

Budget Dialogue

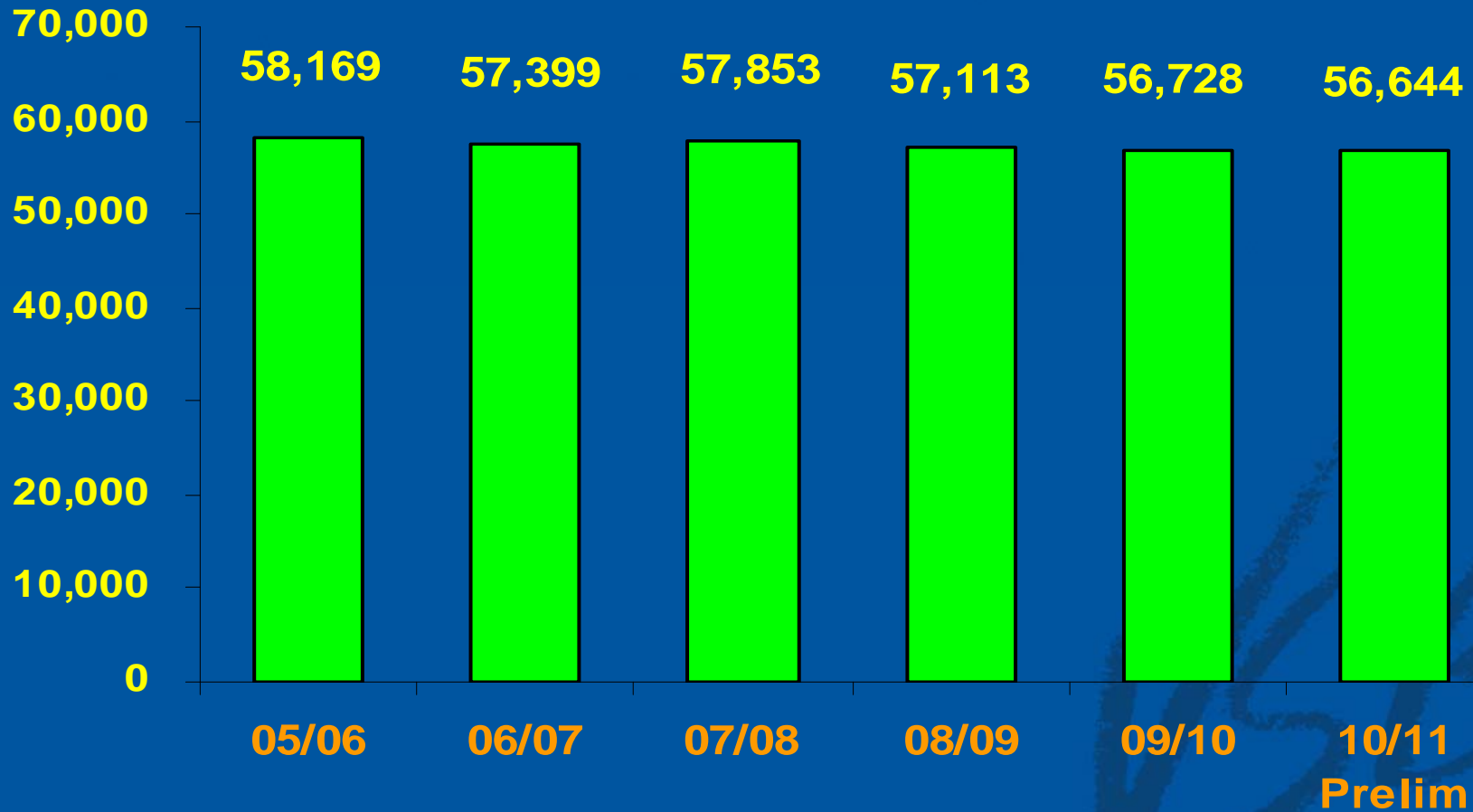
2011 - 2012



VSB

VBE Enrolment History

Regular, Distributed Learning, Adult and International
(FTE)



