

VSB

VANCOUVER BOARD OF EDUCATION
2011/2012
PRELIMINARY BUDGET PROPOSALS

*Embargoed until 10:00 am
Tuesday, April 12, 2011*

April 12, 2011

1.0 Budget Overview

While Vancouver Board of Education (VBE) staff and education partners continue to strive to maintain the Vancouver school district's high-quality learning experiences and opportunities for all students, the Board is once again facing a challenging funding shortfall for 2011/12. In fact, the VBE has faced funding shortfalls in nine of the past ten years, and preliminary projections indicate annual funding shortfalls will continue in the years beyond 2011/2012.

In December 2010, an initial projected funding shortfall of \$11.86 million was estimated for 2011/2012. Due to additional funding from the Province – announced in late December 2010 and March 2011, the projected funding shortfall for the VBE for 2011/2012 has now been reduced to \$8.4 million, which represents approximately 1.7% of the base-operating budget for the VBE.

The majority of VBE revenues (94.4%) are derived from provincial operating grants. Accordingly, the level of educational services and programs that the VBE can provide is substantively dependent on the level of provincial funding received. Years of underfunding have significantly reduced the resources available to provide the educational services required for the students in our district.

Given the projected funding shortfall of \$8.4 million for 2011/2012, further budget reductions are required in order to achieve a balanced budget (required by the *School Act*). In order to minimize any further reductions to resources that directly support our core educational services and programs, the proposed budget cuts for 2011/2012 were targeted as far away from the classroom as possible.

Approximately 85% of VBE expenditures are allocated to instruction-related functions (including school administration), 11.5% to building operations and maintenance, 2.7% to district administration and 0.9% to transportation and other expenditures. However, of the \$8.4 million in budget reductions for 2011/2012, only 30% of the reductions (\$2.6 million) impact instruction and school administration, while 70% of the reductions (\$5.8 million) are in district administration, building operations and maintenance, transportation and other expenditures and revenues.

The 2011/2012 base budget includes adjustments required to reflect anticipated changes in enrolment, inflation and other factors. Owing to the full implementation of All Day Kindergarten in September 2011 and the anticipated increase in special needs students in 2011/2012, 59 additional staff will be required and have been added into the base budget for 2011/2012 (including 27.4 additional teachers and 16.5 additional Special Education Assistants).

The local school calendar was approved on a one-time pilot basis for 2010/2011. The base budget does not assume that it will continue for 2011/2012. A decision with respect to possibly continuing a version of the local school calendar for 2011/2012 will be reviewed by the Board of Trustees on May 11.

Although a concerted effort has been made to minimize staff reductions owing to the projected funding shortfall, the budget proposals will still result in a reduction of 55 FTE staff compared to the base budget. This includes a 7% reduction in management staff, including the reduction of 8 managers at the Education Centre announced on April 6th. As well, the preliminary budget proposals will result in a 1.6% reduction in school administrators (3.0 FTE), a 1.2% reduction in various support staff groups (25 FTE) and a 0.6% reduction in teachers (19 FTE) in our K-12 and adult programs. As indicated in the following table, although an increase of 27.4 FTE teachers are required for next year, the proposed reduction of 19.1 FTE teachers as a result of the funding shortfall will result in only 8.3 FTE additional teachers to provide the increased level of service.

2011/2012 Staff Adjustments (FTE)				
	2010/2011 Preliminary	2011/2012 Base Adjustments	2011/2012 Proposals	2011/2012 Preliminary
CUPE 15	1,197.21	16.90	(14.30)	1,199.81
CUPE 407	101.00	-	-	101.00
IUOE	720.15	1.95	(5.95)	716.15
Night School Administrators	0.91	-	-	0.91
PASA / Excluded / District Principals	105.70	-	(7.40)	98.30
School Administrators - Admin Time	136.19	(0.80)	(0.60)	134.79
School Administrators - Teaching Time	51.70	0.80	(2.40)	50.10
Teachers / ALC	3,127.49	27.42	(19.10)	3,135.81
Trades	47.00	13.00	(5.00)	55.00
Trustees	9.00	-	-	9.00
	<u>5,496.35</u>	<u>59.27</u>	<u>(54.75)</u>	<u>5,500.87</u>

These budget proposals represent the preliminary proposals developed by the Senior Management Team. Input from the community and our educational partners will be obtained over the next few weeks, including at meetings scheduled for April 19-21. Potential revised budget proposals will be presented to the Committee III/V - Education and Student Services/ and Finance and Legal Committee on May 3, with final deliberations and approval by the Board of Trustees on May 5.

2.0 Budget Background

The Base Operating Budget reflects the estimated costs for 2011/2012 to maintain the same level of service as provided in 2010/2011. The 2011/2012 Base Budget was developed beginning in November 2010 based on the 2010/2011 Board approved Preliminary Budget adjusted for projected enrolment changes, enrolment related revenue and staffing changes, estimated salary and employee benefit increases, inflation, and other factors.

The following sections detail major base budget assumptions, budgeted revenue and expense and the projected funding shortfall for 2011/2012.

2.1 Major Assumptions

The base budget estimates for 2011/2012 are based on the following key assumptions:

- The projections for 2011/2012 are based on an estimated increase of 904.5 FTE due to the expected full implementation of All Day Kindergarten, a decline of 562.25 FTE in regular student enrolment, 512.5 FTE in ESL enrolment, 3.5 FTE in Aboriginal Education, 460 FTE in adults, offset by an increase of 55 FTE special needs students, and an increase of 177.44 FTE Graduated Adults. International education projections include an additional 25.75 FTE students.
- The operating grant from MOE is estimated to increase by \$3.4 million primarily due to the increase of regular per student funding from \$6,740 to \$6,784 and other funding changes announced by the Province in March 2011.
- Staffing entitlements have been adjusted to reflect the projected enrolment levels for 2011/2012. It is estimated that an additional 16.9 FTE Special Education Assistants will be needed to support the 55 FTE projected special education enrolment increase, and an additional 30.73 FTE Teachers will be needed to support the net 342.25 FTE projected regular enrolment increase. Base budget staffing levels have also been adjusted to reflect the impact of board approved 2010/2011 budget changes that resulted in either one-time savings (e.g. one year suspension of painting) or multi-year savings (e.g. changes to school administration through attrition).
- It is estimated that salary costs will increase by \$2.27 million due to salary increments for teachers, school administrators, and exempt staff offset by turnover savings due to an estimated 70 teacher retirements in 2011/2012.
- It is estimated that benefit costs will increase by \$1.81 million due to estimated rate increases for benefits.
- It is estimated that in 2011/2012 the cost of goods and services will increase on average by 2% or \$0.52 million. The cost of utilities is estimated to increase by \$0.5 million mainly due to a projected 12.92% increase in the cost of electricity.
- No net cost increases for future labour settlements have been included in our estimates (assumes no increases or that the increases will be fully funded by the Province).
- The estimates do not include any allowances for changes in other provincial funding (e.g. AFG, CommunityLINK, Pay Equity).
- Adjustments have been made for the following one time funding sources in 2010/2011:
 - Surplus carried forward from 2009/2010 - \$1.92 million
 - Transfers from the Local Capital Reserve - \$2.42 million
 - Budgeted distribution of provincial holdback funds - \$0.97 million
 - One-year premium holiday for Group Life - \$0.22 million
 - One-year suspension of millwork and painting - \$1.23 million
 - One-year savings from the implementation of a Local School Calendar – \$1.02 million
- On March 7, 2011 the Board approved to appropriate the projected 2010/2011 operating budget surplus (currently estimated at \$4.08 million) to help fund the 2011/2012 projected funding shortfall.

