policy would be found to be "non-compliant." The Chief Superintendent would identify the capacity-building needed to come into compliance and the Board would schedule this section of policy for re-monitoring

November 14, 2017

**OE-4: Treatment of Employees****Capacity Building Information**4.1a) Background checks prior to hiring

Four employees were hired prior to receipt of a vulnerable sector police information check (PIC) after approval from the Superintendent of Human Resources. These employees did not work near children until their PIC was received. All other employees had a PIC prior to commencing employment.

4.7 Protect confidential information

CBE takes full responsibility for breaches of confidential information. The majority of issues were created due to human error. The importance of accuracy has been communicated to the HR teams with an emphasis on quality of employee communications.



**report to  
Board of Trustees**

**Resignation of Chief Superintendent**

Date	November 28, 2017
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	Trina Hurdman Board Chair
Purpose	Decision
Governance Policy Reference	Governance Culture GC-3: Board Job Description Board/Chief Superintendent Relationship B/CSR-1: Single Point of Connection

**1 | Recommendation**

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THAT the Board of Trustees accepts, with regret, the resignation of David Stevenson as Chief Superintendent of Schools, effective April 26, 2018.

**2 | Background**

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At the October 31, 2017 Regular Meeting of the Board of Trustees, Chief Superintendent David Stevenson confirmed his notice of resignation dated October 26, 2017. This report will formalize the Board's acceptance of the resignation.

Attachments: Letter of Resignation



David Stevenson

October 26, 2017.

**Via E-Mail and Hand Delivery**

Chair of the Board of Trustees  
Calgary Board of Education  
**c/o Kelly Ann Fenney**  
Global Learning 1221 - 8 Street SW  
Calgary, Alberta  
T2R 0L4

Dear Ms. Fenney:

Pursuant to the terms of my employment agreement dated June 1, 2014 (the "**Employment Agreement**"), I, David Stevenson, hereby give six months' notice of my resignation as Chief Superintendent of Schools of the Calgary Board of Education ("**CBE**"). The effective date of my resignation will be April 26, 2018.

I would like to take this opportunity to thank you for allowing me to serve the CBE for over 42 years.

Sincerely,



David Stevenson

cc: Board of Trustees  
Greg Francis, General Counsel and Superintendent of Human Resources



**report to  
Board of Trustees**

**Correspondence**

Date	November 28, 2017
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	Kelly-Ann Fenney Office of the Corporate Secretary
Purpose	Information
Governance Policy Reference	Operational Expectations OE-8: Communication With and Support for the Board

**1 | Recommendation**

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The following correspondence is being provided to the Board for information:

- Letter dated November 20, 2017 from Curtis Clarke, Deputy Minister, Alberta Education communicating ministerial approval to use Infrastructure Maintenance and Renewal (IMR) funding to support upgrades at William Aberhart School.

Attachments: Relevant Correspondence



NOV 20 2017

AR99839

Ms. Trina Hurdman  
Board Chair  
Calgary Board of Education  
1221 - 8 Street SW  
Calgary AB T2R 0L4

Dear Ms. Hurdman:

I am writing in response to the August 25, 2017 letter from Dany Breton, Superintendent, Facilities and Environmental Services, to Erin Owens, Director, Capital Planning South, requesting approval for the use of Infrastructure Maintenance and Renewal (IMR) funding to support upgrades to the science lab and gymnasium ceiling at William Aberhart School.

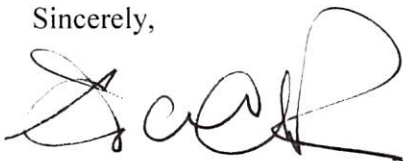
Subsequent to review of the additional supporting information received by the ministry, I understand the projects were initially planned separately, but that the school jurisdiction found it cost effective to combine the projects into a single, competitively bid tender, resulting in a total project cost of \$1,129,300. Based on the information provided, I understand that the scope of both the lab upgrade and ceiling replacement were within the guidelines of supportability for the IMR program.

In accordance with the *School Capital Manual*, the use of IMR funding in excess of \$1 million on a single project requires ministerial approval. On behalf of the Honourable David Eggen, Minister of Education, I am pleased to approve the use of IMR funding for these projects.

If you have any questions, please contact Erin Owens, Director, Capital Planning South, at [erin.owens@gov.ab.ca](mailto:erin.owens@gov.ab.ca) or 780-643-1455 (toll-free by first dialing 310-0000).

I wish you success as you proceed with these important projects.

Sincerely,



Curtis Clarke  
Deputy Minister

## Fourth Quarter Budget Variance Report for the 2016-17 Budget

### report to Board of Trustees

Date	November 28, 2017
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	David Stevenson, Chief Superintendent of Schools
Purpose	Information
Originator	Brad Grundy, Superintendent, Chief Financial Officer and Corporate Treasurer
Governance Policy Reference	Operational Expectations OE-5: Financial Planning
Resource Persons	Ed Sutlic, Director, Corporate Finance Donna Rogers, Manager, Corporate Planning and Reporting Donalda Cresswell, Lead External Reporting

### 1 | Recommendation

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This report is being provided for the information of the Board. No decision is required at this time.

### 2 | Issue

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Operational Expectation 5 – Financial Administration requires that quarterly variance reports are prepared and provide explanations for variances in excess of 1% and \$500,000. This report serves as the fourth quarter and final report for the 2016-17 fiscal year.

### 3 | Background

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Quarterly and annual reports are presented to the Board of Trustees to provide updates on the status of the results of operations. These results are compared to the fall update budget to meet the Operational Expectation 5: Financial Planning.

Included in this report is the fourth quarter operating budget variance analysis, the actual use of operating reserves and designated funds (Attachment III) and capital budget variance analysis in Attachment IV.