VBE Staffing History by Type

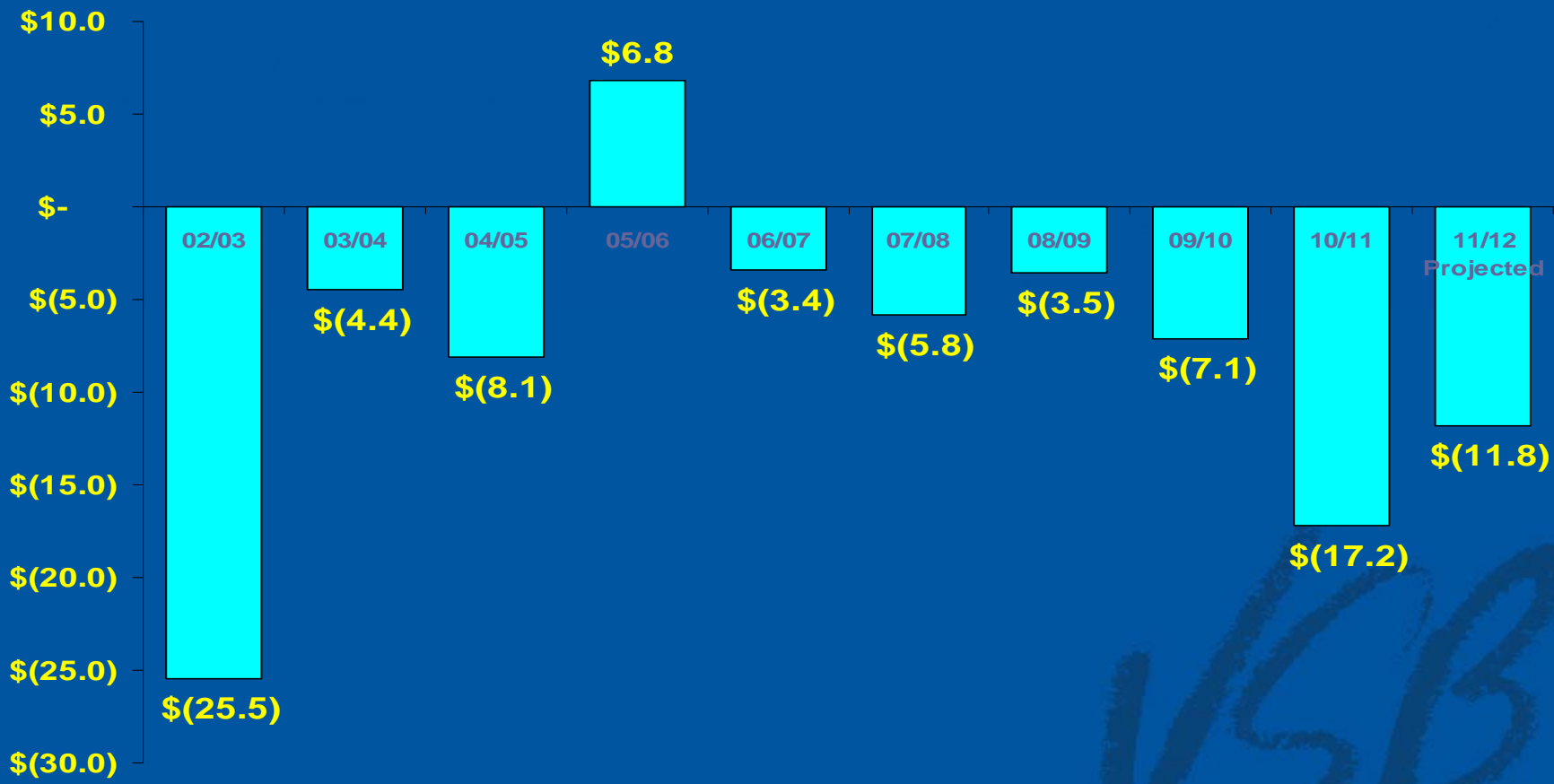
(FTE)

	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011
Teachers	3,284.78	3,261.20	3,189.22	3,186.34	3,201.77	3,127.49
Principals / Vice Principals	195.00	197.00	195.00	198.30	199.83	193.80
Other Professionals	111.58	110.28	111.10	114.90	114.19	100.70
Education Assistants	676.45	711.17	741.87	801.25	835.36	807.01
Support Staff	1,212.89	1,240.21	1,249.91	1,259.63	1,281.93	1,258.35
Total	5,480.70	5,519.86	5,487.10	5,560.42	5,633.08	5,487.35

VBE Students / Staff Ratios History

	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011
Teachers	17.71	17.60	18.14	17.92	17.72	18.11
Principals / Vice Principals	298.30	291.37	296.68	288.01	283.88	292.28
Other Professionals	521.32	520.49	520.73	497.07	496.77	562.50
Educational Assistants	85.99	80.71	77.98	71.28	67.91	70.19
Support Staff	47.96	46.28	46.29	45.34	44.25	45.01
Total	10.61	10.40	10.54	10.27	10.07	10.32

Operating Budget Additions/(Reductions) Approved by the Board (\$millions)



Major Recurring Reasons for Funding Shortfalls

- Cost increases, such as salary and employee benefit increases, not funded by the Province
- Inflation on goods and services
- Fixed facility related and school and district administration costs that do not vary with small changes in enrolment

Education Funding

	2010/2011 (\$billions)
School Property Taxes – Residential	0.68
School Property Taxes - Non-residential	0.94
Other Provincial Revenue	3.08
Total Operating Funding for School Districts	4.70

Historically, property taxes have funded approximately 33 per cent of public education costs with the balance being covered from other provincial revenue sources.

