

public agenda

Regular Meeting of the Board of Trustees

November 27, 2018
12:00 p.m.

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

R-1: 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.

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

Time	Topic	Who	Policy Ref	Attachment
12:00 p.m.	1 Call to Order, National Anthem and Welcome			
	2 Consideration/Approval of Agenda		GC-2	
	3 Awards and Recognitions		GC-3	
	4 Results Focus			
60 mins	4.1 CBE Annual Education Results Report 2017-18 and Three-Year Education Plan 2018-2021	Chief Sup't	R-2; OE-3	Page 4-1
60 mins	4.2 Results 2: Academic Success – Follow-up Report	S. Smith		Page 4-51
	5 Operational Expectations			
	6 Public Comment [PDF]		GC-3.2	
Max 20 mins	Requirements as outlined in Board Meeting Procedures			
	7 Matters Reserved for Board Action	Board	GC-3	
30 mins	7.1 2017-18 Year-end Financial Results & Audited Financial Statements	B. Grundy	OE-5	

Time	Topic	Who	Policy Ref	Attachment		
	8 Consent Agenda	Board	GC-2.6			
	8.1 Approval of Minutes					
	<ul style="list-style-type: none"> ▪ Regular Meeting held September 25, 2018 (<i>THAT the Board approves the minutes of the Regular Meeting held September 25, 2018, as submitted.</i>) 				Page 8-1	
	8.2 Items Provided for Board Information				OE-7	
	8.2.1 Correspondence					Page 8-34
	8.2.2 EducationMatters – Financial Statements as at September 30, 2018				GC-3	Page 8-23
	8.2.3 Fourth Quarter Budget Variance Report for the 2017-18 Budget				OE-5	Page 8-5
	8.2.4 Fall 2018 Update to the 2018-19 Budget and First Quarter Budget Variance Report				OE-5	Page 8-14
	9 In-Camera Session					
3:00 p.m.	10 Adjournment					

Notice |

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

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

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

report to Board of Trustees

Annual Education Results Report 2017-18 and Three-Year Education Plan 2018-21

Date	November 27, 2018
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	David Stevenson, Chief Superintendent of Schools
Purpose	Decision
Originators	Sydney Smith, Acting Superintendent, Learning Dany Breton, Superintendent, Facilities and Environmental Services Brad Grundy, Superintendent, Chief Financial Officer, Corporate Treasurer Greg Francis, General Council and Superintendent, Human Resources Marla Martin-Esposito, Chief Communications Officer
Governance Policy Reference	Operational Expectation - 1 Result 1 - Mission
Resource Persons	Christine Davies, Director, Learning Chris Meaden, Director, Learning Dianne Roulson, Director, Learning Elizabeth Wood, Director, Learning Ed Sutlic, Director, Corporate Finance Anne Trombley, Manager, Planning Lea Sherwood, System Principal, Research & Strategy

1 | Recommendation

It is recommended that the Board of Trustees approve the Annual Education Results Report 2017-18 and the Three-Year Education Plan 2018-21, and authorize its submission to Alberta Education.



2 | Issue

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

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

3 | Background

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

4 | Analysis

The *Annual Education Results Report 2017-18 and Three-Year Education Plan 2018-21* are combined into an Accountability Framework to provide a broad strategic plan encompassing CBE schools, Areas, departments and service units in support of CBE and provincial Outcomes. It also informs the budgeting process as outlined in OE-5 Financial Planning.

¹ Policy and Requirements for School Board Planning and Results Reporting April 2018
https://education.alberta.ca/media/3739843/school-board-guide-april-2018_final.pdf

The *Annual Education Results Report 2017-18* demonstrates progress made over the past year in meeting the Goals and Outcomes set out by Alberta Education.

To assist school authorities in assessing progress, through their Accountability Pillar Report, Alberta Education provides the following measure evaluations: Achievement, Improvement and Overall.

The Achievement Evaluation is based on a comparison of Current Year² data to a set of standards which remain consistent over time. The Improvement Evaluation consists of comparing the Current Year Result for each measure with the Previous Three-Year Average. A chi-square statistical test is used by Alberta Education to determine the significance of the improvement. The Overall Evaluation combines the Achievement Evaluation and the Improvement Evaluation.

Further details of the way these measures are calculated can be found on pages 42 and 43 of Attachment 1: *Calgary Board of Education Annual Education Results Report 2017-18 and Three-Year Education Plan Report 2018-21*.

Authority Accountability Pillar Results: Overall Summary: All Students

The Calgary Board of Education's Achievement Evaluation for all students continues to be noteworthy. The Achievement Evaluation was rated *High* or *Very High* in 13 of 15 measures, 2 measures were rated *Intermediate* and there are no measures rated *Low* or *Very Low* in the Summary.

The *2017-18 Annual Education Results Report* Accountability Pillar Overall Summary reflects an Achievement Evaluation of *Very High* for:

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

An Achievement Evaluation of *High* was reported for:

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

An Achievement Evaluation of *Intermediate* was reported for:

² For Drop Rate, High School Completion Rate (3 yr), Diploma Exam Participation Rate (4+ Exams), Rutherford Scholarship Eligibility Rate and Transition Rate (6 yr) the "Current year" is 2016-17. For all other measures the "Current Year" is 2017-18.

- PAT: Acceptable
- Parental Involvement

The 2017-18 Annual Education Results Report Accountability Pillar Overall Summary Improvement Evaluation, with a few exceptions, reflects an evaluation of *Maintained or Improved Significantly*.

An Improvement Evaluation of *Improved Significantly* was reported for:

- Drop Out Rate
- PAT: Excellence
- Diploma: Acceptable
- Diploma: Excellence

A *Maintained* Improvement Evaluation was reported for:

- High School Completion Rate (3 yr)
- PAT: Acceptable
- Diploma Exam Participation Rate (4+ Exams)
- Rutherford Scholarship Eligibility Rate
- Transition Rate (6 yr)
- Work Preparation
- Parental Involvement

A *Declined* Improvement Evaluation was reported for:

- Program of Studies
- School Improvement

Even though the Achievement Evaluation for Safe and Caring, Citizenship, and Education Quality each reported a *High* or *Very High* and each was within 1.9 percentage points or less of the provincial results, each reported a *Declined Significantly* Improvement Evaluation

We want to improve in these areas. Schools will continue to focus on creating welcoming, caring, safe and respectful learning environments where all students feel they belong. A particular leverage point for the Citizenship, and Safe and Caring results will be to improve, in particular, high school student experiences and to support the use of survey best practices.

The Accountability Pillar Survey records student and parent feelings regarding level of challenge and engagement offered to students in grades 7 and 10. Teachers will continue to provide students with opportunities to access challenging and engaging work. This will be actioned through the Three Year Plan, School Development Plans and task design work.

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

Accountability Pillar Results Overall Summary: Students Self-Identified as Indigenous

An Achievement Evaluation of *Intermediate* was reported for:

- Drop Out Rate
- Diploma: Acceptable
- Diploma: Excellence

Very Low Achievement Evaluation was reported for:

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

An Improvement Evaluation of *Improved* was reported for:

- Drop Out Rate

An Improvement Evaluation of *Maintained* was reported for:

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

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

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

5 | Conclusion

In the Calgary Board of Education, the Three-Year Education Plan 2018-21 provides direction and clarity of purpose while remaining broad enough to allow each school, Area, department and service unit to formulate actions in response to the unique needs revealed by their own data. The encompassing outcome remains *Student Success*. Personalize Learning is the overarching strategy. The three other strategies, Build Professional Capital, Engage our Stakeholders and Steward our Resources are the pillars that support the overarching strategy.

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



DAVID STEVENSON
CHIEF SUPERINTENDENT OF SCHOOLS

Attachment I: Calgary Board of Education Annual Education Results Report 2017-18 and Three- Year Education Plan 2018-21

GLOSSARY – Developed by the Board of Trustees

Board: Board of Trustees

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

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

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

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

Achieve | Strategies for Success



Annual Education Results Report 2017-18 Three-Year Education Plan 2018-21

learning | as unique | as every student



Calgary Board
of Education

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Accountability Statement

The Annual Education Results Report for the 2017-18 school year and the Education Plan for the three years commencing Sept. 1, 2018 for the Calgary Board of Education were prepared under the direction of the Board of Trustees in accordance with its responsibilities under the *School Act* and the *Fiscal Planning and Transparency Act*. This document was developed in the context of the provincial government's business and fiscal plans. The Board of Trustees has used the results reported in the document, to the best of its abilities, to develop the Education Plan and is committed to implementing the strategies contained within Education Plan to improve student learning and results.

The Board of Trustees approved this combined Annual Education Results Report for the 2017-18 school year and the Three-Year Education Plan for 2018-21 on Nov. 27, 2018.

Trina Hurdman
Chair, Board of Trustees
Calgary Board of Education

David Stevenson
Chief Superintendent of Schools
Calgary Board of Education

Annual Education Results Report (AERR) Summary

Mission

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

Our Values

Students come first.

Learning is our central purpose.

Public education serves the common good.

Overview

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

Fast Facts

More than 123 400 students in 246 schools, including:

- 119 161 students from pre-kindergarten to Grade 12;
- 622 students fully enrolled in CBe-learn (our online learning program), with over 1930 more students registered in courses with CBe-learn while enrolled at another school;
- 688 students in full-day kindergarten in 16 schools;
- 1116 students upgrading high school courses and pursuing continuing education through Chinook Learning Services;
- 20 938 students with identified special education needs, the majority of whom are learning in their community schools;
- over 29 000 students self-identify as English Language Learners;
- over 5030 students self-identify as Indigenous;
- over 8700 students in French Immersion; and
- over 4000 students in bilingual language and culture programs.

Student Results

On Provincial Achievement Tests (PATs):

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

On Diploma Examinations:

- The percentage of CBE students achieving the Acceptable Standard was at or above the provincial results on eleven of the eleven diploma examinations.
- At the Standard of Excellence, the percentage of CBE students achieving the standard was above the provincial results on eleven of eleven examinations.

Note | Details of provincial assessment results can be found at CBE [Provincial Assessment & Reports](#) On the *Accountability Pillar Overall Summary*, Alberta Education records evaluations on the following measures: Achievement, Improvement and Overall. The Achievement Evaluation is based on a comparison of Current year data to a set of standards, which remain consistent over time. The Improvement Evaluation consists of comparing the Current year result for each measure with the

Previous Three-Year Average. A chi-square statistical test is used by Alberta Education to determine the significance of the improvement. The Overall Evaluation combines the Achievement Evaluation and the Improvement Evaluation. Details of the way these measures are calculated can be found on pages 41 and 42.

The CBE's Achievement Evaluation was *Very High* or *High* for 13 of 15 measures and *Intermediate* for the remaining two.

On the *Accountability Pillar Overall Summary - Oct 2018* the following measures were evaluated by the province as *Improved Significantly*:

- Drop Out Rate
- PAT results at the Standard of Excellence
- Diploma results at the Acceptable Standard
- Diploma at the Standard of Excellence

In the following areas, improvement was *Maintained* on:

- High School Completion Rate (3 yr)
- PAT results at the Acceptable Standard
- Diploma Exam Participation Rate (4+ Exams)
- Rutherford Scholarship Eligibility Rate
- Transition Rate (6 yr)
- Work Preparation
- Parental Involvement

CBE Strategies for Excellence and Continued Improvement

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

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

Through these strategies, the CBE supports the outcomes in Alberta Education's Business Plan 2018-21¹ and aligns with provincial Key Strategies including the following:

- 1.3 continue to implement systemic actions to further support student learning and achievement in Mathematics;
- 2.1 ensure all students, teachers and school leaders learn about First Nations, Métis and Inuit perspectives and experiences, treaties, and the history and legacy of residential schools;
- 4.2 ensure that teachers, principals, and other system leaders in Alberta schools have the capacity to meet the new Professional Practice Standards, in collaboration with stakeholders and school authorities; and
- 5.4 Plan and build modern school facilities that support learning and well-being, are a central part of the community, and accommodate collaborative partnerships to address community needs.

Engaging Stakeholders

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

The CBE provides opportunities for student voices through:

¹ Business Plan 2018-21: Education <https://education.alberta.ca/business-plans/about-alberta-education-business-plans/>

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

In February 2018, more than 25 000 CBE students, over 5400 parents/guardians and more than 5400 teachers responded to the provincial Accountability Pillar Survey. The following results have an Achievement Measure of *High* or *Very High*:

- 88.2% agreed or strongly agreed that students are safe in school, are learning the importance of caring for others, are learning respect for others and are treated fairly in school.
- 81.8% are satisfied with the opportunity for students to receive a broad program of studies including fine arts, career, technology, and health and physical education.
- 88.2% are satisfied with the overall quality of basic education.
- 78.4% agree that students are taught attitudes and behaviours that will make them successful at work when they finish school.
- 81.1% are satisfied that CBE students model the characteristics of active citizenship.
- 78.2% indicated that their school and schools in their jurisdiction have improved or stayed the same the last three years.

School Councils

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

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

Financial Summary

- Alberta Education grant revenue makes up 93 per cent of total revenues.
- Funding is spent primarily on Salaries and Benefits at 78 per cent of total expenses.
- The 2017-18 actual deficit of \$2.1 million is \$14.9 million less than the budgeted deficit of \$17.0 million.

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

The Calgary Board of Education Annual Education Results Report 2017-18 and Three-Year Education Plan 2018-21 may be accessed using the following link: <https://www.cbe.ab.ca/FormsManuals/AERR-2017-18-3-YEP-2018-21.pdf>

The Calgary Board of Education Average Class Size Report 2017-18 can be viewed at: <https://www.cbe.ab.ca/about-us/provincial-tests-and-reports/Pages/default.aspx>

CBE Disclosure

The CBE Public Interest Disclosure (Whistleblower Protection) policy was approved in February 2014. From September 30, 2016, up to and including September 29, 2018 the following has been received:

Disclosures received by the Designated Officer	1
Disclosures acted on	0
Disclosures not acted on	1
Investigations commenced by the Designated Officer as a result of disclosures	0

Our Ultimate Goals

The CBE Annual Education Results Report 2017-18 combined with the CBE Three-Year Education Plan 2018-21 helps the CBE build strategies that support student learning. These strategies align to the Board of Trustees Results to guide our work with fostering student success.

The Board of Trustees defines the Results as:

Result 1 | Mission

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

Result 2 | Academic Success

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

Result 3 | Citizenship

Each student will be a responsible citizen.

Result 4 | Personal Development

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

Result 5 | Character

Each student will demonstrate good character.

CBE Three-Year Education Plan 2018-21 and Strategies Overview

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

(Draft) Calgary Board of Education Three-Year Education Plan 2018-21

Our 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.

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

Our Outcome: Student Success

Personalize Learning

Success for each student, every day, no exceptions

Instructional design and leadership focus on:

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

Build Professional Capital

Capacity building with a focus on results

Collaborative learning networks focus on:

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

Engage our Stakeholders

Everyone contributes to the success of public education

Internal and external community members:

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

Steward our Resources

Resource management on behalf of student learning

Decisions and actions at all levels of the organization are:

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

Alberta Education Outcomes

- Alberta's students are successful
- Alberta's education system supports First Nations, Métis, and Inuit students' success
- Alberta's education system respects diversity and promotes inclusion
- Alberta has excellent teachers, and school and school authority leaders
- Alberta's education system is well governed and managed

(Draft) Calgary Board of Education Three-Year Education Plan 2018-21
Strategies and Actions

Personalize Learning

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

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

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

- Identify and create the conditions for success for students as unique learners and as members of their school and home communities.
- Further support student well-being as it relates to learning.

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

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

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

Build Professional Capital

Further support the well-being of staff.

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

- Build skill in generating and interpreting data across CBE leadership teams.
- Further develop task design and assessment practices.

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

- Inclusive learning.
- Indigenous cultures, languages and histories.
- Literacy, numeracy and student learning competencies.
- Leadership through strategic resourcing.

Refine the teacher induction program.

Engage our Stakeholders

Increase public confidence by sharing, listening, learning and communicating to build mutual understanding and respect.

- Use the *Dialogue Framework* to guide community engagement activities to ensure decisions are made which support students in learning.

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

- Continue to act on input received from employee engagement survey.

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

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

Steward our Resources

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

- Optimize, commission, modernize and maintain school facilities to foster enriching learning environments.
- Promote system-wide approaches to sustainability.
- Create new school resource allocation methodology in relation to overall system goals.

- Enhance support to make decisions based upon a review and interpretation of evidence, data and guiding documents.
- Implement the new student information system.
- Leverage technology to increase workflow efficiency and promote learning.

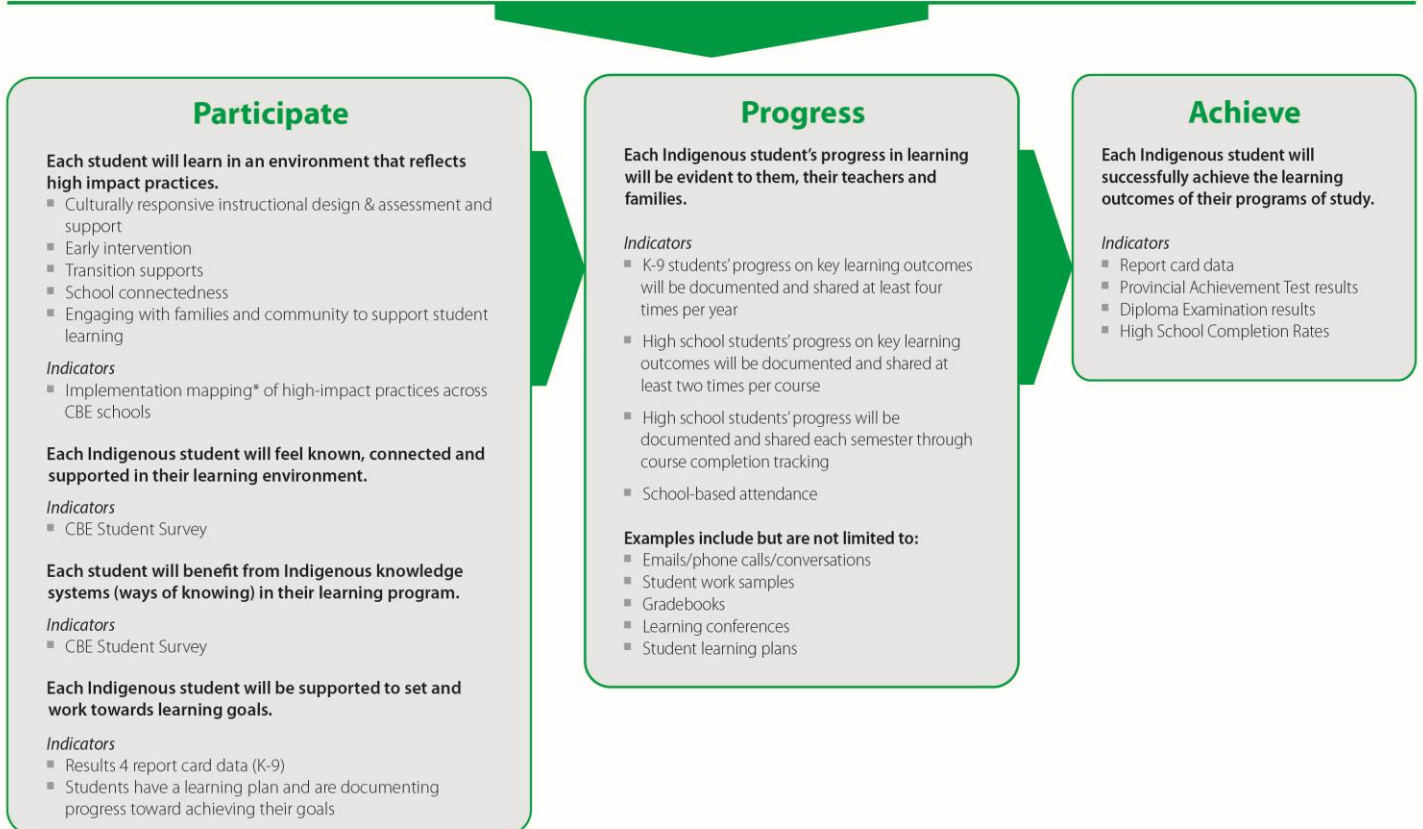
Advance instructional leadership through strategic resource management.

(draft)

Indigenous Education Strategy 2018-21

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

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



* Through this process, School Development Plan actions are documented and tracked over time.

Priorities

Cultivating a Balanced and Respectful Relationship

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

Advancing Culturally Responsive Instructional Design & Assessment

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

Advancing System-Wide Learning

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

Building Respectful Working Relationships with Community

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

Key Actions

Key Actions 2018-19

Teaching and Learning/Community Engagement

- Design/offer professional learning to address: pattern of requests from schools; the Teaching/Leadership Quality Standards; high-impact practices; and, the Three-Year Education Plan
- Describe/highlight high-impact practices
- Provide easy access to resources/professional learning within CBE and the province
- Provide guidance re: cultural protocols
- Advance collective and respectful approaches to working with students, families, staff and community
- Advance professional learning from elementary/middle/junior and high school cohorts
- Advance Niitsitapi li tass ksii nii mat tsoo kop (Niitsitapi Learning Centre) as a place for early/professional learning
- Build understanding of Indigenous languages as key dimension of Indigenous knowledge systems (ways of knowing)
- Build understanding about data and measures that reflect Indigenous ways of knowing
- Advance Indigenous knowledge systems and holistic approaches as an integral part of the Three-Year Education Plan

Business Supports

- Allocation of human and financial resources to enable implementation of high impact practices
- Succession and recruitment planning for Indigenous education

Key Actions 2019-20

Teaching and Learning/Community Engagement

- Include measures of student success that reflect Indigenous ways of knowing in the Indigenous education strategy
- Continue revision and extension of previous implementation strategies

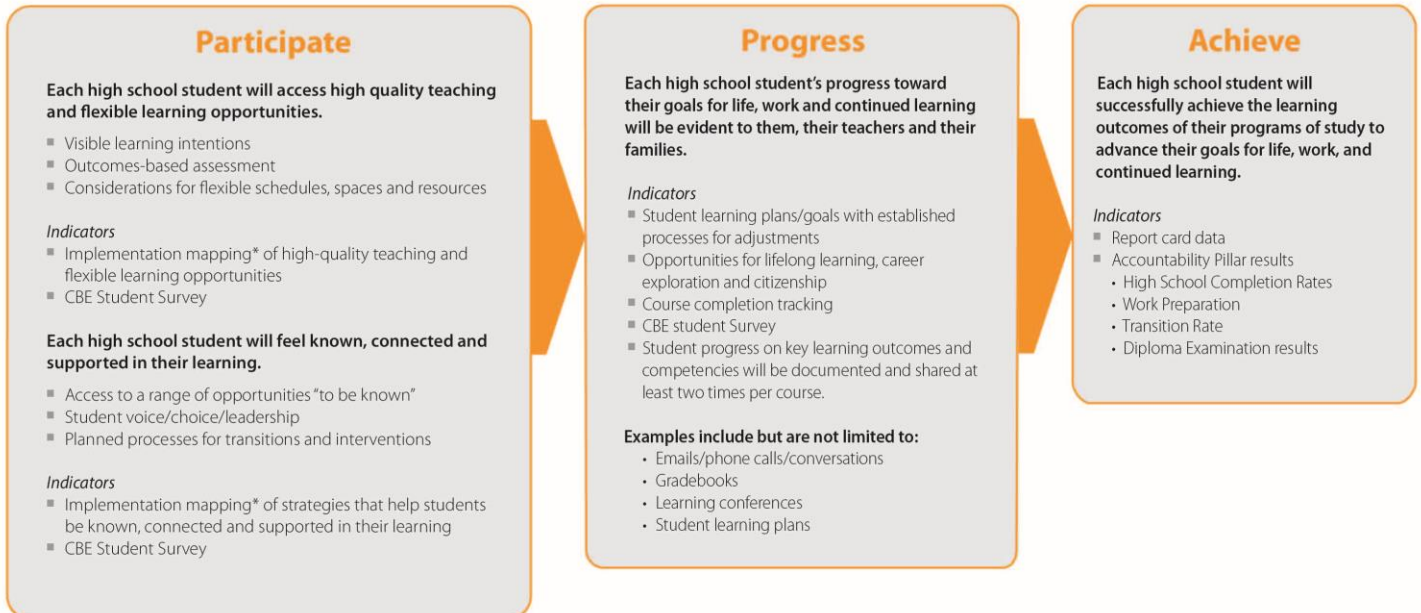
Key Actions 2020-21

Teaching and Learning/Community Engagement

- Continue revision and extension of previous implementation strategies

Outcome:

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



* Through this process, School Development Plan actions are documented and tracked over time.

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

Conditions for Success

Alberta Education's Moving Forward with High School Redesign (MFWHSR) highlights conditions for student success. Through the MFWHSR principles the Calgary Board of Education attends to these conditions:

Pedagogy

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

School Leadership

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

School Culture

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

School Structures

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



Key Actions

Key Actions 2018-19

- Extend instructional design practices that include outcomes-based assessment through:
 - professional learning networks.
 - responsive and distributed leadership.
- Communicate a continuum of flexible practices that allow students to be known and their learning/life goals to be supported and enriched.
- Expand and communicate opportunities for student voice/choice/leadership.
- Extend and share trauma-informed practices through the high school success learning collaboratives.
- Develop transition processes for students to enter, transition through and finish school their way:
 - strengthening career development opportunities.
 - increasing access to unique pathways including dual credit.

Key Actions 2019-20

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

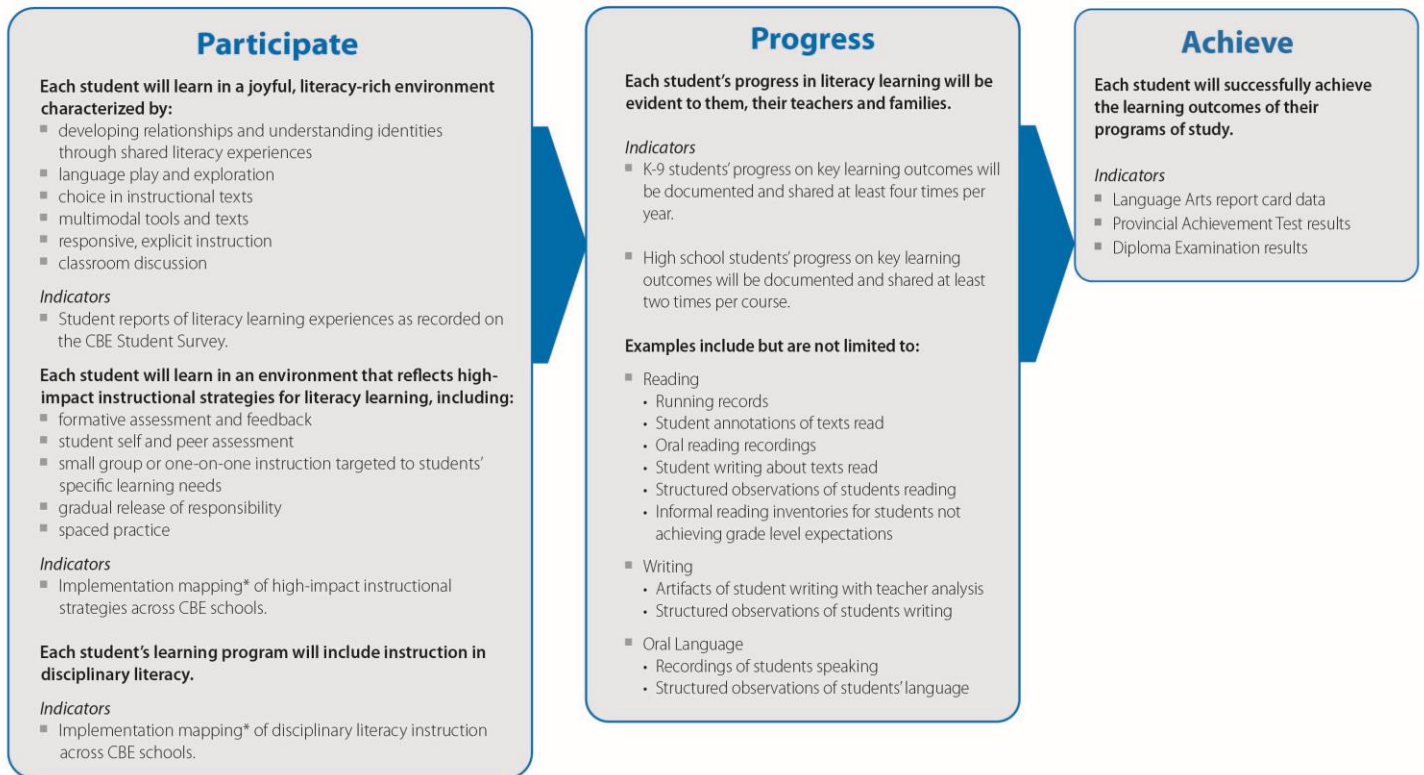
Key Actions 2020-21

- Continue revision and extension of previous implementation strategies.

(draft)

Literacy Strategy 2018-21

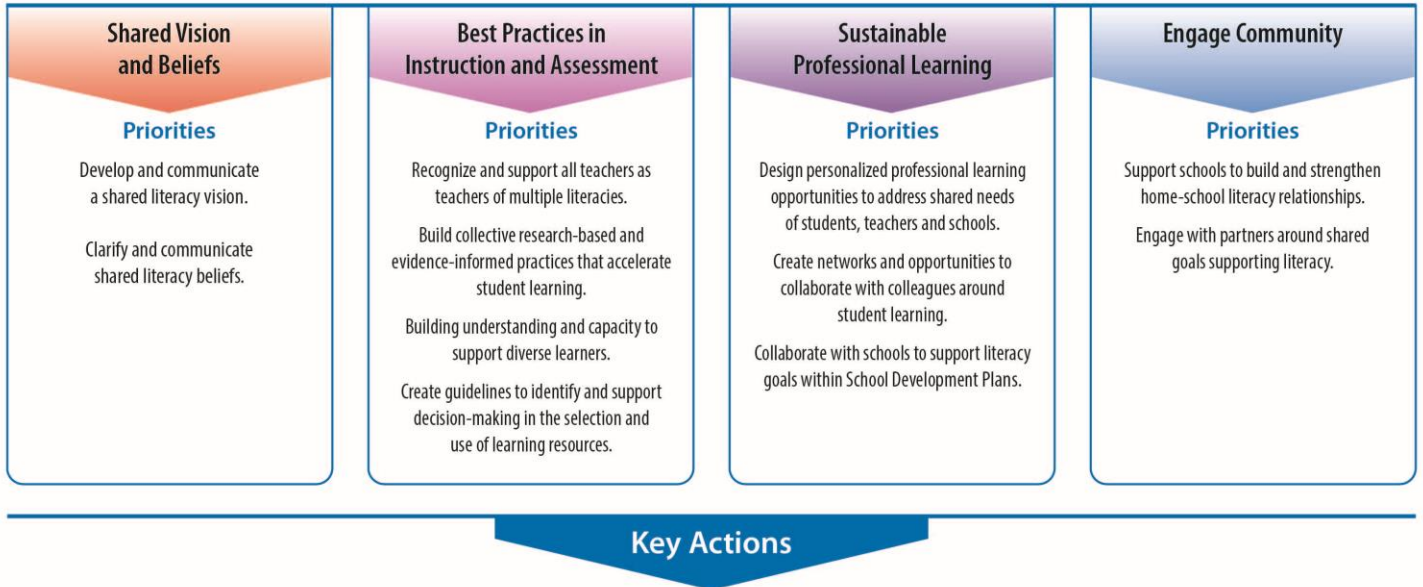
Outcome: Each CBE student will participate in intentional, joyful literacy learning to progress and achieve in their learning programs.



* Through this process, School Development Plan actions are documented and tracked over time.

(draft)

Literacy Strategy 2018-21



Key Actions 2018-19

- Build a shared understanding of middle-junior years literacy.
- Continue to build shared understandings of literacy, disciplinary literacy, literacy-rich learning environments and high-impact literacy instructional and leadership practices.
- Identify and build additional assessment resources for key reading and writing learning outcomes for Language Arts
- Identify and build assessment resources for key disciplinary literacy outcomes for Mathematics, Science and Social Studies.
- Support additional literacy professional learning through school organized cohorts, school-based residencies and individual teacher opportunities.
- Continue to build data sets to inform future years' actions.

Key Actions 2019-20

- Continue revision and extension of previous implementation strategies.
- Continue to build and respond to data sets to inform future years' actions.

Key Actions 2020-21

- Continue revision and extension of previous implementation strategies.

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

Participate

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

- meaningful mathematical discussion
- productive struggle and challenge
- active participation in reasoning and sense-making
- intentional learning progressions and connections
- procedural fluency developed from conceptual understanding
- a focus on mental math and automaticity

Indicators

- Student reports of mathematics learning experiences as recorded on the CBE Student Survey.

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

- formative assessment and feedback
- student self and peer assessment
- small group or one-on-one instruction targeted to students' specific learning needs
- spaced practice

Indicators

- Implementation mapping* of high-impact instructional strategies across CBE schools.

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

Indicators

- Implementation mapping* of numeracy instruction across CBE schools.

Progress

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

Indicators

- K-9 students' progress on key learning outcomes will be documented and shared at least four times per year.
- High school students' progress on key learning outcomes will be documented and shared at least two times per course.

Examples include but are not limited to:

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

Achieve

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

Indicators

- Mathematics report card data
- Provincial Achievement Test results
- Diploma Examination results

* Through this process, School Development Plan actions are documented and tracked over time.

Framework and Priorities

Positive Mathematics School Culture

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

Active, Rigorous Mathematics Learning

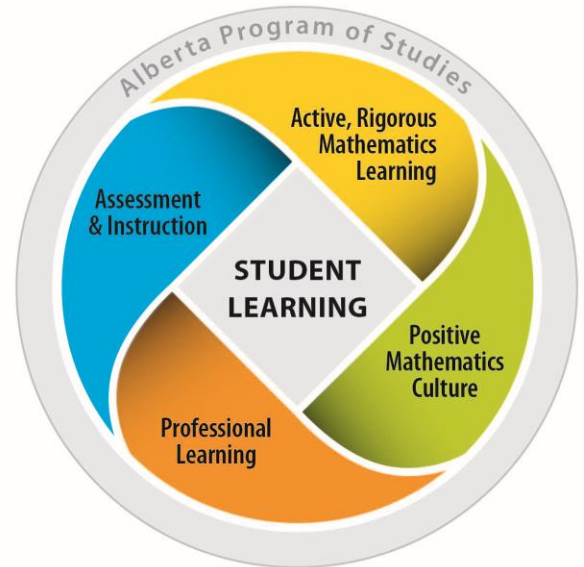
- Build strong mathematical foundations so students can understand complex mathematical ideas.
- Ensure students participate in learning activities that develop their mathematical reasoning and communication skills.
- Create more opportunities for students to be active problem solvers and make connections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

Assessment and Instruction

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

Professional Learning

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



Key Actions

Key Actions 2018-19

- Deploy Math learning coaches in classrooms.
- Exceed Alberta Education's recommended instructional time in Mathematics 1-9 by 25%.
- Build shared understandings of high-impact mathematics instructional and assessment practices with a focus on learning progressions and procedural fluency.
- Support additional mathematics professional learning through Math Leads, school-based support and individual teacher opportunities.
- Continue to build assessment resources for procedural fluency and problem solving.
- Continue to build coherence in communicating with families about mathematics learning.
- Continue to build data sets to inform future years' actions.

Key Actions 2019-20

- Continue revision and extension of previous implementation strategies.
- Continue to build and respond to data sets to inform future years' actions.

Key Actions 2020-21

- Continue revision and extension of previous implementation strategies.

(draft) Fostering a Positive Workplace Environment Strategy 2018-21

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

Key Actions

Key Actions 2018-19

- Take action based on results of 2017 survey and communicate progress to all employees
- Establish representative advisory group and working groups to plan and guide engagement actions
- Support people leaders in facilitating and encouraging ongoing conversations with employees
- Encourage active participation in the spring 2019 survey
- Analyze and share high-level results by June, 2019

Indicators

- Maintain level of participation and overall results in identified system areas of focus on 2019 employee engagement survey compared to 2017 survey

Key Actions 2019-20

- Discuss 2019 survey results within all service units, Areas and schools
- Adjust key actions and strategies from 2018-19 to respond to 2019 survey results
- Implement strategies as identified by work groups
- Continue to communicate progress to employees

Indicators

- Every employee was provided with an opportunity to participate in a discussion about survey results and areas for improvement

Key Actions 2020-21

- Continue to implement actions identified from 2019 survey results where feasible
- Re-survey all employees in spring 2021 and share high-level results by June 2021
- Continue to communicate progress to employees

Indicators

- Improvement in areas of focus as a result of actions taken to respond to employee engagement survey results

Accountability Pillar Overall Summary - Oct 2018

Measure Category	Measure	Calgary School District No. 19			Alberta			Measure Evaluation		
		Current Result	Prev Year Result	Prev 3 Year Average	Current Result	Prev Year Result	Prev 3 Year Average	Achievement	Improvement	Overall
Safe and Caring Schools	Safe and Caring	88.2	89.3	89.1	89.0	89.5	89.4	Very High	Declined Significantly	Acceptable
Student Learning Opportunities	Program of Studies	81.8	82.4	82.2	81.8	81.9	81.7	Very High	Declined	Good
	Education Quality	88.2	89.0	88.7	90.0	90.1	89.9	High	Declined Significantly	Issue
	Drop Out Rate	2.1	2.7	2.9	2.3	3.0	3.3	Very High	Improved Significantly	Excellent
	High School Completion Rate (3 yr)	75.9	76.4	75.9	78.0	78.0	77.0	High	Maintained	Good
Student Learning Achievement (Grades K-9)	PAT: Acceptable	75.4	75.3	75.2	73.6	73.4	73.3	Intermediate	Maintained	Acceptable
	PAT: Excellence	22.2	20.6	20.3	19.9	19.5	19.2	High	Improved Significantly	Good
Student Learning Achievement (Grades 10-12)	Diploma: Acceptable	86.3	85.0	85.4	83.7	83.0	83.0	High	Improved Significantly	Good
	Diploma: Excellence	31.2	28.6	28.4	24.2	22.2	21.7	Very High	Improved Significantly	Excellent
	Diploma Exam Participation Rate (4+ Exams)	61.0	61.9	61.2	55.7	54.9	54.7	High	Maintained	Good
	Rutherford Scholarship Eligibility Rate	61.7	61.6	61.3	63.4	62.3	61.5	n/a	Maintained	n/a
Preparation for Lifelong Learning, World of Work, Citizenship	Transition Rate (6 yr)	60.0	60.0	60.7	58.7	57.9	59.0	High	Maintained	Good
	Work Preparation	78.4	78.9	78.8	82.4	82.7	82.4	High	Maintained	Good
	Citizenship	81.1	82.7	82.9	83.0	83.7	83.7	Very High	Declined Significantly	Acceptable
Parental Involvement	Parental Involvement	77.4	78.3	78.0	81.2	81.2	81.0	Intermediate	Maintained	Acceptable
Continuous Improvement	School Improvement	78.2	80.1	78.7	80.3	81.4	80.7	High	Declined	Acceptable

Notes

- Overall evaluations can only be calculated if both improvement and achievement evaluations are available.
- Aggregated PAT results are based upon a weighted average of percent meeting standards (Acceptable, Excellence). The weights are the number of students enrolled in each course. Courses included: English Language Arts (Grades 6, 9, 9 K&E), Français (Grades 6, 9), French Language Arts (Grades 6, 9), Mathematics (6, 9, 9 K&E), Science (Grades 6, 9, 9 K&E), Social Studies (Grades 6, 9, 9 K&E).
- Participation in Provincial Achievement Tests was impacted by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by this event.
- Aggregated Diploma results are a weighted average of percent meeting standards (Acceptable, Excellence) on Diploma Examinations. The weights are the number of students writing the Diploma Examination for each course. Courses included: English Language Arts 30-1, English Language Arts 30-2, French Language Arts 30-1, Français 30-1, Mathematics 30-1, Mathematics 30-2, Chemistry 30, Physics 30, Biology 30, Science 30, Social Studies 30-1, Social Studies 30-2.
- Caution should be used when interpreting evaluations and results over time for Mathematics 30-1/30-2, as equating was not in place until the 2016/17 school year. Alberta Education does not comment on province wide trends until it has five years of equated examination data.
- Participation in Diploma Examinations was impacted by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by this event.
- Weighting of school-awarded marks in diploma courses increased from 50% to 70% in the 2015/16 school year. Caution should be used when interpreting trends over time.
- Due to the change from previous data source systems to Provincial Approach to Student Information (PASI), Rutherford Scholarship Eligibility Rate results prior to 2015 are not available.
- 2016 results for the 3-year High School Completion and Diploma Examination Participation Rates have been adjusted to reflect the correction of the Grade 10 cohort.

Accountability Pillar: First Nations, Métis and Inuit Overall Summary October 2018

Measure Category	Measure	Calgary School District No. 19 (FNMI)			Alberta (FNMI)			Measure Evaluation		
		Current Result	Prev Year Result	Prev 3 Year Average	Current Result	Prev Year Result	Prev 3 Year Average	Achievement	Improvement	Overall
Safe and Caring Schools	Safe and Caring	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Student Learning Opportunities	Program of Studies	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Education Quality	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Drop Out Rate	6.2	7.5	7.3	4.8	5.8	6.3	Intermediate	Improved	Good
	High School Completion Rate (3 yr)	37.8	36.4	34.9	53.3	53.7	50.5	Very Low	Maintained	Concern
Student Learning Achievement (Grades K-9)	PAT: Acceptable	43.2	44.0	42.0	51.7	51.7	52.0	Very Low	Maintained	Concern
	PAT: Excellence	5.3	6.5	4.4	6.6	6.7	6.5	Very Low	Maintained	Concern
Student Learning Achievement (Grades 10-12)	Diploma: Acceptable	82.1	79.6	82.4	77.1	77.1	76.6	Intermediate	Maintained	Acceptable
	Diploma: Excellence	12.8	14.3	15.7	11.0	10.7	10.3	Intermediate	Maintained	Acceptable
	Diploma Exam Participation Rate (4+ Exams)	17.3	16.7	15.7	24.4	21.8	21.2	Very Low	Maintained	Concern
	Rutherford Scholarship Eligibility Rate	17.1	16.5	18.4	35.9	34.2	33.0	n/a	Maintained	n/a
Preparation for Lifelong Learning, World of Work, Citizenship	Transition Rate (6 yr)	27.1	33.8	28.0	33.0	31.8	32.8	Very Low	Maintained	Concern
	Work Preparation	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Citizenship	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Parental Involvement	Parental Involvement	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Continuous Improvement	School Improvement	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Notes

- 1 | Overall evaluations can only be calculated if both improvement and achievement evaluations are available.
- 2 | Aggregated PAT results are based upon a weighted average of percent meeting standards (Acceptable, Excellence). The weights are the number of students enrolled in each course. Courses included: English Language Arts (Grades 6, 9, 9 K&E), Français (Grades 6, 9), French Language Arts (Grades 6, 9), Mathematics (6, 9, 9 K&E), Science (Grades 6, 9, 9 K&E), Social Studies (Grades 6, 9, 9 K&E).
- 3 | Participation in Provincial Achievement Tests was impacted by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by this event.
- 4 | Aggregated Diploma results are a weighted average of percent meeting standards (Acceptable, Excellence) on Diploma Examinations. The weights are the number of students writing the Diploma Examination for each course. Courses included: English Language Arts 30-1, English Language Arts 30-2, French Language Arts 30-1, Français 30-1, Mathematics 30-1, Mathematics 30-2, Chemistry 30, Physics 30, Biology 30, Science 30, Social Studies 30-1, Social Studies 30-2.
- 5 | Caution should be used when interpreting evaluations and results over time for Mathematics 30-1/30-2, as equating was not in place until the 2016/17 school year. Alberta Education does not comment on province wide trends until it has five years of equated examination data.
- 6 | Participation in Diploma Examinations was impacted by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by this event.
- 7 | Weighting of school-awarded marks in diploma courses increased from 50% to 70% in the 2015/16 school year. Caution should be used when interpreting trends over time.
- 8 | Due to the change from previous data source systems to Provincial Approach to Student Information (PASI), Rutherford Scholarship Eligibility Rate results prior to 2015 are not available.
- 9 | 2016 results for the 3-year High School Completion and Diploma Examination Participation Rates have been adjusted to reflect the correction of the Grade 10 cohort.

Outcome One: Alberta's students are successful

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2014	2015	2016	2017	2018	2018	Achievement	Improvement	Overall	2019	2020	2021
Overall percentage of students in Grades 6 and 9 who achieved the acceptable standard on Provincial Achievement Tests (overall cohort results).	74.4	74.8	75.5	75.3	75.4		Intermediate	Maintained	Acceptable			
Overall percentage of students in Grades 6 and 9 who achieved the standard of excellence on Provincial Achievement Tests (overall cohort results).	19.0	19.9	20.4	20.6	22.2		High	Improved Significantly	Good			

Notes

- 1 | Overall evaluations can only be calculated if both improvement and achievement evaluations are available.
- 2 | Aggregated PAT results are based upon a weighted average of percent meeting standards (Acceptable, Excellence). The weights are the number of students enrolled in each course. Courses included: English Language Arts (Grades 6, 9, 9 K&E); Français (Grades 6, 9); French Language Arts (Grades 6, 9); Mathematics (6, 9, 9 K&E); Science (Grades 6, 9, 9 K&E); and Social Studies (Grades 6, 9, 9 K&E).
- 3 | Participation in Provincial Achievement Tests was impacted by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by this event.

Strategies

Personalize Learning

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

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

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

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

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

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

Build Professional Capital

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

- further develop task design and assessment practices

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

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

Steward Our Resources

- enhance support to make decisions based upon a review and interpretation of evidence, data and guiding documents

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

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2014	2015	2016	2017	2018	2018	Achievement	Improvement	Overall	2019	2020	2021
Overall percentage of students who achieved the acceptable standard on diploma examinations (overall results).	86.5	86.2	85.1	85.0	86.3		High	Improved Significantly	Good			
Overall percentage of students who achieved the standard of excellence on diploma examinations (overall results).	29.2	29.0	27.6	28.6	31.2		Very High	Improved Significantly	Excellent			

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2013	2014	2015	2016	2017	2018	Achievement	Improvement	Overall	2019	2020	2021
High School Completion Rate - Percentage of students who completed high school within three years of entering Grade 10.	74.8	76.2	75.2	76.4	75.9		High	Maintained	Good			
Drop Out Rate - annual dropout rate of students aged 14 to 18	3.3	3.3	2.8	2.7	2.1		Very High	Improved Significantly	Excellent			
High school to post-secondary transition rate of students within six years of entering Grade 10.	60.4	61.3	60.9	60.0	60.0		High	Maintained	Good			
Percentage of Grade 12 students eligible for a Rutherford Scholarship.	n/a	n/a	61.1	61.6	61.7		n/a	Maintained	n/a			
Percentage of students writing four or more diploma exams within three years of entering Grade 10.	48.5	60.7	61.0	61.9	61.0		High	Maintained	Good			

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

Overall percentage of students who achieved the Acceptable Standard on diploma examinations (overall results) was an issue in the 2016-17 AERR, accordingly a target was set for 2017-18.

- The target for 2018 was 85.9% and the result for 2018 was 86.3% the target was met.

Notes

- 1 | Overall evaluations can only be calculated if both improvement and achievement evaluations are available.
- 2 | Diploma Examination Participation, High School Completion and High school to Post-secondary Transition rates are based upon a cohort of grade 10 students who are tracked over time.
- 3 | Aggregated Diploma results are a weighted average of percent meeting standards (Acceptable, Excellence) on Diploma Examinations. The weights are the number of students writing the Diploma Examination for each course. Courses included: English Language Arts 30-1; English Language Arts 30-2; French Language Arts 30-1; Français 30-1; Mathematics 30-1; Mathematics 30-2; Chemistry 30; Physics 30; Biology 30; Science 30; Social Studies 30-1; and Social Studies 30-2.
- 4 | Caution should be used when interpreting evaluations and results over time for Mathematics 30-1/30-2, as equating was not in place until the 2016/17 school year. Alberta Education does not comment on province wide trends until it has five years of equated examination data.
- 5 | Participation in Diploma Examinations was impacted by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by this event.
- 6 | Weighting of school-awarded marks in diploma courses increased from 50% to 70% in the 2015/16 school year. Caution should be used when interpreting trends over time.
- 7 | Due to the change from previous data source systems to Provincial Approach to Student Information (PASI), Rutherford Scholarship Eligibility Rate results prior to 2015 are not available.
- 8 | 2016 results for the 3-year High School Completion and Diploma Examination Participation Rates have been adjusted to reflect the correction of the Grade 10 cohort.

Strategies

Personalize Learning

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

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

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

- identify and create the conditions for success for students as unique learners and as members of their school and home communities
- further support student well-being as it relates to learning

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

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

Build Professional Capital

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

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

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

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

Engage Our Stakeholders

Increase public confidence by sharing, listening, learning and communicating to build mutual understanding and respect.

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

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

Steward Our Resources

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

- optimize, commission, modernize and maintain school facilities to foster enriching learning environments

Advance instructional leadership through strategic resource management.

High School Success Strategy

Each high school students will feel known, connected and supported in their learning.

- Planned processes for transitions and interventions

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

Performance Measure	Results (in percentages)					Target 2018	Evaluation			Targets		
	2014	2015	2016	2017	2018		Achievement	Improvement	Overall	2019	2020	2021
Percentage of teachers, parents and students who are satisfied that students model the characteristics of active citizenship.	83.1	82.3	83.8	82.7	81.1		Very High	Declined Significantly	Acceptable			
Percentage of teachers and parents who agree that students are taught attitudes and behaviours that will make them successful at work when they finish school.	78.2	78.2	79.3	78.9	78.4		High	Maintained	Good			

Strategies

Personalize Learning

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

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

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

- identify and create the conditions for success for students as unique learners and as members of their school and home communities
- further support student well-being as it relates to learning

Build Professional Capital

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

Engage our Stakeholders

Increase public confidence by sharing, listening, learning and communicating to build mutual understanding and respect.

