



School District No. 22 (Vernon)

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2018/19 Budget Background Report

April 11, 2018

Introduction

The Board of Education, School District No. 22 (Vernon), is accountable for the public funds supporting the school district. One of the Board's responsibilities is the adoption of the district budget.

The Board manages and budgets its financial resources in three areas:

- Operating fund,
- Special purpose funds, and
- Capital funds.

Boards must prepare an annual budget and have it adopted by bylaw for the 2018/19 school year on or before June 30, 2018 and submitted to the Ministry by this date.

Pursuant to section 156 of the *School Act*, Boards of Education are required to maintain budgetary control over expenditures and prepare and submit financial reports to the Minister, in the form, with the information and at the time required by the Minister.

This background report primarily focuses on the operating fund. Previous budget reports and other external links are posted on the school district website under the Budget Process. www.sd22.bc.ca/District/budget/

A separate report will be provided on Capital.

A separate Draft 2018/19 Budget Adjustment Plan is also being provided to the Board for consideration and consultation. Between April 9, 2018 and April 25, 2018 the Board will be seeking feedback to this Draft Budget Adjustment Plan. A Recommended 2018/19 Budget Adjustment Plan will be presented to the Board on April 25, 2018 for approval.

The 2018/19 Annual Budget and Bylaw will be prepared in the required format and is also currently planned for presentation to the Board for first and second reading at their April 25, 2018 Board Meeting.



Background

The Board's annual operating budget is a financial plan reflecting the implementation and maintenance of the district's educational and operational programs and services. The budget should reflect the objectives established by the Board for the school/fiscal year to which the budget applies. The objectives reflected in the budget should be consistent with the Board's vision, mission and goals statements. The Board's budget is a financial plan that:

- helps the Board achieve its vision, mission, goals and objectives;
- aligns financial resources with the District's Plans and budget criteria;
- provides a basis to monitor actual versus planned expenditures; and
- helps communicate how we are utilizing our financial resources.

The board has developed a District Strategic Plan, Long Term Facilities Plan and Technology Plan that need to be considered as part of the budget development process.

Responsibility for the overall management of the educational and operational programs that are supported by the annual budget is that of the Superintendent. The Secretary-Treasurer is responsible for the financial management of the budget and all financial reports. The budget is a "living" document that identifies the financial resources appropriated by the Board to provide the human and material resources necessary to meet the district's educational and operational objectives. The Board provides appropriate flexibility in budget management to enable Administration to maximize the use of fiscal resources while exercising effective budget control.

It is recognized that the fiscal resources allocated may be greater or less than the cost of providing the service. All those involved in managing the budget are expected to at all times be governed by prudence, remembering that the object is to meet the District's educational and operational objectives. Any funds remaining after the objectives have been met will become reserved for general budget management purposes. (Policy 2.15)

The Board starts its budget development process for the next school year in December and completes this process in May. To support the implementation of the Board's budget for next year, decisions should be made as early as possible. This allows the Human Resources Department time to process any changes in compliance with collective agreements and allow schools and other departments to prepare for next school year.

During the subsequent fall, adjustments are made to reflect changes in enrolment, staffing and other factors. These changes are then included in an amended annual budget which is developed in January and February and adopted by the Board.



Operating Fund Background

Revenues

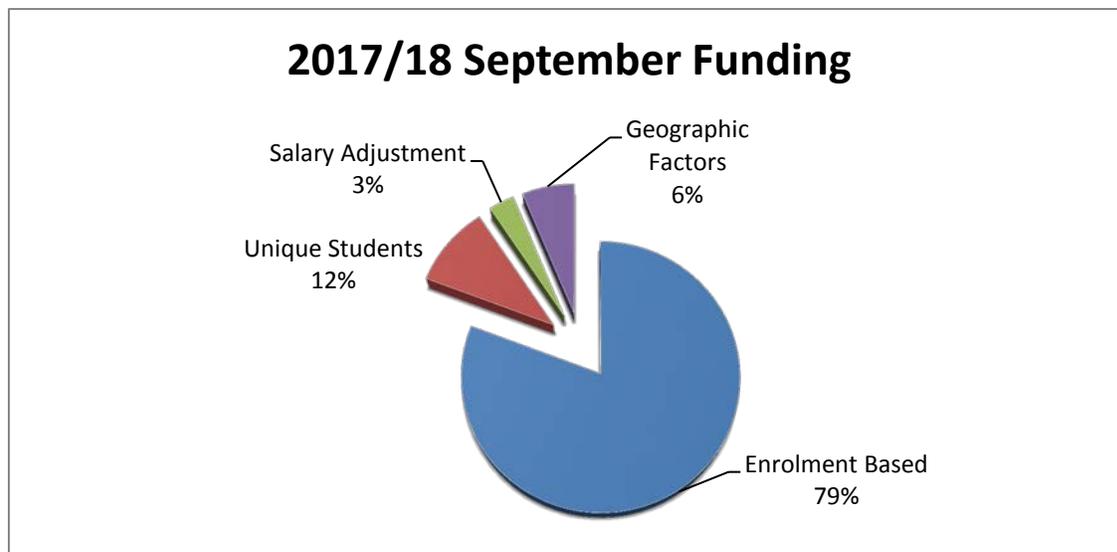
Approximately 93.6% of the school district's operating revenue comes from the Ministry of Education. This includes funding recovered by the Province and subsequently received from Aboriginal Bands. For 2017/18, this funding was approximately \$78.6 million.

The district operates an International Program which will generate over \$4.7 million of revenue in the 2017/18 school year, 5.7% of the district's operating revenue.

The balance of the operating revenue comes from other provincial grants, rental/lease revenue, investment income, and other miscellaneous revenue which account for less than 1% of the district's operating revenue.

