

Burnaby Board of Education Budget Presentation March 29, 2011

Sources of Revenue for School Boards

- The majority of school district grants come from provincial grants through the Ministry of Education's funding allocation system.
- School Districts have local revenues from rental of facilities, interest revenue on short-term deposits, international students, continuing education, etc.



Provincial Funding

- Ministry of Education establishes an annual budget for all of their responsibilities
- Part of their budget is for provincial operating grants to public schools
- Burnaby receives \$191 million in operating grants or approximately 4% of the total provincial operating grants

School Year	Operating Grants (\$ Billion)	Lift from Previous Year
2011/2012	\$4.721	\$58 million
2012/2013	\$4.725	\$4 million
2013/2014	\$4.725	\$0



Allocation of Provincial Operating Grant

The funding system provides for:

Student base allocation of \$6,784 per school-age FTE regular, continuing education and alternate school student

Student base allocation of \$5,851 per school-age FTE Distributed Learning student

Student base allocation of \$4,430 per Adult FTE student

Unique student needs: ESL (\$1,340), aboriginal education (\$1,160), special education Level 1 (\$36,600), Level 2 (\$18,300), Level 3 (\$9,200)

Teacher salary differential between districts

Unique geographic factors

Transportation of students

Summer Learning

Formula Transition

Enrolment Decline and Funding Protection



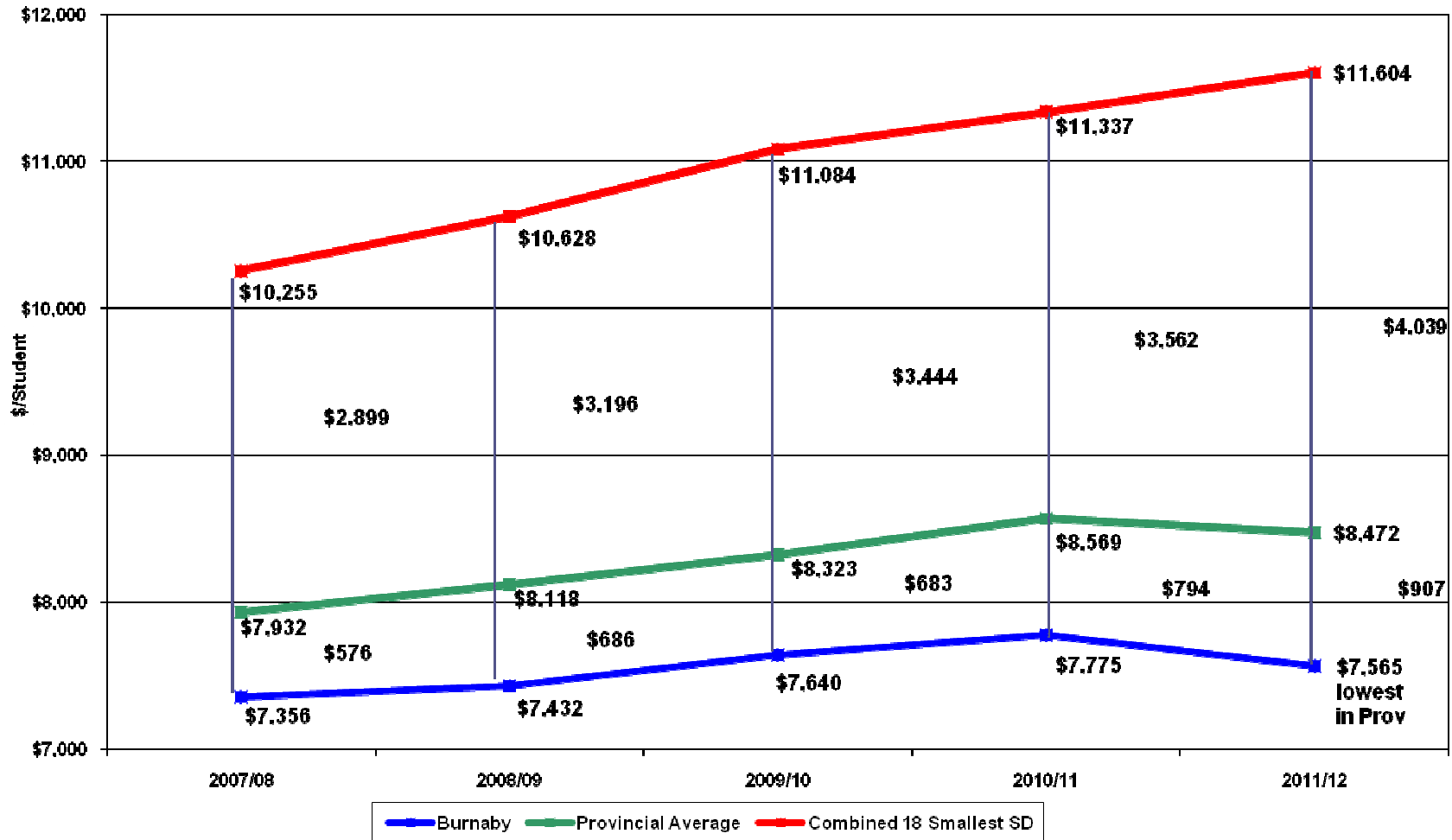
2011/2012 Operating Grant – Funding Formula Changes