- use the *Dialogue* framework to guide community engagement activities to ensure decisions are made which support students in learning

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

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

Outcome Two: Alberta's education system supports First Nations, Métis, and Inuit students' success

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2014	2015	2016	2017	2018	2018	Achievement	Improvement	Overall	2019	2020	2021
Overall percentage of self-identified FNMI students in Grades 6 and 9 who achieved the acceptable standard on Provincial Achievement Tests (overall cohort results).	41.1	42.4	39.6	44.0	43.2	45.0*	Very Low	Maintained	Concern	45.1	45.4	45.8
Overall percentage of self-identified FNMI students in Grades 6 and 9 who achieved the standard of excellence on Provincial Achievement Tests (overall cohort results).	4.4	3.3	3.2	6.5	5.3	6.5*	Very Low	Maintained	Concern	6.3	6.5	6.8
Overall percentage of self-identified FNMI students who achieved the acceptable standard on diploma examinations (overall results).	81.4	86.6	81.1	79.6	82.1		Intermediate	Maintained	Acceptable			
Overall percentage of self-identified FNMI students who achieved the standard of excellence on diploma examinations (overall results).	16.1	15.7	17.0	14.3	12.8		Intermediate	Maintained	Acceptable			

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

Overall percentage of self-identified FNMI students in Grades 6 and 9 who achieved the Acceptable Standard on Provincial Achievement Tests (all student cohort results) was a *Concern* in the 2016-17 AERR; accordingly, a target was set for 2018.

- The target for 2017 was 45.0% and the result for 2017 was 43.2%; The CBE result for this measure decreased by 1.2 percentage points between 2017 and 2018, not meeting the 2018 target.

Notes

- 1 | Overall evaluations can only be calculated if both improvement and achievement evaluations are available.
- 2 | Aggregated PAT results are based upon a weighted average of percent meeting standards (Acceptable, Excellence). The weights are the number of students enrolled in each course. Courses included: English Language Arts (Grades 6, 9, 9 K&E); Français (Grades 6, 9); French Language Arts (Grades 6, 9); Mathematics (6, 9, 9 K&E); Science (Grades 6, 9, 9 K&E); and Social Studies (Grades 6, 9, 9 K&E).
- 3 | Participation in Provincial Achievement Tests was impacted by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by this event.
- 4 | Aggregated Diploma results are a weighted average of percent meeting standards (Acceptable, Excellence) on Diploma Examinations. The weights are the number of students writing the Diploma Examination for each course. Courses included: English Language Arts 30-1; English Language Arts 30-2; French Language Arts 30-1; Français 30-1; Mathematics 30-1; Mathematics 30-2; Chemistry 30; Physics 30; Biology 30; Science 30; Social Studies 30-1; and Social Studies 30-2.
- 5 | Caution should be used when interpreting evaluations and results over time for Mathematics 30-1/30-2, as equating was not in place until the 2016/17 school year. Alberta Education does not comment on province wide trends until it has five years of equated examination data.
- 6 | Participation in Diploma Examinations was impacted by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by this event.
- 7 | Weighting of school-awarded marks in diploma courses increased from 50% to 70% in the 2015/16 school year. Caution should be used when interpreting trends over time.

Strategies

Personalize Learning

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

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

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

- identify and create the conditions for success for students as unique learners and as members of their school and home communities
- further support student well-being as it relates to learning

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

Build Professional Capital

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

- further develop task design and assessment practices

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

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

Engage our Stakeholders

Increase public confidence by sharing, listening, learning and communicating to build mutual understanding and respect.

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

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

Indigenous Education Strategy

Each student will learn in an environment that reflects high-impact strategies.

- Culturally responsive instructional design & assessment and support
- Early intervention
- Transition supports
- School connectedness
- Engaging with families and community to support student learning

Each Indigenous student will feel known, connected and supported in their learning environment.

Each student will benefit from Indigenous knowledge systems (ways of knowing) in their learning program.

Each Indigenous student will be supported to set and work towards learning goals.

Outcome Two: Alberta's education system supports First Nations, Métis, and Inuit students' success (continued)

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2013	2014	2015	2016	2017	2018	Achievement	Improvement	Overall	2019	2020	2021
High School Completion Rate - Percentage of self-identified FNMI students who completed high school within three years of entering Grade 10.	34.8	35.1	33.2	36.4	37.8	38.9	Very Low	Maintained	Concern	39.6	39.9	40.3
Drop Out Rate - annual dropout rate of self-identified FNMI students aged 14 to 18	8.8	9.0	5.5	7.5	6.2		Intermediate	Improved	Good			
High school to post-secondary transition rate of self-identified FNMI students within six years of entering Grade 10.	26.2	24.6	25.6	33.8	27.1	33.0	Very Low	Maintained	Concern	33.0	33.4	33.8
Percentage of Grade 12 self-identified FNMI students eligible for a Rutherford Scholarship.	n/a	n/a	20.3	16.5	17.1		n/a	Maintained	n/a			
Percentage of self-identified FNMI students writing four or more diploma exams within three years of entering Grade 10.	13.9	16.3	14.2	16.7	17.3	18.8	Very Low	Maintained	Concern	19.4	19.8	20.5

* The measures in this table only include results up to 2016-17. The "Target 2018" column refers to the result found in the 2017-18 May update not the result for the 2017-18 school year. The target set for 2018 is targeting the 2016-17 results.

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

High School Completion Rate - Percentage of self-identified FNMI students who completed high school within three years of entering Grade 10 was a *Concern* in the 2016-17 AERR; accordingly, a target was set.

- The target set for 2018 was 38.9, which would represent an increase of 2.5 percentage points over the 2016 result of 36.4%. The CBE result for this measure increased by 1.4 percentage points between 2016 and 2017, but did not meet the target.

Drop Out Rate - annual dropout rate of self-identified FNMI students aged 14 to 18 was an *Issue* in the 2016-17 AERR; accordingly, a target was set.

- The target set for 2017 was 6.2%, which would represent a decrease of 1.3 percentage points over the 2016 result of 7.5%. The 2017 result of 6.2% met the target.

Percentage of self-identified FNMI students writing four or more diploma exams within three years of entering Grade 10 was a *Concern* in the 2016-17 AERR; accordingly, a target was set.

- The target set 2017 was 18.8%, which would represent an increase of 2.1 percentage points over the 2016 result of 16.7%. The CBE result for this measure increased by 0.6 percentage points between 2016 and 2017, but did not meet the target.

Notes

- 1 | Overall evaluations can only be calculated if both improvement and achievement evaluations are available.
- 2 | Diploma Examination Participation, High School Completion and High school to Post-secondary Transition rates are based upon a cohort of grade 10 students who are tracked over time.
- 3 | Weighting of school-awarded marks in diploma courses increased from 50% to 70% in the 2015/16 school year. Caution should be used when interpreting trends over time.
- 4 | Due to the change from previous data source systems to Provincial Approach to Student Information (PASI), Rutherford Scholarship Eligibility Rate results prior to 2015 are not available.
- 5 | Student demographic data used when calculating Student Outcome Measures and Provincial Achievement Tests results was updated in October 2016. This impacted results based on enrolment (e.g., self-identified First Nations, Métis and Inuit), exception (e.g., learning disability) and grant program codes (e.g., English as Second Language students) reported in previous years.
- 6 | 2016 results for the 3-year High School Completion and Diploma Examination Participation Rates have been adjusted to reflect the correction of the Grade 10 cohort.

Strategies

Personalize Learning

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

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

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

- identify and create the conditions for success for students as unique learners and as members of their school and home communities
- further support student well-being as it relates to learning

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

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

Build Professional Capital

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

- further develop task design and assessment practices

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

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

Engage our Stakeholders

Increase public confidence by sharing, listening, learning and communicating to build mutual understanding and respect.

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

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

Indigenous Education Strategy

Each student will learn in an environment that reflects high-impact strategies.

- Culturally responsive instructional design & assessment and support
- Early intervention
- Transition supports
- School connectedness
- Engaging with families and community to support student learning

Each Indigenous student will feel known, connected and supported in their learning environment.

Each student will benefit from Indigenous knowledge systems (ways of knowing) in their learning program.

Each Indigenous student will be supported to set and work towards learning goals.

High School Success Strategy

Each high school students will feel known, connected and supported in their learning.

- Planned processes for transitions and interventions

Outcome Three: Alberta's education system respects diversity and promotes inclusivity

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2014	2015	2016	2017	2018	2018	Achievement	Improvement	Overall	2019	2020	2021
Percentage of teacher, parent and student agreement that: students are safe at school, are learning the importance of caring for others, are learning respect for others and are treated fairly in school.	89.0	88.2	89.8	89.3	88.2		Very High	Declined Significantly	Acceptable			

Strategies

Personalize Learning

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

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

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

- identify and create the conditions for success for students as unique learners and as members of their school and home communities
- further support student well-being as it relates to learning

Build Professional Capital

Further support the well-being of staff.

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

- inclusive learning
- Indigenous cultures, languages and histories

Engage our Stakeholders

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

- expand opportunities for community members to contribute to student learning

Increase public confidence by sharing, listening, learning and communicating to build mutual understanding and respect.

- use the *Dialogue* framework to guide community engagement activities to ensure decisions are made which support students in learning

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

- continue to act upon input received from employee engagement survey

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

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2014	2015	2016	2017	2018		2018	Achievement	Improvement	Overall	2019	2020
Percentage of teachers, parents and students satisfied with the opportunity for students to receive a broad program of studies including fine arts, career, technology, and health and physical education.	83.1	81.1	83.2	82.4	81.8		Very High	Declined	Good			

Strategies

Build Professional Capital

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

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

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

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

Engage our Stakeholders

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

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

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

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

Performance Measure	Results (in percentages)					Target	Evaluation			Targets		
	2014	2015	2016	2017	2018	2018	Achievement	Improvement	Overall	2019	2020	2021
Percentage of teachers, parents and students indicating that their school and schools in their jurisdiction have improved or stayed the same the last three years.	78.3	75.6	80.4	80.1	78.2		High	Declined	Acceptable			
Percentage of teachers and parents satisfied with parental involvement in decisions about their child's education.	77.9	77.2	78.4	78.3	77.4		Intermediate	Maintained	Acceptable			
Percentage of teachers, parents and students satisfied with the overall quality of basic education.	87.8	87.6	89.4	89.0	88.2		High	Declined Significantly	Issue	90.2	90.3	90.4

Strategies

Build Professional Capital

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

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

Engage our Stakeholders

Increase public confidence by sharing, listening, learning and communicating to build mutual understanding and respect.

- use the *Dialogue* framework to guide community engagement activities to ensure decisions are made which support students in learning

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

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

- expand opportunities for community members to contribute to student learning

Steward our Resources

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

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

Advance instructional leadership through strategic resource management.

Summary of Financial Results for 2017-18

Year-Over-Year Highlights

The 2017-18 deficit of \$2.1 million is \$13.0 million lower than the prior year deficit of \$15.1 million. These factors are highlighted in the financial information presented in the attached financial statements. Specifically:

Overall revenue increased by \$23.4 million (1.7 per cent) due to:

- an increase in revenue from Alberta Education of \$35.3 million. Funding increased due to:
 - enrolment growth of \$22.1 million with grant funding rates that were held constant;
 - Fee Replacement Grant of \$18.3 million provided in lieu of charging fees under the new Bill 1;
 - new funding received from the Classroom Improvement Fund (CIF) of \$13.0 million;
 - expended deferred capital revenues increased by \$4.9 million due to four new schools that were completed before Aug. 31, 2017 and began incurring amortization costs during the year. These revenues fully offset the amortization expense for those new schools.
 - above increases were offset by \$23.0 million related to Infrastructure Maintenance and Renewal (IMR) funding. This is mainly due to Alberta Education directing thirty per cent of IMR funding be used for capital projects instead of operations. The decrease in revenue is fully offset by an equal reduction in the supplies and services where IMR costs have traditionally been expensed. The CBE was allocated a total of \$38.9 million in 2017-18 and \$33.6 million in 2016-17 for IMR funding, higher by \$5.3 compared to the prior year.
- an increase of \$3.4 million in other sales and services is the result of general sales and services increases at the school level due to increased sales activity;
- an increase of \$3.0 million from the sale of investments due to the drawdown of operating and capital reserves to support the anticipated deficit from operations;
- a decrease of \$12.8 million in fees revenue as a result of Bill 1 and fewer parents incurring fee related services. ISM fees have been eliminated for those items that are included under the Government's working definition for instructional supplies and materials as well as the transportation fees for students who qualify for fee-free or fee-reduced transportation service; and
- a decrease in all other revenues of \$5.5 million. This is the result of donations and fundraising activities, which are inherently variable depending on the activity of each school.

Overall expenses by object increased by \$10.4 million (0.8 per cent) due to:

- an increase of \$26.1 million in salaries and benefits. This is the result of the new \$13.0 million CIF (125 FTEs), additional staffing due to increased enrolment, student complexity, collective agreement grid movement and additional 120 FTEs hired to work in the new schools that opened during the year;
- a decrease of \$21.4 million in supplies and services is largely as a result of some IMR projects being set up as assets. This is in compliance with direction from Alberta Education that requires thirty per cent of all IMR spending to be for capital improvements. The related assets will be amortized over time and has resulted in lower supplies and services expense relative to the prior year; and
- an increase of \$5.7 million in other expenses is mainly due to:
 - higher amortization expense related to the four new schools completed prior to August 31, 2017 and being amortized in 2017-18;
 - lower uncollectible accounts due to the elimination of ISM fees under Bill 1 and reduction in student fees for transportation.

Budget to Actual Highlights

The CBE's Budget Report for 2017-18 was developed and approved by the Board of Trustees in May of 2017 for the school year commencing in September 2017. The budget was based on estimates of an expected enrolment increase of 2,053 for the 2017-18 school year. At the September 30, 2017 student count date, actual enrolment for the year was 491 students higher (2,544 in total) than originally budgeted. As a result, both revenues and expenses were adjusted for the related increases in both funding and expenditures. The budget presented for comparative purposes is the 2017-18 Fall

Budget Update, which incorporates the actual September 30, 2017 enrolment counts. The Fall Budget Update was approved by the Board of Trustees on November 28, 2017.

The 2017-18 actual deficit of \$2.1 million is \$14.9 million less than the budgeted deficit of \$17.0 million.

Specifically:

Overall revenues decrease from budget by \$20.9 million (1.5 per cent) due to:

- A decrease in revenue from Alberta Education revenues of \$25.3 million mainly due to Alberta Education directing that thirty per cent of IMR funding be used for capital projects rather than being expensed through operations. This decrease in revenue is fully offset by an equal reduction in the supplies and services expense line where IMR costs have traditionally been expensed. Also contributing to the decrease is the Alberta Teacher's Retirement Fund (ATRF) and Local Authorities Pension Plan (LAPP) reduced funding from what was expected in the Fall Budget Update. This decrease in revenue is offset by an equivalent reduction in salaries and benefits. The reduction is due to lower employer contribution rates for the related pension funds;
- a decrease in fees revenues of \$3.6 million and all other revenues of \$3.6 million. This is mainly the result of activities which are inherently variable depending on the activity of each school;
- an increase of \$7.6 million in other sales and services which again is the result of general sales and services increases at the school level due to increased sales activity; and,
- an increase of \$4.0 million in investment income mainly from the sale of investments. Due to projected operational and capital project funding requirements it was deemed prudent to convert equity and bond investments into cash.

Overall expenses decrease from budget by \$35.8 million (2.6 per cent) due to:

- A decrease in salaries and benefits of \$18.5 million. This is mainly due to:
 - The actual salaries are lower than the estimated averages used for the budget;
 - The Alberta Teacher's retirement fund (ATRF) and Local Authorities Pension Plan (LAPP) reduced funding from what was expected in the Fall Budget Update. This decrease in revenue is offset by an equivalent reduction the salaries and benefits line;
 - Lower employer contribution rates for the related pension funds;
 - Lower vacation liability than budgeted;
 - Position vacancies within service units; and,
 - Activities that were still in progress at year end and the budget for these will be carried forward for completion in 2018-19. Examples of this include community engagement and professional leaves.
- A decrease in supplies and services of \$16.8 million is mainly due to a portion of IMR expenditures being capitalized in accordance with Alberta Education direction. This in compliance with direction from Alberta Education that requires thirty per cent of all IMR spending to be for capital improvements. Also, contributing to this decrease are cost saving measures implemented by the service units to conserve budget monies. For example, negotiated lower information technology licensing costs.

Accumulated Surplus

As at Aug. 31, 2018 the CBE has an accumulated surplus balance of \$213.8 million which is reduced from the \$217.1 million balance in the prior year. The \$3.3 million reduction in accumulated surplus reflects the operating deficit of \$2.1 million and an accumulated unrealized investment re-measurement loss of \$1.2 million.

Reserves

The CBE must balance service and program level changes within available revenue and reserves. The following table summarizes net impact of operating and capital activities on reserves.

	Reserve balance Sept 1, 2017	Actual transfers to/ (from) reserves	Reserve balance Aug 31, 2018
(all figures in \$ thousands)			
Total operating reserves	19,087	6,889	25,976
Total capital reserves	32,401	(8,201)	24,200
Total reserves	51,488	(1,312)	50,176

There was an increase in the use of capital reserves due to spending on continuing capital projects carried forward from 2016-17. Consequently, there was less funding needed from operating reserves to fund capital resulting in an increase in operating reserves of \$6.9 million.

Balances remaining in reserves of \$50.2 million or 3.7% of total expenditures are available for use in 2018-19 and future years, subject to Board of Trustees approval.

Program Expenditure Information

SCHEDULE 3								School Jurisdiction Code:	3030
SCHEDULE OF PROGRAM OPERATIONS for the Year Ended August 31, 2018 (in dollars)									
REVENUES	2018							2017	
	Instruction		Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL	TOTAL	
	ECS	Grades 1 - 12							
(1) Alberta Education	\$ 52,106,000	\$ 978,904,000	\$ 143,357,000	\$ 42,137,000	\$ 49,053,000	\$ -	\$ 1,265,557,000	\$ 1,230,285,000	
(2) Other - Government of Alberta	\$ -	\$ 133,000	\$ 128,000	\$ -	\$ -	\$ 4,000	\$ 265,000	\$ 376,000	
(3) Federal Government and First Nations	\$ -	\$ 1,123,000	\$ -	\$ -	\$ 11,000	\$ 2,153,000	\$ 3,287,000	\$ 3,169,000	
(4) Other Alberta school authorities	\$ -	\$ 316,000	\$ 34,000	\$ -	\$ -	\$ -	\$ 350,000	\$ 663,000	
(5) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(6) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(7) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(8) Fees	\$ -	\$ 20,432,000	\$ -	\$ 4,585,000	\$ -	\$ 13,957,000	\$ 38,974,000	\$ 51,782,000	
(9) Other sales and services	\$ 463,000	\$ 13,867,000	\$ 179,000	\$ 8,000	\$ 780,000	\$ 15,043,000	\$ 30,340,000	\$ 26,922,000	
(10) Investment income	\$ -	\$ 714,000	\$ -	\$ -	\$ 6,466,000	\$ -	\$ 7,180,000	\$ 4,124,000	
(11) Gifts and donations	\$ -	\$ 7,957,000	\$ -	\$ -	\$ -	\$ -	\$ 7,957,000	\$ 9,076,000	
(12) Rental of facilities	\$ -	\$ -	\$ 355,000	\$ -	\$ 444,000	\$ 4,079,000	\$ 4,878,000	\$ 5,436,000	
(13) Fundraising	\$ -	\$ 2,640,000	\$ -	\$ -	\$ -	\$ -	\$ 2,640,000	\$ 7,485,000	
(14) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ (18,000)	\$ -	\$ -	\$ -	\$ (18,000)	\$ 18,000	
(15) Other revenue	\$ -	\$ 1,704,000	\$ 19,000	\$ -	\$ -	\$ 14,000	\$ 1,737,000	\$ 369,000	
(16) TOTAL REVENUES	\$ 52,569,000	\$ 1,027,790,000	\$ 144,054,000	\$ 46,730,000	\$ 56,754,000	\$ 35,250,000	\$ 1,383,147,000	\$ 1,339,705,000	
EXPENSES									
(17) Certificated salaries	\$ 28,902,000	\$ 625,152,000	\$ -	\$ -	\$ 1,130,000	\$ 6,865,000	\$ 662,049,000	\$ 641,046,000	
(18) Certificated benefits	\$ 3,204,000	\$ 141,111,000	\$ -	\$ -	\$ 587,000	\$ 800,000	\$ 145,702,000	\$ 141,283,000	
(19) Non-certificated salaries and wages	\$ 13,751,000	\$ 115,454,000	\$ 49,988,000	\$ 2,103,000	\$ 16,305,000	\$ 13,879,000	\$ 211,480,000	\$ 208,683,000	
(20) Non-certificated benefits	\$ 3,374,000	\$ 29,189,000	\$ 11,996,000	\$ 554,000	\$ 3,441,000	\$ 2,848,000	\$ 51,402,000	\$ 53,546,000	
(21) SUB - TOTAL	\$ 49,231,000	\$ 910,906,000	\$ 61,984,000	\$ 2,657,000	\$ 21,463,000	\$ 24,392,000	\$ 1,070,633,000	\$ 1,044,558,000	
(22) Services, contracts and supplies	\$ 2,826,000	\$ 99,079,000	\$ 48,268,000	\$ 45,923,000	\$ 20,885,000	\$ 6,245,000	\$ 223,226,000	\$ 244,671,000	
(23) Amortization of supported tangible capital assets	\$ -	\$ -	\$ 38,999,000	\$ -	\$ -	\$ -	\$ 38,999,000	\$ 33,140,000	
(24) Amortization of unsupported tangible capital assets	\$ 706,000	\$ 14,292,000	\$ 7,595,000	\$ -	\$ 4,827,000	\$ -	\$ 27,420,000	\$ 24,177,000	
(25) Supported interest on capital debt	\$ -	\$ -	\$ 128,000	\$ -	\$ -	\$ -	\$ 128,000	\$ 273,000	
(26) Unsupported interest on capital debt	\$ -	\$ -	\$ 338,000	\$ -	\$ 22,000	\$ -	\$ 360,000	\$ 337,000	
(27) Other interest and finance charges	\$ 17,000	\$ 361,000	\$ -	\$ 151,000	\$ 68,000	\$ 271,000	\$ 868,000	\$ 864,000	
(28) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(29) Other expense	\$ -	\$ -	\$ -	\$ 874,000	\$ (18,000)	\$ 2,709,000	\$ 3,565,000	\$ 6,820,000	
(30) TOTAL EXPENSES	\$ 52,780,000	\$ 1,024,638,000	\$ 157,312,000	\$ 49,605,000	\$ 47,247,000	\$ 33,617,000	\$ 1,365,199,000	\$ 1,354,840,000	
(31) OPERATING SURPLUS (DEFICIT)	\$ (211,000)	\$ 3,152,000	\$ (13,258,000)	\$ (2,875,000)	\$ 9,507,000	\$ 1,633,000	\$ (2,052,000)	\$ (15,135,000)	

Budget Summary: Fall 2018 Update to the 2018-19 Budget

On Nov 27, 2018, the Board of Trustees will be asked to receive the Fall 2018 Update to the 2018-19 Budget, reflecting total planned spending of \$1,393.9 million, a decrease of \$3.1 million from the 2018-19 Budget.

The CBE's values, set out below, guide Administration's approach to the budget:

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

The Budget Report for 2018-19 was prepared using a consultative process and focused resources on achieving the vision as articulated in the CBE values, the Three-Year Education Plan and guidance from Alberta Education.

This budget charts a path that aligns with the CBE's values while balancing against available resources. Highlights include:

- funds allocated directly to schools have increased by \$22.5 million (2.7 per cent), excluding the \$13 million in Classroom Improvement Fund (CIF) grant² received for 2018-19. 4.4 per cent is required to maintain current levels of service.

This increase funds enrolment growth of 1.5 per cent and the opening of two new schools.

- Fees:
 - All revenue from Alberta Education related to transportation and instructional supplies and materials will continue to be fully applied to the cost of these services. There will be no contribution from the global budget to support fee-based programs and services. Fee revenue for transportation and noon supervision will fully fund the gap between Alberta Education funding and direct program costs, including waivers and uncollectable accounts.
 - For the 2018-19 year, noon supervision fees will increase by up to 3.9 per cent and transportation fees by 4.5 per cent due to increased costs of providing those services, subject to ministerial approval.
- The number of school-based positions have increased by 149 FTEs to address enrolment growth due to the CIF grant.
- Service unit budgets have been reduced by between 3 per cent and 10 per cent (approx. \$15 million) of discretionary budgets to maximize school-based allocations. Approximately 69 FTEs have been reduced in service units including Areas and school-based custodial services.
- Non-school facility capital project spending is budgeted at \$31.6 million.
- As required by law, the budget for 2018-19 is balanced.

The CBE's 2018-19 Budget Report can be found at the following location:

<https://www.cbe.ab.ca/about-us/budget-and-finance/operating-budget-2018-19/Pages/default.aspx>

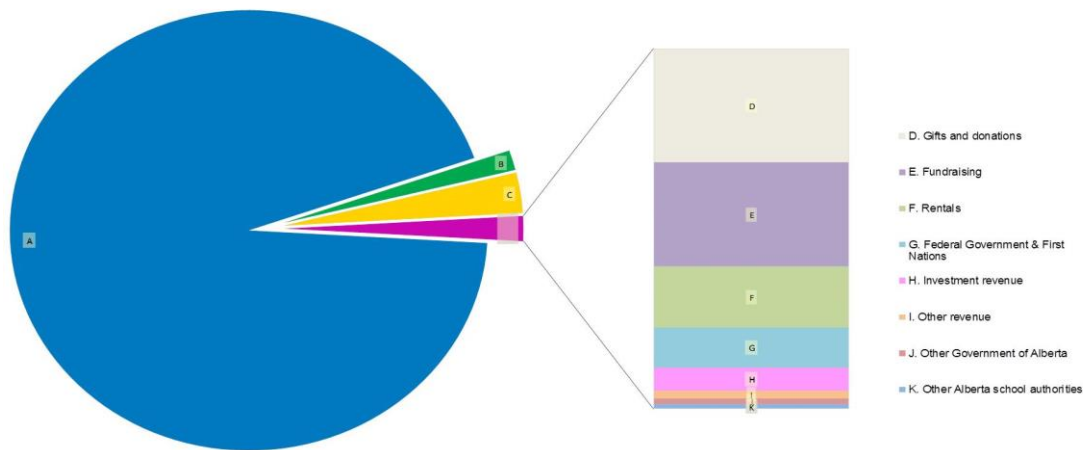
The Fall Update Report will be submitted to Alberta Education immediately following its receipt by the Board of Trustees. It reflects financial support for the outcomes, strategies and actions articulated in the CBE's Three-Year Education Plan and forms the basis of the 2018-19 updated work plans for each of the CBE's service units and fall resource deployment by principals at schools.

Of the \$1,393.9 million in total expected revenues (not including approved transfers from operating reserves and designated funds) approximately 94 per cent, or \$1,306.8 million, is Alberta Education grant revenue. The total planned spending is \$1,399.9 million leaving a deficit of \$6.0 million, which will be funded from draws on reserves.

² The Classroom Improvement Fund (CIF) was a Provincial grant received in the 2017-18 year as part of the Alberta Teachers' Association collective agreement ratification. The grant was originally distributed as one-time funding. On April 26, 2018, the CBE received notification that this funding will continue in 2018-19.

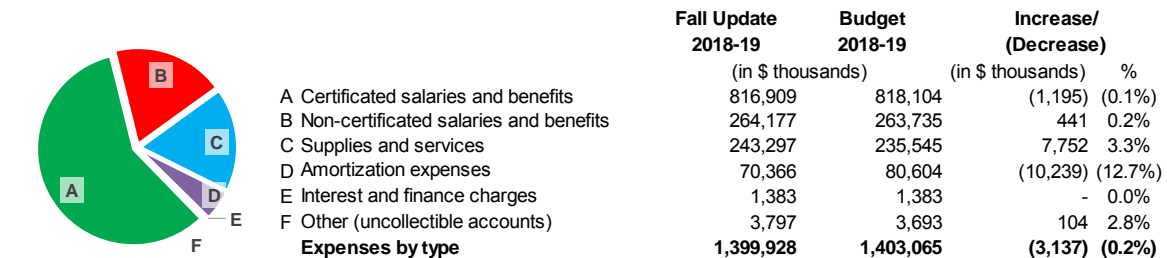
Revenues

	Fall Update		Budget
	2018-19		2018-19
	(in \$ thousands)	%	(in \$ thousands)
A Alberta Education	1,306,807	94%	1,310,353
B Other sales and services	20,410	1%	20,613
C Fees revenue	41,159	3%	41,174
Other	25,553	2%	24,925
Revenues	1,393,929	100%	1,397,065



Expenses by Type

	Fall Update	Budget	Increase/	
	2018-19	2018-19	(Decrease)	
	(in \$ thousands)	(in \$ thousands)	(in \$ thousands)	%
A Certificated salaries and benefits	816,909	818,103	(1,194)	(0.1%)
B Non-certificated salaries and benefits	264,177	263,735	442	0.2%
C Supplies and services	243,297	235,545	7,752	3.3%
D Amortization expenses	70,366	80,605	(10,239)	(12.7%)
E Interest and finance charges	1,384	1,384	-	0.0%
F Other (uncollectible accounts)	3,796	3,693	103	2.8%
Expenses	1,399,929	1,403,065	(3,136)	(0.2%)



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

A full discussion and analysis of the CBE's year-end financial statements and historical financial documents can be found at the following link subsequent to Board of Trustee approval, scheduled for Nov. 27, 2018: <http://www.cbe.ab.ca/trustees/budget.asp>

The provincial roll-up of financial results can be found at: <https://education.alberta.ca/financial-statements/about-the-documents/>

Summary of Facility & Capital Plans 2017-18

Calgary has experienced varying levels of population growth over the past decade. Calgary's population has increased by 126 075 persons in the last five years, an average of 25 215 persons per year. The current population is 1 267 344 people (2018 City Census). The City of Calgary's *Suburban Residential Growth 2018-2022* indicates there are 29 communities in new suburban areas at various stages of build out and development. Of these 29 communities, 27 of them are considered actively developing with approved land use.

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

The CBE's Three-Year School Capital Plan 2019-22 was approved on March 13, 2018 by the Board of Trustees and can be found on the Schools Under Development page on the CBE Website at: <https://www.cbe.ab.ca/FormsManuals/Three-Year-School-Capital-Plan.pdf>

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

- 12 new school construction projects totaling \$273.3 million
- 10 major modernization projects totaling \$130.1 million

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

Approved New Schools and Modernization Requests

During the 2017-18 school year, the Calgary Board of Education (CBE) opened four new schools. Additionally, work with Alberta Infrastructure was initiated on another eight new school construction and modernization projects as follows:

- On March 21, 2017, the Alberta Government announced the approval of three new elementary schools for Cranston, Evergreen and Coventry Hills, as well as a major modernization for Forest Lawn High School.
- On March 23, 2018, the Alberta Government announced the approval of an elementary school for Mahogany and a K-9 school for Sky View Ranch. They also provided design approval for a middle school in Auburn Bay and a new high school to be located in Coventry Hills.

Enrolment Program Overview

In the 2018-19 school year the Calgary Board of Education will provide programs and services in 246 schools, addressing the complexity and diversity of a population of 123 419 students

Type and Number of Schools¹ 2018-19	
Elementary	143
Elementary Junior or Middle	48
Junior	14
Junior Senior	4
Senior	21
Elementary Junior Senior ²	1
Unique Settings including Discovering Choices Outreach at four locations	15
Total	246

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

Student Enrolment as of Sept. 30, 2018	
Early Learning	195
Kindergarten	8 740
Grades 1 to 3	29 073
Grades 4 to 6	28 265
Grades 7 to 9	25 321
Grades 10 to 12	27 567
CBe-learn ¹	576
Chinook Learning Services ¹	1 116
Home Education	262
Outreach Programs	1 365
Unique Settings	939
Total Enrolment	123 419

¹ 245 students are over 20 years old.

CBE Budgeted Employee Count¹ 2017-18	
Certificated ²	6 686.3
Non-certificated ²	3 502.7
Total	10 189.0

¹ Reported as Full-Time Equivalent as of Sept. 30, 2017

Program Overview

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

Settings and Programs Providing Specialized Services and Supports

- Children's Village School
- Christine Meikle School
- Discovering Choices Outreach
- Dr. Gordon Townsend School
- Dr. Oakley School
- Emily Follensbee School
- HERA Program
- Nexus
- Transitions
- West View School
- William Roper Hull School

Sports-Supported Learning Opportunities

- National Sport School

Specialized School-Based Programming

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

Pathway Categories and Programs

- Dual Credit
- Encore CBE
- Internships
- Off-Campus Exploratory Programs
- Registered Apprenticeship Programs (RAP)

CBE-Supported Community-Based Programming

- Adolescent Day Treatment Program (ADTP)
- Alberta Adolescent Recovery Centre (AARC)
- Calgary Youth Attendance Centre (CYAC)
- Emergency Women's Shelter
- Enviros Wilderness Base Camp
- ExCel
- Young Adult Program

Alternative Programs

Content program focus

- Arts-Centred Learning
- Science School

Teaching philosophy programs

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

Language and culture programs

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

Measure Evaluation Reference

Achievement Evaluation

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

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

Measure	Very Low	Low	Intermediate	High	Very High
Safe and Caring	0.00 - 77.62	77.62 - 81.05	81.05 - 84.50	84.50 - 88.03	88.03 - 100.00
Program of Studies	0.00 - 66.31	66.31 - 72.65	72.65 - 78.43	78.43 - 81.59	81.59 - 100.00
Education Quality	0.00 - 80.94	80.94 - 84.23	84.23 - 87.23	87.23 - 89.60	89.60 - 100.00
Drop Out Rate	100.00 - 9.40	9.40 - 6.90	6.90 - 4.27	4.27 - 2.79	2.79 - 0.00
High School Completion Rate (3 yr)	0.00 - 57.03	57.03 - 62.36	62.36 - 73.88	73.88 - 81.79	81.79 - 100.00
PAT: Acceptable	0.00 - 66.07	66.07 - 70.32	70.32 - 79.81	79.81 - 84.64	84.64 - 100.00
PAT: Excellence	0.00 - 9.97	9.97 - 13.44	13.44 - 19.56	19.56 - 25.83	25.83 - 100.00
Diploma: Acceptable	0.00 - 71.45	71.45 - 78.34	78.34 - 84.76	84.76 - 87.95	87.95 - 100.00
Diploma: Excellence	0.00 - 9.55	9.55 - 12.59	12.59 - 19.38	19.38 - 23.20	23.20 - 100.00
Diploma Exam Participation Rate (4+ Exams)	0.00 - 31.10	31.10 - 44.11	44.11 - 55.78	55.78 - 65.99	65.99 - 100.00
Transition Rate (6 yr)	0.00 - 39.80	39.80 - 46.94	46.94 - 56.15	56.15 - 68.34	68.34 - 100.00
Work Preparation	0.00 - 66.92	66.92 - 72.78	72.78 - 77.78	77.78 - 86.13	86.13 - 100.00
Citizenship	0.00 - 66.30	66.30 - 71.63	71.63 - 77.50	77.50 - 81.08	81.08 - 100.00
Parental Involvement	0.00 - 70.76	70.76 - 74.58	74.58 - 78.50	78.50 - 82.30	82.30 - 100.00
School Improvement	0.00 - 65.25	65.25 - 70.85	70.85 - 76.28	76.28 - 80.41	80.41 - 100.00

Notes

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

Improvement Table

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

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

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

Overall Evaluation Table

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

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

Category Evaluation

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

(e.g. 2 = Excellent, 1 = Good, 0 = Intermediate, -1 = Issue, -2 = Concern).

Accountability Pillar Overall Summary - Oct 2018 - Province

Measure Category	Measure	Alberta			Measure Evaluation		
		Current Result	Prev Year Result	Prev 3 Year Average	Achievement	Improvement	Overall
Safe and Caring Schools	Safe and Caring	89.0	89.5	89.4	Very High	Declined Significantly	Acceptable
Student Learning Opportunities	Program of Studies	81.8	81.9	81.7	Very High	Maintained	Excellent
	Education Quality	90.0	90.1	89.9	Very High	Improved	Excellent
	Drop Out Rate	2.3	3.0	3.3	Very High	Improved Significantly	Excellent
	High School Completion Rate (3 yr)	78.0	78.0	77.0	High	Improved Significantly	Good
Student Learning Achievement (Grades K-9)	PAT: Acceptable	73.6	73.4	73.3	Intermediate	Improved	Good
	PAT: Excellence	19.9	19.5	19.2	High	Improved Significantly	Good
Student Learning Achievement (Grades 10-12)	Diploma: Acceptable	83.7	83.0	83.0	Intermediate	Improved Significantly	Good
	Diploma: Excellence	24.2	22.2	21.7	Very High	Improved Significantly	Excellent
	Diploma Exam Participation Rate (4+ Exams)	55.7	54.9	54.7	Intermediate	Improved Significantly	Good
	Rutherford Scholarship Eligibility Rate	63.4	62.3	61.5	n/a	Improved Significantly	n/a
Preparation for Lifelong Learning, World of Work, Citizenship	Transition Rate (6 yr)	58.7	57.9	59.0	High	Maintained	Good
	Work Preparation	82.4	82.7	82.4	High	Maintained	Good
	Citizenship	83.0	83.7	83.7	Very High	Declined Significantly	Acceptable
Parental Involvement	Parental Involvement	81.2	81.2	81.0	High	Maintained	Good
Continuous Improvement	School Improvement	80.3	81.4	80.7	High	Declined Significantly	Issue

Notes

- 1 | Overall evaluations can only be calculated if both improvement and achievement evaluations are available.
- 2 | Aggregated PAT results are based upon a weighted average of percent meeting standards (Acceptable, Excellence). The weights are the number of students enrolled in each course. Courses included: English Language Arts (Grades 6, 9, 9 K&E); Français (Grades 6, 9); French Language Arts (Grades 6, 9); Mathematics (6, 9, 9 K&E); Science (Grades 6, 9, 9 K&E); and Social Studies (Grades 6, 9, 9 K&E).
- 3 | Participation in Provincial Achievement Tests was impacted by the flooding in June 2013 (Grade 9 only) and by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by these events.
- 4 | Aggregated Diploma results are a weighted average of percent meeting standards (Acceptable, Excellence) on Diploma Examinations. The weights are the number of students writing the Diploma Examination for each course. Courses included: English Language Arts 30-1; English Language Arts 30-2; French Language Arts 30-1; Français 30-1; Mathematics 30-1; Mathematics 30-2; Chemistry 30; Physics 30; Biology 30; Science 30; Social Studies 30-1; and Social Studies 30-2.
- 5 | Caution should be used when interpreting evaluations and results over time for Mathematics 30-1/30-2, as equating was not in place until the 2016/17 school year. Alberta Education does not comment on province wide trends until it has five years of equated examination data.
- 6 | Participation in Diploma Examinations was impacted by the flooding in June 2013 and by the fires in May to June 2016. Caution should be used when interpreting trends over time for the province and those school authorities affected by these events.
- 7 | Weighting of school-awarded marks in diploma courses increased from 50% to 70% in the 2015/16 school year. Caution should be used when interpreting trends over time.
- 8 | Due to the change from previous data source systems to Provincial Approach to Student Information (PASI), Rutherford Scholarship Eligibility Rate results prior to 2015 are not available.
- 9 | 2016 results for the 3-year High School Completion and Diploma Examination Participation Rates have been adjusted to reflect the correction of the Grade 10 cohort.

report to Board of Trustees

Results 2 Monitoring: Follow-up Report

Date	November 27, 2018
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	David Stevenson, Chief Superintendent of Schools
Purpose	Information
Originator	Sydney Smith, Acting Superintendent, Learning
Governance Policy Reference	Results 2: Academic Access
Resource Persons	Chris Meaden, Director, Learning Dianne Roulson, Director, Learning Elizabeth Wood, Director, Learning Lea Sherwood, System Principal, Research & Strategy

1 | Recommendation

This report is being provided for information to the Board. No decision is required at this time.

2 | Issue

The Board of Trustees has directed the Chief Superintendent to provide additional information for specific areas of exception or concern within Results 2: Academic Success.

3 | Background

On February 13, 2018, following their determination that reasonable progress is being made toward the ultimate achievement of this results policy, with the exceptions of First Nations, Métis and Inuit student achievement in all academic disciplines, and student results in Mathematics, the Board of Trustees passed the following motions:

THAT the Board of Trustees identifies a concern with the Grade 9 English Language Arts results.

THAT the Board of Trustees directs the Chief Superintendent to provide additional information, including strategies, revised targets and the assessment of the strategies for each of the areas identified as an exception or a concern by November 30, 2018.

The areas of concern identified were:

- First Nations, Métis and Inuit student achievement in all academic disciplines
- student results in Mathematics; and
- grade 9 English Language Arts results.

4 | Analysis

High-level strategy information for Indigenous Education, Mathematics and Literacy is included as part of the CBE's Draft 2018-21 Three-Year Education Plan. The information in this report will build on that information to address the Board of Trustees' specific motions.

Large-scale educational change is recognized in academic literature to take time. In a large system like the CBE, it can take 7-10 years to create comprehensive, widespread sustainable change through a focus on building understanding and capacity for new forms of educational practice. Year-to-year changes are on a smaller scale.

First Nations, Métis and Inuit students' achievement in all academic disciplines.

For students self-identified as Indigenous, data related to students' achievement in all academic disciplines includes report card data and the Provincial Assessment Program data. Targets are based on CBE calculations of results that could be statistically considered to be improved in relation to the average of the previous three years' results. The comparison of a single year's result in relation to its previous three-year average is consistent with Alberta Education's evaluation of overall PAT or Diploma Examination results.

Targets and Results for 2017-18

Overall percentage of students self-identified as Indigenous:

A. achieving success in all academic disciplines as measured by Report Cards

	2016-17 CBE Actual	2017-18 CBE Target	2017-18 CBE Actual
A	84.8%	84.6%	85.8%

Overall percentage of students self-identified as Indigenous:

- A. grade 6 and 9 achieving Acceptable Standard on Provincial Achievement Tests
- B. grade 6 and 9 achieving Standard of Excellence on Provincial Achievement Tests
- C. achieving Acceptable Standard on Diploma Examinations
- D. achieving Standard of Excellence on Diploma Examinations

	2016-17 CBE Actual	2017-18 CBE Target	2017-18 CBE Actual	2017-18 Prov Actual	At or Above Prov Results	Consistent/ Improving*
A	44.0%	45.0%	43.2%	51.7%		✓
B	6.5%	6.5%	5.3%	6.6%		✓
C	79.6%	85.7%	82.1%	77.1%	✓	✓
D	14.3%	19.1%	12.8%	11.0%	✓	✓

* Consistent or improving across time compared to the Previous 3-Year Average based on an Improvement Evaluation of *Maintained*, *Improved* or *Improved Significantly*.

Targets for 2018-19

Overall percentage of student self-identified as Indigenous achieving success as measured by report cards K-12: 86.0%

The target for overall percentage of students self-identified Indigenous (overall cohort results):

- grade 6 and 9 achieving Acceptable Standard on PATs: 45.1%
- grade 6 and 9 achieving Standard of Excellence on PATs: 6.3%
- achieving Acceptable Standard on Diploma Examinations: 84.2%
- achieving Standard of Excellence on Diploma Examinations: 18.0%

Strategies

Success for First Nations, Métis and Inuit students is a CBE, provincial and national expectation and priority. The Indigenous Education Strategy, introduced in 2016-17, is a direct response to this priority and the Calls to Action in the Truth and Reconciliation Commission final report. The strategy identifies two outcomes: the success of First Nations, Métis and Inuit students in their learning programs; and, advancing the learning of all students through the strength and diversity of Indigenous knowledge systems (ways of knowing).

Success for First Nations, Métis and Inuit students requires a shift in our approach in order to achieve visible and sustainable improvements in student's learning and well-being. Our approach parallels the recommendations in the OECD publication, *Promising Practices in Supporting Success for Indigenous Students*¹, which requires establishing large-scale change over the long-term. This includes: cultivating a balanced and respectful relationship between existing CBE knowledge systems and Indigenous knowledge systems; advancing culturally responsive instructional design and assessment; advancing system wide learning; and building respectful working relationships with community.

¹ OECD (2017). *Promising Practices in Supporting Success for Indigenous Students*. Paris, France: OECD Publishing.

The CBE key actions are determined each year by:

- examining student learning data (including “micro-progressions” – evidence of student learning related to participation and progress);
- examining the pattern of requests related to learning support for school communities and individual student/family support (309 in 2017-18);
- identifying high impact practices (i.e., what research says makes the greatest difference); and
- teaching/Leadership Quality Standards.

Assessment of Strategies

The information that tells us that our Indigenous Education Strategy supports the success of students self-identified as Indigenous includes:

- **High School Completion Rate:** After the first full year of the implementation of Indigenous Education Learning Leaders/Graduation Coaches in high schools, the High School Completion Rate (3 yr) for students self-identified as Indigenous for 2016-17 (the most current year for this data set) was 37.8%, up 1.4 percentage points from the previous year.
- **Setting and Working Towards Learning Goals:** Alberta Education’s competencies for the new curriculum “are streamlined expression of the competencies in the *Ministerial Order on Students Learning* (#001/2013)”² and include students setting and working towards learning goals.
 - **Results 4, K-9 Report Card:** In 2017-18 the results on this stem (students setting and working toward learning goals) for First Nations, Métis and Inuit students was 87.5%.
 - **Learning Plans High School:** Student learning plans show evidence of “micro-progressions” in student learning and are a key leverage point for teachers as they work daily to support students in their learning and to provide targeted support. 100% of high school students self-identified as Indigenous, with the support of a learning coach, have a learning plan.
- **Attendance:** Indigenous education school-based learning leaders track attendance data monthly to monitor and support student attendance. These data are rich have been examined carefully by school leadership teams to inform and influence steps they are taking to support student success. Improved attendance is linked to student success.

Students have identified what supports their attendance in school.

- Removing barriers (specific barriers have been identified).
- Students feeling known and supported as learners.
- Students and families feeling safe, welcome and connected to the school community.
- Staff gaining knowledge and understanding about indigenous ways of knowing.
- Indigenous ways of knowing shifting and influencing school practices.

Beginning in 2018-19, common ways of tracking attendance have been established. With the implementation of a new Student Information System (PowerSchool), we are exploring ways of tracking attendance progress for this cohort of students.

² <https://education.alberta.ca/media/3272998/competency-indicators-september-30-2016.pdf>

In April 2018, a new CBE Student Survey was administered. The data from this survey will provide a baseline for improvement.

CBE Student survey results for self-identified Indigenous high school students:

- I feel supported in my learning by my teachers. 61.6%
- I feel school staff know me well as a learner. 42.9%
- I feel school staff know me as a person. 53.8%
- My teachers use what they know about me to help me learn. 50.0%

For the 2018-19 school year, we will broaden the data set to include any student who self-identifies as Indigenous.

Additional Information

We are pleased to note other indicators of success of the strategy. For students self-identified as Indigenous:

- the Drop Out Rate saw a year over year decrease of 1.3 percentage points;
- the Diploma Exam Participation Rate (4+ Exams) saw a year over year increase of 0.6 percentage points; and
- the Rutherford Scholarship Eligibility Rate saw a year over year increase of 0.6 percentage points.

Overall student results in Mathematics

Data related to students' achievement in mathematics includes report card data and the Provincial Assessment Program data. Targets are based on CBE calculations of results that could be statistically considered to be improved in relation to the average of the previous three years' results. The comparison of a single year's result in relation to its previous three-year average is consistent with Alberta Education's evaluation of overall PAT or Diploma Examination results.

Targets and Results for 2017-18

Overall percentage of students achieving success in Mathematics as measured by report cards:

- A. Kindergarten to Grade 9
- B. Grades 10 to 12

	2016-17 CBE Actual	2017-18 CBE Target	2017-18 CBE Actual
A	91.1%	91.5%	90.7%
B	90.8%	91.2%	90.4%

Overall percentage of students achieving at each standard on the mathematics Provincial Achievement Tests in:

- A. Mathematics 6: Acceptable Standard
- B. Mathematics 6: Standard of Excellence
- C. Mathematics 9: Acceptable Standard
- D. Mathematics 9: Standard of Excellence
- E. Mathematics 9 K&E: Acceptable Standard
- F. Mathematics 9 K&E: Standard of Excellence

	2016-17 CBE Actual	2017-18 CBE Target	2017-18 CBE Actual	2017-18 Prov Actual	At or Above Prov Results	Consistent/ Improving*
A	73.7%	75.5%	74.9%	72.9%	✓	✓
B	14.3%	15.8%	17.0%	14.0%	✓	✓
C	65.8%	67.3%	59.4%	59.2%	✓	
D	19.8%	20.3%	17.4%	15.0%	✓	
E	49.3%	55.9%	48.0%	57.4%		✓
F	10.7%	12.6%	14.2%	13.6%	✓	✓

* Consistent or improving across time compared to the Previous 3-Year Average based on an Improvement Evaluation of *Maintained*, *Improved* or *Improved Significantly*.

Overall percentage of students achieving at each standard on the Mathematics Diploma Examinations in:

- A. Mathematics 30-1: Acceptable Standard
- B. Mathematics 30-1: Standard of Excellence
- C. Mathematics 30-2: Acceptable Standard
- D. Mathematics 30-2: Standard of Excellence

	2016-17 CBE Actual	2017-18 CBE Target	2017-18 CBE Actual	2017-18 Prov Actual	At or Above Prov Results	Consistent/ Improving*
A	77.7%	78.8%	82.9%	77.8%	✓	n/a
B	38.4%	38.5%	44.3%	35.3%	✓	n/a
C	76.0%	78.1%	75.3%	74.2%	✓	n/a
D	17.3%	19.5%	18.1%	16.4%	✓	n/a

* Consistent or improving across time compared to the Previous 3-Year Average based on an Improvement Evaluation of *Maintained*, *Improved* or *Improved Significantly*.

n/a – There is no Improvement Evaluation because equating for this diploma examination was not in place until 2016-17.

Targets for 2018-19

- Overall percentage of students achieving success in Mathematics as measured by Report Cards:
 - Kindergarten to Grade 9: 91.1%
 - Grades 10 to 12: 91.1%

- Overall percentage of students achieving at each standard on the Mathematics Provincial Achievement Tests in:
 - Mathematics 6: Acceptable Standard 75.2%; Standard of Excellence 16.3%
 - Mathematics 9: Acceptable Standard 65.1%; Standard of Excellence 19.5%
 - Mathematics 9 K&E: Acceptable Standard 54.9%; Standard of Excellence 13.4%
- Overall percentage of students achieving at each standard on the Mathematics Diploma Examinations in:
 - Mathematics 30-1: Acceptable Standard 79.8%; Standard of Excellence 39.9%
 - Mathematics 30-2: Acceptable Standard 77.8%; Standard of Excellence 19.4%

Strategies

In 2018-19, there will be a continued district focus on Number (procedural fluency) and Shape & Space through the middle years. The improvement efforts to reach mathematics achievement targets will continue to be directed through school development plans and the CBE's Mathematics Strategy. There will be a mathematics school development plan goal for each school whose data indicates this need.

