



## BUDGET ADVISORY COMMITTEE MEETING

Tuesday, April 26, 2022  
3:00 pm, School Board Office

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### **Committee Members:**

Teri VanWell, Chair  
Elsie McMurphy, Trustee  
Tim Dunford, Board Chair  
Dave Eberwein, Superintendent of Schools  
Paul McKenzie, Assistant Superintendent  
Monica Braniff, Director of Instruction  
Carly Hunter, Director of Instruction  
Jason Reid, Secretary Treasurer  
Michael MacEwan, STA  
Megan Cimaglia, Director of Finance

Elaine Ting, STA  
Nola Welsh, CUPE  
Warren White, CUPE  
Pete Westhaver, SAA  
Sean Hayes, SAA  
Spencer Gray, SIS  
COPACS

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## **AGENDA**

1. Welcome
2. Alternatives for Balancing the 2022/23 Budget
3. Strategic Budget Priorities
4. Budget Consultation Plan
5. Next Steps



## BUDGET ADVISORY COMMITTEE MEETING

Thursday, April 7 2022

3:00 pm, MS Teams

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### **Committee Members:**

Teri VanWell, Chair  
Elsie McMurphy, Trustee  
Tim Dunford, Board Chair  
Dave Eberwein, Superintendent of Schools,  
regrets  
Paul McKenzie, Assistant Superintendent  
Monica Braniff, Director of Instruction  
Carly Hunter, Director of Instruction  
Jason Reid, Secretary Treasurer  
Megan Cimaglia, Director of Finance

Michael MacEwan, STA  
Elaine Ting, STA  
Nola Welsh, CUPE  
Warren White, CUPE  
Pete Westhaver, SAA  
Sean Hayes, SAA,  
Spencer Gray, SISP  
COPACS, regrets

Other Attendees: Trustee Silzer, Leigh Glancie

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## **Meeting Notes**

- Committee Chair VanWell welcomed committee members and guests and acknowledged the territory of the WSANEC people since time immemorial.
- The committee reviewed the meeting notes from the February 24, 2022 BAC meeting.
- The committee reviewed the February 18, 2022 letter to the Ministry of Education communicating concerns with the BC funding model including dependence on continual growth for budget sustainability.
- The committee reviewed the April Budget Facts Package
  - The committee discussed the amended budget analysis
  - The committee discussed the estimated budget pressure resulting from unfunded inflationary pressures. ST Reid reported that budgetary reductions of \$1.0 million are necessary in 2022/23 as a result of unfunded inflationary pressures, which include \$0.4 million in unexpected cost related to recent changes to the Employment Standards Act for illness and injury leave.
- The committee reviewed the Revised Consultation Plan and the committee agreed with recommending to the Board of Education approval of the revised 2022/23 budget consultation process as presented.
- Next Steps: A special public Board Meeting was scheduled following this committee meeting, and dependent on Board approval of the revised consultation process, the committee would meet next on April 26, 2022 to review options for balancing the budget, strategic budget priorities, and the final consultation plan.

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To: Budget Advisory Committee

Prepared By: Jason Reid  
Secretary Treasurer

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Subject: Alternative for Balancing the 2022/23 Budget

Date: April 22, 2022

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At the April 7, 2022 BAC meeting I reported it was necessary to implement budget reductions in 2022/23 of at least \$1.0 million in order to re-establish budget sustainability.

At the April 20, 2022 meeting of the Board of Education, the following motion was carried:  
*“That the Secretary Treasurer prepare alternatives for the next Budget Advisory Committee to balance the budget”.*

The purpose of this briefing note is to first outline the budgetary issue and then provide alternatives for balancing the budget.

## **2022/23 Budgetary Balance**

### Continuing Budget Funded by Reserve

The first component of understanding budget pressure is the use of accumulated surplus reserves to fund continuing expenditures, and the sustainability of doing so.

Accumulated surplus reserves represents unspent revenues from all previous fiscal years. As annual budgets are necessarily conservative, it is usual for a surplus relative to budget to occur each year contributing to accumulated surplus. This accumulated surplus generated can be used to fund continuing expenditures sustainably if:

- The allocation of accumulated surplus does not exceed the average annual underspend over time; and
- There is sufficient accumulated surplus designated as contingency reserve to effectively absorb year-to-year fluctuations in annual surplus.

The table below shows the 6 year history of funding continuing expenditures with accumulated operating surplus. Forecasted figures are shaded in grey, and to-be-determined (TBD) figures are those dependent on future budget decisions. Accumulated surplus allocated to multi-year funding of programs/initiatives is not included in the table below because they do not fund continuing expenditures (in 2021/22 these opening carry-forward balances were \$1,678,740).

Note that shaded figures are forecast	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Appropriated to Fund Continuing Expenses	195,217	0	969,869	1,262,064	4,199,683	2,418,503	400,000
Contingency Reserve (unappropriated)	200,000	410,830	1,206,440	1,700,000	723,702	2,584,616	2,584,616
<b>Opening Accumulated Operating Surplus</b>	<b>395,217</b>	<b>410,830</b>	<b>2,176,309</b>	<b>2,962,064</b>	<b>4,923,385</b>	<b>5,003,119</b>	<b>2,984,616</b>
Budgeted Surplus/(Deficit)	-195,217	0	-969,869	-1,262,064	-4,199,683	-2,418,503	TBD
Underspend Relative to Budget	210,830	1,765,479	1,755,624	3,223,385	4,279,417	400,000	TBD
<b>Actual Surplus/(Deficit)</b>	<b>15,613</b>	<b>1,765,479</b>	<b>785,755</b>	<b>1,961,321</b>	<b>79,734</b>	<b>-2,018,503</b>	<b>TBD</b>
Opening Accumulated Surplus	395,217	410,830	2,176,309	2,962,064	4,923,385	5,003,119	2,984,616
<b>Closing Accumulated Surplus</b>	<b>410,830</b>	<b>2,176,309</b>	<b>2,962,064</b>	<b>4,923,385</b>	<b>5,003,119</b>	<b>2,984,616</b>	<b>TBD</b>

In fiscal year 2019/20, accumulated surplus appropriated for continuing expenditures increased to \$1,262,064. This appropriation was viewed to be sustainable because the annual underspend relative to budget in the previous two fiscal years was approximately \$1.75 million. In 2019/20, actual underspend relative to budget increased to \$3.2 million due to the suspension of in-class instruction in the spring of 2020, and because the district also restricted non-essential expenditures in the spring of 2020 in anticipation of the pandemic negatively impacting revenues/expenses in fiscal 2020/21.

