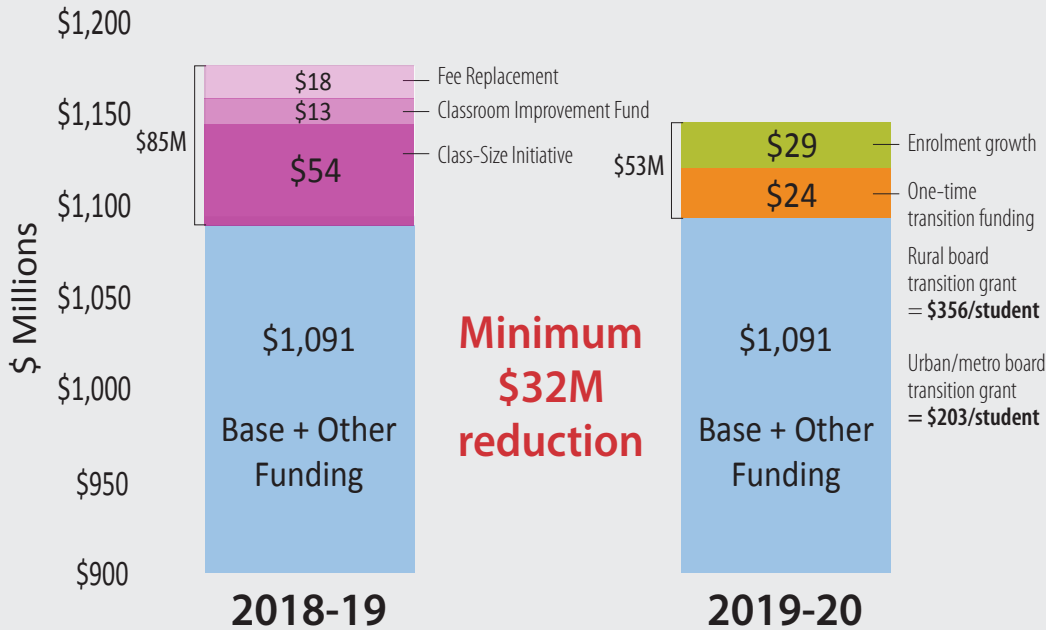




Key Information about the CBE's 2019-20 Budget

Year-over-year Comparison



Why does the CBE need to cut \$32M in 2019-20?

The CBE submitted a budget to the province in June that assumed funding would be maintained at 2018-19 levels.

The Oct. 24 provincial budget cut funding to the CBE by \$32M compared to the 2018-19 school year.

Funding has not kept pace with growth and inflation for many years

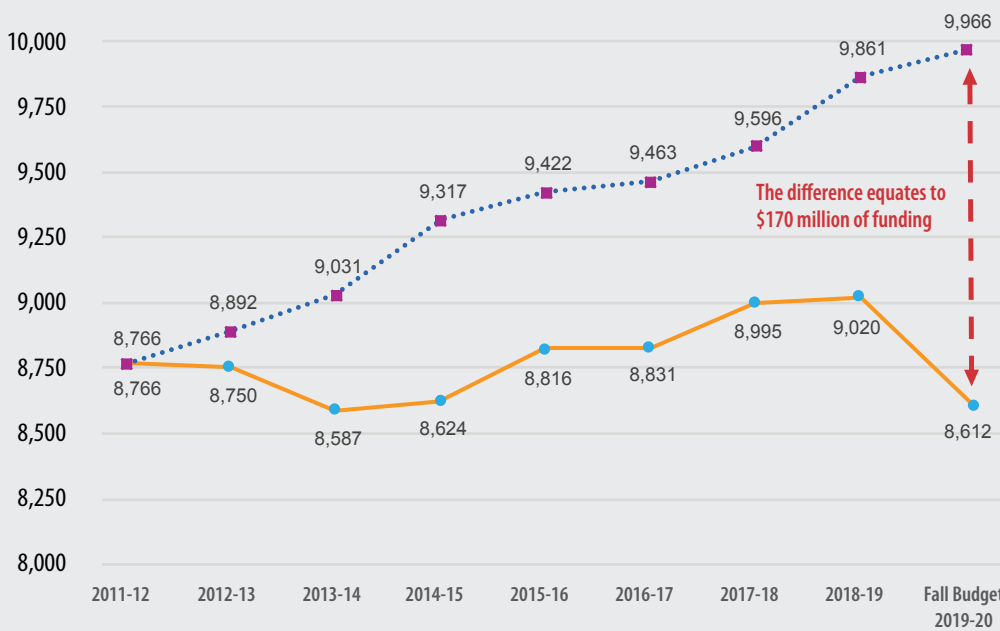
The CBE welcomed 2,400 more students this September.

