

For the Fiscal Year Beginning July 1, 2023

BUDGET CONSULTATION GUIDE 2023/24

Learning for a Lifetime



MESSAGE FROM THE BOARD OF EDUCATION

Welcome to the stakeholder consultation and engagement process for the 2023/2024 budget for School District No. 43 (Coquitlam). As the third largest school district in the Province of British Columbia, we have a diverse and growing population which includes young families, new Canadians, professionals, and others who are choosing to relocate here for the quality of life and a thriving and successful public education system. Our student achievement levels are consistently above the provincial average and near the top in all student outcome categories out of all 60 school districts in BC.

The Board of Education has prepared a consultative budget process for the 2023/2024 school year. Beginning in 2021/22, the process was modified to provide stakeholder input in February, in advance of Ministry funding announcements, and before district staff finalize the preliminary budget submission to the Board. We appreciate all comments and input while we work closely with our partner groups within the confines of our contracts and available resources. To seek broad and thorough input, the Board will also engage in a series of meetings with all partner groups and make several presentations throughout the year to inform stakeholders about the budget.

The Board is committed to transparency through adherence to the *Taxpayer Accountability Principles* (page. 8) in the preparation of the preliminary annual budget.

Over the past few years, the pandemic has had an impact on all of us and in the delivery of educational services. Each year, we strive to deliver a budget that provides certainty, long-term stability, and sustainability. This ensures we can overcome any unforeseen challenges and circumstances throughout the fiscal year. Guided by the goals and objectives within the renewed *Directions 2025*, we are fully committed to achieving student success, developing the educated citizen, and continuing to foster sustainable educational organization - all within a changing landscape of provincial funding.

We invite you to **learn** about the budget process, **engage** in the consultation and **contribute** feedback. This is to help deepen our collective understanding and identify challenges and opportunities. It allows you to share your ideas for how we can make the best use of the restricted funds available for our children, families, employees, and communities, while advancing the school district and sustaining our mission. Your input will help guide the Board's decisions and actions.

Sincerely,

Board of Education
School District No. 43 (Coquitlam)



(Front Row, L-R) Michael Thomas-Board Chair, Christine Pollock, Patricia Gartland-Superintendent, Craig Woods-Vice-Chair, Zoë Royer. (Back Row, L-R) Carol Cahoon, Kerri Palmer-Isaak, Jennifer Blatherwick, Mohammed Azim-Former Secretary Treasurer, Chuck Denison, Lisa Park.

BUDGET PROCESS 2023/2024

The Board of Education will continue to utilize a comprehensive strategy in creating the 2023-2024 budget.

Our Goal

The Board of Education will embark on the budget process through a transparent, inclusive, and accountable process that engages the community for input.

- The first step is to identify potential cost pressures and areas of possible budget and related expenditure misalignment.
- Consult with stakeholders on how the Board can use or realign available resources to continue to foster a high achieving school district and sustainable organization for many years to come.
- Engage with Stakeholders during the initial stages of budget development to encourage comments and suggestions so the Board can consider these prior to the finalization of the draft budget.
- Provide the Public an opportunity to reflect and offer feedback on the proposed draft budget during the April budget deliberations.

This budget strategy will consider the following:

Students First

Aligning decisions with a thriving public education system for students is a community value. As stewards of public education, the School District must demonstrate a financial commitment to improve the learning environment for students.

Fair Access for all Students

Committing to deliver fair, effective and positive learning environments for 32,000 students today and an additional 3,000 new students over the next decade. Present-day financial decisions must consider the current and future needs of students and employees.

Lifelong Learning in our Communities

Delivering lifelong learning in our communities which is part of the School District's vision. We envision high quality, diverse, personalized and enriched education opportunities for all students of all ages. Ongoing financial review and community engagement will support this.

Changing Landscape of Provincial Funding

Funding from the provincial government has not kept up with rising costs even with increased per pupil funding. Currently, inflation is at a 40 year high with no indication of the province providing additional funding to offset increased costs in all areas of the School District. Hydroelectricity, gas and health benefits have all increased, with school boards funding most of these inflationary and new program costs. In addition to the changing landscape of additional cost pressures and provincial funding not keeping up with inflation, there are increasing expectations from the Ministry of Education and Child Care that school boards contribute operational funding towards significant capital projects, previously funded by the province.

Long Term Strategic Vision

Aligning the budget process and connecting the allocation of resources with our strategic vision and goals as originally established by the Board in fall of 2016 as *Directions 2020* which has now been refreshed as *Directions 2025*.

DIRECTIONS 2025 STRATEGIC PLAN



VISION

Increasing Success in Life for All

MISSION

Our mission is to ensure quality learning opportunities for all students of all ages.

PURPOSE

The Board of Education accepts its responsibility to provide a quality and equitable public education for the success of all learners, within the limits and resources available.

CORE BELIEFS AND PRINCIPLES

The Board of Education believes in:

