

# public agenda

## Regular Board Meeting

May 29, 2012  
3:00 p.m.

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

### Mega Result Policy |

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

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

Time	Topic	Who	Policy Ref	Attachment
3:00 p.m.	<b>1   Call to Order, National Anthem and Welcome</b>			
	<b>2   Consideration/Approval of Agenda</b>		GC-2	
	<b>3   Awards and Recognitions</b>		GC-3.2	
	<b>4   Results Focus</b>			
30 mins	4.1 Early Learning	D. Lewis	R-1&2 OE-8	
	<b>5   Operational Expectations</b>			
30 mins	5.1 Annual Monitoring of OE-5: Financial Planning	N. Johnson	OE-5	Page 5-1
	<b>6   Public Comment</b>		GC-3.2	
15 mins	Requirements as outlined in Board Meeting Procedures			
	<b>7   Matters Reserved for Board Action</b>		GC-3.10	
30 mins	7.1 Presentation and Consideration of the 2012/2013 Operating Budget	D. Meyers		Page 9-43a
	<b>8   Board Consent Agenda</b>		GC-2	
	8.1 Approval of Minutes	Board		To Be Distributed
	▪ Regular Meeting held April 17, 2012			
	▪ Regular Meeting held May 1, 2012			



Time	Topic	Who	Policy Ref	Attachment
	<i>(THAT the Board approves the minutes of the Regular Meeting held April 17 and May 1, 2012.)</i>			
	8.2 Correspondence <i>(THAT the Board receives the correspondence for information and for the record.)</i>			Page 8-16
	8.3 Trustee Appointment to Alberta School Boards Association (ASBA) Board of Directors			Page 8-1
	8.4 Trustee Liaison Report re: ASBA Board of Directors – Highlights			Page 8-3
	8.5 Trustee Liaison Report re: Calgary Association of Parents and School Councils (CAPSC)			Page 8-11
	8.6 Trustee Liaison Report re: Alberta Schools Boards Association (ASBA) re: Spring General Meeting			Page 8-18
	<b>9   In-Camera Issues</b>	Board		
5:50 p.m.	<b>10   Adjournment</b>			
	<b>Debrief</b>	Trustees	GC-2.3	

#### Notice |

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

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

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



operational  
expectations  
monitoring report

May 29, 2012

## OE-5: FINANCIAL PLANNING

### CHIEF SUPERINTENDENT CERTIFICATION

With respect to Operational Expectations OE 5: Financial Planning, the Chief Superintendent certifies that the proceeding information is accurate and complete, and is:

- ☒ In Compliance
- ☐ In Compliance with exceptions as noted in the evidence
- ☐ Not in Compliance

Signed: \_\_\_\_\_  
Chief Superintendent

Date: May 15, 2012

### BOARD OF TRUSTEES ACTION

With respect to Operational Expectations 05: Financial Planning, the Board of Trustees:

- ☐ Finds the evidence to be compliant
- ☐ Finds the evidence to be compliant with noted exceptions
- ☐ Finds evidence to be not compliant

**Summary statement/motion of the Board of Trustees:**

Signed: \_\_\_\_\_  
Chair, Board of Trustees

Date: \_\_\_\_\_



## OE-5: FINANCIAL PLANNING

The Chief Superintendent shall develop and maintain a multi-year financial plan that is related directly to the Board's Results priorities and Operational Expectations goals, and that avoids long-term fiscal jeopardy to the organization

## Board-approved Interpretation |

- The Chief Superintendent interprets *multi-year* to mean a three-year period rolling in synchronization with the Three-Year Education Plan. This multi-year financial plan includes both the operating and capital Budgets.
- The Chief Superintendent interprets *develop and maintain* to mean that the multi-year financial plan will be presented and approved by May 31 of each year. The financial plan will be updated to reflect Fall enrollments and year end-audit results, finalized and submitted for approval by November 30 of each year. No further changes to approved budgeted amounts will be made during the year.
- The Chief Superintendent interprets *directly related to the Board's Results priorities* to mean in accordance with the Three-Year Education Plan, which is the strategy designed to achieve the Board's Results priorities and Operational Expectation goals. Furthermore, the format will include comparative numbers for the previous year and the forecasted budgets for the ensuing two years.
- The Chief Superintendent interprets *directly related to the Board's Operational Expectations goals* to mean that the processes used in financial planning are conducted, and the format and content of the financial planning document are developed, in compliance with the requirements of Operational Expectations.
- The Chief Superintendent interprets *avoids long-term fiscal jeopardy to the organization* as referring to the ultimate financial decisions reflected in the financial plan. Fiscal jeopardy refers to the ongoing ability of the organization to meet its fiscal obligations. While the organization must produce a balanced budget in accordance with the *School Act*, this in itself does not demonstrate avoidance of fiscal jeopardy as it reflects the financial position at a single point in time.

The Chief Superintendent interprets guarding against fiscal jeopardy while balancing the budget to mean that financial decisions will:

1. Only contemplate a temporary structural deficit if there is a clear, prudent financial plan to eliminate it;





2. Address any structural deficits over an identified time frame appropriate to the circumstances, but usually within a three-year period;
3. Strive to develop and maintain an operating reserve base equal to 1% of jurisdiction revenues, whenever possible; and
4. Be based on acceptable levels of risk, in accordance with the organization's definition of risk tolerance.

**The Chief Superintendent will develop a budget that:**

5.1 Is in a summary format understandable to the Board and presented in a manner that allows the Board to understand the relationship between the budget and the Results priorities and any Operational Expectations goals for the year.	Compliant
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**Board-approved Interpretation |**

The Chief Superintendent interprets *summary format understandable to the Board* to be the format required by Alberta Education.

The Chief Superintendent interprets *Board understands the relationship between the budget and Results priorities and any Operational Expectations goals for the year* to mean that at the outset of the budget building process, the Board will be presented with a Budget Assumptions Report that demonstrates the linkages.

**Board-approved Indicators of Compliance |**

1. A Budget Assumptions Report that reflects the above interpretation.
2. A Budget Document that reflects the above interpretation.

Two documents are named in the indicators for OE-5: a Budget Assumptions Report and a Budget Document.

The Calgary Board of Education Operating and Capital Budget Assumptions report was presented to the Board of Trustees on March 20, 2012. An attachment to the March 20 report was named "CBE Operating and Capital Budget Assumptions for 2012-13 to 2014-15." This attachment is included in the OE-5 monitoring report as Attachment I and is referred to as the Budget Assumptions Report.

The Budget Document named in the indicators is the May 15, 2012 budget report scheduled for approval on May 29, 2012, the same day as this monitoring report. As such the budget report is not reproduced here as an attachment. Evidence in this monitoring report will point to specific pages in the budget report. The budget report as a whole is referred to as the Budget Document.



## Evidence of Compliance |

1. Strategies to allocate resources, are shown in the attached Budget Assumptions Report on pages 15 to 18 are derived from the Interim Three-Year Education Plan. The Interim Three-Year Education Plan and resulting strategic actions are purposefully designed to align with and support the Board's Results priorities and Operational Expectations goals. The budget strategies are explicitly aimed at dedicating the maximum possible resources to optimize learning for students in classrooms. By applying this overall strategy we ensure that the budget supports the Interim Three-Year Education Plan. The delineation of specific budget strategies also provides the Board of Trustees with clear understanding of the relationship between the overall allocation decisions made within the budget and its Results priorities.
2. The Three Year Financial Plan presented on page 6 of the Budget Document is in the format required by Alberta Education.

5.2 Credibly describes revenues and expenditures	Compliant
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## Board-approved Interpretation |

The Chief Superintendent interprets that *revenues and expenditures are credibly described* when they summarize revenue by major funding source and expenditure by spending categories typically used in financial statements prepared in accordance with generally accepted accounting principles.

The Chief Superintendent interprets *credible description* to mean the format required by Alberta Education, supplemented by a glossary of terms and explanatory notes.

## Board-approved Indicator of Compliance |

A Budget Document that reflects the above interpretation.

## Evidence of Compliance |

Pages 3 and 11 to 14 of the Budget Document describe revenue by major funding source and pages 3 and 15 to 16 of the Budget Document describe expenditure by spending categories typically used in financial statements prepared in accordance with generally accepted accounting principles, and in the format required by Alberta Education.

Revenue and expenditures are also described as a percentage of total and in terms of the variance from the 2011-12 budget.

A glossary of terms and explanatory notes is found on page 21 of the Budget Document.



5.3 Shows the amount spent in each budget category for the most recently completed fiscal year, the amount budgeted for the current fiscal year, and the amount budgeted for the next fiscal year.	Compliant
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### Board-approved Interpretation |

The Chief Superintendent interprets *budget category* to mirror the revenue and expenditure categories.

The Chief Superintendent interprets the requested disclosure to be three fiscal years, being the previous fiscal year actuals, the current fiscal year budget, and the next fiscal year (being the year for which budget approval is required).

In addition, to comply with the overall requirement to present a *multi-year budget*, in accordance with the Chief Superintendent's interpretation, the presentation will include (for information purposes only) the planned amounts for two subsequent years.

### Board-approved Indicators of Compliance |

A Budget Document that reflects the above interpretation.

### Evidence of Compliance |

Page 6 of the Budget Document presents the Three-Year Financial Plan for the period 2012-13 to 2014-15 with comparatives for 2010-11 and 2011-12 in the format required by Alberta Education, in accordance with the approved reasonable interpretation.

5.4 Discloses budget-planning assumptions	Compliant
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### Board-approved Interpretation |

The Chief Superintendent interprets the *budget-planning assumptions* to include:

- financial, economic and other relevant factors where uncertainty exists; and
- resource allocation strategies.

The Chief Superintendent interprets that the *disclosure of budget planning assumptions* shall be a separate document, containing both a description of the assumption and the intended budget impact. Presentation of this document to the Board of Trustees will take place in advance of the presentation of the resulting budget.

To demonstrate that the ultimate budget document reflects the planned assumptions, the statistics and impacts from the Budget Assumptions Report will be re-calculated using the final budget figures and included with the Budget Document presented to the Board.

Disclosure of assumptions shall be based on materiality of impact. For the purposes of disclosure, the Chief Superintendent interprets *material impact* to be either:

- any assumption having an impact greater than one per cent of the budget; and
- any assumption that is pivotal to the delivery of the Three-Year Education Plan.

By necessity, the level of detail of the assumptions and the confidence in the estimated impacts will be greater for the current year budget being approved than for the ensuing two years provided for information only. These future years will be modified and adjusted in each ensuing year to respond to unforeseen and changing circumstances and formal budget approval by the Board for those years will occur annually.

#### **Board-approved Indicators of Compliance |**

1. A Budget Assumptions Report that reflects the above interpretation.
2. Recalculation of the statistics and impacts from the report on assumptions, using the final budget figures.

#### **Evidence of Compliance |**

1. The Budget Assumptions Report provides the following information as required by the above interpretation:
  - Financial, economic and other relevant factors where uncertainty exists are disclosed in the attached Budget Assumption Report on page 13 for the Operating Budget and page 18 for the Capital Budget.
  - Resource allocation strategies are disclosed in the attached Budget Assumption Report on pages 14 to 17 for the Operating Budget and page 19 for the Capital Budget.
- All assumptions having an impact greater than one per cent of the budget and all assumptions pivotal to the delivery of the Interim Three-Year Education Plan have been disclosed in the attached Budget Assumptions Report on the above noted pages.
2. Recalculated statistics and impacts from the Budget Assumptions Report, using the final budget figures, are provided commencing on page 9 of the Budget Document.



5.5 Plans for fiscal soundness in future years.	Compliant
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#### Board-approved Interpretation |

The Chief Superintendent interprets *fiscal soundness in future years* to mean **ongoing** ability to meet financial obligations.

The Chief Superintendent interprets *plans for* to mean that financial decisions are made in accordance with the previous interpretation of “guarding against fiscal jeopardy while balancing the budget”.

#### Board-approved Indicators of Compliance |

A Budget Assumptions Report that reflects the above interpretation.

#### Evidence of Compliance |

The following strategies in the attached Budget Assumptions Report ensure that the budget developed allows the Calgary Board of Education to meet its ongoing financial obligations:

- Operational initiatives within service units to improve productivity, reduce work that is of a lower value, and leverage strategic procurement will result in achieving efficiencies while maintaining services and quality.
- Reduced capital spending as a *temporary* measure to maximize resources to optimize learning for students in classrooms and smooth the impact of eliminating the structural deficit. Resources within the Capital Budget are still allocated to the CBE’s top priorities; e.g. payments for energy retrofit projects.
- Use of remaining available reserves to smooth the impact of eliminating the structural deficit over three years.
- Page 18 of the Budget Document reflects the elimination of the structural deficit over three years.

5.6 Reflects anticipated changes in employee compensation, including inflationary adjustments, step increases, performance increase and benefits.	Compliant
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#### Board-approved Interpretation |

The Chief Superintendent interprets that the financial plan will *reflect anticipated changes in employee compensation, including inflationary adjustments, step increases, performance increases and benefits* by including these estimated changes in the projections for salaries and benefits expenses in each of the three years presented in the financial plan.





### Board-approved Indicators of Compliance |

A Budget Assumptions Report that reflects the above interpretation.

### Evidence of Compliance |

Estimated changes in the projections for salaries and benefits expenses in each of the three years presented in the financial plan were provided in the attached Budget Assumptions Report on page 13. These assumptions are confirmed on page 7 of the Budget Document.

5.7 Includes amounts determined by the Board to be necessary for the Board to effectively and efficiently perform its governing responsibilities	Compliant
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### Board-approved Interpretation |

The Chief Superintendent interprets *amounts determined by the Board to be necessary for the Board to effectively and efficiently perform its governing responsibilities* to be the Office of the Trustees' budget allocation.

### Board-approved Indicators of Compliance |

Board approval of the Office of the Trustees' budget allocation.

### Evidence of Compliance |

At the meeting on May 1, 2012, the Board of Trustees approved the Office of the Trustees' budget allocation for 2012-2013.

### The Chief Superintendent may not develop a budget that:

5.8 Plans for the expenditure in any fiscal year of more funds than are conservatively projected to be available during the year.	Compliant
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### Board-approved Interpretation |

The Chief Superintendent interprets *conservatively projected to be available* to mean that:

- the source of the funding can be specifically identified; and
- the timing for receipt and amount of funding can both be reasonably estimated.



Reasonably estimated means our level of confidence in our projections is:

- high; or
- if moderate, is acceptable given potential alternative actions.

Levels of confidence are defined in the context of the organization's risk tolerance.

## **Board-approved Indicators of Compliance |**

1. A Budget Assumptions Report that reflects the above interpretation.
2. A Budget Document that reflects the above interpretation.

## **Evidence of Compliance |**

Over 92% of Calgary Board of Education funding is derived from Provincial grants. Revenue projections are based on the Alberta Education Funding Manual, and CBE student projections, which have been extremely reliable on a system-wide basis. Remaining revenues have been budgeted conservatively, as described in the attached Budget Assumptions Report on page 22.

On page 6 of the Budget Document, The Three Year Financial Plan reflects expenses in excess of revenues for 2012-13 to 2014-15. The Budget Document identifies the planned sources to fund these differences on pages 9 and 10, and on page 17.

**ATTACHMENT I: CBE Operating and Capital Budget Assumptions for 2012-13 to 2014-15**

**GLOSSARY – Developed by the Board of Trustees**

**Board:** The Board of Trustees

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

**Monitoring Report:** The Board wants to know that its values have driven organizational performance. The Chief Superintendent will present to the Board, for its evaluation, a report that summarized how either compliance has been achieved on Operational Expectations or how reasonable progress has been made in Results. Each monitoring report requires: a re-statement of the full policy, by section; a reasonable interpretation of each section; data sufficient to prove compliance or reasonable progress; and a signed certification from the Chief Superintendent of the status.

**Reasonable Interpretation:** Once the Board has stated its values in policy, the Chief Superintendent is required to "interpret" policy values, saying back to the Board, "here is what the Board's value means to me." The Board then judges whether this interpretation is reasonable. In other words, does the Chief Superintendent "get it?" This reasonable interpretation is the first step required in monitoring compliance on Operational Expectations and monitoring reasonable progress on Results.

**Compliance:** Evidence or data that allow the Board to judge whether the Chief Superintendent has met the standard set in the Operational Expectations values.

**Non-compliance:** In gathering evidence and data to prove to the Board that its Operational Expectations values have been adhered to, there may be areas where the standards were not met. The policy or subsection of the policy would be found to be "non-compliant." The Chief Superintendent would identify the capacity-building needed to come into compliance and the Board would schedule this section of policy for re-monitoring.

## report

## CBE Operating and Capital Budget Assumptions for 2012-13 to 2014-15

Attachment I  
May 29, 2012

(from March 20, 2012)

### Introduction

The Calgary Board of Education is one of the best public education systems in the world. What sets us apart is our commitment to learning as unique as every student.

Our vision for student success considers the whole person and well-rounded education. This vision is reflected in the Board of Trustees' "Results." The Board of Trustees expects student learning to include academic success, citizenship, personal development, and character. The success of the whole student is captured by the "Mega Result":

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

The CBE Three-Year Education Plan describes how these Results—how *student success*—will be achieved. The plan breaks down efforts and investments into four areas that support the Mega Result:

1. Personalize Learning for each and every student;
2. Build our Capacity to remain educational leaders;
3. Engage our Publics, which includes the students, parents, employees and the whole community of Calgary; and
4. Steward our resources.

Stewarding our resources means that we recognize our responsibility to ensure public funding delivers the best possible public education for more than 104,000 students. Our responsibility to use resources wisely is a constant consideration. Building balanced budgets—both operating and capital—is an opportunity to demonstrate how we connect funding and student success.

The most recent provincial budget kept its promise for sustainable funding. The Alberta government provided three-year budgets to enable long-term planning. For the first time, school boards can project their financial plans beyond the next fiscal year. For the first time, the Three-Year Education Plan is complemented by a three-year funding model. A three-year funding model allows us to be more strategic.

For example, we are able to estimate that our Provincial funding for each of the next three fiscal years will be: \$1.068 billion; \$1.105 billion; and \$1.150 billion.



It is true that the Calgary Board of Education continues to anticipate a \$19.2 million structural deficit<sup>1</sup> going into the 2012-13 school year. A long-term view of funding enables the CBE to:

- find strategies that eliminate existing deficits; and
- plan in a way that prevent deficits in the future.

To use a household example, it is harder to budget if you cannot predict your income from one month to the next. In some months you may have more money than you need; in others, you may not have enough.

When you know your income further in advance, you can plan better. You understand that you may be able to be short one month because you can catch up a month later. Or you might also recognize that your costs are too high so you need to figure out ways to reduce your expenses for good. The budget provided by the provincial government and Alberta Education in February 2012 has the same benefit for Alberta school districts.

The CBE budget process is evolving. We believe the process will be more effective for our system, students, employees, parents, Board of Trustees and communities.

The budget process for 2012-13 and the subsequent years began when the provincial budget was announced on Feb. 9. In May, Administration will present operating and capital budgets to the CBE Board of Trustees for consideration. The budgets will fulfill all of the reporting requirements of the Board of Trustees and Alberta Education. Alberta Education expects to receive Board of Trustee-approved budgets by May 31, 2012.

The CBE operating and capital budget will be directed by the Board of Trustees' public discussions and debate about the assumptions contained in this report.