- In February 2011, the Ministry of Education conducted a K-12 regular enrolment audit at four secondary schools and two elementary schools. This audit resulted in a one-time funding loss for 2010/2011 of \$0.72 million.
- In the final budget for 2010/2011, VBE has adjusted its enrolment estimates for Adult Education to reflect enrolment decline trends identified in the September 2010 and February 2011 (354 FTE decline) partially offset by anticipated higher than budgeted May 2011 enrolment (76 FTE).

2.2 2011/2012 Projected Funding Shortfall

Based on projected cost increases and enrolment changes for 2011/2012, the revised operating budget funding shortfall for the VBE is projected to be \$8.4 million. This is \$3.45 million lower than the preliminary estimate of \$11.86 million in December 2010. The following table outlines the major components of the revised projected funding shortfall. Cost increases not funded by the Province represent the largest contributing factor to the projected funding shortfall. Another significant factor relates to the one-time funding from prior year surpluses and transfers from LCR that were used to help fund the 2010/2011 budget and cost saving measures approved for only one year.

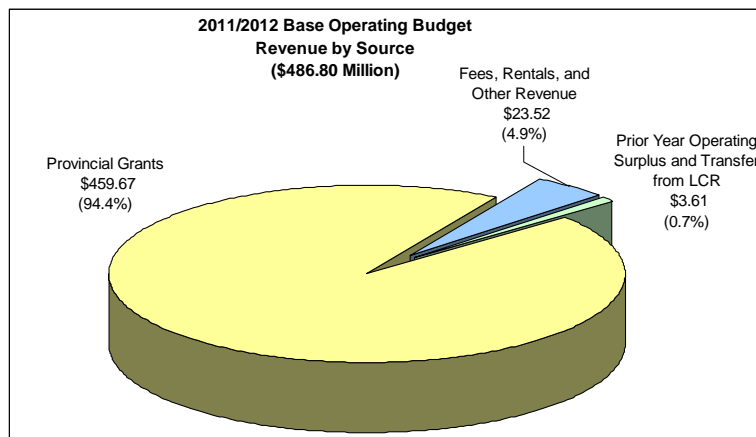
2011/2012 Projected Operating Budget Shortfall			
(\$ Millions)			
	December 2010 Projection	March 2011 Projection	Change
Enrolment Change ¹⁾	\$ 0.03	\$ (2.55)	\$ (2.58)
Salary and Employee Benefits Changes ²⁾	(3.72)	(4.08)	(0.36)
Inflation ³⁾	(0.99)	(1.02)	(0.03)
09/10 Projected Surplus Carried Forward ⁴⁾	(1.92)	(1.92)	-
10/11 Transfer from Local Capital Reserve ⁵⁾	(2.42)	(2.42)	-
10/11 Distribution of Holdback ⁶⁾	(0.97)	(0.97)	-
10/11 Group Life Premium Holiday ⁷⁾	(0.22)	(0.22)	-
10/11 School Calendar One-time Savings ⁸⁾	(1.42)	(1.02)	0.40
10/11 One-year Suspension of Millwork & Painting ⁹⁾	(1.23)	(1.23)	-
10/11 Projected Surplus Carried Forward ¹⁰⁾		4.08	4.08
10/11 One-Time Impact of Enrolment Audit ¹¹⁾		(0.72)	(0.72)
10/11 One-Time Impact of Adult Education Enrolment ¹²⁾		0.25	0.25
11/12 Operating Grant Funding Impact ¹³⁾	0.45	3.40	2.95
Reduction of Contribution Towards Funding the Employee Future Benefits Liability ¹⁴⁾		0.13	0.13
Board Approved Relocation of Alternative Programs to Lord Elementary ¹⁵⁾		0.02	0.02
Other ¹⁶⁾	0.55	(0.14)	(0.69)
	\$ (11.86)	\$ (8.41)	\$ 3.45

1) Enrolment changes from the December 2010 projection include on-going impact of Summer School grades 8-9 adjustment (\$0.68 million), on-going impact of K-12 enrolment audit (\$0.30 million), on-going impact of 10/11 Adult Education enrolment decline (\$1.58 million), impact of enrolment projections on salary differential funding (\$0.07 million), and cost of additional spaces to support All-Day Kindergarten (\$0.16 million), additional 25.75 FTE international students (\$0.21 million).

- 2) Changes from the December 2010 projection include increase in Municipal Pension contribution rate, decrease of Work Safe BC rate, updated 11/12 premiums on Dental, Extended Health, Group Life, and Short Term Disability from Morneau Sobeco, and other salary related changes.
- 3) The change from the December 2010 projection is due to Hydro rate increase (1% higher than projected) (\$0.03 million)
- 4) Reversal of one-time surplus carried forward from 09/10
- 5) Includes \$1.49 million board approved transfer from Local Capital Reserve to help fund 10/11 budget and one-time withdrawal of \$0.92 million from the Unrestricted Deposit Account (UDA) of the Dental Plan and Extended Health Plan.
- 6) Reversal of 10/11 budgeted release of provincial holdback funds
- 7) Reversal of 10/11 one-time Group Life premium holiday savings
- 8) Reversal of 10/11 one-time savings on teachers on call, employees on call, utilities, and fringe benefits from reduction of instructional days from 185 to 175. The change from the December 2010 projections is due to the inclusion of ongoing savings related to the elimination of early dismissals and consolidation of positions.
- 9) Reversal of Board approved one-year suspension of custom millwork and interior painting in the 10/11 budget process
- 10) 10/11 Final Budget projected surplus
- 11) Regular enrolment adjustment of 100.25 FTE students, Aboriginal Education adjustment of 31 headcount students, ESL adjustment of 5 headcount students
- 12) Revised Adult Education enrolment estimates for May 2011 from 333 to 410 FTE
- 13) Per Student Funding increased from \$6,740 to \$6,784 for regular and CIE students under 19; from \$211 to \$212 course challenge students; from \$3,370 to \$3,392 for newcomer refugees; additional \$390,792 funding from MOE for salary differential; additional \$231,053 funding from MOE for formula transition
- 14) The Board approved the change of reduction of the contribution towards funding the employee future benefits liability from \$0.26 million to \$0.13 million on March 7, 2011.
- 15) The Board approved the relocation of Eastside Alternative Program and Sunrise Alternative Program to A.R. Lord Elementary on March 7, 2011.
- 16) Includes investment and interest income due to increase in interest rates and 10/11 board approved rental rate increases, and elementary administrative changes. Change from the December 2010 projection is due to trades adjustment funding included in Operating Grant

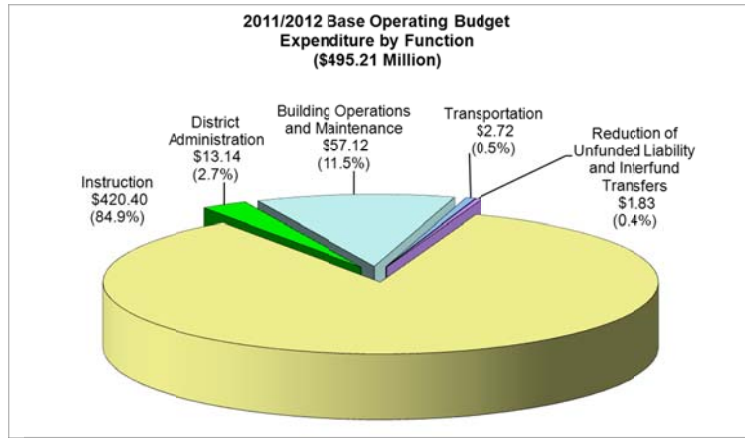
2.3 Base Budget 2011/2012 Revenue

The majority of revenues (94.4%) is derived from provincial grants. The level of provincial funding, therefore, has a very significant impact on the educational services and programs that can be provided. The Operating grant received from the Ministry of Education is calculated based on enrolment, therefore changes in enrolment can significantly impact the grants available to the Board. Projected revenues and other funding sources for 2011/2012 total \$486.80 million. VBE generated revenues represent 4.9% of total operating revenues and are primarily derived from international education student fees, rentals, leases and investment income.