- Increase in Block Funding \$58 Million (Full Day Kindergarten)
- Basic allocation for school-age students increased by \$44 to \$6,784
- Formula Transition supplement reduced by 50% (\$320,056)
- Funding Protection Increased to \$49.1 Million (46 Districts) from \$13 Million
- Enrolment Decline Funding Increased to \$13.7 Million from \$11.4 Million
- Burnaby's Operating Grant \$190,911,400, an Increase of \$1,162,326
- Provincial Enrolment Holdback \$57.4 million (\$65.6 million in 2010/2011)

Funding Protection

- Funding Protection is an additional allocation of funding to eligible districts to ensure no decrease in funding from the previous year
- Funding Protection is in addition to Enrolment Decline Funding
- For 2011/12 school year, 46 School Districts will receive Funding Protection based on preliminary funding
- For 2011/2012 \$49.1 million has been allocated in the Preliminary Funding announcement to cover Funding Protection, an increase of \$36 million over 2010/2011
- On a per pupil basis this \$49.1 million represent \$88 per student or \$2 million if allocated to Burnaby on a per student basis




Per Student Funding

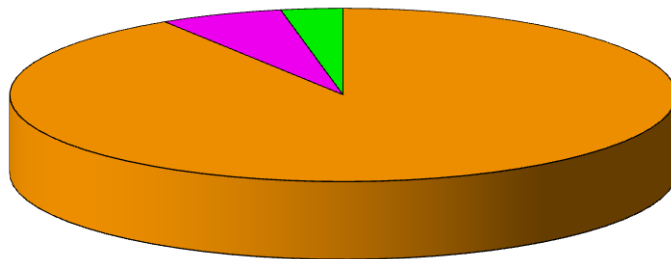


Source: Ministry of Education Factsheet
Preliminary Funding Announcements

School District Sources of Revenue

Burnaby

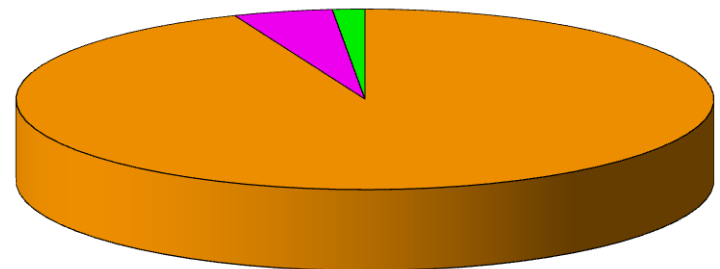
	Provincial Grants	93.0%
	Miscellaneous Revenue	5.8%
	Operating Surplus	1.2%



Source: Ministry of Education Table 2 2010/11 Annual Budgeted Sources of Operating Revenue

Provincial Average

	Provincial Grants	95.1%
	Miscellaneous Revenue	3.9%
	Operating Surplus	1.0%



Source: Ministry of Education Table 2 2010/11 Annual Budgeted Sources of Operating Revenue

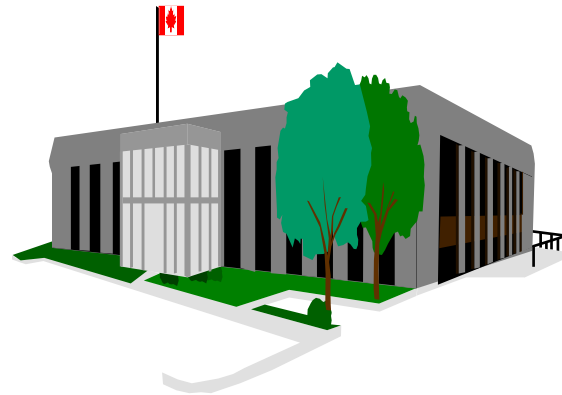
School District Operating Spending

- School Districts allocate their spending between 4 key functional areas:
 - Instruction



