

School District #75 (Mission)
Special Committee of the Whole Meeting
Agenda

February 25, 2019, 12:30 pm
District Education Office, 33046 4th Avenue, Mission, BC

Pages

1. CALL TO ORDER

The Board Chair will acknowledge that this meeting is being held on Traditional Territory.

2. ADOPTION OF AGENDA

3. UNFINISHED BUSINESS

3.1 Amended Budget 2018-19 Action 1 - 24

4. INFORMATION ITEMS

4.1 Feedback on FMR recommendations Information 25 - 28

5. ADJOURNMENT

ITEM 4.1 Action File No. 8010.20.2018/2019

TO: Committee of the Whole
FROM: C. Becker, Secretary Treasurer
SUBJECT: Amended Budget 2018/19

Recommendation

THAT the following resolutions be forwarded to the Public Board meeting on February 26, 2019:

THAT the required three (3) readings and adoption of School District No. 75 (Mission) Amended Annual Budget Bylaw for fiscal year 2018/2019 be carried out in one meeting.

THAT School District No. 75 (Mission) Amended Annual Budget Bylaw for fiscal year 2018/2019 be approved as read a first time.

THAT School District No. 75 (Mission) Amended Annual Budget Bylaw for fiscal year 2018/2019 be approved as read a second time.

THAT School District No. 75 (Mission) Amended Annual Budget Bylaw for fiscal year 2018/2019 be approved as read a third time and finally adopted.

Summary:

The 2018/2019 Amended Budget is presented for consideration. Significant adjustments were needed to reconcile the budget and eliminate the deficit created by operational changes that shifted the budget from a projected operating surplus of \$630,000 to a projected operating deficit of \$1.37 million – a change of \$2 million.

Background:

In the spring of 2018, the preliminary budget for the 2018/2019 school year was developed based on the enrolment projections made in February 2018. In June 2018 when the budget was being considered for approval, staff had identified an issue with the enrolment projections, as significantly fewer students had registered for the upcoming school year. The 2017/2018 surplus funds were held, and the funds being transferred for capital projects were identified as being available to be withheld to address any actual shortages, and the capital could be funded from the local capital reserve. As such, staff have been holding back capital spending until now to ensure funds could be accessed if the budget needed support.

Late in June, staff also identified a trend in May and June where the substitute costs had increased by approximately 50%. This trend has continued, and the substitute costs are projected to exceed the preliminary budget by approximately \$1.1 million. The amended budget discussion with the Board in December identified this issue, which when coupled with the enrolment declines, has created a significant budget issue for the School District. The increase in substitute costs have two causes. The first is that the school district has put considerable effort into hiring TTOC's to address the shortages across the District and meet contractual obligations. Hiring more TTOCs means fewer classrooms are without teachers during absences. The second is that 22 contract TTOC positions were created in resolution to a TTOC shortage grievance arbitration. This increased the benefit costs for TTOCs by approximately \$600,000 as contract positions are eligible for benefits, paid spring and winter breaks, and paid professional development days. This grievance settlement

agreement for these positions ends June 2019. However, the contracts are continuing contracts, and as such, it will be a slow transition to eliminate contract TTOC positions, as we are required to provide each teacher in these contract positions with a teaching assignment. Also, the contract TTOCs are meeting a need to ensure TTOCs are available.

Staff have worked closely with all operating areas to reduce budgets to minimal amounts, to reduce the cuts needed to reconcile the budget. Direction will be provided to all managers and principals to defer expenses to next year those expenses that can be deferred. However, staff note that this may only exacerbate the issue for next year. The School District cannot have a structural deficit, and operational adjustments will need to be given serious consideration for the 2019/2020 budget to ensure a structural deficit is not created for next year.

The attached documents summarize the changes that have been made to address the budget shortage. The most significant adjustments made are to reduce the deficit:

1. Eliminate additional transfer to local capital \$895,000
2. Transfer back to operating from local capital \$600,000
(The stave falls capital maintenance will be funded from the Annual Facilities Grant)
3. Drawing from the surplus reserve – balance in reserve after adjustments is \$145,000
4. Reducing school operating supplies \$200,000
5. Abed reductions (enrolment decline) \$90,000

Options:

There are limited options to address the potential deficit this year. Staff have incorporated all the identified changes. Staff are planning to provide direction to eliminate all non-essential professional development and travel expenses for the rest of the year. The superintendent may need to review and approve all requests.

Due to the deficit position, no additional items are presented for inclusion in the amended budget. The list of additional needs, if funding was available, is presented to ensure the information is tracked and carried forward to the 2019/2020 budget discussion.

Approaches to consider for next year.

1. Hold off replacing non-essential positions that are vacant.
2. Reduce discretionary spending on professional development, travel, and other non-essential expenses.
3. Reduce number of TTOC contract positions.
4. Delay non-essential capital replacements (machinery, equipment)

Staff do not recommend reducing technology upgrades, however, some technology upgrades may need to be delayed until funding is confirmed.

Analysis and Impact:

The School District is unable to approve a budget that creates a structural deficit. A structural deficit occurs if an operating deficit exceeds the amount of funding available in surplus and reserves accounts. The adjustments made have minimized the impact to the organization. With only six months of the budget year remaining, there is limited ability to adjust operations to address the budget shortfall. However, the issues identified this year will undoubtedly have a similar impact on the 2019/2020 budget. As such, planning for the next school year must consider operational changes to eliminate the budget shortfall.

