EDMONTON PUBLIC SCHOOLS

A USER-FRIENDLY *guide* TO:

Understanding the Division's Financial Information

for the 2022-2023 school year

Message from the Chief Financial Officer

It is with great pleasure that I introduce this user-friendly guide, designed to assist all members of our community, regardless of their accounting background, in comprehending the vital information contained within our annual audited financial statements.

This guide was created not to replace our financial statements, but to act as an informal reference guide to help our stakeholders better understand the Division's financial position as at August 31, 2023, and the transactions that occurred during the 2022-2023 school year.

Understanding financial data is essential for fostering transparency, accountability, and informed decision-making within our organization. As guardians of public funds, it is our responsibility to ensure that everyone has access to clear and concise explanations about our financial health and stewardship.

Through this guide, our goal is to demystify complex accounting concepts, providing you with easy-to-grasp explanations, real-life examples, and practical insights. By empowering you with the knowledge to interpret our financial statements, we aim to strengthen the trust you place in us.

As you delve into the contents of this guide, I encourage you to explore, question, and engage with the financial information presented. Your understanding is pivotal in ensuring the continued success and growth of our Public School Division.

Together, let us embark on this journey of financial literacy.

Warm regards,

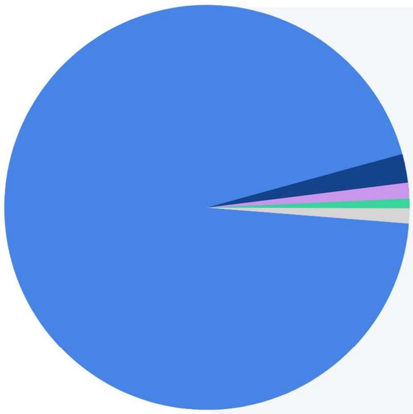
Todd Burnstad
Chief Financial Officer
Please use this document as a supplement to our Division's financial information.

Table of Contents

Financial Highlights for the Year Ended August 31, 2023

The Division's total revenue for 2022-2023 was $1,243.8 million, the majority of which was received from the Government of Alberta (GOA). Included in this balance is the Weighted Moving Average (WMA) adjustment $7.2 million, as well as several targeted grants that were received from the GOA, announced subsequent to the approval of the original spring budget (refer to page 10 for details). Additionally, these revenues do not include approximately $30 million in capital grants received from the GOA to build and modernize schools, which will be recognized as revenue over the life of the schools.

2022-2023 REVENUE (IN $ MILLIONS)

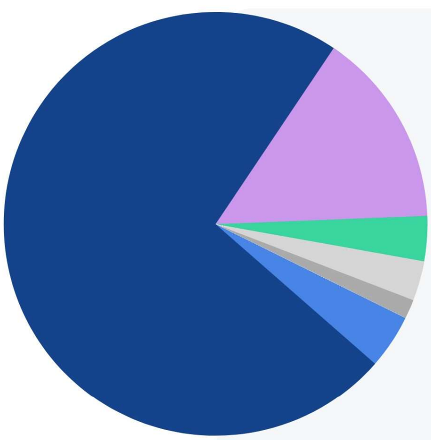


	$	%
GOA	1,176.7	94.6
FEES	28.5	2.3
SALES OF SERVICES AND PRODUCTS	15.7	1.3
DONATIONS AND OTHER CONTRIBUTIONS	9.5	0.8
OTHER (rental, investment, and other government income	13.4	1.0
	1,243.8	**100.0**

Total revenues exceeded expenses by $25.5 million (2.1%), resulting in an operating surplus.

The Division's total operating expenses for 2022-2023 were $1,218.3 million, a minimal variance when compared to the spring approved budget total of $1,219.1 million.

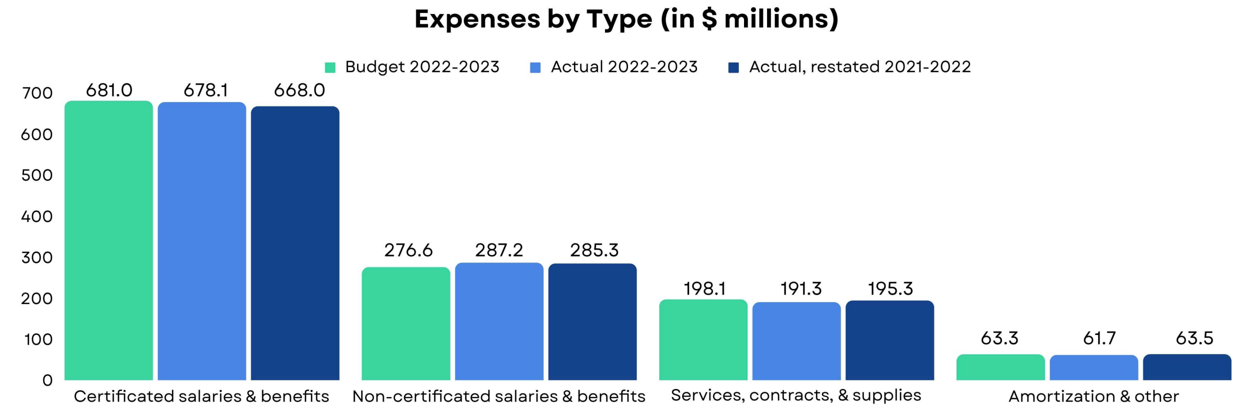
2022-2023 EXPENSES BY PROGRAM (IN $ MILLIONS)