An overall funding cut of 2 per cent plus an enrolment increase of 2 per cent equals an effective 4 per cent cut without taking into account increasing costs such as inflation.

In our spring budget, we planned for a \$40 million in reduction to our budget, because we expected flat funding that would need to be allocated across an increased number of students.

This means we did not allocate \$22 million to schools to account for enrolment growth. Other cost-saving measures included cuts to non-school based staff and services and using our reserves.

Funding per student compared to inflation-adjusted funding*



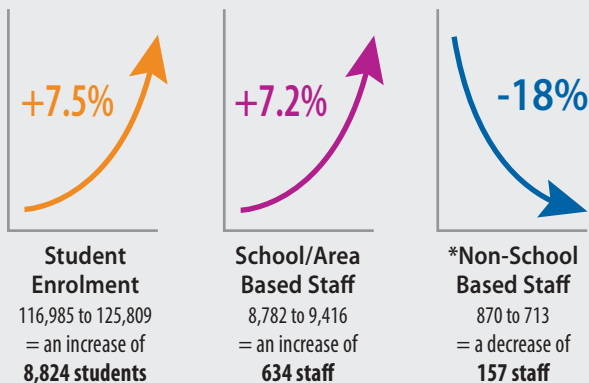
*Consistent with information presented previously, Infrastructure Maintenance & Renewal (IMR), Alberta Teacher's Retirement Fund, transportation grants and expended deferred capital revenues (EDCR) have been excluded from the total funding received as these are targeted grants, which do not fund regular operations. For 2019-20, the CBE will repurpose the ministerial approved \$15 million from IMR funding to support the funding gap projected.

To reflect the repurposing of the grant, funding per student would be \$8,692.



Key Information about the CBE's 2019-20 Budget

Non-School Based Staff Reduction Over Past 5 years (since 2015-16)



* Non-school based staff includes people such as: psychologists, payroll clerks, occupational therapists, IT and finance professionals.

Can't you just cut administration?

We have. For many years, the CBE has protected classrooms and frontline teachers by reducing non-school based spending. For schools, this means there are fewer supports, and schools must take on a greater share of the administrative burden. This takes away from time that could be better directed toward teaching and learning.

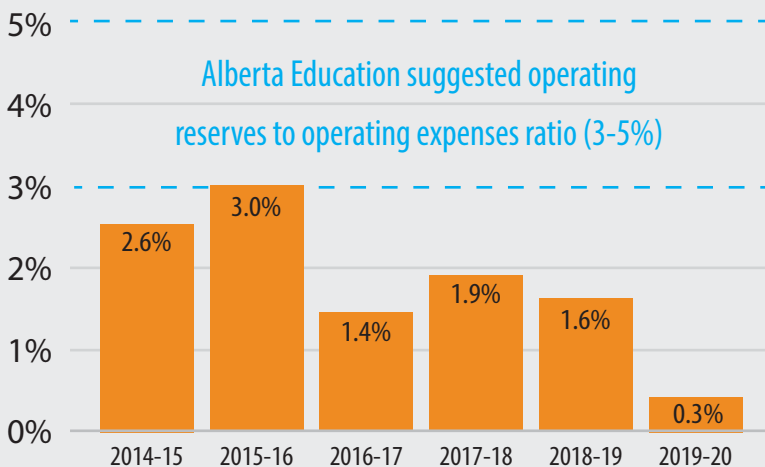
Our board spends about \$48 million per year on central administration. This is about 3.6 per cent of all spending, and meets the cap set by Alberta Education. Many administrative expenses cannot be changed. Non-discretionary costs such as insurance and utilities are held in administrative budgets. We must continue to support schools and students through central administrative functions such as HR, IT, finance, facility operations and communication.

Can the CBE use reserves to cover the shortfall?

We are planning on using \$10 million of operating reserves to balance this year's budget. This will only leave \$4 million in unallocated reserves at the end of the year. We use reserves to cover necessary expenses for which we are not funded. These expenses can include items such as:

- Funding for refugee students who arrive after Sept. 30
- Upgrading our school wireless system to improve access to students
- Supporting all-day kindergarten programs for students in need
- Outfitting new schools with furnishings, equipment and learning materials required to meet modern Programs of Study.

Operating Reserves



Why don't you cancel your Education Centre lease?

We are contractually obligated to make lease payments until 2031. This lease was signed by a previous administration and Board of Trustees at a time when rents were rising exponentially, and we were not permitted to buy or build our own space. The lease arrangement was approved by the provincial government at the time.

Despite ongoing efforts to find alternatives, none are viable. In the meantime, we are diligently managing other administrative costs to minimize the impact of the lease on teaching and learning in the classroom.