For further specific information regarding the Mathematics Strategy and the Key Actions for 2018-19, please see the CBE's Draft 2018-21 Three-Year Education Plan.

Assessment of Strategies

In 2017-18, the first year of the Mathematics Strategy, 25 Math Coaches were deployed in 42 schools. In the Principal and Teacher Feedback Survey

- 86% of teachers and 97% of principals agreed that having a Math Coach in their school had a positive impact on student learning.
- 84% of teachers and 97% of principals felt that having a Math Coach in their school enhanced the teaching practice of staff.

Math Coaches were deployed to schools with the greatest complexity and those identified as having greater gaps in student achievement. The 2017-18 PAT results for schools as compared to the 2016-17 results are as follows:

PAT Comparison	All CBE Schools (percentage points)	Math Coach Schools (percentage points)	Province (percentage points)
Math 6 Acceptable	increase 1.2	increase 5.1	increase 3.5
Math 6 Excellence	increase 2.7	Increase 3.9	increase 1.4
Math 9 Acceptable	decrease 6.4	decrease 7.8	decrease 8.0
Math Excellence	decrease 2.4	decrease 0.5	decrease 4.0

In addition to it being the first year of the Mathematics Strategy, in 2017-18, the structure of the Mathematics 9 PAT was revised to include a non-calculator portion. Research tells us:

Successful organizations experience “implementation dips” as they move forward. The implementation dip is a dip in performance and confidence as one engages in an innovation that requires new skills and new understandings.³

³ Fullan, M. (2007). *Leading in a culture of change*. San Francisco, CA: Jossey-Bass

In the context of an implementation dip, the following data will help to inform next steps in supporting teachers as they make sense of and rethink their practices in mathematics.

The Number and Shape & Space strands were identified as the target areas for improvement when the coaching initiative began. The analysis of the Mathematics 6 & 9 PATs indicate increased comprehension in Number (procedural fluency) and Shape & Space concepts.

When examining the mathematics diploma examinations data it indicates that a significantly higher number of CBE students took Mathematics 30-1 as compared to the province; a full 11.5 percentage points higher. If the participation rates for both Mathematics 30-1 and 30-2 are combined, the CBE participation rates are 6.7 percentage points higher than the combined total of the province. So not only are more CBE students taking a diploma level mathematics course as compared to the province, more of them are taking Mathematics 30-1.

Of the CBE students who take Mathematics 30-1, in 2017-18, 82.9% met the Acceptable Standard and a very high 44.3% met the Standard of Excellence – 9.0 percentage points above the provincial results. These are very strong results especially in the context of the CBE's high participation rate.

As part of a cycle of improvement, based on the analysis of provincial achievement results areas that appear to need continued attention are:

- Mathematics 6 PAT are Number (subtraction and division) and Shape & Space (Cartesian plane and angles).
- Mathematics 9 PAT are Part A, solving linear equations, and Part B, Number (exponents/roots), Patterns & Relations (models of polynomials and graphing), Shape & Space (transformations and circle geometry).
- Mathematics 30-1 Diploma Examination are problem solving questions and the permutations, combinations and binomial theorem topic.
- Mathematics 30-2 Diploma Examination are conceptual questions and the relations and functions topic.

Schools will validate with their other data sources, whether these are areas on which they will focus.

Similar to the provincial action to strengthen teachers' knowledge, skill and confidence in teaching mathematics, by increasing access to mathematics education and professional development for K-12 teachers, within the CBE in 2017-18 there were a number of mathematics professional learning opportunities in support of building a shared understanding of mathematics instruction and assessment practices. These included the mathematics cohort of schools, school-based support and individual teacher sessions.

Teachers and administrators who participated in the mathematics cohort of schools were surveyed at the start and end of the year. Teacher confidence notably increased by:

- 5.6 percentage points in building students' conceptual understanding before focusing on procedures for solving problems
- 6.7 percentage points in ensuring students can answer questions and apply strategies efficiently and accurately.
- 7.4 percentage points in making time for students to practice their mathematics skills recursively and over time

In the survey of Administrators, the *always* or *often* observations of learning experiences increased notably with:

- conceptual understanding built first before students move to a focus on procedures for solving problems
- students explaining and justifying their mathematical thinking both orally and in written form
- students sharing problem-solving strategies with their classmates

The teacher and administrator survey increases reflect the focus schools and the district have placed on the mathematics learning environment.

Perception data was collected through the CBE Student Survey in April 2018.

- 71.5% of students reported that they usually have time to work through challenging questions and practice their skills
- 78.7% of students reported that usually the mathematics they learn is connected to the mathematics they have learned before
- 64.0% of students reported that usually they have to explain and justify their mathematical thinking
- 68.3% of students reported that usually when they learn the steps to answer questions they also learn why it makes sense to do it that way
- 14.8% of students reported that usually when they learn the steps to answer questions they learn to do it quickly and in their head

These CBE Student Survey results provide a baseline for improvement.

Overall Grade 9 English Language Arts Results

In February 2018, the Board of Trustees identified concern with the grade 9 English Language Arts results. Grade 9 ELA data includes Report Cards and Provincial Achievement Tests.

For the 2017-18 school year, the percentage of grade 9 students achieving success on the English Language Arts Report Card is 91.3%. The percentage of grade 9 students on the English Language Arts 9 2017-18 PAT who achieved the Acceptable Standard was 77.3% and the Standard of Excellence was 15.7%

Note | The CBE results surpassed those of the province at the Acceptable Standard by 1.2 percentage points and at the Standard of Excellence by 1.0 percentage points.

Target for 2018-19

The target for overall percentage of grade 9 students achieving success on the Report Card in English Language Arts: 92.9%

The target for overall percentage of grade 9 students achieving at each standard on the English Language Arts Provincial Achievement Test:

- Acceptable Standard on the English Language Arts PAT: 77.6%
- Standard of Excellence on the English Language Arts PAT: 15.8%

Note | The targets above were based on CBE calculations of results that could be statistically considered to be improved in relation to the average of the previous three years' results. The

comparison of a single year's result in relation to its previous three-year average is consistent with Alberta Education's evaluation of overall PAT or Diploma Examination results.

Strategies

The improvement efforts to support student achievement in grade 9 English Language Arts and reach the target will be directed through school development plans and the CBE's overall Literacy Strategy. Based on report card and PAT results for ELA 9, our focus this year in grade 9 ELA will be on reading strategies, specifically text organization, and writing strategies, in particular writing conventions.

For further information regarding the Literacy Strategy and the Key Actions for 2018-19, please reference the CBE's Draft 2018-21 Three-Year Education Plan.

Assessment of Strategies

The assessment of the strategies directed toward improving student success in grade 9 English Language Arts is considered in relation to staff professional learning, and student learning and achievement.

Based on the analysis of provincial achievement results areas that appear to need attention are:

- Reading, in particular:
 - text organization within the Narrative/Poetic genre
 - synthesizing ideas in the Informational genre – this indicates a challenge for students to make connections to the world, their own experiences and the text they are reading
- Writing, in particular:
 - conventions within the Narrative/Essay genre
 - content in the Functional Writing genre

Knowing that excellence in teaching has the greatest impact on student learning⁴, there were a number of literacy professional learning opportunities in support of building a shared understanding of literacy instruction and assessment practices. These included the literacy cohort of schools, school-based support and individual teacher sessions.

Teachers and administrators who participated in the literacy cohort of schools were surveyed at the start and end of the year. Teacher confidence notably increased by:

- 9.3 percentage points in modeling the use of and offering students quality multimodal texts and tools to compose and represent their ideas
- 6.4 percentage points in providing opportunities for students to think about how they are progressing as readers, writers and speakers
- 5.0 percentage points in offering choice in instructional texts for students to learn and improve as readers

⁴ Hattie, J. (2011). *Visible learning for teachers & students: How to maximize school achievement*. London, England: Routledge/

In the survey of Administrators, the *always* or *often* observations of learning experiences increased notably with:

- students exploring how they are progressing as readers, writers and speakers
- direct instruction with clear learning intentions and success criteria
- students playing with words and language

The teacher and administrator survey increases reflect the focus schools and the district have placed on the literacy learning environment.

In the CBE Student Survey administered in April 2018:

- 90.5% of grade 9 students reported that they have the opportunity to read, write and talk with their classmates every day.
- 53.2% of grade 9 students reported that they have the opportunity to learn and talk about themselves as a reader and writer
- 51.9% of grade 9 students reported that they have the opportunity to choose books (digital or print) they are interest in to practice and improve their reading
- 65.6% of grade 9 students reported that they have the opportunity to learn strategies that help them to read, write and speak well
- 35.4% of grade 9 students reported that they have the opportunity to understand their learning and explain why and how they are progressing

These CBE Student Survey results provide a baseline for improvement.

5 | Conclusion

Each of the areas of Results 2: Academic Success that were identified as an exception or concern by the Board of Trustees in February 2018 has an action plan with strategies and targets to create improved results for students. These strategies are integrated within the CBE's Draft 2018-21 Three-Year Education Plan and School Development Plans.



DAVID STEVENSON
CHIEF SUPERINTENDENT OF SCHOOLS

GLOSSARY – Developed by the Board of Trustees

Board: Board of Trustees

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

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

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

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

report to Board of Trustees

Presentation of the 2017-18 Financial Results of the Calgary Board of Education

Date	November 27, 2018
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	Board of Trustees' Audit Committee
Purpose	Decision
Originator	Trustee Julie Hrdlicka, Chair, Audit Committee
Governance Policy Reference	GC-3: Board Job Description GC-5E: Board Committees

1 | Recommendation

- THAT the Board of Trustees approves the Financial Results of the Calgary Board of Education for the year ended August 31, 2018, including the Audited Financial Statements for the year ended August 31, 2018 and the Auditors' Report dated November 27, 2018, for submission to the Minister of Alberta Education.

2 | Background

In accordance with section 146 of the *School Act*, the Board of Trustees must appoint an auditor. The Board of Trustees appointed KPMG LLP, who has now completed their examination of the 2017-18 financial statements.

The auditors' professional opinion on these financial statements is included in the unsigned Independent Auditors' Report, dated November 27, 2018, and will be signed following approval of the Financial Results by the Board of Trustees.

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

- (a) the financial statements,
- (b) the auditor's report on the financial statements, and
- (c) any written communication between the auditor and the board respecting the systems of internal control and accounting procedures of the board.

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

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

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

Attachments:

- Financial Results of the CBE, including the Audited Financial Statements, for the year ended August 31, 2018, and including the Independent Auditors' Report thereon, dated November 27, 2018.

Working Together for Student Success

For the year ended August 31, 2018



learning | as unique | as every student



**Calgary Board
of Education**

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**CALGARY BOARD OF EDUCATION
STATEMENT OF ADMINISTRATION RESPONSIBILITY
FOR THE YEAR ENDED AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017**

Statement of administration responsibility

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

In the context of the responsibilities of the Board, the Calgary Board of Education's Administration is responsible for the preparation, presentation and integrity of the consolidated financial statements and has prepared them in accordance with Canadian Public Sector Accounting Standards. The consolidated financial statements present fairly the financial position of the Calgary Board of Education as at August 31, 2018 and the results of its operations and cash flows for the year then ended.

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

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

DAVID STEVENSON
CHIEF SUPERINTENDENT OF SCHOOLS

BRAD GRUNDY
CHIEF FINANCIAL OFFICER,
AND CORPORATE TREASURER

November 27, 2018

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of the Calgary Board of Education

We have audited the accompanying consolidated financial statements of the Calgary Board of Education, which comprise the consolidated statement of financial position as at August 31, 2018, the consolidated statements of operations, accumulated remeasurement gains and losses, changes in net debt, and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information, including complete Schedules 1,2,3,5, and 6, Schedule 4 excluding the row under "Square Metres", and Schedule 7 excluding the column "FTE".

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Calgary Board of Education as at August 31, 2018, and its consolidated results of operations, its consolidated remeasurement gains and losses, its consolidated changes in net debt, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants

November 27, 2018
Calgary, Canada

**CALGARY BOARD OF EDUCATION
INDEPENDENT AUDITORS' REPORT
AS AT AUGUST 31, 2018**

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 and Metres Square as reported in the specific rows "Square Metres – School buildings" in Schedule 4 and column "FTE" in Schedule 7 ("subject matter information") both prescribed by Alberta Education of the Calgary Board of Education (the "Entity") for the year ended August 31, 2018.

Management's Responsibility

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

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 Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements* and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**CALGARY BOARD OF EDUCATION
INDEPENDENT AUDITORS' REPORT
AS AT AUGUST 31, 2018**

Specific Purpose of Subject Matter Information

The subject matter information has been prepared in accordance with the applicable criteria referred to above.

As a result the subject matter information may not be suitable for another purpose.

Opinion

In our opinion, FTE and Metres Square as reported in the specific row "Square Metres – School buildings" in Schedule 4 and column "FTE" in Schedule 7 for the year ended August 31, 2018 have been prepared, in all material respects, in accordance the applicable criteria.

Chartered Professional Accountants

November 27, 2018
Calgary, Canada

**CALGARY BOARD OF EDUCATION
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017
(in thousands)**

		<u>Budget (Note 19)</u>	<u>Actuals</u>	
		<u>2018</u>	<u>2018</u>	<u>2017</u>
Revenues	(Sch 3)			
Alberta Education		\$ 1,290,857	\$ 1,265,557	\$ 1,230,285
Other Government of Alberta		328	265	376
Federal Government and First Nations		3,207	3,287	3,169
Other sales and services		22,731	30,340	26,922
Fees revenue	(Note 13)	42,594	38,974	51,782
Investment revenue		3,167	7,180	4,124
Other Alberta school authorities		304	350	663
Gifts and donations		7,634	7,957	9,076
Fundraising		7,200	2,640	7,485
Rentals		5,581	4,878	5,436
(Loss) gain on disposal of tangible capital assets		-	(18)	18
Other revenue		418	1,737	369
Total revenues		<u>\$ 1,384,021</u>	<u>\$ 1,363,147</u>	<u>\$ 1,339,705</u>
Expenses	(Sch 3)			
Instruction: grades 1-12		\$ 1,056,854	\$ 1,024,638	\$ 1,014,823
Instruction: early childhood services		52,623	52,780	51,485
Board and system administration		39,093	47,247	36,925
Transportation		48,200	49,605	52,926
Plant operations and maintenance	(Sch 4)	180,195	157,312	174,651
External services		24,056	33,617	24,030
Total expenses		<u>\$ 1,401,021</u>	<u>\$ 1,365,199</u>	<u>\$ 1,354,840</u>
Annual deficit		<u>\$ (17,000)</u>	<u>\$ (2,052)</u>	<u>\$ (15,135)</u>

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

**CALGARY BOARD OF EDUCATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT AUGUST 31, 2018 AND AUGUST 31, 2017
(in thousands)**

		<u>2018</u>	<u>2017</u>
Financial assets			
Cash and cash equivalents	(Sch 5 and Note 3)	\$ 141,747	\$ 86,417
Accounts receivable (net after allowances)	(Note 4)	44,623	21,062
Portfolio investments	(Sch 5)	20,517	100,305
Total financial assets		\$ 206,887	\$ 207,784
Liabilities			
Deferred revenue	(Notes 5 and 14)	\$ 1,189,239	\$ 1,115,450
Accounts payable and accrued liabilities	(Note 6)	88,766	89,889
Employee future benefits	(Note 7)	25,732	25,545
Other liabilities - asset retirement obligations	(Note 8)	327	327
Supported debt: debentures	(Note 9)	528	1,369
Unsupported debt: capital leases	(Note 10)	12,833	12,541
Total liabilities		\$ 1,317,425	\$ 1,245,121
Net debt		\$ (1,110,538)	\$ (1,037,337)
Non-financial assets			
Tangible capital assets	(Sch 6)		
Land		\$ 2,711	\$ 2,711
Construction in progress		3,887	58,785
Buildings	1,792,421		
Less: Accumulated amortization	(574,863)	1,217,558	1,098,414
Furniture and equipment	151,210		
Less: Accumulated amortization	(113,640)	37,570	39,247
Vehicles	10,057		
Less: Accumulated amortization	(7,367)	2,690	2,996
Computer software and hardware	167,168		
Less: Accumulated amortization	(123,488)	43,680	42,009
Total tangible capital assets		\$ 1,308,096	\$ 1,244,162
Prepaid expense		16,302	10,301
Total non-financial assets		\$ 1,324,398	\$ 1,254,463
Accumulated surplus		\$ 213,860	\$ 217,126
Accumulated surplus is comprised of:	(Sch 1 and Note 11)		
Accumulated operating surplus		\$ 213,063	\$ 215,115
Accumulated remeasurement gains and losses		797	2,011
		\$ 213,860	\$ 217,126
Contractual obligations and contingent liabilities	(Note 15)		

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

Approved by:

Trina Hurdman, Chair of Board of Trustees

Date Signed

**CALGARY BOARD OF EDUCATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017
(in thousands)**

	<u>2018</u>	<u>2017</u>
Cash flows from:		
Operating transactions		
Annual deficit	\$ (2,052)	\$ (15,135)
Add (deduct) items not affecting cash:		
Amortization of tangible capital assets	66,419	57,317
Loss (gain) on disposal of tangible capital assets	18	(18)
Expended deferred capital revenue	(38,999)	(33,140)
Changes in:		
Accounts receivable	(23,561)	31,815
Prepaid expenses	(6,001)	(3,866)
Accounts payable and accrued liabilities	(1,123)	(855)
Deferred operating revenue	6,521	(14,673)
Employee future benefits	187	717
Supported debt: debentures	(841)	(1,567)
Cash flows from operating transactions	<u>\$ 568</u>	<u>\$ 20,595</u>
Capital transactions		
Purchases of tangible capital assets		
Buildings	(105,566)	(165,636)
Equipment	(7,197)	(11,477)
Vehicles	(476)	(204)
Computer equipment	(17,132)	(22,694)
Net proceeds from disposal of tangible capital assets	-	18
Deferred capital revenue UDCR and EDCR	67,268	50,994
Expended deferred capital revenue	38,999	33,140
Cash flows used in capital transactions	<u>\$ (24,104)</u>	<u>\$ (115,859)</u>
Investing transactions		
Purchase of portfolio investments	(74,848)	(18,276)
Disposition of portfolio investments	157,675	13,445
Remeasurement gains reclassified to the statement of operations	(4,196)	53
Foreign currency translation	(57)	(394)
Cash flows from (used in) investing transactions	<u>\$ 78,574</u>	<u>\$ (5,172)</u>
Financing transactions		
Repayment of capital leases	(1,756)	(1,408)
Additional financing capital leases	2,048	3,768
Cash flows from financing transactions	<u>\$ 292</u>	<u>\$ 2,360</u>
Increase (decrease) in cash and cash equivalents	55,330	(98,076)
Cash and cash equivalents, beginning of year	86,417	184,493
Cash and cash equivalents, end of year	<u>\$ 141,747</u>	<u>\$ 86,417</u>

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

**CALGARY BOARD OF EDUCATION
CONSOLIDATED STATEMENT OF ACCUMULATED REMEASUREMENT GAINS AND LOSSES
FOR THE YEAR ENDED AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017
(in thousands)**

	<u>2018</u>	<u>2017</u>
Accumulated remeasurement gains, beginning of year	\$ 2,011	\$ 3,728
Unrealized gains (losses) attributable to:		
Portfolio investments	3,039	(1,376)
Foreign currency translation	(57)	(394)
Amounts reclassified to the statement of operations:		
Portfolio investments	(4,196)	53
Net remeasurement change for the year	<u>(1,214)</u>	<u>(1,717)</u>
Accumulated remeasurement gains, end of year	\$ 797	\$ 2,011

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

**CALGARY BOARD OF EDUCATION
CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT
FOR THE YEAR ENDED AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017
(in thousands)**

	Budget (Note 19)	Actuals	
	2018	2018	2017
Annual deficit	\$ (17,000)	\$ (2,052)	\$ (15,135)
Changes in tangible capital assets			
Acquisition of tangible capital assets	\$ (39,197)	\$ (130,371)	\$ (200,011)
Amortization of tangible capital assets	66,436	66,419	57,317
Net carrying value of tangible capital assets disposal	-	18	-
Total changes in tangible capital assets	\$ 27,239	\$ (63,934)	\$ (142,694)
Changes in			
Prepaid expense	-	(6,001)	(3,866)
Net remeasurement gains	-	(1,214)	(1,717)
Changes in net debt	\$ 10,239	\$ (73,201)	\$ (163,412)
Net debt, beginning of year	\$ (1,037,337)	\$ (1,037,337)	\$ (873,925)
Net debt, end of year	\$ (1,027,098)	\$ (1,110,538)	\$ (1,037,337)

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

**CALGARY BOARD OF EDUCATION
SCHEDULE 1 – ACCUMULATED SURPLUS
FOR THE YEAR ENDED AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017
(in thousands)**

	ACCUMULATED SURPLUS	ACCUMULATED REEVALUATION GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
Balance at August 31, 2017	217,126	2,011	215,115	159,776	3,850	-	19,088	32,401
Prior period adjustments:								
Benefits expense overstated in prior years	-	-	-	-	-	-	-	-
Adjusted Balance, August 31, 2017	217,126	2,011	215,115	159,776	3,850	-	19,088	32,401
Annual surplus	(2,052)	-	(2,052)	-	-	(2,052)	-	-
Board funded tangible capital asset additions	-	-	-	24,603	-	(7,691)	-	(16,912)
Net reevaluation gains (losses) for the year	(1,214)	(1,214)	-	-	-	-	-	-
Endowment contributions	-	-	-	-	315	(315)	-	-
Amortization of tangible capital assets	-	-	-	(66,419)	-	66,419	-	-
Capital revenue recognized	-	-	-	38,999	-	(38,999)	-	-
Debt principal repayments (unsupported)	-	-	-	1,762	-	(1,762)	-	-
Net transfers to operating reserves	-	-	-	-	-	(7,829)	7,829	-
Net transfers from operating reserves	-	-	-	-	-	940	(940)	-
Net transfers to capital reserves	-	-	-	-	-	(8,711)	-	8,711
Net transfers from capital reserves	-	-	-	-	-	-	-	-
Balance at August 31, 2018	213,860	797	213,063	158,721	4,165	-	25,977	24,200

	INTERNALLY RESTRICTED RESERVES BY PROGRAM									
	School & Instruction Related		Operations & Maintenance		Board & System Administration ⁽¹⁾		Transportation		External Services	
	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2017	28,773	10,386	-	16,951	(9,685)	4,935	-	-	-	129
Prior period adjustments:										
Benefits expense overstated in prior years	-	-	-	-	-	-	-	-	-	-
Adjusted Balance, August 31, 2017	28,773	10,386	-	16,951	(9,685)	4,935	-	-	-	129
Annual surplus	-	-	-	-	-	-	-	-	-	-
Board funded tangible capital asset additions	-	(10,386)	-	(1,462)	-	(4,935)	-	-	-	(129)
Net reevaluation gains (losses) for the year	-	-	-	-	-	-	-	-	-	-
Endowment contributions	-	-	-	-	-	-	-	-	-	-
Amortization of tangible capital assets	-	-	-	-	-	-	-	-	-	-
Capital revenue recognized	-	-	-	-	-	-	-	-	-	-
Debt principal repayments (unsupported)	-	-	-	-	-	-	-	-	-	-
Net transfers to operating reserves	7,175	-	-	-	654	-	-	-	-	-
Net transfers from operating reserves	(461)	-	-	-	(479)	-	-	-	-	-
Net transfers to capital reserves	-	6,271	-	395	-	1,069	-	-	-	976
Net transfers from capital reserves	-	-	-	-	-	-	-	-	-	-
Balance at August 31, 2018	35,487	6,271	-	15,884	(9,510)	1,069	-	-	-	976

(1) The operating reserve balance includes our Changes in accounting policy reserve and the Education Matters flow-through fund which are not available for use.

**CALGARY BOARD OF EDUCATION
SCHEDULE 2 – CAPITAL REVENUE
FOR THE YEAR ENDED AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017
(in thousands)**

	Unexpended Deferred Capital Revenue (in thousands)				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects ^(A)	Surplus from Provincially Approved Projects ^(B)	Proceeds on Disposal of Provincially Funded Tangible Capital Assets ^(C)	Unexpended Deferred Capital Revenue from Other Sources ^(D)	
Balance at Aug. 31, 2017	2,049	-	8,376	-	1,072,414
Prior period adjustments	-	-	-	-	-
Adjusted balance, Aug. 31, 2017	2,049	-	8,376	-	1,072,414
Add:					
Unexpended capital revenue received from:					
Alberta Education school building & modular projects (excl. IMR)	86,774				
Infrastructure Maintenance & Renewal capital related to school facilities	19,490				
Interest earned on unexpended capital revenue	3	-	-	-	
Expended capital revenue - current year	(96,362)	-	(7,356)	-	103,718
Deduct:					
Capital revenue recognition - Alberta Education					20,508
Capital revenue recognition - Other Government of Alberta					18,491
Capital revenue recognition - Other Revenue					
Balance at Aug. 31, 2018	11,954	-	1,020	-	1,137,133
Balance of Unexpended Deferred Capital Revenue at Aug. 31, 2018 (A) + (B) + (C) + (D)	(A)	(B)	(C)	(D)	12,974

Deferred Capital Contributions

- (A) - Represents funding received from the Province of Alberta toward new approved projects ONLY.
- (B) - Represents any surplus of funding over costs from column (A) approved by Minister for future capital expenditures.
- (C) - Represents proceeds on disposal of provincially funded capital assets to be expended on approved capital projects per 10 (2) (a) of Disposition of Property Regulation 181/2010.
- (D) - Represents capital contributions received from entities OTHER THAN the Province of Alberta restricted for the acquisition of capital assets.

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

**CALGARY BOARD OF EDUCATION
SCHEDULE 3 – PROGRAM OF OPERATIONS
FOR THE YEAR ENDED AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017
(in thousands)**

	2018							2017
	Instruction: early childhood services	Instruction: grades 1-12	Board and system adminstration	Transportation	Plant operations and maintenance	External services	Total	Total
Revenues								
Alberta Education	52,106	978,904	49,053	42,137	143,357	-	1,265,557	1,230,285
Other Government of Alberta	-	133	-	-	128	4	265	376
Federal Government and First Nations	-	1,123	11	-	-	2,153	3,287	3,169
Other sales and services	463	13,867	780	8	179	15,043	30,340	26,922
Fees revenue	-	20,432	-	4,585	-	13,957	38,974	51,782
Investment revenue	-	714	6,466	-	-	-	7,180	4,124
Other Alberta school authorities	-	316	-	-	34	-	350	663
Gifts and donations	-	7,957	-	-	-	-	7,957	9,076
Fundraising	-	2,640	-	-	-	-	2,640	7,485
Rentals	-	-	444	-	355	4,079	4,878	5,436
(Loss) gain on disposal of assets	-	-	-	-	(18)	-	(18)	18
Other revenue	-	1,704	-	-	19	14	1,737	369
Total revenues	52,569	1,027,790	56,754	46,730	144,054	35,250	1,363,147	1,339,705
Expenses								
Certificated salaries	28,902	625,152	1,130	-	-	6,865	662,049	641,046
Certificated benefits	3,204	141,111	587	-	-	800	145,702	141,283
Non-certificated staff salaries	13,751	115,454	16,305	2,103	49,988	13,879	211,480	208,683
Non-certificated staff benefits	3,374	29,189	3,441	554	11,996	2,848	51,402	53,546
Sub-total	49,231	910,906	21,463	2,657	61,984	24,392	1,070,633	1,044,558
Supplies and services	2,826	99,079	20,885	45,923	48,268	6,245	223,226	244,671
Amorization of supported tangible capital assets	-	-	-	-	38,999	-	38,999	33,140
Amorization of unsupported tangible capital assets	706	14,292	4,827	-	7,595	-	27,420	24,177
Unsupported interest on capital debt	-	-	22	-	338	-	360	337
Supported debt interest	-	-	-	-	128	-	128	273
Other interest and finance charges	17	361	68	151	-	271	868	864
Other expense	-	-	(18)	874	-	2,709	3,565	6,820
Total expenses	52,780	1,024,638	47,247	49,605	157,312	33,617	1,365,199	1,354,840
Operating surplus / (deficit)	(211)	3,152	9,507	(2,875)	(13,258)	1,633	(2,052)	(15,135)

**CALGARY BOARD OF EDUCATION
SCHEDULE 4 – OPERATIONS AND MAINTENANCE EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017
(in thousands)**

Expenses	Custodial	Maintenance	Utilities & telecommunications	Expensed IMR, modular unit relocations & lease payments	Facility planning & operations administration	Unsupported amortization & other expenses	Supported capital & debt services	2018 Total operations & maintenance	2017 Total operations & maintenance
Non-certificated staff salaries	31,954	10,951		666	6,417			49,988	51,348
Non-certificated staff benefits	8,163	2,499		329	1,005			11,996	13,203
Supplies and services	4,355	5,727	26	12,934	628			23,670	48,642
Electricity			9,302					9,302	10,221
Natural gas/heating fuel			5,811					5,811	5,680
Sewer and water			2,519					2,519	2,472
Telecommunications			201					201	180
Insurance					3,967			3,967	3,790
ASAP maintenance & renewal payments							2,766	2,766	-
Amorization of tangible capital assets (Supported)							38,999	38,999	33,140
Amorization of tangible capital assets (Unsupported)						7,595		7,595	4,888
Interest on capital debt (Supported)							128	128	273
Interest on capital debt (Unsupported)						338		338	277
Lease payment for facilities				32				32	482
Other interest charges								-	55
Total expenses	44,472	19,177	17,859	13,961	12,017	7,933	41,893	157,312	174,651

Non financial information

Square meters								2018	2017
School buildings								1,485,040	1,458,412

**CALGARY BOARD OF EDUCATION
SCHEDULE 5 – CASH AND PORTFOLIO INVESTMENTS
AS AT AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017
(in thousands)**

Cash and cash equivalents	2018			2017
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash	1.75%	\$ 140,872	\$ 140,872	\$ 85,544
Other, including GIC's	1.30%	875	875	873
Total cash and cash equivalents	1.30%	\$ 141,747	\$ 141,747	\$ 86,417

See Note 3 for additional detail.

Portfolio Investments	2018				2017
	Average Effective (Market) Yield	Cost	Fair Value	Balance	Balance
Long term deposits					
Guaranteed investment certificates ⁽¹⁾	2.21%	\$ 13,507	\$ 13,507	\$ 13,507	\$ 13,190
Fixed income securities					
Corporate	2.30%	-	-	-	48,767
Total fixed income securities	2.30%	\$ -	\$ -	\$ -	\$ 48,767
Equities					
Canadian	1.63%	-	-	-	\$ 12,927
Foreign	1.94%	-	-	-	18,881
Total equities	1.81%	\$ -	\$ -	\$ -	31,808
Restricted investments ⁽²⁾	2.06%	\$ 5,625	\$ 7,010	\$ 7,010	6,540
Total portfolio investments	2.16%	\$ 19,132	\$ 20,517	\$ 20,517	\$ 100,305

(1) Restricted long-term investments are included in the GIC balance and relate to cash collateral requirements on capital leases entered into between the years August 31, 2012 and August 31, 2018 (Note 10)

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

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

	2018	2017
Under 1 year	0.0%	0.0%
1 to 5 years	100.0%	100.0%
6 to 10 years	0.0%	0.0%
	100.0%	100.0%

**CALGARY BOARD OF EDUCATION
SCHEDULE 7 – REMUNERATION
FOR THE YEAR ENDED AUGUST 31, 2018**

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other Paid	Other Accrued Unpaid Benefits	Expenses
Chair								
Joy Bow en Eyre, Chair	0.16	8,567	1,157	23,147			-	179
Trina Hurdman, Chair	0.85	46,750	6,204	3,548			18,750	4,786
Vice Chair								
Trina Hurdman, Vice Chair	0.15	7,615	990	568			-	-
Marilyn Dennis, Vice Chair	0.85	43,279	6,191	3,548			1,731	3,944
Others								
Pamela King	0.16	7,010	1,081	23,147			-	-
Lynn Ferguson	0.16	7,010	1,081	23,147			-	-
Amber Stewart	0.16	7,010	1,081	7,570			-	66
Judy Hehr	0.16	7,010	1,081	7,570			-	66
Julie Hrdlicka	1.00	45,173	6,932	4,116			15,000	3,997
Althea Adams	0.87	39,029	5,981	3,548			1,731	1,471
Lisa Davis	0.87	39,029	5,981	3,548			1,731	593
Richard Hehr	0.87	39,029	3,830	3,548			1,731	3,119
Mike Bradshaw	0.87	39,029	5,981	3,548			1,731	-
Subtotal	7.13	335,540	47,571	110,553			42,405	18,221
David Stevenson, Chief Superintendent	1.00	296,435	33,084	15,058	-	-	500,745	5,957
Brad Grundy, Chief Financial Officer	1.00	240,788	59,927	8,022	-	-	108,380	7,526
Kelly Ann Fenney, Corporate Secretary	1.00	177,443	55,142	-	-	-	19,566	4,135
Deputy Chiefs (2)	1.14	322,348	39,690	9,406	-	185,444	105,758	3,575
District Superintendents (4)	3.39	778,980	194,479	27,163	-	-	205,662	7,231
Certificated teachers	6,683.74	661,340,424	144,703,696	-	-	37,028	-	-
Non-certificated - other	3,490.60	210,038,038	49,162,622	-	-	1,432,217	-	-
TOTALS	10,189.00	873,529,996	194,296,211	170,202	-	1,654,689	982,516	46,645

**CALGARY BOARD OF EDUCATION
SCHEDULE 7 – REMUNERATION
FOR THE YEAR ENDED AUGUST 31, 2018**

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 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's/Other as described below. Remuneration reported is on an accrual basis and other 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 is accessible on Extranet. Individual employee contributions, such as to the Superintendent, can be estimated by using the following formula:

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

D = Salary updated to plan members files
ER rate (2018) – 11.95%

The ATRF Board has decided to reduce teacher and employer/government contribution rates for the Teachers' Pension Plan (TPP) and the Private School Teachers' Pension Plan (PSTPP). Beginning September 1, 2018, the effective rate will be decreased to 11.29%. <https://atrf.com/corporate/news/atrf-board-reduces-contribution-rates>

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

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 is 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.

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

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** includes untaken vacation pay and supplemental pension expenses accrued up to August 31, 2018.

**CALGARY BOARD OF EDUCATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017
(in thousands)**

1. NATURE OF OPERATIONS

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

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

(b) Cash and cash equivalents

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

(c) Accounts receivable

Accounts receivable are shown net of allowance for doubtful accounts.

**CALGARY BOARD OF EDUCATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017
(in thousands)**

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Portfolio investments

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

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

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

Detailed information regarding portfolio investments is disclosed in Schedule 5: Schedule of Cash and Portfolio Investments.

(e) Deferred revenue

Deferred revenue includes contributions received for operations which have stipulations that meet the definition of a liability per *Public Sector Accounting Standard (PSAS) S3200*. These contributions are recognized by the Corporation once it has met all eligibility criteria to receive the contributions. When stipulations are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability.

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

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

(f) Pensions and employee future benefits

Alberta Teachers' Retirement Fund ("ATRF")

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

**CALGARY BOARD OF EDUCATION
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017
 (in thousands)**

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Pensions and employee future benefits (continued)

Local Authorities Pension Plan (“LAPP”)

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

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

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

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

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

Enrollment in SiPP, SERP and SRP

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

	<u>2018</u>	<u>2017</u>
Supplemental Integrated Pension Plan (SiPP)	6	7
Supplementary Executive Retirement Program (SERP)	6	7
Supplementary Retirement Plan (SRP)	<u>23</u>	<u>27</u>
Total	<u>35</u>	<u>41</u>

Post-Retirement and Post-Employment Benefits Plans (“PRB” and “PEB”)

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

The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (“EARSL”) of active employees covered under the plan. The EARSL for employees of the Corporation is 12 years. The most recent valuation of the obligation was performed at August 31, 2018. 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.

**CALGARY BOARD OF EDUCATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017
(in thousands)**

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Asset retirement obligations

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

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

(h) Tangible capital assets

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

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

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

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

Buildings that are demolished or destroyed are written-off.

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

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

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

(i) Assets

The standard (PS 3210) provides guidance for applying the definition of assets set out in PS 1000 Financial Statement concepts, and establishes general disclosure standards for assets. Under this standard, for unrecognized assets, disclosing major categories may provide additional resources available to the school jurisdiction. Additionally, information about the major categories of assets that are not recognized is disclosed in the notes to the consolidated

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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Assets (continued)

financial statements. When an asset is not recognized because a reasonable estimate of the amount involved cannot be made, the reasons for this are disclosed.

(j) Capital leases

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

(k) Prepaid expenses

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

(l) Operating and capital reserves

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

(m) Trust funds under administration

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

(n) Revenue recognition

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

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

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

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

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

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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Revenue recognition (continued)

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

(o) Expenses

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

Allocation of costs:

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

(p) Program reporting

The Corporation's operations have been segmented as follows:

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

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

(q) Financial instruments

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

Fair Value

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

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

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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Financial instruments (continued)

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

Cost / Amortized Cost

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

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

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

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

(r) Measurement uncertainty

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

(s) Budgetary information

Budget information is presented on the Statement of Operations and Statement of Changes in Net Debt and on the related schedules and represents the budget approved by the Board of Trustees and submitted to Alberta Education in June 2017. The budget was amended in November 2017 and accepted by the Board of Trustees at that time.

(t) Contingent assets

By definition, a contingent asset is a possible asset arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one or more future events not wholly within the public sector entity's control occurs or fails to occur. Resolution of the uncertainty will confirm the existence or non-existence of an asset.

(u) 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 15).

(v) 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 12).

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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) Inter-entity transactions

By definition, inter-entity transactions are those transactions occurring between commonly controlled entities. Commonly controlled entities are all public sector entities that comprise a government's reporting entity (see note 12).

(x) Restructuring transactions

By definition, (i) a restructuring transaction is a transfer of an integrated set of assets and/or liabilities, together with related program or operating responsibilities without consideration based primarily on the fair value of the individual assets and individual liabilities transferred; (ii) the net effect of a restructuring transaction should be recognized as revenue or as an expense by entities involved; (iii) a recipient should recognize individual assets and liabilities received in a restructuring transaction at their carrying value amount with applicable adjustments at the restructuring date; (iv) a transferor and a recipient should not restate their financial position or results of operations; and (v) a transferor and a recipient should disclose sufficient information to enable users to assess the nature and financial effects of a restructuring transaction on their financial position and operations. The Corporation adopted this accounting standard prospectively as of September 1, 2017. The adoption of this standard did not have a significant effect on the consolidated financial statements of the Corporation.

(y) Asset retirement obligations

In August 2018, the Public Sector Accounting Board issued this accounting standard that addresses the reporting of legal obligations associated with the retirement of tangible capital assets. This new standard takes effect for annual reporting periods beginning on or after April 1, 2021, with earlier adoption permitted. Alberta Education has indicated that school jurisdictions, including the Corporation, will adopt this new standard as of September 1, 2018.

Management is currently evaluating the impact of this standard on the consolidated financial statements of the Corporation.

3. CASH AND CASH EQUIVALENTS

	2018		2017	
	Effective Market Yield	Amortized cost	Effective Market Yield	Amortized cost
Bank balances ⁽¹⁾	1.75	\$ 142,110		\$ 87,951
Outstanding cheques		(1,238)		(2,407)
Cash equivalents (GIC)	1.30	875	1.30	873
Total cash and equivalents		\$ 141,747		\$ 86,417

⁽¹⁾ Includes cash balances restricted for EducationMatters in the amount of \$122 (2017 - \$401).

General operating and other bank indebtedness

The Corporation maintains a line of credit to a maximum of \$25,000 (2017 - \$25,000) with a 3.70% (2017 - 2.95%) borrowing rate per annum that has been negotiated with its banker for general operating purposes. The line of credit is secured against the Corporation's accounts receivable. At August 31, 2018, no amount has been drawn against the Corporation's general operating line of credit (2017 - \$nil).

Supplementary cash flow information

For the year ended August 31, 2018, cash interest paid on debenture debt amounted to \$128 (2017 - \$273) and cash interest earned (both operating and capital) and dividends received on portfolio investments totalled \$2,269 (2017 - \$3,691).

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4. ACCOUNTS RECEIVABLE

	2018			2017
	Gross amount	Allowance for doubtful accounts	Net realizable value	Net realizable value
Alberta Infrastructure - Capital	\$ 32,692	\$ -	\$ 32,692	\$ -
Fees	7,156	(5,840)	1,316	1,231
Other	3,008	(158)	2,850	2,360
Municipalities	2,098	-	2,098	1,855
Federal government	1,478	-	1,478	2,231
Alberta Education - Grants	1,158	-	1,158	998
First Nations	1,113	-	1,113	20
Insurance Claims	1,009	-	1,009	376
Alberta Treasury Board and Finance	597	-	597	1,481
Alberta Education - Substitute Teacher	266	-	266	195
Other Alberta school jurisdictions	30	-	30	220
Post-secondary institutions	13	-	13	-
Foundations	3	-	3	-
Alberta Education - Capital	-	-	-	10,095
	\$ 50,621	\$ (5,998)	\$ 44,623	\$ 21,062

5. DEFERRED REVENUE

	2018	2017
Unexpended deferred operating revenue		
School Generated Funds (Note 14)	\$ 15,167	\$ 15,259
Infrastructure Maintenance Renewal grants	1,188	1,189
International Student Fees	12,536	9,965
Alberta Education operating grants	9,253	2,335
Other	988	3,863
Total unexpended deferred operating revenue	\$ 39,132	\$ 32,611
Unexpended deferred capital revenue (Schedule 2)	12,974	10,425
Expended deferred capital revenue (Schedule 2)	1,137,133	1,072,414
Total deferred revenue	\$ 1,189,239	\$ 1,115,450

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2018	2017
Other trade payables and accrued liabilities	\$ 52,348	\$ 50,423
Salaries and benefit costs	28,222	30,560
Accrued vacation liability	7,582	8,456
Federal Government	474	197
Post-Secondary Institutions	64	18
Alberta Capital Finance Authority (Interest on supported debt)	56	99
Other Alberta school jurisdictions	20	7
Alberta Health Services	-	129
	\$ 88,766	\$ 89,889

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7. EMPLOYEE FUTURE BENEFITS

(a) Employee Future Benefits Schedule

	<u>2018</u>	<u>2017</u>
Supplemental integrated pension plan	\$ 730	\$ 723
Supplementary retirement plan	255	245
Post retirement and post-employment benefit plans	<u>24,747</u>	<u>24,577</u>
	<u>\$ 25,732</u>	<u>\$ 25,545</u>

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

The Corporation's net pension expense for the registered portion of SiPP for the year was \$48 (2017 - \$46).

The net pension expense for SERP was \$110 (2017 - \$476). The total liability for the SERP at August 31, 2018 was \$730 (2017 - \$723).

(c) Supplementary Retirement Plan (SRP)

The total liability for the SRP at August 31, 2018 was \$255 (2017 - \$245).

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

Changes in PRB/PEB

The following table provides the plans' change in Post Retirement and Post-Employment Benefits Plans ("PRB/PEB") for the years ended August 31, 2018 and 2017:

To date, \$24,747 (2017 - \$24,577) has been accrued in the Corporation's consolidated financial statements as a liability for PRB/PEB.

	<u>2018</u>	<u>2017</u>
Liability for PRB/PEB, beginning of year	\$ 24,577	\$ 24,349
Current service cost	1,218	1,286
Interest cost	1,484	1,244
Benefits payments	(3,577)	(3,339)
Amortization of net actuarial losses	1,045	1,037
Liability for PRB/PEB, end of year	<u>\$ 24,747</u>	<u>\$ 24,577</u>

Plan Funded Status

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

	<u>2018</u>	<u>2017</u>
Accrued benefit obligation, ending balance	\$ 32,441	\$ 33,019
Unamortized net actuarial losses	(7,694)	(8,442)
Liability for PRB/PEB, ending balance	<u>\$ 24,747</u>	<u>\$ 24,577</u>

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7. EMPLOYEE FUTURE BENEFITS (continued)

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

	<u>2018</u>	<u>2017</u>
Current period service cost	\$ 1,218	\$ 1,286
Amortization of net actuarial gains(losses)	1,045	1,037
Benefit expenses	\$ 2,263	\$ 2,323
Benefit interest expenses	1,484	1,244
Total benefit expenses	<u>\$ 3,747</u>	<u>\$ 3,567</u>

The accrued benefit obligations for employee future benefit plans as at August 31, 2018 are based on actuarial valuations for accounting purposes as at August 31, 2018. These actuarial valuations were based on assumptions about future events. The economic assumptions used in these valuations are the Corporation's best estimates of expected rates of:

	<u>2018</u>	<u>2017</u>
Discount rate on accrued benefit obligation	4.95%	4.60%
Rate of Compensation increase	3.50%	3.50%
Supplemental health care (SHC) cost trend rate (decreasing by 0.25% per annum to 5.0%)	5.75%	7.00%
Dental cost trend rate	4.50%	4.50%

(e) Alberta Teachers Retirement Fund (ATRF)

The current service and past service costs of the ATRF are met by contributions by active members and the Province of Alberta. Under the terms of the *Teachers' Pension Plan Act*, the Corporation does not make pension contributions for certificated staff and does not report on any unfunded liabilities. The service costs for the members are funded and contributed by the Province of Alberta in the amount of \$75,590 (2017 - \$73,005) and are included in these consolidated financial statements as revenue from the Government of Alberta and as certificated benefits expense. At August 31, 2018, the ATRF reported a surplus of \$1,904,968 (2017 - \$1,891,699).

(f) Local Authorities Pension Plan (LAPP)

The Corporation participates in the LAPP, which is a multi-employer pension plan and does not report on any unfunded liabilities. The service costs for the employees for the current year of \$21,428 (2017 - \$21,518) are included in these consolidated financial statements and comprise the Corporation's costs of employer contributions. At December 31, 2017, the LAPP reported a surplus of \$4,835,515 (2016 - (\$637,357)).

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8. ASSET RETIREMENT OBLIGATIONS

	<u>2018</u>	<u>2017</u>
Balance, beginning of year	\$ 327	\$ 327
Obligations discharged, during the year	-	-
Balance, end of year	<u>\$ 327</u>	<u>\$ 327</u>

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

The Corporation monitors the utilization of its assets in the normal course of operations. The Corporation has not recorded an asset retirement obligation for the estimated costs of restoring certain schools or disposing of surplus sites that may require remediation as the Corporation is unable to determine the value of this liability as all locations and types of contamination, if any, are unknown.

9. DEBENTURES AND OTHER SUPPORTED DEBT

The debentures for the acquisition of school buildings are funded directly by Alberta Education (pre-1995). Those debentures were issued by Alberta Capital Finance Authority ("ACFA") for periods of 15, 20 or 25 years in those years prior to 1995 when the Corporation had local taxing authority, at fixed interest rates ranging from 7.38 per cent to 11.75 per cent, and mature at various dates to 2020. Balances at August 31, 2018 are \$528 (2017 - \$1,369) and are repayable by 2020. All debenture principal and interest payments are fully guaranteed by the Province of Alberta. Minimum principal repayments of debentures based on the terms above are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	296	52	348
2020	<u>232</u>	<u>24</u>	<u>256</u>
Total	\$ <u>528</u>	\$ <u>76</u>	\$ <u>604</u>

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10. CAPITAL LEASES

Capital leases are approved by the Alberta Minister of Education for internally financed projects. All capital leases are secured by identified assets of the Corporation. The Corporation has set aside restricted long-term investments of \$13,507 (2017 - \$13,190) (refer to Schedule 5) to retire the outstanding lease obligation as of August 31, 2018. As of August 31, 2018, capital lease obligations pertaining to the Corporation are as summarized below:

	<u>2018</u>	<u>2017</u>
Finance contracts, secured by certain building components at interest rates ranging from 2.17 per cent - 3.28 per cent per annum, repayable in annual installments of \$596,211 including interest, maturing August 2021 through August 2023.	\$ 2,080	\$ 2,606
Finance contracts, secured by certain building components at interest rates ranging from 1.67 per cent - 3.28 per cent per annum, repayable in annual installments of \$471,651 including interest, maturing August 2021 through August 2023.	5,426	5,407
Finance contracts, secured by certain building components at interest rates ranging from 1.67 per cent - 3.28 per cent per annum, repayable in annual installments of \$730,767 including interest, maturing August 2019 through August 2023.	1,987	2,398
Finance contracts, secured by certain building components at interest rates ranging from 1.67 per cent - 3.28 per cent per annum, repayable in annual installments of \$261,788 including interest, maturing August 2021 through August 2023.	<u>3,340</u>	<u>2,130</u>
	<u>\$ 12,833</u>	<u>\$ 12,541</u>

Minimum lease payments for future years are as follows:

	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2019	\$ 331	\$ 2,888	\$ 3,219
2020	253	1,789	2,042
2021	208	3,429	3,637
2022	139	3,181	3,320
2023	<u>53</u>	<u>1,546</u>	<u>1,599</u>
Total	<u>\$ 984</u>	<u>\$ 12,833</u>	<u>\$ 13,817</u>

The Corporation entered into finance contracts during the year in the amount of \$2,048 (2017 - \$3,768) secured by certain building components maturing through August 2023.

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11. ACCUMULATED SURPLUS

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

(a) Accumulated remeasurement gains and losses

Under PSAS, the change in the fair value of investments is recognized in the Statement of Accumulated Remeasurement Gains and Losses as a remeasurement gain or loss until the portfolio investments are derecognized. Upon derecognition, the accumulated remeasurement gains or losses associated with the derecognized portfolio investments are reversed and reclassified to the Statement of Operations. For the year ended August 31, 2018, total accumulated surplus from accumulated remeasurement gains was \$797 (2017 - \$2,011).

(b) Accumulated operating surplus

i. Restricted surplus from operations

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

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

	<u>2018</u>	<u>2017</u>
School decentralized budgets	\$ 5,123	\$ 2,854
Instructional and service unit initiatives	779	2,677
EducationMatters	<u>1,927</u>	<u>1,918</u>
Total designated operating fund	\$ 7,829	\$ 7,449
Total operating reserves	\$ 28,312	\$ 21,803
Total operating surpluses	<u>\$ 36,141</u>	<u>\$ 29,252</u>

ii. Capital reserves

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

	<u>2018</u>	<u>2017</u>
Building reserve	\$ 9,019	\$ 9,019
Other capital reserves	14,383	22,584
Plant, operations and maintenance asset replacement	<u>798</u>	<u>798</u>
Total capital reserves	<u>\$ 24,200</u>	<u>\$ 32,401</u>

The reserves and designated funds are to be applied to finance future capital expenditures in accordance with the specific requirements of each Board resolution. At August 31, 2018, \$8,711 (2017 - \$16,913) is committed or designated for a specified purpose leaving \$15,489 (2017 - \$15,489) which remains available for new building commitments.

