



PRELIMINARY BUDGET 2019/20

EXECUTIVE SUMMARY

MAY 1, 2019

PRELIMINARY BUDGET 2019/20

MAPLE RIDGE - PITT MEADOWS SCHOOL DISTRICT NO. 42

Maple Ridge, BC, Canada

V2X 8N6

www.sd42.ca

DISTRICT OVERVIEW

BOARD of EDUCATION

SCHOOL DISTRICT NO.42



KORLEEN CARRERAS
CHAIRPERSON



ELAINE YAMAMOTO
VICE-CHAIRPERSON



KIM DUMORE
TRUSTEE



COLETTE TRUDEAU
TRUSTEE



KATHLEEN SULLIVAN
TRUSTEE



PASCALE SHAW
TRUSTEE



MIKE MURRAY
TRUSTEE



SYLVIA RUSSELL
SUPERINTENDENT / CEO



FLAVIA COUGHLAN
SECRETARY TREASURER / CFO

VISION

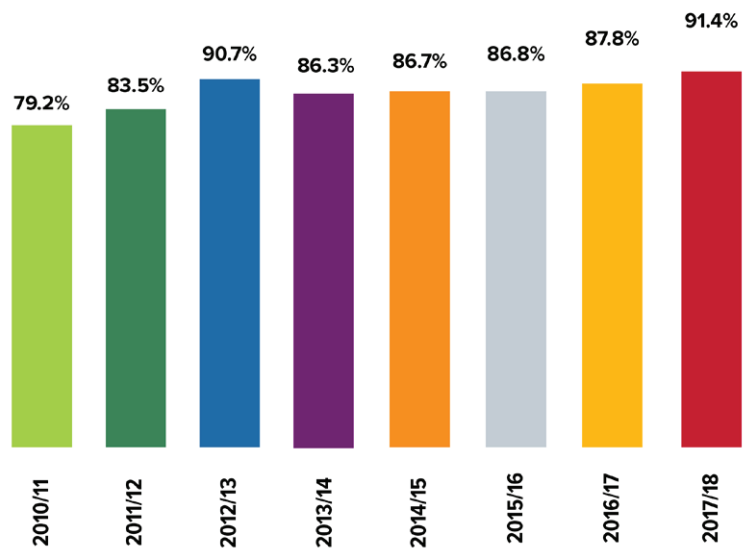
The district vision is for every individual to feel valued and for all learners to reach their potential.

MISSION

Our mission is to support all individuals in their development as successful learners, and as respectful, caring and responsible members of society.



2017/18 6 YEAR GRADUATION RATES - All Students



2017/18 provincial average **84.8%**

BUDGET PROCESS AND TIMELINE

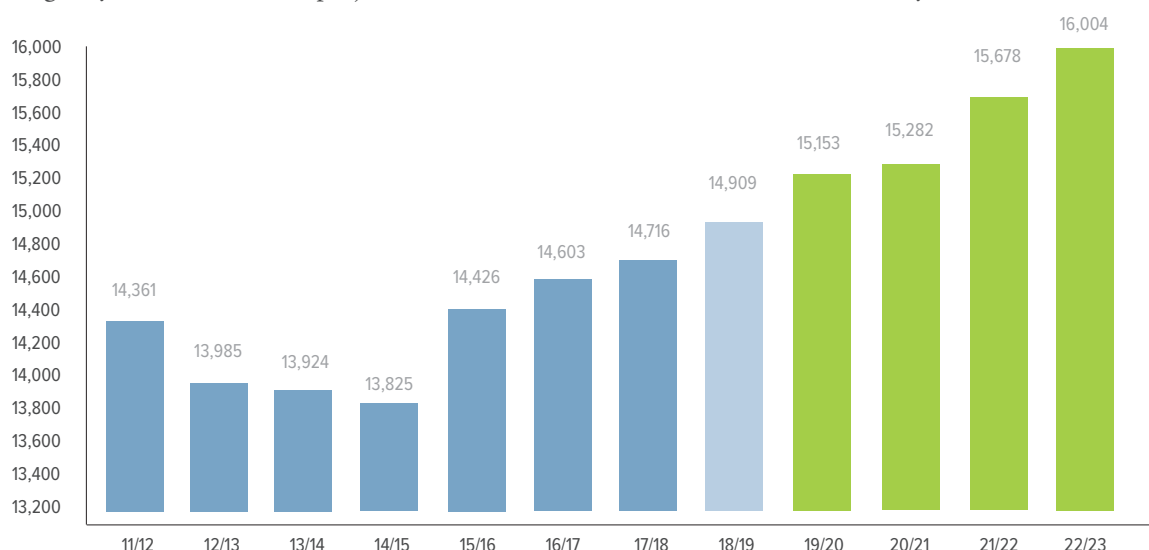
In accordance with the School Act, school districts in the province must approve a balanced budget and submit it to the Ministry of Education by June 30, 2019. The table below outlines the 2019/20 Preliminary Budget process and consultation timeline.

