

# VANCOUVER SCHOOL DISTRICT SPECIAL BOARD / COMMITTEE OF THE WHOLE

April 15, 2021

This meeting is being held on the traditional unceded territory of the Musqueam, Squamish and Tsleil-Waututh Nations.



# Live Streaming & Recordings

The meeting is being live-streamed and the audio and visual recording will also be available to the public for viewing after the meeting.

The footage of the meeting may be viewed inside and outside of Canada.

# Meeting Decorum

It is our Board's responsibility, and particularly mine as Chair, to ensure that our Board meetings are conducted in a safe and respectful manner.

As a Board of Education for a school district, it is important that we model the behavior that we expect of students in their schools.

# Roll Call of Trustees, Staff and Stakeholder Representatives Present in Teams

# ITEM 2

## Adoption of Minutes from the Meeting of April 6, 2021

# ITEM 3

## Motion to Dissolve into the Committee of the Whole

# ITEM 4

## Delegations



# ITEM 5

## Update on the Draft 2021-2022 Preliminary Operating Fund Budget

# Agenda

1. Follow up from April 6, 2021
2. Budget Process
3. Ministry Funding
4. Updated Draft Status Quo 2021-2022 Operating Fund Budget
5. Use of Surplus
6. Next Steps
7. Questions

Follow up from April 6, 2021

## Trustee Reddy – Can we get an update on how the \$100,000 additional funding for cafeteria repairs and maintenance was used?

Period	Site	Equipment	Amount
Summer 2020	Britannia	Combi oven/steamer replacement	\$ 20,667
Summer 2020	Van Tech	Combi oven/oven/steamer	88,582
Summer 2020	Templeton	Dishwasher/dishtable	69,326
Summer 2021	Tupper	Dishroom rebuild/rational combi and bakers oven	140,434
Summer 2021	Britannia	Combi oven, tilt skillet, convection oven, steam kettle	76,500
Summer 2021	Templeton	Combi oven, tilt skillet, convection oven, steam kettle	99,700
<b>Total</b>			<b>\$ 495,208</b>

Includes labour and materials for prep and installation

- The upgrades to cafeteria equipment were completed in the summer months so there was no interruption in cafeteria services. The annual budget was \$200,000 and during the 2020-2021 budget process, the budget was increased to \$300,000. The following table lists the upgrades that took place in July-August 2020 and what is planned for July-August 2021.

## Trustee Reddy – Can we get an update on cafeteria staffing and vacancy?

Churchill	Non-teaching	CTA1/CTA2	Staff retired. Not filled as the school produces 5 meals daily.
Killarney	Non-teaching	FSW	Staff took new position. Not filled as the school produces 24 meals daily.
Templeton	Non-teaching	Culinary Assistant – TQ Cook	Staff took new position and replaced with an EOC.
Tupper	Teaching	FSW	Staff retired, replaced with EOC.
Windermere	Teaching	Culinary Assistant – TQ Cook	Staff took new position, replaced with EOC.

Trustee Parrott – The motion to add \$188,097 in 2020-21 budget was to hire more teachers in Adult Education. How many teachers were hired?

We have supplied Trustee Parrott with information and are waiting to have a conversation with her. We will report back at the Finance Committee next week.

Trustee Wong – If the District had adjusted the minimum class size in Adult Education from 26 to 25 in 2020-21, what would be the cost impact?

- We are working on a response and will provide information at next week's Finance Committee.

Trustee Gonzalez -the amount of overtime the district incurred in the 2019/20 and 2020/2021 school years and if any has been budgeted for the coming year, and if so, how much and where?