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11. ACCUMULATED SURPLUS (continued)

(b) Accumulated operating surplus (continued)

iii. *Investments in capital assets*

	<u>2018</u>	<u>2017</u>
Investment in capital assets	<u>\$ 158,721</u>	<u>\$ 159,776</u>

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

iv. *Endowments*

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

	<u>2018</u>	<u>2017</u>
Endowments	<u>\$ 4,165</u>	<u>\$ 3,850</u>

v. *Adjusted accumulated surplus*

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

	<u>2018</u>	<u>2017</u>
Restricted surplus from operations	<u>\$ 36,141</u>	<u>\$ 29,252</u>
Employee future benefits	<u>(10,164)</u>	<u>(10,164)</u>
Unrestricted surplus and operating reserve	<u>\$ 25,977</u>	<u>\$ 19,088</u>

	<u>2018</u>	<u>2017</u>
Accumulated surplus	<u>\$ 224,024</u>	<u>\$ 227,291</u>
Employee future benefits	<u>(10,164)</u>	<u>(10,164)</u>
Adjusted accumulated surplus	<u>\$ 213,860</u>	<u>\$ 217,127</u>

Adjusted accumulated surplus represents mostly encumbered and capital asset investment balances such as commitments made in the 2017-18 and 2018-19 budget process for capital and operating initiatives as well as our net investment in capital assets.

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12. RELATED PARTY TRANSACTIONS

(a) Province of Alberta and economic dependence

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

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

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

August 31, 2018	Assets (at cost or net realizable value)	Liabilities	Revenues	Expenses
Government of Alberta (GOA):				
Education				
Accounts receivable / Accounts payable	\$ 1,424	\$ -	\$ -	\$ -
Prepaid expenses / Deferred revenue	-	9,253	-	-
Unexpended deferred capital revenue	-	12,974	-	-
Expended deferred capital revenue	-	1,137,133	-	-
Grant revenue & expenses	-	-	1,265,557	-
Other revenue & expenses	1,113	-	2,348	-
Other Alberta school jurisdictions	29	21	845	80
Treasury Board and Finance (Principal)	541	-	-	-
Treasury Board and Finance (Accrued Interest)	56	1,245	128	-
Alberta Health Services	-	-	1	1,089
Post-secondary institutions	13	64	5	712
Other Government of Alberta	-	-	590	389
Alberta Infrastructure	32,692	-	-	-
Alberta Pensions Administration Corporation	-	-	-	40,843
TOTAL 2018	\$ 35,868	\$ 1,160,690	\$ 1,269,474	\$ 43,113
TOTAL 2017	\$ 13,923	\$ 1,087,801	\$ 1,265,567	\$ 43,472

(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.

Any transactions between key management personnel or the Board of Trustees and the organization have been recorded at fair or market value in these consolidated financial statements.

**CALGARY BOARD OF EDUCATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017
(in thousands)**

13. FEES REVENUE

	<u>2018</u>	<u>2017</u>
Transportation fees	\$ 4,585	\$ 8,642
Fees charged for instruction materials and supplies	273	9,870
Noon supervision	13,974	13,884
Other (school generated funds and Chinook)	20,142	19,386
	<u>\$ 38,974</u>	<u>\$ 51,782</u>

14. SCHOOL GENERATED FUNDS

	<u>2018</u>	<u>2017</u>
Deferred school generated revenue, beginning of year	\$ 15,259	\$ 16,233
Gross receipts:		
Fees	19,667	18,350
Fundraising	4,778	10,125
Gifts and donations	5,786	6,485
Grants to schools	149	275
Other sales and services	4,830	165
Total gross receipts	<u>\$ 35,210</u>	<u>\$ 35,400</u>
Less:		
Related expenses and uses of funds	\$ 34,018	\$ 30,294
Direct costs including costs of goods sold to raise funds	1,284	6,080
	<u>\$ (92)</u>	<u>\$ (974)</u>
Deferred school generated revenues, end of year (Note 5)	<u>\$ 15,167</u>	<u>\$ 15,259</u>

**CALGARY BOARD OF EDUCATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017
(in thousands)**

15. CONTRACTUAL OBLIGATIONS AND CONTINGENT LIABILITIES

(a) Contractual obligations

	<u>2018</u>	<u>2017</u>
Capital projects	\$ 48,816	\$ 91,784
Office lease	192,388	200,050
Service providers	121,216	118,799
	<u>\$ 362,420</u>	<u>\$ 410,633</u>

Capital projects:

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

Office lease:

The Corporation has entered into various operating lease agreements for office spaces that expire up to February 2031. The annual lease expense exclusive of operating costs is \$9,668 (2017 - \$10,055) from which sub-lease rental income of \$919 (2017 - \$1,765) is recovered annually.

Service providers:

As at August 31, 2018, the Corporation has the following commitments relating to service and grant contracts:

- The Corporation has revised its service agreement related to certain payroll and human resources administration processes expiring October 14, 2019.
- Effective March 9, 2017, the Corporation entered into a five (5) year term Master Transportation Agreement (“MSA”) with Southland Transportation Ltd. (the “Carrier”) for the provision of student school bus and taxi transportation services. The agreement may be renewed for one additional term of five (5) years or may be terminated by the Corporation by giving sixty (60) days notice prior to the effective date of such termination. The parties agreed to execute Annual Service Agreements (“ASA”), the first such Annual Service Agreement (“ASA-1”) began August 1, 2018 and continues to and including July 31, 2019. ASA-1 outlines the Carrier’s obligations, the applicable rates, performance indicators, the drivers’ responsibilities, and all other anticipated fees and charges under the agreement.
- The Corporation entered into an electricity supply agreement with Enmax to the end of December 2020. The Corporation entered in a natural gas supply agreement with Direct Energy expiring December 2020.

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

	<u>Capital Projects</u>	<u>Office Lease and operating costs</u>	<u>Service Providers</u>	<u>Total</u>
2019	\$ 40,600	\$ 13,782	\$ 67,629	\$ 122,011
2020	8,166	13,845	21,911	43,922
2021	50	13,699	14,734	28,483
2022	-	14,148	12,852	27,000
2023	-	14,091	2,900	16,991
Thereafter	-	122,823	1,190	124,013
Total	\$ 48,816	\$ 192,388	\$ 121,216	\$ 362,420

(b) Contingent liabilities

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

**CALGARY BOARD OF EDUCATION
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 FOR THE YEAR ENDED AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017
 (in thousands)**

16. TRUST FUNDS UNDER ADMINISTRATION

	2018	2017
Scholarship trust funds	\$ 191	\$ 14
School staff funds	3	19
	\$ 194	\$ 33

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

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

The Corporation has 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 at August 31, 2018 was \$2,644 (2017 - \$2,596).

18. SEGMENTED INFORMATION

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

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

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

ii. *Plant, operations and maintenance*

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

iii. *Transportation*

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

iv. *Administration*

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

v. *External services*

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

**CALGARY BOARD OF EDUCATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017
(in thousands)**

18. SEGMENTED INFORMATION (continued)

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

19. BUDGET COMPARATIVES

The CBE's annual budget is first prepared in the spring prior to the start of the school year using enrolment estimates and Alberta Government budget announcements. This 2017-18 budget was approved by the Board of Trustees on June 20, 2017 and submitted to Alberta Education on June 20, 2017. In the fall, the budget was updated to reflect actual enrolment numbers and was accepted by the Board of Trustees on November 28, 2017.

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

Amounts budgeted for 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 \$24,603 (2017 - \$35,172) as shown in Schedule 1.

**CALGARY BOARD OF EDUCATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2018, WITH COMPARATIVE INFORMATION FOR 2017
(in thousands)**

19. BUDGET COMPARATIVES (continued)

	Original Budget	Budget as presented for comparative purposes	Increase (Decrease)
Revenues			
Alberta Education	\$ 1,274,436	\$ 1,290,857	\$ 16,421
Other Government of Alberta	328	328	-
Federal Government and First Nations	3,207	3,207	-
Other sales and services	20,644	22,731	2,087
Fees revenue	42,594	42,594	-
Investment revenue	3,167	3,167	-
Other Alberta school authorities	304	304	-
Gifts and donations	7,266	7,634	368
Fundraising	7,200	7,200	-
Rentals	5,393	5,581	188
Other revenue	-	418	418
Total revenues	\$ 1,364,537	\$ 1,384,021	\$ 19,482
Expenses			
Instruction: grades 1-12	1,035,385	1,056,854	21,469
Instruction: early childhood services	52,647	52,623	(24)
Board and system administration	37,495	39,093	1,598
Transportation	48,065	48,200	135
Plant operations and maintenance	182,195	180,195	(2,000)
External services	23,751	24,056	305
Total expenses	\$ 1,379,537	\$ 1,401,021	\$ 21,482
Annual deficit	\$ (15,000)	\$ (17,000)	\$ (2,000)
Transfer from operating reserves/designated funds			
Transfer from operating reserves	5,000	7,000	2,000
	\$ 5,000	\$ 7,000	\$ 2,000
Add/(deduct) capital items paid by operating funds			
Capital assets acquired	(22,910)	(39,197)	(16,287)
Board funded amortization	28,150	27,524	(626)
Use of capital designated funds	-	16,913	16,913
Use of capital reserves	4,760	4,760	-
	\$ 10,000	\$ 10,000	\$ -
Cost to be reduced/efficiencies identified	\$ -	\$ -	\$ -



Management's Discussion and Analysis For the year ended August 31, 2018

Overview

The Calgary Board of Education (CBE) is the public school board in Calgary, Alberta, Canada, and is one of the best public education systems in the world. From Early Childhood Services (ECS) to Grade 12, the CBE operates a wide variety of programs and services to support each and every student. Outstanding education depends on making wise decisions about how to invest public resources on behalf of the over 121,600 students. It is an important responsibility. Money spent educating today's youth is one of the most important investments a society can make in its future.

The CBE works with students, families, communities, Alberta Education and employees to build positive learning and working environments. The Board of Trustees' policies, the CBE Three-Year Education Plan and the direction set by Alberta Education, guide our work.

The CBE's values, set out below, guide Administration's approach to the budget and the work we do:

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

This Management Discussion and Analysis (MD&A) should be read in conjunction with the CBE's [Budget Report](#) for 2017-18 (including the Fall Budget Update) and Consolidated Financial Statements and the accompanying notes for the year ended August 31, 2018. The Budget Report outlines how the CBE is structured, governed and outlines priorities for supporting students.

The CBE's work is guided by its [Three Year Education Plan](#) and the Fall Budget Update Report outlines the allocation of resources to achieve student success which includes:

- Priorities – this section summarizes learning and operating priorities in keeping with the CBE values above. See page 9 in the Budget Report for 2017-18.
- Budget attributed to activities - the funding provided to the CBE and the allocation of resources within the CBE supports the organization's achievement of the expectations and results established by the Board. See pages 10-11 in the Budget Report for 2017-18 for planned resource allocations. This MD&A will outline operating results relative to those priorities and planned activities.

Staffing and full-time equivalents (FTEs)

In 2017-18, the CBE employed more than 14,000 people, which equates to 10,189 FTE positions. This makes the CBE one of the largest employers in the City of Calgary. Each employee plays an important role in supporting students in their learning. Teachers, principals and other school-based employees work directly with students to help them reach their potential. School-based employees represent 85 per cent of the total 10,189 FTEs. School-based staff are supported by skilled, knowledgeable, and dedicated employees who work in a variety of other capacities across all of the supporting service units.

The CBE spends the greatest proportion of its funds (78 per cent) on salaries and benefits, with teachers making up the majority of that total. The provincial grant increases in past years have not been sufficient to cover the negotiated wage rate increases and wage grid movement for teachers and support staff. As a

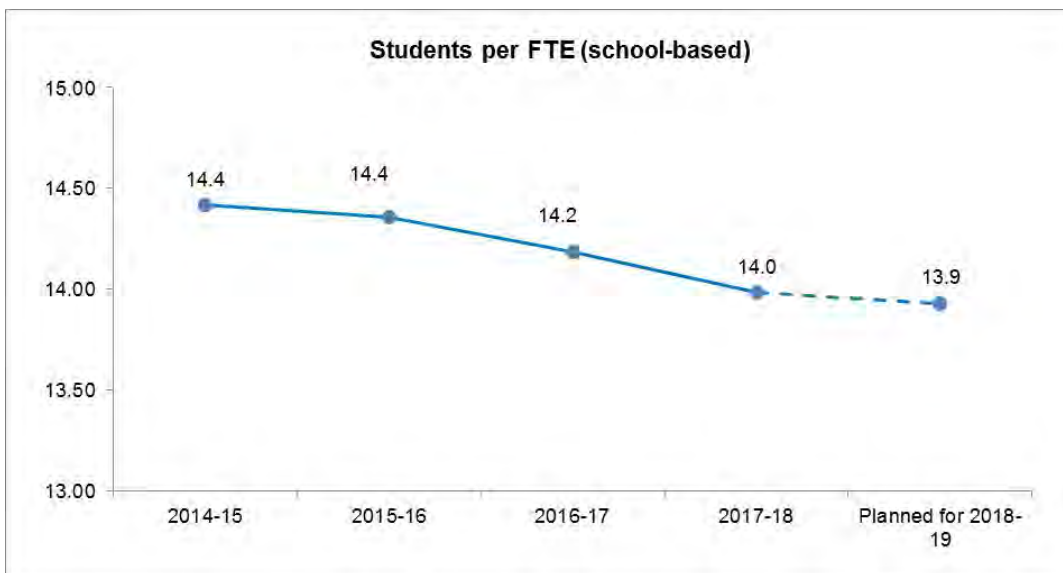
result, the number of school-based FTEs has not always increased at a rate equal to enrolment growth. This puts upward pressure on the ratio of students to school-based staff.

Students per school-based FTEs

While grant rates did not increase for 2017-18, funding for enrolment growth, the use of reserves, and the incremental funding made available through the Classroom Improvement Fund provided sufficient funding to allow the CBE to improve slightly the ratio of students to school-based staff.

The following tables show the average number of the CBE students per school-based FTE staff position. For the purposes of this graph, school based staff does not include staff in service units that work directly in schools, such as facility operations staff (plumbers, electricians, carpenters, etc), and centrally managed school supports including school technology support specialists, psychologists, speech-language pathologists and the range of other supporting professionals.

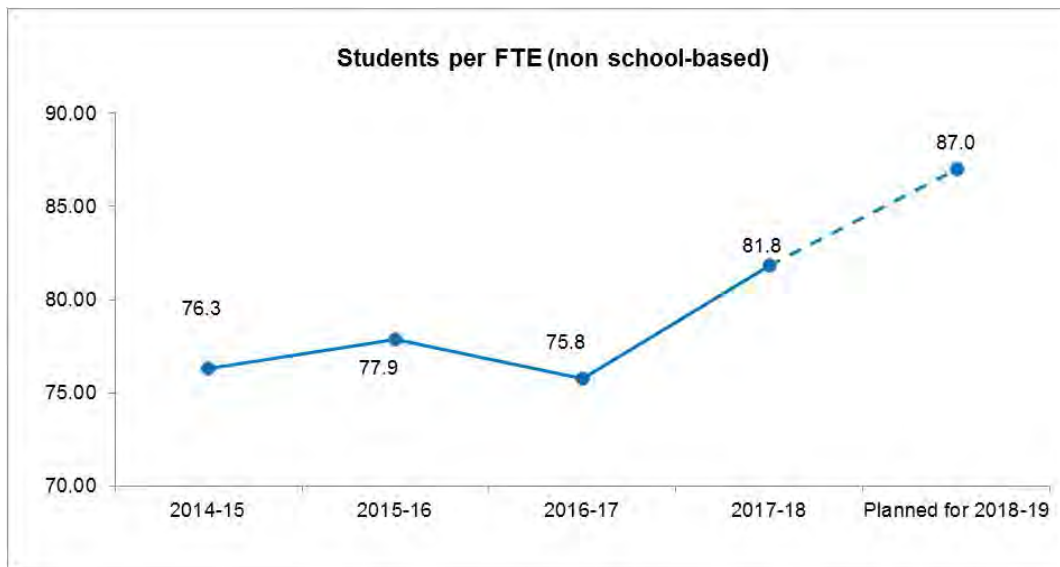
School-based staff are funded through a variety of sources: the Resource Allocation Method (RAM) budget, centrally held school-related budgets, the Regional Collaborative Service Delivery (RCSD) budget and provincial Program Unit Funding (PUF).



Students per non school-based FTEs

The ratio of students to non school-based FTEs are not as closely tied to enrolment growth as school-based staffing levels. Since resource allocations are prioritized to schools, central support staffing changes have not kept pace with enrolment growth. This results in an increase to the student per non school-based FTE ratio.

For the purposes of this table, non school-based FTEs include facility operations staff who work in schools as well as psychologists, braille assistants, deaf and hard of hearing specialists, mental health specialists, occupational and physical therapists, and speech language pathologists. For 2017-18, the ratio increased as 86 non school-based positions were reduced across service units and schools to meet budget reduction targets. With the addition of four new schools for 2017-18, this lower number of non school-based FTEs presents ongoing operating challenges across the CBE.



2017-18 Achievements and other operational highlights

The CBE is a leader in public education and is proud of students and their accomplishments. The CBE offers an impressive breadth and depth of programming and supports to meet the unique learning needs and interests of all students in an increasingly diverse population.

Enrolment growth

Student enrolment at the CBE continues to grow. Over the past ten years, enrolment has increased by 20,656 (20.4 per cent) students. Enrolment for 2017-18 increased to 121,691, up 2,544 (2.1 per cent) from the previous year. To put that in perspective, a large elementary school has a student population of about 600 students; for 2017-18 the CBE grew by the equivalent of approximately four such schools.

New school construction and student spaces

CBE opened many new doors for students in 2017-18. During the past two years the CBE has opened 23 new schools, modernized and/or replaced 4 schools and will complete 3 projects in the fall of 2018. Information on these projects is available on [the CBE's website](#) and in Attachment III. In all, 3,000 new student spaces opened during the 2017-18 school year. The new schools provide much needed learning

spaces and allows students to attend schools closer to their home communities. However, with continuing enrolment growth, the demand for more new schools persists.

With the increasing number of student spaces, many more students had access to learning opportunities closer to home. The modernization of Lord Beaverbrook High School includes upgrades to programs such as culinary/commercial foods lab, cosmetology lab, auto-body shop, building construction and woodworking shops, computer lab and the addition of heavy duty mechanics learning space. The modernization of James Fowler High School includes the Career and Technology Studies (CTS) wing that includes additions and upgrades to programs such as communication technology, building trades, welding, auto-body and automotive shops as well as the arts-centered learning spaces. Phase two includes the modernization of cosmetology, domestic foods, fashion, robotics and learning space for paced learning program. The space at these schools also accommodated the new configuration of Chinook Learning Services.

New, modernized and replacement school projects are primarily funded by the Government of Alberta. That said, the CBE is investing more than \$26.8 million between 2015 and 2019 to ensure that new, replacement and modernized schools are set up for student success. These commissioning dollars mean that the CBE schools' continue to meet students' needs today, tomorrow and into the future. Ongoing operating costs increased by \$2.5 million in 2017-18 to operate the four new schools that opened during the year and will increase by another \$2.2 million in 2018-19 for one new school (Joanne Cardinal-Schubert) and one reopening (Glenmeadows). The CBE's total increased annual operating costs due to new schools between 2015 to 2019 school years is approximately \$15.7 million.

Programs and student supports

Resources were allocated to support the improvement priorities identified within the Three-Year Education Plan. Those priorities include increasing success of Indigenous students and improving success of all students in mathematics and literacy. The CBE also continues to focus on high school success through a range of initiatives including, but not limited to, dual credit programming.

Approximately 725 students benefited from extended early learning experiences at 16 full day kindergarten locations across the school district. Alberta Education does not fund full day kindergarten at this time.

The CBE continues to provide seven years of English Language Learner support (versus the five years of programming funded by Alberta Education). This decision, supported by research, increases the results achieved by students. Approximately 5,400 students across the system directly benefit from these additional two years of support. With the increasing diversity in the student population, demand for these services and supports continues to grow.

CBE students achieved impressive results on the [2017-18 Provincial Achievement Tests and Diploma Examinations](#). Highlights include:

Grades 6 and Grade 9 PAT results

- The CBE student results in Grade 6 exceeded provincial results in all measures at both the Acceptable Standard and the Standard of Excellence.
- In Grade 9, results exceeded provincial results in all measures at the Acceptable Standard and in English Language Arts, Mathematics, Science and Social Studies for the Standard of Excellence.

- In Grade 9 Mathematics, results remain above the province although we also saw a year-over-year decline similar to the decline of the provincial result.
- Notable achievements:
 - Science 6 and 9*: Highest result on record for both Acceptable Standard and Standard of Excellence.
 - Social Studies 6: Highest result on record for both Acceptable Standard and Standard of Excellence.
 - Mathematics 6: Highest result since 2012-13 for Standard of Excellence.
 - Social Studies 9*: Highest result since 2011-12 for Acceptable Standard and Highest result on record for Standard of Excellence.
 - English Language Arts 9: Highest result since 2011-12 for Standard of Excellence.

Grade 12 diploma examinations

- The CBE results were at or above provincial results in 11 out of 11 Diploma Exam measures at both the Acceptable Standard and the Standard of Excellence.
- Notable Achievements:
 - English Language Arts 30-1: Highest result for Acceptable Standard since 2004-05 and Standard of Excellence since 2007-08.
 - Mathematics 30-1*: Highest result on record for both Acceptable Standard and Standard of Excellence.
 - Chemistry 30: Highest result on record for both Acceptable Standard and Standard of Excellence.

**With the exception of the 2013 flood year.*

Employee engagement

The CBE's Three-Year Education Plan identified understanding the level of engagement employees have in their jobs as a priority. In spring 2017, a third-party partner administered an employee engagement survey. Nearly 8,000 employees participated in that inaugural survey. In the 2017-18 year the results were released around the system. Areas and service units facilitated focused discussions on the survey results with the intent of driving out concrete action plans. The CBE committed to system-wide actions because of the survey and related discussions. In the spring of 2019, the CBE will conduct the next employee engagement survey and then every two years thereafter.

Bill 1: An Act to Reduce School Fees

For the 2017-18 school year, the Government of Alberta made life more affordable for Alberta families through the March 2, 2017 proclamation of [Bill 1: An Act to Reduce School Fees](#). Through Bill 1 the Government, eliminated fees levied to parents for specific Instructional Supplies and Materials (ISM), as well as reduced or eliminated transportation fees, particularly for those students attending a regular program at their designated school who live beyond 2.4 kilometres. This had significant implications for student transportation as it provided new direction on criteria for determining eligibility for subsidized transportation. This necessitated significant service level changes across the CBE's transportation network. Under the [2017 Alberta budget](#), school boards received additional funding in support of the Bill 1

implementation. The Government allocated \$18.3 million to the CBE to help offset the revenue loss projected because of Bill 1, and to help the CBE maintain current educational programming without increasing other permitted school fees. Bill 1 funding, within the CBE, exclusively supported the provision of transportation services and elimination of the Instructional Supplies and Materials fee. This approached reduced fees for every CBE student.

Operational review

In April 2018, Alberta Education released a report outlining the results of the operational review requested by the Minister of Education. The review was an opportunity to provide baseline data and provide evidence based observations to strengthen service delivery to students. The government's review did not raise any substantial issues regarding the CBE's programs or operations. Further, the report noted, "CBE's per-student funding and expenses are comparable to the other three metro boards. CBE's spending allocation is also comparable". On the matter of comparability, Alberta Education provided additional guidance on its preferred disclosure methodology for administrative building lease costs. In response to that additional guidance, the CBE reclassified a portion of the Education Centre lease costs from the "instructional programs" expenditure block to the "board and system administration" expenditure block. Notwithstanding this change, a significant number of staff who directly support teaching and learning in the classroom are home-based in the Education Centre. No additional dollars were made available to support teaching and learning because of this reclassification.

The external programs expenditure block received the remainder of the Education Centre lease costs. External programs include, but are not limited to global learning, sub-lease agreements, and the noon-hour supervision program. Allocating lease costs to external programs ensures that those programs fully recover their related costs and do not consume Alberta Education funding provided to support the CBE programs. Further information on the operational review can be found on the [CBE website](#). The CBE leases its administration offices (Education Centre). The operational review noted that this is unique as almost all other school jurisdictions, including the three other metro school boards, own their administrative buildings.

The Administrative buildings lease and operating costs by block (in \$ thousands) include:

	Instruction	Board and system adminstration	Plant operations and maintenance	External services	Total
<u>Actuals 2017-18</u>					
Education Centre	-	10,474	-	2,751	13,225
Dr. Carl Safran School Building	-	440	-	-	440
	-	10,914	-	2,751	13,665
<u>Fall Update 2017-18</u>					
Education Centre	7,606	3,335	202	2,256	13,399
Dr. Carl Safran School Building	101	402	-	-	503
	7,707	3,737	202	2,256	13,902
Increase/(decrease)	(7,707)	7,177	(202)	495	(237)

Financial highlights and achievements

Operating highlights

For the 2017-18 school year, the CBE continued to provide high quality, comprehensive, responsive, caring, inclusive public education to students. Over the past two years, 23 new schools have opened. Non-school facility capital and maintenance projects create a positive environment and system supports to schools and their students. Supporting the delivery of the Three-Year Education Plan within available resources requires focus, prioritization and choices. From inflation, to salary grid movement, to operating new schools, covering all costs within the available resources is a challenge. These costs often outpace the growth in Alberta Education funding, which is based on per-student formula rather than actual costs of providing public education. This requires utilizing a variety of sources of savings (for example, service level reductions, reductions and changes to programming, service unit support reductions, use of reserves) to continue to deliver the levels of service expected by the community.

Year-over-year highlights

The 2017-18 deficit of \$2.1 million is \$13.0 million lower than the prior year deficit of \$15.1 million.

Specifically:

Overall revenues increased by \$23.4 million (1.7 per cent) due to:

- An increase in revenue from Alberta Education of \$35.3 million. Funding increased due to:
 - Enrolment growth of \$22.1 million with grant funding rates that were held constant;
 - Bill 1 Fee Replacement Grant of \$18.3 million provided in lieu of charging fees;
 - New Classroom Improvement Fund (CIF) funding of \$13.0 million;
 - Expended deferred capital revenues increased by \$4.9 million due to four new schools that were completed before Aug. 31, 2017 and began incurring amortization costs during the year. These non-cash revenues fully offset the amortization expense for those new schools.
 - Above increases were offset by \$23.0 million change related to Infrastructure Maintenance and Renewal (IMR) funding. Alberta Education directed that at least thirty per cent of IMR funding be applied to capital rather than operating projects. The decrease in revenue offsets an equivalent reduction in supplies and services expenditures. Supplies and services expense is where IMR costs are traditionally charged. The CBE's IMR allocation for 2017-18 was \$38.9 million. That allocation was \$5.3 million higher than the \$33.6 million allocated in 2016-17.
- An increase of \$3.4 million in other sales and services is the result the increase in general sales and services activity at the school level;
- An increase of \$3.0 million from the sale of investments due to the drawdown of operating and capital reserves to support anticipated deficits from operations;
- A decrease of \$12.8 million in fees revenue resulting from Bill 1 and fewer parents incurring fee related services. ISM fees were eliminated for those items included under the Government's working definition for instructional supplies and materials as well as the transportation fees for students who qualify for fee-free or fee-reduced transportation service; and
- A decrease in all other revenues of \$5.5 million. This is the result of the inherent variability of this revenue stream based on activity levels at each school.

Overall expenses by object increased by \$10.4 million (0.8 per cent) due to:

- An increase of \$26.1 million in salaries and benefits. This is the result of the new \$13.0 million CIF that added an incremental 125 FTEs, additional staffing due to increased enrolment, student complexity, collective agreement grid movement and an additional 120 FTEs hired to work in the new schools that opened during the year.
- A decrease of \$21.4 million in supplies and services result from the recording of some IMR projects as assets. This treatment complies with direction from Alberta Education that requires a minimum of thirty per cent of all IMR spending to be capital improvements. The related assets, amortized over time, result in lower supplies and services expenses relative to the prior year.
- An increase of \$5.7 million in other expenses is mainly due to:
 - Higher amortization expense related to the four new schools completed prior to August 31, 2017.
 - Lower uncollectible accounts due to the elimination of ISM fees under Bill 1 and the reduction in student transportation fees.

Budget to actual highlights

The CBE's Budget Report for the school year commencing in September 2017, developed for, and approved by, the Board of Trustees in May of 2017 expected enrolment to increase by 2,053 for the 2017-18 school year. At the September 30, 2017 student count date, actual enrolment for the year was 491 students higher (2,544 in total) than originally budgeted. As a result, both revenues and expenses increased in the 2017-18 Fall Budget Update. The budget presented for comparative purposes is the 2017-18 Fall Budget Update, which incorporates the actual September 30, 2017 enrolment counts. The Board of Trustees approved the 2017-18 Fall Budget Update on November 28, 2017.

The 2017-18 actual deficit of \$2.1 million is \$14.9 million less than the budgeted deficit of \$17.0 million.

Specifically:

Overall revenues decrease from budget by \$20.9 million (1.5 per cent) due to:

- A decrease in Alberta Education revenues of \$25.3 million due mainly to direction that thirty per cent of IMR funding support capital rather than operating projects. This decrease in revenue offsets an equal reduction in the supplies and services expense line where IMR costs are traditionally expensed. Also contributing to the decrease is the Alberta Teacher's Retirement Fund (ATRF) and lower Alberta Education due to a reduced Local Authorities Pension Plan (LAPP) contribution rate. This decrease in revenue offsets an equivalent reduction in salaries and benefits expense.
- A decrease in fees revenues of \$3.6 million and all other revenues of \$3.6 million. This is mainly the result of inherently variable school-based fund-raising activities.
- An increase of \$7.6 million in other sales and services which again is the result of increased general sales and services activities at the school level; and
- An increase of \$4.0 million in investment income from the sale of investments. Due to projected operational and capital project funding requirements, the CBE converted equity and bond investments into cash.

Overall expenses decrease from budget by \$35.8 million (2.6 per cent) due to:

- A decrease in salaries and benefits of \$18.5 million. This is mainly due to:
 - The actual salaries are lower than the estimated averages used to establish the budget.

- The Alberta Teacher’s retirement fund (ATRF) and Local Authorities Pension Plan (LAPP) reduced funding from what was expected in the Fall Budget Update. This decrease in revenue offsets an equivalent reduction in the salaries and benefits expense lines.
- Lower employer contribution rates for the related pension funds.
- Lower vacation liability than budgeted as staff take vacation in the year it is earned.
- Position vacancies within service units.
- Activities that were still in progress at year-end for which the related budget is carried forward for completion in 2018-19. Examples of this include community engagement and professional leaves.
- A decrease in supplies and services of \$16.8 million is due to the capitalization of a portion of the IMR expenditures as required by Alberta Education. Also contributing to this decrease are cost saving measures implemented by the service units to reduce overall expenditures. For example, negotiated lower information technology licensing costs.

Capital highlights

The CBE receives funding for capital assets (for example, school buildings, furniture, technology, and modular classrooms) through two main sources. First, Alberta Infrastructure (previously Alberta Education) funds specific new, modernized or replacement schools through targeted grants. Alberta Infrastructure also largely funds modular classroom additions. Second, the CBE funds other capital assets—such as technology, furniture, equipment and vehicles—by setting aside funds from the annual per-student funding received from Alberta Education. This is a permitted, and necessary, use of per-student funding. These projects, called ‘board-funded’ capital projects, support the establishment, maintenance and growth of a dynamic supportive learning environment.

Total additions to tangible capital assets were \$130.4 million for 2017-18:

- New school construction costs were \$103.6 million. Twenty-three new schools as well as four modernizations and/or replacement schools were under construction during the last two years. Of those projects, four new school facilities opened in 2017-18 and another two new schools opened in 2018-19 as well as two modernizations. New schools that reached substantial completion during the year will begin incurring an amortization expense in 2018-19 with offsetting recognition of the related construction grant revenue. Information on these projects is available on the CBE’s website and in Attachment III.
- The remaining \$26.8 million was board-funded capital activities such as technology infrastructure upgrades, school alarm systems, security cameras, technology hardware purchases, and maintenance and support vehicles.

The CBE is grateful for the many new schools the Government of Alberta has committed to fund. Each new school, though, comes with challenges related to the costs of constructing and commissioning these schools. From 2015-16 to 2018-19 the CBE spent \$26.8 million of reserves and operating funds on construction and commissioning activities with more planned for 2019-20 and beyond.

The CBE also faces the ongoing challenge of resourcing the maintenance and renewal work necessary to keep our school facilities relevant in the 21-century learning context. Approximately 134 of the CBE schools were built prior to 1970. That means that the majority of facilities are more than 50 years old and require increasing levels of maintenance, repair and modernization.

As part of the CBE's Three-Year System Student Accommodation Plan, the CBE is working with school communities to manage the use of learning space in schools on an ongoing basis.

Financial position highlights

The CBE has a combined total of \$162.2 million in cash, cash equivalents and portfolio investments as at August 31, 2018. The balance is due to the timing difference between when cash comes in and when related payments are made as well as the timing of significant new school construction activity.

Cash required for the CBE's daily operations is primarily for vendor payments and payroll costs. Cash related to capital are the funds received from the Province for capital construction that is not yet spent. Lastly, the CBE's cash related to savings is the cash based on unrestricted reserves, surplus, designated funds and capital reserves. CBE reserves are at a modest 3.7% of total annual expenditures.

As at August 31, 2018 the CBE has an accumulated surplus balance of \$213.8 million (2017 - \$217.1 million), reflecting net financial debt of \$1,110.5 million and non-financial assets of \$1,324.4 million. Net debt includes \$1,137.1 million of unearned revenue from Government funding spent on the construction of capital assets (deferred revenue). That revenue is recognized and brought into income over the useful life of the related assets. Fully recognizing deferred revenue as of August 31, 2018 results in net financial assets of \$26.6 million. The \$3.3 million reduction in accumulated surplus reflects the operating deficit of \$2.1 million and an accumulated unrealized investment re-measurement loss of \$1.2 million.

Please note that the accumulated surplus is not equivalent to available for use reserves.

Reserves highlights

The CBE must balance service and program level changes within available revenue and reserves. The following table summarizes the net impact of operating and capital activities on reserves (see Attachment IV for more details):

	Reserve balance Sept 1, 2017	Actual transfers to/ (from) reserves	Reserve balance Aug 31, 2018
(all figures in \$ thousands)			
Total operating reserves	19,087	6,889	25,976
Total capital reserves	32,401	(8,201)	24,200
Total reserves	51,488	(1,312)	50,176

The carry-forward of capital project activity from 2016-17 increased the use of capital reserves in 2017-18. Consequently, there was less funding needed from operating reserves to fund 2017-18 capital projects resulting in an increase in operating reserves of \$6.9 million.

Balances remaining in reserves of \$50.2 million, or 3.7% of total expenditures, are available for use in 2018-19 and future years, subject to Board of Trustees approval. Alberta Education has indicated that available for use reserves of between one and five percent are appropriate. The CBE is well within this range.

Alberta Education funding per student

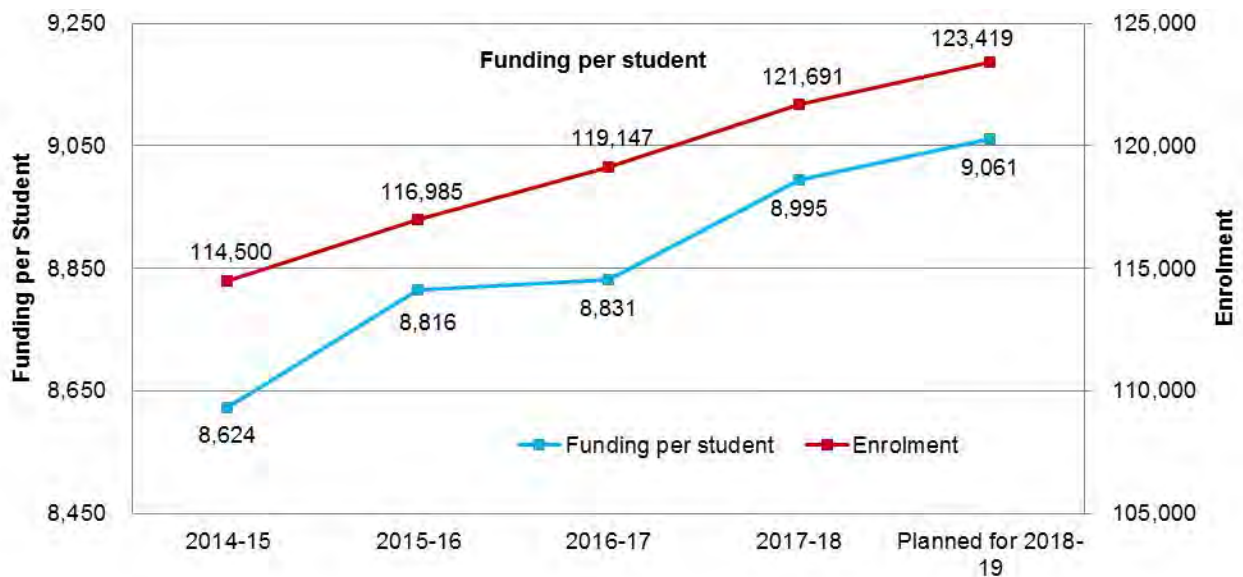
The CBE's enrolment in 2017-18 increased by 2,544 students as of September 30, 2017. Grant funding rates have not increased since 2015-16.

For the years 2017-18 and 2018-19, the CBE received \$13.0 million in new funding for the [Classroom Improvement Fund \(CIF\)](#). This provincial grant, jointly administered by the local school jurisdiction and the Alberta Teachers Association, assisted in improving the student experience in the classroom by hiring additional teachers, hiring additional school-based non-teaching staff or purchasing materials for the classroom. The CBE and ATA Local 38 agreed to use this funding to hire an additional 125 school-based FTEs

The CBE received a fee replacement grant in lieu of charging fees under Bill 1 regulations. Those two grants are for specified purposes and not available to fund regular operations.

These two new grants account for the per-student funding growth noted for 2017-18 and 2018-19 years noted below.

The chart below shows funding per student using actual funding received for the years that have ended and the estimate for next year. Funding does not include amounts for IMR, the ATRF, student transportation (including the related fee replacement grant) or expended deferred capital revenues (EDCR), as these grants are targeted and are not available to support teaching and learning in the classroom.



The chart above includes both the CIF and the ISM fee replacement grant for the 2017-18 and 2018-19 years.

Financial results and analysis

Consolidated financial results

The CBE's consolidated financial statements are presented in accordance with Public Sector Accounting Standards and in the format prescribed by Alberta Education. This format includes comparisons with the Fall Budget Update as well as prior year actual results. Expenditures reported in the consolidated financial statements are grouped based on the lines of service provided and activities performed by the CBE, regardless of whether these activities happen in schools or centrally. An alternate view of expenditures is presented below with comparative figures and in Attachment II for schools and service units. This is the view commonly presented in the CBE's Budget Reports and provides more information as to the specific types of expenditures that were made during the year.

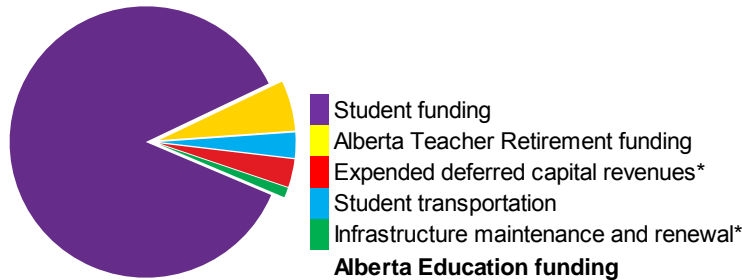
	Fall Budget Update	Actuals	Actuals	Fall Update vs Actual Variance	Actual vs Actual Variance		
	2017-18	2017-18	2016-17	Increase / (Decrease)	Increase / (Decrease)		
	(in \$ thousands)			(in \$ thousands)	%	(in \$ thousands)	%
Revenues							
Alberta Education	1,290,857	1,265,557	1,230,285	(25,300)		35,272	
Other Government of Alberta	328	265	376	(63)		(111)	
Federal Government & First Nations	3,207	3,287	3,169	80		118	
Other sales and services ¹	22,731	30,340	26,922	7,609		3,418	
Fees revenue ¹	42,594	38,974	51,782	(3,620)		(12,808)	
Investment revenue	3,167	7,180	4,124	4,013		3,056	
All other revenue	21,137	17,544	23,047	(3,593)		(5,503)	
	1,384,021	1,363,147	1,339,705	(20,874)	(1.5)	23,442	1.7
Expenses by object							
Salaries and benefits	1,089,093	1,070,633	1,044,558	(18,460)		26,075	
Supplies and services	240,060	223,226	244,671	(16,834)		(21,445)	
Other (interest, amortization and uncollectible accounts)	71,868	71,340	65,611	(528)		5,729	
	1,401,021	1,365,199	1,354,840	(35,822)	(2.6)	10,359	0.8
Annual surplus / (deficit)	(17,000)	(2,052)	(15,135)	14,948		13,083	
Transfers from / (to) operating reserves	7,000	(7,204)	20,721	14,204		27,925	
Add/(deduct) capital items paid by operating funds							
Capital assets acquired	(39,197)	(26,365)	(36,580)	12,832		10,215	
Board funded amortization	27,524	27,420	24,177	(104)		3,243	
Transfers from / (to) capital reserves	21,673	8,201	6,817	(13,472)		1,384	
	10,000	9,256	(5,586)	(744)		14,842	
Net operating surplus / (deficit)	-	-	-	-		-	

⁽¹⁾ Actuals 2016-17 have been reclassified for comparative purposes.

Year-over-year review

Revenue

Alberta Education funding



Actuals		Increase/ (Decrease)	
2017-18	2016-17	(in \$ thousands)	%
(in \$ thousands)		(in \$ thousands)	
1,094,901	1,052,184	42,717	4.1%
75,590	73,004	2,586	3.5%
37,999	33,140	4,859	14.7%
42,137	34,050	8,087	23.8%
14,930	37,907	(22,977)	(60.6%)
1,265,557	1,230,285	35,271	2.9%

*Infrastructure, maintenance and renewal for 2017-18 includes \$1.0 million related to EDCR.

The CBE received \$1,265.6 million or 93 per cent of total revenue from Alberta Education. Of those funds, \$1,095.0 million were provided for instruction and to support student learning. The CBE decides how best to use these funds in support of teaching and learning.

The remaining \$170.7 million, or 13 per cent of total Alberta Education funding, has specified uses such as ATRF (\$76.0 million), student transportation which includes the related fee replacement grant (\$42.1 million) and IMR (\$14.9 million).

The \$42.7 million increase in student funding is the result of increased enrolment and CIF. All funding rates remained consistent with 2015-16.

The ATRF is a flow-through transaction whereby funds received are designated for payment to the ATRF. ATRF revenue has increased due to changes in the amount allocated to the CBE which is based on increases in certificated staffing.

EDCR increased \$4.9 million due to the four new schools that were completed before August 31, 2017 and began incurring amortization costs during the year. EDCR fully offsets this amortization expense.

Non-Alberta Education revenue

	Actuals		Increase/ (Decrease)	
	2017-18	2016-17	(in \$ thousands)	%
	(in \$ thousands)		(in \$ thousands)	%
Other Government of Alberta	265	376	(111)	(29.4%)
Federal Government & First Nations	3,287	3,169	118	3.7%
Other sales and services ¹	30,340	26,922	3,418	12.7%
Fees revenue ¹	38,974	51,782	(12,808)	(24.7%)
Investment revenue	7,180	4,124	3,056	74.1%
Other Alberta school authorities	350	663	(313)	(47.2%)
Gifts and donations	7,957	9,076	(1,119)	(12.3%)
Fundraising	2,640	7,485	(4,845)	(64.7%)
Rentals	4,878	5,436	(558)	(10.3%)
Gain/ (loss) on disposal of assets	(18)	18	(36)	(198.0%)
Other revenue	1,737	369	1,368	370.9%
Non-Alberta Education revenue	97,590	109,420	11,830	10.8%

¹ Actuals for 2016-17 have been reclassified for comparative purposes.

Other revenue of \$97.6 million, or 7.0 per cent of total revenue, was received from the sources listed above. Primary reasons for changes include:

- Other sales and services, gifts and donations, fundraising and other revenue are mainly generated in schools and are inherently variable depending on the activity of each school.
- Fees revenue decreased from the prior year by \$12.8 million. This is due to ISM and transportation fees which have been reduced or eliminated under Bill 1. The fees revenue in Attachment I will provide more detail for the amounts and types of certain fees charged by the CBE.
- Investment revenue has increase from the prior year by \$3.1 million due to the sale of investments. Administration projected operational and capital project funding requirements and deemed it prudent to convert equity and bond investments into cash.
- Other revenue has increase from the prior year by \$1.4 million due to higher external funding received for Learning programs such as Campus Calgary/Open Minds and the Dual credit off campus program. The corresponding expenses fully offset the revenues.

Fees revenue

Fee regulations

In June 2017, the Provincial Government passed two new regulations that guides fee levying by school jurisdictions: [School Fees and Costs Regulation](#) and [School Transportation Regulation](#). These were in effect for the 2017-18 school year.

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

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

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

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

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

Fee revenue background

The CBE charges fees to enhance the learning experience for students and provide services that reflect the expectations that families have for the scope, breadth and depth of programs offered by the CBE. No one at the CBE wishes to impose fees. Fees are, however, an unfortunate reality and reflect the desire of the community for enhancements to the public education funded by Alberta Education. The CBE calculates fees on a cost recovery basis. Fees are charged to cover the gap between the cost of programs and services and the funding provided to the CBE by the Provincial Government. In many cases, no specific provincial funding is provided.

Fees are set in the spring prior to the school year and are estimated at a level to cover the cost of providing those services. No overhead allocations are charged to fee based programs. Said another way, no fee money is used to support other activities within the CBE. Fees are used exclusively for the purpose for which it was collected. Any surplus resulting from system programs is added to a related reserve to moderate year-over-year changes in fees.

There are no known changes to school boards' ability to charge other fees; however, the new School Fees Regulation will provide the Minister with the authority to continue to regulate these fees.

In keeping with our values, the CBE is continuing its comprehensive waiver process to ensure that no student is denied access to an education due to the inability to pay some or all fees. Learning is, and remains, our central purpose.

Fee revenue summary

The following fees were centrally set and managed:

	Budget 2018-19	Actuals 2017-18	Actuals 2016-17
Transportation	\$350	\$335	\$335
Noon Supervision (four day - five day)	\$265 - \$295	\$ 255 - \$285	\$ 255 - \$285
ISM: Kindergarten	\$0	\$0	\$15
ISM: Grades 1 - 6	\$0	\$0	\$30
ISM: Grades 7 - 9	\$0	\$0	\$137
ISM: Grades 10 -12	\$0	\$0	\$152

Fees revenue reported in the tables presented are the fees charged to parents in the year, including fees that are waived or deemed uncollectible. Fees revenues are comprised of the following components:

	Fall Budget Update 2017-18	Actuals 2017-18	Actuals 2016-17	Budget to Actual Increase / (Decrease)	Actual to Actual Increase / (Decrease)
(in \$ thousands)					
Transportation	5,930	4,585	8,642	(1,345)	(4,057)
Instructional supplies and materials ²	-	273	9,870	273	(9,597)
Noon supervision	13,965	13,967	13,884	2	83
School based fees ¹	22,700	20,149	19,386	(2,551)	763
Total fees	42,595	38,974	51,782	(3,621)	(12,808)

⁽¹⁾ School based fees are those charged directly by schools such as for optional courses, field trips and extracurricular activities. These are subject to school-based decision making, with parent, teacher and student input.

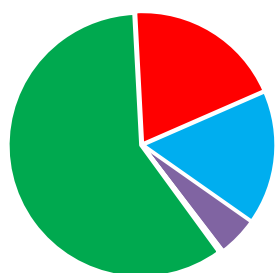
⁽²⁾ Instructional supplies and materials fees reflected above include fees charged centrally. The 2017-18 balance reflects Chinook Learning Service's approved summer school registration fees. These were approved to be charged for the 2017-18 only. For 2018-19 onwards, these are no longer charged under Bill 1.

The CBE's objectives for fee waivers is that no student is denied access to public education due to an inability to pay a fee. For those who can pay but choose not to, the CBE has collection processes in place to preserve the fairness and equity of the fee system.

Additional fee reporting is also included in the Audited Financial Statements that discloses the nature of fees for the year. See Attachment I for further details on fees and variance explanations related to transportation and noon supervision programs.

Expenses

In 2017-18, with student enrolment increasing by 2.1 per cent, the CBE's objective was to generally maintain student to school-based staffing ratios as well as fund the \$2.5 million incremental cost of operating the new schools that opened in the year. New schools require administrative staff such as principals, office staff and library staff as well as additional insurance and utility costs. Expenses increased by \$10.4 million, or 0.8 per cent.



Expenses by type
Certificated salaries and benefits
Non-certificated salaries and benefits
Supply and services
Amortization expense
Interest and finance charges
Other (uncollectible accounts and waivers)

Actuals		Increase/ (Decrease)	
2017-18	2016-17	(in \$ thousands)	%
(in \$ thousands)			
807,751	782,329	25,422	3.2%
262,882	262,229	653	0.2%
223,226	244,671	(21,445)	(8.8%)
66,419	57,317	9,102	15.9%
1,356	1,474	(118)	(8.0%)
3,565	6,820	(3,255)	(47.7%)
1,365,199	1,354,840	10,359	0.8%

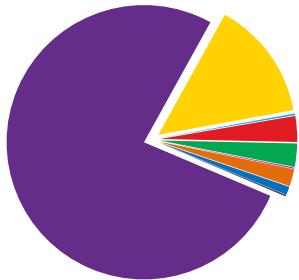
The primary reasons for changes include:

- Certificated salaries and benefits increase is the result of the \$13.0 million new CIF, additional staffing due to increased enrolment, student complexity, collective agreement grid movement and additional staff hired to work in the new schools that opened during the year.
- Supplies and services spending decreased largely as a result of some IMR projects being set up as assets. This in compliance with direction from Alberta Education that requires thirty per cent of all IMR spending to be for capital improvements. The related assets will be amortized over time and has resulted in lower supplies and services expense relative to the prior year.
- Amortization expense increased mainly due to the four new schools completed prior to August 31, 2017 and amortized in 2017-18. The amortization of some IMR projects has also increased amortization expense relative to the prior year.
- Other (uncollectible accounts) decrease is due to the elimination of ISM fees under Bill 1 and reduction in fees for transportation. With fewer fees, there has been a reduction of uncollectible accounts and waivers.

