SCHOOL DISTRICT NO. 43 (COQUITLAM)

FINANCIAL SERVICES DEPARTMENT

MEMORANDUM

TO: Rick Humphreys

FROM: Bob Janzen

DATE: April 9th, 2010

SUBJECT: **Budget Overview and Response to Questions at the April 6th Meeting**

COPIED TO: District Leadership Team (DLT), Margaret Otto

Recommended Action: That the Board receive the following report for information.

On April 6th, the Board received the DLT preliminary recommendations. During the process, staff responded to questions and clarified the proposals. In some instances, the questions required additional research and responses were to be provided at the next meeting. A list of the questions and clarifications are attached for your reference.

Clarification of Questions from April 6th, 2010 Board Meeting

School Based Budget Reductions – 2009/10

- In order to balance the 2009/10 final budget, reductions were made to non-salary district and school-based budgets. The focus was on non-salary so that there would be no staff layoffs.
- The school-based budget reductions were based on a fixed amount per school and a per pupil amount.
- The basis for determining the amount of the reduction was the school carry-forward balance from 2008/09, and the June 30, 2009 school bank account balance. The per pupil amount was based on the September 30, 2009 Form 1701 reported FTE enrolment.
- The decision as to how to restructure budgets was left to each school to determine. Principals were asked that this be done in a thoughtful manner with no impact on funds received by donation and/or fundraising.

	Elementary	Middle	Secondary
up to $20k	-	-	-
$20k to $30k	5,000	-	-
$30k to $40k	7,500	-	-
$40k to $50k	10,000	-	-
$50k to $100k		10,000	-
$100k to $200k		20,000	15,000
over $200k			20,000
Per Student	2.46	8.78	42.00

Terry Fox

- Assistant Superintendent Dan Derpak visited Terry Fox secondary school to review how the budget reduction was implemented at the school. He was able to confirm that:
  - No PAC funds were used by the school. In fact, PAC funds are not controlled by the school.
  - No fundraising monies were used by the school.

Youth Workers

- The district has a total of 32 FTE youth workers. The breakdown is as follows:
  - 4 youth workers are assigned to Student Services and work with the Itinerant Behavior Teams
  - 2 youth workers are at CABE; one of the two is assigned to the Teen Mom program and her wage is covered by MCFD
  - 2 youth workers are located at the secondary behavior programs, located at Terry Fox and Best
  - 8 youth workers are at secondary
  - 13 youth workers are at middle
  - 3 youth workers are at elementary

- The district's CommunityLINK grant funds 16.58 FTE youth worker positions.

- The elementary youth worker positions and history include the following:
  - Alderson/Rochester: After the district closed Millside (3 years ago), we made a decision to add a 1.0 FTE youth worker to these two schools, to assist with the transition of the Millside students and to meet the needs of the school's vulnerable students.
  - Mountain View/Roy Stibbs: Mountain View has had a youth worker for a number of years (possibly 16 years). Originally the position was a 25 hour position. Three years ago Roy Stibbs was added to the assignment and the hours were increased to 37.5.
  - Central/James Park: Central has had a youth worker position since September 1997 (13 years). Originally the position was a 25 hour position but three years ago, James Park was added to the assignment and the hours were increased to 37.5.

School Meal Program/Community Link

- The budget reduction in this area pertains to a 0.57 FTE school meal coordinator. Currently there are four 0.57 FTE school meals co-coordinators at Centennial. These individuals are funded from the Community LINK grant, along with one culinary art assistant. We are in the second year of this pilot program and plan to make the following changes for the 2010/2011 school year:
  - A financial and operational review will take place in June of this year
  - Those schools where less than 5 lunches are provided per day will not be involved in this particular program
  - A minimal payment will be required for all lunches; principal direction and involvement will continue to be key in this program
- The school meals program will require another review in the spring of the 2011 as there most likely will continue to be budget implications related to limited CommunityLINK funding and the need to explore service delivery in this area.

Staff Development – Non-Replacement of Staff

- Staff members scheduled for leaves in 2010/11 will not be replaced during their leave. This includes 1.0 FTE Social Responsibility/Healthy Living Coordinator and 0.5 FTE Technology Coordinator. These positions will be reinstated upon their return.
- In addition, there will be a reduction of 1.0 FTE French Learning Support Teacher and four 0.5 FTE Learning Support Teachers, for a total reduction of 3.0 FTE. The four half-time Learning Support Teachers will use their classrooms as demonstration sites for observation and discussion with teachers. The other half of their time will be used for co-teaching and working with teachers on Literacy support.

