

# Working Together for Student Success

For the year ended August 31, 2020



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



**Calgary Board  
of Education**

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**CALGARY BOARD OF EDUCATION  
STATEMENT OF ADMINISTRATION RESPONSIBILITY  
FOR THE YEAR ENDED AUGUST 31, 2020, WITH COMPARATIVE INFORMATION FOR 2019**

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**Statement of administration responsibility**

The Board of Trustees is responsible for ensuring that the Administration fulfils 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 Auditors 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, 2020, and 2019, and the results of its operations and cash flows for the years then ended.

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

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



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CHRISTOPHER USIH  
CHIEF SUPERINTENDENT OF SCHOOLS



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BRAD GRUNDY  
SUPERINTENDENT, CHIEF FINANCIAL OFFICER,  
AND CORPORATE TREASURER

November 24, 2020



KPMG LLP  
205 5th Avenue SW  
Suite 3100  
Calgary AB  
T2P 4B9  
Telephone (403) 691-8000  
Fax (403) 691-8008  
www.kpmg.ca

## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of the Calgary Board of Education

### ***Opinion***

We have audited the consolidated financial statements of the Calgary Board of Education (the Entity), which comprise:

- the consolidated statement of financial position as at August 31, 2020
- the consolidated statement of operations for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of accumulated remeasurement gains and losses for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies and complete Schedules 1,2,3,5, and 6, Schedule 4 excluding the rows under "Square Metres", and Schedule 7 excluding the column "FTE"

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at August 31, 2020, and its consolidated results of operations, its consolidated remeasurement gains and losses, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.



### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “***Auditors’ Responsibilities for the Audit of the Financial Statements***” section of our auditors’ report.

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

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

### ***Other Information***

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

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

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

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

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

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

We have nothing to report in this regard.



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

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

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

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

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

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





We also:

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



## **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" and "Square Metres – Non-School Buildings" in Schedule 4 and column "FTE" in Schedule 7 (the "subject matter information") both prescribed by Alberta Education of the Calgary Board of Education (the "Entity") for the year ended August 31, 2020.

### ***Management's Responsibility***

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

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

### ***Practitioner's Responsibilities***

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

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

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

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

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





### ***Practitioner's Independence and Quality 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.

### ***Opinion***

In our opinion, the subject matter information of the Entity for the year ended August 31, 2020 is prepared, in all material respects, in accordance with the applicable criteria.

### ***Specific Purpose of Subject Matter Information***

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

*KPMG LLP*

Chartered Professional Accountants

Calgary, Canada

November 24, 2020

**CALGARY BOARD OF EDUCATION  
CONSOLIDATED STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED AUGUST 31, 2020, WITH COMPARATIVE INFORMATION FOR 2019  
(in thousands)**

		<u>Budget (Note 23)</u>	<u>Actuals</u>	
		<u>2020</u>	<u>2020</u>	<u>2019</u>
<b>Revenues</b>	(Sch 3)			
Government of Alberta		\$ 1,255,521	\$ 1,246,391	\$ 1,293,529
Federal Government and First Nations		2,990	2,088	2,698
Other sales and services		20,298	24,019	28,874
Fees	(Note 14)	49,157	31,512	43,627
Investment income		3,401	3,054	3,837
Donations and other contributions		10,086	11,160	12,060
Other revenue		4,822	4,786	5,368
<b>Total revenues</b>		<u>\$ 1,346,275</u>	<u>\$ 1,323,010</u>	<u>\$ 1,389,993</u>
<b>Expenses</b>	(Sch 3)			
Instruction: grades 1-12		\$ 1,046,699	\$ 995,483	\$ 1,048,639
Instruction: early childhood services		43,078	42,012	44,354
Board and system administration		48,988	44,383	48,054
Transportation		50,537	42,278	52,632
Plant operations and maintenance	(Sch 4)	160,026	161,222	164,197
External services		31,223	26,110	32,898
<b>Total expenses</b>		<u>\$ 1,380,551</u>	<u>\$ 1,311,488</u>	<u>\$ 1,390,774</u>
<b>Annual surplus (deficit)</b>		<u>(34,276)</u>	<u>11,522</u>	<u>(781)</u>
<b>Accumulated surplus at beginning of year</b>		<u>\$ 212,282</u>	<u>\$ 212,282</u>	<u>\$ 213,063</u>
<b>Accumulated surplus at end of year</b>		<u>\$ 178,006</u>	<u>\$ 223,804</u>	<u>\$ 212,282</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, 2020, WITH COMPARATIVE INFORMATION FOR 2019  
(in thousands)**

		<u>2020</u>	<u>2019</u>
<b>Financial assets</b>			
Cash and cash equivalents	(Sch 5; Note 3) \$	158,692	\$ 136,522
Accounts receivable (net after allowances)	(Note 4)	48,490	40,818
Portfolio investments	(Sch 5)		
Operating		14,255	13,899
Endowment		8,146	7,436
<b>Total financial assets</b>		<b>\$ 229,583</b>	<b>\$ 198,675</b>
<b>Liabilities</b>			
Unspent deferred contributions	(Sch 2)	52,003	16,939
Accounts payable and accrued liabilities	(Note 7)	89,902	111,474
Employee future benefits	(Note 8)	25,456	24,833
Environmental liabilities	(Note 9)	2,127	327
Debt			
Supported: debentures	(Note 10)	-	232
Unsupported: capital leases	(Note 11)	13,584	13,250
<b>Total liabilities, excluding spent deferred capital contributions</b>		<b>\$ 183,072</b>	<b>\$ 167,055</b>
<b>Net financial assets</b>		<b>\$ 46,511</b>	<b>\$ 31,620</b>
<b>Non-financial assets</b>			
Tangible capital assets	(Sch 6)	1,319,122	1,315,467
Inventory	(Note 5)	1,389	-
Prepaid expenses		21,085	14,066
<b>Total non-financial assets</b>		<b>\$ 1,341,596</b>	<b>\$ 1,329,533</b>
<b>Net assets before spent deferred capital</b>		<b>1,388,107</b>	<b>1,361,153</b>
Spent deferred capital contributions	(Sch 2)	1,163,090	1,147,873
<b>Net assets</b>	(Note 12)	<b>\$ 225,017</b>	<b>\$ 213,280</b>
Accumulated surplus	(Sch 1)	223,804	212,282
Accumulated remeasurement gains and losses		1,213	998
		<b>\$ 225,017</b>	<b>\$ 213,280</b>
Economic dependence	(Note 1)		
Contractual rights	(Note 6)		
Contractual obligations	(Note 16)		
Contingent liabilities	(Note 16)		
Subsequent events	(Note 21)		

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

Approved by:



Marilyn Dennis, Chair of Board of Trustees

November 24, 2020

Date Signed

**CALGARY BOARD OF EDUCATION  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED AUGUST 31, 2020, WITH COMPARATIVE INFORMATION FOR 2019  
(in thousands)**

	<u>2020</u>	<u>2019</u>
<b>Cash flows from:</b>		
<b>Operating transactions</b>		
Annual surplus (deficit)	\$ 11,522	\$ (781)
Add (deduct) items not affecting cash:		
Amortization of tangible capital assets	75,771	73,000
Net gain on disposal of tangible capital assets	(1,116)	(110)
Disposal of supported tangible capital assets	2	-
Spent deferred capital revenue	(47,600)	(48,754)
Changes in:		
Accounts receivable	(7,672)	3,805
Prepaid expenses	(7,019)	2,236
Inventory	(1,389)	-
Accounts payable and accrued liabilities	(21,572)	(4,933)
Unspent deferred contributions	35,064	29,275
Environmental Liabilities	1,800	-
Employee future benefits	623	(899)
<b>Cash flows from operating transactions</b>	<u>\$ 38,414</u>	<u>\$ 52,839</u>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(34,575)	(80,035)
Net proceeds from disposal of unsupported tangible capital assets	1,121	110
<b>Cash flows used in capital transactions</b>	<u>\$ (33,454)</u>	<u>\$ (79,925)</u>
<b>Investing transactions</b>		
Purchase of portfolio investments	(3,595)	(4,099)
Proceeds on sale of portfolio investments	2,529	3,281
Change in unrealized gains	215	201
<b>Cash flows used in investing transactions</b>	<u>\$ (851)</u>	<u>\$ (617)</u>
<b>Financing transactions</b>		
Increase in spent deferred capital contributions	20,487	24,718
Debt repayments	(232)	(296)
Repayment of capital leases	(2,194)	(1,944)
<b>Cash flows from financing transactions</b>	<u>\$ 18,061</u>	<u>\$ 22,478</u>
<b>(Decrease) increase in cash and cash equivalents</b>	<u>22,170</u>	<u>(5,225)</u>
Cash and cash equivalents, beginning of year	<u>136,522</u>	<u>141,747</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 158,692</u>	<u>\$ 136,522</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, 2020, WITH COMPARATIVE INFORMATION FOR 2019  
(in thousands)**

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	<u>2020</u>	<u>2019</u>
Unrealized gains attributable to:		
Portfolio investments	\$ 200	\$ -
Foreign currency translation	15	201
Net remeasurement gain for the year	<u>215</u>	<u>201</u>
<b>Accumulated remeasurement gains, beginning of year</b>	<b>998</b>	<b>797</b>
<b>Accumulated remeasurement gains, end of year</b>	<b><u>\$ 1,213</u></b>	<b><u>\$ 998</u></b>

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

**CALGARY BOARD OF EDUCATION  
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS  
FOR THE YEAR ENDED AUGUST 31, 2020, WITH COMPARATIVE INFORMATION FOR 2019  
(in thousands)**

	Budget (Note 23)	Actuals	
	2020	2020	2019
<b>Annual surplus (deficit)</b>	<u>\$ (34,276)</u>	<u>\$ 11,522</u>	<u>\$ (781)</u>
Changes in tangible capital assets			
Acquisition of tangible capital assets	\$ (18,161)	\$ (79,433)	\$ (82,396)
Amortization of tangible capital assets	28,161	75,771	73,000
Net gain on disposal of tangible capital assets	-	(1,116)	(110)
Net proceeds from disposal of unsupported capital assets	-	1,121	110
Disposal of supported tangible capital assets	-	2	-
<b>Total changes in tangible capital assets</b>	<u>\$ 10,000</u>	<u>\$ (3,655)</u>	<u>\$ (9,396)</u>
Acquisition of inventory of supplies	-	(1,389)	-
(Increase)/Decrease in prepaid expenses	-	(7,019)	2,236
Net remeasurement gains	-	215	201
Change in spent deferred capital contributions (Sch 2)	-	15,217	20,325
<b>Increase (decrease) in net financial assets</b>	<u>\$ (24,276)</u>	<u>\$ 14,891</u>	<u>\$ 12,585</u>
Net financial assets at beginning of year	31,620	31,620	19,035
<b>Net financial assets at end of year</b>	<u>\$ 7,344</u>	<u>\$ 46,511</u>	<u>\$ 31,620</u>

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



**CALGARY BOARD OF EDUCATION  
SCHEDULE 1 – NET ASSETS  
FOR THE YEAR ENDED AUGUST 31, 2020, WITH COMPARATIVE INFORMATION FOR 2019  
(in thousands)**

	NET ASSETS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
<b>Balance at August 31, 2019</b>	<b>\$ 210,583</b>	<b>\$ 998</b>	<b>\$ 209,585</b>	<b>\$ 165,989</b>	<b>\$ 4,714</b>	<b>\$ -</b>	<b>\$ 22,995</b>	<b>\$ 15,887</b>
Prior period adjustments:	2,697	-	2,697	(11,069)	-	-	807	12,959
<b>Adjusted Balance, August 31, 2019</b>	<b>\$ 213,280</b>	<b>\$ 998</b>	<b>\$ 212,282</b>	<b>\$ 154,920</b>	<b>\$ 4,714</b>	<b>\$ -</b>	<b>\$ 23,802</b>	<b>\$ 28,846</b>
Operating surplus (deficit)	11,522	-	11,522	-	-	11,522	-	-
Board funded tangible capital asset additions	-	-	-	16,615	-	(16,184)	-	(431)
Disposal of unsupported tangible capital assets	-	-	-	-	-	(920)	-	920
Net remeasurement gains (losses) for the year	215	215	-	-	-	-	-	-
Endowment expenses & disbursements	-	-	-	-	242	(242)	-	-
Amortization of tangible capital assets	-	-	-	(75,771)	-	75,771	-	-
Capital revenue recognized	-	-	-	47,600	-	(47,600)	-	-
Debt principal repayments (unsupported)	-	-	-	2,194	-	(2,194)	-	-
Additional capital debt or capital leases	-	-	-	(2,528)	-	2,528	-	-
Net transfers to operating reserves	-	-	-	-	-	(12,006)	12,006	-
Net transfers from operating reserves	-	-	-	-	-	6,846	(6,846)	-
Net transfers to capital reserves	-	-	-	-	-	(10,484)	-	10,484
Net transfers from capital reserves	-	-	-	-	-	5,478	-	(5,478)
Other Changes - Close Unrest Surplus	-	-	-	-	-	(12,515)	12,515	-
<b>Balance at August 31, 2020</b>	<b>\$ 225,017</b>	<b>\$ 1,213</b>	<b>\$ 223,804</b>	<b>\$ 143,030</b>	<b>\$ 4,956</b>	<b>\$ -</b>	<b>\$ 41,477</b>	<b>\$ 34,341</b>

	INTERNALLY RESTRICTED RESERVES BY PROGRAM									
	School & Instruction Related		Operations & Maintenance		Board & System Administration		Transportation		External Services	
	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
<b>Balance at August 31, 2019</b>	<b>\$ 32,276</b>	<b>\$ 1,381</b>	<b>\$ -</b>	<b>\$ 12,458</b>	<b>\$ (9,281)</b>	<b>\$ 1,960</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 88</b>
Prior period adjustments:	807	-	-	12,959	-	-	-	-	-	-
<b>Adjusted Balance, August 31, 2019</b>	<b>\$ 33,083</b>	<b>\$ 1,381</b>	<b>\$ -</b>	<b>\$ 25,417</b>	<b>\$ (9,281)</b>	<b>\$ 1,960</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 88</b>
Board funded tangible capital asset additions	-	(431)	-	-	-	-	-	-	-	-
Disposal of unsupported tangible capital assets	-	-	-	920	-	-	-	-	-	-
Net transfers to operating reserves	10,305	-	-	-	181	-	1,520	-	-	-
Net transfers from operating reserves	(5,963)	-	-	-	(883)	-	-	-	-	-
Net transfers to capital reserves	-	580	-	8,643	-	1,261	-	-	-	-
Net transfers from capital reserves	-	(1,381)	-	(2,049)	-	(1,960)	-	-	-	(88)
Other Changes - Close Unrest Surplus	12,515	-	-	-	-	-	-	-	-	-
<b>Balance at August 31, 2020</b>	<b>\$ 49,940</b>	<b>\$ 149</b>	<b>\$ -</b>	<b>\$ 32,931</b>	<b>\$ (9,983)</b>	<b>\$ 1,261</b>	<b>\$ 1,520</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**CALGARY BOARD OF EDUCATION  
SCHEDULE 2 – CAPITAL REVENUE  
FOR THE YEAR ENDED AUGUST 31, 2020, WITH COMPARATIVE INFORMATION FOR 2019  
(in thousands)**

	Alberta Education				Alberta Infrastructure	Donations and grants	Other (Student Fees)	Total other sources	Total
	IMR	CMR	Others	Total Education					
<b>Deferred Operating Contributions (DOC)</b>									
Balance at Aug 31, 2019	\$ 4,599	\$ -	\$ 1,300	\$ 5,899	\$ -	\$ 1,034	\$ 59	\$ 1,093	\$ 6,992
Received during the year (excluding investment income)	37,483	-	12,143	49,626	-	634	-	634	50,260
Transfer to grant/donation revenue	(10,348)	-	(11,528)	(21,876)	-	(1,106)	-	(1,106)	(22,981)
Investment earnings									
Received during the year	260	-	-	260	-	-	-	-	260
Transferred directly to SDCC	(6,667)	-	-	(6,667)	-	-	-	-	(6,667)
Transferred to others: Re-purposed IMR	(15,000)	-	-	(15,000)	-	-	-	-	(15,000)
<b>DOC Closing balance at Aug 31, 2020</b>	<b>\$10,327</b>	<b>\$ -</b>	<b>\$ 1,915</b>	<b>\$ 12,242</b>	<b>\$ -</b>	<b>\$ 562</b>	<b>\$ 59</b>	<b>\$ 621</b>	<b>\$ 12,863</b>
<b>Unspent Deferred Capital Contributions (UDCC)</b>									
Balance at Aug 31, 2019	\$ -	\$ -	\$ -	\$ -	\$ 3,272	\$ -	\$ -	\$ -	\$ 3,272
Prior period adjustments	-	-	-	-	6,675	-	-	-	6,675
<b>Adjusted ending balance Aug. 31, 2019</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,947</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,947</b>
Received during the year (excluding investment income)	-	25,797	115	25,912	4,247	278	-	278	30,437
UDCC Receivable	-	11,056	-	11,056	1,279	-	-	-	12,335
Investment earnings									
Received during the year	-	34	-	34	-	-	-	-	34
Proceeds on disposition of supported capital assets	-	-	-	-	209	-	-	-	209
Transferred to SDCC	-	(2,747)	(224)	(2,971)	(10,573)	(278)	-	(278)	(13,822)
Transferred (to) from others: Playgrounds from AI to AE	-	-	109	109	(109)	-	-	-	-
<b>UDCC Closing balance at Aug 31, 2020</b>	<b>\$ -</b>	<b>\$ 34,140</b>	<b>\$ -</b>	<b>\$ 34,140</b>	<b>\$ 5,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 39,140</b>
<b>Total Unspent Deferred Contributions at Aug 31, 2020</b>	<b>\$10,327</b>	<b>\$ 34,140</b>	<b>\$ 1,915</b>	<b>\$ 46,382</b>	<b>\$ 5,000</b>	<b>\$ 562</b>	<b>\$ 59</b>	<b>\$ 621</b>	<b>\$ 52,003</b>
<b>Spent Deferred Capital Contributions (SDCC)</b>									
Balance at Aug 31, 2019	\$46,422	\$ -	\$ 2,825	\$ 49,247	\$ 1,109,596	\$ 3,008	\$ -	\$ 3,008	\$ 1,161,851
Prior period adjustments	-	-	-	-	(13,978)	-	-	-	(13,978)
<b>Adjusted ending balance Aug. 31, 2019</b>	<b>46,422</b>	<b>-</b>	<b>2,825</b>	<b>49,247</b>	<b>1,095,618</b>	<b>3,008</b>	<b>-</b>	<b>3,008</b>	<b>1,147,873</b>
Alberta Infrastructure managed projects					42,330				42,330
Transferred from DOC	6,667	-	-	6,667	-	-	-	-	6,667
Transferred from UDCC	-	2,747	224	2,971	10,573	278	-	278	13,822
Amounts recognized as revenue (Amortization of SDCC)	(2,789)	-	(200)	(2,989)	(44,382)	(229)	-	(229)	(47,600)
Disposal of supported capital assets	-	-	-	-	(2)	-	-	-	(2)
<b>SDCC Closing balance at Aug 31, 2020</b>	<b>\$50,300</b>	<b>\$ 2,747</b>	<b>\$ 2,849</b>	<b>\$ 55,896</b>	<b>\$ 1,104,137</b>	<b>\$ 3,057</b>	<b>\$ -</b>	<b>\$ 3,057</b>	<b>\$ 1,163,090</b>

**CALGARY BOARD OF EDUCATION  
SCHEDULE 3 – PROGRAM OF OPERATIONS  
FOR THE YEAR ENDED AUGUST 31, 2020, WITH COMPARATIVE INFORMATION FOR 2019  
(in thousands)**

REVENUES	Instruction		Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	2020 TOTAL	2019 TOTAL
	ECS	Grades 1 - 12						
Alberta Education	\$ 45,300	\$ 969,789	\$ 104,086	\$ 36,089	\$ 43,144	\$ -	\$1,198,408	\$1,245,661
Alberta Infrastructure	-	-	47,497	-	-	-	47,497	46,886
Other - Government of Alberta	-	8	24	-	-	98	130	604
Federal Government and First Nations	-	1,313	-	-	13	762	2,088	2,698
Other Alberta school authorities	-	330	26	-	-	-	356	378
Fees	-	16,026	-	5,110	-	10,376	31,512	43,627
Sales of services and products	432	9,006	655	-	262	13,664	24,019	28,874
Investment income	-	886	-	-	2,168	-	3,054	3,837
Gifts and donations	-	9,209	229	-	-	-	9,438	9,536
Rental of facilities	-	-	1,362	-	364	1,367	3,093	4,211
Fundraising	-	1,722	-	-	-	-	1,722	2,524
Gains on disposal of tangible capital assets	-	-	1,116	-	-	-	1,116	110
Other revenue	-	537	-	-	-	40	577	1,047
<b>TOTAL REVENUES</b>	<b>\$ 45,732</b>	<b>\$ 1,008,826</b>	<b>\$ 154,995</b>	<b>\$ 41,199</b>	<b>\$ 45,951</b>	<b>\$ 26,307</b>	<b>\$1,323,010</b>	<b>\$1,389,993</b>
<b>EXPENSES</b>								
Certificated salaries	25,485	623,585	-	-	1,070	6,560	656,700	675,065
Certificated benefits	3,068	139,703	-	-	183	721	143,675	144,981
Non-certificated salaries and wages	9,756	108,710	47,025	923	15,767	10,865	193,046	210,474
Non-certificated benefits	2,528	27,176	11,637	216	3,162	2,549	47,268	49,556
<b>SUB - TOTAL</b>	<b>40,837</b>	<b>899,174</b>	<b>58,662</b>	<b>1,139</b>	<b>20,182</b>	<b>20,695</b>	<b>1,040,689</b>	<b>1,080,076</b>
Services, contracts and supplies	1,175	74,780	48,046	39,586	20,308	2,553	186,448	232,236
Amortization of supported tangible capital assets	-	253	47,347	-	-	-	47,600	46,057
Amortization of unsupported tangible capital assets	-	17,615	6,768	-	3,730	58	28,171	26,943
Supported interest on capital debt	-	-	24	-	-	-	24	52
Unsupported interest on capital debt	-	-	375	-	27	-	402	411
Other interest and finance charges	-	503	-	328	31	314	1,176	863
Other expense	-	3,158	-	1,225	105	2,490	6,978	4,136
<b>TOTAL EXPENSES</b>	<b>42,012</b>	<b>995,483</b>	<b>161,222</b>	<b>42,278</b>	<b>44,383</b>	<b>26,110</b>	<b>1,311,488</b>	<b>1,390,774</b>
<b>OPERATING SURPLUS (DEFICIT)</b>	<b>\$ 3,720</b>	<b>\$ 13,343</b>	<b>\$ (6,227)</b>	<b>\$ (1,079)</b>	<b>\$ 1,568</b>	<b>\$ 197</b>	<b>\$ 11,522</b>	<b>\$ (781)</b>

**CALGARY BOARD OF EDUCATION  
SCHEDULE 4 – PLANT, OPERATIONS AND MAINTENANCE EXPENSES  
FOR THE YEAR ENDED AUGUST 31, 2020, WITH COMPARATIVE INFORMATION FOR 2019  
(in thousands)**

EXPENSES	Custodial	Maintenance	Utilities and Telecom	Expensed IMR, Modulars, Relocation & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	Supported Capital & Debt Services	2020 Total Operating and Maintenance	2019 Total Operating and Maintenance
Uncertificated salaries and wages	\$ 30,714	\$ 10,429	\$ -	\$ 1,835	\$ 4,045	\$ -	\$ -	\$ 47,023	\$ 48,212
Uncertificated benefits	8,401	2,409	-	306	521	-	-	11,637	11,309
<b>Sub-total Remuneration</b>	39,115	12,838	-	2,141	4,566	-	-	58,662	59,521
Supplies and services	5,573	4,708	-	8,214	2,595	-	-	21,090	24,853
Electricity	-	-	10,501	-	-	-	-	10,501	9,833
Natural gas/heating fuel	-	-	4,348	-	-	-	-	4,348	6,376
Sewer and water	-	-	2,044	-	-	-	-	2,044	2,638
Telecommunications	-	-	613	-	-	-	-	613	313
Insurance	-	-	-	-	6,326	-	-	6,326	4,911
ASAP maintenance & renewal payments	-	-	-	-	-	-	3,124	3,124	2,634
<b>Amortization of tangible capital assets</b>									
Supported	-	-	-	-	-	-	47,347	47,347	46,057
Unsupported	-	-	-	-	-	6,768	-	6,768	6,642
<b>Total Amortization</b>						6,768	47,347	54,115	52,699
<b>Interest on capital debt</b>									
Supported	-	-	-	-	-	-	24	24	52
Unsupported	-	-	-	-	-	375	-	375	367
Lease payments for facilities	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENSES</b>	<b>\$ 44,688</b>	<b>\$ 17,546</b>	<b>\$ 17,506</b>	<b>\$ 10,355</b>	<b>\$ 13,487</b>	<b>\$ 7,143</b>	<b>\$ 50,495</b>	<b>\$ 161,222</b>	<b>\$ 164,197</b>

SQUARE METRES	2020	2019
School buildings	1,500,514	1,500,514
Non school buildings	58,103	58,767

**CALGARY BOARD OF EDUCATION  
SCHEDULE 5 – CASH AND PORTFOLIO INVESTMENTS  
AS AT AUGUST 31, 2020, WITH COMPARATIVE INFORMATION FOR 2019  
(in thousands)**

Cash and cash equivalents	2020			2019
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash	1.62%	\$ 157,821	\$ 157,821	\$ 135,660
Cash equivalents	1.30%	871	871	862
<b>Total cash and cash equivalents</b>		<b>\$ 158,692</b>	<b>\$ 158,692</b>	<b>\$ 136,522</b>

Portfolio Investments	2020			2019	
	Average Effective (Market) Yield	Cost	Fair Value	Balance	Balance
<b>Interest-bearing securities</b>					
Deposits and short-term securities	2.02%	\$ 14,255	\$ 14,255	\$ 14,255	\$ 13,899
<b>Equities</b>					
Pooled investment funds	1.24%	6,030	8,146	8,146	7,436
<b>Total portfolio investments</b>	<b>1.74%</b>	<b>\$ 20,285</b>	<b>\$ 22,401</b>	<b>\$ 22,401</b>	<b>\$ 21,335</b>

Portfolio investments	2020	2019
<b>Operating</b>		
Cost	\$ 14,255	\$ 13,899
<b>Endowments</b>		
Cost	6,030	5,519
Unrealized gains and losses	2,116	1,917
<b>Total portfolio investments</b>	<b>\$ 22,401</b>	<b>\$ 21,335</b>

The following represents the maturity structure for interest-bearing securities:

	2020	2019
Under 1 year	16%	0%
1 to 5 years	84%	100%
6 to 10 years	0%	0%
	<b>100%</b>	<b>100%</b>





**CALGARY BOARD OF EDUCATION  
SCHEDULE 7 – REMUNERATION  
FOR THE YEAR ENDED AUGUST 31, 2020**

<b>Board Members:</b>	<b>FTE</b>	<b>Remuneration</b>	<b>Benefits</b>	<b>Allowances</b>	<b>Performance Bonuses</b>	<b>ERIP's / Other Paid</b>	<b>Other Accrued Benefits (1)</b>	<b>Expenses</b>
Marilyn Dennis, Chair	1.00	\$ 55,000	\$2,946	\$8,600	-	-	\$5,192	\$4,357
Althea Adams, Vice Chair	1.00	50,000	2,873	8,600	-	-	5,192	2,713
Trina Hurdman	1.00	45,000	2,550	8,600	-	-	22,500	3,286
Julie Hrdlicka	1.00	45,000	2,613	8,600	-	-	22,500	2,415
Lisa Davis	0.41	18,346	1,045	3,507	-	-	-	1,976
Richard Hehr	1.00	45,000	-	8,600	-	-	5,192	2,826
Mike Bradshaw	1.00	45,000	2,613	8,600	-	-	5,192	2,124
					-	-		
<b>Subtotal</b>	<b>6.41</b>	<b>\$ 303,346</b>	<b>\$ 14,640</b>	<b>\$ 55,107</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 65,768</b>	<b>\$ 19,697</b>
Christopher Usih, Chief Superintendent	1.00	\$ 261,023	\$ 41,897	\$ 6,000	-	-	\$ 65,445	\$ 3,094
Brad Grundy, Treasurer	1.00	240,815	18,341	8,031	-	-	68,990	6,200
Patricia Minor, Secretary	1.00	144,966	15,291	-	-	-	-	-
Superintendents, Certificated	2.26	503,229	173,014	13,212	-	550,675	110,855	4,984
Superintendents, Non Certificated	4.00	895,565	67,406	32,095	-	-	167,640	7,324
<b>Certificated</b>		<b>655,935,748</b>	<b>142,512,615</b>	<b>-</b>	<b>-</b>	<b>201,287</b>		
School based	6,659							
Non-School based	120							
<b>Non-certificated</b>		<b>191,461,308</b>	<b>44,752,465</b>	<b>-</b>	<b>-</b>	<b>2,002,227</b>		
Instructional	1,945							
Plant Operations & Maintenance	706							
Transportation	14							
Other	390							
<b>TOTALS</b>	<b>9,850</b>	<b>\$849,746,000</b>	<b>\$187,595,669</b>	<b>\$ 114,445</b>	<b>\$ -</b>	<b>\$ 2,754,189</b>	<b>\$ 478,698</b>	<b>\$ 41,299</b>

(1) Other Accrued Unpaid Benefits Include: Retirement Accruals for trustees and untaken vacation pay and supplemental pension expenses for employees

**CALGARY BOARD OF EDUCATION  
SCHEDULE 7 – REMUNERATION  
FOR THE YEAR ENDED AUGUST 31, 2020**

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**Notes for Trustees**

<sup>1</sup> **Remuneration** includes honorarium payment and accruals. Trustee remuneration is established annually through Governance Policy GC-2E Trustee Remuneration. Remuneration reported is on an accrual basis and differs from cash paid in the year. Amounts reported include provisions for the retirement allowance accrual, as applicable.

