

news release

CBE Board of Trustees approves use of operating reserves to help balance the 2014-15 budget

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The Board of Trustees has approved the use of all of its operating reserve funds to help balance the 2014-15 operating budget. This still leaves the Calgary Board of Education with a funding gap of \$7 million which will need to be addressed by other budget adjustments.

At the same meeting, the Board of Trustees also provided CBE administration with comments on the Budget Assumptions Report, which identified the values and directions which will now be applied to make the difficult budget decisions about fees, compensation, program delivery and levels of service.

“The Board had to make a very difficult decision to use all of its operating reserves to help balance the budget this year,” said Sheila Taylor, chair of the Board.

The direction from the Alberta government has been for school boards to use up their reserve funds. As of Aug. 31, 2014, the CBE anticipates having \$20.3 million in “available for use” operating reserves which will now be applied to the 2014-2015 budget.

“Because we are facing a funding gap for the fourth year in a row, the Board had few other options to support student success while balancing the budget,” Taylor said following the Board meeting Tuesday.

In its budget March 6, the Province increased funding by three per cent to address enrolment growth, but other rising costs were not covered. This includes operating expenses due to inflation, rising insurance and utility costs, the movement of staff covered by collective agreements through salary grids and other costs. This results in a decline in per student funding for the fourth consecutive year, and a funding gap of \$27.7 million between provincial funding and CBE expenses in 2014-15.

Naomi Johnson, chief superintendent of schools, said that after years of similar funding gaps, “we must choose, not between needs and wants, but between needs and needs. It is about making difficult choices.” Administration had recommended that after successive years of budget cuts, operating reserves should now be used to moderate the impact on student learning and services.

Johnson said the budget in 2014-2015 will be over \$1.2 billion. The task the CBE faces is how “to best allocate those funds across all our schools and services, acting in the best interest of the system as a whole,” guided by its values.

Administration will now prepare the proposed budget which will be presented to the Board on May 6 for review and May 20 for final approval.

More information about the [CBE budget](#), including the report requesting the use of reserves and the Budget Assumptions Report, can be found online. Additionally, the CBE welcomes public comments regarding the budget at [budget feedback](#).

-30-