The budget assumptions include two types of information:

1. financial and economic *uncertainties* expected to affect the budget. For the operating budget, these include factors like inflation and general wage increases; and
2. *strategies* to deliver balanced budgets with the greatest possible benefit for student success.

By definition, uncertainties cannot be fully controlled—by anyone. By contrast, strategies are deliberate approaches and decisions proposed by the CBE Administration to achieve one overriding imperative: Dedicate the maximum possible resources to optimize learning for students in classrooms.

By bringing forward this budget assumptions report, Administration seeks to engage the Board of Trustees in a robust discussion about how we best use public funds for public education. The Board of Trustees has an opportunity to provide strategic guidance early in the budget-building process. With clear direction, Administration will build operating and capital budgets that align with expectations of the Board of Trustees for its final consideration in May.

Before we dive into the detail of the assumptions—both uncertainties *and* strategies—it is worthwhile to highlight planned outcomes of these strategies.

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<sup>1</sup> A structural deficit results from the use of one-time funds to support ongoing expenditures. The CBE structural deficit in 2012-13 results from the depletion of unrestricted reserves.

Overall, Administration's intent with these assumptions is that:

1. The \$19.2 million structural deficit (described above) is eliminated.
2. The RAM-rate increase for schools will be more than four per cent—a full percentage point higher than the current year.
3. The portion of the entire operating budget spent on Administration will drop to 3.4 per cent from 3.7 per cent—making the CBE one of the most efficient school-district administrations in the province.

Additional detail about the impacts of these assumptions is provided in Appendix B.

At this point in the budget process, these are high-level estimates of what we intend to achieve. Building the actual operating and capital budgets will confirm these “directional” estimates with greater certainty.

By way of additional background, it is helpful to keep these facts in mind.

1. The \$19.2 million of one-time funding provided in October was not technically sustained in the funding for 2012-14 and beyond. Specifically, this means that the \$4.2 million portion for Alberta Initiative for School Improvement (AIS) projects will expire at the end of the current fiscal year as expected. The remaining \$15 million was effectively incorporated into the new “Equity of Opportunity” grant.
2. Reserve balances at the end of budget years will only reflect restricted reserves. This means the reserves are earmarked for specific purposes. These reserves represent \$5 million—or a mere 0.4 per cent of CBE budgeted revenue (funding).

The budget process is a journey. On its journey, the CBE resolves to be an operationally efficient organization that dedicates the maximum possible resources to optimize learning for students in classrooms.



## Operating Budget Assumptions<sup>2</sup> Related to Uncertainties

Compensation Changes	All anticipated changes in employee compensation have been included based on current information. Anticipated changes include: general wage increases, step increases, performance increases and benefits.						
Enrolment	<p>Enrolment projections have been based on the September 30, 2011 actual enrolment of 104,182 and reflect the City of Calgary population changes, market share, and student retention rates (cohort-survival model). Forecasted enrolment figures are:</p> <table> <tr> <td>▪ 2012-13</td><td>105,654</td></tr> <tr> <td>▪ 2013-14</td><td>107,781</td></tr> <tr> <td>▪ 2014-15</td><td>110,271</td></tr> </table>	▪ 2012-13	105,654	▪ 2013-14	107,781	▪ 2014-15	110,271
▪ 2012-13	105,654						
▪ 2013-14	107,781						
▪ 2014-15	110,271						
Inflation Rate	The inflation rates were estimated based on the 20-year trend, which averages two per cent per year in Calgary.						
Contractual Obligations	All known changes in contractual obligations have been included based on current information.						
Investment Income	<p>Investment income is expected to remain constant for 2012-15 based on the following:</p> <ul style="list-style-type: none"> <li>▪ cash flow levels are projected to remain the same;</li> <li>▪ short-term interest rates are expected to remain at current levels, according to the Bank of Canada; and</li> <li>▪ long-term investment returns are expected to remain constant.</li> </ul>						
Legislative and Regulatory Framework	The Alberta Government has passed second reading of legislation intended to replace the <i>School Act</i> . The proposed Education Act may affect the budget in areas such as full-day kindergarten, increased age of funded students, and residency requirements. The financial impact of these potential changes cannot be determined at this time.						

<sup>2</sup> A Glossary of Terms is provided in Appendix C.

### Operating Budget Strategies

The CBE will **continue to allocate resources**—both to schools and for associated central supports—by way of the following strategies:

- full-day Kindergarten programs in 16 identified schools at an approximate cost of \$2 million without provincial funding;
  - First Nations, Métis, and Inuit (FNMI) programs primarily handled through centralized services at an approximate cost of \$3 million;
  - English as a Second Language (ESL) and English-Language Learner (ELL) programs and supports at an approximate cost of \$23 million;
  - specialized programs, unique settings and classroom supports at an approximate cost of \$115 million;
  - small-class supports in Kindergarten to Grade 3 and high school Career and Technology Strategy (CTS) at an approximate cost of \$42 million;
  - AISI project supports at an approximate cost of \$7 million;
  - equity supports in identified schools at an approximate cost of \$3 million; and
  - infrastructure maintenance renewal (IMR) projects at an approximate cost of \$18 million
- We expect Grade 4 to 12 class sizes to remain below the guideline. Kindergarten to Grade 3—where class-size funding continues—should remain below 20 to 1 on average.

In addition to the allocation strategies which continue, Administration plans the following **strategies to re-allocate resources**. The goal is to dedicate the maximum possible resources to optimize learning for students in classrooms.

Strategy	Description	Impact <sup>3</sup>
Service Units — Operational Excellence Initiatives	<p>Service units have identified initiatives to achieve efficiencies while maintaining services and quality. For example:</p> <ol style="list-style-type: none"> <li>1. finding ways to improve productivity without making additional demands on existing resources—this means working smarter;</li> <li>2. accepting the challenge of determining work we can stop because it does not add sufficient value at this time;</li> <li>3. improving processes that maximize revenue;</li> <li>4. integrating functions to increase the impact and efficiency with a focus on system-wide priorities; and</li> <li>5. saving money for the system by better leveraging strategic procurement and sourcing.</li> </ol> <p>A number of these initiatives require several years to fully reap the anticipated savings—especially where benefits are achieved by introducing systems to replace manual processes.</p>	<p>Anticipated savings are:</p> <ul style="list-style-type: none"> <li>▪ 2012-13 \$9 million</li> <li>▪ 2013-14 \$14 million</li> <li>▪ 2014-15 \$18 million</li> </ul> <p>It is anticipated the cost of System Administration and Board Governance as a portion of the total operating budget will decrease to 3.4 per cent for 2012-13 from 3.7 per cent in 2011-12 (a total of \$2.7 million reduction).</p> <p>In 2012-13 the expenditure decrease will generally occur in utilities and contracts, supplies and services.</p>
Delaying capital investments and elimination of lease payments	<p>To eliminate the structural deficit and balance the budget, we can free up funds by temporarily delaying the spending on non-urgent board-funded capital, such as equipment and technology,—which are funded through the application of amortization expense.</p> <p>By definition, board-funded capital excludes school facilities.</p> <p>The sale of the former Education Centre, which is assumed to happen during the 2011-12 fiscal year, would enable us to eliminate required lease payments in 2011-12 going forward.</p> <p>On the assumption that the Education Centre will be sold sometime this spring, this eliminates currently required lease payments, which will help to balance the budget going forward.</p>	<p>We estimate the benefit will be:</p> <ul style="list-style-type: none"> <li>▪ 2012-13 \$6 million</li> <li>▪ 2013-14 \$5 million</li> <li>▪ 2014-15 \$5 million</li> </ul> <p>This initiative will not impair our long-term board-funded capital investment nor will this temporary diversion of funding create fiscal jeopardy.</p> <p>We estimate the one-time lease-payment savings would be \$3 million in 2012-13.</p> <p>We believe the lease-payment elimination is likely to occur by Aug. 31, 2012.</p>

<sup>3</sup> At this point in the budget process, these are high-level estimates of what we intend to achieve. Building the actual operating and capital budgets will confirm these “directional” estimates with greater certainty.

Expiration of one-time AISI funding	Alberta Education provided the CBE with \$4.2 million of one-time funding for AISI projects in October 2011. All of the one-time funding was directed to schools for staffing—positions were temporary by definition. The recent provincial budget confirmed this specific funding expires on Aug. 31, 2012. Consequently and as planned from the outset, the related positions will be eliminated for 2012-13.	Loss of \$4.2 million which involves 45 FTEs funded on a temporary basis
School Fees	<p>In response to the community engagement for fees, we will amend our fee framework to reflect two “levels” of principles. In the context of fees, more than 4,000 stakeholders specified their expectations for words like transparency, accountability and consistency. These expectations will be addressed in our fees framework. In addition, we will incorporate these principles from the community engagement process:</p> <ul style="list-style-type: none"> <li>▪ Users are charged for the services they use.</li> <li>▪ The fees for the stated service are based on the cost of providing a <i>consistent</i> service to the system.</li> <li>▪ Fees will reflect the difference between fees associated with educational necessity and fees associated with personal choice.</li> <li>▪ All fees will be eligible for waivers.</li> <li>▪ Waivers will be funded through the CBE “global budget,” reflecting the ethic that the “community pays” for students who may be financially disadvantaged.</li> <li>▪ There will be no cross-subsidy from named fees.</li> <li>▪ School-based, employee parking fees will achieve full-cost recovery over the next year for a consistent service level.</li> </ul>	The financial impact of this strategy will be precisely determined when the fees for 2012-13 are set. It is anticipated that this strategy will produce at least \$1 million for re-allocation.
Use of Reserves	<p>Despite best efforts, we anticipate that schools will have unused and unencumbered reserves (also known as “carry forwards”) at 2011-12 fiscal year end. This is partly attributable to an inability to recruit and place staff on short notice when new funds were made available by Alberta Education in October, 2011.</p> <p>This means reserves are available to help balance the 2012-13 budget. Specific details on the inclusion of these funds in the resource allocation method (RAM) are being finalized.</p>	<p>The forecasted reserves to be applied to RAM rollout is \$6 million in 2012-13. This amount will be adjusted in the fall RAM to reflect actual reserve balances at year end.</p> <p>While this use of reserves creates a structural deficit in 2013-14—similar to our use of central reserves last year—it smooths the impact of eliminating the current \$19.2 million structural deficit over three years.</p>

Use of Reserves <i>continued</i>	<p>We also anticipate that our use of unrestricted reserves in the current fiscal year will be lower than budget, as a result of gapping tied to unfilled positions (outside of schools). We have applied this projection to balance the 2012-13 budget.</p>	<p>We anticipate \$1 million unrestricted reserves will remain available at Aug. 31, 2012. This strategy will utilize all available reserves in 2012-13.</p> <p>The only remaining reserves—totalling \$5 million—are restricted reserves dedicated to specific purposes.</p> <p>We do not believe this represents “long-term fiscal jeopardy to the organization”. It reflects direction from Alberta Education in 2011-12 to use all reserves, and our longer term strategies will strive to build reasonable reserve levels.</p>
RAM Allocation	<p>We maximize the RAM allocation for all schools. We have applied the new equity-of-opportunity funding across all of our RAM-rate categories.</p>	<p>The decision means: (1) a 4 per cent average RAM-rate increase over last year; (2) the total RAM allocation increases by \$21 million over 2011-12; and (3) an estimated increase in school-based employees of 103 FTEs.</p>



### **Capital Budget Introduction**

The Capital Budget (or board-funded capital) includes technology, furniture, equipment, vehicles and all other non-facility assets.

The Capital Budget does not reflect capital needs for school buildings and related facility infrastructure supported by additional capital grants approved and provided by the Provincial Government through a separate Capital Planning Process.

These board-funded capital needs are funded from the amortization reserve, school decentralized funds or capital reserves.

The anticipated funding available for board-funded capital in 2012-13 is \$22.5 million.

Administration—via the capital budget council—categorizes, assesses, and approves its board-funded capital projects based on the business and strategic value that they deliver. The categories used are: strategic, enhancement, and maintenance. This allows Administration to monitor its board-funded capital investment mix in order to ensure that sufficient resources are allocated to adequately maintain and enhance existing capital investment to meet the technological requirements for student learning. Further, Administration also ensures that the extent of new investment matches the organization's ability to maintain its assets in the future.

Funding may be provided for projects for a single year or over several years, depending on the nature and size of the project and the availability of funding.

### **Capital Budget Assumption Related to Uncertainties**

#### **Capital Project Cost Estimates**

Capital project-cost submissions are developed on a project-by-project basis. The costs are based on information available at the time and assumptions vary by project.

The Capital Budget Council regularly reviews project status and adjusts allocations as necessary, based on refined cost projections.

## Capital Budget Strategies

The CBE will **continue to allocate resources** by way of the following strategies:

Administration strives to maintain an investment mix of:

- strategic 25%
- enhancement 10%
- maintenance 65%

Criteria used to prioritize board-funded capital are:

1. For strategic and enhancement projects;
  - impact on the Three-Year Education Plan;
  - impact on the CBE as an organization; and
  - the extent to which the project/purchase will create future cost savings relative to its capital cost.
2. For maintenance projects:
  - mandatory
  - critical
  - necessary
  - discretionary

The potential impact on the operating budget is also considered to ensure that projects do not generate unanticipated future operating costs. This is our first step to incorporating a full life-cycle-costing approach to our capital investment decision-making.

Once projects have been ranked, they are again reviewed to assess confidence in achieving the intended results (both quantitative and qualitative), and confidence in the organization's capacity to implement the project as planned.

The amount of board-funded capital available is then applied to the top-ranked projects.

In addition to the allocation strategies which continue, Administration plans the following **strategy to re-allocate resources**. The goal is to dedicate the maximum possible resources to optimize learning for students in classrooms.

Strategy	Description						
Contribution as an Operating budget strategy	<p>The capital strategies have assumed that Administration implements its operating budget strategy to utilize a planned underspend of:</p> <table><tr><td>▪ 2012-13</td><td>\$6 million</td></tr><tr><td>▪ 2013-14</td><td>\$5 million</td></tr><tr><td>▪ 2014-15</td><td>\$5 million</td></tr></table> <p>This initiative will neither impair our long-term board-funded capital investment nor will this temporary diversion of funding create fiscal jeopardy.</p> <p>This strategy reduces the board-funded capital for 2012-13 to \$16.5 million. This will support principal payments on energy retrofit projects and the other top priorities recommended by the capital budget council.</p>	▪ 2012-13	\$6 million	▪ 2013-14	\$5 million	▪ 2014-15	\$5 million
▪ 2012-13	\$6 million						
▪ 2013-14	\$5 million						
▪ 2014-15	\$5 million						

## Appendix A—Summary of Revenue Alberta Education Grant Funding

The announced rate increases are:

Fiscal Year	Base instruction and class-size grants	Other grant areas
2012-13	1%	2%
2013-14	2%	2%
2014-15	2%	2%

Exceptions to these increases are:

1. severe disabilities profile, and Early Childhood Services (ECS) mild/moderate/gifted/talented was eliminated and are now part of the Inclusive Education grant; and
2. the Infrastructure Maintenance and Renewal and the SuperNet which remain constant.

The new Inclusive Education Grant is comprised of two components:

1. 75 per cent is for supports and services (e.g., Instructional Support, Learning Coaches, Speech and Language, etc.) and is based on a common formula tied to total enrolment. This approach assumes a standard level of support and services across all students.
2. 25 per cent is for supporting diversity factors and is based on Stats Canada and Alberta Government data on demographics for 10 identified factors (e.g., average income, mother's average year of education, refugee, etc.). Funding is only provided where a district's data is below/above provincial averages.

A comprehensive review of our Resource Allocation Method (RAM) is planned for fall 2012. Although the current RAM model already addresses a broad array of diversity factors this review of the model is considered appropriate.

The new Equity of Opportunity grant has three components:

1. per student funding to provide equitable access to education programs for all students;
2. distance funding that recognizes the costs of providing services for students who are located far distances from major service centres; and
3. low student density funding that recognizes the costs of providing services for students who live in low populated, remote, rural communities.

The last two components of the Equity of Opportunity grant do not apply to the CBE.

The CBE is concerned that Infrastructure Maintenance and Renewal (IMR) funding has been frozen, given the CBE's increasing deferred maintenance needs. At current funding levels for IMR, the CBE is unable to manage the annual growth in maintenance in schools.

The following chart is an analysis of the Alberta Education funding and its changes for the next three years.

Government of Alberta Grant Funding Changes  
2012/13 Budget Year & 2013/14, 2014/15 Forecast

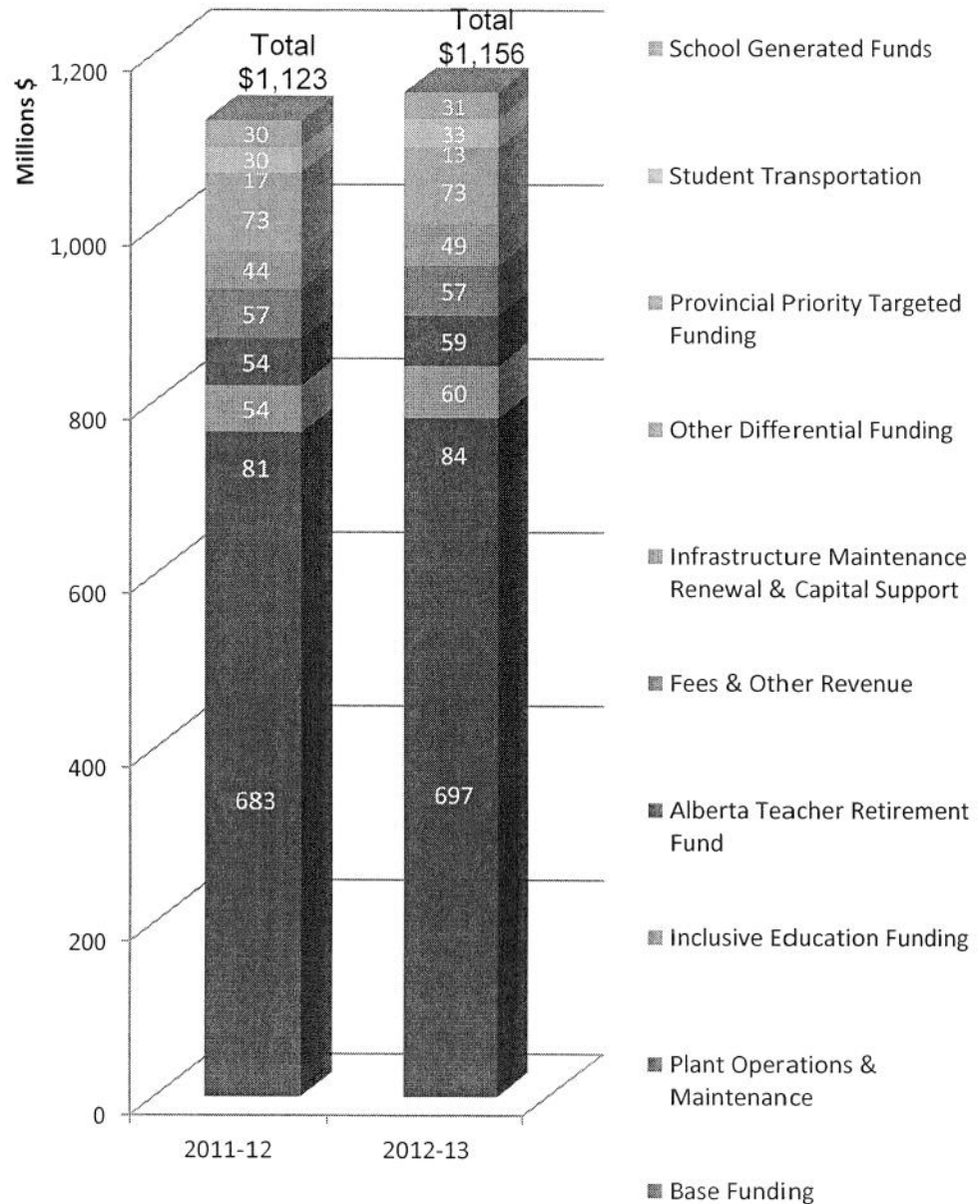
Description	2012/13 Actual Changes in Provincial Grants (\$M)	2013/14 Forecast Change in Provincial Grants (\$M)	2014/15 Forecast Changes in Provincial Grants (\$M)
<b>Changes due to:</b>			
Enrolments	13	14	21
Grant Rate Increases	16	32	18
	<u>29</u>	<u>32</u>	<u>39</u>
<b>Changes in grant programs:</b>			
Elimination of RCPA inflation protection	(6)		
Loss of one time fund (CBE share - \$107M)	(19)		
New equity of opportunity	16		
Loss of severe disabilities profiles	(52)		
Loss of Early Childhood Schooling mild & moderate	(3)		
New inclusive education funding	60		
	<u>(4)</u>	<u>-</u>	<u>-</u>
<b>Total net grant changes</b>	<u>25</u>	<u>-</u>	<u>-</u>
<b>Capital support</b>			
Infrastructure Maintenance Renewal	-	-	-
Amortization – school buildings portion	5	-	-
	<u>5</u>	<u>-</u>	<u>-</u>
<b>Alberta Teachers Retirement Fund – flowthrough</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>Total increase</b>	<u>35</u>	<u>37</u>	<u>45</u>

### Other Revenue and Funding

All other revenues will be budgeted at levels consistent with prior year. These other revenues include school-generated funds and elective fees, discretionary program collections, investment income and rental and leasing revenues.