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

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

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

**Notes for Employees**

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

<sup>2</sup> **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement, pensions, senior management registered pension plans, Canada Pension Plan, employment insurance, health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, and long and short term disability plans. Government 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 (2019) – 11.29%

The ATRF Board has reduced teacher and employer/government contribution rates for the Teachers' Pension Plan (TPP) and the Private School Teachers' Pension Plan (PSTPP). The effective rate is 11.29%.

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.

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

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

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

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

<sup>7</sup> **Other Accrued Unpaid Benefits** includes untaken vacation pay and supplemental pension expenses accrued up to August 31, 2020.

**CALGARY BOARD OF EDUCATION  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2020, WITH COMPARATIVE INFORMATION FOR 2019  
(in thousands)**

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**1. NATURE OF OPERATIONS**

The Calgary Board of Education (the "Corporation"), is an independent legal entity with an elected Board of Trustees as stipulated in the *Education Act*, Statutes of Alberta, 2012, Chapter E-0.3, and operates as "The Calgary Board of Education". 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 (the "Province") 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**

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

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

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

**(b) Basis of Financial Reporting**

**Valuation of Financial Assets and Liabilities**

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

**CALGARY BOARD OF EDUCATION  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED AUGUST 31, 2020, WITH COMPARATIVE INFORMATION FOR 2019  
 (in thousands)**

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

<u>Financial Statement Component</u>	<u>Measurement</u>
Cash and cash equivalents	Amortized cost
Accounts receivable	Lower of cost or net recoverable value
Inventories	Lower of cost or net realizable value
Portfolio investments	Fair value and amortized cost
Accounts payable and accrued liabilities	Amortized cost
Debt	Amortized cost

**Financial Assets**

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

Cash and cash equivalents

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

Accounts receivable

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

Portfolio investments

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

Derivatives and portfolio investments in equity instruments that are quoted in an active market are recorded at fair value and the associated transaction costs are expensed upon initial recognition. The change in the fair value is recognized in the Consolidated Statement of Remeasurement Gains and Losses as a remeasurement gain or loss until the portfolio investments are derecognized. Upon derecognition, the accumulated remeasurement gains or losses associated with the derecognized portfolio investments are reversed and reclassified to the Consolidated Statement of Operations.

Impairment is defined as a loss in value of a portfolio investment that is other than a temporary decline and is included in the Consolidated Statement of Operations. In the case of an item in the fair value category, a reversal of any net remeasurement gains recognized in previous reporting periods up to the amount of the write-down is reported in the Consolidated Statement of Remeasurement Gains and Losses. A subsequent increase in value would be recognized on the Consolidated Statement of Remeasurement Gains and Losses and realized on the Consolidated Statement of Operations only when sold.

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

**CALGARY BOARD OF EDUCATION  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2020, WITH COMPARATIVE INFORMATION FOR 2019  
(in thousands)**

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

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

Other financial assets

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

**Liabilities**

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

Accounts payable and accrued liabilities

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

Deferred contributions

Deferred revenue includes contributions received for operations which have stipulations that meet the definition of a liability per *PS3200*. 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:

- Unspent Deferred Capital Contributions (“UDCC”)  
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.
- Spent Deferred Capital Contribution (“SDCC”)  
Spent Deferred Capital Contributions 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 use the asset in a prescribed manner over the life of the associated asset.

Pensions and employee future benefits

Alberta Teachers’ Retirement Fund (“ATRF”)

The Corporation’s certificated employees are required to contribute to the Alberta Teachers’ Retirement Fund (ATRF), a multi-employer defined benefits pension plan. ATRF contributions by the Province for current service are reflected as a cost to operate the education system in Alberta and the Corporation’s proportionate share 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.

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.

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

*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 of August 31st.

*Supplementary Retirement Plan (“SRP”)*

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

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

The Corporation has 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 (“EARSLS”) of active employees covered under the plan. The EARSLS for employees of the Corporation is 12 years. The most recent valuation of the obligation was performed on August 31, 2020. 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.

*Environmental Liabilities*

A liability for remediation of contaminated sites from operations may be due to unexpected events resulting in contamination, is recognized net of any expected recoveries, when all of the following criteria are met:

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

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 too, 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.



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

Environmental Liabilities (continued)

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 Consolidated Statement of Operations when remediation is completed.

Debt

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

**Non-Financial Assets**

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

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

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

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

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 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.

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 executory costs (e.g., insurance, maintenance costs, etc.). The discount rate used to determine the present value of the lease payments is the lower of the Corporation's incremental borrowing rate or the interest rate implicit in the lease.

Prepaid expenses

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

Inventory

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

Net Financial Assets

Consistent with Alberta Education financial reporting guidelines for the year ended August 31, 2020, the Corporation excludes spent deferred capital contributions (SDCC) from the calculation of net financial assets.

**Operating and capital reserves**

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

**Trust funds under administration**

Trust funds and their related operations administered by the Corporation are not included in the consolidated financial statements as they are not controlled by the Corporation. Disclosure for trust funds under administration are detailed in Note 18.

**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.

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

**Revenue recognition (continued)**

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 *PS 3200*. Such liabilities are recorded as deferred revenue. The following items fall under this category:

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

**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.

**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.

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

**Financial instruments**

The Corporation classifies its financial instruments at either the fair value cost 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 the 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 Consolidated Statement of Remeasurement Gains and Losses until they are realized and de-recognized, when they are transferred to the statement of operations, upon disposal.

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

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

*Cost / Amortized Cost*

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

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

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

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

**Measurement uncertainty**

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

*Recent developments and impact on estimation uncertainty:*

In January 2020, the World Health Organization declared the Novel Coronavirus ("COVID-19") outbreak a global health emergency and on March 11, 2020, it was declared a global pandemic. This has resulted in governments worldwide, including the Canadian and Alberta governments, enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods, closures of nonessential businesses, and physical distancing, have caused material disruption to businesses worldwide, resulting in an economic slowdown.

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

**Measurement uncertainty (continued)**

While the disruption caused by COVID-19 is currently expected to be temporary, there is considerable uncertainty around its duration. The COVID-19 pandemic presents uncertainty over future cash flows, may cause significant changes to the Corporation's assets or liabilities and may have a significant impact on its future operations. The COVID-19 pandemic has resulted in decreased funding as a result of a reallocation of federal funding to fight COVID -19 as well as many new expenses. Any related financial impact of COVID-19 on the Corporation or broader economic influences in future periods cannot be reasonably estimated at this time.

As at the reporting date, the Corporation has determined that COVID-19 has had no impact on its accounting policies, contracts or lease agreements, the assessment of provisions and contingent liabilities, or the timing of revenue recognition. The Corporation has not assessed any impairment that needs to be recognized on its tangible capital assets at August 31, 2020, as it continues to use these assets now that operations have resumed subsequent to year-end. The Corporation continues to manage liquidity risk by forecasting and assessing cash flow requirements on an ongoing basis. As of August 31, 2020, the Corporation continues to meet its contractual obligations within normal payment terms and the Corporation's exposure to credit risk remains largely unchanged.

**Budgetary information**

Budget information is presented on the Consolidated Statement of Operations and Consolidated Statement of Changes in Net Financial Assets and on the related schedules and represents the budget approved by the Board of Trustees and submitted to Alberta Education in June 2019. The budget was amended in January 2020 and accepted by the Board of Trustees.

**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 6).

**Related party transactions**

By definition, a related party transaction is a transfer of economic resources or obligations between related parties, or the provision of services by one party to a related party (see note 13).

**Inter-entity transactions**

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 13).

**Restructuring transactions**

By definition, (i) a restructuring transaction is a transfer of an integrated set of assets and/or liabilities, together with the 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.

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

**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, 2022, with earlier adoption permitted. Alberta Education has indicated that school jurisdictions, including the Corporation, will adopt this new standard as of September 1, 2022.

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

**3. CASH AND CASH EQUIVALENTS**

	2020		2019	
	Effective Market Yield	Amortized cost	Effective Market Yield	Amortized cost
Bank balances <sup>(1)</sup>	1.62	\$ 158,007	2.24	\$ 136,564
Outstanding cheques		(186)		(904)
Cash equivalents (GIC)	1.30	871	1.30	862
<b>Total cash and equivalents</b>		<b>\$ 158,692</b>		<b>\$ 136,522</b>

<sup>(1)</sup> Includes cash balances restricted for EducationMatters in the amount of \$212 (2019 - \$167).

**General operating and other bank indebtedness**

The Corporation maintains a line of credit to a maximum of \$44,600 (2019 - \$44,600) with a 2.45% (2019 – 3.95%) 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, 2020, no amount has been drawn against the Corporation's general operating line of credit (2019 - \$nil).

**Supplementary cash flow information**

For the year ended August 31, 2020, cash interest paid on school building debenture debt and other debt amounted to \$24 (2019 - \$52) and cash interest earned (both operating and capital) and dividends received on investments totalled \$2,513 (2019 - \$2,550).

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**4. ACCOUNTS RECEIVABLE**

	2020			2019
	Gross amount	Allowance for doubtful accounts	Net realizable value	Net realizable value
Alberta Infrastructure - Capital	\$ 26,553	\$ -	\$ 26,553	\$ 32,141
Alberta Infrastructure - CMR	11,056	-	11,056	-
Fees	14,311	(10,496)	3,815	1,963
Insurance Claims	1,803	-	1,803	1,136
Municipalities	1,605	-	1,605	1,932
First Nations	1,147	-	1,147	53
Other	1,358	(296)	1,062	547
Federal government	828	-	828	1,408
Alberta Education - Grants	208	-	208	852
Alberta Education - Substitute	142	-	142	287
Post-secondary institutions	123	-	123	3
Other Alberta school jurisdictions	73	-	73	168
Other Government of Alberta ministries	13	-	13	46
Foundations	2	-	2	2
Alberta Health Services	60	-	60	-
Alberta Treasury Board and Finance	-	-	-	280
	<b>\$ 59,282</b>	<b>\$ (10,792)</b>	<b>\$ 48,490</b>	<b>\$ 40,818</b>

**5. INVENTORY**

	2020	2019
Masks	\$ 1,232	\$ -
Face Shields	81	-
Thermometers	58	-
Hand Sanitizer	13	-
Disinfectants and cleaners	5	-
<b>Total</b>	<b>\$ 1,389</b>	<b>\$ -</b>

In response to the COVID-19 pandemic, the Province provided additional resources to schools which included a \$1,389 investment in PPE inventory (2019 - \$nil). The inventory was distributed to schools in the 2020-21 school year.

**6. CONTRACTUAL RIGHTS**

	2020	2019
Contractual rights from operating leases	\$ 310	\$ 310
Contractual rights from Alberta Infrastructure	47,870	49,547
<b>Total</b>	<b>\$ 47,180</b>	<b>\$ 49,857</b>

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**7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<u>2020</u>	<u>2019</u>
Other trade payables and accrued liabilities	\$ 32,870	\$ 48,612
Salaries and benefit costs	25,524	27,633
Accrued vacation liability	7,996	7,254
Federal Government	981	808
Post-Secondary Institutions	-	72
Alberta Capital Finance Authority	-	35
Other Alberta school jurisdictions	-	6
Alberta Health Services	19	-
Other Government of Alberta ministries	623	699
Unearned Revenue		
School generated funds, including fees (Note 15)	12,927	14,308
Other fee revenue not collected at school level	8,863	12,047
Unearned rental revenue	99	-
	<u>\$ 89,902</u>	<u>\$ 111,474</u>

**8. EMPLOYEE FUTURE BENEFITS**

**(a) Employee Future Benefits Schedule**

	<u>2020</u>	<u>2019</u>
Supplemental executive retirement program	\$ 294	\$ 290
Supplementary retirement plan	109	170
Post retirement and post-employment benefit plans	25,053	24,373
	<u>\$ 25,456</u>	<u>\$ 24,833</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 \$51 (2019 - \$44).

The net pension expense for SERP was \$128 (2019 - \$154). The total liability for the SERP on August 31, 2020, was \$294 (2019 - \$290).

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

The total liability for the SRP on August 31, 2020, was \$109 (2019 - \$170).

**(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, 2020, and 2019:

	<u>2020</u>	<u>2019</u>
Liability for PRB/PEB, beginning of year	\$ 24,373	\$ 24,747
Current service cost	1,324	1,130
Interest cost	1,350	1,542
Benefits payments	(3,358)	(4,154)
Amortization of net actuarial losses	1,364	1,108
Liability for PRB/PEB, end of year	<u>\$ 25,053</u>	<u>\$ 24,373</u>



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

To date, \$25,053 (2019 – \$24,373) has been accrued in the Corporation’s consolidated financial statements as a liability for PRB/PEB.

Plan Funded Status

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

	<u>2020</u>	<u>2019</u>
Accrued benefit obligation, ending balance	\$ 36,389	\$ 33,810
Unamortized net actuarial losses	(11,336)	(9,437)
Liability for PRB/PEB, ending balance	<u>\$ 25,053</u>	<u>\$ 24,373</u>

**(e) 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:

	<u>2020</u>	<u>2019</u>
Current period service cost	\$ 1,324	\$ 1,130
Amortization of net actuarial gains(losses)	1,364	1,108
Benefit expenses	\$ 2,688	\$ 2,238
Benefit interest expenses	1,350	1,542
Total benefit expenses	<u>\$ 4,038</u>	<u>\$ 3,780</u>

The accrued benefit obligations for employee future benefit plans as of August 31, 2020, are based on actuarial valuations for accounting purposes as of August 31, 2020. 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>2020</u>	<u>2019</u>
Discount rate on accrued benefit obligation	3.40%	4.05%
Rate of Compensation increase	3.50%	3.50%
Supplemental Health Care (SHC) cost trend rate 5.75% for 3 years with grading by 0.25% per year to an ultimate rate of 5.0%	5.75%	5.75%
Dental cost trend rate	4.50%	4.50%

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

The current service and past service costs of the ATRF are met by contributions by active members and the Province of Alberta. Under the terms of the *Teachers’ Pension Plan Act*, the Corporation does not make pension contributions for certificated staff and does not report on any unfunded liabilities. The service costs for the members are funded and contributed by the Province of Alberta in the amount of \$72,436 (2019 - \$73,326) and are included in these consolidated financial statements as revenue from the Government of Alberta and as certificated benefits expense. At August 31, 2020, the ATRF reported a surplus of \$3,448,098 (2019 - \$2,697,272).

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

The Corporation participates in the LAPP, which is a multi-employer pension plan and does not report on any unfunded liabilities. The service costs for the employees for the current year of \$16,788 (2019 - \$18,678) are included in these consolidated financial statements and comprise the Corporation’s costs of employer contributions. At December 31, 2019, the LAPP reported a surplus of \$7,913,261 (2018 – \$3,469,347).

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

The Corporation provides non-contributory defined benefit supplementary retirement benefits to its executives and it participates in the multi-employer supplementary integrated pension plan (SiPP) for members of senior administration. The plan provides a supplement to the LAPP or ATRF pension to a full 2% of pensionable service. The annual expenditure for this pension plan is equivalent to the annual contributions of \$51 for the year ended August 31, 2020 (2019 - \$44).

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

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

**(h) Enrollment in SiPP, SERP and SRP**

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

	<u>2020</u>	<u>2019</u>
Supplemental Integrated Pension Plan (SiPP)	7	7
Supplementary Executive Retirement Program (SERP)	7	7
Supplementary Retirement Plan (SRP)	28	29
<b>Total</b>	<u>42</u>	<u>43</u>

**9. ENVIRONMENTAL LIABILITIES**

**Liability for contaminated sites**

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ -	\$ -
Additional obligations recognized	1,800	-
Remediation work performed	-	-
<b>Balance, end of year</b>	<u>\$ 1,800</u>	<u>\$ -</u>

**Asset retirement obligations**

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 327	\$ 327
Additional obligations recognized	-	-
Remediation work performed	-	-
<b>Balance, end of year</b>	<u>\$ 327</u>	<u>\$ 327</u>

An annual interest rate of 5.35% (2019 - 5.35%) is applicable to discounted expected cash flows for the calculation of the initial obligation and a rate of 3.7% (2019 – 3.7%) would be applicable for accretion of the obligation.

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

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**10. DEBENTURES AND OTHER SUPPORTED DEBT**

The debentures for the acquisition of school buildings were 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 annual interest rates ranging from 7.38 per cent to 11.75 per cent, and matured at various dates to 2020. Balances at August 31, 2020, are \$nil (2019 - \$232) and have been repaid. All debenture principal and interest payments were fully guaranteed by the Province of Alberta.

**11. CAPITAL LEASES**

Capital leases are approved by the Alberta Minister of Education for internally financed projects. All capital leases are secured by identified assets of the Corporation. The Corporation has set aside restricted long-term investments of \$14,255 (2019 - \$13,899) (refer to Schedule 5) to retire the outstanding lease obligation as of August 31, 2020. As of August 31, 2020, capital lease obligations pertaining to the Corporation are as summarized below:

	<u>2020</u>	<u>2019</u>
Finance contracts, secured by certain building components at annual interest rates ranging from 2.17 per cent - 3.28 per cent, repayable in annual installments of \$566 including interest, maturing August 2021 through August 2023.	\$ 1,050	\$ 1,572
Finance contracts, secured by certain building components at annual interest rates ranging from 1.67 per cent - 3.28 per cent, repayable in annual installments of \$780 including interest, maturing August 2021 through August 2023.	4,088	4,753
Finance contracts, secured by certain building components at annual interest rates ranging from 1.67 per cent - 3.28 per cent, repayable in annual installments of \$458 including interest, maturing August 2021 through August 2024.	1,161	1,579
Finance contracts, secured by certain building components at annual interest rates ranging from 1.58 per cent - 3.28 per cent, repayable in annual installments of \$726 including interest, maturing August 2021 through August 2025.	7,285	5,346
<b>Total</b>	<u>\$ 13,584</u>	<u>\$ 13,250</u>

Minimum lease payments for future years are as follows:

	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2020-2021	\$ 319	\$ 4,089	\$ 4,408
2021-2022	236	3,855	4,091
2022-2023	136	2,235	2,371
2023-2024	70	1,882	1,952
2024-2025	25	1,523	1,548
<b>Total</b>	<u>\$ 786</u>	<u>\$ 13,584</u>	<u>\$ 14,370</u>

The Corporation entered into finance contracts during the year in the amount of \$2,528 (2019 - \$2,361) secured by certain building components maturing through August 2025.

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**12. NET ASSETS**

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

	<b>2020</b>	<b>2019</b>
<b>Unrestricted surplus</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Operating reserves</b>	<b>41,477</b>	<b>23,802</b>
Accumulated surplus from operations	41,477	23,802
Investment in tangible capital assets	143,030	154,920
Capital reserves <sup>(a)</sup>	34,341	28,846
Endowments <sup>(b)</sup>	4,956	4,714
Accumulated remeasurement gains	1,213	998
<b>Accumulated surplus</b>	<b>\$ 225,017</b>	<b>\$ 213,280</b>

Included in Accumulated surplus from operations are school generated funds to which the Corporation has no claim. Adjusted accumulated surplus represents funds owned by the Corporation.

	<b>2020</b>	<b>2019</b>
Accumulated surplus from operations	\$ 41,477	\$ 23,802
Add: Non-vesting accumulating employee future benefits charged to accumulated surplus <sup>(c)</sup>	(10,164)	(10,164)
<b>Adjusted accumulated surplus from operations <sup>(d)</sup></b>	<b>\$ 31,313</b>	<b>\$ 13,638</b>

**(a) Capital reserves**

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

The reserves and designated funds are to be applied to finance future capital expenditures in accordance with the specific requirements of each Board resolution. At August 31, 2020, \$10,484 (2019 - \$5,478) is committed or designated for a specified purpose.

**(b) 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.

**(c) Employee future benefits**

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.

**(d) Adjusted accumulated surplus from operations**

Adjusted accumulated surplus from operations represents funding available for use by the Corporation after deducting funds committed in the 2019-20 and 2020-21 budget process for capital and operating initiatives as well as our net investment in capital assets.

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**13. 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:

<b>As at and for the year ended August 31, 2020</b>	<b>value)</b>	<b>Liabilities</b>	<b>Revenues</b>	<b>Expenses</b>
<b>Government of Alberta (GOA):</b>				
<b>Education</b>				
Accounts receivable / accounts payable	\$ 142	\$ -	\$ -	\$ -
Prepaid expenses / deferred revenue	-	-	-	-
Unexpended deferred capital revenue	-	51,382	-	-
Expended deferred capital revenue	-	1,160,033	-	-
Grant revenue & expenses	208	-	1,193,020	-
Other revenue & expenses	-	-	1,693	-
<b>Other Alberta school jurisdictions</b>	<b>73</b>	<b>-</b>	<b>657</b>	<b>44</b>
<b>Treasury Board and Finance (principal)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Treasury Board and Finance (accrued interest)</b>	<b>-</b>	<b>15</b>	<b>49,188</b>	<b>-</b>
<b>Alberta Health Services</b>	<b>60</b>	<b>19</b>	<b>57</b>	<b>1,007</b>
<b>Post-secondary institutions</b>	<b>123</b>	<b>-</b>	<b>35</b>	<b>677</b>
<b>Other Government of Alberta</b>	<b>1,160</b>	<b>1</b>	<b>337</b>	<b>183</b>
Alberta Infrastructure	37,609	-	3,115	-
Alberta Pensions Administration Corporation	-	622	-	31,861
<b>Total 2020</b>	<b>\$ 39,375</b>	<b>\$ 1,212,072</b>	<b>\$ 1,248,102</b>	<b>\$ 33,772</b>
Total 2019	\$ 33,832	\$ 1,168,827	\$ 1,296,558	\$ 37,502

**(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  
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**14. FEES REVENUE**

	<u>2020</u>	<u>2019</u>
Transportation fees	\$ 5,110	\$ 4,921
Noon supervision	10,378	14,777
Other	16,024	23,929
<b>Total</b>	<b>\$ 31,512</b>	<b>\$ 43,627</b>

**15. SCHOOL GENERATED FUNDS**

	<u>2020</u>	<u>2019</u>
<b>Unearned school generated revenue, beginning of year</b>	<b>\$ 14,308</b>	<b>\$ 15,167</b>
Gross receipts:		
Fees	15,632	23,208
Fundraising	1,198	6,118
Gifts and donations	5,533	7,672
Grants to schools	12	174
Other sales and services	4,713	5,177
<b>Total gross receipts</b>	<b>\$ 27,088</b>	<b>\$ 42,349</b>
Less:		
Related expenses and uses of funds	\$ 28,148	\$ 41,555
Direct costs including costs of goods sold to raise funds	321	1,653
	<u>(1,381)</u>	<u>(859)</u>
<b>Deferred school generated revenues, end of year</b>	<b>\$ 12,927</b>	<b>\$ 14,308</b>
<b>Balance included in Accounts payable and accrued liabilities</b>	<b>\$ 12,927</b>	<b>\$ 14,308</b>

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**16. CONTRACTUAL OBLIGATIONS AND CONTINGENT LIABILITIES**

**(a) Contractual obligations**

	<u>2020</u>	<u>2019</u>
Building leases	\$ 158,704	\$ 172,464
Service providers	168,593	265,826
Building projects	5,079	3,609
	<u>\$ 332,376</u>	<u>\$ 441,899</u>

Building projects:

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

Service providers:

As of August 31, 2020, the Corporation has the following commitments relating to service and grant contracts:

- 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 continue to execute Annual Service Agreements (“ASA”). All ASA’s outline 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 and natural gas supply agreement with Direct Energy to the end of December 2020. The Corporation is currently in discussion to extend the supply agreement with Direct Energy for another year.

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

	<u>Building Projects</u>	<u>Building Leases</u>	<u>Service Providers</u>	<u>Total</u>
2020-21	\$ 5,079	\$ 13,592	\$ 62,805	\$ 81,476
2021-22	-	14,067	52,939	67,006
2022-23	-	14,107	51,656	65,763
2023-24	-	14,555	794	15,349
2024-25	-	15,003	399	15,402
Thereafter	-	87,380	-	87,380
<b>Total</b>	<u>\$ 5,079</u>	<u>\$ 158,704</u>	<u>\$ 168,593</u>	<u>\$ 332,376</u>

**(b) Contingent liabilities**

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

**CALGARY BOARD OF EDUCATION  
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**17. NUTRITION PROGRAM**

	Budget 2020	2020	2019
<b>Revenues</b>			
Alberta Education - current year	\$ 874	\$ 874	\$ 877
Alberta Education - prior year	-	49	-
<b>Total Revenues</b>	<b>\$ 874</b>	<b>\$ 923</b>	<b>\$ 877</b>
<b>Expenses</b>	874	923	828
<b>Annual Surplus</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 49</b>

The average estimated number of students served per meal was \$1,702 (2019 - \$1,506). As a result of school closures due to COVID-19, school authorities were encouraged to find innovative ways to provide meals to students. The CBE provided a donation to Meals on Wheels in the amount of \$40 (2019 - \$nil) to ensure the funds were used to help vulnerable families during this COVID-19 period.