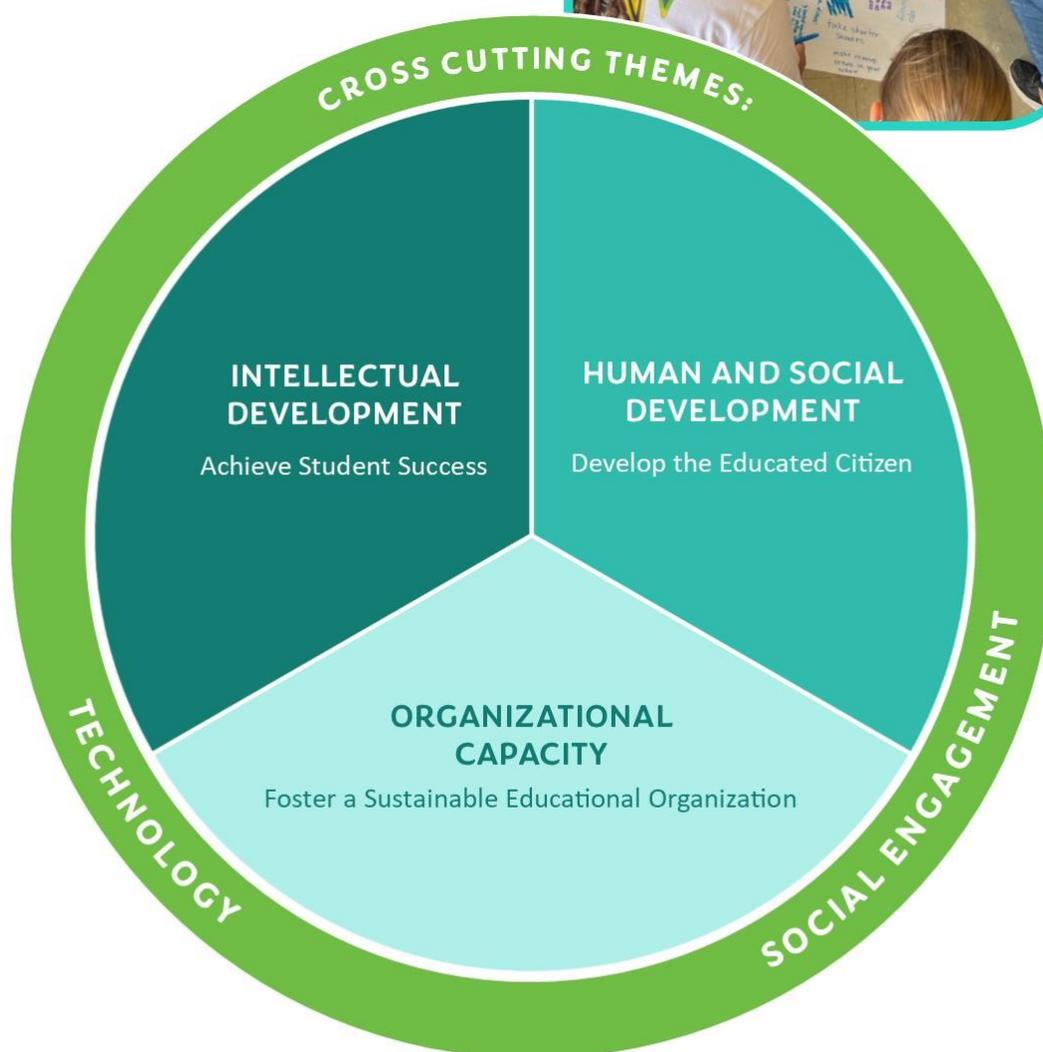
- Public Education and the need to advocate on its behalf;
- Instilling a passion for learning;
- Learners as the most important focus;
- High quality and equitable learning opportunities;
- Innovation, creativity, problem solving, critical thinking and sustainability;
- The essential value of District/Community/Global Partnerships;
- Safe, inclusive and socially responsible learning communities.

The Board of Education is committed to:

- Creating a culture of care and shared responsibility where every learner matters;
- Engaging and empowering lifelong learners;
- Providing flexible, integrated, diverse, and active learning environments;
- Developing shared leadership through innovative, sustainable professional learning.

DIRECTIONS 2025

Strategic Goals and Objectives



For more information regarding the *Directions 2025* Strategic Plan, click [here](#)



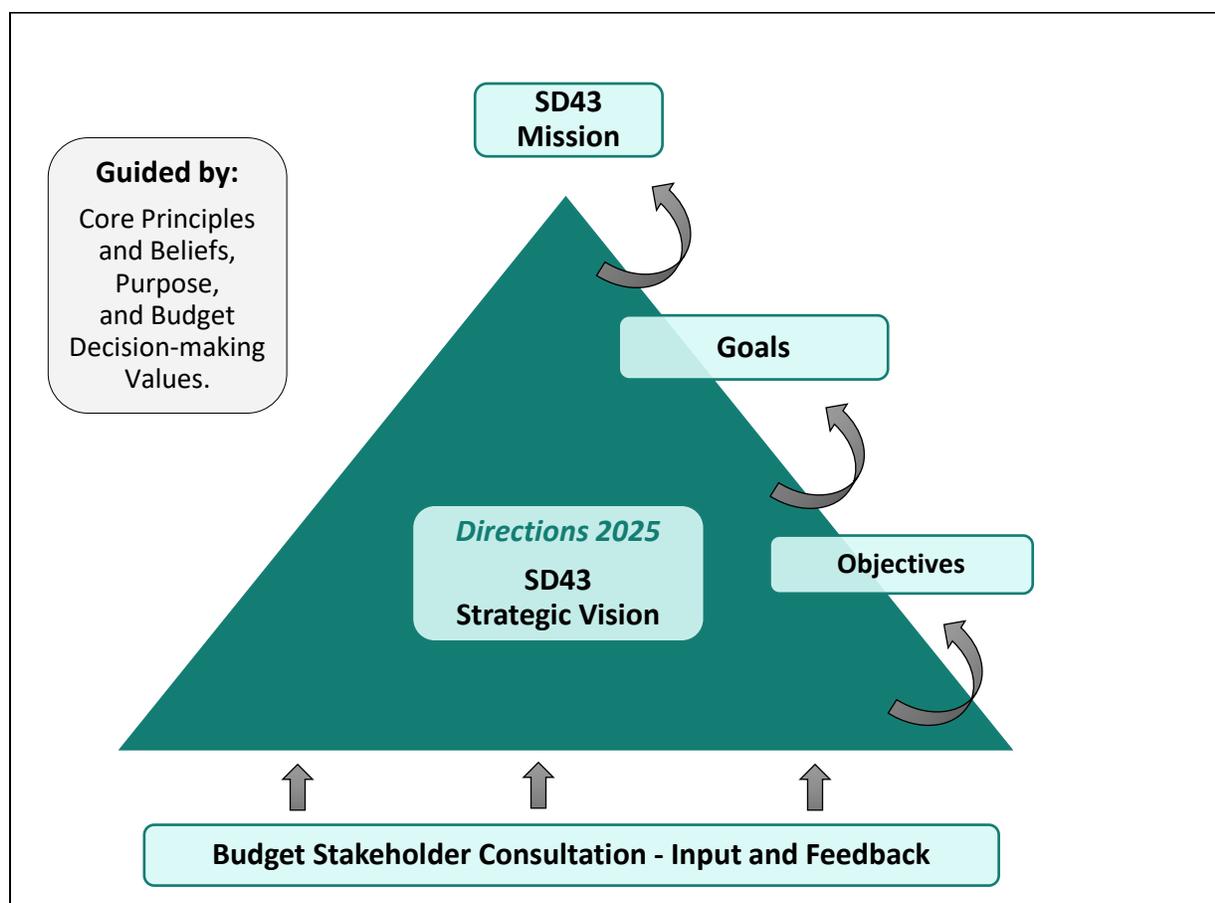
ALIGNING BUDGET PLANNING WITH *DIRECTIONS 2025*

