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Financial Results 2023-24

For the Year Ended August 31, 2024

learning | as unique | as every student

1221 - 8 Street S.W.
Calgary, AB T2R 0L4

Calgary Board of Education

1. Overview

The CBE's Management Discussion and Analysis (MD&A) provides a summary of key activities that occurred during the 2023-24 school and fiscal year. The MD&A provides the strategic and operational context in which to consider the information presented in the audited financial statements and sets the direction for moving forward into the 2024-25 school year.

The MD&A should be read along with the Calgary Board of Education's (CBE) Budget Report for 2023-24 which sets out the budget as submitted to Alberta Education in May 2023 for the school year beginning Sept. 1, 2023. Readers should also review the CBE's Fourth Quarter Budget Variance Report to gain a detailed understanding of how actual events varied from the Budget submission.

The Consolidated Financial Statements and the accompanying notes for the fiscal and school year ended Aug. 31, 2024 reflect all activities that occurred during the 2023-24 school and fiscal year.

The CBE guides its work with students, families, communities, and employees through the CBE mission: *"Each student, in keeping with their individual abilities and gifts, will complete high school with a foundation of learning necessary to thrive in life, work and continued learning."*

The CBE's planning documents are created in alignment with our values:

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

The 2021-24 Education Plan provides information on the CBE's strategic plans and the Annual Education Results Report is a summary of the results achieved in alignment with the Education Plan. The expenditures are in alignment with the Board of Trustees' priorities of achievement, equity and well-being.

The Consolidated Financial Statements, along with the MD&A and related Alberta Education schedules, undergo a thorough review by the CBE's external auditors, KPMG LLP as well as the CBE's Audit and Risk Committee. These external reviews provide assurance on the information provided to the Board of Trustees, Alberta Education, and the public. The Board of Trustees will subsequently approve the documents based on the recommendation of the Audit and Risk Committee.

Following approval, the Audited Consolidated Financial Statements and associated schedules are submitted to Alberta Education by Nov. 30, as mandated by the *Education Act*.

2. Economic and Operating Environment

Operating Environment

The Calgary Board of Education is the largest school district in Western Canada, providing education to a diverse range of students. The CBE welcomes all students and offers a wide range of programs and support to meet the learning needs and interests of each student.

In the 2023-24 academic year, the CBE served over 141,000 students, reflecting the continued growth in the province and specifically, in Calgary.

The following summary provides an overview of the CBE's composition at the end of June 2024.

- 42,100+ students learning English as an Additional Language
- 27,850+ students with identified special education needs
- 6,175+ Indigenous students
- 26,575+ learners in Alternative Programs including Alternative Language Programs
- 4,950+ students attending Unique Settings and Specialized Classes

*note that students may fall in multiple categories

Government Support

The Government of Alberta, largely through the Ministry of Education (Alberta Education), funds and regulates most facets of the provincial school system. Alberta Education provides over 90 per cent of the funding the CBE receives. The funds are allocated based on a funding allocation formula that features a Weighted Moving Average calculation of funded student enrolment (Appendix I).

Significant Growth Impacts

The CBE experienced significant growth in the number of students in the last two school years and that growth continues into the 2024-25 school year. The growth of 15,000 students over two years is enough to fill 25 elementary schools. This growth continues to bring an increased level of complexity as the CBE welcomes increasing numbers of newcomers to Canada. The combination of increased growth and increased complexity has had a material impact on CBE programs and services and affects almost every area of the CBE.

3. Fiscal Year Results

The CBE's annual operating deficit for the 2023-24 year is $4.8 million and represents 0.3 per cent of total annual CBE expenditures. The CBE is committed to maximizing the funding received from Alberta Education to support students enrolled in 2023-24. The annual operating deficit is a negative variance of $4.8 million from the CBE's balanced budget submitted for 2023-24. It is also an improvement of $0.2 million from the forecasted $5.0 million deficit from the third quarter variance report.

Year-over-Year Highlights

Major changes in the 2023-24 year compared to the 2022-23 year include:

- In 2022-23, the CBE recorded a $20 million receivable for funding as more students were counted on September 30, 2022, than the number of students calculated for funding purposes. There was no receivable/payable for the 2023-24 as the enrolment count was very close to projections.
- Collective agreements with all non-ATA unions were settled in the year for a total cost of $8.6 million. These agreements are not funded by Alberta Education and increased costs in the 2023-24 year.
- An overall increase in costs across the system continues to grow related to inflationary pressures and enrolment growth.
- The requirement to follow a new PSAS accounting standard (PS 3160) resulted in a write-down of P3 assets and associated accumulated depreciation. The value of the P3 contract changes as a direct result of using the government borrowing rate versus the implicit interest rate in calculation and therefore a write-down is required.

Consolidated Financial Results

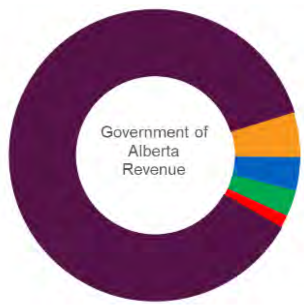
CBE's consolidated financial statements (which include the operations of Education Matters, a fund raising entity) are presented in accordance with Public Sector Accounting Standards (PSAS) and in the format prescribed by Alberta Education.

Expenditures reported in the Consolidated Financial Statements are grouped based on the lines of service (expenditure blocks) provided and activities performed by the CBE. The expenditure block method is required by Alberta Education and often results in the combining of school-based and central support activities.

To support transparency, an alternate view of expenditures and full-time equivalents (FTE) are presented below with comparative figures and in Appendix II for schools and service units. This view is commonly presented in the CBE's Budget reports and provides additional detail as to the specific types of expenditures that were made during the year.

Revenue

Government of Alberta Revenue



	Actuals 2023-24	Actuals 2022-23	Increase/ Decrease	
	(in $000s)	(in $000s)	(in $000s)	%
Alberta Education funding	1,252,187	1,169,190	82,997	7.1%
Alberta Teacher Retirement Funds (ATRF)	70,882	67,096	3,786	5.6%
Alberta Infrastructure	53,152	49,904	3,248	6.5%
Safe Return to Class Fund	-	-	-	-
Student transportation	51,371	39,162	12,209	31.2%
Infrastructure Maintenance and Renewal (IMR)	18,319	19,828	(1,509)	(7.6%)
Other Government of Alberta	-	99	(99)	(100.0%)
Other Alberta school authorities	299	324	(25)	(7.7%)
Government of Alberta revenue	**1,446,210**	**1,345,603**	**100,607**	**7.5%**

The CBE allocated $1,252.2 million or 86.6 per cent of total Government of Alberta funding of $1,446.2 million toward providing teaching and learning in CBE classrooms. The CBE allocates those funds to best support teaching and learning activities focusing on student achievement, equity, and well-being based on the local context, student needs, and provincial requirements. Student achievement is the evidence of the CBE's work.

The remaining 13.4 per cent of the Government of Alberta funding is allocated to instructional support. These funds are not directly tied to students and their learning but are flow-through funds designated for transportation and maintaining learning facilities.

These instructional support items include:

- $70.9 million – Alberta Teachers' Retirement Fund (ATRF) is a flow-through transaction whereby funds received are designated for payment to the ATRF.
- $51.4 million – Student transportation funding is restricted to the provision of student transportation.
- $53.2 million – As facility capital projects are amortized (expensed) throughout their estimated useful life, a corresponding amount of Alberta Education revenue is recognized to show that provincial funding fully offsets the cost of the projects, including the related amortization.
- $18.3 million – Infrastructure Maintenance and Renewal (IMR) funding is provided by the province to ensure that the health, safety, and essential upgrading needs of facilities are met.

The net increase in Government of Alberta revenue of $100.6 million compared to prior year is the result of the following increases/decreases:

Increases:

- $114.8 million provincial grant funding based on higher than forecasted enrolment;
- $15.1 million ATA salary increase settlement cost;

- $12.2 million increase in transportation funding as a result of higher enrolment;
- $6.9 million CBE's enrolment growth is within range to qualify for additional Supplemental Enrolment Growth Grant;
- $6.2 million exceptional funding for classroom complexity grant not received in the prior year;
- $3.8 million increase in ATRF flow through funding. This is a flow-through revenue with offsetting expense. These amounts are determined by parties external to the CBE; and
- $0.6 million top-up funding to support increased cost of school nutrition program.

Decreases:

- $51.5 million elimination of bridge funding, pandemic grant;
- $4.6 million elimination of Displaced Ukrainian student grant;
- $2.1 million decrease in Learning Disruption Grant to assist in Grades 1 - 4 learning delays because of the pandemic; and
- $0.8 million timing of Adolescent Mental Health Services grant rather than lump sum payment.

Non-Government of Alberta Revenue

	Actuals 2023-24 (in $000s)	Actuals 2022-23 (in $000s)	Increase/ Decrease (in $000s)	%
Fees revenue	54,403	49,461	4,942	10.0%
Other sales & services	23,797	18,793	5,004	26.6%
Gifts & donations	15,983	8,429	7,554	89.6%
Rental of facilities	4,071	3,557	514	14.5%
Investment revenue	11,639	9,244	2,395	25.9%
Federal government & first nations	1,113	1,285	(172)	(13.4%)
Fundraising	1,619	1,224	395	32.3%
Other revenue	697	330	367	111.2%
Gains on disposal of tanglible capital assets	-	35,123	(35,123)	(100.0%)
Total Non-Government of Alberta Revenue	**113,322**	**127,446**	**(14,124)**	**(11.1%)**

The CBE received a total of $113.3 million in non-Government of Alberta revenue, a decrease of $14.1 million from the prior year. Non-Government of Alberta revenue is raised in schools and is inherently variable year-to-year based on school decisions, the state of the local economy, and the varying needs of students in the school community.

Non-Government of Alberta revenue decreased due to:

- $35.0 million decrease in gain on sale of three properties in prior year. No properties were sold in 2023-24.

This decrease is partially offset by:

- $10.8 million in school-generated funds (with offsetting expense) as school activities return to pre-Covid levels;

- $3.6 million in solar rebate revenue;
- $2.6 million increase in lunch supervision and student supplies fees due to increase in enrolment;
- $2.4 million increase in investment revenue due to higher interest rates;
- 1.0 million increase in International student enrolment; and
- $0.5 million increase due to the return of daily rental permits.

Fees

The CBE charges fees for goods and services that enhance the learning experience but are not funded by Alberta Education. This is in accordance with the *Education Act* and related fee regulations. The CBE determines the proposed fees during its spring budget planning and they are used solely for their intended purpose. Annually, schools gather feedback from parents on school development plans, school budgets and schools. This feedback helps shape planning for the following year. Any leftover funds from fees are either refunded or put into a reserve to stabilize future fees. Central fees were maintained at the same rate as prior year to address affordability pressures many families are facing.

The CBE values accessibility to education and, therefore, offers a waiver process to students unable to pay their fees. In total, $3.8 million ($3.4 million - 2023) in waivers were granted with $2.6 million ($2.1 million – 2023) specifically for lunch supervision. The CBE’s goal is to ensure no student is denied access to their public education due to an inability to pay a fee. Appendix III provides additional information on centrally managed fees.

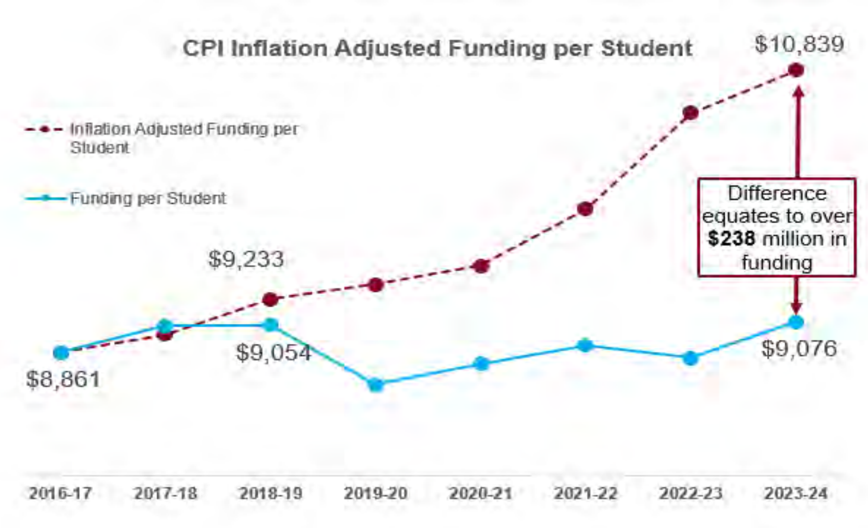
Alberta Education Funding Per Student

Funding per student is calculated based on total revenue (adjusted) received from Alberta Education divided by actual students as of end September of the school year. Total revenue (adjusted) is total revenue less targeted funds including:

- Alberta Teachers' Retirement Fund;
- Student transportation;
- Infrastructure Maintenance and Renewal;
- Capital Maintenance and Renewal; and
- Expended Deferred Capital Revenue .

These targeted funds are removed from the per-student funding calculation as they are not available to directly support teaching and learning in the classroom. That is, the targeted funds cannot be used to hire and deploy additional school-based staff.

Maintaining funding levels to keep pace with the rate of inflation has a significant impact on the adequacy of the funding provided.



One-time funding that is not expected to continue in future years has been removed from the calculations above. Examples of this type of funding are Bridge, Safe Return to Class and COVID-19 Mitigation in past years.

Expenses

Expenses by Account and Category

	Actuals 2023-24	Actuals 2022-23	Increase/ Decrease	
	(in $000s)	(in $000s)	(in $000s)	%
Certificated salaries and benefits	**932,705**	863,651	69,054	8.0%
Non-certificated salaries and benefits	**281,256**	254,102	27,154	10.7%
Supply and services	**251,187**	229,169	22,018	9.6%
Amortization expenses	**88,954**	81,227	7,727	9.5%
Other (uncollectible accounts and waivers)	**7,695**	6,271	1,424	22.7%
Interest and finance charges	**2,514**	2,200	314	14.3%
Total expenses	**1,564,308**	**1,436,621**	**127,687**	**8.9%**

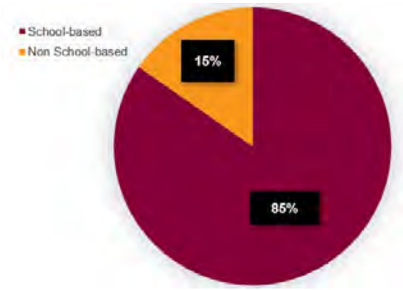
Overall expenditures in 2023-24 were $1,564.3 million, which is an increase of $127.7 million, or 8.9 per cent compared to the prior year.

Year-to-year changes were as follows:

- $75.8 million increase in salary and benefits for both certificated and support staff. Staff levels increased to accommodate student learning needs based on actual enrolment;
- $11.5 million increase in school activity/event costs with matching revenue from school generated funds;
- $8.6 million increase in collective bargaining settlement costs;
- $5.3 million increase to support enrolment offset by Supplemental Enrolment Growth Grant;
- $3.7 million increase in ATRF flow-through expense with offsetting revenue;
- $1.9 million targeted Learning Disruption Grant received to mitigate pandemic-related learning disruptions;
- $0.7 million increase in international student enrolment;
- $6.2 million additional costs associated with increased transportation;
- $2.6 million net IT, maintenance and repair increase;
- $2.3 million net utility and insurance increase;
- $7.5 million increase in amortization; and
- $1.6 million increase in uncollectible, waivers and interest charges.

Staff and Full-Time Equivalents (FTEs)

The CBE employs more than 16,000 individuals. This makes the CBE one of the largest employers in the City of Calgary and a significant economic generator for the community. Over 10,000 full-time equivalents (FTE) are considered permanent staff and are accounted for as full–time equivalents.



Salaries and benefits, primarily for teachers, account for the largest portion of the funds allocated by the CBE. In fact, they make up 78 per cent of total expenditures. As a result, any changes to provincial funding has an immediate and direct impact on staffing levels.

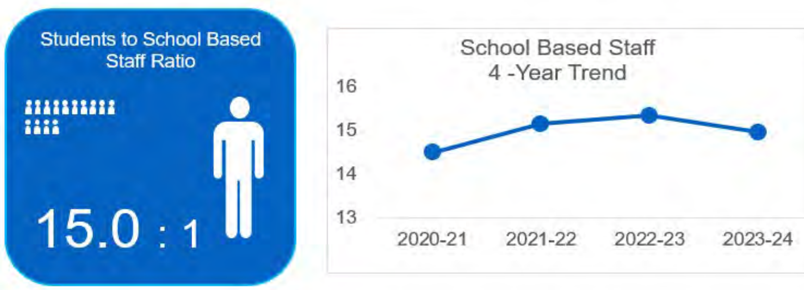
With rising enrolment, negotiated wage rate increases, salary grid movement, and the need for additional staff to support the growing number of students with complexity, there is continued pressure on the CBE budget. This pressure is further impacted by funding that has remained static on a per-student basis. As a result, the number of school-based FTEs has not always increased at a rate equal to enrolment growth. In most cases, staffing levels have been adjusted to align with provincial funding. This places upward pressure on the ratio of students to school-based staff.

Students per FTEs

Every staff member is critical to supporting a student's path to success. While funding allocation decisions prioritize schools and classrooms, the reduction or elimination of non-school based supports has a direct impact on the programs and services available to support students.

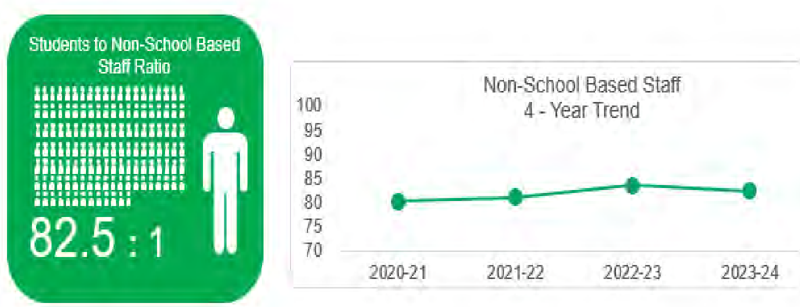
The table illustrates the average number of CBE students per one school-based staff and one non-school-based staff.

School-based staff includes certificated staff such as principals, teachers, and learning leaders. It also includes non-certificated school-based staff including educational assistants, library assistants, school secretaries, and behaviour support workers.



For 2023-24, students to school-based FTE ratio decreased slightly which means each staff member has fewer students than in prior year.

Staff in service units who work directly in schools, such as facility operations staff, trades staff, centrally managed school supports including school technology support specialists, psychologists, speech-language pathologists, and a range of other supporting professionals are included in the non-school based staff as well as all other staff not mentioned as school-based.



The ratio of students to non-school-based FTEs is not as closely tied to enrolment growth as school-based staffing levels. Since resource allocations are prioritized to schools, central support staffing does not directly keep pace with enrolment growth.

Capital Expansion and Renewal

The CBE receives funding for capital assets through three main sources. Examples of the types of projects supported by capital funding, by source, are listed below:

Alberta Infrastructure	Alberta Education	Board Funded
• Funding specific, new, modernized schools through targeted grants • Largely funds modular classroom additions	• Infrastructure Maintenance Renewal (IMR) • Capital Maintenance and Renewal (CMR) • Playgrounds	• New school commissioning • IT infrastructure • Student Information System • Electronic device upgrades

*One-time capital funding for playgrounds is only provided when a new school is constructed. Alberta Infrastructure and Alberta Education funded projects are called supported capital project. Board funded projects are called unsupported capital project.

Total additions to tangible capital assets of $26.6 million in 2023-24 comprised of:

- $4.3 million for North Trail commissioning (typical commissioning costs for a high school are $9-10 million. Additional expenditures are expected as part of school start-up)
- $4.8 million for board-funded commissioning in various schools;
- $24.7 million in IMR and CMR capital projects completed at various schools;
- $27.2 million for IT infrastructure, IT equipment renewal, Oracle upgrade, school lighting system upgrade, ground equipment and landscaping in various schools;
- $4.0 million for furniture fixtures and equipment in various schools; and
- $2.0 million for playground and solar power system in various schools.

The increase is offset by:

- $40.4 million P3 school adjustment to align the borrowing cost to the Government's borrowing rate in accordance with PS 3160.

Reserve Highlights

As per Alberta Education, operating reserves must be maintained within the following ranges as a percentage of prior-year expenditures:

- Maximum: 3.2 per cent (6 per cent for 2024-25)
- Minimum: 1 per cent

Any operating reserve balance, in excess of the operating reserve maximum, will be recovered by Alberta Education through an equivalent reduction from the remaining scheduled payments of the next school year.

The Aug. 31, 2024, operating reserves balance of $45.4 million is an increase of $7.5 million from $37.9 million as of Aug. 31, 2023.

Operating Reserve Levels ($000s)	
Total 2022-23 expenditures	1,436,620
August 31, 2024 operating reserve balance	45,359
Percentage to prior year expenditure	3.2%

The CBE has adequate operating reserves at 3.2 per cent to total prior year expenditure to address most non–grant funding risks and emergent operational needs. The CBE's ability to access those operation reserves is constrained, however, by the CBE's available Accumulated Surplus from Operations. For the 2024-25 fiscal year the Accumulated Surplus from Operations is $1.535 million.

In alignment with the Board of Trustees Operational Expectations policy, operating reserves can be used to support one-time expenditures in support of teaching and learning.

Capital Reserves

The Aug. 31, 2024, capital reserves balance of $73.8 million represents a decrease of $5.2 million from the $79.0 million as of Aug. 31, 2023. Capital reserves are funds designated for future board-funded capital asset acquisitions. In light of the age of CBE facilities, the need for additional learning spaces, and school facilities currently under construction, the CBE believes this is a reasonable level of capital reserves.

The estimated replacement cost of the CBE's 250+ schools is approximately $6.8 billion. Accordingly, the CBE's capital reserves represent about 1.0 per cent of the estimated replacement value.