2011-2012 Provincial Funding Rates

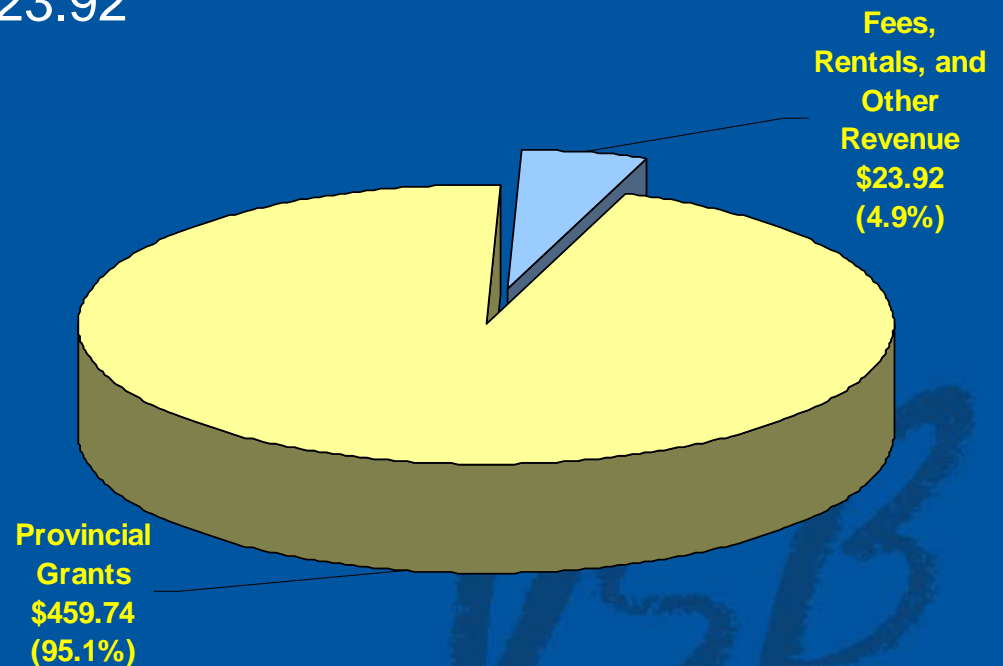
	Funding per FTE
Regular and Continuing Education (School-Age)	\$ 6,740
Distributed Learning	5,851
Special Education	
Level 1	36,600
Level 2	18,300
Level 3	9,200
English as a Second Language	1,340
Aboriginal Education	1,160
Adult Education	4,430

2011-2012 Enrolment Projections

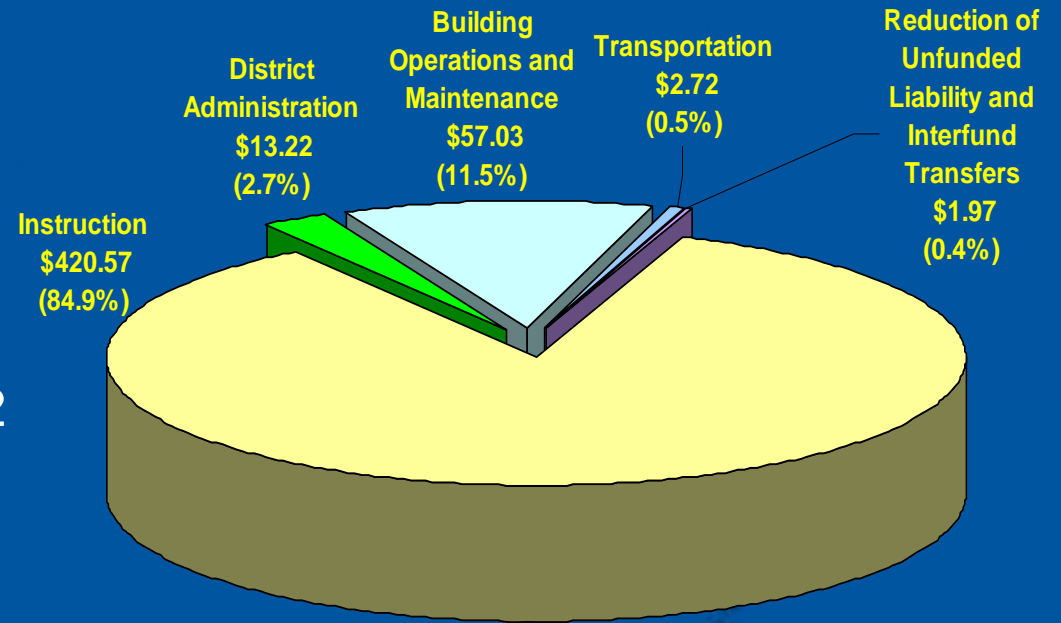
	Student FTE
Regular and Continuing Education (School-Age)	52,572
Distributed Learning	1,324
Special Education	
Level 1	86
Level 2	1,698
Level 3	666
English as a Second Language	11,602
Aboriginal Education	1,884
Adult Education	2,209