The School District is committed to a model of transparent budget planning and resource allocation that is directly aligned with our strategic vision and goals, *Directions 2025*.

It is a consultative model that coordinates budget planning and resource allocation activities with inclusive stakeholder consultation and feedback based on the vision, goals and objectives. The model includes:

- articulating *Directions 2025*;
- providing timely and accurate budget information;
- receiving budget input and feedback;
- prioritizing budget requests for the upcoming budget year;
- allocating available resources to best meet requests that align with the vision, goals and objectives;
- communicating the outcomes effectively for transparent accountability.

The model will ensure that budget input and resource allocations are connected to and aligned with the *Directions 2025* vision, goals and objectives. This model is an integral part of the School District’s operating culture.





FINANCIAL GOVERNANCE AND ACCOUNTABILITY

The Board has fully adopted the Ministry of Education and Child Care’s recommended requirements pertaining to financial governance and accountability. This includes the following measures that the Office of the Auditor General of BC would define as best practices:

- A strategic plan and vision (*Directions 2025*) with clear goals and expectations;
- A robust governance framework including standards of conduct and conflict of interest reporting requirements;
- Accountability practices including regular financial reporting;
- An established Finance and Audit Committee;
- Direct engagement with external auditors; and
- A balanced budget with policy provisions (accumulated reserves) to address unforeseen and emergent issues



ACCUMULATED OPERATING RESERVES POLICY

The School Board has established an Accumulated Operating Surplus policy ([Policy 23](#)) as part of its multi-year financial approach for stable and sustainable organization health;

3.7 Specifically, to the extent that there is an excess of revenues to expenditures (operating surplus) in any fiscal year the Board will allocate these funds as follows:

3.8 An Education Sustainability Reserve Account is to be established over a five-year period beginning in 2021, at an amount that represents 15% of the average of the preceding three years total International Education revenues and funded through surplus in excess of 2% of total operating revenues until this objective is achieved.

a) Use of funds from this reserve is subject to Board approval as evidenced through the approval of the Preliminary or Amended Budget process or by specific Board motion.

3.9 25% of the balance of the operating surplus funds be directed and restricted for one-time opportunities primarily associated with technology, educational initiatives, and deferred maintenance of facilities. This amount will not exceed \$1.25 million annually.

3.10 The balance of operating surplus funds will be restricted and allocated equally over the subsequent three fiscal years, not including the immediately following year; the purpose of which is to support student success in alignment with the strategic plan.

3.11 The funding allocation shall not be more than the current year aggregate surplus budgeted in the year unless approved by the Board.

3.12 Any remaining unallocated surplus funds will be restricted and placed into a fiscal year following the three-year period noted above.

The Board reviews this policy annually and provides further details in the audited financial statements as to how restricted surplus funds are planned to be utilized in subsequent years. Read the complete policy [here](#).

TAXPAYER ACCOUNTABILITY PRINCIPLES

The Board has adopted and incorporated the six **Taxpayer Accountability Principles** which are embedded within *Directions 2025* strategic goals. Applicable to all Provincial public sector organizations in B.C., these principals are designed to strengthen accountability, promote cost control and ensure that the public sector operates in the best interest of taxpayers.



1. **Cost Consciousness (Efficiency)** – Strengthen cost management capabilities by providing educational services as efficiently and effectively as possible.
2. **Accountability** – Transparently manage responsibilities and enhance organizational efficiency and effectiveness in planning, reporting, and decision making.
3. **Appropriate Compensation** – Comply with a standardized approach to performance management and employee compensation
4. **Service** – Maintain clear focus on positive outcomes for student success.
5. **Respect** – Engage in equitable, compassionate, respectful, and effective communications.
6. **Integrity** – Make decisions and take actions that are transparent, ethical and free from conflict of interest.



BUDGET GOALS

The District’s objective is to provide long-term stability and sustainability through multi-year financial planning.

Carefully planned and responsible multi-year changes in measured amounts allow for long-term budget stability and sustainability.

