

Burnaby Board of Education Budget Presentation

April 26, 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



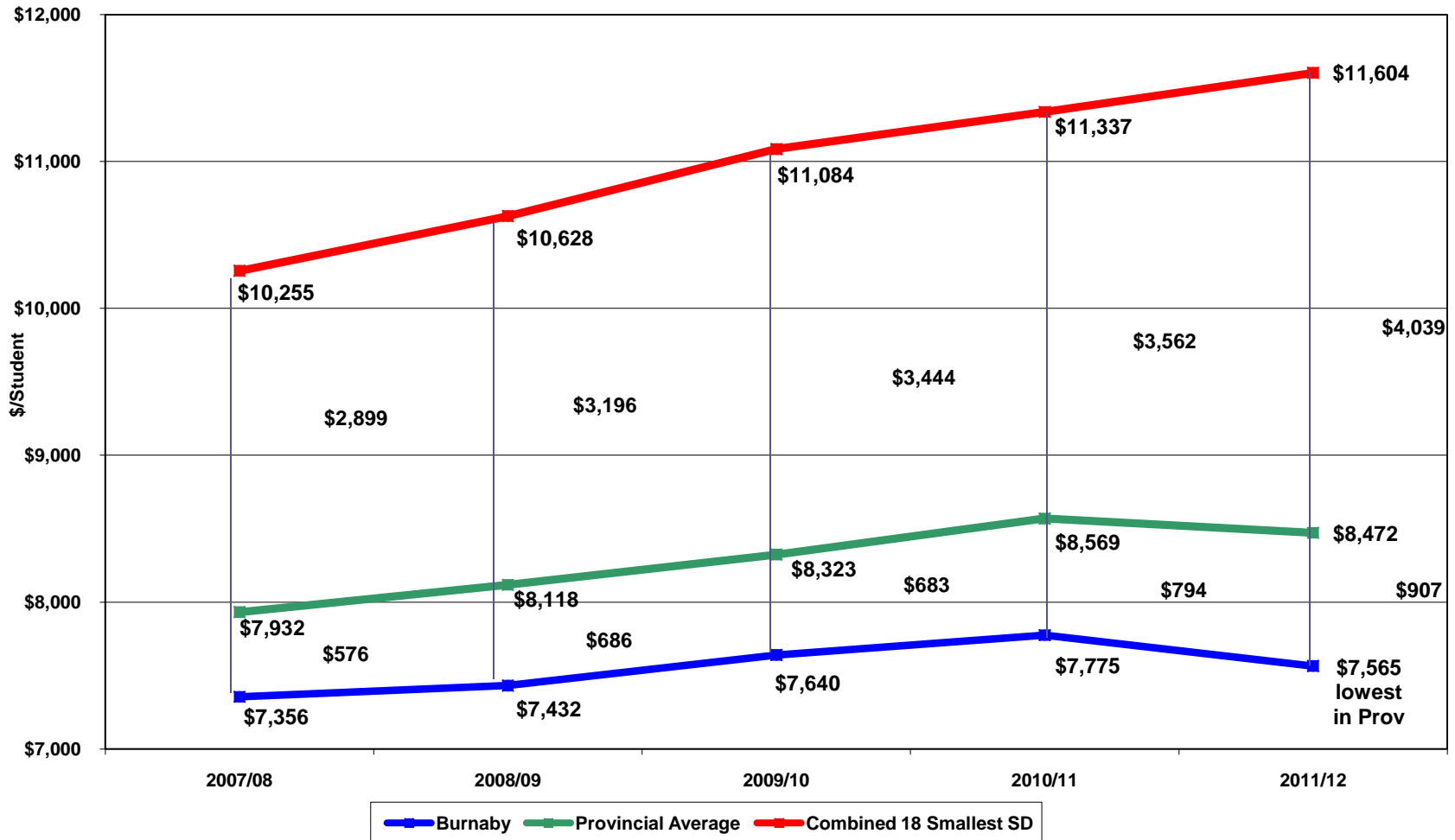
2011/2012 Operating Grant – Funding Formula Changes

- 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 \$191,077,322, an Increase of \$1,328,248
- 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 \$2.1 million if allocated to Burnaby on a per student basis