In 2019-2020 the District paid \$1,479,146 in overtime for 33,853 hours and in 2020-2021 so far has paid \$1,077,813 for 23,605 hours

The District has a budget of \$375,000 for overtime in the custodial department

There is no specific budget for overtime in other departments so will not be looking to identify a budget savings

Control of overtime would be a savings in the amended budget



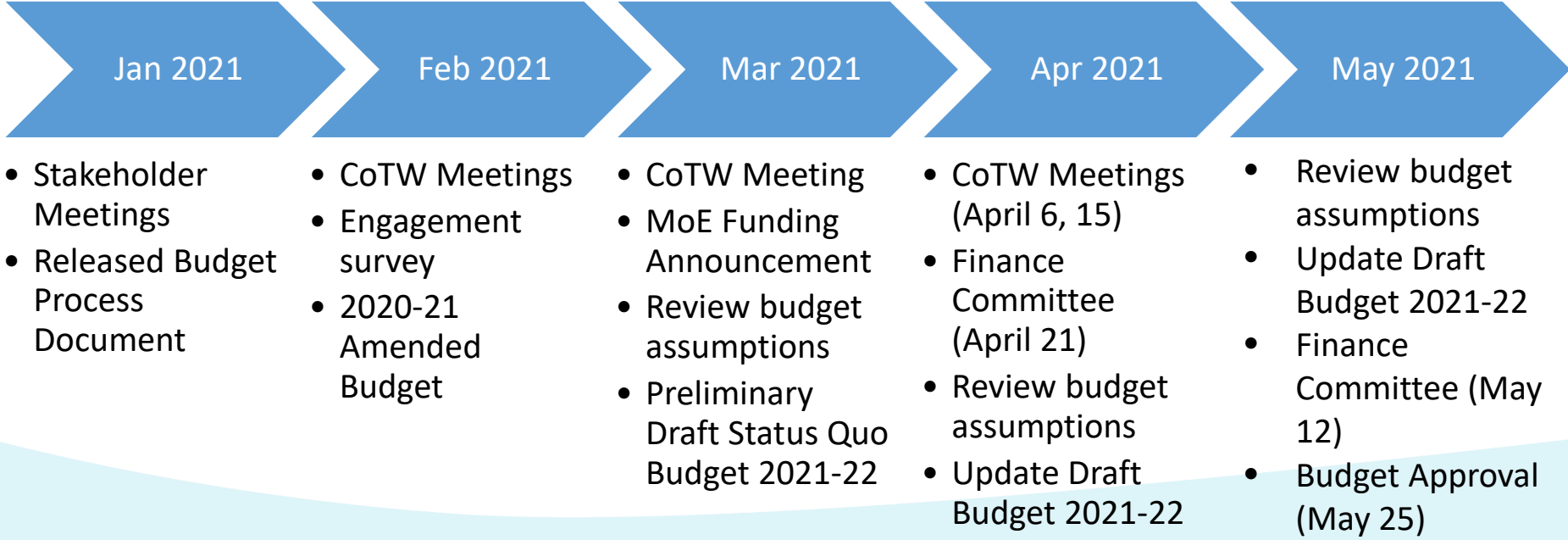
Trustee Gonzalez - To request the amount of travel costs the district incurred in the 2019/20 and 2020/2021 school years by division and what the budget shows for the coming year by division.

	2018/19 Full Year	2019/20 Full Year	2020/21 as of March 31	2021/22 Draft Base Budget
01 Superintendent's Office and ISP	161,676	113,114	697	130,324
02 Secretary Treasurer	15,754	8,364	2,444	10,002
03 Information Technology	11,889	5,865	2,511	11,095
04 Vancouver Learning Network	232	166	10	2,864
05 Employee Services	20,246	3,959	1,350	20,894
06 Learning Services	47,380	28,730	196	17,993
07 Adult Ed and Summer School	3,362	1,045		1,759
08 Finance and Purchasing	10,306	2,617	1,320	23,203
09 Maintenance	4,528	898	1,316	924
10 Operations	3,821	4,283		3,152
11 Planning and Facilities	3,455	4,430	-	10,146
12 Schools	28,188	14,116	382	
<b>Grand Total</b>	<b>310,837</b>	<b>187,587</b>	<b>10,227</b>	<b>232,356</b>

The following table provides the spending for travel and conference costs the various District departments incurred. With the pandemic starting March 2020, the 2019-20 expenses do not reflect a full year, hence the reduction from 2018-19. The budget for 2021-22 is reinstated, however there may be some room for adjustments as the delivery of conferences/training would be dependent on the provider offering a virtual option.