**18. TRUST FUNDS UNDER ADMINISTRATION**

	2020	2019
<b>Scholarship trust funds</b>	<b>\$ 13</b>	\$ 18
<b>School staff funds</b>	<b>2</b>	2
	<b>\$ 15</b>	\$ 20

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

The Corporation is a member of USIC, a licensed reciprocal insurance exchange under Alberta’s *Insurance Act*, which facilitates the placement of property and liability insurance coverage for 14 school jurisdictions throughout the Province of Alberta. Under the agreement created at the time USIC was established, decisions related to the financial and operating activities of the Consortium are shared. No partner 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 of August 31, 2020, was \$1,810 (2019 - \$2,345).



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**20. SEGMENTED INFORMATION**

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

i. *Instruction (ECS 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 include services offered outside the Corporations regular educational programs for kindergarten to Grade 12 students such as continuing adult education.

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

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

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**21. SUBSEQUENT EVENTS**

On August 26, 2020, the Federal government announced that up to \$2,000,000 in support would be provided to provinces and territories through the Safe Return to Class Fund. This fund is to provide the complementary funding required as they work to ensure the safety of students and staff members throughout the school year. The CBE was allocated \$44,840 and received the first payment on Sept. 10, 2020, in the amount of \$22,420.

**22. COMPARATIVE FINANCIAL INFORMATION**

The Corporation determined that it had incorrectly amortized certain tangible capital assets and spent deferred capital contributions, and incorrectly classified certain transactions relating to components of its accumulated operating surplus, as well as unspent and spent deferred capital contributions as at August 31, 2019. While the amounts are not material to the consolidated financial statements, the Corporation has elected to adjust the 2019 comparative amounts presented for the current year as follows:

	Originally reported	Adjustment	Recasted
Investment in tangible capital assets	\$ 165,989	\$ (11,069)	\$ 154,920
Total operating reserves	22,995	807	23,802
Total capital reserves	15,887	12,959	28,846
Accumulated operating surplus	209,586	2,697	212,283
Accumulated surplus	210,583	2,697	213,280
Tangible capital assets	1,320,073	(4,606)	1,315,467
Unspent deferred capital contributions	3,272	6,675	9,947
Spent deferred capital contributions	1,161,851	(13,978)	1,147,873
Revenues - Government of Alberta	1,288,251	5,278	1,293,529
Expenses - Plant operations and maintenance	\$ 161,616	\$ 2,581	\$ 164,197

**23. 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 2019-20 unaudited budget was approved by the Board of Trustees on June 18, 2019, and submitted to Alberta Education on June 27, 2019. In the fall, the budget was updated to reflect actual enrolment numbers and was accepted by the Board of Trustees on January 7, 2020.

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

Amounts budgeted for 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 \$16,615 (2019 - \$29,052) as shown in Schedule 1.

**CALGARY BOARD OF EDUCATION**  
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**23. BUDGET COMPARATIVES (continued)**

	<b>Spring Budget</b>	<b>Fall Budget</b> (Budget as presented for comparative purposes)	<b>Increase/ (Decrease)</b>	
				%
<b>Revenues</b>	\$ 1,308,983	\$ 1,255,521	\$ (53,462)	(4%)
Federal Government and First Nations	3,141	2,990	(151)	(5%)
Other Sales and Services	20,093	20,298	205	1%
Fees Revenue	45,553	49,157	3,604	8%
Investment Revenue	1,682	3,401	1,719	102%
All Other Revenue	14,947	14,908	(39)	(0%)
<b>Total revenue</b>	<b>1,394,399</b>	<b>1,346,275</b>	<b>(48,124)</b>	<b>(3%)</b>
<b>Expenses</b>				
Instruction: Grades 1-12	1,066,855	1,046,699	(20,156)	(2%)
Instruction: Early Childhood Services	43,048	43,078	30	0%
Board and System Administration	48,975	48,988	13	0%
Transportation	48,610	50,537	1,927	4%
Plant Operations and Maintenance	171,377	160,026	(11,351)	(7%)
External Services	30,141	31,223	1,082	4%
<b>Total expenses</b>	<b>1,409,006</b>	<b>1,380,551</b>	<b>(28,455)</b>	<b>(2%)</b>
<b>Annual deficit</b>	<b>(14,607)</b>	<b>(34,275)</b>	<b>(19,668)</b>	<b>135%</b>
<b>Transfer from/ (to) operating reserves</b>	<b>9,607</b>	<b>18,799</b>	<b>9,192</b>	<b>96%</b>
<b>Add / (deduct) capital items paid by operating funds</b>				
Capital assets acquired	(24,312)	(18,161)	6,151	(25%)
Board funded amortization	29,312	28,161	(1,151)	(4%)
Transfer from / (to) capital reserves	-	5,478	5,478	-
	<b>\$ 5,000</b>	<b>\$ 15,478</b>	<b>\$ 10,478</b>	<b>210%</b>



# Management's Discussion and Analysis

## For the year ended August 31, 2020

### 2019-20 Overview

The Calgary Board of Education (CBE) is the public school board in Calgary, Alberta, Canada. As a leader in education, CBE is committed to success for every student, and we are proud of our students and the outstanding results they continue to achieve. From Early Childhood Services (ECS) to Grade 12, the CBE operates a wide variety of programs and services to support each student, every day, no exceptions. Outstanding education depends on making wise decisions about how to invest public resources on behalf of the over 125,000 students. It is an important responsibility. Money spent educating today's youth is one of the most important investments a society can make for 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 the 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

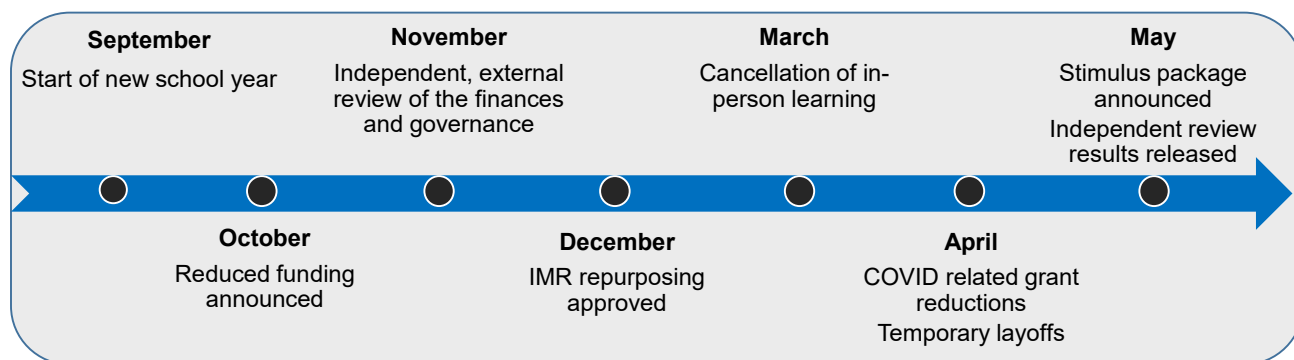
This Management Discussion and Analysis (MD&A) should be read in conjunction with the CBE's [Budget Report](#) for 2020-21, Fourth Quarter Budget Variance Report and Consolidated Financial Statements and the accompanying notes for the year ended Aug. 31, 2020. The Budget Report outlines how the CBE is structured, governed and outlines priorities for supporting students.

The CBE's work is guided by its nonnegotiable expectations and the clear boundaries set out in the [Operational Expectations](#) (OE-5). The [Three-Year Education Plan](#) and the [Fall Budget Update Report](#) outline the allocation of resources to achieve student success.

### 2019-20 Operational Highlights

The CBE has seen steady growth throughout the last decade. In the past ten years, the CBE has grown by 23,433 or 22.9 per cent. Compared to last year, enrolment at the CBE has increased by 2,390 or 1.9 per cent. To put that in perspective, a large elementary school has a student population of roughly 600 students; for 2019-20 the CBE grew by the equivalent of four schools.

The past year was a year full of change and adaptation. The CBE and the world were faced with unprecedented challenges to navigate through. Some events in 2019-20 include:



## Operational Priorities

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 results of all students in mathematics and literacy. The CBE also continues to focus on high school success through a range of initiatives and remains committed to equity and the continuing to advance how decisions are made with equity as a guiding principle. As a result of the cancellation of in-person learning, schools and teachers moved quickly to online learning platforms to fill the void. Over the summer months, specific knowledge was gathered to ensure that all grades from 1-12 were able to learn online for the entire school year.

## Provincial Funding Changes and Impacts

On Oct. 24, 2019, the government imposed a \$32 million, mid-year revenue reduction. In order to make operational changes required due to the funding reduction, the CBE needed to act quickly with the information available at the time to balance its budget. The need to move rapidly was driven by the mid-year nature of the funding reduction. Delay would have increased the reductions necessary to achieve the budget target. As staffing comprises the largest single category of expenditure it was logical that the CBE's response would touch on staffing. No other category of expenditure was large enough to accommodate a \$32 million reduction.

As a result, termination notices were issued to temporary teachers in early November which provided a 30 day notification period, as required in the Alberta Teachers Association collective agreement. In November 2019, the Minister of Education announced an option for school jurisdictions to re-purpose Infrastructure Maintenance and Renewal (IMR) funding, on a one-time basis, to support maintaining positions in schools. On Dec. 2, 2019, the CBE received approval to re-purpose \$15 million of IMR funding. The flexibility afforded by re-purposing this funding supported maintaining certificated and non-certificated positions in schools. Specifically, the CBE was able to rescind the termination notices sent to 317 teachers on temporary contracts. Those staff returned to schools for the remainder of the school year. The remaining funds were used to moderate the impact of fee increases and service adjustments related to student transportation. Despite these efforts, the CBE has projected an overall deficit of \$34.276 million for the 2019-20 school year.

## Ministerial Investigation of the Finances and Governance of the CBE

In November 2019, the Minister of Education ordered a Ministerial Investigation of the CBE. The investigation report was subsequently released in May 2020. The Board of Trustees response to the Ministerial Investigation and subsequent report can be found [on the CBE's public website](#).

The report confirmed that there were no financial irregularities or improprieties. The report also highlighted that CBE spending is fully aligned with that of other metro school jurisdictions and that the CBE has strong financial processes and controls. An online version of the review and findings can be found [on the province's website](#).

Following the release of the results of the Ministerial Investigation in May, the Minister of Education issued [Ministerial Order 016/2020](#). Since receiving the Ministerial Order on May 21, 2020, the Board of Trustees and CBE Administration, have worked together on a project plan to ensure compliance on all the directives outlined in the Ministerial Order by the Nov. 30, 2020 deadline.

The CBE implemented a structured planning process facilitated by an internal project manager. For each directive, a project team has been identified and a work plan has been developed. The Board and administration have met regularly to highlight progress, mitigate risks and determine next steps.

At the time of this report, the CBE is working with Alberta Education to ensure full compliance with the Ministerial Order.

## COVID-19 Impact and Response

On March 15, 2020, Alberta cancelled all in-person learning across the province in response to growing concern about the spread of COVID-19. On March 28, [approximately \\$21 million of the funding provided to the CBE for the 2019-20 school year was recovered by the government](#). To address this in-year reduction in funding the CBE provided temporary layoff notices to approximately 1,900 CBE employees. The layoff was effective for May and June 2020.

Keeping students connected to learning from home was prioritized and taken into consideration in making the layoffs noted above. Savings from cancelling in-person learning and deferring various projects and initiatives were used to partially offset the reduction. The layoffs impacted breakfast and lunch supervisors, part-time cleaners, library assistants, Career and Technology Studies instructors, psychologists and speech-language pathologists as well as other administrative and support staff.

As a result of the cancellation of in-person learning, schools quickly reconfigured to provide online learning. Students met with teachers online using D2L and/or Google tools to assist in the continuation of learning.

Following the announcement of the cancellation of in-person learning, the CBE moved quickly to refund fees to families. The CBE was aware that many families lost income and was committed to ensuring it did its part in easing the burden, to the extent possible. Proportionate fee refunds were provided for transportation, noon supervision, school fees and field trips.

## Stimulus Package to Improve Schools during COVID-19

Following the cancellation of in-school classes, the government announced a capital stimulus package (Capital Maintenance and Renewal or CMR) to keep Albertans working during the pandemic. Capital funding for school divisions in Alberta was increased by \$250 million to help boost the economy, while also accelerating important maintenance to schools across the province. The CBE received \$36.8 million from the CMR stimulus package to spend on capital projects until the end of October 2020. Certain projects were not completed at that date and the jurisdiction is currently seeking approval from Alberta Education to continue those projects past October 2020.

## New School Construction and Student Spaces

With the increase in Calgary's population over the last five years and many families deciding to live in new suburban communities, the demand for new schools has never been greater. Additionally, many existing CBE schools require modernization to continue to meet the learning needs of students.

Funding for CBE school construction and modernization projects is provided, through grants, by the Alberta Government. Annually the CBE provides Alberta Education with a prioritized list of new school requests and school modernization priorities. This list of priorities is a part of the CBE's [Three Year School Capital Plan](#), which is approved annually by the Board of Trustees. The CBE also provides its own capital funding to support the bringing into operation (commissioning) of new and modernized schools. These commissioning dollars ensure that the CBE schools continue to meet students' needs today, tomorrow and into the future. In the 2019 –20 school year, nearly \$3 million was spent on school commissioning.

Three new schools, constructed by Alberta Infrastructure, were transferred to the CBE for a September 2020 opening. These new schools are:

- Northern Lights School
- Dr. Freda Miller School
- Sibylla Kiddle School

The modernization of Forest Lawn High School continued and included upgrades to the welding shop, the automotive shop, and the building construction shop. Phase Two, to be completed in the 2020-21 school year, includes the modernization of the learning commons, four computer labs and seven classrooms.

In addition to modernizations, modular classrooms were added to Elboya School to assist with increased enrollment. Although Alberta Education funds modular classrooms, the CBE is responsible for integrating them into the receiving school and making all utility connections and undertaking necessary landscaping work.

## Staffing Highlights

### Staff and Full-Time Equivalents (FTEs)

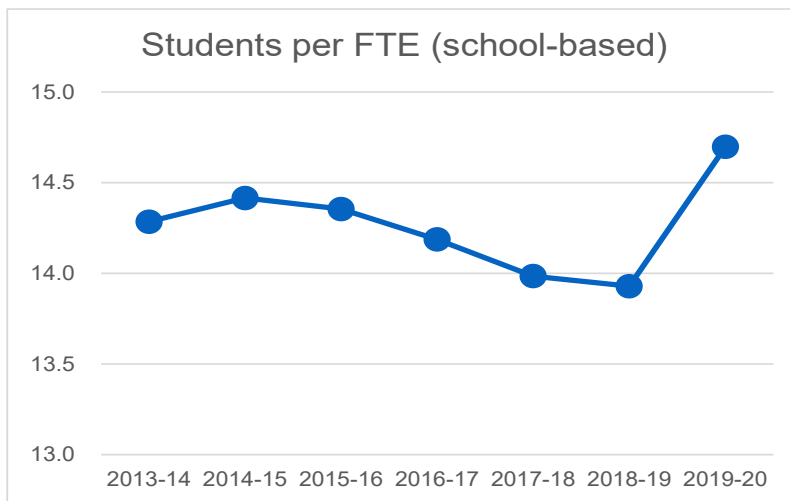
In 2019-20, the CBE employed more than 12,000 people, which equates to 9,850 FTE positions. This makes the CBE one of the largest employers in the City of Calgary. Each employee plays an important role in supporting students in their learning. Teachers, principals and other school-based employees work directly with students to help them reach their potential. School-based employees represent 87 per cent or 8,563 FTE's of the total 9,850 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 (80 per cent) on salaries and benefits. Teachers make up the majority of that total. The provincial funding 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 places upward pressure on the ratio of students to school-based staff. At the same time, the CBE has either held the line on service unit staffing levels or reduced service unit staffing levels to ensure maximum resources are directed towards teaching and learning in the classroom.

## Students per FTEs

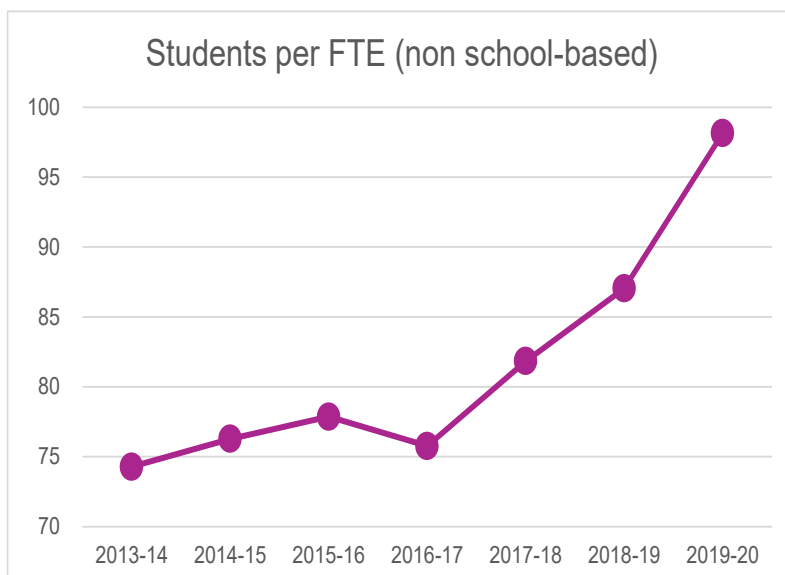
Every staff member is critical to ensuring a student's path to success. While funding allocation decisions are prioritized to schools, the reduction or elimination of non-school based supports has a direct impact on what programs and services are available to support students.

With the elimination of funding for the Class Size Initiative, the Fee Replacement Grant and the Classroom Improvement Fund and increased enrolment of 2,390 students the number of students per school-based and non-school based FTEs increased. To put this into perspective, the Class Size Initiative and the Classroom Improvement Fund were used to hire 513 and 73 teacher FTEs respectively. With almost 250 schools, that would be a decrease of slightly more than two teachers per school, on average.



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

- A lower ratio in this chart indicates that each school-based FTE is servicing a smaller group of students.
- For 2019-20, approximately 14.7 students were supported by one school-based FTE, on average.



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

- A higher ratio in this chart indicates that each non school-based FTE is servicing a larger group of students.
- For 2019-20, approximately 98.1 students were supported by one non-school based FTE, on average.

## Financial Highlights

### Operating Highlights

For the 2019-20 school year, the CBE continued to provide high quality, comprehensive, responsive, caring, inclusive public education to students. Over the past year, three new schools were prepared to welcome students in the 2020-21 school year. As a direct result of COVID – 19, the CBE finished the 2019-20 school year in a surplus position with savings most notable in schools as spending significantly dropped with the cancellation of in-person learning.

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. Enrolment growth, inflation, salary grid movement, operating new schools and covering all costs within the available resources is a challenge. These costs often outpace the growth in Alberta Education funding, which is based on a per-student formula rather than actual costs of providing public education. This requires utilizing a variety of sources of savings (for example, service level reductions, changes and reductions to programming, service unit support reductions, use of reserves) to continue to deliver the levels of service expected by the community.

### Consolidated Financial Results

CBE's consolidated financial statements are presented in accordance with Public Sector Accounting Standards and in the format prescribed by Alberta Education. 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 Appendix I for schools and service units. This is the view commonly presented in the CBE's Budget Reports and provides additional information as to the specific types of expenditures that were made during the year.

	<b>Actuals 2019-20</b>	<b>Actuals 2018-19</b>	<b>Increase / (Decrease)</b>	
	(in \$000s)	(in \$000s)	(in \$000s)	%
<b>Revenues</b>				
Government of Alberta	1,246,391	1,293,529	(47,138)	(4%)
Federal government & first nations	2,088	2,698	(610)	(23%)
Other sales & services	24,019	28,874	(4,855)	(17%)
Fees revenue	31,512	43,627	(12,115)	(28%)
Investment revenue	3,054	3,837	(783)	(20%)
All other revenue	15,946	17,427	(1,481)	(8%)
	<b>1,323,010</b>	1,389,993	(66,983)	(5%)
<b>Expenses by block</b>				
Instruction - Early Childhood Services	42,012	44,354	(2,342)	(5%)
Instruction - Grades 1-12	995,483	1,048,639	(53,156)	(5%)
Plant operations and maintenance	161,222	164,197	(2,975)	(2%)
Transportation	42,278	52,632	(10,354)	(20%)
Board & system administration	44,383	48,054	(3,671)	(8%)
External services	26,110	32,898	(6,788)	(21%)
	<b>1,311,488</b>	1,390,774	(79,286)	(6%)
<b>Expenses by nature</b>				
Salaries and benefits	1,040,687	1,080,076	(39,389)	(4%)
Services, contracts and supplies	186,448	232,235	(45,787)	(20%)
Other (interest, amortization and uncollectible accounts)	84,352	78,463	5,889	8%
	<b>1,311,488</b>	1,390,774	(79,286)	(6%)
<b>Annual surplus/ (deficit)</b>	<b>11,522</b>	(781)	12,303	1575%



## Year-Over-Year Highlights

The 2019-20 surplus of \$11.5 million is \$12.3 million higher than the prior year deficit of \$0.8 million. Financial highlights for the year are discussed below.

Funding for the Class Size Initiative, Fee Replacement Grant and Classroom Improvement Fund was removed and as a result, overall funding decreased. Although a one-time transition fund and enrolment increase grants slightly offset the revenue decrease, total revenue decreased compared to the prior year notwithstanding the increase in enrolment.

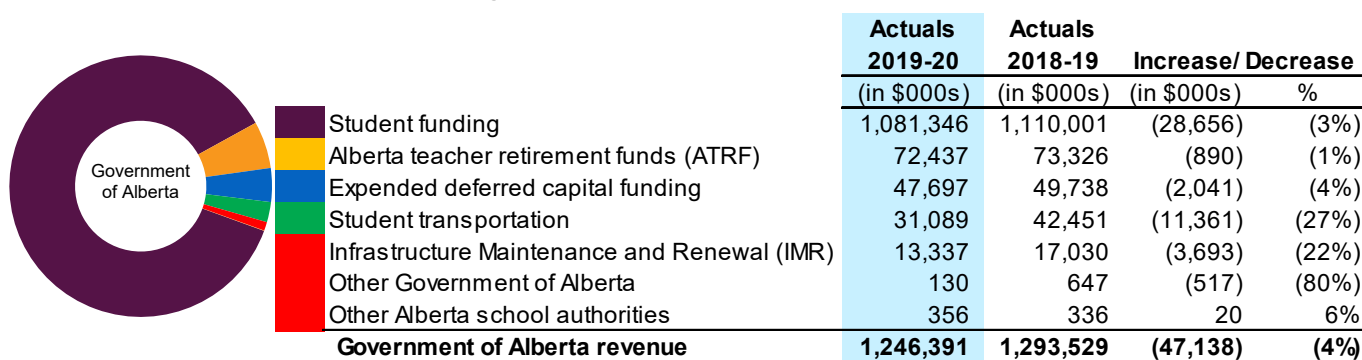
As noted, the total number of students per school-based and non-school-based staff has increased over the prior year. On Dec. 2, 2019, \$15 million of the IMR grant was repurposed to support certificated and non-certificated positions in schools and offset pressures in transportation with the elimination of the Fee Replacement Grant.

Total provincial funding included in the CBE's 2019-20 approved budget decreased by \$21 million to support provincial COVID-19 funding efforts. In order to offset this mid-year decrease, the CBE implemented temporary layoffs for 1,900 staff. These layoffs were designed to minimize the impact on students and their learning to the greatest extent possible. This included temporary layoffs of breakfast and lunch supervisors, part-time cleaners, library assistants, Career and Technology Studies instructors, psychologists and speech-language pathologists as well as other administrative and support staff. In addition to the decrease in staff, there was a reduction of \$6 million to supplies expense also to offset the COVID-19 related decrease in funding.

## Revenue

CBE's revenues can be broken down into two main categories: Government of Alberta revenue and non-Government of Alberta revenue. Government of Alberta funding makes up 94 per cent or \$1,246 million out of total CBE revenues of \$1,323 million. Non-Government of Alberta revenues of \$76 million (6 per cent of total revenues) are comprised mainly of student fees, school-generated sales and fundraising.

## Government of Alberta Funding



The CBE allocated \$1,081 million or 87 per cent of total Government of Alberta funding of \$1,246 million, toward providing student instruction and learning support. The CBE decides how to allocate these funds in support of teaching and learning initiatives. Funding allocated to non-instructional purposes includes the following specific expenditures:

- \$72.4 million – ATRF is a flow-through transaction whereby funds received are designated for payment to the ATRF.
- \$31.1 million – Student transportation is funding received specifically for the transportation of pupils
- \$47.7 million – As facility capital projects are amortized (expensed) throughout their estimated useful life, a corresponding amount of Alberta Education revenue is recognized to show that provincial funding fully offsets the cost of the building.
- \$13.3 million – IMR funding is provided by the province to ensure that the health, safety and essential upgrading needs of facilities are met.

Total Government of Alberta funding received in the current year was \$1,246 million, which is a \$47 million decrease from the \$1,293 million received in 2018-19. A summary of the Government of Alberta funding changes, including the elimination of \$82.8 million in various grants, is set out below:

- \$51.1 million elimination of Class Size Initiative funding. This grant from Alberta Education was allocated directly to schools on a per-student basis for all schools with students in kindergarten to Grade 3. This was done to minimize, to the extent possible, kindergarten through Grade 3 class sizes.
- \$13.3 million elimination of the Classroom Improvement Fund. 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
- \$10.4 million elimination of School Fee Replacement Grant
- \$8.0 million reduction of Transportation Fee Replacement Grant.

These decreases in funding were partially offset by the following grant changes and/or increases:

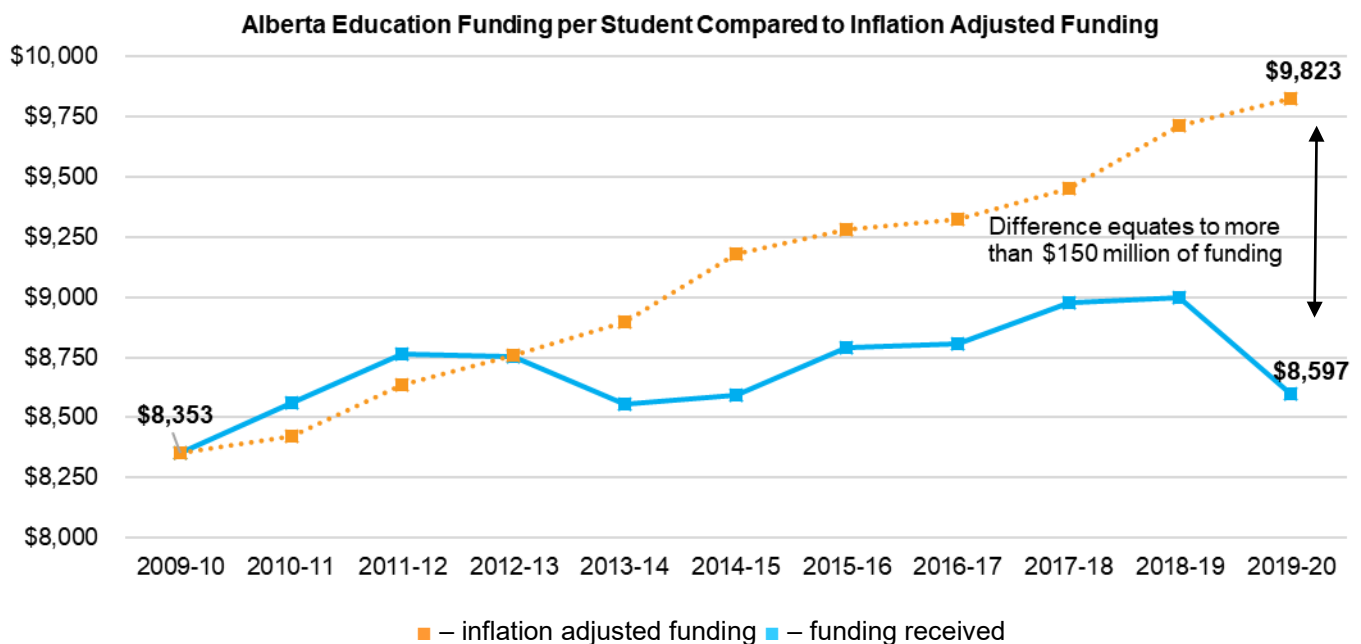
- \$26 million increased funding due to enrolment growth
- \$24 million in one-time transition funding
- \$15 million in re-purposed IMR funding allocated to student instruction and transportation

To redirect financial efforts to COVID-19, the provincial government announced grant reductions in April. This \$21 million reduction resulted in a decrease of \$16 million to the CBE’s base grant, and a \$5 million reduction to the student transportation grant.

