

School District No. 39 (Vancouver)

Draft Annual Budget V.2

2018/2019 Fiscal Year

May 2, 2018

Plenary Committee III/V

Introductory Remarks

- Thank-you
- Guiding Principles
 - Collaboration: strong relationships and open communication
 - Engagement: creative and innovative practices
 - Excellence
 - Inclusion: valuing and celebrating diversity
 - Transparency: open, honest, accountable



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.

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

Budget Development Process

April 18, 2018

- Present V.1
- Budget additions and reductions
- Proposals for consideration
- Deficit of \$2.4 million

April 18-May 2

- Removed V.1 additions
- Revised & New Proposals for consideration
- Clarified Staffing Allocations
- Created V.2

May 2, 2018

- Presenting V.2
- Proposals for consideration
- Management recommendations
- Deficit of 0.2 million

Post May 2, 2018

- Building V.3
- Deficit up to \$2.5 million
- May 16 Board Meeting
- May 28 Board Meeting

Version 2 of Draft Budget

- The feedback received since the presentation on April 18, 2018 has informed this second version of the preliminary draft budget for 2018-2019. Specifically, the following concerns are being addressed in this draft:
 - The need for clarity around the change in non-enrolling teacher staffing;
 - The need to clarify where the surplus being used to balance the budget comes from;
 - Management had already made certain decisions and incorporated them in the first draft;
 - Stakeholder feedback from the individual meetings they had with Finance staff was not fully addressed in the first draft;
 - The need to ensure transparency.

Balanced Budget Concept

- The basic principle of presenting the preliminary draft operating fund budget for 2018-2019 as a balanced budget remains.
- Second version has a small deficit which is balanced through an appropriation of an unrestricted surplus generated in the 2016-2017 fiscal year (\$2,457,116).
- Second version deficit of \$187,990 results from changes in the following slides

Proposals Taken Out of V.1

	<u>\$ Amount</u>
Counsellor for VASS and Alternative Education	105,590
Resource teacher for VASS and Alternative Education	105,590
Resource teacher for VASS and Alternative Education (Outreach)	105,590
District Resource Teachers: Curriculum & Assessment Support 8-12	603,000
District Resource Teachers: Curriculum & Assessment Support K-7	303,000
Increase to school flex budget (5%)	<u>127,656</u>
	<u>\$ 1,350,426</u>

Change from V.1 to V.2

Net Revenue (Expense) after transfer April 18, 2018	(2,348,396)
Revenue/Expense Adjustments	1,119,820
Base budget Assumptions Review	(309,840)
Deduct Preliminary budget additions April 18, 2018	1,350,426
Net Revenue (Expense) after transfer May 2, 2018	<u>(187,990)</u>

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Clarified Staffing Allocations

- April 18, 2018 non-enrolling change of 36.8579 FTE interpreted to be a reduction
- Not the case
- Staffing allocations in the budget include enrolling and non-enrolling
- 2018-2019 budget allocations for both reflect declining enrolment impact

Non-Enrolling Teachers – V.1

	School Based Non-Enrolling Staffing		
	Elementary	Secondary	Total
2017-2018 Actuals	264.7655	153.0924	417.8579
2018-2019 Budget	243.0000	138.0000	381.0000
2018-2019 Budget Change	21.76550	15.09240	36.85790

Note: 2017-2018 actual staffing was higher than the ratios used in the budget so actual staffing may be higher depending on how staffing is allocated in schools.

Teacher Budget Allocation to Schools

- The change is not a loss of 36.8579 FTE positions
- Slide said “actuals” when it should have said “allocations”
- Finance gives Employee Services budget allocations for enrolling and non-enrolling staffing.
- Employee Services work with schools to allocate staffing to support student needs
- The combined funding for both allocations remains the same

Total Staffing 2017-2018

	Elementary			Secondary		
	Enrol	Non-Enrol	Total	Enrol	Non-Enrol	Total
2017-2018 budget allocations	1,432.1500	243.5700	1,675.7200	946.7300	142.8600	1,089.5900
Addition of ELL Support from ISP		11.2400	11.2400			-
Enrolling/Non-Enrolling Transfers	(9.9555)	9.9555	-	(10.2324)	10.2324	-
Allocation in Schools	1,422.1945	264.7655	1,686.9600	936.4976	153.0924	1,089.5900

Budgeted Non-Enrolling Teacher Change

	2017-2018 Budget	2018-2019 Budget	Change in Budget
Elementary	243.57	243.00	(0.57)
Secondary	142.86	135.00	(7.86)
Total	386.43	378.00	(8.43)

Non-Enrolling Teacher Staffing Change (per MOA)

