

# 2015-16 Preliminary Budget

Board Meeting Update  
March 31, 2015

## Budget Principles

- Commit to building a reasonable understanding of budget information through ongoing communications.
- Maintain a three year budget plan to ensure funding sources support program initiatives.
- Maintain surplus/reserve balances to respond to emergent needs.
- Maintain strong internal fiscal management policies.



# Board of Education Meeting

## 2015-16 Budget



(\$millions)	2014-15 Budget	2015-16 Budget
Total Revenue	165.5	171.9
Total Expenditures	170.5	176.9
<b>Surplus (Deficit) for Year</b>	<b>(5.0)</b>	<b>(5.0)</b>
Accumulated Surplus, Beginning of Year	14.6	9.6
<b>Accumulated Surplus, End of Year</b>	<b>9.6</b>	<b>4.6</b>

# Board of Education Meeting

## 2015-16 Budget



<b>Projected Deficit in 2014-15</b>	<b>\$5.0M</b>
School Carry-Over Portion	\$2.9M
Planned Surplus Allocation in 14-15	\$1.8M
General Overspending in current year	\$0.3M

# Board of Education Meeting

## 2015-16 Budget



<b>Projected Deficit in 2015-16</b>	
Deficit in Prior Year	\$0.3 M
Changes to Funding	
Reduction of Ministry Holdback	\$1.4 M
Reduction related to Admin savings	\$1.0 M
Cost Pressures	
Labour Settlement Funding (incl in grants)	-
Employee Benefits (MSP, etc)	\$0.1 M
Utilities	\$0.1 M
Teacher Salary increments	\$0.6 M
Next Generation Network (NGN) **	-
General Inflation	\$0.1 M
Planned Program spending from Surplus	\$1.4 M
<b>Projected Deficit in 2015-16</b>	<b>\$5.0 M</b>

# Board of Education Meeting

## 2015-16 Budget



### Summary of Accumulated Surplus and Restricted Use Funds

#### Estimates for 2015-16 Preliminary Budget Planning

#### Accumulated Surplus

**Balance July 1, 2014** **14,606,426**

School Budget Carry-over allocation 2,870,667

Requirement to cover excess expenses in 2014-15 2,095,902

School budget carry-fwd, aboriginal carry-fwd  
Per 14-15 Amended Budget

**Estimated Current Year Requirement** **4,966,569**

**Estimated Balance June 30, 2015** **9,639,857**

#### Ongoing Requirement for Accumulated Surplus Funds

##### Ongoing Project Commitments

Board Funding of Additional StrongStart 240,000

District Innovation Centre 600,000

After School Programs 600,000

Middle Years Career Development Support 276,000

3 year commitment (\$80,000/yr)

4 years remaining on original commitment (\$700K) 4 remaining yrs @ \$150,000/yr

2 year commitment (\$300K/yr)

3 year commitment (\$92,000/yr)

**Estimated Requirement for Planned Projects** **1,716,000**

##### Contingencies & Reserves

Contingency for Support Staff Pay Equity 2,500,000

Board Strategic Initiatives 500,000

Major IT Infrastructure (Data Ctr, Network, Servers) 1,500,000

Utility Reserves 425,000

Equipment Reserve 750,000

Internal Pay Equity amount to allow for adjustment to EA wages (\$950K-yr1, \$750K-yr2, \$500K-yr3, \$300K-yr4)