In fiscal 2020/21, the appropriation of accumulated surplus for continuing expenditures increased significantly to \$4,199,683 offsetting the negative financial impacts of the pandemic, including a significant reduction in international program revenues and domestic enrolment volatility. Despite this significant reliance on reserves to balance the budget, accumulated surplus actually grew slightly in 2020/21, but only because of the allocation of one-time federal and provincial pandemic funding to expenditures that had initially been funded through the increased appropriation of accumulated surplus.

As budgets and performance relative to budgets were significantly impacted by the pandemic in both 2019/20 and 2020/21, neither year is an indicator of underlying budgetary balance or of future performance.

In 2021/22 appropriated accumulated surplus declined to \$2,418,503. While this level of appropriation was not considered sustainable longer term, it reflected that further recovery in future International Program enrolment to “pre-pandemic” levels would increase net revenues by approximately \$1.0 million providing a pathway to a more sustainable appropriation.

Fiscal forecasts in 2021/22 have shown actual expenditures are tracking much closer to budgeted expenditures overall with more significant cost overages in staff replacement, class size remedy and utilities. And unlike in 2019/20 and 2020/21, the district has not received pandemic funding exceeding budget expectations, or realized other significant cost savings. We know the pandemic is a factor in the cost pressures being experienced in 2021/22; however, it is not possible to quantify the exact impact attributable to the pandemic. As a result, it is difficult to know to what extent these pressures may persist into 2022/23 and beyond.

The April 2022 forecast indicated overall expenditures possibly exceeding budgeted expenditures. After further review and exploration we have adjusted the forecast to indicate surplus relative to budget of approximately \$0.4 million. This is comprised of several

adjustments including increased confidence that the class size remedy cost coverage of \$0.3 million will be funded. As forecasts are necessarily conservative, this forecast is likely the worst case scenario. Actual results will vary from forecast and a small percentage change on a roughly \$100 million annual program budget can be significant when focusing on closing reserve balances. However, when compared to prior year forecasts prepared at the same point in the fiscal year, this year we are forecasting overall expenditures to be trending far closer to budgeted expenditures.

If \$2.4 million in accumulated surplus was appropriated again for budget 2022/23, the forecasted worst case scenario for 2021/22 financial performance would result in the contingency reserve declining from approximately \$2.6 million to \$0.6 million.

Given all of the factors above, maintaining appropriation of accumulated surplus to fund continuing expenditures of approximately \$2.4 million is a calculated risk the Board could take. However, I advise against increasing this appropriation further.

Estimated 2022/23 Budget Pressure

The two main factors increasing 2022/23 Budget Pressure (relative to 2021/22) are forecasted enrolment and annual inflationary pressures. The funding formula in BC is disproportionately leveraged to enrolment change. As enrolment grows funding generally increases faster than enrolment-based program costs, and as enrolment declines funding decreases faster than enrolment-based program costs. And because funding rates do not keep pace with inflation, even a school district with stable enrolment will experience growing budget pressure each year that can only be addressed over time through program reductions.

Ministry funding rates for 2022/23 are unchanged from the 2021/22 funding rates. The Ministry confirmed provincially negotiated collective agreements will be funded through a separate special grant; however, no other annual inflationary cost pressures will be funded in 2022/23. As shown in the table below, budget pressure before allocating accumulated surplus reserves has increased from \$2.4 million to \$3.4 million due primarily to unfunded inflationary pressures. A more detailed budget pressure schedule is included as attachment 1.

2022/23 Budget Pressure Before Allocating Reserve	
2021/22 continuing budget funded by reserve	2,418,503
Enrolment based funding decline	1,038,990
Enrolment based staffing reductions	-820,937
Increased International Program contribution	-364,588
Annual inflationary pressures	1,158,500
<b>Total Estimated Budget Pressure</b>	<b>3,430,468</b>

Unfunded annual inflationary pressures of \$1,158,500 include salary inflation, Canada Pension Plan (CPP) rate increases, medical/dental plan premium increases, and cost escalation in utilities, fuel, and software licenses. It also includes the \$400,000 estimated cost of implementing recent changes to the Employment Standards Act related to minimum illness and injury leave benefits.

Domestic enrolment is forecasted to decline slightly and, after reflecting enrolment based staffing changes, results in increased budget pressure of \$0.2 million.

International Program enrolment is forecasted to increase modestly from 225 FTE to 250 FTE, which remains well below pre-pandemic levels (320 – 330 FTE). The availability of homestay families is limiting further enrolment growth at this time, and also creates a real risk we may not even achieve the budget target of 250 FTE. The increased International Program contribution of \$364,588 reflects this modest enrolment increase and also a planned increase to tuition rates in 2022/23. Future increase (after 2022/23) in enrolment to “pre-pandemic” levels would increase the net budget contribution by approximately another \$0.6 million.

Total estimated budget pressure before allocating reserve is \$3.4 million. If the Board allocates \$2.4 million in accumulated surplus reserve, the estimated budget pressure to be addressed through budget reductions or changes is reduced to \$1.0 million.