- Allows for long-term sustainable planned budget additions
- Smooths large fluctuations in budget changes
- Helps manage unforeseen funding risks

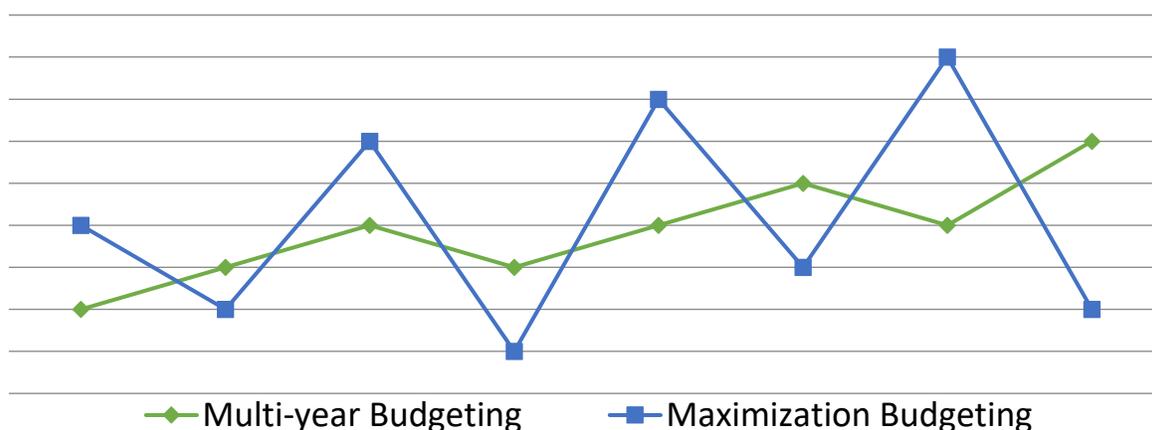
More consistent funding for schools to support and enhance teaching and learning.



School District budgeting is extremely complex due to the lack of multi-year funding certainty, inadequate Ministry funding for inflation, changing expectations from the province on the further utilization of school district operational funding towards significant capital projects and new provincial initiatives (e.g. Childcare), and the frequent adoption of new and unfunded initiatives.

Multi-year financial planning is a strategic budget management method of making carefully planned and responsible changes in measured amounts over several years to smooth out large fluctuations in year-to-year resource and staff additions or reductions due to unforeseen costs and other circumstances.

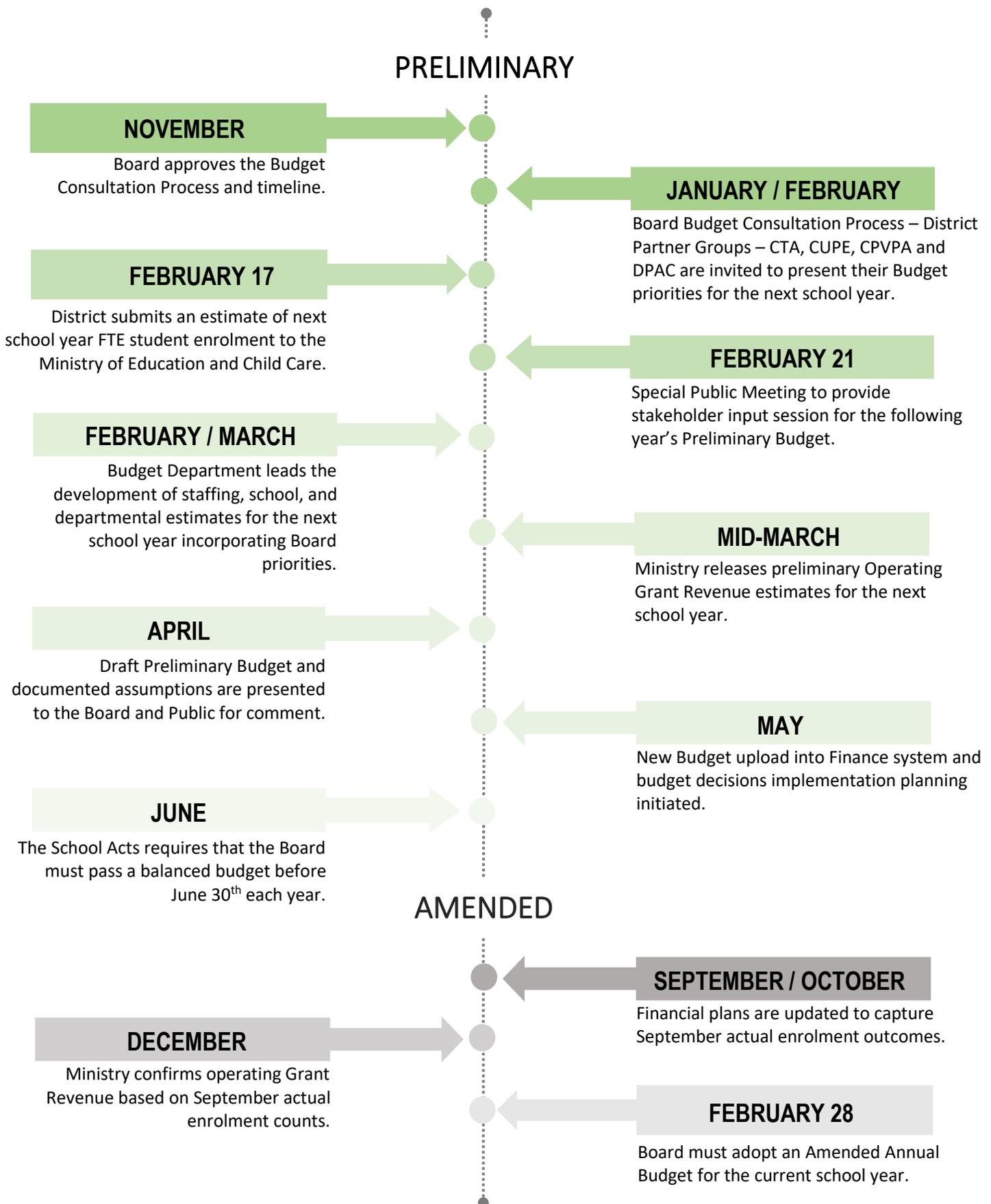
Multi-year financial planning as a budgeting framework will build the School District’ long-term stable financial position, help manage future risks from unforeseen situations, and most importantly allow for the planning of ongoing responsible and sustainable positive changes to the education system.



