



**BUDGET 2021-22**

April 13, 2021

Presented by:  
Nita Miik, Assistant Secretary-Treasurer

*Learning for a Lifetime*

1

## Presentation Outline

1. Key Dates
2. Directions 2025 and Financial Governance
3. Budget Process and Consultation
4. 2021/22 Proposed Budget
  - Current year Update and Outlook
  - Assumptions, Funding and other Considerations
  - Staffing, Salaries and Expenses
  - Special Purpose Funds and Capital
5. Risk Factors
6. Three-Year Financial Plan



2

## Key Budget Dates

- February 16 - Stakeholder and Public / Budget Input Meeting
- February - Provincial Budget announcement – delayed to April
- March 12 - Ministry announcement of 2021/22 - Preliminary Operating Grant
- **April 13**  - **Public Board Meeting – 2021/22 Proposed Budget**
- April 20 - Provincial Budget Announcement
- April 20 - Special Public Budget Meeting – Stakeholder Feedback Comments
- April 27 - Public Board Meeting and Board - Approval of the 2021/22 Budget



3

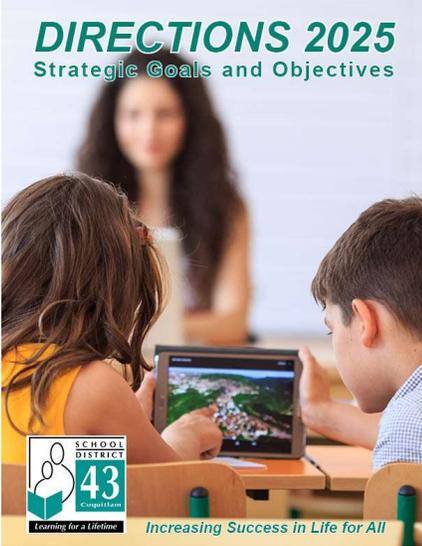
## Explaining the Budget Approval Cycle

- Per School Act (Sec 113)  School Districts are required to file a balanced budget by June 30 each year.
-  Why does SD43 complete the budget process in April?
  - Funding for next year not announced until March 15<sup>th</sup>
  - SD43 has contractual obligations that stipulate a 60-day notification period to meet certain commitments. (required for staffing layoff notification).
-  As an outcome, the public presentation of the budget, the subsequent discussion, public comments, and final Board approval is squeezed into the month of April.



4

## Directions 2025



***DIRECTIONS 2025***  
Strategic Goals and Objectives

**SCHOOL DISTRICT 43**  
Cognate Learning  
Learning for a Lifetime

*Increasing Success in Life for All*

- Financial framework is guided by our *Directions 2025* goals and objectives:
  - Achieve Student Success
  - Develop the Educated Citizen
  - Foster a Sustainable Educational Organization



5

## How the Budget supports these Goals

- Achieve Student Success:
- Develop the Educated Citizen
- Foster a Sustainable Organization
  - Technology
  - Social Engagement



6

## How the Budget supports these Goals

### • Achieve Student Success:

- Aligning available resources and Action Plans for Learning with student achievement, educational outcomes and understanding of First Peoples Principles.
- Providing professional learning support and resources for numeracy, literacy, and core competency development through Curriculum coordinators and Support teachers.
- Investing in e-resources and curricular resources
- Providing students access to a variety of educational programs of choice, board authorized courses and career and trades programs.
- Investing in mentorship programs and professional development
- Allocating resources to promote STEAM tools in classrooms



7

## How the Budget supports these Goals

### • Develop the Educated Citizen:

- Providing a variety of Alternate Education Programs
- Utilizing data driven, needs based resourcing, to support students
- Allocating resources towards School Based Teams, District Specialists, and Itinerant Teams in meeting the needs of individual students.
- Providing direct and consultative services to students with diverse needs
- Aligning targeted funding and resources to support and enhance learning opportunities for all Indigenous learners
- Supporting social and emotional Learning, wellness and mental health initiatives through provided grants and partnerships with various agencies



8

## How the Budget supports these Goals

### • Foster a Sustainable Organization:

- Investing in Professional Development and Training at all levels
- Designing new buildings – collaborative, NLC, enhanced technology
- Updating existing buildings, while reducing their environmental footprint
- Updating ERP system and Streamlining business processes
- Replacing older vehicles, equipment and updating technology infrastructure
- Applying our Financial Reserve policy to ensure on going financial stability
- Utilizing funds released from annuitization of NTPP pension plan back into educational needs



9

## How the Budget supports these Goals

### • Technology:

- Sustainable approach for provisioning technology.
- Promoting equity of access to quality technology for all learners
- Promoting effective use of technology through training, professional development and dedicated mentorship staffing resources.
- Fostering Digital Citizenship.
- Investing in robust data systems to improve access to data and data drive decision making.
- Commitment to privacy, security and data use standards.