## 4 | Analysis

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The First Quarter Budget Variance Report (i.e. the fall update to the spring budget) primarily reports the budget impacts of changes in student enrolment from what was estimated during the budget preparation in the preceding spring. The fall update is adopted as the comparative budget for all subsequent budget and variance reports as it is the most accurate reflection of planned spending based on actual student enrolment.

The 2016-17 Second and Third Quarter Budget Variance Reports analyzes forecasted variances based on current year spending trends as compared to the fall update budget.

The Fourth Quarter Budget Variance Report discusses actual year-end results as compared to the fall update budget.

Attachment I summarizes the actual activity compared with budgeted revenues and expenses, reserve transfers and capital transactions. Explanations have been provided for variances above 1% and \$500,000 of reported line items in accordance with Operational Expectation 5.

### OPERATING DEFICIT

CBE's deficit for the year was \$15.1 million. This is a \$4.7 million favourable variance from the budgeted deficit of \$19.8 million and is mainly comprised of:

- favourable variances within the service units of \$8.8 million due to position vacancies and spending restrictions in place during the year.
- unfavourable variance of \$8.2 million in the transportation program relating to additional routes, complex needs and support for the school-within-a-school model.
- increased write-off for uncollectible fees of \$1.4 million.
- favourable savings from budget of \$5.5 million for activities that will be carried forward into 2017-18.

Spending by schools and service units is provided in Attachment II with explanations of significant variances from budget.

### USE OF RESERVES

The fall 2016 budget update included planned draws of \$33.0 million from operating reserves and \$25.9 million capital reserves, for a total of \$58.9 million. CBE will end 2016-17 with a draw of \$20.7 million from operating reserves and \$6.8 million from capital reserves for a total draw of \$27.5 million.

Further details are provided in Attachment III - Use of operating reserves and designated funds.

## CAPITAL ACTIVITIES

The 2016-17 fourth quarter capital budget status report (Attachment IV) highlights variances between the current approved budget and actual capital expenditures for the year ended August 31, 2017.

## LINE ITEM ANALYSIS

In support of OE-5, the following summarizes individual line item changes in the financial results (see Attachment I).

### Revenues

Revenues were budgeted at \$1,331.0 million and came in \$8.7 million higher at \$1,339.7 million. Significant contributions to this increase include:

1. An unfavourable variance in *Alberta Education* revenue of \$0.4 million is the combined result of:
  - an unfavourable variance of \$4.9 million in basic grant funding due to a lower number of actual funded students than what was estimated when the budget was prepared.
  - a favourable variance from Infrastructure Maintenance and Renewal (IMR) funding of \$4.0 million which fully offsets increased IMR spending activity.
  - an unfavourable variance of \$1.7 million in the Alberta Teachers Retirement Fund (ATRF) grant reflecting a decrease in the current service cost.
  - favourable increases of \$2.2 million in targeted funding and program grants such as the Sinneave Foundation School Works project, Official Languages in Education Protocol grant, Off Campus Credit and Digital Acquisitions which is fully offset with related spending activity.
  - an unfavourable variance of \$0.8 million in transportation funding.
  - a favourable variance in Program-Unit Funding (PUF) funding of \$0.8 million which is offset with related spending.
2. A favourable variance in *Federal Government and First Nations* revenue of \$0.5 million is largely related to federal grants received under the Language Instruction for Newcomers to Canada (LINC) program, which is offset by additional spending.
3. A favourable variance in *Other sales and services* of \$7.6 million is the result of:
  - favourable increases of \$3.9 million in funds raised by schools through sales which are inherently variable and subject to school specific circumstances. These revenues are offset by increased spending.
  - international student tuition from higher enrolment of \$2.5 million.
  - favourable increases of \$1.2 million in external billings which is offset with related spending increases
4. A favourable increase in *Investment income* of \$0.8 million is due to higher than anticipated interest earned on bond investments.

## Expenses

\$1,350.8 million in expenses were budgeted. Actual expenses are \$1,354.8 million; an increase (or unfavourable variance) of \$4.0 million. Significant contributions to this increase include:

1. Unfavourable increases of \$7.0 million in *Certificated salaries wages and benefits* is the net impact of:
  - an unfavourable variance of \$9.8 million resulting from hiring additional school-based FTEs and for sick relief using a redeployment from school supplies budget.
  - a favourable variance of \$1.7 million for ATRF expenses reflecting a decrease in the current service cost and offset with reduced revenue recognized.
  - a favourable variance of \$2.5 million from position vacancies.
  - offset with increased spending related to increased targeted revenues and external billings.
2. A favourable variance of \$3.2 million for *Services, contracts and supplies* is the net impact of:
  - school budget redeployment of \$9.8 million to offset additional salaries and benefits costs.
  - unfavourable transportation spending of \$7.5 due to increased student transportation costs including:
    - carbon tax impacts
    - the addition of new regular bus routes in response to demand
    - one-time bus routes in support of the school-within-a-school model for new schools opening part-way during the year
    - increased students with complex transportation needs
  - IMR expenses increased unfavourably by \$4.0 million due to increased spending on school repairs with an offsetting increase in revenues.
  - offset with increased spending related to targeted revenue increases as well as favourable variances realized in service unit budgets due to spending restrictions in place during the year.
3. A \$0.7 million favourable variance for *Interest expenses* is related to lower credit card fee charges and retrofit interest expense on capital leases.
4. *All other expenses* incurred an unfavourable variance of \$1.4 million in uncollectable fees and waivers. Under the *School Fees and Costs Regulation*, school boards may no longer charge fees to cover the costs of textbooks, workbooks or photocopying, printing or paper supplies. As a result, instructional supplies and materials (ISM) fees have been eliminated for the 2017-18 year which has resulted in a decreased projection for the collectability of outstanding ISM fees.

