

Burnaby Board of Education Budget Presentation

April 24, 2012

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.
- Burnaby School District earns local revenues from international student fees, rental of facilities, investment income, 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

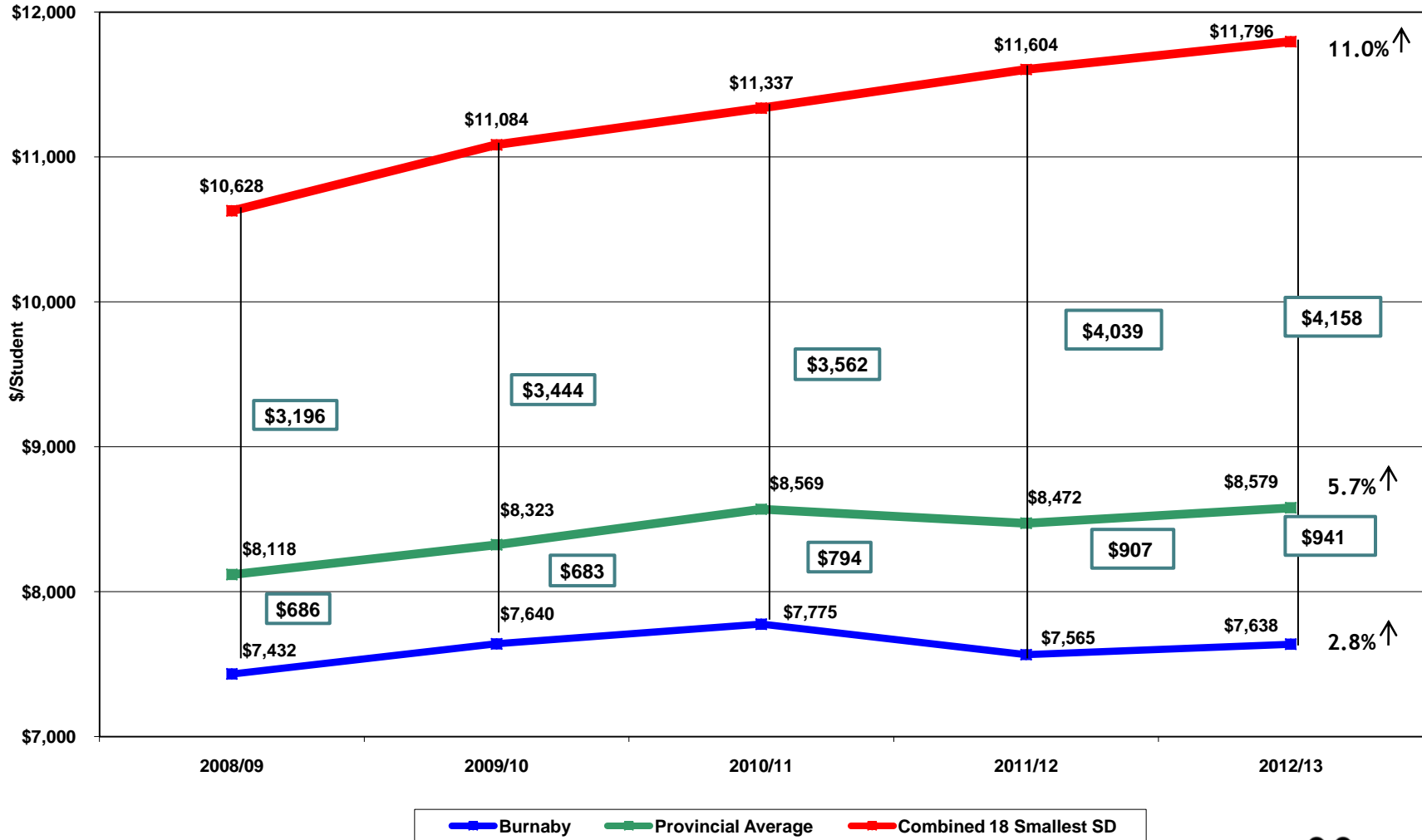
School Year	Operating Grants (\$ Billion)	Lift from Previous Year
2011/2012	\$4.721	\$58 million
2012/2013	\$4.725	\$4 million
2013/2014	\$4.725	\$0
2014/2015	\$4.725	\$0