Other Income is expected to remain essentially the same with an expected reduction in charter lease revenue from the province offset by small increases in most other categories tied to enrolment changes. Major components are as follows: sales and services to organizations and individuals; rentals; leases; student fees; transportation fees; investment income; school authorities and other local governments; unrealized investment gains/losses; and gains on disposal of assets.

## 2012-13 Breakdown of Total CBE Funding Sources<sup>4</sup>



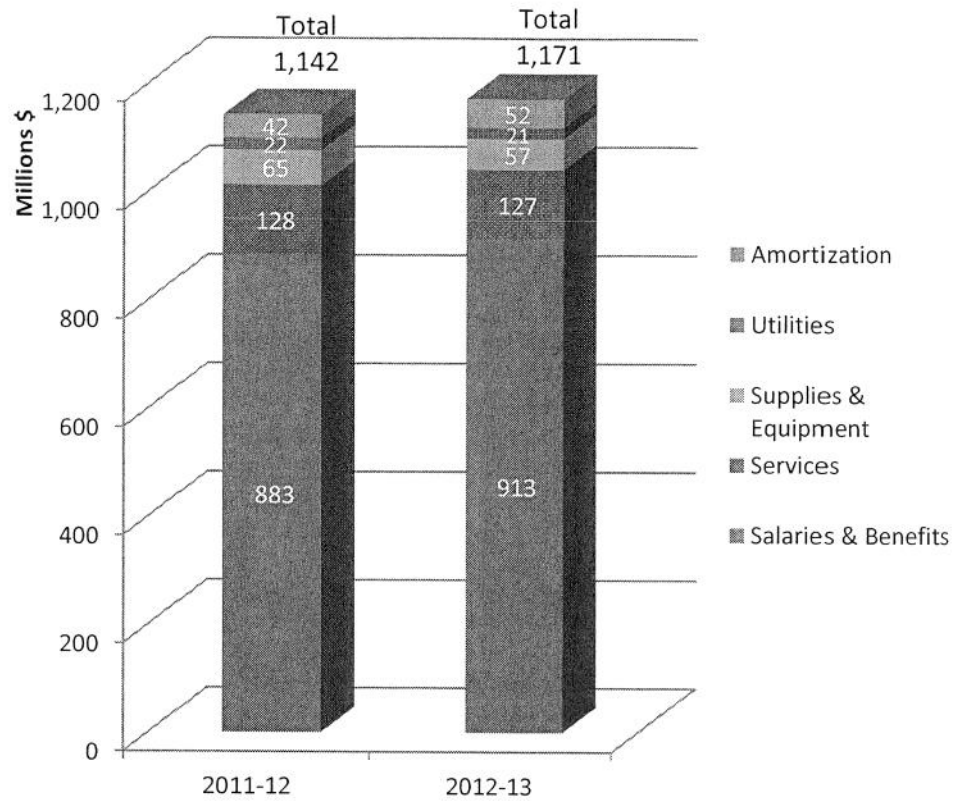
## Appendix B—Summary of Overall Anticipated 2012-13 Budget Impact<sup>5</sup>

<sup>4</sup> At this point in the budget process, these are high-level estimates of what we intend to achieve. Building the actual operating and capital budgets will confirm these “directional” estimates with greater certainty.

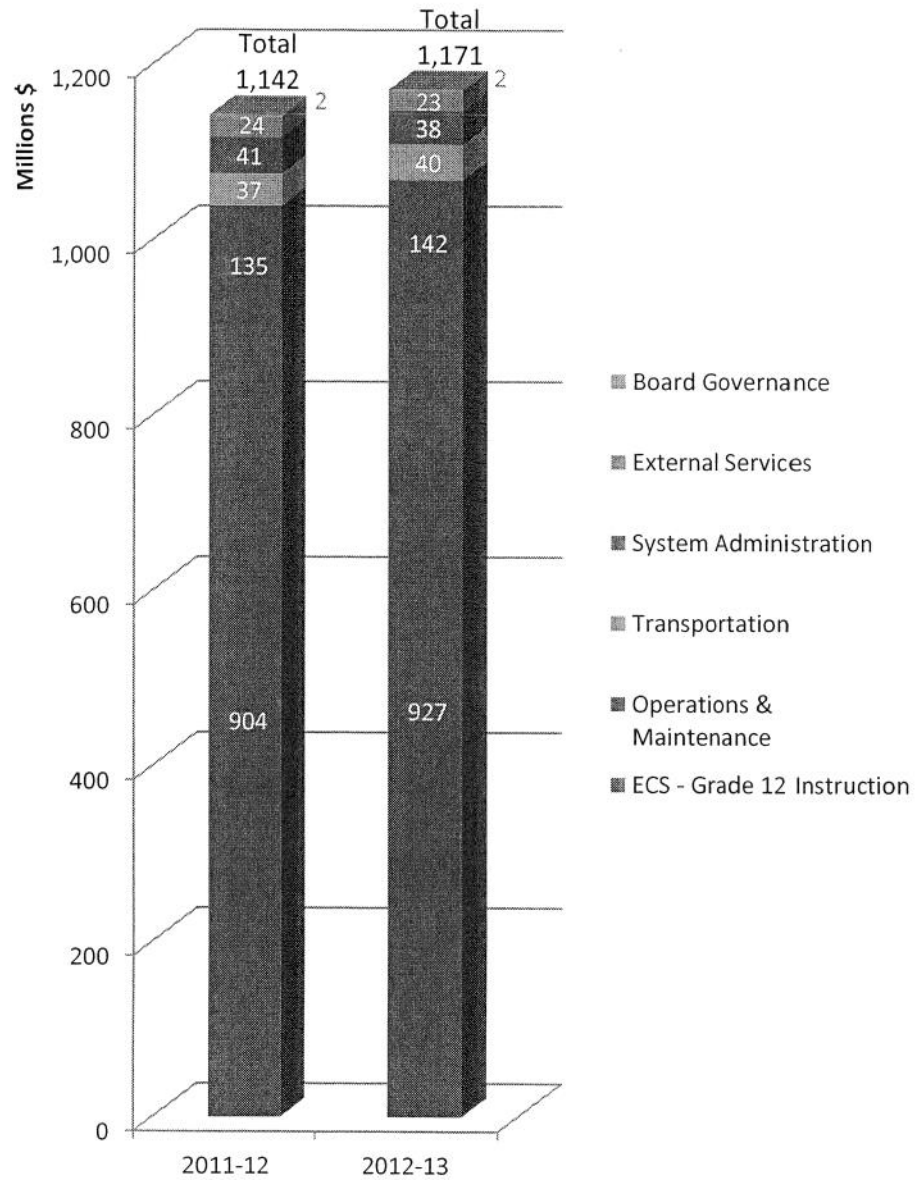
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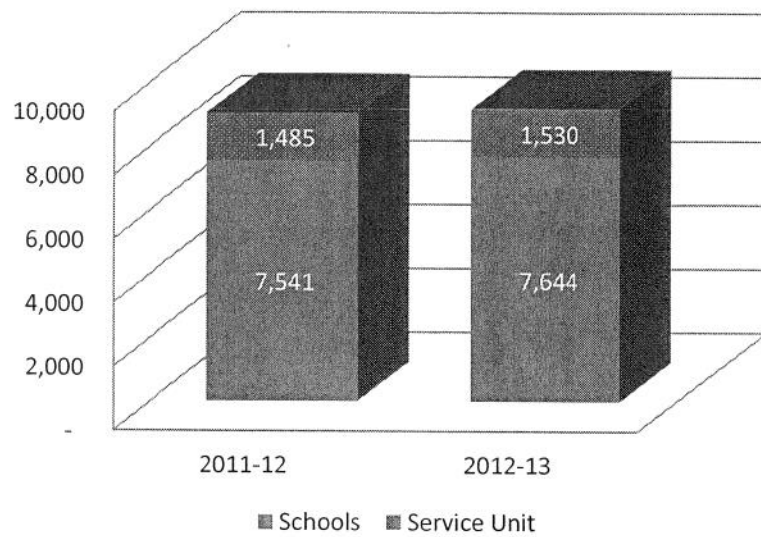
## Expense by Object



## Expense by Block



## FTE Comparison



## Appendix C—Glossary of Terms<sup>6</sup>

Amortization	Amortization expenses for both supported and unsupported capital assets ("unsupported" capital assets are board-funded; "supported" capital assets are funded by externally restricted capital funding/contributions).
Cohort-survival	Cohort is a group of students having a statistical factor (e.g., age or grade) in common as part of a demographic study. Cohort-survival looks at these demographic groups to determine any decrease or increase in each grade grouping as they move from Kindergarten to Grade 12 within the CBE.
Interest and charges	Interest expenses charged for both supported and unsupported debenture debt and all other interest charges.
Salaries & Benefits	<ul style="list-style-type: none"><li>▪ Consists of both certificated and non-certificated salaries and benefits</li><li>▪ Certificated salaries refer to all salaries paid or accrued for those employees of the jurisdiction who possess a valid Alberta Teaching Certificate, or its equivalent (i.e., certified teachers, Principals and Superintendents).</li><li>▪ Certificated benefits refer to the employer share of amounts paid on behalf of employees possessing an Alberta Teacher Certificate or equivalent for statutory and pension contributions, and medical and insurance benefits. It also includes allowances which are taxable payments made to (or on behalf of) employees for sabbatical leave, advanced study and training, and for negotiable or board-authorized allowances including automobile, subsidized housing, relocation, retirement, and supplementary unemployment benefits.</li><li>▪ Non certificated salaries are salaries and wages paid or accrued for all other employees, who do not possess an Alberta Teaching Certificate or equivalent.</li></ul>
School-Generated Funds	School-Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)
Supplies & Equipment Services	Cost of supplies, materials and services rendered not included in the other expense object lines, including expenses and payments related to contracts, agreements, audits, dues, fees, and supplies costs.
Provincial Priority Targeted Funding	Funding is comprised of the following: Alberta Initiative for School Improvement (AISI), SuperNet and Student Health. Other funding categories from the province that have prescribed guidelines on their use include: Infrastructure Maintenance Renewal (IMR), Regional Assessment Services (REACH) and Institutional Funding.

<sup>6</sup> Based on Alberta Education definitions

## report to Board of Trustees

## 2012/13 Operating Budget

Date	May 29, 2012
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	Naomi E. Johnson, Chief Superintendent of Schools
Purpose	Decision
Originator	Deborah L. Meyers, Superintendent, Chief Financial Officer, Corporate Treasurer
Governance Policy Reference	Operational Expectations OE-5: Financial Planning
Resource Person	Shay Khan, Manager, Corporate Planning and Reporting Superintendents' Team Corporate Planning and Reporting Staff

### 1 | Recommendations

---

It is recommended:

1. THAT 2012-13 budgetary information regarding planned certificated salaries and benefits expenditures in the amount of \$681.50 million be approved.
2. THAT 2012-13 budgetary information for:
  - planned expenditures of \$487.45 million, which includes all planned expenditures except for the above noted certificated salaries and benefits;
  - planned total revenues of \$1,152.87 million; and
  - the planned difference between total revenue of \$1,152.87 and total expenditures of \$1,168.95 million be covered by Operating and Amortization Reserves, and Unrestricted Net Assets,
 be approved.



3. That the following operating reserves, amortization reserve and unrestricted net assets (UNA) totaling \$16.08 million be approved for the planned application to support 2012-13 planned spending; and

<b>Operating Reserves</b>		<b>\$ millions</b>
a)	Utility Expense Stabilization	3.37
b)	Snow Removal	0.20
c)	General Instruction	1.00
d)	Fiscal Stability	2.00
e)	Administrative Systems Renewal	1.93
f)	System Transformation	1.50
		<hr/>
		10.00
<b>Contribution from Amortization Reserve</b>		6.40
<b>School Purchased Assets</b>		(2.50)
<b>Unrestricted Net Assets</b>		2.18
		<hr/>
<b>Total</b>		<b>16.08</b>

4. THAT the 2012-13 Operating Budget as presented in Attachment I, of this report, reflecting total planned spending of \$1,168.95 million be approved and submitted to Alberta Education by May 31, 2012.

## 2 | Issue

Section 147(2) of the *School Act* requires that the Calgary Board of Education submit to Alberta Education, by May 31st in each year, a budget approved by the Board of Trustees for the fiscal year beginning on the following September 1st.

In accordance with the Board of Trustees' Operational Expectation OE 6: Financial Condition, the Chief Superintendent is required to seek the Board's prior approval for any planned use of reserves or transfers between reserves.

## 3 | Background

In accordance with the *School Act* and the intent of OE 5: Financial Planning, the Chief Superintendent of Schools is required to prepare and submit to the Board of Trustees, for review and approval, an operating budget which is balanced, so that the proposed expenses do not exceed the projected revenues to be received by the Calgary Board of Education or from other identified funding sources.

In order to develop the 2012-13 Operating Budget, Superintendents' Team was tasked to formulate and lead all operating budget work including:

- Providing full executive oversight of the operating budget process,
- Considering service delivery model changes,
- Providing succinct and direct stakeholder engagement, and



- Making final recommendations to the Board of Trustees concerning all aspects of the 2012-13 Operating Budget.

The 2012-13 Operating Budget is based upon Assumptions provided to the Board of Trustees for information on March 20, 2012.

The Calgary Board of Education Results Policies and Operational Expectations, and the CBE Interim Three-Year Education Plan 2012-2015 were the foundational documents used by Superintendents' Team in formulating strategies in support of the personalization of student learning.

This year our strategies aimed to achieve one overriding imperative: Dedicate the maximum possible resources to optimize learning for students in classrooms. A summary of the specific strategies is contained in Attachment I.

The key highlights of the 2012-15 Financial Plan reflected in Attachment I are:

1. The budget is balanced, using the strategies outlined in the assumptions report.
2. All available reserves have been applied during the period.
3. The structural deficit resulting from use of one-time funds (reserves) is eliminated in 2014-15.
4. 2012-13 funding to schools (RAM allocation) increased by approximately \$21 million.
5. The portion of the entire operating budget spent on Board Governance and Administration decreased to 3.4 per cent from 3.7 per cent.

The focus for stakeholder engagement in the development of the 2012-13 Operating Budget included:

- Implementation of a structured process for engagement regarding student fees; and
- Communication of budget assumptions early in the budget development process.

These two strategies have resulted in significant stakeholder input that has influenced the development of the Operating Budget.

The 2012-13 Operating Budget Report was submitted to the Board of Trustees for information at the May 15, 2012 Board meeting. Subsequent to that meeting, one correction has been made to the 2012-13 budget figures originally presented. To improve clarity, 2 changes were also made to 2011-12 budget figures originally presented, and several changes in formatting and presentation were made. The changes are summarized as follows.

**SUMMARY OF CHANGES TO ORIGINAL 2012-13 BUDGET REPORT  
SUBMITTED FOR INFORMATION MAY 15, 2012**

NATURE OF CHANGE	PAGE #	LINE TITLE/POSITION	ORIGINAL	CHANGE
<b>A. CHANGES TO FIGURES:</b>				
1. Figures shown for 2011-12 were the forecasted actuals. For clarity, the 2011-12 budget figures are shown instead	Report Page 5	<b>2011-12 column of the summary financial plan:</b>		
		Planned Revenues	1,133.4	1,122.5
		Planned Expenses	(1,141.0)	(1,141.6)
		Use of Operating Reserves &UNA	6.6	18.6
		School Purchased Assets	(2.5)	-
		Use of Amortization Reserve	3.5	0.5
2. To minimize changes to the approved budget, a restatement of 2011-12 budget made for comparative purposes was removed.	Attach I Pages	<b>2011-12 Budget Column:</b>		
	6	ECS – Grade 12 Instruction	902,620	903,905
	15	Total Expense (by Block)	1,140,329	1,141,614
	16	Services, Contracts	211,024	212,909
	24	Total Expense (by Object)	1,140,329	1,141,614
3. Correction of typographical error	Attach I Page 9	<b>Application of Amortization 2012-13</b>	8.0	6.0
<b>B. COSMETIC CHANGES FOR CLARITY:</b>				
1. Corrections for rounding consistency and improvements in formatting and presentation were made				



#### 4 | Analysis

The 2012-13 Operating Budget makes recommendations for program and related support service expenses for Kindergarten, Grades 1 to 12 and Chinook Learning Services Adult programs. Highlights include:

(a) A summary of the organizations' financial plan for 2012-13 is as follows:

	<b>Budget</b>	
	2012-13 (\$ millions)	2011-12 (\$ millions)
Planned Revenues	\$1,152.9	\$ 1,122.5
Planned Expenses	(1,169.0)	(1,141.6)
Use of Operating Reserves & UNA	12.2	18.6
School Purchased Assets <sup>1</sup>	(2.5)	-
Use of Amortization Reserve	6.4	0.5
<b>Net Balanced Position</b>	<b>\$ -</b>	<b>\$ -</b>

(b) Use of Operating Reserves/ Unrestricted Net Assets / Amortization Reserve:

The recommended use of \$16.08 million of available year-end projected operating reserves, Unrestricted Net Assets and Amortization to mitigate the Operating shortfall is consistent with the approved terms of reference in the following amounts:

	<u>\$ million</u>
Operating Reserves	
Utility Expense Stabilization	3.37
Snow Removal	0.20
General Instruction	1.00
Fiscal Stability	2.00
Administrative Systems Renewal	1.93
System Transformation	1.50
Contribution from Capital Amortization Reserve	6.40
School Purchased Assets <sup>1</sup>	(2.50)
Unrestricted Net Assets	2.18
<b>Total</b>	<b><u>16.08</u></b>

<sup>1</sup> Schools contribute funds from their decentralized budget to fund their capital purchases. In the 2011-12 Budget, this amount was reflected as an expense, and has not been restated for comparative purposes.

