



School District No. 73 (Kamloops/Thompson)

Proposed Operating Budget 2017 - 2018

**PROPOSED
BUDGET
FOR
2017 - 2018**



School District No. 73 (Kamloops/Thompson)

Proposed Operating Budget 2017 - 2018

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SD73 – BUDGETS & SPENDING PLANS:

The district prepares an annual Operating Budget, a Capital Budget, and a spending plan for Special Purpose Funds in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

District results are reported annually in the Audited Financial Statements for the district. The financial results are reported on the following:

- **The Operating Fund**
- **The Capital Fund**
- **The Special Purpose Fund**



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SD73 – BUDGETS & SPENDING PLANS (CONTINUED):

SD73 - Budgets & Spending Plans		2015-2016	2016-2017	2017-2018
		Actual	(Amended Budget) Current Year	Next Year
	Operating Fund	137,961,104	142,276,327	141,665,653
	Capital Fund	10,760,080	11,925,667	11,471,663
	Special Purpose Fund	10,914,350	14,165,691	16,273,248
Total District Budgets/Spending Plans		159,635,534	168,367,685	169,410,564



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SD73 – BUDGETS & SPENDING PLANS (CONTINUED):

Special Purpose Funds:	Capital Funds
<ul style="list-style-type: none"> • Annual Facility Grant 	<ul style="list-style-type: none"> • Ministry Bylaw Capital:
<ul style="list-style-type: none"> • Learning Improvement Fund 	<ul style="list-style-type: none"> • Annual Capital Enhancement
<ul style="list-style-type: none"> • Classroom Enhancement Fund 	<ul style="list-style-type: none"> • Annual Bus Replacement Fund
<ul style="list-style-type: none"> • School Generated Funds 	
<ul style="list-style-type: none"> • Strong Start / Ready, Set, Learn 	<ul style="list-style-type: none"> • Local Capital Reserve Spending:
<ul style="list-style-type: none"> • CommunityLINK 	<ul style="list-style-type: none"> • White Fleet, Custodial Equip, IT Equip, Minor Building Renovations, Classroom Replacement Equip and Furniture, etc.



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Class Size and Composition and the new Classroom Enhancement Fund (CEF):

- The Ministry of Education and the BCTF concluded an agreement to return the province and our district to class size and composition ratios from our 2002 collective agreement with the KTTA. The Special Purpose Funds, based on a submission from SD73 last month, is estimated to be \$7,528,161. These funds remain outside of the Operating Fund and may vary based on the actual needs of the district to implement the 2002 collective agreement language. The district report must be filed by April 28, 2017.



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Budget - Guiding Principles:

- Prepare a balanced Operating Budget based on our 2016-2017 collective agreement. (Preparing a separate report by April 28th to estimate resources required to implement 2002 class size and composition language. These are Special Purpose Funds and not part of the Operating Budget)
- 2017-2018 Operating Budget focused to support the implementation of the district's "NEW" Strategic Plan



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Budget Timeline.

- The district provides projected enrolment by February 15th each year to the Ministry
- Ministry announces estimated funding for the next school year by March 15th
- Staff prepare “draft” budget based on projections
- Staff present “draft” balanced budget to Finance and Planning – Committee of the Whole on April 10, 2017



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Budget Timeline . . . (continued)

- Staff present to Employee Groups, Media, DPAC, and PACs – April 12, 2017
- Prepare report to support implementation of 2002 language – April 28, 2017
- Deadline for written submission to the Committee of the Whole – May 1, 2017
- Balanced Budget presented for adoption at the Public Board meeting – May 8, 2017



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Internal Budget Process:

- Administrative Officers' Committee (AOC) members provide confirmed budget increases and other priorities for consideration
- Enrolment is projected February 15th and revenues are estimated based on projections
- Staffing and regular budgets are adjusted to reflect projected enrolment changes, inflationary pressures, and strategic priorities. (The operating budget also includes support for the implementation of the district's "NEW" Strategic Plan)
- The budget challenge is shared amongst the departments based on their percentage share of the total Operating Budget



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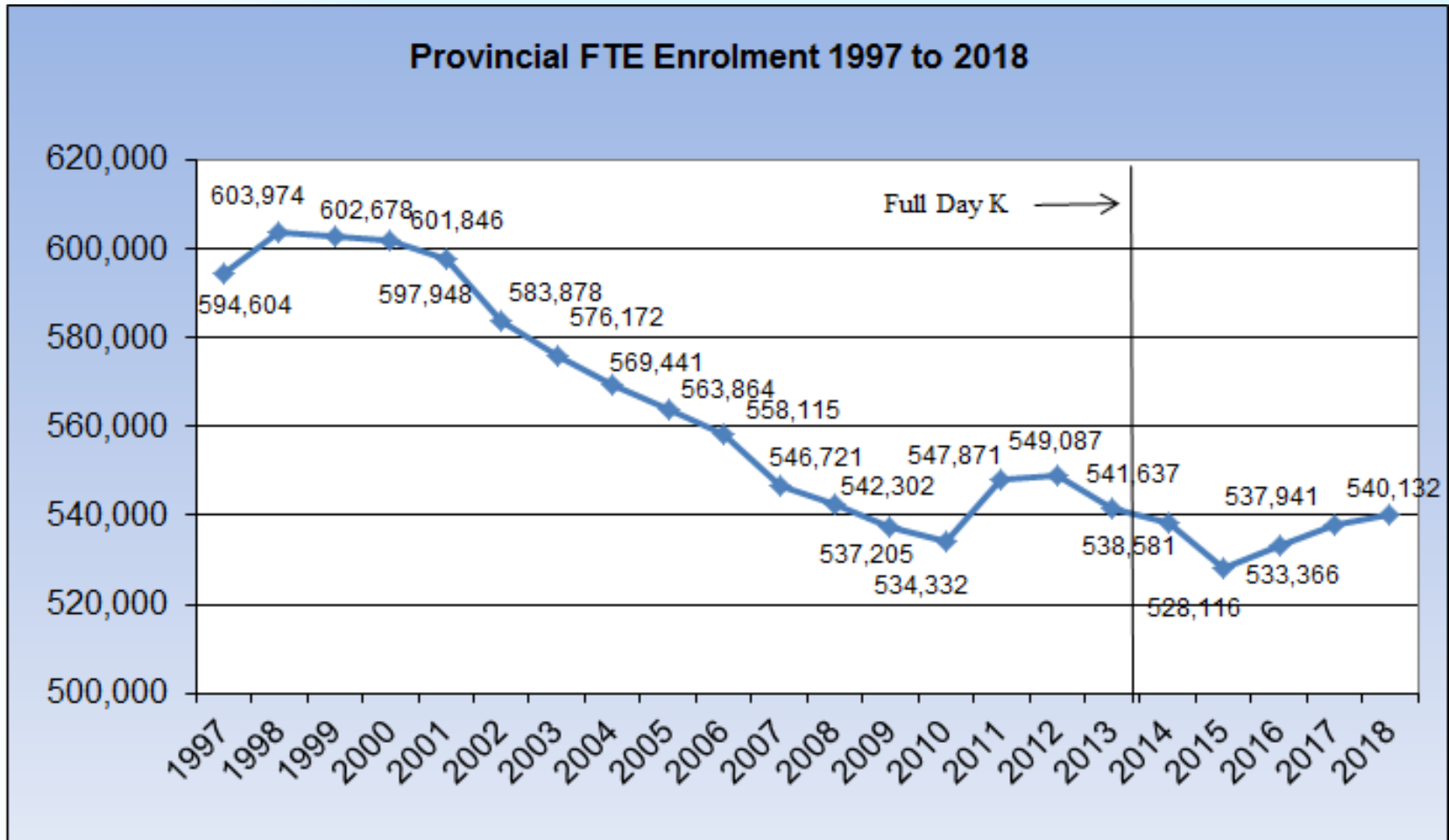
Internal Budget Process (continued)