Implementation

1. The Amended Budget Bylaw must be approved by February 28, 2019.

Attachments:

1. Budget Bylaw Summary
2. Operating Budget Summary
3. Local Capital – Proposed Reallocation
4. Major Changes
5. Additional Needs
6. 2018/19 Amended Annual Budget – *Draft*

18/19 Amended Budget

	2018 / 2019 Amended					2018 / 2019 Preliminary					Change Operating / Special	
	Operating	Special	Operating / Special	Capital	Total	Operating	Special	Operating / Special	Capital	Total	\$	%
OPERATING REVENUE												
Grants												
Ministry of Education - Operating	58,799,771	6,766,243	65,566,014		65,566,014	59,619,357	6,057,457	65,676,814		65,676,814	(110,800)	-0.17%
Other Ministry of Education	890,269		890,269		890,269	824,891		824,891		824,891	65,378	7.93%
Provincial - Other	261,034	-	261,034		261,034	281,034	-	281,034		281,034	(20,000)	-7.12%
Total Grants	59,951,074	6,766,243	66,717,317		66,717,317	60,725,282	6,057,457	66,782,739		66,782,739	(65,422)	-0.10%
Tuition	2,432,000		2,432,000		2,432,000	2,376,500		2,376,500		2,376,500	55,500	2.34%
Other Revenue	390,532	1,670,000	2,060,532		2,060,532	335,000	1,680,000	2,015,000		2,015,000	45,532	2.26%
Rentals & Leases	150,000		150,000		150,000	137,000		137,000		137,000	13,000	9.49%
Investment Income	145,000		145,000		145,000	145,000		145,000		145,000	-	0.00%
TOTAL OPERATING REVENUE	63,068,606	8,436,243	71,504,849		71,504,849	63,718,782	7,737,457	71,456,239		71,456,239	48,610	0.07%
Amortization of Deferred Capital				2,893,787	2,893,787				2,798,435	2,798,435		
STATEMENT 2 REVENUE	63,068,606	8,436,243	71,504,849	2,893,787	74,398,636	63,718,782	7,737,457	71,456,239	2,798,435	74,254,674	48,610	0.07%
OPERATING EXPENSE												
Salaries												
Teachers	24,613,020	3,785,621	28,398,641		28,398,641	25,081,820	3,697,504	28,779,324		28,779,324	(380,683)	-1.32%
Principals and Vice-Principals	3,922,400	42,000	3,964,400		3,964,400	3,833,900	99,400	3,933,300		3,933,300	31,100	0.79%
Education Assistants	5,992,600	424,500	6,417,100		6,417,100	6,096,900	424,500	6,521,400		6,521,400	(104,300)	-1.60%
Support Staff	7,045,200	243,800	7,289,000		7,289,000	7,024,110	219,000	7,243,110		7,243,110	45,890	0.63%
Other Professionals	2,019,313		2,019,313		2,019,313	1,945,613		1,945,613		1,945,613	73,700	3.79%
Substitutes	3,200,782	141,594	3,342,377		3,342,377	2,136,561	108,994	2,245,556		2,245,556	1,096,821	48.84%
Total Salaries	46,793,315	4,637,515	51,430,831		51,430,831	46,118,904	4,549,399	50,668,303		50,668,303	762,528	1.50%
Employee Benefits	10,905,830	1,157,165	12,062,995		12,062,995	10,710,859	1,135,099	11,845,958		11,845,958	217,037	1.83%
Total Salaries and Benefits	57,699,145	5,794,681	63,493,826		63,493,826	56,829,763	5,684,498	62,514,261		62,514,261	979,565	1.57%
Services and Supplies												
Services	1,953,839		1,953,839		1,953,839	1,716,306		1,716,306		1,716,306	237,534	13.84%
Student Transportation	19,000		19,000		19,000	22,500		22,500		22,500	(3,500)	-15.56%
Professional Development and Travel	492,400		492,400		492,400	425,800		425,800		425,800	66,600	15.64%
Rentals & Leases	264,040		264,040		264,040	230,228		230,228		230,228	33,812	14.69%
Dues & Fees	88,100		88,100		88,100	88,100		88,100		88,100	-	0.00%
Insurance	155,277		155,277		155,277	181,665		181,665		181,665	(26,388)	-14.53%
Supplies	2,631,368	2,641,562	5,272,930		5,272,930	2,496,165	2,052,959	4,549,124		4,549,124	723,805	15.91%
Utilities	1,134,000		1,134,000		1,134,000	1,097,200		1,097,200		1,097,200	36,800	3.35%
Amortization				3,953,977	3,953,977				4,034,976	4,034,976		
Total Services and Supplies	6,738,024	2,641,562	9,379,586	3,953,977	13,333,563	6,257,964	2,052,959	8,310,923	4,034,976	12,345,899	1,068,663	12.86%
TOTAL OPERATING EXPENSE	64,437,169	8,436,243	72,873,412	3,953,977	76,827,389	63,087,727	7,737,457	70,825,184	4,034,976	74,860,160	2,048,228	2.89%
Net Operating Surplus (Deficit)	(1,368,563)	-	(1,368,563)	(1,060,190)	(2,428,753)	631,055	-	631,055	(1,236,541)	(605,486)	(1,999,618)	
Budgeted allocation of Surplus	768,563		768,563		768,563	263,945		263,945		263,945	504,618	
Allocation to (from) Capital	600,000		600,000	(600,000)	-	(895,000)		(895,000)	895,000	-	1,495,000	
Projected Operating Surplus/(Deficit)	0	-	0	(1,660,190)	(1,660,190)	0	-	0	(341,541)	(341,541)	(0)	
Reconciliation to budget bylaw (Exp)	Operating	Special	Sub Total	Capital	Total	Operating	Special	Sub Total	Capital	Total		
Total Operating Expenses	64,437,169	8,436,243	72,873,412	3,953,977	76,827,389	63,087,727	7,737,457	70,825,184	4,034,976	74,860,160		
Capital Purchases from Oper (Sch 4)				-	-				895,000	895,000		
Capital Purchases from LC (Sch 4)				800,000	800,000				850,000	850,000		
	64,437,169	8,436,243	72,873,412	4,753,977	77,627,389	63,087,727	7,737,457	70,825,184	5,779,976	76,605,160		