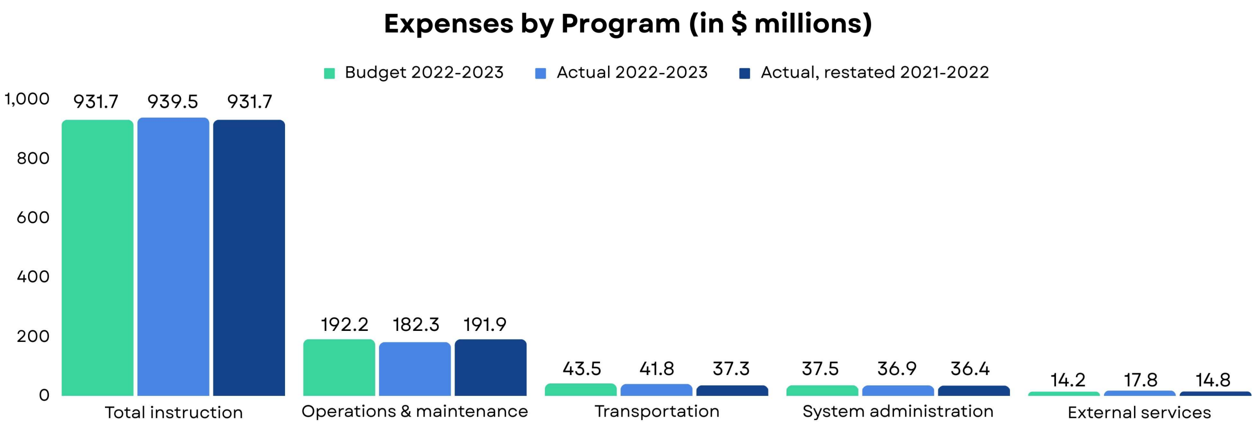


	$	%
INSTRUCTION - ECS	50.4	4.1
INSTRUCTION - GRADE 1 TO GRADE 12	889.1	73.0
OPERATIONS AND MAINTENANCE	182.3	15.0
TRANSPORTATION	41.8	3.4
SYSTEM ADMINISTRATION	36.9	3.0
EXTERNAL SERVICES	17.8	1.5
	1,218.3	**100.0**

Financial Highlights for the Year Ended August 31, 2023

The audited financial statements report expenses by type and program, as indicated in the graphs below.





Total expenses are comprised of: 79.2% staffing and 15.7% goods & services, with the remaining balance representing amortization and other.

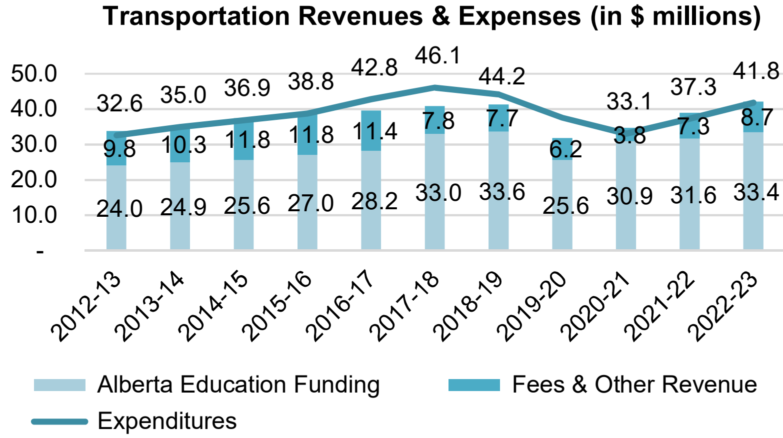
Average per student spending for 2022-2023 was $11,304 (2021-2022 - $11,858). This figure does not include gross receipts of School Generated Funds or the cost for External Services. Calculation is based on 2022-2023 actual enrolment of 104,522 full-time equivalent (FTE) students (2021-2022 – 100,032). For WMA enrolment details, refer to page 9.

Financial Highlights for the Year Ended August 31, 2023

The 2022-2023 transportation surplus was $0.3 million, a significant reduction from the last few school years that were affected by COVID-19. Surpluses held in transportation encompass the net effect of the Division's transportation costs, targeted grants and fees.

The approved use of prior year transportation surpluses ($1.6 million) was not required in the year. Although the Division returned to regular operations in 2022-2023, transportation expenditures were below budget, largely due to several planned routes being unable to be filled by carriers due to driver shortages.

- The Division incurred a transportation deficit of $2.9 million in 2018-2019 and $5.8 million in 2019-2020.
- Board approved surpluses carried forward in the Transportation program from prior years total $3.1 million.



The 2022-2023 gross receipts in School Generated Funds (SGF) were $23.2 million, compared to $26.7 million reported in the spring budget. This is more in line than in previous years when comparing actuals to budget as the Division continues to recover from the residual financial impacts of the pandemic.