- Directors/Managers provide suggested budget adjustments to meet department and district priorities
- AOC discuss options presented and determine which strategic priorities we would like to focus our energies on in 2017/18 and the funds required to deliver on our agreed upon priorities
- Budget details are presented to the Board for review and further input



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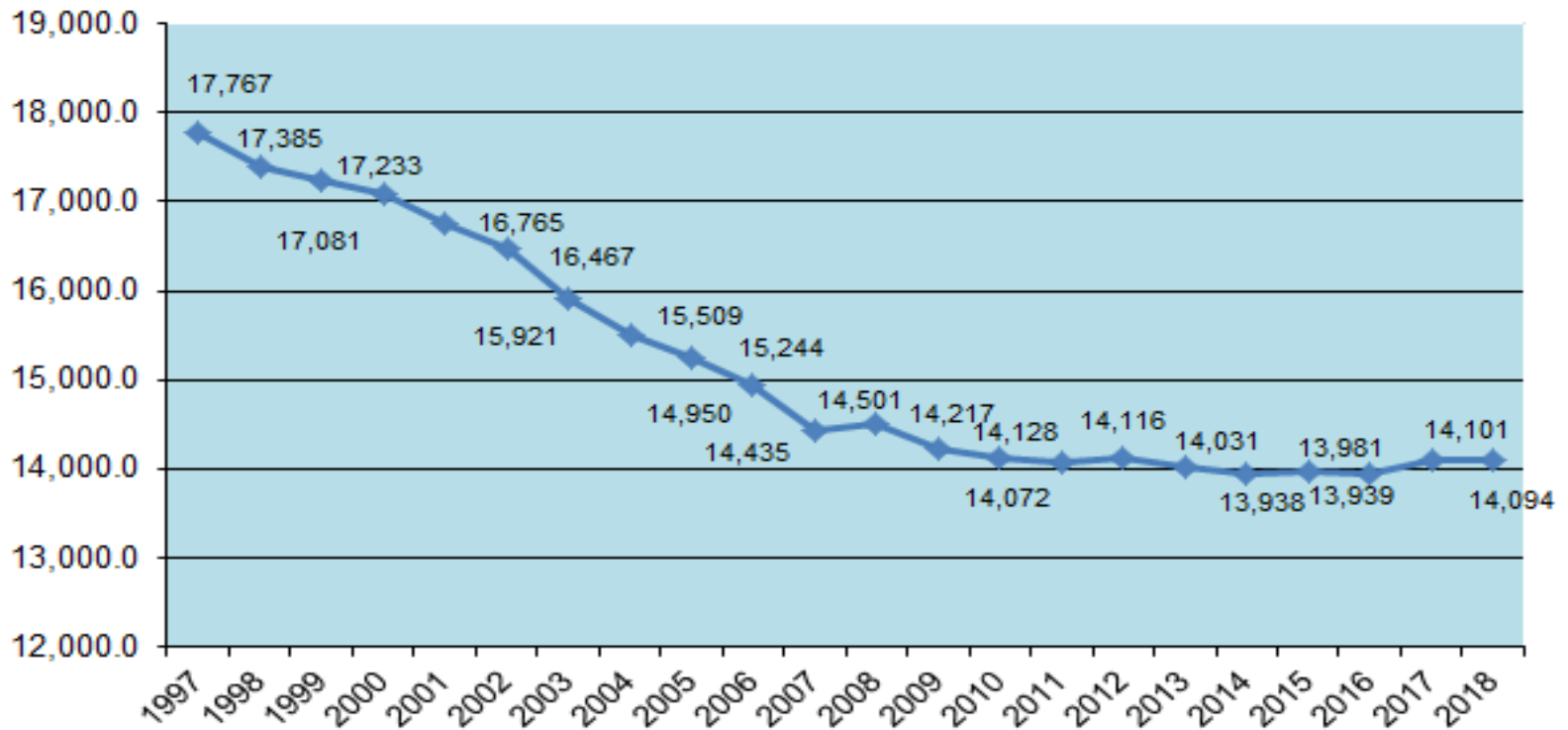




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SD73 Full Time Equivalent (FTE) Students



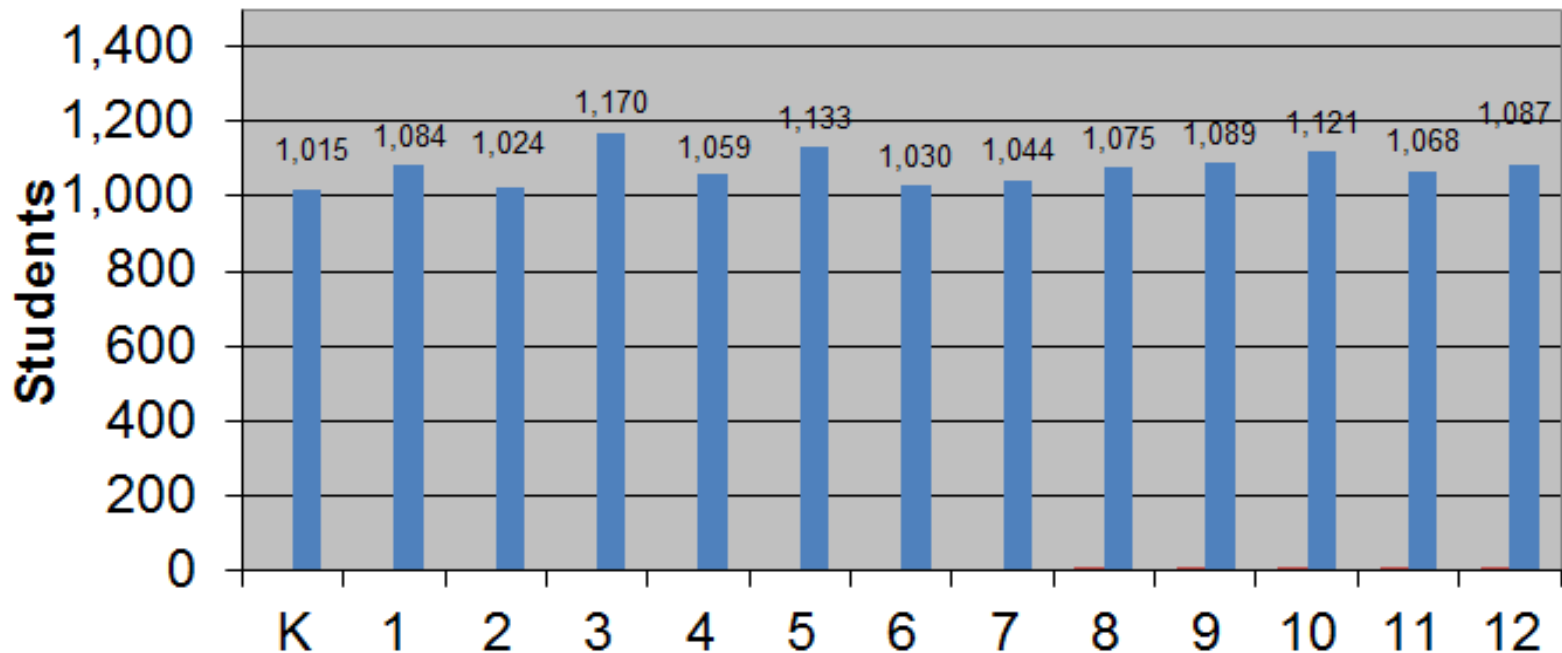


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2017-2018 Projected SD73 Enrolment

