
Burnaby Board of Education Budget Presentation

April 27, 2010

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.
- ▶ School Districts have local revenues from rental of facilities, interest revenue on short-term deposits, international students, 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 **\$189 million** in operating grants or approximately 4% of the total provincial operating grants

School Year	Operating Grants (\$ Billion)	Lift from Previous Year
2009/2010	\$4.551	\$84 million
2010/2011	\$4.663	\$112 million
2011/2012	\$4.721	\$58 million
2012/2013	\$4.725	\$4 million



2010/2011 Operating Grant – Funding Formula Changes

- ▶ Increase in Block Funding \$112 Million
 - ▶ \$54 Million Labour Settlement
 - ▶ \$58 Million Full Day Kindergarten
- ▶ Labour Settlement Funding Reallocated within Funding Model and Transition Funding Provided
- ▶ Salary Differential Funding Revised
- ▶ Adult Funding Revised
- ▶ Funding Protection Increased to \$23.3 Million (33 Districts) from \$17 Million
- ▶ Enrolment Decline Funding Increased to \$12.9 Million from \$8.9 Million
- ▶ Burnaby's Operating Grant \$189 Million, an Increase of \$3.4 Million
- ▶ Burnaby Transition Funding Allocation of \$0.6 Million

Allocation of Provincial Operating Grant

The funding system provides for:

Student base allocation of \$6,740 per school-age FTE regular and continuing education student

Student base allocation of \$5,851 per school-age FTE Distributed Learning

Student base allocation of \$4,430 per Adult FTE student

Unique student needs: ESL (\$1,340), aboriginal education (\$1,160), special education Level 1 (\$36,600), Level 2 (\$18,300), Level 3 (\$9,200)

