

Budget Development Update



Fiscal 2021/22

Resources Committee Meeting – April 13, 2021

Tonight's Update

- 1) Budget Priorities – public input
- 2) Budget Context - updated numbers
- 3) Potential Options – addressing the shortfall



Input Received – Emerging Themes

From all groups:

- ☐ Mental Health/Wellness
- ☐ Early Learning & Intervention
- ☐ Safe & Healthy Learning Environments
- ☐ Resources, Supplies & Equipment



Thought Exchange - Public

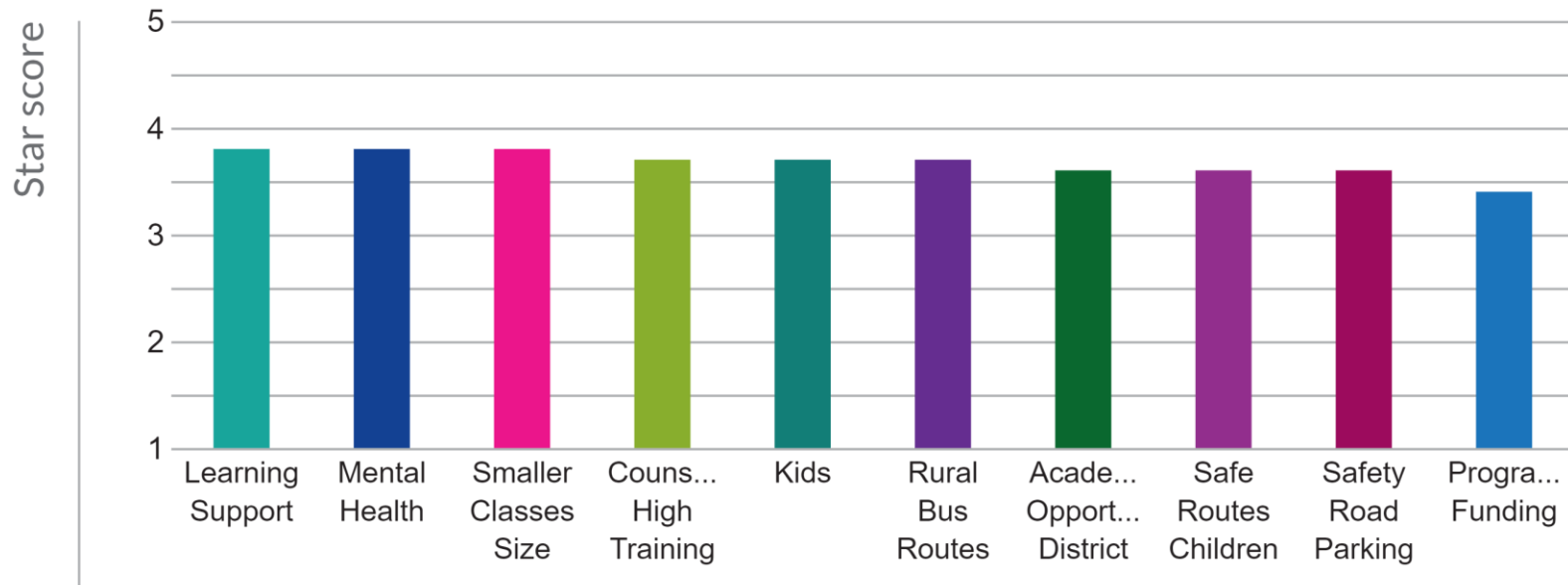
Staff launched a public Thought Exchange:



- Early March to early April
- 206 participants, 138 thoughts & 4,443 ratings

Are there other priorities related to the Strategic Plan we should focus on?

Thought Exchange - themes



21/22 Budget Context

The Ministry issued their budget instructions on March 12th and based on these, we are planning:

- Per pupil funding amount @ \$7,885/FTE
- Enrolment estimate @ 11,111 students FTEs (10,857)
- Teacher staffing identified @ 652 FTEs (638)

21/22 Operating Budget

Revenues – from March

Estimated Grant Increase	\$1.361 m
Inclusive Education – Level 1, 2 & 3	\$.930 m
Aboriginal Education	\$.165 m
ELL	\$.236 m
Distributed Learning	\$.128 m
Collective Agreements' wage increase	\$3.008 m
Reduction in 70 ISP FTEs	(\$.945 m)
Reduction in Reserve Funding for domestic FTEs	<u>(\$1.361 m)</u>
Estimated Changes in Revenues	\$3.522 m

21/22 Operating Budget

Expenditures – from March

Inclusive Education – Level 1, 2 & 3	\$.930 m
Aboriginal Education	\$.165 m
ELL	\$.236 m
Collective Agreements' wage increase	\$3.008 m
Reduction in 70 ISP FTEs	(\$.473 m)
Teacher Salary Increments	\$.700 m
Excluded Salary Increase	\$.400 m
Infrastructure Growth	<u>\$.335 m</u>
Estimated Changes in Expenditures	\$5.301 m