(by Grade - Total = 13,999 FTE (Not Adult or @KOOL))





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	Actual	Budget	
	2016/2017	2017/2018	Variance
Enrolment:			
Full time Kindergarten (FTE)	1,067.000	1,015.000	(52.0000)
Elementary Schools	7,378.000	7,544.000	166.0000
Secondary Schools	5,560.844	5,439.750	(121.0943)
In School K to 12	14,005.844	13,998.750	(7.0943)
DL or @KOOL School	95.375	95.000	(0.3750)
Total School Aged Enrolment	14,101.219	14,093.750	(7.4693)
Adult Education	26.375	27.500	1.1250
Total Enrolment	14,127.594	14,121.250	(6.3443)



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Enrolment decline overall in the district is minimal when comparing 2016-2017 to 2017-2018, with the district experiencing growth in some areas and decline in other areas. For example:

- Some urban schools are increasing as much as 10% at Parkcrest or decreasing by as much as 7.49% at Dufferin
- In our rural schools, due to much smaller student populations, the enrolment swing can be greater - Increasing by as much as 26.44% at Logan Lake Elementary or declining by as much as 47.62% in Westwold

Enrolment shifts within the district require constant monitoring and adjusting.



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	Actual	Budget	
Projected Revenue	2016/2017	2017/2018	Variance
Ministry Revenue (September)	132,679,194	134,649,229	1,970,035
Ministry Revenue (Feb & May)	3,009,550	2,272,914	(736,636)
Other Revenue	4,216,128	4,743,510	527,382
Total Projected Revenue	139,904,872	141,665,653	1,760,781



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Projected Expenses	Actual	Budget	Variance
	2016/2017	2017/2018	
Wages	98,973,835	99,868,339	894,504
Benefits	22,904,006	23,449,756	545,750
Expenses	17,966,919	18,347,558	380,639
Other - School Supply C/F			
Other - Operating Reserve			
Other - Ist Nations Reserve	60,112		(60,112)
Total Projected Expenses	139,904,872	141,665,653	1,760,781



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Preliminary Funding 2016-17 Vs. 2017-18:

- Overall per FTE funding up \$83/FTE or \$1,161,896
- Other Supplementary Funding up \$645,704
- Salary Increases projected at \$1,133,490
- Benefit Increases (net of staffing changes) projected at \$545,750
- and . . .
- The District is not in Funding Protection



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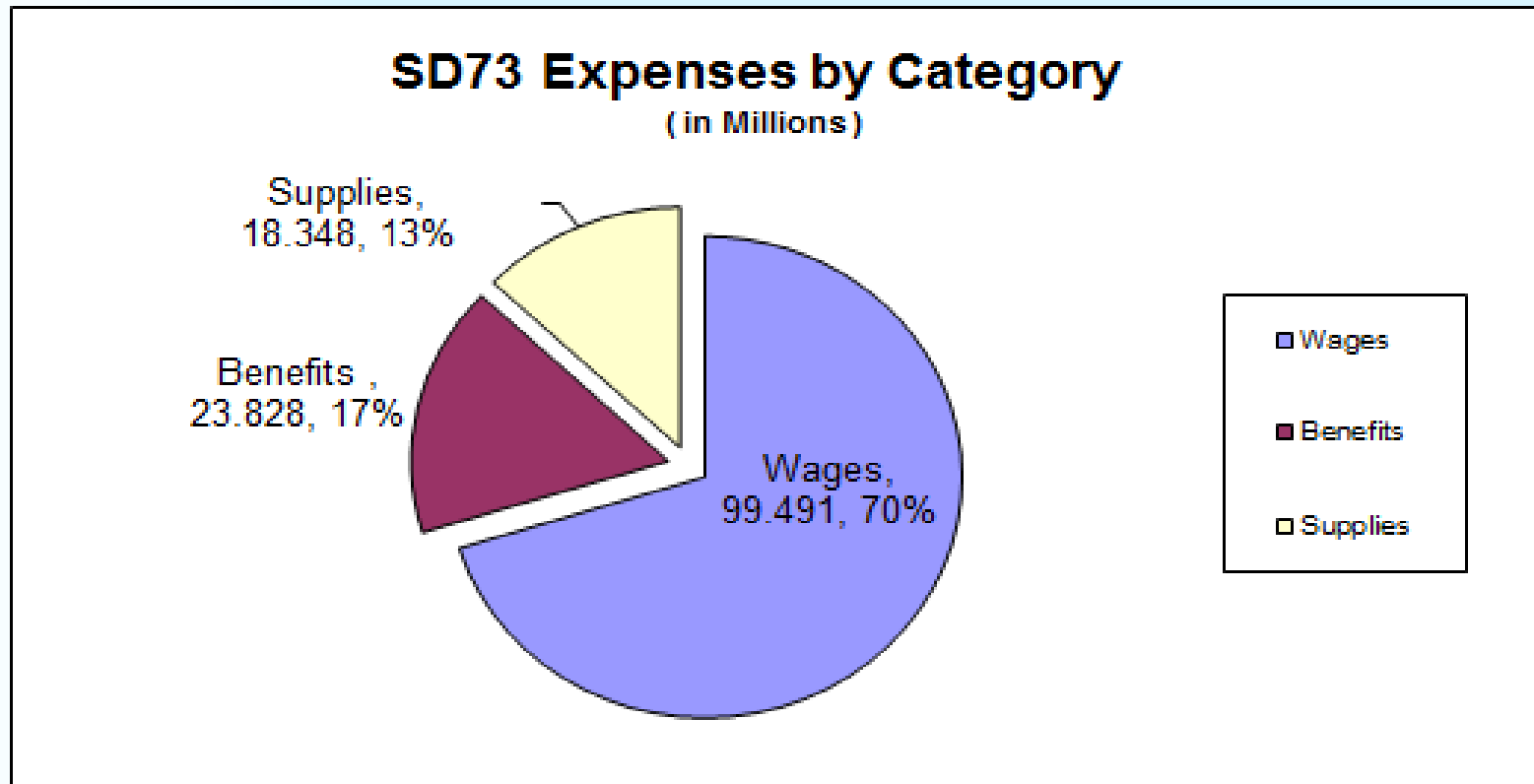
Proposed Operating Budget 2017 - 2018

