

# Coquitlam Board of Education

## 2015/2016

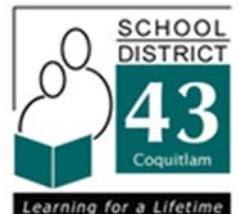
# Budget Presentation

April 7, 2015



# Agenda

1. District Profile and Achievements
2. Types of Budgets
3. Operational Budget Funding – how we are funded and funding for 2015/16
4. Operational Budget Expenses – how we spend our funding
5. 2015/16 Proposed Budget
6. Future Opportunities



# School District No.43

- Serves the communities of Coquitlam, Port Moody Port Coquitlam, Anmore and Belcarra.
- Contains 5.8% of provincial enrolment, which is approximately 31,000 students.
- 3<sup>rd</sup> largest school district in the province
- Schools
  - 45 Elementary
  - 14 Middle
  - 10 Secondary (inc. CAFE)
  - Other alternate and alternative schools



# Program Delivery

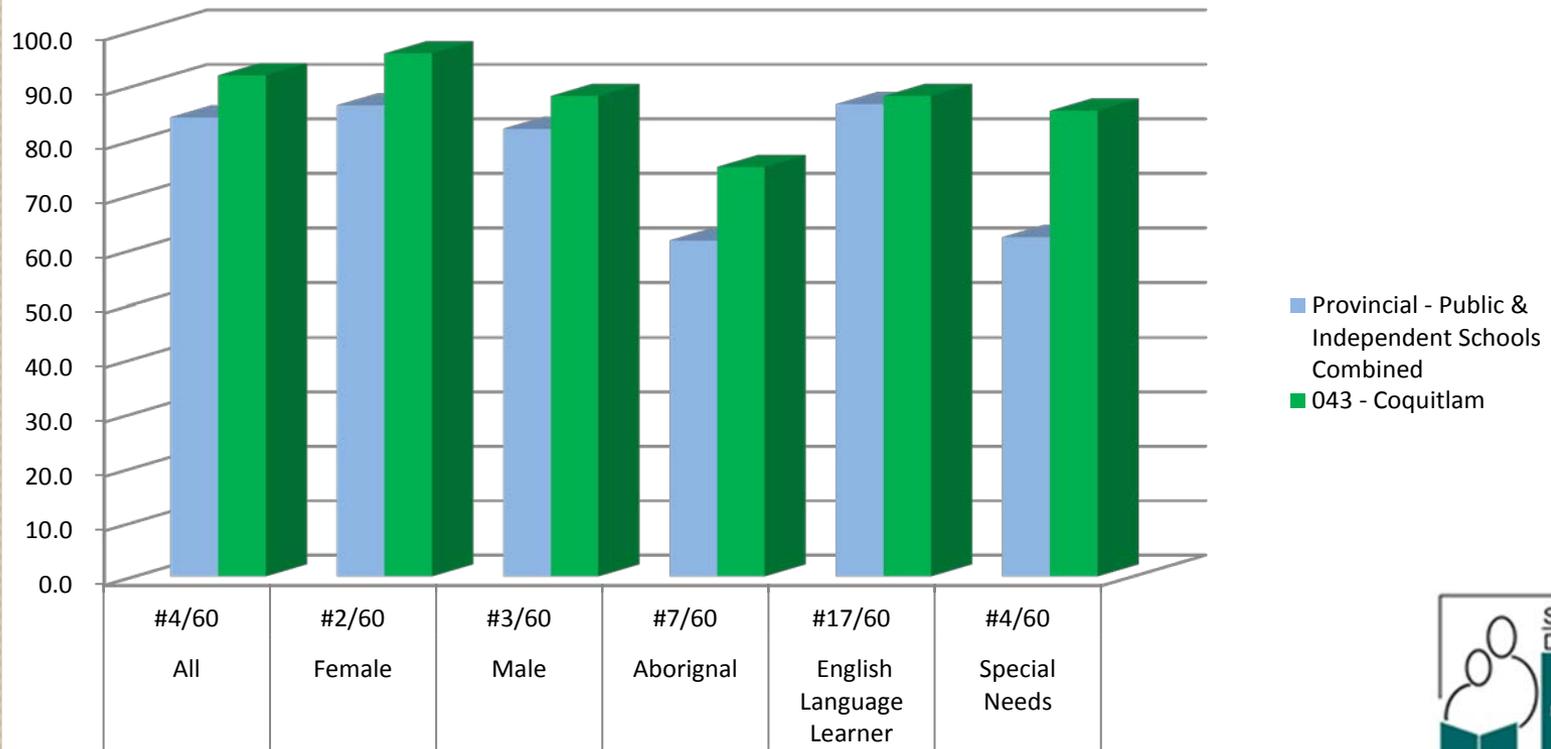


The Coquitlam School District has embraced individualized learning through expanded programs of choice and alternative educational offerings including:

|                                    |   |
|------------------------------------|---|
| <b>International Baccalaureate</b> | Internationally recognized university-level course credit program   |
| <b>Montessori</b>                  | Programs throughout the district place emphasis on individual student choice in learning  |
| <b>Reggio</b>                      | Encourages children and their teachers to explore, question, discover   |
| <b>Coquitlam Open Learning</b>     | Online and blended secondary-level courses leading to graduation  |
| <b>Inquiry Hub</b>                 | Challenges secondary students to frame learning activities around inquiry questions by blending online and classroom activities |
| <b>Suwa'lkh</b>                    | Culturally relevant curriculum to support Aboriginal and non-Aboriginal students through unique learning opportunities          |
