

news release

Calgary Board of Education delivers year-end financial report

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Calgary—The Calgary Board of Education's audited 2012-13 financial statements will be reviewed by the Board of Trustees at its public board meeting Dec. 17.

The budget for 2012-13 forecast a \$16.1 million deficit, to be funded from reserves. However, through diligent cost-cutting, the actual deficit for 2012-13 was \$7.7 million. Revenues were \$1,165 million and expenses were \$1,173 million.

"We are pleased that despite financial challenges, CBE students continued to lead the province in academic results," said Naomi Johnson, chief superintendent of schools. "I would like to thank our hard-working, caring staff who contributed to those results."

When the 2012-13 budget was announced, the Province of Alberta committed to predictable and sustainable funding for school jurisdictions. However, the budget announcement for 2013-14 unfortunately returned to one-year funding approach. Multi-year budgets help ensure better long-range planning. Cuts were made in the 2012-13 fiscal year to prepare for a difficult budget in 2013-14.

The financial statements show two years of cuts to administrative budgets to ensure maximum funding was directed to classrooms. In 2012-13, administration costs were kept to 3.2 per cent of budget. In 2013-14, there was a further 10 per cent cut, reducing administrative spending to 2.8 per cent of budget.

Year-over-year changes

Comparing the 2012-13 actual results to the prior year highlights the following:

- Revenue from Alberta Education was up \$25.3 million, an increase of 2.4 per cent. While the provincial government increased some grant rates, they reduced others and the net impact resulted in less provincial funding per student than in the prior year. With the increased enrolment, that meant that per student funding was down from \$10,077 to \$10,035.
- The CBE did not have any one-time asset dispositions in 2012-13 as compared to the \$41.3 million gain that was realized in 2011-12 from the sale of three properties.
- Employee salaries and benefits represent 78 per cent of expenses. The total expense increased year-over-year by \$29.7 million. This 3.4 per cent reflects an approximate increase in permanent positions of 1.4 per cent and the remaining 2.0 per cent primarily reflects negotiated salary and step increment increases for various employee groups.
- When the construction of Robert Thirsk High School was completed by the province, CBE capital assets increased by \$33.1 million.

The financial statements remain drafts until they are approved by the Board of Trustees. Drafts are available in reports for the public meeting on Dec. 17 at this [link](#).