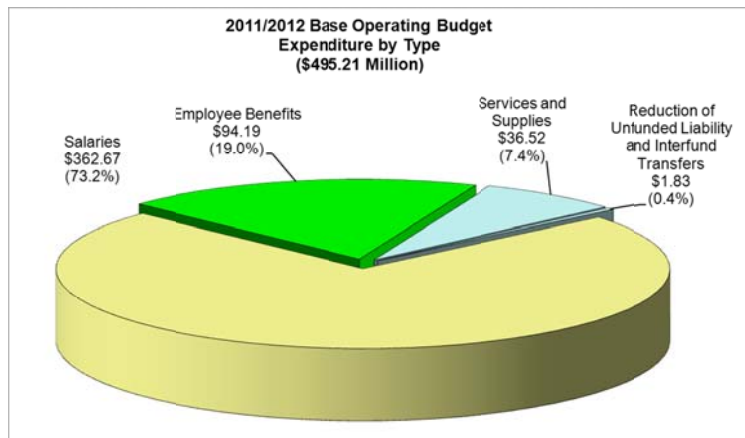


2.4 Base Budget 2011/2012 Expenses

Projected expenditures for the 2011/2012 Base Budget total \$495.21 million (\$8.4 million higher than projected revenues). Approximately 84.9% of the operating budget is expected to be spent on instruction related costs. This includes teachers, educational assistants, school administrators and support staff and school based supplies and services. Facilities operations and maintenance accounts for 11.5% of expenditures, district administration for 2.7% and transportation for special needs students for 0.5%. Provisions for the reduction in the unfunded liability for employee future benefits (e.g. early retirement incentive plan) and interfund transfers for such things as furniture and equipment capital purchases represent 0.4% of expenditures. The following graph outlines the operating expenditures by function for 2011/2012.



Approximately 92% of the \$495.21 million operating budget is expected to be spent on salaries and employee benefits (\$456.86 million). Supplies and services and other minor expenditures account for approximately 8% of the budget. The following graph outlines the operating expenditures by type for 2011/2012.



2.5 Base Budget Staffing

The base budget adjustments will result in a net increase of 59.27 FTE. The following table provides a summary of the staff adjustments by employee group.

	2011/2012 Base Budget Projection Staffing (FTE) by Type		
	2010/2011 Preliminary	Adjustments	2011/2012 Base
CUPE 15	1,197.21	16.90 ¹⁾	1,214.11
CUPE 407	101.00	-	101.00
IUOE	720.15	1.95 ²⁾	722.10
Night School Administrators	0.91	-	0.91
PASA / Excluded / District Principals	105.70	-	105.70
School Administrators - Admin Time	136.19	(0.80) ³⁾	135.39
School Administrators - Teaching Time	51.70	0.80 ³⁾	52.50
Teachers / ALC	3,127.49	27.42 ⁴⁾	3,154.91
Trades	47.00	13.00 ⁵⁾	60.00
Trustees	9.00	-	9.00
	5,496.35	59.27	5,555.62

Source: 2010/2011 Annual Budget submission, 2011/2012 per projected changes

- 1) change due to special education assistants entitlement increase as a result of increased special needs enrolment (55 FTE)
- 2) additional custodial staff for additional spaces to support All-Day Kindergarten (1.08 FTE), additional spaces for Secord/Quesnel seismic projects (0.30 FTE), and Board approved relocation of Eastside and Sunrise East Alternative Program to A.R. Lord Elementary (0.57 FTE)
- 3) change due to elementary administration changes approved in the 2010/2011 budget process
- 4) changes include:

estimated All-Day Kindergarten enrolment increase 904.50 FTE	50.80
estimated regular student enrolment decline of 562.25 FTE	(20.07)
increase VP teaching time due to Elementary Administration change	(0.80)
recalculation of estimated Adult Education and Summer School instructor FTE	(3.96)
estimated international education enrolment update	1.45
	27.42
- 5) includes reversal of one-year suspension of custom millwork (1.00 FTE) and interior painting (12.00 FTE)

2.6 Local Capital Reserve

The Local Capital Reserve (LCR or the Reserve) is comprised of proceeds from the sale and lease of Board owned property and previous years' operating surpluses transferred to the Reserve. Funds in the Reserve can be used to assist in funding the operating budget, with approval by the Board of Trustees. The Reserve has also been used to assist in funding major initiatives not funded by the Province (e.g. BCeSIS implementation, Computer Sustainability Plan and Class Size/Class Composition support).

The projected balance available in the Local Capital Reserve at the end of 2010/2011 is \$1.26 million. Net revenues of approximately \$0.91 million are also expected to accrue to the Local Capital Reserve during 2011/2012 bringing the estimated available balance at the end of 2011/2012 to \$2.17 million.

Based on the above, the following table outlines the projected financial position of the Local Capital Reserve for 2011/2012.

Projected Local Capital Reserve Fund Balance			
(\$ Million)			
		<u>2010/2011</u>	<u>2011/2012</u>
Opening Balance as at July 1	\$	1.36	\$ 1.26
Revenue		1.08	1.09
Expenditure			
Property Expenses		(0.18)	(0.18)
Provisions for the Implementation of 10/11 Budget Decisions		(1.00)	
		(1.18)	(0.18)
Closing Balance as at June 30	\$	1.26	\$ 2.17

2.6 Three Year Operating Budget Projection

The following table presents a three-year operating budget projection for the VBE. A projected funding shortfall of \$8.40 million is estimated for 2012/2013. An additional funding shortfall of \$5.29 million is also projected for 2013/2014. It should be noted that these are preliminary high-level estimates based on assumptions as to the major budget change factors over the next three years. Accordingly, these projections should be considered as range estimates rather than discrete numbers.

The estimates for 2011/2012 and the two years following are based on the following key assumptions:

- no change in per student operating grants from the province or in the provincial funding formula;

- gradual phase-in of the formula transition adjustment (50% in 2011/2012 and 50% in 2012/2013);
- no change in other provincial funding (e.g. AFG, CommunityLINK, Pay Equity);
- estimated changes in general student enrolment based on a decline of 244 FTE students in 2012/2013 and 77 FTE for 2013/2014;
- there will be continued cost increases for employee benefit costs, utilities and for goods and services;
- no net cost increase for future labour settlements (assumes no increases or that they are fully funded by the Province);
- the three year projections have been prepared in accordance with generally accepted accounting principles (GAAP) for non-profit organizations. However, the Treasury Board has directed school boards to adopt public sector accounting standards (PSAB), without not-for-profit provisions, for the first fiscal year commencing after January 1, 2012. In some aspects, PSAB is significantly different from the current accounting practice, and its adoption will significantly affect the estimates for the 2012/2013 and 2013/2014 fiscal years. Revised estimates will be prepared based on 2012/2013 Annual Budget Instructions from the Ministry of Education.