Wednesday, January 16, 2019	BOARD MEETING <ul style="list-style-type: none"> Presentation and approval of the Proposed Budget Process/Timeline
Wednesday, February 13, 2019	BOARD MEETING <ul style="list-style-type: none"> Presentation of Projected Enrolment for 2019/20, 2020/21, 2021/22
Wednesday, February 13, 2019	BUDGET COMMITTEE OF THE WHOLE <ul style="list-style-type: none"> Partner groups presentation to the Board of the 2018/19 Budget Implementation feedback
Wednesday, April 3, 2019	BUDGET COMMITTEE OF THE WHOLE <ul style="list-style-type: none"> Presentation of the 2019/20 preliminary budget estimates to partner groups Partner groups individual presentations to the Board of the 2019/20 budget considerations
Wednesday, April 17, 2019	BOARD MEETING <ul style="list-style-type: none"> Presentation of the Proposed 2019/20 Preliminary Budget
Wednesday, April 24, 2019	BUDGET COMMITTEE OF THE WHOLE <ul style="list-style-type: none"> Public and partner group input on the Proposed 2019/20 Preliminary Budget
Wednesday, May 1, 2019	BOARD MEETING <ul style="list-style-type: none"> Approval of 2019/20 Budget Balancing Proposals Adoption of 2019/20 Preliminary Budget Bylaw

Please note: All submissions to the board are considered public documents. The board, therefore, reserves the right to make any submissions available to public and to place them on the district website.

STUDENT ENROLMENT TRENDS AND FORECAST

The enrolment information presented below is based on actual full-year enrolment (regular, distributed learning, continuing education, summer school, and adult learners) for 2011/12 to 2017/18, actual enrolment for September and estimated February and May for 2018/19, and forecasted enrolment for 2019/20, 2020/21, 2021/22 and 2022/23. The four-year enrolment forecast was prepared using population projections generated by Baragar Systems (enrolment projections software), historical enrolment trend analysis, and local knowledge.



STAFFING

Since 2011/12, total staffing in the Maple Ridge – Pitt Meadows School District has increased by approximately 78 FTE. Also, in 2018/19 there were an additional 107.13 FTE positions funded from the Classroom Enhancement Fund (CEF).

The student to staff ratio has improved from 9.80 in 2011/12 to 9.61 in 2018/19 due to the increase of education assistant staffing required to support the increased enrolment of students with special needs. Starting in 2017/18 the Ministry of Education has provided funding (Classroom Enhancement Fund or CEF) for additional staffing required to meet the requirements of the MRTA restored collective agreement language. This additional staffing resulted in an improved student to staff ratio from 9.80 in 2011/12 to 9.00 in 2018/19. Over the same time period, the average class size decreased from 22.70 to 21.62 principally owing to the addition of the staffing supported by the Classroom Enhancement Fund.

