



2017/2018 Annual Budget

Board Education and Business Committee
April 25, 2017

The Operating Budget: What Is the Starting Position?

RECONCILIATION OF CHANGES IN BUDGET POSITION FOR 2017/2018

REVENUES:

PROVINCIAL FUNDING ESTIMATE	1,808,670	
OTHER PROVINCIAL GRANTS	(13,769)	
OTHER	(65,500)	
RENTALS	(40,000)	
SURPLUS USED IN 2016/2017 TO BALANCE	(620,989)	1,068,412

EXPENDITURES:

TEACHER WAGE INCREMENTS	(372,504)	
ADDITIONAL TEACHERS FOR ENROLMENT GROWTH	(198,933)	
TEACHER AND SUPPORT STAFF WAGE INCREASES	(519,157)	
EDUCATION ASSISTANTS ADDED IN 2016/2017	(236,512)	
PRINCIPAL AND VICE-PRINCIPAL COMPENSATION PLAN	(69,777)	
COMMUNICATIONS AND COMMUNITY ENGAGEMENT SPECIALIST	(79,879)	
MISCELLANEOUS ADJUSTMENTS	(152,678)	(1,629,440)

SHORTFALL PRESENTED ON MARCH 28, 2017	(561,028)
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CHANGES:

EXTENDED HEALTH AND DENTAL PREMIUMS	(418,216)
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ADJUSTED SHORTFALL PRESENTED ON APRIL 4, 2017	(979,244)
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Recommended Options to Deal with the Shortfall (Updated)

► Opening Shortfall	\$ - 979,244
1. 2016/2017 Surplus Appropriation	1,000,000
2. International Program Tuition Rate Increase	100,000
3. Investment Revenue	10,000
4. Rentals and Leases	20,000
5. Average Teacher Salary – New Hires/Leave Replacements	216,558
6. Exempt Staff / Principal Vice-Principal Regional Salary	-75,000
7. Technology – Update of Wireless Network	-100,000
8. District Principal of Student Supports	-147,467
9. District and School Level Administration	-83,895

Recommended Options to Deal with the Shortfall – Continued (Updated)

10. Operations / Custodial Equipment Renewal	0
11. Permanent Custodial Casual	0
12. Clerical Adjustment (Summer Weeks)	-4,000
13. Group Life Premiums Teachers	-5,634
14. Next Generation Network Premium Reduction	23,682
15. Sick Leave Coverage	25,000
16. <u>Rollover of DL / ITA / WEX / Try a Trade</u>	<u>0</u>
Shortfall updated with Adjustments	\$ 0

Classroom Enhancement Fund

- ▶ The Classroom Enhancement Fund is in response to the Memorandum of Agreement (MoA) that was reached between the British Columbia Teachers' Federation (BCTF), the Province of British Columbia (The Province) and the British Columbia Public School Employers' Association (BCPSEA). This MoA is interim and will be in place until bargaining resumes in 2019.
- ▶ District staff are close to understanding the implications of the restored collective agreement language. It includes smaller class sizes and restrictions on the numbers and types of special needs designations that can be combined into classrooms. The next slide will present the current estimated implications.
- ▶ Discussions on the interpretation of the restored classroom conditions are continuing with the Cowichan Valley Teachers' Federation.
- ▶ SD79's notional allocation is \$8,830,199. There are two components:
 1. \$8,420,704 for Teacher Compensation
 2. \$409,495 for Overhead and Operating Expenditures

Classroom Enhancement Fund

- ▶ The District's notional allocation for additional teacher staffing in the Classroom Enhancement Fund is \$8,420,704.
- ▶ Currently the Special Purpose budget has been prepared to include 60 teachers from these funds at a cost of \$5,661,479.
- ▶ The Province has committed to fully funding the additional teachers required under the Memorandum of Agreement. Should the actual number of teachers vary from the estimate the funding will also be adjusted.

Student Enhancement Fund Overhead and Operating Expenditure Funding

- ▶ The Classroom Enhancement Fund includes funding for expenditures related to the addition of the new teachers.
- ▶ It is intended to cover off the costs of absenteeism and any other costs associated with adding teachers.
- ▶ It is not to be used for the renovations or portable moves that may be required to accommodate the new teachers. Those funds will be forwarded under separate application to the Ministry of Education Capital Branch. The submission is due on April 28, 2017

Student Enhancement Fund Overhead and Operating Expenditure Funding

Description	FTE	Budget
Custodial Time	1.0	60,593
Clerical Itinerant	1.0	55,372
In-Service		75,000
Absenteeism Replacement		185,833
Technology / Furniture / Equipment		32,697
Total		409,495

The 2017/2018 Budget Bylaw

- ▶ The Board is required to adopt the 2017/2018 Annual Budget through the three readings of an Annual Budget Bylaw.
- ▶ The Bylaw is a consolidation of the Operating, Special Purpose and Capital Funds.

The 2017/2018 Budget Bylaw

Budget	2017/2018 Budget
Operating – Total Expense	78,071,385
Operating – Reduction in Unfunded Employee Future benefits	50,000
Special Purpose Funds – Total Expense	9,570,646
Special Purpose Funds – Tangible Capital Assets Purchased	360,500
Capital Fund – Total Expense	4,388,764
Capital Fund – Tangible Capital Assets Purchased from Local Capital	26,800
Total Budget Bylaw Amount	92,468,095

The Next Steps

- ▶ The Budget will receive first and second reading at the April 27th, 2017 Special Board Meeting.
- ▶ The Budget is expected to receive third and final reading at the May 2nd, 2017 Regular Board Meeting.
- ▶ Staffing for processes for the 2017/2018 school year will begin on May 3, 2017.