Preliminary Operating Grant Highlights

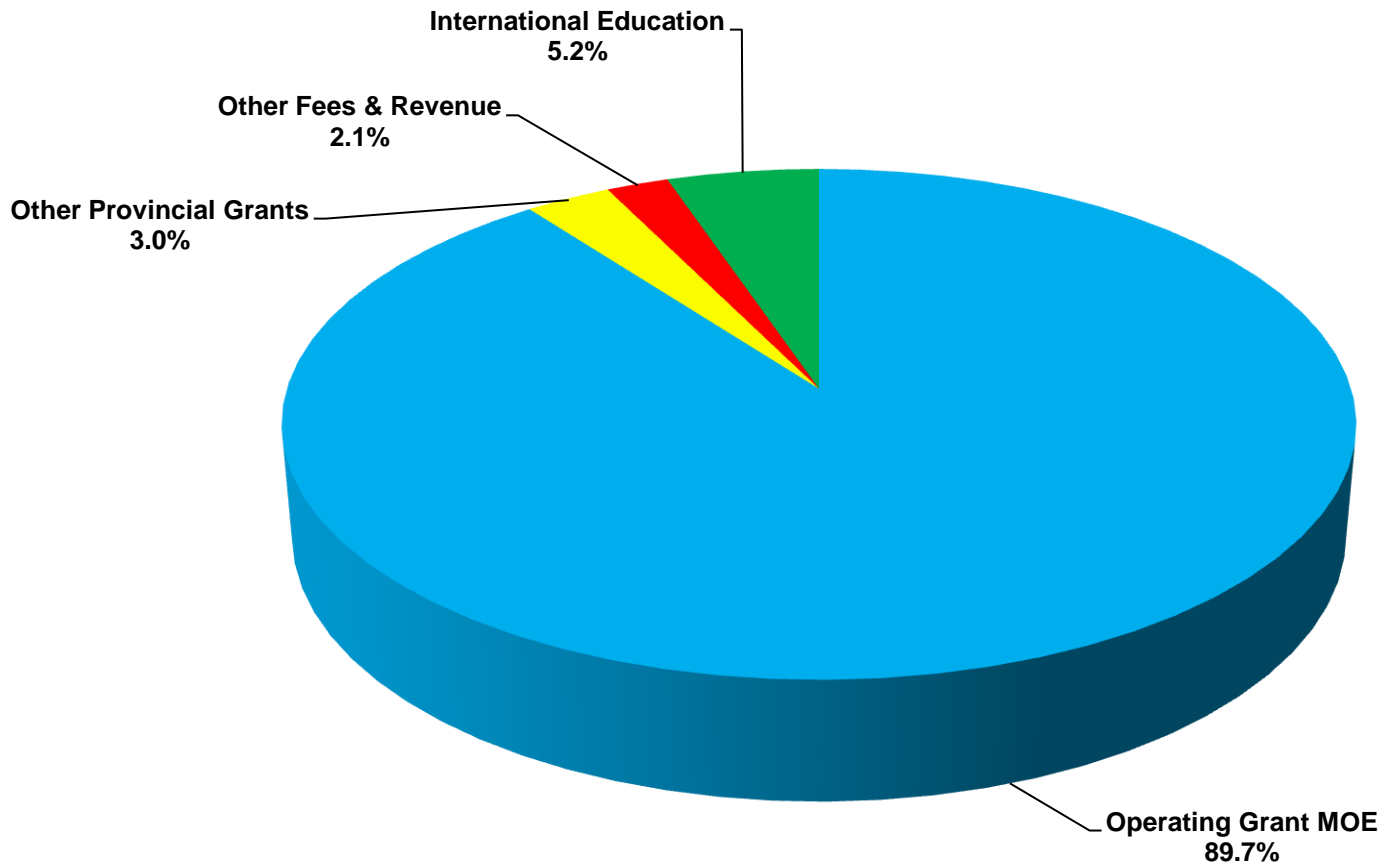
- Basic allocation for school-age students unchanged at \$6,784
- Formula Transition supplement funding of \$320,000 eliminated
- Elimination of Transportation funding and creation of Student Location factor, net increase of \$238,000
- Funding Protection increased to \$56.9 million (42 Districts) from \$30.6 million, Burnaby to receive \$656,000
- Funding to support Vulnerable Students \$429,000
- BC Education funding \$475,000
- Provincial Enrolment Holdback \$51.3 million (\$61.7 million in 2011/2012)
- Burnaby remains with lowest funding per pupil in province