Per Student Funding

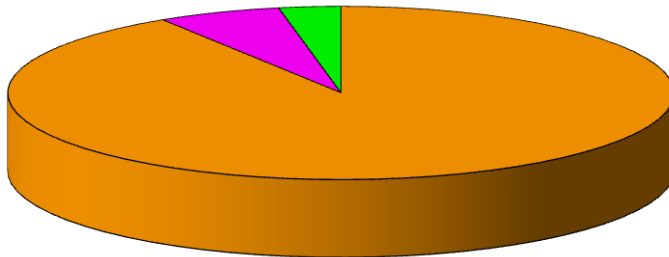


Source: Ministry of Education Factsheet
Preliminary Funding Announcements

School District Sources of Revenue




Burnaby

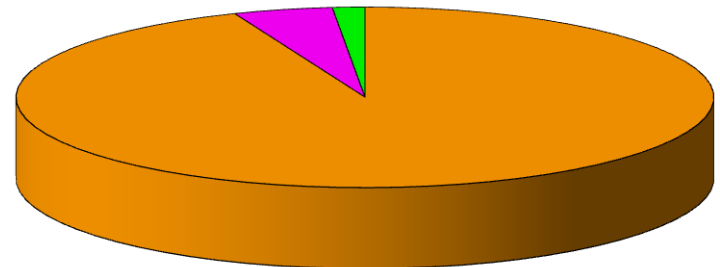
	Provincial Grants	93.0%
	Miscellaneous Revenue	5.8%
	Operating Surplus	1.2%



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

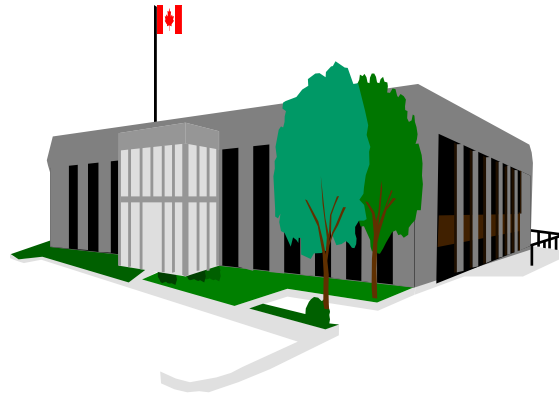
School District Operating Spending

- 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

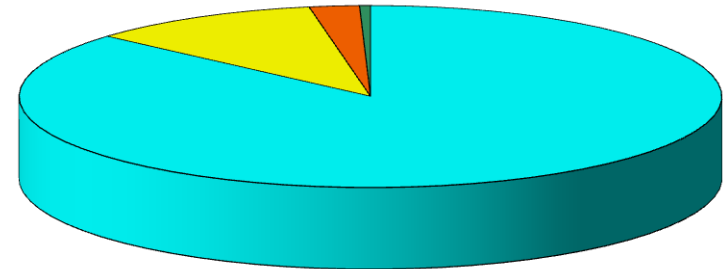
- School Districts allocate their spending between 4 key functional areas:
 - Transportation



School District Operating Spending





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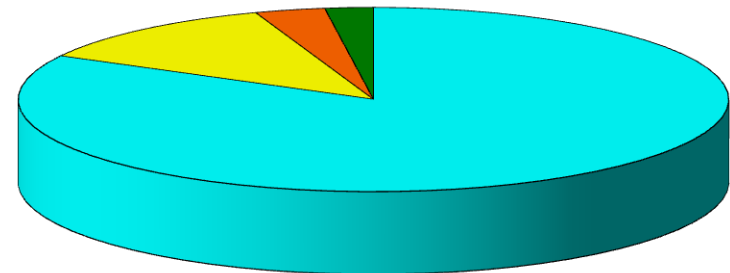
 Instruction	86.9%
 Operations & Maintenance	10.4%
 District Administration	2.3%
 Transportation	0.4%



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%

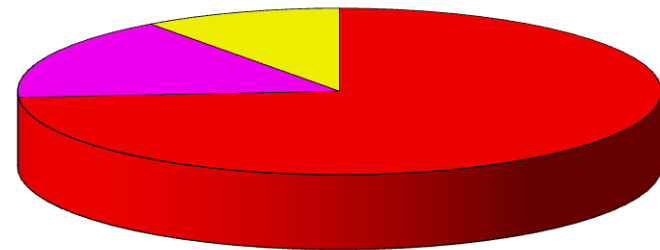


Source: Ministry of Education Table 4 2010/11 Annual Budget Operating Expenditures by Function

