

**report to
Board of Trustees**

Budget Assumptions Report 2021-22

Date	April 6, 2021
Meeting Type	Regular Meeting, Public Agenda
To	Board of Trustees
From	Christopher Usih Chief Superintendent of Schools
Purpose	Information
Originator	Brad Grundy Superintendent, Chief Financial Officer, Corporate Treasurer
Governance Policy Reference	Operational Expectations OE-5: Financial Planning
Resource Person(s)	Superintendents' Team Finance & Technology Services staff Communications staff

1 | Recommendation

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



2 | Issue

Operational Expectation 5: Financial Planning, clause 5.2 requires the Chief Superintendent to develop budget-planning assumptions.

The Chief Superintendent interprets the budget-planning assumptions to include key principles and variables, both controllable and non-controllable, which will drive budget decisions. The Budget Assumptions Report will reflect the Board's values and identifies critical and relevant factors impacting the development and balancing of the budget.

This Budget Assumption Report (BAR) has been prepared in the absence of the funding profile from Alberta Education. Accordingly, information contained in this report is subject to change once that information is received. The Board has requested the BAR be presented at a public Board meeting on April 6, 2021. In order to fulfill staffing at schools, the CBE will continue with resource deployment to schools via the RAM based on the assumptions contained within this report. Subsequent to the Board's review of the report, the intention would be to provide the RAM plan to schools on April 8, 2021.

3 | Conclusion

The attached report on budget assumptions accomplishes the above-noted provision and interpretation and is submitted for consideration by the Board of Trustees.



CHRISTOPHER USIH
CHIEF SUPERINTENDENT OF SCHOOLS

ATTACHMENTS

An attachment is a document that can stand alone and is not required to understand the rest of the original report. When numbering attachments, use Attachment Numbering Style.

Attachment I: Budget Assumptions Report 2021-22

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.

Budget Assumptions Report 2021-22

Success – Safety – Sustainability



learning | as unique | as every student

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Calgary, AB T2R 0L4



**Calgary Board
of Education**

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Introduction

The Budget Assumptions Report (BAR) is a high-level report that sets out the:

- operating context of the CBE;
- financial and operating assumptions that will be incorporated into the CBE budget to be considered by the Board of Trustees on or about May 18, 2021;
- strategies to deliver public education within allocated provincial funding; and
- risks involved in the CBE balancing strategies;

Note: This BAR has been prepared in the absence of the final confirmation letter for funding from Alberta Education. Accordingly, information contained in this report is subject to change once confirmation is received, which is expected by the end of March 2021.

Organizational Summary

The CBE's work is guided by its Three-Year Education Plan that connects each employee to creating an environment and commitment to student achievement and well-being. In addition, the CBE's 2021-22 budget will be informed by the Board of Trustee priorities set out in the Chief Superintendent's Summative Evaluation.

Mission

The Board of Trustees' mission for the CBE is: "Each student, in keeping with their individual abilities and gifts, will complete high school with a foundation of learning necessary to thrive in life, work and continued learning."

The CBE considers each individual student and their learning requirements while balancing all student needs against available financial and other resources.

Values

Administration's CBE budget preparation is guided by CBE values:

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

Guiding Framework

- The CBE's work is guided by its Three-Year Education Plan that guides the work and connects each CBE employee to the mission, values and outcome: Student Achievement and Well-being.
- The CBE is focused on student achievement and well-being, building professional capital, engaging stakeholders and stewarding resources. Taken together, the CBE believes these areas of focus allow for the provision of a high-quality public education for all CBE students.

Executive Summary

The Calgary Board of Education heads into the 2021-22 school year with a renewed sense of optimism. Rather than simply return to its pre-pandemic state, the CBE will enable even greater levels of student achievement and well-being by building a *more coherent, more sustainable, and more equitable* school system.

The assumptions and strategies considered in this Budget Assumptions Report enable the CBE to move forward to its intended future state.

Coherence:

The 2021-22 school year will be the second year using the provincial government's new funding and assurance framework. The framework brings increased certainty to the CBE's budget development process by moderating changes in enrolment.

The CBE's fiscal picture will come into sharper focus by March 31, 2021, which is when Alberta Education has committed to providing individual funding profiles to school jurisdictions.