| <b>Encompass</b>                   | K-9 and 10-12 program options blending home and school-based learning opportunities   |
| <b>SWIS</b>                        | School-based settlement services for families new to Canada   |
| <b>Continuing Education</b>        | Adult course offerings leading to graduation or post-secondary  |
| <b>ELSA</b>                        | English Language Services for Adults  |
| <b>Language Alternatives</b>       | French, Mandarin and other language programs  |

# Achievement Levels

*Student achievement results show performance significantly above both the national and provincial norms on almost every measure. Our goals are focused on helping our students to acquire a series of attributes to help prepare them for the uncertainty of life in the 21st Century. These include helping students to become Learners, Thinkers, Innovators, Collaborators, Contributors.*



# Types of Budgets



## Capital Budget

- Buildings
- Fields
- Infrastructure

## Operating Budget

- Learning
- Teaching
- Programs
- Administration



## Special Purpose Funds

- Specific time frame (ex. 12 month, 24 month)
- Specific function
- Examples: Learning Improvement Fund, Annual Facilities Grant, Community Link

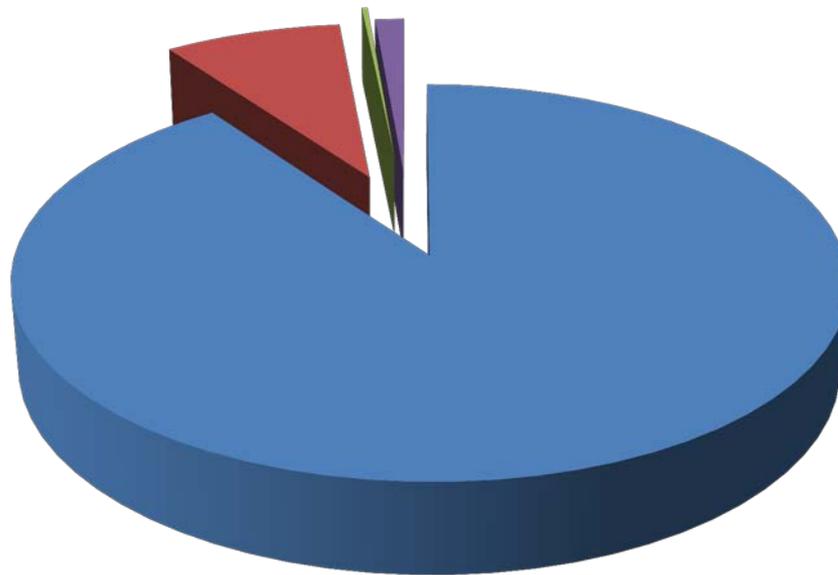


# Funding

- The vast majority of school funding comes from provincial grants through the Ministry of Education.
- The Coquitlam School District derives additional revenue from a strong international education program, Learning Innovation Network (LINC), continuing education, rental of facilities, investment income, etc.
- The amended operating budget for 2014/15 is \$273 million. This is our starting point in developing the 2015/16 budget.