The provincial funding to districts is primarily distributed through a Funding Allocation System that contains a number of formulae. The Ministry announces preliminary operating grants to school districts on or about March 15th each school year.

The Ministry of Education's Funding Allocation System (FAS) is primarily based upon student enrolment. There are allocations for enrolment decline, differences in teacher salary costs, geographic factors and for unique students including special education, aboriginal, and English Language Learners.



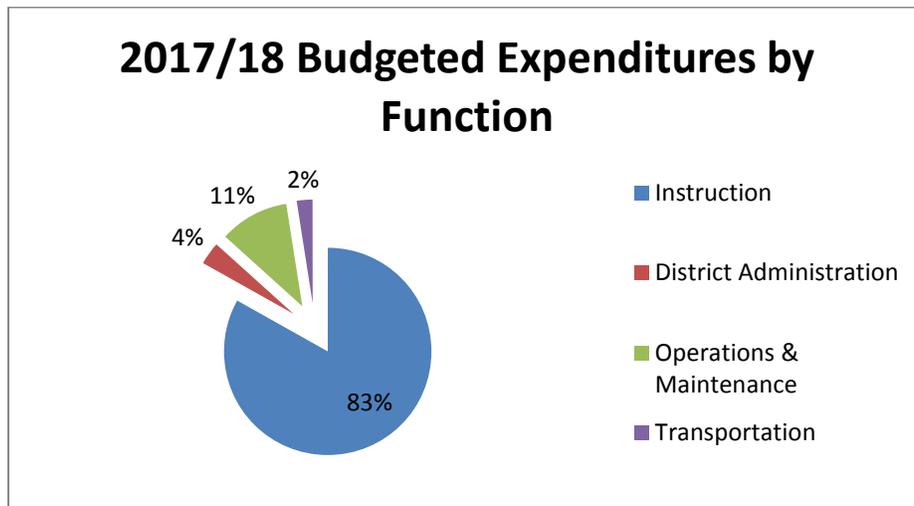
With 91% of funding tied directly to the number of students enrolled, including unique students, any change in enrolment significantly impacts the district's revenue. All of the other factors are also linked to some degree to the enrolment of the district.



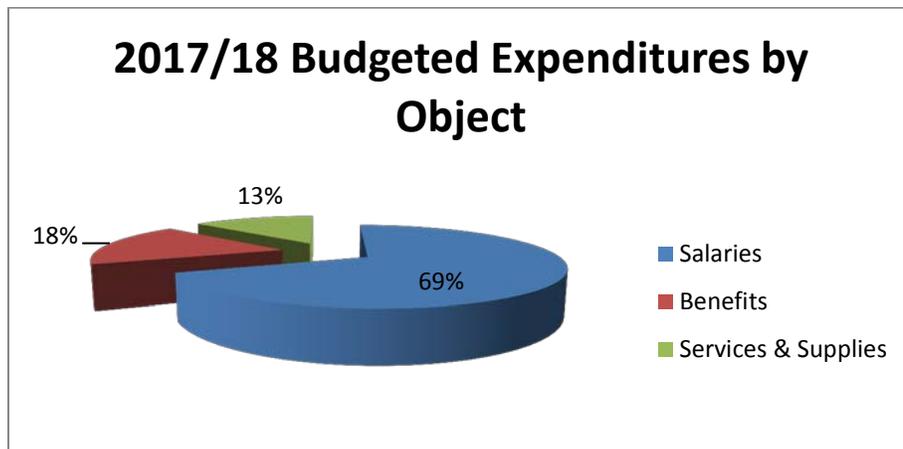
Expenditures

The Board budgets expenditures into four functions:

- **Instruction** – programs related to the instruction of students.
- **District Administration** - programs related to district governance and district administration of educational, business, human resource and labour relations.
- **Operations and Maintenance** - programs related to the district's responsibility for the operation, maintenance and safety of sites, buildings, grounds, furniture and equipment, and computer equipment.
- **Transportation** – programs related to the transportation of students.



The district budgets 83% of the Board's operating expenditures towards instructional programs.



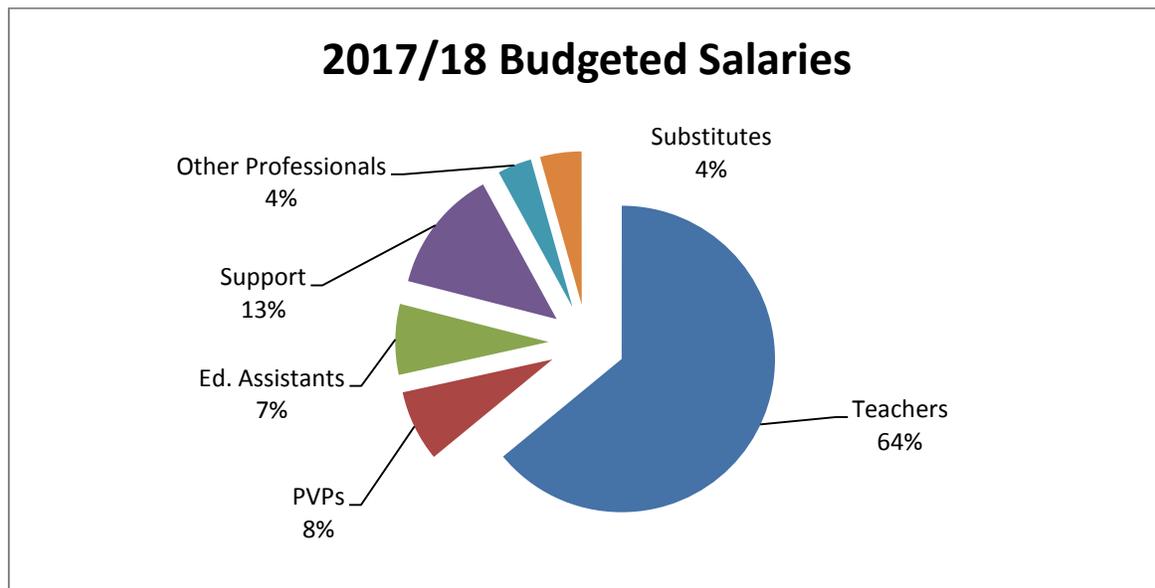
Salaries and benefits comprise the majority of the district's operating budget with 87% of the Board's operating expenditures related to the employment of staff.



