
BUDGET ADVISORY WORKING GROUP BUDGET UPDATE



JANUARY 13, 2022

AGENDA

- Amended Budget 2021/2022
 - Enrolment Changes
 - Financial Impacts
- Budget 2022/2023
 - Timelines
 - Principles
 - Factors
- Comments and Questions



AMENDED BUDGET 2021-2022

AMENDED 2021/2022 BUDGET HIGHLIGHTS

- Reflects enrolment changes in both revenues and expenses
- Higher revenues than projected:
 - Ministry operating grants
 - Classroom Enhancement Fund (CEF) funding
 - International Education revenues higher than projected in the Spring
- Higher expenditures than projected:
 - Additional teaching positions – honouring collective agreement
 - Additional EA positions – maintain service levels in the classrooms
 - Additional cost pressures due to Omicron – substitute and PPE
 - Higher facilities costs for classroom ventilation – extended operational hours for more air exchange
 - Increased utilities costs due to colder winter
 - Higher costs in supplies and services due to inflation and supply chain imbalance

STUDENT ENROLMENT - 2021/2022

	Actual 2020/2021 Total	Projected 2021/2022 Total	Variance 2021/2022 Total	Actual 2021/2022 Total	Variance To Projected Total	Variance To Prior Year Total
	(FTE)	(FTE)	(FTE)	(FTE)	(FTE)	(FTE)
Elementary	11,555	11,746	191	11,727	(19)	172
Secondary	7,942	7,934	(8)	8,152	218	210
Continuing Ed - School Age	45	20	(25)	17	(3)	(28)
Alternate Schools	82	82	-	70	(12)	(12)
Distributed Learning	255	217	(39)	400	183	145
Total - School Age	19,879	19,999	120	20,366	366	487
Special Ed - Level 1	13	13	-	13	-	-
Special Ed - Level 2	786	825	39	860	35	74
Special Ed - Level 3	119	119	-	122	3	3
ELL	5,995	6,049	54	6,156	107	161
Indigenous Education	243	249	6	266	17	23
Adult Education	102	60	(42)	62	2	(40)
Total - Unique Student Needs	7,259	7,315	57	7,479	164	221
Summer Learning (Headcount)	4,581	4,666	85	4,698	32	117
International Education	630	680	50	720	40	90

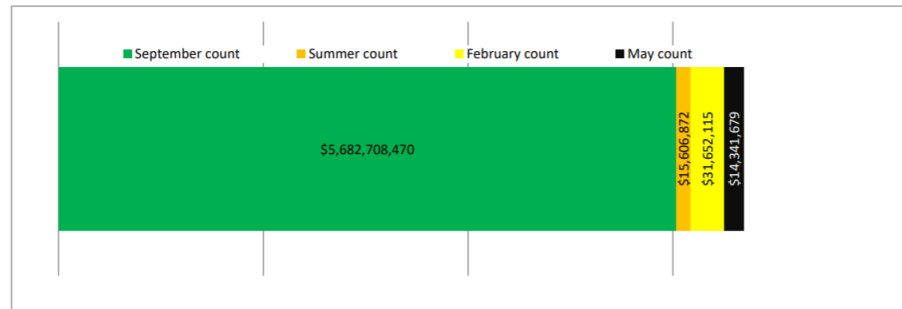
2021/2022 OPERATING GRANT RATES

Operating Grant Name	2020/2021	2021/2022	\$ Change	% Change
Basic Allocation - Regular	\$7,560	\$7,885	\$325	4.3%
Basic Allocation - Distributed Learning	\$6,100	\$6,360	\$260	4.3%
Students with Special Needs - Level 1	\$43,000	\$44,850	\$1,850	4.3%
Students with Special Needs - Level 2	\$20,400	\$21,280	\$880	4.3%
Students with Special Needs - Level 3	\$10,300	\$10,750	\$450	4.4%
English / French Language Learners	\$1,520	\$1,585	\$65	4.3%
Indigenous Students	\$1,500	\$1,565	\$65	4.3%
Non-graduated Adult Education	\$4,823	\$5,030	\$207	4.3%