## 7 | Conclusion

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This report represents information to the Board of Trustees in connection with Operational Expectations 5: Financial Planning.

In response to the economic conditions within Alberta, and the anticipated financial challenges that will be faced by the Government and subsequently passed on to Alberta Education and the CBE, we must pay particular attention to our financial management.

The Chief Superintendent asked for the implementation of cost containment measures while maintaining focus on our core values of; students come first, learning is our central purpose and public education serves the common good. We have always practiced careful financial decision making and will be scrutinizing our operations to identify areas where additional cost cutting measures may be implemented while minimizing the impact on student learning.



DAVID STEVENSON  
CHIEF SUPERINTENDENT OF SCHOOLS

#### Attachments

**Attachment I:** 2016-17 fourth quarter operating budget variance analysis

**Attachment II:** Spending by schools and service units

**Attachment III:** 2016-17 fourth quarter use of operating reserves and designated funds

**Attachment IV:** 2016-17 fourth quarter capital budget status report, summary of board funded capital investment

#### GLOSSARY – Developed by the Board of Trustees

Board: Board of Trustees

Governance Culture: The Board defined its own work and how it will be carried out. These policies clearly state the expectations the Board has for individual and collective behaviour.

Board/Chief Superintendent Relationship: The Board defined in policy how authority is delegated to its only point of connection – the Chief Superintendent – and how the Chief Superintendent's performance will be evaluated.

Operational Expectations: These policies define both the nonnegotiable expectations and the clear boundaries within which the Chief Superintendent and staff must operate. They articulate the actions and decisions the Board would find either absolutely necessary or totally unacceptable.

Results: These are our statements of outcomes for each student in our district. The Results policies become the Chief Superintendent's and the organization's performance targets and form the basis for judging organization and Chief Superintendent performance.

Attachment I: 2016-17 fourth quarter operating budget variance analysis

**Q4 BUDGET VARIANCE REPORT**  
(in \$ thousands)

Description	2016-17 Fall Update Budget <sup>(A)</sup>	Actuals for the year ended Aug. 31, 2017	Variance Favourable/ (Unfavourable)	
<b>Revenues</b>				
Alberta Education	1,230,690	1,230,285	(405)	(0)%
Other - Government of Alberta	618	376	(242)	(39)%
Federal Government and First Nations	2,650	3,169	519	20%
Other sales and services	19,340	26,922	7,582	39%
Fees	51,476	51,782	306	1%
Investment income	3,345	4,124	779	23%
All other revenues	22,853	23,047	194	1%
<b>Total revenues</b>	<b>1,330,972</b>	<b>1,339,705</b>	<b>8,733</b>	<b>1%</b>
<b>Expenses</b>				
Certificated salaries, wages and benefits	775,314	782,329	(7,015)	(1)%
Non-certificated salaries, wages and benefits	262,679	262,229	450	0%
Services, contracts and supplies	247,869	244,671	3,198	1%
Amortization	57,369	57,317	52	0%
Interest	2,124	1,474	650	31%
All other	5,443	6,820	(1,377)	(25)%
<b>Total expenses</b>	<b>1,350,798</b>	<b>1,354,840</b>	<b>(4,042)</b>	<b>0%</b>
<b>Operating deficiency for the year</b>	<b>(19,826)</b>	<b>(15,135)</b>	<b>4,691</b>	<b>24%</b>
<b>Transfer from operating reserves/designated funds</b>				
Transfer from operating reserves	26,126	19,332	(6,794)	(26)%
Transfer to Endowment fund	-	6	6	100%
Transfer from designated funds - service units	1,052	(1,625)	(2,677)	(254)%
Transfer from / (to) designated funds - schools	5,862	3,008	(2,854)	(49)%
	33,040	20,721	(12,319)	(37)%
<b>Add/(deduct) capital items paid by operating funds</b>				
Capital assets acquired	(59,625)	(35,172)	24,453	(41)%
Capital asset amortization	24,229	24,177	(52)	(0)%
Debt repayments	(3,765)	(1,408)	2,357	0%
Transfer from / (to) capital reserves	25,947	6,817	(19,130)	(74)%
	(13,214)	(5,586)	7,628	58%
<b>Net operating surplus</b>	-	-	-	-

<sup>(A)</sup> Approved by the Board of Trustees on November 29, 2016. Some numbers have been reclassified for comparative purposes.



## Attachment II: Spending by schools and service units

The following table provides additional information as to the actual spending between schools and service units. Expense and FTE details are provided by major expense category and operating unit. More details on actual Service Unit spending are included in the 2016-17 year-end financial results report.

	Schools & Areas	Service Unit System Budgets	Learning	Facilities and Enviro. Services	Legal Services	Comm and Community Engagement	Finance / Technology Services	Human Resources	Chief Supt's Office	Board of Trustees	Total
<b>FTEs by:</b>											
Staff (incl ATA, Staff Assn, CUPE, trades)	9,079	54	219	193	3	11	147	46	1	-	9,753
Exempt Staff	-	-	10	48	7	7	34	32	2	-	140
Managers	-	-	8	16	2	3	9	7	-	-	45
Directors	7	-	6	4	1	-	4	4	-	-	26
Superintendent	-	-	1	1	1	1	1	-	2	-	7
<b>Total FTEs</b>	<b>9,086</b>	<b>54</b>	<b>244</b>	<b>262</b>	<b>14</b>	<b>22</b>	<b>195</b>	<b>89</b>	<b>5</b>	<b>-</b>	<b>9,971</b>
<b>2016-17 Actuals</b>											
Salaries and benefits	937,278	6,928	33,554	27,378	1,767	2,409	22,975	10,558	1,291	420	1,044,558
Supplies and services	84,765	141,802	6,076	8,508	99	69	886	1,333	115	1,018	244,671
Other (interest, amortization and	72	57,858	1,027	3,225	15	-	3,392	20	2	-	65,611
	<b>1,022,115</b>	<b>206,588</b>	<b>40,657</b>	<b>39,111</b>	<b>1,881</b>	<b>2,478</b>	<b>27,253</b>	<b>11,911</b>	<b>1,408</b>	<b>1,438</b>	<b>1,354,840</b>
2016-17 Fall Budget Update	1,020,794	200,661	39,162	40,836	2,082	2,726	29,478	12,549	1,219	1,291	1,350,798
Favourable / (unfavourable)	(1,321)	(5,927)	(1,495)	1,725	201	248	2,225	638	(189)	(147)	(4,042)