Gross receipts in SGF is comprised of:

Type	Budget ($ millions)	Actual ($ millions)
Fees	$ 13.9	$ 12.1
Fundraising	2.2	1.5
Gifts and Donations	6.2	4.4
Other sales and services	4.4	5.2
Total	26.7	23.2

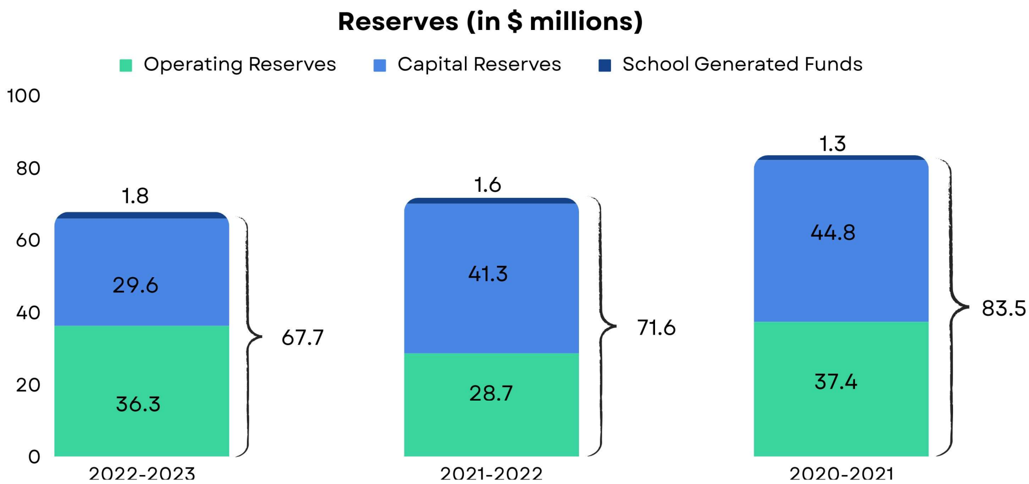
- Unexpended SGF at August 31, 2023, was $3.9 million, lower than the amount at the beginning of the school year of $4.6 million. This balance consists of:

  Deferred revenue - $1.2 million
  Unearned revenue - $0.9 million
  Accumulated surplus - $1.8 million

- Uses of SGF totaled $18.1 million and related primarily to extra-curricular activities and School Council funded activities and initiatives.
- Additional SGF expenses of $5.8 million related to direct costs of other sales and services and fundraising.

Financial Highlights for the Year Ended August 31, 2023

The Division's reserves represent the accumulation of surpluses, net of deficits since inception.



2022-2023 changes in accumulated surplus from the prior year include:

- Net increase in operating reserves of $7.8 million (includes an increase of $0.2 million in SGF)
- Net decrease in capital reserves by $11.7 million

The decrease in capital reserves of $11.7 million is attributed to:

- $21.4 million used to fund previous board approved capital projects including:
  - Growth Accommodation and Division Centre Program Establishment (includes modular and relocation projects), Westlawn Cluster replacement school in partnership with Alberta Education (Alex Janvier School), and the purchase of the Alberta College building (home of Centre High).
- $(0.7) million received for the sale of a parcel of surplus land at Keheewin School
- $(9.0) million from the operating reserve, a Board and Ministerial approved transfer of surplus

Introduced for the 2021-2022 school year the maximum operating reserve balance for the Division at August 31, 2023 must be below 3.15%. Operating reserves of $36.3 million (net of $1.8 million in SGF) as at August 31, 2023, represents 3.0% of annual operating expenses, 0.15% below the maximum threshold.

Consolidated Statement of Financial Position

The Consolidated Statement of Financial Position reports on the assets the Division owns or controls, liabilities that are owed by the Division, and the accumulated surplus that we may use for future operations.

Statement of Financial Position restated in a "traditional" balance sheet format:

Balance Sheet as at August 31, 2023 (In $ millions)	**2023**	**2022 (Restated)**	**Increase (Decrease)**
Assets:			
Cash and Cash Equivalents	113.6	153.6	(40.0)
Accounts Receivable	28.1	24.8	3.3
Capital Assets	1,440.3	1,383.7	56.6
Prepaid Expenses	7.0	6.5	0.5
Inventory of Supplies	4.8	4.1	0.7
Total Assets	**1,593.8**	1,572.7	21.1
Liabilities:			
Accounts Payable & Accrued Liabilities	51.0	74.8	(23.8)
Deferred Contributions	1,258.4	1,238.3	20.1
Employee Future Benefits	9.6	9.6	-
Asset Retirement Obligations	73.3	73.3	-
Debt: Debenture	9.0	9.7	(0.7)
	1,401.3	1,405.7	(4.4)
Accumulated Surplus:			
Opening Accumulated Surplus	167.0	166.9	0.1
Current Year's (Deficit) Surplus	25.5	0.1	25.4
Ending Accumulated Surplus	192.5	167.0	25.5
Total Liabilities and Accumulated Surplus	**1,593.8**	1,572.7	21.1

Accumulated Surplus Includes:			
School Generated Funds Reserves	1.8	1.6	0.2
Operating Reserves	36.3	28.7	7.6
Capital Reserves	29.6	41.3	(11.7)
Investment in our Board Assets	124.8	95.4	29.4
Total Accumulated Surplus	192.5	167.0	25.5

Consolidated Statement of Financial Position – Analysis

***NOTE**: Detailed definitions for each asset and liability category are found in Appendix I: Definitions (page 16).*

As reflected in the Consolidated Statement of Financial Position, the Division's Net Financial Debt position is $26.4 million. Included in this balance is an asset retirement obligation (ARO) liability of $73.3 million, reported as a result of the new Public Sector Accounting Standard (PS 3280 – Asset Retirement Obligations) effective for school years beginning on September 1, 2022.