MINISTRY OPERATING GRANT

Overview of the 2021/22 Operating Grant Allocation Formula

Allocation of the total Operating Block and Enrolment counts
(2021/22 estimated as at March 2021)



Funding Adjustments:

- Districts' preliminary allocations are adjusted after each of the enrolment counts; September 30th, February and May;
- A district's preliminary allocation will increase if actual enrolment is higher than district estimated enrolment; and consequently decline if actual enrolment is lower than district estimated enrolment;
- Funding Protection is calculated following the September enrolment count only – this supplemental grant is calculated last and ensures that districts do not experience a funding decline of greater than 1.5% compared to the previous year for the September count;
- The full operating block must be allocated to districts by June 30 of the current school year;
- Funding is disbursed in a "just in time" manner to closely match district cash needs.

Provincial Totals

76% allocated through the Basic Allocation

Basic Allocation

Common per student amount for every FTE student enrolled by school type

Standard School: \$7,885 per school age FTE	Continuing Education: \$7,885 per school age FTE
Alternate School: \$7,885 per school age FTE	Distributed Learning: \$6,360 per school age FTE

16% allocated to recognize unique student enrolment

Unique Student

Additional per student funding to address uniqueness of district enrolment and support additional programming

Level 1 Special Needs: \$44,850 per student	Level 2 Special Needs: \$21,280 per student	Level 3 Special Needs: \$10,750 per student
English/French Language Learning: \$1,585 per student	Indigenous Education: \$1,565 per student	Adult Education: \$5,030 per FTE
Equity of Opportunity: Mental health; youth in care		

8% allocated to recognize unique district factors

Unique District

Additional funding to address uniqueness of district factors

Small Community: for small schools located a distance away from the next nearest school	Low Enrolment: for districts with low total enrolment	Rural Factor: located some distance from Vancouver and the nearest large regional population centre	Climate Factor: operate schools in colder/ warmer climates additional heating or cooling requirements	Sparseness Factor: operate schools that are spread over a wide geographic area
Student Location Factor: based on population density of school communities			Supplemental Student Location: Level 1 and 2 special needs enrolment	
Salary Differential: Funding to districts that have higher average educator salaries				

0.3% allocated to buffer the effects of declining enrolment

Funding Protection / Enrolment Decline

Enrolment Decline: funding to districts experiencing enrolment decline of at least 1% when compared to the previous year	Funding Protection: funding to ensure that no district experiences a decline in operating grants greater than 1.5% when compared to the previous September
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CSF Supplement – district receives a 15% funding premium on allocated funding