Sustainability:

The CBE continues to align the cost of its operations to the funding provided through Alberta Education's funding framework. The goal is a sustainable approach that allows CBE to balance its budget without relying on one-time funding or resources for the ongoing delivery of programs, services and supports.

This BAR addresses some of the challenges facing the CBE for 2021-22 and beyond.

Looking forward, the CBE notes that provincial public education funding is forecasted to remain flat for the remainder of government's term irrespective of enrolment growth and therefore will be thoughtful regarding new or increased programming, services or supports.

While funding is expected to be comparable to prior years, the CBE faces the pressure of opening five new schools in the next several years and increased enrolment. New schools and more students bring added costs.

The funding CBE receives to support a growing system will need to stretch further. The CBE will be challenged to think differently and find new ways of delivering programs, services, and supports within the dollars we receive.

Equity

Within the CBE, equity means that each student, irrespective of personal circumstance, has an equal opportunity to achieve. In support of that overarching objective, the CBE is engaged in a multi-year process to introduce a robust equity index-based approach to resource allocation that considers a range of variables that have been statistically determined to be predictors of student achievement in CBE.

For parents, the CBE is committed to ensuring fees remain as reasonable and affordable as practicable, consistent with the good or service being provided. The CBE believes that careful fee management is important at a time when many families are facing financial hardship.

The CBE has established an internal fees committee with the express mandate of carefully managing school and system based fees in a responsible manner. As part of its work, the committee will seek and consider public input. As well, the CBE's "no student will be denied access to their public education by an inability to pay a fee" approach continues. This approach means that where necessary, fees can be waived in support of student access to public education.

Safety

Whether it's about fostering safe and caring learning and working environments, ensuring that all health measures are followed in schools during a pandemic, safe transportation to school, ensuring our buildings are safe and well-maintained, enhancing student and staff well-being or tackling racism, equity or bullying, the safety of students and staff must always be our first priority. Students and staff will not achieve success without feeling safe in their schools or workplaces.

Historical Operating Results and Financial Position

Highlights of the CBE's historical financial results and financial position are an integral consideration for assessing the strategies needed to deliver programs and services to its students next year and into the future ([Appendix III: Historical Student, Staff and Schools Data](#), [Appendix IV: Reserves Balances](#)).

With the assumption of 2021-22 provincial operating funding being at least the same as 2020-21, the CBE's financial health trends experienced at prior year end and in the quarterly updates continue to be positive, subject to risks that may occur as outlined in this report. In short, the CBE remains financially healthy as it heads into 2021-22.

Additional financial information can be found under on the CBE website at: <https://www.cbe.ab.ca/about-us/budget-and-finance/Pages/default.aspx>

Assumptions

I. General Assumptions

The CBE's budget assumes:

- Maximize dollars to the classroom by redirecting or reallocating resources as necessary.
- Sufficient budget resources will be available to allow the CBE to meet health, safety, legal compliance or critical infrastructure needs.
- CBE programs, services, supports and operations will be scaled to the amount of Alberta Education funding without recourse to one-time sources of revenue such as operating and capital reserves.
- Families and students, informed by the ongoing pandemic, will make program choices that may vary from those made in the prior year. The nature of those choices is difficult to predict at this time.
- The CBE will maintain the systems and processes that allow the CBE to attract, train, retain, and pay employees.
- The CBE's budget will comply with the new and evolving Alberta Education budget and reporting guidelines.
- The budget will incorporate an allocation to address COVID-19 related cost pressures. Administration will seek Board of Trustees and Ministerial approval to fund these one-time, non-program costs from operating reserves.
- Subject to the minimum reserve levels set out in Operational Expectations 1 and 5, the dollars received for 2021-22 are spent on students who are enrolled in CBE schools for the 2021-22 school year.
- As directed by the Board of Trustees, and subject to operational realities, the CBE will endeavour to have the ability to replenish operating reserves to a minimum of three per cent of prior year operating expenses exclusive of external block expenditures.
- The CBE will ensure that fees charged for programs and services are compliant with the Education Act and related regulations, and are a direct cost pass-through of the related goods or services provided.
- In accordance with a motion passed by the Board of Trustees, the CBE will balance the student transportation program within the total of Alberta Education transportation funding and related fee revenue.
- Service units will support the Board of Trustees and their governance needs through the service unit's base operating budgets. Additional dollars have not been provided to support this work nor is that work funded from a transfer from the Board of Trustees' budget.