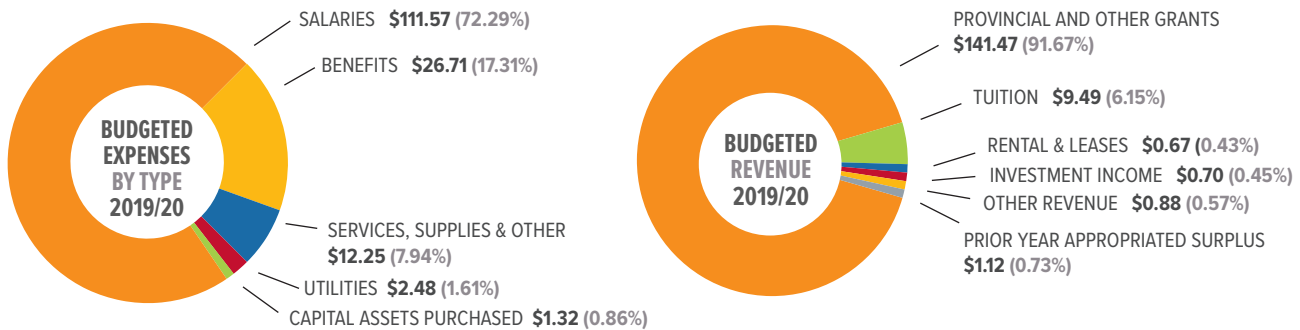
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2018/19 with CEF	2018/19 Student to staff ratio
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE		
Teachers	825.41	813.40	771.95	763.35	785.46	804.24	807.15	811.60	912.74	16.77
Principals/VPs - Admin	43.04	42.79	42.10	39.48	40.31	43.97	43.70	47.14	48.84	313.51
Principals/VPs - Teaching	12.65	13.31	11.90	10.70	10.82	10.00	9.40	9.70	9.70	1,578.40
Other Professionals	30.19	30.00	30.00	30.50	31.71	35.71	32.30	36.30	37.30	410.47
Education Assistants	266.89	285.32	293.34	300.81	317.91	337.60	343.08	368.43	368.43	41.56
Support Staff	329.83	323.17	316.22	297.14	302.62	308.66	310.23	313.18	316.47	48.38
Trustees	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	2,187.21
Total	1,515.01	1,514.99	1,472.51	1,448.98	1,495.83	1,547.18	1,552.86	1,593.35	1,700.48	9.00
Student to Staff Ratio	9.80	9.48	9.71	9.90	9.95	9.74	9.76	9.61	9.00	

Source: 1530 report submissions for each year as restated to reflect calculation of budgeted hours per week divided by full time hours per week per position, child care worker FTE removed for all prior years as paid from special purpose funds. 2013/14 has been restated to remove FTE attached to custodial and labourer banks as well as contract instructors at international education and Ridge Meadows College. Above teacher and educational assistant FTEs include the instructional bank which is allocated between teachers and education assistants as required annually. Principal/Vice-Principal P FTEs have been split to show the admin and teaching components of the positions. 2016/17, 2017/18 and 2018/19 FTEs have been restated to reflect ongoing allocations only.

SUMMARY: PRELIMINARY OPERATING BUDGET 2019/20

School District No. 42 (Maple Ridge – Pitt Meadows) is estimating that \$2.61 million ongoing funding will be available to fund new expenditures for 2019/20 and that an additional \$1.12 million one-time funding (2018/19 available operating surplus) will also be available for 2019/20. This will be followed by an estimated budget funding shortfall of \$0.17 million for 2020/21, \$0.37 million for 2021/22, and \$1.13 for 2022/23 if the proposed budget changes are implemented.

In accordance with the School Act, school districts in the province must approve a balanced budget and submit it to the Ministry of Education by June 30, 2019.



OPERATING BUDGET FOUR-YEAR PROJECTIONS (\$ millions)

	2019/20	2020/21	2021/22	2022/23
Incremental Cost Increases				
Changes in salaries and benefits				
Salaries and benefit changes (excluding labour settlement)	(0.52)	(0.42)	(0.42)	(0.42)
Salaries and benefit changes MRTA and CUPE contractual increases	(1.92)			
Other benefit cost changes	0.75	(0.52)	(0.52)	(0.52)
Services, supplies and utilities	(0.27)	(0.31)	(0.29)	(0.29)
New school operating cost				(0.50)
	(1.96)	(1.25)	(1.23)	(1.73)
Enrolment Driven Changes	1.09	0.24	0.85	0.60
Ministry of Education Funding Changes	2.75			
Revenue and Expense Changes				
Impact of 18/19 budget	0.59			
International tuition and expenses	0.31	0.23		
Miscellaneous revenue	0.37			
Other expenses	(0.23)			
	1.074	0.23		
Total Projected Surplus / (Shortfall) Before One-Time Items	2.92	(0.78)	(0.38)	(1.13)
One-Time Revenue and Expenditures				
One-time savings	0.10	(0.06)		
One-time expenses	(0.41)	0.40	0.01	
	(0.31)	0.34	0.01	
Total Projected Base Operating Budget Surplus / (Shortfall)	2.61	(0.44)	(0.37)	(1.13)
2018/19 Available Surplus	1.12			
Total Projected Available Operating Budget	3.73	(0.44)	(0.37)	(1.13)
Ongoing Budget Changes	(2.34)			
One-time Budget Changes	(1.39)	0.27		
Total Projected Surplus / (Shortfall)	-	(0.17)	(0.37)	(1.13)