# 2014/15 Budgeted Revenues By Source (Amended Budget)



- Ministry of Education, \$246.8 = 90.2%
- International Education, \$22.4 = 8.2%
- Continuing Education, \$0.7 = 0.3%
- Other Fees and Revenue \$3.6 = 1.3%



# Provincial Funding

- The base student operating grant for 2015/16 will be increased from \$6,900 to \$7,158 to fund the recent labour settlement agreements.
- Provincial funding for education however has not kept up with inflation.
- 40 school districts are reporting declining enrolment and/or qualify for funding protection. This totals over \$50 million in supplemental support for these school districts.
- For the Coquitlam School District this translates to “redistributing” \$2.94M for the 2015/16 year to school districts with funding protection.



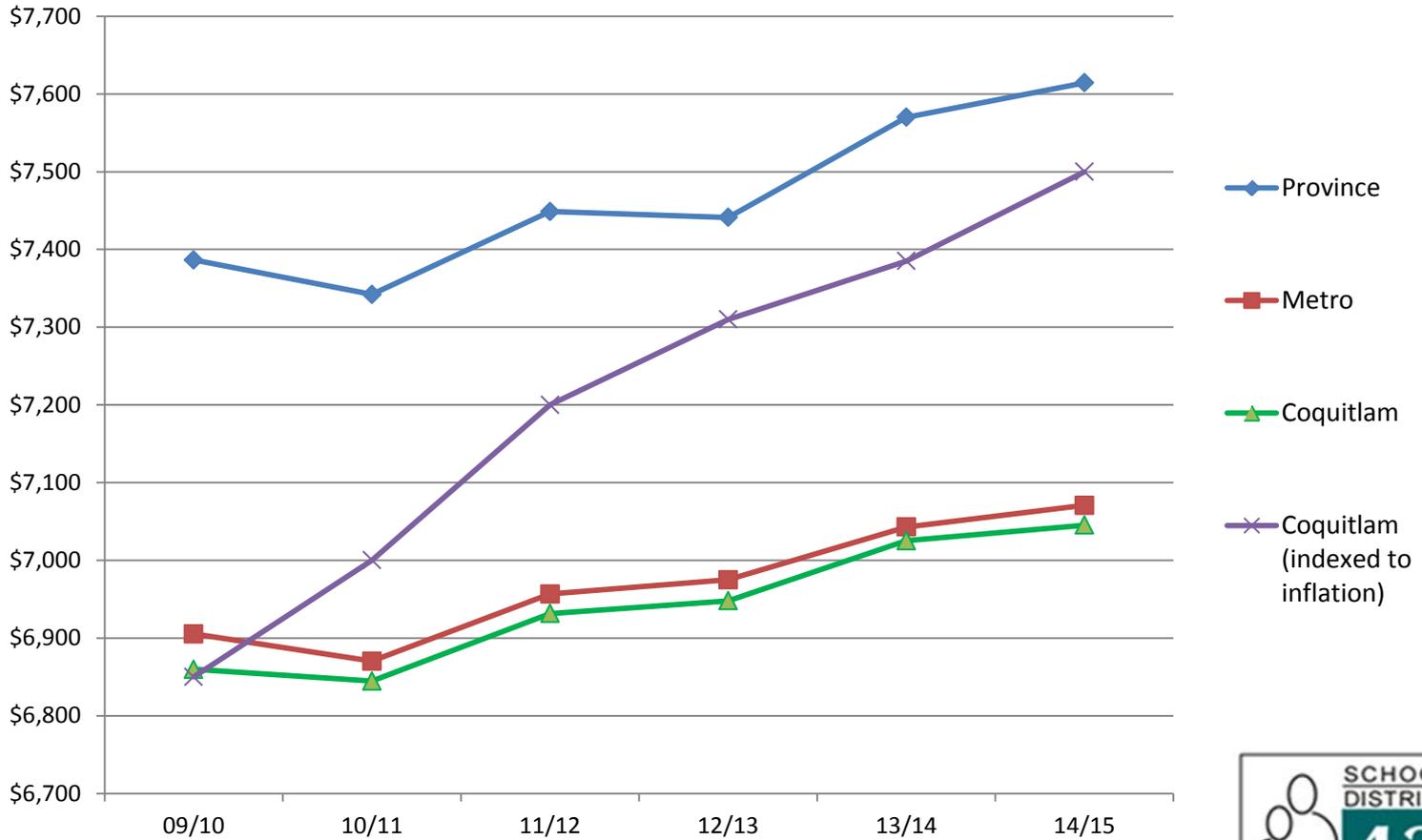
# Grant Funding Comparisons

- When comparing total grants\* Coquitlam falls short of the Provincial average. For 2014/15:
  - Provincial Average = \$7,614 per student
  - Coquitlam = \$7,045 per student
- Coquitlam ranks LAST in funding out of 60 school districts – and this was independently confirmed and announced at the December 2014 BCSTA meeting.
- Larger school districts tend to receive less funding per student. Out of the 20 school districts below the provincial average for funding, 13 of these are in the top 20 by enrolment size.

*\*Excludes special student needs and teacher salary differential from the student grant calculation.*



# Rates of Funding & Inflation



# Rates of Funding & Inflation

- For 2014/15, Coquitlam will receive \$7,045 per student in total grant funding \*