- Schools and Areas spending was \$1.3 million higher than budget due to higher school generated fund activity which is inherently variable.
- Service Unit System spending was more than budgeted by \$5.9 million due to increased student transportation costs and uncollectible fees.
- Learning shows an over-spending of \$1.5 million and this is offset by a revenue surplus. This is due to increased activities associated with targeted funding initiatives such as the Sinneave Foundation School Works project, Official Languages in Education Protocol grant, Off Campus Credit and Digital Acquisitions.
- Other service units show savings from the fall budget, which is related to spending constraints introduced during the year in an effort to maximize funds available for future year use.

## Attachment III: 2016-17 fourth quarter use of operating reserves and designated funds

	Reserve balance Sept 1, 2016	2016-17 Fall Update planned use of reserves <sup>(1)</sup>	2016-17 use of reserves	Balance Aug. 31, 2017	Anticipated 2017-18 use of reserves <sup>(4)</sup>
<b>Accumulated operating reserves</b>					
<a href="#">Unrestricted reserves</a>					
Fiscal stabilization reserve	41,241	(26,126)	(19,438)	21,803	(7,000)
<a href="#">Restricted reserves</a>					
EducationMatters flow-through funds <sup>(2)</sup>	1,812		106	1,918	-
Changes in accounting policy reserve	(10,164)	-	-	(10,164)	-
<b>Total operating reserves</b>	<b>32,889</b>	<b>(26,126)</b>	<b>(19,332)</b>	<b>13,557</b>	<b>(7,000)</b>
<b>Designated operating reserves</b>					
School decentralized budgets	5,862	(5,862)	(3,008)	2,854	-
Instructional and service unit initiatives	1,052	(1,052)	1,625	2,677	-
<b>Total designated funds</b>	<b>6,914</b>	<b>(6,914)</b>	<b>(1,383)</b>	<b>5,531</b>	<b>-</b>
<b>Total operating reserves and designated funds</b>	<b>39,803</b>	<b>(33,040)</b>	<b>(20,715)</b>	<b>19,088</b>	<b>(7,000)</b>
<b>Endowments</b>	<b>3,856</b>	<b>-</b>	<b>(6)</b>	<b>3,850</b>	<b>-</b>
<b>Capital reserves</b>					
Building reserve	9,019	(2,200)	-	9,019	(4,760)
Other capital reserves <sup>(3)</sup>	29,401	(23,747)	(6,817)	22,584	-
Plant, operations and maintenance asset replacement	798	-	-	798	-
<b>Total capital reserves</b>	<b>39,218</b>	<b>(25,947)</b>	<b>(6,817)</b>	<b>32,401</b>	<b>(4,760)</b>
<b>Total reserves</b>	<b>82,877</b>	<b>(58,987)</b>	<b>(27,538)</b>	<b>55,339</b>	<b>(11,760)</b>

(1) Approved by the Board of Trustees on Nov 29, 2016.

(2) This reserves is the result of consolidating EducationMatters into the CBE's financial statements in accordance with accounting standards.

(3) Included in Other capital reserves is designated capital funds - capital funds carried forward for projects that were in progress and will continue into 2017-18. The Designated Capital Funds balance at Aug 31, 2017 is \$16.9 million.

(4) Anticipated use of reserves in 2017-18 includes amounts approved in the 2017-18 budget on June 20, 2017 as well as subsequent board motions approving additional draws from reserves.

## Attachment IV: 2016-17 fourth quarter capital budget status report, summary of board funded capital investments

Capital Budget					
	2016-17 Fall Update Budget	Actual Costs to August 31, 2017 (\$ thousands)	Variance Favorable / (Unfavorable) %	Variance >1% & \$500k Note	
<b>Capital lease re-payments (performance contracts)</b>	3,765	1,408	2,357 63%	(1)	
<b>Board-funded capital additions</b>					
Strategic	9,125	3,980	5,145 56%	(2)	
Enhancement	7,594	6,380	1,214 16%		
Maintenance	23,330	14,261	9,069 39%	(3)	
<u>Reserve-funded projects</u>					
CTS/CTF Upgrades	3,125	818	2,307 74%	(4)	
New School Construction-Mgmt Fees	-	4,306	(4,306) -100%	(5)	
Nelson Mandela HS (CTS Commissioning)	1,520	-	1,520 100%	(6)	
Nelson Mandela HS Gym	2,200	-	2,200 100%	(7)	
New school commissioning	12,083	5,425	6,658 55%	(8)	
Forest Lawn welding shop	648	-	648 100%	(9)	
<b>Board-funded capital additions total</b>	<b>59,625</b>	<b>35,172</b>	<b>24,454 41%</b>		
<b>Total capital expenditures</b>	<b>\$ 63,390</b>	<b>36,580</b>	<b>26,812 42%</b>		

### Financed by the following:

Contribution from/(to) operating activities	13,214	5,586
Total Amortization expense (non-cash)	24,229	24,177
Designated capital funds	23,747	6,817
Capital reserves	2,200	-
<b>Total board-funded capital additions</b>	<b>\$ 63,390</b>	<b>36,580</b>

### Definitions:

Strategic - Projects that open up new horizons, learning methods, organization models, and value propositions that cut across the organization or physical facility.