Per Student Funding



Source: Ministry of Education Factsheet
Preliminary Funding Announcements

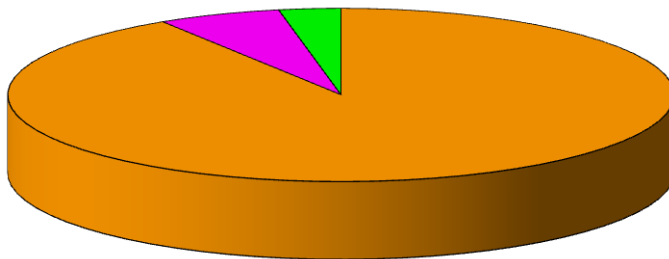
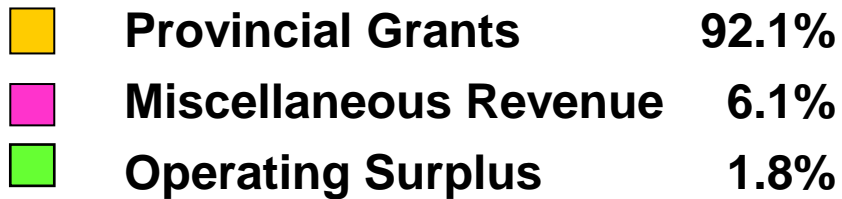
Burnaby School District's Budgeted Sources of Revenue



Source: 2011/12 Amended Operating budget

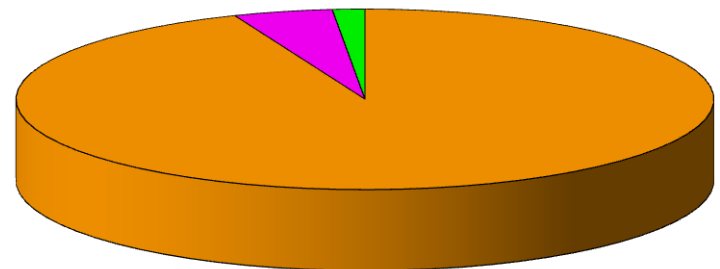
School District Sources of Revenue

Burnaby



Source: Ministry of Education Table 2 2011/12 Annual Budgeted Sources of Operating Revenue

Provincial Average



Source: Ministry of Education Table 2 2011/12 Annual Budgeted Sources of Operating Revenue

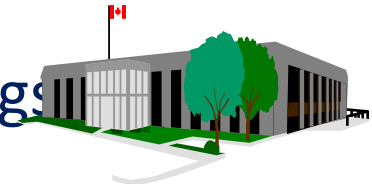
School District Operating Spending

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

- Instruction



- Operating and Maintaining buildings



- District Administration







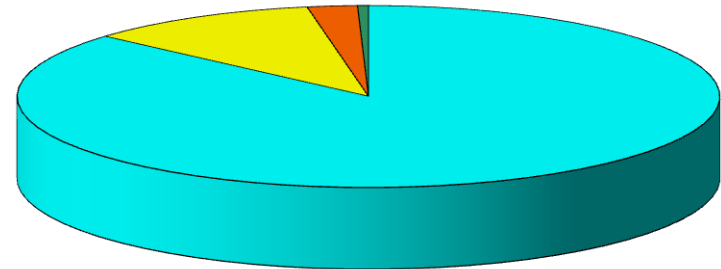
- Transportation



School District Operating Spending





Burnaby

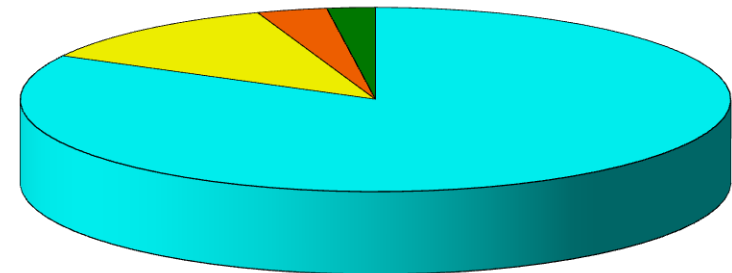
 Instruction	86.9%
 Operations & Maintenance	10.4%
 District Administration	2.3%
 Transportation	0.4%