18/19 Amended Budget

Feb 25, 2019

	2018/19 Amended	2018/19 Preliminary	\$ Change	% Change	2017/18 Actuals	\$ Change	% Change
OPERATING REVENUE							
Grants							
Ministry of Education - Operating Grants	58,799,771	59,619,357	(819,586)	-1.37%	57,063,995	1,735,776	3.04%
Other Ministry of Education Grants	890,269	824,891	65,378	7.93%	1,244,102	(353,833)	-28.44%
Provincial Grants - Other	261,034	281,034	(20,000)	-7.12%	357,150	(96,116)	-26.91%
Total Grants	59,951,074	60,725,282	(774,208)	-1.27%	58,665,247	1,285,827	2.19%
Tuition	2,432,000	2,376,500	55,500	2.34%	2,517,026	(85,026)	-3.38%
Other Revenue	390,532	335,000	55,532	16.58%	451,227	(60,695)	-13.45%
Rentals & Leases	150,000	137,000	13,000	9.49%	200,241	(50,241)	-25.09%
Investment Income	145,000	145,000	-	0.00%	201,829	(56,829)	-28.16%
TOTAL OPERATING REVENUE	63,068,606	63,718,782	(650,176)	-1.02%	62,035,570	1,033,036	1.67%
OPERATING EXPENSE							
Salaries							
Teachers	24,613,020	25,081,820	(468,800)	-1.87%	24,207,317	405,703	1.68%
Principals and Vice-Principals	3,922,400	3,833,900	88,500	2.31%	3,584,352	338,048	9.43%
Education Assistants	5,992,600	6,096,900	(104,300)	-1.71%	5,940,501	52,099	0.88%
Support Staff	7,045,200	7,024,110	21,090	0.30%	6,439,228	605,972	9.41%
Other Professionals	2,019,313	1,945,613	73,700	3.79%	1,895,993	123,320	6.50%
Substitutes	3,200,782	2,136,561	1,064,221	49.81%	2,595,388	605,394	23.33%
Total Salaries	46,793,315	46,118,904	674,411	1.46%	44,662,779	2,130,536	4.77%
Employee Benefits	10,905,830	10,710,859	194,971	1.82%	10,372,238	533,592	5.14%
Total Salaries and Benefits	57,699,145	56,829,763	869,382	1.53%	55,035,017	2,664,128	4.84%
Services and Supplies							
Services	1,953,839	1,716,306	237,534	13.84%	1,768,973	184,866	10.45%
Student Transportation	19,000	22,500	(3,500)	-15.56%	52,642	(33,642)	-63.91%
Professional Development and Travel	492,400	425,800	66,600	15.64%	535,668	(43,268)	-8.08%
Rentals & Leases	264,040	230,228	33,812	14.69%	111,457	152,583	136.90%
Dues & Fees	88,100	88,100	-	0.00%	74,434	13,666	18.36%
Insurance	155,277	181,665	(26,388)	-14.53%	198,501	(43,224)	-21.78%
Supplies	2,631,368	2,496,165	135,203	5.42%	2,539,120	92,248	3.63%
Utilities	1,134,000	1,097,200	36,800	3.35%	1,055,529	78,471	7.43%
Total Services and Supplies	6,738,024	6,257,964	480,060	7.67%	6,336,324	401,700	6.34%
Total Operating Fund Expenses	64,437,169	63,087,727	1,349,442	2.14%	61,371,341	3,065,828	5.00%
NET OPERATING FUND SURPLUS (DEFICIT)	(1,368,563)	631,055	(1,999,618)	-316.87%	664,229	(2,032,792)	-306.04%
Capital Assets Purchased from Operating	(600,000)	895,000	(1,495,000)	-167.04%	2,379,137	(2,979,137)	-125.22%
NET SURPLUS (DEFICIT)	(768,563)	(263,945)	(504,618)	191.18%	(1,714,908)	946,345	-55.18%
Prior Year Unrestricted Surplus	768,563	263,945	504,618	191.18%	2,225,720	(1,457,157)	-65.47%
Projected Operating Surplus/(Deficit)	0	0	(0)		510,812	(510,812)	-100.00%

Local Capital Summary

Feb 25, 2019

Project	Opening	Budget	Transfers	YTD Expense	Balance
Bus Fleet	(47,983)			33,734	(14,248)
Classroom Furniture Replacement	(50,000)	(50,000)			(100,000)
Dewdney Renovations	29,258		(29,258)		-
Facilities Equipment	(84,301)			4,751	(79,550)
Ferndale	(62,332)			61,220	(1,112)
MSS Science Labs	25,216	(150,000)		165,477	40,693
Photocopiers	(81,629)				(81,629)
Portables	(555,807)			301,215	(254,592)
Riverside Upgrades	(100,000)				(100,000)
School Improvements	(175,813)			98,508	(77,305)
Solar Panels	(6,065)			4,259	(1,806)
Stave Falls	89,537	(675,000)		67,184	(518,280)
Technology Improvements	(276,044)		65,000	-	(211,044)
Telecom Systems	(31,271)	(20,000)			(51,271)
Unallocated	(392,075)		34,679		(357,396)
White Fleet	(99,028)		(5,421)	114,599	10,150
Workorder Systems	(130,980)				(130,980)
TOTAL	(1,949,319)	(895,000)	65,000	850,949	(1,928,370)