(c) Targeted Services:

Where funding has been targeted to specific program initiatives (Alberta Initiative for School Improvement, Student Health, High Speed Networking and Infrastructure Maintenance Renewal, etc.) expenditures have been matched to available funding.

(d) Service Planning Assumptions:

Within the framework of the high level budget strategies, programs and services supported in the 2012-13 Operating Budget have been reviewed in the context of School development plans, Area Renewal plans and the strategies articulated in the Interim Three-Year Education Plan 2012-2015. Where appropriate, resource reallocations consistent with these plans for 2012-13 have been made, which include regular programs, alternative programs, and unique schools and programs. This is consistent with prior years.

(e) Governance Relationship:

The Operating Budget has been informed by and is consistent with Administration's reasonable interpretations and indicators as articulated in the Board of Trustees' Results and related Operational Expectations, and Alberta Education outcomes.

## 5 | Financial Impact

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### Overall Balanced Position

The CBE will realize a balanced position for this Operating Budget for 2012-13 after taking into account the projected revenues identified above for 2012-13; the approved planned use of available operating reserves and unrestricted net assets; the planned use of the unused amortization reserve; against the planned projected expenses for 2012-13.

The three year financial plan demonstrates the elimination of structural deficits in 2014-15.

## 6 | Implementation Consequences

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The approval of the 2012-13 Operating Budget will enable the CBE to continue to provide quality, differentiated teaching and learning services, as well as related administrative and support services required to meet the learning needs of the CBE's K-12 students and adult learners.

## 7 | Conclusion

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The 2012-13 Operating Budget is presented to the Board of Trustees for consideration and approval on May 29, 2012. The Budget is balanced and complies with the Board of Trustees' Policies, as well as the provisions of the Alberta Education Funding Framework, and the *School Act*.



NAOMI E. JOHNSON  
CHIEF SUPERINTENDENT OF SCHOOLS

### ATTACHMENTS

Attachment I: Calgary Board of Education, 2012-13 Operating Budget

### GLOSSARY – Developed by the Board of Trustees

Board: Board of Trustees

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

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

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

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



# operating budget for 2012-13 and beyond



learning | as unique | as every student



**Calgary Board  
of Education**



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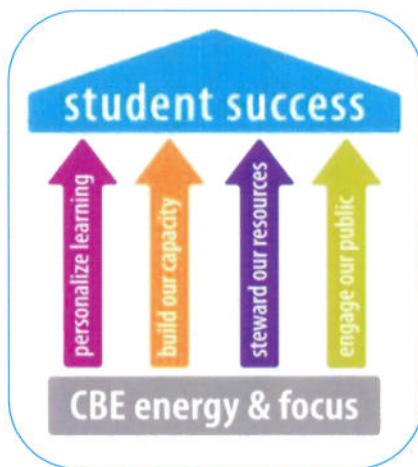
## Budgeting for Success<sup>1</sup>

The Calgary Board of Education is one of the best public education systems in the world. Outstanding education depends on making wise decisions about how to invest public resources on behalf of more than 104,000 students. It's an important responsibility. The money we spend educating our youth is one of the most important investments communities can make in their future.

The Province of Alberta projects a total of \$40.3 billion in revenue for 2012-13. The Province's second biggest expense is education for students from Kindergarten to Grade 12. The largest school board in Alberta, the CBE, will receive an estimated \$1.069 billion in provincial grant revenue for the 2012-13 school year.

### Our Ultimate Goal

Our budget decisions are driven by our ultimate goal – ensuring student success. This goal is expressed by our Board of Trustees' expectation that each student, in keeping with his or her individual abilities and gifts, will complete high school with a foundation of learning necessary to thrive in life, work and continued learning. This "mega result" encompasses very specific expectations for student outcomes in academic success, character, personal development and citizenship.



Achieving student success requires commitment from every part of the CBE community. It requires a vision of what success looks like for every student, and a plan for how we will get there. This vision is defined by Alberta Education, and reflected in our Three-Year Education Plan.

The Three-Year Education Plan guides our work and connects each CBE employee to our ultimate goal of student success. Everything we do to support students falls under four categories; personalize learning, build our capacity, engage our public and steward our resources.

Stewarding our resources means that we recognize our responsibility to ensure public funding delivers the best possible public education for our students. Building balanced budgets—both operating and capital—is an opportunity to demonstrate the connection between funding and student success.

The most recent provincial budget kept its promise for sustainable funding. The Alberta government provided three-year budgets to enable long-term planning. For the first time, school boards can project their financial plans beyond the next fiscal year. Consequently, for the first time, the Three-Year Education Plan is complemented by a three-year funding model. A three-year, predictable funding model allows us to be more strategic in how we plan for student learning.

<sup>1</sup> Throughout this document, the 2011-12 budget figures presented reflect the Fall Updated Budget approved by the Board of Trustees on Dec. 6, 2011 modified to reflect revenues and expenditures at Nov. 30, 2011 that are deemed to be sustainable into the future. No restatement of 2011-12 budget figures to reflect changes in presentation have been made. Any presentation differences between the years will be explained as variances.



## Operating Budget Highlights

Our goal in building the budget is to dedicate the maximum possible resources to optimize learning for students in classrooms. We remain focused on this goal as we prepare balanced budgets each year. Our expenditures are measured against the goals of our Three-Year Education Plan to ensure that everything we do contributes as much as possible to student success.

Key highlights of the budgets include:

- funding to schools via the Resource Allocation Method (RAM) has increased by \$21 million over last year
- we expect to hire an additional 163 positions for the next school year
- Alberta Education requires us to balance our budgets each year
- we expect our enrolment to top 105,654 students at 225 schools across Calgary
- the portion of the budget the CBE spends on Board Governance and Administration will drop from 3.7 per cent to 3.4 per cent of our total operating budget, placing the CBE among the most efficient school districts in the province

The budget numbers presented in this report will be finalized in the fall of 2012, to reflect our Sept. 30, 2012 actual enrolment. A fall budget update is produced once all the numbers are finalized. The following “budget-at-a-glance” shows our revenue and how we spend it to support student learning.

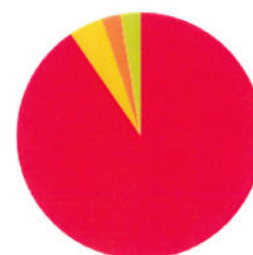




## Budget-at-a-Glance 2012-13

### Revenue

	Budget	
	all figures in \$ thousands	%
Government grants	1,043,232	90.5
Fees, sales and services	51,151	4.4
Other	28,881	2.5
Capital allocations	29,606	2.6
	<u>1,152,870</u>	<u>100.0</u>



**Government grants** include provincial and federal operation funding based on enrolment projections for the 2012-13 school year.

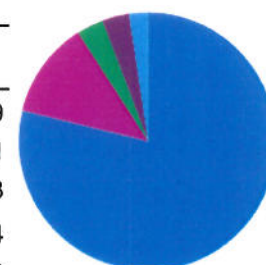
**Fees, sales and services** includes transportation fees, noon supervision fees, instructional supplies and material fees and fees charged at the school level for field trips, athletics, and arts, revenues for Chinook adult education programs, international student fees and general sales at the school level.

**Other** includes gifts and donations, fundraising, leasing revenue, and investment income.

**Capital allocations** represent provincial funding for school building amortization.

### Expenses

	Budget	
	all figures in \$ thousands	%
Instruction: ECS - Grade 12	921,268	78.9
Operations & maintenance	141,608	12.1
Transportation	39,012	3.3
Board & System Administration	39,918	3.4
External services	27,144	2.3
	<u>1,168,950</u>	<u>100.0</u>



**Instruction** includes teacher and support staff salaries and benefits.

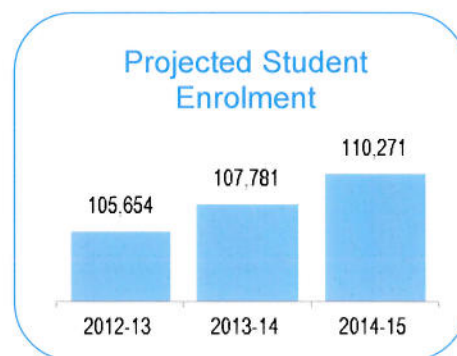
**Board and System Administration** includes administrative functions and central services support for the jurisdiction at the district or system level.

**External services** consists of costs related to education services outside of regular program areas including international student services and adult learning.



## How New Schools are Funded

New schools are funded by the provincial government through a capital budget. Each year, the CBE submits a detailed, three-year capital plan to the provincial government. It outlines where we need to build new schools, or modernize existing schools to serve the needs of our community. The plan details the top priorities. Although we prepare the plan every year, except for a recent \$10.5 million allocation for Chinook Learning Services, no new capital projects have been approved in the past four years.



Capital projects approved a number of years ago mean that four new CBE middle schools (Grades 4-9 or Grades 5-9) will open in September including:

- Nose Creek School – Coventry Hills
- Twelve Mile Coulee School – Tuscany
- Ted Harrison School - Taradale
- Captain Nichola Goddard School - Panorama Hills

In addition, major modernization projects are being completed at Western Canada High School and Lord Shaughnessy High School. The new Northwest High School is expected to open in September 2013.

## Parents Guide School Fees for 2012-13

The funding we receive does not always cover the cost of services provided by the CBE. For example, the funding provided for transportation is \$6.9 million less than the cost of providing the service. In total, the CBE faces a gap of \$31 million between what services for students cost, and the funding that is provided. This year we asked parents to help us solve this problem. More than 4,000 parents helped set the framework for fees going forward following a comprehensive community engagement process. This process is continuing as we seek to further engage parents to refine our framework.

## Board and System Administration Costs

The province limits our Board and System Administration costs to four per cent of our total operating budget, but we expect to spend well below that next year, so that more funding will flow to students in our classrooms. Of our total operating budget next year, we expect only 3.4 per cent will be spent on administration for our entire system. Board and System Administration includes administrative functions and central services that support students at the district or system level.

The CBE's Board and System Administration cost was only 3.7 per cent in 2011-12 and is forecast to be 3.4 per cent for next year, placing the CBE among the most efficient districts in Alberta.

## Three-Year Financial Plan

Schools districts used to get their budgets from the provincial government one year at a time. This process made it impossible to connect long-term strategies and three-year education plans to funding. In February 2012, the Alberta government changed the process. For the first time, schools districts were given revenue formulas for three years, fulfilling a commitment to provide predictable funding.

The three-year funding enables school districts to plan further in advance than was ever possible before. The Three-Year Financial Plan chart shows the financial plan for the Calgary Board of Education for the next three years. The comparative information is provided for 2010-11 and 2011-12.

The way the Calgary Board of Education uses funding can be presented in two ways and both are shown. The first breakdown shows expenses by "block." Blocks are categories of expenses required by Alberta Education. The second breakdown, also required by Alberta Education, shows expenses by commonly used accounting categories called "objects." Whether viewed by block or by object, the expense total is the same.

The table shows that total revenue for 2012-13 is \$16.08 million less than expenses for the same year. The difference represents the CBE's plan to use \$16.08 million of reserves in 2012-13. This use of reserves eliminates the gap between projected revenue and forecast expenses. More detail is provided on page 17.





### Three-Year Financial Plan\*

for the periods 2012-13 to 2014-15  
(with comparatives for 2010-11 and 2011-12)  
(all figures in \$ thousands)

	Actuals	Budget		Projection	
	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Revenue</b>					
Government of Alberta	935,489	1,012,448	1,039,523	1,075,800	1,120,854
Federal Government and/or First Nations	3,669	3,139	3,199	3,199	3,199
Other Alberta school authorities	834	511	510	510	510
Out of province authorities	338	-	-	-	-
Alberta Municipalities - special tax levies	-	-	-	-	-
Fees	13,555	31,521	30,856	30,967	31,679
Other sales and services	40,025	19,484	20,295	24,005	24,908
Investment income	5,307	3,199	3,198	3,262	3,327
Gifts and donations	7,365	9,901	10,036	10,036	10,036
Fundraising	11,446	8,312	8,411	8,411	8,411
Rental of facilities	7,710	9,599	7,236	7,527	7,828
Gain on disposal of capital assets	49	-	-	-	-
Amortization of capital allocations	23,751	24,345	29,606	29,223	28,941
Other revenue	-	-	-	-	-
<b>Total Revenue</b>	<b>1,049,538</b>	<b>1,122,459</b>	<b>1,152,870</b>	<b>1,192,940</b>	<b>1,239,693</b>
<b>Expense by Block</b>					
ECS - Grade 12 Instruction	822,573	903,905	921,268	950,351	981,938
Operations & Maintenance	139,967	134,615	141,608	143,626	149,685
Transportation	36,931	36,898	39,012	39,286	40,190
Board & System Administration	40,097	42,608	39,918	40,831	42,184
External Services	15,430	23,588	27,144	27,143	27,143
<b>Total Expense</b>	<b>1,054,998</b>	<b>1,141,614</b>	<b>1,168,950</b>	<b>1,201,237</b>	<b>1,241,140</b>
<b>Expense by Object</b>					
Certificated salaries	588,592	660,062	681,504	702,187	730,444
Support staff salaries	217,173	223,041	235,032	243,342	251,924
Services, contracts	204,002	212,909	197,820	202,412	206,610
Amortization expense	41,889	42,455	52,101	51,072	50,170
Interest on capital debt expense	1,874	1,464	1,116	820	560
Other interest charges	1,468	1,683	1,377	1,404	1,432
Loss on disposal of capital assets	-	-	-	-	-
Other expense	-	-	-	-	-
Operating expense	-	-	-	-	-
<b>Total Expense</b>	<b>1,054,998</b>	<b>1,141,614</b>	<b>1,168,950</b>	<b>1,201,237</b>	<b>1,241,140</b>

\* In accordance with Operational Expectation OE-5: Financial Planning

## Budget Assumptions

Administration reported budget assumptions to the Board of Trustees on Mar. 20, 2012. The budget assumptions report included two types of information:

- 1 | financial and economic uncertainties expected to affect the budget. For the operating budget, these include factors like inflation and compensation increases; and
- 2 | strategies to deliver balanced budgets with the greatest possible benefit for student success.

The intention of the report was to provide the Board of Trustees with insight into how Administration planned to support the Three-Year Education Plan with 2012-13 budget decisions.

### Operating Budget Assumptions<sup>2</sup> Related to Uncertainties

Compensation changes	All anticipated changes in employee compensation have been included based on current information. Anticipated changes include: compensation increases, step increases, performance increases and benefits.						
Enrolment	<p>Enrolment projections have been based on the Sept. 30, 2011 actual enrolment of 104,182 and reflect the City of Calgary population changes, market share, and student retention rates (cohort-survival model). Forecasted enrolment figures are:</p> <table><tr><td>▪ 2012-13</td><td>105,654</td></tr><tr><td>▪ 2013-14</td><td>107,781</td></tr><tr><td>▪ 2014-15</td><td>110,271</td></tr></table>	▪ 2012-13	105,654	▪ 2013-14	107,781	▪ 2014-15	110,271
▪ 2012-13	105,654						
▪ 2013-14	107,781						
▪ 2014-15	110,271						
Inflation Rate	The inflation rates were estimated based on the 20-year trend, which averages two per cent per year in Calgary.						
Contractual Obligations	All known changes in contractual obligations have been included based on current information.						

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<sup>2</sup> A Glossary of Terms is provided on Page 21



Legislative and  
Regulatory Framework

Any new legislation may affect the budget in areas such as full-day kindergarten, increased age of funded students, and residency requirements. The financial impact of any potential legislative changes cannot be determined at this time.

### Operating Budget Assumptions<sup>3</sup> Related to Strategies

The CBE will **continue to allocate resources**—both to schools and for associated central supports—by way of the following strategies:

- full-day Kindergarten programs in 18 identified schools at an approximate cost of \$2 million without provincial funding;
- First Nations, Métis, and Inuit (FNMI) programs primarily handled through centralized services at an approximate cost of \$3 million;
- English as a Second Language (ESL) and English-Language Learner (ELL) programs and supports at an approximate cost of \$23 million;
- specialized programs, unique settings and classroom supports at an approximate cost of \$115 million;
- small-class supports in Kindergarten to Grade 3 and high school Career and Technology Strategy (CTS) at an approximate cost of \$42 million;
- AISI project supports at an approximate cost of \$7 million;
- equity supports in identified schools at an approximate cost of \$3 million; and
- infrastructure maintenance renewal (IMR) projects at an approximate cost of \$18 million

We expect Grade 4 to 12 class sizes to remain below the guideline. Kindergarten to Grade 3—where class-size funding continues—should remain below 20 to 1 on average.

In addition to the allocation strategies which continue, Administration applied the following strategies to re-allocate resources. The goal is to dedicate the maximum possible resources to optimize learning for students in classrooms.

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<sup>3</sup> A Glossary of Terms is provided on Page 21





## Anticipated savings

2012-13	2013-14	2014-15
(all figures in \$ millions)		

### Service Units –Operational Excellence Initiative

Service units have identified initiatives to achieve efficiencies while maintaining services and quality. For example:

1. finding ways to improve productivity without making additional demands on existing resources – this means working smarter;
2. accepting the challenge of determining work we can stop because it does not add sufficient value at this time;
3. improving processes that maximize revenue;
4. integrating functions to increase the impact and efficiency with a focus on system-wide priorities; and,
5. saving money for the system by better leveraging strategic procurement and sourcing.

A number of these initiatives require several years to fully reap the anticipated savings – especially where benefits are achieved by introducing systems to replace manual processes.

### Delaying capital investments and elimination of lease payments

- a) Application of amortization  
To eliminate the structural deficit and balance the budget, we free up funds by
- temporarily delaying the spending on non-urgent board-funded capital, such as equipment and technology-- which are funded through the application of amortization expense; and
  - Utilizing capital reserves for eligible capital expenditures that have typically been funded by the amortization reserve in the past.

To achieve the annual anticipated savings shown will require a draw on Capital Reserves of \$5.6 million in 2013-14.

By definition, board-funded capital excludes school facilities.

- b) Capital lease payments  
The sale of the former Education Centre, which is assumed to happen during the 2011-12 fiscal year, will enable us to eliminate required lease payments in 2011-12 going forward.

The benefit of this strategy is expected to occur in fiscal 2011-12. This increases available reserves that can be applied in 2012-13, and the impact is reflected in the Use of Reserves Strategy.

9.0	16.0	20.0
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6.0	11.0	4.0
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0.0	0.0	0.0
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### Anticipated savings

2012-13      2013-14      2014-15  
(all figures in \$ millions)

#### Expiration of one-time AISI funding

Alberta Education provided the CBE with \$4.2 million of one-time funding for AISI projects in October 2011. All of the one-time funding was directed to schools for staffing – positions were temporary by definition. The provincial budget confirmed this specific funding expires on Aug. 31, 2012. Consequently and as planned from the outset, the related positions will be eliminated for 2012-13.