All Funding information estimated for the 2021/22 School Year

MINISTRY OPERATING GRANT

	Enrolment Preliminary	\$/Student	2021/22 Projected	Enrolment Sep Actuals	\$/Student	2021/22 Amended	Increase (Decrease)
Student Base Allocation	19,680	\$7,885	\$155,180,301	19,879	\$7,885	\$156,747,492	\$1,567,191
Continuing Education (School Age)	20	\$7,885	\$157,700	17	\$7,885	\$131,088	(\$26,612)
Alternate Schools (School Age)	82	\$7,885	\$646,570	70	\$7,885	\$551,950	(\$94,620)
Distributed Learning Allocation	217	\$6,360	\$1,378,530	400	\$6,360	\$2,542,808	\$1,164,278
	19,999		\$157,363,101	20,366	\$0	\$159,973,338	\$2,610,237
Homeschoolers	38	\$250	\$9,500	34	\$250	\$8,500	(\$1,000)
Course Challenges	19	\$246	\$4,674	11	\$246	\$2,706	(\$1,968)
Total Enrolment-Based Funding	57		\$14,174	20,411	\$0	\$11,206	(\$2,968)
Special Ed - Level 1	13	\$44,850	\$583,050	13	\$44,850	\$583,050	\$0
Special Ed - Level 2	825	\$21,280	\$17,556,000	860	\$21,280	\$18,300,800	\$744,800
Special Ed - Level 3	119	\$10,750	\$1,279,250	122	\$10,750	\$1,311,500	\$32,250
ELL	6,049	\$1,585	\$9,587,665	6,156	\$1,585	\$9,757,260	\$169,595
Aboriginal Education	249	\$1,565	\$389,685	266	\$1,565	\$416,290	\$26,605
Adult Education	60	\$5,030	\$301,800	62	\$5,030	\$310,917	\$9,117
Distributed Learning - Adult	0	\$5,030	\$1,258	0	\$5,030	\$1,258	\$0
Equity of Opportunity Supplement (formerly Vulnerable Students)	-	\$0	\$874,733	-	\$0	\$877,806	\$3,073
Sub-Total Unique Student Needs	7,315		\$30,573,441	7,479	\$0	\$31,558,881	\$985,440
Salary Differential (4)			\$1,911,794			\$2,452,305	\$540,511
Unique Geographic Factors (5)			\$1,075,345			\$1,075,345	\$0
Supplement for Ed Plan (7)			\$177,281			\$177,281	\$0
Summer Learning, Total			\$1,451,436			\$1,405,491	(\$45,945)
Sub-Total			\$4,615,856			\$5,110,422	\$494,566
Full-Year Estimated Operating Grant			\$ 192,566,572			\$ 196,653,847	\$ 4,087,275

CLASSROOM ENHANCEMENT FUND

	2019/2020		2020/2021		2021/2022		Change	
	FTE	Funding	FTE	Funding	FTE	Funding	FTE	Funding
Total Teachers	321.1	\$29,147,353	300.3	\$29,092,042	309.8	\$32,344,010	9.5	\$3,251,968
Overhead		\$5,431,002		\$4,841,324		\$4,841,324		\$0
Remedy		\$343,332		\$131,328		\$178,164		\$46,836
Total CEF	321.1	\$34,921,687	300.3	\$34,064,694	309.8	\$37,363,498	9.5	\$3,298,804

CEF OVERHEAD FUNDING

Staffing			FTE	Expenditures
	Education Assistants		45.0	\$2,361,944
	TTOC required under CA			\$1,066,724
	School Administrator Time		1.5	\$258,431
	School Admin Assistants		1.8	\$88,938
	BSW		3.0	\$185,640
	HR, Payroll, Finance		6.0	\$557,093
	Technology Staff		2.0	\$177,475
			59.3	\$4,696,244
Other				
	Technology Equipment			\$145,080
				\$145,080
CEF Overhead - Total			59.3	\$4,841,324

SUMMARY OF KEY BUDGET UPDATES – 2021/2022

Increase/(Decrease) in Revenue		
Operating Grant Adjustments	\$4,087,275	
Other Provincial Grants	(260,127)	
Summer School Fees	(282,030)	
Continuing Education Fees	(184,026)	
International Education - Tuition Fees	600,000	
International Education - Other Revenues	321,450	
Rental Revenues	(96,743)	
Investment Income	(36,054)	
Miscellaneous Revenues	(89,676)	\$4,060,069
Increase/(Decrease) in Expenditures		
Teachers	\$695,466	
Other Professionals	58,683	
Support Staff	510,707	
Substitutes	1,071,727	\$2,336,583
Employee Benefits		\$552,191
Services and Supplies		\$1,007,227
Projected Net Surplus (Shortfall) before transfers to Local Capital		\$164,068
Transfer to Local Capital		(\$164,068)
Projected Net Surplus (Shortfall)		\$0





BUDGET 2022-2023

BUDGET PROCESS – 2022/2023

- Encourage stakeholder group participation, input and to share information publicly
- Utilize district web site for the public, Budget Advisory Working Group meetings, trustee workshops and Finance & Legal Committee
- Discussions with staff regarding possible program/operating efficiencies and savings
- Develop key assumptions, factors and projections to support a three year budget
- Develop budget proposals for Board consideration in alignment with the Strategic Plan and Policy 63 I
- Budget decisions based on approved Guiding Principles

