

## BUDGET UPDATE

At the April 9<sup>th</sup> meeting of the Board of Education, preliminary budget figures were presented by Superintendent Tom Grant, on behalf of the District Leadership Team.

In his presentation, Mr. Grant noted that SD 43 continues to be an exemplary district, with high rates of achievement in school completion, provincial exams and student achievement, a wide array of programs, talented staff and strong partnerships.

Throughout the budget development process, via consultation and the Thoughtstream process, clear themes emerged, which focused on the value of maintaining current class sizes, offering diverse options and maintaining the quality of education services.

The Board is facing significant budget challenges, both in completing the current year and in looking ahead to the 2013/14 year. Some of the major factors in the deficit include:

- student enrolment decline
- an over-projection of more than 220 students for the last school year
- over-projection of revenues
- higher than anticipated employee benefit increases, pension plan and retirement benefit increases
- cost increases in supplies and service
- the growing costs of providing high-quality services that we have become accustomed to in our district
- a probable deficit carry forward from the current year.

The Board is dealing with an \$8 million over-run in the current 2012/13 year, and estimates that it will face a budget shortfall for 2013/14 of \$12.2 million.

While cost recovery measures and debt repayment plans are being worked on for the current year, it is clear that the amount of recovery needed for this year and next cannot be accomplished without reducing staffing levels. The process of identifying these positions is currently underway. It is a difficult process, and one that no district enjoys.

SD43 remains committed to student success, and maintaining its local and global reputation of being an exemplary district.

For more information on the budget presentation, please view the PowerPoint document at [www.sd43.bc.ca](http://www.sd43.bc.ca)

Going forward, the District Leadership Team and Board are committed to a higher degree of scrutiny over cost pressures and budget accountability, and the necessity to factor in contingencies.