Staff Development – Professional Development

- Professional development budgets for Staff Development will be reduced by $150,000, which represents 15% of their Operating Non-Salary budgets. The impact of these cuts will be on:
  - Teacher release time for Learning Teams, Focus Groups
  - District Wide Events inclusive of release time and speakers
  - District Focus Days ***(speakers honoraria, expenses)***
  - Purchase of teacher resources

Information Services

- Reductions in the non-salary budget will be made in the following areas:
  - Hardware repairs and replacement - reductions limits our ability to purchase parts or pay for shipping costs to repair computers and will delay the replacement of technology, primarily at the Board Office.
  - Projects - we will reduce the scope of activity around initiating new projects. In the past, the funding was used to implement the new leave management software and other district level projects.
  - Leases – as current leases expire, the need to renew will be reviewed and the scope scaled back.
  - District technology – is used to purchase other software for District or school purposes from time to time. There will be reduced activities in this area.
- No reduction is planned for areas related to staff training.

Non Enrolling Teachers

- For purposes of the budget process, the District considers non-enrolling teachers to be those that do not register and directly teach a distinct group of students, but are those who provide service to students in a more supportive role. Examples include: learning assistance, gifted, ESL, skill development, library, counseling.
- The District in the past has used formulas for the allocation of non-enrolling staffing to schools and has allowed schools the autonomy to determine the exact support levels based on the individual needs of the school community. The District will continue to use formulas for the allocation of non-enrolling staff, but will provide a greater level of prescription to the actual levels.

Electives

- Middle Schools have operated on the basis of students "surveying" elective areas through a variety of "exploration" experiences. The schools offer a variety of options that are school-specific based on individual facilities and staff skills. As declining enrolments result in smaller school sizes, the capacity of schools to offer exploration courses diminishes and presents challenges to operations. The inability to charge fees and fewer allocated resources for supplies and equipment add to the enrolment challenges resulting in pressure on schools and teachers to do more with less. The Home Economics teachers well illustrated the challenges faced.
- Secondary Schools offer more choices to students in course selection resulting in additional challenges to the enrolment and budget difficulties outlined above. Allowing students to make choices means that some areas (such as Home Economics, Metalwork, and others) do not enroll as many sections of courses based on the choices students make.

Spring Break

- A consultation process will be initiated to provide feedback to the Trustees in this proposal.
- The savings for a two week Spring Break would come from reduced use of TOC's and casuals for those five days.
- The TOC cost savings is based on an average cost of $376 over 760 callouts over a one week period. The savings from transportation are estimated at $35,000 for five days.

TOC Callouts

- The vast majority of TOC's who wish to, work more than 2-4 days per month. We have discussed this CTA figure in CTA/District Labour Management meetings.
- This year to date, there have been 17,719 TOC's dispatched. There were peak months this year such as October and November where TOC callouts were higher and months such as September where callouts were lower.
- On any given day, a number of TOC's are unavailable to work due to being on approved leave, are off ill, are working in another district, simply did not accept the work or were unavailable when called.

CUPE Labour Market Adjustment

- The CUPE Labour Market Adjustments (LMA) that were provided to HVAC, Payroll, Visual Language Interpreters, and the Finance and Pension Clerk positions arose from the 2006 round of Support Staff Collective Bargaining. A temporary agreement was made that would end at the expiration of the collective agreement, June 30th 2010. If any district/local union wish to continue the Labour Market Adjustments it would need to be negotiated in collective bargaining and trade-offs would need to be make such that the proposal was cost neutral in order to comply with the net-zero compensation mandate. CUPE BC has not pursued the continuation of these Labour Market Adjustments beyond June 30th 2010.
- In addition to the Labour Market Adjustment, as part of the framework settlement, support staff specific trade positions also received Trades Adjustment/Apprentice Sponsor Adjustments, which resulted in $0.60 in year 1, $0.60 in year 2, $0.60 in year 3, and $0.30 in year 4, resulting in a total lift of $2.10/hr. These adjustments were negotiated to be ongoing.

