

# **School District No. 39 (Vancouver)**

**Preliminary Draft Annual Budget**

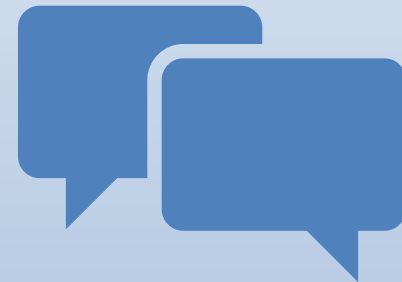
**2019-2020 Fiscal Year**

**April 9, 2019**

**Plenary Student Learning & Wellbeing and Finance  
Committees**

# Opening Comments

- Thank-you
- Guiding Principles
  - Collaboration
  - Engagement
  - Excellence
  - Inclusion
  - Transparency



# Policy Two: Role of the Board

“...the Board of Education shall provide overall direction and leadership to the District.

It is accountable for the provision of appropriate educational programs and services to enrolled students of the District to enable their success, in keeping with the requirements of government legislation.

The Board is therefore charged with the responsibility of providing an education system that is organized and operated in the best interests of the students it serves.

It exercises this responsibility through setting of clear strategic direction and the wise use of resources in alignment with the strategic plan and District goals.”

## Legislative Authority

- Sub-section 111(2) of the *School Act* requires a Board of Education to prepare an Annual Budget in the form and containing the content specified by the Minister
- Sub-section 113(1)(a) of the *School Act* directs Boards to adopt, by bylaw, an Annual Budget on or before June 30 for the following school year
- Sub-section 113(3) of the *School Act* requires Boards to send a certified copy of the Annual Budget upon the Minister's request
- The request is in the annual budget instructions

## Public Sector Accounting Standards Requirement

- Districts are part of the Government Reporting Entity (GRE)
- Treasury Board in 2010 directed districts to follow the revised Public Sector Accounting Board (PSAB) framework for fiscal years commencing after December 31, 2011
- PSAB Framework requires budgets to include elements of all funds, not just the operating fund.

# PSAB Format

- Statement 2 – Revenue and Expense
- Statement 4 – Changes in Net Financial Assets (Debt)
- Schedule 1 – Changes in Accumulated Surplus (Deficit) by Fund
- **Schedule 2 – Operating Revenue and Expense**
- **Schedule 2A – Schedule of Operating Revenue by Source**
- **Schedule 2B – Schedule of Operating Expense by Object**
- **Schedule 2C – Operating Expense by Function, Program and Object**
- Schedule 3 – Special Purpose Revenue and Expense
- Schedule 3A – Changes in Special Purpose Funds
- Schedule 4 – Capital Revenue and Expense

## Schedule 2

### Operating Fund Revenue and Expense

- Shows revenue and expense for the Board's operating fund to produce a balanced budget position
- Revenue by major source, including tuition separately
- Expenses are shown by function
- Appropriation of prior year's surplus is permitted as per Section 111 of the *School Act*

## Schedule 2 – Operating Fund Revenues and Expenses

	2020 Preliminary Draft Budget	2019 Amended Annual Budget	Increase (Decrease)
<b>Revenues</b>			
Provincial Grants - MOE	466,388,289	460,563,800	5,824,489
Provincial Grants - Other	68,719	68,719	-
Federal Grants	2,236,492	2,259,915	(23,423)
Tuition	28,706,598	28,878,599	(172,001)
Other revenue	5,664,803	5,699,825	(35,022)
Rentals and Leases	3,715,440	3,722,214	(6,774)
Investment Income	2,531,756	2,581,732	(49,976)
<b>Total Revenue</b>	<b>509,312,097</b>	<b>503,774,804</b>	<b>5,537,293</b>
<b>Expenses</b>			
Instruction	418,867,710	414,885,882	3,981,828
District Administration	20,285,917	20,743,440	(457,523)
Operations and Maintenance	63,847,547	66,189,164	(2,341,617)
Transportation and Housing	2,896,096	2,959,355	(63,259)
<b>Total Expense</b>	<b>505,897,270</b>	<b>504,777,841</b>	<b>1,119,429</b>
<b>Net Revenue (Expense)</b>	<b>3,414,827</b>	<b>(1,003,037)</b>	<b>4,417,864</b>
<b>Transfers</b>			
Reduction of Unfunded Employee Future Benefits	-	-	-
Purchases of Capital Assets	(3,414,827)	(4,207,859)	793,032
<b>Total Net Transfers</b>	<b>(3,414,827)</b>	<b>(4,207,859)</b>	<b>793,032</b>
<b>Net Revenue (Expense) after Transfer</b>	<b>0</b>	<b>(5,210,896)</b>	<b>5,210,896</b>
Prior Year Surplus Appropriation	-	5,210,896	(5,210,896)
<b>Budgeted Surplus (Deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>



