

Budget 2021-2022

Frequently Asked Questions

Last Updated May 14, 2021 (Questions Starting at 52, Page 30)

April 19, 2021 : Questions 1-30

Question 1:

Why is music the only non-academic program that was cut as part of this budget deficit? There are lots of other non-academic programs that were unaffected by the proposal that was put forward, such as arts, shops and sports programs to name but a couple of headings. Can you help me understand why music was the only non-academic program that was cut?

Answer:

Art, shops and foods are called middle school exploratories and are part of the middle school curriculum that typically run as a 6 week sampler for students. PE is part of the core middle school curriculum but not an exploratory. Other sports outside of PE are run as extra-curricular outside of the timetable and involve volunteer coaches (teachers or community members) and require no additional staffing. Team fundraising and player fees pay for tournaments and travel. A principal may fund teams from the school's non-public fund at the Principal's discretion. Similarly the Principal may support other clubs, including music groups from the school's non-public fund

Exploratories and PE are staffed from the school's regular staffing allocation by the Principal from year to year.

Music is the only program that has supplemental staffing at a cost to the District. Most middle schools do not run band as an exploratory. Most middle school music is not offered in the regular staffing allocation or timetable, as a club or an extra-curricular activity due to the historical 11.7 Teacher FTE or \$1.3m funding investment by the Board over the last decade or so.

With a shortfall of \$7m district-wide, we ask the question: In addition to the reinvestment into middle schools of 2.423 Teacher FTE for Grade 8 band, could music run more like an exploratory or an extra-curricular activity as do clubs and sports?

Question 2:

When this deficit was first communicated to the Board?

Answer:

During the 2020-2021 budget process in spring 2020, the structural deficit of \$7m was introduced to the Board. In the April 27, 2020 budget presentation to the Board “living within means: reduce/eliminate structural deficit” was documented. Because of COVID and the uncertainty of the 2020-2021 school year, a decision was made to provide a rollover budget balanced with \$7m 2019-2020 surplus, for the 2020-2021 school year.

*During the 2021-2022 budget process, the deficit was presented on the following dates:
March 9, 2021 to the Operations Policy & Planning Committee meeting;
March 29, 2021 to the Board of Education Regular Open Board Meeting; and
April 13, 2021 to the Board of Education Special Open Board Meeting.*

Please note, the 2021-2022 Ministry funding announcement was provided to BC School Districts on March 12, 2021.

Question 3:

Why are we not hearing from comparatively sized school districts (e.g. Kelowna or Burnaby) that they have budget deficits similar to what is being proposed for SD61?

Answer:

We are hearing from other districts.

Please see CBC article dated April 13, 2021 entitled: Many B.C. school districts forecasting major budget shortfalls:

<https://www.cbc.ca/news/canada/british-columbia/school-budget-shortfalls-1.5986486>

Please see Georgia Straight article dated April 15, 2021 entitled: School boards need to refuse more budget cuts: <https://www.straight.com/education/patti-bacchus-school-boards-need-to-refuse-more-budget-cuts>

<https://www.burnabynow.com/local-news/burnaby-school-board-eyeing-cuts-to-cover-124-m-budget-shortfall-3772092>

<https://www.cbc.ca/news/canada/british-columbia/burnaby-coquitlam-teacher-associations-facing-devastating-job-losses-1.6024076>

Question 4:

How did the district finances get so out of control? Is this deficit a result of errors made this year or are these on-going systemic issues?

Answer:

The finances are not out of control and no errors have been made this year as evidenced by monthly financial reports to the Operations Policy & Planning Committee relative to the operating grant. These monthly financial reports can be found in Operations Policy & Planning

Committee meeting agendas. A summary of spending patterns for 2020-2021 to date in comparison to the same timeframe last year is below.

The spending patterns in the 2020-2021 school year are in line with the spending patterns of the 2019-2020 school year.

MONTHLY FINANCIAL REPORT - OPERATING EXPENSES											
	2020-2021				%	!!	2019-2020				2020-2021 vs 2019-2020
	Budget	Spent	Available				Budget **	Spent	Available		
July-August Total	214,093,939	10,713,714	203,380,225	95%	!!	228,447,776	11,032,468	217,415,308	95%	!!	0%
September Total	214,118,321	29,132,390	184,985,931	86%	!!	228,457,776	29,117,844	199,339,932	87%	!!	-1%
October Total	222,467,073	49,807,099	172,659,974	78%	!!	228,457,776	49,723,153	178,734,623	78%	!!	-1%
November Total	222,490,143	68,559,085	153,931,058	69%	!!	228,457,776	68,769,408	159,688,368	70%	!!	-1%
December Total	222,917,400	86,555,140	136,362,260	61%	!!	228,457,776	88,544,981	139,912,795	61%	!!	0%
January Total	221,697,627	107,225,971	114,471,656	52%	!!	228,457,776	107,805,868	120,651,908	53%	!!	-1%
February * Total	222,083,468	126,583,848	95,499,620	43%	!!	228,457,776	128,087,312	100,370,464	44%	!!	-1%

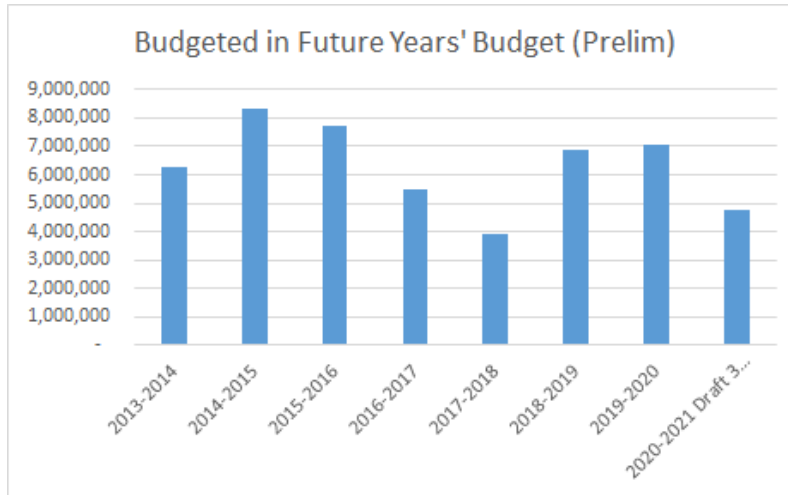
* NOTE: February - Amended Budget Submission to MOE
 ** NOTE: Accounting system only records final budget for previous fiscal; therefore budget is static for 2019-2020 for purposes of this report.

The structural deficit is an on-going systemic issue. In the table below the sources of surplus and uses of surpluses are displayed. The District has used millions of unspent dollars in one year to balance the shortfall of the following year without examining the reason for the following year's shortfall and making adjustments.

This was done with the philosophy of maintaining as many programs from year to year as the year before (no cuts). This is a fine philosophy as long as surpluses remain high and available for the following year, and regular budgeting assumptions remain constant (enrolment and other revenue streams). When surpluses are depleted, adjustments in services and resources must be made.

The Board is trying to move from living on surplus to living within means, so that any surpluses available at year end are used for large one time expenditures, and not on-going expenses that may not be maintained in the absence of those surpluses.

Surplus History (Financial Stmt)	Unspent Schools	Unspent District	Purchase Order Commitments	COVID Contingency	Budgeted in Future Years' Budget	Unrestricted Operating	Total	Actual Budget Used		
								Adj for Amended	Budget Used in Amended	Budget
2013-2014	4,966,701	2,507,438	530,882		6,300,000	-	14,305,021	12,255,980	18,555,980	2014-2015
2014-2015	6,108,287	2,579,856	682,969		8,300,000	4,104,554	21,775,666	13,475,666	21,775,666	2015-2016
2015-2016	5,735,930	3,750,175	961,965		7,710,764	4,641,593	22,800,427	398,663	8,109,427	2016-2017
2016-2017	5,379,427	3,729,737	1,385,806		5,500,000	3,774,594	19,769,564	1,401,257	6,901,257	2017-2018
2017-2018	4,246,216	5,307,670	1,018,775		3,900,000	2,386,696	16,859,357	5,046,491	8,946,491	2018-2019
2018-2019	3,400,360	4,843,799	419,972		6,845,754 *	2,037,796	17,547,681	2,104,135	8,949,889	2019-2020
2019-2020	2,574,310	5,207,301	560,082	2,561,247	7,046,806	29,582	17,979,328	3,775,197	10,822,003	2020-2021
2020-2021 Draft 3 (Estimated)	1,695,000	-	500,000		4,761,892 **		6,956,892	-	6,956,892	



Question 5:

Why wasn't an emergency Board meeting held before now?

Answer:

During the 2021-2022 budget process, the following Board approved process was followed:

<i>March 9, 2021 to the Operations Policy & Planning Committee meeting:</i>	<i>\$7m deficit</i>
<i>March 12, 2021 Ministry Funding Announcement</i>	
<i>March 12-29 Staff work to draft budget with announced funding</i>	
<i>March 29, 2021 to the Board of Education Regular Open Board Meeting</i>	<i>\$7m deficit</i>
<i>March 29-April 13 Staff work to balance budget and model staffing scenarios</i>	
<i>April 13, 2021 to the Board of Education Special Open Board Meeting.</i>	<i>Balanced</i>

Question 6:

Have you been closely monitoring the budget process and asking questions?

Answer:

See process events in question above. The Board received two presentations on the \$7m shortfall through regular and special Board meetings. Between the funding announcement on March 12 where actual funding levels were made known, and March 29, staff needed time to model the impact of the funding announcement on the \$7m shortfall communicated on March 9th. Between March 29 and April 13 staff needed time to balance the budget and to be able to clearly communicate the impact of that balancing, which occurred on April 13th.

Question 7:

Has the Board or Trustees held meetings to strategize on how to bring the budget into balance or is this the first time for input?

Answer:

In the Board approved budget process, staff provided recommendations for a balanced budget on April 13 for the Board's considerations. The Board extended its budget process for an

additional month from April 30, 2021 to May 31, 2021 to provide an additional consultation time in order to hear from students, staff, parents and the community.

Question 8:

If the District has been balancing budgets by reallocating unspent funds, did the Board vote on this practice?

Answer:

Yes. The Board votes on its annual budget in spring, its surplus appropriation in September, and its amended annual budget in February of each year.

Annually the spring and February budgets in SD61 have included amounts in them using previous year's surplus. Spring and February budgets each require three readings of a bylaw by the Board for approval. Bylaws are read in public and open Board meetings.