# Budget Process

# 2021-2022 Budget Process



# MoE Funding

# Funding Allocation System

- Operating Grants “Inside the Block”
  - Multi-part formula primarily based on student enrolment
    - 76% allocated using a standard per student FTE amount (Basic Allocation)
    - Supplemental funding based on:
      - Unique student needs (includes Special Needs, ELL and Indigenous students)
      - Unique district factors
      - Funding protection/enrolment decline
- Special Grants “Outside the Block”
  - Special grants targeted for specific needs. For example:
    - Classroom Enhancement Fund
    - Learning Improvement Fund
    - Community LINK
    - Annual Facilities Grant (AFG)

# 2021-2022 Operating Grant Rate Changes

- With the Ministry combining the Teacher Labour Settlement into the Basic Allocation, the District's analysis reflects a funding shortfall of \$1.2 million.
- This is due to the allocation methodology used by the Ministry in that enrolment numbers are used to distribute the funding rather than the absolute dollar the District received in the current year.

Supplement	2021/22 Rate Increase	2021/22 Rates
Basic Allocation (standard, continuing education and alternate schools)	\$325.00	\$7,885.00
Basic Allocation (Distributed Learning)	\$260.00	\$6,360.00
Students with Special Needs – Level 1	\$1,850.00	\$44,850.00
Students with Special Needs – Level 2	\$880.00	\$21,280.00
Students with Special Needs – Level 3	\$450.00	\$10,750.00
English / French Language Learners	\$65.00	\$1,585.00
Indigenous Education	\$65.00	\$1,565.00
Non-graduated Adult Education	\$207.00	\$5,030.00
Student Location Factor (elementary)	\$11.52	\$282.45
Student Location Factor (secondary)	\$15.36	\$376.60
Small Community Supplement	N/A	N/A
Low Enrolment Factor	N/A	N/A

# Updated Draft Status Quo 2021-2022 Operating Fund Budget

## 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*



# Assumptions

## Enrolment

- School-aged enrolment projection – 48,535
- International Student enrolment – 1,140
- Modified summer school
- In class learning for all students

## Revenue

- No change to rental rates
- Community rentals start September 2021
- Interest rate on CDP dropping 0.50%
- Cafeterias open September 2021

## Expenses

- Inflation – 1.00%
- Utilities – 3.60%
- Teacher and Support Staff wage lifts – 2.00%
- No budgeted increase for exempt staff – need PSEC approval
- WorkSafe and Benefit premium increases
- Anti-Racism training costs - \$646,979
- Average Teacher Salary - \$87,000

# Draft 2021-2022 Budget Update

	<u>April 15, 2021</u>	<u>March 29, 2021</u>	<u>Increase /(Decrease)</u>
Revenue	\$ 523,642,215	\$ 523,011,334	\$ 630,881
Salaries & Benefits	488,075,411	491,042,963	(2,967,552)
Services & Supplies	41,572,790	41,716,415	(143,625)
Net Revenue (Expense)	(6,005,986)	(9,748,044)	3,742,058
Net transfers (to) from Other Funds	(5,172,069)	(5,172,069)	-
<b>Required Prior Year Surplus Appropriation</b>	<b>\$ (11,178,055)</b>	<b>\$ (14,920,113)</b>	<b>\$ 3,742,058</b>

# Revenue Update

Childcare Rental Recovery	\$ 10,881
ISP Enrolment Update 1,100 to 1,140 - Tuition	<u>620,000</u>
	<u>\$ 630,881</u>

- Increase childcare recovery by 2.15% for salary increases, supplies and utilities inflation
- International Student enrolment increase to 1,140

# Expense Update

Premium Holiday	2,726,500
ISP Staffing	(174,870)
Supplies	143,625
Operational Efficiency	<u>415,922</u>
	<u>3,111,177</u>