Teacher salary differential between districts

Unique geographic factors

Transportation of students

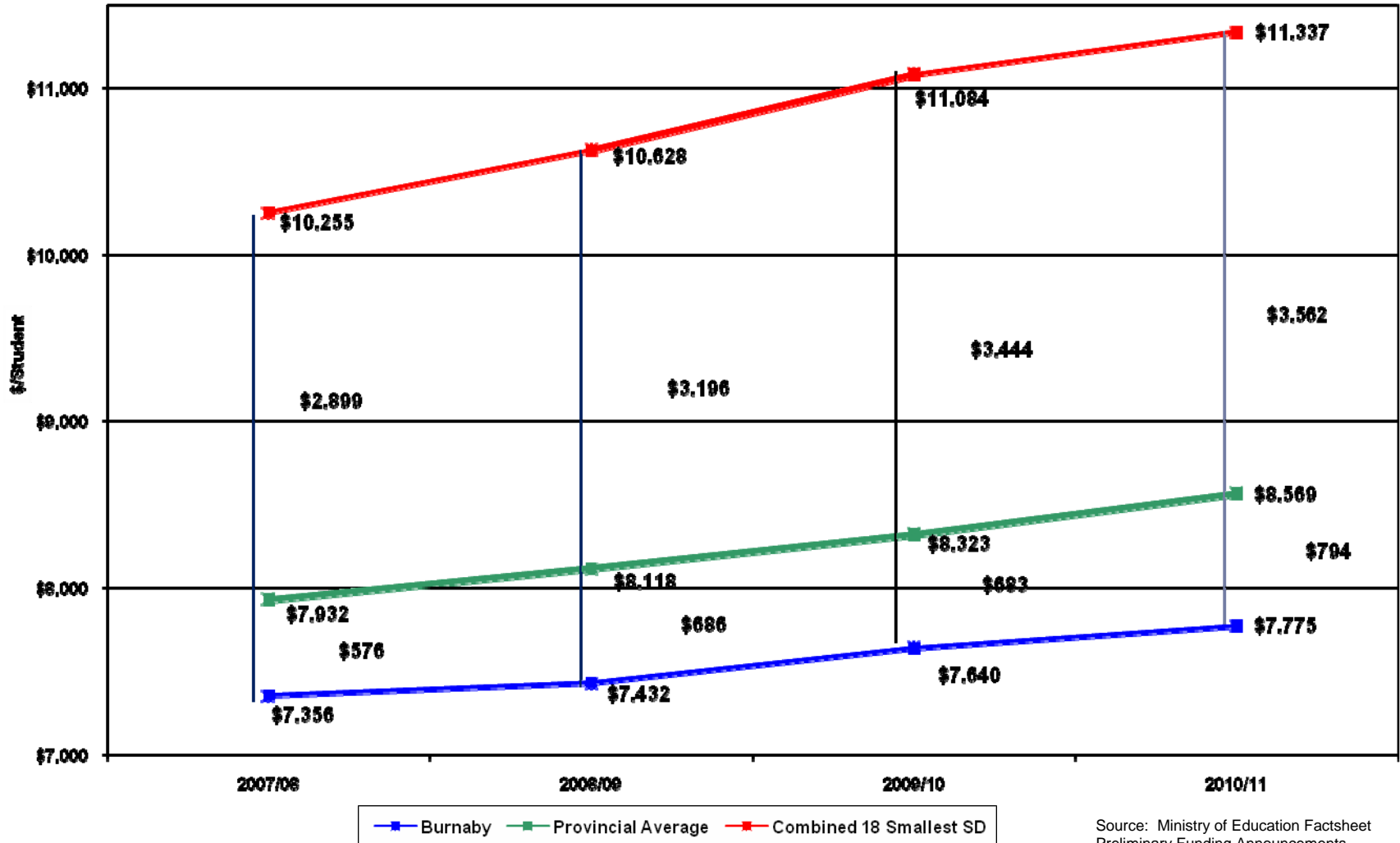
School in the Summer

Formula Transition

Enrolment Decline and Funding Protection



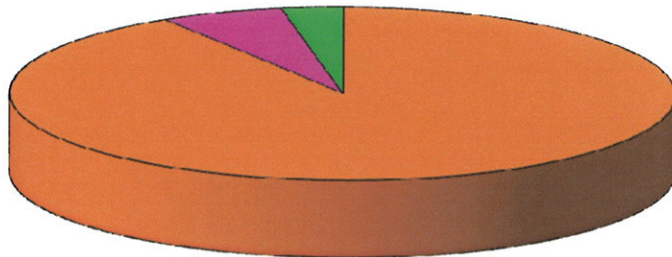
Per Student Funding



School District Sources of Revenue:

Burnaby

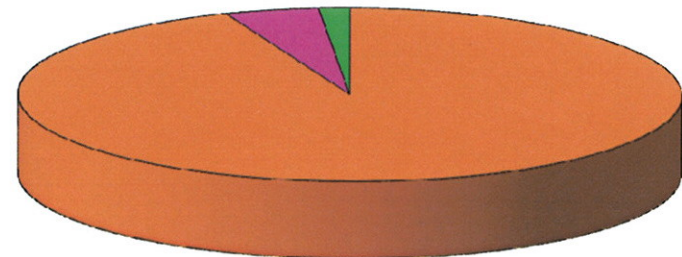
	Provincial Grants	91.9%
	Miscellaneous Revenue	5.9%
	Operating Surplus	2.2%



Source: 2009/10 SD 41 Amended Annual Operating Budget

Provincial Average

	Provincial Grants	94.6%
	Miscellaneous Revenue	4.1%
	Operating Surplus	1.3%



Source: Ministry of Education 2009/10 Annual Budgeted Sources of Operating Revenue Table 2

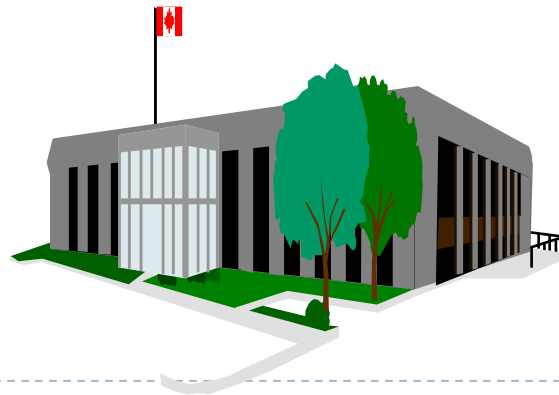
School District Operating Spending

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



School District Operating Spending

- ▶ School Districts allocate their spending between 4 key functional areas:
 - ▶ Operating and Maintaining buildings