- If total grants had kept up with inflation since 2009/10, Coquitlam would have received \$7,492 per student.
- The difference of \$447 per student for 2014/15 between what is expected and the amount adjusted for inflation is significant. Considering a population of approximately 31,000 students, there is a funding shortfall of \$13.8M.

*\*Excludes special student needs and teacher salary differential from the student grant calculation.*



# Placing Instruction First

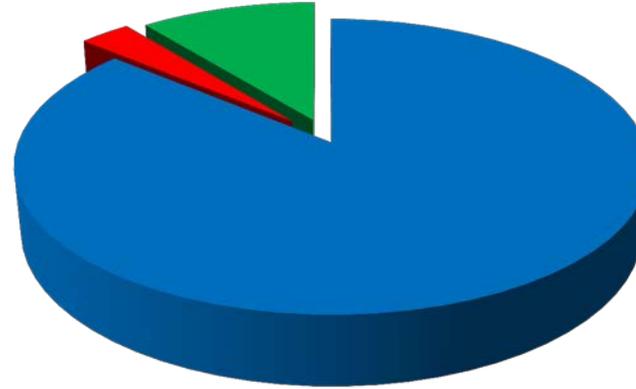
- The Coquitlam School District has always placed students at the forefront of decision making when it comes to budgets.
- The District spends more of its budget on Instruction compared to the provincial average across School Districts.
- Based upon the Preliminary Budget for 2014/15 Coquitlam spends 3.27% more on instruction which results in less spending on operations, maintenance, and transportation



# School District Operating Expense 2014/15 (Preliminary) Budget

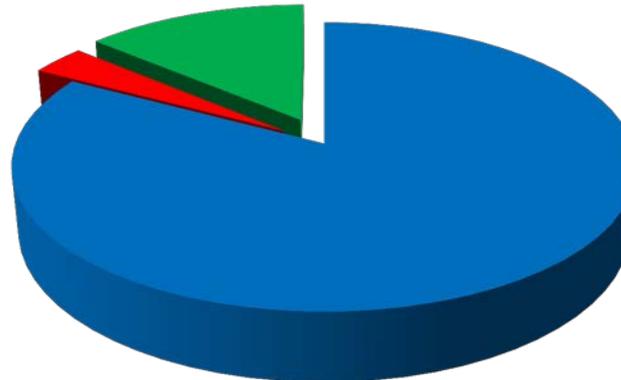
## Coquitlam

- Instruction 86.18%
- District Administration 3.13%
- Operations, Maintenance and Transportation 10.70%



## Provincial Average

- Instruction 82.91%
- District Administration 3.37%
- Operations, Maintenance and Transportation 13.72%



# Placing Instruction First

- The Coquitlam School District's long standing commitment to protecting learning in the classroom is further evidenced by looking at where we spend our staffing dollars.
- The District is staffed significantly under the provincial average in all categories except teachers.