4.2

4.2

4.2

#### School fees

More than 4,000 stakeholders participated in a comprehensive community engagement process to help the CBE develop a framework for fees going forward. This process is continuing as we seek to further engage parents to refine the framework.

0.0

0.0

0.0

#### Use of reserves

##### a) School reserves

Despite best efforts, we anticipate that schools will have unused and unencumbered reserves (also known as "carry forwards") at 2011-12 fiscal year end. This partly reflects an inability to recruit and place staff on short notice when new funds were made available by Alberta Education in October 2011.

6.0

0.0

0.0

##### b) Unrestricted Reserves

We also anticipate that our use of unrestricted reserves in the current fiscal year will be lower than budget, as a result of gapping tied to unfilled positions (outside of schools) and the elimination of capital lease payments. We have applied this projection to balance the 2012-13 budget.

6.0

1.0

1.0

31.2

32.2

29.2



## Understanding Revenue

### Alberta Education Grant Funding

Alberta Education funding represents more than 90 per cent of CBE revenue. This year the funding methodology changed significantly. This section explains those changes and the overall funding grants expected for the next three school and fiscal years.

The announced rate increases are:

Fiscal year	Base instruction and class size grants	Other grant areas
2012-13	1%	2%
2013-14	2%	2%
2014-15	2%	2%

Exceptions to these increases are:

1. severe disabilities profile, and Early Childhood Services (ECS) mild/moderate/gifted/talented was eliminated and are now part of the Inclusive Education grant; and
2. the Infrastructure Maintenance and Renewal (IMR) and the SuperNet which remain constant.

The new Inclusive Education Grant is comprised of two components:

- seventy-five per cent is for supports and services (e.g., Instructional Support, Learning Coaches, Speech and Language, etc.) and is based on a common formula tied to total enrolment. This approach assumes a standard level of support and services across all students.
- twenty-five per cent is for supporting diversity factors and is based on Stats Canada and Alberta Government data on demographics for 10 identified factors (e.g., average income, mother's average year of education, refugee, etc.). Funding is only provided where a district's data is below/above provincial averages.

A comprehensive review of our Resource Allocation Method (RAM) is planned for fall 2012. Although the current RAM model already addresses a broad array of diversity factors this review of the model is considered appropriate.

The new "equity of opportunity" grant has three components:

1. per-student funding to provide equitable access to education programs for all students;
2. distance funding that recognizes the costs of providing services for students who are located far distances from major service centres; and
3. low-student-density funding that recognizes the costs of providing services for students who live in remote, rural communities with small populations.



The last two components of the equity of opportunity grant do not apply to the CBE.

The CBE is concerned that IMR funding has been frozen, given the CBE's increasing deferred maintenance needs. At current funding levels for IMR, the CBE is unable to manage the annual growth in maintenance in schools.

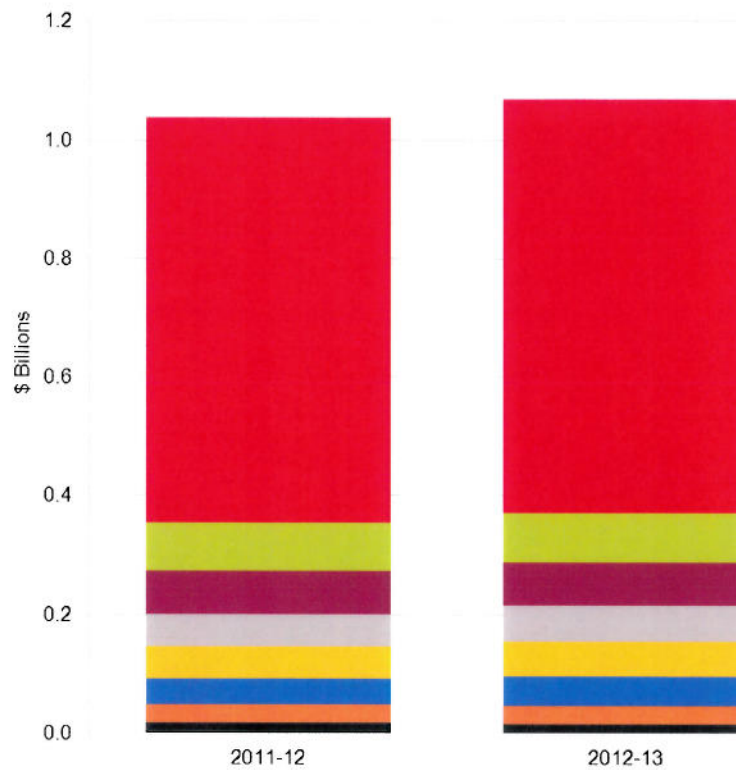
The following chart is an analysis of the Alberta Education funding and its changes for the next three years.

#### Government of Alberta Grant Funding Changes

(all figures in \$ millions)

Description	Actual Changes	Projected changes	
	2012-13	2013-14	2014-15
Changes due to:			
Enrolments	12	14	21
Grant Increases	15	18	18
	<u>27</u>	<u>32</u>	<u>39</u>
Changes in grant programs:			
Elimination of CPA inflation protection	(6)		
Loss of one time fund (CBE share - \$107M)	(19)		
New equity opportunity	16		
Loss of severe disabilities profiles	(52)		
Loss of Early Childhood Schooling – mild & moderate	(3)		
New inclusive education funding	60		
	<u>(4)</u>	<u>-</u>	<u>-</u>
Total net grant changes	<u>23</u>	<u>-</u>	<u>-</u>
Capital support			
Infrastructure Maintenance			
Renewal	0		
Amortization – school buildings portion	5		
	<u>5</u>	<u>-</u>	<u>-</u>
Alberta Teachers Retirement Fund – flow-through	4	5	6
Total increase	<u>32</u>	<u>37</u>	<u>45</u>

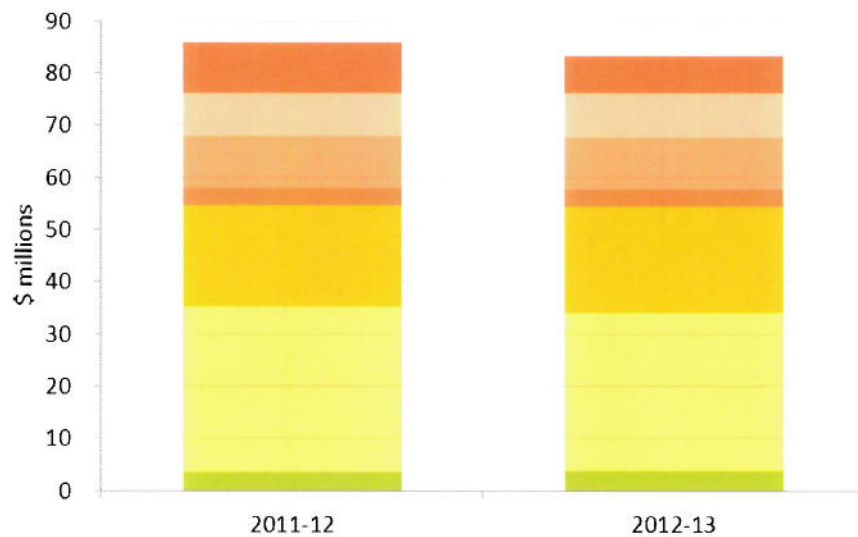
## Provincial Grant Revenues



	Budget		Variance	
	(all figures in \$ thousands)		\$	%
	2011-12	2012-13		
Base funding	683,381	697,743	14,362	2.1
Operations & maintenance	81,342	84,020	2,678	3.3
Other differential funding	72,945	73,029	84	0.1
Inclusive education funding	54,073	59,803	5,730	10.6
Alberta Teacher Retirement Fund	53,725	58,560	4,835	9.0
IMR & capital support	44,057	49,050	4,993	11.3
Student transportation	29,663	32,734	3,071	10.4
Provincial priority targeted funding	17,606	14,190	(3,416)	(19.4)
	<b>1,036,792</b>	<b>1,069,129</b>	<b>32,337</b>	<b>3.1</b>

## Other Revenue

Other revenues include school-generated funds and elective fees, discretionary program collections, investment income and rental and leasing revenues.



	Budget		Variance	
	2011-12	2012-13	\$	%
Other government funding	3,651	3,709	58	1.6
Fees	31,521	30,856	(665)	(2.1)
Other sales and services	19,484	20,295	811	4.2
Investment income	3,199	3,198	(1)	(0.0)
Gifts and donations	9,901	10,036	135	1.4
Fundraising	8,312	8,411	99	1.2
Rental of facilities	9,599	7,236	(2,363)	(24.6)
	<b>85,667</b>	<b>83,741</b>	<b>(1,926)</b>	<b>(2.2)</b>

## Understanding Expenses

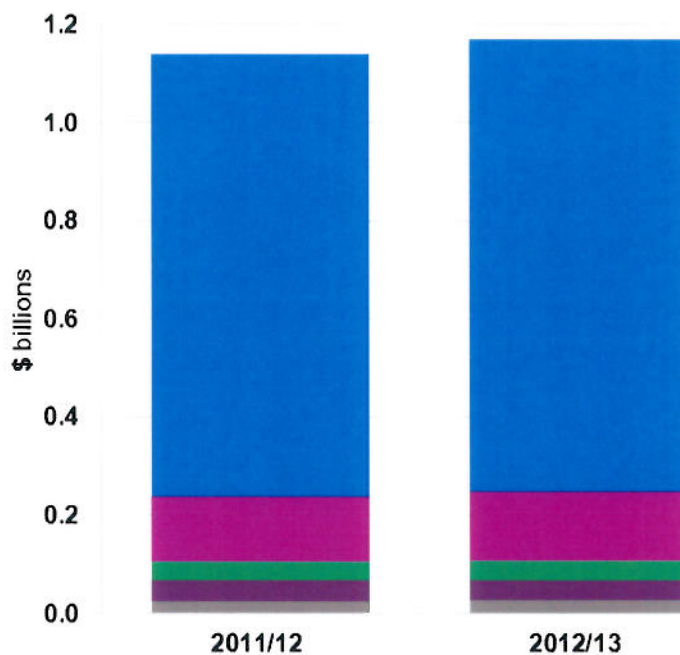
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In building the 2012-13 operating budget, the primary focus was to dedicate the maximum possible resources to optimize learning for students in classrooms.

As a result, the "instructional block" increased by about two per cent. The two per cent increase in the instructional block reflects grant-rate increases as well as the estimated impact of increased enrolment.

The increase in operations and maintenance is mainly related to the four new schools.

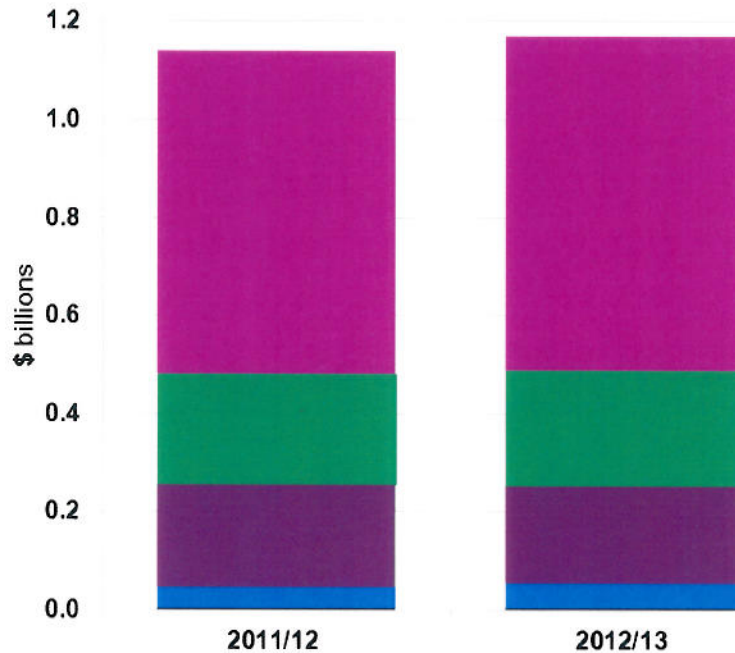
### Expenses by Block



	Budget		Variance	
	(all figures in \$ thousands)			
	2011/12	2012/13	(\$000)	%
Instruction: ECS - grade 12	903,905	921,268	17,363	1.9
Operation & maintenance	134,615	141,608	6,993	5.2
Transportation	36,898	39,012	2,114	5.7
Board & System Administration	42,608	39,918	(2,690)	(6.3)
External services	23,588	27,144	3,556	15.1
	<b>1,141,614</b>	<b>1,168,950</b>	<b>27,336</b>	<b>2.4</b>



## Expenses by Object



Salaries and benefits constitute about 78 per cent of the CBE's operating budget. The increase in salaries and benefits relates to school deployment decisions, and compensation assumptions.

The decrease in services and contracts relates generally to changes in service delivery methods and differences in year over year presentation.

	Budget		Variance	
	(all figures in \$ thousands)		(\$000)	%
	2011/12	2012/13		
Certificated salaries & benefits	660,062	681,504	21,442	3.2
Non-certificated salaries & benefits	223,041	235,032	11,991	5.4
Services, contracts	212,909	197,820	(15,089)	(7.1)
Amortization expense	42,455	52,101	9,646	22.7
Interest on capital debt expense	1,464	1,116	(348)	(23.7)
Other interest charges	1,683	1,377	(306)	(18.2)
	<b>1,141,614</b>	<b>1,168,950</b>	<b>27,336</b>	<b>2.4</b>

## Reserves

The CBE is required to balance its budget every year. When we experience an operational shortfall, we can cover the shortfall by cutting spending, or by using our savings which we call reserves.

The chart below demonstrates all changes in reserves balances year over year.

### Unrestricted Net Assets and Operating Reserves

(all figures in \$ thousands)

	Actual 2010/11	Budget 2011/12	Forecast 2011/12	Budget 2012/13	Forecast 2013/14	Forecast 2014/15
Opening Balance	34,009	25,282	25,282	18,640	6,455	6,455
<b>Changes in period</b>						
Net revenue (expense) for the period	(5,460)	(19,155)	(723)	(16,080)	(8,297)	(1,447)
Board funded capital assets	(14,929)	(25,895)	(27,390)	(18,600)	(19,158)	(19,664)
Amortization of board funded assets	18,138	18,110	18,110	22,495	21,855	21,111
Other transfers	(6,476)	8,317	3,361		5,600	
Net increase (decrease)	(8,727)	(18,623)	(6,642)	(12,185)	-	-
Closing Balance	25,282	6,659	18,640	6,455	6,455	6,455

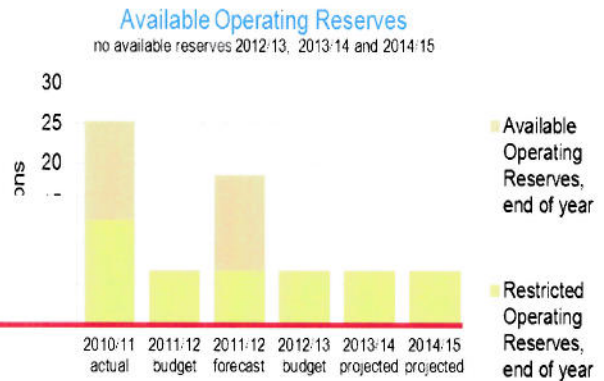
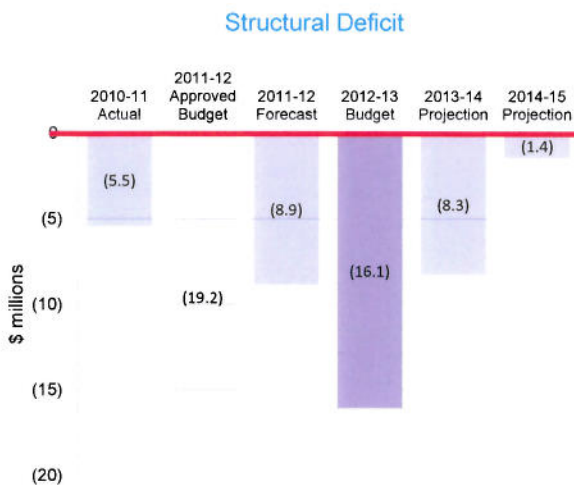
While we indicate a closing balance of more than \$6 million over the next three years, these reserves are not available for general use. These funds are set aside for specific purposes including adult learning (Chinook Learning Services), unrealized investment gains and professional improvement fellowships.





## Structural Deficit and Available Operating Reserves

When we use reserves to balance our budget, we create what is called a "structural deficit," because we fund ongoing expenses with "one-time" funding. We started the current year with a budgeted \$19.15 million structural deficit. Going into the next school year, we will be using more than \$12 million in reserves to balance the budget. The CBE has strategies in place to reduce the structural deficit to zero over the next three years. Once we no longer need to use reserves, we eliminate structural deficits.



We entered the current school year with approximately \$25 million in reserves. However, with a forecasted \$61.7 million shortfall, we budgeted the full use of our reserves to help cover the difference, as directed by the Ministry of Education. Some of our budget strategies for 2012-13 will impact our use of reserves in the current year and has delayed their depletion to 2012-13. This will leave us with no available reserves going forward.

## Staff complement

More than 12,000 people work for the CBE, or the equivalent of 9,014 full-time equivalents (FTEs). In 2012-13, as four new middle schools open and our enrolment grows, we expect to hire an additional 163 FTEs, bringing the total number of full-time positions to 9,177.

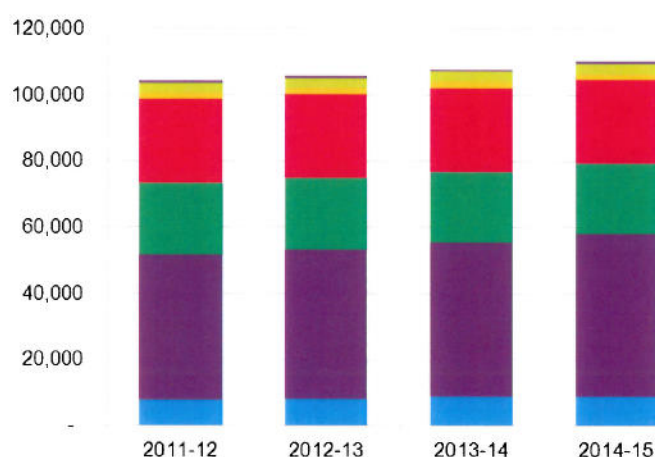
Each one of our employees plays an important role in providing learning as unique as every student. While teachers, principals and school-based employees work with students to unlock their passions and potential, they are supported by knowledgeable employees who work in a variety of other departments such as learning services, information technology and human resources.



## Student enrolment

Enrolment projections are based on the Sept. 30, 2011 actual enrolment of 104,182 students, and reflect the City of Calgary population changes, market share, and student retention rates. It is expected that student enrolment will continue to increase between 1.4% and 2.0% annually.