Deferred Maintenance / School Utilization

Every year, the CBE invests in repairing and replacing major building components such as windows, roofs, HVAC systems, paint, and exterior cladding to ensure that our facilities continue to meet or exceed all regulatory requirements. This investment is necessary to provide a safe and healthy learning and working environment.

Currently, 56.7 per cent (144 out of 254) of CBE-owned school buildings are at least 50 years old. Within the next ten years, over 70.5 per cent (179 out of 254) will be 50 years of age or older. Attending to the maintenance of schools contributes significantly towards the goal of providing safe spaces that support and promote learning.

The Infrastructure Maintenance & Renewal (IMR) grant and Capital Maintenance & Renewal (CMR) grant are sources of funding for major capital projects in existing schools. The funding provided by Alberta Education can be used to directly target facility renewal, deferred maintenance, and lifecycle replacement of critical building systems.

Over the last ten years, the CBE has received an average of $36.9 million per year in IMR/CMR grants and $12.3 million per year in major capital projects for existing schools, for a total investment of roughly $49.2 million per year. Of note, the estimated replacement value of CBE school facilities stands at $6.8 billion (excluding P3 schools) and the industry standard for major maintenance and renewal is 1 to 2 per cent of the replacement value. Applying this standard, between $67.8 million to $135.7 million would need to be invested annually to prevent deferred maintenance from increasing further.

The CBE also receives an Operations and Maintenance (O&M) grant to provide for the ongoing heating, lighting, cleaning, and maintenance of schools. The government provides a higher per meter squared O&M grant for schools it considers well utilized (i.e. operating at or above 85 per cent utilization) and a lower per meter squared grant for schools that fall below the targeted utilization rate. When a school does not attract the higher O&M rate, funding must be drawn from the global budget to pay for recurring O&M expenses. As with IMR/CMR funding, O&M funding is also only provided for operational schools.

The Three-Year System Student Accommodation Plan identifies schools with high or low utilization rates and serves as an indicator to school communities that changes may need to happen in the future. The CBE identifies and notifies schools with student accommodation pressures (either high or low) based on the end-September enrolment count. Due to record enrolment in 2023-24, up to 35 schools were placed in overflow status during the year. Schools receiving overflowed students can benefit from increased O&M funding if their utilization rate rises above 85 per cent.

The CBE Sustainability Framework, while not its primary focus, is another initiative that can result in lower O&M expenditures while concurrently offering students learning opportunities by modeling behaviours that contribute to a sustainable future. In December 2023, the CBE hired an Energy Manager who is tasked with developing a comprehensive energy management and reduction strategy that includes:

- utility data analysis and benchmarking;
- negotiating long term energy contracts;
- building occupant awareness campaigns;
- developing energy standards for building retrofit projects;
- identify facility investments and initiatives that will have the largest energy & greenhouse gas (GHG) emissions impact per dollar spent; and
- energy management training for operations staff.

These initiatives will result in a reduction of energy use and GHG emissions and consequently, reduce costs. The CBE also continues to manage and reduce its waste, recycling and organics streams resulting in reduced and avoided costs by sending less waste to landfills.

4. Financial Health Indicators

Through the Financial Health Matrix, administration provides the Board of Trustees and the community with summary information about the CBE's financial health and any risks related to achieving its Results policies and outcomes set out in the CBE's Education Plan.

The CBE's Financial Health Matrix can be found in Appendix IV.

As the CBE continues to adjust the financial health matrix to show the most relevant financial information. This year, for example, we have added information on the CBE's Accumulated Surplus from Operations. The factors provide a way to assess the CBE's financial health in the short-term (current school year), medium-term (current year and next two school years), and long-term (beyond the next three years).

5. Areas of Financial Risk

The CBE, like any organization, is subject to a range of risks in the pursuit of its mission. While the highly regulated nature of the public education sector assists with risk mitigation, it does not eliminate risks.

As an organization, the CBE is risk averse when it comes to actions or activities that may impact the health, well-being, and safety of students and staff. Similarly, as a publicly funded and accountable entity, the CBE works to manage risks down to an appropriately low level related to the organization's financial standing and public reputation.

With a commitment to student achievement, equity, and well-being, the CBE looks to continually improve even as student complexity rises. This means maintaining a focus on foundational outcomes and allocating resources in a manner that ensures each student can reach their potential. At the same time, the CBE looks to be innovative and responsive to the needs of the community and broader workforce.

Some of the CBE's major areas of financial risk are outlined below.

Accumulated Surplus from Operations

The CBE is committed to maximizing the funding allocated to teaching and learning. Accordingly, the CBE "runs close to the line" when it budgets. We take great pains to ensure we invest the dollars received in the year on the students in the system for that same year.

Accumulated Surplus from Operations, or the ASO, reflects the sum of all past financial transactions and events undertaken by the CBE over time. Note, the Accumulated Surplus from Operations is distinct and different from the CBE's annual operating surplus or deficit.

Over the past four years, the CBE has consistently drawn down its ASO as it managed the myriad of operational issues that impact a public school division.

Some of those issues include inflationary cost pressures, the rising cost of labour, the record levels of enrolment growth, and the growing level of complexity with the student population. Similarly, the CBE needs to grow, maintain and sustain non-facility infrastructure while also finding ways to increase the amount of usable teaching and learning spaces. Addressing these issues has placed stress on the CBE's ASO balance.

Now, the CBE must take immediate action to begin rebuilding the ASO while carefully balancing the teaching and learning needs of students across the system.

That rebuilding work has already begun. Administration is carefully monitoring expenditures and maximizing the value it derives from each dollar spend. By the end of the 2024-25 school year CBE Administration expects that the ASO balance will turn the corner and begin to increase. Similarly, for the 2025-26 school year the CBE is committed to delivering an annual operating surplus. While this will have a modest impact on the students in CBE classrooms for that year, it will ensure the longer-term health and viability of the CBE.

The CBE's work to invest in its ASO will be impacted by the Government's decisions around funding public education. If per student funding increases in step with enrolment, inflation, and the increasing cost of labour, the CBE's journey will be shorter. If, however, funding continues at the 2018-19 levels experienced for 2024-25, that journey will be longer. That said, the CBE will continue to be guided by its values: Students Come First, Learning is Our Central Purpose; and Public Education Serves the Common Good.

Budgetary Pressures

The CBE is grateful the Government of Alberta has stayed true to its commitments by maintaining overall provincial funding for public education. However, education funding has not kept pace with rising enrolment, inflationary cost pressures and student complexity,

Enrolment continues to increase at rates above the funding provided using the WMA funding model. In addition to the enrolment growth, student complexity continues to grow. This means additional pressure to find solutions to maintain high quality public education expected by families, students, and staff.

Alberta Education has announced its intention to address funding through a different model for the 2025-26 budget cycle based on feedback received from school boards. To assist Alberta Education in this work the Board of Trustees provided the Minister with the fundamental principles that are necessary in any funding allocation model. Unsurprisingly, the principles begin with the adequacy of the funding. Enrolment growth, the cumulative impact of inflation, and the increasing cost of labour have direct and immediate impacts on schools boards. The Board of Trustees will be looking for a funding model that addresses those three factors.

We look forward to learning more about these changes however it also brings an element of risk as the CBE is unaware of the impacts on the 2025-26 budget, at this time.

As always, the CBE will continue to make decisions that align the programs, services, and supports offered with the funding received. Budget allocations will also align to the Board priorities of achievement, equity and well-being and the CBE's Education Plan.

Collective Agreements

When dealing with collective agreements, negotiating with union partners can be difficult due to financial constraints and uncertainty. In Alberta, the government is responsible for bargaining collectively with the Alberta Teachers' Association. Since the ATA negotiations affect collective bargaining for other areas of the public education sector, the CBE will follow the government's approach to local bargaining.

The Calgary Board of Education (CBE) expects that all unions will continue negotiations during the 2024-25 school year. It is important to note that salaries and benefits comprise 78 per cent of the total CBE budget and over 90 per cent of employees within our 16,000 employees are part of a union. It is assumed that any increases related to the Alberta Teachers' Association (ATA) negotiations will be funded by Alberta Education. However, any increases for other unions have not been funded, and this will put pressure on the CBE budget.

Inflation and Cost Escalation

Like most organizations, the CBE is facing increasing costs due to inflation and general cost increases across all expenditures. While inflation has slightly cooled, the compounded inflation compared to four years ago is 15.2 per cent. This significantly affects the CBE's ability to stretch dollars to fund operations. Core inflation rates have been accounted for in the development of the 2024-25 budget. However, as inflation rates continue to rise, the budget will face greater pressure.

Despite this, the CBE has prioritized spending to minimize negative impacts on classroom teaching and learning.

The CBE has spent every dollar received in funding from Alberta Education in-year to support students, staff and system operations. This has resulted in a slight deficit position at year end and is 0.3 per cent of budgeted operating expenditures. In the long-term, it is not sustainable to continue to use reserves as cover shortfalls.

Although cost containment measures are in place, only 22 per cent of costs are within CBE’s direct control, the remaining costs are related to Salaries and Benefits, the majority of which are negotiated by the Provincial Government.

6. Outlook

The CBE will continue to maximize dollars directed to the classroom to support teaching and learning in alignment with the priorities set forth by the Board of Trustees and identified in the CBE Education Plan.

Financial Planning will continue to be aligned to managing growth in student population, the increase in student complexity and rising costs within the funding received.

CBE has seen a significant increase in student enrolment in recent years. Many families new to Calgary are choosing to enrol their children in CBE schools, and this trend is expected to continue in the coming years

The impacts of enrolment growth over the next ten years are documented in the Ten-Year Student Accommodations and Facility Strategy 2024-2034. Record enrolment is putting pressure on the system, contributing to utilization concerns, growing class sizes, overflows, and longer bus rides. Accommodating record breaking enrolment growth within a portfolio of aging schools that require significant capital investment will continue to be a challenge for the CBE over the next ten years.

The City of Calgary's demographic projections indicate that Calgary expects to see a continuous population increase, driven by net migration, with an average yearly rise of around 4.9 per cent. This growth trend in Calgary is expected to continue over the next five years. Total enrolment growth hit a record high in 2023-24, and strong enrolment growth is anticipated to continue for at least the next four school years.

While rapid enrolment growth can be challenging, it also offers opportunities to enhance academic programming and operational efficiencies. School utilization rates are carefully monitored by CBE administration to ensure that students continue to have access to the best learning opportunities. Over the years, CBE has managed enrolment growth following its planning principles and processes. In addition, several solutions are being leveraged or explored to accommodate a growing student population including new school construction, modular units, replacement schools, additions to schools, modernization projects, solution projects, partnerships with external agencies, returning CBE space to the system, space optimization in existing schools, leasing space, and innovation in school programming.

Currently, system utilization is at 95 per cent. Approximately 75 schools are over 100 per cent utilized. In the short term, students may need to overflow from an overutilized school to a receiving school to supports the learning needs of students in rapidly growing communities while benefitting school culture and increasing learning opportunities at the receiving school. Additionally, balancing school-to-school enrolment maximizes CBE's existing space and resources. Initiating overflows was one important strategy used in managing the rapid enrolment growth experienced over the 2023-24 school year. In September 2024, 34 schools were in overflow.

The Three Year School Capital Plan 2025-28 submitted in March 2024 included 21 new school construction projects and five modernization projects. Of those projects, 13 are site-ready. When the provincial government approves the construction of a new school, it can easily take three to four years before it opens. During the 2023-24 school year, the CBE has worked collaboratively with Alberta Infrastructure on the construction of a new middle school in Evanston. We also pursued the design and planning phases of construction for a new high school in Cornerstone, a new middle school in Saddle Ridge, and elementary schools in Evanston and Redstone. Additionally, the CBE undertook planning studies for the modernization of John G. Diefenbaker High School and Annie Gale School, and modernization pre-planning work for Sir John A. MacDonald School and A.E. Cross School. Work was also undertaken to relocate the Louise Dean School (LDS) within the Jack James High School; LDS opened its doors at the new site in October 2024. Lastly, the CBE commenced work on the addition of a total of 47 new modular classrooms and the relocation of 17 modulars approved during the 2023-24 school year.

As a government partner, the CBE is resolute in its determination to secure the necessary support, including additional funding, to ensure the continued success of its students.

The success of CBE students is evident. They continue to outperform provincial averages on many standardized assessments, demonstrating our commitment to ensuring foundational literacy and mathematics skills, fostering critical thinking, nurturing innovation, and preparing students for success in a competitive and ever-changing world. We aim to give students the skills and knowledge necessary for success in their careers, personal lives, and ongoing education and also encourage them to make meaningful contributions to society.

The CBE understands the financial and logistical challenges that come with the fast growth in student enrollment. Despite this, we are committed to providing a high-quality education for each of the 143,000+ students enrolled in September 2024. We remain focussed on being flexible, resilient, and dedicated to developing the leaders of tomorrow.

Finally, the CBE has implemented plans to increase its Accumulated Surplus from Operations. Currently sitting at $1.535 million, the CBE will steadily increase this amount over the next two to three fiscal years. For 2024-25 the school year the CBE is intent on delivering an annual surplus of operations. Early planning is underway related to delivering an annual surplus from operations for 2025-26.

Appendices

Appendix I – Alberta Education Funding

Alberta Education Funding Formula
Alberta Education's Weighted Moving Average (WMA) funding allocation framework was created to provide school jurisdictions with a predictable amount of funding for the related school year based on student enrolment. With the introduction of the new funding framework for the 2020-21 school year, the WMA formed the basis of most provincial public education grants. A key component of the WMA funding framework is the smoothing of changes to enrolment using a three-year weighted moving average mechanism. That mechanism causes funded enrolment to lag actual enrolment for growing school divisions and, conversely, funded enrolment leads actual enrolment in school jurisdictions with shrinking enrolment. Under the WMA funding framework, school jurisdiction funding is adjusted in the following year for any differences between the number of students used for the basis of funding (funded enrolment) and actual number of students enrolled in the school jurisdiction (actual enrolment) as determined by a September enrolment count. Under the WMA funding framework, the funded enrolment will almost always vary from the actual enrolment. Projected enrolment is provided to Alberta Education in January and forms the basis for the allocation of Alberta Education grant funding. The actual enrolment is determined based on the annual end of September student count.

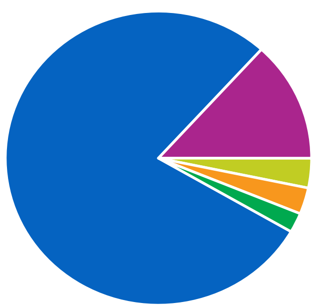
Appendix II – Schools and Service Unit FTE and Highlights

The CBE has experienced increase staffing levels as compared to 2022-23. An additional 622 FTE have been hired in various service units as noted below.

FTE by Department		Change from Actuals 2022-23
Schools and Areas	9,719	▲ 567
School Improvement	421	▲ 22
Facilities and Environmental Services	218	▲ 10
Finance and Technology Services	208	▲ 12
Human Resources	118	▲ 11
Communications and Engagement Services	21	▲ 1
Corporate Service Units	15	▼ (1)
General Counsel	12	-
Chief Superintendent	3	-
Total	**10,735**	622

Note that the decrease in Corporate Service unit is a reclassification to Facilities and Environmental Services.

The presentation of block by various expenses is noted below. The CBE spends 78 per cent of total expenses on salaries and benefits on primarily unionized staff.



$ Millions	Salaries and Benefits	Supplies and Services	Other	Total
Instruction	$1,097	$109	$20	$1,226
Operations and Maintenance	$71	$67	$70	$208
Transportation	$1	$48	$1	$51
System Administration	$22	$22	$2	$45
External Services	$23	$5	$6	$34
Total	$1,214	$251	$99	$1,564

Appendix III – Centrally Managed Fees

Fee Revenue Summary

The following fees were centrally set and managed:

	Actuals 2023-24	Actuals 2022-23
Transportation		
Mandated	**$260**	**$224**
Non- mandated (Gr 1-12)	**$260**	**$373**
Non- mandated (K)	**$130**	**$186**
Alternate Address	**$110**	**$110**
Noon supervision (4/5 day)	**$305-335**	$275-305
Student supplies fee (K - Grade 6 in 2021-22)	**$20-40**	$20-40

Transportation fees

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.

Students Transported

	2023-24	2022-23	Increase/ (Decrease)
Yellow bus	**23,533**	20,100	3,433
Calgary Transit	**28,427**	23,200	5,227
Total	**51,960**	**43,300**	**8,660**

	Actuals 2023-24	Actuals 2022-23	Increase/ (Decrease)
		(in $000s)	
Government grants and other	**52,724**	**40,645**	**12,079**
Central administration	**1,268**	1,259	9
Transportation services	**47,854**	41,973	5,881
Other supplies and services	**513**	387	126
Waivers	**807**	754	53
Uncollectible accounts	**352**	472	(120)
Total transportation costs	**50,794**	**44,845**	**5,949**
Funding gap	**1,930**	(4,200)	6,130
Fees	**5,275**	5,798	(523)
Net surplus	**7,205**	**1,598**	**5,607**

Lunch supervision fees

The fees charged for the lunch supervision program are established to cover most of the anticipated operating costs. According to the Staff Association collective agreement, lunchroom supervision staff must be hired at two hours per day. Approximately 60 per cent of the labor cost is charged to the lunchroom supervision program and 40 per cent to administration.

In 2023-24, the average number of students attending the lunch supervision program was 64,041. This was an increase of 4,092 students (6.8 per cent) from prior year.

	Actuals 2023-24	Actuals 2022-23	Increase/ (Decrease)
		(in $000s)	
Government grants	**-**	-	-
Fees	**19,399**	16,916	2,483
Available funding	**19,399**	**16,916**	**2,483**
Lunchroom staff	**14,306**	11,893	2,413
Central administration	**335**	432	(97)
Contracts and services	**1,147**	919	228
Waivers	**2,582**	2,061	521
Uncollectible accounts	**3,038**	1,770	1,268
Total noon supervision costs	**21,408**	**17,075**	**4,333**
Net deficit	**(2,009)**	(159)	(1,850)

Student supplies fees

The Student Supplies Fee (SSF) covers the cost of individual student supplies like pens, pencils, crayons, and glue. It was introduced in 2020-21 for students from kindergarten to Grade 9. However, starting from 2021-22, the fee for junior high students (Grades 7-9) was eliminated.

	Actuals 2023-24	Actuals 2022-23	Increase/ (Decrease)
		(in $000s)	
Government grants	**-**	**-**	**-**
Fees collected	**2,846**	2,706	140
Available funding	**2,846**	**2,706**	**140**
Supplies purchased	**2,846**	2,706	140
Net surplus	**-**	**-**	**-**

Appendix IV – Financial Health Matrix

Financial Health Indicators
Current Year – Short Term

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
			Status:	Unfavourable	**Trend:**	Unfavourable
Liquidity Ratio:	1.24	1.19	1.24	1.22	0.75	0.70

(Financial Assets / Liabilities less Spent Deferred Capital Contributions)

Liquidity Ratio reflects the CBE's ability to pay current financial obligations as they are due. A liquidity ratio higher than one is desirable as it means the CBE has the financial resources to address emergent risks. A liquidity ratio below one indicates an increased risk that the CBE will not be able to meet current obligations. For the CBE, the liquidity ratio is below one due to the inclusion of an Asset Retirement Obligation (ARO) liability. That liability is not repayable. Adjusting for the ARO liability returns the CBE's liquidity ratio to the 1.20 range.

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
			Status:	Favourable	**Trend:**	Neutral
Net Asset: (in millions)	$ 213	$ 225	$ 217	$ 204	$ 141	$ 137

(Total Assets - Total Liabilities less Spent Deferred Capital Contributions)

Positive Net Asset position is a good indicator of the CBE's overall financial health. This means that CBE is managing its costs and assets in a sustainable way. The decrease noted in 2022-23 is directly related to the adoption of the asset retirement obligation. For the CBE, net assets in excess of $50 million is deemed reasonable.

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
			Status:	Favourable	**Trend:**	Neutral
Debt-to-Asset Ratio:	0.88%	0.86%	0.86%	0.87%	0.76%	0.67%

(Total Debt / Total Assets)

This ratio measures the amount of debt the CBE owes as a percentage of total assets. This reflects the extent to which the CBE relies on borrowed funds to finance its operations. The lower percentage is favourable as it means the CBE has the ability to take on debt to address emerging unfunded infrastructure cost. A debt to asset ratio of up to 3% is deemed reasonable.

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
			Status:	Favourable	**Trend:**	Favourable
Cash-to-Asset Ratio:	1.22	1.77	1.72	1.77	1.77	1.66

(Cash and Cash Equivalents / Current Liabilities)

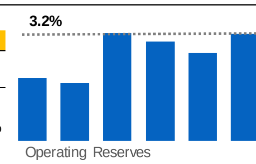
This ratio measures the organization's ability to fund it's current liabilities with available cash. A Cash Asset Ratio of higher than 1 is optimal as it shows the organization's ability to meet any unexpected challenges through available cash assets. Current liabilities may include accounts payable, contract obligations, salary, vacation and other staff benefit liabilities.

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
			Status:	Unfavourable	**Trend:**	Unfavourable
Working capital per student:	$ 310	$ 370	$ 415	$ 346	$ (607)	$ (732)

Working capital is the amount of money available after discharging all liabilities. Working capital allows the CBE to meet emergent needs and new initiatives. Working capital is compared to student enrolment to determine the amount of funds available per student that could be spent in the future. The decrease noted in 2022-23 is directly related to the adoption of the asset retirement obligation. As the ARO is not payable in the traditional sense, management does not believe it should be considered in determining the CBE's working capital per student. Removal of ARO from the calculation returns working capital per student to positive values, 2023-24 $351 (2022-23 $534).