# Staffing Ratios

## School District vs Provincial Average



| Staffing Comparison<br>(based on Oct 2014<br>Provincial Reporting) | Coquitlam<br>Staff<br>(Full-time<br>equivalent) | Provincial<br>Average<br>(student: staff<br>member) | Coquitlam<br>(Student: staff<br>member) | Variance |
|--|---|---|---|----------|
| Teachers   | 1,679.39  | 17.57   | 18.01                                   | -2.51%   |
| Principals & Vice-Principals                                       | 109.10  | 205.00  | 277.27                                  | -35.25%  |
| Other Professionals  | 44.60   | 320.55  | 678.25                                  | -111.59% |
| Support Staff  | 498.95  | 48.80   | 60.63                                   | -24.24%  |
| Educational Assistants   | 332.21  | 55.53   | 91.06                                   | -63.98%  |
| All Staff  | 2,665.22  | 9.67  | 11.36                                   | -17.54%  |



# Salary vs Non-salary Budget

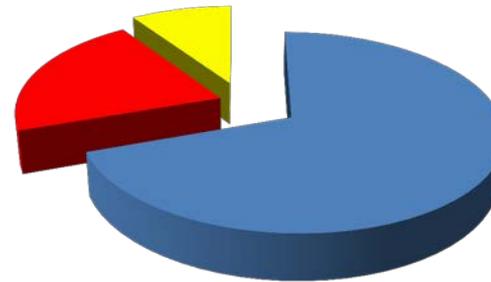
- The vast majority of the Coquitlam School District's operating budget, 90.7%, is spent on salary and related benefit costs. This is higher than the provincial average of 88.7%.
- School districts have different benefit packages. The Coquitlam School District is required to spend 21.1% of its operating budget on benefits compared to the provincial average of 18.0%.
- The Coquitlam School District spends 9.3% of its operating budget on non-salary (ex. supplies, transport, etc.) as compared to the provincial average of 11.3%.



# Operating Expenditures 2014/15 (Preliminary) Budget

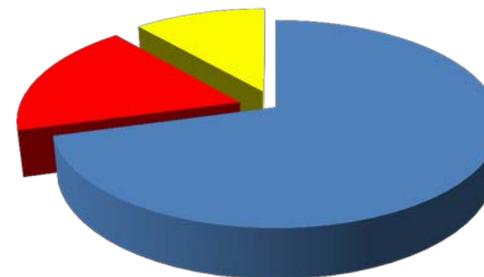
## Coquitlam

- Salaries 69.57%
- Employee Benefits 21.10%
- Supplies & Services 9.33%



## Provincial Average

- Salaries 70.65%
- Employee Benefits 18.01%
- Supplies & Services 11.34%



# Budget 2015/2016

- As previously reported the 2015/16 budget is one of near status quo but some adjustments are required to better align our resources with student needs.
- The Coquitlam School District continues to face rising costs while funding from the Ministry of Education does not maintain pace to offset many of these cost pressures.
- The vast majority of these costs are required due to contractual, legislative, inflationary, or regulatory requirements.

# Major Budget Changes 2015/16

- The Budget has been adjusted to include labour wage contractual increases and related benefit increases.
- A 'reset' of the budget to remove the impact of strike related activities and one-time related expenditures associated with the strike savings including the restoration of summer learning programs.
- 2014/15 was a banner year for International Education enrolment and profitability. We have exercised prudence by resetting 2015/16 to a near normal year.
- A provision of \$1.5 million has been absorbed related to shared services 'administrative savings'.