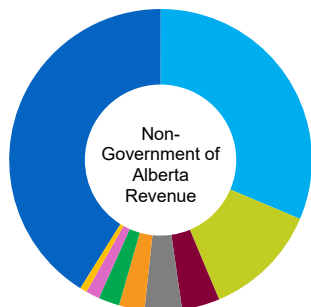
## Alberta Education Funding Per Student

The CBE’s enrolment in 2019-20 increased by 2,390 students as of Sept. 30, 2019. As noted in the section above on the Government of Alberta funding, there was a net reduction in funding from the province.

Therefore, Alberta Education funding per student has decreased as compared to the prior year, which means that the CBE is receiving less to operate on a per-student basis compared to 2018-19. As with most organizations, the CBE faces inflationary cost increases. Since 2009-10, when funding per student was \$8,353, the funding received has not kept pace with inflation. If funding had kept pace with inflation, the CBE would have received an additional \$150 million in 2019-20. In the absence of inflation funding, the CBE has prioritized its spending to minimize the impact on teaching and learning in the classroom. These are difficult decisions but they align with the CBE’s values including, students come first. For added context, \$150 million is the equivalent of 1,500 teaching positions for one year. That is about 6 teachers for each of the CBE’s 250 schools.



## Non-Government of Alberta Revenue



	Actuals 2019-20	Actuals 2018-19	Increase/ Decrease	
	(in \$000s)	(in \$000s)	(in \$000s)	%
Fees revenue	31,512	43,626	(12,114)	(38%)
Other sales & services	24,019	28,873	(4,854)	(20%)
Gifts & donations	9,438	9,319	119	1%
Rental of facilities	3,093	4,211	(1,118)	(36%)
Federal government & first nations	2,088	2,698	(610)	(29%)
Fundraising	1,722	2,524	(801)	(47%)
Gains on disposal of capital assets	1,125	110	1,015	90%
Investment revenue	3,054	3,479	(425)	(14%)
Other revenue	568	1,047	(479)	(84%)
<b>Total non-Government of Alberta revenue</b>	<b>76,618</b>	<b>95,886</b>	<b>(19,268)</b>	<b>(25%)</b>

The CBE received a total of \$76.6 million in non-Government of Alberta revenue, which is a decrease of \$19.2 million from the prior year. These revenues are mainly generated in schools and are inherently variable year-to-year based on school decisions to adapt to student needs. For the 2019-20 school year, numerous programs and services were impacted by COVID-19 school closures which resulted in significantly lower revenues, including:

- \$12.1 million decrease in fees due to lower fees revenue from noon supervision, school-based activity fees and transportation charges
- \$4.8 million decrease in school's other sales and services due to school closures
- \$1.1 million decrease in rental revenue from facilities due to program cancellations
- \$0.8 million decrease due to reductions in fundraising
- \$0.6 million decrease in federal funding support for First Nations students

These decreases in revenues are partially offset by \$1 million gain on disposal from the sale of Erlton building.

## Fees Revenue

### Funding Changes

The elimination of the Fees Replacement Grant resulted in a mid-year revenue reduction to transportation revenues as a portion of the Fee Replacement Grant was directed towards student transportation. The total revenue eliminated was close to \$8 million and it was partially offset by the one-time reallocation of IMR Funding and adjustments to services. This decision was made to match the level of service with mid-year funding reductions.

### 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. Fees are an unfortunate reality to enhancing learning experiences, which in many cases, are not provincially funded.

The CBE estimates the fees necessary to cover program costs when it develops its budget in the spring. Fees levied do not include overhead costs. Fees are used exclusively for the purpose for which they were collected and are not used to support other activities at the CBE. Any surplus resulting from fees collected are either refunded or are added to a related reserve to moderate year-over-year changes in fees. For example, field trip fees would be refunded while transportation fees are placed in a reserve and utilized in the following year.

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

## Fee Revenue Summary

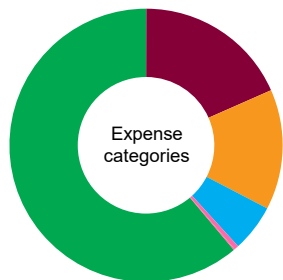
The following fees were centrally set and managed:

	Actuals 2019-20	Actuals 2018-19
Transportation	\$365	\$350
Noon Supervision (4/5 Days)	\$275-305	\$265-\$295

Fees revenue reported in the tables presented are the fees charged to parents in the year, including fees that are waived or deemed uncollectible. Additional fee reporting is also included in the Audited Financial Statements that discloses the nature of fees for the year.

In addition to transportation and noon supervision fees (Appendix III), there are school-based fees that are charged directly by schools for optional courses, field trips and extracurricular activities. School-based fees totalled \$16.0 million for 2019-20.

## Expenses



	Actuals 2019-20	Actuals 2018-19	Increase/Decrease	
	(in \$000s)	(in \$000s)	(in \$000s)	%
Certificated salaries and benefits	800,384	820,046	(19,662)	(2%)
Non-certificated salaries and benefits	240,304	260,029	(19,725)	(8%)
Supply and services	186,448	232,235	(45,787)	(20%)
Amortization expenses	75,770	73,000	2,770	4%
Other (uncollectibles and waivers)	6,980	4,137	2,843	69%
Interest and finance charges	1,602	1,326	276	21%
<b>Total expenses</b>	<b>1,311,488</b>	<b>1,390,774</b>	<b>(79,286)</b>	<b>(6%)</b>

Overall expenditures in 2019-20 were \$1,311 million, which is a decrease of \$79 million, or 5.7 per cent compared to the prior year. The changes to expenses are discussed in the section below.

The 2019-20 school year saw the following expenses increase:

- \$9.5 million in certified and non-certified wages due to salary and benefit rate changes
- \$2.8 million due to increases in uncollectible accounts and fees waiver expenses
- \$1.8 million increase in supply and services due to recognition of a liability for contaminated sites

Expense increases were offset by the following decreases in expenses:

- \$13.0 million decrease in non-certificated staffing costs due to a reduction of 134 FTE, including 30FTE busing aides
- \$9.5 million lower certificated staffing costs due to a decrease of more than 100 FTE
- \$7.1 million decrease in supplies and services expenses due to a spending freeze announced after mid-year grant reductions, including program changes and eliminations
- \$5.2 million decrease in maintenance and repairs expenses due to IMR project delays

In almost all cases, the reduction of expenses in 2019-20 is directly related to the COVID-19 related cancellation of in-person learning in mid-March. The following decreases in expenses can be attributed directly to COVID-19:

- \$21.7 million decrease in purchases of school-based supplies, services and equipment due to cancellation of in-person learning
- \$19.5 million decrease in certified and non-certified salaries and benefits as a result of reductions in Alberta Education grant funding
- \$10.8 million decrease in transportation expenses due to school closures
- \$4.3 million reductions in sick leave utilization
- \$2.2 million savings in utility costs due to the cancellation of in-person learning.

## Expenses by Service Unit

Expenses can also be viewed by schools and Areas and service units to understand the costs to support learning. Please note, the CBE's service units hold the budget allocations for system costs such as utilities, insurance, building maintenance and repair, information system licenses, internet connectivity, employee benefit costs, legal costs, communications and community engagement.



	2019-20 FTEs	Salaries and benefits	Supplies and services	Other (interest, amortization and uncollectible accounts)	Actuals 2019-20	Actuals 2018-19	Increase/ (decrease)
in \$000s							
Schools and Areas	9,071	944,177	59,784	3,185	<b>1,007,146</b>	1,063,146	(56,001)
Service Unit System Budgets	16	7,802	111,635	72,890	<b>192,327</b>	208,137	(15,810)
Facilities and Environmental Services	208	21,985	8,905	2,876	<b>33,765</b>	35,251	(1,486)
School Improvement	228	29,268	2,949	197	<b>32,414</b>	36,469	(4,056)
Finance and Technology Services	184	20,968	635	5,139	<b>26,742</b>	27,171	(429)
Human Resources	103	11,764	462	45	<b>12,270</b>	12,962	(692)
Communications	20	2,528	1,064	-	<b>3,592</b>	3,618	(26)
General Counsel	11	1,259	54	21	<b>1,334</b>	1,318	17
Chief Superintendent's Office	3	551	42	-	<b>593</b>	1,184	(592)
Board of Trustees	6	385	919	-	<b>1,304</b>	1,517	(213)
<b>Total</b>	<b>9,850</b>	<b>1,040,687</b>	<b>186,448</b>	<b>84,353</b>	<b>1,311,488</b>	<b>1,390,774</b>	<b>(79,286)</b>

	2019-20	2018-19
ATA, SA CUPE, Trades Staff	9,661	10,067
Exempt Staff	175	205
Superintendents	8	7
Board of Trustees	6	7
<b>Total</b>	<b>9,850</b>	<b>10,286</b>

This chart shows that the majority (77%) 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 Appendix II, reflect budgeted positions; actual positions filled during the year will vary.

## Capital Highlights

During 2019-20, the CBE completed the sale of its Erlton property to the City of Calgary for \$1.1 million. In accordance with Alberta Education's guidance, \$0.9 million (81.6% of total proceeds) were transferred to capital reserves.

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

Fund Provider	Types of Projects
<b>Alberta Infrastructure</b>	<ul style="list-style-type: none"> <li>▪ Funding specific, new, modernized schools through targeted grants</li> <li>▪ Largely funds modular classroom additions</li> </ul>
<b>Alberta Education</b>	<ul style="list-style-type: none"> <li>▪ Infrastructure Maintenance Renewal (IMR)</li> <li>▪ Capital Maintenance &amp; Renewal (CMR)</li> <li>▪ Playgrounds</li> </ul>
<b>Board Funded</b>	<ul style="list-style-type: none"> <li>▪ New School Commissioning</li> <li>▪ IT Infrastructure</li> <li>▪ Student Information System</li> <li>▪ Electronic Device upgrades</li> </ul>

Total additions to tangible capitals assets were \$79.4 million in 2019-20 which are largely comprised of:

- \$11.4 million in construction and modular funding from Alberta Infrastructure;
- \$42.3 million for three new schools built by Alberta Infrastructure;
- \$16.3 million in board-funded capital activities such as school commissioning, technology infrastructure upgrades, technology hardware purchases; and
- \$9.4 million in IMR and CMR capital projects completed at various schools.

As new schools open and require additional commissioning and ongoing maintenance costs, the CBE is faced with these additional draws on available funding. The CBE also faces ageing facilities with the majority of facilities more than 50 years old, increasing the need for funding to support both operations and maintenance.

As part of the CBE's Three-Year System Student Accommodation Plan and Shaping the Future of High School community engagement, 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 \$158.7 million in cash, cash equivalents and portfolio investments as at Aug. 31, 2020. The balance is due to the timing difference between when funding (cash) is received and when related payments are made as well as the timing of significant new school and modernization activity.

Cash required for the CBE's daily operations is primarily for vendor payments and payroll costs. Cash designated for capital projects is received from the province for capital construction that is not yet spent. Lastly, the CBE's cash related to designated funding for initiatives or funding carried forward into the following year is maintained in cash, and cash equivalents until spent.

The CBE's cash and cash equivalents are also reflected in the CBE reserves which are approximately 5.8 per cent of total annual expenditures as of the end of August 31, 2020.

As at Aug. 31, 2020 the CBE has an accumulated surplus balance of \$223.8 million (2019 - \$212.3 million), reflecting net assets of \$225.1 million (2019 - \$213.3 million) and non-financial assets of \$1,342 million (2019 - \$1,330 million). Net assets include \$1,163.1 million (2019 - \$1,147.9 million) of unearned revenue from Government funding spent on the construction of capital assets. That revenue is recognized and brought into income over the useful life of the related assets.

## Reserves Highlights

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

	Reserve balance Sep 1, 2019	Prior Year Adjustment <sup>(2)</sup>	Adjusted Reserve balance Sep 1, 2019	Fall Update planned transfers from reserves <sup>(1)</sup>	Actual use of reserves in 2019-20	Reserve balance Aug 31, 2020	% of Budgeted expenses
(in \$ thousands)							
<b>Operating reserves</b>							
Unrestricted reserves <sup>(3)</sup>	24,352	807	25,160	(11,953)	12,387	37,547	
Restricted reserves	(8,204)	-	(8,204)	-	129	(8,075)	
Designated operating funds <sup>(4)</sup>	6,846	-	6,846	(6,846)	5,159	12,005	
<b>Total operating reserves</b>	<b>22,994</b>	<b>807</b>	<b>23,802</b>	<b>(18,799)</b>	<b>17,675</b>	<b>41,476</b>	3% <sup>(6)</sup>
<b>Capital reserves</b>							
Building reserve	9,019	7,880	16,899	-	489	17,388	
Other capital reserves <sup>(5)</sup>	6,070	5,079	11,149	(5,478)	5,006	16,155	
Plant, operations and maintenance	798	-	798	-	-	798	
<b>Total capital reserves</b>	<b>15,887</b>	<b>12,959</b>	<b>28,846</b>	<b>(5,478)</b>	<b>5,495</b>	<b>34,342</b>	2%
<b>Total reserves</b>	<b>38,881</b>	<b>13,766</b>	<b>52,648</b>	<b>(24,277)</b>	<b>23,170</b>	<b>75,818</b>	5%

1) Approved by the Board of Trustees on Jan. 7, 2020.

2) Prior year adjustments reflect revisions to the reserve balances resulting from discussions with Alberta Education and CBE's external auditors.

- Operating reserves: Increase of \$0.8 million mainly due to adjustment in board-funded capital asset additions.
- Capital reserves: Increase of \$7.9 million due to the allocation of one-time \$9.8 million capital grant from Alberta Infrastructure towards board-funded capital assets. \$5.1 million related to landscaping and solar power project were deferred to future years.

3) Unrestricted reserve is comprised of the Fiscal Stability reserve, which 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.

4) Designated operating funds include \$9.4 million (2019 - \$5.1 million) for schools and \$2.6 million for service unit (2019 - \$1.8 million) expenditures carried forward to 2020-21 fiscal year.

5) Other capital reserves include capital carry-forwards of \$10.5 million (2019 - \$5.5 million) related to new school commissioning, maintenance, IT infrastructure upgrades and other board-funded capital projects which will continue in 2020-21 fiscal year.

6) Aug. 31, 2020, operating reserve balance of \$41.5 million represent three per cent of 2020-21 budgeted expenditures of \$1,378 million; subject to Board of Trustees and Ministerial approval.

Please note that the accumulated surplus is not equivalent to available for use reserves and therefore cannot be used to support the continuity of programs, services and supports in future years.



## Financial Health Matrix

In response to the Ministerial Investigation and in the interest of transparency and accountability, the CBE developed a financial health matrix. This matrix is designed to assist CBE administration and the Board of Trustees in monitoring the overall financial health of the CBE. Financial health is the ability of the CBE to achieve its Results policies in the short and long term. The matrix can be found in Appendix IV.

The CBE's financial health is indicated by both short and long term financial health indices as well as other operational indicators. Taken together, these indices and indicators allow for an assessment of the CBE's ability to continue providing the programs, services and supports that students and families expect and rely on.

Monitoring the financial health matrix along with the numerous reports from CBE administration to the Board of Trustees allows stakeholders (students, staff, the public, government) to gain a comprehensive view of the CBE and its activities.

From a short-term perspective, the indicators outline a trend of continuing to be able to sustain annual operations and meet near-term financial commitments with modest room available on short-term borrowing and reserves should unanticipated events arise, where appropriate and approved.

From a longer-term perspective, near-term operational capabilities may be constrained should the recent decline in the funding per student, increasing enrolment and continued cost increases resulting from inflation and contractual commitments continue. School capacity utilization is in a reasonable target zone to accommodate current enrolment growth, but with deferred maintenance on schools approaching \$180 million, the effective utilization of IMR and CMR funds are increasingly important in maintaining safe and healthy learning spaces for students.

In summary, short-term operational needs are being met through a balance of financial support and operational effectiveness in delivering programs, services and supports to students.

At this time, the most significant area of concern relates to the overall level of government funding. Should enrolment grow at rates above funding growth, the CBE will be challenged to find new, different and more efficient ways to provide high quality public education.

## Outlook for 2020-21

Student success is at the centre of every budget-related decision the CBE makes. The CBE's values set out below, guide the administration's approach to the budget:

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

The CBE continues to feel the pressure of operating almost 250 schools for more than 125,000 students. 24 schools have opened in the past four years, three more are set to open in 2020-21, and five more in later school years. (Appendix V). This will mean additional financial pressure as CBE will need to fund the commissioning of these new schools. In addition to new schools, the CBE continues to face challenges with ageing facilities. As a majority of the CBE's facilities are over 50 years old, renovation and modernization costs will pose additional pressure on the CBE finances.

The CBE is committed to student success and prudent financial management. All programs and operations will continue to be reviewed and changes made where necessary to match resources to programs and services provided. The CBE will be implementing a new program evaluation framework to support the ongoing assessment of educational programs, services and support for efficiency, effectiveness and economy.

In 2020-21 the CBE will also move to align and coordinate risk management activities across the organization. This risk management initiative is focused on increasing the reliable achievement of the Board of Trustees' Results policies over time.

As the 2020-21 school year begins, the CBE faces more challenges that will require flexibility and adaptability. The CBE will need to manage the budget without the one-time grant allocations that were in place 2019-20, and applying a new weighted moving average funding model. Additionally, operating costs of the three new schools opening Sept 2020 will place additional pressure on allocated Alberta Education funding. This includes commissioning these schools so that they are ready to welcome students.



Existing schools at the CBE also face new challenges. With the return to a near-normal school year in 2020-21, CBE schools are delivering education through the traditional in-classroom method and the new online Hub model. Ensuring the safety of students, parents and staff is of utmost importance.

The CBE will be following guidelines provided by AHS. The current estimated costs relate to COVID-19 are subject to material change depending on how the situation evolves and as of Nov. 10, 2020, was estimated at \$46.850 million. \$44.5 million in federal funding will be used to partially offset financial strain keeping students and staff safe through the global pandemic. Any major changes in the course or intensity of the pandemic will have financial implications for the CBE.

In May of 2020, the CBE received a Ministerial Order with requirements to be completed by November 30, 2020. The CBE is committed to fulfilling all the requirements as set out in the Ministerial Order within the time allotted.

## Compliance

For the year ended Aug. 31, 2020, the CBE was in full compliance with the provincial funding framework. Additionally, 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.

## Appendices

### Appendix I – Schools and Service Unit Function and Highlights

#### Schools and Facility Operations

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 are 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.

CBE schools are organized into seven Areas. 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. Each area has an average of 35 schools and a budget of approximately \$1.1 million.

A summary of the year over year expenses for schools and facility operations are as follows:

Expenses	Actuals 2019-20		Actuals 2018-19		Increase/ (Decrease)		
	FTE	(\$000s)	FTE	(\$000s)	FTE	(\$000s)	%
Certificated permanent salaries and benefits	6,659	757,095	6,705	765,380	(46)	(8,284)	(1.1%)
Certificated temporary salaries and benefits	-	21,790	-	30,242	-	(8,452)	(27.9%)
Non-certificated permanent salaries and benefits	2,412	158,136	2,764	171,983	(352)	(13,847)	(8.1%)
Non-certificated temporary salaries and benefits	-	7,155	-	9,871	-	(2,716)	(27.5%)
Dues and fees	-	352	-	599	-	(247)	(41.2%)
Rental equipment and facilities	-	740	-	716	-	24	3.4%
Maintenance and repairs	-	1,316	-	1,521	-	(205)	(13.5%)
Insurance	-	8	-	4	-	4	96.2%
Professional services	-	11,651	-	11,641	-	10	0.1%
Utilities	-	259	-	271	-	(13)	(4.6%)
Transportation charges	-	1,322	-	2,769	-	(1,446)	(52.2%)
Travel and subsistence	-	152	-	287	-	(136)	(47.2%)
Other supplies	-	40,764	-	61,579	-	(20,815)	(33.8%)
Minor equipment	-	2,531	-	4,938	-	(2,407)	(48.7%)
Textbooks and materials	-	689	-	1,315	-	(626)	(47.6%)
Interest and finance	-	26	-	13	-	12	92.7%
Other (uncollectible accounts)	-	3,159	-	16	-	3,143	19450.6%
<b>Total expense</b>	<b>9,071</b>	<b>1,007,146</b>	<b>9,468</b>	<b>1,063,146</b>	<b>(397)</b>	<b>(56,001)</b>	<b>(5.3%)</b>

## Service Unit Corporate Accounts

There are 'corporate costs' that are managed by respective service units on behalf of the organization. These costs are largely non-discretionary, at least in the short to medium term, as they cannot be easily reduced without significant impact to CBE operations. Specific service units are responsible for monitoring these costs and thus have these items included in their budget. As these costs are incurred for the entire system, they are grouped and presented together here as 'corporate accounts' for illustrative purposes.

Below is a quick overview of some activities which are typically incurred in corporate accounts, including:

<b>Communications and Engagement Services</b>	Facilitating community (high school engagement, etc.), corporate partnerships
<b>Facilities and Environmental Services</b>	Utilities, amortization, insurance, student transportation (charter buses, Handibus, taxis), maintenance, repair costs, etc.
<b>Finance and Technology Services</b>	Technology licenses, subscription and fees, amortization for board funded assets, etc.
<b>General Counsel</b>	External legal counsel fees
<b>Human Resources</b>	Professional Improvement Fellowship (per the ATA Collective Agreement), secondments, staff development funds, etc.
<b>School Improvement</b>	Programs supporting suicide prevention and therapeutic intervention, the budget for Calgary Police Services school resource officers, and amortization for the student information system
<b>Education Matters</b>	In accordance with Public Sector Accounting Standards, EducationMatters is consolidated for the CBE's financial reporting purposes

	Chief Superintendent Office	Communication and Engagement Services	Corporate Revenue	Facilities and Environmental Services	Finance and Technology Services	General Counsel	Human Resources	School Improvement	Total 2019-20	Total 2018-19
	in \$000s									
<b>Expenses</b>										
Certificated salaries and benefits	-	-	-	-	1,479	-	2,195	26	3,700	5,387
Non-certificated salaries and benefits	-	260	-	1,091	1,013	-	1,283	4	4,102	2,660
Dues and fees	-	-	-	-	-	-	1,219	-	1,219	725
Rental equipment and facilities	-	-	-	9,197	-	-	-	-	9,197	10,123
Maintenance and repairs	-	-	-	13,075	4,331	-	-	-	17,406	20,930
Insurance	-	-	-	7,408	-	-	-	-	7,408	5,905
Professional services	-	46	-	4,796	1,054	780	3,349	1,177	11,208	12,733
Utilities	-	-	-	18,233	3,654	-	-	-	21,887	25,557
Transportation charges	-	-	-	39,438	-	-	-	-	39,438	48,830
Travel and subsistence	-	-	-	43	-	-	1	-	44	51
Other supplies	25	13	-	-	1,787	-	1,493	335	3,829	3,818
Minor equipment	-	-	-	-	-	-	-	-	-	-
Amortization	-	-	-	49,489	15,305	-	-	2,700	67,494	65,986
Interest and finance charges	-	-	-	-	1,575	-	-	-	1,575	1,313
Other (uncollectible accounts)	-	-	3,717	-	104	-	-	-	3,821	4,121
<b>Total expenses</b>	<b>25</b>	<b>320</b>	<b>3,717</b>	<b>142,769</b>	<b>30,303</b>	<b>780</b>	<b>9,539</b>	<b>4,242</b>	<b>192,327</b>	<b>208,137</b>

## General Counsel

General Counsel 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. The service unit 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; and
- Maintaining the corporate record of the Board of Trustees proceedings.

Costs related to General Counsel are broken down in the following chart:

	Actuals 2019-20		Actuals 2018-19		Increase/ (Decrease)		
	FTE	(\$000s)	FTE	(\$000s)	FTE	(\$000s)	%
Salaries and benefits	11	1,259	11	1,227	-	32	2.6%
Dues and fees	-	7	-	12	-	(5)	(41.7%)
Professional services	-	23	-	17	-	6	35.8%
Utilities	-	3	-	3	-	(0)	(4.8%)
Travel and subsistence	-	1	-	4	-	(3)	(72.0%)
Other supplies	-	8	-	13	-	(5)	(38.3%)
Minor equipment	-	0	-	5	-	(5)	(93.4%)
Textbooks and materials	-	11	-	12	-	(1)	(5.7%)
Amortization	-	21	-	24	-	(3)	(11.5%)
<b>Total expense</b>	<b>11</b>	<b>1,334</b>	<b>11</b>	<b>1,318</b>	<b>-</b>	<b>17</b>	<b>1.3%</b>

## School Improvement

### Central Supports

The central supports of the School Improvement Service Unit are directly linked to system-wide priorities reflected by CBE values and within the CBE's Three Year Education Plan.

Central portfolios provide specific leadership, guidance, and supports to further the work in and across schools. Two Education Directors have a centrally based portfolio. These two portfolios are Research and Strategy and Inclusive Education. Due to the nature of the work within these portfolios, these roles focus system-level work across all Areas. Education Directors assigned to Areas also have specific portfolios. Although these are central supports, the work of certificated staff in these positions is directly linked to schools. This involves the development of system resources for teaching and learning, the provision of professional learning, organization and support for delivery of programs, and responding to future needs. The specific portfolios supported by Education Directors include:

- Alternative Programs
- Athletics, Student Activities and Off-Site Activities
- Complementary Curriculum
- Core Curriculum
- Early Learning
- Education Partnerships & Campus Calgary/ Open Minds (CCOM)
- English Language Learners
- Global Learning
- High School Success
- Indigenous Education
- Languages
- Student Voice
- Teaching and Learning with Technology & Learning Resources

Expenses	Actuals 2019-20		Actuals 2018-19		Increase/ (Decrease)		
	FTE	(\$000s)	FTE	(\$000s)	FTE	(\$000s)	%
Certificated permanent salaries and benefits	115	15,505	120	16,042	(5)	(537)	(3.3%)
Certificated temporary salaries and benefits	-	433	-	633	-	(200)	(31.6%)
Non-certificated permanent salaries and benefits	113	12,170	124	13,275	(11)	(1,105)	(8.3%)
Non-certificated temporary salaries and benefits	-	1,160	-	1,652	-	(492)	(29.8%)
Dues and fees	-	73	-	93	-	(20)	(21.8%)
Rental equipment and facilities	-	-	-	9	-	(9)	(100.0%)
Maintenance and repairs	-	22	-	61	-	(39)	(64.4%)
Insurance	-	1	-	2	-	(1)	(44.0%)
Professional services	-	908	-	1,610	-	(702)	(43.6%)
Utilities	-	62	-	55	-	7	12.2%
Transportation charges	-	18	-	25	-	(8)	(30.8%)
Travel and subsistence	-	178	-	257	-	(80)	(31.0%)
Other supplies	-	1,623	-	1,858	-	(236)	(12.7%)
Minor equipment	-	15	-	151	-	(136)	(90.1%)
Textbooks and materials	-	50	-	124	-	(73)	(59.3%)
Amortization	-	196	-	623	-	(427)	(68.6%)
Interest and finance	-	1	-	-	-	1	100.0%
<b>Total expense</b>	<b>228</b>	<b>32,414</b>	<b>243</b>	<b>36,469</b>	<b>(16)</b>	<b>(4,056)</b>	<b>(11.1%)</b>

## Facilities and Environmental Services

Facilities and Environmental Services (FES) provides students and employees with quality learning and working environments. FES works closely with students, parents, communities, the City of Calgary and the Government of Alberta to provide support and services including:

- Student accommodation planning;
- Student transportation;
- Facility construction, renovation and maintenance;
- Building operations;
- Leasing, disposition and acquisition of real property;
- CBE emergency, security, risk, health and safety services;
- Environmental stewardship; and
- Internal mail and delivery services.