## **Alternatives to Balancing the 2022/23 Budget**

This assessment of alternatives for balancing the budget reflects accumulated surplus appropriation of \$2.4 million to fund continuing expenditures (as described above), with alternatives to balance the remaining \$1.0 million funding gap. In this section I refer to exhibits and data from the Amended Budget Comparative Analysis found in the [April 2022 Facts Package](#) (pages 19 to 32), the briefing on Budget Strategic Priorities, and other relevant contextual information. In addition to alternatives to reduce budgets, the possibility of increased support through the Classroom Enhancement Fund (CEF) is also discussed below.

### **Function 1 (Instruction) (83.5% of Operating Budget)**

When compared to the average of the comparison districts (SD71, SD72, SD75, and SD79) in the Amended Budget Analysis, in 2021/22 SD63 budgeted \$108/FTE<sup>1</sup> less on function 1 salaries and benefits (Exhibit 6) and spent \$11/FTE less on function 1 service and supplies in 2020/21 (Exhibit 7). However, SD63 also received \$134/FTE less in supplemental funding for unique needs and \$57/FTE less in CEF funding for staffing (Exhibit 1), both of which fund function 1 expenditures. As the spending variance is less than the supplemental funding variance, SD63 actually allocates more of the basic per student funding allocation to function 1, when compared to the other four school districts. More detailed function 1 observations are found on pages 20 to 21 of the [April 2022 Facts Package](#), and related teacher class size and composition contractual requirements are outlined on pages 23 and 32.

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<sup>1</sup> Note that comparison figures are expressed as a ratio of budget to student FTE enrolment.

Looking at each program area within function 1, in my opinion there are no or limited opportunities to achieve budget reductions in the following program areas:

- Regular Instruction (1.02) – SD63 budgets \$75/FTE less on salary and benefits, and was funded to the current enrolling teach ratio through the Classroom Enhancement Fund (CEF) to restore class size and composition language. Therefore, current enrolling staffing ratios are viewed to be contractual.
- Career Programs (1.03) – SD63 budgets \$5/FTE less on salary and benefits, despite an increasing focus on career programs expanding opportunities for all students.
- Library Services (1.07) – SD63 budgets \$43/FTE less on salary and benefits and Teacher Librarian staffing levels are maintained just above the required contractual ratio.
- Counselling (1.08) - SD63 budgets \$82/FTE less on salary and benefits and Teacher Counsellor staffing levels are maintained just above the required contractual ratio.
- Indigenous Education (1.31) – Indigenous Education is a specific priority in the newly adopted strategic plan. As described in the Budget Strategic Priorities briefing, maintaining budget in this program area is necessary for implementing strategies to improve Indigenous learner success.
- School Administration (1.41) – SD63 budgets \$46/FTE more on school administration salaries and benefits – this is attributable to budgeting more on support staff partially offset by spending less on PVP administration. The district recently reviewed school clerical allocations in comparison to SD61 (Victoria) and found these allocations to be comparable overall. The difference may be the result of inconsistent classifications between sub-functions within Function 1.
- Function 1 service and supplies – SD63 service and supply expenditures (exhibit 7) are lower in function 1 (and overall for all functions). With increasing inflationary pressures it is becoming increasingly challenging to cover the cost of necessary services, supplies, and equipment replacement. In my view, further reduction to service and supply budgets would be an impediment to achieving long term budget sustainability.

English Language Learning (1.30)

SD63 receives \$108/FTE in supplemental funding for ELL (Exhibit 1) and allocates \$139/FTE (or 129% of supplemental funding) (Exhibit 6) to ELL teacher salaries and benefits. The 4 comparison districts receive on average \$60/FTE in supplemental funding and allocate \$68/FTE (or 113% of supplemental funding) to ELL salaries and benefits.

If SD63 reduced by 1.0 ELL teacher FTE, the allocation to salaries and benefits would reduce by \$14/FTE to approximately \$125/FTE, or 116% of supplemental funding. As the operating fund currently funds 9.2 FTE in excess required blended SERT<sup>2</sup> teacher staffing contractual ratio, there is no contractual restriction on this option.

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<sup>2</sup> SERT category includes behaviour support (BS), learning assistance (LA), integration support (IST), and English language learning (ELL).

### Special Education (1.10)

SD63 budgets \$127/FTE more on special education salaries and benefits than the comparison districts (Exhibit 6), and receives \$33/FTE less in supplemental funding for special needs (Exhibit 1). SD63 budgets \$77/FTE less on Education Assistant salaries and budgets \$133/FTE more on Teacher and other professionals<sup>3</sup>, and \$32/FTE more on PVP with non-enrolling teacher assignments.

As SD63's Education Assistant budget allocation is below the average, this is not considered an option for budget reduction.

Following the restoration of class size and composition in 2017/18, significant changes have occurred to staffing in the SERT non-enrolling teacher categories, and with other funding available to support classroom complexity. Attachment 2 to this briefing note shows non-enrolling staffing at the following times: 2000/01 (prior to the removal of class size and composition language in 2002); 2016/17 (year prior to restoration of the language); 2017/18 (the year following restoration); and 2021/22 (the current school year).

In 2016/17, in combination LA, IST, BS, and ELL teacher positions were staffing at 9.4 FTE above the ratios to be restored in the following year. In the restoration year (2017/18), staffing in excess of this blended SERT ratio increased slightly to 9.52 with a shift of 2-3 FTE from LA to IST, BS and ELL. This excess above contractual ratio was funded in the operating budget.

