



# 2016/17 OPERATING BUDGET PUBLIC CONSULTATION



April 20, 2016

**Presenter: Sterling Olson**

# OUTLINE

- ▶ **Roles and Responsibilities**
- ▶ **Budget Process**
- ▶ **Enrolment**
- ▶ **How the Money is Spent**
- ▶ **Sources of Operating Revenue**
- ▶ **Board's Mission, Goal, & Objectives**
- ▶ **Budget Guiding Principles and Criteria**
- ▶ **Draft 2016/17 Budget Adjustment Plan**
- ▶ **Next Steps**

# ROLES AND RESPONSIBILITIES

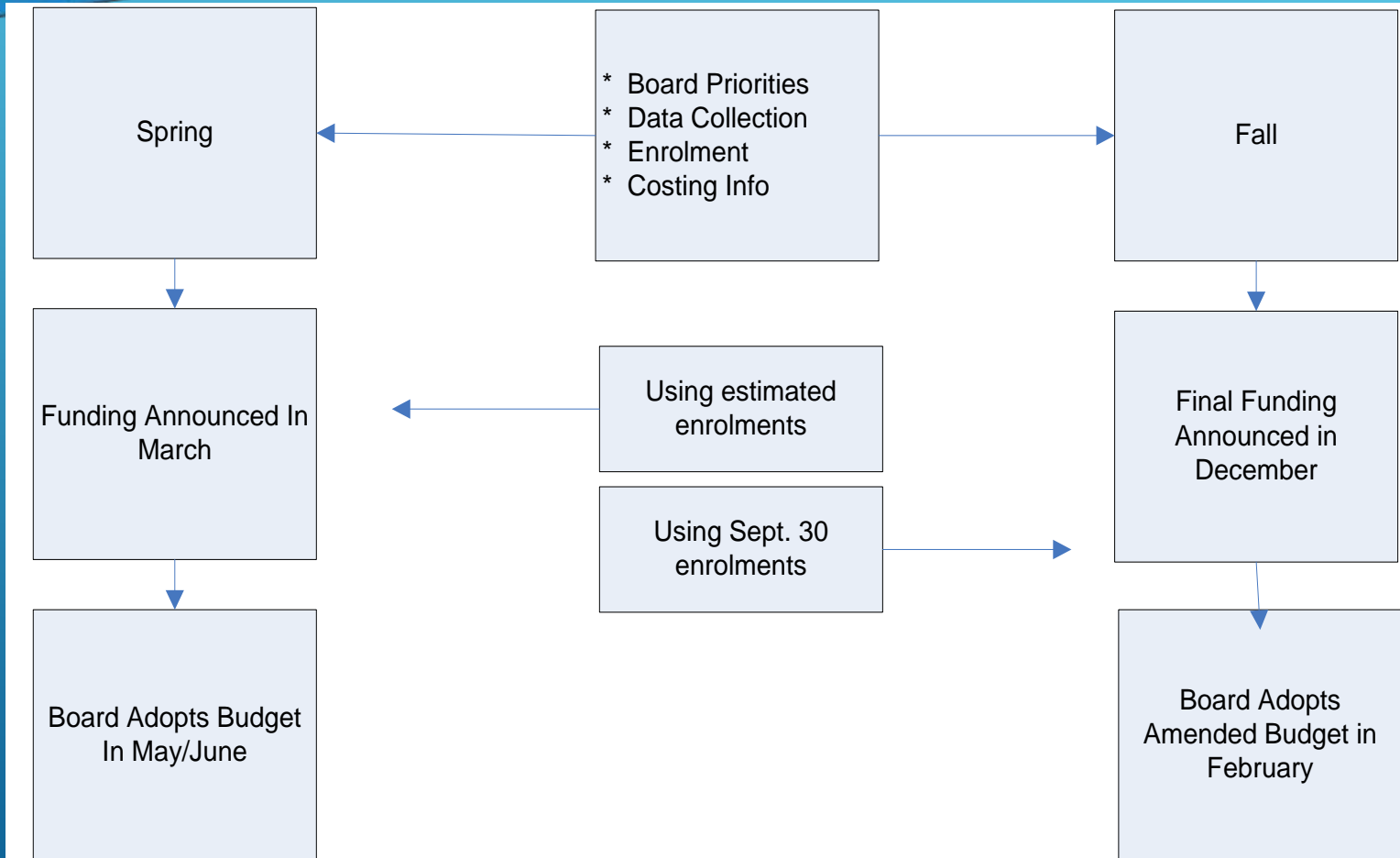
- ▶ **Cabinet and Treasury Board**
  - ✓ establish the overall budget and individual Ministry amounts
- ▶ **Ministry of Education**
  - ✓ sets priorities and allocates funding to the school boards
  - ✓ issues budget and accounting instructions
- ▶ **School Boards**
  - ✓ sets spending priorities and establishes budgets
  - ✓ allocates funding to schools and programs
- ▶ **Schools**
  - ✓ allocates funding to classrooms/programs

