



Staff Report to the Board of Education

April 5, 2023

2023-2024 BUDGET – SUPERINTENDENT’S RECOMMENDATIONS

Adrian Johnson, Secretary-Treasurer

BOARD DIRECTION

At the March 1, 2023 Committee of the Whole, the Board indicated the following priorities for the 2023-2024 budget.

1. Education Assistant Support
2. Mental Health and Wellness of students and staff
3. Truth and Reconciliation
4. Climate Action

The Superintendent addresses those priorities in the recommendations below.

RECOMMENDATION

The Superintendent recommends the following motion:

That the proposed budget changes for 2023-2024 be distributed for comments and further input.

PROPOSED BUDGET CHANGES

The table below shows the Superintendent’s recommended budget changes from the 2022-2023 Amended Budget to the proposed 2023-24 Original Budget. A detailed breakdown of the 2022-2023 amended budget can be found on the School District’s website, [here](#).

References in bold reflect the Board’s priorities. Link of each expense line to strategic plan goals is on the right, with the following abbreviations used for each of the three pillars:

- LE – Leadership Excellence
- CC – Community Connections
- SS – Student Success

Change \$	Description	Strat. Plan
REVENUE		
\$713,000	Forecast increase enrolment of about 90 students	
\$780,000	Forecast increase in number of students with funded designations. The number of students with funded designations increased from September 2022 to February 2023. This forecast assumes the number of designated students remains the same as recorded in February.	
\$113,000	Forecast increase in number of students with funded English Language Learner (ELL) needs	
\$4,773,000	Increase in operating grant for wage and benefit increases for unionized staff	
\$183,000	Increase in targeted Indigenous Education funding.	
\$6,562,000	Forecast total increase in revenue	
EXPENSES		
<i>Supports for increased enrolment</i>		
\$300,000	Increase of 2.5 full-time equivalent (FTE) ELL teachers to support additional ELL students. In September 2021, the District had 156 ELL students. There was no increase in ELL staffing for the 2022-23 school year. 326 ELL students are forecast for September 2023, over doubling the number of funded ELL students from 2021-22.	SS1
\$560,000	4.7 FTE additional classroom teachers to accommodate enrolment growth.	SS – all
\$300,000	7 additional Education Assistant positions to support additional student needs. The forecast number of students with special needs is projected to be the same as now. This is an improvement on existing service levels.	SS1
\$430,000	Additional SBRT positions and North Okanagan Youth and Family Services Society (NOYFSS) counsellors to support additional student needs. Additional NOYFSS counsellors supports student mental health.	SS1
\$50,000	Therapy assistant position to support the Board's occupational therapists and physiotherapist. (OT/PT).	SS1
<i>Inflationary pressures</i>		
\$4,540,000	Wage and benefit increases of 5.5% for all staff. It is likely that staff will become entitled to a further 1.25 % cost of living allowance. This has yet to be confirmed and will likely be offset by an equal funding commitment.	LE5
\$167,000	1.4 FTE additional teachers to allow for increase in prep time for elementary school teachers from 110 minutes a week to 120 minutes a week.	SS – all
\$100,000	Estimate of additional funds needed to maintain existing services provided by third parties (OT/PT, NOYFSS, WhiteValley Community Services, other service providers)	SS1, CC4
\$100,000	Other inflationary pressures, such as utility costs, vehicle fuel, software licensing costs. This is small in proportion to the District's service and supply costs.	LE1
<i>Cost allocations</i>		
183,000	Increase in targeted Indigenous Education expenditure in line with funding. This primarily offsets inflationary pressures within the targeted expenditure. The targeted funding partly supports the Board's strategic commitment to the Truth and Reconciliation Calls to Action.	CC1, CC2
-\$460,000	Allocation of existing Early Learning staff teachers (3.0 FTE) and management (0.4 FTE) to targeted Integrated Inquiry project.	SS2