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



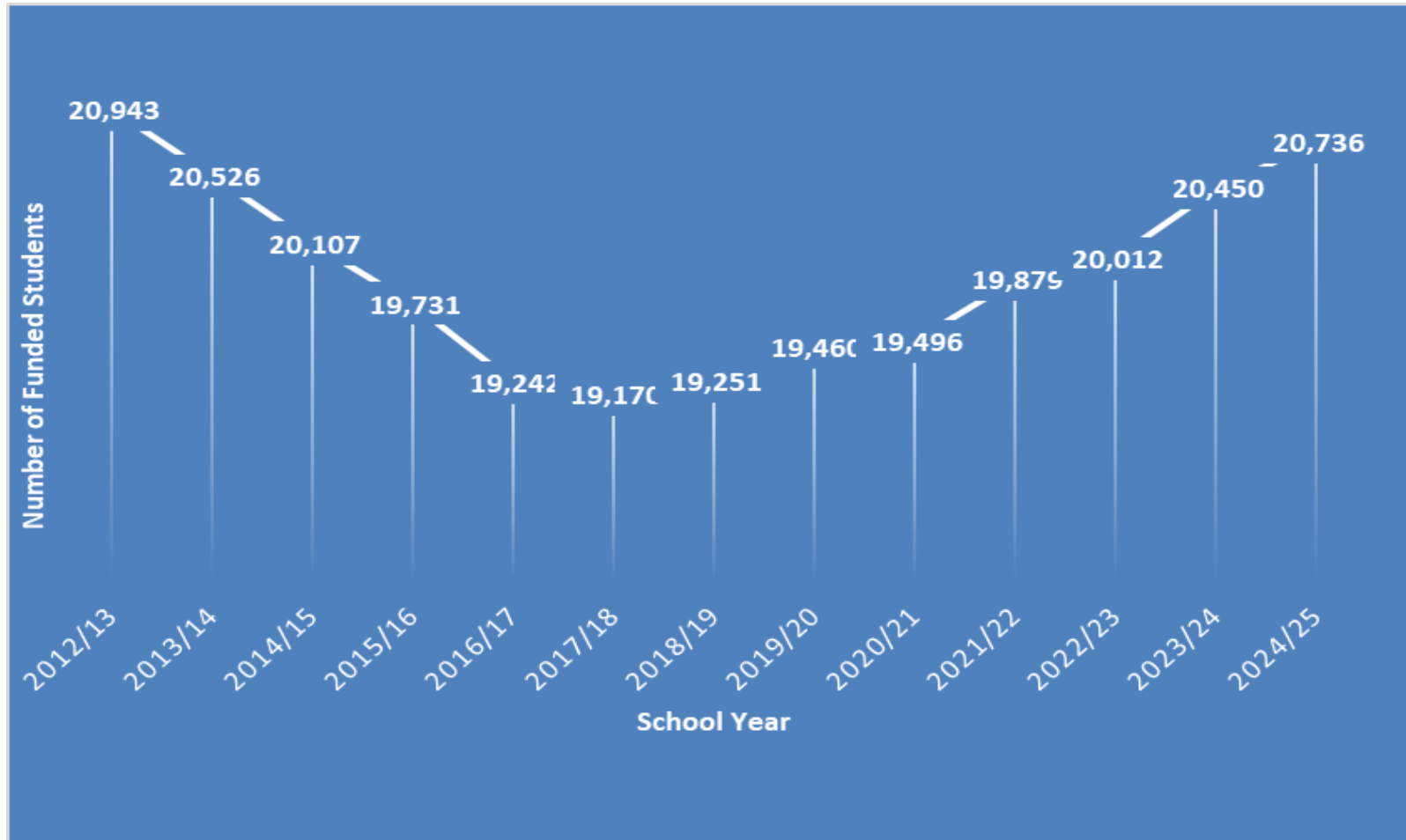
KEY BASE BUDGET FACTORS

- For 2022/23, it is unknown whether we will still be in the COVID-19 Pandemic
 - Better information through the Spring
 - Removal of one-time costs due to Covid from the annual budget
- Based on District's projected student enrolment for 2022/23, 2023/24 and 2024/25
 - Slight increase in total student population and unique student needs enrolment
- Maintain current service levels and programs
- Meet all staffing and resourcing requirements as per collective agreements
- Include 2022/2023 Ministry of Education Operating Grant to be announced in March
- Includes all known and projected cost pressures on all expenditure categories
- Includes projected increases/decreases to other revenues
- Development of 3 Year Base Budget with projected surplus (or shortfall) positions

3-YEAR STUDENT ENROLMENT PROJECTIONS

	Actual 2021/2022 Total	Projected 2022/2023 Total	Variance 2022/2023 Total	Projected 2023/2024 Total	Variance 2023/2024 Total	Projected 2024/2025 Total	Variance 2024/2025 Total
	(FTE)	(FTE)	(FTE)	(FTE)	(FTE)	(FTE)	(FTE)
Elementary	11,727	11,894	167	12,257	363	12,492	235
Secondary	8,152	8,118	(34)	8,193	75	8,244	51
Total - School Age	19,879	20,012	133	20,450	438	20,736	286