Salaries

Salary costs comprise 69% of the operating budget and approximately \$57 million annually.

Salaries are broken down into five main categories: Teachers, CUPE (Support and Ed. Assistants), Principals/Vice-Principals, Other Professionals, and Substitutes.



Both teachers and CUPE staff employees covered by collective agreements have negotiated settlements through to June 30, 2019. Included in those settlements are a number of salary increases and benefit changes.

Principals and Vice-Principals and Exempt staff are employed through individual employment contracts and their salary and benefits are controlled through the BC Public School Employers' Association (BCPSEA) and the Public Sector Employers' Council (PSEC).

Benefits

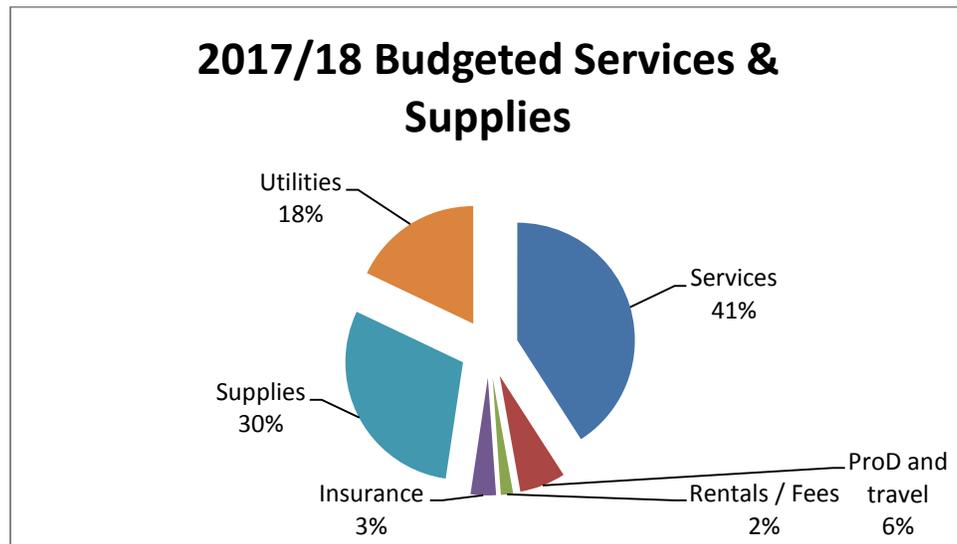
Benefit costs make up 18% of the budget.

Benefit costs continue to escalate under existing benefit plans. Premiums and other costs related to Basic Life, Extended Health, Dental plans, CPP and EI changes and contributions for employee pension plans typically increase each year.



Services and Supplies

Service and supply costs for all aspects of the district make up the remaining 13% of the operating budget and are comprised of the following types of expenditures:



Capital from Operating Funds

Funding from the Ministry through the Funding Allocation System includes funding to support purchases for computers, equipment, furniture, vehicles, and other improvements that are required to be capitalized.

The Ministry does not provide any capital funding for these items and districts are required to fund these purchases from the operating grants provided.

Funds are transferred to the Capital Funds to support these purchases/improvements through either a transfer for tangible capital assets purchased from Operating or through transfers of funds from Operating to Local Capital.

Surplus Funds

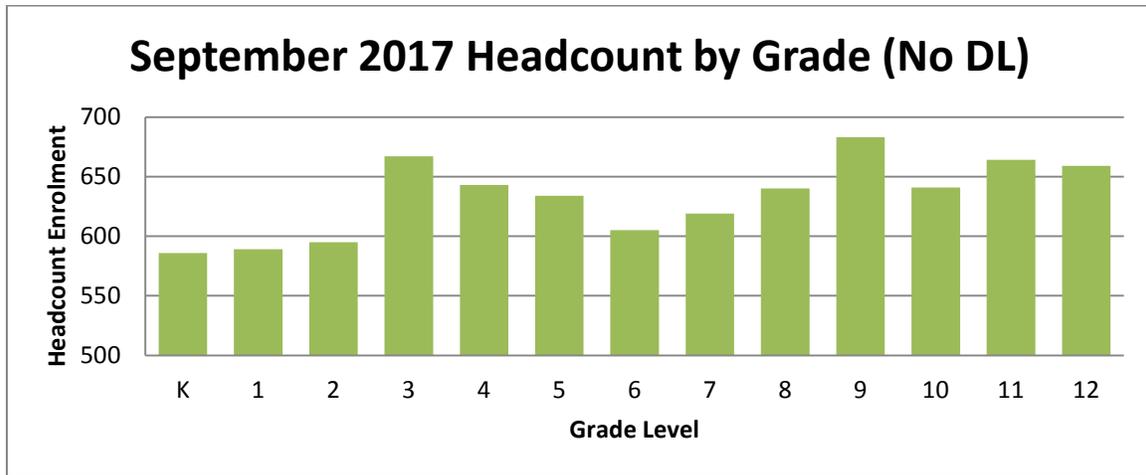
Consistent with the budget criteria approved by the Board, budget estimates reflect anticipated costs. Ongoing costs are expected to not be greater than ongoing revenues. One-time revenues and surpluses are only to be used to cover one-time costs. Any surpluses appropriated from prior years for one-time costs are included in amended budgets and offset by the one-time expenses.