Change \$	Description	Strat. Plan
-\$100,000	Allocate food programs funded by Community Link to new targeted food security funding. The province has not yet confirmed the amount of the new funding.	SS - all
Service improvements		
\$240,000	2.0 FTE new teacher positions to support climate action and anti-racism education and teacher mentorship	SS10, CC3
\$50,000	Mental health team development	SS6
\$24,000	Increase of Sexual Health teacher time by 0.2 FTE to 0.4 FTE to support SOGI education with an associated impact on student mental health .	SS6, CC3
\$20,000	To improve the accessibility of our facilities.	SS1
\$20,000	Increase funding for staff Wellness Committee from \$21,000 to \$41,000 to support staff mental health . This provides additional funds for school sites and to ensure support staff not based at school sites have access to wellness resources.	SS6
\$60,000	Additional counselling time to support student mental health .	SS6
\$35,000	Creation of annual fund of \$35,000 to be used for clerical training and associated wage costs. This is a requirement of the CUPE collective agreement.	LE2
\$48,000	Increase of teacher librarian time of 0.4 FTE (additional 0.1 FTE allocated to various schools).	SS – all
\$6,667,000	Increase in expense budget	
\$105,000	Overall change	

The Board indicated direction that existing **Education Assistants** be utilized more extensively through increasing their hours. Staff will achieve this by:

- Continuing to encourage schools to support and fund Education Assistant attendance at meetings related to the students they are assigned to.
- Continuing to encourage schools to include Education Assistants in relevant aspects of school staff meetings.

Staff will track additional time assigned to Education Assistants over and above their posted position. This will form a measure of the success of these initiatives. School operating budgets will cover these costs.

Several schools will pilot using Education Assistants for noon hour supervision and bus supervision as part of their posted position. This will increase Education Assistant's hours.

Adjustments to clerical positions and custodial positions will be made to reflect changes in school populations. The net of the resulting salary cost reductions and increases is not expected to be significant.

The Board approved increases in facility rental fees and transportation fees at the March 15, 2023, regular Board meeting. Additional revenue from these changes will be budgeted to be offset by inflationary costs.

RESTRICTED RESERVES

The 2022-2023 amended budget assumed using restricted reserves as follows:

Reserve	Budgeted utilization in 2022-2023 \$	Budgeted remaining at end of year \$
Indigenous Education Commitments	510,736	273,298
Union Commitments	104,347	666,917
School allocations	437,696	286,140
Trustee travel	30,286	0
Department balances	38,119	0
Total	1,121,184	1,226,355

The 2023-2024 original budget will be prepared on the premise that no restricted reserves will be utilized. This assumption will be updated during the amended budget cycle, when actual restricted reserves are known and planned for.

The multi-year financial plan later in this document considers the unrestricted reserves.

CONSIDERATION OF FEEDBACK FROM PUBLIC AND STAKEHOLDERS

STUDENT VOICE

Student Voice provided the following feedback:

Request	Action
Mental health representative accessible to students that need mental health advice	Additional 0.5FTE counselling time and a variety of other mental health related items.
Cultural Assent workshop	This feedback will be considered further for action within existing budgets
Accessibility in schools	Additional \$20,000 to work towards having schools that are truly accessible for all. The newly created 'Accessible British Columbia Act' mandates that the District must develop by September 2023: • an accessibility committee; • an accessibility plan; and, • a tool to receive feedback on accessibility, such as an email to receive comments. The Superintendent will invite representatives of Student Voice to participate in the committee.
Offer more Arts education courses	This feedback will be provided to school principals to assist them in their course allocation and scheduling.

VERNON TEACHER-LIBRARIAN ASSOCIATION

The Vernon Teacher-Librarian Association recommended an increase in 0.1 FTE of teacher-librarian time at each elementary school. The Superintendent's Recommendations reflect an increase of 0.1 FTE in teacher-librarian time at four elementary schools.

