

Summary for April 28 Board meeting

Anticipated opening 2020-21 surplus balance		3,393,884	A
Scenario 4 option supported by Board on March 10			
Revenue adjustment	-	1,587,038	
Portables	-	200,000	
Exempt staff and P/VP wage adjustment (unfunded)	-	290,009	
Reversal of 2019-20 surplus initiatives		825,655	
Reversal of 2019-20 one-time savings	-	279,450	
CE savings through program reduction		128,011	
Other adjustment	-	71,559	
Scenario 4 total adjustments proposed	-	1,474,390	B
Adjustments since March 10			
Funding grant adjustment and adjustment for interest and rent due to COVID	-	257,930	
Support staff wage settlement (2%/2%/2% - funded)	-	249,518	
Teacher wage settlement - PLACEHOLDER		-	
Benefit premium increases	-	255,133	
Benefit Premium holiday		627,850	
Service Improvement allocation costs	-	92,000	
International cost adjustments due to COVID	-	385,385	
Cancellation of International summer camp	-	86,026	
Miscellaneous service and supplies adjustment		195,640	
Total adjustments Since March 10		-502,502	C
Total Operating Adjustments	-	1,976,892	D = A+B+C
Anticipated closing 2020-21 surplus balance		1,416,992	E = A + D
LESS: Board approved reallocation of surplus funds to NWSS project	-	1,000,000	F
		416,992	G = E+F

**ADJUST REVENUE AND REVERSE 2019-20 SURPLUS ITEMS
DISCONTINUE DAY AND LATE AFTERNOON CONTINUING ED PROGRAM KEEP NIGHT**

	BUDGET DOLLARS													
	A	B	C	D	E	F	G	H	I	J	K	L	M	N
2019-20	Revenue Adjustment (note 1)	CE revenue adjustment assuming keeping whole program (note 2)	CE investment of relocating day program (note 3)	Portables (note 4)	P/VP and exempt salary adjustments (note 5)	2019-20 Surplus Initiatives (note 6)	One-time costs in SP funds coming back to ops (note 7)	Continuing Ed - Day Savings (note 8)	Continuing Ed - Late Afternoon Savings (note 9)	Continuing Ed Night Program Growth anticipated (note 10)	Supt's recommendations (coming March 10)	2020-2021 Preliminary	Total Change	
OPERATING GRANT MINISTRY OF EDUCAT	61,938,097	103,101 A	559,777						-775,504	-95,268	87,077		61,817,280 -	120,817
OTHER MINISTRY OF EDUCATION GRANTS	1,637,939												1,637,939	-
PROVINCIAL GRANTS OTHER	162,000												162,000	-
SUMMER SCHOOL FEES	36,190	3,810											40,000	3,810
CONTINUING EDUCATION	86,100												86,100	-
OFFSHORE TUITION FEES	3,779,521	-1,707,521 A											2,072,000 -	1,707,521
MISCELLANEOUS REVENUE	169,825												169,825	-
COMMUNITY USE OF FACILITIES	255,000												255,000	-
INTEREST ON SHORT TERM INVESTMENT	500,000												500,000	-
APPROPRIATED SURPLUS	546,205	-546,205											0 -	546,205
Total Revenue	69,110,877	-2,146,815	559,777	0	0	0	0	0	-775,504	-95,268	87,077	0	66,740,144 -	2,370,733
PRINCIPALS & VP SALARIES	3,603,270					92,384		85,712 -	71,559			71,559	3,781,366	178,096
TEACHERS SALARIES	29,583,810	A								123,600	50,109		28,936,003 -	647,807
SUPPORT STAFF SALARIES	5,435,860							214,540 -	51,899				5,598,501	162,641
EDUCATIONAL ASSISTANTS SALARIES	5,703,365												5,703,365	-
OTHER PROFESSIONAL SALARIES	2,750,203					147,293 -	20,000 C -	66,142					2,811,354	61,151
SUBSTITUTE SALARIES	2,082,175												2,082,175	-
EMPLOYEE BENEFITS	12,165,933					50,332 -	24,099 B	45,340 -	150,345 -	30,900	12,527		12,068,789 -	97,144
SERVICES	2,403,790						370,160 D						2,033,630 -	370,160
LEGAL COSTS	135,000												135,000	-
STUDENT TRANSPORTATION	180,419												180,419	-
PROFESSIONAL DEVELOPMENT & TRAVEL	517,965												517,965	-
RENTALS & LEASES	233,400												233,400	-
DUES & FEES	91,400												91,400	-
INSURANCE	111,000												111,000	-
SUPPLIES	1,956,741								60,755 -	7,365			1,813,621 -	143,120
UTILITIES	494,500												494,500	-
GAS - HEAT	247,000												247,000	-
CARBON TAX EXP	50,000												50,000	-
WATER & SEWAGE	270,606												270,606	-
GARBAGE & RECYCLE	89,400												89,400	-
FURNITURE & EQUIPMENT REPLACEMENT	333,856			200,000				190,000 F					343,856	10,000
COMPUTER & EQUIPMENT REPLACEMENT	671,184							50,000 G					621,184 -	50,000
Total Expense	69,110,877	0	0	0	200,000	290,009	-825,655	279,450	-812,478	-161,865	62,637	71,559	68,214,534 -	896,343
CE portable relocation														
Overall impact on operational Surplus/Deficit	3,393,884 -	2,146,815	559,777	- -	200,000 -	290,009	825,655 -	279,450	36,973	66,597	24,440	-71,559		1,919,494
	3,393,884 -	2,146,815	559,777	- -	200,000 -	290,009	825,655 -	279,450	36,973	66,597	24,440 -	71,559		1,919,494

Healthy balance for surplus (approx 3% revenues) 2,000,000

Expected opening balance for 2020-21 surplus
Expected closing Deficit for 2020-21 surplus

Note A - No teaching FTE has been contemplated in terms of the decrease in International education and general instruction enrolment growth. For international education, a planned reduction of 100 students is anticipated and offsetting this, is an enrolment growth of approximately 100 students. In theory, the decrease in international and increase in regular enrolment offset which is why no reduction or increase in staff is contemplated in the structural deficit. However, with international and general enrolment growth, depending on where we find enrolment pressures at various sites, that will dictate the change in teaching FTE. The adjustments to FTE for teaching staff will come at a later date. School registrations do not end until mid-March, thus not all information is known at the time of the structural deficit presentation.