The district established and maintains a contingency reserve of approximately 1.2 % of operating revenue for unforeseen issues.

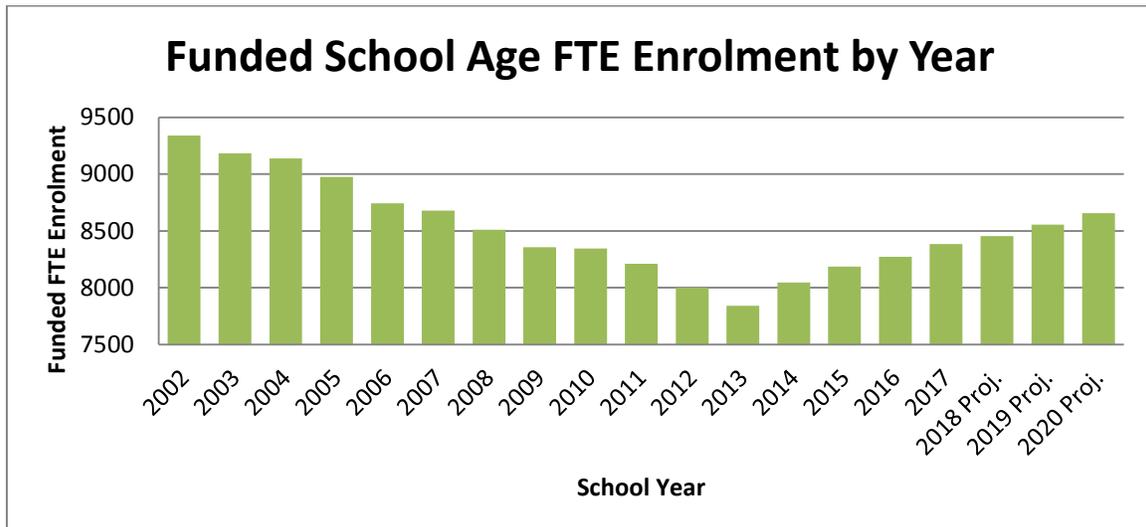


Student Enrolment

Current enrolments in Grades 9-12 are larger than enrolments in K-3 which would suggest that our enrolments would decline for the next few years as the number of students graduating surpasses the number of students entering Kindergarten.



However the district’s enrolment has increased since 2013 due to in-migration of students from outside our district. District projections are for an increase for enrolment of 70 students for the 2018/19 school year and further enrolment increases in future years.

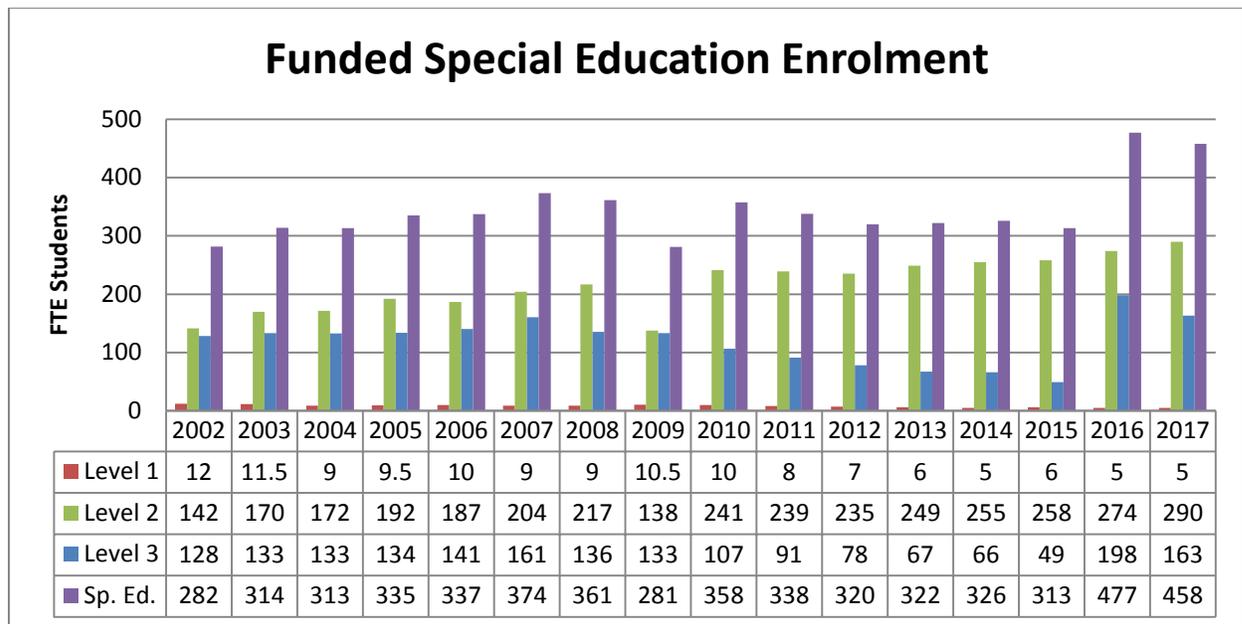


The Ministry of Education has undertaken an enrolment compliance audit for our Alternate schools, including a review of the schools to determine if they meet the alternate education program requirements and procedures. The district receives full 1.0 FTE funding for students enrolled in those schools regardless of the number of courses taken by these students. Based upon preliminary information received from the audit



team the district expects its funded enrolment to be reduced in 2017/18 and subsequent years.