BUDGET CHANGES 2019/20

ONGOING PRELIMINARY BUDGET CHANGES 2019/20

Support for School Growth Plans	
Social and Emotional Learning	(82,600)
Secondary Innovation	(111,307)
District Librarian	(57,645)
Helping Teacher - Counselling	(104,807)
School Teams	(113,161)
Supporting All Learners - Improving Student Engagement	
Improving Student Engagement	(29,800)
Before and After School Programming	(90,976)
Educational Programs	(118,482)
Safe & Caring Schools	
Riverside Program	(6,000)
Clerical Support Riverside Centre	(6,845)
District Based Staffing	(158,556)
School Based Staffing	(45,000)
Early Learning	(187,369)
Education Leadership	
Elementary and Secondary Administration Staffing	(572,309)
French Support	(30,287)
Career Education/Trades Reorganization	(20,191)
Elementary Clerical Allocation Review	(7,827)
School Supplies Allocations	(33,000)
	(1,776,162)
Support for Operational Plans	
Aboriginal Education Support	(239,523)
Technology Support	(196,400)
Procurement	(64,630)
Compliance Support	(67,549)
Facilities	(208,122)
	(776,224)
Learning Services	
School Psychology	(104,811)
Speech and Language Pathology & Occupational Therapy	(84,541)
	(189,352)
Reallocation of Existing Budgets	
	400,711
Total Ongoing Budget Changes	
	(2,341,027)

ONE-TIME PRELIMINARY BUDGET CHANGES 2019/20

Support for School Growth Plans	
Curriculum Implementation	
Intermediate Helping Teacher and Learning Resources	(223,918)
Career Education Helping Teacher	(107,407)
Teacher Mentorship	(21,550)
Literacy	(209,614)
Secondary Innovation	(32,600)
Supporting All Learners - Improving Student Engagement	
Before and After School Programming	5,198
Educational Programs	(43,310)
Safe & Caring Schools	
Riverside Program	(261,910)
School Based Staffing (Revised)	(435,128)
Early Learning	(57,644)
Education Leadership	
Elementary Administration Staffing	(20,191)
Mentorship	(15,500)
	(1,423,584)
Support for Operational Plans	
Technology Infrastructure	(226,731)
Compliance Support	(35,000)
Facilities - Support for Sustainability Initiatives	(60,585)
	(322,316)
Learning Services	
Summer Assessments	(20,962)
Collaborative Teaching - Supporting Early Intervention and Inclusionary Programming (Revised)	(1,080,403)
Inclusion Support Consultation Services	(180,000)
	(1,281,365)
Reallocation of Existing Budgets	1,644,083
Use of Prior Year Appropriated Surplus	1,116,545
Total One-Time Budget Changes	
	(266,627)
Grand Total Budget Changes	
	(2,607,654)

SUMMARY: SPECIAL PURPOSE FUNDS BUDGET 2019/20

The special purpose fund is comprised of separate funds established to track revenue and expenditures received from the Ministry of Education and other sources that have restrictions on how they may be spent. The following special purpose funds have been included in the 2019/20 preliminary budget:

- Classroom Enhancement Fund (CEF)
- Learning Improvement Fund (LIF)
- Annual Facility Grants (AFG) (excluding amounts paid via bylaw certificates of approval)
- Official Languages in Education French Programs Grants (OLEP)
- Community LINK Grants
- StrongStart Centre Grants
- Ready Set Learn Grants
- Youth Education Support Fund
- Scholarships and Bursaries
- School Generated Funds

The following table summarizes budgeted deferred contributions, revenue and expenditure by object for all special purpose funds.

Budget changes are not contemplated for funds other than the Classroom Enhancement Fund and the Annual Facilities Grant Fund.

(\$ millions)	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET
Deferred Revenue, beginning of year	(1.45)	(1.45)	(1.45)	(1.45)
Received Contributions				
Provincial Grants - Ministry of Education	(11.82)	(11.82)	(11.82)	(11.82)
Other	(4.65)	(4.73)	(4.82)	(4.91)
Total Contributions Received	(16.47)	(16.55)	(16.64)	(16.73)
Less: Allocated to Revenue	16.47	16.55	16.64	16.73
Deferred Revenue, end of year	(1.45)	(1.45)	(1.45)	(1.45)
Allocated to Revenue				
Provincial Grants	11.82	11.82	11.82	11.82
Other Revenue	4.65	4.73	4.82	4.91
Total Allocated to Revenue	16.47	16.55	16.64	16.73
Expenses				
Salaries and Benefits	11.19	11.19	11.19	11.19
Service and Supplies	4.83	4.91	5.00	5.09
Total Expenses	16.02	16.10	16.19	16.28
Capital Purchases and Other	0.45	0.45	0.45	0.45
Total Expenses and Capital Purchases	16.47	16.55	16.64	16.73
Net Revenue (Expense)	-	-	-	-