Annually in September after the financial statements for the June 30th year end are presented and the final surplus is known, the Board may make further allocations to the current year. Typically these allocation involve carry forwards for schools, departments and further balancing if required. These allocations are approved by Board motion in open Board meetings.

Question 9:

How much are the unspent funds from year to year?

Answer:

Surplus History (Financial Stmt)	Unspent Schools	Unspent District	Purchase Order Commitments	COVID Contingency	Budgeted in Future Years' Budget	Unrestricted Operating	Total	Adj for Amended	Actual Budget Used in Amended	Budget
2013-2014	4,966,701	2,507,438	530,882		6,300,000	-	14,305,021	12,255,980	18,555,980	2014-2015
2014-2015	6,108,287	2,579,856	682,969		8,300,000	4,104,554	21,775,666	13,475,666	21,775,666	2015-2016
2015-2016	5,735,930	3,750,175	961,965		7,710,764	4,641,593	22,800,427	398,663	8,109,427	2016-2017
2016-2017	5,379,427	3,729,737	1,385,806		5,500,000	3,774,594	19,769,564	1,401,257	6,901,257	2017-2018
2017-2018	4,246,216	5,307,670	1,018,775		3,900,000	2,386,696	16,859,357	5,046,491	8,946,491	2018-2019
2018-2019	3,400,360	4,843,799	419,972		6,845,754 *	2,037,796	17,547,681	2,104,135	8,949,889	2019-2020
2019-2020	2,574,310	5,207,301	560,082	2,561,247	7,046,806	29,582	17,979,328	3,775,197	10,822,003	2020-2021
2020-2021 Draft 3 (Estimated)	1,695,000	-	500,000		4,761,892 **		6,956,892	-	6,956,892	

Question 10:

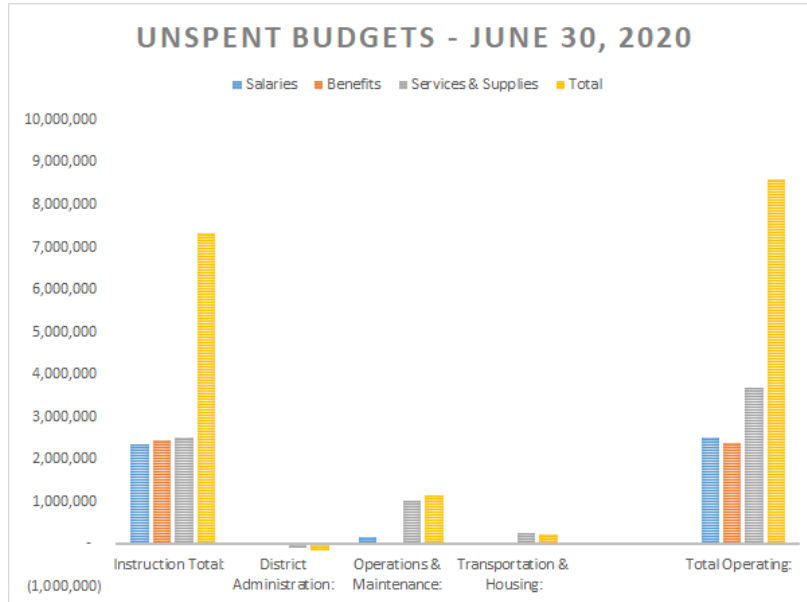
Where did the unspent amounts originate and how were they subsequently allocated?

Answer:

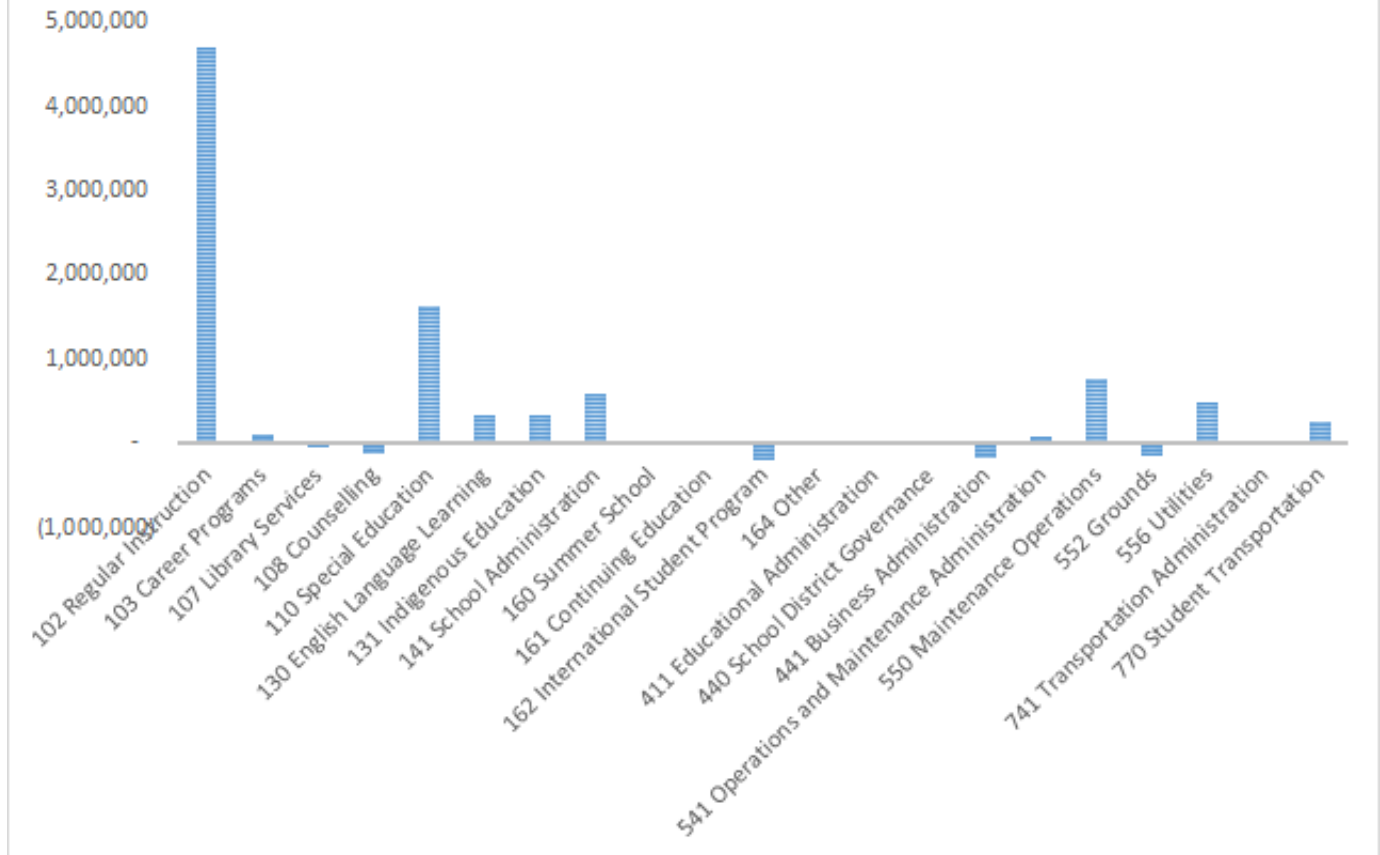
Unspent amounts originate from a myriad of places. Below represents the unspent operating budget for 2019-2020. Details can be viewed in Appendix B. Of note, and the pitfalls of a rollover budget, are the continual budget amounts rolled over from one year to the next without examining the spending patterns from year to year. This methodology creates continual unspent budget line items.

Of note, from year to year, schools tend to underspend their budgets and are able to carry them over within policy limits (max. Secondary \$80,000 and max. Elementary/Middle \$40,000). There have been policy changes over the recent few years to attempt to spend these carry forwards

down see table in Question 9 above. These underspends have moved from a high of \$6.1m to \$1.7m in the most recent estimate for year end 2020-2021. The District does not clawback carry forwards less than \$40k and \$80k to roll into general revenue to balance a budget. The monies carry forward year to year to the school itself in addition to the school's annual district allocation according to enrolment.



UNSPENT BUDGETS - JUNE 30, 2020



The allocation of unspent monies varies from year to year. For the 2019-2020 and 2018-2019 school years, the surplus and unspent funds were allocated to:

Description	2019-2020	2018-2019
School Funded Balances	2,075,230	1,768,636
School Funded Balances Exceeding Reserve Limit	(196,077)	-
Net School Funded Balances	1,879,153	1,768,636
International Student Program	669,611	1,582,785
Continuing Education	25,546	48,939
Purchase Order Commitments	560,082	419,972
Department Carryforwards	5,207,301	4,843,798
COVID Contingency	2,561,246	-
Carryforward to 2019-2020	-	2,339,716
Carryforward to 2019-2020	-	1,104,242
Carryforward to 2020-2021	682,000	682,000
Carryforward to 2020-2021	2,037,796	2,037,796
Carryforward to 2020-2021	4,327,010	-
TOTAL	17,949,746	14,827,885

Question 11:

Do you have a detailed accounting for the \$7m deficit amount?

Answer:

See Appendix C

Question 12:

Is it possible the upcoming provincial budget will change the decisions in the current proposed budget, particularly to do with music and reading programs?

Answer:

Unknown.

Question 13:

How does a budget balanced with surplus of unspent money become a deficit of \$7m?

Answer:

Budgets balanced from year to year with surplus from the previous year are fine when surpluses are healthy and the organization is aware of the types of initiatives the surplus is being applied to: one-time or on-going expenditures. When surpluses diminish over time, those on-going costs that are annually paid for from surplus (like wages and benefits or contractual commitments, or costs of doing business (utility increases and such)), need to be examined for importance and alignment to strategic plans and organizational goals to determine whether they will carry on or not. The 2020-2021 budget is balanced with \$10m. The projected surplus for 2020-2021 year to be used to balance the 2021-2022 budget is \$3.7m plus \$1m benefits withdrawal for a total of \$4.8m, excluding school carry forwards, which we do not clawback.

Question 14:

Will Reading Recovery Continue?

Answer:

In the proposed budget, the reading recovery contract and the district staffing contribution is discontinued. Schools staffing allocations used for Reading Recovery are retained in the 21-22 budget at the discretion of the Principal. While the "all rights registered Reading Recovery" program will not continue without the coordinator contract, there are many reading recovery trained staff in SD61 that can deliver a 'reading recovery-like program' if the program continues to meet the literacy needs of a school using the school staffing allocation.

Question 15:

Related to COVID-19 for 2020-2021, we know the Provincial and Federal funding is one-time and does not continue for 2021-2022. What are the COVID related costs in 2020-2021 operating grant that will continue in 2021-2022?