Expenses by service unit

Expenses can also be viewed by schools and areas and service units to understand the costs to support learning.

This chart shows that the majority of the CBE's resources are allocated to schools and areas. The chart also shows how service units spend money to support student success in schools. FTEs presented here and in the schools/service unit tables in Attachment II, reflect budgeted positions; actual positions filled during the year will vary.



	Schools & Areas	Service Unit Corporate Accounts	Communications and Engagement Services	Learning (including Chinook Learning Services)	Facilities and Environmental Services	Legal Services	Finance and Technology Services	Human Resources	Chief Supt's Office	Board of Trustees	Total
2017-18 Fall Budget FTEs by:											
Staff (incl ATA, Staff Assn, CUPE, trades)	9,363	17	10	227	173	1	140	46	1	-	9,978
Exempt staff	7	-	11	23	55	10	54	42	2	-	204
Superintendent	-	-	1	1	1	1	1	-	2	-	7
	9,370	17	22	251	229	12	195	88	5	-	10,189
2017-18 Actuals (in \$ thousands):											
Salaries and benefits	961,992	8,111	2,544	34,921	25,379	1,634	22,871	11,780	944	457	1,070,633
Supplies and services	84,491	120,540	39	5,898	9,013	60	860	1,362	84	879	223,226
Other (interest, amortization and uncollectible accounts)	14	63,475	-	736	3,089	28	3,951	45	2	-	71,340
	1,046,497	192,126	2,583	41,555	37,481	1,722	27,682	13,187	1,030	1,336	1,365,199
In comparison to:											
2017-18 Fall Budget (in \$ thousands):	1,055,677	212,876	2,694	44,102	38,014	1,897	30,920	12,388	1,156	1,296	1,401,021
Increase/ (decrease)	(9,180)	(20,750)	(111)	(2,547)	(533)	(175)	(3,238)	799	(126)	40	(35,822)
2016-17 Actuals (in \$ thousands):	1,022,115	206,588	2,478	40,657	39,111	1,881	27,253	11,911	1,408	1,438	1,354,840
Increase/ (decrease)	24,382	(14,462)	105	898	(1,630)	(159)	429	1,276	(378)	(102)	10,359

Expenses by operating unit (continued)

Significant changes budget versus actuals

- Schools & Areas are lower by \$9.2 million than budget mainly due to actual salary and benefit rates trending lower than the averages used when preparing the Fall Budget Update. Some examples are lower post-employment benefits, ATRF, LAPP and lower vacation liability than budgeted. Also contributing to this decrease are position vacancies within custodial staff and Area Offices. Lastly, school generated funds activities were lower than anticipated.
- Corporate accounts are lower by \$20.8 million than budgeted mainly due to IMR expenditures which have been assessed to be capital in nature and offset by IMR revenue.
- Corporate accounts represent the CBE expenditures which are made on behalf of the entire organization are grouped together for presentation as 'Corporate'. While certain service units may have accountability for the oversight of these budgets, they are not the cost of operating a specific service unit and are therefore presented separately. Examples include Professional Improvement Fund (ATA and non-ATA) leave costs, staff secondments for union activities, legal fees, amortization of facilities, utilities, student transportation, interest expense and bank charges.
- Learning and Finance and Technology Services are lower to budget by \$2.5 million and \$3.2 million, respectively. This is due to vacant positions and cost saving measures such as negotiating lower information technology licensing costs implemented by the service units to conserve budget monies.

Significant changes year-over-year

- Schools & Areas increase of \$24.4 million is the result of the \$13.0 million CIF, additional staffing due to increased enrolment, student complexity, collective agreement grid movement and additional staff hired to work in the new schools that opened during the year.
- Corporate accounts are lower by \$14.5 million which is a result of lower maintenance and repairs as a result of IMR funding being capitalized rather than expensed. Lower transportation charges due to reduced number of riders compared to 2016-17 also contribute to this decrease. These decreases are offset by higher amortization expense due to new schools completed prior to August 31, 2017 and being amortized in 2017-18.
- Facilities and Environmental Services are lower by \$1.6 million due to a reduction in staff positions from the prior year.
- Human Resources are higher by \$1.3 million due to transition expenses to repatriate Human Resource Application Management Services from the incumbent provider to execute the CBE's strategic initiative and steward the CBE's resources pillar of the Three-Year Education Plan.

Please refer to Attachment II for further details provided for each service unit.

Outlook for 2018-19

Student success is at the center of every budget-related decision the CBE makes. The CBE's values, set out below, guide Administration's approach to the budget:

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

The provincial budget announced in March 2018 made it possible to prepare a budget that supports the stability the CBE needs to educate over 123,500 students in 2018-19, continue to operate the 23 new schools which have opened in the past two years, and plan for the modernization and opening of several more in 2018-19 and beyond. Consistent with prior years, the Province of Alberta is facing a challenging economic environment. The CBE will continue to review all programs and operations and make changes where necessary in order to maximize efficiency and resources. The CBE continues to achieve great results for students by making operating decisions that are consistent with the CBE's values. The favourable financial results in 2017-18 demonstrate the CBE's prudent financial management.

The CBE will operate in compliance with the new School Fees and Costs Regulation and the School Transportation Regulation. The School Fees and Costs Regulation restricts the charging of fees for textbooks, workbooks or photocopying, printing or paper supplies. The regulation further restricts the charging of fees that are not set out in the fee schedule that has undergone Ministerial review and approval (where required). The School Transportation Regulation restricts the charging of fees to students who live beyond 2.4 km from their regular program designated school. In order to meet the requirements of these regulations, the CBE has made adjustments to transportation service levels and reported to the Minister all possible fees that could be charged to the CBE families during the year (which have been approved).

The 2018-19 Budget Report was prepared with guidance from the CBE's Results, Three Year Education Plan, Governance Policies and Alberta Budget 2018 (the Alberta Government's Fiscal plan for 2018).

Grant funding will continue to assume no changes to funding rates and be based on enrolment. Funding will also reflect a reduction related to a decrease in the non-certificated pension plan contribution rate. From inflation, to salary grid movement, to operating 23 new schools, the CBE is challenged to cover all costs within the available resources. Service level decisions are the responsibility of school boards. In addition, reserves have steadily declined over the past four years and are 65 per cent lower than 2015 levels, limiting the ability to rely on reserves to bridge gaps in funding. Consequently, the CBE continues to prioritize programs and services for K-12 students to balance the budget. In 2018-19, both school and service unit budgets were reduced in order to balance the budget and moderate the use of reserves. School budgets were increased by 2.7 per cent (4.4 per cent is required to maintain current levels of service). Service unit budgets were reduced by between 3 to 10 per cent of discretionary budgets to maximize school-based allocations. Operating reserves of \$2.5 million are planned to be approved to support service transition and planned board-funded capital activities are planned to be reduced by approximately \$3.5 million.

See [Budget Report for 2018-19](#) for an outline of priorities and the CBE learning strategy.

Compliance

For the year ended Aug. 31, 2018, the CBE was in full compliance with the provincial funding framework. In addition, all transfers of funds affecting the CBE's operating and capital reserves were made in accordance with provincial regulations and the Board of Trustees' direction and approval.

Attachments

Attachment I

Fees

Transportation fees

	Fall Budget Update 2017-18	Actuals 2017-18	Actuals 2016-17	Budget to Actual Increase / (Decrease)	Actual to Actual Increase / (Decrease)
(in \$ thousands)					
Government grants and other	42,270	42,145	34,050	(125)	8,095
Available funding	42,270	42,145	34,050	(125)	8,095
Busing aides	1,415	1,415	1,370	-	45
Central administration	1,387	1,242	1,312	(145)	(70)
Salaries and benefits	2,802	2,657	2,682	(145)	(25)
Transportation services	43,752	45,225	48,159	1,473	(2,933)
Other supplies and services	638	849	452	211	397
Contracts and services	44,390	46,074	48,610	1,684	(2,536)
Waivers	771	689	1,288	(82)	(599)
Uncollectible accounts	237	185	348	(52)	(163)
	1,008	874	1,636	(134)	(762)
Funding gap	(5,930)	(7,460)	(18,878)	(1,530)	11,418
Fees	5,930	4,585	8,642	(1,345)	(4,058)
Net (deficit) / surplus	-	(2,875)	(10,236)	(2,875)	7,360

The CBE arranges transportation for students by contracting with yellow school bus providers or working with Calgary Transit to ensure transportation is available to move students safely, reliably, affordably and in alignment with bell times. A total of 34,500 students were transported in the 2017-18 year; 22,500 students were on yellow school buses, while 12,000 used Calgary Transit. This is a decrease of 3,500 compared to the 2016-17 year, in which 38,000 students were transported; 26,000 students were on yellow school buses, and 12,000 used Calgary Transit.

Through Bill 1, the Provincial Government has eliminated or reduced transportation fees, particularly for students attending a regular program at their designated school. Students requiring complex learning needs transportation or attending a special setting are also exempt from transportation fees.

Transportation fees waiver decreased year-over-year by \$0.6 million. This is due to Bill 1, a reduction in fees for transportation and an increase in riders eligible for fee reduced or free transportation.

Changes in transportation costs compared to the fall budget update are due to:

- Carbon tax impacts
- Fuel increased costs
- Reduction in paying riders beyond what was projected, as result of Bill 1
- One-time bus routes in support of the school-within-a-school model for new schools opening part-way during the year. The CBE has adjusted routes to reflect the needs of students.
- Increased students with complex transportation needs
- Escalating costs due to contractual obligations

Noon supervision fees

	Fall Budget Update 2017-18	Actuals 2017-18	Actuals 2016-17	Budget to Actual Increase / (Decrease)	Actual to Actual Increase / (Decrease)
(in \$ thousands)					
School-based staff	10,350	10,497	10,686	147	(189)
Central administration	577	481	498	(96)	(17)
Salaries and benefits	10,927	10,979	11,184	51	(206)
Contracts and services	245	353	87	108	266
Waivers	1,816	1,871	1,938	55	(67)
Uncollectible accounts	978	839	971	(139)	(132)
	2,793	2,710	2,909	(84)	(199)
Funding gap	13,965	14,041	14,180	76	(139)
Fees	13,965	13,967	13,884	(2)	83
Net (deficit) / surplus	-	(74)	(296)	74	222

The 2017-18 noon supervision program budget was balanced. Fee rates were set at a level that covered the majority of the anticipated cost of running the program. Lunchroom staff are hired for a minimum of two hours per day (in accordance with the Staff Association collective agreement), however only 1.5 hours of labour are charged to the noon supervision program for which fees are recovered. The remaining 0.5 hours per day must be covered by each school's budget.

Actual 2017-18 results show that the fee revenues did not cover all costs of providing the service; therefore, the deficit was covered using global budget dollars.

In 2017-18, the average number of students attending the noon supervision program was 53,500 or 95 per cent of the total eligible population. This was an increase of 1,301 students, or 2.4 per cent over the 2016-17 average student count of 52,199.

Instructional supplies and materials (ISM) fees

Under Bill 1, school boards are no longer able to charge a fee for instructional supplies or materials such as textbooks, workbooks, printing and paper costs.

In 2017-18, ISM fees were no longer charged and a Provincial Government grant was received in lieu of that fee revenue. Schools received a budget allocation for the purchase of instructional supplies and materials in lieu of fee collection.

Attachment II

Service unit year over year changes

Schools and Areas

	2017-18 Actuals		2016-17 Actuals		Increase / (Decrease)	
	FTE	(in \$ thousands)	FTE	(in \$ thousands)	FTE	(in \$ thousands)
Expenses						
Certificated permanent salaries and benefits	6,573	757,614	6,333	734,134	240	23,480
Certificated temporary salaries and benefits	-	24,967	-	24,932	-	35
Non-certificated permanent salaries and benefits	2,797	171,087	2,753	170,129	44	958
Non-certificated temporary salaries and benefits	-	8,324	-	8,082	-	242
Dues and fees	-	978	-	701	-	277
Rental equipment and facilities	-	681	-	773	-	(92)
Maintenance and repairs	-	1,985	-	1,909	-	76
Insurance	-	44	-	34	-	10
Professional services	-	10,437	-	10,891	-	(454)
Utilities	-	424	-	400	-	24
Transportation charges	-	2,315	-	2,484	-	(169)
Travel and subsistence	-	360	-	1,005	-	(645)
Other supplies	-	58,891	-	59,433	-	(542)
Minor equipment	-	7,205	-	5,578	-	1,627
Textbooks and materials	-	1,171	-	1,556	-	(385)
Amortization expenses	-	4	-	4	-	-
Interest and finance charges	-	10	-	70	-	(60)
Total expenses	9,370	1,046,497	9,086	1,022,115	284	24,382

	2017-18 Actuals		2016-17 Actuals		Percentage of Total	
	FTE	(in \$ thousands)	FTE	(in \$ thousands)	2017-18	2016-17
Schools ¹	8,701	997,457	8,398	972,865	95%	95%
Areas	51	7,071	60	6,229	1%	1%
Facility Operations	618	41,969	628	43,021	4%	4%
Total expenses	9,370	1,046,497	9,086	1,022,115	100%	100%

¹Includes direct funding provided by the Resource Allocation Method (RAM) and school generated funds. In addition are instructional supports that are administered on behalf of schools for complex needs students and funds used to manage various staffing accommodations. Payments for employee future benefits to the ATRF are also reflected on this line item.

Students come first and learning is our central purpose. The CBE schools live by these words each and every day, and Area offices support them in making it happen. The 2017-18 Provincial Achievement Test and Diploma Exam results show that students continue to achieve high standards, and in 2017-18 achieved record results. This is a strong validation of the CBE's commitment to students and their learning.

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

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

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

The CBE schools' are organized into seven Areas, each of which is led by a director. Area offices play an important role in providing instructional leadership to principals, helping to deliver system services to schools, supporting school operations and ensuring effective collaboration amongst schools where appropriate. Area offices also work collaboratively to ensure directions for principals and schools across the system are aligned. Area directors oversees an average of 35 schools and budget of approximately \$1.1 million.

Significant variances from 2016-17 to highlight include:

- Certificated salaries and benefits increase is the result of the \$13.0 million new CIF, additional staffing due to increased enrolment, student complexity, collective agreement grid movement and additional staff hired to work in the new schools that opened during the year.
- Spending in other expense categories will fluctuate relative to enrolment and is also dependent on programming changes which are evidenced by changes to school generated revenue. This programming varies each year depending on community needs.
- The increase of 284 FTEs pertains to:
 - 159 FTE relating to enrolment growth and new schools that opened in the year
 - 125 FTE relating to new CIF

Service Unit Corporate Accounts

	2017-18 Actuals		2016-17 Actuals		Increase / (Decrease)	
	FTE	(in \$ thousands)	FTE	(in \$ thousands)	FTE	(in \$ thousands)
Expenses						
Certificated permanent salaries and benefits	-	3,730	29	3,488	(29)	242
Certificated temporary salaries and benefits	-	1,184	-	919	-	265
Non-certificated permanent salaries and benefits	17	2,417	24	1,392	(7)	1,025
Non-certificated temporary salaries and benefits	-	780	-	1,129	-	(349)
Dues and fees	-	1,700	-	1,219	-	481
Rental equipment and facilities	-	10,434	-	10,006	-	428
Maintenance and repairs	-	19,381	-	42,426	-	(23,045)
Insurance	-	4,672	-	4,707	-	(35)
Professional services	-	11,802	-	10,929	-	873
Utilities	-	23,934	-	23,648	-	286
Transportation charges	-	45,225	-	48,159	-	(2,934)
Travel and subsistence	-	40	-	6	-	34
Other supplies	-	3,350	-	462	-	2,888
Minor equipment	-	2	-	241	-	(239)
Amortization expenses	-	58,457	-	49,787	-	8,670
Interest and finance charges	-	1,297	-	1,273	-	24
Other (uncollectible accounts)	-	3,721	-	6,797	-	(3,076)
Total expenses	17	192,126	53	206,588	(36)	(14,462)

The CBE expenditures which are made on behalf of the entire organization are grouped together for presentation as 'Corporate'. While certain service units may have accountability for the oversight of these budgets, they are not the cost of operating a specific service unit and are therefore presented separately. Examples include Professional Improvement Fund (ATA and non-ATA) leave costs, staff secondments for union activities, legal fees, amortization of facilities, utilities, student transportation, interest expense and bank charges. In some years, these accounts may also include system provisions for severance accruals or retroactive payroll costs due to union settlements.

Significant changes from 2016-17 to highlight include:

- Maintenance and repairs decreased as a result of IMR funding being capitalized rather than expensed.
- Transportation charges decreased due to lower number of riders compared to 2016-17. A total of 34,500 students were transported in the 2017-18 year. This is a decrease of 3,500 compared to the 2016-17 year, in which 38,000 students were transported. The CBE has adjusted routes to reflect needs of students.
- Other supplies increased due to school related bulk purchases of iPads, laptops which have been expensed in 2017-18.
- Amortization expense increased due to new schools completed prior to August 31, 2017 and being amortized in 2017-18.
- Other (uncollectible accounts) decreased due to the elimination of ISM fees under Bill 1 and reduction in the number of students paying fees for transportation.

Corporate Accounts by Service Unit

	Communications & Engagement Services	Facilities & Environmental Services	Finance and Technology Services	General Counsel	Human Resources	Learning	Education Matters	Total
	(in \$ thousands)							
Expenses								
Certificated permanent salaries and benefits	-	187	466	-	2,834	243	-	3,730
Certificated temporary salaries and benefits	-	-	-	-	1,150	34	-	1,184
Non-certificated permanent salaries and benefits	-	(735)	527	-	2,073	-	552	2,417
Non-certificated temporary salaries and benefits	18	743	8	-	-	11	-	780
Dues and fees	5	-	21	-	1,674	-	-	1,700
Rental equipment and facilities	-	10,434	-	-	-	-	-	10,434
Maintenance and repairs	-	15,354	4,027	-	-	-	-	19,381
Insurance	-	-	4,672	-	-	-	-	4,672
Professional services	37	3,679	1,684	654	5,637	85	26	11,802
Utilities	-	19,919	4,015	-	-	-	-	23,934
Transportation charges	-	45,225	-	-	-	-	-	45,225
Travel and subsistence	2	36	-	-	2	-	-	40
Other supplies	13	339	1,515	-	1,646	8	(171)	3,350
Minor equipment	-	-	2	-	-	-	-	2
Amortization expenses	-	40,988	16,436	-	-	1,033	-	58,457
Interest and finance charges	-	-	1,297	-	-	-	-	1,297
Other (uncollectible accounts)	-	-	3,721	-	-	-	-	3,721
Total expenses	75	136,169	38,391	654	15,016	1,414	407	192,126

Communications and Engagement Services include costs related to community engagement.

Facilities & Environmental Services include utilities costs for the system, amortization for school buildings and student transportation (charter costs, taxis, Handi-bus). Also included are the maintenance and repair costs associated with IMR targeted revenues. FES is responsible for maintenance projects such as the replacement of roofs, windows, siding and building mechanical systems that fail or exceed their life expectancy. The majority of the facilities are more than 50 years old. While the safety of students and staff is always ensured, the immediate maintenance needs of the CBE schools is estimated by the Government of Alberta to be \$170 million and growing each year.

Finance/Technology Services include provisions for technology licenses, subscriptions and fees, amortization for board-funded assets, post-employment benefits expense, ATRF for service unit staff, bank charges, waived and uncollectible fees, internal audit and insurance.

General Counsel includes the cost of external legal counsel fees.

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

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

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

Learning (excluding Chinook Learning Services)

	2017-18 Actuals		2016-17 Actuals		Increase / (Decrease)	
	FTE	(in \$ thousands)	FTE	(in \$ thousands)	FTE	(in \$ thousands)
Expenses						
Certificated permanent salaries and benefits	78	9,764	72	9,511	6	253
Certificated temporary salaries and benefits	-	2,474	-	462	-	2,012
Non-certificated permanent salaries and benefits	102	11,458	101	12,083	1	(625)
Non-certificated temporary salaries and benefits	-	325	-	297	-	28
Dues and fees	-	65	-	80	-	(15)
Maintenance and repairs	-	30	-	24	-	6
Insurance	-	3	-	4	-	(1)
Professional services	-	1,005	-	1,192	-	(187)
Utilities	-	16	-	17	-	(1)
Transportation charges	-	26	-	17	-	10
Travel and subsistence	-	225	-	251	-	(26)
Other supplies	-	1,874	-	1,686	-	189
Minor equipment	-	545	-	466	-	79
Textbooks and materials	-	18	-	19	-	(1)
Amortization expenses	-	686	-	962	-	(276)
Interest and finance charges	-	1	-	3	-	(2)
Total expenses	180	28,515	173	27,074	7	1,441

Learning works with schools and Alberta Education to support the delivery of the Alberta Programs of Study to students and to support the professional learning of staff. Learning leads the implementation of curriculum, assessment and reporting resources. These resources assist teachers, students and parents to ensure students' progress and achieve in their learning. Learning staff support schools with the administration of Provincial Achievement Tests and diploma exams and the implementation of the new Student Information System.

Learning supports schools with the changing world of technology and best instructional practices. These learning tools include D2L, HomeLogic, Iris, Gmail and Google Apps for Education and resources in school learning commons among many others.

Learning works with principals every day to offer support in the following areas: Indigenous education, attendance, suspensions, expulsions, student records, counselling, early learning services, English Language Learning, multicultural services, language and culture programs and specialized assessment.

Many specialized services for students are available for principals to access to support students including psychologists, braille assistants, deaf and hard of hearing specialists, mental health specialists, occupational and physical therapists, speech language pathologists, translators and more. These central supports are critical to teachers as they support the more than 21,000 students identified with special education needs, and to the more than 29,000 students identified as English Language Learners.

In addition, Learning is responsible for international students, corporate partnerships, comprehensive school health, school nutrition, noon-hour programs, off-site and off-campus learning programs.

In 2017-18 Learning supported:

- Implementation of a comprehensive mathematics strategy by maintaining specialists with mathematics expertise to provide professional learning opportunities to build capacity to support diverse learners.
- Focuses on literacy by developing resources to continue to build shared understandings of literacy and provide professional learning opportunities to build capacity to support diverse learners.

Significant changes in Learning from 2016-17 to highlight include:

- Certificated temporary salaries and benefits increased due to one-time funding provided in 2017-18 to support student success in mathematics. This was funded through a draw on the fiscal stability reserve.
- Non-certificated permanent salaries and benefits decreased due to a higher number of vacant positions compared to the prior year.

Chinook Learning Services

	2017-18 Actuals		2016-17 Actuals		Increase / (Decrease)	
	FTE	(in \$ thousands)	FTE	(in \$ thousands)	FTE	(in \$ thousands)
Expenses						
Certificated permanent salaries and benefits	17	2,146	18	1,738	(1)	408
Certificated temporary salaries and benefits	-	3,253	-	3,748	-	(495)
Non-certificated permanent salaries and benefits	54	3,440	53	3,630	1	(190)
Non-certificated temporary salaries and benefits	-	2,061	-	2,085	-	(24)
Dues and fees	-	7	-	-	-	7
Rental equipment and facilities	-	28	-	33	-	(5)
Maintenance and repairs	-	4	-	5	-	(1)
Professional services	-	337	-	403	-	(66)
Utilities	-	42	-	52	-	(10)
Travel and subsistence	-	14	-	13	-	1
Other supplies	-	1,441	-	1,320	-	121
Minor equipment	-	61	-	235	-	(174)
Textbooks and materials	-	157	-	259	-	(102)
Interest and finance charges	-	49	-	62	-	(13)
Total expenses	71	13,040	71	13,583	-	(543)

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

In 2017-18, Chinook Learning Services supported its students in several ways. Including:

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

Chinook Learning Services receives revenue from a number of sources including Alberta Education and Federal Government grants as well as other sales and services.

Programming that is not within the kindergarten – Grade 12 mandate is provided on a cost-recovery basis.

Starting in the 2018-19 school year, Chinook Learning Services will be moving out of its current locations and changing the scope of programs offered to students. Further information on the Chinook Learning Services Transition can be found [here](#).

Significant changes from 2016-17 include:

- Certificated salaries and benefits increased with a focus on hiring continuous teachers to support diverse student population and build professional capital aligned with the Three-Year Education Plan. This reduced the need for casual teachers and therefore decreases of temporary salaries and benefits compared to prior year.
- Non-certificated permanent salaries and benefits decreased due to higher number of vacant positions compared to the prior year.

- Minor equipment decrease is the result of one-time funding in 2016-17 from the Federal Government for equipment for the Language Instruction for Newcomers to Canada (LINC) program.

Facilities and Environmental Services

	2017-18 Actuals		2016-17 Actuals		Increase / (Decrease)	
	FTE	(in \$ thousands)	FTE	(in \$ thousands)	FTE	(in \$ thousands)
Expenses						
Certificated permanent salaries and benefits	3	285	4	514	(1)	(229)
Non-certificated permanent salaries and benefits	226	23,524	258	25,229	(32)	(1,705)
Non-certificated temporary salaries and benefits	-	1,570	-	1,635	-	(65)
Dues and fees	-	70	-	276	-	(206)
Rental equipment and facilities	-	(2)	-	-	-	(2)
Maintenance and repairs	-	7,219	-	6,378	-	841
Professional services	-	1,074	-	1,151	-	(77)
Utilities	-	154	-	144	-	10
Travel and subsistence	-	125	-	162	-	(37)
Other supplies	-	358	-	371	-	(13)
Minor equipment	-	15	-	26	-	(11)
Amortization expenses	-	3,089	-	3,225	-	(136)
Total expenses	229	37,481	262	39,111	(33)	(1,630)

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

The supports and services provided by FES include planning for student accommodation and transportation; design, construction, renovation, maintenance and day-to-day operations of school and the CBE facilities; internal deliveries; environmental initiatives; and emergency, safety and security services. FES will enhance its focus upon maintaining existing schools by availing of Alberta Infrastructure to manage new school construction and modernizations on its behalf.

FES works closely with students, parents and communities to plan student accommodation and is accountable for the transportation of 34,500 students daily.

To help accommodate students, FES works closely with the Government of Alberta and the City of Calgary to manage and complete major capital projects.

FES manages public use rental access of the CBE property and provides for the leasing, disposition and management of surplus space and facilities.

FES is also accountable for emergency, safety and security services. Student safety is ensured through scheduled Career and Technology equipment safety inspections and third party annual facility inspections.

Significant variances from 2016-17 to highlight include:

- The decrease in permanent salaries and benefits is due to a reduction in positions over a range of departments within FES.
- Maintenance and repair costs have increased to reflect the additional cost pressures expected from the addition of new school properties in the CBE.
- Dues and fees have decreased due to a reduction in resources allocated for professional development.

Legal Services

	2017-18 Actuals		2016-17 Actuals		Increase / (Decrease)	
	FTE	(in \$ thousands)	FTE	(in \$ thousands)	FTE	(in \$ thousands)
Expenses						
Certificated permanent salaries and benefits	1	112	1	165	-	(53)
Non-certificated permanent salaries and benefits	11	1,522	13	1,598	(2)	(76)
Non-certificated temporary salaries and benefits	-	-	-	3	-	(3)
Dues and fees	-	10	-	17	-	(7)
Professional services	-	15	-	30	-	(15)
Utilities	-	4	-	3	-	1
Travel and subsistence	-	4	-	6	-	(2)
Other supplies	-	15	-	17	-	(2)
Minor equipment	-	-	-	16	-	(16)
Textbooks and materials	-	12	-	11	-	1
Amortization expenses	-	28	-	15	-	13
Total expenses	12	1,722	14	1,881	(2)	(159)

Legal Services provides the business functions of law, privacy and access. The service unit handles the CBE's Administrative Regulation development, contract administration, Corporate Secretary and administrative support to the Board of Trustees.

Legal Services supports students, schools and the CBE by:

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

Significant variances from 2016-17 to highlight include:

- The overall decreases are due to elimination of two positions and increased focus on cost savings by the service unit.

Communications and Engagement Services

	2017-18 Actuals		2016-17 Actuals		Increase / (Decrease)	
	FTE	(in \$ thousands)	FTE	(in \$ thousands)	FTE	(in \$ thousands)
Expenses						
Certificated permanent salaries and benefits	-	-	-	11	-	(11)
Non-certificated permanent salaries and benefits	22	2,443	22	2,400	-	43
Non-certificated temporary salaries and benefits	-	101	-	-	-	101
Dues and fees	-	1	-	13	-	(12)
Maintenance and repairs	-	-	-	1	-	(1)
Professional services	-	7	-	20	-	(13)
Utilities	-	10	-	10	-	-
Travel and subsistence	-	2	-	-	-	2
Other supplies	-	10	-	16	-	(6)
Minor equipment	-	9	-	7	-	2
Total expenses	22	2,583	22	2,478	-	105

Communications and Engagement Services creates and delivers consistent and timely messages to various stakeholders, including parents/guardians, students, staff, government, unions and associations and members of the community. This centralized department provides ongoing communications and community engagement advice and support to schools, service units, Board of Trustees and to support the CBE priorities.

Support includes:

- Being the “first point of contact” for the public, answering questions and directing inquiries through the public information line.
- Managing media relations and social media activities on behalf of the CBE, including emergency and crisis communication (fires, natural disasters, student or staff incidents, matters involving Calgary Police Services) advice and support for schools.
- Managing large-scale public engagement projects and providing advice and support to schools and service units in planning and managing their engagement activities.
- Providing strategic communications advice to schools, service units and the Board of Trustees.
- Managing the design and content of the CBE corporate website, internal employee website, individual school websites and other public and internal websites.
- Managing SchoolMessenger, a mass and emergency communications tool. This includes technical administration and support as well as ongoing advice and training to users while continually looking for ways to improve and expand the capabilities of the tool.
- Managing the print, design and production of a variety of materials for schools and the CBE including templates, school brochures, banners and course guides. Also producing a variety of video and photo projects and online learning resources that support employee professional learning and share the good stories of schools and the system.

In 2016-17, the department introduced a new, system-wide approach to public engagement called the Dialogue Framework. Since then there have been a number of significant system-led engagements. In 2017-18, large scale initiatives included the Area 6 and 7 impacted schools engagement, program changes at various schools, and the planning for a long-term strategy for NW and North central French Immersion Programs. Significant support was also provided for the Chinook Learning Services transition.

Finance and Technology Services

	2017-18 Actuals		2016-17 Actuals		Increase / (Decrease)	
	FTE	(in \$ thousands)	FTE	(in \$ thousands)	FTE	(in \$ thousands)
Expenses						
Certificated permanent salaries and benefits	1	128	1	127	-	1
Non-certificated permanent salaries and benefits	194	22,323	194	22,460	-	(137)
Non-certificated temporary salaries and benefits	-	420	-	388	-	32
Dues and fees	-	184	-	206	-	(22)
Maintenance and repairs	-	1	-	2	-	(1)
Professional services	-	288	-	263	-	25
Utilities	-	48	-	44	-	4
Travel and subsistence	-	41	-	41	-	-
Other supplies	-	125	-	113	-	13
Minor equipment	-	173	-	218	-	(45)
Amortization expenses	-	4,106	-	3,301	-	805
Interest and finance charges	-	-	-	66	-	(66)
Other (uncollectible accounts)	-	(155)	-	24	-	(179)
Total expenses	195	27,683	195	27,253	-	430

Finance/Technology Services is made up of three integrated teams. The Financial Services group provides financial support and services to ensure resources are available to create a personalized learning environment for students including:

- Preparing the annual budget and related reports.
- Monitoring and reporting on financial performance through the year.
- Supporting sound financial practices in schools and across the CBE.
- Providing financial administration of school noon supervision services, student transportation, and instructional supplies and materials programs, including waivers and collections.
- Seeking the best deals possible when purchasing goods and services.
- Paying the bills on time.

Information Technology Services (ITS) designs, builds and supports the CBE's technology infrastructure and works to protect the integrity of the CBE systems against threats including:

- Operating across 260 discrete sites which involves approximately 300,000 connected devices.
- Supporting students every day, all year long with access to services and digital resources.
- Holding responsibility for massive volumes of data and records (digital and physical) generated annually.

Client Technology Services (CTS), works directly in schools and across the CBE to ensure that computers, tablets and other school-based technology (printers, digital displays, etc.) are available, accessible and appropriate for students and their learning. This includes:

- Working with teachers, principals and other school-based staff to develop targeted plans for technology.
- Empowering students to collaborate, connect, explore as they personalize their learning through the purposeful use of technology.
- Supporting the myriad of software solutions that are part and parcel of the modern learning environment.

Significant variances from 2016-17 to highlight include:

- Amortization expense increased due to the completion of financial systems and technology infrastructure capital projects.

Human Resources

	2017-18 Actuals		2016-17 Actuals		Increase / (Decrease)	
	FTE	(in \$ thousands)	FTE	(in \$ thousands)	FTE	(in \$ thousands)
Expenses						
Certificated permanent salaries and benefits	11	1,383	12	1,543	(1)	(160)
Certificated temporary salaries and benefits	-	67	-	43	-	24
Non-certificated permanent salaries and benefits	77	10,077	77	8,644	-	1,433
Non-certificated temporary salaries and benefits	-	253	-	326	-	(73)
Dues and fees	-	30	-	56	-	(26)
Rental equipment and facilities	-	5	-	-	-	5
Maintenance and repairs	-	1	-	-	-	1
Professional services	-	904	-	918	-	(14)
Utilities	-	21	-	19	-	2
Travel and subsistence	-	51	-	78	-	(27)
Other supplies	-	294	-	123	-	171
Minor equipment	-	29	-	70	-	(41)
Textbooks and materials	-	27	-	71	-	(44)
Amortization expenses	-	45	-	20	-	25
Total expenses	88	13,187	89	11,911	(1)	1,276

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

In 2017-18, the work of Human Resources supported students, schools and the CBE by:

- Supporting over 14,000 employees while they provide a first-class education to Calgary students.
- Proactively recruiting talent while balancing current and future projected needs.
- Supporting continuous learning and leadership development for all employees.
- Overseeing recruitment, total rewards, workforce planning, labour and employee relations, advisory services, employee development, payroll, the human resources management system, the Employee Health Resource Centre, operations and integrated solutions.
- Supporting employee engagement.

Significant variances from 2016-17 to highlight include:

- Overall increases are due to transition expenses to repatriate HR Application Management Services from the incumbent provider to execute the CBE's strategic initiative and steward the CBE's resources pillar of the Three-Year Education Plan. The CBE will be building professional capacity to own the payroll services and Employee Contact Center in 2017-18.

Chief Superintendent's Office

	2017-18 Actuals		2016-17 Actuals		Increase / (Decrease)	
	FTE	(in \$ thousands)	FTE	(in \$ thousands)	FTE	(in \$ thousands)
Expenses						
Certificated permanent salaries and benefits	2	646	2	984	-	(338)
Certificated temporary salaries and benefits	-	-	-	8	-	(8)
Non-certificated permanent salaries and benefits	3	299	3	299	-	-
Dues and fees	-	7	-	7	-	-
Rental equipment and facilities	-	68	-	95	-	(27)
Utilities	-	3	-	3	-	-
Travel and subsistence	-	-	-	2	-	(2)
Other supplies	-	5	-	9	-	(4)
Amortization expenses	-	2	-	1	-	1
Total expenses	5	1,030	5	1,408	-	(378)

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

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

Significant variances from 2016-17 to highlight include:

- Salaries and benefits expense decreased due to a Board of Trustees mandated retroactive adjustment for the supplemental pension plan in 2016-17.

Board of Trustees

	2017-18 Actuals		2016-17 Actuals		Increase / (Decrease)	
	FTE	(in \$ thousands)	FTE	(in \$ thousands)	FTE	(in \$ thousands)
Expenses						
Non-certificated permanent salaries and benefits	-	457	-	420	-	37
Dues and fees	-	245	-	243	-	2
Professional services	-	607	-	748	-	(141)
Utilities	-	1	-	2	-	(1)
Travel and subsistence	-	17	-	22	-	(5)
Other supplies	-	9	-	3	-	6
Total expenses	-	1,336	-	1,438	-	(102)

The Board of Trustees represent, lead and serve Calgaryans and govern the CBE. This is done by establishing expectations for organizational results and quality operational performance and then monitoring actual performance against those expectations. This monitoring takes place at public board meetings.

The Board of Trustees works for the best interest of the CBE and its students. As part of its role the Board connects with key stakeholders and advocates for the needs of the system with elected officials such as MLAs and City Councillors.

The Board of Trustees includes all items related to the governance of the organization including Trustee remuneration, office expenses and travel costs, financial audit fees, election costs, and Alberta School Boards Association fees.

The Board of Trustees' does not include the cost of services and supports provided by the service units in delivering on the board's governance responsibilities. Service and support costs to the Board are absorbed by the relevant service unit.

Staff who directly support and manage the proceedings of the Board of Trustees are included in General Counsel.

Significant variances from 2016-17 to highlight include:

- Professional services decrease is due to the Board of Trustees election which took place in October 2017, prior year. The same expense is not reflected in 2017-18.

Attachment III

School facility projects

The following new schools and major modernizations are open, under construction and/or have been announced.

School	Project type	Status
Schools that opened in 2016-17		
Christine Meikle	Replacement school	Opened January 2017
Elbow Park School	Replacement school (flood)	Opened February 2017
Kenneth D. Taylor School ES	New school	Opened September 2016
Peter Lougheed School MS	New school	Opened September 2016
Copperfield School ES	New school	Opened September 2016
New Brighton School ES	New school	Opened September 2016
William D. Pratt School MS	New school	Opened September 2016
Buffalo Rubbing Stone ES	New school	Opened September 2016
Auburn Bay ES	New school	Opened September 2016
Nelson Mandela High School	New school	Opened September 2016
Eric Harvie ES	New school	Opened January 2017
McKenzie Highlands School MS	New school	Opened March 2017
Dr. Martha Cohen School MS	New school	Opened March 2017
West Ridge School MS	New school	Opened January 2017
Dr. George Stanley School MS	New school	Opened January 2017
Hugh A. Bennett School ES	New school	Opened December 2016
Dr. Roberta Bondar School ES	New school	Opened January 2017
Bowness HS	Modernization	Opened September 2016
Jack James HS	Modernization	Opened September 2016
Niitsitapi Learning Centre	Modernization, new school community	Opened January 2017
Schools that opened in 2017-18		
Manmeet Singh Bhullar School ES	New school	Opened August 2017
Marshall Springs MS	New school	Opened September 2017
Ron Southern School ES	New school	Opened November 2017
Griffith Woods School K-9	New school	Opened April 2018
Schools that are opening in 2018-19		
Glenmeadows School	Reopening	September 2018
Joane Cardinal-Schubert High School	New school	September 2018
Lord Beaverbrook High School	Modernization	September 2018

James Fowler High School	Modernization	September 2018
Schools that are opening in 2019-20 and beyond		
Forest Lawn High School	Modernization	Projected Fall 2019
Coventry Hills/Country Hills Village Second Elementary	New school	Projected Sep. 2020
Cranston Second Elementary School	New school	Projected Sep. 2020
Evergreen Second Elementary School	New school	Projected Sep. 2020
Skyview Ranch Elementary/Middle School Project (announced spring 2018)	New school	TBD
Mahogany Elementary School (announced spring 2018)	New school	TBD
New Calgary High School Coventry Hills (announced spring 2018)	New school (design only)	TBD
Auburn Bay Middle School (announced spring 2018)	New school (design only)	TBD

Attachment IV

Reserves

	Reserve balance Sept 1, 2017	Fall Update planned transfers from reserves	Actual transfers to/ (from) reserves	Reserve balance Aug 31, 2018
(in \$ thousands)				
Operating reserves				
Unrestricted reserves	21,803	(7,000)	6,508	28,311
Restricted reserves	(8,246)	-	9	(8,237)
Designated operating funds	5,530	-	372	5,902
Total operating reserves	19,087	(7,000)	6,889	25,976
Capital reserves				
Building reserve	9,019	(2,200)	-	9,019
Other capital reserves	22,584	(19,473)	(8,201)	14,383
Plant, operations and maintenance asset replacement	798	-	-	798
Total capital reserves	32,401	(21,673)	(8,201)	24,200
Total reserves	51,488	(28,673)	(1,312)	50,176

The 2017-18 planned budget anticipated the transfer of \$7.0 million from operating reserves. See section 'Reserves Highlights' for details on changes. Operating results improved for 2017-18, consequently \$6.5 million in operating reserves were no longer required. This makes more resources available to fund activities in 2018-19.

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

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

The targeted minimum balance under the terms and conditions for this reserve is \$5 million or 0.5% of the total annual operating budget. This is a modest amount for an organization the size of the CBE. Alberta Education guidance suggest reserve balances up to 5 per cent of the total annual operating budget may be appropriate. The CBE's philosophy is to spend the money received in the year on the students receiving service in that year. Reserve dollars should only be accumulated for specific purposes.

Capital activities in 2017-18 planned on using \$21.7 million from capital reserves. This included activities such as new school commissioning, the construction of a gymnasium at Nelson Mandela High School, Career and Technology Studies/Foundations and Fine and Performing Arts equipment upgrades and implementation of the replacement Student Information System (PowerSchool). Some projects, such as PowerSchool had timing delays, with work continuing in 2018-19 and requested carry forwards of \$8.7M. The Wireless project utilized IMR funding which reduced the project's capital funding needs and the Edge Switch project achieved cost savings by bundling purchases with other IT projects. As a result, the actual draw on capital reserves was \$8.2 million, which frees up resources for projects continuing into 2018-19.

Attachment V

Glossary of terms and acronyms

Alberta Education revenue	All funds received from Alberta Education, including amortization of Alberta Education-funded facilities. This is sometimes referred to as Provincial funding.
Alternative programs	Section 21(1) of the Alberta School Act defines alternative programs as, “an education program that (a) emphasizes a particular language, culture, religion or subject matter, or b) uses a particular teaching philosophy.” CBE alternative programs include: All Boys, All Girls, Arts-Centered Learning, Canadian Studies, Montessori, Science, Traditional Learning Centre and immersion and bilingual language programs.
All other revenues	Gifts and donations, fundraising and rental of facilities.
Amortization	Amortization expenses for both supported and unsupported capital assets (“unsupported” capital assets are non-facility, “supported” capital assets are funded by externally restricted capital funding/contributions). Amortization is a “non-cash” expenditure which means that an equivalent amount of cash is available to support other priorities. As a general rule, the CBE uses amortization related cash to fund non-facility capital needs.
BAR	Budget Assumptions Report
Capital assets	These are goods that are acquired that have a useful life that extends beyond one year and are of more than minor value. For example, computers, most musical instruments, furniture, machinery, etc. Capital assets are amortized over their useful life. Amortization periods are defined by Alberta Education.
CBE	Calgary Board of Education
CEU	Credit Enrolment Units (CEU) are a funding unit used to calculate base instructional funding at the high school level. CEUs are assigned when the course, the student, and the student’s achievement in a course meet certain criteria.
Classroom Improvement Fund (CIF)	The Classroom Improvement Fund was originally designed as a one-time grant for the 2017-18 school year. It has been renewed for the 2018-19 year. The CIF is distributed to schools based on student enrolment. The focus is on hiring and retaining teachers and support staff, as well as better supporting students with complex needs, or those learning one of Canada’s official languages for the first time.
Collective agreement	An agreement between a union or association that sets out terms and conditions of employment including general wage increases, benefits, grid movement, and other employment terms.
Deferred maintenance	The practice of postponing repair and maintenance activities to property (such as school buildings) in order to save costs and/or meet budget funding levels.

Designated school	All students have a designated school that is determined by the attendance area set by the resident school board. Designated schools offer regular programming and are not schools of choice. Designated schools are usually, but not always, the closest school to the residence of the student that offers regular programming.
ECS	Early Childhood Services includes Kindergarten and educational programming for children as young as 2½ years old.
Enrolment	Total number of students including those enrolled in Home Education, outreach programs and Chinook Learning Services.
Expended deferred capital revenues (EDCR)	As facility capital projects are amortized (expensed) over the course of their estimated useful life, a corresponding amount of Alberta Education revenue is recognized to show that provincial funding fully offsets the cost of the building.
Fixed cost	A cost that will not change based on fluctuations in activity.
Fall Budget Update	An update to the budget submitted in the spring is due to Alberta Education by November 30 of each year. This Fall Update Budget reflects updated revenue and expense estimates for actual September 30 enrolment counts.
General wage increase	An overall wage increase or lump sum applicable to an entire union (or exempt) group.
Grid movement	The increase in the salary paid to an employee based on movement through progressive salary grid levels. The movement is based on the passage of time.
Infrastructure, maintenance and renewal (IMR)	<p>IMR funding is provided by the Province to ensure that the health, safety and essential upgrading needs of facilities are met. IMR funding may be spent only for approved purposes such as:</p> <ul style="list-style-type: none"> ▪ Ensure school facilities meet all regulatory requirements, particularly as they pertain to ▪ Providing a safe and healthy learning environment; ▪ Preserve and improve the quality of the learning environment by: <ul style="list-style-type: none"> ▪ Replacing building components that have failed, ▪ Prolonging the life of the facility through planned, proactive replacement of major components; and ▪ Upgrading of the educational areas to meet program requirements; ▪ Meet the facility requirements of students with special needs; and ▪ Replace or upgrade building components to improve energy conservation and efficiency and to achieve costs savings as a result.
Instructional supplies and materials (ISM)	Alberta Education's definition of ISM include the following items/costs: textbooks, workbooks, photocopying, printing/paper and any common fees charged to an entire student body or grade cohort.
Operational Expectations	Policies established by the Board of Trustees by which the Chief Superintendent's performance and successful operation of the organization

	is evaluated.
RAM	Resource Allocation Method
Regular program	A CBE school or program within a school that is not considered an alternative program.
Reserves	Dollars that have been accumulated from prior years that are available to support current year projects, programs and services. Reserves can be restricted by board motion or external parties.
Sales and services	Represent revenues for the provision of goods and services other than the direct provision of educational services to students. This line includes revenue related to adult education, international students, continuing education.
System administration	The overall management, administration and educational leadership of the CBE at the system level. Also includes Board of Trustees remuneration and office budgets. Examples include functions in human resources, finance, information technology, legal and communications that provide system-level support.
Total revenue	All funds received from Alberta Education plus all other revenues.
Unrealized investment gain / loss	Realized gains or losses on investments are reported when an investment is divested at an amount above or below the original cost. An unrealized gain or loss is recognized at each fiscal year-end date for investments that have not been disposed of but have changes in fair market value.