# BUDGET PROCESS

## What is a budget?

- ▶ A Financial Plan to help the Board achieve its mission, vision and goals
- ▶ Reflects the district's educational and operational plans
- ▶ Provides a basis to monitor your actual versus planned expenditures
- ▶ Helps communicate how we are utilizing our financial resources

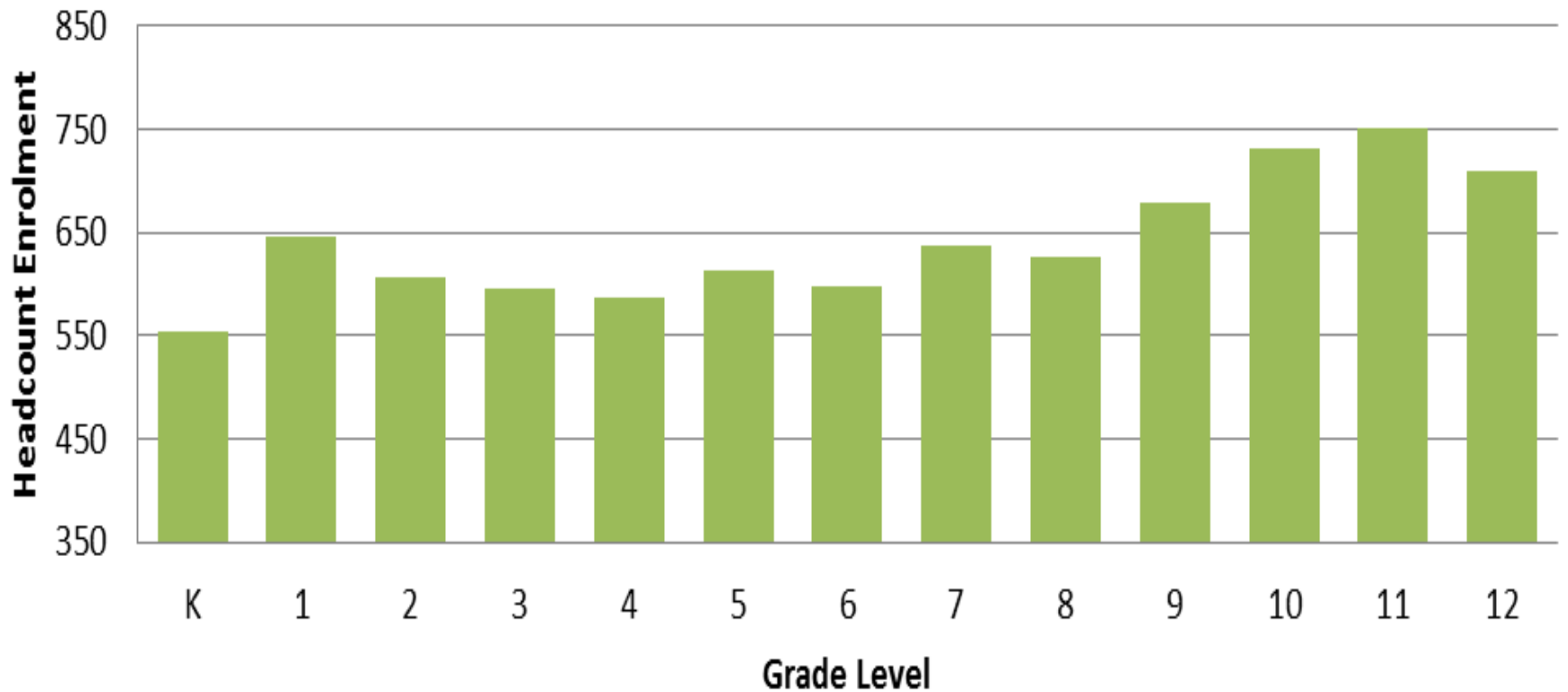
# Budget Process Timeline Overview



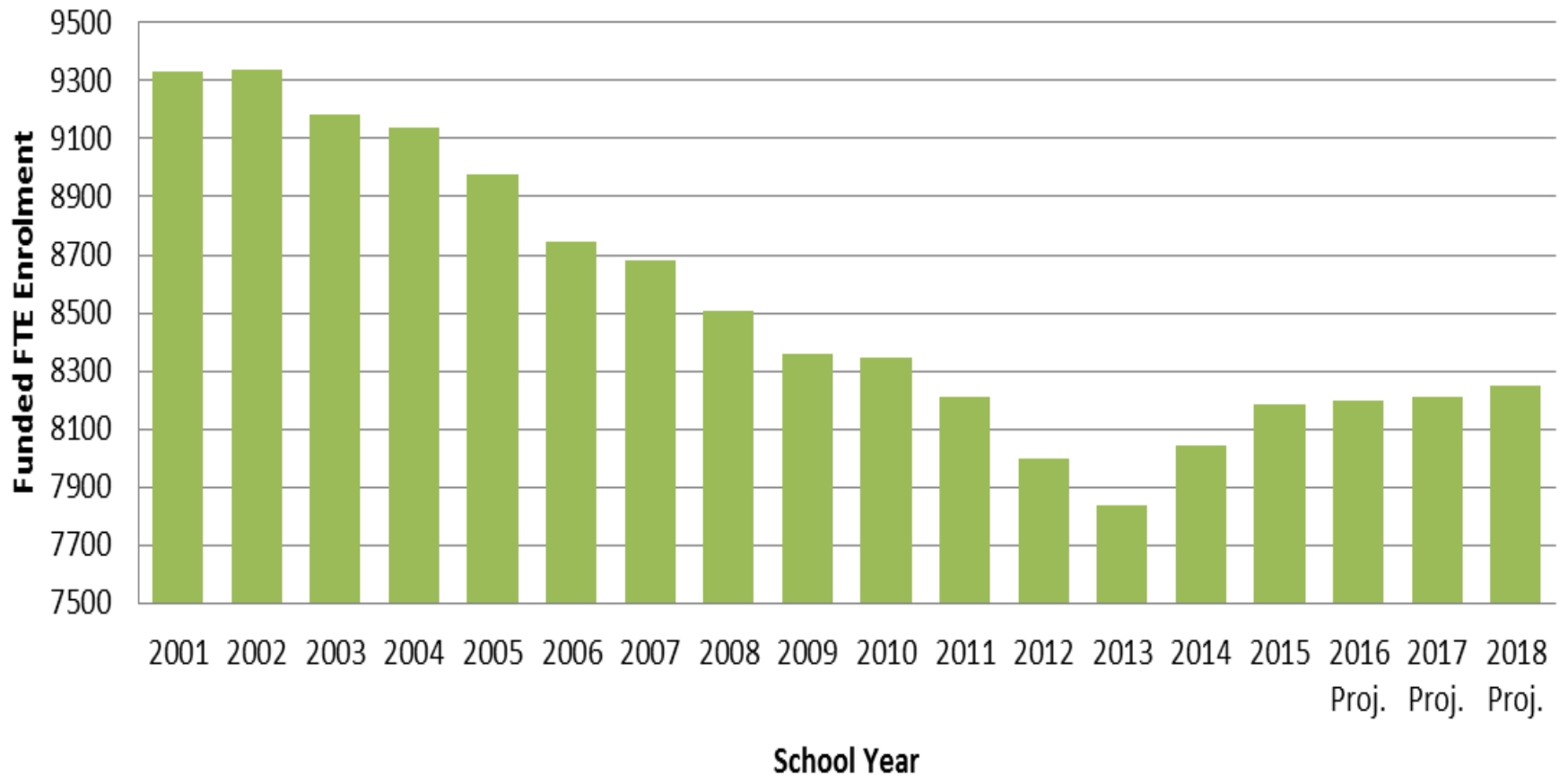
# Budget Process

- ▶ Determine the factors that will change such as student enrolment, contract and collective agreement changes, program changes, one time items
- ▶ Project the costs of providing existing services into the next year such as salary and benefits, utilities, etc.
- ▶ Project revenues, review current years budget and determine net budget position
- ▶ Identify options and strategies to address net budget position and reviews the guiding principles and priorities from the Board
- ▶ Finalize decisions