Answer:

As of the latest spending plan submitted to the Ministry effective March 31 2021, the costs (increased expenses and decreased revenue) in excess of the savings total approximately \$8.3m (July 2020 to March 2021). The provincial and federal funding is sufficient to attend to the increased costs.

The true cost of COVID not covered by any type of funding is the revenue side of the income statement. The decline in regular and international enrolment and resulting revenue loss, along with rental and interest revenue loss is impacting the 2021-2022 preliminary budget, and unknown to us, perhaps the 2022-2023 fiscal year as well.

Question 16:

If there is going to be some Grade 8 band as outlined in the proposed budget reinvestment, please tell me how Grade 6 and 7 will be exposed to music.

Answer:

Option 1:

- General music exposure as an Exploratory
- Does not require supplemental FTE as it is during prep

Option 2:

- Band Music Exploratory included in Middle Exploratory
- Currently Foods, Art and Tech Ed in most schools
- Band offered year round through exploratory and students can choose all band or a combination of the other exploratory options
- Does not require supplemental FTE as it is during prep

Option 3:

- Combine with PE
- Students interested in core band take a yearlong Band/PE combination
- May require some supplemental FTE to current 2.4 FTE reinvestment

Option 4:

- Adopt a sports model approach with out of school activities and volunteer leaders
- Sports in SD61 operate successfully without additional staffing other than curricular PE

Question 17:

Has there been a substantial or disproportionate increase in expenses in 2020-2021?

Answer:

No. There has been a significant decrease in revenue.

Question 18:

Where did the \$3.7m surplus amount come from?

Answer:

Estimated 2020-2021 budget underspends and decreased revenues, combined with residual accumulated surplus remaining (\$17m June 30, 2020 less \$10m use of surplus in the amended 2020-2021 budget).

Question 19:

Please explain the funding of collective agreements: in 2020-2021 there is a Ministry of Education funding line item called Labour Settlement Funding. In the 2021-2022 Ministry of Education funding there is no separate line item because it has been “rolled up in the block”. What does rolled up in the block mean and did the funding for 2021-2022 continue to fully fund the 2020-2021 collective agreement increases and fully fund the second year of collective agreement increases in 2021-2022?

Answer:

Usually in the first funding year of a collective agreement, the Ministry will provide a separate line item called Labour Settlement Funding (or some other name) in the operating grant, to clearly indicate it is fully funding the collective agreement. Typically for the second and subsequent funding year of a collective agreement, the labour settlement funding no longer appears on a separate line item but is added to the per pupil amounts in the funding which is sometimes referred to as “rolling into the block”. Initial calculations indicate that SD61 may be \$788k short for 2021-2022. As further analysis is completed the Ministry will be contacted.

Question 20:

Why was the accounting policy changed for the 2021-2022 budget when the District usually has a rollover budget with little change?

Answer:

The policy was not changed between 2020-2021 budget and 2021-2022 budget, the amount of surplus available for the next year has changed from \$10m to \$3.7m.

Question 21:

If this budget is the beginning stages of consultation, why have principals/schools already been informed of staffing cuts?

Answer:

In order to meet collective agreement staffing timelines, conservative staffing allocations were distributed to Principals. In times of constraint, it is thought to be easier to add back than to further reduce at a later date. There are specific dates within the collective agreements that must be met in order to comply.

Question 22:

Many levels of government are being allowed to run a deficit due to Covid this year - is this an option for districts?

Answer:

Under the School Act, Boards of Education must submit balanced budgets each year or risk not fulfilling the Board's duties and obligations. That said, it does not prevent Boards from requesting or advocating for a deficit to be repaid over time with the permission of the Minister.

However, if the premise of SD61's context is we have a structural deficit, and have had for some time in good years, and we put off balancing that deficit to future years, are we attending to the structural deficit or adding to it? In other words, will things be any better in 2022-2023 or subsequent years?

There is a risk to requesting permission to carry a deficit in that future expected expense savings or revenue increase may not materialize, thus making the deficit worse. The intent of the annual budget is to use the current year's revenue to pay for the current year's expenses and that any underspend or surplus at year end will be allocated to one time initiatives that do not need to be continued from year to year. In this way we are better able to adjust to fluctuations in revenues and expenses from year to year.

Question 23:

Roughly how much of the international student fees goes into general school revenue? I thought most of it went to supporting the international students.

Answer:

Typically, pre covid, the international program provides the district with 30% of its revenue. With declining enrolment during COVID-19 in 2020-2021 and only partial recovery anticipated for 2021-2022, that contribution remains at 30% plus the increased student teacher ratio change from 18:1 to 20.5:1 to add additional savings to the district's bottom line. Despite the change in ratio, schools still retain the pre-covid supply allocations to be spent at the Principal's discretion.

Question 24:

How do we go about advocating for music/band/choir to become core subjects?

Answer:

Band is not core curriculum in BC.

Therefore if the Board were to deem it so, it could do so by:

- 1) requesting it of the Ministry. However, without a funding model change at elementary and middle school, simply making band/choir/strings core would not help the Board pay for elementary and middle school band/choir/strings; or*
- 2) Board motion to develop a policy as a local decision. First the Board would need to decide now where the funding to maintain \$1.5m would come from for the upcoming and future years, despite potential revenue and expense fluctuations. If the Board developed a policy, it would need a variance to alter the policy for any subsequent year if finances required a change. By making a local decision to make band/choir/strings a core subject with the current investment, it reduces the flexibility each year during budget considerations and could hamper the Board's allocations in another area if required.*

Question 25:

Is having a partially parent-paid band program viable? Example: pay what you can. I've heard lots of support for this from the band parent community.

Answer:

If band were treated as an extra-curricular activity, fees can be charged. Similarly, if band were an academy, fees can be charged, similar to baseball academy at Lambrick and other academies in the District. School and district hardship policies would need to be taken into account as well as the viability of the staffing model in that some/most of the staffing would still need to come from the Principal's staffing allocation from District. Fees and academies must be Board approved prior to the fee being charged.

Question 26:

Could half of the \$15m Lansdowne land proceeds be applied to the \$7m deficit?

Answer:

Proceeds from disposal of land are not at the Board's discretion to pay for things in the operating budget. Proceeds may only be spent on capital. Capital is typically a physical thing that is valued at over \$5,000.

Treatment of Proceeds from Land Disposal/Sale		
	Local Capital	Shared Capital
Purpose	Purchase of land, buildings, vehicles, furniture & equipment, computer hardware and software over \$5,000	Purchase of land, buildings, vehicles, furniture & equipment, computer hardware and software over \$5,000
General Use	Minor or major renovation to buildings, purchase of computer hardware and software, furniture & equipment and vehicles	Land acquisition, major capital upgrades, especially where District chooses a more expensive option than the MOE suggests (Ie Vic High renovation vs new build)
% of proceeds	25%	75%
Trigger to spend	Board Motion	Board Motion and Ministry Approval
Ability to spend on operating expenses	No	No

Question 27:

How will trustees participate the decision making process beyond receiving information through working sessions?

Answer:

Trustees participate at their regularly scheduled meetings and through the Board's extended budget process. The Trustees can suggest changes and tradeoffs (if putting money back "here", it should come from "there") to the budget on the following dates:

- *April 21, 2021 Public Information Meeting*
- *April 26, 2021 Regular Open Board meeting*
- *May 3, 2021 Education Policy & Directions Committee meeting (Committee can only make recommendations to the Board; no decisions at Committee)*

- May 10, 2021 Operations Policy & Planning Committee meeting (Committee can only make recommendations to the Board; no decisions at Committee)
- May 17, 2021 Regular Open Board meeting; decision time with 2nd and 3rd readings
- May 18 - May 31 - TBD

Question 28:

Can you clarify exactly how the “K-5 Balanced Literacy Support” reinvestment of \$500,000 will be allocated? How much of the \$500,000 will go to administrative staffing, how much will go to resources, and how much will go to teacher and Education Assistant staffing? How will it be divided between schools?

Answer:

The \$500,000 has not been broken down into school allocations yet because it is new and it is not known if it will be approved in the budget. It is only a consideration at this point.

Schools use a variety of literacy strategies and approaches: Dr. Richard Allington’s Six T’s, side-by-side reading, Reading Recovery, Jolly Phonics to name a few. If approved, schools will be canvassed to determine where they are in their K-5 continuum of literacy skills in the areas of:

- *K-1 Early comprehensive literacy approach*
- *Grade 2-3 Developing comprehensive literacy approach*
- *Grade 4-5 Creating independence*

The framework for year one is below:

Cost for Comprehensive K-5 Literacy “Coach Approach”

Year One	K-1 Comprehensive & Early Intervention Series (28 schools – 6 sessions) \$320,000	Grade 2-3 Literacy Collaboration Inquiry Teams – (4 sessions/collaboration time) \$45,000	Grade 4-5 Literacy in all Content Areas – (3 sessions) \$21,000	Side By Side Reading Intervention & Supports \$10,500	K-5 Running Records Assessments (3 Sessions) \$13,500	Bundles of Books – 100 Books to every K, 100 Books to every Gr. 1 \$120,000 Eng \$35,000 FRIMM	Total Session & Bundle Cost for Year: \$530,000
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Question 29:

Why does the District feel the “K-5 Balanced Literacy Support” reinvestment is necessary? Is this addressing identified gaps in literacy instruction district-wide? Could this money be better spent retaining some of our current programs and staffing levels?

Answer:

Currently the annual budget invests approximately \$500,000 in Reading Recovery, not including the school staffing portion, serving:

- *14 out of 27 elementary schools*
- *approximately 90 out of 611 grade 1 students; or*
- *approximately 90 out of 8,740 elementary school students.*

K-5 Balanced Literacy Support invests \$500,000 district wide and will serve:

- 8,740 out of 8,740 elementary school students; and
- 27 out of 27 elementary schools

The investment of \$500,000 under the K-5 Balanced Literacy Support model provides more services to more students at more elementary schools.

Of note, schools maintain the school staffing portion they traditionally put toward Reading Recovery so that schools can continue to use their trained teachers to provide a literacy program similar to the “all rights reserved” reading recovery program if they choose.

The District staffing FTE is not available to schools in the proposed budget.

Question 30:

What functional, day-to-day consequences do you expect from the proposed 10% cut to vice-principals’ admin hours? Are we to understand that vice-principals are needlessly idle 10% of the time? Or conversely, do we expect vice-principals to simply complete their admin work 10% faster in response?