Expenses	Actuals 2019-20		Actuals 2018-19		Increase/ (Decrease)		
	FTE	(\$000s)	FTE	(\$000s)	FTE	(\$000s)	%
Certificated permanent salaries and benefits	-	68	-	-	-	68	-
Certificated temporary salaries and benefits	-	(1)	-	-	-	(1)	-
Non-certificated permanent salaries and benefits	208	20,618	211	21,228	(3)	(610)	(2.9%)
Non-certificated temporary salaries and benefits	-	1,299	-	1,841	-	(542)	(29.4%)
Dues and fees	-	54	-	70	-	(17)	(23.8%)
Rental equipment and facilities	-	6	-	-	-	6	-
Maintenance and repairs	-	6,428	-	7,521	-	(1,092)	(14.5%)
Professional services	-	769	-	883	-	(113)	(12.8%)
Utilities	-	140	-	146	-	(6)	(4.2%)
Transportation charges	-	0	-	7	-	(7)	(93.9%)
Travel and subsistence	-	81	-	108	-	(27)	(25.4%)
Other supplies	-	1,411	-	512	-	899	175.5%
Minor equipment	-	16	-	8	-	9	113.4%
Amortization	-	2,876	-	2,928	-	(52)	(1.8%)
<b>Total expense</b>	<b>208</b>	<b>33,765</b>	<b>211</b>	<b>35,251</b>	<b>(3)</b>	<b>(1,486)</b>	<b>(4.2%)</b>

## Communication and Engagement Services

Communication and Engagement Services (CES) creates and delivers consistent and timely communication to various stakeholders including families, students, staff, government, unions and associations and members of the broader community. This centralized department provides ongoing communication and community engagement advice and support to schools, service units, the Board of Trustees and in support of CBE priorities. The department also manages and provides support for the public, internal and school websites and other technology tools used by schools and service units.

As of Fall 2019, corporate partnerships and nutrition support functions have moved to Communication and Engagement Services.

Expenses	Actuals 2019-20		Actuals 2018-19		Increase/ (Decrease)		
	FTE	(\$000s)	FTE	(\$000s)	FTE	(\$000s)	%
Certificated permanent salaries and benefits	-	148	-	-	-	148	-
Certificated temporary salaries and benefits	-	-	-	15	-	(15)	(100.0%)
Non-certificated permanent salaries and benefits	20	2,379	22	2,572	(2)	(193)	(7.5%)
Non-certificated temporary salaries and benefits	-	2	-	16	-	(14)	(89.5%)
Dues and fees	-	0	-	2	-	(2)	(92.3%)
Professional services	-	93	-	7	-	86	1158.1%
Utilities	-	8	-	8	-	(1)	(6.8%)
Travel and subsistence	-	1	-	1	-	(0)	(22.9%)
Other supplies	-	939	-	937	-	1	0.1%
Minor equipment	-	22	-	56	-	(34)	(60.7%)
Textbooks and materials	-	0	-	2	-	(1)	(75.9%)
<b>Total expense</b>	<b>20</b>	<b>3,592</b>	<b>22</b>	<b>3,618</b>	<b>(2)</b>	<b>(26)</b>	<b>(0.7%)</b>

## Finance and Technology Services

Finance and Technology Services is made up of three integrated teams, including Finance, IT operations (ITS) and IT Client Support (CTS). These groups provide financial support and technical services to ensure resources are available to create a personalized learning environment for students including:

- Supporting sound financial practises across the CBE;
- Providing financial administration of fee-based services, waivers and collections;
- Monitoring and reporting financial performance through the annual budget and financial reporting periods throughout the year;
- Ensuring the best deals possible for purchased goods and services;
- Paying bills on time;
- Building and supporting CBE's technology infrastructure, integrity and security;
- Supporting the operation of approximately 300,000 discrete devices across 260 sites;
- Supporting students year-round with access to services, digital resources and managing the massive volumes of data generated annually;
- Working to ensure computers, tablets, printers, displays, etc. are available and working for all of CBE; and
- Supporting the myriad of software solutions that are part and parcel part of the modern learning environment.

Expenses	Actuals 2019-20		Actuals 2018-19		Increase/ (Decrease)		
	FTE	(\$000s)	FTE	(\$000s)	FTE	(\$000s)	%
Non-certificated permanant salaries and benefits	184	20,647	191	22,110	(7)	(1,463)	(6.6%)
Non-certificated temporary salaries and benefits	-	321	-	333	-	(12)	(3.6%)
Dues and fees	-	106	-	161	-	(55)	(34.3%)
Maintenance and repairs	-	9	-	22	-	(14)	(61.4%)
Professional services	-	359	-	871	-	(512)	(58.8%)
Utilities	-	28	-	38	-	(10)	(26.2%)
Travel and subsistence	-	29	-	40	-	(12)	(28.5%)
Other supplies	-	51	-	113	-	(62)	(55.3%)
Minor equipment	-	54	-	89	-	(35)	(39.4%)
Amortization	-	5,139	-	3,394	-	1,745	51.4%
<b>Total expense</b>	<b>184</b>	<b>26,742</b>	<b>191</b>	<b>27,171</b>	<b>(7)</b>	<b>(429)</b>	<b>(1.6%)</b>



## Human Resources

Human Resources supports employees with all matters related to their employment relationship with the CBE. They support over 14,000 employees and proactively recruit talent while balancing current and future projected needs. The team oversees 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.

Expenses	Actuals 2019-20		Actuals 2018-19		Increase/ (Decrease)		
	FTE	(\$000s)	FTE	(\$000s)	FTE	(\$000s)	%
Certificated permanent salaries and benefits	7	1,074	10	1,278	(3)	(205)	(16.0%)
Certificated temporary salaries and benefits	-	22	-	59	-	(37)	(62.7%)
Non-certificated permanent salaries and benefits	96	9,964	100	10,174	(3)	(210)	(2.1%)
Non-certificated temporary salaries and benefits	-	703	-	602	-	101	16.8%
Dues and fees	-	8	-	30	-	(22)	(74.5%)
Professional services	-	382	-	565	-	(183)	(32.4%)
Utilities	-	24	-	18	-	6	35.1%
Travel and subsistence	-	5	-	38	-	(33)	(86.2%)
Other supplies	-	36	-	127	-	(91)	(71.6%)
Minor equipment	-	5	-	20	-	(15)	(74.9%)
Textbooks and materials	-	2	-	5	-	(3)	(65.6%)
Amortization	-	45	-	45	-	0	0.0%
<b>Total expense</b>	<b>103</b>	<b>12,270</b>	<b>110</b>	<b>12,962</b>	<b>(6)</b>	<b>(692)</b>	<b>(5.3%)</b>

## Chief Superintendent's Office

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

Expenses	Actuals 2019-20		Actuals 2018-19		Increase/ (Decrease)		
	FTE	(\$000s)	FTE	(\$000s)	FTE	(\$000s)	%
Salaries and benefits	3	551	5	1,074	(2)	(523)	(48.7%)
Dues and fees	-	2	-	4	-	(2)	(47.7%)
Rental equipment and facilities	-	23	-	62	-	(39)	(63.2%)
Maintenance and repairs	-	-	-	1	-	(1)	(100.0%)
Professional services	-	9	-	25	-	(16)	(64.7%)
Utilities	-	2	-	3	-	(1)	(37.0%)
Travel and subsistence	-	2	-	3	-	(1)	(23.3%)
Other supplies	-	2	-	10	-	(7)	(74.6%)
Minor equipment	-	-	-	1	-	(1)	(100.0%)
Textbooks and materials	-	2	-	0	-	2	1662.7%
Amortization	-	-	-	2	-	(2)	(100.0%)
<b>Total expense</b>	<b>3</b>	<b>593</b>	<b>5</b>	<b>1,184</b>	<b>(2)</b>	<b>(592)</b>	<b>(50.0%)</b>

## Board of Trustees

The Board of Trustees represent, lead and serve Calgarians 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. 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.

Expenses	Actuals 2019-20		Actuals 2018-19		Increase/ (Decrease)		
	FTE	(\$000s)	FTE	(\$000s)	FTE	(\$000s)	%
Non-certificated permanent salaries and benefits	6	385	7	422	-	(36)	(8.6%)
Dues and fees	-	261	-	260	-	2	0.7%
Professional services	-	643	-	814	-	(172)	(21.1%)
Utilities	-	1	-	1	-	(0)	(6.1%)
Travel and subsistence	-	12	-	17	-	(5)	(28.9%)
Other supplies	-	2	-	3	-	(1)	(27.8%)
Textbooks and materials	-	-	-	0	-	(0)	(100.0%)
<b>Total expense</b>	<b>6</b>	<b>1,304</b>	<b>7</b>	<b>1,517</b>	<b>-</b>	<b>(213)</b>	<b>(14.0%)</b>

## Appendix II – Account and Block Descriptions

### Account information

The CBE's classification and use of accounts is regulated by the reporting requirements of Alberta Education. Revenues are grouped by source and expenditures are categorized by both object and program (sometimes referred to as 'block'). The main revenue and expense categories include:

Revenues	
Alberta Education	All revenues sourced from Alberta Education. Also included are payments made by Alberta Education to the Alberta Teachers' Retirement Fund on behalf of the CBE as well as revenues recognized for facility-related capital funding from Alberta Education.
Fees	Fees charged to parents for transportation, noon supervision as well as other fees charged directly by schools.
Other sales and services	Adult, international student and continuing education fees as well as revenues from the provision of sales and services.
Other revenue includes	Investment income - Interest, dividends and realized gains on the sale of investments All other revenue - Gifts and donations, fundraising and rental of facilities Federal Government and First Nations - All revenue received from the Federal Government including payments related to tuition fees for First Nations, Métis and Inuit students.

<b>Expenditures by object:</b>	
Salaries and benefits	All salaries paid to employees and all benefits paid on behalf of employees including contributions to pension plans; employment insurance, Workers Compensation Board and Canada Pension Plan premiums; as well as the cost for extended health and dental benefit plans.
Services, contracts and supplies	Cost of supplies, materials and services rendered.
Other (amortization, interest,	Amortization of tangible capital assets, interest and financing charges and uncollectible accounts (bad debts) expense.

<b>Expenditures by program/block</b>	
Instruction: early childhood services	Instruction (Early Childhood Services) is comprised of the delivery of early childhood instruction in schools and support provided for early childhood instruction centrally. This includes pre-kindergarten and kindergarten.
Instruction: K – 12	Instruction (Grades K – 12) is comprised of both the delivery of Grades K– 12 instruction in schools as well as school administration and centrally provided support for the delivery of Grades K – 12 instruction.
Board and System Administration	Administration includes system-wide activities for the purpose of general regulation and direction of the affairs of the school jurisdiction. The cost of rent and operating for the Education Centre is charged to the Board and System Administration block There is a 3.6% of total expenditures cap on Board and System Administration expenses.
Transportation	All activities directly related to transporting students to and from school and the support to run the program is included in Transportation.
Plant Operations and maintenance	Activities related to the construction, operation, maintenance, safety and security of school buildings and support provided to administer these activities. This excludes transportation facilities
External services	External services include services offered outside the CBE's regular educational programs for kindergarten – Grade 12 students such as continuing adult education and the noon supervision program.

## Appendix III – Transportation and Noon Supervision Fees

### Transportation fees

The CBE arranges transportation for students by contracting with yellow school bus providers or working with Calgary Transit to ensure transportation is available to move students safely, reliably, affordably and in alignment with bell times. A total of 42,500 students were transported in the 2019-20 year; 23,500 students were on yellow school buses, while 19,000 used Calgary Transit. This is an increase of 7,000 compared to the 2018-19 year, in which 35,500 students were transported; 23,500 students were on yellow school buses, and 12,000 used Calgary Transit.

To minimize the impact of the mid-year funding change, the CBE used \$5 million of redirected IMR funding to offset the \$8 million mid-year reductions in funding. In 2019-20 families who were previously eligible for fee-free transportation were charged \$365 retroactively to the start of the 2019-20 school year. This is the same amount as all general yellow bus riders. In addition, changes in transportation costs and revenues compared to the prior year is due to:

- Transportation fee replacement grant eliminated
- Removal of bus aides
- Decrease in transportation expense from reduced use of bussing due to cancellation of in-person learning.
- Repurposed IMR funding has also been included with government grants

	Actuals 2019-20	Actuals 2018-19	Increase/ (Decrease)
(in \$000s)			
Government transportation funding	31,089	42,451	(11,361)
One-time approved repurposed IMR funding	5,000	-	5,000
<b>Total government grants and other</b>	<b>36,089</b>	<b>42,451</b>	<b>(6,361)</b>
Busing aides	-	1,426	(1,426)
Central administration	1,138	1,068	69
Transportation services	39,439	48,837	(9,399)
Other supplies and services	475	400	75
Waivers	715	705	11
Uncollectible accounts	511	197	314
<b>Total transportation costs</b>	<b>42,278</b>	<b>52,632</b>	<b>(10,354)</b>
Funding gap	(6,189)	(10,181)	3,993
Fees	5,110	4,921	190
<b>Net (deficit) / surplus</b>	<b>(1,078)</b>	<b>(5,261)</b>	<b>4,183</b>

## Noon supervision fees

The 2019-20 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 (per 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 2019-20 costs had increased noon supervision staff however with the cancellation of in-person learning and temporary layoffs, there was a saving in staffing costs for the year.

In 2019-20, the average number of students attending the noon supervision program was 56,098. This was an increase of 822 students, or 1.5 per cent over the 2018-19 average student count of 55,276.

	<b>Actuals 2019-20</b>	<b>Actuals 2018-19</b>	<b>Increase/ (Decrease)</b>
(in \$000s)			
<b>Available funding</b>	-	-	-
School-based staff	<b>9,349</b>	10,764	(1,415)
Central administration	<b>359</b>	490	(131)
Contracts and services	<b>346</b>	407	(61)
Waivers	<b>1,453</b>	2,025	(572)
Uncollectible accounts	<b>1,038</b>	1,034	3
<b>Total noon supervision costs</b>	<b>12,544</b>	<b>14,720</b>	<b>(2,176)</b>
Funding gap	<b>(12,544)</b>	(14,720)	2,176
Fees	<b>10,376</b>	14,777	(4,401)
<b>Net (deficit) / surplus</b>	<b>(2,168)</b>	<b>56</b>	<b>(2,224)</b>

## Appendix IV – Financial Health Matrix

Current Year – Short Term Financial Health Indicators						
Indicator	Metric / Ratio	2016-17	2017-18	2018-19	2019-20	Status F - favorable U - unfavorable = - neutral
Ability to meet financial obligations in the current school year	Current Assets to Current Liabilities. <i>Why it is important: Current assets should equal or exceed current liabilities to ensure the CBE is able to meet current year financial obligations.</i>	1.01	1.74	1.71	2.55	F
Current year operational flexibility	Percent of Line of Credit in use at end of year <i>Why it is important: The lower the utilization of the Line of Credit the better.</i>	0%	0%	0%	0%	=
Debt Affordability	Debt servicing costs as a percent of total CBE spending. <i>Why it is important: Lower debt servicing costs mean the CBE has greater ability to take on debt to moderate impacts on programs, services and supports.</i>	0.06%	0.06%	0.06%	0.09%	F
Debt Affordability	Debt as a percent of total CBE assets <i>Why it is important: The lower the percentage the better as it means the CBE has greater ability to take on debt to address emerging unfunded infrastructure cost.</i>	0.95%	0.87%	0.88%	0.86%	F
Overall Health	Net Assets/Net Debt adjusted for deferred revenue related to new school construction /modernizations <i>Why it is important: Net assets means the CBE is managing its costs and assets in a sustainable way. (* - information not presented in a manner to report correctly)</i>	*	*	213,282	225,017	F
Ability to respond to short-term revenue changes	Operating reserves available for use. Days of operation that can be funded by Operating reserves <i>Why it is important: Operating reserves provide the CBE with short-term flexibility to address unanticipated unfunded costs.</i>	\$19,088,000 (2.5 days)	\$25,977,000 (3.5 days)	\$23,802,000 (3 days)	\$41,477,000 (5.5 days)	F
Ability to respond to short-medium term infrastructure pressures	Capital reserves available for use. Capital reserves available for use as a percent of total assets at net book value <i>Why it is important: Capital reserve amounts provide the CBE with the ability to address emerging unfunded infrastructure (buildings, technology, furniture, fixture, and equipment) needs to maintain programs, services and supports.</i>	\$32,401,000 2.22%	\$24,200,000 1.58%	\$28,846,000 1.88%	\$34,341,000 2.19%	F



Medium - Long Term Financial Health Indicators						
Indicator	Metric / Ratio	2016-17	2017-18	2018-19	2019-20	Status F - favorable U - unfavorable = - neutral
Health of CBE School Infrastructure	Estimated Deferred Maintenance <i>Why it is important: Deferred maintenance is the estimated cost to repair/upgrade the major building systems that are currently operating beyond their designed service life. An increase in deferred maintenance over time is an indicator of significant future cost and risk.</i>	\$162,000,000	\$162,000,000	\$173,000,000	\$173,000,000	U
Potential Future Cash Outflows related to CBE School Infrastructure	Asset Retirement Obligations and Liabilities related to Contaminated Sites <i>Why it is important: The requirement to restore certain schools and property that may require remediation is a cost that will need to be outlaid at some point in the future.</i>	\$ 327,000	\$ 327,000	\$ 327,000	\$ 2,127,000	U
Ability to continue to fund current levels of programs, services, and supports	Per student funding from Alberta Education. Total Alberta Education Funding divided by number of students <i>Why it is important: Per student funding is an indicator of the stability of revenue over time. Increasing funding per student generally indicates an increased ability to maintain programs, services and supports. Decreasing per student funding over time is an indicator that programs, services and supports will need to be re-structured to fit within available resources.</i>	\$8,831	\$8,995	\$9,020	\$8,597	U
Incremental cost growth due to enrolment	Year over year change in enrolment growth <i>Why it is important: Increasing enrolment over time is an indicator that costs will continue to increase as programs, services and supports will need to support more students. This includes the need for additional learning spaces which can include the need for new schools. With a weighted moving average funding model, enrolment growth over time means that funding growth will lag actual enrolment. The faster the growth, the greater the lag. Accordingly, the rate of growth over time can indicate a need to re-evaluate programs, services and supports for students.</i>	119,147	121,691	123,419	125,809	U
Incremental costs change due to compliance with contractual agreements	Change in average teacher salary year over year. <i>Why it is important: The average teacher salary is one of the most significant factors in driving total CBE spending. Flat or falling average teacher salaries indicates an ongoing ability to fund programs, services and supports. An increase in average teacher salaries over time may impact on the ability to maintain programs, services and supports.</i>	\$101,500	\$100,771	\$100,453	\$101,000	=
Incremental cost growth due to inflationary pressure on non-compensation costs	Statistics Canada annual inflation rate for Calgary Alberta <i>Why it is important: Over time, the cost of most inputs into public education increase due to inflation. Monitoring the inflation rate for Calgary over time allows decision makers to assess the continued affordability and sustainability of programs, services and supports.</i>	1.16%	2.26%	1.64%	1.19%	F
Ability of the CBE to accommodate incremental enrolment growth	Overall system utilization rate. <i>Why it is important: The quality and availability of learning spaces plays a significant role in student outcomes. An increase in system utilization rates indicates an increased risk of crowding, potentially lower quality learning spaces, and the need for new or expanded facilities. Conversely, a fall in system utilization rates over time may indicate a need to close or shrink existing learning spaces to ensure the sustainability of programs, services and supports.</i>	83%	85%	86%	84%	=

## Appendix V – School Facility Projects

The following new schools and major modernizations are open, under construction and/or have been announced.

School	Project type	Status
<b>Schools that are opening in 2020-21 and beyond</b>		
Northern Lights School (Coventry Hills/Country Hills Village)	New school	Opened September 2020
Sibylla Kiddle School (Cranston)	New school	Opened September 2020
Dr. Freda Miller School (Evergreen)	New school	Opened September 2020
Forest Lawn High School	Modernization	Projected Spring 2021
Skyview Ranch Elementary/Middle School Project	New school	TBD
Mahogany Elementary School	New school	TBD
North Calgary High School	New school	TBD
Auburn Bay Middle School	New school	TBD
Auburn Bay Elementary	New school	TBD

## Summary of third party invoices

For the year ending August 31, 2020

Category	Number of Vendors	% of Suppliers	Total Amount	% of Total Amount
Total payments amount is greater than \$250,000	103	3.0%	580,438,639	94.6%
Total payments amount is between \$200,000 and \$250,000	23	0.7%	5,166,360	0.8%
Total payments amount is between \$100,000 and \$200,000	80	2.3%	11,073,907	1.8%
Total payments amount is between \$50,000 and \$100,000	82	2.4%	5,843,996	1.0%
Total payments amount is less than \$50,000	3,162	91.7%	10,830,763	1.8%
<b>Grand Total</b>	<b>3,450</b>	<b>100.0%</b>	<b>613,353,663</b>	<b>100.0%</b>

Summary of third party invoices with total payment value > \$250,000  
For the year ending August 31, 2020

Category	Number of Vendors	Total Amount	% of Total Amount
Salaries & Benefits	13	415,806,111	71.64%
Transportation	4	41,359,691	7.13%
Construction, Maintenance & Repair	29	24,827,120	4.28%
Utilities	6	23,273,400	4.01%
Tangible Capital Assets	9	14,700,955	2.53%
Rental Equipment & Facility	2	14,144,462	2.44%
Professional & Technical Services	9	13,817,033	2.38%
Supplies & Other Services	18	13,630,585	2.35%
P-Card Transactions	1	8,002,592	1.38%
Insurance	3	7,381,319	1.27%
Dues & Fees	4	1,137,212	0.20%
Minor Equipment <\$5000	3	1,021,275	0.18%
Flow Through From Ab Ed	1	736,882	0.13%
Donations	1	600,000	0.10%
<b>Grand Total</b>	<b>103</b>	<b>580,438,639</b>	<b>100.00%</b>

## Details of third party invoices with total payment value > \$250,000

For the year ending August 31, 2020

Category	Total Amount	% of Total Amount
<b>SALARIES &amp; BENEFITS</b>	<b>415,806,111</b>	<b>71.64%</b>
RECEIVER GENERAL FOR CANADA	222,975,951	38.42%
BOARD OF ADMINISTRATORS	75,985,169	13.09%
SUN LIFE ASSURANCE COMPANY OF CANADA	53,618,968	9.24%
ALBERTA PENSIONS ADMINISTRATION CORP.	31,860,716	5.49%
ASEBP - ALBERTA SCHOOL EMPLOYEE BENEFIT PLAN	13,554,644	2.34%
ALBERTA TEACHERS ASSOCIATION	11,159,516	1.92%
WORKERS' COMPENSATION BOARD	2,144,817	0.37%
CBE STAFF ASSOCIATION	1,517,205	0.26%
ALBERTA BLUE CROSS	1,016,370	0.18%
LONDON LIFE INSURANCE CO.	640,564	0.11%
CANADIAN UNION OF PUBLIC EMPLOYEES LOCAL 40	622,086	0.11%
MANULIFE	358,961	0.06%
LONDON LIFE/CAPITAL ESTATE PLANNING CORP.	351,143	0.06%
<b>TRANSPORTATION</b>	<b>41,359,691</b>	<b>7.13%</b>
SOUTHLAND TRANSPORTATION LTD.	31,302,483	5.39%
4SEASONS TRANSPORTATION LTD.dba 1323179 ALBERTA LTD.	8,645,545	1.49%
DREAMS TRANSPORTATION LTD.	1,087,086	0.19%
IMPERIAL OIL LTD.	324,577	0.06%
<b>CONSTRUCTION, MAINTENANCE &amp; REPAIR</b>	<b>24,827,120</b>	<b>4.28%</b>
CHANDOS CONSTRUCTION LTD.	5,720,530	0.99%
WESTERN WEATHER PROTECTOR LTD.	2,960,613	0.51%
RUSSPET CONSTRUCTION LTD.	1,825,609	0.31%
ROCKY CROSS CONSTRUCTION (NORTH) LTD.	1,515,369	0.26%
HALBRO CONSTRUCTION LTD	1,402,972	0.24%
ALBERTA FIRE & FLOOD LTD.	1,256,331	0.22%
SYNCON MANAGEMENT LTD	774,179	0.13%
CORMAC PROJECTS INC.	753,007	0.13%
BIG COUNTRY PLASTERING LTD.	701,946	0.12%
APM CONSTRUCTION SERVICES INC.	628,438	0.11%
WEST SOURCE ENTERPRISES INC.	585,986	0.10%
TROTTER & MORTON BLDG TECH. INC	572,308	0.10%
BOULDER MECHANICAL CONTRACTORS LTD.	543,212	0.09%
BOW RIVER ROAD WORK CONTRACTING LTD.	522,014	0.09%
GREAT NORTHERN PLUMBING INC.	491,952	0.08%
ROGERS COMMUNICATIONS CANADA INC.	415,205	0.07%
FLYNN CANADA LTD.	380,348	0.07%
M BUILDS (ALTA) LIMITED PARTNERSHIP	373,042	0.06%
AINSWORTH INC.	365,720	0.06%
ELLISDON CONSTRUCTION SERVICES INC.	337,698	0.06%

Category	Total Amount	% of Total Amount
ACSI	331,054	0.06%
WOLSELEY CANADA INC.	316,571	0.05%
BMP MECHANICAL LTD.	314,764	0.05%
FOOTHILLS DECORATING PARTNERSHIP	314,722	0.05%
IBM CANADA LTD	313,812	0.05%
CRESTVIEW ELECTRIC LTD.	295,738	0.05%
EMM DECORATING & GRAFFITI REMOVAL LTD.	287,738	0.05%
MAPLE REINDERS INC.	269,179	0.05%
MJS MECHANICAL LTD.	257,062	0.04%
<b>UTILITIES</b>	<b>23,273,400</b>	<b>4.01%</b>
DIRECT ENERGY BUSINESS SERVICES	11,401,400	1.96%
ENMAX ENERGY CORPORATION	4,885,367	0.84%
AXIA SUPERNET LTD.	3,480,794	0.60%
CITY OF CALGARY	2,152,891	0.37%
TELUS COMMUNICATIONS INC.	901,680	0.16%
WASTE MANAGEMENT OF CANADA CORP.	451,268	0.08%
<b>TANGIBLE CAPITAL ASSETS</b>	<b>14,700,955</b>	<b>2.53%</b>
PC CORP INC.	3,834,371	0.66%
APPLE CANADA INC.	3,419,650	0.59%
SPACES INC.	1,724,839	0.30%
LASERNETWORKS INC.	1,691,419	0.29%
AVI-SPL CANADA LTD.	1,327,114	0.23%
INSYNC SYSTEMS INC.	974,185	0.17%
POWERSCHOOL GROUP LLC	740,879	0.13%
SHAW GMC CHEVROLET BUICK LIMITED PARTNERSHIP	598,653	0.10%
CONTEMPORARY OFFICE INTERIORS LTD.	389,847	0.07%
<b>RENTAL EQUIPMENT &amp; FACILITY</b>	<b>14,144,462</b>	<b>2.44%</b>
BENTALL GREENOAK (CANADA) LIMITED PARTNERSHIP	13,588,695	2.34%
IMPERIAL PARKING CANADA CORP.	555,767	0.10%
<b>PROFESSIONAL &amp; TECHNICAL SERVICES (P&amp;T)</b>	<b>13,817,033</b>	<b>2.38%</b>
HULL SERVICES	5,826,229	1.00%
S.I. SYSTEMS PARTNERSHIP	3,642,340	0.63%
ALBERTA HEALTH SERVICES	1,046,789	0.18%
SOCIETY FOR TREATMENT OF AUTISM	847,639	0.15%
DLA PIPER (CANADA) LLP	709,400	0.12%
WOOD'S HOMES	700,641	0.12%
LEARNING BAR INC., THE	492,067	0.08%
RYCOR SOLUTIONS INC.	287,327	0.05%
IRON MOUNTAIN CANADA	264,601	0.05%
<b>SUPPLIES (SUPP) &amp; OTHER SERVICES</b>	<b>13,630,585</b>	<b>2.35%</b>
ORACLE CANADA ULC	2,591,162	0.45%
GRAND & TOY	2,132,243	0.37%
SWISH MAINTENANCE LIMITED	2,061,910	0.36%
D2L CORPORATION	1,089,527	0.19%
SPICERS CANADA ULC	736,099	0.13%
SUPREME OFFICE PRODUCTS LTD	601,183	0.10%
CHARTER TELECOM, INC.	580,581	0.10%
INSIGHT CANADA INC.	455,659	0.08%
SYSCO CALGARY, A DIVISION OF SYSCO CANADA INC.	431,704	0.07%