School District Operating Spending

- School Districts allocate their spending between 4 key functional areas:
 - Operating and Maintaining buildings



School District Operating Spending

- School Districts allocate their spending between 4 key functional areas:
 - District Administration



School District Operating Spending

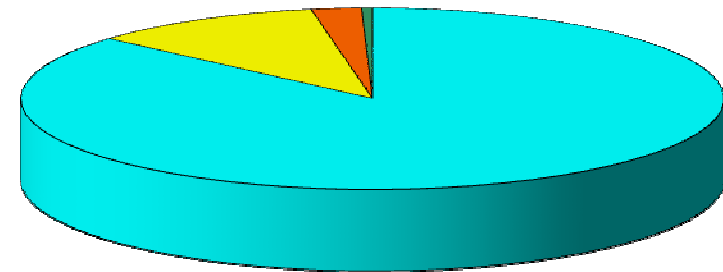
- School Districts allocate their spending between 4 key functional areas:
 - Transportation



School District Operating Spending

Burnaby

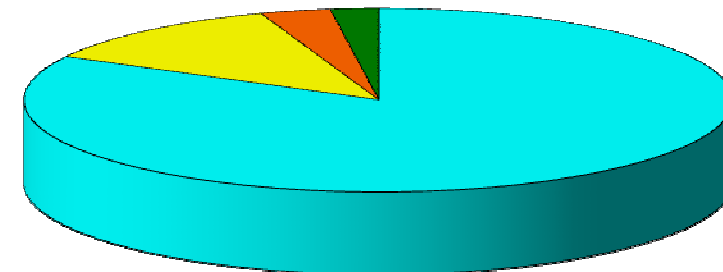
Instruction	86.9%
Operations & Maintenance	10.4%
District Administration	2.3%
Transportation	0.4%



Source: Ministry of Education Table 4 2010/11 Annual Budgeted Operating Expenditures by Function

Provincial Average

Instruction	83.5%
Operations & Maintenance	11.3%
District Administration	3.2%
Transportation	2.0%

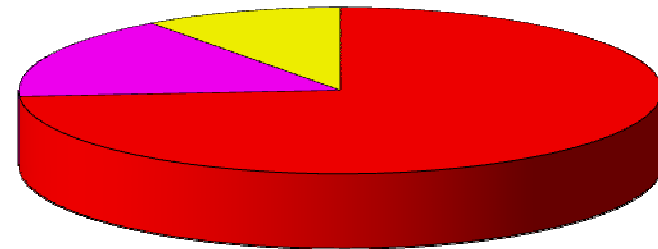


Source: Ministry of Education Table 4 2010/11 Annual Budget Operating Expenditures by Function

School District Operating Spending

Burnaby

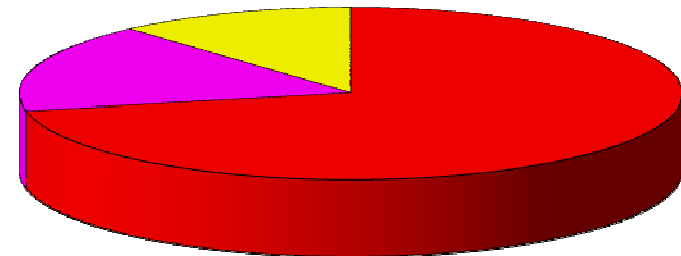
■ Salaries	73.8%
■ Employee Benefits	16.2%
■ Supplies & Services	10.0%



Source: Ministry of Education Table 5 2010/11 Annual Budgeted Operating Expenditures by Object