School District Operating Spending

Burnaby

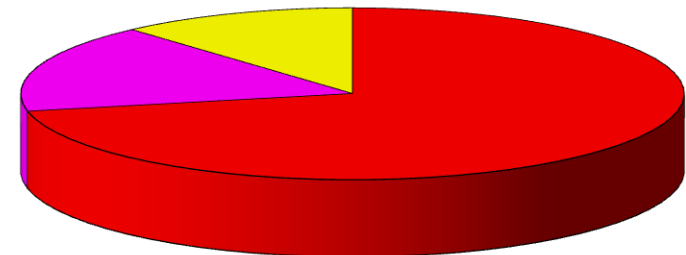
■ Salaries	73.8%
■ Employee Benefits	16.2%
■ Supplies & Services	10.0%



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

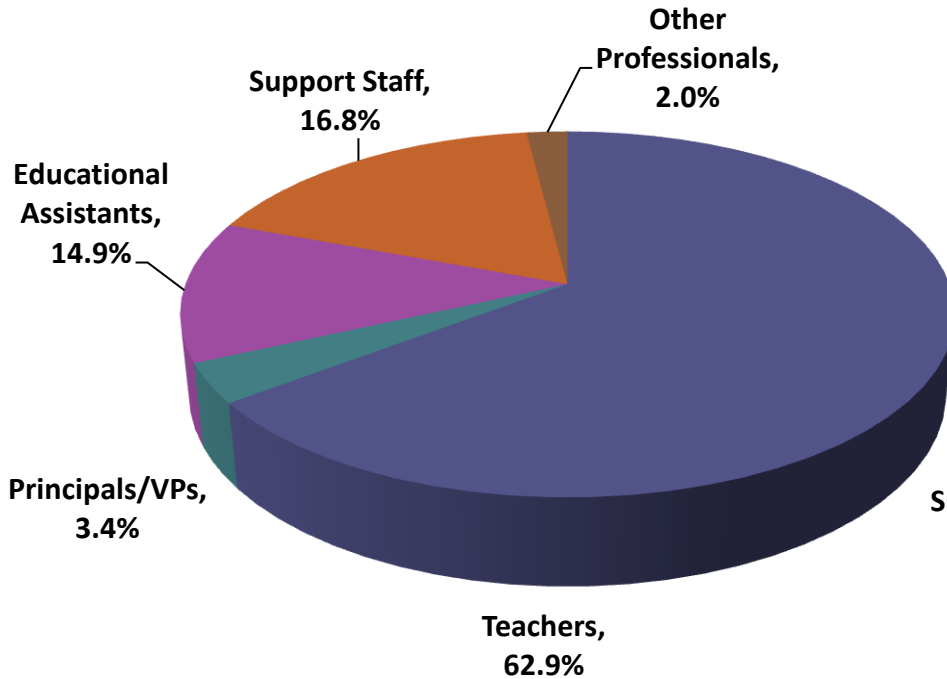
Provincial Average

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



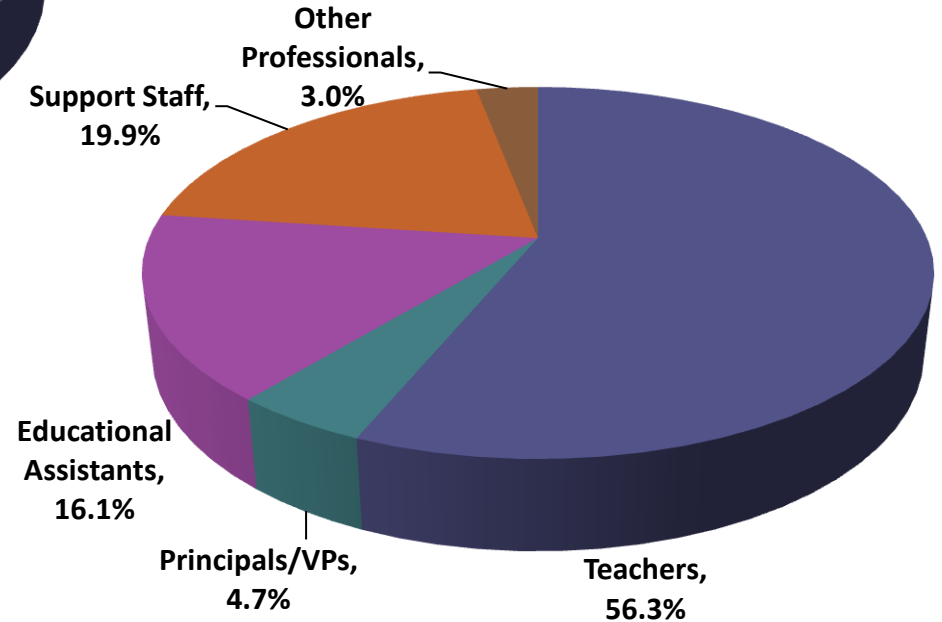
Source: Ministry of Education Table 5 2010/11 Annual Budgeted Operating Expenditures by Object