10

## How the Budget supports these Goals

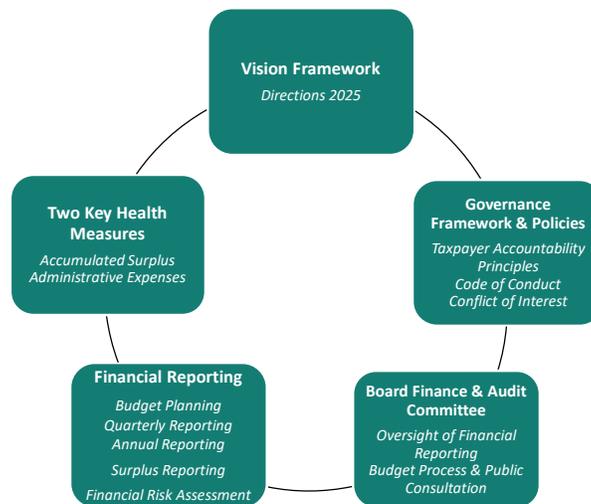
### • Social Engagement:

- Encouraging community involvement and building partnerships to address local needs.
- Supporting environmental stewardship through various green initiatives
- Engaging international partners to create global learning opportunities and promote SD43's profile internationally.
- Developing local industry partnerships to create new learning opportunities with a focus on STEAM and career programming.



11

## Financial Governance Framework



12

# Financial Statement Discussion & Analysis



- Increased Transparency:
  - More detailed and open discussion on financial results
    - Explaining Variances to Budget
    - Providing updated projections
  - Standardized Quarterly Reports
  - Comprehensive Year End Financial Report



13

# Budget Process Consultation Guide

**Budget Process 2021-2022**  
Stakeholder Consultation Guide  
Spring 2021



Learn. Engage. Contribute.

You Talk. We Listen.

 School District No. 43 (Coquitlam)  
550 Porter Street  
Coquitlam, BC V3J 6A7  
Phone: 604-939-9201

Serving the communities of Anmore, Belcarra, Coquitlam, Port Coquitlam and Port Moody

- Budget Consultation Guide
  - Aligning Budget Planning and resource allocation to Directions 2025
  - Governance and Accountability Principles under which budgets are developed
  - Budget Process and Timelines
  - General Background Information
  - Stakeholder Engagement
    - Roles of Stakeholders
    - Roles of Trustees



14

## 2021/22 Budget Consultation

- Prior to developing the 2021/22 Budget, the Board invited stakeholder groups (CTA, CUPE, CPVPA, DPAC) to meet with them and listen to their concerns, receive information and share this feedback with senior management.
- Special Public Meeting in February 2021 to receive stakeholder and public input to help shape the 2021/22 budget.
- Summary of Stakeholder Comments
  - Refer to this through the year
  - When aligned with our vision and resources, incorporate them into our financial plan



15

## Budget Process & Assumptions

- What we heard and how we have responded
- We heard your comments and when aligned with our vision and resources have incorporated them into our financial plan.