School District Operating Spending

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







School District Operating Spending

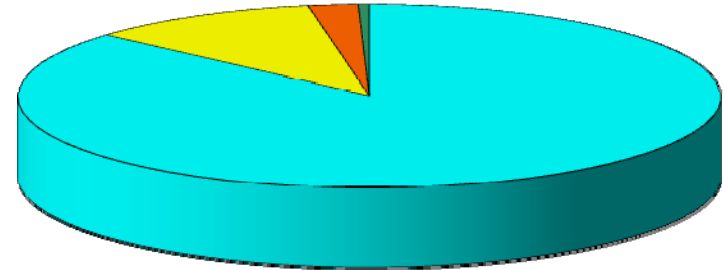
- ▶ School Districts allocate their spending between 4 key functional areas:
 - ▶ Transportation



School District Operating Spending





Burnaby

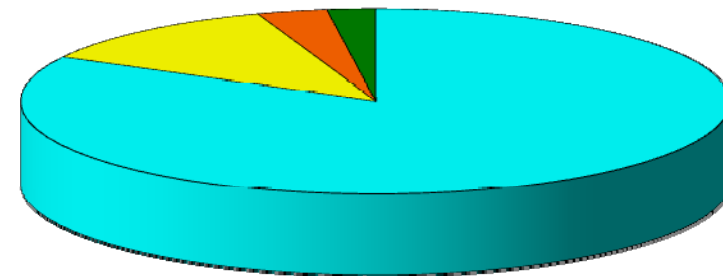
 Instruction	86.7%
 Operations & Maintenance	10.5%
 District Administration	2.3%
 Transportation	0.5%



Source: 2009/10 SD 41 Amended Annual Operating Budget

Provincial Average

 Instruction	83.1%
 Operations & Maintenance	11.5%
 District Administration	3.3%
 Transportation	2.1%

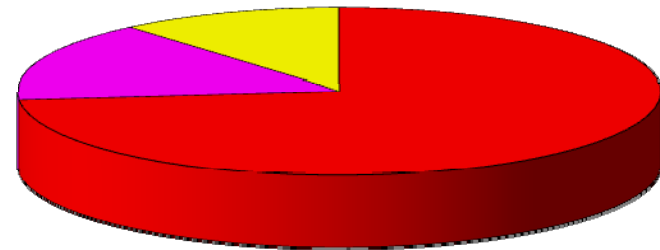


Source: Ministry of Education 2009/10 Annual Budget Operating Expenditures by Function Table 6

School District Operating Spending

Burnaby

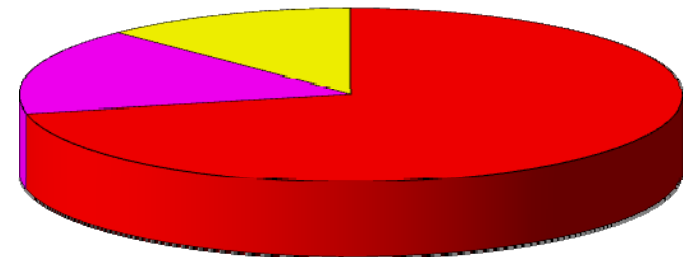
■ Salaries	73.9%
■ Employee Benefits	15.4%
■ Supplies & Services	10.7%



Source: 2009/10 SD 41 Amended Operating Annual Budget

Provincial Average

■ Salaries	71.8%
■ Employee Benefits	16.2%
■ Supplies & Services	12.0%



Source: Ministry of Education 2009/10 Operating Budget Expenditures by Detailed Object Table 7

Burnaby Board of Education

2010/2011 Operating Budget and Three Year Operating Budget



Why a Status Quo Budget Shortfall?

Increased Costs:		
Teachers Salary Increase (2%)	\$	2,560,000
Teacher Salary Increments		600,000
Teacher Pension Increase (8.5%)		1,261,000
Enrolment Staffing Increase (FDK)		2,735,000
New University Highlands School		308,000
Carbon Offsets/Smart Tool		205,000
Inflation - Other Benefits		443,000
Inflation - Utilities/Supplies/Services		565,000
Other		370,000
Total Cost Pressures	\$	9,047,000
Current Year Structural Deficit		2,133,000
Total Budget Pressures	\$	11,180,000
Increased Operating Grant		3,380,000
Net Operating Shortfall	\$	7,800,000

