



Impacts of the 2019-20 Provincial Budget

Nov. 5, 2019

learning | [as unique](#) | as every student



Calgary Board
of Education



Impact of CBE's Spring Budget

- Did not hire approximately 220 school-based staff necessary to maintain programs, services and supports.
 - Average class size increase of one student per classroom (in our 7,000 classrooms).
- Cut \$3 million from service units.
- Drew down our reserves.



Impact of Oct. 24 Provincial Budget

- Does not maintain funding levels.
 - Base funding received for each student enrolled.
 - But other grants that support learning eliminated.
- Minimum reduction of \$32 million, even with increased enrolment of 2,386 more students.



Grant Funding Cuts = \$85 million

Class Size Funding	\$54.0 million
Classroom Improvement Fund	\$13.2 million
An Act to Reduce School Fees	\$18.2 million



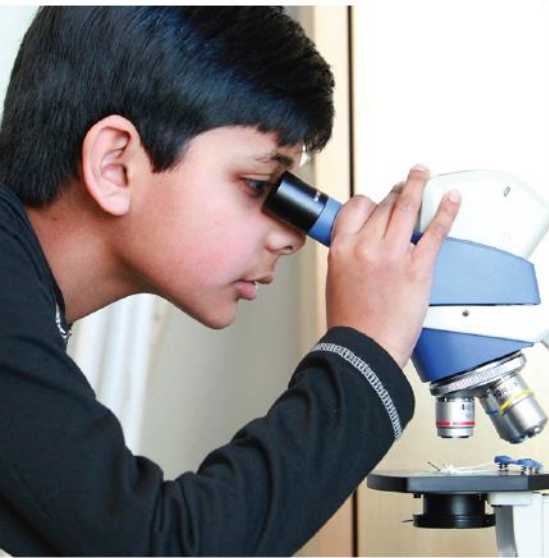
Grant replacements reduces overall funding

- \$85 million in grants cut.
- Replaced by:
 - \$24 million one-time transition grant
 - \$29 million in enrolment growth funding and other slight changes
- **Net cut = at least \$32 million**



Mid-year cuts are challenging

- Must find \$48+ million in cuts to realize the \$32 million gap over the remainder of the school year.
- Staffing reductions must go deeper to generate any savings.



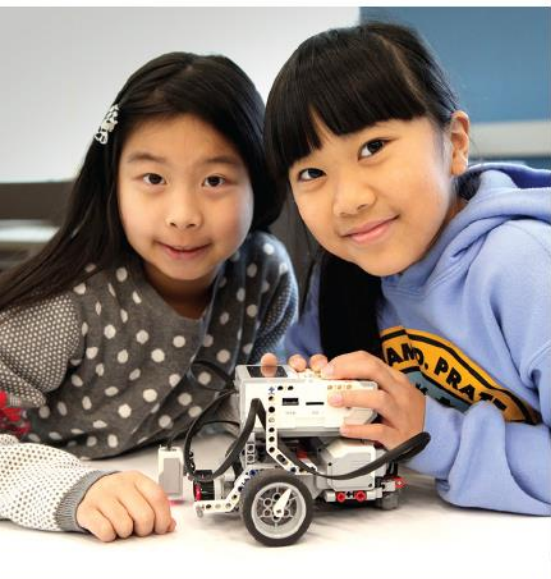
Using all reserves to fund gap is not an option

- Reserve balances are very low:
 - Balances are well below the minimum threshold recommended by Alberta Education.
- CBE must maintain its modest reserves:
 - Capital reserves used for new schools (furniture, materials, etc.).
 - Prohibited from running a deficit.



Education Centre Lease

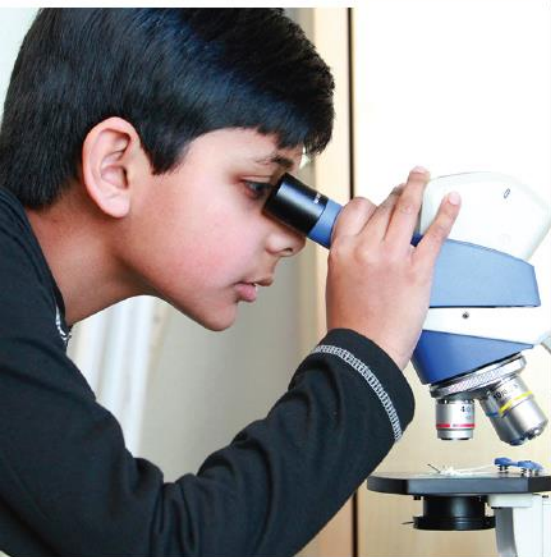
- Contractual commitment within the terms of the lease to 2031.
 - No legal option to escape the terms of the lease.
 - Must make lease payments as outlined in the lease agreement (eg. rates, terms and inflation).
 - Lease costs increase 2.5 per cent each year.
 - CBE retains commitment to pay lease costs, even if it relocates prior to 2031.



Ways to address the funding gap

Everything is on the table in both the short and long term:

- Class size increases
- Layoffs
- Fee increases
- Program adjustments
- Service reduction
- Efficiency in operations



Next steps

- Spending freeze effective immediately.
- Working with principals, other leaders to understand impact and make decisions.
- Required to submit a budget to the province by the end of November.