Operating Surplus / (Deficit)			
Revenues			\$ 141,665,653
Expenses			141,665,653
Operating Surplus / (Deficit)			\$ -
Projected Operating Reserve		\$ -	
First Nations Reserve		\$ -	
Total Reserve/Surplus Appropriations			
Net Expenditure (Over/Under)			\$ -



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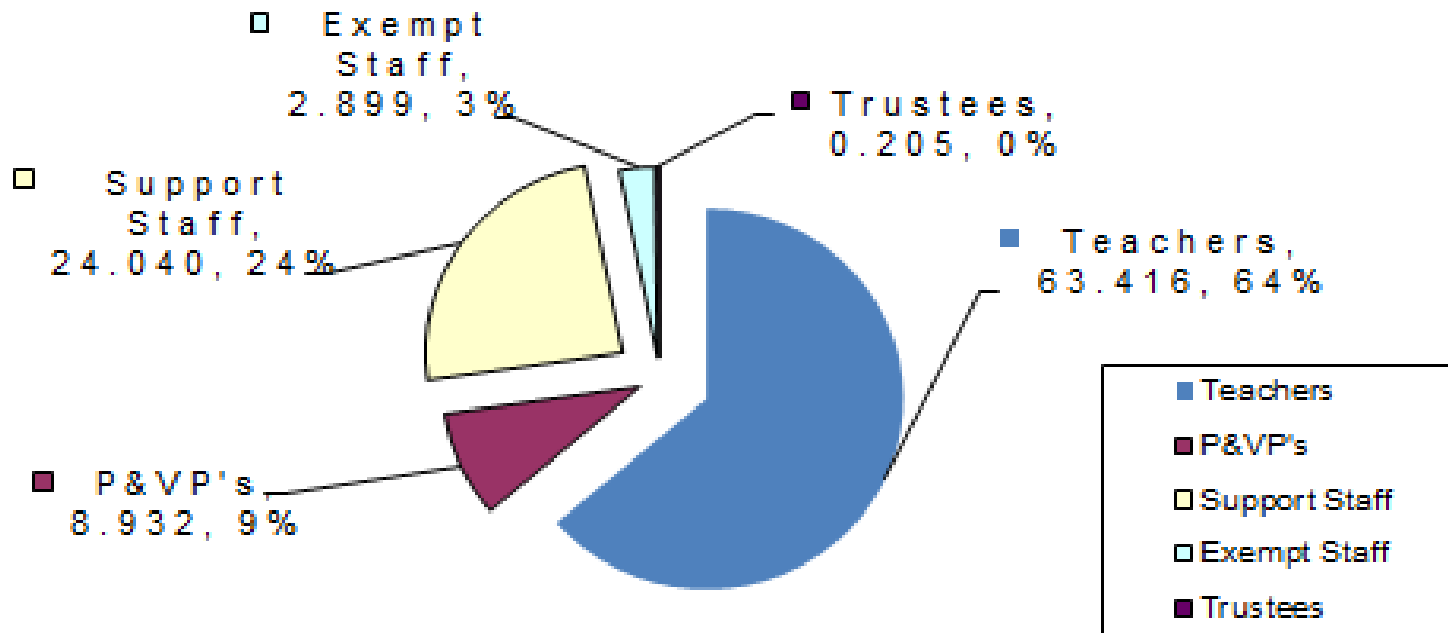




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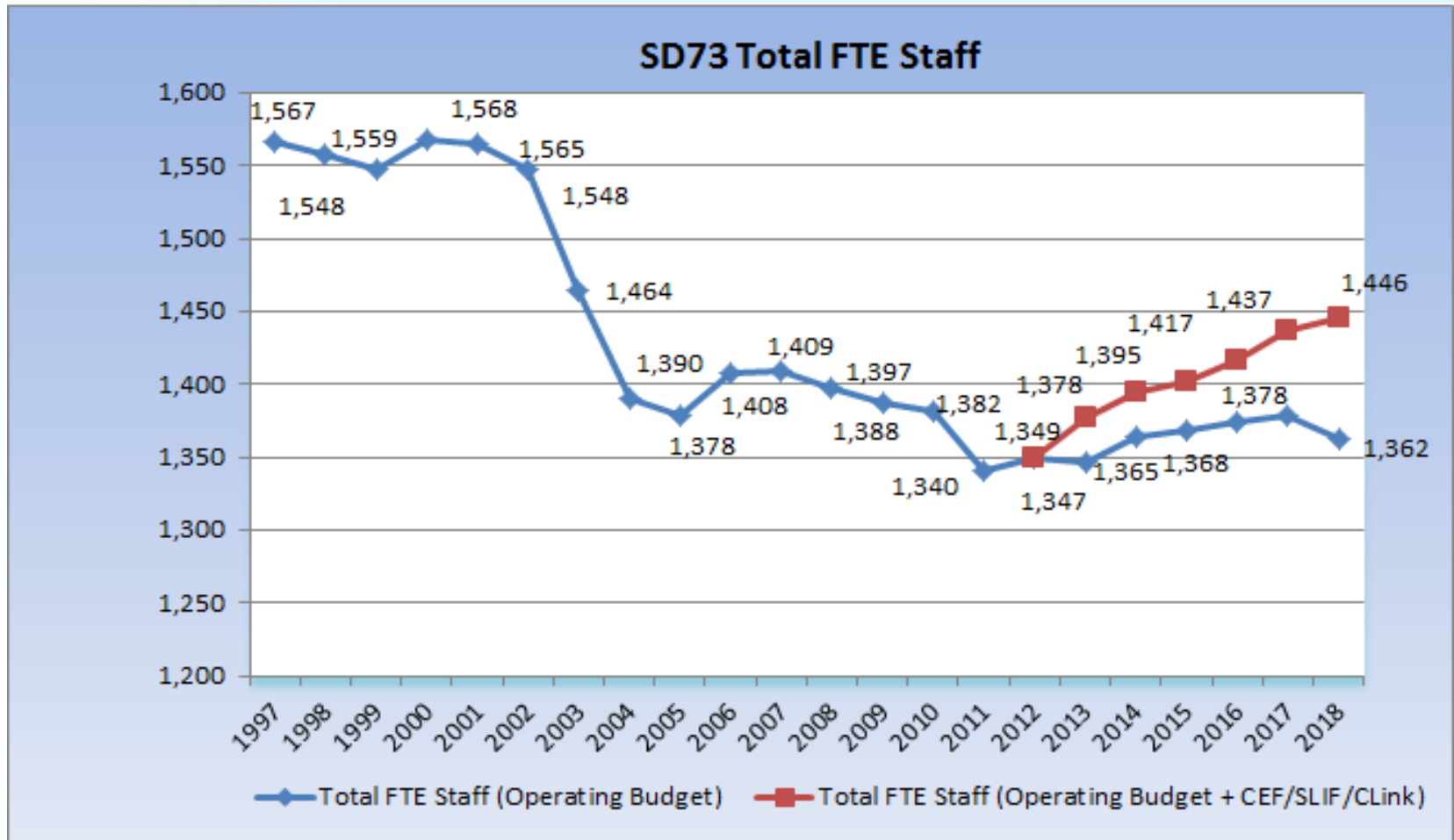
SD73 Wages by Employee Group (in Millions)





