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# BUDGET 2021/2022

**RICHMOND**  
SCHOOL DISTRICT NO. 38

**BUDGET ADVISORY WORKING GROUP**

**APRIL 15 2021**

# BUDGET TIMELINES

## April 15

- Budget Advisory Working Group

## April 21

- Finance & Legal Committee

## April 20

- Provincial Government Budget Announcement

## April 28

- Committee of the Whole Public Budget Meeting – input from stakeholders and public

## May 5

- Trustee Budget Workshop (Budget Deliberations)

## May 26

- Board approval of 2021/22 Budget

# BASE BUDGET BUDGET

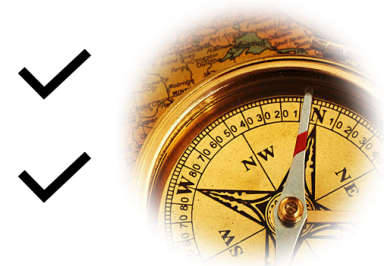
	Amended			
	2020/2021	2021/2022	2022/2023	2023/2024
Revenue				
Ministry Operating Grant	182,987,023	192,566,572	195,004,902	196,467,720
Other Ministry Grants	9,032,503	2,730,502	2,730,502	2,730,502
Other Fees and Revenue	16,617,065	17,673,694	20,295,755	22,512,431
<b>Total Revenue</b>	<b>208,636,591</b>	<b>212,970,768</b>	<b>218,031,159</b>	<b>221,710,653</b>
Expenses:				
Salaries	155,327,355	158,853,532	160,748,312	162,391,942
Benefits	38,838,755	39,562,103	40,520,982	40,940,906
Services and Supplies	17,481,250	19,250,267	19,527,204	19,950,464
<b>Total Expenses</b>	<b>211,647,360</b>	<b>217,665,902</b>	<b>220,796,498</b>	<b>223,283,312</b>
<b>Local Capital</b>	<b>(4,697,000)</b>	<b>(2,500,000)</b>	<b>(2,700,000)</b>	<b>(3,000,000)</b>
<b>Net Surplus (Shortfall)</b>	<b>(7,707,769)</b>	<b>(7,195,134)</b>	<b>(5,465,339)</b>	<b>(4,572,659)</b>
<b>Net Surplus (Shortfall) as a % of Budget</b>		<b>-3.31%</b>	<b>-2.48%</b>	<b>-2.05%</b>

# HOW TO BALANCE OUR BUDGET ?



# BUDGET GUIDING PRINCIPLES

- The budget will support and align to the Board's strategic plan and priorities and reflect the Board's commitment to responsible long term fiscal planning.
- Budget processes will be inclusive, transparent and will encourage stakeholder and community input
- All budget decisions will be focussed on creating and maintaining educational programs and services for students which maximize opportunities for learning
- Budget decisions will support a culture of innovation and responsiveness to system change, while maintaining cost effectiveness and long term sustainability
- Business and operational services and systems required to support schools and students will be based on best practices and maintained in an efficient and cost effective manner
- Budget decisions will be based on accurate, relevant data and information



## POTENTIAL BUDGET ADJUSTMENT CONSIDERATIONS

- Stay focused on Budget Guiding Principles and Budget Priorities
- Consideration of input and feedback from all key stakeholders
- Where possible, minimize the impact on the classroom
- Assessing future risk - what portion of the shortfall is truly structural vs one-time
- Level of Surplus/Contingency Reserves - holding some reserves for unknown impacts
- Weigh Pros and Cons of various budget options looking at short-term and long-term impacts
- Use of accumulated surpluses and reserves to “soften” the impact?
- Balance staff reductions across all employee groups
- On-going and One-time budget reductions and additions
- Goal: Long-term fiscal stability