Answer:

There is no understanding that any staff have idle time. Everyone is working very hard to create the best opportunities for students. As salaried employees, there is an expectation that work will be done outside of regular office hours, as Vice-Principals and Principals do now even with the addition of the 0.1 FTE. As well, Principals’ 1.0 FTEs are allocated 100% admin time in their school staffing allocations and Principals will further contribute to administration of their schools and pick up more of the decreased admin time tasks.

In terms of equity in the district in future years we need to look at the overall enrollment along with other school profile criteria to determine the appropriate number of Vice-Principals at schools. Currently there is at least one vice-principal in each of our schools regardless of size.

MAY 3, 2021 UPDATE

Question 31:

At the last Public Budget Information Session, Trustee Watters indicated that if there was enough interest, we could host another Public Session before May 17. Is that being planned?

Answer:

A follow up public information session has not been planned at this time.

Question 32:

What impact will the provincial budget have on your budget?

Answer:

School Districts have not been advised of any further impact of the provincial budget on school district budgets.

Question 33:

Why music cuts? Why not administration? Why Education Assistant Cuts?

Answer:

NOTE: for information: at its April 26, 2021 Regular Open Board meeting the Board directed staff to add \$482,000 to music and \$400,000 to Education Assistants. The music add back provides core band at Grade 6, 7, and 8, along with reinstatement of District Ukulele, and also adds District Indigenous Drumming.

Because of the \$7m deficit, the District reviewed all facets of the organization, some of which included a music review and reduction due to the funding model at middle school limiting student funding to 1.0 FTE per headcount, with no ability to generate Ministry funding beyond the bell like secondary schools can do. The District has been investing \$1.5m in music programming in SD61 for years, without much of the funding to go along with the initiative.

Education Assistants were reduced because they tend to be added back during the year as level 1/2/3 students are identified in our Ministry re-calculation after the September 30, 2021 student data collection process.

Administration was reviewed, along with other reductions considered but not actioned, like daytime custodians, late French immersion classes, Principals/Vice-Principals reduction in small elementary schools, District Education Assistants and Management staff positions. Principal, Vice-Principal and Management staff contracts involve a notice period and severance cost that does not realize savings in the immediate upcoming year. This does not preclude the District from beginning notice and severance processes in 2021-2022 for savings in 2022-2023 and subsequent years and notice is served and severances budgeted.

Question 34:

Why did you not mention the addition surplus identification of \$1.1m from Monday's (April 26, 2021) meeting in the survey? Isn't the deficit only \$6m now?

Answer:

The budget will change between now and May 17, 2021 as we continue to monitor our key indicators: surplus project, enrolment and savings/spending pressures. If we held the survey until all changes were known we would run out of time to gather the necessary feedback by May 17.

Question 35:

Teacher-Librarian FTE was brought back following the court ruling, up to the levels present prior to the removal of class size composition ratios in our (GVTA) collective agreement. Are we currently meeting the District ratio for Teacher-Librarians to students?

Answer:

Yes. All drafts of the budgets presented to the Board have met the Collective Agreement requirements for ratios and class size.

Question 36:

After Monday night's (April 26, 2021) Board meeting, strings and choir were providing the least of the savings of the three and yet, are the ones that continue to be cut?

Answer:

After Draft 3 of the budget and balancing strategies were presented on April 13, 2021, feedback from both parents, staff and Principals/Vice-Principals at both Middle and Secondary was that to provide the necessary skill level to provide secondary band programs, a robust band needed to be provided at Middle. Therefore core band at Grade 6, 7, 8 is now reinstated.

While recognizing the value of all forms of music education, the Greater Victoria School District has prioritized Band Programs in the middle years, as middle school bands have traditionally attracted the largest number of participating students. Through these grade 6 to 8 band programs, middle years students learn to read music, play an instrument, and develop their musicianship, laying the foundations for more advanced band experiences in high school.

In addition, all of our middle schools receive a supplemental and flexible block of more general music education time intended to enhance student exposure to music beyond core band, and some middle schools incorporate more general music education into their rotational Exploratory Program too.

Strings at Elementary and Middle was not provided equitably across the district with only some schools receiving the staffing and program. Strings was a pullout model, whereby a teacher would have 8 or so students leave their class for strings, while the other students not taking strings, remained in their classroom for other instruction, making the organization of class time more complicated.

Question 37:

The Ministry has indicated that they have increased funding this year by 6% as of April 20, 2021 – is this 6% already included in your revenues for the current draft budget?

Answer:

Yes. The Ministry's funding announcement is provided to School Districts typically on the last Friday before Spring Break. Schools District's received the Ministry's funding announcement for

2021-2022 on March 12, 2021. Therefore any draft of the budget provided after March 12, 2021 included the increased funding from the Ministry.

Question 38:

What is the current enrolment and International Student Program (ISP) enrollment deficit for the 2021-2022 year?

Answer:

The District does not create a profit and loss statement for each of its line items. However, some comparisons are provided below for regular enrolment:

Year	Description	Regular Enrolment (Sept 1701 Sign Offs Incl Adult) - All	Enrolment Increase / (Decrease) from Previous Year	Funding Increase / (Decrease) from Enrolment Change
2019-2020	Pre-Covid	19,659		
2020-2021	Covid	19,362	(297)	(2,341,845)
2021-2022	Covid	19,332	(30)	(236,835)
2022-2023	Post-Covid	19,446	114	902,337
2023-2024	Post-Covid	19,508	62	489,595

The ISP budgeted profit loss statement is provided below:

REVENUES	REGULAR PROGRAM PRELIM BUDGET		SHORT PROGRAM PRELIM BUDGET		Total Short and Regular Program Revenue	
	REVENUE BUDGET		REVENUE BUDGET			
TOTAL REVENUE	800.0	11,752,750	313.0	783,844	1,113.0	12,536,594
EXPENDITURES	REGULAR PROGRAM PRELIM BUDGET		SHORT PROGRAM PRELIM BUDGET		Total Short and Regular Program Expenditures	
	FTEs	Expend. Budget	FTEs	Expend. Budget		
Sub-Total Salaries & Benefits	67.416	7,085,999	4.200	406,770	71.6	7,492,769
Supplies and Services						
Student Transportation and Journeys		5,000		20,000		25,000
Professional Development and Travel		100,200		5,000		105,200
Local Mileage		5,000		0		5,000
Membership Fees		7,400		1,675		9,075
Credit Card and Bank Service Charges		32,500		0		32,500
Advertising & Printing		70,000		20,000		90,000
Contract Services / Miscellaneous Services		80,000		56,493		136,493
Agent Fee		423,554		40,000		463,554
Postage & Courier Services		32,500		1,000		33,500
Office Supplies, Photocopying, Cell Phones, Books and Guides		70,000		56,000		126,000
Computer & Equipment Purchases		2,500		1,000		3,500
Sub-Total Supplies & Services		\$828,654		\$201,168		\$1,029,822
SCHOOL ALLOCATIONS						
General Supplies:						
Elementary (\$4,000/FTE)		100,000				100,000
Middle & Sec (\$113.40/FTE)		84,483				84,483
Textbooks (\$47.45/FTE)		35,350				35,350
Equipment Purchases		3,688				3,688
Sub-Total School Allocations		\$223,521		\$0		\$223,521
TOTAL EXPENDITURES BUDGET BY-LAW	67.42	\$8,138,174	4.20	\$607,938	71.62	\$8,746,112
LABOUR SETTLEMENT FUNDING FOR WAGE INCREASES		(\$497,740)		(\$20,290)		(\$518,030)
Grand Total Expenditure Budget	67.42	\$7,640,434	4.20	\$587,648	71.62	8,228,082
Revenue over expenditures (After Labour Settlement Grant)		4,112,316		196,196		4,308,512
% OF GROSS REVENUE TO TOTAL REVENUE		34.99%		25.03%		

Question 39:

Re: the new memo that was presented at the Board meeting tonight (April 26, 2021), where does the Grade 5 Strings program fall into the new music options?

Answer:

Grade 5 Strings was not added back / reinstated in the memo or by the Board on Monday, April 26, 2021.

Question 40:

Specifically, it appears as though Principals/Vice-Principals, support staff and other professionals see an increase to their lines of the budget from 2020-2021 to 2021-2022 and the Teachers, Education Assistants, Substitutes and benefits all see decreases to them. Do Principals, Support Staff and Other Professionals have a bigger impact on the strategic goals than Teachers and Education Assistants? Where is the logic in increase to these areas?

Answer:

In each budget year, increases to wages and benefits are provided to all employees, depending on Collective Agreements, individual contracts and budget. These increases increase the wages expense in budget line items.

Between the 1991-1992 school year and the 2021-2022 (estimate) school year, wages increases by employee classification are as follows:

Classification	Increased Wages 1991 to 2022
Teachers	56%
ASA	56%
CUPE 947 (Education Assistants, Clerical, Supervision, Info Tech)	47%
CUPE 382 (Facilities, Operations, Transportation)	50%
Principals/Vice-Principals	59%
Management	42%
Trustees	28%

Reductions in the 2021-2022 budget wage line items for Teachers and Education Assistants result from a reduction in FTE contemplated in the balancing strategies of approximately 2.5% of the workforce for each. At this same time last year we anticipated 998 full time equivalent Teachers and 516 Education Assistants. Teacher and Education Assistants also increase and decrease with enrolment increases and decreases.

Similarly, at the Board Office, there is a 2.23% reduction in Principals/Vice-Principals by redeploying them to administration absences, retirements and other vacancies in schools. At this same time last year we anticipated 114 Principals/Vice-Principals.

The Support Staff line item is CUPE 382, our facilities, operations (custodial) and transportation employees. In the current budget there are no reductions in the CUPE 382 workforce given the historical reduction in this area because it is incorrectly perceived to not directly service students. With shops, playground, environmental hazards (lead, mold), climate emergency and deferred maintenance pressures, our infrastructure has been neglected over time and a focus must remain on improving our learning environments for health and safety, as well as providing engaging places to learn. With COVID-19 still in our realm for the 2021-2022 school year, and no supplemental provincial or federal funding, it is prudent to maintain custodial hours.

Substitute wages nearly always reduce back down to the previous year’s preliminary budget as a baseline estimate. Substitute salaries are extremely difficult to predict year to year because they encompass both day to day absences (flu, colds, and medical appointments) and long term leaves (maternity, medical). As the year progresses more budget is added to substitutes as required from other areas of the budget and most often from regular wages line items due to

hiring lags (timing between budgeting the person hours and post, fill and actual start date of the appointment).