# Operating Budget Summary

| (in ,000's)                               | 2015/2016                 | 2014/2015             | Variance       |
|---|---------------------------|-----------------------|----------------|
|   | <u>Preliminary Budget</u> | <u>Amended Budget</u> |                |
| Operating Grant                           | 256,330                   | 246,806               | 9,524          |
| Other Fees and Revenue                    | 24,696                    | 26,827                | (2,131)        |
| <b>Total - Revenue</b>                    | <u>281,026</u>            | <u>273,633</u>        | <u>7,393</u>   |
| Salaries                                  | 193,566                   | 185,523               | 8,043          |
| Benefits                                  | 60,081                    | 59,553                | 528            |
| <b>Total - Salaries and Benefits</b>      | <u>253,647</u>            | <u>245,076</u>        | <u>8,571</u>   |
| Services                                  | 5,353                     | 5,510                 | (157)          |
| Student Transportation                    | 581                       | 597                   | (16)           |
| Supplies                                  | 9,032                     | 10,284                | (1,152)        |
| Utilities                                 | 5,791                     | 5,922                 | (130)          |
| Insurance/ Leases/Fees/Prof Development   | 4,982                     | 5,573                 | (691)          |
| <b>Total - Supplies and Services</b>      | <u>25,740</u>             | <u>27,886</u>         | <u>(2,146)</u> |
| <b>Total - Expenses</b>                   | <u>279,387</u>            | <u>272,963</u>        | <u>6,425</u>   |
| Total - Current Period Surplus/ (Deficit) | 1,639                     | 671                   | 968            |
| Prior Period Excess Funds                 | 1,553                     | 5,524                 | (3,971)        |
| Debt/Unfunded Liability Payment           | (2,500)                   | (3,276)               | 776            |
| Transfer to Capital Account               | (692)                     | (1,365)               | 673            |
| Holdback retained for 2015/16 Year        |                           | (1,553)               | 1,553          |
| Variance to Breakeven                     | <u>-</u>                  | <u>-</u>              | <u>-</u>       |

# Operating Budget Staffing

| <b>Staffing Category</b>                 | <b>Ammended<br/>2014/15<br/>Staffing</b> | <b>Preliminary<br/>2015/16<br/>Staffing</b> | <b>Variance</b> | <b>Comment</b>  |
|--|--|---|-----------------|---|
| Teachers (excl International Ed)         | 1,605.95                                 | 1,600.95                                    | (5.00)          | • Reduction in Student Enrolment  |
| Teachers - (Interim staffing)            | -  | 5.00  | 5.00            | • Staffing lift to be reviewed annually   |
| Teachers - International Ed              | 80.21                                    | 72.21                                       | (8.00)          | • Reset to normal enrolment trend<br>• Additional staffing to be provided if enrolment requires this    |
| Support Staff                            | 496.88                                   | 477.29                                      | (19.59)         | • Custodial/Non-teaching cafeteria staff reduction  |
| Support Staff (Clerical)                 |  | 13.00                                       | 13.00           | • Staffing allocation to be determined through discussions with Partner Group                           |
| Youth Workers and Educational Assistants | 325.06                                   | 331.65                                      | 6.59            |   |
| Administration                           | 108.50                                   | 108.50                                      | -               |   |
| Other Professionals                      | 45.10                                    | 45.50                                       | 0.40            | • HR position restored to full time<br>• Community relations position replaces Theatre Manager position |

# Looking Forward

## Operational Efficiencies

To meet the requirement for additional Administrative savings in future years, the following initiatives will be undertaken;

- Rental Enhancement
- Energy Efficiencies
- WorkSafeBC Program Enhancement
- Enhancing Investment Returns
- Educational Program Efficiencies
- Technology Initiatives
- International Education Revenue Review
- .....and others

# Budget Outcomes for 2015/16

- We have faced two very difficult financial years and move into the 2015/16 with a stable financial situation with a near status quo budget.
- We have balanced the multiple interests of all stakeholders with the need to maintain a balanced budget under the *School Act* while continuing to eliminate our debt.
- Building and maintaining a sustainable school district for years to come involves making some very difficult choices and decisions in an environment in which funding does not keep up with inflation.