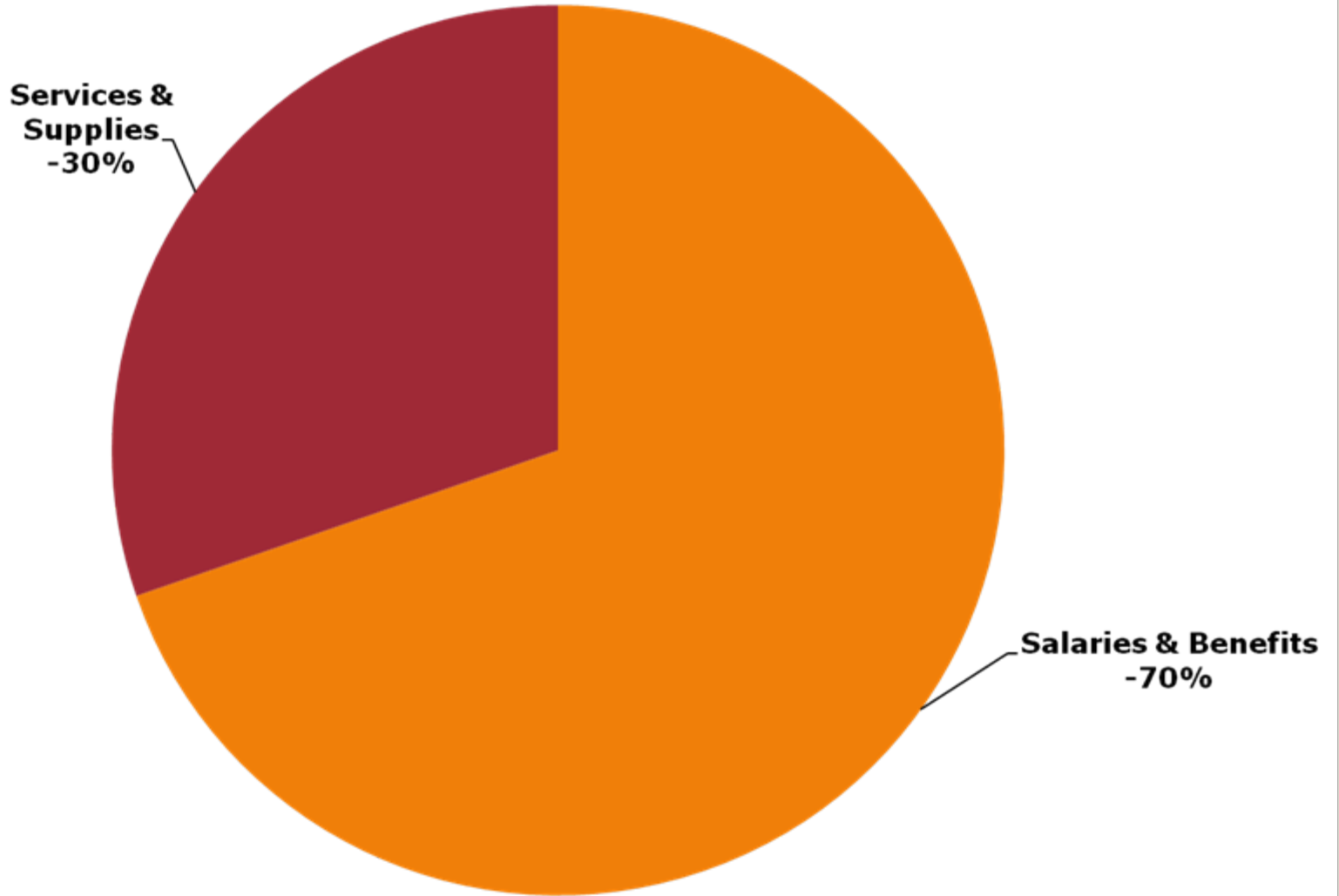
Budget Adjustment Summary

Ref	Description	FTE	Amount
District Administration and Instructional Support:			
1	District Principals	1.5	209,000
2	Non Enrolling Teachers	11	1,100,000
3	District Learning Resource Centre	2.5	240,000
4	On-Line Learning	1	160,000
5	Welcome Centre	0.5	27,000
6	Professional Development	2	150,000
7	Coordinator Youth Services	1	94,000
8	Manager Purchasing Services	1	102,000
9	Technology Equipment/Services	0	150,000
		20.5	2,232,000
School Based Administration and Instructional Support:			
10	Class Size Average - Secondary	6.1	500,000
11	Secondary Administration	1	128,000
12	Department Heads	0	70,000
13	Aboriginal Education	1	81,000
14	Casual Support Staff Budgets	2.5	\$ 100,000
15	Technology Field Technicians	2	129,000
16	Burnaby South Food Services Restructuring	2.3	75,000
		14.9	1,083,000