Question 41:

Since 2014-2015 the “Principals/Vice-Principals” have seen an almost 40% growth (\$4,063,295 increase) with \$938,757 in growth from 2019-2020 to 2020-2021 alone. Why are we adding Principals/Vice-Principals when I don’t believe we are adding schools? They seem to be taking a disproportionate piece of the pie – why?

Answer:

The dollar increase from year to year is made up of two factors: the number of employees and the % increases available in the school year.

% increases since 1999 are reflected in Question 40 above.

For the 2021-2022 school year, Sundance Elementary will re-open as an SD61 school, formerly leased to l’Ecole Beausoliel, SD93. Therefore one school has been added to SD61 from 2020-2021.

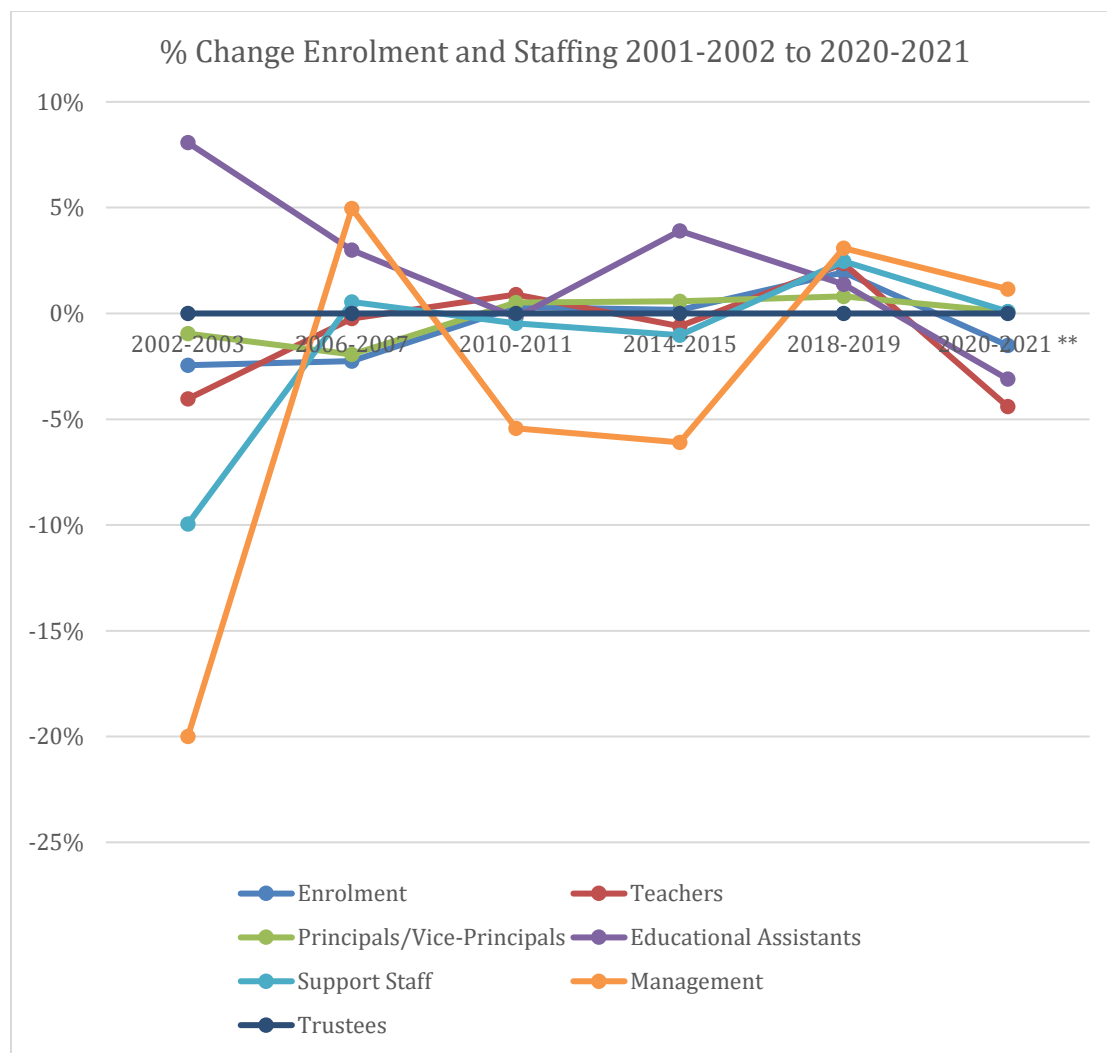
Below is an analysis of enrolment and staffing levels for various employee classification over 20 years.

Operating	Enrolment	Teachers	Principals/Vice-Principals	Educational Assistants	Support Staff	Management	Trustees
2001-2002	21,346	1,079	115	363	449	45	9
2002-2003	20,824	1,036	114	392	404	36	9
2003-2004	20,226	1,040	108	371	382	34	9
2004-2005	20,114	1,029	103	374	361	38	9
2005-2006	19,765	1,042	103	407	369	40	9
2006-2007	19,321	1,040	101	419	371	42	9
2007-2008	19,222	1,035	100	441	373	41	9
2008-2009	19,052	1,051	100	461	377	40	9
2009-2010	18,767	1,048	100	442	370	37	9
2010-2011	18,823	1,057	101	441	368	35	9
2011-2012	18,679	1,054	102	452	363	35	9
2012-2013	18,634	1,059	103	451	362	35	9
2013-2014	18,430	1,039	104	459	366	33	9
2014-2015	18,461	1,032	104	477	362	31	9
2015-2016	18,724	1,048	101	475	359	34	9
2016-2017	18,898	1,056	106	513	363	36	9
2017-2018	19,142	1,074	107	521	359	39	9
2018-2019	19,514	1,099	108	528	368	40	9
2019-2020	19,659	1,101	110	521	366	40	9
2020-2021 **	19,362	1,053	111	505	366	40	9

Also below is an analysis of enrolment and staffing % change over time. Principals/Vice-Principals are not out of line with enrolment trends.

It's also important to understand the Public Sector Employment context over time. Between 2010-2011 school year and 2014-2015 school year, Principal, Vice-Principal and Management staff salaries were frozen with 0 increases.

Because Teacher salaries increased per the negotiated collective agreements over time, and because Principals/Vice-Principals supervise Teachers, salary compression occurred where Vice-Principal salaries were close or below the highest paid teachers for a time. When the compensation thaw was approved by Public Sector Employer Council (PSEC) via BCPSEA, Principals/Vice-Principals were provided larger increases in the last 5 years to address salary compression and right-size the salary structure as well as the reporting structure.



Question 42:

Kim Morris said that eliminating from some positions would result in severance pay, and not result in immediate savings – but this argument can be used every year to protect these positions – I thought she was trying to create a balanced budget that was sustainable?

Answer:

It costs money to layoff management staff due to contractual severance provisions.

If we gave notice and severance to employees now, it would require us to use 2020-2021 surplus which would reduce the amount of surplus to balance the 2021-2022 budget (\$5.864m after the April 26, 2021 surplus re-calculation) resulting in further cuts to other areas.

If we provide notice and severance STARTING in the 2021-2022 school year, we would be able to wrap up most of the cost of severance in the 2021-2022 school year, thus providing savings for the 2022-2023 and subsequent budget years.

Examples	Severance Paid 2020-2021	Severance Paid 2021-2022
Position	Manager of XX Department	Manager of XX Department
Years of Service	5-10	5-10
Months Severance	12	12
Total Value of Severance including Health and Welfare Benefits	(119,830)	(119,830)
Position	Assistant Manager of XX Department	Assistant Manager of XX Department
Years of Service	2-5	2-5
Months Severance	9	9
Total Value of Severance including Health and Welfare Benefits	(78,194)	(78,194)
Position	Coordinator of XX Department	Coordinator of XX Department
Years of Service	10 or more	10 or more
Months Severance	18	18
Total Value of Severance including Health and Welfare Benefits	(140,503)	(140,503)
	(338,527)	(338,527)
	Further 2021-2022 Reductions Required to pay for Severance	Severance contained in 2021-2022 Budget; no surplus required

Question 43:

During the April 21, 2021 Public Information session, a band chart was displayed showing school enrolment and band staffing. At first glance the graph shows inequity in the district. However there is a flaw: the graph should display the number of band students compared to band staffing.

Answer:

Agreed. When presented, the presenter indicated overall school enrolment, not band enrolment. Interestingly, the way middle schools are organized under an advisory system, and the way report cards are produced, there is no attendance record for band, nor course marks in our student information system. Moving forward, given the middle school add back of core grade 6, 7,8 band, more accountability in terms of attendance and reporting will be required in order for the District to truly understand the data for our band programs and any impacts change may make.

Question 44:**Why does the middle school music staffing have to be only for band? Why not choir?**

Answer:

While recognizing the value of all forms of music education, the Greater Victoria School District has prioritized Band Programs in the middle years, as middle school bands have traditionally attracted the largest number of participating students. Through these grade 6 to 8 band programs, middle years students learn to read music, play an instrument, and develop their musicianship, laying the foundations for more advanced band experiences in high school.

In addition, all of our middle schools receive a supplemental and flexible block of more general music education time intended to enhance student exposure to music beyond core band, and some middle schools incorporate more general music education into their rotational Exploratory Program too.

Finally, the school district supports an Indigenous drumming opportunity in all schools, and we have a district-wide K to 12 Ukuleles Program for interested students to engage in further music education opportunities.

Question 45:**What is the District's current investment balance of the Central Deposit Program (CDP) with the Ministry?**

Answer:

\$36m at March 31, 2021.

Question 46:**Could you please confirm why this money (or a portion of this money) cannot be used to meet reductions in revenue from reduced enrolment as a result of the pandemic?**

Answer:

The Cash Deposit Program is a mechanism for the Province to use cash from school districts to fund capital and other projects, instead of borrowing. A school district has the discretion to invest as much or as little cash in the Cash Deposit Program as it sees fit, until such time as the school district needs the cash, at which time the district can request the cash be drawn down.

The reason cash on deposit with the Ministry of Finance is not redirected to capital projects, operating budget shortfalls or other pressures when they arise, is because the accumulation of cash is largely made up of unspent externally targeted funding from the Ministry of Education and unspent internally targeted funding from donations, parents and school fundraising efforts.

There are no specific monies that are moved into the CDP. Rather a school district will look at the cash it has, determine what cash is required for day to day operations and invest the rest.

The CDP represents an investment the District has determined is low risk, and will generate interest revenue.

