

# 2019-2020 Annual Budget

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School District No. 27  
(Cariboo-Chilcotin)

Presented By Norine Durban, Interim Secretary Treasurer

# ENROLMENT

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Enrolment for the 2019-20 year is estimated at a total of **4,791.75**  
Full Time Equivalent (FTE) students

**NOTE:** The district has undergone a student audit process since the making of the budget that may impact these numbers, which would then be adjusted in the final budget process in February 2020.

# FUNDING

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Announced by the Ministry of Education March 15<sup>th</sup> annually

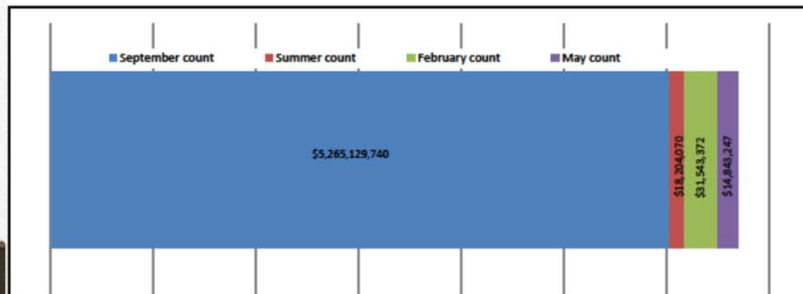
Funding Provincially for 2019-20

\$5.33B

# Ministry Overview Document

## Overview of the 2019/20 Operating Grant Allocation Formula

Allocation of the total Operating Block and Enrolment counts (2019/20 estimated as at March 2019)



### Funding Adjustments:

- Districts' preliminary allocations are adjusted after each of the enrolment counts; September 30<sup>th</sup>, February and May;
- District 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

78% allocated through the Basic Allocation

15% allocated to recognize unique student enrolment

7% allocated to recognize unique district factors

0.1% allocated to buffer the effects of declining enrolment

Basic Allocation	
Common per student amount for every FTE student enrolled by school type	
<b>Standard School:</b> \$7,468 per school age FTE	<b>Continuing Education:</b> \$7,468 per school age FTE
<b>Alternate School:</b> \$7,468 per school age FTE	<b>Distributed Learning:</b> \$6,100 per school age FTE

Unique Student		
Additional per student funding to address uniqueness of district enrolment and support additional programming		
<b>Level 1 Special Needs:</b> \$42,200 per student	<b>Level 2 Special Needs:</b> \$20,200 per student	<b>Level 3 Special Needs:</b> \$10,250 per student
<b>English/French Language Learning:</b> \$1,495 per student	<b>Aboriginal Education:</b> \$1,450 per student	<b>Adult Education:</b> \$4,773 per FTE
<b>Vulnerable Students:</b> in addition to CommunityLINK		

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

Funding Protection / Enrolment Decline	
<b>Enrolment Decline:</b> funding to districts experiencing enrolment decline of at least 1% when compared to the previous year	<b>Funding Protection:</b> funding to ensure that no district experiences a decline in operating grants greater than 1.5% when compared to the previous September

CSF Supplement – district receives a 15% funding premium on allocated funding

All Funding information estimated for the 2019/20 School Year

OPERATING FUNDS

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REVENUE

When beginning to build a budget, we start with Revenue.

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How many dollars do we expect to have to cover our expenses (costs).