Local Capital Summary - Proposed Re-allocation

Project	Opening	Reclass	Appropriate	YTD Expense	Balance
Bus Fleet	(47,983)		14,248	33,734	-
Classroom Furniture	(50,000)		25,000		(25,000)
Dewdney Renovations	29,258	(29,258)			-
Facilities Equipment	(84,301)			4,751	(79,550)
Ferndale	(62,332)		1,112	61,220	-
MSS Science Labs	25,216	(190,693)		165,477	-
Photocopiers	(81,629)		61,629		(20,000)
Portables	(555,807)		154,592	301,215	(100,000)
Riverside Upgrades	(100,000)		100,000		-
School Improvements	(175,813)			98,508	(77,305)
Solar Panels	(6,065)		1,806	4,259	-
Stave Falls	89,537	(156,720)		67,184	-
Technology Improvements	(276,044)	60,000			(216,044)
Telecom Systems	(31,271)				(31,271)
Unallocated	(392,075)	99,581	110,633		(181,861)
White Fleet	(99,028)	(15,571)		114,599	-
Workorder Systems	(130,980)		130,980		-
TOTAL	(1,949,319)	(232,661)	600,000	850,949	(731,031)

**18/19 Amended Budget
Summary of Major Changes**

Feb 25, 2019



Major Changes (Included in Budget)	Amount
<u>Revenue</u>	
Operating grant revenue decrease - enrolment	820,000
Other grant revenue increase - economic stability dividend, ITA, mental health	(60,000)
Tuition revenue increase - International	(55,000)
Other revenue increase - leases, fortis rebates	(45,000)
<u>Expenses</u>	
Wage increases - all groups	145,000
Teacher - FTE changes	(550,000)
PVP - FTE changes	90,000
EA - FTE changes	(85,000)
ALW (EA) - FTE changes	(30,000)
Other Prof - FTE changes	40,000
Substitute/casual costs	1,065,000
Benefit adjustments	195,000
Services - Int'l medical (offset with revenue)	80,000
Services - Wireless (Aerohive) licensing / Airwatch	50,000
Services - Other various	75,000
PD/Travel - Int'l student activities (offset with revenue), other	85,000
PD/Travel - Int'l conferences/travel reduced	(20,000)
Rental expense - additional computer leases	35,000
Supplies - School carryover from 17/18	405,000
Supplies - School supply budgets reduced 15%	(200,000)
Supplies - Fuel cost adjustment for white fleet / buses	20,000
Supplies - recycling program	100,000
Supplies - ABED re-allocation to PVP, enrolment decline	(200,000)
Supplies - Reclass computer purchases from capital	60,000
Supplies - Summit reduction	(25,000)
Supplies - ELL reduction	(10,000)
Supplies - International school allocations	(20,000)
Utilities - NGN service increase	35,000
	2,000,000
Capital - Eliminate allocation from operating to local capital	(895,000)
Capital - Appropriate funds from local capital reserve	(600,000)
Surplus adjustment - 2017-18 restricted school surplus appropriated	(405,000)
Surplus adjustment - contingency reduced	(485,000)
Surplus adjustment - prior year surplus lower than forecast	385,000
Total Non-Discretionary	-

18/19 Amended Budget
Summary of Additional Needs
Feb 25, 2019



Additional Needs Identified (Not Included in Budget)	Amount	Budget
Grounds equipment - large mower	90,000	Local Capital
Shutters - Albert McMahon	60,000	Local Capital
Special needs washroom - Albert McMahon	15,000	Local Capital
Carpeting - Clarke Theatre	40,000	Local Capital
IT - Replacement/Renewal of district network switches	80,000	Tech
Primary literacy & numeracy support EA (5 hr/day)	35,000	Curriculum
District reading intervention afternoon program G 4-6 teacher (.5 FTE)	47,500	Curriculum
District reading intervention afternoon program G 4-6 busing	10,000	Curriculum
Temp IT technician to permanent	75,000	Technology
Admin funding (TTOC shortages)	75,000	Schools
Joyful literacy extended to all schools/teachers (G K-2)	20,000	Curriculum
Fully resourced guided reading programs (elem/summit)	50,000	Curriculum
SPED enrolling teacher release time	30,000	Student Services
Professional development for TTOC's (recruiting initiative)	20,000	HR
Theatre capital improvements	50,000	Local Capital
Window replacements - Transportation	20,000	Local Capital
White fleet additions	100,000	Local Capital
Physical demand analysis	10,000	Health & Safety
SUB-TOTAL ADDITIONAL NEEDS IDENTIFIED	827,500	

Amended Annual Budget

School District No. 75 (Mission)

June 30, 2019

School District No. 75 (Mission)

June 30, 2019

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*NOTE - Statement 1, Statement 3, Statement 5 and Schedules 4A - 4D are used for Financial Statement reporting only.

AMENDED ANNUAL BUDGET BYLAW

A Bylaw of THE BOARD OF EDUCATION OF SCHOOL DISTRICT NO. 75 (MISSION) (called the "Board") to adopt the Amended Annual Budget of the Board for the fiscal year 2018/2019 pursuant to section 113 of the *School Act*, R.S.B.C., 1996, c. 412 as amended from time to time (called the "Act").

1. Board has complied with the provisions of the Act respecting the Amended Annual Budget adopted by this bylaw.
2. This bylaw may be cited as School District No. 75 (Mission) Amended Annual Budget Bylaw for fiscal year 2018/2019.
3. The attached Statement 2 showing the estimated revenue and expense for the 2018/2019 fiscal year and the total budget bylaw amount of \$77,627,389 for the 2018/2019 fiscal year was prepared in accordance with the *Act*.
4. Statement 2, 4 and Schedules 1 to 4 are adopted as the Amended Annual Budget of the Board for the fiscal year 2018/2019.