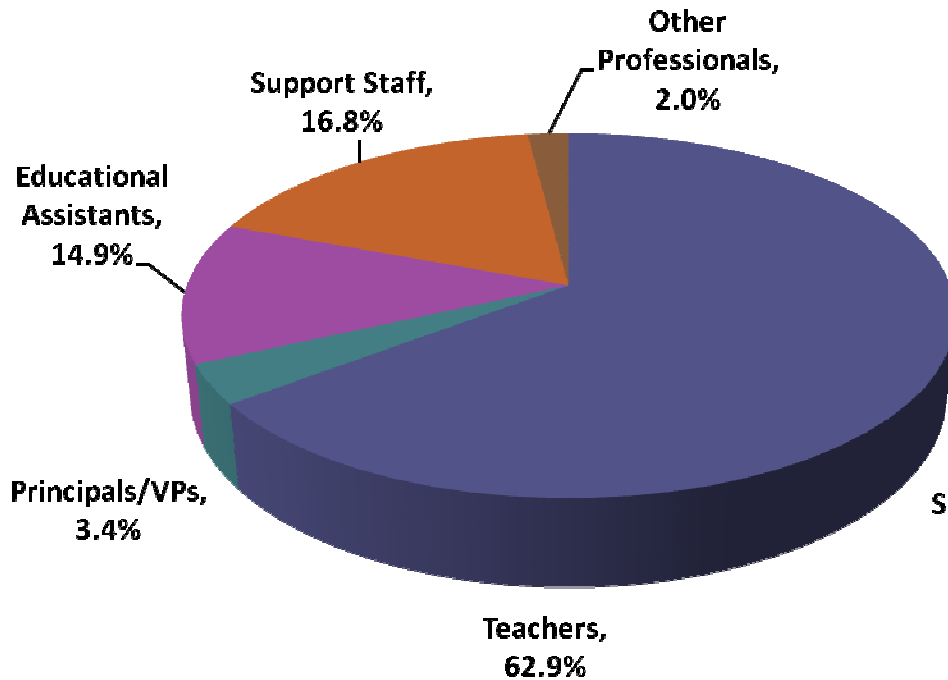
Provincial Average

■ Salaries	71.7%
■ Employee Benefits	16.7%
■ Supplies & Services	11.6%



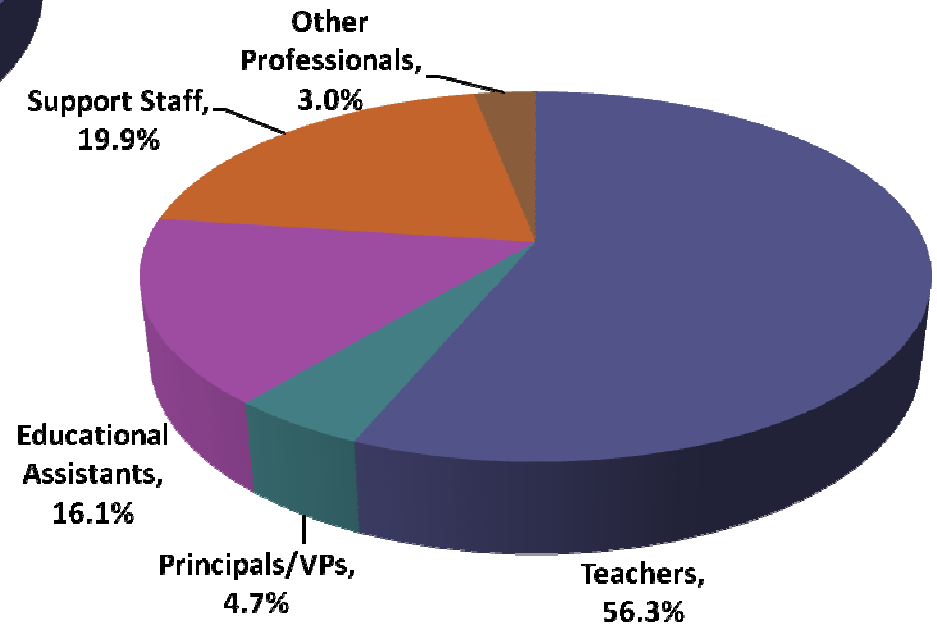
Source: Ministry of Education Table 5 2010/11 Annual Budgeted Operating Expenditures by Object