- Premium holiday – still to be confirmed (\$2.73 m)
- Staffing impact due to ISP enrolment change (- \$0.17 m)
- Supplies (\$0.14 m)
- Operational efficiencies (\$0.42 m)

# Schedule 2 – Operating Fund Revenue and Expenses

	2022 Preliminary Draft Budget	2021 Amended Annual Budget	Increase (Decrease)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	489,719,334	482,286,608	7,432,726
Other	62,249	62,249	-
Federal Grants	2,457,164	2,414,888	42,276
Tuition	19,834,007	21,792,177	(1,958,170)
Other Revenue	5,729,513	4,610,408	1,119,105
Rentals and Leases	4,449,812	2,904,384	1,545,428
Investment Income	1,390,136	1,962,779	(572,643)
<b>Total Revenue</b>	<b>523,642,215</b>	<b>516,033,493</b>	<b>7,608,722</b>
<b>Expenses</b>			
Instruction	439,483,863	431,894,403	7,589,460
District Administration	23,119,682	23,213,124	(93,442)
Operations and Maintenance	63,454,614	64,224,141	(769,527)
Transportation and Housing	3,590,042	2,758,293	831,749
<b>Total Expense</b>	<b>529,648,201</b>	<b>522,089,961</b>	<b>7,558,240</b>
<b>Net Revenue (Expense)</b>	<b>(6,005,986)</b>	<b>(6,056,468)</b>	<b>50,482</b>
<b>Required Prior Year Surplus Appropriation</b>	<b>11,178,055</b>	<b>12,861,091</b>	<b>(1,683,036)</b>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(2,007,924)	(3,674,295)	1,666,371
Capital Leases	(3,164,145)	(3,130,328)	(33,817)
<b>Total Net Transfers</b>	<b>(5,172,069)</b>	<b>(6,804,623)</b>	<b>1,632,554</b>
<b>Budgeted Surplus (Deficit), for the year</b>	<b>0</b>	<b>0</b>	<b>0</b>

# Schedule 2A – Operating Fund Revenues

	2022 Preliminary Draft Budget	2021 Amended Annual Budget	Increase (Decrease)
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	480,984,420	458,901,610	22,082,810
Other Ministry of Education Grants	8,734,914	23,384,998	(14,650,084)
<b>Total Provincial Grants - Ministry of Education</b>	<b>489,719,334</b>	<b>482,286,608</b>	<b>7,432,726</b>
<b>Provincial Grants - Other</b>	<b>62,249</b>	<b>62,249</b>	<b>-</b>
<b>Federal Grants</b>	<b>2,457,164</b>	<b>2,414,888</b>	<b>42,276</b>
<b>Tuition</b>			
Summer School Fees	639,375	616,640	22,735
Continuing Education	1,005,632	578,513	427,119
International and Out of Province Students	18,189,000	20,597,024	(2,408,024)
<b>Total Tuition</b>	<b>19,834,007</b>	<b>21,792,177</b>	<b>(1,958,170)</b>
<b>Other Revenues</b>			
Other School District/Education Authorities	1,150,000	1,150,000	-
Instructional Cafeteria	1,080,000		1,080,000
Miscellaneous Fees and Revenue	3,499,513	3,345,908	153,605
Other Grants	-	114,500	(114,500)
<b>Total Other Revenue</b>	<b>5,729,513</b>	<b>4,610,408</b>	<b>1,119,105</b>
<b>Rentals and Leases</b>	<b>4,449,812</b>	<b>2,904,384</b>	<b>1,545,428</b>
<b>Investment Income</b>	<b>1,390,136</b>	<b>1,962,779</b>	<b>(572,643)</b>
<b>Total Operating Revenue</b>	<b>523,642,215</b>	<b>516,033,493</b>	<b>7,608,722</b>