In the absence of an upfront provincial funding commitment, the Division has recorded its ARO as an unsupported capital asset until funding is committed. Once remediated, the cost will be recorded against the ARO liability, reflecting the liability being settled.

in $ millions	2023	2022
Net Financial Debt (Unadjusted)	$ (26.4)	$ (22.0)
Remove: ARO Liability	73.3	73.3
Net Financial Asset (Adjusted)	46.9	51.3

By removing this line, we arrive at a net financial asset position of $46.9 million, indicating financial health. As at August 31, 2023, all remaining liabilities are covered using either cash or assets that can be quickly converted to cash, with an adequate healthy balance of assets remaining.

The Division's **cash and cash equivalents** balance is $113.6 million, compared to $153.6 million in the prior year. The Division redeemed its Guaranteed Investment Certificate (GIC) classified as a cash equivalent in September 2022 when the interest earned (3%) was lower than the overnight rate (3.82%). Overall, the reduction in cash and cash equivalents of $40 million can be attributed mostly to lower deferred Capital Maintenance Renewal (CMR) and Infrastructure Maintenance Renewal (IMR) balances at the end of the current year (i.e., higher cash outflows). As well, the timing of payments made resulted in a comparatively lower accounts payable balance (i.e., higher cash outflows) at the end of the year.

Accounts payable is lower by $23.8 million mostly due to less CMR and IMR capital projects at the end of the year, resulting in lower or no amounts payable to certain vendors. As well, when applying the three-year WMA, as set out in the funding manual, actual enrolment was higher than projected, resulting in no liability being recorded in accounts payable. In 2021-2022, accounts payable included a liability of $10.6 million as a result of lower than projected enrolment from the COVID-19 pandemic. Refer to page 9 for current year WMA enrolment details.

The **unspent deferred contributions** balance has been reduced by $7.9 million. Unspent deferred contributions include operational and capital funding received that remains unspent by the end of the year. Included in this balance are unspent funds received under the CMR and IMR initiatives as well as operational funding received by the province for curriculum implementation which must be spent prior to the end of the 2023-2024 school year. The reduced overall balance is mainly due to an increase in CMR and IMR project spending and a reduction in overall funds received.

Unspent Funds (in $ millions)	CMR	IMR	Other
Opening balance	$1.1	$12.7	$19.3
Received/receivable	9.5	13.8	28.8
Spent	(10.6)	(25.5)	(23.9)
Closing balance	**0.0**	**1.0**	**24.2**

In the fall of 2012, the Division committed to a $15 million **debenture** through the Alberta Loans to Local Authorities Office (formerly the Alberta Capital Finance Authority), primarily to improve energy efficiency in our schools (Ameresco). The decrease in this balance is due to the payment of principal in the year. The debenture is set to mature in 2033 and incurs an interest rate of 3.06% per annum. In 2020-2021, Administration reviewed an early buyout settlement. However, the combined early payout penalty and lost interest income resulted in no cost savings for the Division.

Consolidated Statement of Financial Position – Analysis

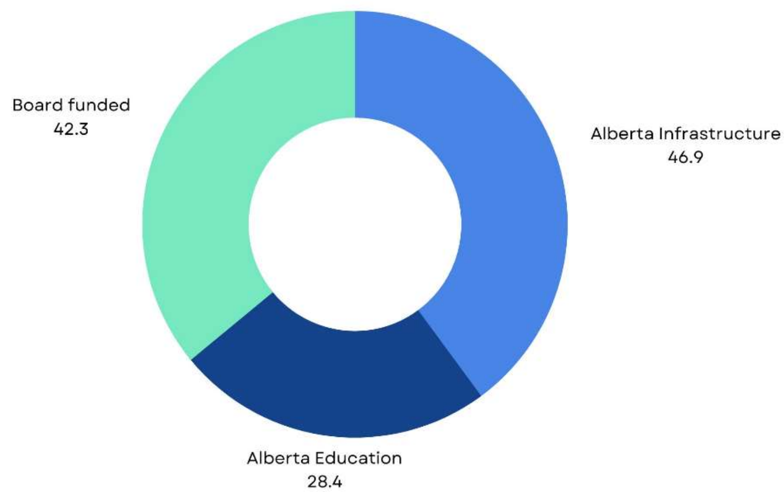
Total **tangible capital assets** (TCA) of $1.4 billion increased by $56.6 million, consisting of $115.8 million ($117.6 million in current year additions, net of $1.8 million in disposals), net of accumulated amortization of $59.2 million.