II. General Assumptions — Revenue

Alberta Education will fund the CBE as follows:

- The funding framework will allocate funding based on the three-year Weighted Moving Average (WMA) enrolment of school authorities.
- Funding provided through the base instruction component does not allocate funding for specific students or schools. The WMA enrolment funding calculation is used to determine funding for the Early Childhood Services (ECS) to Grade 12 instructional activities of the entire school jurisdiction.

Other revenue assumptions are:

- The CBE will calculate provincial funding using the Alberta Education WMA funding formula provided based on projected 2021-22 enrolment, actual 2020-21 enrolment, and actual 2019-20 enrolment.
- The CBE's budget will be based upon a moderate projection of student enrolment which shows a modest 238 student increase from 2020-21 projections.
- The CBE intends to defer revenue related to the funds provided for the 2020-21 school year due to the excess of projected enrolment over actual enrolment. Approval for this treatment will be sought from the Board of Trustees as well as the Ministry, in the absence of guidance from Alberta Education that prohibits such reporting treatment.
- Fees for the 2021-22 school year will comply with the guidance and direction set out in the Education Act and related regulations.
- Fees will be implemented with regard to the economic circumstances within Calgary at the time the budget is finalized and considering the direct cost of the goods or services provided.
- All revenue from Alberta Education related to transportation will continue to be fully applied to the cost of this service. By Board motion the CBE will provide transportation services that align within the total of Alberta Education funding and related fees.
- The CBE will apply Alberta Education targeted/restricted funding for the specified purpose (e.g. Transportation, Operations and Maintenance, Infrastructure Maintenance Renewal, Capital Maintenance and Renewal, and System Administration).
- Opportunities to grow non-Alberta Education revenue (exclusive of student fees) will be explored where it is consistent with the CBE's vision and values.
- The CBE will continue to receive \$1 per year per facility lease with charter schools as determined by Alberta Education.
- The CBE will continue to participate in the Joint Use Agreement framework with the City of Calgary and the Calgary Separate School District respecting land and schools.
- Revenue from the sale of CBE-owned properties, if any, will be added to capital reserves and applied to upgrade and modernize facilities to support student learning.
- Investment returns, if any, will be directed to enhancing student outcomes.
- The province has indicated there is no additional budget allocation for education. As such, CBE is anticipating flat revenue over the next two years with no material change based on additional students or new schools.

III. Specific Assumptions for 2021-22 — Revenue

Provincial Budget and Impacts

On Feb. 25, 2021, the provincial budget was released. However, individual school jurisdictions were not provided their respective funding profiles. Alberta Education staff have communicated that school jurisdiction funding profiles would be available no later than March 31, 2021.

The Minister of Education announced that jurisdictions would receive at least the same operating funding for 2021-22 as was received for 2020-21. This is primarily facilitated by a one-time inclusion of COVID Mitigation funding to assist jurisdictions that experienced lower than projected enrolment for the 2020-21 school year as a direct result of the pandemic. Total provincial COVID Mitigation funding available is \$130 million.

With the exception of this one-time funding, the mechanism of the WMA funding model is expected to remain consistent in its second year of application as the method of distributing provincial funding to school jurisdictions. Other funding changes expected in funding allocated to the CBE for 2021-22 include a 50 per cent reduction in bridge funding — used to transition to the new funding framework — to \$8 million from the current \$16 million.

The CBE also anticipates that the System Administration allocation will remain at the same dollar amount as for 2020-21. System administration was capped at 3.15 per cent of Alberta Education funding for 2020-21 and that percentage is expected to decline slightly into 2021-22.

Other funding sources that continue to be under review within the Ministry are a provincial reallocation of \$40 million previously designated for increased Operations and Maintenance that is expected to be re-purposed for Specialized Learning Supports. Indications are that this funding will be directed towards Program Unit Funding (PUF).

Pending Alberta Education decisions related to the Student Transportation Task Force, transportation funding is expected to remain at 2020-21 levels. The CBE remains committed to ensuring that transportation spending is balanced to provincial funding and transportation fee revenue collected. Further, the Infrastructure Maintenance Renewal (IMR) and Capital Maintenance and Renewal (CMR) funding are also under review.