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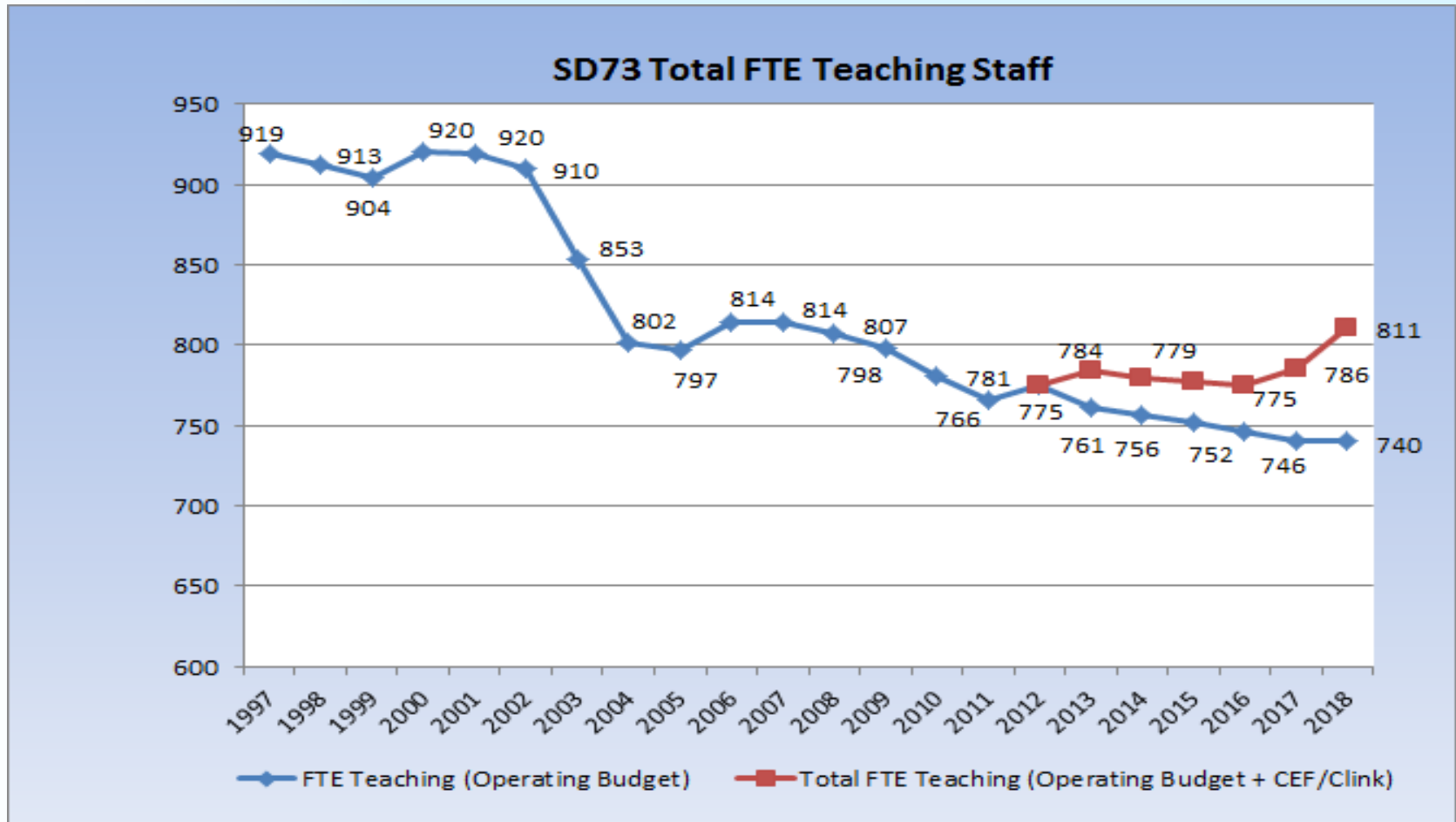
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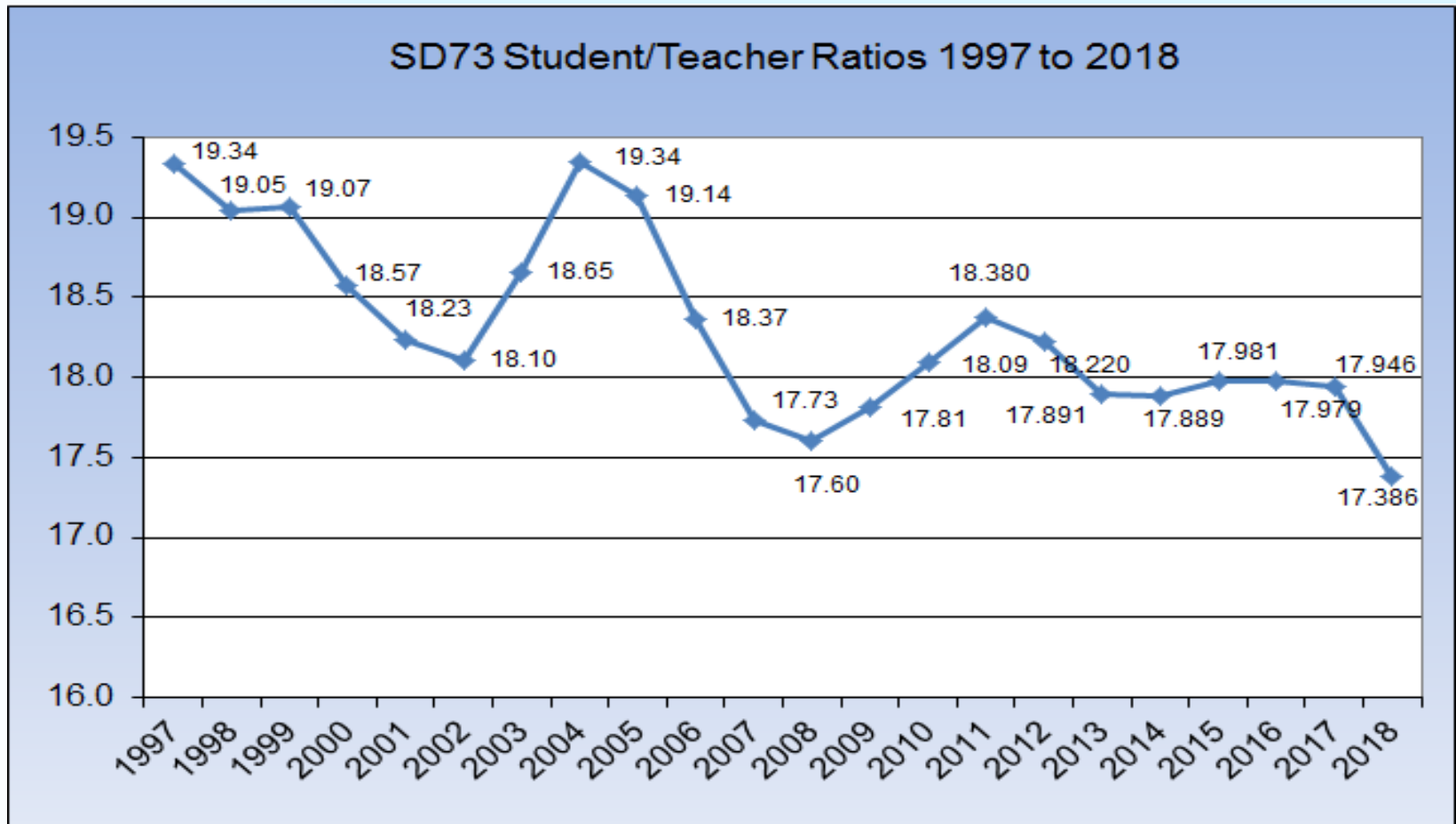