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
			Status:	Neutral	**Trend:**	Neutral
Expense ($ millions)	1,391	1,311	1,341	1,371	1,437	1,564
Operating Reserves Percentage	1.9%	1.7%	3.2%	2.9%	2.6%	3.2%

(Operating Reserves / Expenditures)



Operating reserves provide the CBE with short-term flexibility to address unanticipated unfunded costs. Operating Reserve to Expense percentage determines the Board's ability to react to emergent situations and fund special initiatives. Alberta Education mandates a minimum Operating Reserves Percentage of 1% and a maximum of 3.2%. Any Operating Reserves in excess of the maximum may be deducted from future payment by Alberta Education. CBE administration agrees with the operating reserve range required by Alberta Education.

Financial Health Indicators
Medium - Long Term

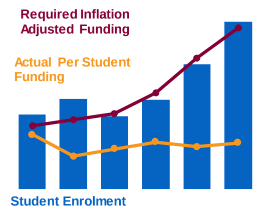
			Status:	Neutral	**Trend:**	Favourable
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Capital Reserves ($ millions)	15,887	28,846	41,863	49,882	78,987	73,788
Capital Reserves per Student	129	229	341	398	602	534

Capital reserves provide funds for future replacement of the Board's capital assets. Capital Reserves per student indicates the amount of capital reserves on a per student basis. Based on historical analysis, the CBE seeks capital reserves above $250 per student or approximately $35 million.

			Status:	Neutral	**Trend:**	Neutral
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Revenues ($ millions)	1,390	1,323	1,332	1,360	1,438	1,559
Expenses ($ millions)	1,391	1,311	1,341	1,371	1,437	1,564
Surplus/(Deficit) ($ millions)	(0.8)	11.5	(9.1)	(10.9)	1.4	(4.8)

The CBE relies on a steady and predictable stream of revenues in order to effectively plan expenditures. Any unexpected fluctuations in funding can cause a significant variance in budgeted annual surplus/deficit. Revenues are primarily impacted by enrolment and grant rates, while expenditures are mainly impacted by staffing decisions. The CBE targets revenues equaling expenses. Given the absolute size of the CBE, a surplus or deficit of +/-0.5 percent of total expenditures is considered balanced.

			Status:	Neutral	**Trend:**	Unfavourable
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Actual Per Student Funding	9,054	8,638	8,783	8,910	8,821	8,897
Required Inflation Adjusted Funding	9,233	9,337	9,468	9,866	10,539	11,113
Student Enrolment	122,400	124,939	122,117	124,802	130,654	137,727



Per student funding from Alberta Education excludes targeted funding. These targeted funds are removed from the funding per student calculation as they are not available to directly support teaching and learning in the classroom. That is, the targeted funds cannot be used to hire and deploy additional school based staff. Funding and enrolment do not include International students.

Per student funding is an indicator of the stability of revenue over time. Increasing funding per student generally indicates an increased ability to maintain programs, services and supports. Decreasing per student funding over time is an indicator that programs, services and supports will need to be re-structured to fit within available resources.

			Status:	Neutral	**Trend:**	Neutral
Percent of Expenses	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Salaries & Benefits	78%	79%	81%	79%	78%	78%
Supplies & Services	17%	14%	13%	15%	16%	16%
Other	6%	6%	6%	6%	6%	6%

This chart shows the percentage of CBE's budget allocated to various expenditure categories over the last 6 years. While Salaries and Benefits remain a significant percentage of total expenses, they have been relatively stable the last few years.

	CBE	Other Metro School Boards
Salaries & Benefits as % of Total System Administration Expenses	47%	77%

The CBE spends a considerably smaller portion of it's System Administration expenditures on salaries & benefits when compared to other metro school boards. This difference is due to the higher level of spending on the Education Centre lease. To compensate, CBE administration is very judicious in the allocation of resources to the non teaching and learning service unit.

	Status:	Unfavourable	**Trend:**	Unfavourable	
	2019-20	2020-21	2021-22	2022-23	2023-24
ASO ($ millions)	41,477	38,817	25,266	16,748	1,535

Accumulated Surplus from Operations (ASO) reflects the sum of all past financial transactions and events undertaken by the CBE over time. The balance is required to remain positive to ensure the CBE can relieve any projected deficits in subsequent years. The decrease in ASO is a direct result of several factors impacting the CBE over the past 4 years. These include Inflationary cost pressures, rising cost of labour, record levels of enrolment growth and increasing complexity of that enrolment.

		Status:	Unfavourable	**Trend:**	Unfavourable
	Q4 2022-23	Q1 2023-24	Q2 2023-24	Q3 2023-24	Q4 2023-24
Overflow Schools	24	26	32	34	34
Overflow Receiving Schools	33	37	47	50	47

As enrolment increases, the number of schools in overflow continues to be monitored to maintain a positive learning environment for students. To assess the impact of enrolment increase to the overall system, the number of overflow and overflow receiving schools should be monitored. Schools in overflow have overflow receiving schools which accept the influx of students. This may include more than one location. This allows for overflow schools to relieve significant enrolment pressure and may fluctuate over time. Ideally, the number of schools in overflow should be less than 5.

		Status:	Unfavourable	**Trend:**	Unfavourable
	Sep 29, 2023	Q1 2023-24	Q2 2023-24	Q3 2023-24	Q4 2023-24
ECS	9,009	9,090	9,255	9,378	8,917
Grade 1-9	93,842	94,519	95,430	96,515	96,355
Grade 10-12	35,393	35,534	35,515	35,451	36,630
Total Student Count	138,244	139,143	140,200	141,344	141,902

The CBE receives provincial grant funding based on a weighted moving average calculation that utilizes budgeted student enrolment. While the Supplemental Enrolment Growth grant assists in bridging the gap between initial budgeted enrolment and increased enrolment at Sept 30, any additional enrolment results in unfunded students in the current year. Given current rate of enrolment increase, this places significant pressure on a school board.

Appendix V – Summary of Third Party Invoices

Summary of third party invoices
For the year ended August 31, 2024

Category	Count of Vendors	% of Vendors	Sum of Total Amount
Total payments amount is less than $50,000	2,678	89%	11,163,447
Total payments amount is between $50,000 and $100,000	87	3%	6,206,487
Total payments amount is between $100,000 and $200,000	81	3%	11,293,998
Total payments amount is between $200,000 and $250,000	16	1%	3,589,919
Total payments amount is greater than $250,000	131	4%	732,608,840
Grand Total	**2,993**	**100%**	**764,862,691**

Summary of third-party invoices with total payment value > $250,000 by Category

For the year ended August 31, 2024

Category	Total Value	
CONSTRUCTION, MAINTENANCE & REPAIR	$	49,263,831
DONATIONS	$	513,000
DUES & FEES (D&F)	$	1,006,906
FIELDTRIPS	$	1,051,337
FLOW THROUGH FROM AB ED	$	1,492,120
INSURANCE	$	16,276,609
MINOR EQUIPMENT <$5000	$	1,516,900
P-CARD TRANSACTIONS	$	13,463,496
PROFESSIONAL & TECHNICAL SERVICES (P&T)	$	14,163,902
RENTAL EQUIPMENT & FACILITY	$	15,768,886
SALARIES & BENEFITS	$	483,783,155
SUPPLIES (SUPP) & OTHER SERVICES	$	37,592,683
TANGIBLE CAPITAL ASSETS	$	23,470,738
TRANSPORTATION	$	41,996,146
UTILITIES	$	31,249,131
Grand Total	$	732,608,840

Summary of third party invoices with total payment value > $250,000
For the year ended August 31, 2024

Category		Sum of Total	% of Total Amount
CONSTRUCTION, MAINTENANCE & REPAIR	**$**	**49,263,831**	**6.72%**
A K BROWN LTD.	$	552,615	0.08%
AINSWORTH INC.	$	1,736,945	0.24%
ALBERTA FIRE & FLOOD LTD.	$	619,653	0.08%
ALBERT'S CONTROLS LTD.	$	279,028	0.04%
ALTEC INDUSTRIES LTD	$	271,985	0.04%
BGE INDOOR AIR QUALITY SOLUTIONS LTD.	$	834,738	0.11%
BIG COUNTRY PLASTERING LTD.	$	1,350,457	0.18%
BLACK & MCDONALD LTD.	$	3,654,209	0.50%
BOW RIVER ROAD WORK CONTRACTING LTD.	$	561,585	0.08%
BRAUN ELECTRICAL SERVICES LTD.	$	1,165,349	0.16%
BUNZL CLEANING & HYGIENE	$	461,267	0.06%
BURKE GROUP OF COMPANIES LTD.	$	301,440	0.04%
CALMONT EQUIPMENT LTD.	$	251,365	0.03%
CANADIAN RECREATION SOLUTIONS INC.	$	292,795	0.04%
CHISHOLM INDUSTRIES LTD.	$	619,316	0.08%
COUGAR TECHNICAL SERVICES LTD.	$	499,364	0.07%
CRESTVIEW ELECTRIC LTD.	$	607,133	0.08%
CYNC ARCHITECTURE INC.	$	414,554	0.06%
DELPHI ELECTRIC INC.	$	579,031	0.08%
EECOL ELECTRIC CORP.	$	352,877	0.05%
EMF CONTRACTING LTD.	$	477,376	0.07%
EMM DECORATING & GRAFFITI REMOVAL LTD.	$	364,366	0.05%
FOOTHILLS DECORATING PARTNERSHIP	$	375,225	0.05%
GLOBALTECH GROUP LTD.	$	255,111	0.03%
GREAT NORTHERN PLUMBING INC.	$	1,243,043	0.17%
HALBRO CONSTRUCTION LTD	$	1,425,922	0.19%
INTEGRAL ENERGY SERVICES LTD.	$	414,717	0.06%
J&C MASTER CONTRACTING INC.	$	1,170,887	0.16%
LEAR CONSTRUCTION MANAGEMENT LTD.	$	987,986	0.13%
OAKCREEK GOLF & TURF LP	$	296,272	0.04%
PEDDIE ROOFING & WATERPROOFING LTD.	$	1,548,626	0.21%
RAYNER CONSTRUCTION SERVICES INC.	$	6,432,351	0.88%
ROCKY CROSS CONSTRUCTION (NORTH) LTD.	$	1,019,068	0.14%
RUSSPET CONSTRUCTION LTD.	$	1,201,556	0.16%
TOMKO SPORTS SYSTEMS ALBERTA	$	342,785	0.05%
TRIBUILD CONTRACTING (CALGARY) LTD.	$	357,087	0.05%
TROTTER & MORTON BLDG TECH. INC	$	3,434,773	0.47%
WEST SOURCE ENTERPRISES INC.	$	886,878	0.12%
WESTERN WEATHER PROTECTOR LTD.	$	10,106,402	1.38%
WEX CANADA LTD.	$	499,901	0.07%
WF ARCHITECTURE INC.	$	381,035	0.05%
WILLIAMS ENGINEERING CANADA	$	275,966	0.04%
WOLSELEY CANADA INC.	$	360,794	0.05%
DONATIONS	**$**	**513,000**	**0.07%**
EducationMatters	$	513,000	0.07%
DUES & FEES (D&F)	**$**	**1,006,906**	**0.14%**
ALBERTA SCHOOL BOARDS ASSOCIATION	$	270,328	0.04%
CALGARY SENIOR HIGH SCHOOL ATHLETIC ASSOCIATION	$	410,296	0.06%
INTERNATIONAL BACCALAUREATE ORGANIZATION	$	326,282	0.04%
FIELDTRIPS	**$**	**1,051,337**	**0.14%**
EF EDUCATIONAL TOURS	$	612,260	0.08%
S.E.A. PROGRAMS INC.	$	439,078	0.06%
FLOW THROUGH FROM AB ED	**$**	**1,492,120**	**0.20%**
TSUUT'INA NATION EDUCATION DEPARTMENT	$	1,492,120	0.20%

INSURANCE	**$**	**16,276,609**	**2.22%**
MARSH CANADA LIMITED	$	9,577,827	1.31%
MSH INTERNATIONAL (CANADA) LTD.	$	322,441	0.04%
ONX ENTERPRISE SOLUTIONS LTD	$	744,795	0.10%
THE CANADA LIFE ASSURANCE COMPANY	$	740,303	0.10%
URBAN SCHOOLS INSURANCE CONSORTIUM	$	4,891,242	0.67%
MINOR EQUIPMENT <$5000	**$**	**1,516,900**	**0.21%**
LONG & MCQUADE LTD.	$	608,890	0.08%
SOFTWARE4SCHOOLS.CA	$	477,693	0.07%
ST. JOHN'S MUSIC LTD.	$	430,317	0.06%
P-CARD TRANSACTIONS	**$**	**13,463,496**	**1.84%**
BANK OF MONTREAL	$	13,463,496	1.84%
PROFESSIONAL & TECHNICAL SERVICES (P&T)	**$**	**14,163,902**	**1.93%**
ALBERTA HEALTH SERVICES	$	1,071,162	0.15%
DLA PIPER (CANADA) LLP	$	574,404	0.08%
HULL SERVICES	$	6,038,760	0.82%
INTELLIMEDIA LP	$	379,284	0.05%
IRON MOUNTAIN CANADA	$	582,212	0.08%
KPMG	$	391,797	0.05%
RSM CANADA CONSULTING LP	$	1,117,619	0.15%
RYCOR SOLUTIONS INC.	$	475,955	0.06%
S.I. SYSTEMS PARTNERSHIP	$	1,632,774	0.22%
SOCIETY FOR AUTISM SUPPORT AND SERVICES(CALGARY REGION)	$	679,750	0.09%
TELUS HEALTH (CANADA) LTD.	$	391,674	0.05%
WOOD'S HOMES	$	828,511	0.11%
RENTAL EQUIPMENT & FACILITY	**$**	**15,768,886**	**2.15%**
BENTALL GREENOAK (CANADA) LIMITED PARTNERSHIP	$	14,956,137	2.04%
BENTALLGREENOAK (CANADA) LP (SAFRAN OP)	$	546,992	0.07%
YMCA CALGARY	$	265,757	0.04%
SALARIES & BENEFITS	**$**	**483,783,155**	**66.04%**
ALBERTA BLUE CROSS	$	1,338,192	0.18%
ALBERTA PENSIONS ADMINISTRATION CORP.	$	30,952,388	4.22%
ALBERTA TEACHERS' ASSOCIATION	$	12,654,517	1.73%
ASEBP - ALBERTA SCHOOL EMPLOYEE BENEFIT PLAN	$	19,643,402	2.68%
BOARD OF ADMINISTRATORS	$	72,605,608	9.91%
CANADIAN UNION OF PUBLIC EMPLOYEES LOCAL 40	$	755,415	0.10%
CBE STAFF ASSOCIATION	$	1,698,052	0.23%
MANULIFE	$	257,800	0.04%
RECEIVER GENERAL FOR CANADA	$	268,802,230	36.69%
SUN LIFE ASSURANCE COMPANY OF CANADA	$	71,986,472	9.83%
WORKERS' COMPENSATION BOARD	$	3,089,080	0.42%

SUPPLIES (SUPP) & OTHER SERVICES	**$**	**37,592,683**	**5.13%**
BELL CANADA	$	3,600,078	0.49%
C.C. CRAIG SECURITY DISTRIBUTORS	$	250,130	0.03%
CALGARY MEALS ON WHEELS	$	997,234	0.14%
CHILD SAFE CANADA INC.	$	300,506	0.04%
D2L CORPORATION	$	898,184	0.12%
DONE RITE EQUIPMENT SALES & SERVICE	$	340,682	0.05%
FIRST CANADA ULC	$	6,056,552	0.83%
GOVERNMENT OF ALBERTA	$	632,261	0.09%
GRAND & TOY	$	923,610	0.13%
IDEASOURCE RECOGNITION & REWARDS INC.	$	250,768	0.03%
NOSE CREEK ELECTRICAL SERVICES INC.	$	1,188,968	0.16%
ORACLE CANADA ULC	$	3,803,037	0.52%
PRECISE PARKLINK (WEST) LTD.	$	613,420	0.08%
PRINTERWORKS WEST INC.	$	1,982,235	0.27%
RDD GROUP O/A SCHOOL SOURCE	$	3,264,920	0.45%
ROGERS COMMUNICATIONS CANADA INC.	$	318,325	0.04%
ROGERS WIRELESS INC.	$	381,423	0.05%
SAIT POLYTECHNIC	$	273,542	0.04%
SKYLINE ATHLETICS INC.	$	315,690	0.04%
SPECTRUM EDUCATIONAL SUPPLIES LIMITED	$	810,654	0.11%
SPICERS CANADA ULC	$	1,269,417	0.17%
SPORTFACTOR INC.	$	816,722	0.11%
SWISH MAINTENANCE LIMITED	$	3,482,704	0.48%
SYSCO CALGARY, A DIVISION OF SYSCO CANADA INC.	$	1,084,741	0.15%
TEXTHELP INC.	$	376,622	0.05%
UNITED LIBRARY SERVICES INC.	$	657,804	0.09%
VWR INTERNATIONAL COMPANY	$	286,650	0.04%
WBM TECHNOLOGIES LP	$	1,879,379	0.26%
WEST CANADIAN DIGITAL IMAGING INC.	$	536,424	0.07%
TANGIBLE CAPITAL ASSETS	**$**	**23,470,738**	**3.20%**
APPLE CANADA INC.	$	4,647,417	0.63%
AVI-SPL CANADA LTD.	$	4,755,972	0.65%
COMPUGEN INC.	$	7,596,672	1.04%
DBI SYSTEMS INTEGRATION INC	$	767,328	0.10%
IMAGINE EVERYTHING INC.	$	271,613	0.04%
INSYNC SYSTEMS INC.	$	1,626,622	0.22%
POWERSCHOOL CANADA ULC	$	1,325,191	0.18%
SHAW GMC CHEVROLET BUICK LIMITED PARTNERSHIP	$	399,593	0.05%
SPACES INC.	$	2,080,329	0.28%
TRANSPORTATION	**$**	**41,996,146**	**5.73%**
4SEASONS TRANSPORTATION LTD.dba 1323179 ALBERTA LTD.	$	16,149,221	2.20%
CHECKER CABS LTD.	$	644,465	0.09%
DREAMS TRANSPORTATION LTD.	$	3,297,030	0.45%
SOUTHLAND TRANSPORTATION LTD.	$	21,905,430	2.99%
UTILITIES	**$**	**31,249,131**	**4.27%**
CITY OF CALGARY	$	3,830,103	0.52%
DIRECT ENERGY BUSINESS SERVICES	$	26,306,871	3.59%
TELUS COMMUNICATIONS INC.	$	707,084	0.10%
WASTE MANAGEMENT OF CANADA CORP.	$	405,073	0.06%
Grand Total	**$**	**732,608,840**	**100.00%**

Appendix VI – EducationMatters

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION

FINANCIAL STATEMENTS

DECEMBER 31, 2023

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
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DECEMBER 31, 2023

INDEPENDENT AUDITOR'S REPORT

To the Board of Governors of
EducationMatters, Calgary's Trust for Public Education

Opinion
We have audited the financial statements of EducationMatters, Calgary's Trust for Public Education (the "Trust"), which comprise the statement of financial position as at December 31, 2023, and the statement of operations, statement of changes in fund balances and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at December 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

Basis for Opinion
We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon
Management is responsible for the other information. The other information is comprised of the information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

The Annual Report is expected to be made available to us after the date of this auditor's report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Baker Tilly Catalyst LLP is a member of Baker Tilly Canada Cooperative, which is a member of the global network of Baker Tilly International Limited. All members of Baker Tilly Canada Cooperative and Baker Tilly International Limited are separate and independent legal entities.

INDEPENDENT AUDITOR'S REPORT, continued

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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.

In preparing the financial statements, management is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ♦ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ♦ Obtain an understanding of internal control relevant to the audit 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 Trust's internal control.

- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT, continued

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Baker Tilly Catalyst LLP

CALGARY, ALBERTA
APRIL 2, 2024

CHARTERED PROFESSIONAL ACCOUNTANTS

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023

	2023	2022
Assets		
Current		
Cash and cash equivalents (Note 3)	$ 4,236,376	$ 2,714,012
Accounts receivable	941	625
Prepaid expenditures	22,214	13,035
	4,259,531	2,727,672
Investments (Notes 4 & 8)	7,422,098	6,741,000
Capital assets (Note 5)	2,248	3,746
	7,424,346	6,744,746
	$11,683,877	$ 9,472,418
Liabilities and Fund balances		
Current		
Accounts payable and accrued liabilities	$ 23,162	$ 24,313
Deferred contributions (Note 6)	341,000	341,000
	364,162	365,313
Fund balances		
Operating fund	86,244	61,224
Long-term self-sustainability fund (Note 8)	778,444	704,829
Flow-through fund	3,783,555	2,231,476
Endowment fund (Note 8)	6,671,472	6,109,576
	11,319,715	9,107,105
	$11,683,877	$ 9,472,418

Approved on behalf of the board

_____________________ Governor

Hanif Ladha Governor

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Operating Fund	Long-term Self-Sustainability Fund	Flow-Through Fund	Endowment Fund	2023 Total	2022 Total
Revenue						
Contributions	$ 15,452	$ -	$ 3,315,707	$ 150,220	$ 3,481,379	$ 2,808,778
Calgary Board of Education grants (Note 6)	510,000	-	-	-	510,000	570,014
Realized gain on investments	92,938	31,899	-	272,170	397,007	239,458
Interest and fees	16,365	-	-	-	16,365	12,165
Interfund fees (Note 7)	196,951	-	(103,821)	(93,130)	-	-
	831,706	31,899	3,211,886	329,260	4,404,751	3,630,415
Expenditures						
Expenditures (Schedule 1)	817,138	-	1,659,807	161,792	2,638,737	3,288,719
Other income						
Unrealized gain (loss) on investments	10,451	41,716	-	394,429	446,596	(1,057,316)
Excess (deficiencies) of revenue over expenditures	$ 25,019	$ 73,615	$ 1,552,079	$ 561,897	$ 2,212,610	$ (715,620)

The accompanying notes are an integral part of the financial statements

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
STATEMENT OF CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Operating Fund	Long-term Self-Sustainability Fund	Flow-Through Fund	Endowment Fund	2023 Total	2022 Total
Balance, beginning of year	$ 61,225	$ 704,829	$ 2,231,476	$ 6,109,575	$ 9,107,105	$ 9,822,725
Excess (deficiencies) of revenue over expenditures	25,019	73,615	1,552,079	561,897	2,212,610	(715,620)
Balance, ending of year	$ 86,244	$ 778,444	$ 3,783,555	$ 6,671,472	$11,319,715	$ 9,107,105

The accompanying notes are an integral part of the financial statements

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022
Cash flows from operating activities		
Excess (deficiencies) of revenue over expenditures	$ 2,212,610	$ (715,620)
Adjustments for		
Amortization	1,498	718
(Gain) loss on investments	(843,603)	817,858
	1,370,505	102,956
Change in non-cash working capital items		
Accounts receivable	(316)	296
Prepaid expenditures	(9,179)	(13,035)
Accounts payable and accrued liabilities	(1,150)	(13,257)
Deferred contributions	-	(60,000)
	1,359,860	16,960
Cash flows from investing activities		
Purchase of investments	(310,620)	(550,129)
Proceeds from sale of investments	473,124	420,644
Purchase of capital assets	-	(4,464)
	162,504	(133,949)
Increase (decrease) in cash	1,522,364	(116,989)
Cash, beginning of year	2,714,012	2,831,001
Cash, end of year	$ 4,236,376	$ 2,714,012
Cash consists of:		
Cash	$ 412,994	$ 367,999
Treasury bills (Note 3)	3,823,382	2,346,013
	$ 4,236,376	$ 2,714,012

1. **Nature of operations**

EducationMatters, Calgary's Trust for Public Education (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**

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

(a) **Cash and cash equivalents**

Cash and cash equivalents are defined as cash and short-term investments, with terms to maturity of three months or less at the date of purchase.