Additions to TCA consist of:

$75.3 million in fully supported construction in progress and building costs (funded by Alberta Infrastructure and Alberta Education), net of $1.6 million in disposals. This includes:

- Design and Construction of three new schools (managed by Alberta Infrastructure)
- Various modular projects
- Various Capital IMR Projects
- Various CMR Projects

TCA ADDITIONS FUNDING (IN $ MILLIONS)



$42.3 million in Board-funded capital purchases (including the use of the Division's capital reserves), net of $0.2 million in disposals. This includes:

- $5.1 million in capital projects and purchases using school budgets (includes Chromebooks and carts, various equipment, minor renovations, etc.)
- $15.2 million for various capital projects (including $4.3 million of Growth Accommodation funded by the operating reserve)
- $22 million for the purchase of the Alberta College Building

The Division's **spent deferred capital contributions** (SDCC) balance of $1.2 billion consists of the spent portion of capital contributions. The increase in this balance is made up of $75.3 million spent on supported capital, as noted above, and transferred to SDCC for various provincially funded capital projects. This is offset by $47.3 million in revenue recognized as amortization of the associated capital.

Finally, as at August 31, 2023, the Division has a total **accumulated surplus** of $192.5 million (2022 restated – $167 million). This is comprised of:

- $38.1 million in Operating Reserves (includes $1.8 million restricted for SGF). The current year operating surplus of $25.5 million and the net effect of the capital related items of $17.7 million resulted in a $7.8 million increase to the operating reserves balance.

- $29.6 million in Capital Reserves (see Financial Highlights, page 5 for details).

- $124.8 million in Investment in Tangible Capital Assets – the net book value of the accumulated assets purchased by the Board less any unpaid debt used to pay for these assets.

Consolidated Statement of Operations

The Consolidated Statement of Operations reports on revenues, expenses and the financial results of operations for the fiscal year. This statement includes budget figures, current year and prior year results. Revenues and expenses also include non-cash items, such as the amortization of SDCC associated with the corresponding amortization of supported TCA.

NOTE: Public Sector Accounting Standards requires that the budget figures used on this statement reflect the Division's original budget submission (approved in the spring), which relies on projected enrolment. The budget was based on enrolment of 101,010 WMA funded students, while actual enrolment was 101,944 students, for an increase of 1%.

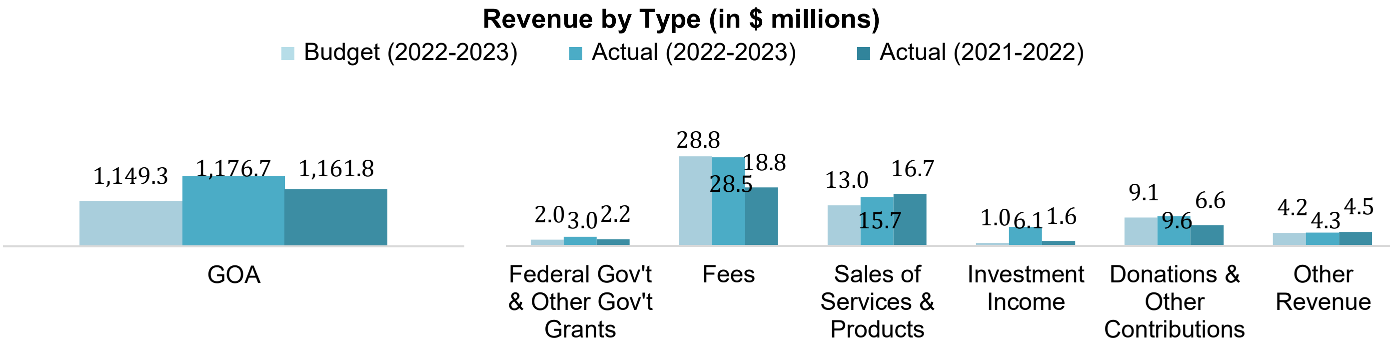
Year	FTE (Budget)	FTE (Actual)
2020-2021	98,287.50	98,367.50
2021-2022	100,066.00	100,031.50
2022-2023	102,701.50	104,521.00
WMA FTE Enrolment	**101,010.10**	**101,943.50**

Statement of Operations – updated to show variances

Statement of Operations (in $ millions)	Actual 2023	Budget (Spring) 2022-23	Actual 2022 (Restated)	Actual 2023 vs Spring Budget	%	Actual 2023 vs Actual 2022	%
Revenues	A	B	C	D = A - B	E = D/B	F = A - C	G = F/C
Government of Alberta	1,176.67	1,149.34	1,161.78	27.33	2.4%	14.89	1.3%
Federal Government and Other Government Grants	2.96	2.03	2.15	0.93	45.8%	0.81	37.7%
	1,179.63	1,151.37	1,163.93	28.26	2.5%	15.70	1.3%
Fees	28.52	28.75	18.77	(0.23)	-0.8%	9.75	51.9%
Sales of Services and Products	15.68	13.00	16.73	2.68	20.6%	(1.05)	-6.3%
Investment Income	6.12	1.00	1.60	5.12	512.0%	4.52	282.5%
Donations and Other Contributions	9.55	9.08	6.61	0.47	5.2%	2.94	44.5%
Other Revenue	4.33	4.16	4.53	0.17	4.1%	(0.20)	-4.4%
	13.88	13.24	11.14	0.64	4.8%	2.74	24.6%
	64.20	55.99	48.24	8.21	14.7%	15.96	33.1%
Total Revenue	**1,243.83**	**1,207.36**	**1,212.17**	**36.47**	**3.0%**	**31.66**	**2.6%**
Expenses							
Instruction - ECS	50.35	40.46	50.64	9.89	24.4%	(0.29)	-0.6%
Instruction - Grade 1 to Grade 12	889.14	891.24	881.08	(2.10)	-0.2%	8.06	0.9%
Operations and Maintenance	182.32	192.15	191.85	(9.83)	-5.1%	(9.53)	-5.0%
Transportation	41.84	43.55	37.34	(1.71)	-3.9%	4.50	12.1%
System Administration	36.87	37.51	36.40	(0.64)	-1.7%	0.47	1.3%
External Services	17.80	14.15	14.80	3.65	25.8%	3.00	20.3%
Total Expenses	**1,218.32**	**1,219.06**	**1,212.11**	**(0.74)**	**-0.1%**	**6.21**	**0.5%**
Operating (Deficit) Surplus	**25.51**	**(11.70)**	**0.06**				