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 13

- Partner Group Presentations

April 26

- Board approval of Preliminary Budget

Enrolment

	2009/2010 Final	2010/2011 Final	2011/2012 Projected	2012/2013 Projected	2013/2014 Projected
	(FTE)	(FTE)	(FTE)	(FTE)	(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 \$3.7 Million Surplus**
- **ELSA Contract reduction of \$2.79 Million**
- **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**

Budget Adjustments

Ref	Description	FTE	Amount
1	Remove 2% Inflation	-	355,000
2	Year End Surpluses/ Budget Allocations	-	150,500
3	On-Line Program Change	2.00	170,000
4	Techonology Support Reorg	-	5,000
5	Energy Management	-	100,000
6	Non Enrolling Teachers	1.00	85,000
7	District and School Based Staffing Allocations	5.00	425,000
8	Continuing Education	-	50,000
9	Painter and Electrician Reorganization	-	5,000
Total Reductions		8.00	1,345,500

Budget Adjustments Cont'd

Ref	Description	FTE	Amount
Total Reductions		8.00	1,345,500
Additions			
1	Advanced Learning Program	1.00	100,000
2	Punjabi Language Program	0.30	45,500
Total Additions		1.30	145,500
Net Adjustments		6.70	1,200,000

ELSA Budget Adjustments

	2010/2011		2011/2012		Reductions	
	FTE	Amount	FTE	Amount	FTE	Amount
ELSA Provincial Funding		3,755,252		966,575		2,788,677
Principals/Vice-Principals	1.00	101,430	-	-	1.00	101,430
Teachers	23.65	1,544,447	6.20	421,619	17.45	1,122,828
Support Staff	1.50	68,000	1.00	46,500	0.50	21,500
Other Professionals	-	-	0.25	26,100	(0.25)	(26,100)
	26.15	1,713,877	7.45	494,219	18.70	1,219,658
Employee Benefits		359,914		114,706		245,208
Services & Supplies		797,428		357,590		439,838
	26.15	2,871,219.0	7.45	966,515	18.70	1,904,704

Other Continuing Education Adjustments

Current Year Spending Freeze	330,000
Net Staffing decrease in Other Programs	72,540
Services/Supplies reductions in Other Programs	232,307
Increase in Continuing Ed/Adult Funding	249,126
	<u>883,973</u>
Total Adjustments	<u>2,788,677</u>

Operating Adjustments by Employee Group

	BTA	CUPE	Exempt	BASA	Total
2010/2011 Staff FTE	1,478.7	754.7	46.2	79.8	2,359.4
2011/2012 Status Quo Adjustments	15.5	5.3	-	-	20.8
Proposed Budget Adjustments	(6.7)	1.0	(1.0)	-	(6.7)
Net Operating Budget Adjustments Prio to ELSA	8.8	6.3	(1.0)	-	14.1
ELSA Program Reduction	(17.4)	(0.5)	0.2	(1.0)	(18.7)
Total Operating Budget Adjustments	(8.6)	5.8	(0.8)	(1.0)	(4.6)
2011/2012 Staff FTE	1,470.1	760.5	45.4	78.8	2,354.8
Percent Staffing Adjustment by Employee Group	-0.58%	0.77%	-1.73%	-1.25%	-0.19%