Note 1 - The February enrolment estimates to the Ministry of Education assume a reduction from 265.63 FTE to 147.9375 FTE - thus a reduction of \$559K was contemplated within here.

Note 2 - As per note 1 above, we have to add back \$559K to assume a status quo situation to continuing education.

Note 3 - Because we have eliminated the day CE program in this option, there would be no charge to surplus of \$500,000

Note 4 - Portables must be funded out of operational dollars. We are assuming the district may need up to 2 portables, though enrolment estimates are still being gathered. This number could change.

Note 5 - Administrator and exempt staff wages remain unfunded. Included in these estimates are 2% increase in wage to avoid compression (in line with unions) and grid increases based on time and performance measures.

Note 6 - Please see below for a breakdown of these balances

B Teacher Mentor 0.6 FTE	52,580
Fine Arts Teacher Staffing 0.5 FTE	43,816
	<u>96,396</u>
Benefits	24,099
	<u>120,495</u>
C Attendance management co-op student	20,000
D Tech consultant	50,000
Fine arts Massey Theatre rental	50,000
SPED review	50,000
MSP for International Students	136,000
Late 2018-19 Carryforwards	84,160
	<u>370,160</u>
E Digital archive filing	50,000
Strategic Plan Project	25,000
	<u>75,000</u>
F Earthquake emergency provisions	100,000
Equipment purchased after cleanliness review	20,000
Fine arts equipment purchases	70,000
	<u>190,000</u>
G Technology infrastructure	50,000

Note 7 - These adjustments relate to one-time expenses charged to special purpose operating grants for one year only but belong to the operating grant normally.

Note 8 - As per previous analysis shown, this contemplates a reduction of 162.48 FTE funded at \$4,773 (assumed all adult learners) from the day program (representing just over 60% of the total program FTE). It assumes a reduction in teaching staffing for this student FTE reduction and 1 clerical staff member and some efficiencies gained from custodial time used to clean the existing site.

Note 9 - As per previous analysis shown, this contemplates a reduction of 19.96 FTE funded by \$4,773 (assumed all adult learners) from the late afternoon program (representing about 8% of the total program FTE). It assumes a reduction in the staffing for this student FTE reduction only. No clerical adjustment is contemplated here, though staffing in general will be examined subsequent to a decision made by the board.

Note 10 - Also contemplated is a 10% shift of day time and late afternoon learners to the evening program which equates to approximately 18.2 FTE. The district is optimistic that we can retain students, however, staff think it is appropriate to be conservative in our estimates and adjust enrolment upward once we understand the full picture. With a 18.2 FTE increase, the incremental cost for teaching must be equated. We assumed that the existing clerical would be able to support this additional increase.

Please be aware that staff have only reduced the FTE of the continuing ed enrolment estimates to 147.9375 based on preliminary discussions with the board on a general direction over CE. Estimates provided to the Ministry of education may have to be further decreased by 46.55 FTE if the board were to go ahead with the reduction in the day and late afternoon program.

Note 11 - On March 13, the Ministry of Education released the funding grant tables for all districts. This reflects the adjustments. As communicated at the April 21 operations meeting, there were a number of supplements that were rolled in to the operating grant block. Also included in the adjustment are COVID 19 related adjustments to revenue for facilities rentals and interest.

Note 12 - support staff wage settlements are funded by the provincial government. The funding is included in the operating block. This represents the anticipated cost side.

Note 13 - teacher wage staff settlements are also funded by the provincial government. The agreement at the time of presentation has not yet been ratified, this is a placeholder. In theory the funding received offset the costs incurred and this will be a neutral cost item.

Note 14 - Every year, the cost of benefits increases - this represents the overall annual increase for benefits.

Note 15 - The district, over a number of years, has accumulated a surplus in our benefit account with our providers. The district is now utilizing a "premium holiday" to forego the monthly benefit premium payments.

Note 16 - As part of the support staff labour settlement, a \$92,000 service improvement allocation was agreed upon. The funding for this was included in the operating grants, this represents the cost component.

Note 17 - Due to COVID 19 the situation over international travel remains a significant unknown variable. The district is anticipating a worse case scenario in the adjustment which represents an international student population of only 88. The district had already contemplated a reduction of 100 students earlier due to space constraints. This adjustment is further reducing estimates from 130 to 88. On a positive note, due to efficiencies in time tabling at the highschool, the district is able to take on an additional 100 international students in future and are currently engaged in recruitment efforts. While there is uncertainty over the 2020-21 year, when restrictions are removed, the district is confident in our ability to rebound enrolment in this area quickly.

Note 18 - Unfortunately due to travel restrictions, we will not be able to operate the international summer camp program. The regular stream summer programs for local learners will continue but the District has cancelled this program for the current year due to COVID 19

Note 19 - This represents various services and supplies adjustments that were either one time related in 2019-20 or efficiencies found due to working with department and learning leaders.