Source: Ministry of Education Table 4 2011/12 Annual Budgeted Operating Expenditures by Function

Provincial Average

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

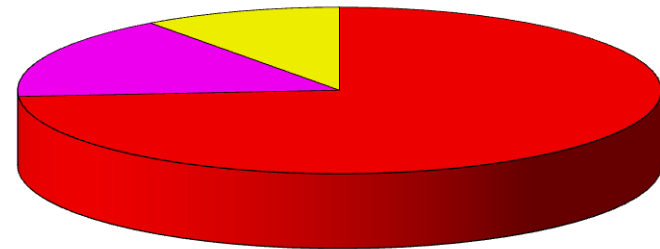


Source: Ministry of Education Table 4 2011/12 Annual Budget Operating Expenditures by Function

School District Operating Spending

Burnaby

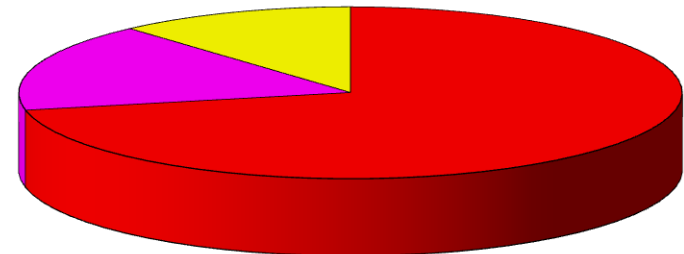
■ Salaries	74.0%
■ Employee Benefits	16.2%
■ Supplies & Services	9.8%



Source: Ministry of Education Table 5 2011/12 Annual Budgeted Operating Expenditures by Object