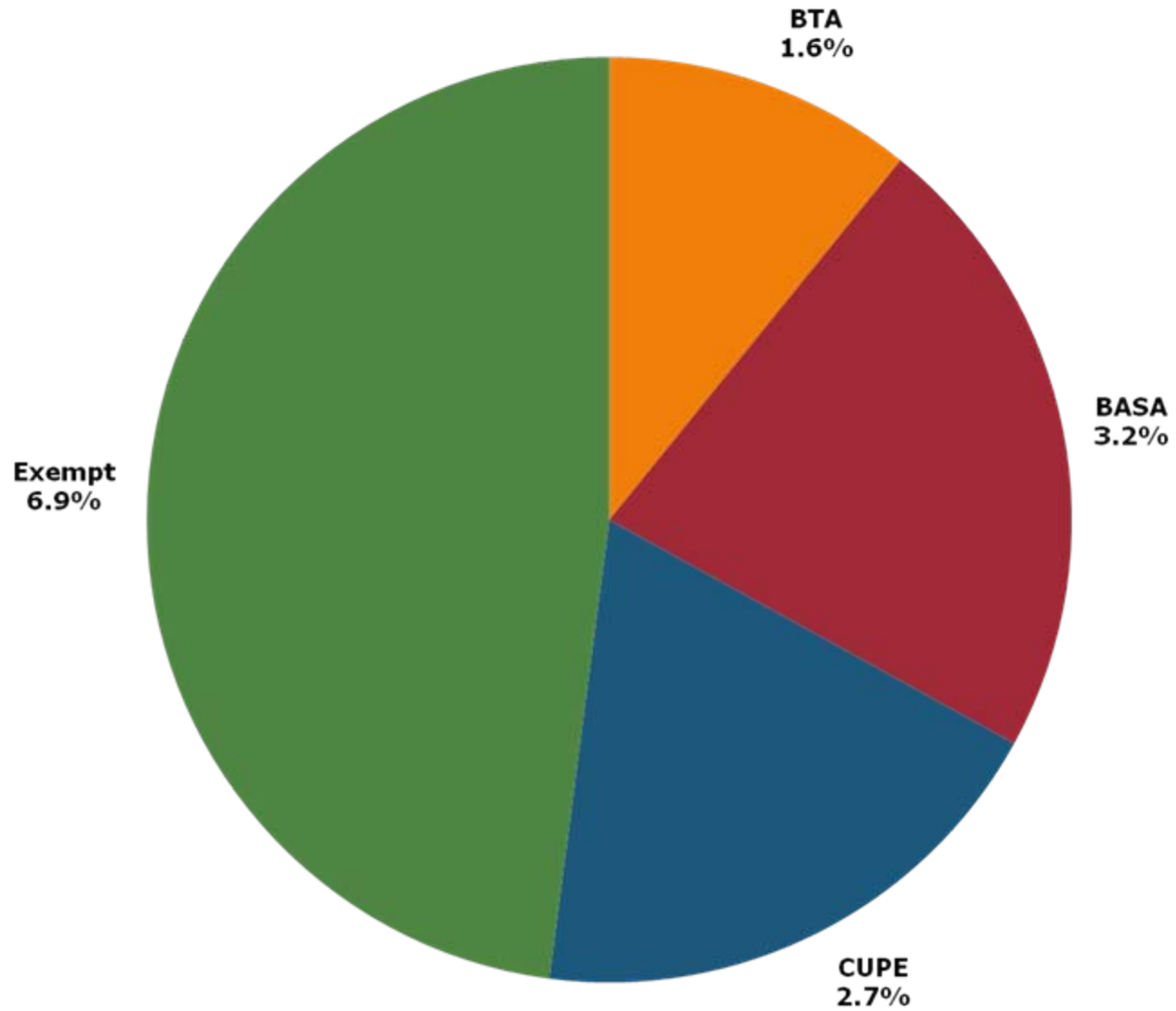
Budget Adjustment Summary Cont'd

Ref	Description	FTE	Amount
Facility Operations:			
17	Manager Maintenance Services	1	111,000
18	Summer Painting Program	0	170,000
19	HVAC Trades Staff	1	75,000
20	Custodial Staff	1	50,000
21	Carpentry Trades Staff	3	225,000
22	Painting Trades Staff	1	75,000
		7	706,000
Other:			
23	General Supplies and Services	0	800,000
24	Inflation on Supplies and Services	0	350,000
25	Increase Rental Rates	0	25,000
26	Shared Services - New Westminster	0	25,000
		0	1,200,000
Total Budget Adjustments		42.4	5,221,000

Budget Reductions by Category



Budget Reductions as % of Employee Group Budget



Enrolment

	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013
	Final	Final	Projected	Projected	Projected
	(FTE)	(FTE)	(FTE)	(FTE)	(FTE)
Elementary	12,306	12,272	12,700	13,103	13,366
Secondary	10,820	10,864	10,718	10,727	10,529
Continuing Ed - School Age	51	45	53	55	55
Distributed Learning - School Age	280	300	340	360	385
Total - School Age	23,457	23,481	23,811	24,245	24,335
Homeschoolers	6	5	5	5	5
ESL	4,332	4,295	4,306	4,343	4,350
Aboriginal Education	715	732	732	732	740
Special Ed - Level 1	36	40	41	42	43
Special Ed - Level 2	495	523	533	543	553
Special Ed - Level 3	244	231	235	240	255
Adults	536	587	600	610	620
Total - Unique Student Needs	6,356	6,407	6,447	6,510	6,561
International Education	550	575	580	595	600

3 Year Status Quo Budget Key Assumptions

- ✓ Projected Enrolment Includes New Full Day K
- ✓ Salary lift of 2% for Teachers in 2010/11 Only, Nil for Other Groups
- ✓ Benefits – CPP 3%, EI 3%, WCB 1%, EHB 3%, Dental 3%, EAP 2%, Life 0%, Teachers Pension 8.5%,(2% for 2011/12 and 2012/13), Municipal Pension 2%