2011-2012 Base Budget Operating Revenue (\$millions)

- Provincial grants: \$459.74
- Fees, rentals, other revenue: \$23.92
- Total revenue: \$483.65



2011-2012 Base Operating Budget Expenditure by Function (\$millions)



- Instruction: \$420.57
- District Administration: \$13.22
- Building operation and maintenance: \$57.03
- Transportation: \$2.72
- Reduction of unfunded liability & interfund transfers: \$1.97

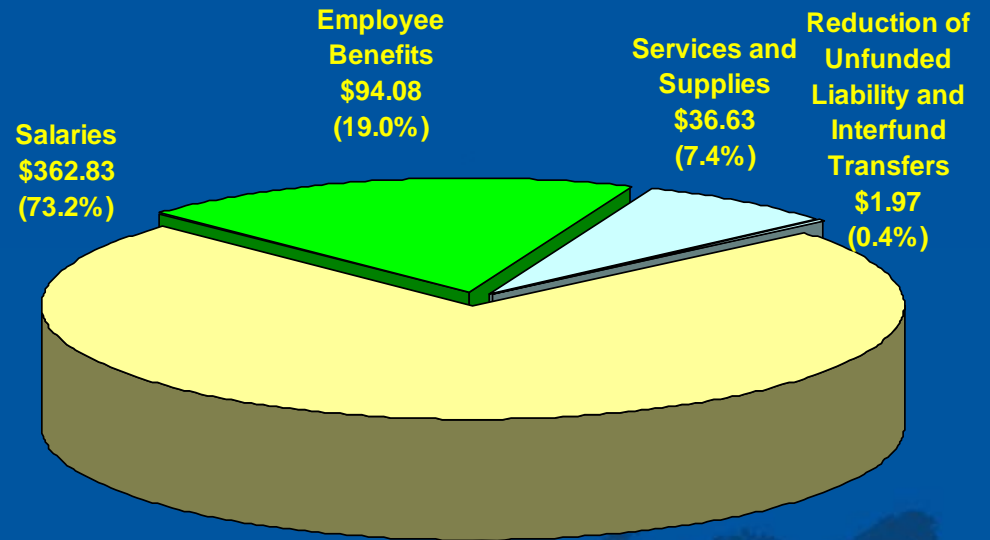
- Total expenditure: \$495.51

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2011-2012 Base Operating Budget Expenditure by Type (\$millions)

- Salaries: \$362.82
- Employee benefits: \$94.08
- Supplies & Services: \$36.63
- Reduction of unfunded liability and interfund transfers: \$1.97

- Total expenditure: \$495.51



2011-2012 Base Budget Staffing by Type

	FTE
CUPE 15	1,214.11
CUPE 407	101.00
IUOE	720.15
Night School Administrators	0.91
PASA / Excluded / District Principals	105.70
School Administrators – Admin Time	135.39
School Administrators – Teaching Time	52.50
Teachers / ALC	3,159.03
Trades	60.00
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	5,548.78