Special Ed - Level 1	13	11	(2)	11	-	11	-
Special Ed - Level 2	860	885	25	904	19	917	13
Special Ed - Level 3	122	105	(17)	105	-	105	-
ELL	6,156	6,195	39	6,331	135	6,419	88
Aboriginal Education	266	268	2	274	6	277	4
Total - Unique Student Needs	7,479	7,526	47	7,688	162	7,794	106
Summer Learning	4,698	4,698	-	4,698	-	4,698	-
International Education	720	720	-	750	30	800	50

FUNDED STUDENT ENROLMENT



2012/13 – 2024/25 data source: Ministry of Education;
2022/23 – 2024/25 data source: SD38 enrolment projections

KEY BASE BUDGET FACTORS – REVENUES

- Ministry of Education funding:
 - Provincial Budget 2022 announcement - February 22, 2022
 - Education funding announcement - March 15, 2022
 - Operating grant revenue based on projected enrolment
 - CEF remains at the same level
 - Summer Learning remains at the same level
- International Education program revenues
 - Student enrolment to gradually recover over the next three years
- Rental revenue – gradual recovery – likely below pre-pandemic level in 2022/23
- Investment Income – projected investment average rate will remain low

KEY BASE BUDGET FACTORS - EXPENSES

Salaries

- Teacher salary step increments of \$500,000 annually
- P/VP & Exempt staff step increments
- Potential higher sick leave
- Collective agreement settlement will be funded by Government