Operating Budget Three Year Projection (in \$ millions)

	2011/2012	2012/2013	2013/2014
Costs Not Funded by the Province			
Salary and Employee Benefits Increase ^{a)}	\$ (4.08)	\$ (4.14)	\$ (4.29)
Inflation ^{b)}	(1.02)	(0.78)	(0.81)
	<u>\$ (5.10)</u>	<u>\$ (4.92)</u>	<u>\$ (5.10)</u>
Other Factors			
One-time Appropriations			
09/10 Projected Surplus Carried Forward ^{c)}	(1.92)	-	-
10/11 Transfer from Local Capital Reserve ^{d)}	(2.42)	-	-
Enrolment Change ^{e)}	(2.55)	(0.71)	(0.22)
Prior Year One-Time Items	-	-	-
10/11 Distribution of Holdback ^{f)}	(0.97)	-	-
10/11 Group Life Premium Holiday ^{g)}	(0.22)	-	-
10/11 School Calendar One-time Savings ^{h)}	(1.02)	-	-
10/11 One-year Suspension of Millwork & Painting ⁱ⁾	(1.23)	-	-
10/11 Projected Surplus Carried Forward ^{j)}	4.08	(4.08)	
10/11 One-Time Impact of Enrolment Audit ^{k)}	(0.72)	0.72	
10/11 One-Time Impact of Adult Education Enrolment	0.25	(0.25)	
11/12 Operating Grant Funding Impact ^{m)}	3.40	0.68	-
Reduction of Contribution Towards Funding the Employee Future Benefits Liability ⁿ⁾	0.13	-	-
Board Approved Relocation of Alternative Programs to Lord Elementary ^{o)}	0.02	-	-
Other ^{p)}	(0.14)	0.16	0.03
	<u>\$ (3.31)</u>	<u>\$ (3.48)</u>	<u>\$ (0.19)</u>
Total Projected Surplus / (Shortfall)	<u>\$ (8.41)</u>	<u>\$ (8.40)</u>	<u>\$ (5.29)</u>

a) Includes cost increases for salary increments (for teachers, administrators and PASA members) and employee benefits, offset by teacher turnover savings. This amount has been increased by \$0.22 million due to the reversal of one year premium holiday for Group Life. 12/13 includes reversal of the cost of salary protection under the collective agreement for employees placed in lower level position as a result of 10/11

b) Based on 2% inflation per year for supplies and generally higher rates of increase for utilities. 12/13 includes reversal of third year VBE contribution with the City Council and Park Board in reinstating the Joint Council on Childcare. Includes Mandarin Bilingual Program costs.

c) Reversal of one-time surplus carried forward from 09/10

d) Includes \$1.49 million board approved transfer from Local Capital Reserve to help fund 10/11 budget and one-time withdrawal of \$0.92 million from the Unrestricted Deposit Account (UDA) of the Dental Plan and Extended Health Plan

- e) Projected enrolment decline of 244 FTE students in 12/13 and 77 FTE students in 2013/2014
- f) Reversal of 10/11 budgeted release of provincial holdback funds
- g) Reversal of 10/11 one-time Group Life premium holiday savings
- h) Reversal of 10/11 one-time savings on teachers on call, employees on call, utilities, and fringe benefits from reduction of instructional days from 185 to 175.
- i) Reversal of Board approved one-year suspension of custom millwork and interior painting in the 10/11 budget process
- j) 10/11 Final Budget projected surplus
- k) Regular enrolment adjustment of 100.25 FTE students, Aboriginal Education adjustment of 31 headcount students, ESL adjustment of 5 headcount students
- l) Revised Adult Education enrolment estimates for May 2011 from 333 to 410 FTE
- m) Includes Formula Transition (Labour Settlement) of \$1.36 million to be gradually phased in over 2 years (50% in 1st year, 50% in 2nd year), per student funding increase from \$6,740 to \$6,784 for regular and CIE students under 19, from \$211 to \$212 for course challenge students, from \$3,370 to \$3,392 for newcomer refugees, additional \$390,792 for salary differential, and additional \$231,053 for formula transition. The \$0.68 million represents the second year phase-in of the formula transition grant.
- n) The Board approved the change of reduction of the contribution towards funding the employee future benefits liability from \$0.26 million to \$0.13 million on March 7, 2011.
- o) The Board approved the relocation of Eastside Alternative Program and Sunrise Alternative Program to A.R. Lord Elementary on March 7, 2011.
- p) Includes investment and interest income due to increase in interest rates and 10/11 board approved rental rate increases, and elementary administrative changes. Change from the December 2010 projection is due to trades adjustment funding included in Operating Grant.

3.0 Summary of Budget Proposals

Attachment A provides detail with respect to the preliminary operating budget proposals for 2011/2012. In total these proposals would result in increased revenues or decreased expenditures of \$8.4 million in order to balance the budget given the projected funding shortfall.

The following table provides a summary of the budget proposals by major area. Instruction related expenditures have the lowest percentage of reductions.

2011/2012 Budget Proposals Summary						
	Base Budget		Proposed Reductions		% Reduction	
	FTE	\$	FTE	\$	FTE	\$
Expenditures						
Instruction	4,455.37	\$ 389,599,484	(24.50)	\$ (2,110,858)	(0.55%)	(0.54%)
School Administration	331.03	\$ 30,815,066	(7.40)	\$ (480,532)	(2.24%)	(1.56%)
District Administration	127.19	\$ 14,968,691	(14.90)	\$ (1,625,252)	(11.71%)	(10.86%)
Facilities	641.03	\$ 57,123,005	(7.95)	\$ (1,375,200)	(1.24%)	(2.41%)
Transportation	1.00	\$ 2,716,790	-	\$ (250,000)	0.00%	(9.20%)
Other			-	\$ (1,400,000)		
Total Expenditures	<u>5,555.62</u>	<u>\$ 495,223,037</u>	<u>(54.75)</u>	<u>\$ (7,241,842)</u>		
Revenues		\$ (483,206,716)		\$ (1,185,000)		0.25%
Prior Year Operating Surplus Appropriation		\$ (3,606,321)				0.00%
Total Operating Budget Proposals	<u>5,555.62</u>	<u>\$ 8,410,000</u>	<u>(54.75)</u>	<u>\$ (8,426,842)</u>		

The preliminary budget proposals will result in a reduction of 54.75 FTE. The following table provides a summary of the proposed staff reductions by employee group.

2011/2012 Staff Adjustments (FTE)			
	Base Budget	Proposed Budget Adjustments	% Change
CUPE 15	1,214.11	(14.30)	(1.18%)
CUPE 407	101.00	-	0.00%
IUOE	722.10	(5.95)	(0.82%)
Night School Administrators	0.91	-	0.00%
PASA / Excluded	105.70	(7.40)	(7.00%)
School Administrators - Admin Time	135.39	(0.60)	(0.44%)
School Administrators - Teaching Time	52.50	(2.40)	(4.57%)
Teachers / ALC	3,154.91	(19.10)	(0.61%)
Trades	60.00	(5.00)	(8.33%)
Trustees	9.00	-	0.00%
	<u>5,555.62</u>	<u>(54.75)</u>	<u>(0.99%)</u>

4.0 Stakeholder and Public Consultation

Attachment B outlines the meetings scheduled to obtain input from stakeholders and the public with respect to the preliminary budget proposals contained in this document. In particular, the following meetings are scheduled:

- April 19, 2011, at 7:00 pm at Mount Pleasant Elementary – to obtain input from the general public
- April 20, 2011, at 7:00 pm at the Education Centre – to obtain input from VBE stakeholders
- April 21, 2011, at 7:00 pm at the Education Centre – to obtain input from the general public and VBE stakeholders (if necessary)
- May 3, 2011, at 7:00 pm at the Education Centre – to obtain input from the general public and VBE stakeholders on the Revised Budget Proposals

Revised budget proposals will be presented to the Education and Student Services and Finance and Legal Committee on April 27, 2011. The Board of Trustees will make their final deliberations and adopt the 2011/2012 Preliminary Operating Budget on May 5, 2011.

