



CBE Transportation Funding Challenges

The CBE is facing pressure on transportation funding as our system grows. This is resulting in higher fees. Challenges include:

Costs are Rising Faster than Funding

The cost of providing yellow bus transportation continues to increase and transportation funding is not keeping pace. Service provider costs including wages, buses, fuel, and insurance are all rising. This fall, CBE is implementing the legislative changes that will lead to over 7,000 additional students becoming eligible to take yellow buses, further increasing the overall cost of providing transportation.

In-Year Funding Reductions Had an Impact

In 2024-25, CBE had an in-year funding reduction of \$2.5M. Grant funding is based on enrolment projections; during the year, the grant is adjusted based on actual enrolment. The transportation grant in the 2025-26 CBE funding profile is about \$2.2M less than the reduced 2024-25 grant funding. As long as CBE continues to experience strong enrolment growth and high utilization rates, transportation costs will increase.

Three contributing factors to grant reductions:

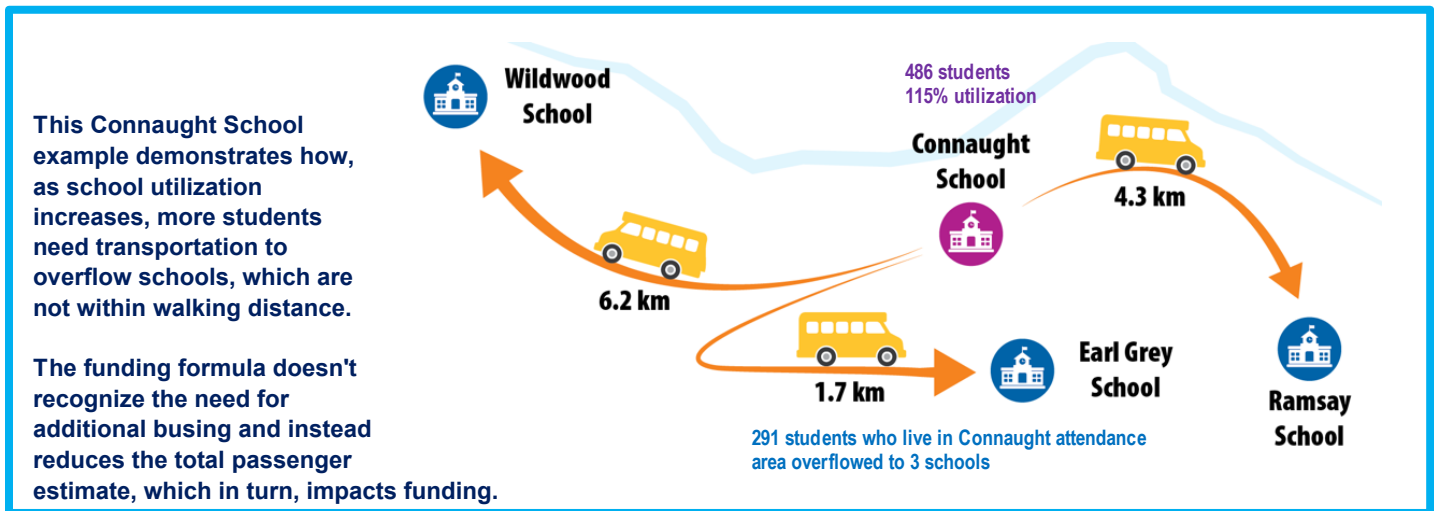
1. Prior to 2021, CBE's system utilization rates were declining resulting in a smaller in-year reduction.
2. In 2020-21, Alberta Education paused the metro formula and applied a growth factor to the 2019-20 grant.
3. In 2024-25, the metro formula has been reapplied. Given enrolment growth, higher school utilization and growing ridership, CBE is seeing a significant impact on funding.

The Funding Formula Doesn't Work for Rapidly Growing Metro Boards

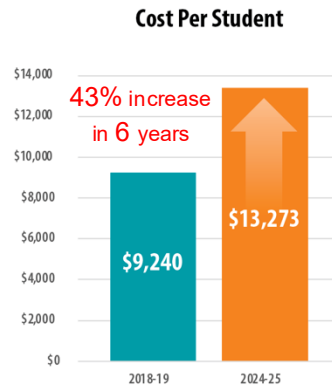
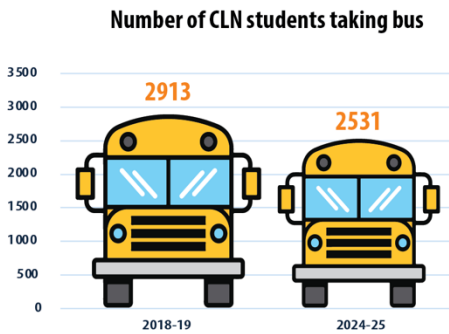
The provincial funding manual allocates transportation funds differently for charter, rural, urban, and metro boards.

