



Budget Assumptions Report Speaking Notes

The following notes were used by Chief Superintendent of Schools David Stevenson to introduce the 2018-19 Budget Assumptions Report to the Board of Trustees on April 10, 2018.

Chair Hurdman and Trustees,

Today I am presenting for the Board of Trustees' information the Budget Assumptions Report for the 2018-19 school year.

The Budget Assumptions Report or BAR is a high-level summary of the significant assumptions that my team and I plan to build into the CBE's 2018-19 budget.

Although the BAR is a high-level summary of significant assumptions, it is based on the programs and services currently being delivered. Any addition or reduction assumptions are made from the current years' levels of programming as set out in the 2017-18 Budget Report and subsequent reports to the Board of Trustees.

The purpose behind presenting the BAR is to ensure that you, the public, the CBE's many stakeholders, and CBE staff have information on what the budget will look like for the coming year.

Presentation of the BAR to you also provides you with an opportunity to provide me with additional direction should you so choose for incorporation into the budget due to you in May.

From my perspective, this BAR foreshadows a relatively good news CBE budget for 2018-19. As you are all aware the provincial government has shown significant support for public education through challenging economic times. They have done this by funding enrolment growth, maintaining funding rates and ensuring that public education funding is stable and predictable. Those efforts are appreciated.

For the 2018-19 school year this BAR foresees the CBE continuing to provide a high-quality, comprehensive, responsive, caring, inclusive public education to students. To that end, the resources allocated directly to schools will be increased by approximately \$20 million dollars.

While an even greater investment would be ideal the BAR highlights the fact that costs associated with providing the public education that you and parents expect

continues to increase. From inflation, to salary grid movement, to operating 24 new schools the CBE is challenged to cover all costs within the available resources.

To achieve balance while being prudent stewards of public funding I am proposing that the budget will:

- Increase funding flowing directly to schools through our resource allocation method (the RAM) by \$19.8 million. That is a 2.4% average increase. More funding directly to schools is clearly the number one comment received from our stakeholders through our budget input site.
- Reduce funding to service unit discretionary budgets by approximately \$15.0 million. That represents reduction of between three and 10 percent. These proposed reductions will have an impact on our system. At a minimum these reductions will reduce our overall system flexibility and capacity to respond to unanticipated events.
- Draw upon board funded non-facility capital in the amount of \$3.5 million. I believe that this is reasonable and sustainable and will help to support a student-centred focus on teaching and learning.
- Seek approval to access up to \$2.5 million in available for use operating reserves. While this funding is one-time in nature it will provide a much needed buffer to the system as we address the planned \$17.0 million deficit for 2017-18 and the elimination of the Classroom Improvement Funding that was provided for the current school year.

Taken together, I believe that these measures will ensure that the budget to be presented for your approval in May will:

- Minimize the impact to Kindergarten to Grade 12 students and school based staff
- Allow the CBE to maintain student results;
- Align CBE operations with your policy guidance;
- Align teaching and learning with accepted, evidence informed, pedagogical research;
- Balance pedagogical needs with community expectations;
- Maximize efficiency in program delivery; and
- Ensure CBE programs and services continue to move towards long-term sustainability.

Said more simply, this BAR charts a path that aligns with the CBE's values of:

- students come first;
- learning is our central purpose; and
- public education serves the common good.

I am happy to take your questions.