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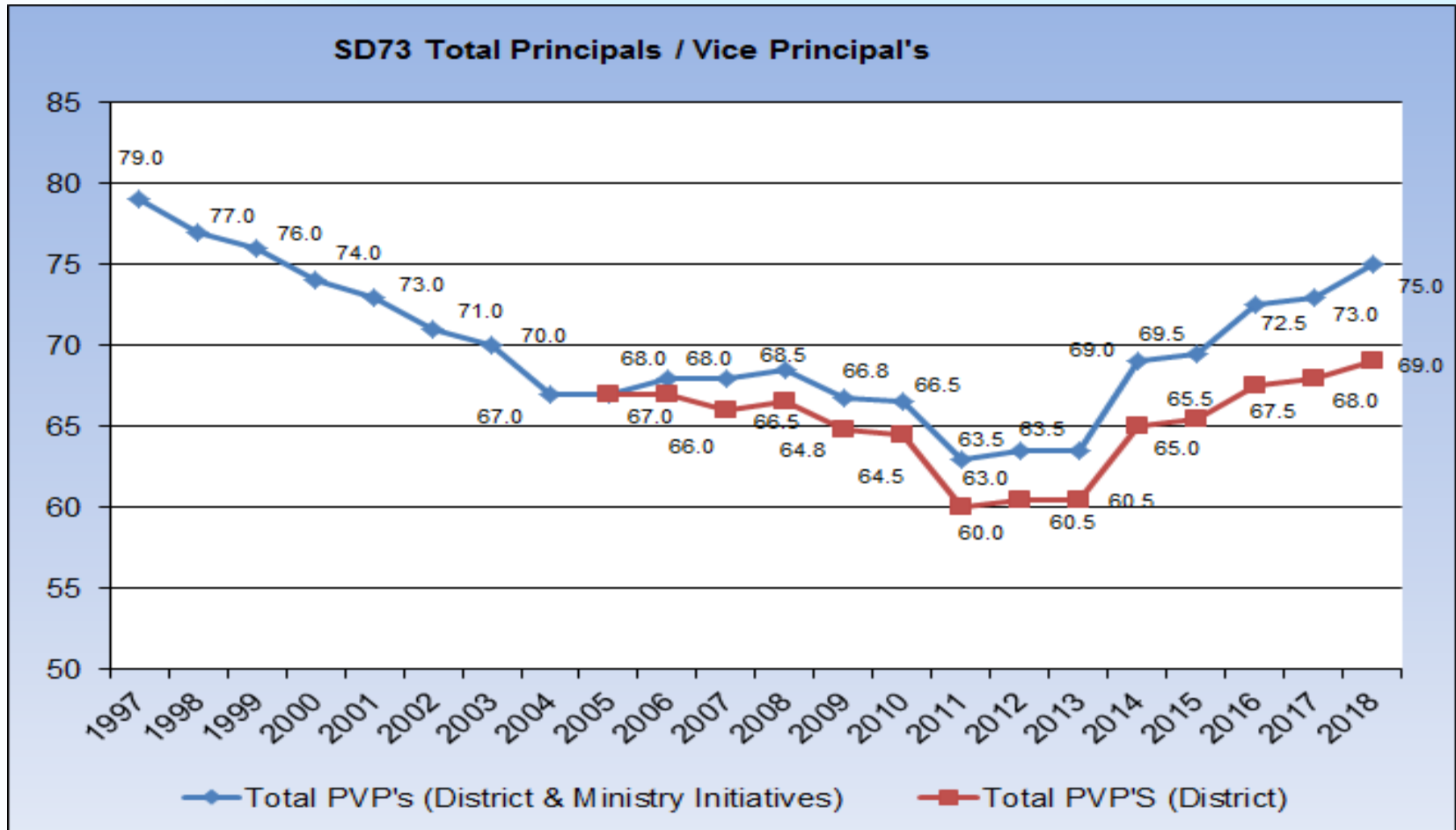
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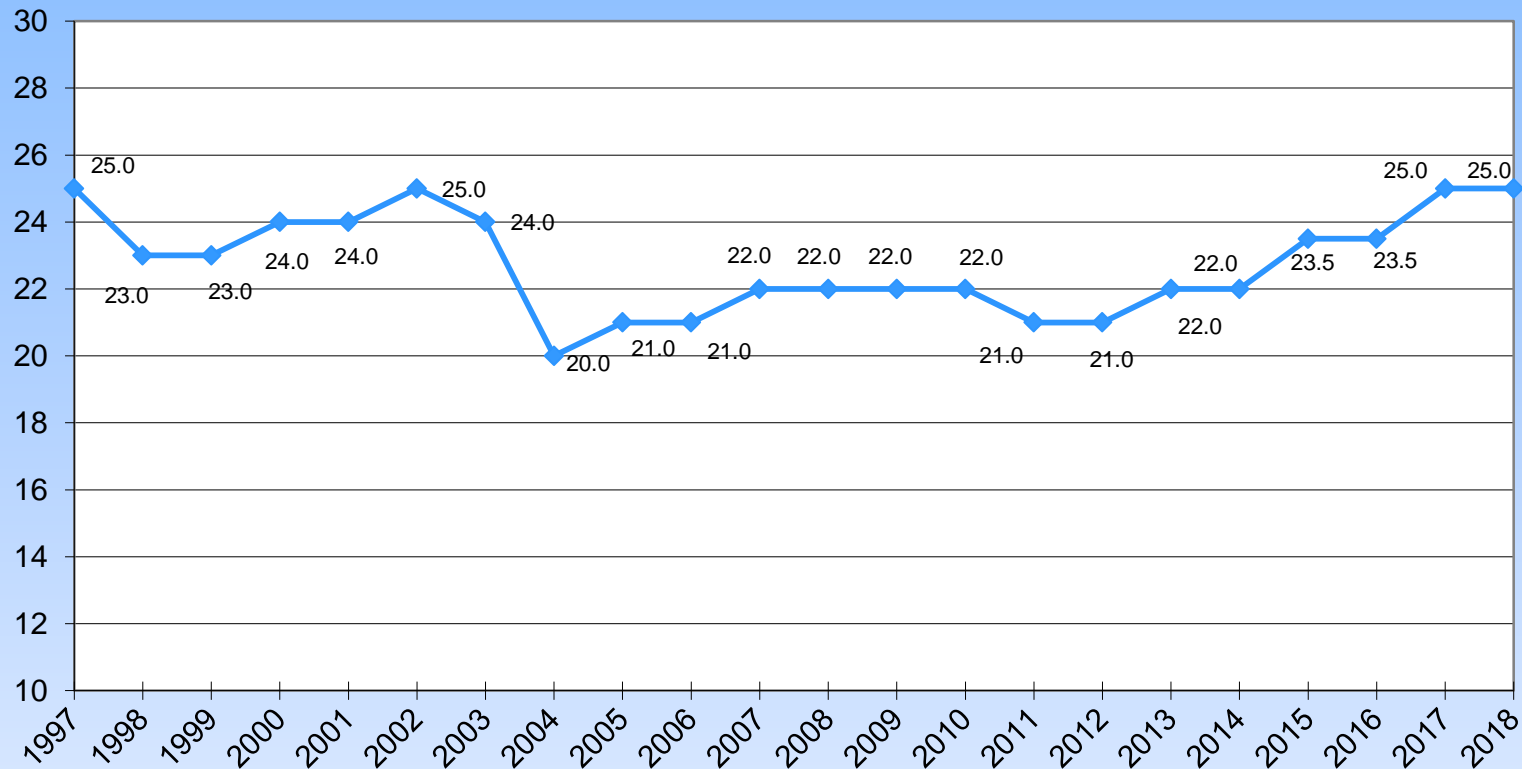