Summary of third party invoices*

For the year ending August 31, 2018

Row Labels	Number of Suppliers	% of Suppliers	Total Amount	Sum of Total Amount
1. Third Parties with total invoices amount greater than \$250,000	152	4%	704,590,518	94.93%
2. Third Parties with total invoices amount between \$200,000 and \$250,000	20	0%	4,452,033	0.60%
3. Third Parties with total invoices amount between \$100,000 and \$200,000	94	2%	13,269,230	1.79%
4. Third Parties with total invoices amount between \$50,000 and \$100,000	98	2%	6,835,511	0.92%
5. Third Parties with total invoices amount less than \$50,000	3,799	91%	13,106,919	1.77%
Grand Total	4,163	100%	742,254,212	100.00%

* disclosure made on a cash basis

Summary of third party invoices with total payments value >\$250,000*

For the year ending August 31, 2018

Category	Amount of Vendors	Total Invoices Amount	% of Total Amount
SALARIES & BENEFITS	14	423,437,672	60.1%
CONSTRUCTION, MAINTENANCE & REPAIR	50	103,867,036	14.7%
TRANSPORTATION	6	51,572,045	7.3%
TANGIBLE CAPITAL ASSETS	21	28,186,409	4.0%
UTILITIES	7	26,481,983	3.8%
SUPPLIES (SUPP)	20	15,800,502	2.2%
PROFESSIONAL & TECHNICAL SERVICES (P&T)	8	13,076,413	1.9%
P-CARD TRANSACTIONS	1	12,984,059	1.8%
RENTAL EQUIPMENT & FACILITY	3	12,318,421	1.7%
MINOR EQUIPMENT <\$5000	11	7,780,366	1.1%
INSURANCE	3	5,116,890	0.7%
DUES & FEES (D&F)	5	2,026,978	0.3%
FLOW THROUGH FROM AB ED	1	906,797	0.1%
DONATIONS	1	693,699	0.1%
POSTAGE	1	341,250	0.0%
Grand Total	152	704,590,518	100%

Details of third party invoices with total payments value >\$250,000*

For the year ending August 31, 2018

Category	Total Invoices Amount	% of Total Amount
SALARIES & BENEFITS	423,437,671.54	60.1%
RECEIVER GENERAL FOR CANADA	221,477,113	
BOARD OF ADMINISTRATORS	79,718,403	
SUN LIFE ASSURANCE COMPANY OF CANADA	48,353,812	
ALBERTA PENSIONS ADMINISTRATION CORP.	39,860,737	
ASEBP - ALBERTA SCHOOL EMPLOYEE BENEFIT PLAN	14,636,591	
ALBERTA TEACHERS ASSOCIATION	11,597,671	
WORKERS' COMPENSATION BOARD	2,185,072	
CBE STAFF ASSOCIATION	2,111,594	
ALBERTA BLUE CROSS	936,474	
CANADIAN UNION OF PUBLIC EMPLOYEES LOCAL 40	664,353	
LONDON LIFE INSURANCE CO.	658,469	
MANULIFE	502,650	
GOVERNMENT OF ALBERTA	388,764	
LONDON LIFE/CAPITAL ESTATE PLANNING CORP.	345,969	
CONSTRUCTION, MAINTENANCE & REPAIR	103,867,035.61	14.7%
GRAHAM CONSTRUCTION & ENGINEERING LP	24,487,637	
ELLISDON CONSTRUCTION SERVICES INC.	11,120,892	
CLARK BUILDERS	10,654,855	
TRIBUILD CONTRACTING (CALGARY) LTD.	10,051,853	
MAPLE REINDERS INC.	9,159,626	
DLA PIPER (CANADA) LLP	3,709,791	
LEAR CONSTRUCTION MANAGEMENT LTD.	3,115,314	
UPA CONSTRUCTION GROUP (AB) LTD.	2,681,009	
RUSSPET CONSTRUCTION LTD.	2,188,538	
ALBERTA FIRE & FLOOD LTD.	1,985,322	
CHANDOS CONSTRUCTION LTD.	1,914,748	
WESTERN WEATHER PROTECTOR LTD.	1,280,493	
MJS MECHANICAL LTD.	1,244,597	
TROTTER & MORTON BLDG TECH. INC	1,147,408	
GIBBS GAGE ARCHITECTS	1,009,770	
GOLDEN TRIANGLE CONSTRUCTION MANAGEMENT INC.	1,003,095	
BMP MECHANICAL LTD.	1,002,574	
CARBON CONSTRUCTORS INC.	940,169	
ROCKY CROSS CONSTRUCTION (NORTH) LTD.	900,440	
CONCEPT ELECTRIC LTD.	856,554	
BIG COUNTRY PLASTERING LTD.	793,013	
RIDDELL KURCZABA ARCHITECTURE ENGINEERING INTERIOR DESIGN LTD.	745,111	
STATE GROUP INC. (THE)	738,638	
NOSE CREEK ELECTRICAL SERVICES	662,674	
DEVITT & FORAND CONTRACTORS INC.	658,483	
COBRA CORPORATE MANAGEMENT INC.	649,937	
WEST SOURCE ENTERPRISES INC.	582,628	
WSP PROJECTS INC.	512,667	
SCE ELECTRIC WESTERN CANADA LTD.	501,954	
PARK N PLAY DESIGN COMPANY LTD.	477,191	
DONE RITE JANITORIAL SALES & SERVICE	466,039	
ECOSYSTEM ENERGY SERVICES	448,104	
KIDNATION PLAYGROUNDS LTD.	440,747	
PARKS FOUNDATION CALGARY	430,494	
OFFICE SOLUTIONS (ALBERTA) INC.	426,467	
QUALIMECH COMMERCIAL SERVICES LTD.	424,678	
FOOTHILLS DECORATING LTD.	405,475	
RYDON CONSTRUCTION INC.	370,486	
AINSWORTH INC.	363,011	
GREAT NORTHERN PLUMBING INC.	356,130	
BOW RIVER ROAD WORK CONTRACTING LTD.	340,389	
WOLSELEY CANADA INC.	337,627	
ALL SYSTEMS COMMUNICATIONS CONTRACTING INC.	328,761	
EMM DECORATING & GRAFFITI REMOVAL LTD.	315,273	
WILCO CONTRACTORS SOUTHWEST INC.	313,059	
TAFF ARCHITECTURE LTD.	275,450	
AZTEC RENOVATIONS AND REFIT INC.	265,011	
D. OWEN CONSTRUCTION LTD.	264,909	
FREEZE MAXWELL ROOFING (CALGARY) LTD.	263,953	
MCGREGOR & THOMPSON HARDWARE LTD.	253,992	
TRANSPORTATION	51,572,045.38	7.3%
SOUTHLAND TRANSPORTATION LTD.	37,761,696	
1323179 ALBERTA LTD. dba FOUR SEASONS TRANSPORTATION	6,860,021	

C F & R SERVICES INC.	4,623,344	
DREAMS TRANSPORTATION LTD.	1,470,942	
IMPERIAL OIL LTD.	437,303	
CHECKER CABS LTD.	418,739	
TANGIBLE CAPITAL ASSETS	28,186,408.65	4.0%
APPLE CANADA INC.	6,656,885	
PC CORP INC.	4,616,701	
S.I. SYSTEMS PARTNERSHIP	2,955,118	
AVI-SPL CANADA LTD.	2,691,628	
POWERSCHOOL GROUP LLC	2,198,302	
CDI SPACES	1,329,512	
OXYGEN PRODUCTS CALGARY LTD.	1,106,168	
HBI - HERITAGE BUSINESS INTERIORS	1,040,556	
DBI SYSTEMS INTEGRATION INC	739,139	
BELL CANADA	681,928	
WILLIAM MORRIS OFFICE SOLUTIONS INC.	599,800	
ONX ENTERPRISE SOLUTIONS LTD.	567,311	
SCHOOLHOUSE PRODUCTS INC.	488,988	
TELUS	399,822	
KMS TOOLS AND EQUIPMENT LTD.	377,642	
SOLARIS ELECTRIC INC.	376,594	
INSYNC SYSTEMS INC.	300,230	
CRESTVIEW ELECTRIC LTD.	282,509	
EDUCAN INSTITUTIONAL FURNITURE LTD.	264,633	
SHAW GMC CHEVROLET BUICK LIMITED PARTNERSHIP	260,533	
CHARTER TELECOM, INC.	252,410	
UTILITIES	26,481,982.80	3.8%
ENMAX ENERGY CORPORATION	10,979,124	
DIRECT ENERGY BUSINESS SERVICES	5,996,425	
AXIA SUPERNET LTD.	3,885,878	
CITY OF CALGARY	3,612,250	
TELUS COMMUNICATIONS INC.	917,191	
WASTE MANAGEMENT OF CANADA CORP.	596,880	
BELL MOBILITY INC.	494,235	
SUPPLIES (SUPP)	15,800,501.70	2.2%
GRAND & TOY	3,221,422	
ORACLE CANADA ULC	2,335,809	
SWISH MAINTENANCE LIMITED	2,215,147	
SPICERS CANADA ULC	1,019,467	
SUPREME OFFICE PRODUCTS LTD	826,207	
UNITED LIBRARY SERVICES INC.	686,365	
CLEAN AIR SERVICES INC.	678,667	
SYSCO CALGARY, A DIVISION OF SYSCO CANADA INC.	627,448	
DATA GROUP OF COMPANIES	529,056	
SPECTRUM EDUCATIONAL SUPPLIES LIMITED	458,775	
WEST UNIFIED COMMUNICATIONS SERVICES CANADA, INC. - WEST EDUCATION DIVISION	407,084	
SKYLINE ATHLETICS INC.	396,431	
SPORTFACTOR INC.	384,948	
WEST CANADIAN DIGITAL IMAGING INC.	383,251	
NELSON EDUCATION LTD.	299,456	
PEARSON EDUCATION CANADA	274,810	
TOPLINE PRINTING INC.	271,639	
SIRSI DYNIX	266,214	
BOREAL SCIENCE	264,186	
C.C. CRAIG CO. LTD.	254,120	
PROFESSIONAL & TECHNICAL SERVICES (P&T)	13,076,413.16	1.9%
HULL SERVICES	3,911,049	
TELUS SOURCING SOLUTIONS PARTNERSHIP	3,173,069	
WOOD'S HOMES	2,563,088	
SOCIETY FOR TREATMENT OF AUTISM	1,283,581	
ALBERTA HEALTH SERVICES	1,089,469	
DLA PIPER (CANADA) LLP	508,126	
IRON MOUNTAIN CANADA	276,281	
GALILEO EDUCATIONAL NETWORK	271,750	
RENTAL EQUIPMENT & FACILITY	12,318,420.94	1.7%
BENTALL KENNEDY (CANADA) LP	11,525,698	
IMPERIAL PARKING CANADA CORP.	504,330	
GENESIS CENTRE, THE	288,393	
P-CARD TRANSACTIONS	12,984,058.89	1.8%
BANK OF MONTREAL	12,984,059	
MINOR EQUIPMENT <\$5000	7,780,366.20	1.1%
LASERNETWORKS INC.	2,728,287	
ST. JOHN'S MUSIC LTD.	999,847	
D2L CORPORATION	927,649	

LONG & MCQUADE LTD.	529,426	
MATRIX VIDEO COMMUNICATIONS CORP.	479,848	
DELL CANADA INC.	396,994	
SHARP'S AUDIO-VISUAL LTD.	389,892	
SOFTWARE4SCHOOLS.CA	351,650	
HEWLETT PACKARD ENTERPRISE CANADA CO.	347,206	
PCM CANADA	338,423	
CRESTWAY SYSTEMS LTD.	291,144	
INSURANCE	5,116,889.68	0.7%
MARSH CANADA LIMITED	3,297,989	
URBAN SCHOOLS INSURANCE CONSORTIUM	1,128,505	
INGLE INTERNATIONAL	690,396	
DUES & FEES (D&F)	2,026,977.70	0.3%
UNIVERSITY OF CALGARY	610,843	
INTERNATIONAL BACCALAUREATE ORGANIZATION	533,935	
CALGARY SENIOR HIGH SCHOOL ATHLETIC ASSOCIATION	335,550	
CHILD SAFE CANADA	288,383	
ALBERTA SCHOOL BOARDS ASSOCIATION	258,266	
DONATIONS	693,699.05	0.1%
EducationMatters	693,699	
FLOW THROUGH FROM AB ED	906,796.85	0.1%
TSUU T'INA BOARD OF EDUCATION	906,797	
POSTAGE	341,250.00	0.0%
POSTAGE BY PHONE/PITNEYWORKS PREPAID	341,250	
Grand Total	704,590,518	



Financial Statements
December 31, 2017



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Independent Auditors' Report

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

We have audited the accompanying financial statements of EducationMatters, Calgary's Public Education Trust, which comprise the statement of financial position as at December 31, 2017, and the statements of operations, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of EducationMatters, Calgary's Public Education Trust as at December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Collins Barrow Calgary LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

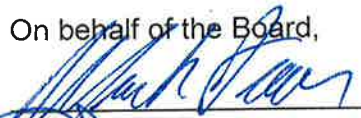
Calgary, Canada
March 8, 2018


EducationMatters, Calgary's Public Education Trust
Statement of Financial Position
December 31, 2017

	2017	2016
Assets		
Current assets		
Cash and cash equivalents (notes 3 and 7)	\$ 1,978,053	\$ 1,589,768
Goods and Services Tax recoverable	<u>1,103</u>	<u>-</u>
	1,979,156	1,589,768
Investments (notes 4 and 7)	5,467,580	5,059,520
Property and equipment (note 5)	<u>19,329</u>	<u>29,053</u>
	<u>\$ 7,466,065</u>	<u>\$ 6,678,341</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 34,960	\$ 35,896
Deferred operating contributions (note 6)	<u>441,000</u>	<u>441,000</u>
	<u>475,960</u>	<u>476,896</u>
Funds		
Operating funds	774,693	728,963
Flow-through funds	957,130	638,999
Endowment funds (note 7)	<u>5,258,282</u>	<u>4,833,483</u>
	<u>6,990,105</u>	<u>6,201,445</u>
	<u>\$ 7,466,065</u>	<u>\$ 6,678,341</u>
Commitments (note 8)		

See accompanying notes to the financial statements

On behalf of the Board,


 _____, Governor


 _____, Governor

EducationMatters, Calgary's Public Education Trust
Statement of Operations
Year Ended December 31, 2017

	2017				2016
	Operating Funds	Flow- Through Funds	Endowment Funds	Total	
Revenue					
Contributions	\$ 700,901	\$ 1,622,926	\$ 184,492	\$ 2,508,319	\$ 2,322,313
Interfund fees	112,130	(41,595)	(70,535)	-	-
Gains on investments (note 4)	33,835	-	405,826	439,661	110,429
Interest and dividend revenue	<u>16,411</u>	<u>-</u>	<u>98,998</u>	<u>115,409</u>	<u>111,595</u>
	<u>863,277</u>	<u>1,581,331</u>	<u>618,781</u>	<u>3,063,389</u>	<u>2,544,337</u>
Expenditures					
Grants (notes 6 and 10)	-	1,271,208	199,982	1,471,190	2,000,438
Salaries and benefits (note 10)	527,398	-	-	527,398	504,448
Communications (note 10)	14,341	-	-	14,341	2,037
Fund development (note 10)	22,680	-	-	22,680	13,760
Office	30,709	-	-	30,709	37,706
Investment fees	42,037	-	-	42,037	39,902
Professional fees	24,306	-	-	24,306	26,782
Special events	26,346	-	-	26,346	3,090
Computer applications and support	67,005	-	-	67,005	46,842
Rent	38,993	-	-	38,993	38,993
Amortization	<u>9,724</u>	<u>-</u>	<u>-</u>	<u>9,724</u>	<u>9,101</u>
	<u>803,539</u>	<u>1,271,208</u>	<u>199,982</u>	<u>2,274,729</u>	<u>2,723,099</u>
Excess (deficiency) of revenue over expenditures	<u>\$ 59,738</u>	<u>\$ 310,123</u>	<u>\$ 418,799</u>	<u>\$ 788,660</u>	<u>\$ (178,762)</u>

See accompanying notes to the financial statements

EducationMatters, Calgary's Public Education Trust
Statement of Changes in Fund Balances
Year Ended December 31, 2017

	Operating Funds	Flow- Through Funds	Endowment Funds	Total
Fund balances, December 31, 2015	\$ 774,197	\$ 941,345	\$ 4,664,665	\$ 6,380,207
Excess (deficiency) of revenue over expenditures	65,452	(412,346)	168,132	(178,762)
Interfund transfers	<u>(110,686)</u>	<u>110,000</u>	<u>686</u>	<u>-</u>
Fund balances, December 31, 2016	728,963	638,999	4,833,483	6,201,445
Excess of revenue over expenditures	59,738	310,123	418,799	788,660
Interfund transfers	<u>(14,008)</u>	<u>8,008</u>	<u>6,000</u>	<u>-</u>
Fund balances, December 31, 2017	<u>\$ 774,693</u>	<u>\$ 957,130</u>	<u>\$ 5,258,282</u>	<u>\$ 6,990,105</u>

See accompanying notes to the financial statements

EducationMatters, Calgary's Public Education Trust
Statement of Cash Flows
Year Ended December 31, 2017

	2017	2016
Cash provided by (used in):		
Operating activities		
Excess (deficiency) of revenue over expenditures	\$ 788,660	\$ (178,762)
Adjusting items:		
Amortization	9,724	9,101
Gain on investments	<u>(439,661)</u>	<u>(110,429)</u>
	<u>358,723</u>	<u>(280,090)</u>
Changes in non-cash items		
Goods and Services Tax recoverable	(1,103)	655
Accounts payable and accrued liabilities	(936)	8,050
Deferred operating contributions	<u>-</u>	<u>1,000</u>
	<u>(2,039)</u>	<u>9,705</u>
Cash provided by (used in) operating activities	<u>356,684</u>	<u>(270,385)</u>
Investing activities		
Purchase of equipment	-	(6,522)
Purchase of investments	(172,294)	(567,641)
Disposal of investments	<u>203,895</u>	<u>152,676</u>
Cash provided by (used in) investing activities	<u>31,601</u>	<u>(421,487)</u>
Cash inflow (outflow)	388,285	(691,872)
Cash and cash equivalents, beginning of year	<u>1,589,768</u>	<u>2,281,640</u>
Cash and cash equivalents, end of year	<u>\$ 1,978,053</u>	<u>\$ 1,589,768</u>
Cash and cash equivalents is comprised of:		
Cash	\$ 159,944	\$ 199,567
Treasury bills (note 3)	<u>1,818,109</u>	<u>1,390,201</u>
	<u>\$ 1,978,053</u>	<u>\$ 1,589,768</u>

See accompanying notes to the financial statements

EducationMatters, Calgary's Public Education Trust

Notes to Financial Statements

December 31, 2017

1. Nature of Trust

EducationMatters, Calgary's Public Education Trust, (the "Trust") was formed by way of a trust indenture on January 20, 2003. The Trust is a registered charity and a public trust under the *Income Tax Act* (Canada) and, accordingly, is exempt from income taxes and can issue donation receipts for income tax purposes. The Trust's mandate is to promote citizen engagement with and inspire passion for public education and to mobilize resources for programs that enhance public education.

The Board of Trustees of the Calgary Board of Education (the "CBE Board") appoints all Trust governors. At least two, but not more than 50%, of the Trust governors must be members of the CBE Board.

2. Significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) Revenue

The Trust receives contributions in the form of donations to specified funds, operating grants and event funding.

The Trust recognizes contributions when the amounts can be reasonably estimated and collection is assured.

The Trust follows the deferral method of accounting for restricted contributions related to general operations of the Trust. These contributions are recognized as revenue in the operating fund in the period in which the related expenses are incurred.

The Trust recognizes interest, dividends and fee revenue when the amounts are earned on an accrual basis.

(b) Trust funds

The Trust holds operating, flow-through and endowment funds. The Trust follows the deferral accounting method for the operating fund and the restricted fund accounting method for the flow-through and endowment funds.

The Trust restricts endowment fund grants in any fiscal period to a maximum of 4.5% of the market value of the endowment at the end of the prior fiscal year.

EducationMatters, Calgary's Public Education Trust
Notes to Financial Statements
December 31, 2017

Operating funds

Operating fund contributions received that relate to services to be provided in a subsequent period are shown as deferred operating contributions on the statement of financial position.

Flow-through funds

Flow-through funds are spent during the year in which they are received or the year following to support a wide range of programs and projects.

Endowment funds

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

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and short-term investments with a maturity date of three months or less.

(d) Investments

Investments include pooled investment funds that consist of mutual funds and are measured at fair value.

(e) Property and equipment

The Trust capitalizes administrative assets, consisting of computer equipment and office equipment, at cost and amortizes them over their estimated useful lives of five years on a straight-line basis.

Property and equipment is evaluated for impairment when events or circumstances indicate its carrying value may not be recoverable. Any impairment is measured by comparing the carrying value of the assets to the fair value, based on the present value of future cash flows expected to be generated from the assets.

(f) Measurement uncertainty

The valuation of property and equipment is based on management's best estimates of the future recoverability of these assets and the determination of costs subject to classification as property and equipment. The amounts recorded for amortization of the property and equipment are based on management's best estimates of the remaining useful lives and period of future benefit of the related assets.

The valuation of accrued liabilities is based on management's best estimates of expenses incurred during the year that will be payable in future periods.

EducationMatters, Calgary's Public Education Trust
Notes to Financial Statements
December 31, 2017

By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

(g) Financial instruments

The Trust initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions that are measured at the exchange amount.

The Trust subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in pooled investment funds that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess of revenue over expenditures.

Financial assets measured at amortized cost include cash and cash equivalents. The Trust's financial assets measured at fair value include the pooled investment funds.

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

Financial assets measured at cost or amortized cost are tested for impairment, at the end of each year, to determine whether there are indicators that the asset may be impaired. The amount of the write-down, if any, is recognized in excess of revenue over expenditures. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account. The reversal may be recorded provided it is no greater than the amount that had been previously reported as a reduction in the asset and it does not exceed original cost. The amount of the reversal is recognized in excess of revenue over expenditures.

The Trust recognizes its transaction costs in excess of revenue over expenditures in the period incurred for its equity investments and for all other financial assets and liabilities that are subsequently measured at fair value. Financial instruments that are subsequently measured at cost or amortized cost are adjusted by the transaction costs and financing fees that are directly attributable to their origination, issuance or assumption.

(h) Expenditures

Administrative expenses are charged to endowment funds in accordance with donor agreements. Interest income earned on flow-through funds is allocated to the operating fund in lieu of an administration fee. Expenses incurred for a specific fund are charged to that fund.

EducationMatters, Calgary's Public Education Trust
Notes to Financial Statements
December 31, 2017

(i) Donated services

Donated services are not recognized in the financial statements as there is no objective basis available to measure the value of such services.

3. Cash and cash equivalents

Cash and cash equivalents include short-term investments of \$1,818,109 (2016 - \$1,390,201) 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 1.05% (2016 - 0.44%).

4. Investments

	2017	2016
Pooled Funds - Endowment Fund	\$ 5,052,891	\$ 4,683,178
Pooled Funds - Operating Fund	<u>414,689</u>	<u>376,342</u>
	<u>\$ 5,467,580</u>	<u>\$ 5,059,520</u>

Investments are comprised of \$5,467,580 (2016 - \$5,059,520) in pooled investment funds measured at fair value. The Trust's policy is to liquidate gifted shares on the same day as they are received. There were no gifted shares held at December 31, 2017 or 2016.

Gain on investments of \$439,661 (2016 - \$110,429) includes unrealized gains of \$392,876 (2016 - \$81,286).

5. Property and equipment

			<u>Net Book Value</u>	
	Cost	Accumulated Amortization	2017	2016
Computer equipment	\$ 144,874	\$ 126,680	\$ 18,194	\$ 26,933
Office equipment	<u>25,850</u>	<u>24,715</u>	<u>1,135</u>	<u>2,120</u>
	<u>\$ 170,724</u>	<u>\$ 151,395</u>	<u>\$ 19,329</u>	<u>\$ 29,053</u>

6. Related party transactions

The Trust is economically dependent on contributions from the Calgary Board of Education ("CBE") and is committed to provide services to CBE in fund development, grants and student awards. During the year, the Trust received \$660,000 (2016 - \$660,000) from the CBE. Contributions in the amount of \$441,000 were deferred to 2018 in accordance with spending the funds over a twelve-month period and is included in the deferred operating contributions on the statement of financial position.

EducationMatters, Calgary's Public Education Trust
Notes to Financial Statements
December 31, 2017

The Trust rented office space and purchased services of \$38,993 (2016 - \$38,993) and \$6,990 (2016 - \$7,678), respectively, from the CBE.

Grants awarded to CBE schools by the Trust are distributed to recipients by way of the CBE. In 2017, this amount was \$944,941 (2016 - \$1,516,879).

7. Endowment funds

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

	2017	2016
Cash and cash equivalents	\$ 205,391	\$ 150,305
Investments	<u>5,052,891</u>	<u>4,683,178</u>
	<u>\$ 5,258,282</u>	<u>\$ 4,833,483</u>

8. Commitments

The Trust's office lease with the CBE was renewed in July 2017 for an additional one-year term to August 31, 2018 and requires monthly rental payments of \$3,249.

9. Financial instruments

The Trust is exposed to the following significant financial risks:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The financial instruments that potentially subject the Trust to significant concentration of credit risk consist primarily of cash and cash equivalents and investments. The Trust mitigates its exposure to credit loss by placing its cash and cash equivalents and investments with major financial institutions.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Trust's investments in pooled investment funds expose the company to price risks as equity investments are subject to price changes in the open market.

EducationMatters, Calgary's Public Education Trust
Notes to Financial Statements
December 31, 2017

10. Additional information on fund development

(a) Expenses incurred to raise funds

	2017	2016
Fundraising event	\$ 26,346	\$ -
Fund development expenses	22,680	13,760
Fund development salaries and benefits	<u>148,714</u>	<u>136,121</u>
	<u>\$ 197,740</u>	<u>\$ 149,881</u>

(b) Funds raised during 2017 were \$1,807,418 (2016 - \$1,662,313).

(c) Summary of disbursements

	2017	2016
Grants	\$ 996,911	\$ 1,565,529
Scholarships	<u>474,279</u>	<u>434,909</u>
	<u>\$ 1,471,190</u>	<u>\$ 2,000,438</u>

In 2017 there were two disbursements of contributions greater than 10% of the gross contributions received in 2017. The following projects were supported:

- (1) Calgary Board of Education Exploratory or Dual Credit programs engage in learning experiences that can earn students credits in high school and post-secondary education institutions simultaneously allow students to discover and explore career pathways, which can help them plan for successful transitions to post-secondary and/or the workforce, provide workplace certification/accreditation or offer preferred placement at post-secondary institutions. During the year ended December 31, 2017, contributions in the amount of \$315,248 (2016 - \$405,311) were disbursed to this project.
- (2) Library to Learning Commons projects transform school libraries in Calgary Board of Education Schools into modern, welcoming Learning Commons. During the year ended December 31, 2017, contributions in the amount of \$217,695 (2016 - \$198,132) were disbursed under this project.

EducationMatters, Calgary's Public Education Trust
Notes to Financial Statements
December 31, 2017

(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:

	2017	2016
Grant disbursements	\$ 1,471,190	\$ 2,000,438
Communication expenses	14,341	2,037
Fund development expenses, excluding events	171,394	149,881
Events	26,346	-
Program expenses	581,734	561,642
Amortization expense	<u>9,724</u>	<u>9,101</u>
	<u>\$ 2,274,729</u>	<u>\$ 2,723,099</u>

Salary and benefit costs are incurred to operate the Trust and its programs in a cost-effective manner while maximizing all opportunities to further the Trust's mission. The Trust allocates salary and benefits based on the actual time spent in each cost centre by each staff person.



Canada's International Education Strategy

International student programs (ISP) are a key part of both a Canada wide strategy supported by Global Affairs Canada and Alberta Education's International Strategy. International students have a significant social and economic impact on the province of Alberta.

The CBE has the largest ISP in the province and is one of 133 school districts in Canada actively recruiting around the globe. There are many benefits to welcoming international students into our schools, including the opportunity to expand our local students' knowledge base of the world.

In 2019, as part of the Programme for International Student Assessment (PISA) assessments, the OECD will be measuring the cross-cultural competence of students. When CBE students have the opportunity to take part in international opportunities and when they can study beside students from other parts of the world, they develop critical skills and understandings that are necessary to be globally competent. <http://www.oecd.org/pisa/aboutpisa/Global-competency-for-an-inclusive-world.pdf>

Who are International Students?

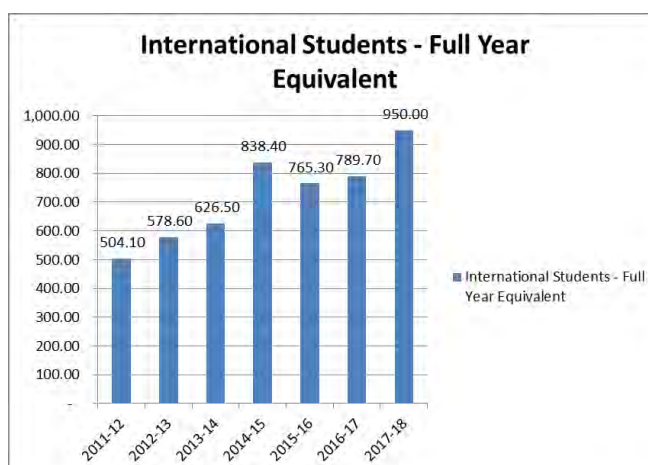
International students are first and foremost CBE students with three distinct differences:

- They pay international student fees which include all costs associated with studying in Alberta (no funding is provided by the province). See fees here http://www.cbeinternational.ca/apply_fees.htm.
- They are defined by Immigration, Refugees and Citizenship Canada (IRCC) as students and have permits which enable them to study.
- They most often live with custodians who are not their parents.

International students have the same rights, responsibilities and obligations as all other students. They are motivated for academic, cultural and social reasons to attend CBE schools. They see the benefits of developing English language skills as well as cross-cultural competencies that are gained through the experience of living abroad.

Our International Student Population

Our international student population has grown steadily since the CBE program started in 2002. In the 2017-2018 school year, 950 international students from 47 countries studied in 94 schools..



CBE International Student Program

In November 2002, the Board of Trustees approved the startup of an ISP to centralize all of the CBE's international services and programs and expand the scope of the program. CBE's international services and programs office:

- develops and maintains a strong reputation for the CBE worldwide.
- develops and executes a robust recruitment strategy through a variety of means.
- processes the admission, placement and support for all international students in their CBE schools.
- provides opportunities and experiences for students and staff to gain cross-cultural experiences and understandings.
- builds international partnerships that enhance the knowledge and intercultural competencies of both students and staff.
- promotes the CBE [International Certificate](#).

Recruitment Strategy

Building and maintaining an ISP requires a well-articulated short and long term strategy. This is a highly competitive field and the CBE is competing with 133 Canadian school districts and several other English speaking countries including the US, Britain, New Zealand and Australia for international students. Our recruitment strategy includes:

- high-quality programming combined with specialized support services for students who are studying away from home.
- an efficient intake process for agents and parents that recognizes the complexities and legalities of international admissions.
- a sophisticated communication strategy to attract international students and ensure they have accurate information in making their decisions that includes a strong web and social media presence.
- participating in international recruitment events that enable us to have a face-to-face presence with potential students and agents.

Recruitment travel is a crucial part of an international student program. Meeting face-to-face with agents, parents and students around the world is a critical component to the success of all international student programs and is a key to the CBE's success in this highly competitive market. Costs for this essential part of an ISP are fully covered by the profits generated through the program.

This work is part of the for-profit component of the CBE. The revenue generated through the ISP far exceeds the costs of delivering it. In 2017-18, a significant portion of the \$11.7 million collected in fees was allocated directly to schools to provide instruction for these students. Additionally, international students contributed a net \$3.1 million to the CBE's bottom line after covering all costs.

	Actuals		Budget
	2016-17	2017-18	2018-19
Foreign student tuition revenue	\$ 10,343	\$ 11,680	\$ 11,400
Expenses			
Allocations to schools via the RAM	6,136	7,208	7,182
Management, recruitment and operation of ISP	1,619	1,344	1,420
	<u>7,755</u>	<u>8,552</u>	<u>8,602</u>
Surplus contributed to the CBE global budget	\$ 2,587	\$ 3,128	\$ 2,798

**Urban Schools Insurance Consortium
Management Financial Statements
For the eight months ended August 31, 2018**

Contents:

Statement of Financial Position
Statement of Comprehensive Income
Statement of Changes in Subscribers' Surplus
Statement of Cash Flows
Equity allocation between Members

Prepared by:

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Urban Schools Insurance Consortium
Statement of Financial Position
Expressed in Canadian dollars

As at August 31	2018	2017
Assets		
Cash and cash equivalents	\$ 2,188,659	\$ 1,574,094
Marketable securities	14,513,638	15,592,828
Accrued investment income	107,528	57,999
Claims recoverable	7,261	-
Deferred premium taxes	21,333	19,929
Total Assets	\$ 16,838,419	\$ 17,244,850
Liabilities		
Claims payable	\$ -	\$ 87,365
Accounts payable and accrued expenses	72,087	69,283
Deferred revenue	83,355	75,321
Unearned premiums	533,333	531,247
Provision for unpaid claims and loss adjustment expenses	8,162,170	8,631,349
Total Liabilities	8,850,945	9,394,565
Subscribers' Surplus		
Subscribers' contributions	481,391	481,391
Retained Earnings	7,506,083	7,368,894
Total Subscribers' Surplus	7,987,474	7,850,285
Total Liabilities and Subscribers' Surplus	\$ 16,838,419	\$ 17,244,850

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

For the eight months ended August 31	Actual 2018	Budget 2018	Variance Favourable / (Unfavourable)	Actual 2017
Income				
Gross premiums written	\$ -	\$ -	\$ -	\$ -
Change in unearned premium reserve	2,133,334	2,133,334	-	2,124,988
Premiums earned	2,133,334	2,133,334	-	2,124,988
Other insurance income	333,420	301,334	32,086	301,284
Investment income	168,848	120,000	48,848	184,618
Realized gains (losses) on investments	163,902	-	163,902	(59,092)
Unrealized gains (losses) on investments	(487,118)	-	(487,118)	22,247
Total income	2,312,386	2,554,668	(242,282)	2,574,045
Expenses				
Losses paid	2,741,370	-	-	3,835,187
Change in outstanding loss reserves	414,285	-	-	(2,372,846)
Change in incurred but not reported reserves	(3,155,655)	-	-	363,219
Losses incurred	-	1,665,678	1,665,678	1,825,560
Premium taxes	85,334	85,334	-	78,396
General and administrative expenses	389,240	397,635	8,395	378,589
Total expenses	474,574	2,148,647	1,674,073	2,282,545
Total comprehensive income	\$ 1,837,812	\$ 406,021	\$ 1,431,791	\$ 291,500

Urban Schools Insurance Consortium
Statement of Changes in Subscribers' Surplus
Expressed in Canadian dollars

	Retained Earnings	Subscribers' Contributions	Total Subscribers' Surplus
As at January 1, 2017	\$ 7,077,394	\$ 481,391	\$ 7,558,785
Total comprehensive income	291,500	-	291,500
As at August 31, 2017	\$ 7,368,894	\$ 481,391	\$ 7,850,285
As at January 1, 2018	\$ 5,668,271	\$ 481,391	\$ 6,149,662
Total comprehensive income	1,837,812	-	1,837,812
As at August 31, 2018	\$ 7,506,083	\$ 481,391	\$ 7,987,474

Urban Schools Insurance Consortium
Statement of Cash Flows
Expressed in Canadian dollars

For the eight months ended August 31	2018	2017
Operating Activities		
Total comprehensive income	\$ 1,837,812	\$ 291,500
Items not involving cash:		
Net investment income	154,368	(147,773)
Change in non-cash operating accounts:		
Insurance balances receivable	180,263	51,872
Claims recoverable	(7,261)	-
Prepaid expenses	-	32,052
Commissions receivable	500,130	452,990
Deferred premium taxes	85,333	86,320
Accounts payable and accrued expenses	(199,377)	(190,652)
Deferred revenue	(333,420)	(302,171)
Claims payable	-	87,365
Premium tax payable	(128,000)	(127,499)
Unearned premiums	(2,133,334)	(2,124,988)
Provision for unpaid claims and loss adjustment expenses	(2,741,375)	(2,009,628)
	(2,784,861)	(3,900,612)
Investing Activities		
Investment income received	190,632	192,015
Investment management fees	(6,188)	(16,432)
Purchases of marketable securities	(15,774,052)	(7,951,318)
Proceeds from sales of marketable securities	16,879,402	7,791,195
	1,289,794	15,460
Decrease in cash and cash equivalents	(1,495,067)	(3,885,152)
Cash and cash equivalents, opening	3,683,726	5,459,246
Cash and cash equivalents, ending	\$ 2,188,659	\$ 1,574,094

URBAN SCHOOLS INSURANCE CONSORTIUM
Calculation of Share of Consortium Pool Equity

as at August 31, 2018

Member	Percentage Share at Dec/17	Share of Equity at 31/12/17 (Note)	New Equity Balance	Share at August 31, 2018
Calgary Board of Education	32.4597%	1,996,160	2,644,279	33.1053%
Calgary Roman Catholic	12.5917%	774,349	998,098	12.4958%
Edmonton Public Schools	24.8849%	1,530,336	1,990,181	24.9163%
Fort McMurray S.D. No. 2833	1.9295%	118,657	177,053	2.2166%
Grande Prairie S.D. No. 2357	2.2054%	135,622	197,321	2.4704%
Grande Prairie Roman Catholic	1.1732%	72,149	99,795	1.2494%
Holy Spirit Roman Catholic	1.6462%	101,233	133,346	1.6694%
Lethbridge S.D. No. 51	2.7498%	169,104	215,091	2.6929%
Medicine Hat S.D. No. 76	2.4637%	151,509	186,813	2.3388%
Medicine Hat Catholic	1.2595%	77,455	93,628	1.1722%
Red Deer S.D. No. 104	3.0716%	188,893	248,078	3.1058%
Red Deer Catholic	2.1639%	133,074	165,061	2.0665%
Rocky View Schools (RVS)	9.2144%	566,652	670,180	8.3904%
St. Albert P.S.D. No. 5565	2.1866%	134,469	168,550	2.1102%
TOTAL	100.0000%	6,149,662	7,987,474	100.0000%

APPENDIX C: PROGRAM REPORTING

Section C.1 FUNDING FRAMEWORK PRINCIPLES

Financial resources for education identified by the provincial government are to be allocated to school jurisdictions on an equitable basis that recognizes the diversity among students and school systems and the costs associated with this diversity. The framework for funding provides school jurisdictions with flexibility in the processes of planning and budgeting for the delivery of educational programs and services. School jurisdictions are accountable to the Province, through Alberta Education, and the public for their expenditures and results.

The Province, through Alberta Education, determines the educational funding allocated to school boards. School boards are then responsible for establishing policy and allocating appropriate funds to schools. Alberta Education, has assumed funding responsibility for approved current and future costs of school building projects and for debt on certain existing schools through Alberta Treasury and Finance. In its efforts to direct more resources to instructional services, Alberta Education has imposed specific limitations on Board and System Administration expenditures of 3.6% - 5.4% of total expenses.

Section C.2 CHART OF ACCOUNTS - OVERVIEW

Each school jurisdiction's chart of accounts reflects unique information needs and organizational structure as well as program accounting and reporting requirements of Alberta Education.

For purposes of the Audited Financial Statements submitted to Alberta Education, the basic levels of accounting information and code structures must provide information consistent with definitions within the object, program and sub-program classifications.

Location codes must be used to track program costs for each facility in a jurisdiction in the event information reports are required by Alberta Education and/or Alberta Infrastructure. Activity codes may be used by school jurisdictions for administrative purposes in tracking unique project costs or specific elements within a program. Commencing September 1, 2016, revenues and expenses for each fee must also be tracked in order to demonstrate that "school fees collected have been spent for the same purpose for which they were collected".

Section C.3 REPORTING UNIT DEFINITIONS

PROGRAM AND SUB-PROGRAM

A program represents any plan or system under which action is taken toward a goal(s).

OBJECT

Revenues and expenditures are described according to their nature or characteristics (e.g. salaries; supplies and materials).

ACTIVITY

Activity provides another level of classification for identifying similar groups or processes.

LOCATION

A location code defines a decision unit such as a site, school, department or individual.

Section C.4 PROGRAMS/SUB-PROGRAM FUNDING

The *Funding Manual for School Authorities 2017/2018 School Year* describes the purposes and formulae for the funding framework. However, it is important to note that aside from some targeted funding such as the Regional Collaborative Service Delivery (RCSD) and Board and System Administration expenditure limit, school jurisdictions currently have the flexibility to determine how the funds are best directed. As such, the funding envelope does not necessarily have to correspond with the programs to which revenues are assigned for financial statement purposes.

Section C.5 PROGRAM DEFINITIONS

C.5.1 INSTRUCTION

Early Childhood Services and Grades 1 – 12 instruction is the provision of activities dealing directly with or aiding in the teaching of students or improving the quality of teaching. The costs of personnel, services, supplies, and furnishings and equipment are allocated to the program, along with capital equipment amortization on the basis of the direct benefit or service contributed. All academic, vocational and technical courses, along with organized instructional activities which may be remedial and/or developmental in nature are included in this definition. Support to instruction is classified in two groups:

School Administration and Instruction Support

School administration and instruction support includes the provision of activities at school level that do not provide direct instruction to the student in the classroom. Costs for these activities include:

- Release time and allowances for principals, vice-principals, assistant principals, department heads and coordinators;
- Clerical and support staff (staff not working directly in classrooms in support of students, but in an administrative support role) remuneration;
- Library, counseling and testing services provided by school-based staff;
- Support services provided from outside the school (such as contracted services for assessments, therapy for students, etc.) at the school's discretion and supported by the school's budget;
- Communications and document reproduction equipment for instructional support staff;
- Administrative services, contracts and supplies.

System Instructional Support (SIS)

SIS consists of activities of certificated and non-certified staff across the school jurisdiction for system-based instruction services to:

- Support the implementation of instruction and curriculum;
- Cover other boards' costs, paid to a hosting board in a consortia for services such as film libraries, regional assessment services and professional development consortiums;
- Audit School Generated Funds;
- Coordinate in-service instruction to school staff;
- Assist teachers with program delivery;
- Implement system-wide change initiatives (e.g., curriculum, library, counselling and testing services); and
- Liability insurance related to instructional personnel.

These activities are at the discretion of the board and are budgeted at the system level. Generally, "school generated fund" revenues & expenses may be classified to instruction if it relates to broadening the educational experience of qualifying students.

C.5.2 PLANT OPERATIONS AND MAINTENANCE (PO & M)

PO & M consist of activities that relate to the jurisdiction's responsibility for the construction, operation, maintenance, safety and security of all school buildings, including costs relating to the supervision of this program.

Costs associated with this program include:

- Remuneration expenses for the supervisor of operations and maintenance of school facilities and all clerical and support staff associated with this program;
- Repair, maintenance and security of school buildings, equipment and grounds including services, contracts and supplies;
- Costs related to cleaning and janitorial activities and supplies in school facilities;
- Costs of utilities for school and maintenance facilities;
- Liability insurance related to the proportion of maintenance personnel;
- Property insurance on school building and maintenance facilities;
- Amortization of school and shop facilities, and vehicles and equipment that was purchased with PO & M revenues, with a historic cost of \$5,000 or greater;
- General operational costs associated with the maintenance programs;
- Costs associated with maintenance staff involvement in the capital planning cycle;
- Costs associated with Occupational Health and Safety activities;
- Emergency planning; and
- Facilities Planning and Development – The entire planning, development and construction cycle for capital building projects carried out by central office.

C.5.3 TRANSPORTATION

Activities related to the transportation of students to, from and between schools, and boarding of eligible students away from home.

Costs associated with this program include:

- Remuneration expenses for the supervision of student transportation and all clerical and support staff associated with the program, including bus aides;
- Conveyance of students to and from school whether buses are contracted or board operated;
- Repair and maintenance of transportation vehicles;
- Operating lease payments on transportation vehicles;
- Amortization of capital costs of transportation vehicles, equipment and shop facilities with a historic cost of \$5,000 or greater;
- Property insurance on bus shops and barns and equipment;
- Liability insurance related to the proportion of transportation personnel;
- Vehicle insurance on board owned vehicles used for student transportation;
- Amounts paid to third-party operators for the transportation of students to & from school;
- Utilities for transportation facilities;
- General operational costs associated with the transportation programs; and
- The sale (Fees) and cost (Services, contracts, and supplies) of public transit passes.

Revenues and expenses associated with the use of transportation services for field trips, co-curricular trips and athletic trips, etc. should be recognized under programs other than transportation (Grade 1 – 12 instruction, for example). If buses are rented to other groups for ancillary revenue, the associated revenues & expenses should be reported as “Other Revenue” under the Transportation program.

C.5.4 BOARD & SYSTEM ADMINISTRATION (BSA)

BSA are system-wide activities for the purpose of general regulation and direction of the affairs of the school jurisdiction. Costs relate directly to the operation of the boards of trustees, superintendents, secretary-treasurers and their respective staffs, including supplies and amortization of administrative equipment and facilities. Categories include:

Board Governance

Board Governance includes activities related to the work of the elected body responsible for all activities within the jurisdiction. All payments to trustees and for expenses incurred by the body for such things as travel, membership fees and school board elections.

Office of the Superintendent including Instructional Services / Educational Administration

This category includes activities related to overall jurisdiction educational leadership and administration. This includes those performed by the superintendent of schools; deputy, associate and assistant superintendents. These duties are restricted to functions that may not be considered System Instructional Support. Note that for the purposes of the Unaudited Schedule of Central Administration Expenses, costs associated with the Superintendent's office (including administration staff) should be segregated from other instructional services.

Activities associated with educational administration include:

- System level planning;
- Instructional staffing allocations (human resource planning, and implementation);
- New programming implementation and review;
- Monitoring and evaluation of programs, schools, & the system; and
- Hiring, supervision and evaluation of principals and staff.

Business Administration (Office of the Secretary-Treasurer)

Business administration includes activities related to the business and financial operations of the school system at the jurisdictional level, performed by the Secretary-Treasurer and related business/finance support staff including:

- Corporate budgeting;
- Financial accounting including accounts payable and receivable, and internal and external audits (excluding School Generated Fund audits which falls under SIS);
- Legal services;
- Liability insurance related to the proportion of central office administrative personnel;
- Property insurance for the administration facility;
- Activities related to the Corporate Secretary and Corporate Treasurers office;
- Corporate records management; and
- May include the payroll function.

This program does not include support service activities based at the school level.

General Services Management

General services management are activities related to central support services such as:

- Human Resources – Personnel planning, employment and development on behalf of the school system as a whole;
- Central Purchasing – Purchasing of services, contracts and supplies on behalf of the school system and with the approval of department managers;

C.5.4 BOARD & SYSTEM ADMINISTRATION (BSA) (Continued)

General Services Management (continued)

- Communications, Public Relations and Marketing – Costs associated with system-wide communications and marketing activities;
- Information Technology; and
- May include the payroll function.

Administration Buildings

These activities relate to the administration building of the division including:

- Operating costs;
- Operating lease payment;
- Interest expense on capital loan associated with the administration buildings;
- Amortization expense of administration buildings.

C.5.5 EXTERNAL SERVICES

Includes services offered outside the board's regular educational programs for ECS children and students in grades 1 to 12 who are served by the board. Activities such as adult education, family school liaison programs and those of a cultural and recreational nature are included in this program.

Other costs associated with this program may include:

- Community services, and community use of schools (at cost recovery);
- Joint use agreements with municipalities (may also be classified as PO&M);
- Sales and services provided to external organizations and individuals;
- Administration costs associated with Regional Collaborative Service Delivery (RCSD) and the Regional Learning Consortia (for “banker boards” only);
- Cafeteria programs of a non-instructional nature;
- Noon-hour and lunch room supervision in schools (may also appear under instruction programs);
- Daycare & pre-kindergarten services;
- Any other activity that does not fall into regular programs; and
- Continuing education programs (see below);

Funding that has been provided to support ECS to Grade 12 programs cannot be used to support any adult programs. Programs and courses offered to adult students (20 years or older on September 1st) should be accounted for in a manner that separates them from ECS to Grade 12 funds. These programs must be offered on a cost-recovery basis.

External services must not incur a deficit and funding from Alberta Education must be limited to targeted funding of such programs.

Jurisdictions offering General Interest Courses, Adult Post-Secondary Programs leading to credentials and/or Adult Post-Secondary Upgrading Programs (which are included as an “External Service” in the Budget Report and AFS) must provide a full cost accounting for these programs or courses upon request. Jurisdictions must allocate overhead and indirect costs on the basis of student counts, program space requirements, staffing allocations, or another predetermined method that is reasonable. If the board incurs an accumulated deficit, it must be eliminated in the following year. A surplus generated by adult post-secondary programs may be carried forward or used at the board’s discretion.

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2018**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Calgary School District No. 19 o/a Calgary Board of Education

Legal Name of School Jurisdiction

1221 8 Street SW Calgary AB T2R 0L4

Mailing Address

(403) 817-7900 (403) 294-8125 bgrundy@cbe.ab.ca

Contact Numbers and Email Address

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Calgary School District No. 19 o/a Calgary Board of Education presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with Canadian Public Sector Accounting Standards and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong system of budgetary control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors were given full access to school jurisdiction records.

Declaration of Management and Board Chair

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position, results of operations, remeasurement gains and losses, changes in net financial assets (debt), and cash flows for the year in accordance with Canadian Public Sector Accounting Standards.

BOARD CHAIR

Trina Hurdman

Name

Signature

SUPERINTENDENT

David Stevenson

Name

Signature

SECRETARY-TREASURER OR TREASURER

Bradley Grundy

Name

Signature

Board-approved Release Date

c.c. **ALBERTA EDUCATION, Financial Reporting & Accountability Branch**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of the Calgary Board of Education

We have audited the accompanying consolidated financial statements of the Calgary Board of Education, which comprise the consolidated statement of financial position as at August 31, 2018, the consolidated statements of operations, changes in net debt, accumulated remeasurement gains and losses, and cash flows for the year then ended, which are presented in the format prescribed by Alberta Education, and notes, comprising a summary of significant accounting policies and other explanatory information, including complete Schedules 1,2,3,5, and 6, Schedule 4 excluding the row under "Square Metres", and Schedule 7 excluding the column "FTE".

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Calgary Board of Education as at August 31, 2018, and its consolidated results of operations, its consolidated remeasurement gains and losses, its consolidated changes in net debt, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards and the presentation requirements of Alberta Education.

Chartered Professional Accountants

November 27, 2018
Calgary, Canada

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 and Metres Square as reported in the specific rows "Square Metres – School buildings" in Schedule 4 and column "FTE" in Schedule 7 ("subject matter information") both prescribed by Alberta Education of the Calgary Board of Education (the "Entity") for the year ended August 31, 2018.

Management's Responsibility

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

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 Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements* and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Specific Purpose of Subject Matter Information

The subject matter information has been prepared in accordance with the applicable criteria referred to above.

As a result the subject matter information may not be suitable for another purpose.

Opinion

In our opinion, FTE and Metres Square as reported in the specific row "Square Metres – School buildings" in Schedule 4 and column "FTE" in Schedule 7 for the year ended August 31, 2018 have been prepared, in all material respects, in accordance the applicable criteria.