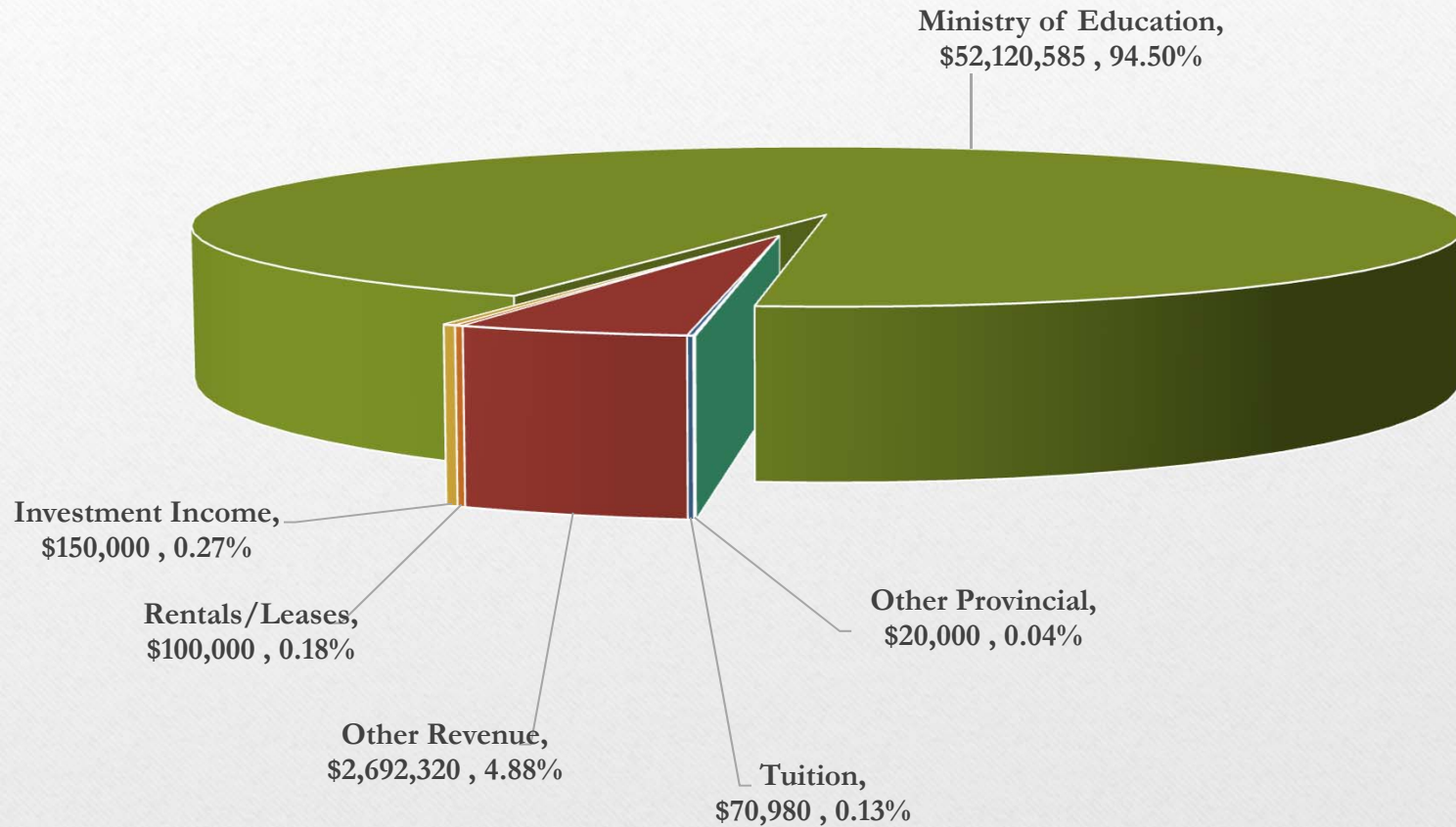
In our case, we receive funding from the Ministry of Education, Other Ministries, Tuition and miscellaneous sources

# Operating Revenue (Schedule 2A)

• Ministry of Education Grants		\$ 52,120,585
• Other Provincial Grants (ITA)		\$ 20,000
• Tuition		\$ 70,980
• Other Revenue:		
• LEA with First Nations Bands (Local Education Agreement)	\$ 1,869,201	
• Other School Districts	\$ 56,607	
• Miscellaneous	\$ 766,512	\$ 2,692,320
• Rentals and Leases		\$ 100,000
• Investment Income		\$ 150,000

**TOTAL OPERATING REVENUE** \$55,153,885

# 2019-2020 Revenue by Source





**FINAL REVENUE ON WHICH  
WE WILL BUILD THE BUDGET**

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**\$55,153,885**

# BUDGET

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The budget begins by establishing how budget decisions will be made, this is accomplished using the Board's Budget Principals

# BUDGET PRINCIPLES

The Cariboo-Chilcotin Board of Education will place learning opportunities for students at the forefront of its decisions. The Board will be guided in making difficult budget decisions by its values “*Respect, Responsibility, Kindness, Caring and Acceptance*” and its Mission “*Ensuring all students have meaningful learning experiences, empowering them to succeed in an ever changing world.*”