## PROPOSED COMBINATION OF REDUCTIONS AND SURPLUSES

	2020/2021	2021/2022	2022/2023	2023/2024
Fund Balance Beginning of Year	3,357,918	7,829,402	4,779,268	3,886,588
Unrestricted Local Capital Reserve	3,471,484			
2020/2021 Unrestricted Operating Surplus	-			
Current year Projected Additional Surplus (Shortfall)	1,000,000	(7,195,134)	(5,465,339)	(4,572,659)
<b>Total Funds Available</b>	<b>7,829,402</b>	<b>634,268</b>	<b>(686,071)</b>	<b>(686,071)</b>
<b>Proposed Budget Adjust - 2021/22 (on-going)</b>		(3,839,000)	(3,839,000)	(3,839,000)
Proposed Budget Adjust - 2021/22 (one-time)		(306,000)		
Proposed Budget Adjust - 2022/23 (on-going)			(733,659)	(733,659)
Proposed Budget Adjust - 2022/23 (one-time)			-	
Proposed Budget Adjust - 2023/24 (on-going)				-
Proposed Budget Adjust - 2023/24 (one-time)				-
<b>Fund Balance End of Year</b>	<b>\$ 7,829,402</b>	<b>\$ 4,779,268</b>	<b>\$ 3,886,588</b>	<b>\$ 3,886,588</b>
COVID Contingency Reserve	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
<b>Total Fund Balance including COVID Contingency Reserve</b>	<b>\$ 9,829,402</b>	<b>\$ 6,779,268</b>	<b>\$ 5,886,588</b>	<b>\$ 5,886,588</b>
<b>% Net Surplus (Shortfall) before proposed on-going adjustments</b>		-3.2%	-2.4%	-2.0%
<b>% Net Surplus (Shortfall) after proposed on-going adjustments</b>		-1.5%	-0.7%	-0.3%
<b>% Fund Balance End of Year</b>		2.2%	1.7%	1.7%
<b>Fund Balance End of Year including COVID Contingency</b>		3.1%	2.6%	2.6%

## COMBINATION OF ADJUSTMENTS AND SURPLUSES

### Pros

- Begins to realign the budget and address the structural shortfall
- Balanced approach that provides for some flexibility
- Gives the school district time to plan and adjust if budget factors or assumptions change
- Leverages the fund balances to soften the impact in one year
- Continue to maintain an adequate level of accumulated surpluses/reserves

### Cons

- Eliminates the structural shortfall over 2 years



### Draft Potential Budget Adjustments - Condensed Summary

#	Budget Reduction Description	Group	FTE	\$	FTE	RTA	FTE	CUPE	FTE	Exempt	Services & Supplies
<b>Potential Budget Reductions</b>											
1	District- Based Administrative/Clerical	CUPE	(5.0)	(325,000)			(5.0)	(325,000)			
2	District-Based Support Staff	CUPE	(3.0)	(178,000)			(3.0)	(178,000)			
3	Computer Support Technician	CUPE	(3.0)	(270,000)			(3.0)	(270,000)			
4	Electrician	CUPE	(1.0)	(90,000)			(1.0)	(90,000)			
5	District-Based Exempt Staff	RMAPS	(2.0)	(275,000)					(2.0)	(275,000)	
6	District and School-Based Administrators	RASA	(2.5)	(401,000)					(2.5)	(401,000)	
7	Non-enrolling Teachers	RTA	(9.0)	(990,000)	(9.0)	(990,000)					
8	Enrolling Teachers	RTA	(8.4)	(615,000)	(8.4)	(615,000)					
<b>Total Salaries &amp; Benefits</b>			<b>(33.9)</b>	<b>(3,144,000)</b>	<b>(17.4)</b>	<b>(1,605,000)</b>	<b>(12.0)</b>	<b>(863,000)</b>	<b>(4.5)</b>	<b>(676,000)</b>	-
<b>Services and Supplies</b>											
9	Various Services & Supplies	on-going		(900,000)							(900,000)
9	Various Services & Supplies	one-time		(800,000)							(800,000)
<b>Total Potential Budget Reductions</b>			<b>(33.9)</b>	<b>(4,844,000)</b>	<b>(17.4)</b>	<b>(1,605,000)</b>	<b>(12.0)</b>	<b>(863,000)</b>	<b>(4.5)</b>	<b>(676,000)</b>	<b>(1,700,000)</b>
<b>Potential On-going Additions</b>											
10	Assistant Manager - Cyber Security	RMAPS	1.0	105,000					1.0	105,000	
11	Foundations of a Healthy Workplace	on-going		100,000							100,000
<b>Potential One-time Additions</b>											
12	Equity and Inclusion	RASA	1.0	244,000					1.0	144,000	100,000
13	Health and Safety in Schools	CUPE	8.0	250,000			8.0	250,000			
			<b>(23.9)</b>	<b>(4,145,000)</b>	<b>(17.4)</b>	<b>(1,605,000)</b>	<b>(4.0)</b>	<b>(613,000)</b>	<b>(2.5)</b>	<b>(427,000)</b>	<b>(1,500,000)</b>
<b>Accumulated Surplus</b>				<b>(3,055,000)</b>							
				<b>(7,200,000)</b>							
<b>Projected Base Budget Shortfall</b>				<b>7,200,000</b>							
				-							
on-going				(3,839,000)							
one-time				(306,000)							
				<b>(4,145,000)</b>							



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**QUESTIONS?**