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SD73 Total FTE Exempt Staff





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Why are Administration and P/VP Positions Changing? - Exempt Staff Changes (Mid- year 2016-2017):

- Reduced 1.0 FTE for Manager of Labour Relations
- Added 1.0 FTE for Communications Specialist
- Reduced 1.0 FTE Assistant Superintendent position
- Added 1.0 FTE for Assistant Manager of Transportation re: additional transportation specific funding announced mid-year.

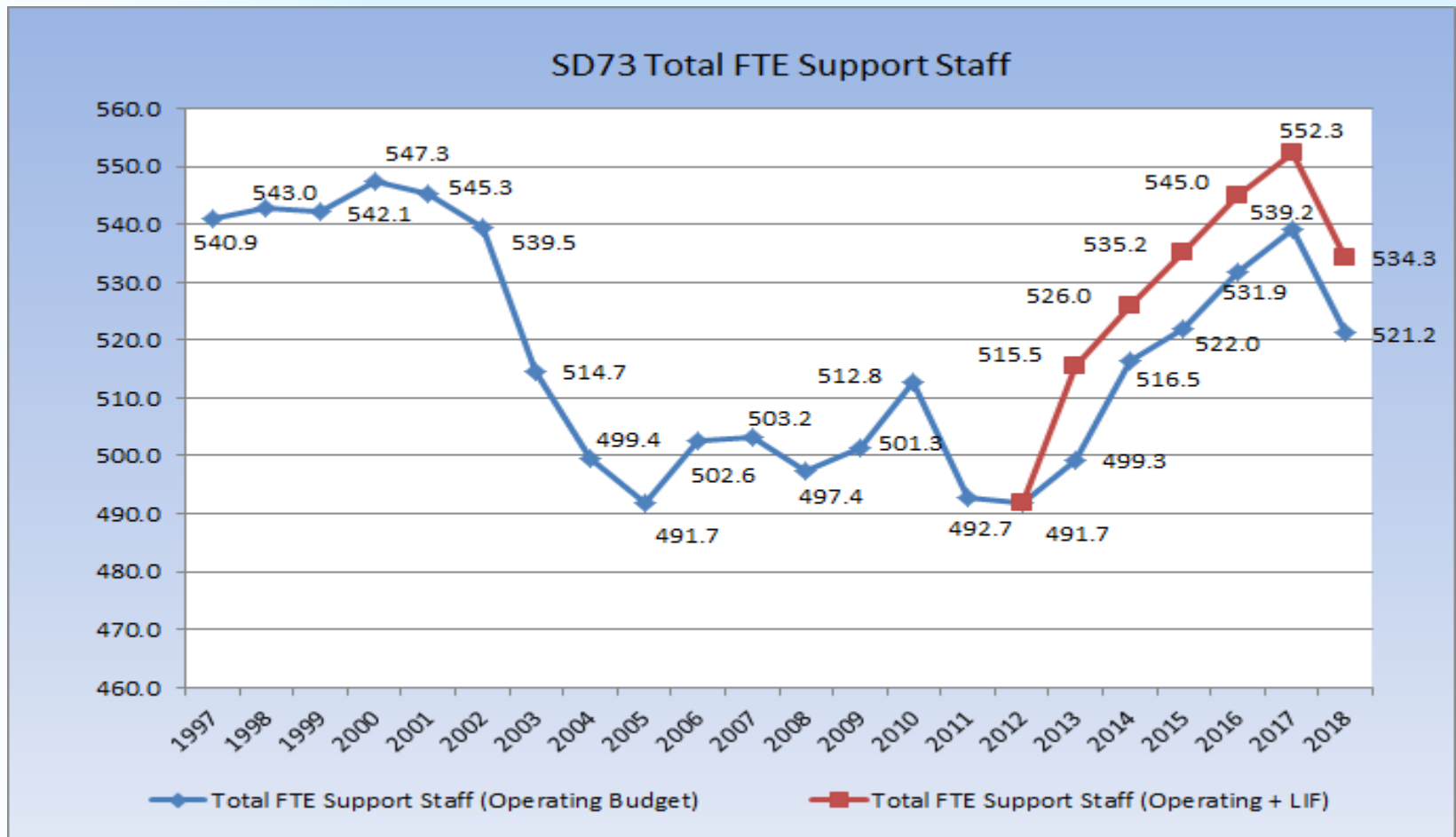
2017-2018:

- Adding 2.0 FTE PVPs due to increase in students / locations (Adding a Principal to Sun Peaks and VP to McGowan)



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FTE Comparative Information - Employee Groups				
Comparison 2017 to 2018	2017	2018	# Change	% Change
	Actual	Budget		
Student Enrolment	14,005.844	13,998.750	-7.094	-0.05%
Total Staff	1,378.240	1,362.200	-16.040	-1.16%
Teaching Staff	740.050	740.010	-0.040	-0.01%
Principals & Vice Principals	73.000	75.000	2.000	2.74%
Support Staff	539.190	521.190	-18.000	-3.34%
Exempt Staff	25.000	25.000		
LIF/PM/Clink/CEF - Teaching Positions	45.730	70.629	24.899	
SLIF Positions - Support Staff	13.140	13.140	- 0 -	



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Schedule of 2015-2016 Comparable Administrative Costs