(b) **Capital assets**

Capital assets are recorded at cost. The Trust provides for amortization using the declining balance method at rates designed to amortize the cost of the capital assets over their estimated useful lives. One half of the year's amortization is recorded in the year of acquisition. No amortization is recorded in the year of disposal. The annual amortization rates are as follows:

Computer equipment	30%

2. Significant accounting policies, continued

(c) Revenue recognition

The Trust follows the restricted fund method of accounting.

The Trust receives contributions in the form of donations to specified funds, operating grants, financial assistance and event funding. The Trust recognizes contributions when the amounts can be reasonably estimated and collection is assured.

Restricted contributions related to general operations of the Trust are recognized as revenue in the long-term self-sustainability fund in the period in which the related expenditures are incurred.

The Trust recognizes interest, dividends and interfund fee revenue when the amounts are earned on an accrual basis. Interest income earned on flow-through funds is allocated to the long-term self-sustainability fund.

(d) Foreign exchange

The Trust uses the temporal method to translate its foreign currency transactions.

Monetary assets and liabilities are translated at the exchange rate in effect at the statement of financial position date. Other assets and liabilities are translated at the rate in effect on the transaction date. Balances for the current year appearing in the statement of operations are translated at average year rates. Exchange gains and losses are included in the statement of operations.

(e) Trust funds

The Trust holds long-term self-sustainability, 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.

Long-term self-sustainability fund contributions received that relate to services to be provided in a subsequent period are shown as deferred contributions on the statement of financial position.

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 are created by donors to provide long-term support for discretionary spending, general fields of interest or designated specific programs or projects.

2. **Significant accounting policies, continued**

(f) **Interfund fees**

Interfund fees are charged to the flow-though and endowment funds in lieu of charging administrative expenses to those funds. Endowment funds are generally charged an interfund fee of 1.5% in accordance with donor agreements and flow-through funds are generally charged an interfund fee of 3.5% of each gift received.

(g) **Donated material and services**

Donated materials and services are not recorded because the fair market value is not readily determinable.

(h) **Financial instruments**

(i) **Measurement of financial instruments**

The Trust initially measures its financial assets and liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The Trust subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations in the period incurred.

Financial assets measured at amortized cost include cash and cash equivalents and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Financial assets measured at fair value include the pooled investment funds.

(ii) **Impairment**

For financial assets measured at amortized cost, the Trust determines whether there are indications of possible impairment. When there is an indication of impairment, and the Trust determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in the statement of operations. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

2. **Significant accounting policies, continued**

(h) **Financial instruments, continued**

(iii) **Transaction costs**

The entity recognizes its transaction costs in the statement of operations in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transactions costs that are directly attributable to their organization, issuance or assumption.

(i) **Measurement uncertainty**

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the period. Significant areas requiring the use of estimates include: useful lives of capital assets. Actual results may differ from management's best estimates as additional information becomes available in the future.

3. **Cash and cash equivalents**

Cash and cash equivalents include short-term investments of $3,823,382 (2022 - $2,346,013) 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 4.70% (2022 - 1.70%).

4. **Investments**

	2023	2022
Pooled Funds - Endowment Fund	$ 6,643,654	$ 6,036,171
Pooled Funds - Long-term Self-Sustainability Fund	778,444	704,829
	$ 7,422,098	$ 6,741,000

Investments are comprised of $7,422,098 (2022 - $6,741,000) 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 gifted shares measured at fair value of $91,502 (2022 - $526,892) held at December 31, 2023.

5. **Capital assets**

	Cost	Accumulated Amortization	2023 Net Book Value	2022 Net Book Value
Computer equipment	$ 4,464	$ 2,216	$ 2,248	$ 3,746

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 the CBE in fund development, grants and student awards. During the year, the Trust received $510,000 (2022 - $570,014) from the CBE. Contributions in the amount of $341,000 (2022 - $341,000) were deferred to 2024 in accordance with spending the funds over a twelve-month period and are included in the deferred contributions on the statement of financial position.

The Trust rented office space and purchased services of $5,586 (2022 - $14,516) and $8,689 (2022 - $12,744), respectively, from the CBE.

Grants awarded to the CBE schools by the Trust are distributed to recipients by way of the CBE. In 2023, this amount was $1,232,668 (2022 - $1,919,437).

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

7. **Interfund fees**

The Flow-Through Fund generated fees of $103,821 and the Endowment Fund generated fees of $93,130, all of which were transferred to the Operating Fund.

8. Endowment and Long-term Self-Sustainability Fund

Endowment funds are invested to provide long-term support, and are comprised of the following:

	2023	2022
Cash and cash equivalents	$ 27,818	$ 6,726
Investments	6,643,654	6,036,171
	$ 6,671,472	$ 6,042,897

Long-term Self-Sustainability Funds are invested to provide long-term sustainability and are comprised of the following:

	2023	2022
Investments	$ 778,444	$ 704,829

9. Additional information on fund development

(a) Expenditures incurred to raise funds

	2023	2022
Fund development salaries and benefits	$ 213,617	$ 233,055
Fund development expenditures	29,359	11,970
	-	-
	$ 242,976	$ 245,025

(b) Funds raised during 2023 were $3,481,377 (2022 - $2,808,778).

(c) Summary of disbursements:

	2023	2022
Grants	$ 1,232,668	$ 1,919,437
Scholarships	592,848	532,732
	$ 1,825,516	$ 2,452,169

9. **Additional information on fund development, continued**

(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:

	2023	2022
Grant disbursements	$ 1,825,516	$ 2,452,169
Program expenditures	519,587	542,354
Fund development expenditures, excluding events	242,976	245,025
Investment fees	49,101	48,453
Amortization expense	1,498	718
	$ 2,638,678	$ 3,288,719

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.

10. **Financial instruments**

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) **Market risk**

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Trust is exposed to market risk through its pooled investments invested in equity securities traded in an active market.

(b) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Trust is exposed to interest rate risk on its fixed income instruments within the pooled investment account. Fixed-rate financial instruments subject the Trust to a fair value risk.

Unless otherwise noted, it is management's opinion that the Trust is not exposed to significant other price risks arising from these financial instruments.

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
SCHEDULE 1
FOR THE YEAR ENDED DECEMBER 31, 2023

	Operating Fund	Long-term Self-Sustainability Fund	Flow-Through Fund	Endowment Fund	2023 Total	2022 Total
Expenditures						
Salaries and benefits (Note 9)	$ 605,540	$ -	$ -	$ -	$ 605,540	$ 639,544
Computer applications and support	69,738	-	-	-	69,738	65,843
Investment fees (Note 9)	49,101	-	-	-	49,101	48,453
Professional fees	38,693	-	-	-	38,693	22,811
Fund development (Note 9)	29,359	-	-	-	29,359	11,970
Office	13,706	-	-	-	13,706	32,695
Rent	5,586	-	-	-	5,586	14,516
Amortization	1,498	-	-	-	1,498	718
Grants and scholarships (Notes 6 and 9)	3,917	-	1,659,807	161,792	1,825,516	2,452,169
Total expenditures	$ 817,138	$ -	$ 1,659,807	$ 161,792	$ 2,638,737	$ 3,288,719

EducationMatters, Calgary's Trust for Public Education
Year End: December 31, 2023
Adjusting Journal Entries
Date: 01/01/23 To 12/31/23

Prepared by	Reviewed by	Partner	Second Partner
NS 03/06/24	SMM 03/13/24	MLB 03/14/24	PAIGE 03/21/24

5C

Number	Date	Name	Account No	Debit	Credit	Recurrence	Misstatement
1	12/31/23	Accounts Payable	21100 0	1.00			
1	12/31/23	Fund Balance - Endowment	31000 ENDOWMENT		60.00		
1	12/31/23	Office Supplies	63600 OPERATING	59.00			
		To reconcile retained earnings.					
				60.00	**60.00**		

Net Income (Loss) **2,212,608.84**

I have read and understood the Adjusting Journal Entries as prepared by Baker Tilly Catalyst LLP:

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
1221 8 St SW
Calgary, Alberta T2R 0L4

April 2, 2024

Baker Tilly Catalyst LLP
330 - 205 Quarry Park Blvd. SE
Calgary, Alberta
T2C 3E7

Dear Sirs:

We confirm our understanding that the examination you made was directed to the expression of an opinion as to whether the financial statements of EducationMatters, Calgary's Trust for Public Education as of December 31, 2023 present fairly, in all material respects, the financial position, results of operations and cash flows of EducationMatters, Calgary's Trust for Public Education in accordance with Canadian accounting standards for not-for-profit organizations.

We acknowledge that we are responsible for the fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for the design and implementation of internal control to prevent and detect fraud and error. We have assessed the risk that the financial statements may be materially misstated as a result of fraud, and have determined such risk to be low. Further, we acknowledge that your examination was planned and conducted in accordance with Canadian generally accepted auditing standards so as to enable you to express an opinion on the financial statements. We understand that while your work includes an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, it is not designed to identify, nor can it necessarily be expected to disclose fraud, shortages, errors and other irregularities, should any exist.

The purpose of this letter is to confirm information provided to you during your audit engagement. In connection with these financial statements we give you our assurance that to the best of our knowledge and belief:

(a) The statement of financial position and the statements of operations, changes in net assets and cash flows properly reflect the financial position of the Trust as at December 31, 2023 and the results of its operations and cash flows for the period from January 1, 2023 to December 31, 2023.

(b) We have no knowledge of fraud, suspected fraud or allegations of fraud affecting the Trust involving management; employees who have significant roles in internal control; or others, where the fraud could have a non-trivial effect on the financial statements.

(c) Significant accounting policies are disclosed in the financial statements and there have been no changes to these policies.

(d) There are no material transactions that have not been properly reflected in the financial statements. The effects of the uncorrected financial statement misstatements summarized in the accompanying schedule are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

(e) We believe that the significant assumptions used in arriving at the fair values of financial instruments as measured and disclosed in the financial statements are reasonable and appropriate in the circumstances. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.

(f) The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements. The method used to determine estimates has been appropriately and consistently applied and reflects management's intent and ability.

(g) Accounts receivable represent valid claims against customers for sales or services rendered prior to year end. Adequate allowance has been made for any losses for uncollectible accounts.

(h) Capital assets are properly stated and no significant expenditures of a capital nature were expensed during the year. Assets sold, dismantled or otherwise disposed of have been properly accounted for in the records of the Trust. Assets not being used in the business have been segregated.

(i) As at December 31, 2023, the Trust had:

  (i) Satisfactory title to all assets, and these have been properly valued and recorded in the accounts and represent continuing benefit to the Trust. Any pledge or assignment of Trust assets as security for liabilities has been disclosed to you.

  (ii) No material unrecorded assets.

  (iii) No material unrecorded liabilities.

  (iv) No material undisclosed contingent assets and liabilities or commitments.

(j) There were no significant contractual obligations for construction and/or purchase of capital assets at December 31, 2023 that have not been properly disclosed.

(k) There are no significant commitments or contractual obligations that have not been disclosed to you.

(l) All related parties have been disclosed including:

  (i) all transactions with such parties including sales, purchases, loans, transfer of assets, liabilities and guarantees.

  (ii) all balances due to or from such parties at year end.

(m) We have reviewed and approved all transactions recorded in, and the balances of, the shareholder accounts. At December 31, 2023 and this date, the terms of the accounts are properly disclosed and classification of these accounts is appropriate.

(n) Since December 31, 2023 there have been no events or transactions other than those reflected or fully disclosed in the financial statements which have a material effect on those statements.

(o) All claims which were outstanding and possible claims, whether or not discussed with a law firm, have been disclosed to you.

(p) There are no violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, and there are no other material liabilities or gain or loss contingencies that are required to be accrued for disclosed.

(q) There were no environmental matters that require disclosure in the financial statements.

(r) We are not aware of any illegal or possibly illegal acts for which we have not disclosed to you all the facts related thereto.

(s) Management has reviewed and has approved all journal entries prepared by Baker Tilly Catalyst LLP during preparation of the Trust's year-end financial statements.

Further, to the best of our knowledge and belief, all related parties, as detailed on the attached schedule, and transactions have been identified to you; all accounting and financial records and related data of the Trust have been made available to you and as far as we know none were withheld from you; unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence has been made available to you, no shortages or other irregularities have been discovered; there was no undisclosed economic dependence by the Trust on any other party; the minute books of the Trust contain a true and correct record of all the business transacted to date, and business transacted at those meetings does not require disclosure in these financial statements. No claims have arisen, no events have occurred and no matters have been discovered since December 31, 2023 that would require adjustments to or disclosures in the financial statements.

We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

We have fulfilled our responsibilities, as set out in the terms of the auditing engagement dated December 31, 2023 for the preparation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations; in particular, the financial statements are fairly presented in accordance therewith.

We have read and approve issue of the attached financial statements.

Yours very truly,

EducationMatters, Calgary's Trust for Public Education

Per:

James Craig Reardon

Appendix VII – USIC

Urban Schools Insurance Consortium

Management Accounts for the period ended August 31,2024

Contents

Urban Schools Insurance Consortium

Statement of Income

For the period ended August 31, 2024
Expressed in Canadian dollars

	Note	31-Aug-24	31-Dec-23	31-Aug-23
Insurance service result	**Note**	**$**	**$**	**$**
Insurance revenue	1	6,366,512	8,090,402	5,286,664
Insurance service expenses	2	(6,724,971)	1,243,566	(3,481,303)
		(358,459)	9,333,968	1,805,361
Other income				
Interest income	3	1,945,509	2,609,050	1,056,130
Commissions	4	693,731	1,207,419	770,337
Total other income		2,639,240	3,816,470	1,826,467
Net insurance finance expenses				
Finance income/(expenses) from insurance contracts issued	5	(299,933)	(1,001,682)	(157,685)
		(299,933)	(1,001,682)	(157,685)
Other expenses				
Professional and management fees	6	(495,288)	(797,337)	(320,922)
General and administrative expenses	7	(16,690)	(14,338)	(1,613)
Total other expenses		(511,978)	(811,675)	(322,535)
Profit for the period		1,468,870	11,337,081	3,151,608
Balance brought forward		17,903,269	6,566,190	6,566,190
Balance carried forward		**19,372,139**	**17,903,271**	**9,717,798**

Statement of Financial Position

As at August 31, 2024
Expressed in Canadian dollars

	Notes	31-Aug-24 $	31-Dec-23 $	31-Aug-23 $
Assets				
Cash at bank	8	14,253,636	6,915,416	2,718,320
Investments	9	31,386,913	27,358,197	27,316,405
Other receivables	10	818,329	875,444	151,524
Total assets		**46,458,878**	**35,149,057**	**30,186,249**
Liabilities				
Liability for incurred claims	11	18,896,122	12,892,756	17,356,442
Liability for remaining coverage	11	7,208,000	3,145,641	2,438,045
Other payables	12	501,227	725,999	192,573
Total liabilities		**26,605,348**	**16,764,395**	**19,987,060**
Net assets		**19,853,530**	**18,384,662**	**10,199,189**
Subscriber's surplus				
Subscribers' contributions	13	481,391	481,391	481,391
Retained earnings		19,372,139	17,903,271	9,717,798
Total Subscriber's surplus		**19,853,530**	**18,384,662**	**10,199,189**

Statement of Changes in Subscriber's Surplus

For the period ended August 31, 2024
Expressed in Canadian dollars

Subscriber's surplus	31 Aug 24 CAD	31 Aug 23 CAD
Balance at beginning of year	481,391	481,391
Balance at end of the year	481,391	481,391
Retained earnings		
Balance at beginning of year	17,903,269	6,566,190
Profit/(Loss) for the period	1,468,870	3,151,608
Balance at end of the year	19,372,139	9,717,798

Urban Schools Insurance Consortium

Management Accounts Notes

For the period ended August 31, 2024
Expressed in Canadian dollars

		31-Aug-24	31-Aug-23
		$	$
1	**Insurance revenue**		
	Insurance revenue from contracts measured under Premium Allocation Approach	6,366,512	5,286,664
	Total insurance revenue	6,366,512	5,286,664
2	**Insurance service expenses**		
	Changes that relate to past service - adjustments to the Liability for Incurred Claims	(6,316,971)	(5,713,589)
	Losses on onerous contracts and reversal of those losses	-	2,233,236
	Insurance acquisition cash flows amortisation	(408,000)	(949)
	Total insurance service expenses	(6,724,971)	(3,481,303)
3	**Interest income**		
	Bank interest received	(325,424)	(156,318)
	Gain/Loss on Investment	(580,346)	(281,891)
	Interest Income - investments	(1,039,739)	(617,921)
		(1,945,509)	(1,056,130)
4	**Commission Income**	(693,731)	(770,337)
5	**Finance income (expenses) from insurance contracts issued**		
	Interest accreted	(373,458)	(119,417)
	Effect of changes in interest rates and other financial assumptions	73,525	(38,268)
	Finance income from insurance contracts issued	(299,933)	(157,685)
6	**Professional and management fees**		
	Management fees	49,219	49,219
	Audit fees	26,058	-
	Actuarial fees	33,068	-
	Consulting fees	370,293	213,244
	Claim Management System	-	58,459
	Director and officer insurance	16,650	-
		495,288	320,922
7	**General and administrative expenses**		
	Office & IT	1,281	1,045
	Travel, Meeting and Misc. Expense	14,796	43
	Bank charges	613	525
		16,690	1,613

8	**Cash and cash equivalents**		
	Scotia Calgary	14,141,619	2,598,019
	Cash - Crawford held in trust	98,601	112,696
	Cash - Wood Gundy	13,415	7,605
		14,253,636	2,718,320
9	**Investments**		
	Marketable Securities	31,386,913	27,316,405
		31,386,913	27,316,405
10	**Other receivables**		
	Commission Receivable	614,164	-
	Accrued interest	204,165	151,524
		818,329	151,524
11	**Insurance Contract Liabilities**		
	Liability for Remaining Coverage under Premium Allocation Approach	(7,208,000)	(1,321,428)
	Liability for Remaining Coverage - Loss Component	-	(1,116,617)
	Liability for Incurred Claims - Present Value of Cash Flows	(17,643,820)	(17,063,358)
	Liability for Incurred Claims - Risk Adjustment	(1,252,302)	(293,084)
		(26,104,121)	(19,794,487)
12	**Other payables**		
	Audit fees	24,483	-
	Deferred Revenue	409,443	192,573
	Actuarial fees	33,068	-
	Brokerage and Attorney in Fact fees	34,141	-
	Travel, meeting & miscellaneous expenses	93	-
		501,227	192,573
13	**Subscriber's Surplus**		
	Subscriber's contributions	481,391	481,391
		481,391	481,391

Urban Schools Insurance Consortium
Statement of Comprehensive Income (Loss)
Expressed in Canadian dollars

	Policy Year 2024/25	2022/24	Prior	8 months August 31, 2024	Policy Year 2022/24	2021/22	Prior	8 months August 31, 2023	Variance
Underwriting income									
Gross premiums written	$ 10,200,000	$ -	$ -	$ 10,200,000	$ 28,471	$ -	$ -	$ 28,471	$ 10,171,529
Change in unearned premium reserve	(3,833,488)	-	-	(3,833,488)	5,258,193	-	-	5,258,193	(9,091,681)
Premiums earned	6,366,512	-	-	6,366,512	5,286,664	-	-	5,286,664	1,079,848
Underwriting expenses									
Losses paid	50,898	162,661	486,245	699,804	72,144	5,568,747	1,186,695	6,827,586	(6,127,782)
Change in outstanding loss reserves	259,544	6,579,968	(91,324)	6,748,187	1,987,358	(5,646,311)	(1,608,892)	(5,267,845)	12,016,032
Change in incurred but not reported reserves	3,082,250	(4,166,712)	(46,559)	(1,131,021)	6,085,540	(1,521,612)	(410,080)	4,153,848	(5,284,869)
Finance (income) expense from insurance contracts issued	299,933			299,933	157,685			157,685	142,248
Losses incurred	3,692,625	2,575,917	348,362	6,616,903	8,302,727	(1,599,176)	(832,277)	5,871,274	745,629
Change in premium deficiency reserve	-	-	-	-	(2,233,235)	-	-	(2,233,235)	2,233,235
Premium taxes	408,000	-	-	408,000	949	-	-	949	407,051
	4,100,625	2,575,917	348,362	7,024,903	6,070,441	(1,599,176)	(832,277)	3,638,988	3,385,915
Net underwriting income (loss)	2,265,887	(2,575,917)	(348,362)	(658,391)	(783,777)	1,599,176	832,277	1,647,676	(2,306,067)
Other income	693,731	-	-	693,731	770,337	-	-	770,337	(76,606)
Interest income				1,365,164				774,239	590,925
Realized gains (losses) on investments				(101,872)				(37,082)	(64,790)
Unrealized gains (losses) on investments				682,217				318,973	363,244
				1,945,509				1,056,130	889,379
General and administrative expenses				511,978				322,535	(189,443)
Net comprehensive income				$ 1,468,870				$ 3,151,608	$ (1,682,738)

Commentary:

- Premiums are earned evenly over policy term therefore impact will be largely reflected in 2024 operating results as the policies were extended until May 1, 2024 and renewed May 1, 2024 to May 1, 2025.
- 2024 premium taxes fully expensed at August 31, 2024.
- Losses incurred have increased over prior year. IBNR has been increased on the 2024/25 policy year based on the actuary calculated roll forward. Can also look at losses by policy year:
  - (a) Loss experience during the 2024 fiscal year on the policy issued 2024/25 has increased based on current OSLR and IBNR. There are 3 new claims on this policy year.
  - (b) 2022/24 policy (policy-in-force during most of the 2023 fiscal year and extended to May 1, 2024) has $2.57M in loss incurred based on paid claims and reserves movements. This is a decrease from $8.3M for the same period last year. There are currently 17 open claims on this policy year.
- Other income represents Marsh's commissions on non-USIC placements and is a reduction from prior year.
- Investment income decreased by $889K over same period last year including realized and unrealized losses on the investment portolio.
- G&A higher than prior year due to pro-rated Marsh broker fees for the policy extension and the current year broker fee.