## September 2015 Headcount by Grade



## Funded School Age FTE Enrolment by Year





# School District Operating Spending

- ▶ School Districts allocate their operating spending between four functional areas:

- ▶ Instruction



# School District Operating Spending

- ▶ School Districts allocate their operating spending between four functional areas:
  - ▶ District Administration



# School District Operating Spending

- ▶ School Districts allocate their operating spending between four functional areas:
  - ▶ Operations and Maintenance



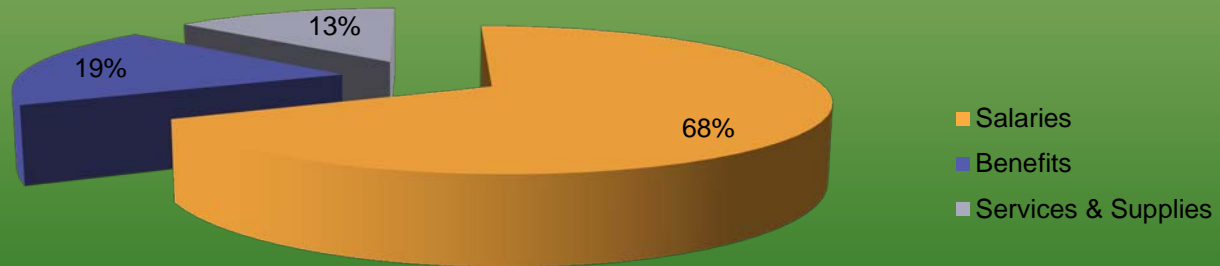
# School District Operating Spending

- ▶ School Districts allocate their operating spending between four functional areas:
  - ▶ Transportation and Housing



