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March 22, 2023

Honourable Adriana LaGrange
Minister of Education
228 Legislature Building
10800 – 97 Avenue
Edmonton, AB T5K 2B6

Dear Minister LaGrange,

Re: Reviewing the Use of Utilization Rates for Capital Criteria and O&M Funding

The Calgary Board of Education (CBE) requests a review of how utilization rates currently influence Alberta Education capital construction and modernization approvals as well as Operations and Maintenance (O&M) grant allocations, and an associated review of how school capacities are calculated.

As you are aware, the O&M grant supports student learning environments by keeping schools warm, well lit, clean and properly maintained. You will also be familiar with how the Grant Thornton Financial Cost Management and Governance Review of the Calgary Board of Education report dated May 11, 2020 found that "...we note that CBE's custodial, maintenance, IMR, and planning and administration costs are not out of line with other Metro School Boards in Alberta." Additionally, the report observed, "CBE is currently on the higher end of efficiencies as compared to other school jurisdictions with respect to custodial staffing costs."

The CBE has also invested heavily in environmental sustainability measures intended to reduce O&M expenses. These efforts have resulted in:

- over 80% reduction in waste sent to landfill since 2007-08;
- a reduction of approximately 30% in water consumption since 2014-15;
- a natural gas consumption reduction of approximately 15% in comparison to 2010-11; and
- a primarily Board-funded tenfold increase in solar generated electricity as a percentage of total consumption that will see solar generated electricity consumed move from 0.4% in 2018-19 to approximately 4% by the end of this school year.

These achievements were realized despite having seen the addition of over 33,000 students and 46 schools since 2007-08. Moreover, the cumulative recurring savings of these and other ancillary initiatives is estimated at well over \$2M per year.

The CBE has made notable sustainability efforts, achieved high custodial maintenance efficiencies and now has an overall system utilization rate that stands at 87%. However, it is our assessment that schools that are below the 85% threshold result in the Operations & Maintenance (O&M) grant allocated to the CBE being approximately \$4M less than if all schools individually were at or above 85%. This loss in funding must subsequently be drawn from the global budget, resulting in fewer dollars from this budget to support students and schools. Current inflationary pressures only worsen this drain upon the global budget.

From a capital projects perspective, the use of utilization rates as a criterion for new school approvals may not be well suited to reflect the importance of new schools within newly developed communities. This is especially true for a large city like Calgary where the lack of a school in a community can result in lengthy bus ride times for students. CBE families have shared with us the importance of minimizing the amount of time students, and especially our youngest students, spend traveling to and from school to ensure that students arrive ready and motivated to learn. The Premier's mandate letter recognizes the need to "significantly increase the number of schools in our growing communities." Reviewing how the current utilization rate criterion might be adjusted to facilitate this objective would be valuable.

Additionally, modernizations can be challenging in fully utilized schools due to the limited ability they have to decant students into other parts of the school while work is underway. Modernizing schools when utilization rates are more manageable, such as was done in five CBE high schools prior to the two year long *Shaping the Future of CBE High Schools* engagement, was instrumental in ensuring that these schools would be ready in time for when CBE high school capacity is projected to be maxed out in a few short years. However, with the role utilization rates play in the approval of modernizations, it is our concern that such opportunities may be missed. Modernizing a highly utilized school can result in additional expenses since modernization work may need to be constrained to evenings, weekends or the summer break to ensure learning is not adversely impacted.

Utilization rates also do not tell the full story when it comes to the many uniquely designed schools within our inventory. Some schools deemed underutilized using the standardized capacity calculations may in fact have very little if any additional ability to accept more students simply due to the school's layout.

This request for a review comes from our deep commitment to students and their achievement. It is also aligned with ASBA position statements. Ensuring every student has access to well maintained and cleaned community schools

financed by the O&M grant is essential as we seek to eliminate learning hindrances and allow students to attain their full potential.

Thank you for your consideration of this matter and we look forward to supporting Alberta Education in a review of how the utilization rate criterion could be adjusted to best influence capital priorities and O&M funding to benefit the students they support. We look forward to having the Deputy Minister contact the CBE Chief Superintendent to initiate this conversation.

Yours sincerely,



Laura Hack, Chair
Board of Trustees

cc: Marilyn Dennis, ASBA President
Chris Usih, Chief Superintendent of Schools
Dany Breton, Superintendent, Facilities and Environmental Services