URBAN SCHOOLS INSURANCE CONSORTIUM
Calculation of Share of Consortium Pool Equity

Schedule 3

as at August 31, 2024

Member	Percentage Share at Dec/23	Share of Equity at 31/12/23 (Note)	New Equity Balance	Share at August 31, 2024
Calgary Board of Education	34.2672%	6,299,916	6,629,675	34.2227%
Calgary Roman Catholic	11.6873%	2,148,665	2,267,174	11.7033%
Edmonton Public Schools	24.6665%	4,534,848	4,786,276	24.7070%
Fort McMurray S.D. No. 2833	2.7085%	497,943	527,837	2.7247%
Grande Prairie S.D. No. 2357	2.8756%	528,663	557,357	2.8771%
Grande Prairie Roman Catholic	1.6966%	311,916	332,612	1.7170%
Holy Spirit Roman Catholic	1.6798%	308,828	325,226	1.6788%
Lethbridge S.D. No. 51	2.7029%	496,918	526,288	2.7167%
Medicine Hat S.D. No. 76	2.0506%	377,001	396,713	2.0479%
Medicine Hat Catholic	0.9439%	173,536	181,146	0.9351%
Red Deer S.D. No. 104	3.0768%	565,660	598,511	3.0895%
Red Deer Catholic	1.9000%	349,308	368,677	1.9031%
Rocky View Schools (RVS)	7.3816%	1,357,082	1,420,094	7.3306%
St. Albert P.S.D. No. 5565	2.1994%	404,351	424,526	2.1914%
TOTAL	**100.0000%**	**18,384,662**	**19,372,139**	**100.0000%**

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Calgary AB T2P 4B9
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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the Calgary Board of Education

Opinion

We have audited the consolidated financial statements of the Calgary Board of Education (the Entity), which are presented in the format prescribed by the Alberta Ministry of Education ("Alberta Education"), and which comprise:

- the consolidated statement of operations for the year ended August 31, 2024
- the consolidated statement of financial position as at August 31, 2024
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of accumulated remeasurement gains and losses for the year then ended
- the consolidated statement of changes in net (debt) financial assets for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies and Schedules 1,2,3,5,6, and 8, and Schedule 4 excluding the rows under "Square Metres", and Schedule 7 excluding the column "FTE"

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at August 31, 2024, and its consolidated results of operations, its consolidated remeasurement gains and losses, its consolidated changes in net (debt) financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards and the presentation requirements of Alberta Education.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other Information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditor's report thereon, included in the Management's Discussion & Analysis document.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report thereon, included in Management's Discussion & Analysis document as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards and the presentation requirements of Alberta Education 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.

In preparing the financial statements, management is responsible for assessing the Entity’s ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT

To the Board of Trustees of the Calgary Board of Education

We have undertaken a reasonable assurance engagement of the accompanying FTE as reported in the column "FTE" in Schedule 7 (the "subject matter information") prescribed by the Alberta Ministry of Education ("Alberta Education") of the Calgary Board of Education (the "Entity") for the year ended August 31, 2024.

Management's Responsibility

Management is responsible for the preparation and presentation of the subject matter information in accordance with the criteria established by Alberta Education in the AFS Guidelines (the "applicable criteria").

Management is also responsible for such internal control as management determines necessary to enable the preparation of the subject matter information that is free from material misstatement, whether due to fraud or error.

Practitioner's Responsibilities

Our responsibility is to express a reasonable assurance opinion on the subject matter information based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with Canadian Standards on Assurance Engagements (CSAE) 3000, *Attestation Engagements Other than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the subject matter information is free from material misstatement.

Reasonable assurance is a high level of assurance, but is not a guarantee that an engagement conducted in accordance with this standard will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report.

The nature, timing and extent of procedures performed depends on our professional judgment, including an assessment of the risks of material misstatement, whether due to fraud or error, and involves obtaining evidence about the subject matter information.

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

Practitioner's Independence and Quality Management

We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Opinion

In our opinion, the subject matter information of the Entity for the year ended August 31, 2024 is prepared, in all material respects, in accordance with the applicable criteria.

Specific Purpose of Subject Matter Information

The subject matter information has been prepared in accordance with the applicable criteria. As a result, the subject matter information may not be suitable for another purpose.

KPMG LLP

Chartered Professional Accountants

Calgary, Canada

November 26, 2024

CALGARY BOARD OF EDUCATION
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED AUGUST 31, 2024, WITH COMPARATIVE INFORMATION FOR 2023
(in dollars)

		Budget 2024	Actual 2024	Actual 2023
REVENUES				
Government of Alberta		$ 1,431,227,000	$ 1,446,210,000	$ 1,345,604,000
Federal Government and other government grants		$ 824,000	$ 1,113,000	$ 1,285,000
Property taxes		$ -	$ -	$ -
Fees	(Schedule 9)	$ 53,474,000	$ 54,403,000	$ 49,462,000
Sales of services and products		$ 16,551,000	$ 23,798,000	$ 18,792,000
Investment income		$ 7,482,000	$ 11,638,000	$ 9,244,000
Donations and other contributions		$ 10,752,000	$ 17,602,000	$ 9,653,000
Other revenue	(Note18)	$ 4,970,000	$ 4,768,000	$ 39,008,000
Total revenues		$ 1,525,280,000	$ 1,559,532,000	$ 1,473,048,000
EXPENSES				
Instruction - ECS		$ 38,912,000	$ 35,246,000	$ 35,763,000
Instruction - Grades 1 to 12		$ 1,168,478,000	$ 1,191,245,000	$ 1,095,552,000
Operations and maintenance	(Schedule 4)	$ 190,045,000	$ 207,673,000	$ 191,508,000
Transportation		$ 49,501,000	$ 50,796,000	$ 44,845,000
System administration		$ 46,593,000	$ 45,477,000	$ 40,433,000
External services		$ 31,751,000	$ 33,871,000	$ 28,520,000
Total expenses		$ 1,525,280,000	$ 1,564,308,000	$ 1,436,621,000
Annual operating surplus (deficit)		$ -	$ (4,776,000)	$ 36,427,000
Endowment contributions and reinvested income		$ -	$ -	$ -
Annual surplus (deficit)		$ -	$ (4,776,000)	$ 36,427,000
Accumulated surplus (deficit) at beginning of year		$ 139,600,000	$ 139,600,000	$ 103,173,000
Accumulated surplus (deficit) at end of year		$ 139,600,000	$ 134,824,000	$ 139,600,000

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

CALGARY BOARD OF EDUCATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2024, WITH COMPARATIVE INFORMATION FOR 2023
(in dollars)

		2024	2023
FINANCIAL ASSETS			
Cash and cash equivalents	(Schedule 5; Note 4)	$ 195,638,000	$ 182,183,000
Accounts receivable (net after allowances)	(Note 5)	$ 12,866,000	$ 32,411,000
Portfolio investments			
Operating	(Schedule 5; Note 11)	$ 12,970,000	$ 14,522,000
Endowments	(Schedules 1 & 5; Note 12)	$ 10,955,000	$ 9,001,000
Inventories for resale		$ -	$ -
Other financial assets		$ -	$ -
Total financial assets		$ 232,429,000	$ 238,117,000
LIABILITIES			
Bank indebtedness		$ -	$ -
Accounts payable and accrued liabilities	(Note 8)	$ 118,117,000	$ 102,935,000
Unspent deferred contributions	(Schedule 2)	$ 28,364,000	$ 26,968,000
Employee future benefits liabilities	(Note 9)	$ 24,292,000	$ 23,236,000
Asset retirement obligations and environmental liabilities	(Note 10)	$ 151,548,000	$ 151,548,000
Other liabilities		$ -	$ -
Debt			
Unsupported: Debentures		$ -	$ -
Mortgages and capital loans		$ -	$ -
Capital leases	(Note 11)	$ 11,311,000	$ 13,088,000
Total liabilities		$ 333,632,000	$ 317,775,000
Net financial assets		$ (101,203,000)	$ (79,658,000)
NON-FINANCIAL ASSETS			
Tangible capital assets	(Schedule 6)	$ 1,429,125,000	$ 1,476,647,000
Inventory of supplies		$ -	$ -
Prepaid expenses	(Note 6)	$ 21,640,000	$ 16,837,000
Other non-financial assets		$ -	$ -
Total non-financial assets		$ 1,450,765,000	$ 1,493,484,000
Net assets before spent deferred capital contributions		$ 1,349,562,000	$ 1,413,826,000
Spent deferred capital contributions	(Schedule 2)	$ 1,212,943,000	$ 1,273,245,000
Net assets		$ 136,619,000	$ 140,581,000

		2024	2023
Net assets	(Note 12)		
Accumulated surplus (deficit)	(Schedule 1)	$ 134,824,000	$ 139,600,000
Accumulated remeasurement gains (losses)		$ 1,795,000	$ 981,000
		$ 136,619,000	$ 140,581,000

Contractual rights	(Note 7)
Contingent assets	(Note 7)
Contractual obligations	(Note 16)
Contingent liabilities	(Note 16)

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

CALGARY BOARD OF EDUCATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2024, WITH COMPARATIVE INFORMATION FOR 2023
(in dollars)

	2024	2023
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Annual surplus (deficit)	$ (4,776,000)	$ 36,427,000
Add (Deduct) items not affecting cash:		
Amortization of tangible capital assets	$ 88,912,000	$ 81,227,000
Net (gain)/loss on disposal of tangible capital assets	$ 40,000	$ (30,031,000)
Transfer of tangible capital assets (from)/to other entities	$ -	$ 10,804,000
(Gain)/Loss on sale of portfolio investments	$ -	$ -
Spent deferred capital recognized as revenue	$ (58,854,000)	$ (55,220,000)
Deferred capital revenue write-down / adjustment	$ -	$ -
Increase/(Decrease) in employee future benefit liabilities	$ 1,056,000	$ (1,513,000)
Donations in kind	$ -	$ -
Transfer to capital reserves	$ (3,605,000)	$ -
	$ 22,773,000	$ 41,694,000
(Increase)/Decrease in accounts receivable	$ 19,545,000	$ (23,593,000)
(Increase)/Decrease in inventories for resale	$ -	$ -
(Increase)/Decrease in other financial assets	$ -	$ -
(Increase)/Decrease in inventory of supplies	$ -	$ -
(Increase)/Decrease in prepaid expenses	$ (4,803,000)	$ 1,769,000
(Increase)/Decrease in other non-financial assets	$ -	$ -
Increase/(Decrease) in accounts payable, accrued and other liabilities	$ 15,182,000	$ (15,178,000)
Increase/(Decrease) in unspent deferred contributions	$ 1,396,000	$ (9,008,000)
Increase/(Decrease) in asset retirement obligations and environmental liabilities	$ -	$ (5,091,000)
Other	$ 859,000	$ -
Total cash flows from operating transactions	$ 54,952,000	$ (9,407,000)
B. CAPITAL TRANSACTIONS		
Acqusition of tangible capital assets	$ (67,015,000)	$ (75,667,000)
Net proceeds from disposal of unsupported capital assets		$ 30,363,000
AI transferred assets		$ -
Total cash flows from capital transactions	$ (67,015,000)	$ (45,304,000)
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	$ 295,000	$ (4,726,000)
Proceeds on sale of portfolio investments		$ 3,961,000
Other (Describe)	$ -	$ -
Net remeasurement gains for the year	$ 814,000	$ 254,000
Total cash flows from investing transactions	$ 1,109,000	$ (511,000)
D. FINANCING TRANSACTIONS		
Debt issuances	$ -	$ -
Debt repayments	$ -	$ -
Increase (decrease) in spent deferred capital contributions	$ 26,186,000	$ 18,602,000
Capital lease issuances	$ 1,531,000	$ 2,560,000
Capital lease payments	$ (3,308,000)	$ (3,392,000)
To match increase in spent deferred capital contributions to financial statements	$ -	$ 10,804,000
Total cash flows from financing transactions	$ 24,409,000	$ 28,574,000
Increase (decrease) in cash and cash equivalents	$ 13,455,000	$ (26,648,000)
Cash and cash equivalents, at beginning of year	$ 182,183,000	$ 208,831,000
Cash and cash equivalents, at end of year	$ 195,638,000	$ 182,183,000

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

CALGARY BOARD OF EDUCATION
CONSOLIDATED STATEMENT OF ACCUMULATED REMEASUREMENT GAINS AND LOSSES
FOR THE YEAR ENDED AUGUST 31, 2024, WITH COMPARATIVE INFORMATION FOR 2023
(in dollars)

	2024	2023
Unrealized gains (losses) attributable to:		
Portfolio investments	$ 697,000	$ 281,000
Foreign Currency Translation	$ 117,000	$ (28,000)
Amounts reclassified to the statement of operations:		
Portfolio investments	$ -	$ -
Foreign Currency Translation	$ -	$ -
Net remeasurement gains (losses) for the year	$ 814,000	$ 253,000
Accumulated remeasurement gains (losses) at beginning of year	$ 981,000	$ 728,000
Accumulated remeasurement gains (losses) at end of year	$ 1,795,000	$ 981,000

CALGARY BOARD OF EDUCATION
CONSOLIDATED STATEMENT OF CHANGES IN NET (DEBT) FINANCIAL ASSETS
FOR THE YEAR ENDED AUGUST 31, 2024, WITH COMPARATIVE INFORMATION FOR 2023
(in dollars)

		Budget 2024	2024	2023
Annual surplus (deficit)		$ -	$ (4,776,000)	$ 36,427,000
Effect of changes in tangible capital assets				
Acquisition of tangible capital assets		$ (27,202,000)	$ (39,381,000)	$ (75,667,000)
Amortization of tangible capital assets		$ 87,360,000	$ 88,912,000	$ 81,227,000
Net (gain)/loss on disposal of tangible capital assets		$ -	$ 40,000	$ (30,031,000)
Net proceeds from disposal of unsupported capital assets		$ -	$ -	$ 30,365,000
Write-down carrying value of tangible capital assets		$ -		$ -
Transfer of tangible capital assets (from)/to other entities		$ -		$ (106,650,000)
Other changes	Transfer	$ -	$ (3,605,000)	$ 10,804,000
Total effect of changes in tangible capital assets		$ 60,158,000	$ 45,966,000	$ (89,952,000)
Acquisition of inventory of supplies		$ -	$ -	$ -
Consumption of inventory of supplies		$ -	$ -	$ -
(Increase)/Decrease in prepaid expenses		$ -	$ (4,803,000)	$ 1,769,000
(Increase)/Decrease in other non-financial assets		$ -	$ -	$ -
Net remeasurement gains and (losses)		$ -	$ 814,000	$ 253,000
Change in spent deferred capital contributions	(Schedule 2)		$ (60,302,000)	$ 80,836,000
Other changes	UDCC cleanup	$ -	$ 1,556,000	$ (1,823,000)
Increase (decrease) in net financial assets		$ 60,158,000	$ (21,545,000)	$ 27,510,000
Net financial assets at beginning of year		$ (79,658,000)	$ (79,658,000)	$ (107,168,000)
Net financial assets at end of year		$ (19,500,000)	$ (101,203,000)	$ (79,658,000)

CALGARY BOARD OF EDUCATION
SCHEDULE 1 – NET ASSETS
FOR THE YEAR ENDED AUGUST 31, 2024, WITH COMPARATIVE INFORMATION FOR 2023

	NET ASSETS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED SURPLUS (DEFICIT)	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED TOTAL OPERATING RESERVES	INTERNALLY RESTRICTED TOTAL CAPITAL RESERVES
Balance at August 31, 2023	$ 140,581,000	$ 981,000	$ 139,600,000	$ 38,659,000	$ 5,206,000	$ (21,107,000)	$ 37,855,000	$ 78,987,000
Prior period adjustments:								
Adjusted Balance, August 31, 2023	$ 140,581,000	$ 981,000	$ 139,600,000	$ 38,659,000	$ 5,206,000	$ (21,107,000)	$ 37,855,000	$ 78,987,000
Operating surplus (deficit)	$ (4,776,000)		$ (4,776,000)			$ (4,776,000)		
Board funded tangible capital asset additions				$ 43,499,000		$ (18,265,000)	$ -	$ (25,234,000)
Board funded ARO tangible capital asset additions				$ -		$ -	$ -	$ -
Disposal of unsupported or board funded portion of supported tangible capital assets	$ -		$ -	$ (3,000)		$ 3,000		$ -
Disposal of unsupported ARO tangible capital assets	$ -		$ -	$ -		$ -		$ -
Write-down of unsupported or board funded portion of supported tangible capital assets	$ -		$ -	$ -		$ -		$ -
Net remeasurement gains (losses) for the year	$ 814,000	$ 814,000						
Endowment expenses & disbursements	$ -		$ -		$ 422,000	$ (422,000)		
Endowment contributions	$ -		$ -		$ -	$ -		
Reinvested endowment income	$ -		$ -		$ -	$ -		
Direct credits to accumulated surplus (Describe)	$ -		$ -		$ -	$ -	$ -	$ -
Amortization of tangible capital assets	$ -			$ (86,040,000)		$ 86,040,000		
Amortization of ARO tangible capital assets	$ -			$ (2,872,000)		$ 2,872,000		
Board funded ARO liabilities - recognition	$ -			$ -		$ -		
Board funded ARO liabilities - remediation	$ -			$ -				
Capital revenue recognized	$ -			$ 58,854,000		$ (58,854,000)		
Debt principal repayments (unsupported)	$ -			$ 3,307,000		$ (3,307,000)		
Additional capital debt or capital leases	$ -			$ (1,531,000)		$ 1,531,000		
Net transfers to operating reserves	$ -					$ (16,071,000)	$ 16,071,000	
Net transfers from operating reserves	$ -					$ 8,567,000	$ (8,567,000)	
Net transfers to capital reserves	$ -					$ (27,776,000)		$ 27,776,000
Net transfers from capital reserves	$ -					$ 11,344,000		$ (11,344,000)
Solar Panel Rebate Revenue Other	$ -		$ -	$ -	$ -	$ (3,603,000)	$ -	$ 3,603,000
Other Changes	$ -		$ -	$ -	$ -	$ -	$ -	$ -
Balance at August 31, 2024	$ 136,619,000	$ 1,795,000	$ 134,824,000	$ 53,873,000	$ 5,628,000	$ (43,824,000)	$ 45,359,000	$ 73,788,000

CALGARY BOARD OF EDUCATION
SCHEDULE 1 – NET ASSETS
FOR THE YEAR ENDED AUGUST 31, 2024, WITH COMPARATIVE INFORMATION FOR 2023

INTERNALLY RESTRICTED RESERVES BY PROGRAM

School & Instruction Related		Operations & Maintenance		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
$ 43,142,000	$ 48,248,000	$ 103,000	$ 30,705,000	$ (6,989,000)	$ 34,000	$ 1,599,000	$ -	$ -	$ -
$ 43,142,000	$ 48,248,000	$ 103,000	$ 30,705,000	$ (6,989,000)	$ 34,000	$ 1,599,000	$ -	$ -	$ -
$ -	$ (18,783,000)	$ -	$ (6,417,000)	$ -	$ (34,000)	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -		$ -		$ -		$ -		$ -
	$ -		$ -		$ -		$ -		$ -
	$ -		$ -		$ -		$ -		$ -
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ 7,543,000		$ -		$ 1,325,000		$ 7,203,000		$ -	
$ (3,690,000)		$ (103,000)		$ (3,175,000)		$ (1,599,000)		$ -	
	$ 17,394,000		$ 9,495,000		$ 887,000		$ -		$ -
	$ (4,084,000)		$ (7,260,000)		$ -		$ -		$ -
$ -	$ -	$ -	$ 3,603,000	$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ 46,995,000	$ 42,775,000	$ -	$ 30,126,000	$ (8,839,000)	$ 887,000	$ 7,203,000	$ -	$ -	$ -

CALGARY BOARD OF EDUCATION
SCHEDULE 2– CAPITAL REVENUE
FOR THE YEAR ENDED AUGUST 31, 2024, WITH COMPARATIVE INFORMATION FOR 2023