The initial CEF allocation for 2017/18 was 50.7 teacher FTE (48.5 enrolling, 1.8 FTE Teacher Librarian, and 0.4 Teacher Counsellor). During the spring and summer of 2017, the district engaged with the Ministry of Education to make the case for additional funding to restore the language. In the fall of 2017, the Ministry of Education confirmed funding for 10 additional teacher FTE designated as the Article D.1.5 Fund, increasing the total CEF staffing allocation to 60.7 FTE. This additional funding effectively restored a similar fund that had existed prior to 2002<sup>4</sup>, which had been used to address classroom complexity. In 2017/18, the Article D.1.5 fund was not effectively used because it was confirmed after school was already in session. In 2018/19, the 10 FTE Article D.1.5 fund was deployed to increase LA/IST/BS by 9 FTE and to increase enrolling staffing by 1 FTE. Allocation of most of the D.1.5 fund to additional LA/IST/BS positions was viewed to be the most effective means of increasing support for classroom complexity, and it was done in combination with continuing to fund approximately 9 additional positions beyond required ratios in the operating fund. This allocation has remained unchanged since 2018/19. In combination with an additional 9.2 FTE from the operating fund, this 9 FTE allocation from the D.1.5 fund increases the blended ratio excess to 18.2 FTE in 2021/22 (see attachment 2).

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<sup>3</sup> In SD63 other professionals are speech pathologists and psychologists.

<sup>4</sup> One difference is that the new D.1.5 fund can only be allocated to teacher staffing, whereas the old D.1.5 fund (prior to 2002) could be allocated to any classroom support.



LA is currently staffed 3.59 FTE above the “non-blended ratio”, compared with 2.49 FTE above in 2017/18 and 5.24 FTE above in 2016/17. IST/BS is currently staffed 14.85 FTE above the “non-blended ratio”, compared with 7.14 FTE above in 2017/18 and 6.30 FTE above in 2016/17.

There are no budget reductions that will not have an impact either on strategic priorities or on the district’s ability to manage operational risks. Learning Assistance (LA) positions directly support the Literacy Goal in the new Strategic Plan and there has actually been a net decrease in FTE since 2016/17. As described in the Strategic Budget Priorities briefing, maintaining these positions is necessary for implementing strategies to improve Literacy results.

Integration Support (IST) and Behavior Support (BS) positions support the Mental Health and Wellness Goal strategic plan goal. However, as staffing in IST/BS positions is where SD63 has historically invested its discretionary funds with significant staffing increases in recent years, it is also where reductions are most feasible in comparison with reductions in other program areas. An additional factor is the potential for contractual remedy to be used more effectively to support classroom complexity. Teachers in SD63 receive far more contractual remedy compared to most other school districts, and there is significant room for remedy to be used more effectively in supporting classroom complexity.

Local SD63 class size and composition language generates significant contractual remedy in comparison to other districts<sup>5</sup>. In 2021, SD63 budgeted and was funded for remedy of \$1,513,019 - comprised of class size remedy of \$265,744 and composition remedy (driven by number of designations per class) of \$1,247,275. Teachers in SD63 receive contractual remedy equivalent to 5 times the provincial average.

Contractual remedy funds additional teacher time, and pursuant to the Memorandum of Agreement restoring class size and composition language, teachers can choose to use remedy to be released for preparation time, increase non-enrolling teacher support, fund additional enrolling staffing for co-teaching, or other remedies as the local parties may agree to.

Since restoration, the effective use of contractual remedy has been challenging because its use is determined by each teacher in accessing their remedy bank, and because non-enrolling teachers are not available to hire or call-in following the spring staffing process.

Unused remedy at the end of the last school year (June 30, 2021) was equivalent to approximately 7.0 teacher full-year FTE and the unused balance is expected to be similar at the end of this school year. It is the view of the senior leadership team that the most effective support for classroom complexity is increased non-enrolling teacher support, and also that use of remedy to release a classroom teacher is in many cases counter to supporting classroom complexity. Sometimes a remedy teacher is assigned to co-teach, but in most cases remedy is used to release a teacher from their class for additional preparation time.

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<sup>5</sup> Note that remedy budget/expenses are not reflected in the amended budget comparison analysis, and so are in addition to those reported budget allocations.

Over the past few years we have worked with the Saanich Teachers Association (STA) to improve how remedy is used. Beginning this year the STA has agreed that unused remedy in excess of 10 days will automatically be contributed to school staffing committees, and we are hopeful this will shift remedy to fund more non-enrolling teacher support.

If non-enrolling support becomes an increased priority for teachers because the district is no longer able to continue funding as many positions in excess of the contractual ratios, the district will continue work with the STA to facilitate remedy being more effectively allocated to non-enrolling support.

Reflecting all of the factors above, an alternative for the Board to consider is reducing the operating fund budget allocation to IST/BS teacher positions by up to 7.0 FTE. The reductions in elementary schools will be smaller for the following reasons:

- Elementary Inclusive Education teams are not as large to begin with,
- there is less contractual remedy available for elementary school teachers (this is because most remedy results from unique needs designation numbers and there is more undesignated complexity in elementary schools), and
- the importance of focusing support on early intervention as it has a greater impact on learning and development.

#### Classroom Enhancement Fund – Apply for Increased Funding

Due to the subjectivity of applying Article D.1.5 in determining class size reflective of complexity and support, SD63 has been required to fund class size remedy from the CEF staffing allocation since restoration. For the past few years, the district has withheld 2.5 FTE (\$265,744) to fund class size remedy cost; however, actual class size remedy flowing from D.1.5 consultation meetings increased substantially this year exceeding budget by approximately \$330K.

Following recent discussions with Ministry staff, we are comfortable this additional remedy cost in 2021/22 will likely be funded, and also that we can likely make the case for further continuing funding of approximately \$345K in 2022/23. Ministry staff report that increased CEF was recently approved for some other districts with contract language that linked staffing to complexity (as Article D.1.5 does) on the basis that unique needs designations have grown since 2017/18.

Class size remedy in excess of \$600K in 2021/22 significantly exceeded previous years, and in my view was reflective of establishing conceptual class sizes (per article D.1.5) that were lower than what could be created in reality. In 2022/23, the district will manage class size remedy to only scenarios where class sizes are clearly larger than what could normally be staffed in reality. This will allow increased CEF funding to be allocated to 3.0 FTE IST/BS teacher positions reducing the proposed reduction of 7.0 FTE to 4.0 FTE.

There is a risk to staffing on the basis that additional CEF funding will be approved, as it is possible the additional funding request will not be approved. However, this is the option I recommend.

