

BUDGET 2021-2022 SUMMARY

BACKGROUND

All Boards of Education in British Columbia are required to adopt a balanced operating budget by June 30th of each year. Boards that experience a budget shortfall may address this through a combination of:

- using existing accumulated surplus (cash reserves) if available
- reducing service and/or supply budgets
- reducing staffing

THE CHALLENGE

The district’s 2021/2022 operating budget projections have been negatively impacted by the pandemic in a number of ways:

- Revenue is down significantly due to the enrolment decline in both the regular program and in the International Education program
- There are additional costs associated with pandemic-related educational programs
- There have been a number of extra costs due to additional health and safety requirements

In addition, the provincial education budget for 2021/2022 did not include funding to address COVID-19 recovery or health and safety measures. **This has resulted in a \$7.2 million shortfall for 2021/2022.**

BALANCING THE BUDGET

In developing the 2021/2022 annual budget, the district has been guided by the priorities identified in the board’s 2020 - 2025 Strategic Plan. The district has attempted to keep reductions as far away from the classroom as possible, while minimizing the direct impact on employees. As such, the district has proposed a \$1.7 million reduction to the services and supplies budget, as well as the utilization of \$3.2 million from the accumulated surplus. **This still leaves an approximately \$3 million shortfall that must be addressed through staffing reductions.**

The district has considered all feedback received from stakeholders and has made a determined effort to achieve fair and equitable reductions across all employee groups on a proportional basis. The district first looked to lessen the impact on employee staffing reductions by reviewing vacant positions, and the expiration of contract positions where possible.

Employee Group	Total Number of Employees	% of Total District Employees	Proposed Reduction	Proposed % of Overall FTE Reduction	Proposed % of FTE Reduction by Employee Group
Teachers	1385	58.5%	17.4 FTE	51.3%	1.2%
Support Staff	824	34.8%	13 FTE	38.3%	1.6%
Exempt (non-unionized)	158	6.7%	3.5 FTE	10.3%	2.2%

The district is proposing a total staff reduction of 33.9 FTE with a total cost savings of \$3,039,000 in order to balance the budget. The final column in the chart above demonstrates the proposed per cent reduction to each of the three employee groups.

It is important to note that these are proposals and no decisions have been made at this time. The Board of Education continues to review information and receive feedback from employees, stakeholders, and the public. No decisions will be made until the public meeting of the Board of Education on May 26, 2021.