Consolidated Statement of Operations – Revenue Variances

The Division's 2022-2023 spring budget was based upon projected enrolment, while funding is based on September 30 enrolment numbers and adjusted for at year end. Total revenue was $36.5 million (3.0%) higher than budget and $31.7 million (2.6%) higher than the prior year.



For the 2022-2023 year, a few highlights to note:

- The base instruction grant received was higher by $7.2 million, related to the WMA adjustment as enrolment was higher than projected.

- Additional one-time grant funding of $17.2 million, announced subsequent to the spring budget, was received from the GOA, consisting of:

  - Teacher Salary Settlement Grant ($9.6 million)
  - Supplemental Enrolment Growth Funding ($3.7 million)
  - Support for Ukrainian Students Funding ($1.8 million)
  - Provincial Lease Support ($2.1 million)

- SGF fees for offsetting expenses, along with transit and bus pass sales all returned to amounts similar to years prior to the pandemic as the Division returned to a full year of regular operations.

As a result of these events:

- Total revenue from GOA and Federal Government and First Nations was $28.3 million (2.5%) higher than budget and $15.7 million (1.4%) higher than the prior year.

- Fees were $0.2 million (0.8%) lower than budget and $9.8 million (51.9%) higher than the prior year.

- Sales of Services and Products were $2.7 million (20.6%) higher than budget and $1.1 million (6.3%) lower than the prior year. This revenue category represents optional purchases made in schools, including clothing, food, optional supply purchases, yearbooks, pictures, etc. Sales fluctuate based on demand, preferences, and economic factors.

Consolidated Statement of Operations – Revenue Variances

- Investment Income was $5.1 million (512.1%) higher than budget and $4.5 million (282.6%) higher than the prior year. Budgeted interest rates were very conservative as the significant increase to interest rates were not anticipated.

- Donations and Other Contributions were $0.5 million (5.1%) higher than budget and $2.9 million (44.3%) higher than the prior year.

Consolidated Statement of Operations – Expense Variances

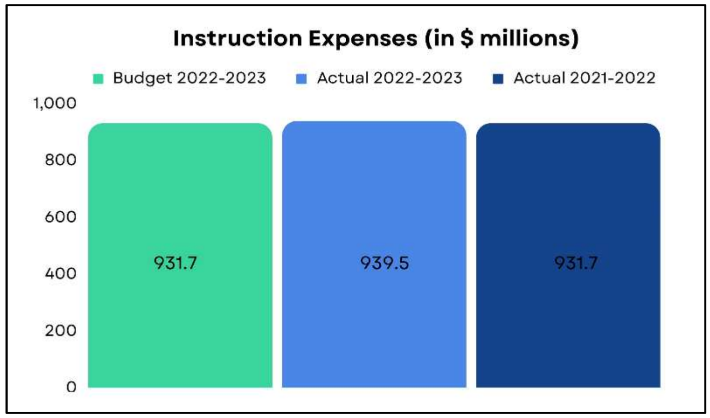
The Division's 2022-2023 total expenses were $0.7 million (0.1%) lower than budget and $6.2 million (0.5%) higher than the prior year.

Six programs are identified in the Statement of Operations, detailed below.

NOTE: Program definitions are summarized from Alberta Education's Guidelines for the Preparation of School Jurisdiction Audited Financial Statements for the Year Ended August 31, 2023.

Instruction

The Instruction Program includes all costs related to classroom and online learning including but not limited to: teaching staff, support staff in classrooms or school administration, services, supplies, and furnishings and equipment. All academic, vocational and technical courses, along with organized instructional activities are included in this definition. This program consists of two blocks:

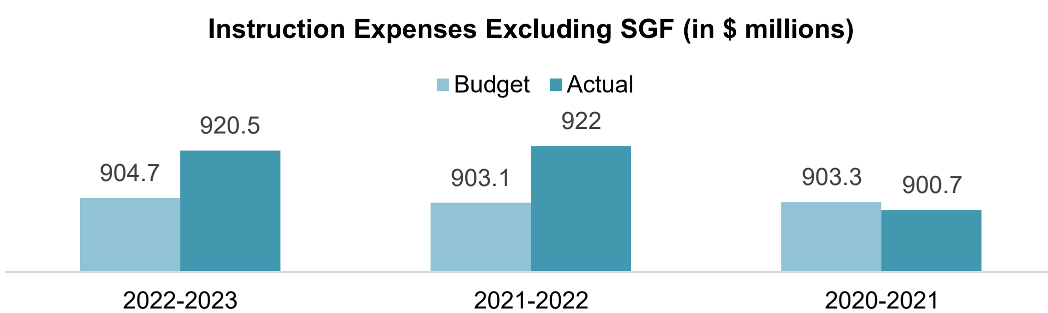


- **Early Childhood Education (ECS) -** includes the above instruction costs directly in relation to ECS students. This program was $9.9 million (24.4%) higher than budget, and $0.3 million (0.6%) lower than the prior year.