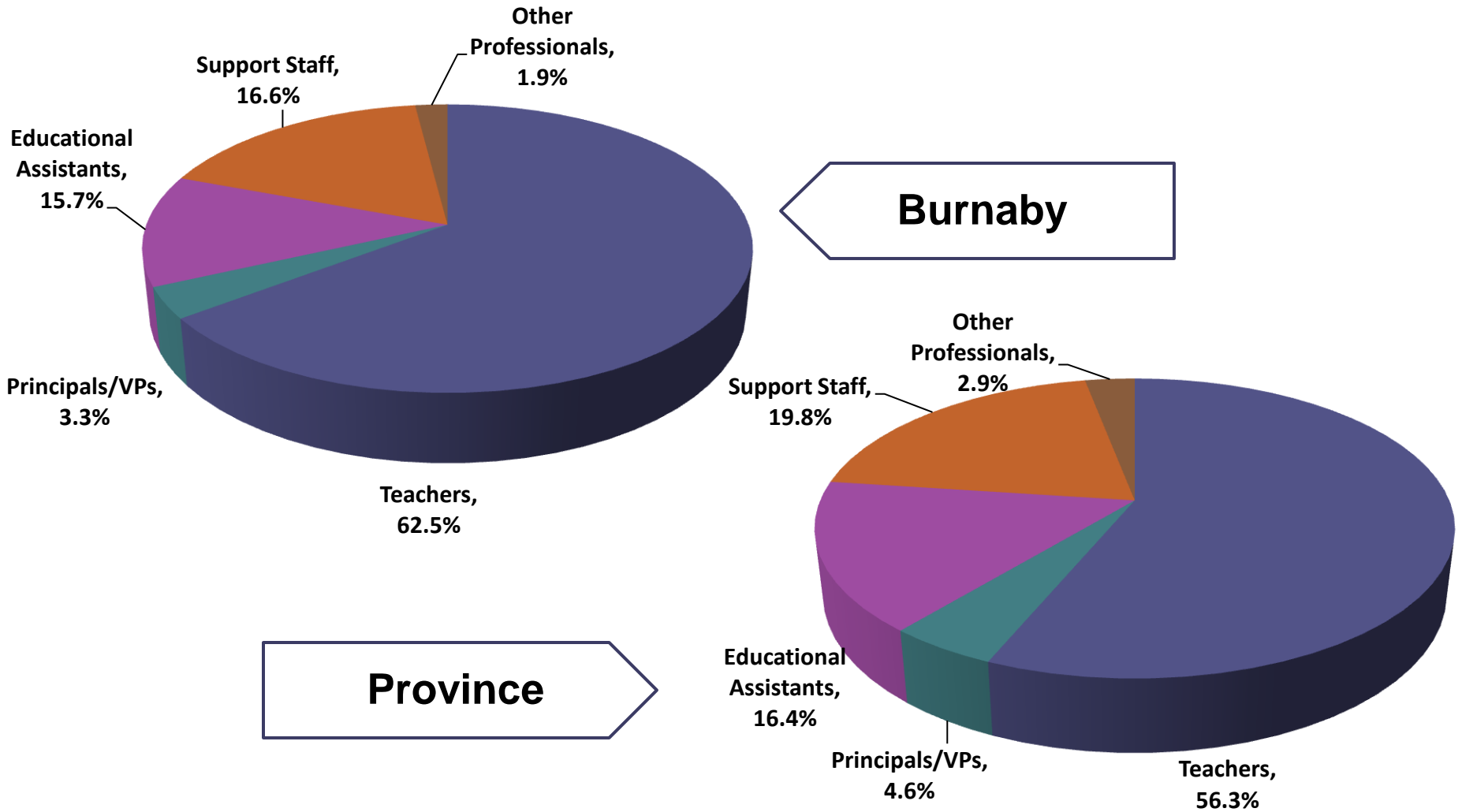
Provincial Average

■ Salaries	71.6%
■ Employee Benefits	16.9%
■ Supplies & Services	11.5%



Source: Ministry of Education Table 5 2011/12 Annual Budgeted Operating Expenditures by Object

School District Budgeted FTE Employees



Source: Table 9 2011/12 Annual Budgeted FTE Employees by Type of Employee

Burnaby Board of Education

2012/2013 Operating Budget and Projected Three Year Operating Budget



Key Budget Timelines

March 12

- Ministry of Education preliminary operating grant announcement

March 28

- Public budget meeting

April 11

- Partner Group presentations

April 24

- Board approval of Preliminary Budget

Status Quo Budget Assumptions

- Planned carry forward of \$4.2 million Surplus
- Maintain current service levels and programs
- No salary lifts for all employee groups
- Funding protection to be eliminated upon recalc of the operating grant and release of holdback funding in the fall
- Teacher salary increments \$700,000
- Enrolment holdback estimated to be \$1 million
- Carbon Offset costs to continue
- Cost impact of reversion to GST/PST from HST

Status Quo Budget Assumptions

- Inflation on Benefits – Municipal Pension Plan 2%, CPP 4%, EI 4%, WCB 0%, EHB 3%, Dental 3%, EAP 2%, Life Ins 0%
- Inflation 2.0% on Services & Supplies
- Inflation on Utilities – Electricity 8%, Gas 5%, Water/Sewer 8%
- New Learning Improvement Fund \$2.4 million to be included in Special Purpose Funds with incremental revenue equal to incremental expenses
- Annual Facilities Grant - \$4.4 million
- New Public Sector Accounting Standards (PSAB) implications – budget for all funds

Enrolment

	2011/2012 Total (FTE)	Projected 2012/2013 Total (FTE)	Projected 2013/2014 Total (FTE)	Projected 2014/2015 Total (FTE)
Elementary	13,006	13,229	13,411	13,648
Secondary	10,402	10,024	9,830	9,752
Secondary - Alternate Schools	226	226	226	226
Continuing Ed - School Age	45	46	46	46
	23,679	23,525	23,513	23,672
Distributed Learning	204	205	210	215
Total - School Age	23,882	23,730	23,723	23,887
Homeschoolers	5	5	5	5
ESL	4,728	4,831	4,944	5,026
Aboriginal Education	709	683	674	662
Special Ed - Level 1	38	35	37	38
Special Ed - Level 2	584	596	631	667
Special Ed - Level 3	159	127	109	96
Adults	638	633	633	633
Total - Unique Student Needs	6,861	6,910	7,033	7,127
Total - Summer Learning	964	965	965	965
International Education	807	820	835	850