Enhancement - Projects that improve or extend the functionality of existing systems, technologies, and processes.

Maintenance - Projects that are required to maintain current systems and keep them in good working condition.

- (1) Performance Contract costs for 2016-17 were less than budgeted due to refinements to the planned repayment schedule.
- (2) The Student Information System project was under budget due to changes in project timelines and budget adjustments.
- (3) IMR funds were allocated in support of school enhancement projects as part of the effort to reduce reliance on 2016-17 funding. Some projects were in progress at the end of 2016-17 and those funds will be carried forward into 2017-18.
- (4) The maintenance budget variance results from the deliberate plan to restrain spending in an effort to reduce current year reliance on reserves. IMR funds were used to support portions of the Wireless project.



- (5) The Career and Technology Studies/Foundations (CTS/CTF) Upgrade project budget was reduced by \$1.7 million as part of the plan to reduce current year reliance on reserves. The balance of unspent funds will be carried forward into 2017-18.
- (6) New School Construction management fees include project management, portfolio management fees, and project expenses not currently supported by provincial grants. Alberta Education will consider these costs as part of their review of the Statement of Final Cost (SFC) slated to be filed during the spring/summer of 2018.
- (7) Nelson Mandela's CTS commissioning budget will be carried forward to 2017-18 as school leaders elected to defer spending for one year to allow for a more comprehensive consideration of program needs.
- (8) Nelson Mandela's Gymnasium project is deferred until 2017-18 and the funds will be carried over and used in conjunction with Alberta Education grant funds.
- (9) The new school commissioning budget included \$3.7 million for non-capital commissioning expenditures such as hiring staff six months prior to school opening in order to set up the school and programming. Going forward, this provision will be held in the operating budget for more meaningful comparability and reporting. The remaining variance will be carried forward for spending on capital commissioning of the schools opening in 2018-19.
- (10) Forest Lawn's Welding Shop project has been deferred until 2017-18 to be used in conjunction with the Forest Lawn modernization.



## report to Board of Trustees

## Construction Projects Status Report

Date	November 28, 2017
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	David Stevenson Chief Superintendent of Schools
Purpose	Information
Originator	Dany Breton, Superintendent, Facilities and Environmental Services
Governance Policy Reference	Operational Expectations OE-7: Communication With and Support for the Board OE-9: Facilities
Resource Person(s)	Eugene Heeger, Director, Design & Property Development Leah Hartley, Senior Project Manager, Capital Projects

### 1 | Recommendation

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It is recommended:

- This report is being provided for information for the Board. No decision is required at this time.

### 2 | Issue

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To provide the Board of Trustees with an update regarding the status of new and replacement facilities under development or construction.



### 3 | Background

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The Calgary Board of Education (CBE) is currently undertaking 11 new school construction and modernization projects.

Two new schools opened at the start of the 2017-18 school year, one opened this month and another one is scheduled to open later this school year.

One new high school and two high school modernizations are anticipated for the 2018-19 school year.

On March 21, 2017, the Alberta Government announced the approval of three new elementary schools for Cranston, Evergreen and Coventry Hills, as well as a major modernization for Forest Lawn High School.

On April 12, 2017, the Alberta Government advised that at the CBE's request, the three new elementary schools would be managed by Alberta Infrastructure, and that the Forest Lawn High School Modernization would be Grant Funded and managed by the CBE.

### 4 | Analysis

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Information on the current status of the projects under development and being administered by the CBE and Alberta Infrastructure is provided in **Attachment I**.

The locations of the various new school and modernization capital projects under development are shown in **Attachment II**.

There are five Project Steering Committees setup for the current school projects as follows:

- Griffith Woods K-9 (Bundle 10)
- Joane Cardinal-Schubert HS (Seton HS)
- James Fowler HS Modernization
- Lord Beaverbrook HS Modernization
- Forest Lawn HS Modernization

## 5 | Conclusion

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This report provides the current update on the status of new and modernized CBE schools under development or construction.

It is provided to the Board of Trustees as monitoring information in compliance with Operational Expectation 7: Communication With and Support for the Board.



DAVID STEVENSON  
CHIEF SUPERINTENDENT OF SCHOOLS

### ATTACHMENTS

Attachment I: New/Modernized Facilities Construction Status  
Attachment II: Project Location Map  
Attachment III: Project Photos

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Results: These are our statements of outcomes for each student in our district. The Results policies become the Chief Superintendent's and the organization's performance targets and form the basis for judging organization and Chief Superintendent's performance.

**CALGARY BOARD OF EDUCATION  
NEW/MODERNIZED FACILITY CONSTRUCTION STATUS  
November 2017**

Building	Opening Date	Notes/Comments	
2. Innovation Centre / Academy (Booth Centre) (Chinook Learning Services) Capacity 675 students	TBD	Land Use Amendment	100%
		Expression of Interest Document	100%
		Concept Design	20%
		Design and Specifications	0%
		City Permits	0%
		Note: Alberta Education has requested that this project be placed on hold.	
8. (b) Nelson Mandela High School (Northeast High School) Gymnasium	Feb-18	City Permits	100%
		Construction Award	100%
		Foundations	100%
		Steel Fabrication and Erection (Manufacture)	50%
		Roofing and Membranes	0%
		Building Envelope (Precast Panels)	100%
		Interior Finishes	0%
		Note: Construction Continues. Gymnasium floor installation requires wood curing on site which will result in a delay.	
20. Rideau Park School (Flood mitigation)	Dec-17	Design and Specifications	100%
		City Permits	100%
		Construction Award	100%
		Phase 1	98%
		Phase 2 (Fire Damage)	50%
		Note: Flood mitigation work is expected to be completed by end November 2017. Fire repairs are anticipated to be completed by the end of December 2017. Landscaping deficiencies may need to be attended to in the spring of 2018.	
26. Joane Cardinal-Schubert High School (Southeast High School) Grades 10 -12 Capacity 1800 students	Fall-18	Design and Specifications	100%
		City Permits	100%
		Construction Award	100%
		Foundations	100%
		Steel Fabrication and Erection	100%
		Roofing and Membranes	80%
		Building Envelope	60%
		Interior Finishes	0%
		Note: Work is proceeding without incident.	