Enrolments in Special Education programs are expected to remain relatively the same in 2018/19 as in 2017/18. Over the last two years enrolments have increased with enhanced assessments and reporting practices being implemented and with our overall student population increase.



Changing enrolment affects school district revenue. Revenue changes from enrolment changes are mainly offset by increases or decreases in expenditures as staffing and services and supplies are related to enrolment. As funding is determined and finalized on actual enrolments, budgets and staffing are typically conservative to reflect the risk of actual enrolment being lower than projected. These are then adjusted once actual enrolments are determined.

Base Budget

The district starts the budget planning from a status quo, base budget perspective. Any one-time costs funded from surpluses are removed. All current ongoing programs and services and staffing levels are expected to continue unless otherwise changed.

From this basis, a Budget Adjustment Plan is prepared to identify revenue and cost changes for existing services or for program and service changes being proposed.

Over the last few years, numerous enhancements have been approved and implemented. Attached is a three year summary of operating fund service level changes. The summary also shows the number of teachers added through the Classroom Enhancement Fund.



Operating Fund Changes

Revenues

As identified previously, approximately 93% of the school districts operating revenue comes from the Ministry of Education through the Funding Allocation System (FAS).

The FAS contains a number of formulae and is primarily based upon student enrolment. There are allocations for enrolment decline, differences in teacher salary costs, geographic factors and for unique students including special education, Aboriginal, and English Language Learners.

The Ministry announced preliminary 2018/19 operating grants to school districts on March 14, 2018. The Ministry of Education has provided additional funds for enrolment growth and increased the funding amounts to offset the costs of negotiated salary and benefit increases for teachers and CUPE staff. No additional funding has been added for other cost pressures.

Based upon the updated funding amounts to recognize the costs of negotiated salary and benefit increases and the district's projected enrolment changes, the district is projected to receive approximately \$1.66 million in additional revenue.

Funding for enrolment increases and changes included in this amount are estimated at \$422,000.

The district currently receives additional grants that were recently initiated by the Ministry. Grants have been confirmed to remain unchanged for Pay Equity, Student Transportation and Rural Education Enhancement.

Other revenue amounts including rentals and fees, investment income and other miscellaneous revenue are expected to remain relatively unchanged.

Base Cost Increases (Decreases)

The District has been projecting the costs of providing existing services into the next year (salaries, benefits, utilities, etc). There are a number of changes to costs related to maintaining the ongoing level of programs and services. The Draft Budget Adjustment Plan summarizes these cost pressures.

CUPE employees are entitled to a 1.0% salary increase effective May 1, 2018 and will also receive an additional increase of 0.4% through the Economic Stability Fund (ESD). The 2017/18 school year included the partial year cost impact with the remaining cost impacting the 2018/19 school year. The estimated cost increase to the district in 2018/19 is \$188,000.



CUPE employees are entitled to a 0.5% salary increase effective July 1, 2018 and an additional 1.0% effective May 1, 2019. The estimated cost increase to the district in 2018/19 is \$106,000.

CUPE employees are also entitled to a potential salary increase through the Economic Stability Dividend (ESD) calculation effective May 1, 2019. The increase through the ESD for May 1, 2019 and its impact is undetermined at this time.

Extended health and dental benefit premiums will increase by \$133,000, 11.2% for CUPE employees. This premium cost increase results from an increase in the use and cost of these benefits provided by the school district.

Total projected cost increase for CUPE salary, including benefits, for 2018/19 is \$427,000.

Teachers are entitled to a 1.0% salary increase effective May 1, 2018 and will also receive an additional increase of 0.4% through the ESD. The 2017/18 school year included the partial year cost impact with the remaining cost impacting the 2018/19 school year. The estimated cost increase to the district in 2018/19 is \$486,000.

Teachers are entitled to a 0.5% increase July 1, 2018 and a 1.0% increase May 1, 2019 with an estimated cost increase for the 2018/19 school year of \$293,000.

Teachers are also entitled to a potential salary increase through the ESD calculation effective May 1, 2019. The increase through the ESD for May 1, 2019 and its impact is undetermined at this time.

Teachers will continue to receive improvements to their benefit plans next year. Benefit cost increases are estimated at \$88,000 for 2018/19. Extended health and dental benefit premiums will increase by \$202,000, 9.8% for teachers. This premium cost increase results from an increase in the use and cost of these benefits provided by the school district. Negotiated teacher benefit improvements will result in an additional 4.5% increase for a total benefit cost increase of 14.3%.

Total projected increased costs for negotiated salary increases, including benefits, for teachers is \$1,069,000.

The BC Public School Employers' Association (BCPSEA) and PSEC have authorized regionalized salary grids for PVPs. These grids have been partially implemented.

The PVP grids will likely be increased consistent with increases provided to teachers which include a 0.5% increase July 1, 2018 and a 1.0% increase May 1, 2019 with additional increases for the ESD. In addition, there are residual cost impacts from anticipated increases May 1, 2018 in alignment with teacher increases. Estimated cost increases for the 2018/19 school year for salary grid increases are \$98,000.



Total projected increased costs for salary increases, including benefits, for PVPs is \$98,000.

The BC Public School Employer’s Association (BCPSEA) and PSEC have developed a K-12 sectoral Exempt Staff Compensation. BCPSEA undertook a comprehensive market review to ensure the development of a revised exempt staff salary structure for each school district — on a total compensation basis — consistent with the relevant comparator labour market and the district’s internal organizational structure. Transition to the new salary structure was partially implemented in 2017/18.

The exempt staff grids will likely be increased consistent with increases provided to teachers which include a 0.5% increase July 1, 2018 and a 1.0% increase May 1, 2019 with additional increases for the ESD. In addition, there are residual cost impacts from anticipated increases May 1, 2018 in alignment with teacher increases. Estimated cost increases for the 2018/19 school year for salary grid increases are \$42,000.