Proposed Budget Adjustments

	Description	FTE	Amount
Budget Reductions			
1	Remove 2% Inflation	-	\$ 334,000
2	Year End Surpluses / Budget Allocation	-	200,000
3	Energy Management	-	100,000
4	Remove GST/PST reversion costs	-	120,000
5	District Class Size Average	2.5	213,000
6	Purchasing Services Reorganization	0.5	10,000
Total Reductions		3.0	977,000
Budget Additions			
7	Wellness and Absence Management	1.0	\$ 50,000
8	International Education Reorganization	5.5	-
Total Budget Additions		6.5	\$ 50,000
Net Budget Adjustments		3.5	(927,000)

Operating Grant

	2012/2013 Preliminary	2011/2012 Amended	Change
Student Base Allocation	\$ 160,793,059	\$ 161,828,247	\$ (1,035,188)
School in the Summer / Other	2,175,605	2,175,605	-
Total Enrolment-Based Funding	162,968,664	164,003,852	(1,035,188)
ESL	6,473,540	6,335,520	138,020
Aboriginal Education	792,280	822,440	(30,160)
Special Ed - Level 1	1,281,000	1,390,800	(109,800)
Special Ed - Level 2	10,906,800	10,687,200	219,600
Special Ed - Level 3	1,168,400	1,462,800	(294,400)
Adult Education	921,440	918,672	2,768
Vulnerable Students	429,145	-	429,145
Total Unique Student Needs	21,972,605	21,617,432	355,173
Salary Differential	2,976,588	2,995,931	(19,343)
Unique Geographic Factors	1,105,630	191,721	913,909
Transportation	-	675,196	(675,196)
Formula Transition	-	320,057	(320,057)
Supplement for BC Ed Plan	475,126	-	475,126
Funding Protection	656,591	-	656,591
Holdback Allocation	1,000,000	2,731,976	(1,731,976)
Totals	\$ 191,155,204	\$ 192,536,165	\$ (1,380,961)

Other Provincial Grants

	2012/2013	2011/2012	
	Preliminary	Amended	Difference
<u>Ministry of Education</u>			
Pay Equity	1,441,995	1,441,995	-
Education Guarantee - Graduated Adult	1,882,750	1,908,939	(26,189)
CommunityLINK Grant	773,702	773,702	-
Federal French Language Program	283,313	283,313	-
Ready Set Learn Grant	100,450	100,450	-
Misc. One-Time Grants	28,988	28,988	-
			-
	4,511,198	4,537,387	(26,189)
<u>Other Ministries</u>			
English Language Services for Adults	1,825,760	1,825,760	-
Total Other Provincial Grants ¹	6,336,958	6,363,147	(26,189)
¹ excludes new Learning Improvement Fund included in the Special Purpose Fund. Burnaby's allocation is approximately \$2.4 million			

Other Fees and Revenue

	2012/2013	2011/2012	
	Preliminary	Amended	Difference
International Education	12,396,067	11,231,780	1,164,287
Continuing Education	1,561,250	1,561,250	-
Rentals & Leases	885,950	885,950	-
City of Burnaby	602,790	602,790	-
Investment Income	500,000	500,000	-
ACE-IT / ICT Revenues	330,450	330,450	-
SSEAC Trades LMA / Training Funds	-	20,298	(20,298)
Summer Session	223,495	223,495	-
Sales Tax Recovery	-	168,000	(168,000)
BC Hydro / Fortis BC Energy Manager Grants	110,000	160,000	(50,000)
LEA/Direct Funding from First Nations	35,324	35,324	-
Miscellaneous	37,000	112,000	(75,000)
Total Other Fees & Revenue	16,682,326	15,831,337	850,989