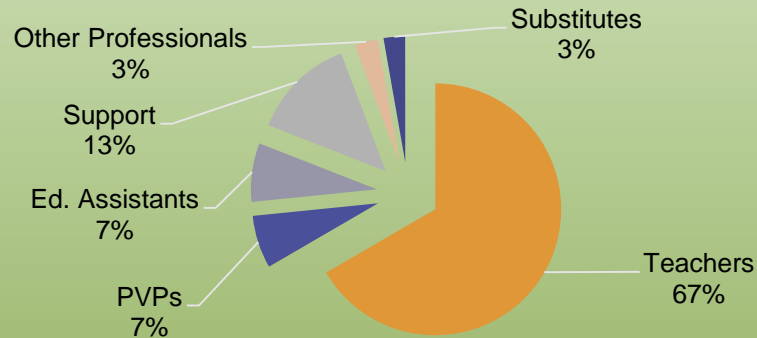
# School District No. 22

## 2015/16 Budgeted Expenditures

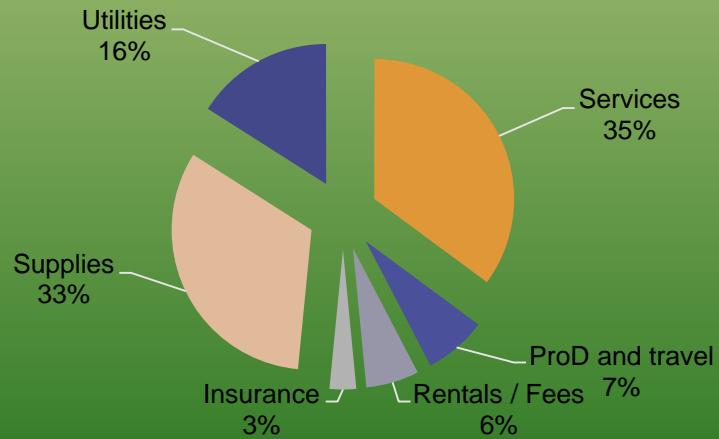


# School District No. 22

## 2015/16 Budgeted Salaries

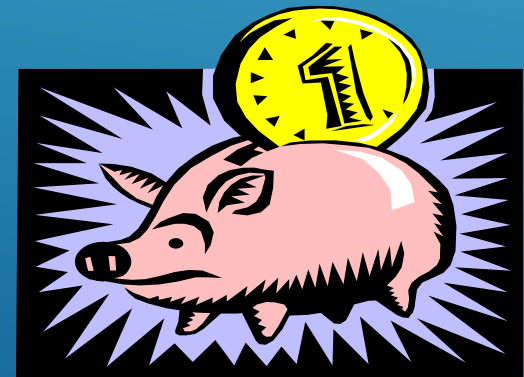


## 2015/16 Budgeted Services & Supplies



# Sources of Operating Revenue

- ▶ The majority of school district grants come from provincial grants through the funding allocation system.
- ▶ In addition, grants are provided for pay equity, carbon tax, marking grants, adult graduates, etc.
- ▶ School districts have local revenues from rental of facilities, interest revenue on short-term deposits, and international students.



# Funding Allocation System Formulae

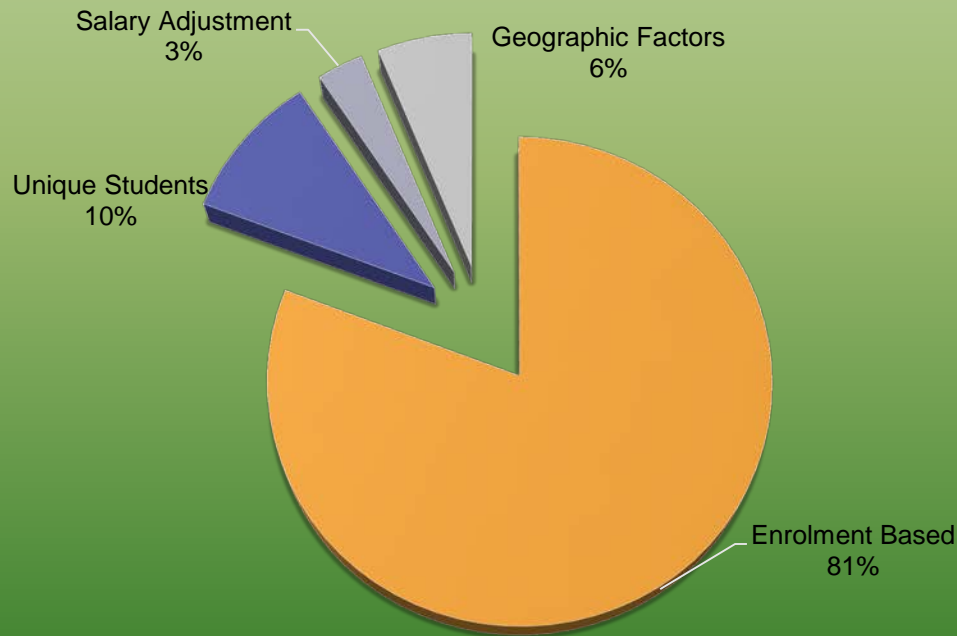
- ◆ Base amounts (Standard, Alternate, DL, CE)
- ◆ Enrolment Decline Grant
- ◆ Unique student needs of ELL, aboriginal education, special education, vulnerability, and adult education
- ◆ Teacher salary differential between districts
- ◆ Unique geographic factors of climate, dispersion, remoteness, school district size, small communities, location/transportation
- ◆ BC Education Plan / Funding Protection
- ◆ Summer / February / May counts





# School District No. 22 Funding Allocation Revenue

2015/16 September Funding



# MISSION, GOAL, AND OBJECTIVES

## ▶ **Mission**

- ✓ Our mission is to develop in all students a lifelong love of learning and to prepare them to thrive in a changing world.