READ A FIRST TIME THE 26th DAY OF FEBRUARY, 2019;

READ A SECOND TIME THE 26th DAY OF FEBRUARY, 2019;

READ A THIRD TIME, PASSED AND ADOPTED THE 26th DAY OF FEBRUARY, 2019;

(Corporate Seal)

Chairperson of the Board

Secretary Treasurer

I HEREBY CERTIFY this to be a true original of School District No. 75 (Mission) Amended Annual Budget Bylaw 2018/2019, adopted by the Board the 26th DAY OF FEBRUARY, 2019.

Secretary Treasurer

School District No. 75 (Mission)

Statement 2

Amended Annual Budget - Revenue and Expense

Year Ended June 30, 2019

	2019 Amended Annual Budget	2019 Annual Budget
Ministry Operating Grant Funded FTE's		
School-Age	6,207,500	6,321,000
Adult	7,375	8,000
Total Ministry Operating Grant Funded FTE's	6,214,875	6,329,000
Revenues	\$	\$
Provincial Grants		
Ministry of Education	66,456,283	66,501,705
Other	261,034	281,034
Tuition	2,432,000	2,376,500
Other Revenue	2,060,532	2,015,000
Rentals and Leases	150,000	137,000
Investment Income	145,000	145,000
Amortization of Deferred Capital Revenue	2,893,787	2,798,435
Total Revenue	74,398,636	74,254,674
Expenses		
Instruction	60,994,807	59,687,683
District Administration	2,883,384	2,712,933
Operations and Maintenance	11,817,216	11,392,083
Transportation and Housing	1,131,982	1,067,461
Total Expense	76,827,389	74,860,160
Net Revenue (Expense)	(2,428,753)	(605,486)
Budgeted Allocation (Retirement) of Surplus (Deficit)	768,563	263,945
Budgeted Surplus (Deficit), for the year	(1,660,190)	(341,541)
Budgeted Surplus (Deficit), for the year comprised of:		
Operating Fund Surplus (Deficit)		
Special Purpose Fund Surplus (Deficit)		
Capital Fund Surplus (Deficit)	(1,660,190)	(341,541)
Budgeted Surplus (Deficit), for the year	(1,660,190)	(341,541)

School District No. 75 (Mission)

Amended Annual Budget - Revenue and Expense
Year Ended June 30, 2019

	2019 Amended Annual Budget	2019 Annual Budget
Budget Bylaw Amount		
Operating - Total Expense	64,437,169	63,087,727
Operating - Tangible Capital Assets Purchased		895,000
Special Purpose Funds - Total Expense	8,436,243	7,737,457
Capital Fund - Total Expense	3,953,977	4,034,976
Capital Fund - Tangible Capital Assets Purchased from Local Capital	800,000	850,000
Total Budget Bylaw Amount	77,627,389	76,605,160

Approved by the Board

Signature of the Chairperson of the Board of Education _____ Date Signed _____

Signature of the Superintendent _____ Date Signed _____

Signature of the Secretary Treasurer _____ Date Signed _____

DRAFT

School District No. 75 (Mission)

Amended Annual Budget - Changes in Net Financial Assets (Debt)
Year Ended June 30, 2019

	2019 Amended Annual Budget	2019 Annual Budget
	\$	\$
Surplus (Deficit) for the year	(2,428,753)	(605,486)
Effect of change in Tangible Capital Assets		
Acquisition of Tangible Capital Assets		
From Operating and Special Purpose Funds		(895,000)
From Local Capital	(800,000)	(850,000)
From Deferred Capital Revenue	(2,801,054)	(2,496,998)
Total Acquisition of Tangible Capital Assets	(3,601,054)	(4,241,998)
Amortization of Tangible Capital Assets	3,953,977	4,034,976
Total Effect of change in Tangible Capital Assets	352,923	(207,022)
Acquisitions of Prepaid Expenses	(200,000)	(200,000)
Use of Prepaid Expenses	252,336	200,000
	52,336	-
(Increase) Decrease in Net Financial Assets (Debt)	(2,023,494)	(812,508)

School District No. 75 (Mission)

Amended Annual Budget - Schedule of Changes in Accumulated Surplus (Deficit) by Fund
 Year Ended June 30, 2019

	Operating Fund	Special Purpose Fund	Capital Fund	2019 Amended Annual Budget
	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	914,371		29,953,826	30,868,197
Changes for the year				
Net Revenue (Expense) for the year	(1,368,563)		(1,060,190)	(2,428,753)
Interfund Transfers				
Local Capital	600,000		(600,000)	-
Net Changes for the year	(768,563)	-	(1,660,190)	(2,428,753)
Budgeted Accumulated Surplus (Deficit), end of year	145,808	-	28,293,636	28,439,444

School District No. 75 (Mission)

Amended Annual Budget - Operating Revenue and Expense
Year Ended June 30, 2019

	2019 Amended Annual Budget	2019 Annual Budget
	\$	\$
Revenues		
Provincial Grants		
Ministry of Education	59,690,040	60,444,248
Other	261,034	281,034
Tuition	2,432,000	2,376,500
Other Revenue	390,532	335,000
Rentals and Leases	150,000	137,000
Investment Income	145,000	145,000
Total Revenue	63,068,606	63,718,782
Expenses		
Instruction	52,974,096	52,406,508
District Administration	2,801,964	2,590,363
Operations and Maintenance	7,529,127	7,023,395
Transportation and Housing	1,131,982	1,067,461
Total Expense	64,437,169	63,087,727
Net Revenue (Expense)	(1,368,563)	631,055
Budgeted Prior Year Surplus Appropriation	768,563	263,945
Net Transfers (to) from other funds		
Tangible Capital Assets Purchased		(895,000)
Local Capital	600,000	
Total Net Transfers	600,000	(895,000)
Budgeted Surplus (Deficit), for the year	-	-

School District No. 75 (Mission)

Schedule 2A

Amended Annual Budget - Schedule of Operating Revenue by Source
Year Ended June 30, 2019