Student Enrolment by year



Student Enrolment by years and program

	2011-12	2012-13		2013-14		2014-15	
	Actual	Projection	Change from prior year	Projection	Change from prior year	Projection	Change from prior year
Pre-Kindergarten & Kindergarten	7,769	8,217	448	8,706	489	8,895	189
Elementary (Gr. 1-6)	44,014	45,002	988	46,866	1,864	49,061	2,195
Junior High (Gr. 7-9)	21,505	21,464	(41)	21,221	(243)	21,383	162
Senior High (Gr. 10-12)	25,547	25,541	(6)	25,408	(133)	25,192	(216)
Unique Schools & Programs	1,797	1,780	(17)	1,780	-	1,780	-
Chinook Learning Services	2,935	3,000	65	3,150	150	3,310	160
Cbe-Learn	615	650	35	650	-	650	-
<b>Totals</b>	<b>104,182</b>	<b>105,654</b>	<b>1,472</b>	<b>107,781</b>	<b>2,127</b>	<b>110,271</b>	<b>2,490</b>

## Glossary of terms<sup>4</sup>

### Amortization

Amortization expenses for both supported and unsupported capital assets ("unsupported" capital assets are board-funded; "supported" capital assets are funded by externally restricted capital funding/contributions)

### Cohort-survival

Cohort is a group of students having a statistical factor (e.g., age or grade) in common as part of a demographic study. Cohort-survival looks at these demographic groups to determine any decrease or increase in each grade grouping as they move from Kindergarten to Grade 12 within the CBE.

### Interest and charges

Interest expenses charged for both supported and unsupported debenture debt and all other interest charges.

### Salaries & Benefits

Consists of both certificated and non-certificated salaries and benefits

Certificated salaries refer to all salaries paid or accrued for those employees of the jurisdiction who possess a valid Alberta Teaching Certificate, or its equivalent (i.e., certified teachers, Principals and Superintendents).

Certificated benefits refer to the employer share of amounts paid on behalf of employees possessing an Alberta Teacher Certificate or equivalent for statutory and pension contributions, and medical and insurance benefits. It also includes allowances which are taxable payments made to (or on behalf of) employees for sabbatical leave, advanced study and training, and for negotiable or board-authorized allowances including automobile, subsidized housing, relocation, retirement, and supplementary unemployment benefits.

Non certificated salaries are salaries and wages paid or accrued for all other employees, who do not possess an Alberta Teaching Certificate or equivalent.

### School-Generated Funds

School-Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include any other funds collected at the school but remitted to central office and accounted for by central office (facility rentals, capital assets purchases, etc.)

### Provincial Priority Targeted Funding

Funding is comprised of the following: Alberta Initiative for School Improvement (AIS), SuperNet and Student Health. Other funding categories from the province that have prescribed guidelines on their use include: Infrastructure Maintenance Renewal (IMR), Regional Assessment Services (REACH) and Institutional Funding.

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<sup>4</sup> Based on Alberta Education definitions





# BUDGET REPORT

## FOR THE YEAR ENDING AUGUST 31, 2013

[School Act, Sections 147(2)(b) and 276]

Calgary Board of Education

Legal Name of School Jurisdiction

Tel: (403) 817-4000 Fax: (403) 294-8254

Telephone and Fax Numbers

BOARD CHAIR	
Patricia Cochrane Name	Signature
SUPERINTENDENT	
Naomi Johnson Name	Signature
SECRETARY TREASURER	
Deborah Meyers Name	Signature
Certified An accurate summary of the year's budget approved by the Board of Trustees at its meeting held May 29, 2012 . Date	



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Color coded cells:

blue cells: require the input of data/descriptors wherever applicable.  
salmon cells: contain referenced juris. information - protected

Grey cells: data not applicable - protected  
white cells: within text boxes REQUIRE the input of points and data.

### HIGHLIGHTS, PLANS, ASSUMPTIONS AND RISKS SUMMARY- 2012/2013 BUDGET REPORT

The following were presented to the Board and approved as underlying the budget. These key points and assumptions used in development of the budget take into consideration the economic environment of the jurisdiction, focus on anticipated changes from current year, and are realistic and consistent with the three year Education Plan. At a minimum, they disclose key budget assumptions, financial & business risks, and specific strategies explaining how this budget will support the jurisdiction's plans.

#### **Budget Highlights, Plans & Assumptions:**

Our goal in building the 2012-13 budget was to dedicate the maximum possible resources to optimize learning for students in classrooms. Every expense is measured against the goals of our Three-Year Education Plan to ensure that everything we do contributes as much as possible to student success.

- An operating deficit of \$16 M is a result of planned revenues of \$1,153 M less expenses of \$1,169 M. This operating deficit will be funded using all available reserves.
- 79% of expenses are for Instruction at \$921 M.
- Based on planned staffing levels, an additional 163 positions will be hired for the next school year.
- The organisation projects an increase in enrolment to 105,654 students which is an increase of 1,472, or 1.4% over the 2011-12 year.
- Board Governance and Administration is budgeted to be 3.4 per cent of total expenses.

The CBE will **continue to allocate resources**—both to schools and for associated central supports—by way of the following strategies:

- full-day Kindergarten programs in 18 identified schools at an approximate cost of \$2M without provincial funding;
- First Nations, Métis, and Inuit (FNMI) programs primarily handled through centralized services at an approximate cost of \$3 M;
- English as a Second Language (ESL) and English-Language Learner (ELL) programs and supports at an approximate cost of \$23 M;
- specialized programs, unique settings and classroom supports at an approximate cost of \$115 M;
- small-class supports in Kindergarten to Grade 3 and high school Career and Technology Strategy (CTS) at an approximate cost of \$42 M;
- AISI project supports at an approximate cost of \$7 M;
- equity supports in identified schools at an approximate cost of \$3 M; and
- infrastructure maintenance renewal (IMR) projects at an approximate cost of \$18 M
- We expect Grade 4 to 12 class sizes to remain below the guideline. Kindergarten to Grade 3—where class-size funding continues—should remain below 20 to 1 on average.

#### **Significant Business and Financial Risks:**

- Compensation changes, including compensation increases, step increases, performance increases and benefits, have been planned based on current information. Negotiated salary and wage settlements may differ from the current information.
- Enrolment projections have been based on the Sept. 30, 2011 actual enrolment and will be different from actual Sept. 30, 2012.
- The inflation rates were estimated based on the 20-year trend, which averages two per cent per year in Calgary.
- All known changes in contractual obligations have been included based on current information.
- The financial impact of any potential legislative changes cannot be determined at this time.

**BUDGETED STATEMENT OF OPERATIONS**  
for the Year Ending August 31

	Approved Budget 2012/2013	Final Approved Budget 2011/2012	Actual 2010/2011
<b>REVENUES</b>			
Government of Alberta	\$1,039,523,380	\$1,012,447,693	\$935,488,724
Federal Government and/or First Nations	\$3,198,579	\$3,139,106	\$3,668,800
Other Alberta school authorities	\$509,850	\$511,450	\$833,727
Out of province authorities	\$0	\$0	\$338,256
Alberta Municipalities-special tax levies	\$0	\$0	\$0
Fees	\$30,855,920	\$31,520,783	\$13,555,335
Other sales and services	\$20,295,454	\$19,483,586	\$40,025,079
Investment income	\$3,198,197	\$3,199,113	\$5,306,740
Gifts and donations	\$10,035,797	\$9,901,018	\$7,364,678
Fundraising	\$8,411,026	\$8,312,076	\$11,446,061
Rental of facilities	\$7,236,414	\$9,599,396	\$7,710,226
Gain on disposal of capital assets	\$0	\$0	\$49,283
Amortization of capital allocations	\$29,605,490	\$24,345,127	\$23,751,314
Other revenue	\$0	\$0	\$0
<b>TOTAL REVENUES</b>	<b>\$1,152,870,107</b>	<b>\$1,122,459,348</b>	<b>\$1,049,538,223</b>
<b>EXPENSES</b>			
ECS - Grade 12 Instruction	\$921,268,009	\$903,905,587	\$822,573,231
Operations & Maintenance of Schools and Maintenance Shops	\$141,608,215	\$134,615,150	\$139,966,741
Transportation	\$39,011,849	\$36,898,044	\$36,930,965
Board & System Administration	\$39,918,236	\$42,608,465	\$40,097,486
External Services	\$27,143,472	\$23,587,462	\$15,430,121
<b>TOTAL EXPENSES</b>	<b>\$1,168,949,781</b>	<b>\$1,141,614,708</b>	<b>\$1,054,998,544</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>(\$16,079,674)</b>	<b>(\$19,155,360)</b>	<b>(\$5,460,321)</b>

**BUDGETED ALLOCATION OF EXPENSES (BY OBJECT)**  
for the Year Ending August 31

	Approved Budget 2012/2013	Final Approved Budget 2011/2012	Actual 2010/2011
<b>EXPENSES</b>			
Certificated salaries	\$561,119,704	\$550,901,893	\$533,282,337
Certificated benefits	\$120,384,600	\$109,160,095	\$55,309,917
Non-certificated salaries and wages	\$189,075,276	\$181,408,415	\$178,276,506
Non-certificated benefits	\$45,957,067	\$41,632,347	\$38,895,933
Services, contracts, and supplies	\$197,819,377	\$212,909,788	\$204,001,783
Capital and debt services			
Amortization of capital assets			
supported	\$29,605,490	\$24,345,127	\$23,751,314
unsupported	\$22,495,281	\$18,109,892	\$18,138,004
Interest on capital debt			
supported	\$1,116,395	\$1,464,046	\$1,874,600
unsupported	\$0	\$0	\$0
Other interest charges	\$1,376,591	\$1,683,105	\$1,468,151
Loss on disposal of capital assets	\$0	\$0	\$0
Other expense	\$0	\$0	\$0
<b>TOTAL EXPENSES</b>	<b>\$1,168,949,781</b>	<b>\$1,141,614,708</b>	<b>\$1,054,998,544</b>



**PROJECTED STATEMENT OF CHANGES IN NET ASSETS (SUMMARY)**  
for the Year Ending August 31

	(1)	(2)	(3)	(4)	(5)	(6)
	TOTAL NET ASSETS (2+3+6)	INVESTMENT IN CAPITAL ASSETS	ACCUMULATED OPERATING SURPLUS (4+5)	UNRESTRICTED NET ASSETS	INTERNALLY RESTRICTED NET ASSETS	
					OPERATING RESERVES	CAPITAL RESERVES
<b>Actual balances per AFS at August 31, 2011</b>	\$149,894,532	\$98,646,553	\$25,281,534	\$2,184,011	\$23,097,523	\$25,966,445
<b>2011/2012 Estimated impact to net assets for:</b>						
Estimated surplus(deficit)	(\$723,246)			(\$723,246)		
Estimated Board funded capital asset additions		\$25,595,000		(\$25,595,000)	\$0	\$0
Estimated Amortization of capital assets (expense)		(\$42,455,016)		\$42,455,016		
Estimated Amortization of capital allocations (revenue)		\$24,345,127		(\$24,345,127)		
Estimated Unsupported debt principal repayment		\$1,794,853		(\$1,794,853)		
Estimated reserve transfers (net)				\$3,361,737	\$0	(\$3,361,737)
Estimated Assumptions/Transfers of Operations	\$0	\$0	\$0	\$6,641,473	(\$6,641,473)	\$0
<b>Estimated Balances for August 31, 2012</b>	\$149,171,286	\$107,926,517	\$18,640,061	\$2,184,011	\$16,456,050	\$22,604,708
<b>2012/2013 Budget Projections for:</b>						
Budgeted surplus(deficit)	(\$16,079,674)			(\$16,079,674)		
Projected Board funded capital asset additions		\$16,000,194		(\$16,000,194)	\$0	\$0
Budgeted Amortization of capital assets (expense)		(\$52,100,771)		\$52,100,771		
Budgeted Amortization of capital allocations (revenue)		\$29,605,490		(\$29,605,490)		
Budgeted Unsupported debt principal repayment		\$2,600,353		(\$2,600,353)		
Projected reserve transfers (net)				\$0	\$0	\$0
Projected Assumptions/Transfers of Operations	\$0	\$0	\$0	\$10,000,929	(\$10,000,929)	\$0
<b>Projected Balances for August 31, 2013</b>	\$133,091,612	\$104,031,783	\$6,455,121	\$0	\$6,455,121	\$22,604,708

**ANTICIPATED CHANGES IN NET ASSETS SUMMARY- 2012/2013 BUDGET REPORT**

The following explains the anticipated changes to Unrestricted Net Assets, Investment in Capital Assets, Operating Reserves and Capital Reserves for 2011/2012 and 2012/2013 and breaks down the planned additions to unsupported capital.

There are no anticipated changes in Unrestricted Net Assets for 2011-12. The planned change in 2012-13 is a use of \$2 M to fund the projected deficit.

Operating reserves are reduced by \$6.6 M and \$10.0 M respectively for 2011-12 and 2012-13 to fund the projected deficits.

Capital Reserves decrease in 2011/12 due to the use of \$11.5 M for capital spending that was carried forward from the prior year. The decrease was offset by \$8.1 M of proceeds received from the sale of assets.

Additions to unsupported capital are:

**Planned Additions 2011-12**

Building	3,922,828
Vehicles	222,337
Equipment	<u>23,244,688</u>
	<u>\$ 27,389,853</u>

**Planned Additions 2012-13**

Building	2,297,753
Vehicles	1,026,000
Equipment	<u>15,276,794</u>
	<u>\$ 18,600,547</u>

**PROJECTED STUDENT STATISTICS  
FULL TIME EQUIVALENT (FTE) ENROLLED STUDENTS**

	Budgeted 2012/2013 (Note 2)	Actual 2011/2012	Actual 2010/2011	Notes
<b>GRADES 1 TO 12</b>				
<b>Eligible Funded Students:</b>				
Grades 1 to 9	66,549	65,722	64,600	Head count
Grades 10 to 12	29,062	28,701	28,551	Note 3
Total	95,611	94,423	93,151	Grades 1-12 students eligible for base instruction funding from Alberta Education.
<b>Other Students:</b>				
Total	1,637	1,850	1,749	Note 4
<b>Total Net Enrolled Students</b>	97,248	96,273	94,900	
<b>Home Ed and Blended Program Students</b>	189	140	57	Note 5
<b>Total Enrolled Students, Grades 1-12</b>	97,437	96,413	94,957	
<b>Of the Eligible Funded Students:</b>				
Severely Disabled Students served	4,293	4,293	3,551	Total eligible funded severely disabled student FTEs; including Code 40s (excluding Code 47s).
<b>EARLY CHILDHOOD SERVICES (ECS)</b>				
<b>Eligible Funded Children</b>	8,217	7,718	7,457	ECS children eligible for ECS base instruction funding from Alberta Education.
<b>Other children</b>	-	51	47	ECS children not eligible for ECS base instruction funding from Alberta Education.
<b>Total Enrolled Children - ECS</b>	8,217	7,769	7,504	
<b>Program Hours</b>	475	475	475	Minimum: 475 Hours
<b>FTE Ratio</b>	0.500	0.500	0.500	Actual hours divided by 950
<b>FTE's Enrolled, ECS</b>	4,109	3,885	3,752	
<b>Of the Eligible Funded Children:</b>				
Severely Disabled Children served	325	288	301	Total eligible funded severely disabled children FTEs, including Code 40 children in program units.
<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 2012/2013 budget report preparation.				
3) The # of FTE grade 10-12 students is determined by taking the total # of students' credits / 35; where 35 CEU's = 1 FTE.				
4) Other Grade 1-12 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 INAC (Code 330), students younger than 5 1/2 or older than 19, and out-of-province and foreign students.				
5) Because they are funded separately, Home Education students are not included with total net enrolled students. In the blended program, funding per student is pro-rated on the percentage of the student's program which is taken at school and at home; home education students are assigned a weighting of 0.25 FTE for base funding.				

**PROJECTED STAFFING STATISTICS  
FULL TIME EQUIVALENT (FTE) PERSONNEL**

	Budgeted 2012/2013	Actual 2011/2012	Actual 2010/2011	Notes
<b><u>CERTIFICATED STAFF</u></b>				
School Based	5,728.5	5,649.7	5,729.9	Teacher certification required for performing functions at the school level.
Non-School Based	126.1	127.1	165.8	Teacher certification required for performing functions at the system/central office level.
Total Certificated Staff FTE	5,854.6	5,776.8	5,895.7	FTE for personnel possessing a valid Alberta teaching certificate or equivalency.
<b>Certificated Staffing Change due to:</b>				
Enrolment Change	59.4	43.2	10.4	If negative change impact, the small class size initiative is to include any/all teachers retained.
Other Factors	18.4	(162.1)	(199.4)	Descriptor (required): Principals' decision deployment
Total Change	77.8	(118.9)	(189.0)	Year-over-year change in Certificated FTE
<b>Breakdown, where total change is Negative:</b>				
Continuous contracts terminated	-	-	-	FTEs
Non-permanent contracts not being renewed	-	-	-	FTEs
Other (retirement, attrition, etc.)	-	-	-	Descriptor (required):
Total Negative Change in Certificated FTEs	-	-	-	Breakdown required where year-over-year total change in Certificated FTE is 'negative' only.
<b><u>NON-CERTIFICATED STAFF</u></b>				
Instructional	1,941.2	1,853.2	1,932.5	Personnel providing instruction support for schools under 'Instruction' program areas.
Non-Instructional	1,328.2	1,331.5	1,239.7	Personnel in Transportation, Board & System Admin., O&M and External service areas.
Total Non-Certificated Staff FTE	3,269.4	3,184.7	3,172.2	FTE for personnel not possessing a valid Alberta teaching certificate or equivalency.
<b>Non-Certificated Staffing Change due to:</b>				
Enrolment Change	-	-	2.0	FTEs
Other Factors	84.7	12.5	(83.2)	Descriptor (required): Principals' decision deployment, change in service units' operations
Total Change	84.7	12.5	(81.2)	Year-over-year change in Non-Certificated FTE



## report to Board of Trustees

## Correspondence

Date	May 29, 2012
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	Janice R. Barkway Office of the Corporate Secretary
Purpose	Information
Governance Policy Reference	Operational Expectations OE-8: Communication With and Support for the Board

### 1 | Recommendation

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THAT the Board of Trustees receives the following correspondence for information and for the record, in the form as submitted:

- Letter dated May 9, 2012 from the Honourable Alison M. Redford, Q.C., Premier of Alberta, to Board Chair Pat Cochrane, thanking the Board for its recent letter of congratulations.

Respectfully submitted,

JANICE R. BARKWAY  
OFFICE OF THE CORPORATE SECRETARY

Appendix I: Relevant Correspondence





Premier of Alberta

Office of the Premier, 307 Legislature Building, Edmonton, Alberta, Canada, T5K 2B6



May 9, 2012

Ms. Pat Cochrane  
Board Chair  
Office of the Board of Trustees Education Centre  
1221 – 8 Street SW  
Calgary AB T2R 0L4

Dear Ms. Cochrane:

Thank you so much for your April 24, 2012 letter regarding my recent victory in the provincial election. I appreciate you taking the time to congratulate me, and I truly thank you for your supportive comments.

It was a hard-fought race, one that challenged us and renewed our sense of purpose, giving our government new strength. The message that we brought to Albertans during the campaign was well received and resonated with many.

This government received such a strong mandate from Albertans, and my team will work hard on your behalf for the next four years. We wanted to deliver a positive, constructive plan that made sense to the people of Alberta, and to build our future.

I asked Albertans to have trust that we could deliver on that plan. I am pleased that Albertans agreed to put their trust in our government with a new caucus and a new leader that will bring change to Alberta.

It is an honour and a privilege to continue to serve as Alberta's Premier.