As shown in blue in the above graph, maximizing an annual budget surplus each year can lead to a pattern of adding and reducing resources which creates an unstable and uncertain education system for students, parents and employees. As shown in green, a multi-year distribution of annual budget surplus over the medium term helps to smooth funding changes and avoid sudden and frequent program changes.



BUDGET AND FINANCIAL PLANNING CYCLE





THE DIFFERENCE BETWEEN BUDGETS AND FUNDS

As one of the major employers in the Lower Mainland, the Board has a large and complex budget. There are three separate sections of the budget:

OPERATING FUND: The operating fund includes Ministry grants and other revenues used to fund instructional programs, school and district administration, facilities operations, maintenance, and transportation.

SPECIAL PURPOSE FUND: The special purpose fund includes separate, identifiable funds designed for a specific use or program. These funds are received from the Ministry of Education and Child Care and other sources with restrictions on how these funds may be spent.

CAPITAL FUND: The capital fund includes a combination of Ministry capital grants, locally generated funds (e.g., proceeds from disposition of unused SD43 sites and transfer from the Operating Fund to the Capital Fund for local capital needs such as portables), and school site acquisition charges collected from developers through local municipalities. These funds are used for facility operations including construction, enhancement, and maintenance of buildings, fields, infrastructure, and land purchases for future school development.

The budget process primarily focuses on areas where the Board is able to make changes – within the operational budget.

Any funds within the capital budget may not be used for operational budget items.

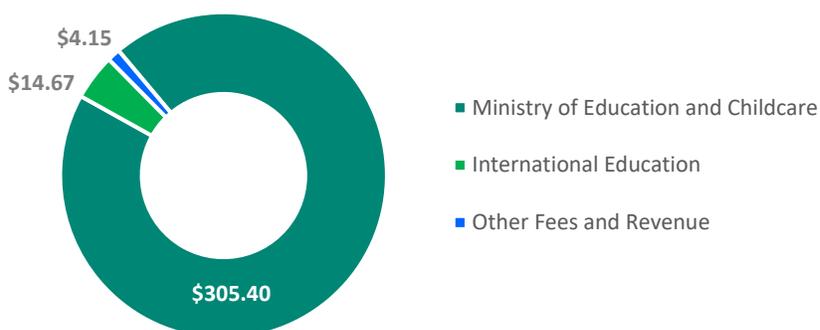
Special purpose funds are for designated purposes which can supplement operational activities. Like capital funds, they may not be used for operational budget items.



SCHOOL DISTRICT OPERATING BUDGET

The operating budget for 2022/23 is \$324.23 million. As the chart illustrates below, the majority of this funding (94.8%) comes from the Ministry of Education and Child Care.

SD43 Sources of Revenue 2022/23 (millions)





SCHOOL DISTRICT FUNDING

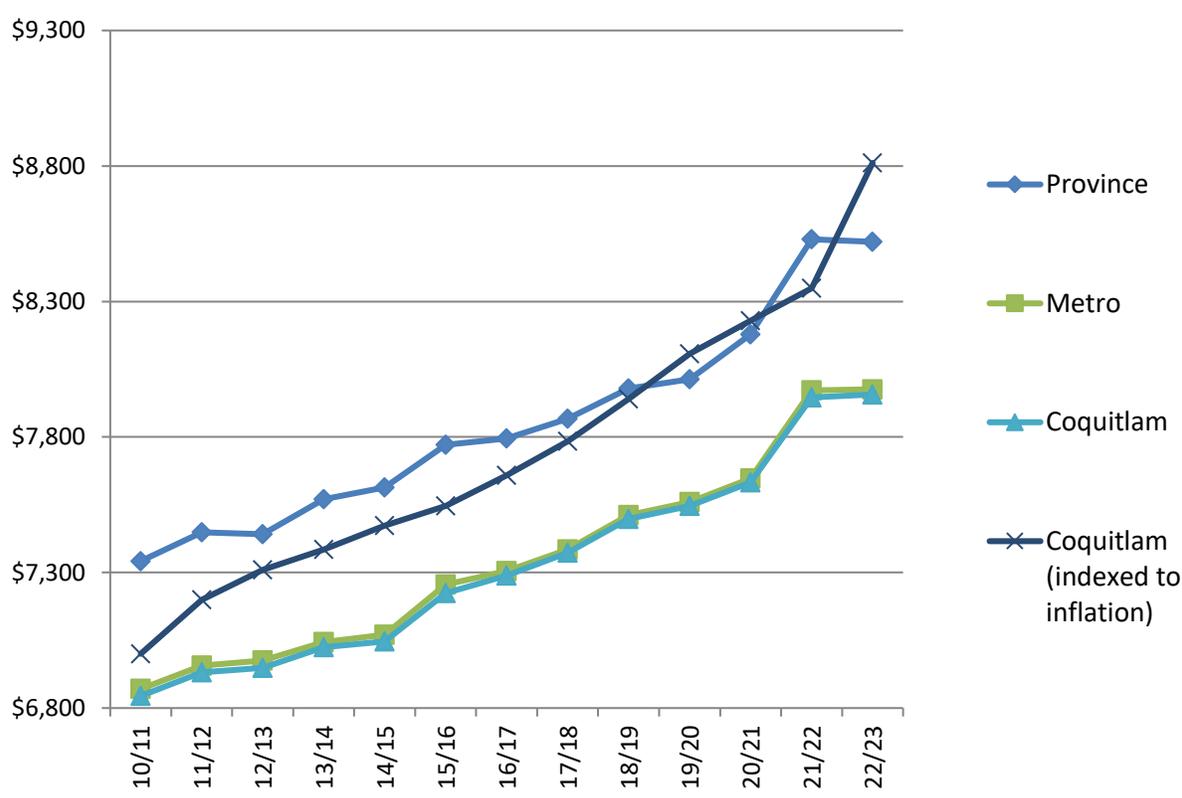
The basic student operating grant allocation for 2022/23 is \$7,885 per FTE student. Like other school districts, SD43 receives additional funding for unique student and school district factors.