#### **Function 4 (District Administration) (3.9% of Operating Budget)**

District Administration salaries and benefits are \$352/FTE in SD63 - below the average of the 4 comparison districts (\$377/FTE) by approximately 7% (Exhibit 6). Actual district administration service and supply expenses in 2020/21 were just below the average of the comparison school districts (Exhibit 7 - \$67/FTE vs \$68/FTE). Overall, administration costs in BC school districts are lower when compared to other Provinces, and in 2015/16 and 2016/17 all school districts in BC were required to achieve administrative cost savings. Based on the detailed review of administration costs performed in those years we know there are no opportunities to achieve further reductions without significantly impeding the district's ability to appropriately manage the business and educational functions of the school district.

#### **Function 5 (Operations and Maintenance) (10.9% of Operating Budget)**

Function 5 includes Facilities Operations/Maintenance and Information Technology. These areas were reviewed separately in the amended budget analysis, and are discussed separately below

##### Facilities Operations/Maintenance

The amended budget analysis shows that the SD63 salaries and benefits budget of \$753/FTE is close to the average of the comparison districts (\$750/FTE) (Exhibit 6). And that SD63 service and supply budgets are well below the average (\$325/FTE vs 382/FTE) (Exhibit 4). As service and supply budgets in SD63 are relatively low, more work is completed in-house compared to the other districts. As service and supply budgets have not paced inflation, it is becoming more challenging to complete all the work necessary to ensure facilities are appropriately maintained and operational risks are managed. As a result, there are no or very limited opportunity to achieving budget savings in this area.

##### Information Technology

The amended budget analysis shows that the SD63 IT salaries and benefits budget is above the average of the comparison districts (Exhibit 6 - \$166 per student FTE versus \$95 per student FTE). The centralization of school based IT positions this year increased this salary and benefits variance in 2021/22, and comparator districts may have additional school based technology support that is coded to function 1 (instruction). Other districts may also have district based IT curricular leadership that is coded to function 1 (instruction). However, we also know that we have more IT staff when compared to some other school districts

There are a few reasons why SD63 has more IT staff. One of those reasons is the existence of SIDES and the need for staff in the IT department to manage a separate and unique student information system. More staff (relative to other districts) is also supporting the district through

a period of significant renewal with the implementation of an aggressive plan to modernize infrastructure, processes and communications tools, and doing so with limited infrastructure funding.

While it is challenging to quantify the exact difference in infrastructure budget (due to the various approaches to funding infrastructure), we know that SD63 overall allocates less funding to IT infrastructure. We also know funding is a limiting factor in the implementation of the SD63 IT Refresh Plan, and is limited the replacement of legacy infrastructure such as obsolete network wiring and phone systems in schools. This challenge has been exacerbated by significant inflationary pressures on technology in the past two years. Longer term an option may be to shift budget from staffing into infrastructure, as staff retire and as the pace of renewal and change levels off.

### **Function 7 (Transportation) (1.7% of Operating Budget)**

Overall, SD63 budgets less on school transportation (\$193/FTE) than the average (\$245/FTE) (See Exhibit 2). This difference is largely attributable to the Saanich Peninsula being more geographically contained than the comparison districts. The transportation budget is driven by the cost of delivering service, and so any opportunities that exist to achieve budget reductions would be the result of reduced service.

**Summary of Alternatives to Balancing the 2022/23 Budget**

The alternatives discussed in this briefing are reflected in the table below.

Apply for Increased CEF Funding Allocation	345,000
Reduce ELL Teacher Allocation by 1.0 FTE	106,300
Reduce IST/BS Teacher Allocation by 4.0 FTE	425,200
Reduce administration/operation and/or service and supplies (TBD)	123,500
<b>Total Proposed Alternatives</b>	<b>1,000,000</b>

To achieve the recommended budget reduction of \$1,000,000 I am also recommending a reduction of \$123,500 in administration/operations budgets, and/or in service and supply budgets in any function. District staff are still reviewing these possible further areas of reduction, and final recommendations will also reflect what we learn through the community consultation.

With respect,

Jason Reid  
 Secretary Treasurer

Attachments: 1 - Operating Fund Budget Pressure Schedule  
 2 - Saanich Non-enrolling Educator Staffing Analysis

# Attachment 1

## OPERATING FUND BUDGET PRESSURE SCHOOL DISTRICT NO. 63 (SAANICH) FOR THE 2022/23 FISCAL YEAR

	Estimated Budget Pressure April 4, 2022	Estimated Budget Pressure April 21, 2022
<b>Decrease (increase) in revenues:</b>		
Continuing Expenses Funded by Appropriation of Accum. Surplus	2,418,503	2,418,503
Budget surplus emerging from forecast (i.e. 22/23 acc. surplus appropriation)	71,843	-400,000
(Increase)/Decrease in operating grant	1,038,990	1,038,990
(Increase)/Decrease in other revenues	0	0
(Increase) in International Program contribution	-364,588	-364,588
	<b>3,164,748</b>	<b>2,692,905</b>
<b>Increase (decrease) in expenses:</b>		
CUPE wages (Provincially negotiated collective agreements to be funded)	0	0
Teacher wages (Provincially negotiated collective agreements to be funded)	0	0
Exempt staff salary	185,000	185,000
Net Employee Benefit Cost Escalation	367,000	367,000
Amendments to Employment Standards Act - Illness and Injury Leave	200,000	400,000
Reduce Enrolling Teacher (for projected student FTE)	-584,639	-584,639
Reduce Non-enrolling Teacher by 1.0 FTE (for projected student FTE)	-106,298	-106,298
Staffing cost contingency (offset Supplement for Enrolment Decline)	20,000	20,000
EA FTE (for projected unique needs)	-150,000	-150,000
Utilities and Fuel Cost Inflation	156,500	156,500
Trustee Election	100,000	100,000
Software Licensing and other Service/Supply Cost Inflation	50,000	50,000
	<b>237,563</b>	<b>437,563</b>
<b>Proposed Budget Increases:</b>		
	0	0
	<b>0</b>	<b>0</b>
<b>Total Operating Fund Pressure</b>	<b>3,402,311</b>	<b>3,130,468</b>
<b>Possible Reductions or Revenue increases:</b>		
Allocate Contingency Reserve	0	-2,030,468
Allocate Contingency Reserve to Trustee Election		-100,000
	<b>0</b>	<b>-2,130,468</b>
<b>Total estimated operating fund pressure (surplus):</b>	<b>3,402,311</b>	<b>1,000,000</b>