In School District No. 61, the \$36m on deposit (March 31, 2021) with the Minister of Finance is made up of items like:

\$6m Carry Forward in Special Purpose Funds

Examples of Special Purpose Funds are Federal French, CommunityLINK, donations held in trust for scholarships and bursaries, school generated funds (schools' non-public funds), Classroom Enhancement Funds (restored teacher collective agreement language).

When the Ministry targets funds, the District has no discretion in how to spend them and may not use them for any other purpose except for the purpose for which they are given.

Internally restricted Special Purpose funds like donations are targeted to specific initiatives like scholarships and bursaries. The District has no discretion in redirecting these monies to other pressures.

Schools' non-public funds are at the Principal's discretion to spend, but are targeted because the funds are largely fundraised by the school via parents and outside agencies for field trips, special events, athletics and clubs. These targeted funds may also include fees for academies. The District has no discretion to redirect these funds from schools to District priorities without consultation with Principals and significant consultation with the community, mainly parents.

\$9m Unspent Capital Reserves

Capital Reserves are similar to Special Purpose Funds except instead of the day to day operations for Ministry initiatives, the monies are provided to districts for capital projects like window replacements, roofing, boiler and HVAC upgrades etc. Examples of Capital Reserves are Annual Facilities Grant (minor capital upgrades for building repair and maintenance), MCFD New Childcare Spaces funding (building structures to house childcare on District sites), Industry Training Authority (ITA) capital funding for Youth Trade Capital (upgrading shops with lathes, saws, etc. and upgrading other trades spaces in schools to advance careers in the trades) and major capital projects like Vic High Seismic and Expansion project.

The District has no discretion in redirecting these monies to the operating budget. The funds must be spent on the projects for which the funder approved them.

\$3m Employee Future Benefits

Schools districts in BC must fully fund any potential costs of the provisions/articles of employment contracts including collective agreements. Examples of potential costs are: vacation payouts, days in employees' sick leave banks, employee overtime banks, retirement allowances, severances etc.

If the District were to redirect these funds to other initiatives or capital projects, the District would not be fulfilling its obligation to have fully funded the provisions of its contractual obligations to employees, and would not have upheld the Ministry of Education's directive in this area.

\$3m Appropriated Surplus

When a school district does not spend all the money it intended to in its annual budget, the leftover money is called surplus. It can build over time and becomes Accumulated Surplus. From year to year Boards will decide how they want to spend their surplus. Once the Board decides on a purpose for the surplus, the surplus then becomes appropriated surplus. Currently 100% of the projected 2020-2021 accumulated surplus is expected to balance the 2021-2022 budget.

\$3m School Carry Forwards

In addition to a school's non-public funds above, each school is given a district allocation of funding from the annual Ministry of Education operating grant and other revenues (like our International Student Program or rentals of facilities). This school budget is also known as the public funds. The district allocation to schools is for the day to day operation of the building (phone, photocopying, postage) and resourcing the school for learning (learning resources, library, counselling, inclusive education etc.). Schools in the District are able to carry forward from one year to the next, their unspent funds within set limits (\$40,000 per elementary and middle schools, and \$80,000 per secondary school). The District has made it a practice to allow schools to carry forward unspent funds at year end, with the intent of spending the funds in the following year. The District does not have the discretion to redirect these funds from schools without significant consultation with Principals and Vice-Principals and the Board.

\$4m Unspent Project Budgets

In addition to schools' carrying forward of surplus amount, the District also has unspent project funds at the end of any given year. Unspent funds may be in the areas of Indigenous education (no discretion to redirect), career planning and pathways, in-service, managed print strategy, healthy schools, technology, inclusive learning contingency, internal compliance audits, among others. The appropriation of these funds is determined in the fall as part of the District's year-end financial statements received by the Board. Appropriating these carry forwards is at the discretion of the Board but has been set for the 2020-2021 school year. It is unknown what unspent projects may be, if any, by June 30, 2021.

\$8m Working Capital

At any given time, the District requires cash to pay its bills (for example the District had \$25m accounts payable at its June 30, 2019 year-end). Cash is held for the time between ordering the goods or service, and the time the goods and services are received and paid for. If the District re-directed these funds to the operating budget, it would risk being unable to pay for its existing orders, benefits, utilities, statutory deductions and other day to day operations.

Essentially the cash in the district's bank account and cash on deposit with the Ministry is unspent funding that is either internally and externally restricted (no discretion) or has been appropriated for use in a current or future fiscal year by Board direction.

The redirecting of any of these funds would be fiscally irresponsible because the District would not be able to uphold its obligation under funding agreements (not using the money for the purpose for which it was given), Ministry directives, or budget decisions made by the Board.

Question 47:

What is the breakdown of the school assistant and clerical reductions in the budget?

Answer:

	Spring 2020 2020-2021	Spring 2021 2021-2022	Increase/ (Decrease)
Clerical: Library and School Admin 141	101.54	94.48	(7.06)
School Assistant: Regular Classroom 102	12.81	8.42	(4.39)
Total	114.35	102.90	(11.45)

Question 48:

The operating budget actually increased (by \$317,377) for this year and also increased as compared to 2019-2020 (by \$6,820,920). Why is it difficult to balance the budget?

Answer:

The amounts referenced above are correct when comparing Schedule 2C of the 2019-2020, 2020-2021 and April 13, 2021 version (post balancing strategies reductions and reinvestments) of the 2021-2022 expenditures on the Ministry budget template.

When looking to balance the budget we look at all the revenue line items, including availability of surplus and expenditure line items.

A summary of the impacts of decreased revenue and surplus and increased expenses as at April 13, 2021 is provided below. The combination of decreased revenue AND increased expenses makes the budget difficult to balance.

Revenues:	
Operating Grant Increase	6,563,865
Labour Settlement Grant Decrease	(5,654,057)
International Increase	3,264,366
Other Revenue Increases	(714,639)
Surplus Decrease	(6,060,111)
Overall Decrease in Revenue	(2,600,576)
Expenses:	
Wages Increase before Balancing Strategies	4,871,903
Benefits Increase before Balancing Strategies	1,138,085
Services & Supplies Increase before Balancing Strategies	(2,528,643)
Overall Increase in Expenses	3,481,345
Net Pressure on Budget before Reductions:	
Decrease in Revenue	2,600,576
Increase in Expenses	3,481,345
Shortfall	6,081,921

Question 49:

Please provide a list of all District investments.

Answer:

Account	Mar 31-21 Balances	Comments
Petty Cash – Bank Accounts and/or Floats	\$9,790	Various: Schools and Departments
Operating Bank Accounts	-360,013	CIBC: Regular, Payroll, EFT, Non-Public, ISP (2), CE, USD
CIBC Investment Account	23,729,350	CIBC: Daily transfers to/from Operating Accounts
CDP Investment Account	36,207,338	Ministry of Education
Ontario Bond	499,658	CIBC Expires June 2027
Total Cash and Investments	\$60,086,123	

Question 50:

What are the professional development budgets in the District?

Answer:

Teachers

Direct Professional Learning Opportunities Funding	District or GVTA	One-Time or Ongoing	Amount	Contractual	In Budget V3
GVTA Mentorship Funds	Cheque to GVTA	One time \$435k funds from Ministry	\$ 65,000	N	\$ -
GVTA Mentorship Funds	Held at District	One time \$435k funds from Ministry	370,000	N	-
Mentorship (District Funds)	Held at District	19/20 Department Carry Forward	23,103	N	-
Curriculum & Learning Support Fund	Cheque to GVTA	Ongoing Funding, but not contractual	50,000	N	-
Equity of Opportunity	Cheque to GVTA	No longer built into 21/22 budget	100,000	N	-
GVTA Pro-D (conferences)	Cheque to GVTA	Contractual	82,333	Y	81,792
GVTA Pro-D (Tapestry)	Cheque to GVTA	Contractual	4,880	Y	4,880
GVTA Pro-D (TTOC Time)	Held at District	Contractual	27,444	Y	27,264
Total			\$ 722,760		\$ 113,936
Per Employee: 998 (2020-2021) & 974 (2021-2022)			724		117

CUPE 947

Direct Professional Learning Opportunities Funding	One-Time or Ongoing	Amount	Contractual	Built in V3
CUPE 947 Professional Development Funds	Ongoing	\$ 36,044	Yes	36,044
EA Bridging Program (2 sessions, 34 participants total)	One-Time	10,930	No	-
Total		\$ 46,974		\$ 36,044
Per Employees: 516 (2020-2021) and 503 (2021-2022)		91		72

CUPE 382

Direct Professional Learning Opportunities Funding	One-Time or Ongoing	Amount	Contractual	Built in V3
Professional Development Fund	One-time	103,078	Yes	51,539
Professional Development Annual Budget	Ongoing	5,100	Yes	5,100
Total		\$ 108,178		\$ 56,639
Per Employees: 184 (2020-2021) and 184 (2021-2022)		588		308

ASA

Direct Professional Learning Opportunities Funding	One-Time or Ongoing	Amount	Contractual	Built in V3
Professional Development Fund	One-time	15,695	Yes	-
SLPs and Psychologists \$325/FTE	Ongoing	4,810	No	4,810
Departmental Pro-D funding for job specific training	Ongoing	n/a	No	
4 days professional development leave with pay	Ongoing	n/a	Yes	
Total		\$ 20,505		4,810
Per Employees: 25 (2020-2021) and 25 (2021-2022)		820		83

Principals/Vice-Principals

Direct Professional Learning Opportunities Funding	One-Time or Ongoing	Amount	Contractual	Built in V3
Professional Development Annual Budget	Ongoing	115,000	Yes	115,000
Total		\$ 115,000		\$ 115,000
Per Employees: 114 (2020-2021) and 114 (2021-2022)		1,009		1,009

Management

Excluded contracts indicate that professional development funds are available. Excluded contracts do not dictate a fixed dollar amount of professional development like collective agreements and the Principal/Vice-Principal contracts do, and vary from year to year. The travel and pro-d line items in department budgets:

- tend to be rollover budgets, not meaningfully based on contractual pro-d;*
- include regular day to day mileage and non-pro-d travel; and*
- include pro-d and travel for the department's workforce, which can be made up of various classifications of employees (Principals and Vice-Principals, CUPE employees or Teachers)*

Therefore the total pro-d available to excluded staff by person is difficult to calculate without significant historical analysis and examination of source documents.

In order to track expenses in any meaningful way, separate general ledger accounts could be assigned to each excluded staff member adding 40 additional accounts to the trial balance, for the sole purpose of charging pro-d costs.