School District Budgeted FTE Employees



Province

Burnaby



Burnaby Board of Education

2011/2012 Operating Budget and Projected Three Year Operating Budget



Key Budget Timelines

March 11

- Ministry of Education preliminary operating grant announcement

March 29

- Public budget meeting

April 26

- Board approval of Preliminary Budget

Enrolment

	2009/2010 Final (FTE)	2010/2011 Final (FTE)	2011/2012 Projected (FTE)	2012/2013 Projected (FTE)	2013/2014 Projected (FTE)
Elementary	12,265.0	12,759.0	13,120.0	13,440.0	13,607.0
Secondary	10,591.7	10,414.9	10,333.0	10,058.0	9,912.0
Secondary - Alternate Programs	269.0	242.0	235.0	235.0	235.0
Continuing Ed - School Age	44.9	40.5	47.0	47.6	48.1
	23,170.6	23,456.4	23,735.0	23,780.6	23,802.1
Distributed Learning	222.4	279.8	300.0	320.0	340.0
Total - School Age	23,393.0	23,736.1	24,035.0	24,100.6	24,142.1
Homeschoolers	5.0	7.0	7.0	7.0	7.0
ESL	4,295.0	4,583.5	4,758.0	4,858.0	4,952.0
Aboriginal Education	732.0	710.5	702.0	681.0	679.0
Special Ed - Level 1	39.5	42.0	37.0	43.0	45.0
Special Ed - Level 2	523.0	567.5	589.0	619.0	656.0
Special Ed - Level 3	230.5	194.0	186.0	163.0	155.0
Adults	586.4	600.6	618.7	624.5	627.2
Total - Unique Student Needs	6,406.4	6,698.1	6,890.7	6,988.5	7,114.2
International Education	575.0	625.0	625.0	630.0	640.0

2011/2012 Budget Issues

- **Planned carry forward of \$2.5 Million Surplus**
- **ELSA Contract reduction of \$2.75 Million anticipated**
- **Growth in EA's likely greater than increased enrolment and funding**
- **Large increases in Energy rates**
- **Large increases in Municipal Pension and WCB rates**
- **Continuation of Carbon Offsets and Reporting Costs**
- **Public Sector Accounting Standards (PSAB) implications**

Status Quo Budget Assumptions

- ✓ **Maintain current service levels and programs**
- ✓ **No salary lifts for all employee groups**
- ✓ **Teacher salary increments \$600,000**
- ✓ **Education Assistants service increase \$300,000**
- ✓ **Municipal Pension Plan cost increase of 10%**
- ✓ **Benefits – CPP 3%, EI 3%, WCB 7%, EHB 3%, Dental 3%, MSP 4%, Life Ins 2%**
- ✓ **Inflation 2.0% on Services & Supplies**
- ✓ **Utilities - Electricity 9%, Gas 5%, Water/Sewer 9%**
- ✓ **Carbon Offset Cost \$25 per ton**

Operating Grant – 2011/2012

	2011/2012 Preliminary	2010/2011 Amended	Change
Student Base Allocation	\$ 162,773,544	\$ 159,641,795	\$ 3,131,749
School in the Summer / Other	2,124,998	2,100,994	24,004
Total Enrolment-Based Funding	164,898,542	161,742,789	3,155,753
ESL	6,375,720	6,141,890	233,830
Aboriginal Education	814,320	824,180	(9,860)
Special Ed - Level 1	1,354,200	1,537,200	(183,000)
Special Ed - Level 2	10,778,700	10,385,250	393,450
Special Ed - Level 3	1,711,200	1,784,800	(73,600)
Adult Education	966,294	947,467	18,827
Total Unique Student Needs	22,000,434	21,620,787	379,647
Salary Differential	2,841,160	2,806,496	34,664
Unique Geographic Factors	191,721	189,786	1,935
Transportation	675,196	675,196	-
Formula Transition	320,057	640,113	(320,056)
Holdback Allocation	-	2,073,907	(2,073,907)
Totals	\$ 190,927,110	\$ 189,749,074	\$ 1,178,036

Other Ministry of Education Grants

	2011/2012	2010/2011	
	Preliminary	Amended	Difference
Pay Equity	1,441,995	1,441,995	-
Education Guarantee - Graduated Adult	1,774,769	1,749,850	24,919
Community LINK Grant	604,115	604,115	-
Federal French Language Program	283,313	283,313	-
Ready Set Learn Grant	100,450	100,450	-
Misc. One-Time Grants	28,988	28,988	-
Total Other Grants	4,233,630	4,208,711	24,919

Other Provincial Grants

	2011/2012	2010/2011	
	Preliminary	Amended	Difference
English Language Services for Adults	3,755,252	3,755,252	-
Total Other Provincial Grants	3,755,252	3,755,252	-
(Note: 2011/2012 funding anticipated to be reduced \$2.75 million)			