		SD37	SD44	SD42	SD57	SD68	SD33	SD73	7 District
		Delta	North Vancouver	(Maple Ridge/ Pitt Meadows)	Prince George	(Nanaimo/ Ladysmith)	Chilliwack	(Kamloops/ Thompson)	Average
		15,387,376	15,260,938	14,028,063	12,687,813	13,051,750	12,756,161	13,938,875	13,872,996
District Administration Accounts									
04-11	Education	1,149,749	1,032,157	1,400,957	3,145,642	1,281,703	1,049,075	1,073,634	1,447,560
04-41	Finance, H/R & Purch.	2,479,892	3,958,893	2,815,579	2,934,479	2,614,573	2,388,661	2,525,652	2,816,818
05-41	Maintenance	1,807,624	1,879,324	1,440,289	913,325	1,716,918	764,296	880,515	1,343,184
Total District Admin Costs		5,437,265	6,870,374	5,656,825	6,993,446	5,613,194	4,202,032	4,479,801	5,607,562
School Based Administration:									
01.41	School Based Admin	9,948,120	9,798,615	8,337,742	10,459,428	9,019,384	9,824,102	8,801,788	9,455,597
District Totals:		15,385,385	16,668,989	13,994,567	17,452,874	14,632,578	14,026,134	13,281,589	Savings Vs. Average Cost
Cost per FTE Student:		1,000	1,092	998	1,376	1,121	1,100	953	1,091
SD73 Costs based on Average Rate times # Students								15,210,962	
SD73 Savings based on Average costs less than Actual Costs									(1,929,373)



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Schedule of 2015-2016 Comparable Administrative Costs

	SD37	SD44	SD42	SD57	SD68	SD33	SD73	7 District
	Delta	North	(M. Ridge/ P. Meadows)	Prince George	(Nanaimo/ Ladysmith)	Chilliwack	(Kam./ Thomp.)	Average
	15,387	15,261	14,028	12,688	13,052	12,756	13,939	13,873
Classes:								
Kindergarten	20.1	20	19.9	19.1	20.2	19.4	19.7	19.8
Grade 1-3	22.3	21.9	22.2	20.9	22.1	22.3	21.6	21.9
Grade 4-7	27.6	27.3	26.7	26.1	27.1	25.8	26.3	26.7
Grade 8-12	22.1	24.1	25.8	22.4	26.3	22.7	23.1	23.8
Number of Reported Classes								
with Assigned CEA's	778	697	676	545	441	593	771	643
Number of Reported Schools in SD	31	31	27	39	35	27	43	33
Number of Reported Classes in SD	2,623	2,599	1,769	1,242	1,108	1,945	1,477	1,823
Number of Reported Classes in SD > 30	116	141	61	7	22	20	33	57



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Schedule on Class Size Averages in Comparable Group of Districts						
2015-2016		SD73	Teachers	Comp Grp	Teachers	Additional
		Average	Based on	Average	Based on	Teachers
		Class	Average	Class	Average	In SD73 Vs
		Size	Class Size	Size	Class Size	Comp Grp
K	989.0	19.7	50.2	19.8	50.02	0.2
1-3	3,164.0	21.6	146.48	21.9	144.47	2.0
4-7	4,216.0	26.3	160.3	26.7	157.9	2.4
8-12	5,570.0	23.1	241.13	23.8	234.17	7.0
	<u>13,939.0</u>		<u>598.11</u>		<u>586.56</u>	
SD73 has 11.55 additional teachers based the on Average						11.55
class size of districts in our comparable group.						



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Class Size and Composition and the Classroom Enhancement Fund (CEF):

- The estimated Special Purpose Funds, based on a submission from SD73 last month, is \$7,528,161. These funds remain outside of the operating fund and may vary based on the actual needs of the district to implement the 2002 collective agreement language. Must be filed by April 28, 2017.



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Provincial - Classroom Enhancement Fund (CEF)		
	Provincial	SD73
Learning Improvement Fund (LIF)	\$ 80,000,000	
Priority Measures Fund (Annualized)	\$ 100,000,000	
Teacher Compensation (NEW)	\$ 150,000,000	
Overhead Expenses (NEW)	\$ 30,000,000	
Classroom Enhancement Fund (CEF)	\$ 360,000,000	\$ 7,528,161



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Comparison of Current Non-Enrolling Staffing Levels to AIC Required Staffing Levels

Teacher Type	Current	AIC Ratio	AIC Required	Variance
(TL) Librarian	18.79	1:695	19.88	1.090
(TC) Counselor	26.00	1:693	19.94	-6.060
(LAT) Learning Assistant	59.79	1:397	34.81	-24.980
(SERT) Special Education Resource	31.83	1:342	40.4	8.570
(ESL) English - Second Language	2.96	1:74	2.18	-0.780
Total	139.37		117.21	-22.160

* Calculations based on September 2016 Enrolment at 13,818 FTE

* There is no requirement to reduce Non-Enrolling positions as part of our April 28th submission.



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LIF / SLIF Funds:

- The Learning Improvement Fund for the teachers has been eliminated and is now included in the Classroom Enhancement Fund
- Districts must continue to provide a spending plan for the Support Staff Learning Improvement Funds (SLIF)
- SLIF Funds for 2017-2018 equate to \$20 million provincially and approximately \$543,562 for SD73
- These funds will be used for approximately 12+ FTE CEA positions



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The Budget is balanced without using any of the district's operating reserves. In the past, districts received funds held for enrolment growth. Provincial enrolment growth in 2015-2016 and 2016-2017 has utilized all available funding and districts are not expected to receive any significant holdback funds

Ministry Holdback Funds	Provincial	SD73
	Total	Total
2011/2012	\$ 57 Million	1.6 Million
2012/2013	\$ 52 Million	1.0 Million
2013/2014	\$ 61 Million	1.2 Million
2014/2015	\$ 61 Million	1.3 Million
2015/2016	\$ 56 Million	Enrolment Growth
2016/2017	\$ -	Enrolment Growth



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To Summarize – The budget is balanced due to the following:

- We reduced some district supply budgets
- We added, reduced, and exchanged some administrative costs to address enrolment trends
- We balanced the budget without the use of reserve funds



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Strategic Plan Initiatives – Education:

- Implement problem-based learning in all classrooms
- Communicate student learning through on-line platforms
- Focus on oral language development in the early years
- Connect students to experts in our communities
- Integrate First Peoples' principles of learning in all curriculum
- Initiate a district youth leadership forum



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Strategic Plan Initiatives – Business:

- Complete implementation of on-line time cards
- Implement on-line payment for parents/schools
- Create an environmental stewardship assessment tool

The total estimated Operating Budget for strategic plan initiatives is \$755,858



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In Summary – This proposed budget has been developed to deliver a balanced budget during a year with multiple unknowns as well as additional funding for district programming

- Classroom Enhancement Fund - \$ 7,528,161
- Student Learning Grant (\$50/Student) - \$ 731,202
- Youth Trades Capital Equipment Grant - \$ 1,270,841 (\$736,424 in 17/18)
- Annual Capital Program (2 Enhancement Projects and 5 buses) - \$ 1,904,956
- Student Transportation Grant - \$ 622,817

Implementation plans are being prepared in support of these important initiatives to ensure effective and efficient use of this new funding.



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In Summary . . . (continued)

This Operating Budget is focused to deliver:

- Effective programming for our students
- Efficient use of our facilities
- Alignment of resources with strategic plan priorities
- A balanced budget



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2017-2018 BUDGET

- Does the proposed budget reflect some of the initiatives and challenges facing the district during the 2017-2018 school year?
- Are there any priorities you feel should be included in the proposed budget?
- What should be included in the proposed budget that has not been included?



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Q & A