	Alberta Education						Other GoA Ministries					Other Sources				
	IMR	CMR	Safe Return to Class/Safe Indoor Air	Transportation	Others	Total Education	Alberta Infrastructure	Children's Services	Health	Other GOA Ministries	Total Other GoA Ministries	Gov't of Canada	Donations and grants from others	Other	Total other sources	Total
Deferred Operating Contributions (DOC)																
Balance at August 31, 2023	$ 4,245,000	$ -	$ 47,000	$ -	$ 6,608,000	**$ 10,900,000**	$ -	$ -	$ -	$ -	**$ -**	$ -	$ 1,581,000	$ 59,000	**$1,640,000**	**$ 12,540,000**
Prior period adjustments - please explain:	$ -	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	**$ -**	**$ -**
Adjusted ending balance August 31, 2023	**$ 4,245,000**	**$ -**	**$ 47,000**	**$ -**	**$ 6,608,000**	**$ 10,900,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,581,000**	**$ 59,000**	**$1,640,000**	**$ 12,540,000**
Received during the year (excluding investment income)	$17,265,000	$ -	$ -	$ 51,371,000	$ 20,199,000	**$ 88,835,000**	$ -	$ -	$ -	$ -	**$ -**	$ -	$ 801,000	$ -	**$ 801,000**	**$ 89,636,000**
Transfer (to) grant/donation revenue (excluding investment income)	$ (8,880,000)	$ -	$ (47,000)	$ (51,371,000)	$(20,573,000)	**$ (80,871,000)**	$ -	$ -	$ -	$ -	**$ -**	$ -	$ (806,000)	$ (5,000)	**$ (811,000)**	**$ (81,682,000)**
Investment earnings - Received during the year	$ 233,000	$ -	$ -	$ -	$ -	**$ 233,000**	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	**$ -**	**$ 233,000**
Investment earnings - Transferred to investment income	$ -	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	**$ -**	**$ -**
Transferred (to) from UDCC	$ -	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	**$ -**	**$ -**
Transferred directly (to) SDCC	$ (8,302,000)	$ -	$ -	$ -	$ -	**$ (8,302,000)**	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	**$ -**	**$ (8,302,000)**
Transferred (to) from others - please explain:	$ -	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	**$ -**	**$ -**
DOC closing balance at August 31, 2024	**$ 4,561,000**	**$ -**	**$ -**	**$ -**	**$ 6,234,000**	**$ 10,795,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,576,000**	**$ 54,000**	**$1,630,000**	**$ 12,425,000**
Unspent Deferred Capital Contributions (UDCC)																
Balance at August 31, 2023	$ -	$ 9,045,000	$ -	$ -	$ 3,007,000	**$ 12,052,000**	$ 2,376,000	$ -	$ -	$ -	**$ 2,376,000**	$ -	$ -	$ -	**$ -**	**$ 14,428,000**
Prior period adjustments - please explain:	$ -	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	**$ -**	**$ -**
Adjusted ending balance August 31, 2023	**$ -**	**$ 9,045,000**	**$ -**	**$ -**	**$ 3,007,000**	**$ 12,052,000**	**$ 2,376,000**	**$ -**	**$ -**	**$ -**	**$ 2,376,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 14,428,000**
Received during the year (excluding investment income)	$ -	$ 15,595,000	$ -	$ -	$ 3,176,000	**$ 18,771,000**	$ 485,000	$ -	$ -	$ -	**$ 485,000**	$ -	$ -	$ -	**$ -**	**$ 19,256,000**
UDCC Receivable	$ -	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	**$ -**	**$ -**
Transfer (to) grant/donation revenue (excluding investment income)	$ -	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	**$ -**	**$ -**
Investment earnings - Received during the year	$ -	$ 526,000	$ -	$ -	$ -	**$ 526,000**	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	**$ -**	**$ 526,000**
Investment earnings - Transferred to investment income	$ -	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	**$ -**	**$ -**
Proceeds on disposition of supported capital/ Insurance proceeds (and related interest)	$ -	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	**$ -**	**$ -**
Transferred from (to) DOC	$ -	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Transferred from (to) SDCC	$ -	$(13,495,000)	$ -	$ -	$ (3,147,000)	**$ (16,642,000)**	$ (1,242,000)	$ -	$ -	$ -	**$ (1,242,000)**	$ -	$ -	$ -	**$ -**	**$ (17,884,000)**
Transferred (to) from others - please explain:	$ -	$ -	$ -	$ -	$ -	**$ -**	$ (387,000)	$ -	$ -	$ -	**$ (387,000)**	$ -	$ -	$ -	**$ -**	**$ (387,000)**
UDCC closing balance at August 31, 2024	**$ -**	**$ 11,671,000**	**$ -**	**$ -**	**$ 3,036,000**	**$ 14,707,000**	**$ 1,232,000**	**$ -**	**$ -**	**$ -**	**$ 1,232,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 15,939,000**
Total Unspent Deferred Contributions at August 31, 2024	**$ 4,561,000**	**$ 11,671,000**	**$ -**	**$ -**	**$ 9,270,000**	**$ 25,502,000**	**$ 1,232,000**	**$ -**	**$ -**	**$ -**	**$ 1,232,000**	**$ -**	**$ 1,576,000**	**$ 54,000**	**$1,630,000**	**$ 28,364,000**
Spent Deferred Capital Contributions (SDCC)																
Balance at August 31, 2023	$84,960,000	$ 58,811,000	$ 2,928,000	$ -	$ 3,908,000	**$ 150,607,000**	$1,120,394,000	$ -	$ -	$ -	**$ 1,120,394,000**	$ -	$ 2,244,000	$ -	**$2,244,000**	**$1,273,245,000**
Prior period adjustments - please explain:	$ -	$ -			$ -	**$ -**	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	**$ -**	**$ -**
Adjusted ending balance August 31, 2023	**$84,960,000**	**$ 58,811,000**	**$ 2,928,000**	**$ -**	**$ 3,908,000**	**$ 150,607,000**	**$1,120,394,000**	**$ -**	**$ -**	**$ -**	**$ 1,120,394,000**	**$ -**	**$ 2,244,000**	**$ -**	**$2,244,000**	**$1,273,245,000**
Donated tangible capital assets					$ -	**$ -**	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	**$ -**	**$ -**
Alberta Infrastructure managed projects						**$ -**	$ -				**$ -**				**$ -**	**$ -**
Transferred from DOC	$ 8,302,000	$ -	$ -	$ -	$ -	**$ 8,302,000**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ 8,302,000**
Transferred from UDCC	$ -	$ 13,495,000	$ -	$ -	$ 3,147,000	**$ 16,642,000**	$ 1,242,000	$ -	$ -	$ -	$ 1,242,000	$ -	$ -	$ -	**$ -**	**$ 17,884,000**
Amounts recognized as revenue (Amortization of SDCC)	$ (5,071,000)	$ (3,644,000)	$ (1,465,000)	$ -	$ (388,000)	**$ (10,568,000)**	$ (48,015,000)	$ -	$ -	$ -	**$ (48,015,000)**	$ -	$ (271,000)	$ -	**$ (271,000)**	**$ (58,854,000)**
Disposal of supported capital assets	$ -	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -	**$ -**	**$ -**
Transferred (to) from others - please explain: P3 Writedown	$ -	$ -	$ -	$ -	$ -	**$ -**	$ (27,634,000)	$ -	$ -	$ -	**$ (27,634,000)**	$ -	$ -	$ -	**$ -**	**$ (27,634,000)**
SDCC closing balance at August 31, 2024	**$88,191,000**	**$ 68,662,000**	**$ 1,463,000**	**$ -**	**$ 6,667,000**	**$ 164,983,000**	**$1,045,987,000**	**$ -**	**$ -**	**$ -**	**$ 1,045,987,000**	**$ -**	**$ 1,973,000**	**$ -**	**$1,973,000**	**$1,212,943,000**

CALGARY BOARD OF EDUCATION
SCHEDULE 3 – STATEMENT OF OPERATIONS
FOR THE YEAR ENDED AUGUST 31, 2024, WITH COMPARATIVE INFORMATION FOR 2023

		2024							2023
		Instruction		Operations and		System	External		
	REVENUES	ECS	Grades 1 - 12	Maintenance	Transportation	Administration	Services	TOTAL	TOTAL
(1)	Alberta Education	$ 35,752,000	$ 1,127,086,000	$ 133,337,000	$ 52,724,000	$ 43,860,000	$ -	$ 1,392,759,000	$ 1,295,277,000
(2)	Alberta Infrastructure	$ -	$ -	$ 53,152,000	$ -	$ -	$ -	$ 53,152,000	$ 49,904,000
(3)	Other - Government of Alberta	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 99,000
(4)	Federal Government and First Nations	$ -	$ 1,087,000	$ -	$ -	$ 26,000	$ -	$ 1,113,000	$ 1,285,000
(5)	Other Alberta school authorities	$ -	$ 294,000	$ 5,000	$ -	$ -	$ -	$ 299,000	$ 324,000
(6)	Out of province authorities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(7)	Alberta municipalities-special tax levies	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(8)	Property taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(9)	Fees	$ 182,000	$ 29,547,000		$ 5,275,000		$ 19,399,000	$ 54,403,000	$ 49,462,000
(10)	Sales of services and products	$ -	$ 19,195,000	$ 3,726,000	$ -	$ 149,000	$ 728,000	$ 23,798,000	$ 18,792,000
(11)	Investment income	$ -	$ 1,694,000	$ -	$ -	$ 9,944,000	$ -	$ 11,638,000	$ 9,244,000
(12)	Gifts and donations	$ -	$ 15,712,000	$ 271,000	$ -	$ -	$ -	$ 15,983,000	$ 8,429,000
(13)	Rental of facilities	$ -	$ -	$ 307,000	$ -	$ 355,000	$ 3,409,000	$ 4,071,000	$ 3,556,000
(14)	Fundraising	$ -	$ 1,619,000	$ -	$ -	$ -	$ -	$ 1,619,000	$ 1,224,000
(15)	Gains on disposal of tangible capital assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 30,031,000
(16)	Other	$ -	$ 697,000	$ -	$ -	$ -	$ -	$ 697,000	$ 5,421,000
(17)	**TOTAL REVENUES**	$ 35,934,000	$ 1,196,931,000	$ 190,798,000	$ 57,999,000	$ 54,334,000	$ 23,536,000	$ 1,559,532,000	$ 1,473,048,000
	EXPENSES								
(18)	Certificated salaries	$ 24,116,000	$ 723,267,000			$ 1,147,000	$ 4,652,000	$ 753,182,000	$ 701,656,000
(19)	Certificated benefits	$ 3,579,000	$ 175,167,000			$ 189,000	$ 586,000	$ 179,521,000	$ 161,998,000
(20)	Non-certificated salaries and wages	$ 5,858,000	$ 129,995,000	$ 55,858,000	$ 1,050,000	$ 17,048,000	$ 14,358,000	$ 224,167,000	$ 204,065,000
(21)	Non-certificated benefits	$ 1,472,000	$ 33,937,000	$ 14,675,000	$ 219,000	$ 3,720,000	$ 3,066,000	$ 57,089,000	$ 50,034,000
(22)	SUB - TOTAL	$ 35,025,000	$ 1,062,366,000	$ 70,533,000	$ 1,269,000	$ 22,104,000	$ 22,662,000	$ 1,213,959,000	$ 1,117,753,000
(23)	Services, contracts and supplies	$ 183,000	$ 109,163,000	$ 67,167,000	$ 48,196,000	$ 21,570,000	$ 4,910,000	$ 251,189,000	$ 229,170,000
(24)	Amortization of supported tangible capital assets	$ -	$ -	$ 58,854,000	$ -	$ -	$ -	$ 58,854,000	$ 55,220,000
(25)	Amortization of unsupported tangible capital assets	$ -	$ 17,760,000	$ 7,650,000	$ -	$ 1,711,000	$ 65,000	$ 27,186,000	$ 23,108,000
(26)	Amortization of supported ARO tangible capital assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(27)	Amortization of unsupported ARO tangible capital assets	$ -	$ -	$ 2,872,000	$ -	$ -	$ -	$ 2,872,000	$ 2,899,000
(28)	Accretion expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(29)	Unsupported interest on capital debt	$ -	$ -	$ 557,000	$ -	$ 46,000	$ -	$ 603,000	$ 564,000
(30)	Other interest and finance charges	$ -	$ 1,079,000	$ -	$ 172,000	$ 46,000	$ 613,000	$ 1,910,000	$ 1,636,000
(31)	Losses on disposal of tangible capital assets	$ -	$ -	$ 40,000	$ -	$ -	$ -	$ 40,000	$ -
(32)	Other expense	$ 38,000	$ 877,000	$ -	$ 1,159,000	$ -	$ 5,621,000	$ 7,695,000	$ 6,271,000
(33)	**TOTAL EXPENSES**	$ 35,246,000	$ 1,191,245,000	$ 207,673,000	$ 50,796,000	$ 45,477,000	$ 33,871,000	$ 1,564,308,000	$ 1,436,621,000
(34)	**OPERATING SURPLUS (DEFICIT)**	$ 688,000	$ 5,686,000	$ (16,875,000)	$ 7,203,000	$ 8,857,000	$ (10,335,000)	$ (4,776,000)	$ 36,427,000

CALGARY BOARD OF EDUCATION
SCHEDULE 4 – OPERATIONS AND MAINTENANCE EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2024, WITH COMPARATIVE INFORMATION FOR 2023

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR/CMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	Supported Capital & Debt Services	2024 TOTAL Operations and Maintenance	2023 TOTAL Operations and Maintenance
Non-certificated salaries and wages	$ 38,228,000	$ 10,736,000	$ -	$ 1,760,000	$ 5,134,000			$ 55,858,000	$ 51,060,000
Non-certificated benefits	$ 10,193,000	$ 2,286,000	$ -	$ 426,000	$ 1,770,000			$ 14,675,000	$ 12,733,000
SUB-TOTAL REMUNERATION	$ 48,421,000	$ 13,022,000	$ -	$ 2,186,000	$ 6,904,000			$ 70,533,000	$ 63,793,000
Supplies and services	$ 8,059,000	$ 6,818,000	$ -	$ 8,127,000	$ 1,689,000			$ 24,693,000	$ 24,207,000
Electricity			$ 14,518,000					$ 14,518,000	$ 15,027,000
Natural gas/heating fuel			$ 10,938,000					$ 10,938,000	$ 10,009,000
Sewer and water			$ 2,718,000					$ 2,718,000	$ 2,510,000
Telecommunications			$ 1,047,000					$ 1,047,000	$ 1,064,000
Insurance					$ 8,885,000			$ 8,885,000	$ 7,960,000
ASAP maintenance & renewal payments							$ 4,039,000	$ 4,039,000	$ 3,513,000
Amortization of tangible capital assets									
Supported							$ 58,854,000	$ 58,854,000	$ 55,220,000
Unsupported						$ 10,522,000		$ 10,522,000	$ 7,377,000
TOTAL AMORTIZATION						$ 10,522,000	$ 58,854,000	$ 69,376,000	$ 62,597,000
Accretion expense						$ -	$ -	$ -	$ -
Interest on capital debt - Unsupported						$ 557,000		$ 557,000	$ 511,000
Lease payments for facilities				$ 329,000				$ 329,000	$ 317,000
Other expense	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Losses on disposal of capital assets						$ 40,000		$ 40,000	$ -
TOTAL EXPENSES	$ 56,480,000	$ 19,840,000	$ 29,221,000	$ 10,642,000	$ 17,478,000	$ 11,119,000	$ 62,893,000	$ 207,673,000	$ 191,508,000

SQUARE METRES	2024	2023
School buildings	1,540,158.6 (unaudited)	1,523,542.6 (unaudited)
Non school buildings	44,687.9 (unaudited)	44,687.9 (unaudited)

Notes:

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 Infrastructure Maintenance Renewal (IMR), CMR & 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, CMR & Modular Unit Relocation & Lease Payments: All operational expenses associated with non-capitalized IMR and CMR 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.

CALGARY BOARD OF EDUCATION
SCHEDULE 5– CASH AND PORTFOLIO INVESTMENTS
FOR THE YEAR ENDED AUGUST 31, 2024, WITH COMPARATIVE INFORMATION FOR 2023

Cash & Cash Equivalents	**2024**			**2023**
	Average Effective (Market) Yield	**Cost**	**Amortized Cost**	**Amortized Cost**
Cash	5.29%	$ -	$ 195,492,000	$ 182,032,000
Cash equivalents				
Government of Canada, direct and guaranteed	0.00%	-	-	-
Provincial, direct and guaranteed	0.00%	-	-	-
Corporate	0.00%	-	-	-
Other, including GIC's	3.08%	-	146,000	151,000
Total cash and cash equivalents	5.29%	$ -	$ 195,638,000	$ 182,183,000

See Note 4 for additional detail.

Portfolio Investments	**2024**								**2023**		
			Investments Measured at Fair Value								
	Average Effective (Market) Yield	**Investments Measured at Cost/Amortized Cost**	**Cost**	**Fair Value (Level 1)**	**Fair Value (Level 2)**	**Fair Value (Level 3)**	**Subtotal of Fair Value**	**Total**	**Investments Measured at Cost/Amortized Cost**	**Fair Value**	**Total**
Interest-bearing securities											
Deposits and short-term securities	3.51%	$ 12,970,000	$ -	$ -	$ -	$ -	$ -	$ 12,970,000	$ 14,522,000	$ -	$ 14,522,000
Bonds and mortgages	0.00%	-	-	-	-	-	-	-	-	-	-
	3.51%	12,970,000	-	-	-	-	-	12,970,000	14,522,000	-	14,522,000
Equities											
Canadian equities	3.12%	$ -	$ 8,242,000	$ 10,955,000	$ -	$ -	$ 10,955,000	$ 10,955,000	$ -	$ 9,001,000	$ 9,001,000
Global developed equities	0.00%	-	-	-	-	-	-	-	-	-	-
Emerging markets equities	0.00%	-	-	-	-	-	-	-	-	-	-
Private equities	0.00%	-	-	-	-	-	-	-	-	-	-
Hedge funds	0.00%	-	-	-	-	-	-	-	-	-	-
	3.12%	-	8,242,000	10,955,000	-	-	10,955,000	10,955,000	-	9,001,000	9,001,000
Inflation sensitive											
Real estate	0.00%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Infrastructure	0.00%	-	-	-	-	-	-	-	-	-	-
Renewable resources	0.00%	-	-	-	-	-	-	-	-	-	-
Other investments	0.00%	-	-	-	-	-	-	-	-	-	-
	0.00%	-	-	-	-	-	-	-	-	-	-
Strategic, tactical, and currency investments	0.00%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total portfolio investments	3.33%	12,970,000	8,242,000	10,955,000	-	-	10,955,000	23,925,000	14,522,000	9,001,000	23,523,000

Portfolio investments

	2024			
	Level 1	**Level 2**	**Level 3**	**Total**
Pooled investment funds	$ -	$ -	$ -	$ -

Portfolio Investments Measured at Fair Value	2024				2023
	Level 1	**Level 2**	**Level 3**	**Total**	**Total**
Portfolio investments in equity instruments that are quoted in an active market.	$ 10,955,000	$ -	$ -	$ 10,955,000	$ 9,001,000
Porfolio investments designated to their fair value category.	-	-	-	-	-
	$ 10,955,000	$ -	$ -	$ 10,955,000	$ 9,001,000

	2024	**2023**
Operating		
Cost	$ 12,970,000	$ 14,522,000
Unrealized gains and losses	-	-
	12,970,000	14,522,000
Endowments		
Cost	$ 8,242,000	$ 6,985,000
Unrealized gains and losses	2,713,000	2,016,000
Deferred revenue	-	-
	10,955,000	9,001,000
Total portfolio investments	$ 23,925,000	$ 23,523,000

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

	2024	**2023**
Under 1 year	11.8%	11.5%
1 to 5 years	88.2%	88.5%
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
FOR THE YEAR ENDED AUGUST 31, 2024, WITH COMPARATIVE INFORMATION FOR 2023

Tangible Capital Assets	2024							2023
	Land	Work In Progress*	Buildings**	Equipment	Vehicles	Computer Hardware & Software	Total	Total
Estimated useful life			10-50 Years	5-15 Years	5-10 Years	3-5 Years		
Historical cost								
Beginning of year	$ 4,774,000	$ 8,719,000	$ 2,264,638,000	$ 242,838,000	$ 11,470,000	$ 233,595,000	$ 2,766,034,000	2,452,769,000
Prior period adjustments	-	-		-	-	-	-	150,572,000
Additions	-	67,498,000	(38,874,000)	-	-	-	28,624,000	173,469,000
Transfers in (out)	-	(65,484,000)	24,451,000	23,195,000	330,000	17,508,000	-	-
Less disposals including write-offs	-	-	-	(55,000)	(445,000)	-	(500,000)	(10,776,000)
Historical cost, August 31, 2024	$ 4,774,000	$ 10,733,000	$ 2,250,215,000	$ 265,978,000	$ 11,355,000	$ 251,103,000	$ 2,794,158,000	$ 2,766,034,000
Accumulated amortization								
Beginning of year	$ -	$ -	$ 909,610,000	$ 170,308,000	$ 9,948,000	$ 199,521,000	$ 1,289,387,000	1,117,880,000
Prior period adjustments	-	-	-	-	-	-	-	100,590,000
Amortization	-	-	59,257,000	13,800,000	525,000	15,331,000	88,913,000	81,227,000
Other additions	-	-	(12,770,000)	-	-	-	(12,770,000)	-
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	(52,000)	(445,000)	-	(497,000)	(10,310,000)
Accumulated amortization, August 31, 2024	$ -	$ -	$ 956,097,000	$ 184,056,000	$ 10,028,000	$ 214,852,000	$ 1,365,033,000	$ 1,289,387,000
Net Book Value at August 31, 2024	$ 4,774,000	$ 10,733,000	$ 1,294,118,000	$ 81,922,000	$ 1,327,000	$ 36,251,000	$ 1,429,125,000	
Net Book Value at August 31, 2023	$ 4,774,000	$ 8,719,000	$ 1,355,028,000	$ 72,530,000	$ 1,522,000	$ 34,074,000		$ 1,476,647,000

	2024	2023
Total cost of assets under capital lease	$ 57,126,000	$ 55,595,000
Total amortization of assets under capital lease	$ 33,079,000	$ 29,995,000

Assets under capital lease includes buildings with a total cost of $57,125,989 (2023 - $55,595,000) and accumulated amortization of $33,079,034 (2023 - $29,995,000)

*Work in Progress of $10.7 million includes Lousie Dean relocation and modular additions to existing schools

Work in Progress amounts specific to additional schools managed and controlled by Alberta Infrastructure are not available. The school division will report new school with its tangible capital assets when the school is complete and controlled by the Division.