Chartered Professional Accountants

November 27, 2018
Calgary, Canada

STATEMENT OF FINANCIAL POSITION
As at August 31, 2018 (in dollars)

		2018	2017
FINANCIAL ASSETS			
Cash and cash equivalents	(Schedule 5; Note 3)	\$ 141,747,000	\$ 86,417,000
Accounts receivable (net after allowances)	(Note 4)	\$ 44,623,000	\$ 21,062,000
Portfolio investments	(Schedule 5)	\$ 20,517,000	\$ 100,305,000
Other financial assets		\$ -	\$ -
Total financial assets		\$ 206,887,000	\$ 207,784,000
LIABILITIES			
Bank indebtedness		\$ -	\$ -
Accounts payable and accrued liabilities	(Note 6)	\$ 88,766,000	\$ 89,889,000
Deferred revenue	(Notes 5 and 14)	\$ 1,189,239,000	\$ 1,115,450,000
Employee future benefits liabilities	(Note 7)	\$ 25,732,000	\$ 25,545,000
Liability for contaminated sites		\$ -	\$ -
Other liabilities	(Note 8)	\$ 327,000	\$ 327,000
Debt			
Supported: Debentures and other supported debt	(Note 9)	\$ 528,000	\$ 1,369,000
Unsupported: Debentures and capital loans		\$ -	\$ -
Mortgages		\$ -	\$ -
Capital leases	(Note 10)	\$ 12,833,000	\$ 12,541,000
Total liabilities		\$ 1,317,425,000	\$ 1,245,121,000
Net debt		\$ (1,110,538,000)	\$ (1,037,337,000)
NON-FINANCIAL ASSETS			
Tangible capital assets	(Schedule 6)		
Land		\$ 2,711,000	\$ 2,711,000
Construction in progress		\$ 3,887,000	\$ 58,785,000
Buildings	\$ 1,792,421,000		
Less: Accumulated amortization	\$ (574,863,000)	\$ 1,217,558,000	\$ 1,098,414,000
Equipment	\$ 151,210,000		
Less: Accumulated amortization	\$ (113,640,000)	\$ 37,570,000	\$ 39,247,000
Vehicles	\$ 10,057,000		
Less: Accumulated amortization	\$ (7,367,000)	\$ 2,690,000	\$ 2,996,000
Computer Equipment	\$ 167,168,000		
Less: Accumulated amortization	\$ (123,488,000)	\$ 43,680,000	\$ 42,009,000
Total tangible capital assets		\$ 1,308,096,000	\$ 1,244,162,000
Prepaid expenses		\$ 16,302,000	\$ 10,301,000
Other non-financial assets			\$ -
Total non-financial assets		\$ 1,324,398,000	\$ 1,254,463,000
Accumulated surplus	(Schedule 1; Note 11)	\$ 213,860,000	\$ 217,126,000
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 213,063,000	\$ 215,115,000
Accumulated remeasurement gains (losses)		\$ 797,000	\$ 2,011,000
		\$ 213,860,000	\$ 217,126,000
Contractual rights	(Note 15)		
Contingent assets			
Contractual obligations			
Contingent liabilities	(Note 15)		

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

STATEMENT OF OPERATIONS
For the Year Ended August 31, 2018 (in dollars)

	Budget 2018	Actual 2018	Actual 2017
REVENUES			
Alberta Education	\$ 1,274,436,000	\$ 1,265,557,000	\$ 1,230,285,000
Other - Government of Alberta	\$ 328,000	\$ 265,000	\$ 376,000
Federal Government and First Nations	\$ 3,207,000	\$ 3,287,000	\$ 3,169,000
Other Alberta school authorities	\$ 303,000	\$ 350,000	\$ 663,000
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees (Schedule 8)	\$ 38,094,000	\$ 38,974,000	\$ 51,782,000
Other sales and services	\$ 25,144,000	\$ 30,340,000	\$ 26,922,000
Investment income	\$ 3,167,000	\$ 7,180,000	\$ 4,124,000
Gifts and donations	\$ 7,266,000	\$ 7,957,000	\$ 9,076,000
Rental of facilities	\$ 5,393,000	\$ 4,878,000	\$ 5,436,000
Fundraising	\$ 7,200,000	\$ 2,640,000	\$ 7,485,000
Gains on disposal of capital assets	\$ -	\$ (18,000)	\$ 18,000
Other revenue	\$ -	\$ 1,737,000	\$ 369,000
Total revenues	\$ 1,364,538,000	\$ 1,363,147,000	\$ 1,339,705,000
EXPENSES			
Instruction - ECS	\$ 57,353,000	\$ 52,780,000	\$ 51,485,000
Instruction - Grades 1 - 12	\$ 1,030,679,000	\$ 1,024,638,000	\$ 1,014,823,000
Plant operations and maintenance (Schedule 4)	\$ 182,195,000	\$ 157,312,000	\$ 174,651,000
Transportation	\$ 48,065,000	\$ 49,605,000	\$ 52,926,000
Board & system administration	\$ 37,495,000	\$ 47,247,000	\$ 36,925,000
External services	\$ 23,751,000	\$ 33,617,000	\$ 24,030,000
Total expenses	\$ 1,379,538,000	\$ 1,365,199,000	\$ 1,354,840,000
Operating surplus (deficit)	\$ (15,000,000)	\$ (2,052,000)	\$ (15,135,000)

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

STATEMENT OF CASH FLOWS
For the Year Ended August 31, 2018 (in dollars)

	2018	2017
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$ (2,052,000)	\$ (15,135,000)
Add (Deduct) items not affecting cash:		
Total amortization expense	\$ 66,419,000	\$ 57,317,000
Gains on disposal of tangible capital assets	\$ 18,000	\$ (18,000)
Losses on disposal of tangible capital assets	\$ -	\$ -
Expended deferred capital revenue recognition	\$ (38,999,000)	\$ (33,140,000)
Deferred capital revenue write-down / adjustment	\$ -	\$ -
Donations in kind	\$ -	\$ -
Changes in:		
Accounts receivable	\$ (23,561,000)	\$ 31,815,000
Prepays	\$ (6,001,000)	\$ (3,866,000)
Other financial assets	\$ -	\$ -
Non-financial assets	\$ -	\$ -
Accounts payable, accrued and other liabilities	\$ (1,123,000)	\$ (855,000)
Deferred revenue (excluding EDCR)	\$ 112,788,000	\$ 69,461,000
Employee future benefit liabilities	\$ 187,000	\$ 717,000
Supported debt: debentures	\$ (841,000)	\$ (1,567,000)
Total cash flows from operating transactions	\$ 106,835,000	\$ 104,729,000
B. CAPITAL TRANSACTIONS		
Purchases of tangible capital assets		
Land	\$ -	\$ -
Buildings	\$ (105,566,000)	\$ (165,636,000)
Equipment	\$ (7,197,000)	\$ (11,477,000)
Vehicles	\$ (476,000)	\$ (204,000)
Computer equipment	\$ (17,132,000)	\$ (22,694,000)
Net proceeds from disposal of unsupported capital assets	\$ -	\$ 18,000
Other - Rounding	\$ -	\$ -
Total cash flows from capital transactions	\$ (130,371,000)	\$ (199,993,000)
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ (74,848,000)	\$ (18,276,000)
Dispositions of portfolio investments	\$ 157,675,000	\$ 13,445,000
Remeasurement (gains) losses reclassified to the statement of operations	\$ (4,196,000)	\$ 53,000
Other - Foreign Exchange Loss	\$ (57,000)	\$ (394,000)
Other (Describe)	\$ -	\$ -
Total cash flows from investing transactions	\$ 78,574,000	\$ (5,172,000)
D. FINANCING TRANSACTIONS		
Issue of debt	\$ -	\$ -
Repayment of debt	\$ (841,000)	\$ (1,567,000)
Other factors affecting debt (describe)	\$ -	\$ -
Issuance of capital leases	\$ 2,048,000	\$ (1,408,000)
Repayment of capital leases	\$ (1,756,000)	\$ 3,768,000
Other (describe)	\$ -	\$ -
Supported debt: debentures	\$ 841,000	\$ 1,567,000
Total cash flows from financing transactions	\$ 292,000	\$ 2,360,000
Increase (decrease) in cash and cash equivalents	\$ 55,330,000	\$ (98,076,000)
Cash and cash equivalents, at beginning of year	\$ 86,417,000	\$ 184,493,000
Cash and cash equivalents, at end of year	\$ 141,747,000	\$ 86,417,000

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

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)

For the Year Ended August 31, 2018 (in dollars)

	Budget 2018	2018	2017
Operating surplus (deficit)	\$ (15,000,000)	\$ (2,052,000)	\$ (15,135,000)
Effect of changes in tangible capital assets			
Acquisition of tangible capital assets	\$ (19,618,000)	\$ (130,371,000)	\$ (200,011,000)
Amortization of tangible capital assets	\$ 67,339,000	\$ 66,419,000	\$ 57,317,000
Net carrying value of tangible capital assets disposed of	\$ -	\$ 18,000	\$ -
Write-down carrying value of tangible capital assets	\$ -	\$ -	\$ -
Other changes	\$ (3,292,000)	\$ -	
Total effect of changes in tangible capital assets	\$ 44,429,000	\$ (63,934,000)	\$ (142,694,000)
Changes in:			
Prepaid expenses	\$ -	\$ (6,001,000)	\$ (3,866,000)
Other non-financial assets	\$ -	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ (1,214,000)	\$ (1,717,000)
Endowments	\$ -	\$ -	\$ -
Increase (decrease) in net financial assets (net debt)	\$ 29,429,000	\$ (73,201,000)	\$ (163,412,000)
Net financial assets (net debt) at beginning of year	\$ (1,037,337,000)	\$ (1,037,337,000)	\$ (873,925,000)
Net financial assets (net debt) at end of year	\$ (1,007,908,000)	\$ (1,110,538,000)	\$ (1,037,337,000)

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

STATEMENT OF REMEASUREMENT GAINS AND LOSSES

For the Year Ended August 31, 2018 (in dollars)

	2018	2017
Accumulated remeasurement gains (losses) at beginning of year	\$ 2,011,000	\$ 3,728,000
Prior Period Adjustment 1 (Describe)	\$ -	\$ -
Prior Period Adjustment 2 (Describe)	\$ -	\$ -
Unrealized gains (losses) attributable to:		
Portfolio investments	\$ 3,039,000	\$ (1,376,000)
Foreign Currency Translation	\$ (57,000)	\$ (394,000)
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ (4,196,000)	\$ 53,000
Other	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ (1,214,000)	\$ (1,717,000)
Accumulated remeasurement gains (losses) at end of year	\$ 797,000	\$ 2,011,000

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

SCHEDULE 1

**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2018 (in dollars)**

	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
Balance at August 31, 2017	\$ 217,126,000	\$ 2,011,000	\$ 215,115,000	\$ 159,776,000	\$ 3,850,000	\$ -	\$ 19,088,000	\$ 32,401,000
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2017	\$ 217,126,000	\$ 2,011,000	\$ 215,115,000	\$ 159,776,000	\$ 3,850,000	\$ -	\$ 19,088,000	\$ 32,401,000
Operating surplus (deficit)	\$ (2,052,000)		\$ (2,052,000)			\$ (2,052,000)		
Board funded tangible capital asset additions				\$ 24,603,000		\$ (7,691,000)	\$ -	\$ (16,912,000)
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year	\$ (1,214,000)	\$ (1,214,000)						
Endowment expenses & disbursements	\$ -		\$ -		\$ -	\$ -		
Endowment contributions	\$ -		\$ -		\$ 315,000	\$ (315,000)		
Reinvested endowment income	\$ -		\$ -		\$ -	\$ -		
Direct credits to accumulated surplus (Describe)	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets	\$ -			\$ (66,419,000)		\$ 66,419,000		
Capital revenue recognized	\$ -			\$ 38,999,000		\$ (38,999,000)		
Debt principal repayments (unsupported)	\$ -			\$ 1,762,000		\$ (1,762,000)		
Additional capital debt or capital leases	\$ -			\$ -		\$ -		
Net transfers to operating reserves	\$ -					\$ (7,829,000)	\$ 7,829,000	
Net transfers from operating reserves	\$ -					\$ 940,000	\$ (940,000)	
Net transfers to capital reserves	\$ -					\$ (8,711,000)		\$ 8,711,000
Net transfers from capital reserves	\$ -					\$ -		\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2018	\$ 213,860,000	\$ 797,000	\$ 213,063,000	\$ 158,721,000	\$ 4,165,000	\$ -	\$ 25,977,000	\$ 24,200,000

SCHEDULE 1

**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2018 (in dollars)**

	INTERNALLY RESTRICTED RESERVES BY PROGRAM									
	School & Instruction Related		Operations & Maintenance		Board & System Administration		Transportation		External Services	
	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2017	\$ 28,773,000	\$ 10,386,000	\$ -	\$ 16,951,000	\$ (9,685,000)	\$ 4,935,000	\$ -	\$ -	\$ -	\$ 129,000
Prior period adjustments:										
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2017	\$ 28,773,000	\$ 10,386,000	\$ -	\$ 16,951,000	\$ (9,685,000)	\$ 4,935,000	\$ -	\$ -	\$ -	\$ 129,000
Operating surplus (deficit)										
Board funded tangible capital asset additions	\$ -	\$ (10,386,000)	\$ -	\$ (1,462,000)	\$ -	\$ (4,935,000)	\$ -	\$ -	\$ -	\$ (129,000)
Disposal of unsupported tangible capital assets or board funded portion of supported		\$ -		\$ -		\$ -		\$ -		\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported		\$ -		\$ -		\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year										
Endowment expenses & disbursements										
Endowment contributions										
Reinvested endowment income										
Direct credits to accumulated surplus (Describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets										
Capital revenue recognized										
Debt principal repayments (unsupported)										
Additional capital debt or capital leases										
Net transfers to operating reserves	\$ 7,175,000		\$ -		\$ 654,000		\$ -		\$ -	
Net transfers from operating reserves	\$ (461,000)		\$ -		\$ (479,000)		\$ -		\$ -	
Net transfers to capital reserves		\$ 6,271,000		\$ 395,000		\$ 1,069,000		\$ -		\$ 976,000
Net transfers from capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2018	\$ 35,487,000	\$ 6,271,000	\$ -	\$ 15,884,000	\$ (9,510,000)	\$ 1,069,000	\$ -	\$ -	\$ -	\$ 976,000

SCHEDULE 2

SCHEDULE OF CAPITAL REVENUE
(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)
for the Year Ended August 31, 2018 (in dollars)

	Unexpended Deferred Capital Revenue				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects ^(A)	Surplus from Provincially Approved Projects ^(B)	Proceeds on Disposal of Provincially Funded Tangible Capital Assets ^(C)	Unexpended Deferred Capital Revenue from Other Sources ^(D)	
Balance at August 31, 2017	\$ 2,049,000	\$ -	\$ 8,376,000	\$ -	\$ 1,072,414,000
Prior period adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2017	\$ 2,049,000	\$ -	\$ 8,376,000	\$ -	\$ 1,072,414,000
Add:					
Unexpended capital revenue <u>received</u> from:					
Alberta Education capital funding (excl. IMR)	\$ 86,774,000				
Alberta Infrastructure school building & modular projects	\$ -				
Infrastructure Maintenance & Renewal capital related to school facilities	\$ 19,490,000				
Other sources:	\$ -			\$ -	
Other sources:	\$ -			\$ -	
Unexpended capital revenue <u>receivable</u> from:					
Alberta Education capital funding (excl. IMR)	\$ -				
Alberta Infrastructure school building & modular projects	\$ -				
Other sources:	\$ -			\$ -	
Other sources:	\$ -			\$ -	
Interest earned on unexpended capital revenue	\$ 3,000	\$ -	\$ -	\$ -	
Other unexpended capital revenue:				\$ -	
Proceeds on disposition of supported capital			\$ -	\$ -	
Insurance proceeds (and related interest)			\$ -	\$ -	
Donated tangible capital assets:					\$ -
Alberta Infrastructure managed projects					\$ -
Transferred in (out) tangible capital assets (amortizable, @ net book value)					\$ -
Expended capital revenue - current year	\$ (96,362,000)	\$ -	\$ (7,356,000)	\$ -	\$ 103,718,000
Surplus funds approved for future project(s)	\$ -	\$ -			
Other adjustments:	\$ -	\$ -	\$ -	\$ -	\$ -
Deduct:					
Supported tangible capital dispositions					\$ -
Other adjustments:	\$ -	\$ -	\$ -	\$ -	\$ -
Capital revenue recognized - Alberta Education					\$ 20,508,000
Capital revenue recognized - Other Government of Alberta					\$ 18,491,000
Capital revenue recognized - Other revenue					\$ -
Balance at August 31, 2018	\$ 11,954,000	\$ -	\$ 1,020,000	\$ -	\$ 1,137,133,000
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at August 31, 2018 (A) + (B) + (C) + (D)				\$ 12,974,000	

Unexpended Deferred Capital Revenue

- (A) - Represents funding received from the Government of Alberta to be used toward the acquisition of new approved tangible capital assets with restricted uses only. Please specify department if funds received from a source other than Alberta Education.
- (B) - Represents any surplus of funding over costs from column (A) approved by Minister for future capital expenditures with restricted uses only.
- (C) - Represents proceeds on disposal of provincially funded restricted-use capital assets to be expended on approved capital assets per 10(2)(a) of Disposition of Property Reg. 181/2010.
- (D) - Represents capital revenue received from entities OTHER THAN the Government of Alberta for the acquisition of restricted-use tangible capital assets.

SCHEDULE OF PROGRAM OPERATIONS
for the Year Ended August 31, 2018 (in dollars)

REVENUES	2018							2017
	Instruction		Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL	TOTAL
	ECS	Grades 1 - 12						
(1) Alberta Education	\$ 52,106,000	\$ 978,904,000	\$ 143,357,000	\$ 42,137,000	\$ 49,053,000	\$ -	\$ 1,265,557,000	\$ 1,230,285,000
(2) Other - Government of Alberta	\$ -	\$ 133,000	\$ 128,000	\$ -	\$ -	\$ 4,000	\$ 265,000	\$ 376,000
(3) Federal Government and First Nations	\$ -	\$ 1,123,000	\$ -	\$ -	\$ 11,000	\$ 2,153,000	\$ 3,287,000	\$ 3,169,000
(4) Other Alberta school authorities	\$ -	\$ 316,000	\$ 34,000	\$ -	\$ -	\$ -	\$ 350,000	\$ 663,000
(5) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(6) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(7) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Fees	\$ -	\$ 20,432,000	\$ -	\$ 4,585,000	\$ -	\$ 13,957,000	\$ 38,974,000	\$ 51,782,000
(9) Other sales and services	\$ 463,000	\$ 13,867,000	\$ 179,000	\$ 8,000	\$ 780,000	\$ 15,043,000	\$ 30,340,000	\$ 26,922,000
(10) Investment income	\$ -	\$ 714,000	\$ -	\$ -	\$ 6,466,000	\$ -	\$ 7,180,000	\$ 4,124,000
(11) Gifts and donations	\$ -	\$ 7,957,000	\$ -	\$ -	\$ -	\$ -	\$ 7,957,000	\$ 9,076,000
(12) Rental of facilities	\$ -	\$ -	\$ 355,000	\$ -	\$ 444,000	\$ 4,079,000	\$ 4,878,000	\$ 5,436,000
(13) Fundraising	\$ -	\$ 2,640,000	\$ -	\$ -	\$ -	\$ -	\$ 2,640,000	\$ 7,485,000
(14) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ (18,000)	\$ -	\$ -	\$ -	\$ (18,000)	\$ 18,000
(15) Other revenue	\$ -	\$ 1,704,000	\$ 19,000	\$ -	\$ -	\$ 14,000	\$ 1,737,000	\$ 369,000
(16) TOTAL REVENUES	\$ 52,569,000	\$ 1,027,790,000	\$ 144,054,000	\$ 46,730,000	\$ 56,754,000	\$ 35,250,000	\$ 1,363,147,000	\$ 1,339,705,000
EXPENSES								
(17) Certificated salaries	\$ 28,902,000	\$ 625,152,000			\$ 1,130,000	\$ 6,865,000	\$ 662,049,000	\$ 641,046,000
(18) Certificated benefits	\$ 3,204,000	\$ 141,111,000			\$ 587,000	\$ 800,000	\$ 145,702,000	\$ 141,283,000
(19) Non-certificated salaries and wages	\$ 13,751,000	\$ 115,454,000	\$ 49,988,000	\$ 2,103,000	\$ 16,305,000	\$ 13,879,000	\$ 211,480,000	\$ 208,683,000
(20) Non-certificated benefits	\$ 3,374,000	\$ 29,189,000	\$ 11,996,000	\$ 554,000	\$ 3,441,000	\$ 2,848,000	\$ 51,402,000	\$ 53,546,000
(21) SUB - TOTAL	\$ 49,231,000	\$ 910,906,000	\$ 61,984,000	\$ 2,657,000	\$ 21,463,000	\$ 24,392,000	\$ 1,070,633,000	\$ 1,044,558,000
(22) Services, contracts and supplies	\$ 2,826,000	\$ 99,079,000	\$ 48,268,000	\$ 45,923,000	\$ 20,885,000	\$ 6,245,000	\$ 223,226,000	\$ 244,671,000
(23) Amortization of supported tangible capital assets	\$ -	\$ -	\$ 38,999,000	\$ -	\$ -	\$ -	\$ 38,999,000	\$ 33,140,000
(24) Amortization of unsupported tangible capital assets	\$ 706,000	\$ 14,292,000	\$ 7,595,000	\$ -	\$ 4,827,000	\$ -	\$ 27,420,000	\$ 24,177,000
(25) Supported interest on capital debt	\$ -	\$ -	\$ 128,000	\$ -	\$ -	\$ -	\$ 128,000	\$ 273,000
(26) Unsupported interest on capital debt	\$ -	\$ -	\$ 338,000	\$ -	\$ 22,000	\$ -	\$ 360,000	\$ 337,000
(27) Other interest and finance charges	\$ 17,000	\$ 361,000	\$ -	\$ 151,000	\$ 68,000	\$ 271,000	\$ 868,000	\$ 864,000
(28) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(29) Other expense	\$ -	\$ -	\$ -	\$ 874,000	\$ (18,000)	\$ 2,709,000	\$ 3,565,000	\$ 6,820,000
(30) TOTAL EXPENSES	\$ 52,780,000	\$ 1,024,638,000	\$ 157,312,000	\$ 49,605,000	\$ 47,247,000	\$ 33,617,000	\$ 1,365,199,000	\$ 1,354,840,000
(31) OPERATING SURPLUS (DEFICIT)	\$ (211,000)	\$ 3,152,000	\$ (13,258,000)	\$ (2,875,000)	\$ 9,507,000	\$ 1,633,000	\$ (2,052,000)	\$ (15,135,000)

SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE EXPENSES
for the Year Ended August 31, 2018 (in dollars)

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	Supported Capital & Debt Services	2018 TOTAL Operations and Maintenance	2017 TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$ 31,954,000	\$ 10,951,000	\$ -	\$ 666,000	\$ 6,417,000			\$ 49,988,000	\$ 51,348,000
Uncertificated benefits	\$ 8,163,000	\$ 2,499,000	\$ -	\$ 329,000	\$ 1,005,000			\$ 11,996,000	\$ 13,203,000
Sub-total Remuneration	\$ 40,117,000	\$ 13,450,000	\$ -	\$ 995,000	\$ 7,422,000			\$ 61,984,000	\$ 64,551,000
Supplies and services	\$ 4,355,000	\$ 5,727,000	\$ 26,000	\$ 12,934,000	\$ 628,000			\$ 23,670,000	\$ 48,642,000
Electricity			\$ 9,302,000					\$ 9,302,000	\$ 10,221,000
Natural gas/heating fuel			\$ 5,811,000					\$ 5,811,000	\$ 5,680,000
Sewer and water			\$ 2,519,000					\$ 2,519,000	\$ 2,472,000
Telecommunications			\$ 201,000					\$ 201,000	\$ 180,000
Insurance					\$ 3,967,000			\$ 3,967,000	\$ 3,790,000
ASAP maintenance & renewal payments							\$ 2,766,000	\$ 2,766,000	\$ -
Amortization of tangible capital assets									
Supported							\$ 38,999,000	\$ 38,999,000	\$ 33,140,000
Unsupported						\$ 7,595,000		\$ 7,595,000	\$ 4,888,000
Total Amortization						\$ 7,595,000	\$ 38,999,000	\$ 46,594,000	\$ 38,028,000
Interest on capital debt									
Supported							\$ 128,000	\$ 128,000	\$ 273,000
Unsupported						\$ 338,000		\$ 338,000	\$ 277,000
Lease payments for facilities				\$ 32,000				\$ 32,000	\$ 482,000
Other interest charges						\$ -		\$ -	\$ 55,000
Losses on disposal of capital assets						\$ -		\$ -	\$ -
TOTAL EXPENSES	\$ 44,472,000	\$ 19,177,000	\$ 17,859,000	\$ 13,961,000	\$ 12,017,000	\$ 7,933,000	\$ 41,893,000	\$ 157,312,000	\$ 174,651,000
SQUARE METRES									
School buildings								1,485,040.0	1,458,511.3
Non school buildings								58,767.2	58,767.2

Note:

Custodial: All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.

Maintenance: All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.

Utilities & Telecommunications: All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.

Expensed IMR & Modular Unit Relocation & Lease Pmts: All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects, modular unit (portable) relocation, and payments on leased facilities.

Facility Planning & Operations Administration: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facility planning & project 'administration', administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.

Unsupported Amortization & Other Expenses: All expenses related to unsupported capital assets amortization and interest on unsupported capital debt.

Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt.

**SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS
for the Year Ended August 31, 2018 (in dollars)**

<u>Cash & Cash Equivalents</u>	2018			2017
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash	2%	\$ 140,872,000	\$ 140,872,000	\$ 85,544,000
Cash equivalents				
Government of Canada, direct and guaranteed	0.00%	-	-	-
Provincial, direct and guaranteed	0.00%	-	-	-
Corporate	0.00%	-	-	-
Municipal	0.00%	-	-	-
Pooled investment funds	0.00%	-	-	-
Other, including GIC's	1.30%	875,000	875,000	873,000
Total cash and cash equivalents	<u>0.01%</u>	<u>\$ 141,747,000</u>	<u>\$ 141,747,000</u>	<u>\$ 86,417,000</u>

See Note 3 for additional detail.

<u>Portfolio Investments</u>	2018			2017	
	Average Effective (Market) Yield	Cost	Fair Value	Balance	Balance
Long term deposits	0.00%	\$ -	\$ -	\$ -	\$ -
Guaranteed investment certificates	2.21%	13,507,000	13,507,000	13,507,000	13,190,000
Fixed income securities					
Government of Canada, direct and guaranteed	0.00%	\$ -	\$ -	\$ -	\$ -
Provincial, direct and guaranteed	0.00%	-	-	-	-
Municipal	0.00%	-	-	-	-
Corporate	0.00%	-	-	-	48,767,000
Pooled investment funds	0.00%	-	-	-	-
Total fixed income securities	<u>0.00%</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,767,000</u>
Equities					
Canadian	0.00%	\$ -	\$ -	\$ -	\$ 12,927,000
Foreign	0.00%	-	-	-	18,881,000
Total equities	<u>0.00%</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,808,000</u>
Supplemental integrated pension plan assets	0.00%	\$ -	\$ -	\$ -	\$ -
Restricted investments	2.06%	5,625,000	7,010,000	7,010,000	6,540,000
Other (Specify)	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Total portfolio investments	<u>2.16%</u>	<u>\$ 19,132,000</u>	<u>\$ 20,517,000</u>	<u>\$ 20,517,000</u>	<u>\$ 100,305,000</u>

See Note 5 for additional detail.

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

	2018	2017
Under 1 year	0.0%	0.0%
1 to 5 years	100.0%	100.0%
6 to 10 years	0.0%	0.0%
11 to 20 years	0.0%	0.0%
Over 20 years	0.0%	0.0%
	<u>100.0%</u>	<u>100.0%</u>

SCHEDULE 6

School Jurisdiction Code: 3030

**SCHEDULE OF CAPITAL ASSETS
for the Year Ended August 31, 2018 (in dollars)**

<u>Tangible Capital Assets</u>	2018						2017
	Land	Construction In Progress*	Buildings	Equipment	Vehicles	Computer Hardware & Software	Total
Estimated useful life			25-50 Years	5-10 Years	5-10 Years	3-5 Years	
Historical cost							
Beginning of year	\$ 2,711,000	\$ 58,785,000	\$ 1,631,957,000	\$ 152,118,000	\$ 10,073,000	\$ 167,156,000	\$ 2,022,800,000
Prior period adjustments	-	-	-	-	-	-	-
Additions	-	105,566,000	-	7,197,000	476,000	17,132,000	130,371,000
Transfers in (out)	-	(160,464,000)	160,464,000	-	-	-	-
Less disposals including write-offs	-	-	-	(8,105,000)	(492,000)	(17,120,000)	(25,717,000)
Historical cost, August 31, 2018	\$ 2,711,000	\$ 3,887,000	\$ 1,792,421,000	\$ 151,210,000	\$ 10,057,000	\$ 167,168,000	\$ 2,127,454,000
Accumulated amortization							
Beginning of year	\$ -	\$ -	\$ 533,543,000	\$ 112,871,000	\$ 7,077,000	\$ 125,147,000	\$ 778,638,000
Prior period adjustments	-	-	-	-	-	-	-
Amortization	-	-	41,320,000	8,874,000	764,000	15,461,000	66,419,000
Other additions	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	(8,105,000)	(474,000)	(17,120,000)	(25,699,000)
Accumulated amortization, August 31, 2018	\$ -	\$ -	\$ 574,863,000	\$ 113,640,000	\$ 7,367,000	\$ 123,488,000	\$ 819,358,000
Net Book Value at August 31, 2018	\$ 2,711,000	\$ 3,887,000	\$ 1,217,558,000	\$ 37,570,000	\$ 2,690,000	\$ 43,680,000	\$ 1,308,096,000
Net Book Value at August 31, 2017	\$ 2,711,000	\$ 58,785,000	\$ 1,098,414,000	\$ 39,247,000	\$ 2,996,000	\$ 42,009,000	\$ 1,244,162,000

	2018	2017
Total cost of assets under capital lease	\$ 42,774,000	\$ 40,727,000
Total amortization of assets under capital lease	\$ 17,888,000	\$ 15,332,000

Construction in Progress consists of 5 schools (1 new school, 1 replacement and 3 modernizations), expected to be open in fall/winter 2018. An additional \$1,815,165 in construction-in-progress is not included in this figure as this amount represents four (4) additional schools that are managed and controlled by Alberta Infrastructure. Once the schools are complete, the school division will report these schools in its tangible capital assets.

SCHEDULE 7

School Jurisdiction Code: 3030

**SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES
for the Year Ended August 31, 2018 (in dollars)**

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other Paid	Other Accrued Unpaid Benefits (1)	Expenses
Joy Bow en Eyre, Chair	0.16	\$8,567	\$1,157	\$23,147			\$0	\$179
Trina Hurdman, Chair	0.85	\$46,750	\$6,204	\$3,548			\$18,750	\$4,786
Trina Hurdman, Vice chair	0.15	\$7,615	\$990	\$568			\$0	\$0
Marilyn Dennis, Vice Chair	0.85	\$43,279	\$6,191	\$3,548			\$1,731	\$3,944
Pamela King	0.16	\$7,010	\$1,081	\$23,147			\$0	\$0
Lynn Ferguson	0.16	\$7,010	\$1,081	\$23,147			\$0	\$0
Amber Stewart	0.16	\$7,010	\$1,081	\$7,570			\$0	\$66
Judy Hehr	0.16	\$7,010	\$1,081	\$7,570			\$0	\$66
Julie Hrdicka	1.00	\$45,173	\$6,932	\$4,116			\$15,000	\$3,997
Althea Adams	0.87	\$39,029	\$5,981	\$3,548			\$1,731	\$1,471
Lisa Davis	0.87	\$39,029	\$5,981	\$3,548			\$1,731	\$593
Richard Hehr	0.87	\$39,029	\$3,830	\$3,548			\$1,731	\$3,119
Mike Bradshaw	0.87	\$39,029	\$5,981	\$3,548			\$1,731	\$0
Subtotal	7.13	\$335,540	\$47,571	\$110,553			\$42,405	\$18,221
David Stevenson, Chief Superintendent	1.00	\$296,435	\$33,084	\$15,058	\$0	\$0	\$500,745	\$5,957
Brad Grundy, CFO	1.00	\$240,788	\$59,927	\$8,022	\$0	\$0	\$108,380	\$7,526
Kelley Ann Fenney, Corporate Secretary	1.00	\$177,443	\$55,142	\$0	\$0	\$0	\$19,566	\$4,135
Deputy Chiefs (2)	1.14	\$322,348	\$39,690	\$9,406	\$0	\$185,444	\$105,758	\$3,575
Superintendents (4)	3.39	\$778,980	\$194,479	\$27,163	\$0	\$0	\$205,662	\$7,231
Certificated		\$661,340,424	\$144,703,696	\$0	\$0	\$37,028	\$0	
School based	6,539.71							
Non-School based	144.03							
Non-certificated		\$210,038,038	\$49,162,622	\$0	\$0	\$1,432,217	\$0	
Instructional	2,203.25							
Plant Operations & Maintenance	827.25							
Transportation	43.50							
Other	416.60							
TOTALS	10,189.00	\$873,529,996	\$194,296,211	\$170,202	\$0	\$1,654,689	\$982,516	\$46,645

(1) Other Accrued Unpaid Benefits Include:

1 Other Accrued Unpaid Benefits includes untaken vacation pay and supplemental pension expenses

SCHEDULE 8

UNAUDITED SCHEDULE OF FEES
for the Year Ending August 31, 2018 (in dollars)

	Actual Fees Collected 2016/2017	Budgeted Fee Revenue 2017/2018	(A) Actual Fees Collected 2017/2018	(B) Unexpended September 1, 2017*	(C) Funds Raised to Defray Fees 2017/2018	(D) Expenditures 2017/2018	(A) + (B) + (C) - (D) Unexpended Balance at August 31, 2018*
Transportation Fees	\$8,642,000	\$5,930,000	\$4,585,000	\$0	\$0	\$7,460,000	\$0
Basic Instruction Fees							
Basic instruction supplies	\$9,870,000	\$0	\$273,000	\$0	\$0	\$273,000	\$0
Fees to Enhance Basic Instruction							
Technology user fees	\$2,000	\$3,000	\$9,000	\$0	\$0	\$9,000	\$0
Alternative program fees	\$605,000	\$757,000	\$460,000	\$247,000	\$0	\$288,000	\$419,000
Fees for optional courses	\$2,297,000	\$2,868,000	\$2,128,000	\$938,000	\$0	\$2,801,000	\$265,000
Activity fees	\$13,158,000	\$11,504,000	\$12,949,000	\$5,373,000	\$0	\$18,989,000	\$0
Early childhood services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other fees to enhance education	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Curricular fees							
Extracurricular fees	\$3,312,000	\$3,067,000	\$3,375,000	\$1,352,000	\$0	\$3,516,000	\$1,211,000
Non-curricular travel	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lunch supervision and noon hour activity fees	\$13,896,000	\$13,965,000	\$14,718,000	\$0	\$0	\$14,718,000	\$0
Non-curricular goods and services	\$0	\$0	\$477,000	\$0	\$0	\$477,000	\$0
Other Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL FEES	\$51,782,000	\$38,094,000	\$38,974,000	\$7,910,000	\$0	\$48,531,000	\$1,895,000

*Unexpended balances cannot be less than \$0

Please disclose amounts paid by parents of students that are recorded as "Other sales and services", "Fundraising", or "Other revenue" (rather than fee revenue):	Actual 2018	Actual 2017
Cafeteria sales, hot lunch, milk programs	\$1,496,000	\$0
Special events, graduation, tickets	\$1,349,000	\$0
International and out of province student revenue	\$0	\$0
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$2,511,000	\$0
Adult education revenue	\$0	\$3,197,000
Preschool	\$0	\$0
Child care & before and after school care	\$0	\$0
Lost item replacement fee	\$0	\$0
Foreign Tuition	\$11,679,000	\$10,343,000
Music Instruments, library fees, commissions	\$307,000	\$310,000
Other (Describe)	\$0	\$0
TOTAL	\$17,342,000	\$13,850,000

UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING for the Year Ended August 31, 2018 (in dollars)					
	PROGRAM AREA				
	First Nations, Metis & Inuit (FNMI)	ECS Program Unit Funding (PUF)	English as a Second Language (ESL)	Inclusive Education	Small Schools by Necessity (Revenue only)
Funded Students in Program	4,722	695	20,132		
Federally Funded Students	116				
REVENUES					
Alberta Education allocated funding	\$ 5,456,000	\$ 14,067,000	\$ 23,728,000	\$ 79,930,000	\$ -
Other funding allocated by the board to the program	\$ 35,000	\$ -		\$ -	\$ -
TOTAL REVENUES	\$ 5,491,000	\$ 14,067,000	\$ 23,728,000	\$ 79,930,000	\$ -
EXPENSES (Not allocated from BASE, Transportation, or other funding)					
Instructional certificated salaries & benefits	\$ 6,794,000	\$ 1,153,000	\$ 28,771,000	\$ -	
Instructional non-certificated salaries & benefits	\$ 104,000	\$ 3,824,000	\$ 3,369,000	\$ -	
SUB TOTAL	\$ 6,898,000	\$ 4,977,000	\$ 32,140,000	\$ -	
Supplies, contracts and services	\$ 150,000	\$ 7,522,000	\$ 50,000	\$ -	
Program planning, monitoring & evaluation	\$ -	\$ -	\$ -	\$ -	
Facilities (required specifically for program area)	\$ -	\$ -	\$ -	\$ -	
Administration (administrative salaries & services)	\$ 129,000	\$ 406,000		\$ -	
Other - Central Supports (staffing, contracted services)	\$ 1,150,000	\$ 1,392,000	\$ 899,000	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ 1,021,577,000	
TOTAL EXPENSES	\$ 8,327,000	\$ 14,297,000	\$ 33,089,000	\$ 1,021,577,000	
NET FUNDING SURPLUS (SHORTFALL)	\$ (2,836,000)	\$ (230,000)	\$ (9,361,000)	\$ (941,647,000)	

SCHEDULE 10

UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES for the Year Ended August 31, 2018 (in dollars)								
EXPENSES	Allocated to Board & System Administration				Allocated to Other Programs			TOTAL
	Salaries & Benefits	Supplies & Services	Other	TOTAL	Salaries & Benefits	Supplies & Services	Other	
Office of the superintendent	\$ 944,000	\$ 27,000	\$ -	\$ 971,000	-	\$ 57,000	-	\$ 1,028,000
Educational administration (excluding superintendent)	\$ 635,000	\$ 6,000	\$ -	\$ 641,000	\$ 31,308,000	\$ 4,954,000		\$ 36,903,000
Business administration	\$ 5,897,000	\$ 909,000	\$ -	\$ 6,806,000	\$ 3,167,000	\$ 1,451,000	\$ 3,584,000	\$ 15,008,000
Board governance (Board of Trustees)	\$ 457,000	\$ 879,000	\$ -	\$ 1,336,000	-	-		\$ 1,336,000
Information technology	\$ 3,532,000	\$ 821,000	\$ -	\$ 4,353,000	\$ 11,499,000	\$ 9,440,000		\$ 25,292,000
Human resources	\$ 6,792,000	\$ 1,360,000	\$ -	\$ 8,152,000	\$ 9,072,000	\$ 3,242,000		\$ 20,466,000
Central purchasing, communications, marketing	\$ 2,372,000	\$ 42,000	\$ -	\$ 2,414,000	\$ 1,457,000	\$ 68,000		\$ 3,939,000
Payroll	\$ 651,000	\$ 5,198,000	\$ -	\$ 5,849,000	-	-		\$ 5,849,000
Administration - insurance			\$ 377,000	\$ 377,000			\$ 4,916,000	\$ 5,293,000
Administration - amortization			\$ 4,827,000	\$ 4,827,000			\$ 61,592,000	\$ 66,419,000
Administration - other (admin building, interest)			\$ 10,996,000	\$ 10,996,000			\$ 4,079,000	\$ 15,075,000
Other - Facilities	\$ 9,000	\$ 516,000		\$ 525,000	\$ 64,622,000	\$ 92,648,000	\$ -	\$ 157,795,000
Other - Schools and Areas	\$ -	\$ -	\$ -	\$ -	\$ 927,303,000	\$ 83,086,000	\$ -	\$ 1,010,389,000
Other - Education Matters	\$ -	\$ -		\$ -	\$ -	\$ -	\$ 407,000	\$ 407,000
TOTAL EXPENSES	\$ 21,289,000	\$ 9,758,000	\$ 16,200,000	\$ 47,247,000	\$ 1,048,428,000	\$ 194,946,000	\$ 74,578,000	\$ 1,365,199,000

School Jurisdiction Code: **3030****SCHEDULE 11**

Average Estimated # of Students Served Per Meal: 450.00

**UNAUDITED SCHEDULE OF NUTRITION PROGRAM EXPENDITURES
for the Year Ending August 31, 2018**

		Budget 2018	2018
REVENUES			
Alberta Education - current		\$ 250,000	\$ 250,000
Alberta Education - prior year		\$ 10,816	\$ 10,816
Other Funding		\$ -	\$ -
TOTAL REVENUES		\$ 260,816	\$ 260,816
EXPENSES			
Salaries & Benefits	FTE		
Project Coordinator		\$ -	\$ -
Cook		\$ -	\$ -
Other - Breakfast Supervisor	0.90	\$ 47,988	\$ 41,336
Other (please describe)		\$ -	\$ -
Other (please describe)		\$ -	\$ -
Food Supplies		\$ -	\$ 303
Office Supplies		\$ -	\$ -
Small Kitchenwares (e.g. toaster, measuring cups/spoons, bowls, cutting boards)		\$ 280	\$ -
Non-Capitalized Assets			
Microwave		\$ -	\$ -
Refrigerator		\$ -	\$ 31,058
Stove		\$ -	\$ -
Tables		\$ -	\$ -
Other - Sink		\$ -	\$ 435
Other (please describe)		\$ -	\$ -
Other (please describe)		\$ -	\$ -
Training (e.g. workshops, training materials)		\$ 525	\$ 13
Contracted Services (please describe)		\$ 194,790	\$ 180,074
Other Expenses			
Kitchen Aprons		\$ 150	\$ -
Food Delivery		\$ 300	\$ -
Other - Disposables (gloves, baggies, etc.)		\$ 280	\$ 3,667
Other - Recycling		\$ 400	\$ 443
TOTAL EXPENSES		\$ 244,713	\$ 257,329
ANNUAL SURPLUS/DEFICIT		\$ 16,103	\$ 3,487

**report to
Board of Trustees**

Correspondence

Date	November 27, 2018
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	Trish Minor, Associate Corporate Secretary
Purpose	Information
Governance Policy Reference	Operational Expectations OE-7: Communication With and Support for the Board

1 | Recommendation

The following correspondence is being provided to the Board for information:

- Letter dated November 7, 2018 from the Honourable D. Eggen, Minister of Alberta Education, approving the appointment of Mr. Christopher Usih as Superintendent of Schools for Calgary School District No. 19 effective December 17, 2018.

Attachments: Relevant Correspondence



ALBERTA
EDUCATION

Office of the Minister

AR103666

NOV 07 2018

Ms. Trina Hurdman
Chair of the Board of Trustees
Calgary School District No. 19
1221 – 8 Street SW
Calgary AB T2R 0L4

Dear Ms. Hurdman:

The Registrar forwarded your September 27, 2018 request for approval of the appointment of Christopher Usih as Superintendent of Schools for Calgary School District No. 19. Attached to the request was a completed Notice of Intent to Appoint a Superintendent of Schools, Form 4. Thank you for providing this information.

I hereby approve the appointment of Mr. Usih as Superintendent of Schools for Calgary School District No. 19, effective December 17, 2018 to December 16, 2023, pursuant to Section 113 of the *School Act*.

In light of my approval of Mr. Usih's appointment and pursuant to Section 77 of the *School Act*, I require you to provide me with a copy of any amendments that may be made to the employment contract during this appointment term.

Thank you to the members of the board for their commitment to education. Please extend my congratulations to Mr. Usih on his appointment.

Sincerely,

David Eggen
Minister

**report to
Board of Trustees**

EducationMatters Financial Statements as at September 30, 2018

Date	November 27, 2018
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	Trish Minor, Associate Corporate Secretary
Purpose	Information
Originator	Monica Bryan, Director, Finance and Administration, EducationMatters
Governance Policy Reference	Governance Culture GC-3: Board Job Description

1 | Recommendation

- The financial report for EducationMatters is provided for Board information.

2 | Background

The Board of Trustees has requested quarterly reporting from EducationMatters. The attached report is provided in response to this request.

Appendix I: Education Matters Financial Statements as at September 30, 2018

To the Calgary Board of Education Trustees

EducationMatters is pleased to share its September 30, 2018 unaudited internal financial report (the "Report") with you.

During the report period, EducationMatters provided over \$190,000 in enhancement grants to more than twenty seven different recipients including schools and departments. Examples of the initiatives funded include:

- Dual Credit and Exploratory programs;
- Fuel for School program;
- Maker Education for six schools;
- Off-Campus Educational Opportunities;
- Sensory Supports for Students with Diagnosed and Undiagnosed Complex Needs;
- Sponsorship of "Ksistsikoom" event; and
- Vocabulary Books to Connaught School.

In addition to the distributed grants, EducationMatters distributed over two hundred student award payments totalling \$410,000, which help students experience success in their further educational pursuits.

EducationMatters' management ("Management") has prepared the Report to the Trustees based on its internal reports and accounting records. While Management has used its best estimates in preparing the Report, please be advised that the Report has not been audited or reviewed nor have notes to the statements been prepared. Other readers may require additional information in order to rely on the Report for their own purposes.

The Report contains the following special purpose financial statements and other information:

- Unaudited Statement of Financial Position as at September 30, 2018 and audited December 31, 2017
- Unaudited Statement of Operations for the period ended September 30, 2018 and audited comparative for the year ended December 31, 2017
- Unaudited Operating Budget Comparison to September 30, 2018
- Statement of EducationMatters Funds Established as at September 30, 2018
- Statement of Grants Awarded for the year to date September 30, 2018
- A discussion of some of the amounts and transactions summarized in the statements

Respectfully submitted,

Monica Bryan - Director, Finance & Administration, EducationMatters

Marilyn Field - Executive Director, EducationMatters

Mark Saar - Treasurer, Board of Governors, EducationMatters

EducationMatters
Statement of Financial Position

As at Sept 30, 2018

\$'000

(unaudited)

	As At Sept 30/18	As At Dec 31/17
	<u>(unaudited)</u>	<u>(audited)</u>
ASSETS		
Cash and cash equivalents	1,194	160
Investments	7,545	7,286
Accounts receivable	-	1
Prepaid expenses	-	-
Capital assets	12	19
	<u>8,751</u>	<u>7,466</u>
Total assets	8,751	7,466
 LIABILITIES		
Accounts payable	104	35
Deferred Contributions	441	441
	<u>545</u>	<u>476</u>
Total liabilities	545	476
 FUND BALANCES		
Endowment funds	5,659	5,258
Flow through funds	1,597	957
Operating funds	950	775
	<u>8,206</u>	<u>6,990</u>
Total fund balances	8,206	6,990
	<u>8,751</u>	<u>7,466</u>
Total liabilities and fund balances	8,751	7,466

EducationMatters
Statement of Operations

Year to Date to Sept 30, 2018

\$'000

(unaudited)

(audited)

	<u>Endowment</u>	<u>Flow-Thru</u>	<u>Operating</u>	<u>Total</u>	<u>Dec 31/17</u>
	\$	\$	\$	\$	\$
REVENUES					
Contributions	347	1,136	33	1,516	1,847
CBE grants			660	660	660
Gains/losses on investments	217		31	248	555
Interest & fees			57	57	71
Total revenue	564	1,136	781	2,481	3,133
 GRANTS					
Grants issued	106	497		603	1,471
 EXPENSES					
Salaries & benefits			427	427	527
Consulting & professional fees			31	31	42
Administrative expenses	57		140	197	277
Advertising & communications			6	6	27
Total expenses	57		604	661	873
 FUND BALANCES					
Change during the period	401	639	177	1,217	789
Beginning balance	5,258	957	774	6,989	6,201
Balance, end of period	5,659	1,596	951	8,206	6,990

Total contributions since inception (\$'000):

2018 YTD	1,516
2017	1,847
2016	1,662
2015	1,266
2014	1,903
2013	1,244
2012	2,279
2011	1,288
2010	862
2009	733
2008	1,197
2007	641
2006	865
2005	786
2004	612
2003	356
	19,057

EducationMatters
Operating Budget Comparison
Year-to-Date Sept 30, 2018
\$'000

	2018 BUDGET	30 Sept Actual <small>(unaudited)</small>
	\$	\$
Operating Expenses by function:		
Salaries and Employee Benefits	570	427
Events	25	13
Fund Development & Communications	49	16
Organizational Administration	217	149
Total Expenses	861	605

**EducationMatters
Funds Established
as at Sept 30, 2018**

	Fund Balance \$
Flow Thru Funds (Grants):	
Calgary Flames Ambassadors Supports for Kids with the Gift of Dyslexia Fund	10
Career Pathways Flow Thru Projects Fund	266
Civil Society & Citizenship Flow Thru Fund	143
Cornerstone Flow Thru Fund, Enhancing Education for Economically Disadvantaged Students	285
Dr. Brendan Croskery Aboriginal Culture Fund	475
Educational Enhancement Supports for Financial Needs Students Fund	660,000
Fuel for School Program Flow Thru Fund	1,046
Integro Legacy Fund	171,464
Mawer Investment Management Literacy Flow Thru Fund	5,614
Public Education Enhancement Flow Thru Fund (Designated)	40,392
Public Education Enhancement Flow Thru Fund	29,937
Schools Helping Schools Fund	1,565
Willow Park School Program Enhancement Fund	33
Total Flow Through Funds (Grants)	\$911,230

**Fund
Balance
\$**

Endowment Funds (Grants):

Athletics Endowment Fund, Helping Students in Need	45,702
Bob Bannerman Memorial Fund	14,379
Beverly Hubert Global Citizenship Fund	23,106
Beyond Your Backyard Opportunities Fund	10,713
Career Pathways Field of Interest Endowment Fund	82,005
Christine M. Fielding Memorial Endowment Fund	58,284
Civil Society & Citizenship Education Endowment Fund	22,682
ConocoPhillips World Schools Debate Development Endowment Fund	49,056
Cornerstone Endowment Fund, Enhancing Education for Economically Disadvantaged	78,675
Creagh Family Fund	31,056
Dr. Brendan Croskery Aboriginal Culture Fund	40,921
EducationMatters Admin Endowment Fund	44,511
Enhancing Education for Students with Special Needs Endowment Fund	36,392
Enhancing ESL Education Endowment Fund	55,239
Future Leaders Endowment Fund	44,095
Georgie C Higgins Junior High Memorial School Fund	14,250
Georgie C Higgins Investment Fund for Lester B Pearson High School	14,964
Governors' Endowment Fund	9,565
Jason and Jane Louie Memorial Fund	7,995
Kaiti Perras Love of Dance Memorial Fund	114,671
Lehew-Wyman Family Endowment Fund	51,736
M.P. Hess Fund	10,359
Margaret and Bill Whelan Endowment Fund	73,250
Mary Nelson Memorial Fund	65,047
Mawer Investment Management Literacy Fund	55,410
McGill University Faculty of Agricultural and Environmental Sciences Fund	8,280
Public Education Enhancement Endowment Fund	331,679
Public Education Enhancement Endowment Fund (Designated)	43
Schools Helping Schools Fund	42,177
Southland Transportation Career Pathways Endowment Fund	7,805
Sunnyside School Endowment Fund	28,425
Supports for Students Born with Fetal Alcohol Spectrum Disorder Fund	35,960
TEAM Leadership Lord Beaverbrook HS Endowment Fund	7,105
Terry Wright Endowment Fund	7,918
Tiberious Publishing Program Fund	15,283
Tyler Zeer Endowment Fund	35,832
William Reid School Endowment Fund	20,356
Youth Mentorship Endowment Fund	10,045

Total Endowment Funds (grant availability capped @ 4.5% per annum) \$1,603,971

**EducationMatters
Funds Established
as at Sept 30, 2018**

	Fund Balance
	\$
Flow Thru Funds (Student Awards)	
Aboriginal Students Award Fund	3,986
Big Brothers Big Sisters Society of Calgary and Area Award Fund	1,050
Calgary Bridge Foundation for Youth Student Awards Fund	2,500
Calgary Entrepreneur Organization (CEO)	625
City of Calgary Degree Granting Scholarship Fund	27,203
City of Calgary Post Secondary Scholarships	44,200
ConocoPhillips Canada Awards	9,195
David James Anderson Memorial Award Fund	419
EducationMatters Scholarship Flow Thru Fund	87,080
EllisDon Student Award Fund	6,634
Emmalee Cherweniuk Award Fund	800
ENMAX Scholarship Fund	41,969
Everett and Mitchell Code Scholarship	9,388
Fogolar Furlan di Calgary Italian Award	18,215
Forest Lawn Resiliency Scholarship Fund	4,080
Future Leaders Flow Thru Scholarship Fund	958
Green & Gold Flow Thru Scholarship Fund	319
Haworth & Heritage Bus Interiors Architecture/Interior Design Scholarship Fund	4,680
Henry Wise Wood Warriors Legacy Flow Thru Fund	1,281
Henry Wise Wood Class of 1970 Scholarship Fund	895
Hopewell Scholarship Fund	6,167
Integro Legacy Scholarship Fund	16,121
Jennifer Ellen Shepherd Memorial Award Fund	1,000
Jim Hoepfner Award	20
Job's Daughters International Scholarship	1,500
Kermet Archibald & Jacoba Van Den Brink Memorial Scholarship at the Cgy Found	88,849
Lauber Student Award	6,740
Laurie Sommerville Scholarship Award Fund	21,583
Louise Dean High School Awards	8,668
The Marguerite Patricia P. Bannister Scholarship Fund at the Calgary Foundation	205,855
Maureen Langston Memorial Fund	4,900
Nickolas Paswisty Memorial Bursary	2,906
Pay It Forward Fund	7,585
Queen Elizabeth Deaf and Hard of Hearing Scholarship and Program Enhancement Fund	14,176
R.M. (Mac) Dobson Creative Writing Scholarship	872
Richard Dunn Music Scholarship Fund	2,035
Southland Transportation Scholarship Flow Thru Fund	14,556
Tenaris Merit Awards	2,000
Thorner/Johnston/DiMarzo Family Bursary	15,000
Tom Inkster Memorial Scholarship Fund	1,424
Verna Hart Toole Legacy Award Fund	435
Total Flow Thru Funds (Student Awards)	\$687,869