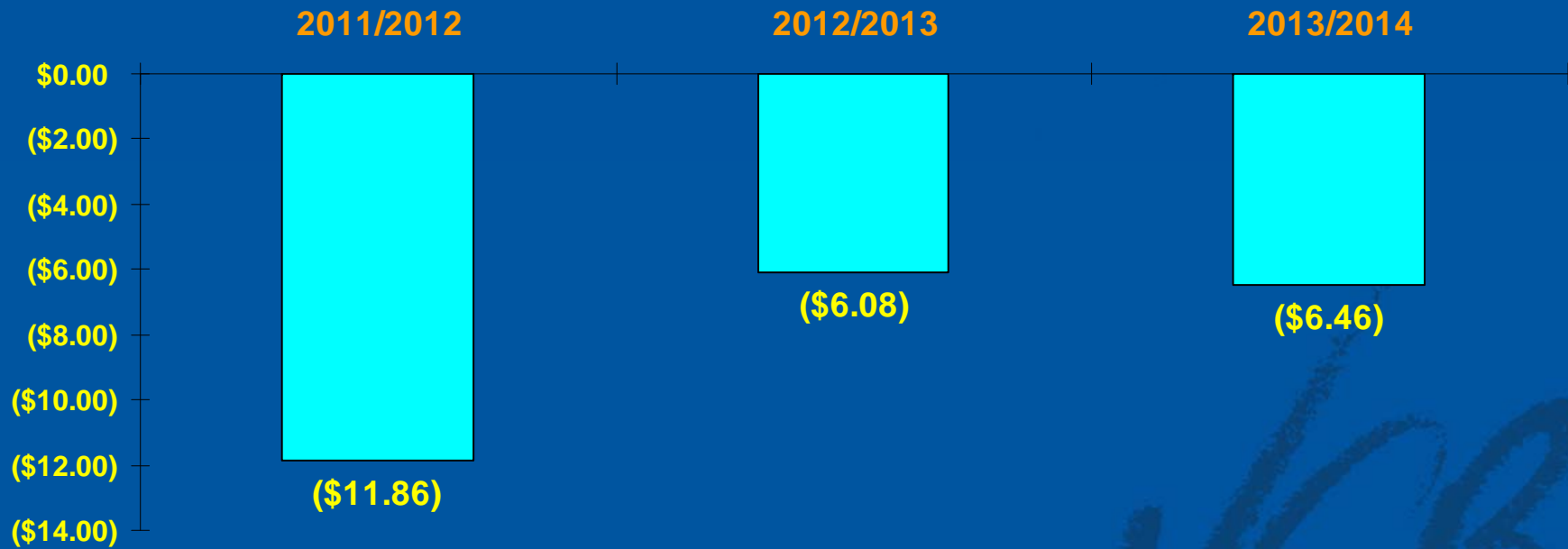
2011-2012 Projected Operating Budget Shortfall

(\$millions)

Enrolment Change	\$0.03
Salary and Employee Benefits Changes	(\$3.72)
Inflation	(\$0.99)
Operating Grant-Formula Transition	\$0.45
09/10 Projected Surplus Carried Forward	(\$1.92)
10/11 Transfer from Local Capital Reserve	(\$2.42)
10/11 Distribution of Holdback	(\$0.97)
10/11 Group Life Premium Holiday	(\$0.22)
10/11 School Calendar One-time Savings	(\$1.42)
10/11 One-year Suspension of Millwork & Painting	(\$1.23)
Other	\$0.55
Total Projected Funding Shortfall	(\$11.86)

Operating Budget Three Year Projection

(\$millions)



Possible Budget Balancing Options

- Use of reserves/sale of assets
- Increase VBE own source revenues
- Decrease expenditures

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Projected Local Capital Reserve Fund Balance

(\$millions)

	<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)	
	<u>(1.18)</u>	<u>(0.18)</u>
Closing Balance as at June 30	\$1.26	\$2.17

Own Source Revenues

- Currently approximately \$24 million (4.9%)
- Mostly international education student fees, rentals, leases and investment income
- Some potential for increase

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Decrease Expenditures

- Most of shortfall may have to be met through expenditure reductions
- Salaries and Benefits – 92.2% of expenditures
- Most savings may have to come from staff reductions
- Approximately 2/3 of staffing subject to legislative and collective agreement constraints
- Supplies and Services costs only 7.4% of expenditures

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2011-2012 Budget Guiding Principles

Strategic Plan

Primacy of Student Success

District Plan Conditions for Learning

Legislative Requirements – Collective Agreements – Policy – Audit - Political

Efficacy

Equity
&
Access

Interdependence
&
Differentiation

Leadership
Succession
Continuity
Sustainability

Valuing employees – Morale – Hope - Optimism

Capacity - Functionality

Keep it simple, multi-year, base budgets, clear communications, good research

Key dates

March 15	Review of Preliminary Strategic Budget Reviews
March 17	Provincial Announcement of 2011-2012 Preliminary Operating Grant
April 12	Preliminary Budget proposals
April 19	Public Consultation on Preliminary Budget Proposals
April 20	Stakeholder Consultation on Preliminary Budget Proposals
April 21	Additional Public / Stakeholder Consultations (if required)
April 27	Revised 2011-12 Preliminary Budget Proposals
May 3	Public & Stakeholder Consultations on the Revised Budget Proposals
May 5	Final Deliberations and Approval of 2011-12 Preliminary Budget