Provincial funding has not kept up with inflation. Based on estimated Operating Grants for 2022/23, 14 of the 60 school districts are reporting a decline in enrolment and/or qualify for funding protection. These school districts received an additional \$10.74 million in support. SD43 is funded approximately \$593,269 less due to funding protection provided to these school districts. In the current school year, grant funding was \$5.3 million less than that required to fully fund contractual and legislative increases to salaries, benefits, and services and supplies.

SD43 continues to rank 55th in funding levels out of 60 school districts for 2022/23 – the 5th lowest district in the province.

In terms of funding for 2022/23, SD43 currently receives an overall average of \$7,957 per student (excluding special student needs and salary differential factors) while the provincial average is \$8,520 per student. This difference of \$563 per student is significant considering that there are over 32,000 students in the district.

This trend is not new, and the chart below displays how per-student funding has not kept up with costs in recent years. If total grants had kept up with inflation since 2010-2011, SD43 would have received \$8,811 per student for 2022/23. The difference of \$854 per student (compared to the actual funding of \$7,957) equates to approximately a \$26.4 million funding shortfall for the 2022/23 fiscal year.





A HISTORY OF STUDENT SUCCESS

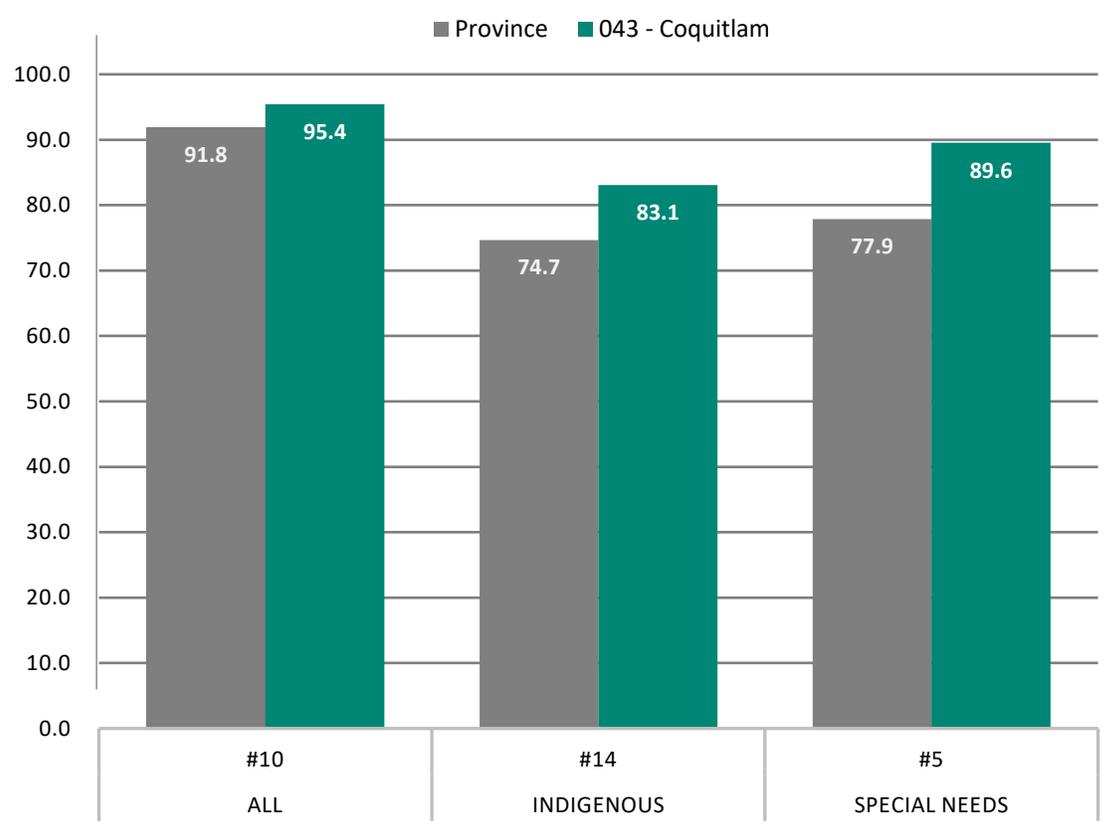
Throughout the budget process, the Board will seek to build on our past successes in order to maintain a high achieving and sustainable organization. We will pursue new and innovative ways to deliver our services to maximize the use of our budgets and ensure quality learning for all students.

SD43 has a history of student success. The 2021/22 Achievement Levels released by the Ministry (see below) illustrate how our student achievement results exceed provincial averages on every measure.

The Board’s goals are, and will continue to be, focused on helping students acquire a series of attributes to help them become learners, thinkers, innovators, collaborators, and contributors. Our budget process will provide the answers needed for the difficult challenge of meeting our financial pressures while ensuring the continued success of our students.

The graph below reflects our student % performance and ranking in all provincially measured areas against school districts with more than 500 graduating students.

SD43 2021/22 Achievement Levels



* Based on Six-Year Completion and Grade 12 Graduation rates from the Ministry’s Report on Student Achievement





CLASS SIZE REPORTING

The chart below reflects the district’s class size averages over the past four years. SD43 class sizes are larger than the Provincial average, due primarily to physical facility limitations.

The district continued to recover from the impact of COVID-19, evidenced by an increase of 665 classes (28.4% increase) in 2021/22 from 2020/21, which is driven by student enrolment. While overall student to teacher ratio increased from 2020/21, the district maintained all Ministry-required ratios. This is noteworthy given the significant uncertainty in enrolment estimates due to the pandemic. Of note is the Provincial average student to teacher ratio also increased in 2021/22.