Attachment A

Preliminary Budget Proposals

PROPOSAL	Staffing Impact		Budget Impact			
	Base	Reduction / (Addition)	Salaries and Benefits	Supplies	Revenue	Total
1 .0 District Administration						
1 .01 Board Approved - District Management Reorganization	105.7	8.00	451,851	(150,000)		301,851
1 .02 Reduction of Learning and Information Technology Supplies		-		123,228		123,228
1 .03 Reduction of Human Resources Staffing - MSDS Fetch	3.0	1.00	53,650			53,650
1 .04 Reduction of Human Resources Training Coordination	1.4	0.40	29,760			29,760
1 .05 Add District Reception and Placement Centre Staff	3.0	(1.00)	(65,710)			(65,710)
1 .06 Reduction of Purchasing Clerical Staff	8.3	0.50	31,580			31,580
1 .07 Printing Reorganization to Full Cost Recovery Model		-		200,000		200,000
1 .08 Payroll Casual Help Reduction		-	15,000			15,000
1 .09 Reduction in Postal and Courier Budget		-		40,000		40,000
1 .10 Introduce Electronic Pay Advices for all Employee Groups		-		39,400		39,400
1 .11 Integrate CIE Accounting Function with VBE Accounting	32.6	1.00	50,000			50,000
1 .12 Eliminate Analyst Programmer Position	4.0	1.00	72,443			72,443
1 .13 Eliminate Information Technology Support B Position	3.0	1.00	69,050			69,050
1 .14 One-time Reduction in Tools & Maintenance Supplies		-		100,000		100,000
1 .15 One-time Reduction in Equipment Repair and Replacement		-		260,000		260,000
1 .16 Reduction in Cafeteria Subsidies	43.2	3.00	100,000	100,000		200,000
1 .17 Employee Support Program			105,000			105,000
Subtotal - District Administration		14.90	912,624	712,628	-	1,625,252
2 .0 Facilities						
2 .01 Reduce Utility Budgets with Savings from Current Energy Projects		-		50,000		50,000
2 .02 Portable Classroom Closure - Douglas Elementary	164.5	0.20	11,072	14,128		25,200
2 .03 Allocate Mileage Charges to Annual Facilities Grant Projects		-	550,000			550,000
2 .04 Facilities Division Administrative Cost Savings		-		22,500		22,500
2 .05 Reduce Custodial Budgets		-		80,000		80,000
2 .06 Reduce Vehicle Allowance Budget		-	20,000			20,000
2 .07 Partially Restore Interior Painting Program	17.0	5.00	375,000	52,500		427,500
2 .08 Repurpose Vacant School Space	164.5	2.75	152,240	47,760		200,000
Subtotal - Facilities		7.95	1,108,312	266,888	-	1,375,200
3 .0 Instruction						
3 .01 Reduction of Services and Supplies		-		90,580		90,580
3 .02 Eliminate Media Services	7.0	1.00	46,670	59,000		105,670
3 .03 Add Early Learning Coordinator		(1.00)	(96,200)			(96,200)
3 .04 Reconfiguration District Learning Staff	120.7	0.80	55,968			55,968
3 .05 Reduction of Summer School Teachers and Supplies	40.3	3.20	185,500	52,000		237,500
3 .06 Reduction of Continuing Education Casual and Advertising		-	33,540	20,000		53,540
3 .07 Adult Education - Teacher Assistants and Instructors	108.4	9.50	929,610			929,610
3 .08 Restructuring of Peer to Peer Program	3.0	1.00	69,870			69,870
3 .09 Reduction of Teaching Staff	25.0	7.00	489,090			489,090
3 .10 Reduction of School and Support B Positions	34.3	3.00	175,230			175,230
Subtotal - Instruction		24.50	1,889,278	221,580	-	2,110,858
4 .0 School Administration						
4 .01 Extra Clerical Staff Reduction	23.8	6.80	309,196			309,196
4 .02 School Administration - Vice Principal Reduction (net)	21.3	0.60	171,336			171,336
Subtotal - School Administration		7.40	480,532	-	-	480,532
5 .0 Transportation						
5 .01 Reduction of Transportation Costs		-		250,000		250,000
Subtotal - Transportation		-	-	250,000	-	250,000
6 .0 Other						
6 .01 Board Approved - Sectoral Review		-		(300,000)		(300,000)
6 .02 Benefit Plans Surplus Withdrawal		-	1,700,000			1,700,000
Subtotal - Other		-	1,700,000	(300,000)	-	1,400,000
7 .0 Revenue						
7 .01 Budget Holdback Release		-		1,000,000		1,000,000
7 .02 Implement Annual User Fee for Band and Strings		-		90,000		90,000
7 .03 Increase Education Centre Parking Revenue		-		70,000		70,000
7 .04 Enhanced Treasury Management		-		25,000		25,000
Subtotal - Revenue		-	-	1,185,000	-	1,185,000
Grand Total		54.75	6,090,746	1,151,096	1,185,000	8,426,842

1.0 District Administration

1.01 Board Approved – District Management Reorganization

The Board has approved the reorganization of district management which was implemented on April 6, 2011 and resulted in the elimination of eight management positions. Management overhead in support areas was reduced so that the Board can focus its investment in classrooms and school services. This includes estimated cost/savings for other positions that may be revaluated as a result of this reorganization. The net savings over the fifteen months ending June 30, 2012 are estimated to be \$0.3 million. Annual savings thereafter are estimated to be \$0.8 million.

Staffing Impact		
Base	Reduction	Employee Group
105.7	8.0	PASA

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
451,851	(150,000)		301,851

1.02 Reduction of Learning and Information Technology (LIT) Supplies

It is proposed to eliminate the instructional Program supplies budget of \$74,228 currently held by Learning and Information Technology (LIT). The removal of this budget means that LIT will not be able to financially support any instructional programs through release time or direct provision of specific technology.

It is also proposed to reduce LIT's Computer hardware acquisition budget by \$49,000. Given the need for upgrading core infrastructure across the district, this reduction would further delay the implementation of appropriate technology in support of schools pending the development and funding of a district technology infrastructure upgrade program.

Staffing Impact		
Base	Reduction	Employee Group

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
	123,228		123,228

1.03 Reduction of Human Resources Staffing - MSDS Fetch

It is proposed to reduce Human Resources Staffing supporting the Material Safety Data Sheets (MSDS) system by 1 FTE. Duties will be absorbed by the two remaining incumbents.

Staffing Impact		
Base	Reduction	Employee Group
3.00	1.00	CUPE 15

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
53,650			53,650

1.04 Reduction of Human Resources Training Coordination

It is proposed to eliminate the part time HR training coordination position with duties absorbed by other HR staff.

Staffing Impact		
Base	Reduction	Employee Group
1.40	0.40	PASA

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
29,760			29,760

1.05 Add District Reception and Placement Centre Staff

Cuts last year in the District Reception and Placement Centre resulted in the inability of staff remaining to do, in a timely way, placements and other important functions involving families. It is proposed that we hire a person in an Office Support D position (CUPE) to look after the management of the office staff and clerical functions to allow the professionals more time to work with families and school placements.

Staffing Impact		
Base	Reduction	Employee Group
3.00	(1.00)	CUPE 15

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
(65,710)			(65,710)

1.06 Reduction of Purchasing Clerical Staff

This reduction was made possible by the implementation of ePro in all VBE sites. This position was reduced as part of the 2010/2011 budget effective January 1, 2011 (0.5 FTE). The position will continue to be eliminated through 2011/2012 resulting in an additional 0.5 FTE savings.