Category	Total Amount	% of Total Amount
UNITED LIBRARY SERVICES INC.	415,048	0.07%
SPORTFACTOR INC.	399,710	0.07%
SAIT POLYTECHNIC	359,303	0.06%
OFFICE SOLUTIONS (ALBERTA) INC.	341,723	0.06%
TEXTHELP INC.	304,500	0.05%
CALGARY MEALS ON WHEELS	297,717	0.05%
C.C. CRAIG CO. LTD.	288,407	0.05%
ROGERS WIRELESS INC.	274,003	0.05%
SPECTRUM EDUCATIONAL SUPPLIES LIMITED	270,107	0.05%
<b>P-CARD TRANSACTIONS</b>	<b>8,002,592</b>	<b>1.38%</b>
BANK OF MONTREAL	8,002,592	1.38%
<b>INSURANCE</b>	<b>7,381,319</b>	<b>1.27%</b>
MARSH CANADA LIMITED	4,873,123	0.84%
URBAN SCHOOLS INSURANCE CONSORTIUM	1,967,916	0.34%
MSH INTERNATIONAL (CANADA) LTD.	540,280	0.09%
<b>DUES &amp; FEES (D&amp;F)</b>	<b>1,137,212</b>	<b>0.20%</b>
CALGARY SENIOR HIGH SCHOOL ATHLETIC ASSOCIATION	341,988	0.06%
ALBERTA SCHOOL BOARDS ASSOCIATION	278,462	0.05%
INTERNATIONAL BACCALAUREATE ORGANIZATION	261,364	0.05%
JOANE CARDINAL-SCHUBERT HIGH	255,398	0.04%
<b>MINOR EQUIPMENT &lt;\$5000</b>	<b>1,021,275</b>	<b>0.18%</b>
LONG & MCQUADE LTD.	378,816	0.07%
SOFTWARE4SCHOOLS.CA	323,949	0.06%
ST. JOHN'S MUSIC LTD.	318,510	0.05%
<b>FLOW THROUGH FROM AB ED</b>	<b>736,882</b>	<b>0.13%</b>
TSUUT'INA NATION	736,882	0.13%
<b>DONATIONS</b>	<b>600,000</b>	<b>0.10%</b>
EducationMatters	600,000	0.10%
<b>Grand Total</b>	<b>580,438,639</b>	<b>100.00%</b>



Calgary's | trust | for public education

Financial Statements

December 31, 2019



**RSM Alberta LLP**

777 8th Ave SW  
Suite 1400  
Calgary, AB T2P 3R5

O +1 403 298 1500  
F +1 403 298 5814

[www.rsmcanada.com](http://www.rsmcanada.com)

## Independent Auditor's Report

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

### Opinion

We have audited the financial statements of EducationMatters, Calgary's Trust for Public Education (the "Trust"), which comprise the statement of financial position as at December 31, 2019, and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at December 31, 2019, and the results of its operations, changes in fund balances and its cash flows for the year ended December 31, 2019 in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Opinion

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

### Responsibilities of Management and Those Charged with Governance 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.

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

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**RSM Alberta LLP**  
CHARTERED PROFESSIONAL ACCOUNTANTS

Calgary, Canada  
March 19, 2020

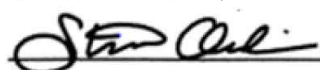
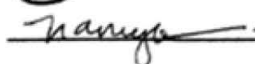
**EducationMatters, Calgary's Trust for Public Education**  
**Statement of Financial Position**  
**December 31, 2019**

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	2019	2018
<b>Assets</b>		
Current assets		
Cash and cash equivalents (notes 3 and 7)	\$ 1,848,691	\$ 1,899,149
Accounts receivable	<u>4,904</u>	<u>1,880</u>
	1,853,595	1,901,029
Investments (notes 4 and 7)	6,320,786	5,575,899
Property and equipment (note 5)	<u>3,740</u>	<u>9,605</u>
	<u>\$ 8,178,121</u>	<u>\$ 7,486,533</u>
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 35,182	\$ 35,453
Deferred operating contributions (note 6)	<u>401,000</u>	<u>441,000</u>
	<u>436,182</u>	<u>476,453</u>
<b>Funds</b>		
Operating fund	846,061	778,282
Flow-through fund	778,937	835,876
Endowment fund (note 7)	<u>6,116,941</u>	<u>5,395,922</u>
	<u>7,741,939</u>	<u>7,010,080</u>
	<u>\$ 8,178,121</u>	<u>\$ 7,486,533</u>
Commitments (note 8)		

See accompanying notes to the financial statements

On behalf of the Board,

 \_\_\_\_\_, Governor  
 \_\_\_\_\_, Governor

**EducationMatters, Calgary's Trust for Public Education**  
**Statement of Operations**  
**Year Ended December 31, 2019**

	<b>2019</b>				<b>2018</b>
	<b>Operating Fund</b>	<b>Flow-Through Fund</b>	<b>Endowment Fund</b>	<b>Total</b>	
Revenue					
Contributions	\$ 640,000	\$ 1,406,544	\$ 141,250	\$ 2,187,794	\$ 2,278,151
Interfund fees	108,284	(26,704)	(81,580)	-	-
Gains (losses) on investments (note 4)	56,372	-	691,126	747,498	(156,373)
Interest and dividend revenue	<u>33,979</u>	<u>-</u>	<u>130,791</u>	<u>164,770</u>	<u>201,120</u>
	<u>838,635</u>	<u>1,379,840</u>	<u>881,587</u>	<u>3,100,062</u>	<u>2,322,898</u>
Expenditures					
Grants (notes 6 and 10)	-	1,400,372	196,725	1,597,097	1,517,365
Salaries and benefits (note 10)	553,403	-	-	553,403	541,032
Communications (note 10)	5,258	-	-	5,258	4,975
Fund development (note 10)	8,942	-	-	8,942	18,000
Office	32,176	-	-	32,176	35,317
Investment fees (note 10)	45,408	-	-	45,408	44,264
Professional fees	23,075	-	-	23,075	24,907
Fundraising and other events (note 10)	4,915	-	-	4,915	12,785
Computer applications and support	49,229	-	-	49,229	55,561
Rent	39,513	-	-	39,513	38,993
Amortization	<u>9,187</u>	<u>-</u>	<u>-</u>	<u>9,187</u>	<u>9,724</u>
	<u>771,106</u>	<u>1,400,372</u>	<u>196,725</u>	<u>2,368,203</u>	<u>2,302,923</u>
Excess (deficiency) of revenue over expenditures	<u>\$ 67,529</u>	<u>\$ (20,532)</u>	<u>\$ 684,862</u>	<u>\$ 731,859</u>	<u>\$ 19,975</u>

See accompanying notes to the financial statements

**EducationMatters, Calgary's Trust for Public Education**  
**Statement of Changes in Fund Balances**  
**Year Ended December 31, 2019**

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	Operating Fund	Flow- Through Fund	Endowment Fund	Total
Fund balances, December 31, 2017	\$ 774,693	\$ 957,130	\$ 5,258,282	\$ 6,990,105
Excess (deficiency) of revenue over expenditures	26,251	(143,916)	137,640	19,975
Interfund transfers	<u>(22,662)</u>	<u>22,662</u>	<u>-</u>	<u>-</u>
Fund balances, December 31, 2018	778,282	835,876	5,395,922	7,010,080
Excess (deficiency) of revenue over expenditures	67,529	(20,532)	684,862	731,859
Interfund transfers	<u>250</u>	<u>(36,407)</u>	<u>36,157</u>	<u>-</u>
Fund balances, December 31, 2019	<u>\$ 846,061</u>	<u>\$ 778,937</u>	<u>\$ 6,116,941</u>	<u>\$ 7,741,939</u>

See accompanying notes to the financial statements

**EducationMatters, Calgary's Trust for Public Education**  
**Statement of Cash Flows**  
**Year Ended December 31, 2019**

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	2019	2018
Cash provided by (used in):		
Operating activities		
Excess of revenue over expenditures	\$ 731,859	\$ 19,975
Adjusting items:		
Amortization	9,187	9,724
Loss (gain) on investments	<u>(747,498)</u>	<u>156,373</u>
	<u>(6,452)</u>	<u>186,072</u>
Changes in non-cash items		
Accounts receivable	(3,024)	(777)
Accounts payable and accrued liabilities	(271)	493
Deferred operating contributions	<u>(40,000)</u>	<u>-</u>
	<u>(43,295)</u>	<u>(284)</u>
Cash (used in) provided by operating activities	<u>(49,747)</u>	<u>185,788</u>
Investing activities		
Purchase of equipment	(3,322)	-
Purchase of investments	(196,869)	(510,811)
Disposal of investments	<u>199,480</u>	<u>246,119</u>
Cash used in investing activities	<u>(711)</u>	<u>(264,692)</u>
Cash outflow	(50,458)	(78,904)
Cash and cash equivalents, beginning of year	<u>1,899,149</u>	<u>1,978,053</u>
Cash and cash equivalents, end of year	<u>\$ 1,848,691</u>	<u>\$ 1,899,149</u>
Cash and cash equivalents are comprised of:		
Cash	\$ 229,789	\$ 223,441
Treasury bills (note 3)	<u>1,618,902</u>	<u>1,675,708</u>
	<u>\$ 1,848,691</u>	<u>\$ 1,899,149</u>

See accompanying notes to the financial statements

**EducationMatters, Calgary's Trust for Public Education**  
**Notes to Financial Statements**  
**December 31, 2019**

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1. Nature of Trust

EducationMatters, Calgary's Trust for Public Education, (the "Trust") was formed by way of a trust indenture on January 20, 2003. The Trust is a registered charity and a public trust under the *Income Tax Act* (Canada) and, accordingly, is exempt from income taxes and can issue donation receipts for income tax purposes. The Trust's mandate is to promote citizen engagement with and inspire passion for public education and to mobilize resources for programs that enhance public education.

The Board of Trustees of the Calgary Board of Education (the "CBE Board") appoints all Trust governors. At least two, but not more than 50%, of the Trust governors must be members of the CBE Board.

2. Significant accounting policies

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. Interest income earned on flow-through funds is allocated to the operating fund.

(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 Trust for Public Education**  
**Notes to Financial Statements**  
**December 31, 2019**

---

***Operating fund***

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 fund***

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 fund***

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.



**EducationMatters, Calgary's Trust for Public Education**  
**Notes to Financial Statements**  
**December 31, 2019**

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The valuation of accrued liabilities and deferred operating contributions are based on management's best estimates of expenses incurred during the year that will be payable in future periods.

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 and accounts receivable. 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.

**EducationMatters, Calgary's Trust for Public Education**  
**Notes to Financial Statements**  
**December 31, 2019**

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(h) Interfund fees

Interfund fees are charged to the flow-through and endowment funds in lieu of charging administrative expenses to those funds. Endowment funds are charged an interfund fee in accordance with donor agreements and flow-through funds are charged an interfund fee of 5% of each gift received.

(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 \$1,618,902 (2018 - \$1,675,708) 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 1.65% (2018 - 1.22%).

4. Investments

	2019	2018
Pooled Funds - Endowment Fund	\$ 5,843,458	\$ 5,161,698
Pooled Funds - Operating Fund	<u>477,328</u>	<u>414,201</u>
	<u>\$ 6,320,786</u>	<u>\$ 5,575,899</u>

Investments are comprised of \$6,320,786 (2018 - \$5,575,899) 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, 2019 or 2018.

Gain on investments of \$747,498 (2018 loss - \$156,373) includes unrealized gains of \$690,778 (2018 losses - \$215,300).

5. Property and equipment

	Cost	Accumulated Amortization	Net Book Value	
			2019	2018
Computer equipment	\$ 85,755	\$ 82,015	\$ 3,740	\$ 9,454
Office equipment	<u>25,850</u>	<u>25,850</u>	<u>-</u>	<u>151</u>
	<u>\$ 111,605</u>	<u>\$ 107,865</u>	<u>\$ 3,740</u>	<u>\$ 9,605</u>

**EducationMatters, Calgary's Trust for Public Education**  
**Notes to Financial Statements**  
**December 31, 2019**

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6. Related party transactions

The Trust is economically dependent on contributions from the Calgary Board of Education ("CBE") and is committed to provide services to CBE in fund development, grants and student awards. During the year, the Trust received \$600,000 (2018 - \$660,000) from the CBE. Contributions in the amount of \$400,000 were deferred to 2020 in accordance with spending the funds over a twelve-month period and are included in the deferred operating contributions on the statement of financial position.

The Trust rented office space and purchased services of \$39,513 (2018 - \$38,993) and \$7,065 (2018 - \$6,265), respectively, from the CBE.

Grants awarded to CBE schools by the Trust are distributed to recipients by way of the CBE. In 2019, this amount was \$1,084,264 (2018 - \$1,020,914).

7. Endowment funds

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

	2019	2018
Cash and cash equivalents	\$ 273,483	\$ 234,224
Investments	<u>5,843,458</u>	<u>5,161,698</u>
	<u>\$ 6,116,941</u>	<u>\$ 5,395,922</u>

8. Commitments

The Trust's office lease with the CBE was renewed in September 2019 for an additional one-year term to August 31, 2020 and requires monthly rental payments of \$3,371.

9. Financial instruments

The Trust is exposed to the following significant financial risks:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The financial instruments that potentially subject the Trust to significant concentration of credit risk consist primarily of cash and cash equivalents and investments. The Trust mitigates its exposure to credit loss by placing its cash and cash equivalents and investments with major financial institutions.

**EducationMatters, Calgary's Trust for Public Education**  
**Notes to Financial Statements**  
**December 31, 2019**

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(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Trust's investments in pooled investment funds expose the company to price risks as equity investments are subject to price changes in the open market.

10. Additional information on fund development

(a) Expenses incurred to raise funds

	2019	2018
Fundraising event	\$ -	\$ 12,785
Fund development expenses	8,942	18,000
Fund development salaries and benefits	<u>142,743</u>	<u>144,657</u>
	<u>\$ 151,685</u>	<u>\$ 175,442</u>

(b) Funds raised during 2019 were \$1,547,794 (2018 - \$1,618,151).

(c) Summary of disbursements

	2019	2018
Grants	\$ 1,077,006	\$ 1,032,194
Scholarships	<u>520,091</u>	<u>485,171</u>
	<u>\$ 1,597,097</u>	<u>\$ 1,517,365</u>

In 2019 there were two disbursements of contributions greater than 10% of the gross contributions received in 2019. 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, 2019, contributions in the amount of \$361,750 (2018 - \$316,500) were disbursed to this project.

**EducationMatters, Calgary's Trust for Public Education**  
**Notes to Financial Statements**  
**December 31, 2019**

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(2) Sensory supports for students enhance the learning environment with tools and universal strategies for all students in the classroom that can help address and instruct practices for self regulation and provide foundational skill required for future employment. At the school level, sensory supports assist students to remain engaged in classroom activities and help alleviate disruptions in the class for both the individual student's work and that of classmates. These supports also help increase social competencies and inclusivity for students. Funding provides classroom tools associated with many different areas of learning including: the learning environment; communication; sensory specific; social and; academics. During the year ended December 31, 2019, contributions in the amount of \$166,640 (2018 - \$124,714) were disbursed to this project.

(d) Allocation of total expenditures and disbursements

Total expenditures and disbursements after allocation of salaries and benefits to the cost centres consist of the following:

	<b>2019</b>	<b>2018</b>
Grant disbursements	\$ 1,597,097	\$ 1,517,365
Communication expenses	5,258	4,975
Fund development expenses, excluding events	151,685	162,657
Events	4,915	12,785
Program expenses	554,653	551,153
Investment fees	45,408	44,264
Amortization expense	<u>9,187</u>	<u>9,724</u>
	<u>\$ 2,368,203</u>	<u>\$ 2,302,923</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.

**Urban Schools Insurance Consortium  
Management Financial Statements  
For the eight months ended August 31, 2020**

**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:**

Aon Global Risk Consulting | Captive & Insurance Management  
#1200 - 401 West Georgia Street, Box 3228  
Vancouver, BC V6B 3X8  
t 604.688.4442  
f 604.682-4026  
aon.ca

Urban Schools Insurance Consortium  
Statement of Financial Position  
Expressed in Canadian dollars

As at August 31,	2020	2019
<b>Assets</b>		
Cash and cash equivalents	\$ 1,953,170	\$ 2,174,788
Marketable securities	13,077,990	14,118,602
Accrued investment income	95,204	95,127
Prepaid expenses	10,929	5,250
Commissions receivable	-	-
<b>Total Assets</b>	<b>\$ 15,137,293</b>	<b>\$ 16,393,767</b>
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 44,982	\$ 111,800
Deferred revenue	110,101	86,357
Claims payable	-	-
Premium tax payable	-	-
Unearned premiums	916,666	425,000
Provision for unpaid claims and loss adjustment expenses	8,342,820	8,640,358
Provision for premium deficiency reserve	95,628	-
<b>Total Liabilities</b>	<b>9,510,197</b>	<b>9,263,515</b>
<b>Subscribers' Surplus</b>		
Subscribers' contributions	481,391	481,391
Retained earnings	5,145,700	6,648,861
<b>Total Subscribers' Surplus</b>	<b>5,627,091</b>	<b>7,130,252</b>
<b>Total Liabilities and Subscribers' Surplus</b>	<b>\$ 15,137,288</b>	<b>\$ 16,393,767</b>

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

For the eight months ended August 31,	Actual 2020	Budget 2020	Variance Favourable / (Unfavourable)	Actual 2019
<b>Income</b>				
Gross premiums written	\$ -	\$ -	\$ -	\$ -
Change in unearned premium reserve	3,666,667	3,666,667	-	1,700,000
Premiums earned	3,666,667	3,666,667	-	1,700,000
Other insurance income	446,474	441,978	4,496	341,693
Interest income	286,449	362,648	(76,199)	404,197
Realized gains (losses) on investments	115,232	-	115,232	(54,428)
Unrealized (losses) gains on investments	(126,018)	-	(126,018)	830,868
<b>Total income</b>	<b>4,388,804</b>	<b>4,471,293</b>	<b>(82,489)</b>	<b>3,222,330</b>
<b>Expenses</b>				
Losses paid	5,631,868	-	-	2,110,518
Change in outstanding loss reserves	(44,280)	-	-	892,426
Change in incurred but not reported reserves	(166,658)	-	-	(596,608)
Losses incurred	5,420,930	3,520,666	(1,900,264)	2,406,336
Change in premium deficiency reserve	(382,509)	-	382,509	(112,762)
Premium taxes	-	146,666	146,666	-
General and administrative expenses	454,157	470,865	16,708	467,900
<b>Total expenses</b>	<b>5,492,578</b>	<b>4,138,197</b>	<b>(1,354,381)</b>	<b>2,761,474</b>
<b>Net comprehensive (loss) income</b>	<b>\$ (1,103,774)</b>	<b>\$ 333,096</b>	<b>\$ (1,436,870)</b>	<b>\$ 460,856</b>



Urban Schools Insurance Consortium  
Statement of Changes in Subscribers' Surplus  
Expressed in Canadian dollars

	Subscribers' Contributions	Retained Earnings	Total Subscribers' Surplus
As at January 1, 2019	\$ 481,391	\$ 6,188,005	\$ 6,669,396
Net comprehensive income	-	460,856	460,856
As at August 31, 2019	\$ 481,391	\$ 6,648,861	\$ 7,130,252
As at January 1, 2020	\$ 481,391	\$ 6,249,474	\$ 6,730,865
Net comprehensive loss	-	(1,103,774)	(1,103,774)
As at August 31, 2020	\$ 481,391	\$ 5,145,700	\$ 5,627,091

Urban Schools Insurance Consortium  
Statement of Cash Flows  
Expressed in Canadian dollars

For the eight months ended August 31,	2020	2019
<b>Operating Activities</b>		
Net comprehensive (loss) income	\$ (1,103,774)	\$ 460,856
Items not involving cash:		
Net investment income	(275,663)	(1,180,637)
Change in non-cash operating accounts:		
Insurance balances receivable	-	45,290
Claims recoverable	-	3,541
Prepaid expenses	38,211	(5,250)
Commissions receivable	660,608	518,142
Accounts payable and accrued expenses	(210,985)	(164,492)
Deferred revenue	(440,406)	(345,428)
Claims payable	(721,710)	(618,543)
Premium tax payable	(220,000)	(102,000)
Unearned premiums	(3,666,667)	(1,700,000)
Provision for unpaid claims and loss adjustment expenses	(210,943)	295,818
Provision for premium deficiency reserve	(382,509)	(112,762)
	(6,533,838)	(2,905,465)
<b>Investing Activities</b>		
Investment income received	272,104	376,148
Purchases of marketable securities	(2,794,364)	(1,405,319)
Proceeds from sales of marketable securities	2,551,920	1,300,000
	29,660	270,829
Change in cash and cash equivalents	(6,504,178)	(2,634,636)
Cash and cash equivalents, opening	8,457,343	4,809,424
Cash and cash equivalents, ending	\$ 1,953,165	\$ 2,174,788

URBAN SCHOOLS INSURANCE CONSORTIUM  
Calculation of Share of Consortium Pool Equity

As at August 31, 2020

Member	Equity share at Dec 31, 2019	Percentage share at Dec 31, 2019	Equity share at Aug 31, 2020	Percentage share at Aug 31, 2020
Calgary Board of Education	2,201,815	32.7122%	1,810,894	32.1817%
Calgary Roman Catholic Separate School Division	845,334	12.5591%	707,346	12.5704%
Edmonton School Division	1,674,650	24.8802%	1,405,464	24.9767%
Fort McMurray School Division	137,275	2.0395%	102,678	1.8247%
Grande Prairie School Division	155,134	2.3048%	117,111	2.0812%
Grande Prairie Roman Catholic Separate School Division	81,220	1.2067%	63,448	1.1275%
Holy Spirit Roman Catholic Separate School Division	111,274	1.6532%	92,172	1.6380%
Lethbridge School Division	183,622	2.7281%	155,507	2.7635%
Medicine Hat School Division	162,602	2.4158%	142,816	2.5380%
Medicine Hat Roman Catholic Board of Education	82,590	1.2270%	74,441	1.3229%
Red Deer School Division	207,594	3.0842%	173,807	3.0888%
Red Deer Catholic Separate School Division	143,250	2.1283%	122,851	2.1832%
Rocky View School Division	599,239	8.9029%	534,909	9.5060%
St. Albert School Division	145,266	2.1582%	123,647	2.1974%
	6,730,865	100.0000%	5,627,091	100.0000%

**AUDITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2020**  
[Education Act, Sections 139, 140, 244]

**The Calgary School Division**

Legal Name of School Jurisdiction

**1221 8 Street SW Calgary AB T2R 0L4**

Mailing Address

**403-817-7410 brgrundy@cbe.ab.ca**

Contact Numbers and Email Address

**SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The financial statements of The Calgary School Division presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with Canadian Public Sector Accounting Standards and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong system of budgetary control.

***Board of Trustees Responsibility***

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and approved the financial statements for release.

***External Auditors***

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors were given full access to school jurisdiction records.

***Declaration of Management and Board Chair***

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position, results of operations, remeasurement gains and losses, changes in net financial assets (debt), and cash flows for the year in accordance with Canadian Public Sector Accounting Standards.

**BOARD CHAIR**

**Ms. Marilyn Dennis**

Name



Signature

**SUPERINTENDENT**

**Mr. Christopher Usih**

Name

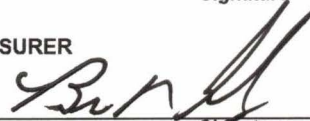


Signature

**SECRETARY-TREASURER OR TREASURER**

**Bradley Grundy**

Name



Signature

**November 24, 2020**

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch  
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5  
EMAIL: EDC.FRA@gov.ab.ca  
PHONE: Ash Bhasin: (780) 415-8940; Jlanan Wang: (780) 427-3855 FAX: (780) 422-6996

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KPMG LLP  
205 5th Avenue SW  
Suite 3100  
Calgary AB  
T2P 4B9  
Telephone (403) 691-8000  
Fax (403) 691-8008  
www.kpmg.ca

## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of the Calgary Board of Education

### ***Opinion***

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

- the consolidated statement of financial position as at August 31, 2020
- the consolidated statement of operations for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of change in net financial assets for the year then ended
- the consolidated statement of remeasurement gains and losses for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies and complete Schedules 1,2,3,5, and 6, Schedule 4 excluding the rows under "Square Metres", and Schedule 7 excluding the column "FTE"

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at August 31, 2020, and its consolidated results of operations, its consolidated remeasurement gains and losses, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards and the presentation requirements of Alberta Education.



### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “***Auditors’ Responsibilities for the Audit of the Financial Statements***” section of our auditors’ report.

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

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

### ***Other Information***

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

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

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

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

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

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

We have nothing to report in this regard.

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

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



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

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

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

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

We also:

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.





- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



## **INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT**

To the Board of Trustees of the Calgary Board of Education

We have undertaken a reasonable assurance engagement of the accompanying FTE and Metres Square as reported in the specific rows "Square Metres – School buildings" and "Square Metres – Non-School Buildings" in Schedule 4 and column "FTE" in Schedule 7 (the "subject matter information") both prescribed by Alberta Education of the Calgary Board of Education (the "Entity") for the year ended August 31, 2020.

### ***Management's Responsibility***

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

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

### ***Practitioner's Responsibilities***

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

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

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

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

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



***Practitioner's Independence and Quality 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.

***Opinion***

In our opinion, the subject matter information of the Entity for the year ended August 31, 2020 is prepared, in all material respects, in accordance with the applicable criteria.