**BOARD OF EDUCATION**  
Budget Stakeholder and Partner Group Meetings Summary 2021/22

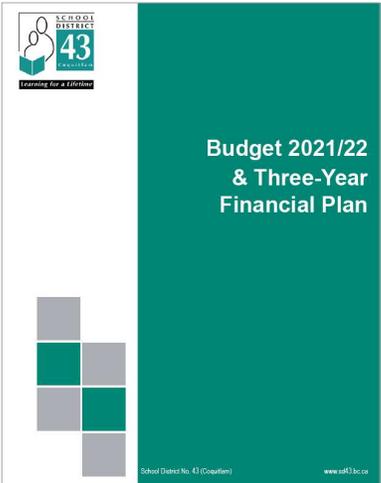
Item #	Partner Group	Stakeholder/Request	Budgetary Request - What we Heard	How we Responded
<b>Teachers - Non Enrolling/Learning Services</b>				
1	CTA	CTA - Tier one Learning Supports	⊕ Preserve existing levels in Learning Services and as funds become available, consider adding more tier one support in schools: Counsellors, Learning assistance Teachers, Language Teachers, and Skill Development (non-enrolling teachers) to help vulnerable learners and getting them to graduation.	Non enrolling teachers ratios are established in the teacher collective agreement as restored by MOU #17. SD43 continues to provide incremental non-enrolling teachers as priorities are established and funding permits.
2	CPVPA	CPVPA - Learning supports	⊕ Additional Learning Supports at the school level (Counsellors, YW, EA's, school based learning teams) to help with challenging environments and support vulnerable students especially at the Elementary and Middle levels.	Non enrolling teachers ratios are established in the teacher collective agreement as restored by MOU#17. SD43 continues to provide incremental support as priorities are established and funding permits. During the 2019/20 budget process, 10 FTE teachers were added to Middle Schools to support the curriculum changes. In 2020/21 an additional 14 EA/LISW positions were added: which addressed aspects of this concern.
3	CTA	CTA - Mentoring	⊕ Continue with mentoring program and technology mentoring teams (this has given our school district a competitive advantage in attracting staff and these supports translate into better support for students).	We agree that SD43's investment in the mentorship program is an important component that is supporting Goal #1 - Intellectual Development and Goal #2 Human and Social Development. We want to continue these programs as funding permits based on priorities of all needs of the school district.
<b>Teachers - General</b>				



16

## Budget 2021/22

- The details and assumptions are documented in our published 'Budget 2021/22 & Three-Year Financial Plan' document.
- This is an aspect of our commitment to increased transparency and accountability.
- Our budget development is guided by *Directions 2025*





17

## 2020-21 Current Year Update

- Current year was impacted by:
  - Decrease in International Education Enrollment – Travel restrictions/visa delays
  - Decrease in Rental Revenues – Restrictions on community use of school facilities
  - Decrease in Investment Income – Lower interest rates from economic impact
- Received \$14.2 million in one-time grant revenues to offset costs associated with the pandemic which was used for:
  - 66 Teaching Positions
  - 4 Educational Assistants
  - 19 Custodial Positions
  - TTOC's and other replacement cost
  - Masks and barriers
  - Cleaning Supplies, Hygiene products, One touch facets and hands-free dryers
  - Improved ventilation systems including HVAC/Boiler improvements in two Schools



18

## 2020-21 Current Year Outlook

- Projecting an excess of revenues to expenditures – sufficient to continue to support financial stability into future years.
- Funds set aside from the previous year end – 2019/20 – of about \$1.5M – to address pandemic related anticipated costs were not utilized as an outcome of one-time grant funding.
- Non-Teaching Pension Plan (NTPP) attained 100% solvency and has been annuitized - \$3.0M in annual solvency payments will no longer be required in future years .



19

## 2021/22 Budget Assumptions

- Assuming school operations returning to Stage 1 in September
- One-time Return to School/Class grants will not be repeated
- There will be a Pandemic overhang that will necessitate continued focus on cleaning and hygiene protocols.
- International education enrollment will continue to be negatively impacted by travel restrictions and delays in obtaining student visas/permits.
- Interest rates will continue to be low and impact Interest Income
- Rental revenues will only be at 75% of pre-COVID levels.



20

## Operating Grant Funding

- September enrolment is expected to decrease by 51 School Age students.
- Students with unique needs (level 2 +26, level 3 -28, ELL -30, Indigenous learners +18)
- Base Grant Funding increased by \$325 per student, from \$7,560 to \$7,885
- Base Grant Funding increase DID NOT adequately cover:
  - contractual salary & wage increases for Teachers and Support Staff,
  - employer health tax
  - short by approximately \$18 per student
- Net result: TOTAL Grant Underfunding for next year of \$0.54 million
- Cumulatively underfunded by over \$3.5 million for the past three years.



21

## 2021/22 Budget Deliberations

- The School District receives no funds to address inflationary costs other than contractual salary increments.
- The majority of expenditure increases are due to contractual, legislative, inflationary or regulatory requirements.
- Continued attention to identifying and investing in operating efficiencies and risk for ongoing sustainability.
- Most of the budget is prescriptive which means less discretion for local boards and school districts
- Staffing reductions will be required to offset shortfall in grant funding and revenue losses from International Education, Interest and Rentals.