Staffing Impact		
Base	Reduction	Employee Group
8.30	0.50	CUPE 15

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
31,580			31,580

1.07 Printing Reorganization to Full Cost Recovery Model

The VBE Printing Department has been reorganized to operate on a cost recovery (breakeven) basis. This will promote more accountability for internal print and copying usage and gain efficiencies through improved technologies. Also an increase in external revenue is anticipated and the budget of the printing department has been under-spent in the last two years.

Staffing Impact		
Base	Reduction	Employee Group

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
	200,000		200,000

1.08 Payroll Casual Help Reduction

Based on historical spending patterns there is an opportunity to reduce the casual support budget allocated to the payroll department by \$15,000. As the use of casual staff varies greatly from year to year depending on a multitude of factors this budget might have to be restored in future years.

Staffing Impact		
Base	Reduction	Employee Group

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
15,000			15,000

1.09 Reduction in Postal and Courier Budget

It is proposed to reduce the postal and courier budget by \$40,000. This may result in reduced service, however the postage and courier budget has been under spent in the last two years.

Staffing Impact		
Base	Reduction	Employee Group

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
	40,000		40,000

1.10 Introduce Electronic Pay Advices for All Employee Groups

Currently we print a deposit advice for each employee each pay period. These are folded and stuffed in to envelopes then sent to either their work location or mailed to their home address. We could provide this information on line for employees to access at any time.

This would save printing and mailing costs as well providing the information at least a day earlier. This would be a much greener solution to informing employees of their pay and benefits, and would give the flexibility in the future of providing increased information. Also the time spent currently stuffing and distributing these forms could be used to provide better customer service.

Staffing Impact		
Base	Reduction	Employee Group

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
	39,400		39,400

1.11 Integrate CIE Accounting Function with VBE Accounting

Transfer accounting functions currently performed in CIE to Accounting. Currently CIE employees perform a variety of accounting type functions, such as: issuance of refunds, reconciliation of bank statements, employee expense reimbursement. It is proposed that we engage in a review of accounting type activities performed in CIE with the aim to centralize these services under the Accounting department. It is estimated that the minimum savings would be the equivalent of one FTE or \$50,000.

Staffing Impact		
Base	Reduction	Employee Group
32.6	1.00	CUPE 15

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
50,000			50,000

1.12 Eliminate Analyst Programmer Position

A reduction of one position within the HRIS (Stargarden) support team will limit the ability to respond to user requests in a timely fashion and will reduce the opportunity to innovate or provide new services associated with HR and payroll functions. The elimination of the position will not jeopardize the processing of payroll.

Staffing Impact			Budget Impact			
Base	Reduction	Employee Group	Salaries & Benefits	Supplies	Revenue	Total
4.00	1.00	CUPE 15	72,443			72,443

1.13 Eliminate Information Technology Support B Position

Currently this position is responsible for the creation of student-based reports required by a variety of business units within the Education Centre. The position also provides support for the 1701 process and on occasion functional support for BCeSIS users (such as walkthroughs of report building and answering queries concerning specific data elements).

Services would be maintained through a reassignment of duties within the LIT Application support team.

Staffing Impact			Budget Impact			
Base	Reduction	Employee Group	Salaries & Benefits	Supplies	Revenue	Total
3.00	1.00	CUPE 15	69,050			69,050

1.14 One-time Reduction in Tools & Maintenance Supplies

Reduce tools and maintenance supplies budgets in material services to minimum levels for a one-year period. These budgets have been traditionally under-spent.

Staffing Impact			Budget Impact			
Base	Reduction	Employee Group	Salaries & Benefits	Supplies	Revenue	Total
				100,000		

1.15 One-time Reduction in Equipment Repair and Replacement

The Equipment Repair and Replacement budget to service the district is currently \$1.1 million in total. It is proposed to reduce this budget by \$260,000 (about 25%) for a one year period to assess the impact.

Staffing Impact			Budget Impact			
Base	Reduction	Employee Group	Salaries & Benefits	Supplies	Revenue	Total
				260,000		260,000

1.16 Reduction in Cafeteria Subsidies

It is proposed to reduce 3.0 FTE IUOE staff for a total of \$100,000 and another \$100,000 in supply costs. The reduction in supply costs is proposed to be achieved with cost efficiencies at all cafeteria locations and reduced subsidies for non-teaching cafeterias (Churchill, Killarney and Education Centre).

Staffing Impact		
Base	Reduction	Employee Group
43.2	3.0	IUOE

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
100,000	100,000		200,000

1.17 Employee Support Program

It is proposed to implement an Employee Support Program in order to maintain workforce sustainability through early identification and proactive support for employees who may be struggling in the workplace. The intent of this program is to provide assistance early enough to reduce sick leave, absenteeism and replacement costs. A conservative estimate of the projected savings in staff replacement costs is \$105,000.

Staffing Impact		
Base	Reduction	Employee Group

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
105,000			105,000

2.0 Facilities

2.01 Reduce Utility Budgets with Savings from Current Energy Projects

Three major lighting upgrade projects are underway that have the potential for reducing electrical energy consumption by approximately 650,000 kWh.

- Point Grey 170,000 kWh
- Templeton 280,000 kWh
- Tupper 200,000 kWh (Sept. completion)

The total potential reduction in utility costs is estimated to be approximately \$50,000.

Reducing the overall energy consumption for the district helps to support the Boards' sustainability goals and reduces our carbon footprint.

Staffing Impact		
Base	Reduction	Employee Group

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
	50,000		50,000

2.02 Portable Classroom Closure – Douglas Elementary

A development permit was submitted January 2011 for the Douglas Elementary seismic mitigation replacement building. The new school building will be located east of the current school building.

In order to proceed with construction, the contractor will require the site area where 4 portable classrooms are situated. Discussion with school administration is underway to coordinate relocation of school programs from the 4 portables into the main building by Summer, 2011.

This internal move is required to permit hand over of the central portion of the school site to the contractor (after anticipated project tender Fall 2011). The 4 portables would be demolished and included in the capital project tender scope of work. Projected annual building maintenance and operations savings are estimated to be \$6,300 per portable.

Staffing Impact			Budget Impact			
Base	Reduction	Employee Group	Salaries & Benefits	Supplies	Revenue	Total
164.50	0.20	IUOE	11,072	14,128		25,200

2.03 Allocate Mileage Charges to Annual Facilities Grant (AFG) Projects

All mileage reimbursement for trade employees is charged to the Operating Budget. However, 50% of the mileage being driven by trades employees is for work out of the AFG budget, and should properly be charged to that budget as part of the project costs. This proposal will reduce the available AFG budget by \$550K.

Staffing Impact			Budget Impact			
Base	Reduction	Employee Group	Salaries & Benefits	Supplies	Revenue	Total
			550,000			550,000

2.04 Facilities Division Administrative Cost Savings

Facilities budgets have been reviewed and marginal decreases in contracted legal services, supplies, advertising and equipment listed below would have minimal impact on continued operations.

Staffing Impact			Budget Impact			
Base	Reduction	Employee Group	Salaries & Benefits	Supplies	Revenue	Total
				22,500		

2.05 Reduce Custodial Budgets

Although the cost for custodial supplies has continued to increase annually, various programs (e.g. hand dryer installation, lighting upgrades, floor finish program, equipment upgrades) have helped to reduce overall expenditures by an estimated \$55,000 annually.