VERNON TEACHERS' ASSOCIATION

The Vernon Teachers' Association requested the following budget items:

Request	Action
Additional Education Assistants in kindergarten classes	Leadership is considering additional early-learning support in kindergarten classes utilising newly announced funding. Further information on this will be provided to the Board at a later date.
2 more ELL teachers	Additional 2.5 FTE ELL teachers.
One elementary counsellor for every two schools	Additional 0.5 FTE counselling time.
1 more Speech Language Pathologist	No budgetary action at this time.
1 more behaviour intervention specialist	No budgetary action at this time.
1 more occupational therapist	Creation of a therapy assistant position to support occupational therapy and physiotherapy
1 more physical therapist	Creation of a therapy assistant position to support occupational therapy and physiotherapy
Mentorship coordination	Addition of 2 FTE staff to the Learning department, including the mandate of supporting teacher mentorship.
TTOC automatic call out system	An automatic call out system is on track to be implemented this school year.
In-service training during the school day	A variety of professional development opportunities are offered throughout the year.
4-day work week	The 2023/2024 school calendar includes seven four-day work weeks through the use of statutory holidays.
Half-day collaboration time/week	No budgetary action at this time.

CUPE 5523 made the following budget requests, in priority order.

Request	Action
No reduction in the staffing of CUPE employees	The staffing of CUPE employees is increased.
Participation of CUPE employees in Truth and Reconciliation Pro-D day of each year	This can be accomplished within existing funding.
Fund 1 hour / month for EAs to attend meetings, prep time or staff meetings	See earlier narrative regarding utilisation of Education Assistants.
Promote the use of our facilities for before and after school childcare staffed by CUPE Employees. Continue to expand Seamless Childcare and Just 84 Programs.	Seamless childcare and Just B4 programs will be expanded using CUPE staff and targeted funding. Before and after school childcare spaces are being created at several school sites in partnership with the Boys and Girls Club of the Okanagan.
Provide \$20,000 more in funding for wellness events in our school district. Money could be specific for the committee to spend or portioned out to worksites.	This request is directly reflected in the proposed budget changes.

DISTRICT PARENTS' ADVISORY COUNCIL

DPAC made the following recommendations.

Request	Action
No cuts to direct services to students at the school/classroom level	Increases to services for students are reflected in the proposed changes.
Refraining from burdening families with additional fees or monetary impacts	The province will provide significant targeted funding to expand the District's food programs, reducing financial burdens on families. The targeted affordability fund is expected to have carry-forward amounts available to continue reducing costs to families.
Concern that the district has continuously used the reserve fund over the past 4 years to balance its budgets.	The multi-year financial plan at the end of this document reflects a plan to get the Board to a financial position where use of reserves is not required to maintain existing service levels.

OKANAGAN INDIAN BAND

The Board's Financial Planning and Reporting Policy 610 requires that '*Representatives of the Board will consult with representatives of the Okanagan Indian Band to determine how best to gain informed input from the Okanagan Indian Band.*' Representatives of OKIB were consulted, and OKIB choose not provide input into the budget this year.



OTHER PUBLIC FEEDBACK

The Board sought input from the public through the School District 22 Budget Consultation Form. 170 responses were received between February 1 and February 9, 2023. These responses covered a wide spectrum of topics. The most common topics overlap with the requests covered in the earlier sections.

MULTI YEAR FINANCIAL PLAN

Board Policy 610, 'Financial planning and reporting', states that the Board will adopt, annually, a financial plan spanning at least three years. The following table outlines a draft financial plan for the operating fund.

The 2023/24 plan incorporates the proposed 2023-2024 recommendations and the budgeted utilization of restricted reserves.