	2019 Amended Annual Budget	2019 Annual Budget
	\$	\$
Provincial Grants - Ministry of Education		
Operating Grant, Ministry of Education	58,799,771	59,619,357
DISC/LEA Recovery	(195,532)	(175,000)
Other Ministry of Education Grants		
Pay Equity	725,901	725,901
Transportation Supplement	188,900	188,900
Economic Stability Dividend	70,000	
Carbon Tax Grant	50,000	50,000
FSA	13,000	13,000
Skills Training	5,000	22,090
Early Action Initiative	33,000	
Total Provincial Grants - Ministry of Education	59,690,040	60,444,248
Provincial Grants - Other	261,034	281,034
Tuition		
Continuing Education	309,000	409,000
International and Out of Province Students	2,123,000	1,967,500
Total Tuition	2,432,000	2,376,500
Other Revenues		
LEA/Direct Funding from First Nations	195,532	175,000
Miscellaneous		
Pay for Service - Riverside	20,000	20,000
District of Mission - Clarke Theatre	100,000	100,000
Other	75,000	40,000
Total Other Revenue	390,532	335,000
Rentals and Leases	150,000	137,000
Investment Income	145,000	145,000
Total Operating Revenue	63,068,606	63,718,782

School District No. 75 (Mission)

Amended Annual Budget - Schedule of Operating Expense by Object
 Year Ended June 30, 2019

	2019 Amended Annual Budget	2019 Annual Budget
	\$	\$
Salaries		
Teachers	24,613,020	25,081,820
Principals and Vice Principals	3,922,400	3,833,900
Educational Assistants	5,992,600	6,096,900
Support Staff	7,045,200	7,024,110
Other Professionals	2,019,313	1,945,613
Substitutes	3,200,782	2,136,561
Total Salaries	46,793,315	46,118,904
Employee Benefits	10,905,830	10,710,859
Total Salaries and Benefits	57,699,145	56,829,763
Services and Supplies		
Services	1,953,839	1,716,306
Student Transportation	19,000	22,500
Professional Development and Travel	492,400	425,800
Rentals and Leases	264,040	230,228
Dues and Fees	88,100	88,100
Insurance	155,277	181,665
Supplies	2,631,368	2,496,165
Utilities	1,134,000	1,097,200
Total Services and Supplies	6,738,024	6,257,964
Total Operating Expense	64,437,169	63,087,727

School District No. 75 (Mission)

Amended Annual Budget - Operating Expense by Function, Program and Object
Year Ended June 30, 2019

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	21,046,020	533,100	48,400	329,200		2,873,800	24,830,520
1.03 Career Programs	455,800	123,600	30,100	291,600		3,400	904,500
1.07 Library Services	825,200						825,200
1.08 Counselling	1,074,900						1,074,900
1.10 Special Education	957,200		4,788,400	506,300		135,600	6,387,500
1.30 English Language Learning	151,600	12,400	382,000				546,000
1.31 Aboriginal Education	102,300	222,800	708,800	33,300		10,000	1,077,200
1.41 School Administration		2,906,600		1,138,200	114,300	65,000	4,224,100
1.62 International and Out of Province Students			34,900	96,400	133,100		264,400
1.64 Other				18,000	144,000		162,000
Total Function 1	24,613,020	3,798,500	5,992,600	2,413,000	391,400	3,087,800	40,296,320
4 District Administration							
4.11 Educational Administration		123,900		98,600	489,000		711,500
4.40 School District Governance					86,213		86,213
4.41 Business Administration				305,800	695,800	5,000	1,006,600
Total Function 4	-	123,900	-	404,400	1,271,013	5,000	1,804,313
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				74,100	281,200	10,000	365,300
5.50 Maintenance Operations				3,204,200		81,200	3,285,400
5.52 Maintenance of Grounds				305,800			305,800
5.56 Utilities							-
Total Function 5	-	-	-	3,584,100	281,200	91,200	3,956,500
7 Transportation and Housing							
7.41 Transportation and Housing Administration				26,700	75,700		102,400
7.70 Student Transportation				617,000		16,782	633,782
Total Function 7	-	-	-	643,700	75,700	16,782	736,182
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	24,613,020	3,922,400	5,992,600	7,045,200	2,019,313	3,200,782	46,793,315

School District No. 75 (Mission)

Amended Annual Budget - Operating Expense by Function, Program and Object
 Year Ended June 30, 2019

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2019 Amended Annual Budget	2019 Annual Budget
	\$	\$	\$	\$	\$	\$
1 Instruction						
1.02 Regular Instruction	24,830,520	5,702,010	30,532,530	1,972,216	32,504,746	31,251,850
1.03 Career Programs	904,500	215,240	1,119,740	295,860	1,415,600	1,637,700
1.07 Library Services	825,200	196,400	1,021,600	40,000	1,061,600	1,227,090
1.08 Counselling	1,074,900	255,820	1,330,720	5,500	1,336,220	1,238,660
1.10 Special Education	6,387,500	1,574,710	7,962,210	170,000	8,132,210	8,776,650
1.30 English Language Learning	546,000	130,380	676,380	8,000	684,380	591,270
1.31 Aboriginal Education	1,077,200	249,240	1,326,440	128,750	1,455,190	1,542,420
1.41 School Administration	4,224,100	926,510	5,150,610	172,600	5,323,210	5,220,040
1.62 International and Out of Province Students	264,400	59,550	323,950	523,800	847,750	721,038
1.64 Other	162,000	22,990	184,990	28,200	213,190	199,790
Total Function 1	40,296,320	9,332,850	49,629,170	3,344,926	52,974,096	52,406,508
4 District Administration						
4.11 Educational Administration	711,500	165,610	877,110	172,400	1,049,510	878,610
4.40 School District Governance	86,213	27,600	113,813	66,500	180,313	174,313
4.41 Business Administration	1,006,600	226,720	1,233,320	338,821	1,572,141	1,537,440
Total Function 4	1,804,313	419,930	2,224,243	577,721	2,801,964	2,590,363
5 Operations and Maintenance						
5.41 Operations and Maintenance Administration	365,300	76,850	442,150	256,977	699,127	492,330
5.50 Maintenance Operations	3,285,400	821,800	4,107,200	1,065,700	5,172,900	4,923,865
5.52 Maintenance of Grounds	305,800	76,800	382,600	140,500	523,100	510,000
5.56 Utilities	-	-	-	1,134,000	1,134,000	1,097,200
Total Function 5	3,956,500	975,450	4,931,950	2,597,177	7,529,127	7,023,395
7 Transportation and Housing						
7.41 Transportation and Housing Administration	102,400	22,300	124,700	6,200	130,900	130,900
7.70 Student Transportation	633,782	155,300	789,082	212,000	1,001,082	936,561
Total Function 7	736,182	177,600	913,782	218,200	1,131,982	1,067,461
9 Debt Services						
Total Function 9	-	-	-	-	-	-
Total Functions 1 - 9	46,793,315	10,905,830	57,699,145	6,738,024	64,437,169	63,087,727