It is also proposed to reduce the budget for replacement of custodial equipment by \$5,000 at this time.

The district recently re-tendered the contract for cleaning carpets and upholstery in the district. The bids came in lower than previously budgeted. In addition the district has been replacing carpets throughout the district with resilient flooring; reducing the overall amount of carpet requiring cleaning. Combined these resulted in budget savings of \$20,000.

Staffing Impact		
Base	Reduction	Employee Group

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
	80,000		80,000

2.06 Reduce Vehicle Allowance Budget

Due to the consolidation and reallocation of some custodial positions which reduces the requirement for staff travel, the overall travel expense is reduced. It is proposed to reduce the budget by \$20,000.

Staffing Impact		
Base	Reduction	Employee Group

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
20,000			20,000

2.07 Partially Restore Interior Painting Program

The interior painting program was cancelled entirely in the 2010/11 school year. This proposal phases-in the reinstatement of the interior painting program over two years.

Appearance of most school facilities will continue to visibly deteriorate, although some schools will be painted. This could lead to more graffiti, more vandalism, and give staff and students a very negative perception of their school. Some painted surfaces may start to peel and blister off. The current interior painting cycle is already some 29+ years.

Staffing Impact		
Base	Reduction	Employee Group
17.00	5.00	Trades

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
375,000	52,500		427,500

2.08 Repurpose Vacant School Space

District enrolment has declined since year 2000. The total building area of school facilities has remained relatively constant so district custodial services have had to be maintained, regardless of school student enrolment. Portions of some buildings could be considered for closure. The school would continue to operate programs within the main part of the building so the VBE School Closure Policy would not be applicable. The intent is that building engineers would still be responsible for overseeing the security and condition of the facilities but school access to the closed portion of the building would not be permitted. The closure of such facilities would require one-time facility work such as changing door locks, boarding windows, and adjusting mechanical systems to shut down operating mode and other classroom renovations. These one-time costs could be funded from AFG. Projected operating savings are estimated at \$200,000.

Staffing Impact		
Base	Reduction	Employee Group
164.50	2.75	IUOE

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
152,240	47,760		200,000

3.0 Instruction

3.01 Reduction of Services and Supplies

In District Learning Services funds would be cut from existing budgets allocated for meetings (\$20,000 from release time, meaning meetings would be scheduled for after school), publications (\$30,000 meaning fewer professional resources available), and funds consultants use to support teachers (\$17,500 meaning less time for release) for a total of \$67,500.

In Continuing and International Education savings of \$13,900 will be achieved by reducing a variety of supply items in the office of the Associate.

In Adult International Education, it is proposed to decrease contracted services and decrease international travel for recruitment by \$9,180. This decreases the production of translations, transcript evaluation, and decreases the VBE's visibility overseas, and might result in fewer applicants.

Staffing Impact		
Base	Reduction	Employee Group

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
	90,580		90,580

3.02 Eliminate Media Services

The proposal includes the elimination of one Media and Library Services shipper position. Currently this position handles all shipments of resources to and from schools processed by the Media and Library Services team. A shared shipping and receiving service for the Education Centre is suggested as a means of accommodating the workload of this position. In addition the prospect of phasing out VHS tape from the inventory will be examined as more schools have access to streamed video online.

It is also proposed that the following be eliminated:

- 1) Remove the district collection of scientific models and realia from circulation. Some of these objects could be kept at schools where they have been most often used.
- 2) Remove curricular publications from circulation and retract services currently provided to District Learning Services (such as printing, shipping and handling, etc.). Learning Services will make PDF copies available instead.
- 3) Eliminate licensing fees for the MediaNet booking application, savings approximately \$9000 per annum.

The elimination of media services will require schools to be self-reliant for inter-library loans and copyright management. The full reassignment of 2 office support staff to library services would be completed in order to provide improved database and clerical support work for teacher librarians.

Staffing Impact		
Base	Reduction	Employee Group
7.00	1.00	CUPE 15

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
46,670	59,000		105,670

3.03 Add Early Learning Coordinator

It is proposed that a position be created to oversee and support the Early Learning programs in the district. With 18 Strong Start Centres plus Ready Set Learn and Welcome to Kindergarten in all the schools, there is a need to coordinate and support staff in schools who deliver the programs. It is also important for us to provide a strong position in our liaison work with other agencies so that we can add value to our programs and avoid overlapping of services.

Staffing Impact			Budget Impact			
Base	Reduction	Employee Group	Salaries & Benefits	Supplies	Revenue	Total
	(1.00)	PASA	(96,200)			(96,200)

3.04 Reconfiguration of District Learning Staff

In order to provide support specific to the age of learners receiving ESL support within the district, a reconfiguration of the existing position is recommended. The 1.0 FTE will be removed and reallocated to 0.4 ESL Elementary Mentor/ 0.4 ESL Secondary. The Pre-School teacher position will be reduced to 0.4 FTE mentorship position. The 0.8 FTE reduced will help provide funds to support the proposed added Early Learning Coordination (3.03 above).

Staffing Impact			Budget Impact			
Base	Reduction	Employee Group	Salaries & Benefits	Supplies	Revenue	Total
120.70	0.80	Teachers	55,968			55,968

3.05 Reduction of Summer School Teachers and Supplies

Summer School will continue to operate in six (6) elementary schools and seven (7) secondary schools with some satellite centres. Expenditures will be reduced by increasing the minimum class size to 16 for savings of \$169,000. Additional savings will be achieved by reducing administrative supplies in the amount of \$35,000 and instructional supplies of \$17,000 for a total of \$52,000.

Staffing Impact			Budget Impact			
Base	Reduction	Employee Group	Salaries & Benefits	Supplies	Revenue	Total
40.3	3.20	Teachers	185,500	52,000		237,500

3.06 Reduction of Continuing Education – Night School Casual and Advertising

The night school program will continue to operate in five schools and the Education Centre. Savings will be achieved by a reduction in CUPE 15 casual salaries of \$33,540 and a reduction in advertising of \$20,000. It is expected that these reductions will have not have a significant effect on student registrations.

Staffing Impact		
Base	Reduction	Employee Group
		CUPE 15

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
33,540	20,000		53,540

3.07 Adult Education – Teacher Assistants and Instructors

Reduce summer self-paced programming in all centres for July/August 2011. This will result in some limitation on student choice for 6 week summer terms and no impact on continuing contracts for teaching staff (summer is optional work). Establish 20 as a minimum class size. This will result in some impact on teaching/learning conditions and will have a greater impact on teachers with low seniority.

Staffing Impact		
Base	Reduction	Employee Group
108.4	9.50	VESTA/ AEC

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
929,610			929,610

3.08 Restructuring of the Peer to Peer Program

It is proposed to restructure the Peer to Peer program to meet the current demands for peer to peer services. In 2008/2009 four positions were added to provide support to new continuing staff and substitutes. Support provided for new teachers includes set up, unit development, report cards, and on-going classroom management. In recent years, the number of new teachers to the district has decreased significantly which resulted in a decrease in peer-to-peer service requests from teachers. It is expected that this trend will continue in the next budget year.

Staffing Impact		
Base	Reduction	Employee Group
3.0	1.00	Teachers

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
69,870			69,870

3.09 Reduction of Teaching Staff

Currently 25 FTE are used to manage class size/class composition (CSCC) issues at the secondary level. It is proposed to reduce this by 7 FTE. CSCC issues will be managed through a reduction in small or undersized classes/courses. The remaining 18 FTE will be assigned, through the Associate Superintendents, to address CSCC issues that schools cannot address through timetabling.