## ▶ **Goal**

- ✓ To achieve a 100% success rate for all students

## ▶ **Objectives**

- 1) Kindergarten Project
- 2) Early Learning
- 3) Literacy
- 4) Numeracy
- 5) Aboriginal
- 6) Social and Personal Responsibility
- 7) Continuous Improvement of Instruction and Assessment

# Budget Guiding Principles

- ◆ Complies with the School Act, collective agreements, other regulatory requirements and Board policy;
- ◆ Priority on student learning;
- ◆ Recognizes the important role of instructional, administrative, and operational support in promoting student learning;
- ◆ Forward looking;
- ◆ Communication and consultation with partners/stakeholders; and
- ◆ Transparent process

# Budget Criteria

- ◆ Supports district and school learning plans
- ◆ Ensures healthy and safe learning and working environments
- ◆ Facility and technology budgets to sustain infrastructure
- ◆ Administration levels supporting necessary administrative activities
- ◆ Compensation frameworks that are rational, defensible, and competitive
- ◆ New initiatives are sustainable for at least three years
- ◆ Budget allocations are equitable, understandable, and predictable
- ◆ Budget estimates reflect anticipated costs
- ◆ District contingency reserve is established and maintained
- ◆ Initiatives not with our K-12 mandate are at least cost neutral
- ◆ Maximize surplus from revenue generating initiatives to enhance services
- ◆ Ongoing cost should not be greater than ongoing revenues
- ◆ One-time revenues and surpluses shall only be used to cover one-time costs
- ◆ Encourages efficiencies and best practices

# School District No. 22 (Vernon)

## DRAFT 2016/17 Budget Adjustment Plan

		Notes		Recommended		Future Items TBD
				Ongoing \$ 's	One Time Items \$ 's	
<b>A REVENUE</b>						
<b>Funding Allocation System FAS</b>						
Regular Enrolment Change	Modest increase in enrolment	89,275				
Additional career prep work experience enrolment	Estimated to be about 10 student FTE, contingent on additional career program coordinator staff time (below)	71,660				
Unique Student Change	Increase in Level 3 (Cat H) enrolment	1,206,050				
Other funding allocation factors	Increase of unique geographic factor grant, increased enrolment forecast for Feb and May 2017 DL enrolment	328,487				
Labour Settlement Funding	Extra funding to offset increase in CUPE and Teacher wages	926,000				
Administrative Reductions	Further reduction in Provincial funding (to be targeted at non-classroom activities)	(382,586)				
<b>Total FAS Funding change</b>		<b>2,238,886</b>				
Use of surplus				140,000		
<b>Total revenue changes</b>		<b>2,238,886</b>		<b>140,000</b>		
<b>B COST INCREASES (DECREASES)</b>						
Teacher Wage Increases		780,000				
CUPE Wage Increases		146,000				
PVP Wage Increases	Implementing Regionalized PVP salary grids per PSEC guidelines.	200,000				
Other Exempt Staff Wage Increases	Implementing revised exempt staff compensation structure per PSEC guidelines.	90,000				
Pension Plan	Reduction in employer contributions to teacher pension plan	(650,000)				
Medical Services Plan	Increase in MSP premiums	35,000				
General Inflation		113,000				
Utility Costs	Increase in utility expenses	54,000				
Employment practices liability program	Provincial shared service premium charges	47,000				
Next Generation Network (NGN)	Costs associated with maintenance of NGN network. This was originally to be funded by the Province, cost has now been passed on to School Districts.	100,000				
<b>Total cost changes</b>		<b>915,000</b>				
<b>BUDGET CHANGE REQUIRED</b>				<b>1,323,886</b>	<b>140,000</b>	