The Budget Report to be presented in late May 2021 will reflect information received from Alberta Education up to that point in time.

School Utilization Rates

Individual school utilization rates are directly linked to the amount of operating and maintenance funding that is attracted to the CBE thereby ensuring that CBE schools can provide safe, healthy and welcoming learning environments free from learning hindrances.

The current school utilization rate target at the system level is above 85 per cent. This to align with the value that maximizes provincial operating and maintenance funding. The CBE will actively manage school utilization rates through re-designation, consolidation, and closure where prudent to ensure these rates maximize the amount of operating and maintenance funding while and in so doing, enhancing the program variety and richness these schools can offer students.

IV. General Assumptions — Expenses

Expense assumptions are:

- The budget will ensure that the CBE is able to comply with all conditions within provincial legislation and collective agreements including general wage increases (where applicable), employee salary grid movement and benefits changes.
- The CBE will follow the province's lead on future negotiations with its unions and associations that cover 98 per cent of all CBE staff¹;
- The CBE will continue to evaluate the ongoing financial, programming and operational viability of school sites and recommend re-designation, consolidation or closure to the Board of Trustees where and when appropriate; closure decisions remain the sole responsibility of the Board of Trustees
- While Alberta Education has changed the funding model and will maintain funding consistent with prior year levels, the CBE continues to experience non-discretionary cost increases (such as for contractual obligations), which have been reflected in the expense projections;
- Administrative costs will be funded by a targeted system administration grant and CBE expenditures will remain at or below the allotted amount provided by the government;
- The CBE will continue to work with the provincial government and other school jurisdictions to identify cost savings strategies where opportunities exist (e.g. the recently announced province-wide review of public sector procurement);
- Salaries and benefits will continue to experience planned grid movement, except for the Chief Superintendent and Superintendents' salaries which are frozen with no grid movement;
- Trustee salaries, frozen since 2014 remain the same as prior year; and
- Programs for non-mandated students, such as international students and adults learners, will be run on a full cost recovery basis.

¹ The provincial ATA, the two Staff Association collective agreements and the Canadian Union of Public Employees agreement have expired Aug. 31, 2020. The Trades agreement will expire on Aug. 31 2021.

V. Specific Assumptions for 2021-22 — Expenses

School Budget Allocations — an Equitable Approach

The Resource Allocation Method (RAM) is the means for CBE to allocate schools budget to resource their individual schools.

In Spring 2020-21, the RAM allocated \$832.6 million to over 250 schools. Based on the assumptions noted within this document and without a jurisdictional funding profile, the CBE estimates that a minimum of \$834 million would be allocated to the schools in the Spring 2021-22 Budget with a balanced budget.

Note that this is subject to potentially significant changes once the funding profiles are released at the end of March 2021.

In 2019-20, CBE administration undertook an analysis of the model utilized to allocate funds to school related to student need. Specifically, significant work was done around the development of an Equity Index that would leverage the student, school, and census variables available to prioritize funding.

Now in Phase 2, further analysis has taken place resulting in recommendations for adjustments to the Base funding, Equity Index, and a Criterion Based Response Fund. These three categories are key mechanisms for allocation to ensure reliable, equitable and responsive funding in schools.

Online Learning

In order to provide ongoing and sustainable access to the delivery of online instruction of the regular program, the CBE will provide access for Grades 1-12 under the umbrella of CBe-learn. This means that Hub online learning connected to community schools will be discontinued.

Families who wish to access a full time online learning program can access the regular program via registering as a full time student of CBe-learn. All other programming will be provided through an in-person learning environment in designated schools.

Program Unit Funding (PUF)

In 2020-21, Alberta Education changed the structure, eligibility criteria and grant allotment for PUF, resulting in a per-student reduction for the majority of PUF funded children attending Early Development Centres (EDC), which support pre-school children who have been identified with severe delays/disabilities.

The CBE adjusted EDC programming to match the funds received in 2020-21. In the budget announcement on Feb. 25, 2021, the Minister of Education announced a \$40 million dollar redirection of funding that would be made available to school authorities and made reference to being included in the Specialized Learning Supports grant.

Pending the announcement of the manner in which funds are allocated, it is assumed that CBE would receive a share of funding from this total amount.