	Non-enrolling Staffing Ratio	Students Enrolment 17/18	Required FTE	Students Enrolment 18/19	Required FTE
Teacher/Librarian (TL)	702.00	48,700	69.37	48,119	68.55
Counsellor	535.00	48,700	91.03	48,119	89.94
Learning Assistance Teacher (LAT)	504.00	48,700	96.63	48,119	95.47
Special Education Resource Teacher (SERT)	232.00	48,700	209.91	48,119	207.41
English Language Teacher (ELT)	57.50	9,189	159.81	9,025	156.95
			626.75		618.32

Decline (8.43)

Budgeted Enrolling Change

	2017-2018 Budget	2018-2019 Budget	Change in Budget
Elementary	1,432.15	1,416.34	<u>(15.81)</u>
Students per FTE Reduction (264 decline)			<u>16.70</u>
Secondary	946.73	930.92	<u>(15.81)</u>
Students per FTE Reduction (327 decline)			<u>20.68</u>

V.2 Schedule 2 – Operating Fund Revenues and Expenses

	2019 Preliminary Draft Budget	2018 Amended Annual Budget	Increase (Decrease)
Revenues			
Provincial Grants - MOE	453,719,459	452,603,722	1,115,737
Provincial Grants - Other	68,719	68,719	-
Federal Grants	2,236,492	2,236,492	-
Tuition	29,798,303	28,891,797	906,506
Other revenue	5,096,791	5,892,499	(795,708)
Rentals and Leases	4,185,516	4,185,516	-
Investment Income	1,869,138	1,613,502	255,636
Total Revenue	496,974,418	495,492,247	1,482,171
Expenses			
Instruction	409,421,168	406,396,778	3,024,390
District Administration	18,534,777	19,095,436	(560,659)
Operations and Maintenance	62,832,030	61,975,642	856,388
Transportation and Housing	2,892,178	2,890,660	1,518
Total Expense	493,680,153	490,358,516	3,321,637
Net Revenue (Expense)	3,294,265	5,133,731	(1,839,466)
Transfers			
Reduction of Unfunded Employee Future Benefits	-	(132,764)	132,764
Purchases of Capital Assets	(3,482,255)	(5,000,967)	1,518,712
Total Net Transfers	(3,482,255)	(5,133,731)	1,651,476
Net Revenue (Expense) after Transfer	(187,990)	0	(187,990)
Prior Year Surplus Appropriation	187,990	-	187,990
Budgeted Surplus (Deficit)	0	0	0

V.2 Schedule 2A Operating Fund Revenues

	2019 Preliminary Draft Budget	2018 Amended Annual Budget	Increase (Decrease)
Provincial Grants - Ministry of Education			
Operating Grants	444,916,025	441,588,921	3,327,104
Other Ministry of Education Grants	8,803,434	11,014,801	(2,211,367)
Total Provincial Grants - Ministry of Education	453,719,459	452,603,722	1,115,737
Provincial Grants - Other	68,719	68,719	-
Federal Grants	2,236,492	2,236,492	-
Tuition			
Summer School Fees	1,443,374	1,357,584	85,790
Continuing Education Fees	487,809	863,761	(375,952)
Offshore/Out-of-Province Tuition Fees	27,867,120	26,670,452	1,196,668
Total Tuition	29,798,303	28,891,797	906,506
Other Revenue			
From other School Districts	1,150,000	1,150,000	-
Instructional Cafeteria Revenue	1,367,948	1,367,948	-
Other Grants	-	129,649	(129,649)
Local Education Agreements	32,670	-	32,670
Miscellaneous Fees	2,546,173	3,244,902	(698,729)
Total Other Revenue	5,096,791	5,892,499	(795,708)
Rentals and Leases	4,185,516	4,185,516	-
Investment Income	1,869,138	1,613,502	255,636
Total Operating Revenue	496,974,418	495,492,247	1,482,171

V.2 Schedule 2B Operating Fund Expenses

	2019 Preliminary Draft Budget	2018 Amended Annual Budget	Increase (Decrease)
Salaries			
Principal and Vice Principal Salaries	23,443,828	22,682,929	760,899
Teacher Salaries	225,496,842	222,176,857	3,319,985
Support Salaries	54,298,066	53,370,287	927,779
Educational Assistant Salaries	36,445,650	34,140,654	2,304,996
Other Professional Salaries	9,265,813	8,552,189	713,624
Substitute Salaries	9,949,554	9,229,948	719,606
Total Salaries	358,899,753	350,152,864	8,746,889
Employee Benefits			
	95,206,772	93,597,184	1,609,588
Total Salaries and Benefits	454,106,525	443,750,048	10,356,477
Services and Supplies			
Services	13,051,994	15,735,898	(2,683,904)
Student Transportation	2,899,449	2,912,857	(13,408)
Professional Development and Travel	998,290	997,394	896
Rentals and Leases	1,528,306	1,222,298	306,008
Dues and Fees	863,668	959,104	(95,436)
Insurance	1,341,532	1,253,273	88,259
Interest	2,363	2,363	-
Supplies	10,383,108	14,837,740	(4,454,632)
Utilities	8,504,918	8,687,541	(182,623)
Total Services and Supplies	39,573,628	46,608,468	(7,034,840)
Total Operating Expense	493,680,153	490,358,516	3,321,637