22

## 2021/22 Staffing

- Staffing reductions have been mitigated through 3 significant actions:
  - Annuitization of NTPP - \$3 million in annual expenses used for solvency deficiency requirements can be repurposed for other needs.
  - \$1.5 million set aside in previous year will be used in 2021/22 to bridge into the following year to allow time to re-establish revenues reduced as a result of the Pandemic
  - Utilize a portion of the current year underspend to buffer against staffing reductions for one year as non-grant revenues begin to stabilize.



23

## Staffing

- Overall Staffing reduction of 28.11 FTE positions:

All Groups	Actual 2019/20	Amended 2020/21	Preliminary 2021/22	Change from prior year
Teachers	2,046.89	2,027.24	1,996.22	(31.02)
Support	552.13	575.03	569.94	(5.09)
Educational Assistants	644.64	654.39	661.39	7.00
Administrators	127.00	127.00	128.00	1.00
Other Professionals	74.00	74.00	74.00	0.00
<b>TOTAL</b>	<b>3,444.66</b>	<b>3,457.66</b>	<b>3,429.55</b>	<b>(28.11)</b>



24

## Teacher Staffing

- Teachers: Net decrease of 31.02 FTE  
(delayed reductions from the current year due to COVID funding provided by Federal and Provincial Governments)

Staffing Group – TEACHERS	Actual 2019/20	Amended 2020/21	Preliminary 2021/22	Change from prior year
Teachers – Funded through Operating Fund	1,675.45	1,613.88	1,640.08	26.20
Teachers – Funded through International Ed	124.00	62.00	50.00	(12.00)
Teachers - Classroom Enhancement Fund	233.80	271.50	292.50	21.00
Teachers - Special Purpose Funds (excl CEF)	13.64	13.64	13.64	(0.00)
Teachers - COVID - one time funding	0.00	66.22	0.00	(66.22)
<b>TOTAL</b>	<b>2,046.89</b>	<b>2,027.24</b>	<b>1,996.22</b>	<b>(31.02)</b>



25

## Support Staffing

- Support Staffing: Net decrease of 5.09 FTE

Staffing Group - SUPPORT	Actual 2019/20	Amended 2020/21	Preliminary 2021/22	Change from PY
Support – Operating Fund	544.37	546.23	561.54	15.31
Support - Special Purpose Funds	6.76	7.40	7.40	0.00
Support - COVID - one time funding	0.00	20.40	0.00	(20.40)
Support – Capital Fund	1.00	1.00	1.00	0.00
<b>TOTAL</b>	<b>552.13</b>	<b>575.03</b>	<b>569.94</b>	<b>(5.09)</b>

- Educational Assistants: Net increase of 7.00 FTE

Staffing Group - EDUCATIONAL ASSISTANTS	Actual 2019/20	Amended 2020/21	Preliminary 2021/22	Change from PY
Educ. Assistants – Operating Fund	551.94	561.61	572.61	11.00
Educ. Assistants - Classroom Enhancement Fund	33.00	33.00	33.00	0.00
Educ. Assistants - Special Purpose Funds (excl CEF)	59.70	55.78	55.78	0.00
Educ. Assistants - COVID - one time funding	0.00	4.00	0.00	(4.00)
<b>TOTAL</b>	<b>644.64</b>	<b>654.39</b>	<b>661.39</b>	<b>7.00</b>



26

## Operating Budget Expenses

### Salaries

- Teacher and Support staff salaries and wages have been increased consistent with collective agreement requirements
- A salary increment provision has been budgeted for Excluded and Administrative Staff.

### Benefits

- Benefits have been adjusted to reflect net staffing changes, increases in CPP and EI, Worksafe rates, and increases directly related to salary and wage increments (Pension, EHT, CPP and EI) and elimination of NTPP required solvency payments.

### Services and Supplies

- Provision for some COVID overhang expenses (cleaning supplies/filters)
- Decrease in International Education Expenses related to enrollment
- Increase in Licensing Fees for software
- Continue to retain contingency reserve of \$500k