Indigenous Education

The CBE has developed together with the Elders Advisory Council, the Indigenous Holistic Lifelong Learning Framework. This framework is an important next step in supporting the well-being, learning, and achievement of students who self-identify as Indigenous, as well as non-Indigenous students.

The central team providing direct service to schools and in the provision of foundational professional learning for all staff in CBE reflects a commitment of just under \$3.4 million. The focus and shift of the Indigenous Education team in 2020-21 means that 17 schools with a higher percentage of Indigenous students are directly linked and connected to learning strategists.

Based on staff FTEs assigned in school RAMs, the total cost of staffing connected to serving the needs of Indigenous students is \$9.5 million.

Moving into the 2021-22 school year, the Indigenous Framework model will continue to provide direct links and professional learning for all staff.

Full Day Kindergarten

In the 2020-21 school year, sixteen schools maintained full day kindergarten programming serving just under 500 of almost 6,800 kindergarten students. This was at a cost of approximately \$1.7 million.

The CBE will continue full day kindergarten in 2021-22. The application of the program evaluation framework will be an important next step to support the determination of the manner in which supports and services are provided to kindergarten students for maximum impact.

CBE CARES (Collaboration on Anti-Racism, Equity Supports)

The CBE will continue with the CBE CARES initiative. This initiative, introduced in June 2020, serves to advance equity, anti-racism and inclusion within the CBE. Every student should have the opportunity to succeed personally and academically regardless of background, identity or personal circumstances.

Pending the receipt of the final report from the initiative lead, [Dr. Marie Delorme](#), the CBE will address recommendations resulting from the Advisory Group meetings and parent and staff listening sessions conducted in 2020-21.

More information on this important initiative can be found at <https://www.cbe.ab.ca/about-us/school-culture-and-environment/Pages/anti-racism-and-equity.aspx>.

Mathematics and Literacy

Mathematics and literacy central supports remain largely consistent with the current school year, with adjustments made to support ongoing professional learning and in preparation for new curriculum implementation.

Student Well Being

Student well being focus will remain consistent with the current school year, through central supports, with continued work and investment in gathering student voice through a range of methods to support priorities.

Transportation

The transportation portfolio will be balanced without transfer from other CBE budget sources as required by Board direction.

Additionally, flexible non-instructional days that were available to school administrators in previous school years will be converted to system-determined non-instructional days. This measure will reduce transportation expenditures.

Lastly, during the 2021-22 school year the CBE will determine next steps in regards to furthering the assessment of early dismissal days and how these might be adjusted to realize additional transportation savings.

VI. Reserve Assumptions

The Minister of Education has final authority on the deployment of reserves and therefore these assumptions are subject to ultimate approval by both the Minister.

- The budget will be based on the assumption that the CBE will end the 2020-21 school year with operating reserves of approximately \$41.0 million and \$24.3 million in capital reserves²;
- The CBE believes that operating reserves of up to 3 per cent of the prior year's total expenditures exclusive of the external block provide sufficient fiscal capability to address the majority of the most likely operating risks;
- Use of operating and capital reserves requires the prior approval of the Board of Trustees and, ultimately, the Minister of Education;
- With an eye towards longer-term sustainability, the CBE does not intend to use CBE operating and capital reserves to balance operations, except to pay for continuing COVID costs that may be incurred subject to the revenue assumption that these will not be funded by senior levels of government; and
- Given the anticipated continuation of new school construction, the CBE will retain operational reserves to fully support the commissioning of approved new schools. Based on historical activity, the CBE spends approximately \$1.5 - \$2 million to commission an elementary school, \$2 - \$3 million for a middle school and \$6.5 - \$7.5 million for a high school.

VII. Capital Assumptions

The CBE appreciates that the provincial government is funding increased enrolment and is building the school facilities necessary to accommodate this growth. While good news for students, families and communities, each new school announcement requires the CBE to find additional funds beyond those provided by the province for furniture, fixtures and equipment. These commissioning costs include preparing the learning environment with learning resources, specialty equipment and technology. Other costs are related to the staff time (principals, assistant principals, learning leaders, administrative assistants, etc.) required to engage with the new school communities and make pre-opening curricular decisions.

Based on this experience, the upcoming five new schools will require additional resources in the upcoming years. A request has been made to the Minister of Education to use \$308,000 of capital reserves, with the recognition that ultimately up to \$14.3 million may be required between now and 2023-24.