International net budget change	
Tuition net revenue increase	-630,175
Homestay placement fee increase	-18,850
Wages and Benefits increase	72,780
Service and supplies increase	211,657
<b>Net District Budget Pressure</b>	<b>-364,588</b>

2022/23 Budget Pressure Summary Before Allocating Reserve	
2021/22 continuing budget funded by reserve	2,418,503
Enrolment based funding decline	1,038,990
Enrolment based staffing reductions	-820,937
Increased International Program contribution	-364,588
Annual inflationary pressures	1,158,500
<b>Total Estimated Budget Pressure (Continuing Budget)</b>	<b>3,430,468</b>



## Attachment 2 - Saanich Non-Enrolling (NE) Educator Staffing Analysis

2000/01 School Year (prior to language removed)		Overall Ratio				90.80
		(students to NE educators)				
Student FTE (Note 1)	8,411.19					
ELL FTE (Note 1)	184.00					
	Educator FTE Assigned (Note 1)	Deduct Admin (Note 1)	Teacher FTE (Note 1)	Required by Ratios	Over/ (Under)	
Career Programs	5.62	0.00	5.62	0.00	5.62	
Indigenous Programs	3.85	0.00	3.85	0.00	3.85	
Library (702)	12.03	0.26	11.78	11.98	-0.21	
Counselling (693)	11.73	0.00	11.73	12.14	-0.40	
Learning Assist (504)	17.93	0.65	17.27	16.69	0.58	
IST/BS (281)	34.49	0.80	33.69	29.93	3.75	
ELL (50.9 per ELL FTE)	3.40	0.00	3.40	3.61	-0.21	
Gifted	0.08	0.00	0.08	0.00	0.08	
Curriculum Leadership	3.50	0.00	3.50	0.00	3.50	
IT Leadership	0.00	0.00	0.00	0.00	0.00	
<b>Total</b>	<b>92.63</b>	<b>1.71</b>	<b>90.92</b>	<b>74.36</b>	<b>16.57</b>	

2016/17 School Year (year prior to restoration)		Overall Ratio				78.94
		(students to NE educators)				
Student FTE	6,908.75					
ELL FTE	325.00					
	Educator FTE Assigned	Deduct Admin	Teacher FTE	Required by Ratios (Note 2)	Over/ (Under)	
Career Programs	3.75	0.00	3.75	0.00	3.75	
Indigenous Programs	5.20	1.00	4.20	0.00	4.20	
Library (702)	8.05	0.00	8.05	9.84	-1.79	
Counselling (693)	9.86	0.20	9.66	9.97	-0.31	
Learning Assist (504)	19.65	0.70	18.95	13.71	5.24	
IST/BS (281)	35.76	4.88	30.89	24.59	6.30	
ELL (50.9 per ELL FTE)	4.25	0.00	4.25	6.39	-2.14	
Gifted	0.00	0.00	0.00	0.00	0.00	
Curriculum Leadership	0.00	0.00	0.00	0.00	0.00	
IT Leadership	1.00	0.00	1.00	0.00	1.00	
<b>Total</b>	<b>87.52</b>	<b>6.78</b>	<b>80.75</b>	<b>64.49</b>	<b>16.26</b>	

2017/18 School Year (year following restoration)		Overall Ratio				77.87
		(students to NE educators)				
Student FTE	7,003.75					
ELL FTE	410.00					
	Educator FTE Assigned	Deduct Admin	Teacher FTE	Required by Ratios	Over/ (Under)	
Career Programs	3.25	0.00	3.25	0.00	3.25	
Indigenous Programs	4.70	1.00	3.70	0.00	3.70	
Library (702)	9.95		9.95	9.98	-0.03	
Counselling (693)	10.70	0.00	10.70	10.11	0.59	
Learning Assist (504)	16.70	0.31	16.39	13.90	2.49	
IST/BS (281)	35.70	3.64	32.07	24.92	7.14	
ELL (50.9 per ELL FTE)	7.94		7.94	8.06	-0.12	
Gifted	0.00		0.00	0.00	0.00	
Curriculum Leadership	0.00		0.00	0.00	0.00	
IT Leadership	1.00		1.00	0.00	1.00	
<b>Total</b>	<b>89.94</b>	<b>4.94</b>	<b>85.00</b>	<b>66.96</b>	<b>18.04</b>	

2021/22 School Year		Overall Ratio				69.93
		(students to NE educators)				
Student FTE	7,363.00					
ELL FTE	529.00					
	Educator FTE Assigned	Deduct Admin	Teacher FTE	Required by Ratios	Over/ (Under)	
Career Programs	3.75	0.00	3.75	0.00	3.75	
Indigenous Programs	5.45	1.00	4.45	0.00	4.45	
Library (702)	10.58	0.00	10.58	10.49	0.09	
Counselling (693)	11.00	0.06	10.94	10.62	0.31	
Learning Assist (504)	18.90	0.70	18.20	14.61	3.59	
IST/BS (281)	43.27	2.22	41.05	26.20	14.85	
ELL (50.9 per ELL FTE)	10.15	0.00	10.15	10.39	-0.24	
Gifted	0.00	0.00	0.00	0.00	0.00	
Curriculum Leadership	1.20	0.00	1.20	0.00	1.20	
IT Leadership	1.00	0.00	1.00	0.00	1.00	
<b>Total</b>	<b>105.30</b>	<b>3.99</b>	<b>101.31</b>	<b>72.32</b>	<b>28.99</b>	

**Note 1:** Staffing information is per the district master staffing schedule as at October 25, 2000. Enrolment at Sept 30, 2000 as reported in the 1701 at Nov 30, 2000.