Classroom Enhancement Fund

For 2019/20, the Maple Ridge - Pitt Meadows School District has been provided with a preliminary CEF allocation of \$9.69 million, sufficient to fund an estimated 91.16 FTE teachers and overhead costs of \$0.82 million. It is estimated that an additional \$1.33 million will be required in order to fund the 104.05 FTE teachers needed to fulfill the collective agreement obligations funded under CEF.

USE OF CLASSROOM ENHANCEMENT FUND 2019/20	
Classroom Enhancement Fund	9,685,445
Estimated Additional Funding Required	1,326,457
Preliminary Staffing Plan	(10,192,740)
Additional Teacher Supports	(269,834)
Education Leadership	(240,285)
Human Resources Supports	(116,555)
Facilities and Other Implementation Costs	(192,488)

Annual Facilities Grant

For 2019/20, the Maple Ridge - Pitt Meadows School District has been provided with a special purpose annual facilities grant allocation of \$517,500 and a capital annual facilities grant allocation of \$2,026,336. The proposed annual facilities grant spending plan for 2019/20 is presented in the following table.

USE OF ANNUAL FACILITIES GRANT 2019/20	PROJECT DESCRIPTION	BUDGET
District	Capital asset management system	\$44,051
Various schools	IT infrastructure	\$80,000
Various schools	Lino and carpet replacement	\$90,000
Various schools	Gym floor refinishing	\$22,497
Various schools	Interior Painting	\$23,954
Various schools	Paving	\$80,000
Riverside Centre	Ventilation upgrade	\$20,000
Alexander Robinson Elementary, Edith McDermott Elementary	Fire alarm upgrade, PA system	\$20,000
Maple Ridge Secondary	Building improvements	\$12,000
Garibaldi Secondary	Plumbing upgrade	\$25,000
Various schools	Classroom wall carpet removal	\$100,000
Total Special Purpose Fund AFG		\$517,500
Maple Ridge Secondary	Lighting controls upgrade	\$45,000
Maple Ridge Secondary	Track resurfacing	\$100,000
Westview Secondary, Golden Ears Elementary, Arthur Peake Centre	Roofing	\$1,220,000
Edith McDermott Elementary, Whonnock Elementary	Exterior painting	\$38,336
Various schools	Boiler upgrades and duct cleaning	\$60,000
Various schools	Energy efficiency upgrades	\$470,000
Various schools	Hazmat assessments	\$93,000
Total Capital AFG		\$2,026,336

SUMMARY: CAPITAL FUND BUDGET 2019/20

The capital fund includes capital expenditures related to facilities (purchases and enhancements) and equipment (purchases) that are funded by Ministry of Education capital grants, operating funds, and special purpose funds. An annual deficit in the capital fund that is a result of amortization expense and budgeted capital assets purchased from operating and special purpose funds exceeding the amortization of deferred capital revenue plus budgeted local capital revenue is permitted under the Accounting Practices Order of the Ministry of Education.

CAPITAL (\$ millions)	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET
Capital Surplus (Deficit), beginning of year	75.28	84.77	82.87	81.25
Revenues				
Provincial Grants - Ministry of Education	8.13			
School Site Acquisition Fees	3.54			
Investment Income	0.13	0.12	0.11	0.10
Amortization of Deferred Capital Revenue	6.43	6.47	6.78	7.12
Total Revenue	18.23	6.59	6.89	7.22
Expenses				
Amortization of Tangible Capital Assets	(10.51)	(10.26)	(10.28)	(10.41)
Capital Lease Interest				
Total Expenses	(10.51)	(10.26)	(10.28)	(10.41)
Net Transfers (to) from other funds				
Tangible Capital Assets Purchased	1.77	1.77	1.77	1.77
Total Net Transfers	1.77	1.77	1.77	1.77
Total Capital Surplus (Deficit) for the year	9.49	(1.90)	(1.62)	(1.42)
Capital Surplus (Deficit), end of year	84.77	82.87	81.25	79.83

The following table presents capital projects supported by the provincial government and the estimated capital spending associated with these projects over the next five years. The funding for Eric Langton Elementary Expansion, Pitt Meadows Secondary seismic upgrade and major renovation and new school site in the Albion area has not yet been confirmed by the Ministry of Education. The budgeted amounts for these three projects are based on the estimated costs included in the 2019-2024 Capital Plan submission.