C INSTRUCTION PROGRAM CHANGES					
	Mental Health Liason	Mental health liason position.	70,000		
	Secondary Behaviour Specialist	Continuance of current contract (this year was considered a trial funded through surplus)	100,000		
	Elementary Behaviour Support	School based Teacher Staffing based on need	100,000		
	Counsellors	Additional 2.0 FTE elementary and 0.5 FTE secondary counsellors	250,000		
	Flex Career / Alpha	Pilot program for at-risk grade 11/12 at Seaton and 8/9 at Bloom 1.0 FTE			100,000
	IEP Program	Training for SBRTs	45,000		
	Extended Service - Teaching	Behaviour Support 0.3 FTE			30,000
	White Valley	Maintain home school support worker time	15,000		
	NOYFSS	Maintain home school support worker time	30,000		
	Capacity Building	PD for admin to support at risk students	15,000		
	Mental Health Hub	Community / District services for Cherryville/ Lumby	40,000		
	Outdoor Education Program	for at risk grade 6/7 students, including aboriginal students			30,000
	New Curriculum Inservice	Inservice costs	75,000		
	Career Program Coordinator Staffing	Increase career program coordinator FTE by 0.7187. Anticipated funded through increased CPWE revenue above	71,870		
	Primary Literacy Coordinator	Increase support by 0.3 to 1.0	30,000		
	Middle Years Curriculum Coordinator	Increase support by 0.4 to 1.0	40,000		
	Develop Numeracy Assessment tools	Inservice costs for teachers and admin		20,000	
	Mobile MakerSpace Unit	To purchase equipment		10,000	
	Six Mile Education Program	Close Six Mile, offer other services as needed	(100,000)		
	Reduction of Average Class Size by 1				1,200,000
	Additional Classroom Resources	Increase school supply budgets by 5%	60,000		
	Reading intervention	3.0 FTE primary reading intervention specialists	300,000		
	Education Assistants				TBD
	Teacher Collaboration Time				TBD
	Music / Arts / Sports				TBD
	Food Programs				TBD
	Library Resources				TBD
	Resource teachers				TBD
	Alternate Programs				TBD
<b>Total Instruction Budget Changes</b>			<b>1,141,870</b>	<b>30,000</b>	<b>1,360,000</b>

D ADMINISTRATION AND OPERATIONS					
	School PVP Time	Reallocation of admin time linked to vulnerability index, with a net increase in admin time of 0.4FTE	100,000		
	Admin Leadership Pro-D	To help fund level 2 BCPVPA supervision of instruction		15,000	
	Superintendent Teacher Collaboration	Discretionary teacher and admin inservice		10,000	
	DRC/ Cur Clerical Increase	Increase from 25 to 30 hrs/w	7,500		
	Maintenance Clerical Increase	Increase maintenance clerical time by 0.5 FTE			30,000
	Host Google GAFE Summit	Host a Google Apps for Education conference		25,000	
	District personnel succession	To facilitate succession planning for District staff	10,000		
	Learning Progress software application	Software to track and analyze student results		20,000	
	Develop Strategic Plan	Hire a consultant to assist in developing a 5-10 year district strategic plan		40,000	
	Further Increase School Rental Fees	Board approved a stepped increase in rental fees in 2014/15, the impact of which is already reflected in base budget			TBD
	Four Day School Week				TBD
	School Clerical to 10 Month				TBD
	Custodians to 10 Month				TBD
	Health and Safety				TBD
<b>Total Administration / Operations changes</b>			<b>117,500</b>	<b>110,000</b>	<b>30,000</b>
E TRANSPORTATION					
	Charge Courtesy Riders \$200	Estimated 1,100 Students	(220,000)		
	Charge Courtesy Riders \$200	Clerical support for administration	20,000		
	Charge All Riders \$200	In addition to charging courtesy riders			(300,000)
	Eliminate service to courtesy riders				(70,000)
	Adjust Bell Times	Secondary schools start later than elementary schools, creating bussing efficiencies			(170,000)
	Contract Busing				TBD
<b>Total Transportation changes</b>			<b>(200,000)</b>	<b>-</b>	<b>(540,000)</b>
F TECHNOLOGY					
	Technology computer equipment	Amount needed to maintain current technology infrastructure	260,000		
<b>Total technology</b>			<b>260,000</b>	<b>-</b>	<b>-</b>
<b>TOTAL BUDGET CHANGES</b>			<b>1,319,370</b>	<b>140,000</b>	<b>850,000</b>
<b>FORECAST SURPLUS / (DEFICIT) POSITION</b>			<b>4,516</b>	<b>-</b>	<b>(850,000)</b>

# Next Steps

- ◆ Collect input and feedback on DRAFT 2016/17 Budget Adjustment Plan
- ◆ Review input and feedback
- ◆ Prepare Recommended 2016/17 Budget Adjustment Plan
- ◆ Board to consider Recommended Plan at April 27, 2016 public board meeting.
- ◆ 2016/17 Budget Adjustment Plan approved as presented or amended.
- ◆ 2016/17 Annual Budget Bylaw presented to the board for first reading.
- ◆ Board approves Annual Budget Bylaw