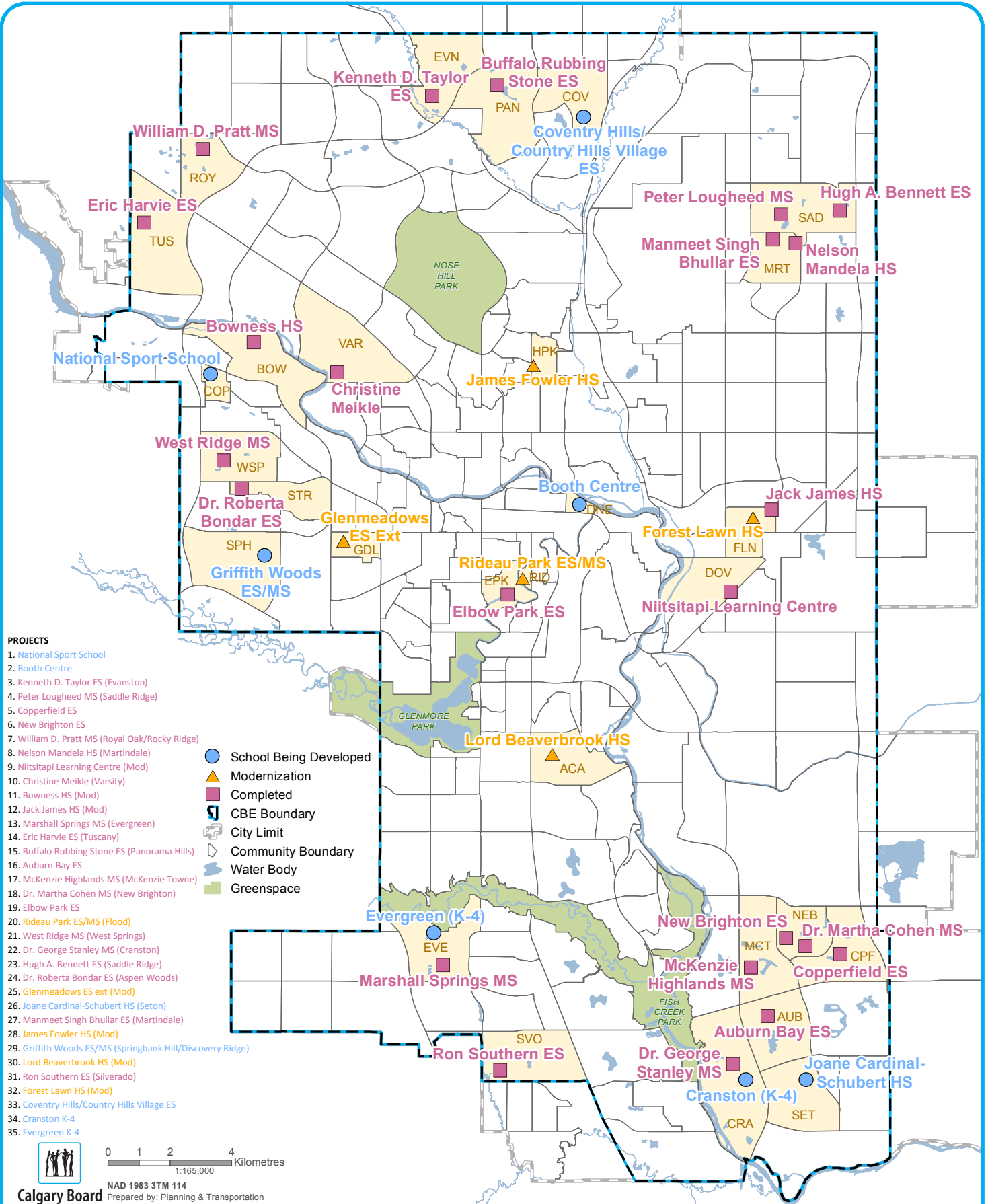
**CALGARY BOARD OF EDUCATION  
NEW/MODERNIZED FACILITY CONSTRUCTION STATUS  
November 2017**

Building	Opening Date	Notes/Comments	
28. James Fowler High School Modernization	Fall-18	Design and Specifications	100%
		City Permits	100%
		Construction Award	100%
		Tender to subtrades	100%
		Award to subtrades	100%
		Construction Progress	55%
		Note: Phased construction proceeding as planned.	
29. Griffith Woods School (Springbank Hill/ Discovery Ridge School) Grades K-9 Capacity 900 students	Winter-18	Design and Specifications	100%
		City Permits	100%
		Construction Award	100%
		Foundations	100%
		Steel Fabrication and Erection	100%
		Roofing and Membranes	100%
		Building Envelope	95%
		Interior Finishes	65%
		Note: Project is progressing and work acceleration measures are being closely monitored. A revised opening date will be announced in January 2018.	
30. Lord Beaverbrook High School Modernization	Fall-18	Design and Specifications	100%
		City Permits	100%
		Construction Award	100%
		Tender to subtrades	100%
		Award to subtrades	100%
		Construction Progress	65%
		Note: Phased construction proceeding as planned.	
31. Ron Southern School (Silverado School) Grades K-4 Capacity 600 students	Nov-17	Design and Specifications	100%
		City Permits	100%
		Construction Award	100%
		Foundations	100%
		Steel Fabrication and Erection	100%
		Roofing and Membranes	100%
		Building Envelope	100%
		Interior Finishes	100%
		Note: School opened on November 20, 2017.	