# Schedule 2B – Operating Fund Expenses

	2022 Preliminary Draft Budget	2021 Amended Annual Budget	Increase (Decrease)
<b>Salaries</b>			
Teacher Salaries	238,946,496	235,492,004	3,454,492
Principal and Vice Principal Salaries	26,361,174	26,371,368	(10,194)
Educational Assistant Salaries	43,830,514	41,679,879	2,150,635
Support Salaries	56,864,318	55,103,468	1,760,850
Other Professional Salaries	11,281,603	11,690,338	(408,735)
Substitute Salaries	10,865,224	11,508,029	(642,805)
<b>Total Salaries</b>	<b>388,149,329</b>	<b>381,845,086</b>	<b>6,304,243</b>
<b>Employee Benefits</b>	<b>99,926,082</b>	<b>99,309,223</b>	<b>616,859</b>
<b>Total Salaries and Benefits</b>	<b>488,075,411</b>	<b>481,154,309</b>	<b>6,921,102</b>
<b>Services and Supplies</b>			
Services	13,655,091	14,236,197	(581,106)
Student Transportation	3,574,546	2,677,627	896,919
Professional Development and Travel	1,567,958	1,057,750	510,208
Rentals and Leases	645,270	852,232	(206,962)
Dues and Fees	994,802	1,011,635	(16,833)
Insurance	1,021,552	1,073,038	(51,486)
Supplies	11,829,931	11,880,800	(50,869)
Utilities	8,283,640	8,146,373	137,267
<b>Total Services and Supplies</b>	<b>41,572,790</b>	<b>40,935,652</b>	<b>637,138</b>
<b>Total Operating Expense</b>	<b>529,648,201</b>	<b>522,089,961</b>	<b>7,558,240</b>

# Use of Surplus



# Use of Surplus

- District will be using unrestricted accumulated surplus to balance the 2021- 2022 budget
- Projected deficit is **\$11.2** million
- Estimated surplus available is **\$13.6** million

# Projected Surplus Available for Use

## Accumulated Surplus June 30, 2020:

Operations Spanning Future School Years	\$ 14,499,276
Anticipated Unusual Expenses	2,876,397
Nature of Constraints on Funds	3,863,185
Contingency Reserve	5,049,436
Unrestricted Operating Surplus	<u>3,841,394</u>
	30,129,688

## Less:

Appropriated Surplus June 2021 Annual Budget	(8,949,210)
Additional spending June 2021 Amended Budget	(5,598,157)
Technology purchases 2021-22	(1,104,610)
Print Shop equipment lease 2021-22	(58,444)
North Hamber enrolment pressure 2021-22	<u>(349,000)</u>
	<u>(16,059,421)</u>

Available Surplus 14,070,267

Projected Surplus 2020-21

    Projected Surplus at March 31, 2021 1,936,276

    February Enrolment Recount 1,597,483

17,604,026

Restricted portion of surplus (5,179,435)

Surplus Restricted for 2021-22 Year 1,157,444

Projected unrestricted surplus available June 30, 2021 \$ 13,582,035

# Still to be Done

- Reconcile student FTE numbers to determine staffing levels
- Review overage in non-enrolling
- ~~Review Admin allocations~~
- Review costing in central departments
- ~~Look at premium holiday for benefits~~
- ~~Consider overtime control~~
- Analyze services and supplies budgets
- ~~Analyze cost structure in the International Student Program~~
- ~~Analyze operating fund amounts supporting special purpose funds~~
  - ~~Community LINK~~
  - ~~Strong Start~~
- Finalize answering Trustee questions

# Next Steps

# Next Steps

- April 21, 2021 – Finance Committee – Budget 2021-22 discussion
- May 12, 2021 - Finance Committee – Budget 2021-22 discussion
- May 25, 2021 – Three readings and adoption of 2021-22 Annual Budget Bylaw

# Questions

# ITEM 6

## Motion to Rise and Report from the Committee of the Whole

# ITEM 7

## Motion to Reconvene the Board Meeting



# ITEM 8

## Adjournment

Thank you for your time,

**The End**