After adoption of PS 3160, using calculation provided by Alberta Education, net book value of building assets were written down by $27,634,000.

*Buildings include leasehold improvements with a total cost of $nil (2023- $nil) and accumulated amortization of $nil as well as site improvements with a total cost of $247,138,015 (2023- $222,686,580) and accumulated amortization of $54,633,296 (2023 - $43,926,886).

*Note the asset retirement tangible capital asset of $150,572,000 and accumulated amortization of $106,361,000 (Sch 8) is included in the Buildings balance.

CALGARY BOARD OF EDUCATION
SCHEDULE 7 – REMUNERATION
FOR THE YEAR ENDED AUGUST 31, 2024

Board Members:		FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other Paid	Other Accrued Unpaid Benefits (1)	Expenses	
Laura Hack, Trustee		1.00	$54,811	$3,576	$8,797			$1,864	$8,769	Non-Certificated
Susan Vukadinovic, Trustee		1.00	$46,850	$3,102	$8,796			$1,864	$1,880	Non-Certificated
Charlene May, Trustee		1.00	$50,831	$3,339	$8,796			$1,864	$5,438	Non-Certificated
Dana Downey, Trustee		1.00	$46,850	$3,106	$8,806			$0	$3,649	Non-Certificated
Marilyn Dennis, Trustee		1.00	$46,850	$3,102	$8,796			$864	$0	Non-Certificated
Nancy Close, Vice Chair		1.00	$47,888	$3,160	$8,790			$1,864	$2,418	Non-Certificated
Patricia Bolger, Chair		1.00	$48,927	$3,226	$8,796			$1,864	$2,256	Non-Certificated
Subtotal		7.00	$343,007	$22,611	$61,577			$10,184	$24,410	
Name, Superintendent 1	Joanne Pitman, Chief Superintendent	1.00	$271,451	$45,283	$6,631	$0	$9,147	$181,229	$4,397	Certificated
Name, Superintendent 2	Brad Grundy, Treasurer	1.00	$264,875	$43,676	$8,396	$0	$0	$116,312	$7,617	Non-Certificated
Name, Superintendent 3	Patricia Minor, Corporate Secretary	1.00	$145,506	$32,697	$0	$0	$0	$10,722	$0	Non-Certificated
Name, Treasurer 1	Superintendent, Certified	2.00	$479,640	$105,687	$7,761	$0	$97,453	$77,603	$10,509	Certificated
Name, Treasurer 2	Superintendent, Non-Certified	4.00	$987,331	$147,617	$32,123	$0	$0	$272,142	$3,341	Non-Certificated
Certificated			$752,431,654	$178,951,074	$0	$0	$47,842	$0		Certificated
School based		7,121.85								
Non-School based		171.39								
Non-certificated			$222,424,936	$55,060,792	$0	$0	$1,268,428	$0		Non-Certificated
Instructional		2,161.81								
Operations & Maintenance		828.38								
Transportation		13.00								
Other		430.08								
TOTALS		**10,742.51**	**$977,348,400**	**$234,409,438**	**$116,487**	**$0**	**$1,422,870**	**$668,192**	**$50,274**	

(1) Other Accrued Unpaid Benefits Include:

Please describe Other Accrued Unpaid Benefits

Other Accrued Unpaid Benefits include untaken vacation pay and supplemental pension expenses

Notes for Trustees

[1] **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.

[2] **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 the basic honorarium) in regular payments.

[3] **Negotiated allowances** are a transportation allowance of $4,100 annually.

[6] **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

[1] **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/Other as described below. Remuneration reported is on an accrual basis and differs from cash paid in the year.

[2] **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 Alberta Teachers Retirement Fund ("ATRF") contributions of individual jurisdictions are included in the audit confirmations that are accessible on the Extranet. Individual employee contributions, such as to the Superintendent, can be estimated by using the following formula:

E=D*ER rate *(subject to ATRF Maximum contributions) where
D=Salary updated to plan members' files
ER rate (2024) – 9.89%

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

[3] **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 are certificated school-based employee allowances outlined in collective agreements (these are included in remuneration).

[4] **Performance bonuses** include those monies paid to employees that are tied to the achievement of some specified goals or objectives. CBE does not provide for performance bonuses.

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

[6] **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.

[7] **Other Accrued Unpaid Benefits** include untaken vacation pay and supplemental pension expenses accrued up to August 31, 2024.

CALGARY BOARD OF EDUCATION
SCHEDULE 8 – ASSET RETIREMENT OBLIGATIONS
FOR THE YEAR ENDED AUGUST 31, 2024, WITH COMPARATIVE INFORMATION FOR 2023

Continuity of ARO (Liability) Balance

2024

(in dollars)	Land	Buildings	Equipment	Vehicles	Computer Hardware & Software	Total
Opening Balance, Aug 31, 2023	$ -	$ 149,748,000	$ -	$ -	$ -	$ 149,748,000
Liability incurred from Sept. 1, 2023 to Aug. 31, 2024	-	-	-	-	-	-
Liability settled/extinguished from Sept. 1, 2023 to Aug. 31, 2024 - Alberta Infrastructure	-	-	-	-	-	-
Liability settled/extinguished from Sept 1., 2023 to Aug. 31, 2024 - Other	-	-	-	-	-	-
Accretion expense (only if Present Value technique is used)	-	-	-	-	-	-
Add/(Less): Revision in estimate Sept. 1, 2023 to Aug. 31, 2024	-	-	-	-	-	-
Reduction of liability resulting from disposals of assets Sept. 1, 2023 to Aug. 31, 2024	-	-	-	-	-	-
Balance, Aug. 31, 2024	$ -	$ 149,748,000	$ -	$ -	$ -	$ 149,748,000

2023

(in dollars)	Land	Buildings	Equipment	Vehicles	Computer Hardware & Software	Total
Opening Balance, Aug 31, 2022	$ -	$ 154,839,000	$ -	$ -	$ -	$ 154,839,000
Liability incurred from Sept. 1, 2022 to Aug. 31, 2023	-	-	-	-	-	-
Liability settled/extinguished from Sept. 1, 2022 to Aug. 31, 2023 - Alberta Infrastructure	-	-	-	-	-	-
Liability settled/extinguished from Sept. 1, 2022 to Aug. 31, 2023 - Other	-	-	-	-	-	-
Accretion expense (only if Present Value technique is used)	-	-	-	-	-	-
Add/(Less): Revision in estimate Sept. 1, 2022 to Aug. 31, 2023	-	-	-	-	-	-
Reduction of liability resulting from disposals of assets Sept. 1, 2022 to Aug. 31, 2023	-	(5,091,000)	-	-	-	(5,091,000)
Balance, Aug. 31, 2023	$ -	$ 149,748,000	$ -	$ -	$ -	$ 149,748,000

Continuity of TCA (Capitalized ARO) Balance

2024

(in dollars)	Land	Buildings	Equipment	Vehicles	Computer Hardware & Software	Total
ARO Tangible Capital Assets - Cost						
Opening balance, August 31, 2023	$ -	$ 150,572,000	$ -	$ -	$ -	$ 150,572,000
Additions resulting from liability incurred	-	-	-	-	-	-
Revision in estimate	-	-	-	-	-	-
Reduction resulting from disposal of assets	-	-	-	-	-	-
Cost, August 31, 2024	$ -	$ 150,572,000	$ -	$ -	$ -	$ 150,572,000
ARO TCA - Accumulated Amortization						
Opening balance, August 31, 2023	$ -	$ 103,489,000	$ -	$ -	$ -	$ 103,489,000
Amortization expense	-	2,872,000	-	-	-	2,872,000
Revision in estimate	-	-	-	-	-	-
Less: disposals	-	-	-	-	-	-
Accumulated amortization, August 31, 2024	$ -	$ 106,361,000	$ -	$ -	$ -	$ 106,361,000
Net Book Value at August 31, 2024	$ -	$ 44,211,000	$ -	$ -	$ -	$ 44,211,000

2023

(in dollars)	Land	Buildings	Equipment	Vehicles	Computer Hardware & Software	Total
ARO Tangible Capital Assets - Cost						
Opening balance, August 31, 2022	$ -	$ 150,572,000	$ -	$ -	$ -	$ 150,572,000
Additions resulting from liability incurred	-	-	-	-	-	-
Revision in estimate	-	-	-	-	-	-
Reduction resulting from disposal of assets	-	-	-	-	-	-
Cost, August 31, 2023	$ -	$ 150,572,000	$ -	$ -	$ -	$ 150,572,000
ARO TCA - Accumulated Amortization						
Opening balance, August 31, 2022	$ -	$ 100,590,000	$ -	$ -	$ -	$ 100,590,000
Amortization expense	-	2,899,000	-	-	-	2,899,000
Revision in estimate	-	-	-	-	-	-
Less: disposals	-	-	-	-	-	-
Accumulated amortization, August 31, 2023	$ -	$ 103,489,000	$ -	$ -	$ -	$ 103,489,000
Net Book Value at August 31, 2023	$ -	$ 47,083,000	$ -	$ -	$ -	$ 47,083,000

1. NATURE OF OPERATIONS

The Calgary Board of Education (the "Corporation") is an independent legal entity with a publicly elected Board of Trustees as stipulated in the *Education Act*, Statutes of Alberta, 2012, Chapter E-0.3, and operates as "The Calgary Board of Education". From time to time, the Corporation is referred to as School Division 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. The Government of the Province of Alberta provides more than ninety two percent of the Corporation's total revenue on an annual basis. The Corporation receives funding for instruction and support under Ministerial Grants Regulation (215/2020). The regulation allows for the setting of conditions and use of grant monies. The school jurisdiction is limited on certain funding allocations and administration expenses.

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 public educational services for all instructional programs ranging from Kindergarten through Grade 12 to the Province of Alberta and its citizens and is principally funded by the Province of Alberta (the "Province") through the Alberta Ministry of Education. The Alberta Ministry of Education is generally referenced as Alberta Education.

2. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements were prepared by management in accordance with the Canadian 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

The consolidated financial statements reflect the assets, liabilities, revenues, and expenses of the Corporation, which is composed of all organizations, which are controlled by the Corporation. These organizations include:

- 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.

The accounts of government sector entities, except those designated as government business enterprises, are consolidated using the line-by-line method. Under this method, accounting policies of the consolidated entities are adjusted to conform to the Corporation's accounting policies and the results of each line item in their financial statements (revenue, expense, assets, and liabilities) are included in the Corporation's results. Inter-departmental and inter-organizational transactions and balances between these organizations are eliminated upon consolidation.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of Financial Reporting

Valuation of Financial Assets and Liabilities

The Corporation's financial assets and liabilities are generally measured as follows:

Financial Statement Component	Measurement
Cash and cash equivalents	Amortized cost
Accounts receivable	Lower of cost or net recoverable value
Inventories	Lower of cost or net realizable value
Portfolio investments	Fair value and amortized cost
Accounts payable and other accrued liabilities	Amortized cost
Debt	Amortized cost
Derivatives	Fair Value
Asset retirement obligations and environmental liabilities	Cost or Present Value

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expenses. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets are the Corporation's financial claims on external organizations and individuals, and inventories for resale at the year-end.

Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid, investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Cash equivalents have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term commitments rather than for investment purposes.

Accounts receivable

Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

Portfolio investments

The Corporation has investments in GIC's, term deposits, bonds, equity instruments, and mutual funds that have no maturity dates or maturity of greater than three months. GIC's, term deposits, and investments not quoted in an active market are reported at cost or amortized cost. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value. Discounts and premiums arising on the purchase of fixed-income securities are amortized over the term of the investments using an effective interest method.

Derivatives and portfolio investments in equity instruments that are quoted in an active market are recorded at fair value and the associated transaction costs are expensed upon initial recognition. The change in the fair value is recognized in the Consolidated Statement of 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 Consolidated Statement of Operations.

Impairment is defined as a loss in value of a portfolio investment that is other than a temporary decline and is included in the Consolidated 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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Portfolio investments (continued)

Consolidated Statement of Remeasurement Gains and Losses. A subsequent increase in value would be recognized on the Consolidated Statement of Remeasurement Gains and Losses and realized on the Consolidated Statement of Operations only when sold.

Scholarship Endowment Funds are included in Financial Assets in the Consolidated Statement of Financial Position. Contributions and income pertaining to scholarship endowment funds are recognized on the Consolidated Statement of Operations and must be held in perpetuity in accordance with the agreement with the donor. The residual may be disbursed for the purposes of the scholarship. Undisbursed funds earned on endowment principal are recognized as deferred revenue or as revenue in the year to the extent that stipulations have been met. Donors have placed restrictions on their contributions to endowments, for example, capital preservation. The principal restriction is that cash the original contribution should be maintained intact in perpetuity. Other restrictions may include spending investment income earned by endowments for specific operational or capital purposes or capitalizing a certain amount of investment income to maintain and grow the real value of endowments.

The Corporation's portfolio investments are in compliance and accordance with the *Education Act* and related *Investment Regulation.* Detailed information regarding portfolio investments is disclosed in Schedule 5: Schedule of Cash and Portfolio Investments.

Contractual obligations are evaluated for the existence of embedded derivatives. They are elected to either measure the entire contract at fair value or separately measure the value of the derivative component when characteristics of the derivative are not closely related to the economic characteristics and risks of the contract itself. Contracts to buy or sell non-financial items for the Corporation's normal course of business are not recognized as financial asset or liabilities. The Corporation does not have any derivatives.

Other financial assets

Other financial assets are valued at the lower of cost or expected net realizable value.

Liabilities

Liabilities are current obligations of the Corporation to external organizations and individuals arising from past transactions or events occurring before the year-end, the settlement of which is expected to result in the future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amounts.

Accounts payable and other accrued liabilities

Accounts payable and other accrued liabilities include unearned revenue collected from external organizations and individuals for which goods and services have yet to be provided.

Deferred contributions

Deferred contributions include contributions received for operations that have stipulations that meet the definition of a liability per PS 3200. These contributions are recognized by the Corporation once it has met all eligibility criteria to receive the contributions. When stipulations are met, deferred contributions are 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 includes contributions for capital expenditures, unspent, and spent. Unspent Deferred Capital Contributions (UDCC) 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 have stipulations that meet the definition of a liability per PS 3200 when spent.

Spent Deferred Capital Contributions (SDCC) represent externally restricted supported capital funds that have been spent but have yet to be amortized over the useful life of the related capital asset. Amortization over the useful life

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred contributions (continued)

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.

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 is formally recognized in the accounts of the Corporation, even though the Corporation has no legal obligation to pay these costs. Current service contributions are recognized as "Revenue from the Government of Alberta" and as "Certificated benefits" expense.

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 the 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 for 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 of August 31st.

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% of the employee's salary which is above the LAPP or ATRF pensionable earnings cap.

Post-Retirement and Post-Employment Benefits Plans ("PRB" and "PEB")
The Corporation has several 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 cost of the future benefit 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 10 years. The most recent valuation of the obligation was performed on August 31, 2022. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of August 31st was adopted.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Asset Retirement Obligations

Asset retirement obligations are legal obligations associated with the retirement of tangible capital assets (TCA). Asset retirement activities include all activities relating to an asset retirement obligation. These may include, but are not limited to:

- decommission or dismantling a tangible capital asset that was acquired, constructed or developed;
- remediation of contamination of a tangible capital asset created by its normal use;
- post- retirement activities such as monitoring; and
- constructing other tangible capital asset to perform post-retirement activities.

A liability for an asset retirement obligation is recognized when, as at the financial reporting date:

(a) there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
(b) the past transaction or even giving rise to the liability has occurred;
(c) it is expected that future economic benefits will be given up; and
(d) a reasonable estimate of the amount can be made.

When a liability for asset retirement obligation is recognized, asset retirement costs related to recognized tangible capital assets in productive use are capitalized by increasing the carrying amount of the related asset and are amortized over the estimated useful life of the underlying tangible capital asset. Asset retirement costs related to unrecognized tangible capital assets and those not in productive use are expensed.

Environmental Liabilities

Liability for Contaminated Sites
Contaminated sites are a result of contamination of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard, being introduced into soil, water, or sediment.

A liability for remediation of a contaminated site may arise from an operation that is either in productive use or no longer in productive use and may also arise from an unexpected event resulting in contamination. The resulting liability is recognized net of any expected recoveries, when all the following criteria are met:

i. the school jurisdiction has a duty or responsibility to others, leaving little or no discretion to avoid the obligation;
ii. the duty or responsibility to others entails settlement by future transfer or use of assets, or a provision of services at a specified or determinable date, or on demand;
iii. the transaction or events obligating the school jurisdiction have already occurred; and
iv. a reasonable estimate of the amount can be made.

Debt

Notes, debentures, and mortgages are recognized at their face amount less unamortized discount, which includes issue expenses.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Non-Financial Assets

Non-financial assets are acquired, constructed, or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

(a) are normally employed to deliver government services;
(b) may be consumed in the normal course of operations; and
(c) are not for sale in the normal course of operations.

Non-financial assets include tangible capital assets, capital leases and prepaid expenses.

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, and asset retirement cost.

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 the 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 Spent Deferred Capital Revenue.

Buildings that are demolished or destroyed are written off.

Capital assets that are paid for directly by the Province of Alberta on behalf of the Corporation are recorded by the Corporation at fair market value when the title has been 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 of the tangible capital assets, excluding land, is amortized on a straight-line basis over the estimated useful life of the asset. Amortization of the asset commences once the asset is in productive use. The estimated useful life is as follows:

Buildings	10 - 50 years
Furniture and equipment	5 - 15 years
Computer software and hardware	3 - 5 years
Vehicles	5 - 10 years

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 executory 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.

All leases deemed as operating are expensed in the year the expense is incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid expenses

Prepaid expenses are recognized at cost and amortized based on the terms of the agreement or using a methodology that reflects the use of the resource.

Net Financial Assets

Consistent with Alberta Education financial reporting guidelines for the year ended August 31, 2024, the Corporation excludes spent deferred capital contributions (SDCC) from the calculation of net financial assets.

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 Net Assets.

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 17.

Revenue recognition

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recognized as unearned revenue and recorded in accounts payable and other accrued liabilities.

Endowment contributions, matching contributions, and associated investment income allocated for the preservation of endowment capital purchasing power are recognized in the Consolidated Statement of Operations in the period in which they are received.

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

Eligibility criteria are criteria that the Corporation must meet 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 *PS 3200.* Such liabilities are recorded as deferred revenue. The following items fall under this category:

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government transfers

Transfers from all governments are referred to as government transfers. Government transfers and associated externally restricted investment income are recognized as deferred contributions if the eligibility criteria for the use of the transfer, or the stipulations together with the Corporation's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, the Corporation complies with its communicated use of these transfers.

All other government transfers, without stipulations for the use of the transfer, are recognized as revenue when the transfer is authorized, and the Corporation meets the related eligibility criteria.

Donations and non-Government contributions

Donations and non-government contributions are received from individuals, corporations, and private-sector not-for-profit organizations. Donations and non-government contributions may be unrestricted or externally restricted for operating or capital purposes.

Unrestricted donations and non-government contributions are recognized as revenue in the year received or in the year the funds are committed to the Corporation if the amount can be reasonably estimated, and collection is reasonably assured.

Externally restricted donations, non-government contributions, and realized and unrealized gains and losses for the associated externally restricted investment income are recognized as deferred contributions if the terms for their use, or the terms along with the Corporation's actions and communications as to the use, create a liability. These resources are recognized as revenue as the terms are met and, when applicable, the Corporation complies with its communicated use.

Grants and donations for land

The Corporation records transfers and donations for the purchase of the land as a liability when received and as revenue when the Corporation purchases the land. The Corporation records in-kind contributions of land as revenue at the fair value of the land. When the Corporation cannot determine the fair value, it records such in-kind contributions at nominal value.

Investment income

Investment income includes dividend and interest income and realized gains or losses on the sale of portfolio investments. Unrealized gains and losses on portfolio investments that are not from restricted transfers, donations or contributions are recognized in the Consolidated Statement of Accumulated Remeasurement Gains and Losses until the related investments are sold. Once realized, these gains or losses are recognized in the Consolidated Statement of Operations.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program reporting

The Corporation's operations have been segmented as follows:

- **ECS Instruction:** The provision of ECS educational instructional services that fall under the basic public education mandate.
- **Grade 1 - Grade 12 Instruction:** The provision of instructional services for Kindergarten to Grade 12 that fall under the basic public education mandate.
- **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 facility expenses.
- **System administration**: The provision of board governance and system-based/central office administration.
- **External services:** All projects, activities, and services offered outside the public education mandate for Pre-K children and students in K to Grade 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, and object on Schedule 3 Program Operations.

Financial instruments

The Corporation classifies its financial instruments at either the fair value or cost / 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 its performance on a fair value basis. These are initially recognized and subsequently carried at fair value. Unrealized changes in fair value are recognized in the Consolidated Statement of Remeasurement Gains and Losses until they are realized and de-recognized, when they are transferred to the Consolidated 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 Consolidated Statement of Operations. Upon disposal, the amount held in accumulated remeasurement gains and losses associated with that instrument is removed from the accumulated surplus and recognized in the Consolidated 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, and debt. 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 in the Consolidated 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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement uncertainty

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. 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.

Estimates of liabilities for contaminated sites are subject to measurement uncertainty because of the existence and extent of contamination, the responsibility of clean up and the timing and cost of remediation cannot be reasonably estimated. The degree of measurement uncertainty cannot be reasonably determined.