**CALGARY BOARD OF EDUCATION  
NEW/MODERNIZED FACILITY CONSTRUCTION STATUS  
November 2017**

Building	Opening Date	Notes/Comments	
32. Forest Lawn High School Modernization	Fall-19	Phases being identified. Project scope of work being elaborated.	
		Note: Project Managed by CBE. Consultants have been appointed and Steering Committee Meetings have commenced.	
33. Coventry Hills/Country Hills Village School K-4	TBC	Note: Project Managed by Alberta Infrastructure. Consultants have been appointed and the design development process has commenced. The opening date will be determined in the spring of 2018.	
34. Cranston School K-4	TBC	Note: Project Managed by Alberta Infrastructure. Consultants have been appointed and the design development process has commenced. The opening date will be determined in the spring of 2018.	
35. Evergreen School K-4	TBC	Note: Managed by Alberta Infrastructure. Consultants have been appointed and the design development process has commenced. The opening date will be determined in the spring of 2018.	

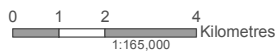
# New, Completed, and Modernized Schools As of November 2017



**PROJECTS**

1. National Sport School
2. Booth Centre
3. Kenneth D. Taylor ES (Evanston)
4. Peter Lougheed MS (Saddle Ridge)
5. Copperfield ES
6. New Brighton ES
7. William D. Pratt MS (Royal Oak/Rocky Ridge)
8. Nelson Mandela HS (Martindale)
9. Niitsitapi Learning Centre (Mod)
10. Christine Meikle (Varsity)
11. Bowness HS (Mod)
12. Jack James HS (Mod)
13. Marshall Springs MS (Evergreen)
14. Eric Harvie ES (Tuscany)
15. Buffalo Rubbing Stone ES (Panorama Hills)
16. Auburn Bay ES
17. McKenzie Highlands MS (McKenzie Towne)
18. Dr. Martha Cohen MS (New Brighton)
19. Elbow Park ES
20. Rideau Park ES/MS (Flood)
21. West Ridge MS (West Springs)
22. Dr. George Stanley MS (Cranston)
23. Hugh A. Bennett ES (Saddle Ridge)
24. Dr. Roberta Bondar ES (Aspen Woods)
25. Glenmeadows ES ext (Mod)
26. Joane Cardinal-Schubert HS (Seton)
27. Manmeet Singh Bhullar ES (Martindale)
28. James Fowler HS (Mod)
29. Griffith Woods ES/MS (Springbank Hill/Discovery Ridge)
30. Lord Beaverbrook HS (Mod)
31. Ron Southern ES (Silverado)
32. Forest Lawn HS (Mod)
33. Coventry Hills/Country Hills Village ES
34. Cranston K-4
35. Evergreen K-4

- School Being Developed
- ▲ Modernization
- Completed
- CBE Boundary
- City Limit
- Community Boundary
- Water Body
- Greenspace



**Joane Cardinal-Schubert  
(Seton Southeast High School)**



**Joane Cardinal-Schubert  
(Seton Southeast High School)**



**Joane Cardinal-Schubert  
(Seton Southeast High School)**



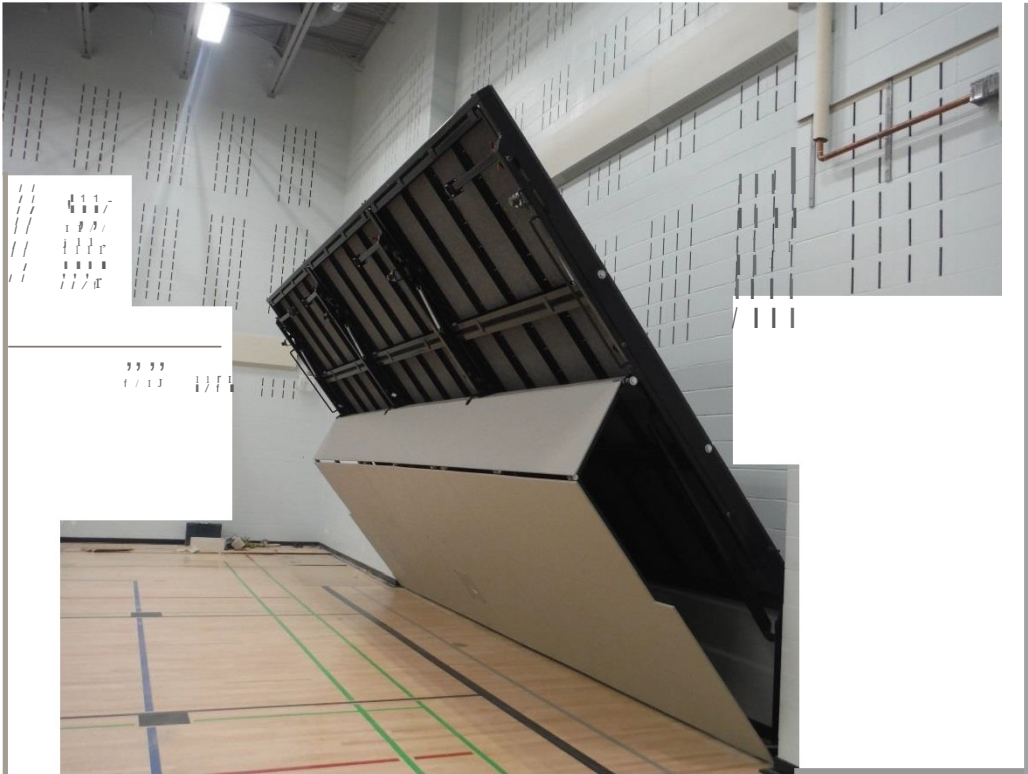
Ron Southern  
(Silverado School)



Ron Southern  
(Silverado School)







Rideau Park School



Rideau Park School



Rideau Park School





(Springbank Hill/ Discovery Ridge School)



**report to  
Board of Trustees**

**Confirmation, Agenda Planning Decision**

Date	November 28, 2017
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	Kelly-Ann Fenney Corporate Secretary
Purpose	Information
Governance Policy Reference	Operational Expectations OE-9: Communicating with the Public

**1 | Recommendation**

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This report is being provided for the information of the Board. No decision is required at this time.