The Statement of Financial Information (SOFI) "Expenses" column may give some indication, however other costs such as association or membership dues, moving expense reimbursement in the year of hire, and other expenses are included in this total. The Expenses column of the SOFI is not pro-d expense on its own. The SOFI report can be found here:

<https://www.sd61.bc.ca/our-district/financial/statement-of-financial-information-sofi/>

Trustees:

Trustees have a rollover budget of \$18,000 which is \$2,000 per Trustee.

Question 51:

I understand the proposed removal of Reading Recovery and proposed investment of "K-5 Balanced Literacy Support" is to allow all elementary schools to have equal access to literacy programs. As reading recovery has proven to be a successful program, I am curious why it is not being expanded rather than replaced. Can you please advise if the K-5 Balances Literacy Support is based on any proven programming or evidenced based successes? If not, what is it based on? How will you measure success of the new supports compared to reading recovery? How will it be rolled out consistently across all elementary schools?

Answer:

As reading recovery has proven to be a successful program, I am curious why this is not being expanded rather than replaced.

- Reading Recovery has been offered in only 14 of 27 elementary schools. It is a pull-out program. Current district costs are approximately \$485,000. If it were extended to all 28 schools in 2021-2022, the cost for the district would be approximately \$1.2 million dollars. That cost would be supporting approximately ten percent of all grade ones in our system.*
- It is important to expand the professional learning opportunities and understanding of current research more broadly to include the full school community (K-5).*

Can you please advise if the K-5 Balanced Literacy Support is based on any proven programming or evidenced based successes?

- Literacy support will be grounded in current literacy research. The support will identify key areas of instructional focus and connect assessment, planning and programming for all students.*
- The support will align with the redesigned curriculum and the use of the Ministry of Education's new Literacy Proficiency Benchmarks (New BC Literacy Performance Standards).*

If not, what is it based on? How will you measure success of the new supports compared to reading recovery? How will it be rolled out consistently across all elementary schools?

- *The implementation plan will include consultation with schools to identify key areas of focus. The District Team will support professional learning opportunities aligned with the focus areas. Options for implementation may include: coaching, mentoring, the development of pedagogical practice, instruction and support on specific tools/materials for discrete aspects of literacy, and on-going development of the Connecting Assessment Planning and Programming (CAPP) website.*
- *Literacy success will be measured through a variety of assessment tools.*

May 14, 2021 : Questions 52 - 58

Question 52:

It looks like there was a transfer of funds in capital operations to cover the deficit in the Capital Fund. What does the line “Net Transfers (to) from other funds” in the District’s financial statements mean?

Answer:

On Schedule 2 in the Schedule of Operations, “Net Transfers (to) from other funds” is made up of Tangible Capital Assets Purchased and transfers to Local Capital. Tangible Capital Assets Purchased refers to expenditures purchased from the operating fund that meet the definition of a Tangible Capital Asset (TCA). TCAs are non-financial assets that are held for use in the delivery of services, have a useful life of over a year, and are not to be sold in the course of normal operations. Examples of TCAs purchased by schools and departments include:

- *Print device replacements (photocopier/printers)*
- *Facilities vehicles*
- *iPads, Chromebooks*
- *Inclusive Education specialized equipment*
- *Network infrastructure*
- *Shop equipment & tools*
- *Floor polishers & electrostatic sprayers*
- *New furniture (desks, chairs)*

TCAs are not expensed in the year acquired; rather, they are moved to Schedule 4 Schedule of Operations (Capital Fund) and expensed over their useful life. For example, furniture and equipment is expensed over 10 years, so each year one year of expense is recognized. This shows up in the Capital Fund as “Amortization of Tangible Capital Assets.” On a monthly basis, Financial Services reviews the expenditures in the Operating fund and moves TCA over to the Capital Fund to be amortized. Therefore, this is not a transfer to cover the deficit in Capital. The line Tangible Capital Assets Purchased is made up of items actually purchased in the year using Operating funds. This amount varies year to year depending on school/department spending plans. TCA are part of student services (e.g. desks, chairs, iPads etc.) and therefore, must be factored in when assessing the Surplus (Deficit).

Local Capital reserves are accumulated Capital funds, generated either through a transfer from Operating or the sale of surplus land (25% from the proceeds typically go into Local Capital). Historically the District has budgeted a portion of Operating funds to be transferred to Local Capital to fund student device replacements, technology for learning and childcare capital. Rather than have a large expense in one year, the decision was made to build the fund up over multiple years. Transfers to Local Capital must have Board approval. Therefore, any transfers to Local Capital have been approved by the Board.

Question 53:

Why is there a deficit in the Capital Fund and is the District diverting Operating funds to pay for capital?

Answer:

The deficit in Schedule 4 Schedule of Capital Operations (Capital Fund) is a result of Expenses exceeding Revenues. The majority of Revenue is generated through the Amortization of Deferred Capital Revenue and the majority of Expenses are generated through the Amortization of Tangible Capital Assets. When a Tangible Capital Asset (TCA) is purchased, the TCA is moved to the Capital Fund and is expensed (Amortized) over its useful life (e.g. Furniture & Equipment is amortized over 10 years). If the District received capital funding to purchase the TCA, that money is recognized (Amortized) over its useful life as well. Therefore, if you purchase a TCA for which you have also received capital funding, you have a matching revenue (Amortization of Deferred Capital Revenue) and expense (Amortization of Tangible Capital Assets – Operations and Maintenance). The Capital Deficit for the year is a result of the District having a higher number of assets for which no capital funding was received (e.g. TCA purchased from Operating such as classroom furniture). The Ministry of Education allows Districts to incur a Capital Deficit. The deficit is not a result of projects being over budget. In Schedule 4 Schedule of Capital Operations, the line “Net Transfers (to) from other funds” is made up of TCA purchased from Operating and Special Purpose (Tangible Capital Assets Purchased) and transfers to Local Capital to fund future capital expenditures (e.g. student device replacements, Technology for Learning and Childcare capital reserve). These transfers are not made to cover any capital project deficits. Please refer to the FAQ titled “It looks like there was a transfer of funds in capital operations to cover the deficit in Capital. What does the line “Net Transfers (to) from other funds” in the District’s financial statements mean?” for additional information on these transfers.

Question 54:

Does SD61 have a structural deficit?

Answer:

Yes, the District has historically budgeted more expenses than revenues and has used surpluses from previous years to balance the budget. The budget is prepared based on the known information at that time. Factors arise during the year that cause over or underspending relative to the budget. These factors are not known when the budget is prepared, are unpredictable and the sources that cause these adjustments vary from year to year. When the

budget is prepared, an assessment takes place to determine whether any of the factors can be incorporated (e.g. is there a pattern of employee benefit changes?) and the budget is adjusted accordingly.

In the example below, SD 61's Schedule of Operating Operations is compared to other similar size districts to see how Operating underspend compares. The year 2018/19 was used so that no COVID impacts on operations would play a role (e.g. spending freezes, unspent TTOC/relief budgets, employee extended health benefit underspends). In the example below, it shows that SD61 does actually have a structural deficit. Tangible Capital Assets Purchased and Transfers to Local Capital must be incorporated into the analysis as they are budgeted operating expenses that happen to meet the criteria of a Tangible Capital Asset rather than an expense. Please refer to the FAQ "It looks like there was a transfer of funds in capital operations to cover the deficit in the Capital Fund. What does the line "Net Transfers (to) from other funds" in the District's financial statements mean?"

The Operating comparison below shows that SD61 budgets within 1% of budgeted revenues and is comparable to other similar sized districts within the Province. Furthermore, SD61 currently does not budget for a contingency; however per Regulation 3170 Board Reserves, the Board has determined that its total operating reserves should be maintained up to 4.5% of the total operating budget. Therefore, this 0.99% underspend falls within that range.

	Greater Victoria		Burnaby		Central Okanagan		Richmond	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Revenue	\$ 194,362,686	\$ 202,051,047	\$ 243,473,670	\$ 246,850,821	\$ 214,957,380	\$ 218,597,221	\$ 201,833,726	\$ 202,852,139
Expense	196,870,396	200,846,476	242,902,360	240,052,249	215,422,067	216,185,243	196,833,726	193,489,135
Operating Surplus (Deficit)	(2,507,710)	1,204,571	571,310	6,798,572	(464,687)	2,411,978	5,000,000	9,363,004
Tangible Capital Assets Purchased	800,000	2,596,773	-	309,653	1,395,928	732,842	-	545,320
Transfer to Local Capital	639,270	639,270	2,417,000	5,095,763	2,378,413	3,178,413	5,000,000	6,986,713
Total Operating Surplus (Deficit)	\$ (3,946,980)	\$ (2,031,472)	\$ (1,845,690)	\$ 1,393,156	\$ (4,239,028)	\$ (1,499,277)	\$ -	\$ 1,830,971
Underspend		1,915,508		3,238,846		2,739,751		1,830,971
Underspend as a % of Budgeted Revenue		0.99%		1.33%		1.27%		0.91%

Question 55:

What is the Central Deposit Program (CDP)?

Answer

- An investment account where the District holds funds until they are needed; earns higher interest rather than holding the funds in a general bank account earning less interest ("chequing" vs. "savings" account).
- Balance approximately \$36M.
- When funds are withdrawn from the CDP, they are moved to the general bank account; this doesn't happen unless general bank account balance is insufficient to cover short term cash demands.

Question 56:**What is the cash used for?***Answer*

- *Outstanding Accounts Payable*
- *Capital Reserves which must be spent on capital projects (cannot use for Operating expenditures)*
- *Amounts owing to employees such as vacation, sick leave, overtime, retirement allowances*
- *Special purpose fund balances which are restricted (district has no discretion in how they are spent)*
- *Scholarships, money collected for field trips, donations (e.g. playgrounds and breakfast programs)*
- *Carry forward funds to be used in the future*
- *School balances as per the board reserves policy*
- *Contractual obligations, such as professional development funds*

Question 57:**When was the last time the District withdrew funds from the Central Deposit Program (CDP)?***Answer:**The District withdrew \$9,000,000 between October 2018 and October 2019.***Question 58:****Can the District withdraw CDP fund to balance the budget deficit?***Answer:*

If funds are withdrawn, the general bank account balance would increase and the CDP investment account balance would decrease. The district would not earn as much interest, so we would have to decrease budgeted interest revenue, thereby increasing the structural deficit. Cash can't be used to balance the structural deficit; you have to look at the other side of the transaction and see what those cash balances are supporting

Example: My bank account shows a balance of \$100. It appears as though I can use these funds towards buying a new sweater. However, I have outstanding credit card and phone bills that need to be paid totaling \$100 and I'm not going to receive any additional money this month. Therefore, I don't actually have \$100 to buy a new sweater, as that money has been committed.