- **Grade 1 to Grade 12 -** Includes the above instruction costs directly in relation to students in Kindergarten to Grade 12. This program was $2.1 million (0.2%) lower than budget, and $8.1 million (0.9%) higher than the prior year.

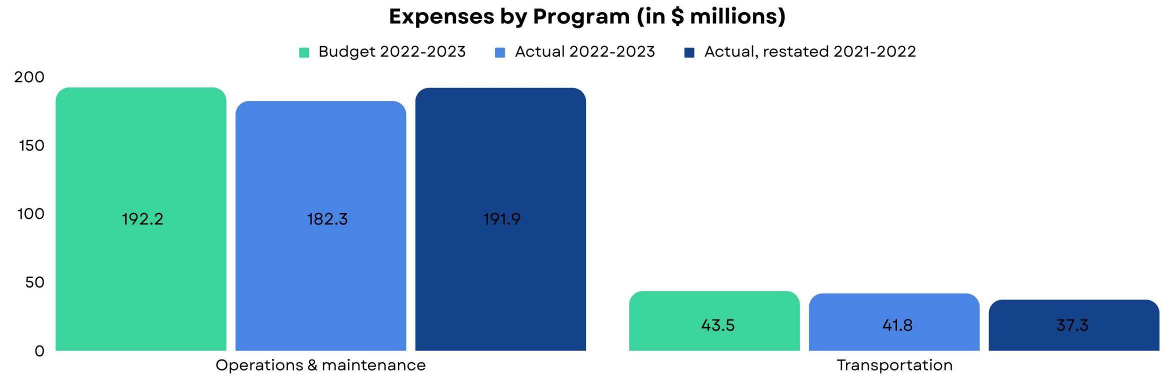
The variance to Instruction, as a whole (including SGF), was $7.8 million (0.8%) higher than budget, and $7.8 million (0.8%) higher than the prior year.

As mentioned on page 4, actual SGF expenditures were more in line with budget this year as the Division continues to recover from the financial impacts of COVID-19. Once SGF expenses are excluded, the instruction variance for the year is increased to $15.7 million (1.7%) higher than budget and $1.6 million (0.0%) higher than the previous year.



Consolidated Statement of Operations – Expense Variances

As discussed previously, several grants were announced subsequent to the spring budget resulting in additional funds allocated to the Instruction Program. Although expenses were higher than budgeted, a shortage of Educational Assistants resulted in several vacant positions at schools and an operational surplus in this program.



Operations and Maintenance (O&M)

O&M consist of activities that relate to the Division's responsibility for the construction, operation, maintenance, safety and security of all school buildings, including costs related to the supervision of these activities.

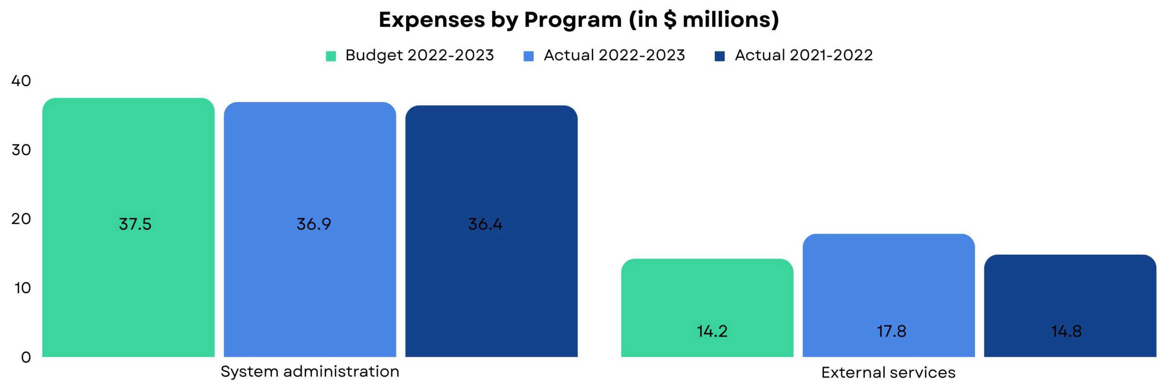
- This program was $9.8 million (5.1%) lower than budget, and $9.5 million (5%) lower than the prior year.
- Overall more IMR projects were capitalized than budgeted resulting in lower operational expenses in the program.
- There were fewer ongoing projects under the Infrastructure Investment Framework, as well as fewer IMR expense projects. This would include various maintenance projects including interior painting, repair or replacement of flooring, etc.