The budget will include an investment in board-funded capital to support the maintenance of systems and learning spaces as well as the replacement of vehicles, equipment and technology hardware.

² As of second quarter forecast 2020-21

Risks

Operational Risks

The operational risks set out below reflect those events that are most likely to impact on CBE operation during the 2021-22 school year. The table below sets out the inherent (unmitigated) risks. In all cases the CBE has control processes and mechanisms in place to manage the inherent risk down to an acceptable level. It is possible, however, that a risk or combination of risks could impact operations in a way that exceeds expectations.

Risk	What does this mean?	Likelihood of Risk	Consequence of Risk
Unanticipated increase in the deferred maintenance backlog.	Unforeseen equipment failures could require unplanned resource reallocation.	Moderate	Moderate
Resources may not be available to adequately maintain service unit operations in a growing system.	Work and project delays and or terminated, slower response time, less support and services for schools.	Moderate	Low
Some costs increase at a rate beyond that assumed in the budget development process.	Reprioritizing initiatives and support, mid-year.	Low	Low
Economic factors in the commercial environment place upward pressure on long term contractual commitments.	Pressure on fixed funding provided for System Administration costs. The current funding model does not indicate support for any inflation costs.	Low	Low
Funding adjustments imposed by Alberta Education occur after the commencement of the school year.	Large scale personnel, programming and service planning is involved in the budget process. With unplanned, mid-year funding reductions, adjustments are required.	Low	High
Costs in a growing system may increase faster than Provincial funding provided.	With a lag and holding everything equal, this would mean that the same number of teachers are available to teach more students, resulting in an increase to average class size. A \$20 million increase or decrease to school-based funding creates a 1 student change to average class size.	Low	High
Funding is not provided for 'Status-to-be-confirmed' refugee students.	Funding is only provided for students that have confirmed refugee status. Government funding may be delayed or not provided to all refugee students. CBE continues to internally fund all students regardless of status.	High	Low
Costs associated with new school openings will not be covered under the funding model.	Five new schools are planned to open between 2022 and 2024. Commissioning costs is funded internally. This includes but not limited to: whiteboards, sports equipment, in class technology and landscaping around schools.	High	Moderate
Costs associated with pandemic requirements for school operations.	O&M expenses may increase, thereby reducing resources to attend to facility maintenance.	High	High

Financial and Operational Compliance Risks

Risk	What does this mean?	Likelihood of Risk	Consequence of Risk
The cost of addressing unanticipated events exceeds available operating and capital reserve balances.	Reserves available will not be enough to cover unforeseen events, CBE will need to reprioritize initiatives and supports mid-year.	Low	Low
Public expectation for public education exceeds capacity of the CBE to provide within allocated funding levels.	Additional communication will be required to enhance community understanding of financial and qualitative implications with new fiscal environment.	Moderate	Moderate

Staffing and Contractual Risks

Risk	What does this mean?	Likelihood of Risk	Consequence of Risk
ATA and SA collective agreements expired August 2020.	Changes will have financial and administrative impacts on the system. Subject to negotiation.	Moderate	High
Retirements, resignations and replacements occur at higher than assumed rates.	Higher than projected attrition from key positions in schools and service units.	Moderate	Moderate

Conclusion

The CBE will work to align with the new funding model and ensure resources match the funding available.

While constrained, the CBE is confident that our decisions are directed in the best interests of student achievement and well being by maximizing dollars directed to the classroom.

The CBE, working with students, families, stakeholders, and Alberta Education, will continue to provide the best public education programs and supports possible within the financial resources made available.

To maximize student learning, the CBE continues to evaluate resources, programs and services across the organization. These budget assumptions support learning for students next year and within CBE funding expectations.

The CBE will continue to be constrained by growing enrolment, ongoing inflationary pressures, aging of facilities, and the challenge of containing the demand for central services and supports with fixed funding in a growing system.

CBE's choices will continue to be guided and informed by its values: students come first, learning is our central purpose, and public education serves the common good.

Appendix I: Revenue and Expense Profiles

Revenue

The CBE, like other metro school jurisdictions, typically receives slightly more than 90 per cent of its total funding from Alberta Education. Accordingly, changes up or down to provincial funding levels have significant impacts on programs, services, and supports.