**2 | Issue**

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The attached forms provide confirmation of the outcome of the Agenda Planning Committee held on November 23, 2017.

- Attachment I: Trustee Agenda Request Form re: Policy Change to Results 1
- Attachment II: Trustee Agenda Request Form re: Changes to Board Meeting Procedures
- Attachment III: Trustee Agenda Request Form re: Math Strategy Audit





## Trustee Agenda Request Form

### Agenda Planning Committee

All Trustees  
Chief Superintendent  
Corporate Secretary

**Submitted By:** Trustee Julie Hrdlicka **Date:** November 22, 2017

**Topic of Proposed Agenda Item:**

Amend the CBE mission statement from “his or her” to “their”.

**Suggested Board Meeting Date/Timeline Considerations:**

December 5, 2017

**Related Board Policy:** (Include proposed amendment to governance policy, if requested. Attach additional page, if required)

Results 1  
GC 2 (2.7)

**Explain How This Proposed Agenda Item Will Further the Work of the Board and Is Related to the Board’s Annual Work Plan:**

This amendment would be in accordance with the AB governments requirements under Bill 10 for every board to create a Safe, Caring and Welcoming policy. This information currently lies in OE11 “Learning Environment/Treatment of Students”. It is part of the boards on going work to strengthen our school environments so students including LGBTQ2+ students feel safe, cared for and welcomed.

**Agenda Planning Committee Decision:**

(The Committee may refer the matter to the Chief Superintendent, to an appropriate Board Committee, or it may add the item to a Board meeting agenda, depending on the nature of the issue. The Committee may also request that the trustee provide further information prior to making its decision.)

**Referred to:** Board of Trustees’ Meeting

**Recommended Response**

**Timeline:**

December 5, 2017

**Board Meeting Agenda:**

No

Yes

Public

Private

**Date:** November 23, 2017





# Trustee Agenda Request Form

## Agenda Planning Committee

All Trustees  
Chief Superintendent  
Corporate Secretary

**Submitted By:** Trustee Lisa Davis

**Date:** November 23, 2017

### Topic of Proposed Agenda Item:

**Changes to Board Meeting Procedures**

**That under Agenda, G. Distribution of Agenda – Regular Meetings, the current times be changed as follows:**

1. **Point 1 Trustees will be given Agenda information 14 days prior to meetings, instead of 6**
2. **Point 4: Information will be posted to the public 7 days prior to the respective meeting, instead of 4**

### Suggested Board Meeting Date/Timeline Considerations:

November 28th

**Related Board Policy:** (Include proposed amendment to governance policy, if requested. Attach additional page, if required)  
Board Meeting Procedures

### Explain How This Proposed Agenda Item Will Further the Work of the Board and Is Related to the Board's Annual Work Plan:

Trustees have a fiduciary duty to properly prepare for meetings. With 120,000 students and 14,000 employees, the impact of our decisions is significant. Adequate time needs to be given for trustees to review the information, seek advice from stakeholders if necessary, and prepare for meetings.

Currently, receiving documents on a Wednesday for a Tuesday board meeting means there is only 2 business days to review material. Further, the public essentially only has one business day to review the material and provide feedback.

### Agenda Planning Committee Decision:

(The Committee may refer the matter to the Chief Superintendent, to an appropriate Board Committee, or it may add the item to a Board meeting agenda, depending on the nature of the issue. The Committee may also request that the trustee provide further information prior to making its decision.)

**Referred to:** Board of Trustees' Meeting

**Recommended Response  
Timeline:**

December 5, 2017

**Board Meeting Agenda:**

No

Yes

Public

Private

**Date:** November 23, 2017



## Trustee Agenda Request Form

### Agenda Planning Committee

All Trustees  
Chief Superintendent  
Corporate Secretary

**Submitted By:** Trustee Lisa Davis

**Date:** November 23, 2017

**Topic of Proposed Agenda Item:**

That the Board of Trustees retains an independent third party to audit the math strategy implementation.

**Suggested Board Meeting Date/Timeline Considerations:**

November 28th

**Related Board Policy:** (Include proposed amendment to governance policy, if requested. Attach additional page, if required)

[Click here to enter text.](#)

**Explain How This Proposed Agenda Item Will Further the Work of the Board and Is Related to the Board's Annual Work Plan:**

Given the importance of improving the math skills for CBE students, we need to properly monitor the results of the implementation of the math strategy, in order that we may ensure the program is evaluated in a way that provides a clear path forward to success for the September 2018 start to the school year.

**Agenda Planning Committee Decision:**

(The Committee may refer the matter to the Chief Superintendent, to an appropriate Board Committee, or it may add the item to a Board meeting agenda, depending on the nature of the issue. The Committee may also request that the trustee provide further information prior to making its decision.)

**Referred to:** Board of Trustees' Meeting

**Recommended Response  
Timeline:**

December 5, 2017

**Board Meeting Agenda:**

No

Yes

Public

Private

**Date:** November 23, 2017