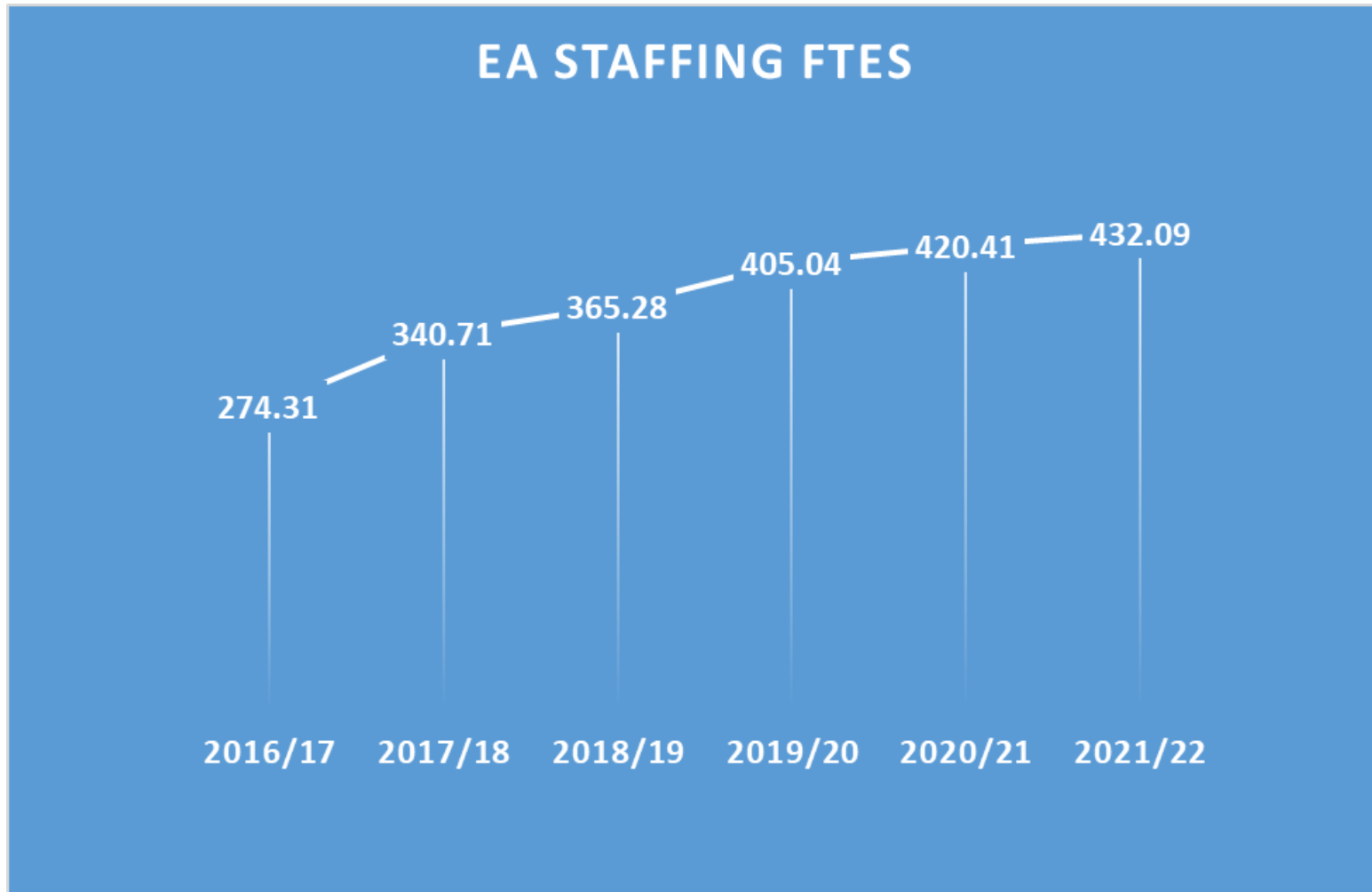
Employee Benefits

- Higher utilization of Extended Health / Dental services
- Higher rates for all benefits (CPP, EI, Worksafe, EHC and Dental insurance)