The metro calculation is based on an estimated number of bus riders. The formula assumes that a school with high enrolment will have a greater number of students who can walk to school. Therefore a percentage of the funding is subtracted based on average enrolment. The higher the enrolment the greater the deduction.

With a utilization rate of 95%, CBE is overflowing students from 30+ schools to 46 receiver schools. When students are overflowed, they need transportation to another school, but the funding formula does not account for this.



Transporting Students with Complex Learning Needs (CLN) Continues to Increase



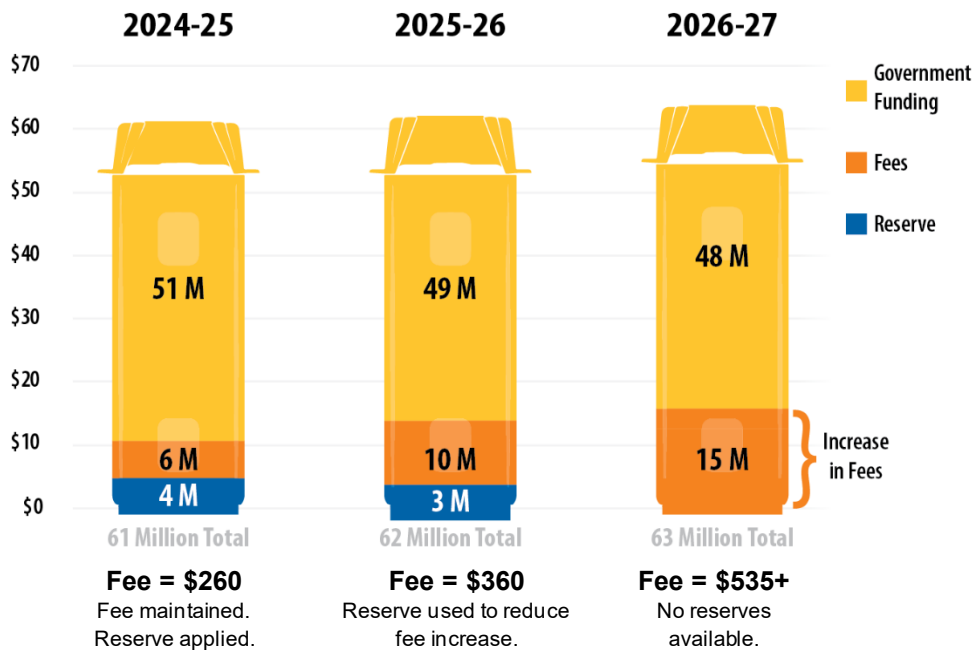
The transportation grant provides \$13M for CLN transportation. Actual costs are \$31M.

This means 61% of the transportation grant is used to transport 2,500 students.

School boards are not permitted to charge a fee for CLN transportation.

Impact of Metro Funding Formula and Fees

In 2024-25, we received \$51M to transport about 26,000 students. In 2025-26, we will receive \$49 million to transport about 30,000 students, a reduction of \$2M. **The metro formula effectively penalizes CBE for high average enrolment. Fees must increase to cover the revenue gap.** A mid-year funding reduction based on actual riders further impacts boards. Service levels have already been established so this in-year reduction creates budget uncertainty for the following year.



Measures CBE has Implemented to Improve Transportation Efficiency

- Ensured costly supports for students with special needs are based on assessed needs
- Transitioned more students to Calgary Transit
- Aligned bell times to allow buses to run multiple routes within a single block of time
- Increased the number of students per bus run
- Reviewed contracts with service providers
- Implemented congregated (community-based) stops for alternative program riders
- Incorporated low rider routes into existing routes
- Conducted external reviews and audits

Recommendations to Keep Fees Affordable and Support Sustainable Transportation

- Provide a supplementary grant of \$6.5M starting in the 2026-27 school year to return fees to \$260/year.
- Revise the metro formula to account for rising enrolment and increasing specialized transportation costs.
- Eliminate the in-year funding reduction.