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V.2 Budget Proposals

- Total of \$3.2 million
- Previous V.1 additions removed
- Previous V.1 proposals revised
- New V.2 proposals
- Management recommendations
- Suggestions not considered

Previous V.1 Budget Additions Removed

	<u>\$ Amount</u>
Counsellor for VASS and Alternative Education	105,590
Resource teacher for VASS and Alternative Education	105,590
Resource teacher for VASS and Alternative Education (Outreach)	105,590
District Resource Teachers: Curriculum & Assessment Support 8-12	603,000
District Resource Teachers: Curriculum & Assessment Support K-7	303,000
Increase to school flex budget (5%)	<u>127,656</u>
	<u>\$ 1,350,426</u>

Previous V.1 Budget Proposals Revised

Privacy & Information Security Coordinator	75,713
Fleet Replacement Program	(73,930)
- Heavy equipment portion	355,898
PeopleSoft Updates	150,000
Stargarden Archival	150,000
Human Resource Assistant	67,650
Teaching Cafeteria Equipment	200,000

New V.2 Budget Proposals

Adult Education Instructional Assistants	79,136
Casual Grounds Staff	167,104
District Student Forum	25,000
In-house EA Training	100,000

All Budget Proposals

Proposals	Budget Proposals
Adult Education Instructional Assistants	79,136
Casual Grounds Staff	167,104
Counsellor for VASS and Alternative Education	105,590
District Resource Teacher: Career Education Support	111,000
District Resource Teachers: Curriculum & Assessment Support K-7	303,000
District Resource Teachers: Curriculum & Assessment Support 8-12	603,000
District Student Forum	25,000
Fleet Replacement Program	(73,930)
- Heavy equipment portion	355,898
Human Resource Assistant	67,650
In-house EA Training	100,000
Increase to school flex budgets	127,656
International Education increase in Teacher Staffing	313,711
PeopleSoft Updates	150,000
Privacy & Information Security Coordinator	75,713
Resource teacher for VASS and Alternative Education	105,590
Resource teacher for VASS and Alternative Education (Outreach)	105,590
Stargarden Archival	150,000
Teaching Cafeteria Equipment	200,000
Vice Principal for VASS & Alternative Education	139,900
	3,211,608

Recommendations of Management

Proposals	Budget Proposals	Management Recommended
Adult Education Instructional Assistants	79,136	39,568
Casual Grounds Staff	167,104	95,488
Counsellor for VASS and Alternative Education	105,590	105,590
District Resource Teacher: Career Education Support	111,000	
District Resource Teachers: Curriculum & Assessment Support K-7	303,000	202,000
District Resource Teachers: Curriculum & Assessment Support 8-12	603,000	452,000
District Student Forum	25,000	25,000
Fleet Replacement Program	(73,930)	(73,930)
- Heavy equipment portion	355,898	355,898
Human Resource Assistant	67,650	
In-house EA Training	100,000	75,000
Increase to school flex budgets	127,656	127,656
International Education increase in Teacher Staffing	313,711	156,856
PeopleSoft Updates	150,000	100,000
Privacy & Information Security Coordinator	75,713	75,713
Resource teacher for VASS and Alternative Education	105,590	105,590
Resource teacher for VASS and Alternative Education (Outreach)	105,590	105,590
Stargarden Archival	150,000	100,000
Teaching Cafeteria Equipment	200,000	200,000
Vice Principal for VASS & Alternative Education	139,900	139,900
	3,211,608	2,387,919
Net Expense in Version 2 Draft		187,990
Net Expense after Recommendations		2,575,909

Budget Suggestions not Considered

- The following considerations would result in significant changes if addressed
 - Elimination of the Attendance Support and Wellness Program
 - Re-establishment of Music Programs
 - Support for increased staffing at Mini-Schools
 - Learning Resources (Library, for example)
 - Maintenance Requirements

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Timeline & Next Steps

- May 2, 2018 Plenary Committees III/V – V. 2 budget documents and PowerPoint presentation
- May 2, 2018 – budget survey closes
- May 4, 2018 – FAQ document to be posted on website
- May 4 to May 11 – budget feedback accumulated
- May 16, 2018 Board meeting to receive feedback and hear final comment on draft budget to follow
- May 16 to May 28 - finalization of the budget
- May 28, 2018 – budget debate and first and second reading of the budget bylaw
- June 13, 2018 – Committee V final review of budget
- June 25, 2018 – Third reading of budget bylaw and adoption