Exempt Staff Labour Market Adjustment

- The Exempt Staff Labour Market Adjustment arose out of the Public Education Negotiating Framework Compensation Plan.
- The funds are ongoing and are included in districts' operating grants.

Annexing/Twinning of Schools

- The District implemented a pilot project during the 2009-2010 school year with RC MacDonald being annexed to Mundy Road Elementary. We replaced the principal at RC MacDonald with a "head teacher" and replaced the teaching component of the Mundy Road principal's assignment with direct supervision at RC MacDonald. A review of the pilot project resulted in a recommendation that we continue the project for at least one more year with one fundamental change – the head teacher would be replaced with a vice principal to alleviate some of the challenges associated with the original model.

- The other recommendation stemming from the review was to explore additional opportunities for annexing schools.
- The District has decided to add two more pilot projects:
    - One pilot similar in structure to the revised Mundy Road/RC Macdonald project. (Principal in one school and a Vice-Principal in the smaller school)
    - One with a combined school organization:
        - Principal in the larger school, and a Vice principal in the smaller school
        - Staffed as a larger school
        - Resource sharing with more emphasis on two schools as one campus
- In the Spring of 2011 the District will conduct a review of all three projects

<u>Non-Teaching Pension Recovery</u>

- The school district provides services on behalf of the Non-teaching pension plan. The Non-teaching plan then reimburses the district for the costs.
- The district presents an invoice to the Non-teaching pension plan annually for services rendered. The pension plan committee, as it needs to with all invoices, reviews the invoice and if acceptable, approves the invoices.
- The recovery has been approximately $83,000 in 2007-08 and $91,000 in 2008-09. The district has budgeted to recover $40,000 at the present time.
- Assuming the same level of service provision is maintained, increasing the budget to match the recovery should be done.

<u>Cafeteria Operations</u>

- Cafeteria operations are mandated by the Board to break-even. This has not been achieved in recent years and is not likely to be achieved. Cafeteria services have looked at methods to minimize or reduce the current subsidy.
- It is estimated that net revenue (sales minus the cost of goods sold) will decline by $100,000 at the secondary school cafeterias. Costs savings of a similar amount are being achieved by:
    - Tendering to the market the provision of cafeteria supplies.
    - Reducing the staffing levels by 20 hours at each of the secondary schools.
- Secondary cafeterias face significant competition from outside sources.

<u>Maintenance Department Reductions</u>

- Services, which include carpentry, electrical, plumbing, heating and malicious damage - $200,000
- Supplies, which include painting, carpentry, electrical, plumbing and heating - $60,000
- Grounds contracts - $100,000
- Administration, which includes legal, travel, training, mileage, memberships, and professional development - $40,000.

HVAC Mechanic

- This position was advertised in January 2009 in two local papers, the Vancouver Sun, and on the District website as a continuous posting. Two qualified applicants were hired in November 2009, however, one quit shortly thereafter.
- An ongoing posting has been on the District's website since January 2010. No qualified applicants have applied.

Reconciliation of Support Staff

- The preliminary DLT recommendations show a 0.93 increase in staffing for support staff. A summary is provided below.

SEA positions to support growth in enrolment	7.00
Elementary Youth Workers	(3.00)
Community Link - School Meal Coordinator	(0.57)
Superintendent's Office - Clerical	(0.50)
Info Services - Technician	(1.00)
Human Resources - Clerical	(0.50)
School Based Accounting Resource	1.00
Secondary Schools Cafeterias	(2.50)
Caretaking Support	1.00
Total change in Support positions	**0.93**

Equity & Reduction

- The assumptions reviewed in the budget process indicate that fair treatment would be applied to all employees.

WCB Savings

- WCB maximum earnings have increased.
- The preliminary January 2011 rate has been forecast to decline and offsets the increase in maximum earnings.
- WCB costs are assumed to be the same as in the previous year.

Transportation

- Transportation review was done under the leadership of Bob McGill and Dex Hallwood and reported to the Board in January 2004.
- Estimated savings from adopting the recommendations of the review were approximately $250,000.
- The following Board motion was passed on November 20th, 2007
  "**BUTTERFIELD/WATKINS** moved that Policy 20 Conveyance of Students not be reviewed until the District has a new middle school in the Heritage Mountain area." The motion was reconsidered in May 2009, but was defeated.