- In establishing the 2019 - 2020 annual budget the Board will, to the greatest extent possible, maintain or enhance programs and services for the students of the district.
- The Board reaffirms its commitment to the comprehensive student service support model and the goals of the enhancement agreement.
- In reviewing programs and services as part of budget deliberations, the Board will endeavour to support programs and services in the most effective, cost efficient and culturally appropriate manner.
- The Board is committed to administrative and operational efficiency, and appropriate management of risk including the provision of safe and healthy learning environments and sustainable environmental practices.
- The Board recognizes that committed, internally restricted reserves are an important element of sound budget management and will not consider them for offsetting budget challenges.
- As a sound financial practice, the Board recognizes that a contingency reserve is prudent to address unforeseen budget pressures.

# BUDGET CALCULATIONS

- Begin with the prior years information and remove anything that was a “one time” expense. This includes ALL prior year’s restricted surplus amounts and any other one time events.
- **Then make the changes you KNOW...**
  - The school staffing is driven by ensuring compliance to the Collective Agreement (CA) and the School Act.
  - a staffing buffer of 6 FTE teachers has been added as it is unclear if the addition of 6 teachers being requested from the Ministries Classroom Enhancement Fund (CEF) will be approved. If not, this allocation will be used as a one year transition to cover the teachers hired for these positions
  - LOP’s (Uncertified Teachers with Letters Of Permission) have been removed from the budget,

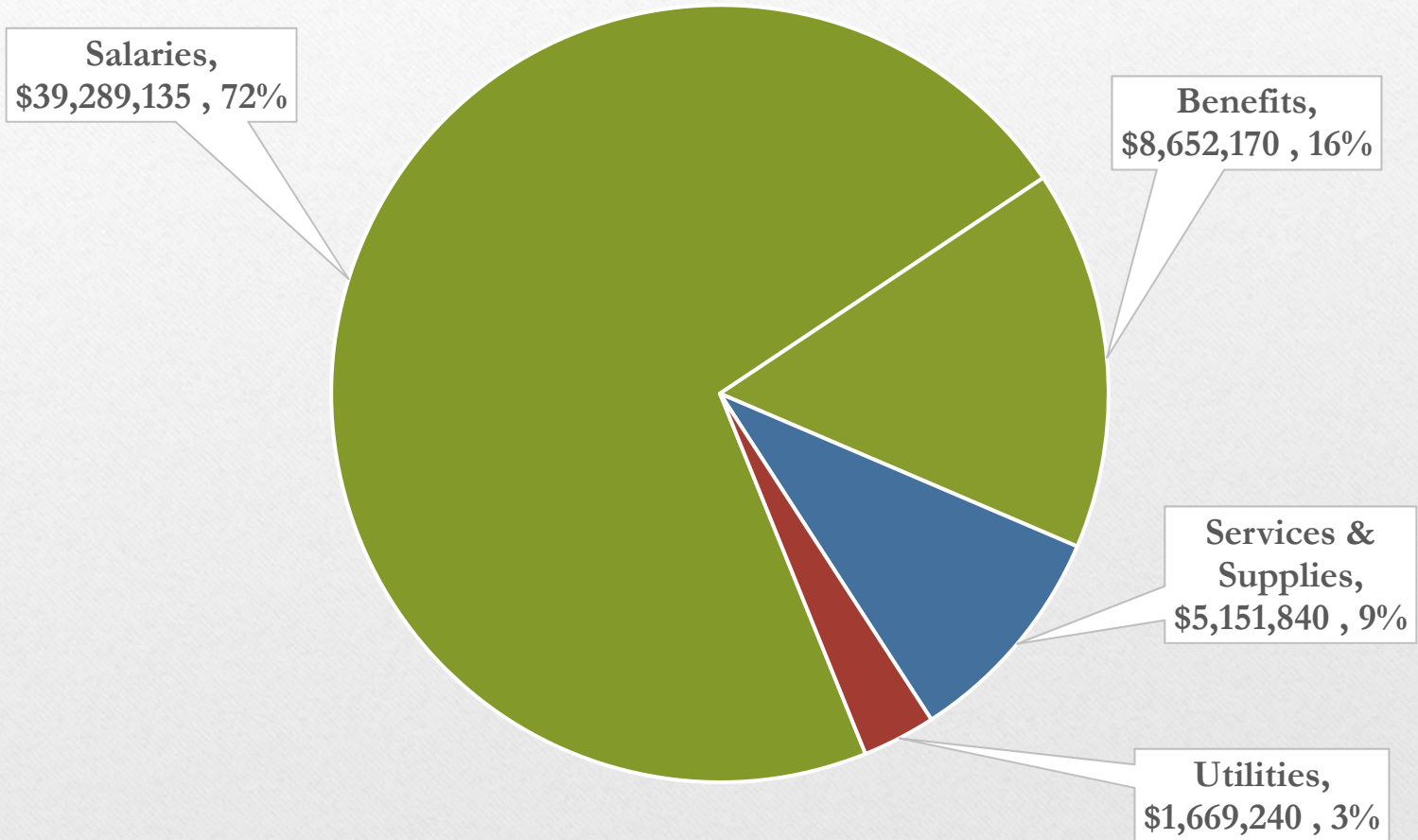
# BUDGET CALCULATIONS cont.