21/22 Operating Budget

Net Revenue Impact – from March

Estimated Revenue Increase

\$3.522 m

Estimated Expenditure Increase

(\$5.301 m)

Estimated Pressure

(\$1.779 m)

So....we have a gap to close to balance the budget



21/22 Operating Budget

Net Revenue Impact – updated for April

Estimated Revenue Increase	\$3.522 m
Estimated Expenditure Increase	<u>(\$5.301 m)</u>
Estimated Pressure	(\$1.779 m)
Potential Salary Differential (3-year avg.)	(\$.300 m)
Estimated shortfall in CA funding	<u>(\$.259 m)</u>
Updated Estimated Pressure	(\$2.338 m)

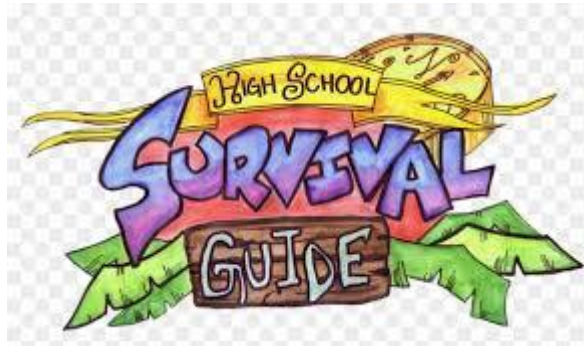
21/22 Operating Budget

Updated Pressure Gap

Pressure	Structural	One time	Total
ISP Shortfall		\$.473 m	\$.473 m
Teacher Increments	\$.700 m		\$.700 m
Excluded wages	\$.400 m		\$.400 m
Infrastructure Growth	\$.335 m		\$.335 m
DL Revenue Increase	(\$.128 m)		(\$.128 m)
Salary Differential		\$.300 m	\$.300 m
CA Shortfall	\$.259 m		\$.259 m
Total	\$1.566 m	\$.773 m	\$2.339 m

20/21 Budget Plan

Given the expected impacts of the pandemic, 20/21 will be a survival or status quo budget – ride the storm out until the skies clear....



Potential Options – Gap Closure

How do we propose to close the gap?

Possible solutions:

- Increased enrolment over 11,111
- 20/21 carry over
- Financial Reserve
- Staffing ratios
- Revenues
- **Adjustments/Reductions**



21/22 Operating Budget

Pressure Gap & Proposed Options

Pressure	Structural	One time	Total
Total	\$1.566 m	\$.773 m	\$2.339 m
Financial Reserve		(\$.773 m)	(\$.773 m)
Benefits/Utilities	(\$.600 m)		(\$.600 m)
Exempt Compensation	(\$.400 m)		(\$.400 m)
Increased Enrolment	?		?
Staffing, Services & Supplies	?		?
20/21 Carry Over and/or Reserve		?	?
Remaining Pressure	\$.566 m	Nil	\$.566 m (.5%)

20/21 Financial Reserve

Proposed Option

Beginning Reserve amount	\$2.602 m
Potential 21/22 Draw on Reserve	(\$.773 m)
Ending Reserve amount	\$1.829 m

Note: \$1.829 m is 1.5% of the current year operating budget



20/21 Carry Over

Proposed Option

****Limit year end expenditures to essential spending only****

Quarter 2 Forecasted Position	Nil
-------------------------------	-----

Quarter 3 Forecasted Position	?
-------------------------------	---

Year End Financial Position	?
-----------------------------	---

Note: Any potential savings would be one-time and not structural (kick the can to next year)

20/21 Carry Over

What does essential spending to year end mean?

- ☐ Only spending required to support continuity of learning
- ☐ Only spending required to finish the school year
- ☐ No spending in preparation for 21/22
- ☐ Possible return to 5% carryover



Potential Options – Menu list

What are possible reductions in staffing, services or supplies?

- Salaries and benefits
- School and department supply budgets
- External rental agreements
- Service contracts – engagement survey, external audit



Potential Options – Menu list

Staff will be providing the Board a menu list of possible options to address the estimated pressure



Potential Options – more input

Given that:

- a) We are hopefully at the tail end of the pandemic;
- b) We are using 21/22 to plan and maintain the course; and
- c) Our budget priorities have been identified.

What are some short term (this year or next year) sacrifices we can make to close the \$.566 m gap?

Next Meetings

- ☐ ~~Review & input on potential options to address pressure – April 13~~
- ☐ Review & input on 21/22 budget plan – May 11
- ☐ ECOW Meeting – May 18



Thanks!