Services and Supplies

	2012/2013	2011/2012	
	Preliminary	Amended	Difference
Services	8,099,253	8,286,457	(187,204)
Supplies	7,639,787	8,692,384	(1,052,597)
Utilities	3,462,313	3,348,300	114,013
Professional Development and Travel	984,243	1,135,696	(151,453)
Student Transportation	740,311	740,311	-
Rentals and Leases	510,173	510,173	-
Insurance	457,300	457,300	-
Dues and Fees	71,388	71,388	-
Total Services and Supplies	21,964,768	23,242,009	(1,277,241)

Operating Budget

	2012/2013 Preliminary	2011/2012 Amended	Difference
Revenue:			
Operating Grant - Ministry of Ed	191,155,204	192,536,165	(1,380,961)
Other Provincial Grants	6,336,958	6,363,147	(26,189)
Other Fees & Revenue	16,682,326	15,831,337	850,989
Total Revenue	214,174,488	214,730,649	(556,161)
Salaries:			
Teachers	109,555,287	108,746,742	808,545
Support Staff	31,952,488	31,487,453	465,035
Principals & Vice-Principals	8,585,005	8,585,005	-
Other Professionals	3,798,607	3,608,712	189,895
Substitutes	6,176,423	6,212,308	(35,885)
Total Salaries	160,067,810	158,640,220	1,427,590
Benefits	35,717,164	34,969,124	748,040
Services & Supplies	21,964,768	23,242,009	(1,277,241)
Total Expenses	217,749,742	216,851,353	898,389
Operating Surplus (Deficit) for Year	(3,575,254)	(2,120,704)	(1,454,550)
Local Capital	(632,000)	(632,000)	-
Fund Balance Beginning of Year	4,207,254	6,094,958	(1,887,704)
Fund Balance End of Year	-	3,342,254	(3,342,254)

Three Year Budget

	2012/2013	2013/2014	2014/2015
Revenue			
Ministry Operating Grant	191,155,204	191,854,879	193,634,550
Other Provincial Grants	6,336,958	6,336,958	6,336,958
Other Fees and Revenue	16,682,326	16,949,201	17,170,076
Total Revenue	214,174,488	215,141,038	217,141,584
Expenses:			
Salaries	160,067,810	161,257,545	162,863,237
Benefits	35,717,164	36,351,969	37,024,488
Services and Supplies	21,964,768	22,965,365	23,641,249
Total Expenses	217,749,742	220,574,879	223,528,974
Operating Surplus (Shortfall)	(3,575,254)	(5,433,841)	(6,387,390)
Local Capital	(632,000)	(632,000)	(632,000)
Net Surplus (Shortfall)	(4,207,254)	(6,065,841)	(7,019,390)

Three Year Fund Balance

	2012/2013	2013/2014	2014/2015
Revised Projected Fund Balance Beginning of Year	4,207,254		-
Surplus (Shortfall) for the Year	(4,207,254)	(6,065,841)	(7,019,390)
Net Fund Balance Prior to Adjustments	-	(6,065,841)	(7,019,390)
Proposed Budget Adjustments - 2013/14		(6,065,841)	(6,065,841)
Proposed Budget Adjustments - 2014/15			(953,549)
Fund Balance End of Year	-	-	-
note: Revised Projected Fund Balance increased \$865,000 to reflect revised forecast			

PSAB Budget Reporting Implications

- Annual budget bylaw approved by the Board will include the annual budgeted revenues and expenses for operating, special purpose and capital funds
- Annual budget bylaw approved by the Board will also include the budgeted net change in financial assets (fund balance) for operating, special purpose and capital funds

PSAB Budget Reporting Implications

- **Special Purpose Fund budgets include the following programs:**
 - School Generated Funds
 - Annual Facility Grant
 - Provincial Resource Programs - Fraser Park / Maples, BC Provincial School for the Deaf, Oral and Outreach programs
 - CommunityLINK, Children, Youth and Family Programs
 - Refugee and Settlement Services Programs
 - District Scholarship fund

- **Capital Funds budget include the following:**
 - Net budget changes to Invested in Capital Assets
 - Net budget changes to Local Capital

Thank You!