# Schedule 2A

## Operating Fund Revenues

	2020 Preliminary Draft Budget	2019 Amended Annual Budget	Increase (Decrease)
<b>Provincial Grants - Ministry of Education</b>			
Operating Grants	452,682,961	451,104,845	1,578,116
Other Ministry of Education Grants	13,705,328	9,458,955	4,246,373
<b>Total Provincial Grants - Ministry of Education</b>	<b>466,388,289</b>	<b>460,563,800</b>	<b>5,824,489</b>
<b>Provincial Grants - Other</b>	<b>68,719</b>	<b>68,719</b>	-
<b>Federal Grants</b>	<b>2,236,492</b>	<b>2,259,915</b>	(23,423)
<b>Tuition</b>			
Summer School Fees	1,351,226	1,351,226	-
Continuing Education Fees	471,328	522,916	(51,588)
Offshore/Out-of-Province Tuition Fees	26,884,044	27,004,457	(120,413)
<b>Total Tuition</b>	<b>28,706,598</b>	<b>28,878,599</b>	<b>(172,001)</b>
<b>Other Revenue</b>			
From other School Districts	1,150,000	1,150,000	-
Instructional Cafeteria Revenue	1,194,017	1,194,017	-
Other Grants	-	103,264	(103,264)
Miscellaneous Fees	3,320,786	3,252,544	68,242
<b>Total Other Revenue</b>	<b>5,664,803</b>	<b>5,699,825</b>	<b>(35,022)</b>
<b>Rentals and Leases</b>	<b>3,715,440</b>	<b>3,722,214</b>	(6,774)
<b>Investment Income</b>	<b>2,531,756</b>	<b>2,581,732</b>	(49,976)
<b>Total Operating Revenue</b>	<b>509,312,097</b>	<b>503,774,804</b>	<b>5,537,293</b>

## Changes in Provincial Grants - MOE

Funding Group	Amended Budget		Draft Base Budget		Change		New Funding
	FTE	\$	FTE	\$	FTE	\$	\$
<b>Current Based Funding</b>	49,137	362,920,084	48,538	358,475,508	(599)	(4,444,576)	2,158,618
<b>Special Education</b>	2,593	46,256,600	2,641	47,235,800	48	979,200	2,105,100
<b>Other</b>		51,387,116		50,973,819		(413,297)	1,326,934
<b>Employer Health Tax</b>							4,112,510
		460,563,800		456,685,126		(3,878,673)	9,703,162
<b>Total Change in MOE Grants</b>						<b>\$ 5,824,489</b>	

## Changes in Tuition Revenue

International Education Enrolment Increase	203,000
International Education Withdrawal Tuition Holdback	(323,413)
Other tuition - VLN, Adult Education	(51,588)
	<b>(172,001)</b>

# Schedule 2B

## Operating Fund Expenses

	2020 Preliminary Draft Budget	2019 Amended Annual Budget	Increase (Decrease)
<b>Salaries</b>			
Teacher Salaries	228,332,249	222,989,251	5,342,998
Principal and Vice Principal Salaries	24,554,339	24,067,002	487,337
Educational Assistant Salaries	37,745,849	38,331,986	(586,137)
Support Salaries	54,853,086	54,912,383	(59,297)
Other Professional Salaries	9,765,912	9,993,449	(227,537)
Substitute Salaries	8,933,655	10,245,458	(1,311,803)
<b>Total Salaries</b>	<b>364,185,090</b>	<b>360,539,529</b>	<b>3,645,561</b>
<b>Employee Benefits</b>	<b>98,761,748</b>	<b>95,006,484</b>	<b>3,755,264</b>
<b>Total Salaries and Benefits</b>	<b>462,946,838</b>	<b>455,546,013</b>	<b>7,400,825</b>
<b>Services and Supplies</b>			
Services	14,299,931	17,140,103	(2,840,172)
Student Transportation	2,900,247	2,972,401	(72,154)
Professional Development and Travel	1,117,641	1,308,829	(191,188)
Rentals and Leases	1,634,810	1,558,775	76,035
Dues and Fees	971,882	905,790	66,092
Insurance	1,361,655	1,316,329	45,326
Interest	2,363	2,363	-
Supplies	11,658,950	14,903,514	(3,244,564)
Utilities	9,002,953	9,123,724	(120,771)
<b>Total Services and Supplies</b>	<b>42,950,432</b>	<b>49,231,828</b>	<b>(6,281,396)</b>
<b>Total Operating Expense</b>	<b>505,897,270</b>	<b>504,777,841</b>	<b>1,119,429</b>

## Enrolment Decline Impact

- Enrolment decline is projected to be 599 students
- Staffing in draft budget is based on staffing ratios
- SSA staffing will have to change if student numbers increase
  - Increased staffing would be an additional cost to the draft budget
- Actual teacher staffing is not complete so will likely change