Unspent Amounts from Last Year (2019-2020) = Surplus used in this year's budget

	2019-2020 Financial Statements - Actual Spent				2019-2020 Amended Budget - Planned Spend				Unspent / (Overspent)			
	Salaries	Benefits	Services & Supplies	Total	Salaries	Benefits	Services & Supplies	Total	Salaries	Benefits	Services & Supplies	Total
102 Regular Instruction	79,183,316	16,605,157	3,332,984	99,121,457	80,569,785	18,340,317	4,926,318	103,836,420	1,386,469	1,735,160	1,593,334	4,714,963
103 Career Programs	1,258,706	291,553	712,931	2,263,190	1,273,976	290,846	790,668	2,355,490	15,270	(707)	77,737	92,300
107 Library Services	2,562,198	602,802	143,939	3,308,939	2,482,985	574,268	196,691	3,253,944	(79,213)	(28,534)	52,752	(54,995)
108 Counselling	3,069,384	712,976	2,251	3,784,611	2,970,737	686,931	8,486	3,666,154	(98,647)	(26,045)	6,235	(118,457)
110 Special Education	26,457,831	5,887,414	822,327	33,167,572	27,170,585	6,468,472	1,166,557	34,805,614	712,754	581,058	344,230	1,638,042
130 English Language Learning	2,297,740	526,785	16,306	2,840,831	2,456,334	563,123	159,599	3,179,056	158,594	36,338	143,293	338,225
131 Indigenous Education	1,480,437	325,815	578,864	2,385,116	1,701,988	344,186	670,199	2,716,373	221,551	18,371	91,335	331,257
141 School Administration	11,509,520	2,335,766	220,243	14,065,529	11,849,341	2,571,649	234,785	14,655,775	339,821	235,883	14,542	590,246
160 Summer School	147,846	33,744	12,498	194,088	140,173	31,919	12,498	184,590	(7,673)	(1,825)	0	(9,498)
161 Continuing Education	337,910	78,958	10,515	427,383	348,035	79,763	21,755	449,553	10,125	805	11,240	22,170
162 International Student Program	7,668,188	1,760,165	2,655,242	12,083,595	7,376,644	1,677,050	2,823,681	11,877,375	(291,544)	(83,115)	168,439	(206,220)
164 Other	10,459	2,706	0	13,165	10,838	2,536	586	13,960	379	(170)	586	795
Instruction Total:	135,983,535	29,163,841	8,508,100	173,655,476	138,351,421	31,631,060	11,011,823	180,994,304	2,367,886	2,467,219	2,503,723	7,338,828
411 Educational Administration	1,267,766	261,943	319,715	1,849,424	1,272,995	260,891	337,080	1,870,966	5,229	(1,052)	17,365	21,542
440 School District Governance	300,311	28,848	151,875	481,034	298,525	20,317	181,138	499,980	(1,786)	(8,531)	29,263	18,946
441 Business Administration	2,586,496	574,464	641,618	3,802,578	2,567,458	557,791	505,381	3,630,630	(19,038)	(16,673)	(136,237)	(171,948)
District Administration:	4,154,573	865,255	1,113,208	6,133,036	4,138,978	838,999	1,023,599	6,001,576	(15,595)	(26,256)	(89,609)	(131,460)
541 Operations and Maintenance Administration	1,228,132	253,225	499,271	1,980,628	1,214,725	312,718	519,613	2,047,056	(13,407)	59,493	20,342	66,428
550 Maintenance Operations	10,045,249	2,355,396	2,963,030	15,363,675	10,262,412	2,286,801	3,575,447	16,124,660	217,163	(68,595)	612,417	760,985
552 Grounds	1,098,814	252,662	357,146	1,708,622	1,068,910	232,176	249,843	1,550,929	(29,904)	(20,486)	(107,303)	(157,693)
556 Utilities	0	0	3,947,512	3,947,512	0	0	4,440,852	4,440,852	0	0	493,340	493,340
Operations & Maintenance:	12,372,195	2,861,283	7,766,959	23,000,437	12,546,047	2,831,695	8,785,755	24,163,497	173,852	(29,588)	1,018,796	1,163,060
741 Transportation Administration	119,810	24,821	615	145,246	118,235	5,748	3,307	127,290	(1,575)	(19,073)	2,692	(17,956)
770 Student Transportation	0	0	778,498	778,498	0	0	1,038,234	1,038,234	0	0	259,736	259,736
Transportation & Housing:	119,810	24,821	779,113	923,744	118,235	5,748	1,041,541	1,165,524	(1,575)	(19,073)	262,428	241,780
Total Operating:	152,630,113	32,915,200	18,167,380	203,712,693	155,154,681	35,307,502	21,862,718	212,324,901	2,524,568	2,392,302	3,695,338	8,612,208

Greater Victoria School District No. 61
History of the Structural Deficit

	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16
Budgeted Structural Deficit	\$ 10,726,534	\$ 7,046,806	\$ 3,443,958	\$ 3,946,980	\$ 4,104,887	\$ 5,910,764	\$ 8,300,000
Anticipated Ministry Funding	-	-	2,005,079	-	-	-	-
Deficit Reported	\$ 10,726,534	\$ 7,046,806	\$ 5,449,037	\$ 3,946,980	\$ 4,104,887	\$ 5,910,764	\$ 8,300,000
\$ thousands							
Structural Deficit 2015-2016	(8,300)	(8,300)					
Teachers pension plan rate decrease	1,400						
Holdback distribution	500						
Additional supplement distribution	500						
Average teacher salary decrease	600						
Unique geographic factors grant increase	100						
Supplement for salary differential grant increase	300						
Labour settlement funding decrease	(800)						
Other cost increases	(211)						
Structural Deficit 2016-2017	(5,911)	(5,911)					
Enrolment growth 20% overhead contribution	1,075						
Salary differential and unique geographic factors grant increase	778						
Return of administrative savings	827						
Utilities expense reduction	339						
Net ISP contribution Increase	648						
Facilities Assistant Managers	(171)						
District Principal, Inclusive Learning	(140)						
Professional Learning Support addition	(483)						
Salary and benefits increases for PVP and Exempt	(542)						
Other cost increases	(525)						
Structural Deficit 2017-2018	(4,105)	(4,105)					
Enrolment growth 20% overhead contribution	533						
Increased investment income	380						
MSP premium savings	1,024						
Employer Health Tax (Jan 1/19 - 6 months)	(1,489)						
No PST on hydro costs effective Apr 1/18 (3 months)	65						
Increased carbon tax	(24)						
Salary and benefits increases for PVP and Exempt (17-18)	(319)						
Next Generation Network (NGN) expense recovery decrease	296						
Other cost increases (including \$180K for election)	(308)						
Structural Deficit 2018-2019	(3,947)	(3,947)					
Enrolment growth 20% overhead contribution	73						
MSP premium savings (Jan 1/20 - 6 months)	500						
Employer Health Tax (annualized; 6 months in 18-19)	(1,489)						
Employer Health Tax Grant (Jan 1/20 - 6 months)	1,633						
No PST on hydro costs effective Apr 1/18 (annualized; 3 months in 17-18)	104						
Election costs (no election in 19-20)	180						
Teachers pension plan rate decrease	2,302						
Next Generation Network (NGN) expense recovery increase	(127)						
Salary and benefits increases for PVP and Exempt (18-19 and 19-20)	(1,474)						
Net ISP contribution Increase	99						
Elementary Prep Time increase per Collective Agreement	(267)						
Salary differential and unique geographic factors grant increase	92						
Unfunded labour settlement	(1,075)						
Reduction of special needs district support	720						
Other cost increases	(768)						
Structural Deficit 2019-2020	(3,444)	(3,444)					
Enrolment growth 20% overhead contribution	88						
Teacher labour settlement grant (18-19 and CEF)	2,369						
Support staff benefits grant	91						
Salary Differential and Unique Geographic Factors Grant Increase	269						
Salary and benefits increases for PVP and Exempt	(504)						
Net ISP Contribution Decrease	(1,853)						
Executive Assistant, Deputy Superintendent (Exempt) 1.0 FTE addition	(82)						
Manager, Transportation (Exempt) 1.0 FTE addition	(123)						
District Principal, Inclusive Learning 1.0 FTE addition	(169)						
Sundance Principal 0.60 FTE addition	(97)						
Lansdowne South Vice Principal 1.0 FTE addition (0.70 FTE Admin time)	(113)						
Lansdowne South SAA3 1.0 FTE addition	(12)						
Lansdowne South School Assistant 10 hours/week addition	(64)						
Lansdowne South Library Teacher 0.30 FTE addition	(34)						
Lansdowne South Custodial 1.56 FTE addition	(104)						
Miscellaneous revenue increase	31						
Rental and lease revenue decrease	(15)						
TTOC budget increased for long-term leaves	(325)						
Equity of Opportunity Budget (net of Curriculum and Learning Support Fund)	(933)						
Increase in rates for pension, benefits and statutory deductions	(1,887)						
Other cost increases	(136)						
Structural Deficit 2020-2021	(7,047)	(7,047)					
Operating grant decrease due to enrolment decline	(3,463)						
Operating grant increase due to per pupil funding (net \$5.7M labour settlement)	1,789						
Supplement for salary differential grant increase	1,003						
Support staff benefits grant Increase	102						
Net ISP contribution increase	1,137						
Miscellaneous revenue increase	253						
Investment income decrease	(677)						
Teacher decrease due to enrolment decline	2,505						

TTOC budget increase for long-term leaves	(334)	
Salary increases for Collective Agreements	(3,250)	
Exempt and PVP salary and benefit increases	(585)	
Sundance Vice-Principal 1.0 FTE addition	(143)	
Sundance SAA3 1.0 FTE addition (prior to 0.50 FTE reduction)	(67)	
Sundance Custodial addition	(35)	
Legal and other contract increases	(143)	
Custodial supplies, equipment and staffing	(262)	
Additional fleet and transportation costs	(185)	
Utility cost increases (excluding Energy Manager tasked savings)	(78)	
Custodial staffing for increased rentals	(100)	
Decrease in budgeted pension rates	500	
Pathways & Partnerships cost increase due to enrolment	(778)	
Other cost increases	(869)	
Structural Deficit 2021-2022	(10,727)	(10,727)
	0	