Staffing Impact		
Base	Reduction	Employee Group
25.00	7.00	Teachers

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
489,090			489,090

3.10 Reduction of School and Support B Positions

It is proposed to reduce support staff allocated to Special Education Program classes by three positions.

Staffing Impact		
Base	Reduction	Employee Group
34.30	3.00	CUPE 15

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
175,230			175,230

4.0 School Administration

4.01 Extra Clerical Reduction

It is proposed to eliminate extra clerical positions at the elementary level except for those schools requiring an employee with a certified first aid certificate (OFA2). A pool of 9 FTE will be utilized as either Permanent Employees on Call and /or a group available for emerging issues as assigned by Human Resources. This would result in a 6.8 FTE reduction.

Staffing Impact		
Base	Reduction	Employee Group
23.80	6.80	CUPE 15

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
309,196			309,196

4.02 School Administration – Vice Principal Reduction

It is proposed to reduce the budget for school based administration by allocating Vice Principals only to schools that have a student population that exceeds the board approved thresholds. It is estimated that three schools will not meet the enrolment threshold for having a Vice Principal in 2011/2012 (400 student headcount for an elementary school). Currently the following schools are close to being below 400 students: Carleton, Cunningham, MacKenzie, Renfrew, Sexsmith, and Waverley.

Staffing Impact		
Base	Reduction	Employee Group
21.30	3.00 <u>(2.40)</u> 0.60	Sch. Admin Teachers

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
339,240 <u>(167,904)</u> 171,336			339,240 <u>(167,904)</u> 171,336

5.0 Transportation

5.01 Reduction of Transportation Costs

It is proposed to reduce the transportation budget by \$250,000. In order to implement this reduction notification must be given to parents at a time which would allow them to make alternate plans for the fall of 2011. All of the categories have been reviewed - but require a commitment in order to execute the reductions recommended. Bus passes can be eliminated unless students' family is in extreme hardship. Taxi and mileage expenses can be reduced.

Students in catchment, attending their neighbourhood school, or whose parents have gone cross boundary purely by choice and not by necessity should not be eligible for bus services. We will continue to treat each case with individual consideration with respect to parents' ability to manage transportation for their child and undue financial hardship.

Staffing Impact		
Base	Reduction	Employee Group

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
	250,000		250,000

6.0 Other

6.01 Board Approved - Sectoral Review

On December 14, 2010, the Board directed staff to immediately initiate a process to develop a comprehensive plan for sectoral reviews across the school district. The Sectoral Review is a comprehensive analysis of specific regions of the school district conducted through a public engagement process. The aim of the sectoral review is to ensure that all students have inclusive and equal access to a broad range of quality education programs and services, while at the same time determining the best possible use of available resources within each sector across the city. The approximate timeline for the sectoral reviews is April 2011 to March 2012. The estimated cost for completing the sectoral review is \$300,000.

Staffing Impact		
Base	Reduction	Employee Group

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
	(300,000)		(300,000)

6.02 Benefit Plans Surplus Withdrawal

It is proposed to withdraw surpluses accumulated in Board funded benefit plans and take premium holidays on shared employee contributory plans. The proposed premium refunds and premium holiday is conservative. All of the plans will retain the mandatory reserves and an additional claims fluctuation reserves.

Staffing Impact		
Base	Reduction	Employee Group

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
1,700,000			1,700,000

7.0 Revenue

7.01 Budget Holdback Release

It is proposed to include in the budget an estimate for a potential release of provincial holdback funds in 2011/2012. The provincial holdback funds accommodate unanticipated enrolment growth and are distributed through the school year as enrolment counts are determined.

Staffing Impact		
Base	Reduction	Employee Group

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
		1,000,000	1,000,000

7.02 Implement Annual User Fee for Band and Strings

The Itinerant Band and Strings Program currently operates in 37 schools. More than 3,400 students in those schools participate in what is essentially an extra-curricular program. Students attend before school, after school, or are pulled from the regular programming in the school.

It is proposed to charge families a nominal fee of \$25.00 per year to support the program. The fee could be paid over the year to assist families. No child would be denied access to the program because of his or her inability to pay the fee.

Other measures which may reduce costs of the program include asking large schools to offer the program as teacher preparation time, and amalgamating or closing small programs. No figure can be attached to these savings until sign-up and staffing for next year is known. Whatever savings are achieved through these measures can support the waiving of fees noted above.

Staffing Impact		
Base	Reduction	Employee Group

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
		90,000	90,000

7.03 Increase Education Centre Parking Revenue

Monthly fees for internal parkers at the Education Centre have not been increased since the parkade was opened in 1998. An increase to fees by \$10.00 per month from \$43.86 to \$53.86 is proposed. Fees would still be less than those charged in surrounding parkades. This would increase VBE revenue by \$10,000 per year as the net proceeds from the Education Centre parkade accrues to the VBE. It is anticipated the Education Centre parking fees will be increased to market rates over time.

It is also proposed to significantly restrict validated parking. Each School Principal/Annex Vice Principal will be provided 10 tickets for the year. Other books will be provided to district departments on a very limited basis. There will be no overflow at the Chapters' parkade. Carpooling and scheduling meetings at schools will be encouraged.

Staffing Impact		
Base	Reduction	Employee Group

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
		70,000	70,000

7.04 Enhanced Treasury Management

Dedicate one Accounting staff person to manage treasury functions within the district. Improved cash flow management to eliminate credit card interest charges and increase interest and investment income within the current Investment Policy is estimated to save \$25,000.

Staffing Impact		
Base	Reduction	Employee Group

Budget Impact			
Salaries & Benefits	Supplies	Revenue	Total
		25,000	25,000

Attachment B

Stakeholder and Public Consultation

Stakeholder and Public Consultation

The following Board approved 2011/2012 Budget Process/Timeline shows the schedule of budget meetings. Please refer to this schedule for the budget meeting dates and deadlines for submissions.

Tuesday, April 12, 2011 Education Centre Boardroom, 5:30 p.m.	Plenary Education & Student Services/Finance & Legal (Committee III/V) Public Presentation of 2011/12 Preliminary Budget Proposals
Tuesday, April 19, 2011 Location: Mt. Pleasant, 7:00 p.m.	Committee-of-the-Whole Public Consultation on Preliminary Budget Proposals
Wednesday, April 20, 2011 Education Centre Room 400, 7:00 p.m.	Plenary Education & Student Services/Finance & Legal (Committee III/V) Stakeholder Consultation on Preliminary Budget Proposals
Thursday, April 21, 2011 Vancouver Education Centre Boardroom, 7:00 p.m.	Committee-of-the-Whole Additional Public / Stakeholder Consultations (to be held if necessary)
Wednesday, April 27, 2011 Education Centre Boardroom, 5:30 p.m.	Plenary Education & Student Services/Finance and Legal (Committee III/V) Public Presentation of Revised 2010/12 Preliminary Budget Proposals
Tuesday, May 3, 2011 Education Centre Boardroom, 7:00 p.m.	Committee-of-the-Whole Public & Stakeholder Consultations on the Revised Budget Proposals
Thursday, May 5, 2011 Education Centre Boardroom, 7:00 p.m.	Committee-of-the-Whole/Special Board Meeting Final Deliberations and Approval of 2011/12 Preliminary Budget

Please send written submissions no later than two working days before the meeting to Vancouver Board of Education, Attention: Administrative Coordinator, Secretary-Treasurer's Office, 1580 West Broadway, Vancouver, BC V6J 5K8, or send by fax to 604-713-5049, or email to budget2011_12@vsb.bc.ca. Please note: all submissions to the Board are considered to be public documents. The Board, therefore, reserves the right to make any submissions available to the public and placed on the website.