School District No. 75 (Mission)

Amended Annual Budget - Special Purpose Revenue and Expense
Year Ended June 30, 2019

	<u>2019 Amended Annual Budget</u>	<u>2019 Annual Budget</u>
	\$	\$
Revenues		
Provincial Grants		
Ministry of Education	6,766,243	6,057,457
Other Revenue	1,670,000	1,680,000
Total Revenue	<u>8,436,243</u>	<u>7,737,457</u>
Expenses		
Instruction	8,020,711	7,281,175
District Administration	81,420	122,570
Operations and Maintenance	334,112	333,712
Total Expense	<u>8,436,243</u>	<u>7,737,457</u>
Budgeted Surplus (Deficit), for the year	<u>-</u>	<u>-</u>

School District No. 75 (Mission)

Amended Annual Budget - Changes in Special Purpose Funds

Year Ended June 30, 2019

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$		\$	\$	\$
Deferred Revenue, beginning of year			118,926	705,481	10,809	13,547			
Add: Restricted Grants									
Provincial Grants - Ministry of Education	249,512	231,069			160,000	29,400	96,454	389,950	292,193
Other			70,000	1,600,000					
	249,512	231,069	70,000	1,600,000	160,000	29,400	96,454	389,950	292,193
Less: Allocated to Revenue	249,512	231,069	70,000	1,600,000	170,809	42,947	96,454	389,950	292,193
Deferred Revenue, end of year	-	-	118,926	705,481	-	-	-	-	-
Revenues									
Provincial Grants - Ministry of Education	249,512	231,069			170,809	42,947	96,454	389,950	292,193
Other Revenue			70,000	1,600,000					
	249,512	231,069	70,000	1,600,000	170,809	42,947	96,454	389,950	292,193
Expenses									
Salaries									
Teachers						12,400			
Principals and Vice Principals							42,000		
Educational Assistants		186,300						238,200	
Support Staff	56,140				95,500				92,160
Substitutes									141,594
	56,140	186,300	-	-	95,500	12,400	42,000	238,200	233,754
Employee Benefits	18,713	44,769			23,000	2,951	8,820	57,168	58,439
Services and Supplies	174,659		70,000	1,600,000	52,309	27,596	45,634	94,582	
	249,512	231,069	70,000	1,600,000	170,809	42,947	96,454	389,950	292,193
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 75 (Mission)

Amended Annual Budget - Changes in Special Purpose Funds

Year Ended June 30, 2019

	Classroom Enhancement Fund - Staffing and Remedies	BEST	TOTAL
	\$	\$	\$
Deferred Revenue, beginning of year		20,000	868,763
Add: Restricted Grants			
Provincial Grants - Ministry of Education	5,293,309		6,741,887
Other			1,670,000
	5,293,309	-	8,411,887
Less: Allocated to Revenue	5,293,309	-	8,436,243
Deferred Revenue, end of year	-	20,000	844,407
Revenues			
Provincial Grants - Ministry of Education	5,293,309		6,766,243
Other Revenue			1,670,000
	5,293,309	-	8,436,243
Expenses			
Salaries			
Teachers	3,773,221		3,785,621
Principals and Vice Principals			42,000
Educational Assistants			424,500
Support Staff			243,800
Substitutes			141,594
	3,773,221	-	4,637,515
Employee Benefits	943,305		1,157,165
Services and Supplies	576,783		2,641,563
	5,293,309	-	8,436,243
Net Revenue (Expense)	-	-	-

School District No. 75 (Mission)

Schedule 4

Amended Annual Budget - Capital Revenue and Expense
Year Ended June 30, 2019

	2019 Amended Annual Budget			2019 Annual Budget
	Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$
Revenues				
Amortization of Deferred Capital Revenue	2,893,787		2,893,787	2,798,435
Total Revenue	2,893,787	-	2,893,787	2,798,435
Expenses				
Amortization of Tangible Capital Assets				
Operations and Maintenance	3,953,977		3,953,977	4,034,976
Total Expense	3,953,977	-	3,953,977	4,034,976
Net Revenue (Expense)	(1,060,190)	-	(1,060,190)	(1,236,541)
Net Transfers (to) from other funds				
Tangible Capital Assets Purchased			-	895,000
Local Capital		(600,000)	(600,000)	
Total Net Transfers	-	(600,000)	(600,000)	895,000
Other Adjustments to Fund Balances				
Tangible Capital Assets Purchased from Local Capital	800,000	(800,000)	-	
Total Other Adjustments to Fund Balances	800,000	(800,000)	-	
Budgeted Surplus (Deficit), for the year	(260,190)	(1,400,000)	(1,660,190)	(341,541)

ITEM 4.1 Information

TO: Committee of the Whole
FROM: Board Chair, T. Loffler
SUBJECT: Feedback on FMR recommendations

Summary:

The Ministry of Education is soliciting feedback from partner groups and stakeholders on the recommendations listed in the funding model report. Feedback is requested with the following considerations:

1. List the recommendations in order of importance to your organization. Some recommendations have multiple components. Please identify which aspects of the recommendation are most significant and list them in order of importance.
2. Specify the recommendations that your organization may want to see implemented earlier, to best support student achievement. If there are multiple components of this recommendation, list them in the order of importance.
3. Identify the recommendations that your association feels are the most challenging to implement and identify specific implications and concerns associated with these recommendations. Where possible, please provide meaningful supporting evidence.