Facility Name	Project Description and Estimated Completion	Estimated Project Value	Amount Funded by Others	Local Funding	2019/20	2020/21	2021/22	2022/23
					Budget	Budget	Budget	Budget
(\$ millions)								
Çasqenele elementary	New elementary school	31.83	28.51	3.32	0.50			
New Child Care Spaces	MCFD Child Care Capital Funding Program	2.93	2.93		1.90			
MRSS Annex	MRSS Annex Reconfiguration	0.47		0.47				
Multiple Schools	Energy Management Plan	6.22	3.97	2.25	1.40			
Harry Hooge Elementary	Central boiler plant and domestic hot water system	0.37	0.35	0.02	0.37			
Highland Park Playground	Universally accessible playground equipment	0.11	0.11		0.11			
Riverside Centre	Central boiler plant and domestic hot water system	0.29	0.27	0.02	0.29			
Eric Langton Elementary	Expansion Increase Capacity to 80/600 (Estimated Completion in 2021/22)	10.71	10.71		0.15	1.00	9.56	
Pitt Meadows Secondary	Seismic upgrade and major renovation	33.01	33.01		0.15	1.00	13.47	18.39
Albion East Area Elementary	Site acquisition for a new 80/600 elementary school	11.67	8.13	3.54	11.67			
Total		\$97.61	\$88.99	\$9.62	\$16.54	\$2.00	\$23.03	\$18.39

Local Capital

The balance is comprised of previous years' operating surpluses, which are transferred to the Local Capital Reserve (LCR). With board approval, the funds in the LCR can be used to assist in funding capital or operating expenses. The LCR can also be used to fund major initiatives that are not funded by the province.

In 2018/19, the board approved the use of local capital to fund various projects as identified below. It is proposed that an allocation of \$65K be made from the local capital reserve to fund the upgrade of the locally developed Parent Portal. This upgrade will improve the functionality of the field trips and registration modules.

Local Capital Budget Summary

(\$ millions)	2018/19 Budget	2019/20 Proposed New Allocations	2019/20 Proposed Budget	Total Local Capital Allocations
Uses of Local Capital				
Staff computers refresh	0.01			0.01
Parent Portal upgrade		0.07	0.07	0.07
Emergency preparedness	0.09			0.09
Energy management plan			1.41	1.41
New elementary school	1.16			1.16
Facilities succession planning			0.03	0.03
New classroom setup	0.55		0.92	1.47
MRSS Annex reconfiguration			0.47	0.47
TOTAL Uses of Local Capital	1.81	0.07	2.90	4.71
Contingency reserve for local capital				2.62
Total Local Capital				7.33

Contingency Reserve for Local Capital

The Board of Education is responsible for ensuring the district is protected financially from extraordinary circumstances that would negatively impact school district operations and the education of students. To discharge this responsibility, the board has established a contingency reserve from available operating surplus, which will be used to mitigate any negative impact such circumstances might cause.

Existing school district budgets are not sufficient to support the procurement or timely replacement of school district assets. The budget required to complete the building maintenance projects identified through facility condition assessments far exceeds the annual facilities grant and the capital funding for building enhancement projects received by School District No. 42.

This means that the deferred maintenance for school district facilities continues to grow and the facility condition index for school district facilities continues to deteriorate. Major equipment failures must be covered from the contingency reserve. These include, but are not limited to, the following: building envelope remediation, roof repairs or replacement, boiler replacements, server replacements, shop equipment replacements.

In addition, the board is responsible for any cost overruns incurred on Ministry of Education funded capital projects and this is the only fund available to cover such costs.

By board policy a contingency reserve of at least 1% of operating expenditures and not exceeding 3% of operating expenditures shall be maintained (\$1.49 million to \$4.46 million). The current balance of \$3.05 million (\$2.69 local capital and \$0.36 operating) equates to 2.05% of operating expenditures. After the proposed allocation of \$0.07 million for the upgrade of the Parent Portal, the estimated balance of the contingency reserve for local capital will be \$2.62 million.