Total projected increased costs for salary increases, including benefits, for exempt staff is \$42,000.

Extended health and dental benefit premiums will increase by \$3,000, 0.9% for PVP and exempt staff employees. This premium cost increase results from an increase in the use and cost of these benefits provided by the school district.

Trustee elections are scheduled for October 20, 2018. Costs will vary but are expected to be approximately \$10,000.

General inflation is predicted at 2% resulting in additional costs of \$210,000.

Government will be eliminating MSP premiums effective January 1, 2020. The Province is replacing the revenues from MSP premiums with an employer health tax. This new payroll tax will come into effect January 1, 2019 with a rate of 1.95% on our total payroll. This new payroll tax is greater than our total MSP premiums by approximately \$224,000.

The timing of the implementation of the reductions of MSP premiums and the new payroll tax create budget implications for the 2017/18, 2018/19, 2019/20, and 2020/21 school years. The following show the estimated budget changes by year:

2017/18	(\$120,000)
2018/19	\$344,000
2019/20	\$117,000 (One-time budget)
2020/21	(\$117,000)

The reductions for 2017/18 were previously included in the 2017/18 budget planning. For the 2018/19 school year an additional cost pressure of \$344,000 is estimated.



Based upon the district's enrolment projections and corresponding revenue increases, the district expects that three additional teachers may be required along with increased school supply budgets. A reserve for staffing and supplies for enrolment increases of \$320,000 should be established.

Total projected cost pressures identified above equal \$2,523,000.

The Board approved a one-time expenditure of \$300,000 for photocopiers in 2017/18 from recurring revenues which are available in 2018/19 to support ongoing expenses.

While general inflation is projected at \$210,000, the district is proposing that only \$77,000 be budgeted to cover these cost pressures. This amount is equivalent to the additional revenue the district is receiving through the Funding Allocation System for increases in unique geographic factors.

As identified above, the district will be receiving approximately \$1.66 million in additional revenue.

The combination of these revenue and cost pressure changes results in a Net Budget Deficit of \$430,000.

Other Operating Budget Changes

The Board is being provided with a number of other budget changes for their consideration in a Draft Budget Adjustment Plan. Reductions are required to offset the \$430,000 budget deficit identified above.

The district is also projecting the need to increase divisions at two schools, Hillview and Harwood Elementary, which do not have sufficient classroom space. Therefore the district is planning to move two portables currently at Charles Bloom Secondary to these two schools. No additional funding is available from the Ministry of Education to support these moves and therefore the district will be required to fund these portable moves through the operating fund.

The Board of Education passed two motions regarding transportation at their December 20, 2017 Public Board meeting. The motions were passed unanimously and were as follows:

- 1) That the Board of Education support the inclusion of a courtesy rider user fee on the Recommended 2018/19 Budget Adjustment Plan for consideration and consultation.
- 2) That the Board of Education direct the Transportation Department to undertake a review of existing bus routes and runs to determine if changes are required for the 2018/19 school year eliminating any additional bus routes or runs that are not required to provide transportation to eligible riders.



Based upon these two motions, the Draft Budget Adjustment Plan includes savings anticipated through the implementation of these two motions.

Other changes are identified in Draft Budget Adjustment Plan that result in a balanced budget for the 2018/19 school year.

The school district has been implementing the restored language as per the Supreme Court of Canada decision and the agreement between BCPSEA and the BCTF. The school district and the local teachers association have an outstanding dispute regarding the definition of a student with special needs for determining class composition. This dispute is scheduled for arbitration and the resolution of this dispute could result in changes to staffing and budget allocations.

The Ministry continues to advance shared service initiatives. The district is assessing these initiatives and determining to what extent they may provide additional value and savings to the school district. The district is participating in a bus optimization project and an energy management project.

Surplus

Financial updates will be provided to the Board throughout the year which may identify projected surpluses.

Included in the budget guiding principles and budget criteria approved by the Board directly relate to the issue of surpluses.

- ▶ District contingency reserve is established and maintained;
- ▶ Ongoing costs should not be greater than ongoing revenues; and
- ▶ One-time revenues and surpluses shall only be used to cover one-time costs.

Based upon these criteria, any surplus available could be utilized for one-time enhancements but should not be used to balance the budget or cover recurring costs related to programs and services.

Other Funds

While this report has focused on the Operating Fund, the Board manages and budgets its financial resources in three areas:

- Operating fund,
- Special purpose funds, and
- Capital funds.

All of these Funds are included in the Board's Annual Budget.



Special Purpose Funds

The district receives special purpose funding for StrongStarts, Ready Set Learn, Special Education Equipment, Federal French, Community LINK, Annual Facilities Grants, Learning Improvement Funds and Classroom Enhancement Funds.

Funding for most of these special purpose funds expects to remain relatively unchanged. However, it is important to identify potential risks regarding these grants.

The Learning Improvement Fund is slightly lower than in 2017/18 by \$3,659. The result of this reduction along with the cost of salary and benefits for CUPE employees increasing will result in fewer hours being supported through this funding.

The Federal French grants for districts have not been determined. The Province's five year agreement with the Federal government has expired and discussions are ongoing. The district expects that once resolved the funding should be relatively the same as in 2017/18 but this is unknown.

Funding for Community LINK has only increased by \$202 while costs for providing programs and services are increasing. This may result in reduced services through these funds.

The Ministry created a new Classroom Enhancement Fund. This fund is to cover costs associated with any restored language in the teacher's collective agreement. Funding was provided for additional teachers, overhead costs, and remedies. The district has been approved for "Stage 1" funding which is approximately only 80% of the funding received in 2017/18 for teaching staff for class size and composition. The district will need to submit information to the Ministry for review and will not be informed of approvals until the summer of 2018. This uncertainty is a significant risk.

