



February 13, 2023

Ref: 287722

Marianne VanBuskirk
Board Chair
School District No. 83 (North Okanagan-Shuswap)
Email: vdeacon@sd83.bc.ca

Dear Marianne VanBuskirk:

Thank you for your email of January 26, 2023, regarding the Regular Per Student Funding rate (the Basic Allocation). I recognize the value of all the work that boards of education do to consult with rightsholders and partners during the budget process to aid accountability and transparency.

The Ministry of Education and Child Care has heard from several school districts that inflation is a concern for them with the current rate of inflation having not been experienced for decades. The Ministry is working with the BC Association of School Business Officials to gather information on inflationary pressures in the K–12 sector, and discussions are ongoing as to the extent of the impact on operations.

According to financial reports, approximately 90 percent of operating costs are salaries and benefits. When labour settlements are finalized the cost of negotiated settlements will be added to operating funding. In addition, the Ministry is having discussions with other areas of government as to the financial impact of the changes to the *Employment Standards Act*.

The ministry has just announced labour settlement funding for the 2022/23 school year for teachers, excluded and management staff and will announce funding for support staff labour settlement costs when those collective agreements are fully ratified. Preliminary funding allocations for the 2023/24 school year will be announced on March 15, 2023.

We appreciate the efforts that boards of education and senior staff are making to achieve balanced budgets.

Again, thank you for writing.

Sincerely,

Rachna Singh
Minister