**Note 2:** While staffing is presented in relation to the contractual ratios in 2016/17 for comparison purposes, these required ratios were not in effect at this time.

**Note 3:** When the language was restored in 2017/18, the MOA implemented blending of the ratios for the shaded positions. This increased flexibility reflected that service delivery had evolved since 2002.

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To: Budget Advisory Committee

Prepared By: Jason Reid  
Secretary Treasurer

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Subject: Budget Strategic Priorities

Date: April 22, 2022

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The Board of Education adopted a new 2022 – 2027 Strategic Plan in March 2022 focusing on the following four priority areas:

- Literacy
- Indigenous Learner Success
- Mental Health and Wellness
- Global Citizenship

The purpose of this briefing note is to outline how these priorities are being operationalized and supported through Budget 2022/23.

As work in these priority areas continues, it is anticipated that some budget may be transferred between program areas in the development of the 2022/23 Amended Budget and in future budgets

### **Strategic Budget Priorities**

#### Literacy

The following initiatives are in-progress or are planned in support of the Literacy priority:

- The creation of a K-12 Literacy plan for Saanich with an initial focus on Early Learning
- Implementation of a Fall and Spring District Literacy Assessment for all students in grades 1-8
- Plans to establish equity between schools reflective of need
- Implementation of a comprehensive plan to consistently employ tier one and two supports for early literacy that embeds on going professional development
- Implementation of Heggarty phonological awareness program in all elementary schools
- Create a plan to examine and purchase resources that reflect diversity and inclusion
- Continue to build a data dashboard to track student progress and inform educational progress

Implementation of these initiatives will involve continued engagement with teachers, parent literacy evenings, and regular review and sharing of literacy data.



In order to implement these initiatives it is recommended that current budget allocations be maintained for learning assistance teachers, professional development, and learning resources. The allocation of existing budgets will change in support of the planned Literacy initiatives, including the following changes:

- Focus district and teacher leadership time and professional development budget on this priority
- revising current early learning supports to meet the needs of all learners, including possible reallocation of resources to a broader early intervention program with an equity lens

### Indigenous Learner Success

The following initiatives are in-progress or are planned in support of the Indigenous Learner Success priority:

- maintain family advocate Education Assistant position
- Continuation of Indigenous Education Coordinator position.
- Reallocation of staffing to focus on Early Literacy and Social Emotional Learning for Indigenous students--significant focus on supporting primary students with literacy
- SENĆOŦEN instruction for all Kindergarten students
- SENĆOŦEN instruction for all students at Brentwood and KELSEY
- Addition of mandatory course requirement at secondary

Implementation of these initiatives will involve continued engagement with teachers, extensive community engagement that is ongoing and available in a variety of formats, and student focus groups and ongoing feedback.

In order to implement these initiatives it is recommended that current budget allocations be maintained in Indigenous Education, professional development, and learning resources.

The allocation of existing budgets will change in support of the planned Indigenous Learner Success initiatives, including the following:

- Focus district and teacher leadership time and professional development budget on this priority
- Allocation of curriculum budget to support implementation of mandatory Indigenous course
- Use of Indigenous Education budget to support targeted early literacy
- Use of grant money to support language and curricular programs

### Mental Health and Wellness

The following initiatives are in-progress or are planned in support of the Mental Health and Wellness priority:

- Mental Health Literacy for students at the middle school level is in progress, and is under consideration for implementation at elementary and secondary.
- Secondary Physical Health Education curriculum embedding mental health & wellness within curriculum is in-progress.
- Building capacity for staff—focus on current professional learning & on staff wellness. This is in-progress.
- EASE (Everyday Anxiety Strategies for Educators) training at each level—in progress at Elementary and Middle, and planned at Secondary.
- Digital Literacy at the elementary and middle school level—initial implementation completed at elementary and middle level. Under consideration for secondary.
- Comprehensive Counselling Approach with monthly district-wide focus is in progress
- Anti-racism initiatives are under consideration. At beginning stages of identifying district vision, direction and curricular resources.
- Indigenous Student Mentorship Program - It has been a very successful pilot this year in partnership with community. This initiative was funded by grants that may recur, so continuation may depend on securing funding.

In order to implement these initiatives it is recommended that current budget allocations be maintained in counselling, student advocacy, social emotional learning, teacher leadership, professional development, learning resources, and other inclusive education budgets apart from where reductions are recommended as alternatives to balancing the budget.

Many of the current and planned initiatives are supported this year (and for the past few years) through the Mental Health Grant that each district received from the Ministry. It has not yet been announced whether this grant will continue.

The allocation of existing budgets will change in support of the planned Mental Health and Wellness initiatives, including focusing district and teacher leadership time and professional development budget on this priority.

### Global Citizenship

This goal is to provide opportunities and experiences that inspire learners to be knowledgeable, curious and active global citizens who support the well-being of oneself, family community and our environment.

Many of the initiatives described for the preceding three priority areas also support the Global Citizenship priority. Examples include digital literacy, mental health literacy, social emotional

learning, and Indigenous Education initiatives. This priority area is also being supported through the following initiatives:

- Focusing teacher leadership and professional development budget on this priority and the advancement of learning experiences that focus on the role of citizens in broader global and societal issues
- Data information practice with a focus on equity of student success.
- Focused School Planning: Aligned to Board strategic priorities including Global Citizenship, school growth plans will trace the narrative of learning over the course of a year, focused on the goals, strategies and tracking mechanisms to answer the questions, ‘What does a year’s worth of learning look like in our school?’ and ‘How will we know?’ Resourcing and professional growth resources will be necessary for school teams to articulate, track progress on and learn from the targeted, evidence based priorities at the school level.
- IT strategic plan – this plan underpins all other educational and operational goals though-out the school district. A key budgetary challenge with implementation of the IT strategic plan are significant inflationary pressures challenging the existing infrastructure budget to meet the goals of the plan, and also replace aging infrastructure including phone systems and network wiring.
- Student Voice – We plan to more formally accelerate, engage, and activate student voice in our district, to inform and empower the implementation of identified strategic priorities including the Global Citizenship priority.