Capital Funds

The district receives funding from the Ministry of Education for specific approved capital projects. These projects are typically funded through bylaw capital and certificate of approvals / lines of credit.

Purchases for computers, equipment, furniture, vehicles, and other improvements that are required to be capitalized, need to be funded out of operating revenues but purchased through the Capital Fund. Budgets are established to cover the costs of these items through the transfer to Local Capital. The Board will be provided with a separate report on Capital.



Next Steps

The Board is required to approve an annual budget on or before June 30, 2018 for the 2018/19 school year.

The District is developing staffing plans based upon changes required for enrolment projections and revised staffing requirements.

Options and strategies have been identified and developed to address the updated net budget positions to ensure a balanced budget and to provide options for changes. The Board is provided with a Draft Budget Adjustment Plan outlining these options.

Information is also provided regarding service changes that have been made over the last three years.

The previously approved budget development guiding principles and budget criteria to support the budget development process are included to support the budget decision making process. The 2018/19 budget development timeline is also provided.

Through the public budget consultation process the Board can receive input from various stakeholders, including employees and members of the public. The public is invited to attend any of the public board meetings. Anyone wishing to present to the Board can contact Lynn Jameson, Executive Assistant to the Secretary Treasurer, at 250-549-9226 or ljameson@sd22.bc.ca to request a presentation time and be scheduled and placed on the agenda, or to provide comments and/or suggestions.

To help facilitate the implementation of the Board's budget for next year, it is recommended that decisions be made as early as possible. This will allow the Human Resources Department time to process any changes in compliance with collective agreements and allow schools and other departments to prepare for next year.

This draft budget adjustment plan is presented on April 11, 2018. A public meeting is scheduled to receive input on April 18, 2018 and a finalized plan will be provided for approval on April 25, 2018. This will allow departments time to prepare and implement plans for the next school year.

Final reading of the 2018/19 Budget Bylaw is scheduled for May 23, 2018.



Budget Development Guiding Principles and Budget Criteria

The school district's budget is a financial plan that:

- helps the Board achieve its mission, vision and goals;
- reflects the district's educational and operational plans;
- provides a basis to monitor actual versus planned expenditures; and
- helps communicate how we are utilizing our financial resources.

As the Board develops a budget, the following budget guiding principles and budget criteria should be utilized:

Guiding Principles:

1. Complies with the *School Act*, collective agreements, other regulatory requirements and Board policy;
2. Priority on student learning;
3. Recognizes the important role of instructional, administrative and operational support in promoting student learning;
4. Forward looking;
5. Communication and consultation with partners/stakeholders; and
6. Transparent process

Budget criteria:

- ▶ Supports district and school learning plans
- ▶ Ensures healthy and safe learning and working environments
- ▶ Facility and technology budgets to sustain the 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 within our K-12 mandate are at least cost neutral
- ▶ Maximize surplus from revenue generating initiatives to enhance services
- ▶ Ongoing costs 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



2018/19 Budget Development Timelines

December 20 (Wednesday) 7:00pm	<ul style="list-style-type: none"> • REGULAR BOARD MEETING - 2018/19 Budget Update
January 24 (Wednesday) 7:00pm	<ul style="list-style-type: none"> • REGULAR BOARD MEETING - 2017/18 Amended Budget Update
February 28 (Wednesday) 7:00pm	<ul style="list-style-type: none"> • REGULAR BOARD MEETING - 2018/19 Budget Update
March 14 (Wednesday) 7:00pm	<ul style="list-style-type: none"> • REGULAR BOARD MEETING - 2018/19 Budget Update
April 11 (Wednesday) 6:00pm	<ul style="list-style-type: none"> • SPECIAL Public Board Meeting - Draft 2018/19 Budget Adjustment Plan
April 18 (Wednesday) 6:00 Location Kal Secondary	<ul style="list-style-type: none"> • Budget Information / Feedback Meeting for Staff and Public
April 25 (Wednesday) 6:00pm	<ul style="list-style-type: none"> • REGULAR BOARD MEETING - Approve 2018/19 Budget Adjustment Plan - First & Second Reading of 2018/19 Budget Bylaw
May 23 (Wednesday) 6:00pm	<ul style="list-style-type: none"> • REGULAR BOARD MEETING - Final Reading & Adoption of 2018/19 Budget Bylaw

Note: Board meetings will be held in the Kalamalka Secondary Library

Three year summary of service changes

April 11, 2018 Board Meeting

This summary does not reflect:

- Changes in teacher FTE and other resources which address enrolment growth
- Adjustments for cost increases or decreases necessary to maintain service levels.