- Calculate increases/decreases of which we are AWARE...
  - Salary increases as negotiated based on Teacher and IUOE collective agreements (CA's). Negotiations are currently underway, we have used an estimate of 2%, based on the provincial framework.
  - 2% has also been included for PV/P and Exempt Staff.
  - Education Assistant (EA's) budget has increased \$250,000. A small portion (\$64,000) is the 2% increase noted above. The remainder is simple increases in FTE which has been a trend over the past several years.

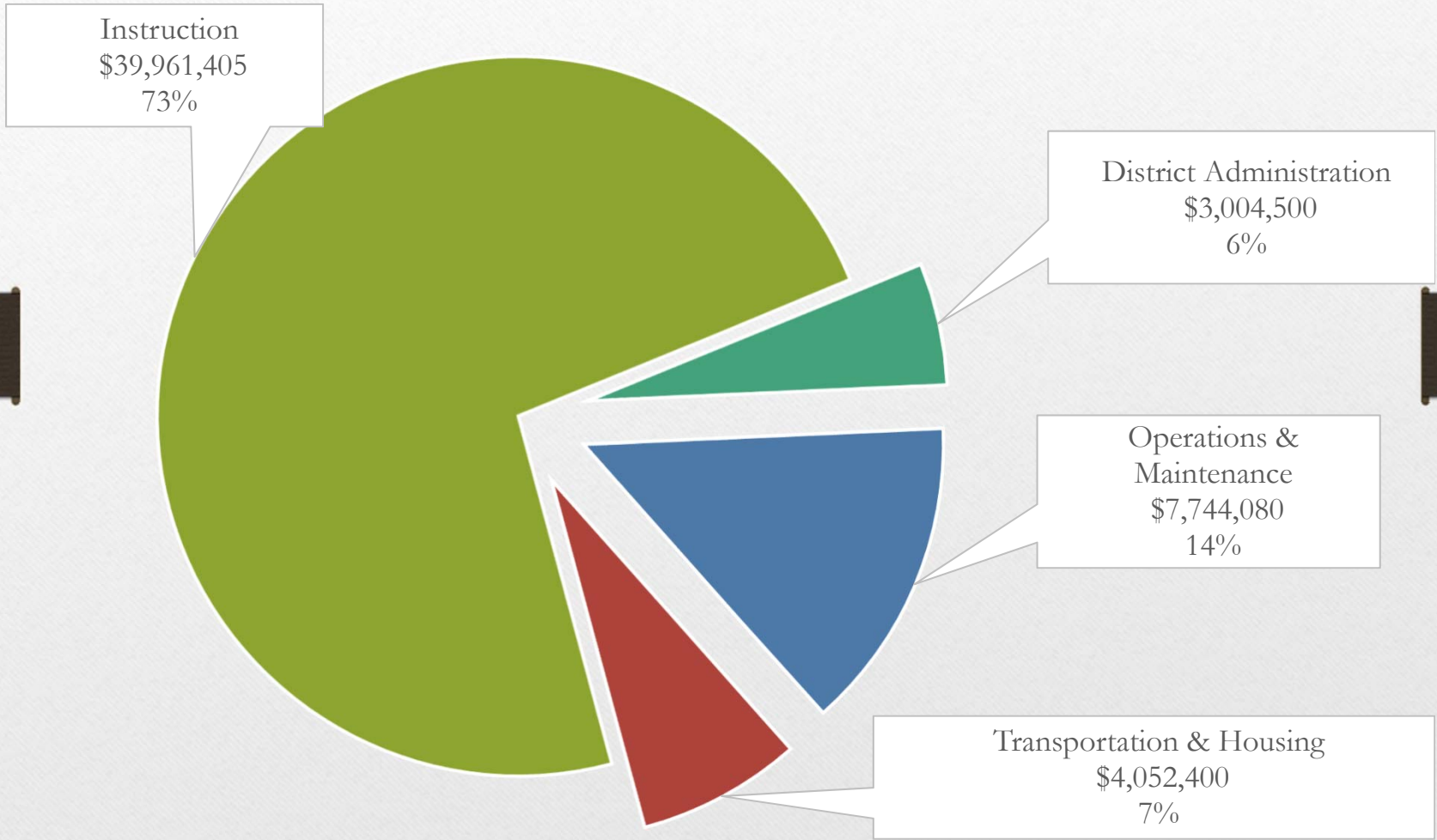
# BUDGET CALCULATIONS cont.