	2018/19		2019/20		2020/21		2021/22		4 Yr. Improvement	
	SD43	Prov.	SD43	Prov.	SD43	Prov.	SD43	Prov.	SD43	Prov.
# Classes	3,251		3,175		2,339		3,004		-7.6%	
K	18.4	18	18.5	18	18.0	17.4	18.5	18.1	0.5%	-0.6%
1-3	20.3	19.9	20.5	19.5	19.9	19.2	20.2	20	-0.5%	-0.5%
4-7	24.7	23.9	25.1	23.3	24.7	23.2	23.7	24.1	-4.0%	-0.8%
8-12	24.2	22.1	25.1	22.4	24.2	21.4	24.8	22.7	2.5%	-2.6%
w/ EA's	850		932		862		993		16.8%	
w/ EA's	26.1%		29.4%		36.9%		33.1%			

Of further note is the increase in classes with an education assistant (EA) in attendance. The number of classes with an EA has steadily increased since 2018/19 in alignment with the increase in classes. The decrease in 2020/21 is directly related to the decrease in classes due to the pandemic.



ENGAGE



BOARD OF EDUCATION VALUES

The following values will guide the Board of Education in budget decision making:

1. **Inclusiveness:** We invite all stakeholders to participate in discussion and provide feedback.
2. **Integrity:** We respond to stakeholder input in an honest and forthright way, balancing the multiple needs of the various stakeholder groups while meeting the legal requirement of maintaining a balanced budget under the *School Act*.
3. **Commitment:** We commit to first defining issues, followed by reviewing engagement with stakeholders, then summarizing information and research, and finally reporting on decisions.
4. **Accountability:** We demonstrate that the results and outcomes of the process are consistent with the commitment made to stakeholders at the beginning of the process.
5. **Transparency:** As decision makers, we ensure stakeholders have opportunities to understand the scope, constraints and process for a pending decision.



STAKEHOLDER ENGAGEMENT COMMITMENT

What is Stakeholder Engagement?

Stakeholder engagement is a two-way dialogue to allow the Board and our many stakeholders to define opportunities and challenges and work together on solutions. It allows for valuable input to the School District's direction and decision making.

Your Role as Stakeholders

To make stakeholder engagement a success, your role is to learn, engage and contribute. Start by visiting the SD43 Budget website at www.sd43.bc.ca/budget to:

- Learn about government funding and allocation;
- Learn about the SD43 budget process;
- Learn about *Directions 2025*, the School District's vision;
- Engage in the consultation by asking questions about the budget;
- Expect responses to your concerns and input; and
- Contribute ideas that align with the goals and objectives from *Directions 2021* on how to address the opportunities and challenges.

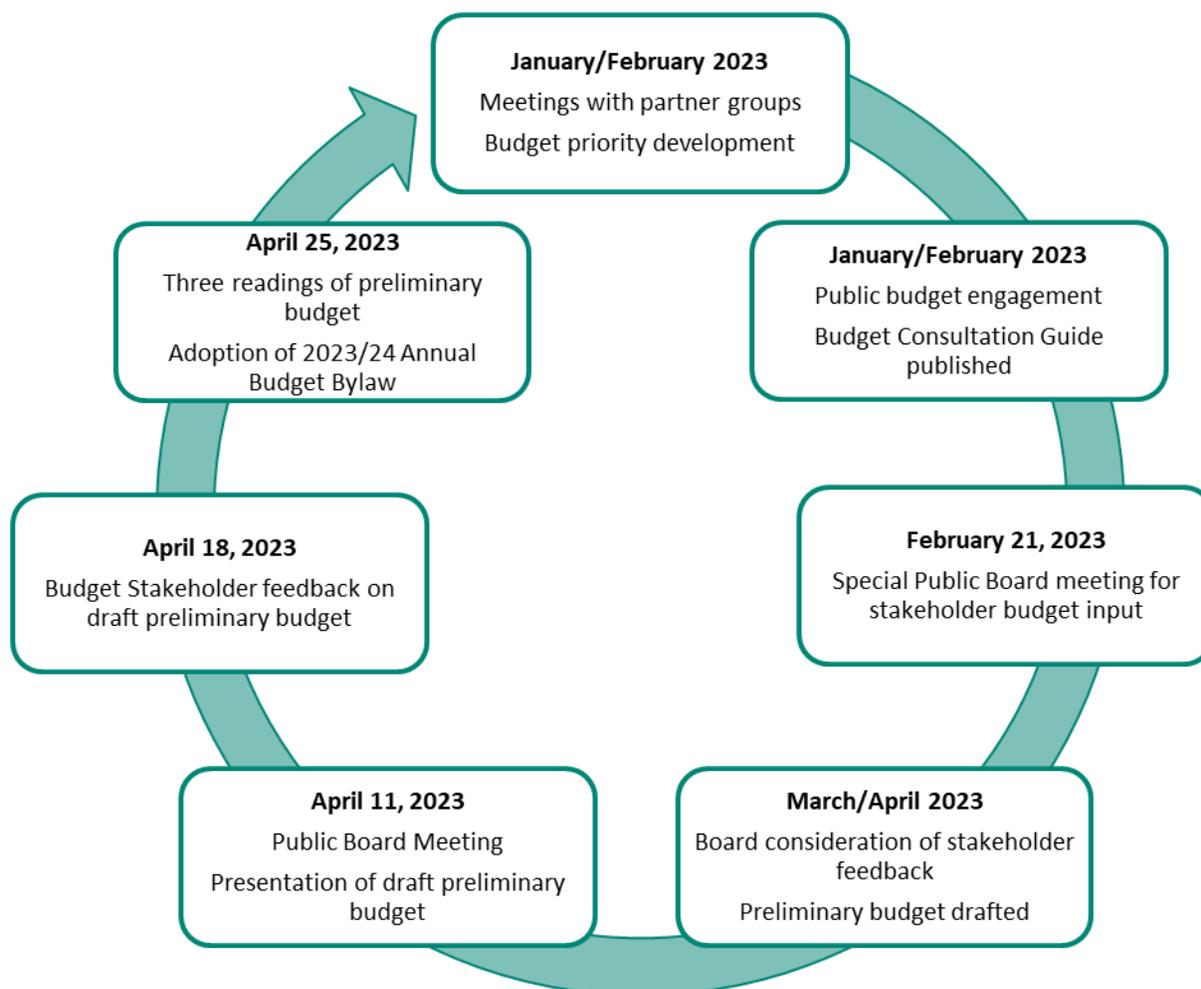
The Role of Trustees

As the elected decision-making body, Trustees are accountable to the interests of public education and our role is to:

- Listen to you;
- Respond to your questions and concerns;
- Consider your ideas and input; and
- Propose action and report back to you.