Expenditure

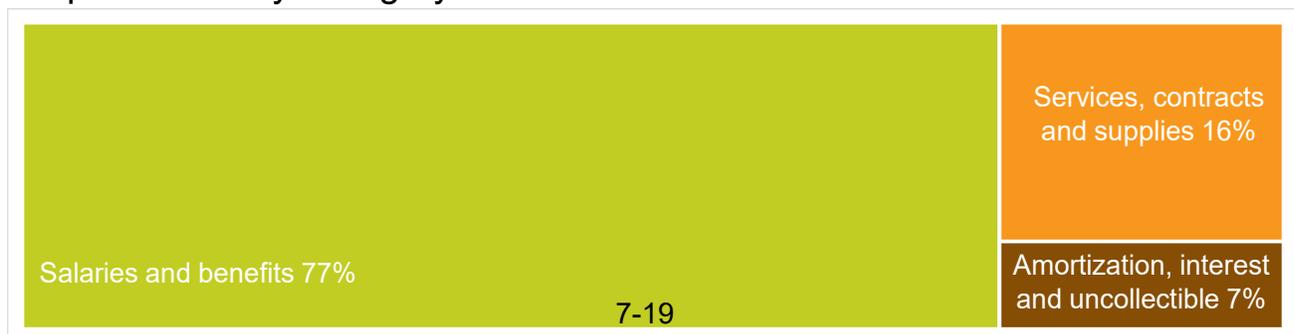
Expenditures are classified into two categories: Block and Type. The following charts show the same total expenses and different manners to categorize them. As an example, salaries and benefits for a teacher and accounts payable clerk will be recognized as “Salaries and Benefits”. The teacher’s salaries and benefits will be classified as an “Instruction” block and the clerk’s under “System administration”).

Here are the groupings within each of those categories.

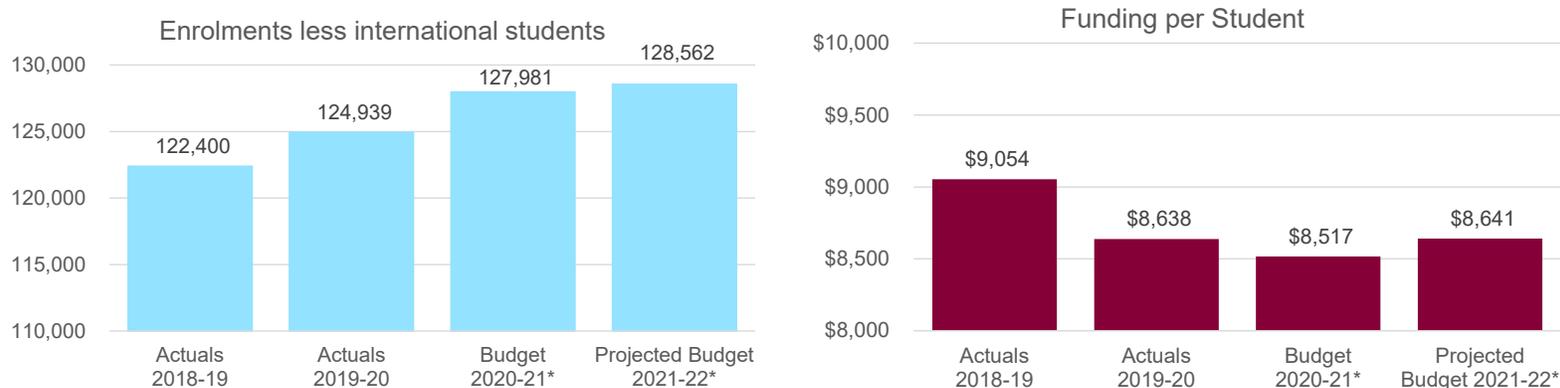
Expenditures by Block



Expenditures by Category



Appendix II: Alberta Education Funding Projection per Student



Note:

The per student funding amounts have been recalculated for years prior to reflect the change in the Funding Manual.

- Projected budget enrolment is accurate as at the time of the provincial budget announcement.
- Enrolment excludes international students.
- For purposes of the calculations in this chart, Alberta Education funding excludes designated funds including: Alberta Teachers Retirement Fund, Infrastructure Maintenance Renewal, Capital Maintenance and Renewal and Transportation.
- As a result of the COVID-19 pandemic, the number of enrolments had significantly decreased compared to the initial 2020-21 projections. The chart below illustrates the difference in funding per student should there be a deferral in revenue from 2020-21, and reflected in 2021-22.