Transportation

Transportation consists of activities related to the transportation of students to, from, and between schools and boarding of eligible students away from home.

- This program was $1.7 million (3.9%) lower than budget, and $4.5 million (12%) higher than the prior year.
- As noted on page 10, the Division saw increased transit and bus pass sales from a transition to regular operations.
- Budgeted costs included several planned routes that were not able to be filled due to driver shortages.

Consolidated Statement of Operations – Expense Variances



System Administration (SA)

SA comprises all administrative costs related to the operations of the Division including the responsibilities of the Boards of Trustees, Superintendent, Corporate Secretary-Treasurers and their respective staffs. Supplies and amortization of administrative equipment and facilities related to these administrative groups are also included in this program.

- This program was $0.6 million (1.7%) lower than budget, and $0.5 million (1.3%) higher than the prior year.
- As per the funding manual, SA is a targeted and dedicated allocation
- Management regularly reviews the allocation of expenditures based on changing roles and responsibilities to ensure an accurate representation of these costs.
- The surplus for the year of $2.8 million will be added to the internally restricted SA reserve.

External Services

External services include services offered outside the Division's regular educational programs for ECS children and students in grades 1 to 12 who are served by the Division. Activities such as adult education, family school liaison programs and those of a cultural and recreational nature are included in this program.

- This program was $3.6 million (25.8%) higher than budget, and $3 million (20.3%) higher than the prior year.

Other Statements and Schedules Included in the Audited Financial Statements

Consolidated Statement of Cash Flows

- Identifies where cash came from and where it was used. It highlights operating, capital, investing and financing transactions that impacted the Division's cash.

Consolidated Statement of Change in Net Financial Assets

- Presents information to understand the changes in financial assets and liabilities. This statement shows the impact on net debt due to operational results via the operating surplus and changes in tangible capital assets, prepaid expenditures, other non-financial assets, endowments and re-measurement gains and losses.

Consolidated Statement of Remeasurement Gains and Losses

- Provides the changes in value of financial assets and liabilities due to the re-measurement of their value to current exchange rates or fair value. This statement may indicate financial risk in an investment. Since Edmonton Public Schools does not hold investments with any risk, this statement is not used.

Consolidated Schedule of Changes in Net Assets

- Provides summarized information about the Division's activities that resulted in increases or decreases to each component of accumulated surplus. This statement, required by Public Sector Accounting Standards is not particularly user-friendly to the lay person.

Consolidated Schedule of Deferred Contributions

- Provides information on the receipt, transfer, and use of funds for each type of deferred contribution: deferred operating contributions, unspent deferred capital contributions, and spent deferred capital contributions provided to the Division.

Consolidated Schedule of Program Operations

- Provides a summary of revenue allocated to programs by type and expenditures by type for each program area. This information provides supplementary information to the Statement of Operations.

Appendix I: Definitions

Accounts Receivable are funds owing to the Division**.**

Accounts Payable includes amounts for which goods and services were received by the Division but not yet paid.

Debt represents funds borrowed by the Division for capital purposes.

Employee Future Benefit Liabilities represent future financial obligations to employees, such as retirement allowances and sick leave.

Financial assets are comprised of cash or items that will eventually be turned into cash to discharge the Division's liabilities or provide resources for future programs and services.

Liabilities are comprised of amounts owed by the Division.

Net Assets (Accumulated Surplus) – the financial resources that are available to the Division to provide future services to students.

Net Financial Assets represents the financial resources available to the Division after paying our liabilities.

Non-financial assets represent assets that are used in the operation of the Division for the provision of services and are not readily converted to cash resources.

Spent Deferred Capital Contributions (SDCC) typically represent school buildings funded by the Province for which the Division has a service obligation to use for educational purposes. SDCC is amortized at the same rate as the related building over the course of the building's economic life. Even though the money has been spent on building the asset, the Government-funded school building must be used for its intended purpose (educating children) over its useful life. Therefore, it should be treated as a liability and recognized as it is depreciated (i.e., as it is used to educate children).

Tangible Capital Assets is the cost of assets less accumulated amortization (depreciation) of assets. This represents the assets' net book value. Tangible capital assets may be supported (funded by the GOA) or unsupported (funded from reserves, targeted donations or unspent general revenues).

Unspent Deferred Capital Contributions (UDCC) represents funds received for capital purposes which have yet to be expended. Once the funds have been spent, the associated obligation is classified as SDCC.

Unspent Deferred Contributions includes grants and donations received for a specific purpose. These represent obligations that the Division has for resources it has been provided. The most common deferred contributions the Division receives is for operational grants and donations. For example, Infrastructure Maintenance and Renewal (IMR) grants must be spent on school maintenance and repair. Unspent deferred contributions may also be capital in nature. Capital expenditures have a service life of multiple years, such as buildings, equipment, and motor vehicles. Externally restricted capital funds are classified as either Unspent Deferred Capital Contributions or Spent Deferred Capital Contributions.
The accounting definitions and descriptions used in this document were taken or adapted from ASBOA's "*A Guide to Reading School Jurisdiction Financial Statements (revised 2014)"*.

Weighted Moving Average (WMA) calculates average enrolment based on weighted proportions for past, present and future school year enrolment.