Implementation:

The Ministry has extended the submission deadline until the end of March. The Board is requesting that partner groups prepare feedback to be discussed at the Committee of the Whole meeting on March 5, 2019.

Attachments:

1. Letter issued by Rob Fleming, Minister



January 22, 2019

Ref: 207436

Dear Education Partner,

I would like to wish you and your members a Happy New Year. I would also like to thank you and your members for the valuable feedback you provided during the funding model review process. The review portion of this process is now complete and the report's comprehensive recommendations are now publicly available. The recommendations provide a road map for our sector to help improve the K-12 public education funding system and make a real difference for students across the province.

As I have previously committed, there will be no changes to the funding model for the 2019/20 school year as a result of these recommendations. Over the next few months, we will work with our partners and stakeholders on how best to implement the Panel's recommendations, guided by the principles that government established in collaboration with the BC School Trustees Association at the outset of this process. Specifically, we are collectively working towards a funding system that is responsive, equitable, stable and predictable, flexible, transparent and accountable.

I am pleased to invite you to an all-day Deputy Minister-led partner meeting in Vancouver on February 15, 2019 (8:30am-3:30pm). The purpose of the forum will be to develop a common understanding of the current funding model, the review process, and the recommendations, as well as to clarify the upcoming engagement process and timelines. The outcome of the meeting will help inform and provide direction to working groups, who will assess the implications of the recommendations and identify strategies to address them. In preparation for the upcoming engagements, the Ministry of Education is requesting preliminary feedback from your organizations on the recommendations, and I am asking you to solicit feedback from your members on the following themes:

1. List the recommendations in order of importance to your organization. Some recommendations may have multiple components. If your members feel that certain aspects of a particular recommendation are more important than others, please be sure to identify them in order of importance.
2. Specify the recommendations that your organization may want to see implemented earlier, to best support student achievement. Again, if there are aspects of a recommendation that should be implemented earlier, please be sure to identify those components.
3. Identify the recommendations that your association feels are the most challenging to implement and identify specific implications and concerns associated with those recommendations. Where possible, please provide meaningful supporting evidence.

Please RSVP your participation for this partner meeting as soon as possible by email to K12fundingreview@gov.bc.ca. Note: Both the President and Executive Director (or equivalent) from your organization(s) are welcome to participate in the meeting.

I request that your submissions on the topics noted above be submitted to the Ministry by February 22, 2019. They can be emailed to K12fundingreview@gov.bc.ca.

The information that your organization provides at this stage in the process is critical – it is foundational input that will help focus the time and efforts of several working groups. Membership on the working groups will include a range of partners and stakeholders, such as teachers, parents, trustees, school district staff, and other associations. The working groups start meeting in March 2019, and will be organized as follows:

Inclusive Education	<i>Co-chairs:</i> Cloe Nicholls, Executive Director, Learning Division Pieter Langstraat
Online Learning	<i>Co-chairs:</i> Nikki Lachance, Executive Director, Learning Division Mike McKay
Adult and Continuing Education	<i>Co-chairs:</i> Emilie Hillier, Executive Director, Education Programs Division Debbie Jeffrey, First Nations Education Steering Committee
Financial Management	<i>Co-chairs:</i> Kim Horn, Executive Director, Resource Management Division Joan Axford

Given that the accountability topic is relevant across all the areas noted above and will be discussed as part of these various working groups, Keith Godin will be establishing a separate Accountability Advisory Committee that will guide the implementation of an accountability framework aligned with the recommendations. This framework will require school districts to develop strategic plans that are measurable and focused on student outcomes. More information on the Accountability Advisory Committee will be provided soon.

I expect that education partners and stakeholders will have a range of perspectives on the recommendations. It is important that we capture these differences and develop a common understanding of the current model, the proposed changes, and the implications, before proceeding further. My expectation is that working groups will focus on the following activities:

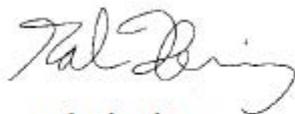
- ensuring that all members understand how funding is currently calculated, including the supporting policies and legislation, and the potential changes needed to implement the recommendations; and
- exploring the implications and challenges of implementing the recommendations and possible solutions.

The working groups are expected to meet up to five times between March and September 2019 and will be responsible for delivering a completed reporting template (to be included in the Terms of Reference for each group) in the Fall of 2019. Once all working group reports are received, I commit to gathering all partner groups together again to share the results and to discuss next steps.

I look forward to working with all the Ministry's stakeholders and partners as we make important improvements to the funding system. I recognize the importance of ongoing, consistent communication throughout this process and so I will provide regular progress updates to you as we move forward. If you have any questions or require further information, please contact Reg Bawa, Assistant Deputy Minister, by email at K12fundingreview@gov.bc.ca.

Again, thank you for continued engagement and support as we work together to make these important improvements for the students of British Columbia.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Fleming". The signature is fluid and cursive, written over a light blue horizontal line.

Rob Fleming
Minister