2020-21 School Year Funding per Student		Alberta Education Funding	Enrolment Adjusted Alberta Education Funding (in 000s)
		\$ 1,089,982	\$ 1,070,914
Projected Enrolment	127,981	\$ 8,517	N/A
Actual Enrolment	122,117	\$ 8,926	\$ 8,770

2021-22 School Year Funding per Student		Alberta Education Funding	Enrolment Adjusted Alberta Education Funding (in 000s)
		\$ 1,091,898	\$ 1,110,966
Projected Enrolment	128,562	\$ 8,493	\$ 8,641

Appendix III: Historical Student, Staff and Schools Data

	2019-20	Budget 2020-21	Projected Budget 2021-22
Number of students ^{1,2}	125,809	128,885	129,123
Number of schools			
School	233	236	235
Special Setting	13	13	12
Total	246	249	247
Staffing			
Certificated Staff	6,785	6,544	
Non Certificated Staff	3,356	3,336	
Total	10,142	9,880	
School Based Staff	8,754	8,518	
Non-School Based Staff	1,388	1,361	
Total	10,142	9,880	

Note 1: Totals include international students

Note 2: Planning projection of 40 pre-K students for Budget 2021-22 is not included

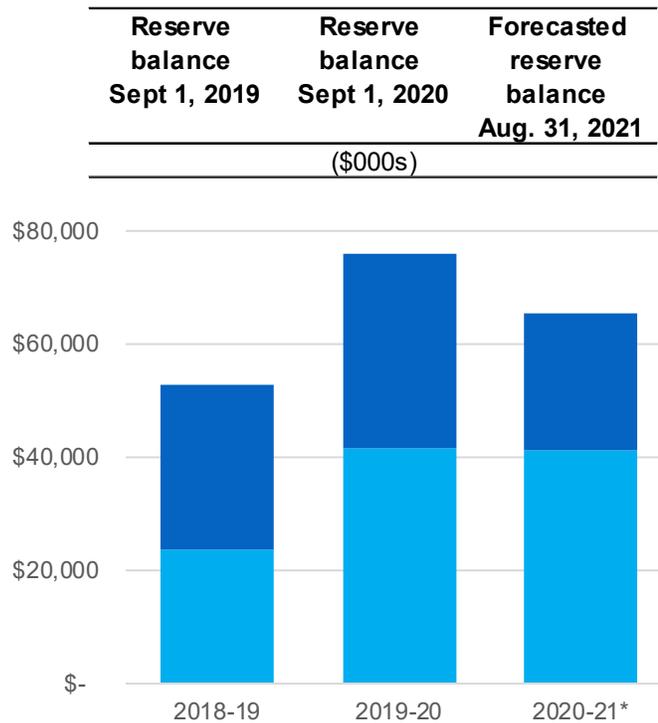
School based staff include but not limited to:

- Custodial Staff
- Education Assistants, School Assistants, ELL Assistants
- Learning Leaders
- Principals & Assistant Principals
- Teachers

Non school based staff include but not limited to:

- Education directors
- Board of Trustees
- Braille assistants
- Communications and community engagement personnel
- Cultural diversity advisors
- Facilities and environmental personnel
- Financial personnel
- Human resources personnel
- Legal services
- Occupational and physical therapists
- Payroll and benefits administration
- Psychologists
- Speech language pathologists
- Superintendents
- Technology support specialists
- Transportation personnel

Appendix IV: Reserves Balances



Operating reserves			
Fiscal stabilization reserve	25,160	37,547	49,121
Restricted reserves	(8,204)	(8,075)	(8,075)
Designated operating funds	6,846	12,005	-
Total operating reserves	23,802	41,477	41,046
Capital reserves			
Building reserve	16,899	17,388	17,388
Other capital reserves	11,149	16,155	6,069
Plant, operations and maintenance	798	798	798
Total capital reserves	28,846	34,341	24,255
Total reserves	52,648	75,818	65,300

*Based on Second Quarter Forecast 2020-21

OE:5- Financial Planning, requires CBE to consider the risks and opportunities including sustainability and the ability to replenish operating reserves to a minimum of three per cent of operating expenses.