	2022/23 Budget	Changes	2023/24 Plan	Changes	2024/25 Plan	Changes	2025/26 Plan
Enrolment forecast FTE	8,738	91	8,829	78	8,907	-13	8,894
Revenues							
Provincial grants							
Ministry of Education	\$ 96,468,418	\$ 6,562,000	\$ 103,030,418	\$ 3,003,601	\$ 106,034,019	\$ (112,125)	\$ 105,921,894
Other	\$ 317,864	\$ -	\$ 317,864	\$ -	\$ 317,864	\$ -	\$ 317,864
Tuition	\$ 5,851,600	\$ -	\$ 5,851,600	\$ -	\$ 5,851,600	\$ -	\$ 5,851,600
Other revenue	\$ 1,216,601	\$ -	\$ 1,216,601	\$ -	\$ 1,216,601	\$ -	\$ 1,216,601
Rentals and leases	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 50,000
Investment income	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ 500,000
Total revenue	\$ 104,404,483	\$ 6,562,000	\$ 110,966,483	\$ 3,003,601	\$ 113,970,084	\$ (112,125)	\$ 113,857,959
Expenses							
Instruction	\$ 87,966,643	\$ 4,793,926	\$ 92,760,569	\$ 2,022,518	\$ 94,783,088	\$ (66,950)	\$ 94,716,138
District Administration	\$ 4,017,629	\$ 106,049	\$ 4,123,678	\$ 60,211	\$ 4,183,890	\$ -	\$ 4,183,890
Operations and Maintenance	\$ 10,093,566	\$ 538,285	\$ 10,631,851	\$ 114,738	\$ 10,746,589	\$ -	\$ 10,746,589
Transportation and Housing	\$ 2,476,969	\$ 107,555	\$ 2,584,524	\$ 36,821	\$ 2,621,345	\$ -	\$ 2,621,345
Total expense	\$ 104,554,807	\$ 5,545,816	\$ 110,100,623	\$ 2,234,289	\$ 112,334,912	\$ (66,950)	\$ 112,267,962
Net Revenue (Expense)	\$ (150,324)	\$ -	\$ 865,860	\$ -	\$ 1,635,173	\$ -	\$ 1,589,998

	2022/23 Budget	Changes	2023/24 Plan	Changes	2024/25 Plan	Changes	2025/26 Plan
Transfers to (from) other funds							
Capital assets purchased	\$ (415,425)	\$ -	\$ (415,425)	\$ -	\$ (415,425)	\$ -	\$ (415,425)
Local Capital	\$ (1,163,000)	\$ -	\$ (1,163,000)	\$ -	\$ (1,163,000)	\$ -	\$ (1,163,000)
Other	\$ 30,000	\$ -	\$ 30,000	\$ -	\$ 30,000	\$ -	\$ 30,000
Total net transfers	\$ (1,548,425)		\$ (1,548,425)		\$ (1,548,425)		\$ (1,548,425)
Expected additional funding	\$ -		\$ 500,000		\$ -		\$ -
Use of unrestricted reserves	\$ 577,565	\$ -	\$ 182,565	\$ -	\$ (86,748)	\$ -	\$ (41,573)
Use of restricted reserves	\$ 1,121,184						
Unrestricted reserves, beginning of year	\$ 2,500,000		\$ 1,922,435		\$ 1,739,870		\$ 1,826,618
Unrestricted reserves, end of year	\$ 1,922,435		\$ 1,739,870		\$ 1,826,618		\$ 1,868,190
End of year reserves as %age of expense	1.8%		1.6%		1.6%		1.7%

Key assumptions in the creation of this plan are:

- Additional funding of \$500,000 for non-unionized wage increases in 2023/24. This estimated amount is expected, but not reflected in the proposed budget as it is not yet confirmed.
- Enrolment changes in line with forecasts provided by Baragar
- No change in the number of students with funded designations
- Wage increases for the next two years are 5.5% and 2%, fully funded by the Provincial Government
- No wage increases in 2025/26. This assumption will be updated when the wage increases are negotiated.
- Enrolment changes lead to teacher FTE changes in a ratio of 24:1.
- No service level or non-wage inflationary costs in 2024/25 or 2025/26

Unrestricted reserves remain steady over the forecast period, at about 1.6% of operating expenses. This is at the low end of the recommended range.