



BOARD OF EDUCATION

SCHOOL DISTRICT NO. 61 (GREATER VICTORIA)
556 BOLESKINE ROAD, VICTORIA, BRITISH COLUMBIA V8Z 1E8
PHONE (250) 475-4106 FAX (250) 475-4112

April 16, 2013

The Honourable Don McRae
Minister of Education
PO Box 9045 Stn Prov Govt
Victoria, BC V8W 9E2

Dear Minister McRae:

Boards of Education across the Province have made difficult financial decisions in recent years, due in part to the fact that funding increases have not kept pace with cost increases. We are writing to express our concern that the continued lack of funding to address known cost increases and general inflation will have a negative impact on the Board's ability to maintain its service level to students.

For the 2013-2014 school year, the Greater Victoria School District is facing a structural deficit of \$8.3 million. This deficit has been growing due to the impact of declining enrolment and the fact that funding increases provided by the Ministry are not keeping pace with cost pressures. Contributing to the deficit are the following known cost factors:

| | |
|---|---------------|
| • Teachers' Pension Plan Rate Increase of 1.3% | \$1,200,000 |
| • Other Employee Benefit Increases (MSP, EHB, Dental) | 775,000 |
| • BC Hydro Rate Increase April 1, 2013 1.44% | <u>20,000</u> |
| | \$1,295,000 |

Over and above the cost factors listed above, the transition from HST to GST/PST will have a negative financial impact estimated at \$330,000 and general inflation of 2% will result in an estimated cost of \$350,000. This combined total of \$680,000 will be an erosion to the purchasing power of the supplies and services budget allocations since no provision for these factors has been included in the 2013-2014 budget.

Our district takes pride in the quality of the education programs that we are able to provide, but we are very concerned that the continued lack of funding to address cost pressures will diminish our ability to maintain the quality of our programs. The Province must increase its investment in education and provide additional funding to school districts to protect the quality of the public education system in British Columbia.

Yours truly,

A handwritten signature in cursive script, appearing to read "P Orcheron".

Peg Orcheron
Board Chair

Cc Board of Trustees
All BC Boards of Education, c/o BCSTA