Preliminary Budget

	2011/2012 Preliminary	2010/2011 Amended	Difference
Revenue:			
Operating Grant - Ministry of Ed	191,077,322	189,749,074	1,328,248
Other Ministry of Ed Grants	4,367,800	4,208,711	159,089
Other Provincial Grants	966,575	3,755,252	(2,788,677)
Other Fees & Revenue	11,720,622	11,868,711	(148,089)
Rentals & Leases	885,950	846,206	39,744
Investment Income	500,000	500,000	-
Total Revenue	209,518,269	210,927,954	(1,409,685)
Salaries:			
Teachers	108,064,017	108,053,924	10,093
Support Staff	31,064,837	30,437,548	627,289
Principals & Vice-Principals	8,578,600	8,648,811	(70,211)
Other Professionals	3,571,108	3,559,561	11,547
Substitutes	6,150,156	5,986,579	163,577
Total Salaries	157,428,718	156,686,423	742,295
Benefits	34,515,284	33,777,624	737,660
Services & Supplies	20,935,809	22,519,870	(1,584,061)
Total Expenses	212,879,811	212,983,917	(104,106)
Operating Surplus (Deficit) for Year	(3,361,542)	(2,055,963)	(1,305,579)
Local Capital	(384,000)	(384,000)	-
Fund Balance Beginning of Year	3,745,542	4,920,005	(1,174,463)
Fund Balance End of Year	-	2,480,042	(2,480,042)

Operating Grant – 2011/2012

	2011/2012 Preliminary	2010/2011 Amended	Change
Student Base Allocation	\$ 162,861,736	\$ 159,641,795	\$ 3,219,941
School in the Summer / Other	2,124,998	2,100,994	24,004
Total Enrolment-Base Funding	164,986,734	161,742,789	3,243,945
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	1,028,314	947,467	80,847
Total Unique Student Needs	22,062,454	21,620,787	441,667
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	\$ 191,077,322	\$ 189,749,074	\$ 1,328,248

Other Ministry of Education Grants

	2011/2012	2010/2011	
	Preliminary	Amended	Difference
Pay Equity	1,441,995	1,441,995	-
Education Guarantee - Graduated Adult	1,908,939	1,749,850	159,089
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	4,367,800	4,208,711	159,089

Other Provincial Grants

	2011/2012	2010/2011	
	Preliminary	Amended	Difference
English Language Services for Adults	966,575	3,755,252	(2,788,677)
Total Other Provincial Grants	966,575	3,755,252	(2,788,677)

Other Fees and Revenue

	2011/2012 Preliminary	2010/2011 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	-
Energy Management Grants	160,000	160,000	-
Miscellaneous	42,000	42,000	-
Rentals & Leases	885,950	846,206	39,744
Investment Income	500,000	500,000	-
Total Other Fees & Revenue	13,106,572	13,214,917	(108,345)

Services and Supplies

	2011/2012	2010/2011	
	Preliminary	Amended	Difference
Services	7,031,367	7,785,386	(754,019)
Supplies	7,670,001	8,291,160	(621,159)
Utilities	3,548,300	3,435,825	112,475
Professional Development and Travel	950,132	1,132,972	(182,840)
Student Transportation	720,311	720,311	-
Rentals and Leases	599,541	744,819	(145,278)
Insurance	344,769	338,009	6,760
Dues and Fees	71,388	71,388	-
Total Services and Supplies	20,935,809	22,519,870	(1,584,061)

Three Year Budget

	2011/2012	2012/2013	2013/2014
Revenue			
Ministry Operating Grant	191,077,322	191,824,935	192,755,627
Other Ministry Grants	4,367,800	4,384,966	4,392,719
Other Provincial Grants	966,575	966,575	966,575
Other Fees and Revenue	13,106,572	13,166,572	13,286,572
Total Revenue	209,518,269	210,343,048	211,401,493
Expenses:			
Salaries	157,428,718	159,099,293	159,991,193
Benefits	34,515,284	35,312,625	36,050,778
Services and Supplies	20,935,809	21,561,414	22,200,379
Total Expenses	212,879,811	215,973,332	218,242,350
Local Capital	(384,000)	(384,000)	(384,000)
Net Surplus (Shortfall)	(3,745,542)	(6,014,284)	(7,224,857)

Three Year Fund Balance

	2011/2012	2012/2013	2013/2014
Fund Balance Beginning of Year	3,745,542	-	-
Current Year Surplus (Shortfall)	(3,745,542)	(6,014,284)	(7,224,857)
Total Funds Available	-	(6,014,284)	(7,224,857)
Proposed Budget Adjustments - 2012/13		(6,014,284)	(6,014,284)
Proposed Budget Adjustments - 2013/14			(1,210,573)
Fund Balance End of Year	-	-	-

Thank You!