Other Fees and Revenue

	2011/2012	2010/2011	
	Preliminary	Amended	Difference
International Education	8,638,500	8,638,500	-
Continuing Education	1,552,350	1,552,350	-
City of Burnaby	599,987	599,987	-
ACE-IT / ICT Revenues	332,950	332,950	-
SSEAC Trades LMA / Training Funds	152,335	300,424	(148,089)
Summer Session	242,500	242,500	-
BC Hydro Energy Manager Grant	100,000	160,000	(60,000)
Miscellaneous	42,000	42,000	-
Rentals & Leases	871,206	846,206	25,000
Investment Income	500,000	500,000	-
Total Other Fees & Revenue	13,031,828	13,214,917	(183,089)

Services and Supplies

	2011/2012	2010/2011	
	Preliminary	Amended	Difference
Services	7,586,077	7,785,386	(199,309)
Supplies	7,784,914	8,291,160	(506,246)
Utilities	3,648,300	3,435,825	212,475
Professional Development and Travel	996,881	1,132,972	(136,091)
Student Transportation	734,717	720,311	14,406
Rentals and Leases	759,715	744,819	14,896
Insurance	344,769	338,009	6,760
Dues and Fees	72,816	71,388	1,428
Total Services and Supplies	21,928,189	22,519,870	(591,681)

Status Quo Budget

	2011/2012 Preliminary	2010/2011 Amended	Difference
Revenue:			
Ministry Operating Grant	190,927,110	189,749,074	1,178,036
Other Ministry Grants	4,233,630	4,208,711	24,919
Other Provincial Grants	3,755,252	3,755,252	-
Other Revenue	13,031,828	13,214,917	(183,089)
Total Revenue	211,947,820	210,927,954	1,019,866
Expenses:			
Salaries	159,131,060	156,686,423	2,444,637
Benefits	34,869,848	33,777,624	1,092,224
Services & Supplies	21,928,189	22,519,870	(591,681)
Total Expenses	215,929,097	212,983,917	2,945,180
Net (Expenses) for Year	(3,981,277)	(2,055,963)	(1,925,314)
Local Capital	(384,000)	(384,000)	-
Operating (Deficit) for Year	(4,365,277)	(2,439,963)	(1,925,314)

Three Year Budget

	2011/2012	2012/2013	2013/2014
Revenue			
Ministry Operating Grant	190,927,110	191,824,935	192,755,627
Other Ministry Grants	4,233,630	4,250,796	4,258,549
Other Provincial Grants	3,755,252	3,755,252	3,755,252
Other Fees and Revenue	13,031,828	13,091,828	13,211,828
Total Revenue	211,947,820	212,922,811	213,981,256
Expenses:			
Salaries	159,131,060	160,801,635	161,693,535
Benefits	34,869,848	35,667,188	36,405,342
Services and Supplies	21,928,189	22,563,201	23,211,909
Total Expenses	215,929,097	219,032,024	221,310,786
Local Capital	(384,000)	(384,000)	(384,000)
Net Surplus (Shortfall)	(4,365,277)	(6,493,213)	(7,713,530)

Three Year Fund Balance

	2011/2012	2012/2013	2013/2014
Fund Balance Beginning of Year	2,480,042	-	-
Current Year Surplus (Shortfall)	(4,365,277)	(6,493,213)	(7,713,530)
Total Fund Available	(1,885,235)	(6,493,213)	(7,713,530)
Proposed Budget Adjustments - 2011/12	(1,885,235)	(1,885,235)	(1,885,235)
Proposed Budget Adjustments - 2012/13		(4,607,978)	(4,607,978)
Proposed Budget Adjustments - 2013/14			(1,220,317)
Fund Balance End of Year	-	-	-

Potential Budget Reductions

- **District Administration and Support Services:**
 - District Management Reorganization
 - Information Technology support
 - Supplies and Services
 - ELSA Contract Services
- **School Based and Classroom Support :**
 - Non-enrolling Teachers
 - Staffing Allocation and Secondary Class Size
 - Extension of Spring Break
 - Supplies and Services
 - ELSA Contract Services

Potential Budget Reductions

- **Facility Operations:**
 - Custodial supervision reorganization
 - Supplies and Services
 - Energy Management
 - Extension of Spring Break
 - Maintenance Services Department Support

Potential Budget Additions

- **New/Expanded Programs:**
 - Advanced Learning Program
 - Punjabi Language Program

Thank You!