

GS 59 Moving Towards a Balanced Budget

Origin: General Secretary, General Council

The General Secretary, General Council, proposes:

That the Executive of the General Council:

- a) Approve in principle moving to a balanced budget by 2018 at the latest, and**
- b) Direct the General Secretary to work with the Permanent Committee on Finance to bring to the November 2015 meeting of the General Council Executive budget plans that would achieve this goal.**

Background:

As noted in Proposal FIN 7, the most current projected annual deficits – if no action were taken – are as follows:

2015 - \$5.23 million deficit

2016 - \$6.09 million deficit

2017 - \$7.56 million deficit

and extrapolating those figures to 2018 – \$9.20 million deficit.

Cost reduction must proceed whether Comprehensive Review Task Group proposals are accepted at General Council 42 or not. While General Council Office budget detail would normally be submitted in the fall, key elements are offered now to align with the Conference budget cycle which requires 2016 budgets be approved this Spring.

The following principles and tactics have been proposed by the Permanent Committee on Finance;

- 2016 across the board reductions to all grant programs (all recipients have already received notice of this likelihood).
- Strive to maintain aboriginal ministry spending at current levels (which in the various grant programs means a larger cut to non-aboriginal granting).
- Initiate planning for staff reduction for both nationally and regionally deployed staff.
- 2016 reduction of travel and governance related budgets.

The staff leadership team have begun working on scenarios that would balance the budget by 2018 – with or without any or all Comprehensive Review proposals being implemented. Overall, we are targeting \$10 million in cost reduction unless revenues increase. Specific cost reductions that we are looking at are:

1. \$2.4 million reduction in overall grant programs for 2016 with a 25% reduction (\$942,000) in Conference Operating grants and 10-20% reductions in other grant programs.
2. Attempt to maintain other grant programs at the 2016 levels while reducing Conference Operating grants to zero by 2018 (with the likely exception of All Native Circle Conference)