***Specific Purpose of Subject Matter Information***

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

*KPMG LLP*

Chartered Professional Accountants

Calgary, Canada

November 24, 2020

**STATEMENT OF FINANCIAL POSITION**  
As at August 31, 2020 (in dollars)

	2020	2019
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents (Schedule 5; Note 3)	\$ 158,692,000	\$ 136,522,000
Accounts receivable (net after allowances) (Note 4)	\$ 48,490,000	\$ 40,818,000
Portfolio investments		
Operating (Schedule 5)	\$ 14,255,000	\$ 13,899,000
Endowments (Schedule 5)	\$ 8,146,000	\$ 7,436,000
Inventories for resale	\$ -	\$ -
Other financial assets	\$ -	\$ -
<b>Total financial assets</b>	<b>\$ 229,583,000</b>	<b>\$ 198,675,000</b>
<b>LIABILITIES</b>		
Bank indebtedness	\$ -	\$ -
Accounts payable and accrued liabilities (Note 7)	\$ 89,902,000	\$ 111,474,000
Unspent deferred contributions (Schedule 2)	\$ 52,003,000	\$ 16,939,000
Employee future benefits liabilities (Note 8)	\$ 25,456,000	\$ 24,833,000
Environmental liabilities (Note 9)	\$ 2,127,000	\$ 327,000
Other liabilities	\$ -	\$ -
Debt		
Supported: Debentures (Note 10)	\$ -	\$ 232,000
Unsupported: Debentures	\$ -	\$ -
Mortgages and capital loans	\$ -	\$ -
Capital leases (Note 11)	\$ 13,584,000	\$ 13,250,000
<b>Total liabilities</b>	<b>\$ 183,072,000</b>	<b>\$ 167,055,000</b>
<b>Net financial assets</b>	<b>\$ 46,511,000</b>	<b>\$ 31,620,000</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 6)	\$ 1,319,122,000	\$ 1,315,467,000
Inventory of supplies (Note 5)	\$ 1,389,000	\$ -
Prepaid expenses	\$ 21,085,000	\$ 14,066,000
Other non-financial assets	\$ -	\$ -
<b>Total non-financial assets</b>	<b>\$ 1,341,596,000</b>	<b>\$ 1,329,533,000</b>
<b>Net assets before spent deferred capital contributions</b>	<b>\$ 1,388,107,000</b>	<b>\$ 1,361,153,000</b>
Spent deferred capital contributions (Schedule 2)	\$ 1,163,090,000	\$ 1,147,873,000
<b>Net assets</b>	<b>\$ 225,017,000</b>	<b>\$ 213,280,000</b>
<b>Net assets</b> (Note 12)		
Accumulated surplus (deficit) (Schedule 1)	\$ 223,804,000	\$ 212,282,000
Accumulated remeasurement gains (losses)	\$ 1,213,000	\$ 998,000
	\$ 225,017,000	\$ 213,280,000
<b>Economic dependence</b> (Note 1)		
<b>Contractual rights</b> (Note 6)		
<b>Contractual obligations and contingent liabilities</b> (Note 16)		
<b>Subsequent events</b> (Note 21)		

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

**STATEMENT OF OPERATIONS**  
For the Year Ended August 31, 2020 (in dollars)

	Budget 2020	Actual 2020	Actual 2019
<b>REVENUES</b>			
Government of Alberta	\$ 1,308,984,000	\$ 1,246,391,000	\$ 1,293,529,000
Federal Government and other government grants	\$ 3,141,000	\$ 2,088,000	\$ 2,698,000
Property taxes	\$ -	\$ -	\$ -
Fees (Schedule 8)	\$ 45,553,000	\$ 31,512,000	\$ 43,627,000
Sales of services and products	\$ 20,093,000	\$ 24,019,000	\$ 28,874,000
Investment income	\$ 1,682,000	\$ 3,054,000	\$ 3,837,000
Donations and other contributions	\$ 9,956,000	\$ 11,160,000	\$ 12,060,000
Other revenue (Note 23)	\$ 4,990,000	\$ 4,786,000	\$ 5,368,000
<b>Total revenues</b>	<b>\$ 1,394,399,000</b>	<b>\$ 1,323,010,000</b>	<b>\$ 1,389,993,000</b>
<b>EXPENSES</b>			
Instruction - ECS	\$ 42,279,000	\$ 42,012,000	\$ 44,354,000
Instruction - Grades 1 - 12	\$ 1,067,622,000	\$ 995,483,000	\$ 1,048,639,000
Plant operations and maintenance (Schedule 4)	\$ 171,375,000	\$ 161,222,000	\$ 164,197,000
Transportation	\$ 48,610,000	\$ 42,278,000	\$ 52,632,000
Board & system administration	\$ 48,974,000	\$ 44,383,000	\$ 48,054,000
External services	\$ 30,141,000	\$ 26,110,000	\$ 32,898,000
<b>Total expenses</b>	<b>\$ 1,409,001,000</b>	<b>\$ 1,311,488,000</b>	<b>\$ 1,390,774,000</b>
<b>Annual operating surplus (deficit)</b>	<b>\$ (14,602,000)</b>	<b>\$ 11,522,000</b>	<b>\$ (781,000)</b>
Endowment contributions and reinvested income	\$ -	\$ -	
<b>Annual surplus (deficit)</b>	<b>\$ (14,602,000)</b>	<b>\$ 11,522,000</b>	<b>\$ (781,000)</b>
<b>Accumulated surplus (deficit) at beginning of year</b>	<b>\$ 212,282,000</b>	<b>\$ 212,282,000</b>	<b>\$ 213,063,000</b>
<b>Accumulated surplus (deficit) at end of year</b>	<b>\$ 197,680,000</b>	<b>\$ 223,804,000</b>	<b>\$ 212,282,000</b>

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

**STATEMENT OF CASH FLOWS**  
For the Year Ended August 31, 2020 (in dollars)

	2020	2019
<b>CASH FLOWS FROM:</b>		
<b>A. OPERATING TRANSACTIONS</b>		
Annual surplus (deficit)	\$ 11,522,000	\$ (781,000)
Add (Deduct) items not affecting cash:		
Amortization of tangible capital assets	\$ 75,771,000	\$ 73,000,000
Net (gain)/loss on disposal of tangible capital assets	\$ (1,116,000)	\$ (110,000)
Transfer of tangible capital assets (from)/to other entities	\$ -	\$ -
(Gain)/Loss on sale of portfolio investments	\$ -	\$ -
Spent deferred capital recognized as revenue	\$ (47,600,000)	\$ (46,057,000)
Deferred capital revenue write-down / adjustment	\$ 2,000	\$ (2,697,000)
Increase/(Decrease) in employee future benefit liabilities	\$ 623,000	\$ (899,000)
Donations in kind	\$ -	\$ -
	\$ 39,202,000	\$ 22,456,000
(Increase)/Decrease in accounts receivable	\$ (7,672,000)	\$ 3,805,000
(Increase)/Decrease in inventories for resale	\$ -	\$ -
(Increase)/Decrease in other financial assets	\$ -	\$ -
(Increase)/Decrease in inventory of supplies	\$ (1,389,000)	\$ -
(Increase)/Decrease in prepaid expenses	\$ (7,019,000)	\$ 2,236,000
(Increase)/Decrease in other non-financial assets	\$ -	\$ -
Increase/(Decrease) in accounts payable, accrued and other liabilities	\$ (21,572,000)	\$ (4,933,000)
Increase/(Decrease) in unspent deferred contributions	\$ 35,064,000	\$ 29,275,000
Increase/(Decrease) in environmental liabilities	\$ 1,800,000	
Other (Rounding)		
<b>Total cash flows from operating transactions</b>	\$ 38,414,000	\$ 52,839,000
<b>B. CAPITAL TRANSACTIONS</b>		
Acquisition of tangible capital assets	\$ (79,433,000)	\$ (82,396,000)
Net proceeds from disposal of unsupported capital assets	\$ 1,121,000	\$ 110,000
AI transferred assets	\$ 42,330,000	
<b>Total cash flows from capital transactions</b>	\$ (35,982,000)	\$ (82,286,000)
<b>C. INVESTING TRANSACTIONS</b>		
Purchases of portfolio investments	\$ (3,595,000)	\$ (4,099,000)
Proceeds on sale of portfolio investments	\$ 2,529,000	\$ 3,281,000
Other (Describe)	\$ -	\$ -
Other - Foreign Exchange Loss	\$ 215,000	\$ 201,000
<b>Total cash flows from investing transactions</b>	\$ (851,000)	\$ (617,000)
<b>D. FINANCING TRANSACTIONS</b>		
Debt issuances		
Debt repayments	\$ (232,000)	\$ (296,000)
Increase (decrease) in spent deferred capital contributions	\$ 20,487,000	\$ 24,718,000
Capital lease issuances	\$ 2,528,000	\$ 2,361,000
Capital lease payments	\$ (2,194,000)	\$ (1,944,000)
Other (describe)		
<b>Total cash flows from financing transactions</b>	\$ 20,589,000	\$ 24,839,000
<b>Increase (decrease) in cash and cash equivalents</b>	\$ 22,170,000	\$ (5,225,000)
<b>Cash and cash equivalents, at beginning of year</b>	\$ 136,522,000	\$ 141,747,000
<b>Cash and cash equivalents, at end of year</b>	\$ 158,692,000	\$ 136,522,000

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

**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**For the Year Ended August 31, 2020 (in dollars)**

	2020	2019
Annual surplus (deficit)	\$ 11,522,000	\$ (781,000)
Effect of changes in tangible capital assets		
Acquisition of tangible capital assets	\$ (79,433,000)	\$ (82,396,000)
Amortization of tangible capital assets	\$ 75,771,000	\$ 73,000,000
Net (gain)/loss on disposal of tangible capital assets	\$ (1,116,000)	\$ (110,000)
Net proceeds from disposal of unsupported capital assets	\$ 1,121,000	\$ 110,000
Write-down carrying value of tangible capital assets	\$ 2,000	\$ -
Transfer of tangible capital assets (from)/to other entities	\$ -	\$ -
Other changes	\$ -	\$ -
<b>Total effect of changes in tangible capital assets</b>	<b>\$ (3,655,000)</b>	<b>\$ (9,396,000)</b>
Acquisition of inventory of supplies	\$ (1,389,000)	\$ -
Consumption of inventory of supplies	\$ -	\$ -
(Increase)/Decrease in prepaid expenses	\$ (7,019,000)	\$ 2,236,000
(Increase)/Decrease in other non-financial assets	\$ -	\$ -
Net remeasurement gains and (losses)	\$ 215,000	\$ 201,000
Change in spent deferred capital contributions (Schedule 2)	\$ 15,217,000	\$ 20,325,000
Other changes	\$ -	\$ -
<b>Increase (decrease) in net financial assets</b>	<b>\$ 14,891,000</b>	<b>\$ 12,585,000</b>
<b>Net financial assets at beginning of year</b>	<b>\$ 31,620,000</b>	<b>\$ 19,035,000</b>
<b>Net financial assets at end of year</b>	<b>\$ 46,511,000</b>	<b>\$ 31,620,000</b>

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

**STATEMENT OF REMEASUREMENT GAINS AND LOSSES**  
**For the Year Ended August 31, 2020 (in dollars)**

	2020	2019
Unrealized gains (losses) attributable to:		
Portfolio investments	\$ 200,000	\$ -
Derivatives	\$ -	\$ -
Foreign Currency Translation	\$ 15,000	\$ 201,000
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ -	\$ -
Derivatives	\$ -	\$ -
Foreign Currency Translation	\$ -	\$ -
Other Adjustment (Describe)	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ 215,000	\$ 201,000
<b>Accumulated remeasurement gains (losses) at beginning of year</b>	\$ 998,000	\$ 797,000
<b>Accumulated remeasurement gains (losses) at end of year</b>	\$ 1,213,000	\$ 998,000

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



**SCHEDULE 1**

**SCHEDULE OF NET ASSETS  
For the Year Ended August 31, 2020 (in dollars)**

	NET ASSETS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED SURPLUS (DEFICIT)	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
<b>Balance at August 31, 2019</b>	\$ 210,583,000	\$ 998,000	\$ 209,585,000	\$ 165,989,000	\$ 4,714,000	\$ -	\$ 22,995,000	\$ 15,887,000
<b>Prior period adjustments:</b>								
	\$ 2,697,000	\$ -	\$ 2,697,000	\$ (11,069,000)	\$ -	\$ -	\$ 807,000	\$ 12,959,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted Balance, August 31, 2019</b>	\$ 213,280,000	\$ 998,000	\$ 212,282,000	\$ 154,920,000	\$ 4,714,000	\$ -	\$ 23,802,000	\$ 28,846,000
Operating surplus (deficit)	\$ 11,522,000		\$ 11,522,000			\$ 11,522,000		
Board funded tangible capital asset additions				\$ 16,615,000		\$ (16,184,000)	\$ -	\$ (431,000)
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ (920,000)		\$ 920,000
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year	\$ 215,000	\$ 215,000						
Endowment expenses & disbursements	\$ -		\$ -		\$ 242,000	\$ (242,000)		
Endowment contributions	\$ -		\$ -					
Reinvested endowment income	\$ -		\$ -		\$ -	\$ -		
Direct credits to accumulated surplus (Describe)	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets	\$ -			\$ (75,771,000)		\$ 75,771,000		
Capital revenue recognized	\$ -			\$ 47,600,000		\$ (47,600,000)		
Debt principal repayments (unsupported)	\$ -			\$ 2,194,000		\$ (2,194,000)		
Additional capital debt or capital leases	\$ -			\$ (2,528,000)		\$ 2,528,000		
Net transfers to operating reserves	\$ -					\$ (12,006,000)	\$ 12,006,000	
Net transfers from operating reserves	\$ -					\$ 6,846,000	\$ (6,846,000)	
Net transfers to capital reserves	\$ -					\$ (10,484,000)		\$ 10,484,000
Net transfers from capital reserves	\$ -					\$ 5,478,000		\$ (5,478,000)
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ (12,515,000)	\$ 12,515,000	\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Balance at August 31, 2020</b>	\$ 225,017,000	\$ 1,213,000	\$ 223,804,000	\$ 143,030,000	\$ 4,956,000	\$ -	\$ 41,477,000	\$ 34,341,000

**SCHEDULE 1**

**SCHEDULE OF NET ASSETS  
For the Year Ended August 31, 2020 (in dollars)**

	INTERNALLY RESTRICTED RESERVES BY PROGRAM									
	School & Instruction Related		Operations & Maintenance		Board & System Administration		Transportation		External Services	
	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
<b>Balance at August 31, 2019</b>	\$ 32,276,000	\$ 1,381,000	\$ -	\$ 12,458,000	\$ (9,281,000)	\$ 1,960,000	\$ -	\$ -	\$ -	\$ 88,000
<b>Prior period adjustments:</b>										
	\$ 807,000		\$ -	\$ 12,959,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted Balance, August 31, 2019</b>	\$ 33,083,000	\$ 1,381,000	\$ -	\$ 25,417,000	\$ (9,281,000)	\$ 1,960,000	\$ -	\$ -	\$ -	\$ 88,000
Operating surplus (deficit)										
Board funded tangible capital asset additions	\$ -	\$ (431,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported		\$ -		\$ 920,000		\$ -		\$ -		\$ -
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	\$ 10,305,000		\$ -		\$ 181,000		\$ 1,520,000		\$ -	
Net transfers from operating reserves	\$ (5,963,000)		\$ -		\$ (883,000)		\$ -		\$ -	
Net transfers to capital reserves		\$ 580,000		\$ 8,643,000		\$ 1,261,000		\$ -		\$ -
Net transfers from capital reserves		\$ (1,381,000)		\$ (2,049,000)		\$ (1,960,000)		\$ -		\$ (88,000)
Other Changes	\$ 12,515,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Balance at August 31, 2020</b>	\$ 49,940,000	\$ 149,000	\$ -	\$ 32,931,000	\$ (9,983,000)	\$ 1,261,000	\$ 1,520,000	\$ -	\$ -	\$ -

SCHEDULE OF DEFERRED CONTRIBUTIONS  
(EXTERNALLY RESTRICTED CONTRIBUTIONS ONLY)  
For the Year Ended August 31, 2020 (in dollars)

	Alberta Education					Other GoA Ministries					Other Sources				Total
	IMR	CMR	Safe Return to Class	Others	Total Education	Alberta Infrastructure	Children's Services	Health	Other GOA Ministries	Total Other GoA Ministries	Gov't of Canada	Donations and grants from others	Other	Total other sources	
<b>Deferred Operating Contributions (DOC)</b>															
Balance at Aug 31, 2019	\$ 4,599,000	\$ -		\$ 1,300,000	\$ 5,899,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,034,000	\$ 59,000	\$ 1,093,000	\$ 6,992,000
Prior period adjustments - please explain:	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted ending balance Aug. 31, 2019</b>	<b>\$ 4,599,000</b>	<b>\$ -</b>		<b>\$ 1,300,000</b>	<b>\$ 5,899,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,034,000</b>	<b>\$ 59,000</b>	<b>\$ 1,093,000</b>	<b>\$ 6,992,000</b>
Received during the year (excluding investment income)	\$ 37,483,000	\$ -	\$ -	\$ 12,143,000	\$ 49,626,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 634,000	\$ -	\$ 634,000	\$ 50,260,000
Transfer (to) grant/donation revenue (excluding investment income)	\$ (10,348,000)	\$ -	\$ -	\$ (11,528,000)	\$ (21,876,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,106,000)	\$ -	\$ (1,106,000)	\$ (22,982,000)
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Received during the year	\$ 260,000	\$ -	\$ -	\$ -	\$ 260,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 260,000
Transferred to investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from UDCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred directly (to) SDCC	\$ (6,667,000)	\$ -	\$ -	\$ -	\$ (6,667,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (6,667,000)
Transferred (to) from others - please explain: Re-purposed	\$ (15,000,000)	\$ -	\$ -	\$ -	\$ (15,000,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (15,000,000)
<b>DOC closing balance at Aug 31, 2020</b>	<b>\$ 10,327,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,915,000</b>	<b>\$ 12,242,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 562,000</b>	<b>\$ 59,000</b>	<b>\$ 621,000</b>	<b>\$ 12,863,000</b>
<b>Unspent Deferred Capital Contributions (UDCC)</b>															
Balance at Aug 31, 2019	\$ -	\$ -		\$ -	\$ -	\$ 3,272,000	\$ -	\$ -	\$ -	\$ 3,272,000	\$ -	\$ -	\$ -	\$ -	\$ 3,272,000
Prior period adjustments - please explain:	\$ -	\$ -		\$ -	\$ -	\$ 6,675,000	\$ -	\$ -	\$ -	\$ 6,675,000	\$ -	\$ -	\$ -	\$ -	\$ 6,675,000
<b>Adjusted ending balance Aug. 31, 2019</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,947,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,947,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,947,000</b>
Received during the year (excluding investment income)	\$ -	\$ 25,797,000	\$ -	\$ 115,000	\$ 25,912,000	\$ 4,247,000	\$ -	\$ -	\$ -	\$ 4,247,000	\$ -	\$ 278,000	\$ -	\$ 278,000	\$ 30,437,000
UDCC Receivable	\$ -	\$ 11,056,000	\$ -	\$ -	\$ 11,056,000	\$ 1,279,000	\$ -	\$ -	\$ -	\$ 1,279,000	\$ -	\$ -	\$ -	\$ -	\$ 12,335,000
Transfer (to) grant/donation revenue (excluding investment income)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Received during the year	\$ -	\$ 34,000	\$ -	\$ -	\$ 34,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,000
Transferred to investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds on disposition of supported capital/ Insurance proceeds (and related interest)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 209,000	\$ -	\$ -	\$ -	\$ 209,000	\$ -	\$ -	\$ -	\$ -	\$ 209,000
Transferred from (to) DOC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from (to) SDCC	\$ -	\$ (2,747,000)	\$ -	\$ (224,000)	\$ (2,971,000)	\$ (10,573,000)	\$ -	\$ -	\$ -	\$ (10,573,000)	\$ -	\$ (278,000)	\$ -	\$ (278,000)	\$ (13,822,000)
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ 109,000	\$ 109,000	\$ (109,000)	\$ -	\$ -	\$ -	\$ (109,000)	\$ -	\$ -	\$ -	\$ -	\$ -
<b>UDCC closing balance at Aug 31, 2020</b>	<b>\$ -</b>	<b>\$ 34,140,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 34,140,000</b>	<b>\$ 5,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 39,140,000</b>
<b>Total Unspent Deferred Contributions at Aug 31, 2020</b>	<b>\$ 10,327,000</b>	<b>\$ 34,140,000</b>	<b>\$ -</b>	<b>\$ 1,915,000</b>	<b>\$ 46,382,000</b>	<b>\$ 5,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,000,000</b>	<b>\$ -</b>	<b>\$ 562,000</b>	<b>\$ 59,000</b>	<b>\$ 621,000</b>	<b>\$ 52,003,000</b>
<b>Spent Deferred Capital Contributions (SDCC)</b>															
Balance at Aug 31, 2019	\$ 46,422,000	\$ -		\$ 2,825,000	\$ 49,247,000	\$ 1,109,596,000	\$ -	\$ -	\$ -	\$ 1,109,596,000	\$ -	\$ 3,008,000	\$ -	\$ 3,008,000	\$ 1,161,851,000
Prior period adjustments - please explain:	\$ -	\$ -		\$ -	\$ -	\$ (13,978,000)	\$ -	\$ -	\$ -	\$ (13,978,000)	\$ -	\$ -	\$ -	\$ -	\$ (13,978,000)
<b>Adjusted ending balance Aug. 31, 2019</b>	<b>\$ 46,422,000</b>	<b>\$ -</b>		<b>\$ 2,825,000</b>	<b>\$ 49,247,000</b>	<b>\$ 1,095,618,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,095,618,000</b>	<b>\$ -</b>	<b>\$ 3,008,000</b>	<b>\$ -</b>	<b>\$ 3,008,000</b>	<b>\$ 1,147,873,000</b>
Donated tangible capital assets	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Alberta Infrastructure managed projects	\$ -	\$ -		\$ -	\$ -	\$ 42,330,000	\$ -	\$ -	\$ -	\$ 42,330,000	\$ -	\$ -	\$ -	\$ -	\$ 42,330,000
Transferred from DOC	\$ 6,667,000	\$ -	\$ -	\$ -	\$ 6,667,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,667,000
Transferred from UDCC	\$ -	\$ 2,747,000	\$ -	\$ 224,000	\$ 2,971,000	\$ 10,573,000	\$ -	\$ -	\$ -	\$ 10,573,000	\$ -	\$ 278,000	\$ -	\$ 278,000	\$ 13,822,000
Amounts recognized as revenue (Amortization of SDCC)	\$ (2,789,000)	\$ -	\$ -	\$ (200,000)	\$ (2,989,000)	\$ (44,382,000)	\$ -	\$ -	\$ -	\$ (44,382,000)	\$ -	\$ (229,000)	\$ -	\$ (229,000)	\$ (47,600,000)
Disposal of supported capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,000)	\$ -	\$ -	\$ -	\$ (2,000)	\$ -	\$ -	\$ -	\$ -	\$ (2,000)
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>SDCC closing balance at Aug 31, 2020</b>	<b>\$ 50,300,000</b>	<b>\$ 2,747,000</b>	<b>\$ -</b>	<b>\$ 2,849,000</b>	<b>\$ 55,896,000</b>	<b>\$ 1,104,137,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,104,137,000</b>	<b>\$ -</b>	<b>\$ 3,057,000</b>	<b>\$ -</b>	<b>\$ 3,057,000</b>	<b>\$ 1,163,090,000</b>

**SCHEDULE OF PROGRAM OPERATIONS  
for the Year Ended August 31, 2020 (in dollars)**

REVENUES	2020							2019
	Instruction		Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL	TOTAL
	ECS	Grades 1 - 12						
(1) Alberta Education	\$ 45,300,000	\$ 969,789,000	\$ 104,086,000	\$ 36,089,000	\$ 43,144,000	\$ -	\$ 1,198,408,000	\$ 1,245,661,000
(2) Alberta Infrastructure	\$ -	\$ -	\$ 47,497,000	\$ -	\$ -	\$ -	\$ 47,497,000	\$ 46,886,000
(3) Other - Government of Alberta	\$ -	\$ 8,000	\$ 24,000	\$ -	\$ -	\$ 98,000	\$ 130,000	\$ 604,000
(4) Federal Government and First Nations	\$ -	\$ 1,313,000	\$ -	\$ -	\$ 13,000	\$ 762,000	\$ 2,088,000	\$ 2,698,000
(5) Other Alberta school authorities	\$ -	\$ 330,000	\$ 26,000	\$ -	\$ -	\$ -	\$ 356,000	\$ 378,000
(6) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(7) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(9) Fees	\$ -	\$ 16,026,000	\$ -	\$ 5,110,000	\$ -	\$ 10,376,000	\$ 31,512,000	\$ 43,627,000
(10) Sales of services and products	\$ 432,000	\$ 9,006,000	\$ 655,000	\$ -	\$ 262,000	\$ 13,664,000	\$ 24,019,000	\$ 28,874,000
(11) Investment income	\$ -	\$ 886,000	\$ -	\$ -	\$ 2,168,000	\$ -	\$ 3,054,000	\$ 3,837,000
(12) Gifts and donations	\$ -	\$ 9,209,000	\$ 229,000	\$ -	\$ -	\$ -	\$ 9,438,000	\$ 9,536,000
(13) Rental of facilities	\$ -	\$ -	\$ 1,362,000	\$ -	\$ 364,000	\$ 1,367,000	\$ 3,093,000	\$ 4,211,000
(14) Fundraising	\$ -	\$ 1,722,000	\$ -	\$ -	\$ -	\$ -	\$ 1,722,000	\$ 2,524,000
(15) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ 1,116,000	\$ -	\$ -	\$ -	\$ 1,116,000	\$ 110,000
(16) Other revenue	\$ -	\$ 537,000	\$ -	\$ -	\$ -	\$ 40,000	\$ 577,000	\$ 1,047,000
(17) <b>TOTAL REVENUES</b>	\$ 45,732,000	\$ 1,008,826,000	\$ 154,995,000	\$ 41,199,000	\$ 45,951,000	\$ 26,307,000	\$ 1,323,010,000	\$ 1,389,993,000
<b>EXPENSES</b>								
(18) Certificated salaries	\$ 25,485,000	\$ 623,585,000	\$ -	\$ -	\$ 1,070,000	\$ 6,560,000	\$ 656,700,000	\$ 675,065,000
(19) Certificated benefits	\$ 3,068,000	\$ 139,703,000	\$ -	\$ -	\$ 183,000	\$ 721,000	\$ 143,675,000	\$ 144,981,000
(20) Non-certificated salaries and wages	\$ 9,756,000	\$ 108,710,000	\$ 47,025,000	\$ 923,000	\$ 15,767,000	\$ 10,865,000	\$ 193,046,000	\$ 210,474,000
(21) Non-certificated benefits	\$ 2,528,000	\$ 27,176,000	\$ 11,637,000	\$ 216,000	\$ 3,162,000	\$ 2,549,000	\$ 47,268,000	\$ 49,556,000
(22) SUB - TOTAL	\$ 40,837,000	\$ 899,174,000	\$ 58,662,000	\$ 1,139,000	\$ 20,182,000	\$ 20,695,000	\$ 1,040,689,000	\$ 1,080,076,000
(23) Services, contracts and supplies	\$ 1,175,000	\$ 74,780,000	\$ 48,046,000	\$ 39,586,000	\$ 20,308,000	\$ 2,553,000	\$ 186,448,000	\$ 232,236,000
(24) Amortization of supported tangible capital assets	\$ -	\$ 253,000	\$ 47,347,000	\$ -	\$ -	\$ -	\$ 47,600,000	\$ 46,057,000
(25) Amortization of unsupported tangible capital assets	\$ -	\$ 17,615,000	\$ 6,768,000	\$ -	\$ 3,730,000	\$ 58,000	\$ 28,171,000	\$ 26,943,000
(26) Supported interest on capital debt	\$ -	\$ -	\$ 24,000	\$ -	\$ -	\$ -	\$ 24,000	\$ 52,000
(27) Unsupported interest on capital debt	\$ -	\$ -	\$ 375,000	\$ -	\$ 27,000	\$ -	\$ 402,000	\$ 411,000
(28) Other interest and finance charges	\$ -	\$ 503,000	\$ -	\$ 328,000	\$ 31,000	\$ 314,000	\$ 1,176,000	\$ 863,000
(29) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(30) Other expense	\$ -	\$ 3,158,000	\$ -	\$ 1,225,000	\$ 105,000	\$ 2,490,000	\$ 6,978,000	\$ 4,136,000
(31) <b>TOTAL EXPENSES</b>	\$ 42,012,000	\$ 995,483,000	\$ 161,222,000	\$ 42,278,000	\$ 44,383,000	\$ 26,110,000	\$ 1,311,488,000	\$ 1,390,774,000
(32) <b>OPERATING SURPLUS (DEFICIT)</b>	\$ 3,720,000	\$ 13,343,000	\$ (6,227,000)	\$ (1,079,000)	\$ 1,568,000	\$ 197,000	\$ 11,522,000	\$ (781,000)

**SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE**  
for the Year Ended August 31, 2020 (in dollars)

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR/CMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	Supported Capital & Debt Services	2020 TOTAL Operations and Maintenance	2019 TOTAL Operations and Maintenance
Non-certificated salaries and wages	\$ 30,714,000	\$ 10,429,000	\$ -	\$ 1,835,000	\$ 4,045,000			\$ 47,023,000	\$ 48,212,000
Non-certificated benefits	\$ 8,401,000	\$ 2,409,000	\$ -	\$ 306,000	\$ 521,000			\$ 11,637,000	\$ 11,309,000
Sub-total Remuneration	\$ 39,115,000	\$ 12,838,000	\$ -	\$ 2,141,000	\$ 4,566,000			\$ 58,660,000	\$ 59,521,000
Supplies and services	\$ 5,573,000	\$ 4,708,000	\$ -	\$ 8,214,000	\$ 2,595,000			\$ 21,090,000	\$ 24,853,000
Electricity			\$ 10,501,000					\$ 10,501,000	\$ 9,833,000
Natural gas/heating fuel			\$ 4,348,000					\$ 4,348,000	\$ 6,376,000
Sewer and water			\$ 2,044,000					\$ 2,044,000	\$ 2,638,000
Telecommunications			\$ 613,000					\$ 613,000	\$ 313,000
Insurance					\$ 6,326,000			\$ 6,326,000	\$ 4,911,000
ASAP maintenance & renewal payments							\$ 3,124,000	\$ 3,124,000	\$ 2,634,000
Amortization of tangible capital assets									
Supported							\$ 47,347,000	\$ 47,347,000	\$ 46,057,000
Unsupported						\$ 6,768,000		\$ 6,768,000	\$ 6,642,000
Total Amortization						\$ 6,768,000	\$ 47,347,000	\$ 54,115,000	\$ 52,699,000
Interest on capital debt									
Supported							\$ 24,000	\$ 24,000	\$ 52,000
Unsupported						\$ 375,000		\$ 375,000	\$ 367,000
Lease payments for facilities				\$ -				\$ -	\$ -
Other interest charges						\$ -		\$ -	\$ -
Losses on disposal of capital assets						\$ -		\$ -	\$ -
<b>TOTAL EXPENSES</b>	\$ 44,688,000	\$ 17,546,000	\$ 17,506,000	\$ 10,355,000	\$ 13,487,000	\$ 7,143,000	\$ 50,495,000	\$ 161,220,000	\$ 164,197,000

SQUARE METRES									
School buildings								1,500,514.0	\$ 1,500,514
Non school buildings								58,103.0	\$ 58,767

**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 Pmnts:** 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, 2020 (in dollars)**

**Cash & Cash Equivalents**

	Average Effective (Market) Yield	2020		2019
		Cost	Amortized Cost	Amortized Cost
Cash	2%	\$ 157,821,000	\$ 157,821,000	135,660,000
Cash equivalents				
Government of Canada, direct and guaranteed	0.00%	-	-	-
Provincial, direct and guaranteed	0.00%	-	-	-
Corporate	0.00%	-	-	-
Other, including GIC's	1.30%	871,000	871,000	862,000
Total cash and cash equivalents		\$ 158,692,000	\$ 158,692,000	\$ 136,522,000

See Note 3 for additional detail.