	Fund Balance \$
Endowment Funds (Student Awards):	
Aaron, Harben Vocal Music Prize Fund	12,613
Aaron Family Scholarship Fund	14,117
Aberhart Alumni Scholarship Fund	79,697
Accomplished Angels Student Award Fund	1,007,660
Ann Strand Memorial Awards Fund	8,087
Anthony Ward Memorial Fund	4,046
Archie McKillop Student Award Endowment Fund	100,599
Arrata Family Award for New Canadians	48,550
Avis Hibbard Bursary	1,749
Benjamin (Ben) Albert Legacy Fund	283,306
Bennett Jones Scholarship Fund	10,343
Big Brothers Big Sisters Society of Calgary and Area Award Fund	18,463
Bob Clarke Memorial Scholarship	2,286
Bruce Leidl Composition Award Fund	14,413
Carolyn Baxter Memorial Award Fund	9,086
CNIB Memorial Scholarship Fund	4,245
Claire Poppit Award	7,025
Colonel Walker Community School 1950 to 1965 Alumni Award	14,525
David E. Mitchell Award	54,198
David James Anderson Memorial Award Fund	14,747
Doris Donald Memorial Bursary in Fine Arts	1,051
Douglas Norton Scholarship	2,392
Dr. Gordon Higgins Student Award Fund	26,964
Drs. Harry & Martha Cohen Prize Fund	10,399
Dustin Peers Memorial Visual Arts Award	219,761
Edith Berger Memorial Scholarship Fund	22,265
EducationMatters Endowed Scholarship Fund	2,706
E.F. Coste Scholarship	4,875
E George Brigden Memorial Scholarship	4,404
Emily Sharpe Memorial Scholarship Fund	274,878
Emmalee Cherweniuk Award Fund	13,473
Ena Paul Memorial Award	4,097
Everett and Mitchell Code Scholarship	13,572
F Margaret Milligan Scholarship	712
Frank L Woodman Scholarship	2,120
Frank Whipple Memorial Bursary	6,559
Future Leaders Scholarship Endowment Fund	28,056
Gary Weimann Award for Community Service	24,570
George Morley Memorial Scholarship	11,777
Green & Gold Endowment Scholarship Fund	188,006
Hal Winlaw Health & Nutrition Legacy Award Fund	7,377
Haworth & Heritage Business Interiors Architecture/Interior Design Scholarship Fund	34,517
H.D. Cartwright Memorial Award	11,030
Henry Wise Wood Warriors Legacy Endowment Scholarship Fund	57,443
Hugh Robertson Science Award Fund	21,863
Ivy & Len Freeston Student Award Endowment Fund	19,157
James Fowler School Award Fund	16,180
Jennifer Ellen Shepherd Memorial Award Endowment Fund	79,753
Jennifer Eyton Memorial Trust Fund	2,859
Joan Ethier Women in Science Scholarship	410,905
Joanne Mugford Memorial Art Award	8,546
Job's Daughters International Scholarship	5,121

	Fund Balance
	\$
Endowment Funds (Student Awards) cont'd:	
John Bancroft Memorial Award	13,352
Keith Carswell Memorial Scholarship	9,779
Keith Yu Memorial Scholarship Fund	31,657
Laine McLeod Memorial Scholarship	7,552
Langevin School Bursary	27,397
Lawrence Parker Memorial Scholarship	8,334
Marjorie Taylor Memorial Scholarship Fund	69,411
Marnie Whitehead Memorial Scholarship	2,145
Marofke Family Aberhart Music Scholarship	57,294
Mary Belkin Memorial Scholarship Fund	30,170
Maurice A Spring (Vocational) Scholarship	3,412
MW & JR Tebo Memorial Journalism Fund	19,504
Pamela Jane Hardy Memorial Award Fund	57,827
Queen Elizabeth Deaf and Hard of Hearing Scholarship and Program Enhancement Fund	74,621
Richard D. Tingle Student Award Fund	34,992
Rick Theriault Outstanding Athletic Contribution Award Fund	20,598
Ross Glen Scholarship Fund	46,467
Ruth Ursula Leipziger Scholarship Fund	33,955
Shawn Whitney Memorial Award Fund	14,517
Sir Winston Churchill Enterprise & Innovation Scholarship	7,278
Southland Transportation Scholarship Endowment Fund	7,933
Steven Irving Memorial Music Scholarship	38,224
Susy Devlin Memorial Award Fund	32,849
Teens Against Drunk Drivers (TADD) Scholarship	6,902
Thomas Moore Memorial Bursary Fund	17,149
Thomas Walter Morrish Memorial Scholarship	9,246
Trades Related Career Pathways Student Award	83,981
Viscount Bennett Band Parents Association Award Fund	11,887
William Keir MacGougan Memorial Bursary	28,162
Total Endowment Funds (scholarship availability capped @ 4.5% per annum)	\$4,053,738

EducationMatters
Statement of Grants & Scholarships Awarded
Year-to-Date Sept 30, 2018

	\$
Banff Trail School - Psychological Service Fees	1,680
Cappy Smart School - Maker Education	14,500
Career & Technology Centre – Alberta Skills Competition	100
CBE Area 7 - Alberta Skills Competition	50
CBE - Cinderella Project	475
CBE - Dual Credit and Exploratory Programs	19,000
CBE - Dual Credit Pre-Electrician Program	47,500
CBE - Fuel for School Program	8,733
CBE - Pincher Creek Interdisciplinary Learning Experience	5,500
Centennial High School - Athletic Fees	32
Central Memorial High School - Alberta Skills Competition	100
Connaught School – Culturally Diverse Reading Material	717
Connaught School - Vocabulary Books	1,293
Crescent Heights High School - Athletic Fees	587
Henry Wise Wood High School - Athletic Fees	265
Huntington Hills School - Maker Education	14,500
Jack James High School - Alberta Skills Competition	1,650
James Fowler High School - iPads for LEAD Program	950
James Short Memorial School - Maker Education	14,500
John G. Diefenbaker High School - Athletic Fees	265
Lester B. Pearson High School - Athletic Fees	600
Lester B. Pearson High School - Finance Club	683
Lester B. Pearson High School - Maker Education	14,500
Lord Beaverbrook High School - Alberta Skills Competition	140
Louise Dean School - Baby Tales	950
Nelson Mandela High School - Athletic Fees	80
Nelson Mandela High School - Kaiti Perras Love of Dance Memorial Fund Grant	5,150
Niitsitapi Learning Centre - Sensory Supports for Students with Complex Needs	5,248
Queen Elizabeth High School - Athletic Fees	141
Peter Lougheed School - Maker Education	14,500
Robert Thirsk High School - Athletic Fees	300
Sir John A. Macdonald School - Maker Education	14,500
St. Mary's High School - Athletic Fees	80
Tom Baines School - Debate Program	600
William D. Pratt School - "Ksistsikoom"	5,000
Total 2018 YTD Program Grants	\$ 194,869
Total 2018 YTD Scholarships	\$ 410,028
Total 2018 YTD Grants & Scholarships	\$ 604,897
Total Grants since Inception	\$ 9,500,000
Total Scholarships since Inception	\$ 3,300,000

EducationMatters
Discussion of Financial Position and Results of Operations

Statement of Financial Position

As a result of CBE and EducationMatters having different fiscal years, a portion of our operating grant contributions are deferred each year end to reflect the fiscal year for which we have received operating funds.

In September, 2018 we deferred \$440,000 of CBE operating contributions received in 2018 that relate to our fiscal year 2019. This amount is reflected in the financial statements at September 30, 2018, as provided in this report.

Capital assets consist primarily of office equipment.

Statement of Operations

Fundraising initiatives for 2018 are proceeding as planned and anticipated.

In accordance with best practices for not-for-profit or charitable organizations, donations are recognized only when they are received and not accrued as promises receivable.

Operating Budget Comparison

Expenditures reported include only cash expenses for budget comparison purposes.

Funds Established and Grants Awarded

Our report on Funds Established and their balances to September 30, 2018 reflect both realized and unrealized gains on funds. For the long term EducationMatters expects steady growth of its investments.

Grants and scholarships at almost \$605,000 issued year-to-date, continue to provide a significant contribution, supporting Calgary Board of Education students.

Fourth Quarter Budget Variance Report for the 2017-18 Budget

report to Board of Trustees

Date	November 27, 2018
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	David Stevenson, Chief Superintendent of Schools
Purpose	Information
Originator	Brad Grundy, Superintendent, Chief Financial Officer and Corporate Treasurer
Governance Policy Reference	Operational Expectations OE-5: Financial Planning
Resource Persons	Ed Sutlic, Director, Corporate Finance Leslie Lloyd, Acting Manager, Corporate Planning and Reporting

1 | Recommendation

This report is being provided for the information of the Board. No decision is required.

2 | Issue

Operational Expectations OE-5: Financial Planning requires that quarterly variance reports are prepared and provide explanations for variances in excess of 1% and \$500,000. This report serves as the fourth quarter and final report for the 2017-18 fiscal year.

3 | Background

Quarterly and annual reports are presented to the Board of Trustees to provide updates on the status of the results of operations. These results are compared to the fall budget update to meet the Operational Expectations OE-5: Financial Planning.

Included in this report is the fourth quarter budget variance report in Attachment I, spending by schools and service units in Attachment II, the actual use of reserves in Attachment III and capital budget variance analysis in Attachment IV.

4 | Analysis

The First Quarter Budget Variance Report (i.e. the fall update to the spring budget) primarily reports the budget impacts due to changes in student enrolment from what was estimated during the budget preparation in the preceding spring. The fall update is adopted as the comparative budget for all subsequent budget and variance reports as it is the most accurate reflection of planned spending based on actual student enrolment.

The 2017-18 Second and Third Quarter Budget Variance Reports analyzes forecasted variances based on current year spending trends as compared to the fall budget update.

The Fourth Quarter Budget Variance Report discusses actual year-end results as compared to the fall budget update.

Attachment I summarizes the actual activity compared with budgeted revenues and expenses, reserve transfers and capital transactions. Explanations have been provided for variances above 1% and \$500,000 of reported line items in accordance with Operational Expectations OE-5.

OPERATING DEFICIT

CBE's deficit for the year was \$2.1 million. This is a \$14.9 million favourable variance from the budget deficit of \$17.0 million and is comprised of:

Overall revenues lower than budgeted by \$20.9 million (1.5 per cent) due to:

- A decrease in revenue from Alberta Education of \$25.3 million mainly due to Infrastructure, Maintenance & Renewal (IMR) funding being capitalized rather than expensed through operations. Also contributing to the decrease is the Alberta Teacher's Retirement Fund (ATRF) reduced funding from what was expected in the fall budget update.
- A decrease in fees revenues of \$3.6 million and a decrease in all other revenues of \$3.6 million. This is mainly the result of activities which are inherently variable depending on the activity of each school.
- An increase of \$7.6 million in other sales and services which again is the result of general sales and services increases at the school level due to increased sales activity.
- An increase in investment income of \$4.0 million mainly from the sale of investments.

Overall expenses lower than budgeted by \$35.8 million (2.6 per cent) due to:

- Salaries and benefits are lower by \$18.5 million due to actual salary and benefit rates trending lower than the averages used for preparing the fall budget update.
- Supplies and services are lower by \$16.8 million mainly due to IMR expenditures which have been assessed to be capital in nature.

Refer to "Line Item Analysis" for further details.

Spending by schools and service units is provided in Attachment II with explanations of significant variances from the fall budget update.

USE OF RESERVES

The fall update included planned draws of \$7.0 million from operating reserves and \$21.7 million from capital reserves, for a total of \$28.7 million. CBE will end 2017-18 with an addition of \$6.9 million to operating reserves and use of \$8.2 million from capital reserves for a total net draw of \$1.3 million.

There was a decrease in the use of capital reserves due to unfinished projects being carried forward into 2018-19. Consequently, there was less funding needed from operating reserves to fund capital combined with the lower deficit noted above. This resulted in an increase in operating reserves of \$6.9 million.

Further details are provided in Attachment III - Use of reserves.

CAPITAL ACTIVITIES

The 2017-18 Fourth Quarter Capital Budget status report in Attachment IV highlights variances between the fall budget update and actual capital expenditures for the year ended August 31, 2018.

LINE ITEM ANALYSIS

In support of OE-5, the following summarizes individual line item changes in the financial results (see Attachment I).

Revenues

Revenues were budgeted at \$1,384.0 million. Actuals came in \$20.9 million lower at \$1,363.1 million. Significant contributions to this decrease include:

- An unfavourable variance in Alberta Education revenue of \$25.3 million is the combined result of:
 - An unfavourable variance of \$3.4 million in basic grant funding due to a lower number of actual funded students than what was estimated.
 - An unfavourable variance of \$19.4 million from IMR funding due to capitalized spending rather than expensed, in compliance with direction from Alberta Education.
 - An unfavourable variance of \$1.5 million in the ATRF grant reflecting a decrease in the current service cost.
 - An unfavourable variance of \$0.9 million deferred revenue recognition related to provincial funding, offset by lower amortization expense.
- A favourable variance in Other sales and services of \$7.6 million is the result of:
 - A favourable increases of \$6.0 million in funds raised by schools through sales which are inherently variable and subject to school specific circumstances.
 - A favourable increases of \$1.6 million due to higher external funding received for Learning programs. The corresponding expenses fully offset the revenues.
- An unfavourable variance in Fees of \$3.6 million is the result of:
 - An unfavourable variance of \$1.3 million due to Bill 1 implementation which changed fees eligible to be levied.

- An unfavourable variance of \$2.3 million due to decrease in other fees charged directly by schools such as for optional courses, field trips and extracurricular activities net of instructional supplies & materials prior years' fees collected.
- A favourable increase in *Investment income* of \$4.0 million is due to the sale of investments.
- All Other Revenue unfavorable variance of \$3.6 million due to the results of activities for fundraising, gifts and donations, and other, which are inherently variable depending on events and school specific circumstances.

Expenses

\$1,401.0 million in expenses were budgeted. Actual expenses are \$1,365.2 million; a decrease of \$35.8 million. Significant contributions to this decrease include:

1. Favourable variances of \$6.9 million in Certificated salaries and benefits is the net impact of:
 - An unfavourable variance of \$1.2 million for short-term sick relief using a redeployment from school supplies budget.
 - A favourable variance of \$1.5 million for ATRF expenses reflecting a decrease in the current service cost and offset with reduced revenue recognized.
 - A favourable variance of \$2.7 million from position vacancies along with savings recognized due to depleted substitute teacher roster (demand exceeded supply)
 - A favourable variance related to benefits costs of \$2.9 million compared to assumptions used when the budget was prepared
 - A favourable variance of \$1.0 million to be carried forward for Professional Improvement Fellowships (PIF), Secondments & Community Engagement activities.
2. Favourable variances of \$11.6 million in *Non-certificated salaries and benefits* is the net impact of:
 - A net favourable variance of \$3.1 million from position vacancies of \$4.8 million offset by severance costs of \$1.7 million related to service unit reductions
 - A favourable variance of \$2.0 million (30.0 full-time equivalent) for deployment decisions at the school level offset by increased spending of services & supplies.
 - A favourable variance of \$8.3 million for salary and benefits due to actual average employee costs being lower than budget, including reduced employer contribution rate for the Local Authorities Pension Plan (LAPP).
 - A favourable variance of \$1.5 million from IMR. This is a result of some IMR projects being set up as assets. This in compliance with direction from Alberta Education that requires thirty per cent of all IMR spending to be for capital improvements. The related assets will be amortized over time and has resulted in lower supplies and services expense relative to the prior year.
 - An unfavourable variance of \$1.8 million for long-term sick relief.
 - An unfavourable variance of \$1.5 million for repatriation of human resource payroll services, not included in fall budget update.
3. A favourable variance of \$16.8 million for *Services and supplies* is the net impact of:
 - A favourable variance of \$17.9 million from IMR. This is a result of some IMR projects being set up as assets. This in compliance with direction from Alberta Education that requires thirty per cent of all IMR spending to be for capital improvements. The related assets will be amortized over time and has resulted in lower supplies and services expense relative to the prior year.
 - A favourable variance of \$1.2 million redeployed to cover sick relief costs.

- Favourable variances of \$2.3 million realized in service unit budgets due to cost containment measures, continuing to be exercised.
- An unfavourable variance of \$2.0 million redeployment of support staff spending to services and supplies.
- An unfavourable variance of \$1.7 million for repatriation of human resource payroll services, not included in fall budget update.
- An unfavourable variance of \$0.9 million for transportation costs primarily related to an increased demand for complex needs transportation services.

7 | Conclusion

This report represents information to the Board of Trustees in connection with Operational Expectations OE-5: Financial Planning.

In response to the economic conditions within Alberta, and the anticipated financial challenges that will be faced by the Government and subsequently passed on to Alberta Education and the CBE, the CBE must pay particular attention to our financial management.

The Chief Superintendent asked for the continuation of cost containment measures while maintaining focus on our core values of: students come first, learning is our central purpose and public education serves the common good. The CBE has always practiced careful financial decision making and will be scrutinizing our operations to identify areas where additional cost cutting measures may be implemented while minimizing the impact on student learning.

D. Stevenson

DAVID STEVENSON
CHIEF SUPERINTENDENT OF SCHOOLS

Attachments

Attachment I: 2017-18 fourth quarter budget variance report

Attachment II: Spending by schools and service units

Attachment III: 2017-18 fourth quarter use of reserves

Attachment IV: 2017-18 fourth quarter capital budget status report, summary of board funded capital investment

GLOSSARY – Developed by the Board of Trustees

Board: Board of Trustees

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

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

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

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

Fourth Quarter Budget Variance Report for the 2017-18 Budget

report to
Board of Trustees

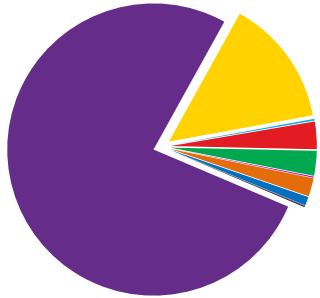
Attachment I: 2017-18 fourth quarter budget variance report

Fourth Quarter Budget Variance Report				
Description	2017-18 Fall Update Budget (A)	Actuals for the year ended Aug. 31, 2018	Variance Favourable/ (Unfavourable)	
	(in \$ thousands)		%	
Revenues				
Alberta Education	1,290,857	1,265,557	(25,301)	(2%)
Other Government of Alberta	328	265	(62)	(19%)
Federal Government & First Nations	3,207	3,287	80	2%
Other sales and services	22,731	30,334	7,603	33%
Fees revenue	42,594	38,981	(3,613)	(8%)
Investment revenue	3,167	7,180	4,013	127%
All other revenue	21,137	17,543	(3,594)	(17%)
Total revenues	1,384,021	1,363,147	(20,874)	(2%)
Expenses				
Certificated salaries and benefits	814,655	807,750	6,905	1%
Non-certificated salaries and benefits	274,438	262,881	11,557	4%
Supplies and services	240,060	223,226	16,834	7%
Amortization expenses	66,436	66,419	17	0%
Interest and finance charges	1,630	1,357	273	17%
Other (uncollectible accounts)	3,802	3,565	236	6%
Total expenses	1,401,021	1,365,199	35,822	3%
Operating deficiency for the year	(17,000)	(2,052)	14,948	88%
Transfer from / (to) operating reserves	7,000	(7,204)	(14,204)	238%
Add / (deduct) capital items paid by operating funds				
Capital assets acquired	(39,197)	(26,365)	12,832	(38%)
Board funded amortization	27,524	27,420	(104)	100%
Transfer from / (to) capital reserves	21,673	8,201	(13,472)	12%
	10,000	9,256	(744)	(450%)
Net operating surplus / (deficit)	-	-	-	0%

A) Approved by the Board of Trustees on November 28, 2017.

Attachment II: Spending by schools and service units

The following table provides additional information as to the actual spending between schools and service units. Expense and FTE details are provided by major expense category and operating unit. More details on actual Service Unit spending are included in the 2017-18 year-end financial results report.



	Schools & Areas	Service Unit Corporate Accounts	Communications and Engagement Services	Learning (including Chinook Learning Services)	Facilities and Environmental Services	Legal Services	Finance and Technology Services	Human Resources	Chief Supt's Office	Board of Trustees	Total
2017-18 Fall Budget FTEs by:											
Staff (incl ATA, Staff Assn, CUPE, trades)	9,363	17	10	227	173	1	140	46	1	-	9,978
Exempt staff	7	-	11	23	55	10	54	42	2	-	204
Superintendent	-	-	1	1	1	1	1	-	2	-	7
	9,370	17	22	251	229	12	195	88	5	-	10,189
2017-18 Actuals (in \$ thousands):											
Salaries and benefits	961,992	8,111	2,544	34,921	25,379	1,634	22,871	11,780	944	457	1,070,633
Supplies and services	84,491	120,540	39	5,898	9,013	60	860	1,362	84	879	223,226
Other (interest, amortization and uncollectible accounts)	14	63,475	-	736	3,089	28	3,951	45	2	-	71,340
	1,046,497	192,126	2,583	41,555	37,481	1,722	27,682	13,187	1,030	1,336	1,365,199
In comparison to:											
2017-18 Fall Budget (in \$ thousands):	1,055,677	212,876	2,694	44,102	38,014	1,897	30,920	12,388	1,156	1,296	1,401,021
Increase/ (decrease)	(9,180)	(20,750)	(111)	(2,547)	(533)	(175)	(3,238)	799	(126)	40	(35,822)

- Schools and Areas are lower by \$9.2 million than budgeted mainly due to actual salary and benefit rates trending lower than the averages used when preparing the budget. Some examples are lower post-employment benefits, ATRF and LAPP and lower vacation liability than budgeted. Also contributing to this favourable variance are position vacancies within custodial staff and Area Offices. Lastly, school generated funds activities were lower than anticipated.
- System accounts are lower by \$20.8 million than budgeted mainly due to IMR expenditures which have been assessed to be capital in nature and offset by IMR revenue.
- Learning and Finance and Technology Services are lower by \$2.5 million and \$3.2 million respectively, due to savings on vacant positions and cost saving measures implemented by the service units to conserve budget monies; for example, negotiated lower information and technology licensing costs.
- Human Resources are higher by \$0.8 million due to transition expenses to repatriate HR Application Management Services from the incumbent provider which were not included in the fall budget update.
- Facilities and Environmental Services are lower by \$0.5 million due to savings in staffing position vacancies.

Attachment III: 2017-18 fourth quarter use of reserves

CALGARY BOARD OF EDUCATION 2017-18 PROPOSED USE OF OPERATING RESERVES (in \$ thousands)

Description	Reserve balance Sept 1, 2017	2017-18 Fall Update planned use of reserves ⁽¹⁾	2017-18 proposed use of reserves	Balance Aug. 31, 2018	Anticipated 2018-19 use of reserves ⁽⁴⁾
Accumulated operating reserves					
Available for use reserves					
Fiscal stabilization reserve	21,803	(7,000)	6,508	28,311	(2,500)
Restricted reserves					
EducationMatters flow-through funds ⁽²⁾	1,918	-	9	1,927	-
Changes in accounting policy reserve	(10,164)	-	-	(10,164)	-
Total operating reserves	13,557	(7,000)	6,517	20,074	(2,500)
Designated operating reserves					
School decentralized budgets	2,854	-	2,269	5,123	-
Instructional and service unit initiatives	2,676	-	(1,897)	779	-
Total designated funds	5,530	-	372	5,902	-
Total operating reserves and designated funds	19,087	(7,000)	6,889	25,976	(2,500)
Capital reserves					
Building reserve	9,019	(2,200)	-	9,019	-
Other capital reserves ⁽³⁾	22,584	(19,473)	(8,201)	14,383	-
Plant, operations and maintenance asset replacement	798	-	-	798	-
Total capital reserves	32,401	(21,673)	(8,201)	24,200	
Total reserves	51,488	(28,673)	(1,311)	50,177	(2,500)

(1) Approved by the Board of Trustees on Nov 28, 2017.

(2) This reserves is the result of consolidating EducationMatters into the CBE's financial statements in accordance with accounting standards.

(3) Included in Other capital reserves is designated capital funds - capital funds carried forward for projects that were in progress and will continue into 2018-19. The Designated Capital Funds balance at Aug 31, 2018 is \$8.7 million.

(4) Anticipated use of reserves in 2018-19 includes amounts approved in the 2018-19 budget on May 22, 2018 as well as subsequent board motions approving additional draws from reserves.

Attachment IV: 2017-18 fourth quarter capital budget status report, summary of board funded capital investments

Capital Budget					
	2017-18 Total Fall Budget Update	Actual Costs to August 31, 2018	Variance Favorable / (Unfavorable)	%	Variance >1% & \$500k Note
	(\$ thousands)	(\$ thousands)	(\$ thousands)	%	
Capital Lease Payments (Contracts)					
Performance Contracts	3,191	1,762	1,429	45%	(1)
Total Capital Lease Payments (Contracts)	\$ 3,191	1,762	1,429	45%	
NAI Related Projects					
Strategic	2,137	533	1,604	75%	(2)
Enhancement	7,575	6,233	1,341	18%	(3)
Maintenance	21,435	14,399	7,037	33%	(4)
Total NAI Related Projects	\$ 31,146	21,165	9,981	126%	
Reserve Projects					
Rosedale Modulars	100	100	-	0%	
Nelson Mandela HS Gym	2,200	2,200	-	0%	
New School Commissioning	2,560	1,138	1,422	56%	(5)
Total Reserve Projects	4,860	3,438	1,422	29%	
Total Capital Expenditures	\$ 39,197	26,365	12,832	33%	
Financed by the Following:					
Contribution from/(to) operating activities	(10,000)	(9,256)	(744)		
Total Amortization Expense (non-cash)	27,524	27,420	104		
Designated Capital Funds	16,913	4,763	12,150		
Capital Reserves	4,760	3,438	1,322		
Total Non-Facility Capital Financing	\$ 39,197	\$ 26,365	12,832		

(1) Performance Contracts costs for 2017-18 were less than budgeted due to refinements to the planned repayment schedule.

(2) Strategic: The Reporting Upgrade and IRIS projects were deferred to a future date, and the Nelson Mandela High School CTS costs were under budget with a portion set aside as carry forward.

(3) Enhancement: IMR funds were allocated in support of the Wireless project as part of the effort to reduce reliance on 2017-2018 capital resources. Some other projects were underway, but not complete at the end of 2017-18 and carry forward was requested.

(4) Maintenance: Projects were less than budgeted due to changes in project timelines and budget adjustments.

(5) New School Commissioning funding included budget for Joane Cardinal-Schubert High School which opened in September 2018. New schools were allowed to carry forward commissioning funds to provide support for resource needs that are not apparent until post occupancy of new space.

report to Board of Trustees

Fall 2018 Update to the 2018-19 Budget and First Quarter Budget Variance Report

aDate	November 27, 2018
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	David Stevenson, Chief Superintendent of Schools
Purpose	Information
Originator	Brad Grundy, Superintendent, Chief Financial Officer and Corporate Treasurer
Governance Policy Reference	Operational Expectations OE-5: Financial Planning
Resource Persons	Ed Sutlic, Director, Corporate Finance Leslie Lloyd Acting Manager, Corporate Planning and Reporting Sharyn Tut, Lead, Corporate Budgets

1 | Recommendation

It is recommended:

- THAT the Board of Trustees receives the Fall 2018 Update to the 2018-19 Budget, reflecting total planned spending of \$1,393.9 million, a decrease of \$3.1 million from the 2018-19 Budget.
- THAT the Board of Trustees receives and authorizes the Fall 2018 Update submission to Alberta Education.
- THAT the Board of Trustees receives the planned 2018-19 use of reserves for a total of \$11.2 million.

2 | Issue

Operational Expectations OE-5: Financial Planning requires that quarterly variance reports are prepared and provide explanations for variances in excess of 1% and \$500,000. This report serves as the first quarter report for the 2018-19 fiscal year.

Alberta Education requires a Fall 2018 Budget Update to the 2018-19 Budget, which was approved by the Board of Trustees on May 22, 2018. This update includes changes related to enrolment and other known operational adjustments.

3 | Background

The Budget Report for 2018-19 was prepared using a consultative process and focused resources on achieving the vision as articulated in the CBE values, the Three-Year Education Plan and guidance from Alberta Education.

The Board approved the Budget Report on May 22, 2018 and documentation was submitted to Alberta Education. The Budget Report was based on enrolment projections for 2018-19, which drives provincial grant funding available to schools.

Enrolment numbers for the school year are confirmed at Sept. 30 and those are the official enrolment numbers which drive actual funding provided to the CBE by Alberta Education and, in-turn, resources deployed to schools, via the Resource Allocation Method (the RAM) for the school year.

Alberta Education requires an update to the 2018-19 Budget Report which includes a revised estimate of funding, expenditures, number of students eligible for provincial funding and an estimate of full-time equivalent staff positions (FTEs). This is the Fall 2018 Update to the 2018-19 Budget shown in Attachment V. It is important to note that the FTEs are based on estimated resource deployment by school principals. Actual FTEs and amounts spent on salaries and benefits will vary from this and fluctuate throughout the year.

Once this Fall 2018 Update is approved by the Board of Trustees, Attachment V will be submitted to Alberta Education for use in their financial forecasting and Provincial budget preparations for the subsequent fiscal year.

Included in this report is the first quarter budget variance report in Attachment I, the first quarter planned spending by schools and service units in Attachment II, the first quarter planned use of reserves in Attachment III and the first quarter capital budget report in Attachment IV. These attachments are prepared specifically for the Board of Trustees and vary slightly in presentation from the Fall 2018 Update, which is prepared in the format provided by Alberta Education in Attachment V.

4 | Analysis

The 2018-19 First Quarter Budget Variance Report (Attachment I) and Fall 2018 Update to the 2018-19 Budget (Attachment V) reflects the budget impacts of changes in student enrolment from what was estimated during the budget preparation in the spring and the Sept. 30 count.

Explanations have been provided below for forecasted changes to the budgeted revenues and expenses, reserve transfers and capital transactions, if any. In support of Operational Expectations 5, the following summarizes individual line item changes in the financial result for variances above 1% and \$500,000.

Operating deficit

The planned deficit for the year is \$6.0 million. This remains unchanged from the Budget Report for 2018-19.

Revenues were budgeted at \$1,397.1 million and came in \$3.1 million (0.2 per cent) lower at \$1,393.9 million. Significant contributions to this decrease include:

- A decrease in Alberta Education revenue mainly due to the decrease in the Alberta Teacher's Retirement Fund (ATRF) reduced estimate from the 2018-19 Budget. Also contributing to this decrease is reduced capital allocation revenues due to lower amounts capitalized for provincially supported assets. This decrease in revenues is offset by an equivalent reduction in expenses.
- An increase in all other revenues due to higher external funding received for Learning programs such as Campus Calgary/Open Minds and the Dual credit off campus program. The corresponding expenses fully offset the revenues.

Expenses were budgeted at \$1,403.1 million and came in \$3.1 million (0.2 per cent) lower at \$1,399.9 million. Significant contributions to this decrease include:

- An increase in supplies and services due to increases in the utility rates as well as establishing new budgets to support system implementations such as PowerSchool.
- A decrease in amortization expenses due to lower amounts capitalized for provincially supported assets than what was estimated in the 2018-19 Budget.

Planned spending by schools and service units is provided in Attachment II with explanations of significant variances from the 2018-19 Budget.

Use of reserves and balancing

The transfer from operating reserves show the planned use of \$2.5 million of operating reserves and \$8.7 million of capital reserves in order to fund the \$6.0 million operating deficit and capital activities. The carryforwards from 2018-19 to 2019-20 have not been estimated and could reduce the draw on reserves.

Capital activities

Capital assets to develop or acquire has increased by \$0.8 million. Included in the \$32.3 million planned expenditures is \$8.7 million in projects carried forward from 2017-18 as they were not completed. This is reflected as an increase in the transfer from capital carryforwards.

Amortization for board-funded assets decreased by \$7.9 million as noted in the "Operating deficit" section. Actual amounts capitalized were lower than estimated and result in reduced amortization expense in 2018-19.

7 | Conclusion

The Fall 2018 Update to the 2018-19 Budget will be submitted to Alberta Education by Nov. 30, 2018, following Board of Trustees approval.



DAVID STEVENSON
CHIEF SUPERINTENDENT OF SCHOOLS

Attachments

Attachment I: 2018-19 first quarter budget variance report

Attachment II: 2018-19 first quarter planned spending by schools and service units

Attachment III: 2018-19 first quarter planned use of reserves

Attachment IV: 2018-19 first quarter capital budget report

Attachment V: Fall 2018 Update to the 2018-19 Budget

GLOSSARY – Developed by the Board of Trustees

Board: Board of Trustees

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

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

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

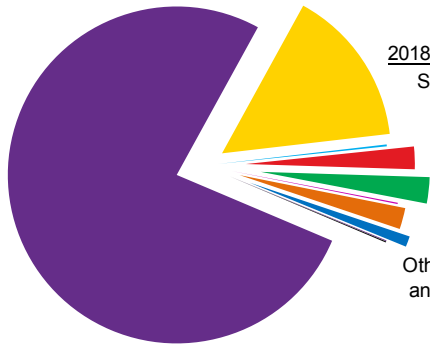
Results: These are our statements of outcomes for each student in our district. The Results policies become the Chief Superintendent's and the organization's performance targets and form the basis for judging organization and Chief Superintendent performance.

Attachment I: 2018-19 first quarter budget variance report

	Budget¹	Fall Update	Increase/ (Decrease)	
	2018-19	2018-19		
	(in \$ thousands)			%
Revenues				
Alberta Education	1,310,353	1,306,807	(3,546)	(0.3%)
Other Government of Alberta	432	432	-	-
Federal Government & First Nations	3,289	2,822	(467)	(14.2%)
Other sales and services	20,613	20,410	(203)	(1.0%)
Fees revenue	41,174	41,159	(15)	(0.0%)
Investment revenue	1,649	1,649	-	-
All other revenue	19,555	20,650	1,095	5.6%
	1,397,065	1,393,929	(3,136)	(0.2%)
Expenses by object				
Certificated salaries and benefits	818,103	816,909	(1,194)	(0.1%)
Non-certificated salaries and benefits	263,735	264,177	442	0.2%
Supplies and services	235,545	243,297	7,752	3.3%
Amortization expenses	80,605	70,366	(10,239)	(12.7%)
Interest and finance charges	1,384	1,384	-	-
Other (uncollectible accounts)	3,693	3,796	103	2.8%
	1,403,065	1,399,929	(3,136)	(0.2%)
Annual surplus / (deficit)	(6,000)	(6,000)	-	-
Transfers from / (to) operating reserves	2,500	2,500	-	-
Add/(deduct) capital items paid by operating funds				
Capital assets acquired	(31,576)	(32,347)	(771)	(2.4%)
Board funded amortization	35,076	27,136	(7,940)	(22.6%)
Transfers from / (to) capital reserves ¹	-	8,711	8,711	100.0%
	3,500	3,500	-	-
Net operating surplus / (deficit)	-	-	-	-

⁽¹⁾ Approved by the Board of Trustees on May 22, 2018.

Attachment II: 2018-19 first quarter planned spending by schools and service units



2018-19 Fall Update FTEs by:

	Schools and Areas	Service Unit System Budgets	Communications and Engagement Services	Learning (including Chinook Learning Services)	Facilities and Environmental Services	Legal Services	Finance and Technology Services	Human Resources	Chief Supt's Office	Board of Trustees	Total
Staff (incl ATA, Staff Assn, Exempt staff, Superintendent)	9,521	18	13	179	168	3	154	79	1	-	10,136
	-	-	8	10	39	7	39	31	2	-	136
	-	-	1	1	1	1	1	-	2	-	7
	9,521	18	22	190	208	11	194	110	5	-	10,279
thousands):											
Salaries and benefits	984,577	7,672	2,466	24,657	22,371	1,551	23,860	12,620	888	424	1,081,086
Supplies and services	87,665	136,227	58	4,974	9,972	124	1,299	1,662	242	1,074	243,297
Other (interest, amortization and uncollectible accounts)	49	68,442	-	662	2,928	24	3,394	45	2	-	75,546
	1,072,291	212,341	2,524	30,293	35,271	1,699	28,553	14,327	1,132	1,498	1,399,929
<u>2018-19 Budget (in \$</u>	<u>1,072,062</u>	<u>213,797</u>	<u>2,524</u>	<u>29,992</u>	<u>35,202</u>	<u>1,740</u>	<u>31,031</u>	<u>14,087</u>	<u>1,132</u>	<u>1,498</u>	<u>1,403,065</u>
Increase / (decrease)	229	(1,456)	-	301	69	(41)	(2,478)	240	-	-	(3,136)

(a)

(b)

The following table provides additional information as to the planned spending between schools and service units. Expense and FTE details are provided by major expense category and operating unit.

Significant changes from the 2018-19 Budget:

- (a) Service Unit System budgets decrease is mainly due to lower amortization. Also included are decreases in the Alberta Teachers' Retirement Fund and Transportation flow-through budgets. These decreases were offset by increases in the utility rates as well as establishing new budgets to support system implementations such as PowerSchool.
- (b) Finance and Technology service budgets decrease is mainly due to lower amortization.

	Reserve balance Sept. 1, 2018	Approved planned transfers from reserves	Fall Update planned transfers from reserves	Anticipated reserve balance Aug. 31, 2019
(all figures in \$ thousands)				
Operating reserves				
Unrestricted reserves	28,311	(2,500)	(2,500)	25,811
Restricted reserves	(8,237)	-	-	(8,237)
Designated operating funds	5,902	-	-	5,902
Total operating reserves	25,976	(2,500)	(2,500)	23,476
Capital reserves				
Building reserve	9,019	-	-	9,019
Other capital reserves	14,383	-	(8,711)	5,672
Plant, operations and maintenance asset replacement	798	-	-	798
Total capital reserves	24,200	-	(8,711)	15,489
Total reserves	50,176	(2,500)	(11,211)	38,965

	Budget 2018-19	Approved carryforward and revisions	Fall update 2018-19
	(in \$ thousands)		
Capital lease payments (contracts)			
Performance contracts	1,484	-	1,484
Total Capital Lease Payments (Contracts)	1,484	-	1,484
Non-facility related projects			
Strategic	6,366	(1,780)	4,586
Enhancement	4,204	1,826	6,030
Maintenance	19,523	(696)	18,827
Total non-facility related projects	30,093	(651)	29,442
Capital reserve projects			
New school commissioning	-	1,422	1,422
Total capital reserve projects	-	1,422	1,422
Total non-facility capital expenditures	31,576	771	32,347
Financed by the following:			
Contribution to operating activities	(3,500)	-	(3,500)
Total amortization expense (non-cash)	35,076	(7,940)	27,136
Designated capital funds	-	8,711	8,711
Capital reserves	-	-	-
Total board-funded financing	31,576	771	32,347

Definitions:

Maintenance - Projects that are required to maintain current processes and systems and keep them in good working conditions

Enhancement - Projects that improve or extend the functionality of existing systems, technologies, and processes.

Strategic - Projects that open up new horizons, learning methods, organization models, and value propositions that cut across the organization or physical facility.

The following attachments are templates provided by Alberta Education and updated with the CBE's 2018-19 Fall Update information.

These will be submitted to Alberta Education following Board of Trustees approval.

While the totals are the same, some groupings may be different in some cases due to Alberta Education reporting requirements.

3030 Calgary School District No. 19

School Jurisdiction Code and Name

FALL 2018 UPDATE TO THE 2018/2019 BUDGET: Page 1

	Fall 2018 Update to the Budget 2018/2019	Spring 2018 Budget Report 2018/2019	Variance	% Variance
OPERATIONS (SUMMARY)				
Revenues				
Alberta Education	\$1,306,807,000	\$1,310,353,000	(\$3,546,000)	-0.3%
Other - Government of Alberta	\$432,000	\$432,000	\$0	0.0%
Federal Government and First Nations	\$2,822,000	\$3,289,000	(\$467,000)	-14.2%
Other Alberta school authorities	\$309,000	\$309,000	\$0	0.0%
Out of province authorities	\$0	\$0	\$0	0.0%
Alberta municipalities - special tax levies	\$0	\$0	\$0	0.0%
Property taxes	\$0	\$0	\$0	0.0%
Fees	\$41,159,000	\$41,174,000	(\$15,000)	0.0%
Other sales and services	\$20,410,000	\$20,613,000	(\$203,000)	-1.0%
Investment income	\$1,649,000	\$1,649,000	\$0	0.0%
Gifts and donation	\$8,073,000	\$7,592,000	\$481,000	6.3%
Rental of facilities	\$4,323,000	\$4,254,000	\$69,000	1.6%
Fundraising	\$7,400,000	\$7,400,000	\$0	0.0%
Gain on disposal of capital assets	\$0	\$0	\$0	0.0%
Other revenue	\$545,000	\$0	\$545,000	100.0%
Total revenues	\$1,393,929,000	\$1,397,065,000	(\$3,136,000)	-0.2%
Expenses By Program				
Instruction - Early Childhood Services	\$48,480,000	\$47,785,000	\$695,000	1.5%
Instruction - Grades 1 - 12	\$1,053,663,000	\$1,057,050,000	(\$3,387,000)	-0.3%
Plant operations and maintenance	\$169,731,000	\$169,944,000	(\$213,000)	-0.1%
Transportation	\$47,845,000	\$48,612,000	(\$767,000)	-1.6%
Board & system administration	\$47,121,000	\$46,341,000	\$780,000	1.7%
External services	\$33,089,000	\$33,333,000	(\$244,000)	-0.7%
Total Expenses	\$1,399,929,000	\$1,403,065,000	(\$3,136,000)	-0.2%
Annual Surplus (Deficit)	(\$6,000,000)	(\$6,000,000)	\$0	0.0%
Expenses by Object				
Certificated salaries & wages	\$668,039,000	\$667,204,000	\$835,000	0.1%
Certificated benefits	\$148,870,000	\$150,899,000	(\$2,029,000)	-1.3%
Non-certificated salaries & wages	\$209,847,000	\$209,546,000	\$301,000	0.1%
Non-certificated benefits	\$54,330,000	\$54,189,000	\$141,000	0.3%
Services, contracts and supplies	\$243,297,000	\$235,545,000	\$7,752,000	3.3%
Amortization expense - supported	\$43,230,000	\$45,529,000	(\$2,299,000)	-5.0%
Amortization expense - unsupported	\$27,136,000	\$35,076,000	(\$7,940,000)	-22.6%
Interest on capital debt - supported	\$31,000	\$31,000	\$0	0.0%
Interest on capital debt - unsupported	\$409,000	\$409,000	\$0	0.0%
Other interest and finance charges	\$944,000	\$944,000	\$0	0.0%
Losses on disposal of tangible capital assets	\$0	\$0	\$0	0.0%
Other expenses	\$3,796,000	\$3,693,000	\$103,000	2.8%
Total Expenses	\$1,399,929,000	\$1,403,065,000	(\$3,136,000)	-0.2%
Accumulated Surplus from Operations (Projected)				
Accumulated Surplus from Operations - August 31, 2018	\$25,977,000	\$12,152,000	\$13,825,000	113.8%
Accumulated Surplus from Operations - August 31, 2019	\$23,477,000	\$9,652,000	\$13,825,000	143.2%
Capital Reserves - August 31, 2018	\$24,200,000	\$11,928,000	\$12,272,000	102.9%
Capital Reserves - August 31, 2019	\$15,489,000	\$11,928,000	\$3,561,000	29.9%
Certificated Staff FTE's				
School based	6,704.6	6681.8	22.8	0.3%
Non-school based	133.5	133.5	-	0.0%
Total Certificated Staff FTE's	6,838.1	6,815.3	22.8	0.3%
Non-Certificated Staff FTE's				
Instructional	2,166.2	2180.3	(14.1)	-0.6%
Plant operations & maintenance	806.7	802.1	4.6	0.6%
Transportation	43.3	43.0	0.3	0.7%
Other non-instructional	424.5	428.5	(4.0)	-0.9%
Total Non-Certificated Staff FTE's	3,440.7	3,453.9	(13.2)	-0.4%

Attestation of Secretary-Treasurer/Treasurer:

This information was formally received by the Board of Trustees at the meeting held on :

****Please complete the attached Comment Sheet to provide information regarding any material (>5% for revenues, expenses, fees, reserves, and surpluses, or >3% for staffing & enrolment) changes from the Spring Budget to the Fall forecast as identified in yellow above as well as any other pertinent information.**

3030 Calgary School District No. 19

School Jurisdiction Code and Name

FALL 2018 UPDATE TO THE 2018/2019 BUDGET: Page 2

	Fall 2018 Update to the Budget 2018/2019	Spring 2018 Budget Report 2018/2019	Variance	% Variance
FEE & SALES TO PARENTS & STUDENTS				
Fees				
Transportation	\$4,819,000	\$5,075,000	(\$256,000)	-5.0%
Basic instruction supplies	\$0	\$0	\$0	0.0%
Lunchroom Supervision & Activity Fees	\$14,140,000	\$13,899,000	\$241,000	1.7%
Technology user-fees	\$0	\$0	\$0	0.0%
Alternative program fees	\$740,000	\$740,000	\$0	0.0%
Fees for optional courses	\$2,808,000	\$2,808,000	\$0	0.0%
ECS enhanced program fees	\$0	\$0	\$0	0.0%
Activity fees	\$11,251,000	\$11,251,000	\$0	0.0%
Other fees to enhance education	\$0	\$0	\$0	0.0%
Extra-curricular fees	\$3,000,000	\$3,000,000	\$0	0.0%
Non-curricular supplies, materials, and services	\$4,401,000	\$4,401,000	\$0	0.0%
Non-curricular travel	\$0	\$0	\$0	0.0%
Other fees	\$0	\$0	\$0	0.0%
Total fees	\$41,159,000	\$41,174,000	(\$15,000)	0.0%
Other Sales to Parents & Students				
Cafeteria sales, hot lunch, milk programs	\$0	\$0	\$0	0.0%
Special events	\$0	\$0	\$0	0.0%
Sales or rentals of other supplies / services	\$200,000	\$200,000	\$0	0.0%
Out of district student revenue	\$0	\$0	\$0	0.0%
International and out of province student revenue	\$11,400,000	\$11,400,000	\$0	0.0%
Adult education revenue	\$1,602,000	\$1,932,000	(\$330,000)	-17.1%
Preschool	\$0	\$0	\$0	0.0%
Child care & before and after school care	\$0	\$0	\$0	0.0%
Lost item replacement fees	\$0	\$0	\$0	0.0%
Bulk Supply Sales	\$0	\$0	\$0	0.0%
Other sales (describe here)	\$0	\$0	\$0	0.0%
Other sales (describe here)	\$0	\$0	\$0	0.0%
Other sales (describe here)	\$0	\$0	\$0	0.0%
Other sales (describe here)	\$0	\$0	\$0	0.0%
Other sales (describe here)	\$0	\$0	\$0	0.0%
Total other sales	\$13,202,000	\$13,532,000	(\$330,000)	-2.4%
Grades 1 - 12				
Eligible funded students - Grades 1 to 9	83,049.0	83095.0	(46.0)	-0.1%
Eligible funded students - Grades 10 to 12	30,054.0	30414.0	(360.0)	-1.2%
Other students	1,042.0	889.0	153.0	17.2%
Home ed and blended program students	245.0	174.0	71.0	40.8%
Total Enrolled Students, Grades 1-12	114,390.0	114,572.0	(182.0)	-0.2%
Early Childhood Services (ECS)				
Eligible funded children - ECS	9,029.0	8941.0	88.0	1.0%
Other children	-	0.0	-	0.0%
Program hours	475.0	475.0	-	0.0%
ECS FTE's Enrolled	4,514.5	4,470.5	44.0	1.0%

Attestation of Secretary-Treasurer/Treasurer:

This information was formally received by the Board of Trustees at the meeting held on : _____

****Please complete the attached Comment Sheet to provide information regarding any material (>5% for revenues, expenses, fees, reserves, and surpluses, or >3% for staffing & enrolment) changes from the Spring Budget to the Fall forecast as identified in yellow above as well as any other pertinent information.**

3030 Calgary School District No. 19

School Jurisdiction Code and Name

FALL 2018 UPDATE TO THE 2018/2019 BUDGET

Comments/Explanations of changes from original Spring 2018/2019 Budget Report:

Explain any changes in revenue or fee items >5% (any highlighted items in cells S10-S24 on Page 1 or cells S10 - S22 and S26 - S40 on Page 2):

Transportation fees were revised for changes in enrolments and ridership from what was projected in the 2018-19 approved budget.

Federal Government & First Nations and the Adult Education revenues were reduced to reflect changes in Chinook Learning Services program offerings from what was projected 2018-19 Budget. The programming has been reduced or discontinued resulting from the relocation.

Gifts and donations are due to established revenue budgets to better reflect actual external funding related to Learning programs. The corresponding expenses fully offset the revenues.

Explain any changes in program expenses >5% (any highlighted items in cells S27 - S32 on Page 1):

No variances to report.

Explain any changes in expenses by object >5% (any highlighted items in cells S37 - S48 of Page 1):

Amortization expenses have decreased due to lower amounts capitalized for provincially supported assets than what was estimated in the 2018-19 Budget.

Explain any changes in projected Accumulated Operating Surplus and Capital Reserves as at August 31, 2018 or August 31, 2019 by >5% (any highlighted items in cells S52 - S55 on Page 1):

The transfer from operating reserves show the planned use of \$2.5 million of operating reserves and \$8.7 million of capital reserves in order to fund the \$6.0 million operating deficit and capital activities. The carryforwards from 2018-19 to 2019-20 have not been estimated and could reduce the draw on reserves.

Explain change in total certificated staff >3% (if cell S58 or S59 on Page 1 is highlighted) or non-certificated staff >3% (any highlighted items in cells S63 - S66 on Page 1):

No variances to report.

Explain change in enrolment >3% (if cell S48 or cell S54 on Page 2 is highlighted):

No variances to report.

Attestation of Secretary-Treasurer/Treasurer:

This information was formally received by the Board of Trustees at the meeting held on : _____