Yours truly,

Alison M. Redford, QC

## report to Board of Trustees

## Trustee Appointments to Alberta School Boards Association Board of Directors

Date	May 29, 2012
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	Janice R. Barkway Office of the Corporate Secretary
Purpose	Decision
Governance Policy Reference	Governance Culture GC-3 Board Job Description

### 1 | Recommendation

THAT the Board of Trustees approves the reappointment of Trustee Lynn Ferguson as the Calgary Board of Education (CBE) representative to the Alberta School Boards Association (ASBA) Board of Directors and that Trustee Joy Bowen-Eyre be reappointed as alternate to the Board of Directors for the term June 2012 through to November 2013.

### 2 | Issue

The current CBE Trustee appointment to the ASBA Board of Directors will expire June 2012. The Board of Trustees must appoint the CBE representative for the ASBA Board of Directors now, rather than wait for the Organizational Meeting of the Board, in order to comply with the ASBA Bylaw No. 4.

### 3 | Background

ASBA's Bylaw No. 4 sets out the terms for appointments to the ASBA Board of Directors. The terms for appointments are approximately eighteen months long and coincide with the spring and fall meetings of the Association. The Bylaw sets out that ASBA Directors who are elected for terms of approximately 18 months are eligible for re-election for one successive term of approximately 18 months.



#### 4 | Conclusion

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Trustee Ferguson and Trustee Bowen-Eyre have served as the CBE representative and alternate, for the ASBA Board of Directors for one term and a portion of one term respectively, and, therefore, are eligible to be reappointed at this time.

Respectfully submitted,

JANICE R. BARKWAY  
OFFICE OF THE CORPORATE SECRETARY



## report to Board of Trustees

### Trustee Liaison Report - Alberta School Boards Association (ASBA) Board of Directors

Date	May 29, 2012
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	Trustee Lynn Ferguson
Purpose	Information
Governance Policy Reference	Governance Culture GC-3 Board Job Description

#### 1 | Recommendation

THAT the Alberta School Boards Association (ASBA) liaison report containing the ASBA Board of Directors' Meeting Highlights dated February 17, 2012, March 8-9, 2012 and May 10-11, 2012 be received for information.

#### 2 | Issue

The attached are reports provided by the Alberta School Boards Association (ASBA) with respect to their work. As the Board of Trustees' representative on the ASBA Board of Directors, I am providing this report for your information.

Respectfully submitted,

Trustee Lynn Ferguson  
Liaison Representative

Attachment I: ASBA Highlights February 17, 2012  
Attachment II: ASBA Highlights March 8-9, 2012  
Attachment III: ASBA Highlights May 10-11, 2012





## ASBA Board of Directors Meeting

*Board Highlights are circulated to the ASBA Board of Directors and ASBA staff after each meeting. Directors are asked to share Board Highlights with their respective constituencies. See the ASBA website [www.asba.ab.ca](http://www.asba.ab.ca) for draft and official minutes. For more information contact **Marian Johnson** at 1.780.451.7101.*

### **ASBA organizing Day for Education during upcoming provincial election**

With a goal of ensuring public education gets due consideration and attention during the provincial election, the ASBA is organizing a Day for Education. On a common date (to be determined once election is called), school boards are being asked to work with their sister boards to organize a forum for local candidates from all parties which will focus on public education issues.

#### *Toolkit coming*

The ASBA Political Advisory Task Force under the leadership of Vice-president **Cheryl Smith** is developing a toolkit to support school boards organizing these events. Even before the date is announced, we encourage school boards to contact their sister boards to set up planning teams for these joint events.

**Our goal:** To have an education focused candidates' forum organized in as many locations across Alberta on one day during the provincial election.

*Benchmark survey launched: Deadline for school board response March 30, 2012*

### **What are school boards doing on the community engagement front?**

In a bid to encourage more school board participation in community engagement initiatives, the ASBA Board of Directors has established a task force and asked it to identify strategies to encourage school board understanding of and participation in community engagement.

#### *Who is on the task force?*

**Dave Colburn**, Edmonton Public Schools, *Co-chair*

**Johnette Lemke**, Zone 2/3 Director, *Co-chair*

**Zone 1** Tammy Henkel High Prairie SD

**Zone 23** Alice McLaughlin Buffalo Trail RD

**Zone 4** Nancy McClure Wild Rose SD

**Zone 5** Doug Gardner Foothills SD

**Zone 6** Brooke Culley Lethbridge SD

**ASCA** Lesli Solomon

**ASBOA** Claire Jonsson Parkland SD

**CASS** Michael Barbero Calgary Catholic

#### *First step: Find out what school boards are doing currently?*

The task force is asking each school board to complete a survey, before March 30, identifying their current efforts on the community engagement front; barriers to further participation in community engagement; best practices and supports the ASBA could provide centrally on this front. "Our goal

is to have 62 school boards complete the survey so we have good baseline data,” said task force co-chair **Dave Colburn**.

### **Board approves assumptions to guide development of 2012-13 budget**

The ASBA Board of Directors approved the following assumptions which will guide ASBA staff as they draft the 2012-13 budget for consideration by the board at the March meeting. Ultimately school boards will consider and vote on the ASBA’s budget at the Spring General Meeting in June.

#### **ASBA budget assumptions:**

- The budget will be balanced.
- Reasonable increases will be proposed for membership fees, fee for service rates and registration fees based on the projection of costs for the 2012-2013 year. If necessary, there can be a transfer from the building or operating reserve to balance the budget and meet projected expense levels. Options for fee increases and transfers from the building surplus will be a part of the March budget discussions.
- Past experience and the annual all in consumer price index for Alberta at December 2011 (CPI at November 2011 = 3 per cent) will be used to project expenses. However, to minimize the increase on fees charged back to school boards expenses will be reviewed in detail to identify any potential savings.
- The annual lease rate is \$20/sq ft. ASBA has a ten year lease agreement at the current location which began on April 15, 2010 and ends on April 14, 2020. Lease rates are \$20/sq ft for the first five years and \$22/sq ft for the last five years. Parking is \$220/stall/month subject to market changes. Building operating costs are projected to be \$14.58/sq ft.
- Interest revenue will be based on current rates.
- Staffing levels will remain the same through 2012-2013.
- The proposed increase for staff salaries will be based on the results of the market review currently being conducted and on economic indicators (forecast to be between 3.5 and 4 per cent). Benefit costs will increase by the per cent increase in salaries plus an additional projected rate increase between 1 and 2 per cent. Pension rates will increase to 10.43 per cent up to the YMPE (Yearly Maximum Pensionable Earnings – CPP Max) and 14.47 per cent above the YMPE. In 2012, the YMPE is \$50,100. The contribution rate for the Registered SiPP will remain at 5 per cent.
- The proposed increase for the per diem rate will be based on the same economic rate increase used for staff salaries (an increase from \$160 to \$166 per day).
- There will be no proposed increase to the honorarium rates for the position of Vice-President (currently \$10,350) and President (currently \$20,700).
- The mileage rate will increase to .53/km (increased from .49/km) matching the rate approved by the Canada Revenue Agency to calculate travel expenses for 2011.
- Current memberships (NSBA, Law Society of Alberta, Canadian Bar Association, Certified Management Accountants, North American Association of Educational Negotiators, Chamber of Commerce, Canadian Education Society, etc) will be renewed. Membership in CSBA will be renewed for the period April 1, 2012 to March 31, 2013 and April 1, 2013 to March 31, 2014.
- Insurance is adequate and will be renewed at current levels. Current insurance coverage includes employed lawyers liability, general liability, property, bond and crime, group accident and directors and officers.
- There will be no direct recovery of travel type expenses from school districts using fee for service. Where possible, videoconferencing will continue to be used to provide services to school boards.

### **Living Waters asks ASBA to write letter re PO and M funding**

In accordance with Governance Policy 11, Living Waters, through Zone 2/3 Directors Johnette Lemke and Lisa Brower, asked the ASBA Board of Directors to write a letter to Alberta Education requesting increased Plant Operations and Maintenance and Infrastructure Renewal funding to

support increased costs. The ASBA Board of Directors referred this request the Policy Development Advisory Committee and asked it to develop a recommendation for the board of directors' consideration.

### **Upcoming learning opportunities for trustees/senior administrators**

#### ***Collective Bargaining: A legal view: May 23/24***

Join the ASBA legal team for a 2-day look at collective bargaining from a legal perspective. Explore the employer's role; the union's role; trends in collective bargaining; bargaining in bad faith and writing collective agreements.

Program/registration: [http://www.asba.ab.ca/legal-conference/may12/collect\\_bargain.html](http://www.asba.ab.ca/legal-conference/may12/collect_bargain.html)

## ASBA Board of Directors Meeting

Board Highlights are circulated to the ASBA Board of Directors and ASBA staff after each meeting. Directors are asked to share Board Highlights with their respective constituencies. See the ASBA website [www.asba.ab.ca](http://www.asba.ab.ca) for draft and official minutes. For more information contact **Marian Johnson** at 1.780.451.7101.

*Draft budget proposes 3.5 per cent increase in membership fees*

### Board approves draft 2012-13 budget for presentation to members

The ASBA Board of Directors approved the following measures to establish the proposed \$5,888,931 million budget for 2012-13.

Under the proposed budget which is subject to approval by school boards:

- Membership fees will rise by 3.5 per cent to generate \$101,223
- Registration fees for ASBA events will increase to generate \$41,375
- Fee for service rates will stay at current levels:
  - o Legal services: \$250 per hour
  - o Labour and communication services: \$200 per hour
  - o Education services: \$210 per hour
- The staff's annual conference of choice will be suspended for a second year
- The board of directors will meet 7 instead of 10 times to save meeting and per diem costs
- The Leadership Retreat (historically planned for the ASBA Board of Directors) will be opened up to all trustees and school board employees as a conference opportunity
- Per diems for trustees assigned to do ASBA work will increase to \$166 per day a 4 per cent increase
- The honoraria paid to the President and Vice President stay the same
- The mileage rate for association travel will increase from .49 per km to .53 per km matching the Canada Revenue Agency rate for 2011

The board of directors is proposing a deficit budget for 2012-13 and is recommending that \$71,068 be drawn from the ASBA's building reserve (created when the ASBA sold its building some years ago) to achieve a balanced budget.

### Dates for budget presentation to Zones

Next steps will see directors **Johnette Lemke** (Zone 2/3) and **Cathie Williams** (Calgary Catholic) present the proposed budget in Zones.

Zone 1	March 22, 2012	Peace River
Zone 2/3	April 27, 2012	Edmonton
Zone 4	April 23, 2012	Rocky Mountain House
Zone 5	May 18, 2012	Airdrie
Zone 6	May 9, 2012	Lethbridge

### For more information:

The draft budget will be posted on the ASBA website shortly.

Contact **Heather Rogers**, Director Finance and Administration at [hrogers@asba.ab.ca](mailto:hrogers@asba.ab.ca).

## **ASBA responds to 2 Zone/board requests for expedited action**

A school board or Zone may ask the ASBA Board of Directors for expedited action on specific issues. The ASBA Board of Directors dealt with two of these requests at its March meeting.

- In response to Living Waters' (Zone 2/3) request that the ASBA write a letter to the appropriate ministries regarding funding for Plant Operations and Maintenance, this letter will be sent.
- In response to Buffalo Trail's (Zone 2/3) request that the ASBA create a fund to support individual school boards who advance issues to arbitration – the outcome of which will affect all school boards – the ASBA Board of Directors asked the staff to draft a response, for its consideration at an upcoming meeting.

*Focused strategic plan means fewer key results and strategies*

## **Board of directors adopts 2012-15 Strategic Plan**

The ASBA's new strategic plan is posted on the ASBA website here: <http://tinyurl.com/7h97egc>

**Strategic Priority A:** ASBA provides leadership through its support of school boards in their provision of successful learning opportunities for all students.

**Strategic Priority B:** ASBA provides leadership and support to assist school boards in implementing effective governance practices informed by their public's views and values.

**Strategic Priority C:** ASBA provides leadership in advocating on behalf of school boards and supports boards in their advocacy efforts.

**Strategic Priority D:** ASBA provides leadership and support to position school boards to lead change in public education in Alberta.

The new strategic plan is more focused and as a result

- the number of key results dropped from 14 to 11
- the number of strategies dropped from 61 to 26
- the number of task forces referenced in the plan dropped from 14 to 8



## ASBA Board of Directors Meeting

*Board Highlights are circulated to the Board of Directors and ASBA staff after each meeting. Directors are asked to circulate these highlights to their respective constituencies. Meeting agendas, draft and ratified minutes are available on the ASBA website at [www.asba.ab.ca](http://www.asba.ab.ca). For more information contact **Marian Johnson** at 1.780.451.7101.*

### Labour relations data at the click of a mouse: New service

Current information is the lifeblood of effective labour relations. This month the ASBA launched a password protected web portal to give school boards fingertip access to developments and trends in bargaining; fundamental compensation and bargaining data and a separate section where they can record, file and discuss their own activity at the local bargaining table.

ASBA labour relations staff and consultants will monitor the secure site to ensure school boards receive timely responses to questions. Security is a priority. Each school board will be assigned a single access password which they will be asked to treat with the utmost discretion. For more info: contact **Scott McCormack** ([smccormack@asba.ab.ca](mailto:smccormack@asba.ab.ca)) or the ASBA labour relations consultant assigned to support your board.

### 39 steps forward on Strategic Plan (2011-2014)

Since September 2011, the ASBA has implemented 39 strategies in support of the ASBA's strategic plan. Consultant **Terry Gunderson**, who reports progress on the plan, called this "noteworthy" progress against the backdrop of tripartite discussions and changes in the external environment. The update is here: [http://www.asba.ab.ca/files/pdf/strategic-plan/strat\\_secondreport\\_11\\_14.pdf](http://www.asba.ab.ca/files/pdf/strategic-plan/strat_secondreport_11_14.pdf)

### Education minister pops in

The board of directors welcomed the honorable **Jeff Johnson** who popped in to the meeting joined by the new deputy minister **Tim Wiles** and the minister's executive assistant **Tom Bradley**.

### ASBA to give "key issues" approach 2-year trial run

After consulting with school boards through Zones, the ASBA Board of Directors accepted the ASBA Political Advocacy Task Force's recommendation that the association adopt a "key issues" approach. The goal is to give the ASBA – and its spokesperson – the flexibility to weigh in on discussion about emerging issues that affect children and schools even when the ASBA doesn't have formalized policy on the issue.

Throughout the discussions with boards and Zones, the board of directors heard very clearly that school boards expect the board of directors to be in close communication with them as a key issue is identified and acted on.

The new approach will see the following:

1. This is a **two-year trial of this process**, subject to evaluation by school boards for its efficacy and efficiency after the trial run.
2. Based on **ongoing environmental** scans – including but not limited to input from school boards; Zones; and association staff – the ASBA Board of Directors will identify issues that would benefit from school boards' perspective; but which aren't addressed in ASBA policy.
3. **What qualifies as a key issue?**  
The outcome of the issue will affect students or school boards.  
The issue is not currently addressed in association policy.  
It is possible that there may not be an issue that meets the criteria.
4. Once a key issue is identified, the ASBA Board of Directors will advise school boards.
5. An **advocacy plan** will be developed with regard to the key issue.  
This plan will be shared with school boards.
6. The ASBA Board of Directors will consider initiating policy to respond to the key issue if needed.

This change was spurred by the Political Advocacy Task Force's review of and recommendations regarding the ASBA's political advocacy practices. The task force felt the ASBA would be more effective on the advocacy front if it had the freedom to weigh in on topical issues – in situations where the ASBA doesn't have formal policy.

Recognizing the significance of this proposed change, the task force recommended the board of directors seek the counsel of school boards through Zones. This discussion occurred over the past six months.

## report to Board of Trustees

### Trustee Liaison Report - Calgary Association of Parents and School Councils

Date	May 29, 2012
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	Board Chair Pat Cochrane
Purpose	Information
Governance Policy Reference	Governance Culture GC-3 Board Job Description

#### 1 | Recommendation

THAT the Calgary Association of Parents and School Councils (CAPSC) liaison report containing the March 2012 Meeting Highlights, the April Meeting Date Change, and the May 16, 2012 Meeting Agenda, be received for information.

#### 2 | Issue

The attached are reports provided by the Calgary Association of Parents and School Councils with respect to their work. As the Board of Trustees' representative on the Calgary Association of Parents and School Councils, I am providing this report for your information.

Respectfully submitted,

TRUSTEE PAT COCHRANE  
LIAISON REPRESENTATIVE

Attachment I: CAPSC March 2012 Meeting Highlights  
Attachment II: CAPSC April Meeting Date Change  
Attachment III: CAPSC May 16, 2012 Meeting Agenda



May 2012



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### MARCH 2012 MEETING HIGHLIGHTS

The Calgary Association of Parents and School Councils would like to take this opportunity to share some brief highlights from our meeting held on Thursday March 22nd 2012.

Our first guest, Chief Superintendent Naomi Johnson, spoke to members about the budget. Principals will receive notice of their projected budget April 5th, allocate their spending for the new school year and then report back to the board by April 24th. Budget assumptions can be found in section 7.2 of the board meeting [report](#). She also indicated that fees will be discussed at the April 3rd board meeting. Her message for school councils was to ensure that there is ongoing conversation with the principals.

We were very excited to welcome Jim Scott, principal at Bishop Pinkham middle school. Echoing comments from Ms. Johnson, he spoke to members on the importance of communicating with the principal throughout the year, giving the administration a chance to prioritize when it comes to budget time. When a principal receives a budget, there is only a couple of weeks to allocate the hiring, purchasing, etc. and the tight timeline does not allow for a lot of time for discussion.

Trustee Lynn Ferguson was in attendance to discuss the Education Act. She discussed 5 areas of concerns that the board has with the proposed legislation, and they have asked for a delay in passing of this legislation. She provided handouts for members - online versions can be viewed in section 6-194 to 6-211 of the following [document](#).

We finished up the meeting with facilitated round table discussions with members in attendance. Members were asked to brainstorm ideas for two lines of thought, and then after collecting the feedback, were asked to indicate which items they felt were most relevant to their school councils. Below is a summary of these responses, in order of indicated importance:

1 - What tools, information, etc, would be helpful to your school council?

- Methods to better engage parents and recruit volunteers
- Better options for engaging with immigrant families

- Ways to share and communicate with other school councils
- A forum to poll parents regarding issues and relevant topics
- Ideas for how to better communicate with the school principals

2 - What things could be suggested to address some of the above issues, and has your school had successes that could be shared with the group?

- Utilize outlets like social media to better communicate with parents
- Class reps to report to the school council and attend meetings to help bring up relevant issues
- Host special events for parents
- Announcement of school council at special school events
- Cheque writing campaigns/challenges to help promote membership
- Mandatory volunteering to maintain consistent parent participation
- An open door policy implementation to ensure time allotted for communication with the principal
- Talking to other parents outside of school and inviting new parents to the council meetings to generate new ideas

The discussions were very in depth and enlightening, and CAPSC hopes to use these conversations as a starting point for future meetings. We thank all members who attended and look forward to our next meeting in April. Please stay tuned for information on our next meeting and make sure to check out our [website](#) regularly for the newest information!