For strategic projects

Scheduled equipment replacement in 2016 and 2017

To cover unplanned utility costs

Replacement of equipment other than IT equipment

**Estimated Contingencies & Reserves** **5,675,000**

**Balance of Uncommitted Accumulated Surplus** **2,248,857**

# Board of Education Meeting

## 2015-16 Budget



	2014-15 RECALC (DEC)			2015-16 Preliminary		
<b>Enrolment Based Funding</b>	<b>SEPTEMBER</b>			<b>SEPTEMBER</b>		
<b>Type</b>	<b>Enrolment</b>	<b>Funding Level</b>	<b>Total Funding</b>	<b>Enrolment</b>	<b>Funding Level</b>	<b>Total Funding</b>
Total Funded Enrolment FTE:	18763.0625			18770.5000		
Total School Age FTE:	18383.6250	6,900	126,847,013	18388.0000	7,158	131,621,304
Alternate Schools	236.375	6,900	1,630,988	236.000	7,158	1,689,288
DL School Age FTE:	136.1875	5,851	796,833	140.0000	6,030	844,200
Adult Education	6.875	4,430	30,456	6.5	4,565	29,673
Summer Learning	0	-	-	0	-	-
Course Challenges	42	216	9,072	42	224	9,408
Homeschool students	8	250	2,000	8	250	2,000
	<b>Total Enrolment Based Funding</b>		<b>\$129,316,361</b>	<b>Total Enrolment Based Funding</b>		<b>\$134,195,873</b>
<b>Enrolment Based Funding</b>	<b>FEBRUARY</b>			<b>FEBRUARY</b>		
	<b>Total February Grant</b>		<b>682,680</b>	<b>Total February Grant</b>		<b>705,041</b>
<b>Enrolment Based Funding</b>	<b>MAY</b>			<b>MAY</b>		
	<b>Total May Grant</b>		<b>522,420</b>	<b>Total May Grant</b>		<b>539,258</b>

# Board of Education Meeting

## 2015-16 Budget



	2014-15 RECALC (DEC)			2015-16 Preliminary		
<b>Unique Student Needs</b>						
	Enrolment	Funding Level	Total Funding	Enrolment	Funding Level	Total Funding
(ESL)	2,051	1,340	2,748,340	2,051	1,380	2,830,380
Aboriginal Education	1,898	1,160	2,201,680	1,898	1,195	2,268,110
Vulnerable Students	-	-	428,862	-	-	428,862
Special Education						
Level 1:	19	36,600	695,400	19	37,700	716,300
Level 2:	581	18,300	10,632,300	581	18,850	10,951,850
Level 3:	294	9,200	2,704,800	295	9,500	2,802,500
	<b>Total Unique St Needs Funding</b>		<b>19,411,382</b>	<b>Total Unique St Needs Funding</b>		<b>19,998,002</b>
<b>Other</b>						
Salary Differential	Differential	(1,194)	estimate	Differential	(1,194)	estimate
	# of Educators	1,042.392	2,138,927	# of Educators	1,042.806	2,139,774
Unique Geographic Factors			2,449,748			2,439,396
Summer Learning			27,200			442,926
Supplement for Education Plan			377,769			375,124
Holdback Allocation			1,444,226			-
Labour Settlement Funding			3,254,455			
Administrative Savings			-			(973,063)
	<b>Total Other</b>		<b>9,692,325</b>	<b>Total Other</b>		<b>4,424,157</b>
	<b>TOTAL FUNDING</b>		<b>159,625,168</b>	<b>TOTAL FUNDING</b>		<b>159,862,331</b>



## Budget Issues for 2015-16

- Reduction for Administrative savings (\$1.0M)
  - Administrative areas have been reduced through significant budget cuts in 2010-11 & to support the Cooperative gains mandate in 2013-14.
- Board funded Support Staff Collective Agreement costs
  - \$1.2M – Cooperative Gains 2013-14
- Cost Pressures (\$1.0M)
- Support for strategic initiatives & programs funded from Surplus (\$1.4M)



## Budget - Next Steps

- **\$3.5M** in reductions to be found
- Review of all district controlled revenues
  - Int'l tuition, transportation fees, facility rentals
- Review of programs & services (non-classroom based)
  - Reduction to programs/services
  - Further streamlining/shared services

- Risks & Emerging Issues
  - Impact of spending reductions
  - Provincial economic conditions



Questions?