	2015/16		2016/17		2017/18	
	FTE	\$	FTE	\$	FTE	\$
Operating fund						
Instruction						
Curriculum specialist teachers	1.4	140,000	3.7	370,000		
Curriculum support and equipment				35,000		
Career specialist teachers			0.7	71,870		
Student support specialist teachers			7.6	688,570	0.7	70,000
Agency support services				66,000		
Education assistants			2.0	80,000		
Student support services, equipment				26,000		10,000
Close Six Mile				-100,000		
Professional development				132,016		100,631
School supplies and equipment				60,000		230,000
Pursue best practices - consulting						30,000
Total instruction	1.4	140,000	14.0	1,429,456	0.7	440,631
Administration and operations						
School PVP time	-0.3	-75,000	0.6	80,000	0.7	142,000
District PVP time					0.5	100,000
Wellness initiatives				10,000		10,000
Maintenance staff	1.0	85,000			1.0	60,000
Professional development						71,857
Communications					1.0	85,000
Committee attendance				28,586		
Clerical staff			0.9	45,000	1.9	77,143
Total Administration and Operations	0.7	10,000	1.5	163,586	5.1	546,000
Transportation						
Phase 3 of transportation change	-1.5	-200,000				
Transportation safety				61,094		
Technology						
IT management	1.0	151,000				
IT helpdesk	1.0	50,000				
Technology equipment and software				245,000		375,000
TOTAL OPERATING FUND	2.6	151,000	15.5	1,899,136	5.8	1,361,631
Special purpose funds						
Classroom and support teachers to meet restored collective agreement language (excludes 11.4 FTE previously paid by Ed Fund).			21.6	2,160,000	14.8	1,480,000
Teacher librarians to meet restored collective agreement language					2.8	280,000
TOTAL SPECIAL PURPOSE FUNDS	-	-	21.6	2,160,000	17.6	1,760,000
TOTAL SERVICE CHANGES	2.6	151,000	37.1	4,059,136	23.3	3,121,631
Total three year cumulative service changes					63.0	7,331,767

School District No. 22 (Vernon)

DRAFT 2018/19 Budget Adjustment Plan

		Recommended		Other considerations
		Recurring	One-time	
REVENUE				
Funding Allocation System FAS				
Enrolment Change	Increase in school enrolment and increased unique student needs enrolment	422,000		
Labour Settlement Funding	Extra funding to offset increase in CUPE wages and benefits	294,000		
Labour Settlement Funding	Extra funding to offset increase in Teacher wages and benefits	867,000		
Other funding allocation factors	Increase of unique geographic factor grant	77,000		
Total FAS Funding Changes		1,660,000	-	-
Enrollment Growth	Contingency for uncertain revenue	-		
TOTAL REVENUE CHANGES		1,660,000	-	-
COST INCREASES (DECREASES) - Required				
One Time Expenses	One time budgets that were funded out of recurring revenue (Photocopiers)	(300,000)		
Teacher Wage and Benefit Negotiated Increases	Collective agreement increases including the Economic Stability Dividend	867,000		
Increased teacher benefit premiums	Benefit premium increases resulting from increased usage and cost of existing plans	202,000		
CUPE Wage and Benefit Negotiated Increases	Collective agreement increases including the Economic Stability Dividend	294,000		
Increased CUPE benefit premiums	Benefit premium increases resulting from increased usage and cost of existing plans	133,000		
Increased PVP/Exempt Staff benefit premiums	Benefit premium increases resulting from increased usage and cost of existing plans	3,000		
Medical Services Plan	Change in MSP premiums / Payroll Tax	344,000		
Total Required Cost Changes		1,543,000	-	-
COST INCREASES (DECREASES) - Other				
PVP Wage Increases	Salary and Benefit increases the same as teachers	98,000		
Other Exempt Staff Wage Increases	Salary and Benefit increases the same as teachers	42,000		
Enrolment Increases	Reserve for enrolment increases	320,000		
General Inflation	Other service and supply cost increases	77,000		133,000
Trustee Elections	October 2018 Election expenses		10,000	
Total Other Cost Changes		537,000	10,000	133,000
Total Cost Changes		2,080,000	10,000	133,000
BUDGET CHANGE REQUIRED FOR ALL COST INCREASES		(420,000)	(10,000)	(133,000)

School District No. 22 (Vernon)

DRAFT 2018/19 Budget Adjustment Plan

		Recommended		Other considerations
		Recurring	One-time	
INSTRUCTION PROGRAM CHANGES				
Literacy Intervention	Increase of 2.0 teacher	200,000		
Resource teachers	Reduction of 2.0 SBRT teachers	(200,000)		
Behaviour Support	Unfilled Elementary Behaviour teacher	(100,000)		
Mental Health	Unfilled Mental Health Liason	(70,000)		
Counselling	Reduce Counselling to Collective Agreement Levels			(400,000)
Non-Enrolling Support	Reduce other Non-Enrolling teachers			(500,000)
Student Behaviour (Homebound)	Increased teachers 0.5 FTE and travel			55,000
Student Behaviour support	NOYFSS Outreach support worker			63,000
SOGI	Extra teacher release time	10,000		
Total Instruction Budget Changes		(160,000)	-	(782,000)
ADMINISTRATION AND OPERATIONS CHANGES				
Beirsto Crossing Guard	Employ Crossing Guard	10,000		
Wellness VP	Add 1.0 VP with 0.4 FTE Admin			55,000
Elementary PVP Admin Time	Increase admin time (\$10,000 per 0.1 FTE)			
Kidston VP	Add 1.0 VP (no change to admin time)	30,000		
Portable Moves	Move two portables		80,000	
Portable Moves	Furniture and Equipment		20,000	
Snow Clearing / Custodial	Increase custodial call out time	30,000		396,000
Total Administration / Operations Changes		70,000	100,000	451,000
TRANSPORTATION CHANGES				
Charge Courtesy Riders	Charge courtesy student riders	(190,000)		
Charge Courtesy Riders	Clerical support for administration	20,000		
Bus Walk Limits	Decrease walk limits in rural areas			400,000
Bus Route Optimization	Eliminate runs not required per board regulation	(270,000)		
Adjust Bell Times	Secondary schools start later than elementary schools, creating busing efficiencies			(112,500)
Total Transportation Changes		(440,000)	-	287,500
TECHNOLOGY CHANGES				
Total Technology Changes	IT Department Restructure	-	-	61,000
TOTAL PROGRAM / DEPARTMENT BUDGET CHANGES		(530,000)	100,000	17,500
FORECAST SURPLUS / (DEFICIT) POSITION		110,000	(110,000)	(150,500)