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May 2012



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\*\*\*APRIL MEETING DATE CHANGE\*\*\*

Please note:

There has been a change to our scheduled meeting this month. As part of the *Day for Education*, the Catholic school board has organized a candidate forum, and our CAPSC members have been invited to participate in the discussion. **In place of our regularly scheduled meeting**, we would like to suggest that you take part in the presentation **Tuesday April 17th**. We encourage you to extend this invitation to all parents at your school.

Please see details below, and [contact us](#) should you have any further questions.

Date: Tuesday April 17th.

Time: Doors open at 6:30, forum at 7:00, public questions 8:00, meeting closed at 9:00

Where: Bishop Carroll High School - 4624 Richard Rd SW

Parking: Overflow parking at the old Farmer's Market.

Candidates in attendance:

Thomas Lukaszuk - PC Alberta

Kent Hehr - Alberta Liberals

Rob Anderson - Wildrose

Greg Clark - Alberta Party

NDP - TBD

We hope you can join us!

**Calgary Association of Parents and School Councils**

**AGENDA**

May 16th, 2012

7 to 9 PM

Library at AE Cross School

1. Approval of agenda
2. President's Report
3. Guest Speakers:
  - Lois Robb – President of the Staff Association
  - Jenny Regal – President ATA Local 38
4. Facilitated member discussion on school fees and communicating with the CBE
5. Adjournment

## report to Board of Trustees

### Trustee Liaison Report - Alberta School Boards Association (ASBA) Board of Directors

Date	May 29, 2012
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	Trustee Lynn Ferguson
Purpose	Information
Governance Policy Reference	Governance Culture GC-3 Board Job Description

#### 1 | Recommendation

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THAT the Alberta School Boards Association (ASBA) liaison report containing information related to the upcoming ASBA Spring General Meeting be received for information.

#### 2 | Background

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The Alberta School Boards Association (ASBA) Spring General Meeting will be held from June 3-5 in Red Deer. A package of information containing background information for the meeting has been circulated to each trustee. This report includes excerpts of the background information regarding two motions that will be included on the agenda:

- One of the most significant events at the meeting is that the ASBA Board of Directors will be presenting its proposed budget for 2012-2013, which will need to be voted on by the membership. The Board of Directors is proposing that membership fees increase by 3.5% for the 2012-2013 year. This would result in an increase of \$8,057 for the Calgary Board of Education.
- A motion will be brought forward to amend bylaw 9.11 regarding Representation and Voting at General Meetings.



I have attached excerpts related to the two required votes for the information of the Board of Trustees. As the Board of Trustees' representative on the ASBA Board of Directors, I am providing this report for your information, and would be pleased to answer any further questions that you may have.

Respectfully submitted,

Trustee Lynn Ferguson  
ASBA Board of Directors Representative

Attachment I: Excerpts from the Spring General Meeting Information Package



## Motion 1B/SGM12: ASBA Budget 2012-2013

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**BE IT RESOLVED** that the Alberta School Boards Association adopt the budget appended hereto for the period September 1, 2012 to August 31, 2013.

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Sponsor: ASBA Board of Directors



# Alberta School Boards Association

## Proposed Budget – 2012-2013

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### **The Proposed 2012-2013 Budget**

Budget assumptions are presented to the ASBA Board of Directors in February for their consideration and approval. Based on the final budget assumptions approved by the Board, a draft budget with various options is prepared and presented to the Board in March. The Board reviews the draft budget, makes decisions on a number of options and approves a draft budget that is presented to the membership at Zones and the Spring General Meeting. The membership votes on the draft budget at the Spring General Meeting in June.

The ASBA Board of Directors has approved the attached budget for presentation to the membership.

Dollars in the 2012-2013 budget provide the resources necessary to sustain current service levels for: legal, labour, educational and communication services; trustee development; insurance programs; pension programs; task force and committee work. Resources will also be used to carry out initiatives identified in the 2012-2015 strategic plan.

Effective advocacy remains a top priority in the 2012-2015 strategic plan. The Board of Directors will be reviewing advocacy priorities in the coming year asking school boards what they believe are the top priorities to address in the next 3 year period. Also, from the input received from school boards, adequate funding was identified as a concern a number of times. School Board funding was included in the 2012-2015 strategic plan and supports will be made available to school boards to communicate with the public and the Government of Alberta the need for a funding framework that addresses the current realities of school boards.

Also, to support school board work, task forces have been or will be established in a number of areas including, but not limited to, personalized student learning, First Nations, Métis and Inuit student success and wellbeing, wrap around services, student health and wellbeing and early intervention/learning.

Developing strong partnerships continues to be important in carrying out initiatives in the strategic plan and will be particularly important in the areas of wrap around services and the promotion of student health and wellbeing.

The ASBA will also continue to provide resources and support to school boards to address changing governance practices and to enhance community engagement in

## Alberta School Boards Association

### Proposed Budget – 2012-2013

public education. Over the next 3 years, this includes developing and implementing a school board/trustee development program based on emerging governance practices within the context of the new Education Act.

Also, leadership and support will be provided to school boards to address changes in legislation, regulation, education policy and labour relations. This includes the following strategies: extending the transformation task force; actively participating in discussions on the Education Professions and Occupations Act and the regulations and policies which flow from the Education Act; representing the interests of school boards throughout any process relative to teacher bargaining; and developing and providing support for school boards and their senior administrators with respect to collective bargaining.

To sustain current services and work on initiatives in the 2012-2015 strategic plan, the 2012-2013 proposed budget is \$242,019 (4.3%) higher than the previous year.

	2012/2013	2011/2012	2010/2011
	Budget	Budget	Actual
<b>Revenue</b>			
Membership Fees	\$ 2,993,302	\$ 2,892,079	\$ 2,863,452
Service Revenue (FFS, ASEBP)	2,024,495	1,959,495	1,615,599
Other Revenue (Grant, Interest, Misc)	159,841	155,773	303,430
Trustee Development - Reg/Grants	640,225	598,850	563,417
Transfer from Building Reserve	71,068	40,714	-
<b>Total Operating Revenue</b>	<b>\$ 5,888,931</b>	<b>\$ 5,646,912</b>	<b>\$ 5,345,898</b>
<b>Expenditures</b>			
Member Services	\$ 2,529,729	\$ 2,419,953	\$ 2,242,911
Executive, Corporate & Communication			
Services	1,797,808	1,722,549	1,670,107
Governance	506,594	500,585	456,621
Rental/Office Costs	538,108	543,334	503,334
Trustee Development Costs	416,691	350,491	364,796
Depreciation	100,000	110,000	75,143
<b>Total Operating Expenditures</b>	<b>\$ 5,888,931</b>	<b>\$ 5,646,912</b>	<b>\$ 5,312,912</b>
<b>Total Budget Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 32,986</b>

# Alberta School Boards Association

## Proposed Budget – 2012-2013

		2012/2013	2011/2012	2010/2011
		Budget	Budget	Actual
<b>Revenue</b>				
1	Membership Fees	\$ 2,993,302	\$ 2,892,079	\$ 2,863,452
2	Fee for Service Revenue	1,986,400	1,921,400	1,577,504
3	Interest Income	57,840	58,773	53,528
4	ASEBP	38,095	38,095	38,095
5	Trustee Development - Reg/Grants	640,226	598,850	563,417
6	Trustee Development Grant	85,000	80,000	80,000
7	School Board Governance Grant	-	-	150,000
8	Miscellaneous Revenue	17,000	17,000	19,902
9	Transfer from Reserves	71,068	40,714	-
<b>Total Revenue</b>		<b>\$ 5,888,931</b>	<b>\$ 5,646,912</b>	<b>\$ 5,345,898</b>

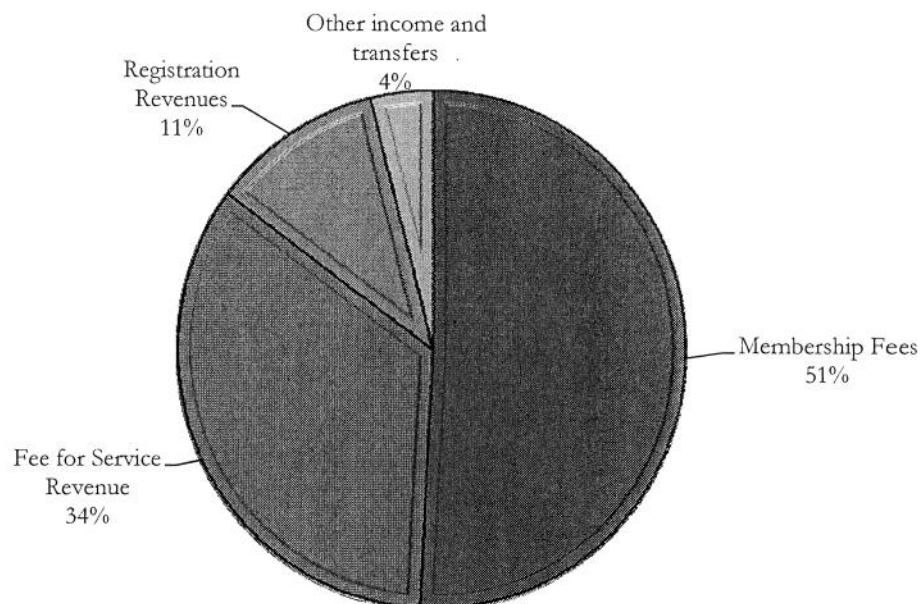
### Notes:

- Proposed 3.5 % increase in membership fees = Increase of \$101,223
- Approximately 8,416 hrs (2010-2011 actual - 7287 hrs, 2011-2012 budget - 8091 hrs) @ \$250/hr for Legal Services, \$210/hr for Educational Services and \$200/hr for Labour and Communication Services (no changes from 2011-12) - includes sponsorship income.  
Total increase in Fee for Service = \$65,000
- Interest income calculated at 2012 expected rates of return. A longer term investment is coming due and will be renewed at a lower rate. Decrease = \$933.
- ASEBP - no change
- \$25 increase in registration fees for FGM and SGM. \$75 increase for workshops/seminars to be developed and \$0 increase for Leadership Conference. Increase in revenue = \$41,375
- Amount is same as grant received for 2011-2012
- No grants projected
- Miscellaneous revenue - small contingency plus subscription revenue
- Transfer from building reserve
- The rate of interest on overdue accounts will be assessed at 2%/mth.  
**Note: Overall budget increase = 4.3% (\$242,018)**

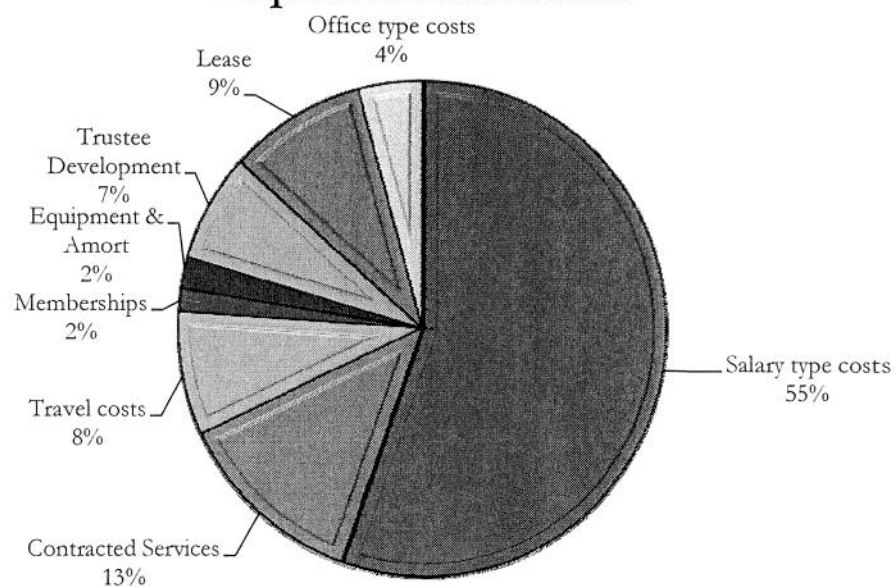
# Alberta School Boards Association Proposed Budget – 2012-2013

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## Revenue Distribution



## Expense Distribution



# Alberta School Boards Association

## Proposed Membership Fees

September 1, 2012 to August 31, 2013

Zone	Jurisdiction	Total Students*	Proposed Membership Fees
23	Aspen View Regional Division #19	3,048	\$27,691
4	Battle River Regional Division #31	6,370	\$45,820
23	Black Gold Regional Division #18	8,957	\$58,645
23	Buffalo Trail PS Regional Division #28	4,353	\$35,815
5	Calgary RCSSD #1	46,884	\$151,590
5	Calgary Board of Education	103,576	\$238,256
5	Canadian Rockies R.D. #12	2,023	\$20,832
4	Chinook's Edge School Division #73	10,829	\$67,929
5	Christ the Redeemer Catholic S.R.D. #3	8,438	\$56,071
4	Clearview School Division #71	2,456	\$23,726
23	East Central Alberta CSSRD #16	2,562	\$24,440
23	East Central Francophone Ed. Region #3	690	\$11,861
23	Edmonton Catholic Separate School District #7	34,339	\$123,597
23	Edmonton School District #7	81,307	\$205,122
23	Elk Island Catholic Separate RD #41	5,485	\$41,431
23	Elk Island Public Schools R.D. #14	16,204	\$83,120
23	Evergreen CSRD #2	3,634	\$31,619
5	Foothills School Division #38	7,430	\$51,072
23	Fort McMurray RCSSD #32	4,801	\$38,039
23	Fort McMurray Public School District #2833	5,409	\$41,052
1	Fort Vermilion School Division #52	3,297	\$29,357
5	Golden Hills School Division #75	6,281	\$45,381
1	Grande Prairie RCSSD #28	3,756	\$32,430
1	Grande Prairie Public School District #2357	7,079	\$49,332
23	Grande Yellowhead Public School Division #77	4,828	\$38,173
6	Grasslands Regional Division #6	3,512	\$30,801
23	Greater N. Central Francophone Ed. Region #2	2,638	\$24,946
23	Greater St. Albert Catholic R.D. #29	6,288	\$45,411
5	Gr. Southern Francophone Public Ed. Region No. 4	1,409	\$16,718
5	Gr. Southern Franc. Sep. Catholic Ed. Region No. 4	905	\$13,348
1	High Prairie School Division #48	3,274	\$29,209
1	Holy Family Catholic Regional Division #37	2,236	\$22,253
6	Holy Spirit RCSR #4	4,495	\$36,521



# Alberta School Boards Association

## Proposed Membership Fees

September 1, 2012 to August 31, 2013

Zone	Jurisdiction	Total Students*	Proposed Membership Fees
6	Horizon School Division #67	3,584	\$31,284
23	Lakeland RCSSD #150	1,940	\$20,274
6	Lethbridge School District #51	8,605	\$56,905
23	Living Waters CRD #42	1,684	\$18,563
6	Livingstone Range School Division #68	3,728	\$32,244
23	Lloydminster Public S.D. #99	2,349	\$23,012
23	Lloydminster RCSSD #89	1,581	\$17,871
6	Medicine Hat CSRD #20	2,667	\$25,139
6	Medicine Hat School District #76	6,706	\$47,487
23	Northern Gateway Regional Division #10	5,123	\$39,638
23	Northern Lights School Division #69	5,695	\$42,473
1	Northland School Division #61	2,823	\$26,188
1	Northwest Francophone Ed. Region #1	420	\$9,852
6	Palliser Regional Division #26	6,624	\$47,077
23	Parkland School Division #70	9,450	\$61,093
1	Peace River School Division #10	3,238	\$28,963
1	Peace Wapiti School Division #76	5,517	\$41,587
23	Pembina Hills Regional Division #7	6,418	\$46,058
5	Prairie Land Regional Division #25	1,483	\$17,217
6	Prairie Rose School Division #8	3,557	\$31,098
4	Red Deer Catholic Regional Division #39	7,080	\$49,339
4	Red Deer Public Schools	9,875	\$63,198
5	Rocky View School Division #41	17,943	\$87,003
23	St. Albert PSSD #6	6,619	\$47,055
23	St. Paul Education Regional Division #1	4,000	\$34,066
23	St. Thomas Aquinas RCSR #38	2,999	\$27,364
23	Sturgeon School Division #24	4,381	\$35,956
6	Westwind School Division #74	4,306	\$35,584
4	Wetaskiwin Regional Division #11	3,850	\$32,062
4	Wild Rose School Division #66	5,057	\$39,311
4	Wolf Creek School Division #72	7,184	\$49,852
23	Yellowknife Education District #1	1,868	\$19,791
23	Yellowknife Catholic Schools	1,314	\$16,086
	Totals	568,461	\$2,993,302

\*Note: Student totals were compiled from a report on Student Population for the 2011/2012 school year published by Alberta Education. Student registration information is as of Dec 16, 2011. These will be updated with the most current available information as per bylaw #10.

## Motion 2A/SGM12: Proposed Bylaw Amendment

### **Bylaw 9.11 – Representation and Voting at General Meetings**

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**BE IT RESOLVED** that Alberta School Boards Association Bylaw No. 9, Section 11 be amended to read as follows (proposed amendments shown in underlined text):

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#### **Background**

At the 2010 Spring General Meeting, an update on work being done by the Association was scheduled on the order paper. The order paper and rules of procedure were adopted at the outset of the day (as parliamentary motions, determined by a majority of votes cast).

A motion was subsequently placed before the assembly to formally discuss and vote on the matter which gave rise to the update and question and answer session (the development of a communications protocol boards could chose to use, if they so wished). Pursuant to the rules of procedure adopted, a two-thirds majority was required to amend the orders of the day and consider the extraordinary

motion, as the agenda had already been adopted. Though a majority of boards (>50%) voted in favour, the two-thirds majority was not met and the matter was not added as a formal discussion/decision item to the order paper.

The proposed amendment would allow for the order paper to be amended when a topic arises during the course of a meeting that a simple majority of voting boards want to discuss. Any motion arising out of such discussion would still be subject to the double majority voting method outlined in Bylaw 9.

Sponsored by Grande Prairie Public School  
District No. 2357

# Motion 2A/SGM12: Proposed Bylaw Amendment

## Bylaw 9.11 – Representation and Voting at General Meetings

CURRENT	PROPOSED
<p><b>Bylaw No. 9.11 – Representation and Voting at General Meetings</b></p> <p>11. The double majority voting method shall apply to votes on all resolutions made at any General Meeting, including a Special General Meeting, with the exception of:</p> <p>(a) Voting for the President and Vice-President, which vote will be cast as provided for under Bylaw No. 4, Section 1; and</p> <p>(b) Votes on parliamentary motions and amendments to motions will follow the one vote/Full member board rule and shall be determined by a majority of the votes cast, unless otherwise required by Robert's Rules of Order.</p>	<p><b>Bylaw No. 9.11 – Representation and Voting at General Meetings</b></p> <p>11. The double majority voting method shall apply to votes on all resolutions made at any General Meeting, including a Special General Meeting, with the exception of:</p> <p>(a) Voting for the President and Vice-President, which vote will be cast as provided for under Bylaw No. 4, Section 1; and</p> <p>(b) Votes on parliamentary motions and amendments to motions will follow the one vote/Full member board rule and shall be determined by a majority of the votes cast, unless otherwise required by Robert's Rules of Order.</p> <p>(c) <u>Votes on motions to amend the agenda once adopted will follow the one vote/Full member board rule and shall be determined by a majority of the votes cast.</u></p>