There is measurement uncertainty related to asset retirement obligations as it involves estimates in determining the settlement amount and timing of the settlement. Changes to either of these estimates and assumptions may result in a change to the obligation.

Budgetary information

Budget information is presented on the Consolidated Statement of Operations and Consolidated Statement of Changes in Net Financial Assets and on the related schedules and represents the budget approved by the Board of Trustees and submitted to Alberta Education in May 2023.

Contractual rights

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 (see Note 7).

Related party transactions

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 (see Note 13).

Inter-entity transactions

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 (see Note 13).

Future Accounting Changes

The Public Sector Accounting Board has issued the following accounting standards:

- **The Conceptual Framework of Financial Reporting in the Public Sector**
  The Conceptual Framework is the foundation for public sector financial reporting standard setting. It replaces the conceptual aspects of Section PS 1000 Financial Statement Concepts and Section PS 1100 Financial Statement Objectives. The conceptual framework highlights considerations fundamental for the consistent application of accounting issues in the absence of specific standards.

- **PS 1202 Financial Statement Presentation**
  Section PS 1202 sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement presentation principles are based on the concepts within the Conceptual Framework.

The Corporation's Management is currently assessing the impact of the conceptual framework and the standard on the consolidated financial statements.

(in thousands of $)

3. CHANGE IN ACCOUNTING POLICY

Effective September 1, 2023, the Corporation adopted PS 3160 Public Private Partnerships (P3), PS 3400 Revenue and PSG-8 Purchased Intangibles prospectively, with the exception of P3 contracts entered prior to September 1, 2023, of which retroactive application is used without restating prior year comparatives. As a result prior year comparatives are not restated for revenue, purchased intangibles or P3 contracts.

• **Adoption of PS 3400 Revenue**

The Corporation adopted the PS 3400 Revenue Guideline. There were no resulting changes in revenue measurement due to the change.

- Guideline requires the Corporation to differentiate revenue arising from transactions that include performance obligations (exchange transactions) and transactions with no performance obligations (non-exchange transactions).

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• **PSG-8 Purchased Intangibles**

The Corporation also adopted the PSG-8 Purchased Intangibles Guideline. Changes made to the consolidated financial statements include:

- Purchased intangibles are now recognized as assets in the financial statements when they meet the asset definition and general recognition criteria. Prior to adoption, purchased intangibles were expensed.

• **Adoption of PS 3160 Public Private Partnerships**

Changes were made to the Statement of Financial Position, Schedule 1, Schedule 2 and Schedule 6

- The interest rate for calculating P3-related infrastructure assets changed from the Government of Alberta's borrowing rate for long-term debt to the implicit contract rate at the time of signing the P3 agreement.
- Adjustments made for P3 contracts entered prior to September 1, 2023 are reported in Statement of Financial Position, Schedule 1, Schedule 2 and Schedule 6. Accordingly, the reported opening net book value of tangible capital assets has decreased by $27,634,000.

4. CASH AND CASH EQUIVALENTS

	2024		2023	
	Effective Market Yield	**Amortized cost**	Effective Market Yield	Amortized cost
Bank balances [1]	5.29	**$ 193,026**	4.40	$ 179,226
Outstanding deposits and (cheques)		**2,466**		2,806
Cash equivalents (GIC)	3.08	**146**	0.92	151
Total cash and equivalents		**$ 195,638**		$ 182,183
		$ **195,638**		**$ 182,183**

(1) Includes cash balances restricted for Education Matters in the amount of $121 (2023 - $171).

General operating and other bank indebtedness

The Corporation maintains a line of credit to a maximum of $25,000 (2023 - $25,000) that has been negotiated with its banker for general operating purposes. The line of credit bears an interest rate at the bank's prime rate per annum. As at August 31, 2024, the prime rate was 6.45% (2023 – 7.20%). No amounts have been drawn against the Corporation's general operating line of credit as at August 31, 2024 (2023 - $nil).

(in thousands of $)

4. CASH AND CASH EQUIVALENTS (CONTINUED)

Supplementary cash flow information

For the year ended August 31, 2024, cash interest earned (both operating and capital) from bank accounts and investments totaled $10,156 (2023 - $7,811). Total interest paid on capital leases during the year was $496 (2023 - $449).

5. ACCOUNTS RECEIVABLE

	2024			2023
	Gross amount	Allowance for doubtful accounts	**Net realizable value**	Net realizable value
Fees	$ 17,590	$ (9,960)	**$ 7,630**	$ 6,285
Federal government	1,893	-	**1,893**	1,505
Insurance Claims	1,337	-	**1,337**	1,336
Other	1,162	(207)	**955**	1,385
Post-secondary institutions	516	-	**516**	1
Municipalities	304	-	**304**	922
Alberta Education - Sub Teacher	164	-	**164**	448
Other Alberta school jurisdictions	14	-	**14**	30
First nations	53	-	**53**	53
Alberta Education - Grants	-	-	**-**	20,444
Foundations	-	-	**-**	2
	$ 23,033	$ (10,167)	**$ 12,866**	$ 32,411

6. PREPAID EXPENSES

	2024	2023
Software licensing	**$ 6,631**	$ 7,097
Dental and medical benefits plan advances	**4,485**	3,445
Prepaid insurance	**6,036**	1,810
Other	**2,786**	2,263
Prepaid trip vouchers	**-**	2
Rent	**1,323**	1,299
Health spending account advances	**305**	782
Evergreening program	**74**	139
Total	**$ 21,640**	$ 16,837

(in thousands of $)

7. CONTRACTUAL RIGHTS

Contractual rights are rights of the Corporation to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met.

	2024	2023
Contractual rights from Alberta Infrastructure	$ 8,349	$ 4,990
Contractual rights from operating leases	299	285
Total	**$ 8,648**	$ 5,275

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024	2023
Trade payables and accrued liabilities	**$ 46,400**	$ 38,046
Salaries and benefit costs	**38,532**	30,405
Unearned Revenue		
School Generated Funds, including fees (Note 15)	**12,685**	16,684
Other fee revenue not collected at school level	**5,527**	8,349
Accrued vacation liability	**10,184**	9,427
Alberta Education (1)	**4,765**	-
Alberta Health Services	**11**	11
Post-Secondary Institutions	**8**	8
Other Alberta school jurisdictions	**5**	5
Total	**$ 118,117**	$ 102,935

(1) The liability of $4,765 to Alberta Education reflects deferral of base instruction grant to the subsequent school year as a result of actual student enrolment being lower than the projected student count for funding purposes.

9. EMPLOYEE FUTURE BENEFITS

(a) Employee Future Benefits Schedule

	2024	2023
Supplemental executive retirement program	**$** 383	$ 237
Supplementary retirement plan	36	38
Post retirement and post-employment benefit plans	23,873	22,961
	$ 24,292	$ 23,236

(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 $49 (2023 - $59). The net pension recovery for SERP was $23 (2023 - $22). The total liability for the SERP on August 31, 2024, was $383 (2023 - $237).

(in thousands of $)

9. EMPLOYEE FUTURE BENEFITS (CONTINUED)

(c) Supplementary Retirement Plan (SRP)

The total liability for the SRP on August 31, 2024, was $36 (2023 - $38).

(d) Enrollment in SiPP, SERP and SRP

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

	2024	2023
Supplemental Integrate Pension Plan (SIPP)	7	6
Supplementary Executive Retirement Program (SERP)	5	6
Supplementary Retirement Plan (SRP)	27	29
Total	39	41

(e) 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 years ended August 31, 2024, and 2023:

		2024		2023
Liability for PRB/PEB, beginning of year	**$**	22,961	$	24,437
Current service cost		1,020		1,027
Interest cost		2,308		2,287
Benefits payments		(3,858)		(6,166)
Amortization of net actuarial losses		1,442		1,376
Liability for PRB/PEB, end of year	**$**	**23,873**	$	22,961

To date, $23,873 (2023 – $22,961) has been accrued in the Corporation's consolidated financial statements as a liability for PRB/PEB.

Plan Funded Status

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

		2024		2023
Accrued benefit obligation, ending balance	**$**	43,568	$	33,164
Unamortized net actuarial losses		(19,695)		(10,203)
Liability for PRB/PEB, ending balance	**$**	**23,873**	$	22,961

(in thousands of $)

9. 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 years ended August 31:

	2024	2023
Current period service cost	**$** 1,020	$ 1,027
Amortization of net actuarial gains(losses)	1,442	1,371
Benefit expenses	**$** 2,462	$ 2,398
Benefit interest expenses	2,308	2,287
Total benefit expenses	**$ 4,770**	$ 4,685

The accrued benefit obligations for employee future benefit plans as of August 31, 2024, are based on actuarial valuations for accounting purposes as of August 31, 2024. 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:

	2024	2023
Discount rate on accrued benefit obligation	**6.40%**	7.20%
Rate of Compensation increase	**3.00%**	3.50%
Supplemental Health Care (SHC) cost trend rate	**8.50%**	5.00%
Dental cost trend rate	**4.00%**	4.50%

(f) 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 $70,882 (2023 - $67,096) and are included in these consolidated financial statements as revenue from the Government of Alberta and as certificated benefits expense. At August 31, 2024, the ATRF reported a surplus of $4,633,863 (2023 - $4,035,326).

(g) 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 $16,449 (2023 - $15,210) are included in these consolidated financial statements and comprise the Corporation's costs of employer contributions. At December 31, 2023, the LAPP reported a surplus of $15,057,000 (2022 – $12,671,000).

The Corporation provides non-contributory defined benefit supplementary retirement benefits to its executives and it participates in the multi-employer supplementary integrated pension plan (SiPP) for members of senior administration. The plan provides a supplement to the LAPP or ATRF pension to a full 2% of pensionable service. The annual expenditure for this pension plan is equivalent to the annual contributions of $49 for the year ended August 31, 2024 (2023 - $59).

The non-registered supplemental executive retirement plan (SERP) is administered by the Corporation and provides annual retirement benefits of 2% of total employee earnings. The cost of SERP is incurred by the Corporation and is actuarially determined using the projected accrued benefit cost method with proration of service costs.

The Corporation does not have sufficient plan information on the LAPP/MEPP/PSPP/SiPP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. Accordingly, pension expense recognized for the PSPP/LAPP/MEPP/SiPP is comprised of employer contributions to the plan that are required for its employees during the year, which are calculated based on actuarially pre-determined amounts that are expected to provide the plan's future benefits.

(in thousands of $)

10. ASSET RETIREMENT OBLIGATIONS AND ENVIRONMENTAL LIABILITIES

The Corporation will conduct the remediation work once funding has been provided by the Government of Alberta.

	2024	2023
Contaminated site liabilities	**$ 1,800**	$ 1,800
Asset retirement obligation	**149,748**	149,748
	$ 151,548	$ 151,548

(i) Contaminated site liabilities:

	2024	2023
Balance, beginning of year	**$ 1,800**	$ 1,800
Additional obligations recognized	**-**	-
Remediation work performed	**-**	-
Balance, end of year	**$ 1,800**	$ 1,800

(ii) Asset retirement obligation

	2024	2023
Balance, beginning of year	**$ 149,748**	$ 154,839
Liability Incurred	**-**	-
Liability settled	**-**	(5,091)
Balance, end of year	**$ 149,748**	$ 149,748

The Corporation monitors the utilization of assets in the normal course of operations. The Corporation has recorded an asset retirement obligation for the estimated costs of restoring certain schools and other buildings that may require remediation. Remediation costs are related to the removal of hazardous materials such as asbestos, lead and mercury, the restoration of the leased premises returned to the same condition they were in when taking possession of the leased premises, fuel tanks and wells. Although timing of the removal of the hazardous materials is conditional on the building undergoing renovations or being demolished, regulations create an existing obligation for the Corporation to remove the hazardous materials when asset retirement activities occur. The cost escalation technique has been applied as the unknowns of the remediation timeline do not provide for an accurate discount rate and therefore the best estimate is present value.

Asset retirement obligations are initially measured as of the date of the legal obligation incurred based on management's best estimate of the amount required to retire tangible capital assets and subsequently remeasured considering new information and the appropriateness of assumptions used. The estimate of the liability is based on previous experience, legislation and professional judgment. The future cost was calculated using a blended rate of $150 (2023 - $150) per square meter which represents various costs required to complete full remediation.

The extent of the liability is limited to costs directly attributed to the removal of hazardous asbestos fibre containing materials from various buildings under the school division's control in accordance with the legislation establishing the liability. The Corporation estimated the nature and extent of hazardous materials in its buildings based on the potential square meters affected and the average costs per square meter to remove and dispose of the hazardous materials.

When a present value technique is used to measure a liability, the liability is adjusted for the passage of time and is recognized as accretion expense in the Consolidated Statement of Operations. When a present value technique is not used, the asset retirement obligation is measured at the current cost to settle or otherwise extinguish the liability.

Included in the asset retirement obligation estimate is $149,748 (2023 - $149,748), measured at its current estimated cost to settle or otherwise extinguish the liability. The Corporation measured asset retirement obligations related to hazardous asbestos fibre containing materials at its current value due to uncertainty about when hazardous material would be removed.

For the year ended August 31, 2024, a settlement of $nil (2023 - $5,091) was recognized.

(in thousands of $)

11. 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. The Corporation has set aside restricted long-term investments of $12,970 (2023 - $14,522) (refer to Schedule 5) to retire the outstanding lease obligation as of August 31, 2024.

As of August 31, 2024, capital lease obligations pertaining to the Corporation are as summarized below:

	2024	2023
Finance contracts, secured by certain building components at interest rates ranging from 1.93 %, repayable in annual installments of $52 including interest, maturing August 2026.	102	152
Finance contracts, secured by certain building components at interest rates ranging from 1.91% - 5.29%, repayable in annual installments of $677 including interest, maturing August 2024 through August 2027.	1,159	1,765
Finance contracts, secured by certain building components at interest rates ranging from 1.58% - 6.02%, repayable in annual installments of $3,072 including interest, maturing August 2024 through August 2029.	10,050	11,171
Total	$ 11,311	$ 13,088

Minimum lease payments for future years are as follows:

	Interest	Principal	Total
2024-2025	463	3,146	3,609
2025-2026	373	3,033	3,406
2026-2027	276	2,474	2,750
2027-2028	144	1,726	1,870
2028-2029	42	932	974
Total	$ 1,298	$ 11,311	$ 12,609

The Corporation entered into finance contracts during the year in the amount of $1,531 (2023 - $2,560) secured by certain building components maturing through August 2029. The finance contracts principal repayment of $3,308 (2023 - $3,392) was made during the year.

(in thousands of $)

12. NET ASSETS

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

		2024		2023
Unrestricted deficit	**$**	**(43,824)**	$	(21,107)
Operating reserves		**45,359**		37,855
Accumulated surplus from operations		**1,535**		16,748
Investment in tangible capital assets		**53,873**		38,659
Capital reserves [(a)]		**73,788**		78,987
Endowment [(b)]		**5,628**		5,206
Accumulated remeasurement gains		**1,795**		981
Accumulated surplus	**$**	**136,619**	$	140,581

(a) 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, a provision from operating funds, or from lease revenues.

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 August 31, 2024, $27,776 (2023 - $25,234) is committed or designated for a specified purpose.

(b) Endowment

As a result of consolidating EducationMatters, the Corporation has included $5,628 (2023 - $5,206) in Endowment Funds 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.

13. RELATED PARTY TRANSACTIONS

(a) Province of Alberta and economic dependence

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta Consolidated Financial Statements. Related parties also include key management personnel in the division and their close family members.

All entities that are consolidated in the accounts of the Government of Alberta are related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdictions in Alberta.

(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.

(in thousands of $)

13. RELATED PARTY TRANSACTIONS (CONTINUED)

	Assets (at cost or net realizable value)	Liabilities	Revenues	Expenses
Government of Alberta (GOA):				
Education				
Accounts receivable / accounts payable	$ 164	$ -	$ -	$ -
Unexpended deferred capital revenue	-	14,707	-	-
Expended deferred capital revenue	-	164,983	-	-
Grant revenue & expenses	-	-	1,386,807	-
Deferral of base instruction grant (1)	-	4,765	-	-
Other revenue & expenses	-	-	1,273	-
Other Alberta school jurisdictions	529	5	758	77
Treasury Board and Finance	-	-	54,486	-
Alberta Health Services	-	11	-	1,071
Post-secondary institutions	1	8	2	395
Other Government of Alberta	53	-	-	635
Alberta Infrastructure				
Alberta Infrastructure	-	-	4,008	-
Unexpended deferred capital contributions	-	1,232	-	-
Spent deferred contributions	-	1,045,987	-	-
Alberta Pensions Services Corporation	-	-	-	30,952
TOTAL 2023-24	**$ 747**	**$ 1,231,698**	**$ 1,447,334**	**$ 33,130**
TOTAL 2022-23	$ 20,975	$ 1,285,452	$ 1,361,040	$ 30,855

(1) The liability of $4,765 to Alberta Education reflects deferral of base instruction grant to the subsequent school year as a result of actual student enrolment being lower than the projected student count for funding purposes.

14. FEES REVENUE

	2024	2023
School Generated Funds	**$ 26,885**	$ 24,042
Lunch supervision	**19,399**	16,916
Transportation	**5,275**	5,798
Student supplies	**2,844**	2,705
Total	**$ 54,403**	$ 49,461

(in thousands of $)

15. SCHOOL GENERATED FUNDS

		2024		(restated) 2023
Unearned school generated revenue, beginning of year	**$**	**16,684**	$	16,328
Gross receipts:				
Fees		**26,836**		24,000
Fundraising		**1,619**		1,224
Gifts and donations		**8,429**		5,701
Grants to schools		**209**		78
Investment income interest earned		**915**		645
Other sales and services		**3,380**		4,802
Total gross receipts	**$**	**41,388**	$	36,450
Less:				
Related expenses and uses of funds	**$**	**44,374**	$	35,063
Direct costs including costs of goods sold to raise funds		**1,013**		1,031
NET (decrease) / increase in unearned revenues		**(3,999)**		356
Deferred school generated revenues, end of year	**$**	**12,685**	$	16,684
Balance included in accounts payable and accrued liabilities	**$**	**12,685**	$	16,684

16. CONTRACTUAL OBLIGATIONS AND CONTINGENT LIABILITIES

(a) Contractual obligations

	2024	**2023**
Building leases	**$102,383**	$116,937
Service providers	**254,315**	308,300
Building projects	**13,789**	4,223
	$370,486	$429,460

Building 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 and Alberta Infrastructure.

(in thousands of $)

16. CONTRACTUAL OBLIGATIONS AND CONTINGENT LIABILITIES (CONTINUED)

Service providers:

As of August 31, 2024, the Corporation has not entered into any significant new contracts and has the following commitments relating to service and grant contracts:

- Effective January 1, 2023, the CBE commenced a 4 -year natural gas contract with Direct Energy. In addition, effective June 1, 2021, the Corporation entered into a 67-month electricity contract with Direct Energy.
- Effective February 22, 2022, the Corporation entered into a 5-year term Master Transportation Agreement (MSA) with Southland Transportation (the Carrier) for the provision of student school bus transportation services. The agreement may be renewed for two additional terms of one year or may be terminated by the Corporation by giving sixty days notice prior to the effective date of such termination. The parties continue to execute Annual Services Agreements (ASA. All ASAs outline the Carrier's obligation, the applicable rates, performance indicators, the drivers' responsibilities, and all other anticipated fees and charges under the agreement.

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

	Building Projects	Building Leases	Service Providers	Total
2024-25	$13,789	$15,003	$97,103	**$125,894**
2025-26	-	15,043	91,458	**106,501**
2026-27	-	15,601	65,754	**81,355**
2027-28	-	16,159	-	**16,159**
2028-29	-	16,201	-	**16,201**
Thereafter	-	24,376	-	**24,376**
Total	**$13,789**	**$102,383**	**$254,315**	**$370,486**

Contingent liabilities

Periodically, 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.

The Corporation is a member of Urban Schools Insurance Consortium (USIC) (Note 19). As such, the Corporation has comprehensive general insurance that provides insurance coverage related to most claims.

17. TRUST FUNDS UNDER ADMINISTRATION

	2024	2023
Scholarship trust funds	**$ 19**	$ 24
Total	**$ 19**	$ 24

18. OTHER REVENUE

Representing a significant portion of other revenues, the Corporation recorded cash proceeds of $nil (2023 - $29.9 million) on the sale of properties that were no longer in active use. Those buildings had a net book value of $nil (2023 - $nil) and the resulting gain on sale of $nil (2023 - $29.9 million) was recorded as other revenue because the Corporation is not in the business of selling property. The resulting cash proceeds were transferred to capital reserves in accordance with permission granted by Alberta Education. As part of the transaction, the Corporation recognized an additional $nil (2023- $5.1 million) gain on the settlement of the ARO liability related to the sale of the buildings.

19. 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 can 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 not proportionately consolidated the 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 of August 31, 2024, was $6,630 (2023 - $3,488).

20. 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):* The Instruction program includes all direct and appropriate indirect expenses associated with the delivery of basic public education to pre-Kindergarten and Kindergarten students.

ii. *Instruction (Grade 1 to Grade 12):* Instruction is comprised of both the delivery of instruction in schools as well as school administration and support provided for instruction centrally.

iii. *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.

iv. *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.

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

vi. *External services: Ext*ernal services include services offered outside the Corporations regular educational programs for kindergarten to Grade 12 students such as continuing adult education.

Certain allocation methodologies are employed in the preparation of segmented financial information. Amortization expense is allocated to segments based upon the purpose of the tangible 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.

21. BUDGETED FIGURES

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 2023-24 unaudited budget was approved by the Board of Trustees on May 28, 2023, and submitted to Alberta Education by May 31, 2023.

Amounts budgeted for tangible 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 $27,078 (2023 - $21,140).

22. COMPARATIVE FIGURES

Certain 2023 figures have been reclassified, where necessary to conform to the 2024 presentation. These changes did not impact the Corporation's annual operating deficit or accumulated surplus.