- Benefits have been maintained at current percentages, this is due to a reduction in teachers pension and partial funding from the Ministry for the EHT (Employer Health Tax) transition from MSP to EHT which will increase benefits overall. For the period July – December 2019, employers will be paying an amount based on each employee on MSP **PLUS** an amount based on 1.95% of gross payroll.
- Overall Salary and Benefits are down **(\$190,000)** compared to last year.
- What else are we *AWARE* of...
  - Utilities – approximate 5% increase
  - Calculate amount for inflation at 1.5%
- Generally services and supplies are down **(\$530,000)** compared to last year.

# Summary by Object (Schedule 2B)



# Summary by Function (Schedule 2C)





REVENUE = BUDGET

\$54,762,385

NOT QUITE...

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\$55,153,885 = \$54,762,385

The difference of \$391,500 are expenses that will be paid for from Local Capital and therefore requires a transfer to the capital accounts...see Schedule 2

Now Revenue = Budget

# SPECIAL PURPOSE FUNDS

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# SPECIAL PURPOSE FUNDS (SPF)

- ...Are used when a District receives funding that MUST be spent for specific things/reasons, the district must account for this targeted “project” separately from its regular operating budget.
- This funding can come from the Ministry of Education, Federal Government, Ministry of Health or others such as the Red Cross.
- A full accounting of these special funds can be found in Schedule 3A.
- Two major changes...
  - Classroom Enhancement Fund (CEF) has been reduced by 10% as the Ministry has only approved 90% of prior years funding, a change of about (\$250,000)
  - New account for Mental Health funded by Canadian Red Cross
- In total these accounts are up over last year by about \$400,000

## CAPITAL FUNDS

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Because the Operating and Special Purpose funds essentially add to zero, the overall Budget Surplus or (Deficit) as indicated on STATEMENT 2 of (\$192,649) is a result of the District's Capital accounts.

# CAPITAL FUNDS (Schedule 4)

- Surplus or (Deficit) are the difference between the amortization that the district recognizes for its Assets (building, equipment, etc) and the money that it has been “loaned” as Deferred Capital Revenue from the Ministry, plus any use or transfer of funding into Local Capital.
- Capital Assets and Deferred Capital Revenue are amortized as follows:
  - Buildings 40 years
  - Furniture & Equipment 10 years
  - Vehicles 10 years
  - Computer Software 5 years
  - Computer Hardware 5 years
- The results as noted on the previous slide is a deficit.
- **This is a deficit on paper only and is not actually reducing the amount of funds available to educate our students!!!**

# IN CONCLUSION

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We have a fully balanced budget.

I am proud of the work all of the senior management team and the budget advisory committee put in to make this happen and thank them all for their contributions.