27

## Operating Budget – Summary

	Actuals 2019/20	Amended Budget 2020/21	Preliminary Budget 2021/22	Variance
<b>Revenues</b>				
Provincial Grants - MOE, Operating Grant	295,265,782	301,603,759	304,301,190	2,697,431
Provincial Grants - Other MOE grant and MCFD	51,072	51,072	51,072	-
Offshore Tuition Fees	33,973,625	18,257,000	14,262,000	(3,995,000)
Rentals and Leases	1,117,464	724,375	1,381,996	657,621
Investment income	2,567,574	1,551,047	1,151,047	(400,000)
Other Revenue	1,315,687	965,394	965,394	-
<b>Total Revenue</b>	<b>334,291,204</b>	<b>323,152,647</b>	<b>322,112,699</b>	<b>(1,039,948)</b>
<b>Expenses</b>				
Salaries and Benefits	292,421,335	290,036,229	297,327,297	7,291,068
Services and Supplies	27,702,879	30,275,847	28,385,402	(1,890,445)
<b>Total Expenses</b>	<b>320,124,214</b>	<b>320,312,076</b>	<b>325,712,699</b>	<b>5,400,623</b>
Current Period Surplus (Deficit)	14,166,990	2,840,571	(3,600,000)	(6,440,571)
Capital Purchases and Transfers	(7,509,807)	(7,500,000)	(2,500,000)	5,000,000
Use of Appropriated Surplus	-	4,659,429	6,100,000	1,440,571
<b>Budgeted Surplus (Deficit)</b>	<b>6,657,183</b>	<b>-</b>	<b>-</b>	<b>-</b>



28

## Operating Budget – Summary

- Funding Priorities supporting Student Success:
  - Regulatory and Statutory requirements (primarily benefits)
  - Increased support for our most vulnerable learners
  - Provided for continuation of enhanced cleaning – Pandemic overhang
- Use of Accumulated Financial Reserves (\$6.1 million)
  - which has mitigated the significant impact of the loss in grant funding and other revenues.
  - A substantial amount of our accumulated financial reserves derived from our historically strong International Education Program.
- Retained \$500,000 contingency reserve for unexpected emergent expenses.



29

## Special Purpose Funds

- Special Purpose funds include:
  - School Generated Funds
  - Annual Facility Grant
  - Learning Improvement Fund
  - CommunityLINK Funds
  - Classroom Enhancement Fund
  - Provincial Resource Program
  - Federal French Language Grant
  - Settlement Services and Language Instruction for Newcomers
  - Early Learning Programs (Strong Start & Ready Set Learn, Changing results for Young children)
  - Mental Health in Schools
  - First Nations Student Transportation
  - Other Funds



30

## Classroom Enhancement Fund

	Amended 2020/21		Preliminary 2021/22		Variance	
	FTE	\$	FTE	\$	FTE	\$
Teachers	271.50	29,506,239	292.50	33,716,647	21.00	4,210,408
TTOC's		1,160,642		1,250,417	-	89,775
EA's	33.00	1,649,769	33.00	1,696,563	-	46,794
Administrators	1.00	448,643	1.00	401,849	-	(46,794)
Other Expenses		96,000		96,000	-	-
Remedy Costs		2,021,976		-	-	(2,021,976)
<b>TOTAL</b>	<b>305.50</b>	<b>34,883,269</b>	<b>326.50</b>	<b>37,161,476</b>	<b>21.00</b>	<b>2,278,207</b>



31

## Capital 2021/22

- Our Capital Budget incorporates the following key elements:
  - Net Budget Changes to Investment in Tangible Capital Assets
  - Annual Facility Grant
  - Lease revenues from closed schools, Interest Income and SSAC charges.
  - Construction activity for Centennial Secondary, Irvine Elementary, Sheffield Elementary, Education Learning Center
  - Continued MOA#17 best efforts:
    - Panorama Heights Elementary (4 classrooms) and various other space to classroom conversion
  - Planning for Moody Elementary, Burke Mountain Middle/Secondary and Montgomery Middle



32

## Risk Factors

- COVID-19 – Pandemic Overhang
- International Education
- Funding Adequacy
  - Underfunding of wage settlement and Employer Health
  - Lack of funding for inflationary costs
  - Grant Funding Model Implementation Phase II Impacts
- Classroom Enhancement Fund
- Capital Funding
- Student Mental Health and Vulnerable Children
- Ministry of Education Mandates



33

## Multi-Year Forecast

- Comprehensive Multi-year Financial Plan
  - The assumptions, graphs, and projections are discussed in more detail in our Report.
- Key takeaway – Recovery from Pandemic will take a few years.
- Accumulated Reserves – will help stabilize the district through the recovery but will need to be replenished.
- Unknown risks to our multi-year plan forecast primarily relate to Phase II of the Funding Model Review.



34

## 2021/22 Budget Outcomes

- Balanced the multiple interests of all stakeholders
- Limiting the impact of reduced revenues and inadequate funding on staffing reductions
- Financial Stability through Accumulated Financial Reserves
- Supporting our most Vulnerable Learners
- Maximizing Resources for Student Success