**Portfolio Investments**

	Average Effective (Market) Yield	2020			2019
		Cost	Fair Value	Balance	Balance
<b>Interest-bearing securities</b>					
Deposits and short-term securities	2.02%	\$ 14,255,000	\$ 14,255,000	\$ 14,255,000	\$ 13,899,000
Bonds and mortgages	0.00%	-	-	-	-
	2.02%	14,255,000	14,255,000	14,255,000	13,899,000
<b>Equities</b>					
Canadian equities	0.00%	\$ -	\$ -	\$ -	\$ -
Global developed equities	0.00%	-	-	-	-
Emerging markets equities	0.00%	-	-	-	-
Private equities	0.00%	-	-	-	-
Pooled investment funds	1.24%	6,030,000	8,146,000	8,146,000	7,436,000
Total fixed income securities	1.64%	6,030,000	8,146,000	8,146,000	7,436,000
<b>Other</b>					
Other (Specify)	0.00%	\$ -	\$ -	\$ -	\$ -
Other (Specify)	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Total equities	0.00%	-	-	-	-
Total portfolio investments	1.74%	\$ 20,285,000	\$ 22,401,000	\$ 22,401,000	\$ 21,335,000

See Note 3 for additional detail.

**Portfolio investments**

**Operating**

Cost  
Unrealized gains and losses

**Endowments**

Cost  
Unrealized gains and losses  
Deferred revenue

**Total portfolio investments**

	2020	2019
Operating		
Cost	\$ 14,255,000	\$ 13,899,000
Unrealized gains and losses	-	-
	14,255,000	13,899,000
Endowments		
Cost	\$ 6,030,000	\$ 5,519,000
Unrealized gains and losses	2,116,000	1,917,000
Deferred revenue	-	-
	8,146,000	7,436,000
<b>Total portfolio investments</b>	\$ 22,401,000	\$ 21,335,000

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

	2020	2019
Under 1 year	16.0%	0.0%
1 to 5 years	84.0%	100.0%
6 to 10 years	0.0%	0.0%
11 to 20 years	0.0%	0.0%
Over 20 years	0.0%	0.0%
	100.0%	100.0%

**SCHEDULE 6**

School Jurisdiction Code: 3030

**SCHEDULE OF TANGIBLE CAPITAL ASSETS  
For the Year Ended August 31, 2020 (in dollars)**

Tangible Capital Assets	2020						2019
	Land	Work In Progress*	Buildings**	Equipment	Vehicles	Computer Hardware & Software	Total
Estimated useful life			25-50 Years	5-10 Years	5-10 Years	3-5 Years	
<b>Historical cost</b>							
Beginning of year	\$ 2,711,000	\$ 14,703,000	\$ 1,798,199,000	\$ 199,105,000	\$ 10,385,000	\$ 180,386,000	\$ 2,205,489,000
Prior period adjustments	-	-	-	-	-	-	-
Additions	-	34,575,000	44,858,000	-	-	-	79,433,000
Transfers in (out)	-	(40,400,000)	23,153,000	5,428,000	679,000	11,140,000	-
Less disposals including write-offs	(1,000)	-	(128,000)	(47,000)	-	(143,000)	(319,000)
Historical cost, August 31, 2020	\$ 2,710,000	\$ 8,878,000	\$ 1,866,082,000	\$ 204,486,000	\$ 11,064,000	\$ 191,383,000	\$ 2,284,603,000
<b>Accumulated amortization</b>							
Beginning of year	\$ -	\$ -	\$ 617,891,000	\$ 122,642,000	\$ 8,022,000	\$ 136,861,000	\$ 885,416,000
Prior period adjustments	-	-	-	4,605,000	-	-	4,605,000
Amortization	-	-	46,642,000	11,044,000	570,000	17,515,000	75,771,000
Other additions	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	(128,000)	(40,000)	-	(143,000)	(311,000)
Accumulated amortization, August 31, 2020	\$ -	\$ -	\$ 664,405,000	\$ 138,251,000	\$ 8,592,000	\$ 154,233,000	\$ 965,481,000
<b>Net Book Value at August 31, 2020</b>	\$ 2,710,000	\$ 8,878,000	\$ 1,201,677,000	\$ 66,235,000	\$ 2,472,000	\$ 37,150,000	\$ 1,319,122,000
<b>Net Book Value at August 31, 2019</b>	\$ 2,711,000	\$ 14,701,000	\$ 1,180,308,000	\$ 71,858,000	\$ 2,364,000	\$ 43,525,000	\$ 1,315,467,000

	2020	2019
Total cost of assets under capital lease	\$ 47,664,000	\$ 45,135,000
Total amortization of assets under capital lease	\$ 22,279,000	\$ 20,211,000

Assets under capital lease includes buildings with a total cost of \$47,664,000 (2019 - \$45,135,000) and accumulated amortization of \$22,279,000 (2019 - \$20,211,000)

- (1) Work in Progress includes three new schools with accumulated costs of \$42,330,000, expected to be open on September 1, 2020.
- (2) Buildings include leasehold improvements with a total cost of \$0 and accumulated amortization of \$0 as well as site improvements with a total cost of \$118,514,000 and accumulated amortization of \$22,723,000.
- (3) COVID -19 related: included in total 2020 tangible capital assets is \$537,000 related to COVID-19.

**SCHEDULE 7**

School Jurisdiction Code: 3030

**SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES  
For the Year Ended August 31, 2020 (in dollars)**

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other Paid	Other Accrued Unpaid Benefits (1)	Expenses
Marilyn Dennis, Chair	1.00	\$55,000	\$2,946	\$8,600			\$5,192	\$4,357
Althea Adams, Vice Chair	1.00	\$50,000	\$2,873	\$8,600			\$5,192	\$2,713
Trina Hurdman	1.00	\$45,000	\$2,550	\$8,600			\$22,500	\$3,286
Julie Hrdlicka	1.00	\$45,000	\$2,613	\$8,600			\$22,500	\$2,415
Lisa Davis	0.41	\$18,346	\$1,045	\$3,507			\$0	\$1,976
Richard Hehr	1.00	\$45,000	\$0	\$8,600			\$5,192	\$2,826
Mike Bradshaw	1.00	\$45,000	\$2,613	\$8,600			\$5,192	\$2,124
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
<b>Subtotal</b>	<b>6.41</b>	<b>\$303,346</b>	<b>\$14,639</b>	<b>\$55,107</b>			<b>\$65,768</b>	<b>\$19,698</b>
Christopher Usih, Chief Superintendent	1.00	\$261,023	\$41,897	\$6,000	\$0	\$0	\$65,445	\$3,094
Brad Grundy, Treasurer	1.00	\$240,815	\$18,341	\$8,031	\$0	\$0	\$68,990	\$6,200
Patricia Minor, Secretary	1.00	\$144,966	\$15,291	\$0	\$0	\$0	\$12,684	\$4,340
Superintendents, Certificated	2.26	\$503,229	\$173,014	\$13,212	\$0	\$550,675	\$110,855	\$4,984
Superintendents, Non Certificated	4.00	\$895,565	\$67,406	\$32,095	\$0	\$0	\$154,956	\$2,985
		\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Certificated</b>		<b>\$655,935,748</b>	<b>\$142,512,615</b>	<b>\$0</b>	<b>\$0</b>	<b>\$201,287</b>	<b>\$0</b>	
School based	6,659.00							
Non-School based	120.00							
<b>Non-certificated</b>		<b>\$191,461,308</b>	<b>\$44,752,465</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,002,227</b>	<b>\$0</b>	
Instructional	1,945.00							
Plant Operations & Maintenance	706.00							
Transportation	14.00							
Other	390.32							
<b>TOTALS</b>	<b>9,850.00</b>	<b>\$849,746,000</b>	<b>\$187,595,668</b>	<b>\$114,445</b>	<b>\$0</b>	<b>\$2,754,188</b>	<b>\$478,698</b>	<b>\$41,300</b>

(1) Other Accrued Unpaid Benefits Include: Retirement Accruals for trustees and untaken vacation pay and supplemental pension expenses for employees



**SCHEDULE 8**

**UNAUDITED SCHEDULE OF FEES**  
For the Year Ended August 31, 2020 (in dollars)

	Actual Fees Collected 2018/2019	Budgeted Fee Revenue 2019/2020	(A) Actual Fees Collected 2019/2020	(B) Unspent September 1, 2019*	(C) Funds Raised to Defray Fees 2019/2020	(D) Expenditures 2019/2020	(A) + (B) + (C) - (D) Unspent Balance at August 31, 2020*
<b>Transportation Fees</b>	\$4,920,553	\$4,892,000	\$5,110,332	\$0	\$0	\$42,277,794	\$0
<b>Basic Instruction Fees</b>							
Basic instruction supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Fees to Enhance Basic Instruction</b>							
Technology user fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Alternative program fees	\$527,351	\$635,000	\$663,997	\$298,582	\$0	\$299,344	\$663,235
Fees for optional courses	\$2,439,502	\$2,949,000	\$2,879,464	\$480,222	\$0	\$1,888,873	\$1,470,812
Activity fees	\$15,550,215	\$17,705,000	\$6,034,435	\$0	\$0	\$11,608,204	\$0
Early childhood services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other fees to enhance education	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Non-Curricular fees</b>							
Extracurricular fees	\$3,982,326	\$4,659,000	\$1,576,568	\$821,135	\$0	\$2,784,416	\$0
Non-curricular travel	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lunch supervision and noon hour activity fees	\$15,494,281	\$14,062,000	\$11,405,761	\$292,377	\$0	\$12,523,375	\$0
Non-curricular goods and services	\$712,662	\$651,000	\$344,407	\$712,662	\$0	\$463,294	\$593,775
Other Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL FEES</b>	<b>\$43,626,890</b>	<b>\$45,553,000</b>	<b>\$28,014,963</b>	<b>\$2,604,978</b>	<b>\$0</b>	<b>\$71,845,299</b>	<b>\$2,727,823</b>

\*Unspent balances cannot be less than \$0

Please disclose amounts paid by parents of students that are recorded as "Sales of services and products", "Fundraising", or "Other revenue" (rather than fee revenue):	Actual 2020	Actual 2019
Cafeteria sales, hot lunch, milk programs	\$1,014,870	\$1,564,464
Special events, graduation, tickets	\$332,327	\$1,069,502
International and out of province student revenue	\$0	\$0
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$1,729,191	\$2,832,425
Adult education revenue	\$0	\$0
Preschool	\$0	\$0
Child care & before and after school care	\$0	\$0
Lost item replacement fee	\$0	\$0
Foreign Tuition	\$11,167,285	\$11,391,000
Music Instruments, library fees, commissions	\$1,002,026	\$511,296
Other (Describe)	\$1,088,089	\$1,521,291
<b>TOTAL</b>	<b>\$16,333,789</b>	<b>\$18,889,978</b>

**SCHEDULE 9**

**UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES**  
**For the Year Ended August 31, 2020 (in dollars)**

EXPENSES	Allocated to Board & System Administration			
	Salaries & Benefits	Supplies & Services	Other	TOTAL
Office of the superintendent	\$ 551,000	\$ 43,000	\$ -	\$ 594,000
Educational administration (excluding superintendent)	\$ 934,000	\$ -	\$ -	\$ 934,000
Business administration	\$ 4,054,000	\$ 772,000	\$ -	\$ 4,826,000
Board governance (Board of Trustees)	\$ 386,000	\$ 919,000	\$ -	\$ 1,305,000
Information technology	\$ 3,306,000	\$ 707,000	\$ -	\$ 4,013,000
Human resources	\$ 2,512,000	\$ 3,748,000	\$ -	\$ 6,260,000
Central purchasing, communications, marketing	\$ 2,179,000	\$ 21,000	\$ -	\$ 2,200,000
Payroll	\$ 4,764,000	\$ 24,000	\$ -	\$ 4,788,000
Administration - insurance			\$ 222,000	\$ 222,000
Administration - amortization			\$ 3,730,000	\$ 3,730,000
Administration - other (admin building, interest)			\$ 12,741,000	\$ 12,741,000
Other (describe)	\$ 361,000	\$ 337,000	\$ -	\$ 698,000
Other (describe)	\$ 1,135,000	\$ 833,000	\$ -	\$ 1,968,000
Other (describe)	\$ -	\$ -	\$ 104,000	\$ 104,000
<b>TOTAL EXPENSES</b>	<b>\$ 20,182,000</b>	<b>\$ 7,404,000</b>	<b>\$ 16,797,000</b>	<b>\$ 44,383,000</b>

**COVID - 19 EXPENDITURES (FOR INFORMATION ONLY - NOT PART OF FINANCIAL STATEMENTS)**  
for the Year Ended August 31, 2020 (in dollars)

EXPENSES DUE TO COVID-19	2020						
	Instruction		Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL
	ECS	Grades 1 - 12					
(1) Certificated salaries	\$ -	\$ 223,967			\$ -	\$ -	\$ 223,967
(2) Certificated benefits	\$ -	\$ 19,623			\$ -	\$ -	\$ 19,623
(3) Non-certificated salaries and wages	\$ -	\$ 75,728	\$ 23,241	\$ -	\$ 33,000	\$ -	\$ 131,969
(4) Non-certificated benefits	\$ -	\$ 13,468	\$ 10,121	\$ -	\$ 7,000	\$ -	\$ 30,589
(5) SUB - TOTAL	\$ -	\$ 332,786	\$ 33,362	\$ -	\$ 40,000	\$ -	\$ 406,148
(6) Services, contracts and supplies	\$ -	\$ 347,878	\$ 1,107,405	\$ -	\$ 6,552	\$ -	\$ 1,461,835
(7) Amortization of supported tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Amortization of unsupported tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(9) Supported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(10) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(11) Other interest and finance charges	\$ -	\$ 720	\$ -	\$ -	\$ -	\$ -	\$ 720
(12) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(13) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(14) <b>TOTAL EXPENSES DUE TO COVID-19</b>	\$ -	\$ 681,384	\$ 1,140,767	\$ -	\$ 46,552	\$ -	\$ 1,868,703

TANGIBLE CAPITAL ASSETS DUE TO COVID-19	Land	Buildings	Equipment	Vehicles	Computer Hardware & Software	Total
<b>Historical cost</b>						
Beginning of year	-	-	-	-	-	-
Additions			537,000			537,000
Transfers in (out)						-
Less: disposals including write-offs						-
Historical cost, August 31, 2020	-	-	537,000	-	-	537,000
<b>Accumulated amortization</b>						
Beginning of year						-
Amortization						-
Other additions						-
Transfers in (out)						-
Less: disposals including write-offs						-
Accumulated amortization, August 31, 2020						-
<b>Net Book Value at August 31, 2020</b>	-	-	537,000	-	-	537,000

**STUDENT STATISTICS (FOR INFORMATION ONLY - NOT PART OF FINANCIAL STATEMENTS)**  
**FULL TIME EQUIVALENT (FTE) ENROLLED STUDENTS**

	Actual 2020/21	Budgeted 2020/21 (Note 2)	Actual 2019/20	Notes
<b>Kindergarten, and Grades 1 to 12</b>				
<b>Eligible Funded Students:</b>				
Kindergarten	6,869	9,175	9,267	Head count
Kindergarten program hours	475	475	475	Minimum: 475 hours
Kindergarten FTE's Enrolled	3,435	4,587	4,634	0.5 times Head Count
Grades 1 to 9	84,348	86,287	84,742	Head count
Grades 10 to 12 - 1st, 2nd & 3rd year	27,631	29,245	27,792	Head count
Grades 10 to 12 - 4th year	1,663	1,760	1,673	Head count
Grades 10 to 12 - 4th year FTE	832	880	836	0.5 times Head Count
Grades 10 to 12 - 5th year	596	631	600	Head count
Grades 10 to 12 - 5th year FTE	149	158	150	0.25 times Head Count
Total FTE	116,394	121,157	118,153	K- Grade 12 students eligible for base instruction funding from Alberta Education.
Percentage Change	-3.9%	2.5%		
<b>Other Students:</b>				
Total	1,112	1,590	1,337	Note 3
<b>Total Net Enrolled Students</b>				
	117,506	122,747	119,490	
<b>Home Ed Students</b>	422	1,590	1,337	Note 4
<b>Total Enrolled Students, Kindergarten, and Grades 1-12</b>	117,928	124,336	120,827	
Percentage Change	-5.2%	2.9%		
<b>Of the Eligible Funded Students:</b>				
Students with Severe Disabilities	6,502	7,709	7,158	FTE of students with severe disabilities as reported by the board via PASI.
Students with Mild/Moderate Disabilities	15,580	18,650	17,170	FTE of students identified with mild/moderate disabilities as reported by the board via PASI.
<b>Pre - Kindergarten (Pre - K)</b>				
<b>Eligible Funded Children</b>	65	275	285	Children between the age of 2 years 8 months and 4 years 8 months.
<b>Other Children</b>	32	45	40	Children between the age of 2 years 8 months and 4 years 8 months.
<b>Total Enrolled Children - Pre - K</b>	97	320	325	
<b>Program Hours</b>	400	400	475	Minimum: 400 Hours
<b>FTE Ratio</b>	0.500	0.500	0.594	Actual hours divided by 800
<b>FTE's Enrolled, Pre - K</b>	49	160	193	
Percentage Change	-69.7%	-17.1%		
<b>Of the Eligible Funded Children:</b>				
Students with Severe Disabilities (PUF)	33	275	285	FTE of students with severe disabilities as reported by the board via PASI.
Students with Mild/Moderate Disabilities	-	920	905	FTE of students identified with mild/moderate disabilities as reported by the board via PASI.
<b>NOTES:</b>				
1) Enrolment is to be completed WHEREVER APPLICABLE and are 'as at September 30th' for each year.				
2) Budgeted enrolment is to be based on best information available at time of the 2020/2021 budget report preparation.				
3) Other K to Grade 12 students that are not eligible for base instruction funding from Alberta Education include First Nations students living on reserves for which tuition fee payments are made from Band or AANDC (Code 330), students younger than 5 1/2 or older than 20, and out-of-province and foreign students.				
4) Because they are funded separately, Home Education students are not included with total net enrolled students.				

**STAFFING STATISTICS (FOR INFORMATION ONLY - NOR PART OF FINANCIAL STATEMENTS)  
FULL TIME EQUIVALENT (FTE) PERSONNEL**

	Actual 2020/21		Budgeted 2020/21	Actual 2019/20		Notes
	Total	Union Staff		Total	Union Staff	
<b>CERTIFICATED STAFF</b>						
School Based	5,910.6	5,910.6	6,425	6,661	6,661	Teacher certification required for performing functions at the school level.
Non-School Based	131.3	131.3	120	125	125	Teacher certification required for performing functions at the system/central office level.
Total Certificated Staff FTE	6,041.9	6,041.9	6,544.1	6,785.4	6,786.0	FTE for personnel possessing a valid Alberta teaching certificate or equivalency.
Percentage change from prior period	-7.7%		-3.6%	-11.0%	-11.0%	
If an average standard cost is used, please disclose rate:						
Student F.T.E. per certificated Staff	\$ 102,334	\$ 102,334	102,334	101,000		
	19.5263907		19.0	17.8		
<b>Certificated Staffing Change due to:</b>						
	(502.2)		-			
Enrolment Change	(502.2)	(502.2)	(241)			If negative change impact, the small class size initiative is to include any/all teachers retained.
Other Factors	-		-			Descriptor (required):
Total Change	(502.2)	(502.2)	(241.3)			Year-over-year change in Certificated FTE
<b>Breakdown, where total change is Negative:</b>						
Continuous contracts terminated	-		(241)			FTEs
Non-permanent contracts not being renewed	-		-			FTEs
Other (retirement, attrition, etc.)	(502.2)	502.2	-			Descriptor (required): Decline in staffing due to change in student count
Total Negative Change in Certificated FTEs	(502.2)	502.2	(241.3)			Breakdown required where year-over-year total change in Certificated FTE is 'negative' only.
<b>Please note that the information in the section below only includes Certificated Number of Teachers (not FTEs):</b>						
<b>Certificated Number of Teachers</b>						
Permanent - Full time	5,756.0	5,756.0	6,075	6,299		
Permanent - Part time	310.0	310.0	364	377		
Probationary - Full time	67.0	67.0	6	6		
Probationary - Part time	27.0	27.0	-	-		
Temporary - Full time	631.0	631.0	575	596		
Temporary - Part time	39.0	39.0	70	73		
<b>NON-CERTIFICATED STAFF</b>						
Instructional - Education Assistants	604.48	604.48	670	667	667	Personnel support students as part of a multidisciplinary team with teachers and other other support personnel to provide meaningful instruction
Instructional - Other non-certificated instruction	1,612.0	1,552.1	1,465	1,459	1,405	Personnel providing instruction support for schools under 'Instruction' program areas other than EAs
Operations & Maintenance	819.1	848.0	800	803	831	Personnel providing support to maintain school facilities
Transportation - Bus Drivers Employed	-		-	-		Bus drivers employed, but not contracted
Transportation - Other Staff	12.3	10.5	12	14	12	Other personnel providing direct support to the transportation of students to and from school other than bus drivers employed
Other	173.3	87.6	381	407	206	Personnel in System Admin. and External service areas.
Total Non-Certificated Staff FTE	3,221.2	3,102.8	3,328.6	3,349.4	3,120.3	FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.
Percentage Change	-3.2%		-0.6%	-3.8%		
<b>Explanation of Changes:</b>						
Positions have been budget to be filled for the 2020-21 school year. However with the uncertainty of current situations, hiring freeze and financial prudence have left positions vacant during the Sept 30 count						
<b>Additional Information</b>						
Are non-certificated staff subject to a collective agreement?	3221.2	3102.8				
Please provide terms of contract for 2020/21 and future years for non-certificated staff subject to a collective agreement along with the number of qualifying staff FTE's.						
For additional information on collective agreements, please see: <a href="https://cbe.ab.ca/careers/Pages/Collective-Agreements.aspx">https://cbe.ab.ca/careers/Pages/Collective-Agreements.aspx</a>						

**BOARD AND SYSTEM ADMINISTRATION (FOR INFORMATION ONLY - NOT PART OF FINANCIAL STATEMENTS)  
2019/2020 EXPENSES UNDER (OVER) MAXIMUM LIMIT**

3030

<b>TOTAL EXPENSES (Net of rental revenue from central administration building)</b>	#####
<b>Enter Number of Net Enrolled Students (adjusted for adult &amp; underage students):</b>	120,827
<b>Enter Number of Funded (ECS) Children (headcount):</b>	9,267
<b>"C" if Charter School</b>	<input type="text"/>
<b>STEP 1</b>	
<b>Calculation of maximum expense limit percentage for Board and System Administration expenses</b>	
If "Total Net Enrolled Students" are 6,000 and over = 3.6%	3.60%
If "Total Net Enrolled Students" are 2,000 and less = 5.4%	
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .00045 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .00045 = 0.675% plus 3.6% = maximum expense limit of 4.275%).	
<b>STEP 2</b>	
<b>A. Calculate maximum expense limit amounts for Board and System Administration expenses</b>	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$47,200,464
<b>B. Considerations for Charter Schools and Small School Boards:</b>	
If charter schools and small school boards, The amount of Small Board Administration funding ( <i>Funding Manual</i> Section 1.13)	\$0
<b>2019/2020 MAXIMUM EXPENSE LIMIT (the greater of A or B above)</b>	\$47,200,464
<b>Actual Board &amp; System Administration from Line 30 of "Schedule of Program Operations" net of rental income (Board &amp; System Administration Column)</b>	\$44,019,000
<b>Amount Overspent</b>	\$0
<b>(Explain reason(s) for over-expenditure if amount overspent in cell "I38" is greater than zero).</b>	