- ✓ Inflation 2.0% on Services & Supplies
- ✓ Utilities - Electricity 8%, Gas 5%, (5% for 2011/12 and 2012/13), Water/Sewer 8%
- ✓ New University Highlands Elementary School Operating Costs
- ✓ Carbon Offsets



Operating Grant – 2010/2011

	2010/2011 Preliminary	2009/2010 Final	Change
Student Base Allocation	\$ 160,183,880	\$ 137,390,918	\$ 22,792,962
School in the Summer / Other	2,192,623	2,174,162	18,461
Total Enrolment-Based Funding	162,376,503	139,565,080	22,811,423
ESL	5,770,040	5,042,330	727,710
Aboriginal Education	849,120	742,248	106,872
Special Ed - Level 1	1,482,300	1,264,000	218,300
Special Ed - Level 2	9,753,900	8,368,000	1,385,900
Special Ed - Level 3	2,162,000	1,844,000	318,000
Adult Education	2,454,220	2,176,363	277,857
Total Unique Student Needs	22,471,580	19,436,941	3,034,639
Salary Differential	2,714,458	1,969,785	744,673
Unique Geographic Factors	189,786	164,638	25,148
Transportation	675,196	658,190	17,006
Labour Settlement Base	-	23,799,516	(23,799,516)
Formula Transition	640,113	-	640,113
Enrolment Audit Recovery Projected	-	(80,000)	80,000
Prior Year Allocation of Additional Grant	-	173,925	(173,925)
Totals	\$ 189,067,636	\$ 185,688,075	\$ 3,379,561

Other Ministry of Education Grants

	Preliminary 2010/11	Final 2009/10	Difference
Pay Equity	1,441,995	1,441,995	-
Community LINK	54,619	54,619	-
Federal French Language Program	283,313	283,313	-
Ready Set Learn Grant	98,000	98,000	-
Education Guarantee - Graduated Adult	157,280	140,078	17,202
BCeSIS Implementation Grant	-	42,000	(42,000)
Misc. One-Time Grants	28,988	28,988	-
Total Other Grants	2,064,195	2,088,993	(24,798)