## Changes in Salaries

	Wage Increases	Adding Back Vacancies	Enrolment Impact	Other	Total
Teacher	4,888,500	1,868,086	(1,354,242)	(59,346)	<b>5,342,998</b>
Principal and Vice Principal	439,092	48,245	-	-	<b>487,337</b>
Educational Assistant	557,720	1,532,228	(2,445,051)	(231,034)	<b>(586,137)</b>
Support Staff	781,553	-	-	(840,850)	<b>(59,297)</b>
Other Professional	164,991	-		(392,528)	<b>(227,537)</b>
Substitute	143,805	(1,488,086)	-	32,478	<b>(1,311,803)</b>
	<b>6,975,661</b>	<b>1,960,473</b>	<b>(3,799,293)</b>	<b>(1,491,280)</b>	<b>3,645,561</b>

## Benefit Changes

### Benefit Rate Changes

MSP/Employer Health Tax	1,813,386
CPP/EI/WCB	1,052,899
Teachers' and Municipal Pension Plan	(1,210,218)
Extended Health and others	1,892,391
Benefit Impact from Salary Increases	963,448
Enrolment & Staffing Impact	(911,271)
Other	172,281
	<b>3,772,916</b>

## Change in Services

One-Time Additional Support to Special Education	(1,500,000)
Indigenous Legacy Carving Project	(200,000)
Consultant Services	(660,000)
Maintenance and Planning	(202,915)
Learning Services Review and Resources	(200,000)
Catchment Review	(84,491)
Other	7,234
	<b><u>(2,840,172)</u></b>



## Change in Professional Development and Travel

Targeted Funding (SWIS & Other Misc. Grants)	(132,850)
Health & Safety Training (WHMIS)	(44,820)
Other	(13,518)
	<b><u>(191,188)</u></b>

## Change in Supplies

17/18 School Balances Carryforward	(2,238,333)
Maintenance and Capital Projects overrun	(663,188)
One-time Special Grant - Mentorship	(570,000)
Inflation Increase	167,691
Additional Support to Communicating Student Learning	90,000
Other	(30,737)
	<b><u>(3,244,567)</u></b>

## Stakeholders – Themes We've Heard

- Apprenticeship Program
- Curriculum Implementation
- Flex Budget Increase
- Increased staffing
- Prep Time
- Supplies and Resources
- Technology
- Vulnerable student support

# Proposals for Consideration

2019-2020 Budget Proposals For Consideration		
CONFIDENTIAL		
		Amount
Capital Asset Management Project	One-Time	\$ 150,000
Essential Furniture Replacement Plan	One-Time	500,000
Data Validation Review	One-Time	100,000
Menstrual Products Dispensers and Installation	One-Time	216,000
Peoplesoft Payroll Consolidation	One-Time	300,000
Digital Communications Coordinator	Ongoing	90,000
District Resource Teacher: Mentoring Support	Ongoing	425,000
Diversity/Anti-Racism Position	Ongoing	106,000
Equipment Replacement Program	Ongoing	60,000
Increase in Custodial Supplies	Ongoing	100,000
Increase School Flex Budget Allocation by 5%	Ongoing	130,000
Increase Teacher Staffing International Education	Ongoing	49,898
International Education Program Co-ordinator	Ongoing	86,080
Menstrual Products - Supplies	Ongoing	42,000
Mental Health, Wellbeing and Engagement Strategy	Ongoing	206,330
Printshop Equipment Replacement	Ongoing	180,000
Replace Obsolete Student Technology	Ongoing	750,000
SSA Work Experience	Ongoing	267,000
Teacher EOC Time for Make-up Preparation	Ongoing	150,000
<b>Total</b>		<b>\$ 3,908,308</b>

# Potential Sources of Funding

## 2019-2020 Budget Potential Sources of Funding

**CONFIDENTIAL**

	<b>Amount</b>
Business Development Manager (net revenue generated)	130,000
Rental Rate Increase	100,000
Student Supplies Fee Increase by \$10	200,000
Use of Surplus	
Other	
<b>Total</b>	<b>\$ 430,000</b>

## Balanced Budget Approach Strategic Plan Connections

- Meant to support learners through innovation – Goal 1
- Meant to build capacity through collective leadership – Goal 2
- Meant to create culture and social responsibility – Goal 3
- Meant to effectively utilize district resources – Goal 4
  
- All budget decisions going forward have to be made in the context of a balanced position – to add something means to reallocate existing resources.

## Timeline & Next Steps

- April 9, 2019 Plenary SLWB & Finance Committees – budget documents and PowerPoint presentation
- April 9, 2019 – budget survey posted online
- April 30, 2019 – budget survey closes
- April 23, 2019 Committee of the Whole - will provide stakeholder representatives and the general public an opportunity to have input to the budget discussion.
- May 6, 2019 Special Board meeting – all feedback (including survey) will be presented. First and Second reading of the budget bylaw
- May 15, 2019 – Stakeholder and public input opportunity for 2019-2020 budget
- June 24, 2019 – Third reading and adoption of budget bylaw

## Ways to Provide Input

- Request to appear at Committees of the Whole
- Email Trustees – [Budget2019-2020@vsb.bc.ca](mailto:Budget2019-2020@vsb.bc.ca)
- Email Secretary-treasurer – [dgreen@vsb.bc.ca](mailto:dgreen@vsb.bc.ca)
- Respond to survey at: <https://vsb.ethelo.net>