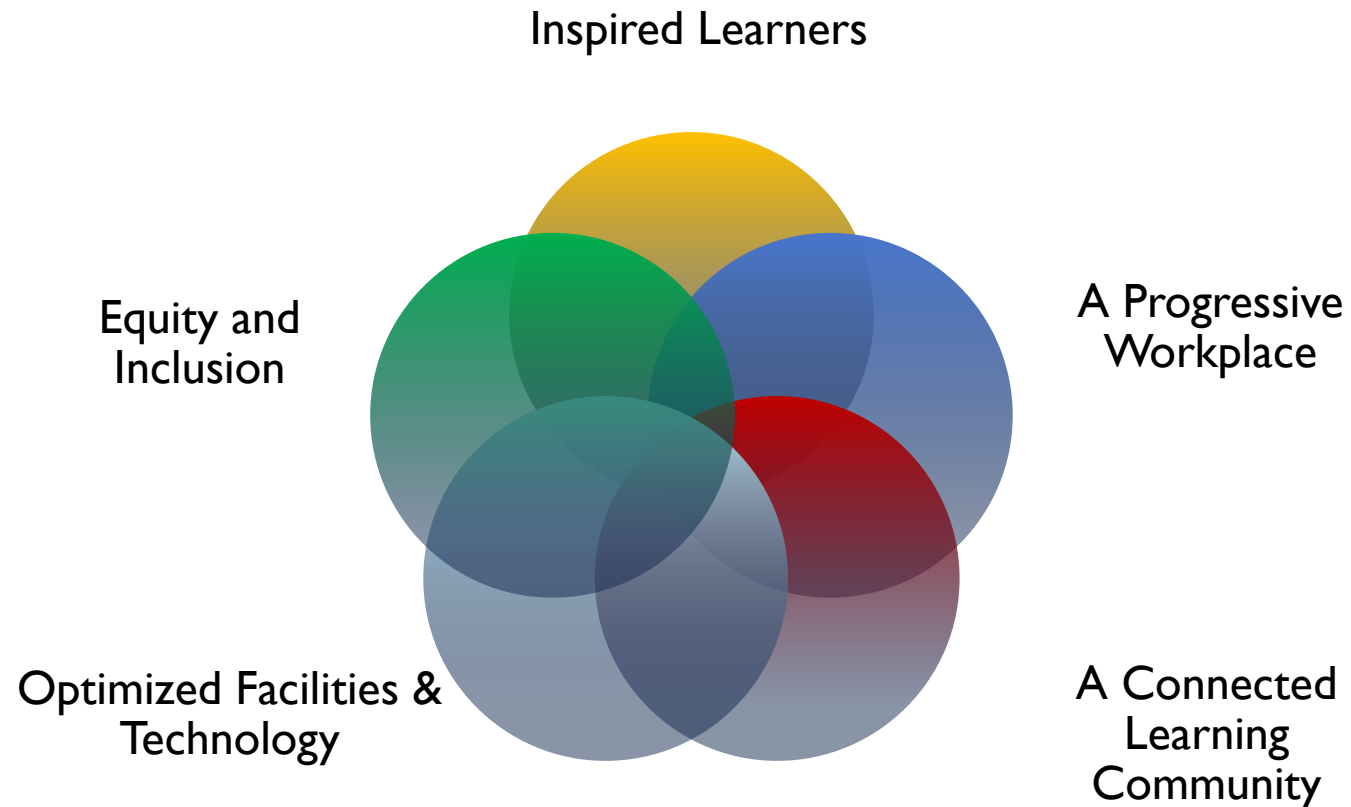
Services and Supplies

- Inflation (measured in Vancouver consumer price index, or CPI) on most services & supplies (2-4% increase)
- Rate Increases for utilities including Electricity, Natural Gas, Water/Sewer, Waste Management and Carbon Tax

GROWTH IN EDUCATION ASSISTANT (EA) POSITIONS



AREAS OF BUDGET FOCUS



OTHER FACTORS TO CONSIDER

- Pandemic
- Student Enrolment
- Funding Policy
- Provincial Budget and economic forecast
- International and geo-political landscape
- Other revenues
- Cost pressures caused by inflation and supply chain disruption
- Workforce planning

KEY BUDGET DATES

February

- Board approval of 2021/2022 Amended Annual Budget – February 23
- Preparation of 2022/2023 Base Budget

February – March

- Provincial Government Budget Announcement (February 22)
- Development of 2022/2023 Base Budget
- BAWG Meeting – February 24
- Ministry Announcement of 2022/2023 Preliminary Operating Grant and CEF (March 15)

March

- Draft base budget presented to Board – March 30
- BAWG Meeting – March 31

April

- Board Committee of the Whole – Stakeholder and Public Budget Input
- BAWG Meeting – April 14

April – May

- Board Budget Workshop(s) – budget deliberations

May 25

- Board Approval of 2022/2023 Annual Budget

June 30

- Submission of Approved 2022/2023 Annual Budget to Ministry of Education





QUESTIONS?



THANK YOU