STAKEHOLDER ENGAGEMENT PROCESS



Board Decision

There will be three public events leading up to the Board communicating its decisions on next steps for the budget. All stakeholders are invited to attend.

Who we Consult

Everyone is invited to comment on the School District's activities and initiatives. Here is a sample of stakeholders we hope to hear from:

- Parents and students
- Community partners
- Business groups
- Local and provincial governments
- First Nations
- Diversity groups
- Educators and administrators
- Community members and neighbours
- Local health authority
- Non-profit groups
- Recreation commissions and sports groups



LEARN



ENGAGE



CONTRIBUTE

CONTRIBUTE

LEARN. ENGAGE. CONTRIBUTE.

We are using a variety of methods to help you **learn**, keep you informed so you can **engage** in this process, and provide several opportunities for you to **contribute**.

Your Local Newspaper

In print or online, look for public notices about public events, times and location in the Tri-City News. We will also keep local reporters informed and request that they share stories and provide their independent insights and perspectives.

School District Website

All information on this process is available at www.sd43.bc.ca/budget. Check out the “FAQs” section, which will be continually updated with your questions and answers.

Board Meetings

We have a series of Board meetings where budget information will be shared and discussed by the Board of Education.

Twitter, Instagram and Facebook

Budget information and event reminders will also be communicated through the School District’s Twitter, Instagram and Facebook channels:

www.twitter.com/sd43bc

www.instagram.com/schooldistrict43/

www.facebook.com/sd43bc

DECISION MAKING PROCESS

The Board values all feedback and considers it carefully in making budget decisions. The input will shape the options considered during the 2023/2024 budget process. As the elected body representing the school community, the Board will make the final decision.

3-Phase Budget Planning Process

1. **Research** (ongoing through April 11, 2023): This phase includes background research, meetings with departments and partner groups, stakeholder feedback, questions and answers and public board meetings.
2. **Reporting** (April 11-18, 2023): This phase includes the presentation of the preliminary budget, stakeholder feedback, report on findings and results, as well as early recommendations on the vision, planning ideas and overall direction.
3. **Next Steps** (April 25, 2023): This phase presents the final budget to the Board for approval.

Evaluation

The Board will make decisions based on its strategic goals and objectives outlined in *Directions 2025*.

PROVIDING YOUR FEEDBACK

Wish to Provide Feedback to the Board?

The Board welcomes stakeholder feedback.

Email: budgetfeedback@sd43.bc.ca

Mail: Attn: Board of Education
School District No. 43 (Coquitlam)
1080 Winslow Avenue, Coquitlam, BC V3J 0M6

In Person: by attending one of the meetings detailed below.

STAKEHOLDER EVENTS SCHEDULE

Stakeholder information and consultation events take place in April as outlined below.

- **Special Public Board Meeting - Stakeholder Budget Input**
Tuesday, February 21, 2023, 6:30 pm

This will be an opportunity for stakeholders to present input into the formulation of the 2023/2024 budget to the Board. If you or your group would like to present feedback, please review the *Guidelines for Stakeholder Input* and submit the required information by 9:00 am on Wednesday, February 8, 2023 to budgetfeedback@sd43.bc.ca. If you have any questions or concerns, please contact the Office of the Secretary-Treasurer/Chief Financial Officer at 604-939-9201.

- **Public Board Meeting - Presentation of 2022/2023 Preliminary Budget**
Tuesday, April 11, 2023, 7:00 pm

The Preliminary Budget will be presented at this Regular Public Board Meeting. This is also an opportunity for Trustees to ask questions of the Finance Department staff, regarding the budget.

- **Special Public Board Meeting - Stakeholder Feedback**
Tuesday, April 18, 2023, 6:30 pm

This will be an opportunity for stakeholders to present feedback to the Board on specific aspects of the budget. If you or your group would like to present feedback, indicate, by emailing budgetfeedback@sd43.bc.ca by 9:00am on Tuesday, April 25, 2023. There is no need to provide a written submission to the Board of Education.

- **Public Board Meeting - Final Budget Presentation and Board Approval**
Tuesday, April 25, 2023, 7:00 pm

The annual budget will be presented to the Board for approval at this Regular Public Board Meeting. This final budget would incorporate changes requested by the Board based on stakeholder feedback.

There will be an opportunity for questions at each of the meetings outlined.



CONTACTING MANAGEMENT

This consultation guide is designed to provide the School District’s stakeholders with a general background of the framework in which the budget process leading to a Preliminary Budget occurs, to demonstrate increased transparent accountability to the public and the criteria under which the budget is developed.

If you have questions about this guide, please contact the Office of the Secretary–Treasurer/Chief Financial Officer at 604-939-9201.

You are encouraged to also review the Board’s strategic vision and plan [Directions 2025](#).

If you have questions about this financial report, please contact the Office of the Secretary–Treasurer/Chief Financial Officer at 604-939-9201.

School District No. 43 (Coquitlam)

1080 Winslow Avenue
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www.sd43.bc.ca