Other Provincial Grants

	2010/2011	2009/2010	
	Preliminary	Final	Difference
Community LINK	533,222	533,222	-
English Language Services for Adults	3,697,090	3,697,090	-
Total Other Fees & Revenue	4,230,312	4,230,312	-

Other Fees and Revenues

	2010/2011	2009/2010	
	Preliminary	Final	Difference
International Education	8,172,531	8,112,031	60,500
Continuing Education	1,374,764	1,374,764	-
City of Burnaby	592,242	592,242	-
ACE-IT / ICT Revenues	306,300	306,300	-
SSEAC Trades Labour Market Adj	192,855	232,160	(39,305)
Summer Session	198,895	198,895	-
BC Hydro Energy Manager Grant	100,000	100,000	-
Miscellaneous	85,795	118,795	(33,000)
Rentals & Leases	942,950	897,950	45,000
Investment Income	250,000	350,000	(100,000)
Total Other Fees & Revenue	12,216,332	12,283,137	(66,805)

Services & Supplies

	2010/2011	2009/2010	
	Preliminary	Final	Difference
Services	7,014,684	7,311,883	(297,199)
Supplies	7,910,923	8,908,671	(997,748)
Utilities	3,382,467	2,883,563	498,904
Professional Development and Travel	903,771	1,134,598	(230,827)
Student Transportation	720,005	796,005	(76,000)
Rentals and Leases	578,564	578,564	-
Insurance	338,009	338,009	-
Dues and Fees	69,949	69,949	-
Total Services and Supplies	20,918,372	22,021,242	(1,102,870)

Operating Budget 2010/2011

	Preliminary 2010/2011	Final 2009/2010	Difference
Revenue:			
Operating Grant - Ministry of Ed	189,067,636	185,688,075	3,379,561
Other Ministry of Ed Grants	2,064,195	2,088,993	(24,798)
Other Provincial Grants	4,230,312	4,230,312	-
Other Fees & Revenue	11,023,382	11,035,187	(11,805)
Rentals & Leases	942,950	897,950	45,000
Investment Income	250,000	350,000	(100,000)
Total Revenue	207,578,475	204,290,517	3,287,958
Salaries:			
Teachers	107,246,521	103,954,811	3,291,710
Support Staff	29,844,993	30,347,283	(502,290)
Principals & Vice-Principals	8,619,740	8,725,884	(106,144)
Other Professionals	3,536,526	3,680,588	(144,062)
Substitutes	5,905,288	5,854,261	51,027
Total Salaries	155,153,068	152,562,827	2,590,241
Benefits	34,006,544	31,797,384	2,209,160
Services & Supplies	20,918,372	22,021,242	(1,102,870)
Total Expenses	210,077,984	206,381,453	3,696,531
Operating Surplus (Deficit) for Year	(2,499,509)	(2,090,936)	(408,573)
Local Capital	(84,000)	(42,000)	(42,000)
Fund Balance Beginning of Year	2,583,509	4,716,445	(2,132,936)
Fund Balance End of Year	-	2,583,509	(2,583,509)

Three Year Budget

	2010/2011	2011/2012	2012/2013
Revenue			
Ministry Operating Grant	189,067,636	191,720,963	192,725,898
Other Ministry Grants	2,064,195	2,064,195	2,064,195
Other Provincial Grants	4,230,312	4,230,312	4,230,312
Other Fees and Revenue	12,216,332	12,152,017	12,152,017
Total Revenue	207,578,475	210,167,487	211,172,422
Expenses:			
Salaries	155,153,068	157,171,684	158,158,067
Benefits	34,006,544	35,220,494	36,119,468
Services and Supplies	20,918,372	21,562,623	22,188,945
Total Expenses	210,077,984	213,954,801	216,466,480
Local Capital	(84,000)	(84,000)	(84,000)
Net Surplus (Shortfall)	(2,583,509)	(3,871,314)	(5,378,058)
Fund Balance Beginning of Year	2,583,509	-	-
Fund Balance End of Year	-	(3,871,314)	(5,378,058)

Thank You!