The allocation of existing budgets will change in support of the planned Global Citizenship initiatives, including the following changes:

- Focus district and teacher leadership time and professional development budget on this priority
- Allocation of curriculum budget to support development and implementation of learning experiences that focus on broader global and societal issues.

With respect,

Jason Reid  
Secretary Treasurer

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To: Budget Advisory Committee

Prepared By: Jason Reid  
Secretary Treasurer

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Subject: Community Engagement Plan

Date: April 25, 2022

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The purpose of this briefing note is outline the plan for the school communities and public budget meeting (“community budget meeting”) and related consultation processes.

### **Community Budget Consultation Process**

Once April 7, 2022, the Board approved a revised budget consultation timeline (attachment 4), reflecting that with significant 2022/23 Budget Pressure being forecasted there was a need to extend the consultation process.

As in prior years, expanding the distribution of a community budget survey (with accompanying background information) in conjunction with having a community budget meeting, is an opportunity to further increase participation in the budget consultation process and to improve participation from certain stakeholder groups (including students) that have not historically been well represented in the process.

The following steps in the consultation process are being planned.

- **April 27<sup>th</sup> to April 29<sup>th</sup>** – Press release (directing readers to the website), and invitations sent to community contacts, administrators, partner groups, and PACs. The invitations and the website will include instructions for participation in the community budget meeting and the survey, as well as background information regarding the district and the budget context. The distribution of background information in advance is intended to increase participation in the survey by those unable to attend the community budget meeting.
- **April 27<sup>th</sup> to May 3<sup>rd</sup>** – promotion on district/school websites, and district and partner social media accounts.
- **May 4<sup>th</sup>** – In person community budget meeting at Bayside Middle School. The meeting will consist of a presentation, an opportunity to ask questions, and a table discussion session where participants will discuss and report back on the proposed approach to Budget 2022/23.

- **May 2<sup>nd</sup> to May 13<sup>th</sup>** – Student Voice meetings with secondary students to discuss the budget consultation process, the context for Budget 2022/23, and to seek student feedback on budget priorities. These meetings have been tentatively scheduled as follows:
  - Parkland: May 11th 9:30am - 11:00am
  - Claremont: May 12th 10:30am - 12:00pm
  - Stelly's: May 13th 11:30am - 1:00pm
- **May 2<sup>nd</sup> to May 13<sup>th</sup>** – Consultation meetings with WSÁNEĆ and partner groups.
- **May 12<sup>th</sup>** – The survey will close on May 12, 2022 (end of day) and the results will be compiled for review by the Budget Advisory Committee on **May 17<sup>th</sup>**. (note: survey will be extended for groups meeting on May 13<sup>th</sup>).

The draft invitation and background document (see attachment 1) will be included with the invitations and available prominently on the website. The presentation at the May 4th community meeting will be consistent with the information included in this document. The draft survey is included as attachment 2, and the community invitation list is included as attachment 3.

With respect,

Jason Reid  
Secretary Treasurer

Attachment: 1 – Invitation and Background document  
2 – Budget Survey  
3 – Community Invitation List  
4 – Revised 2022/23 Budget Consultation Process.



## 2022/23 Budget Consultation Background Document – April 25, 2022

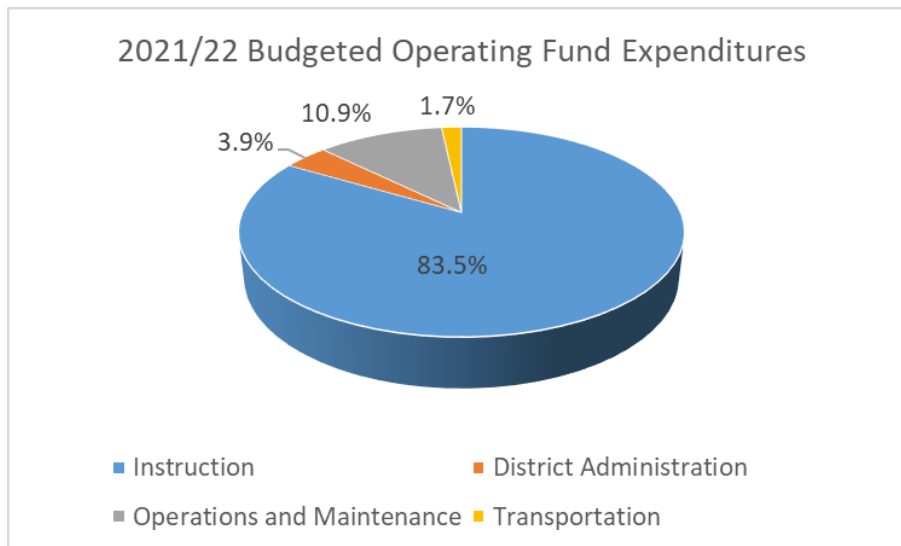
The Board of Education is seeking your input in determining budget priorities for the 2022/23 budget year (July 1, 2022 to June 30, 2023) and beyond, through completion of a survey and participation in a Community Budget Meeting on May 4<sup>th</sup> at 7pm at Bayside Middle School, 1101 Newton Place, Brentwood Bay. To inform completion of the survey this document provides further background on the Saanich School District, the budget consultation process, and budget context for 2022/23.

### About the Saanich School District

The Saanich School District enrolls close to 8,000 students in a number of neighbourhood and special program schools. Neighbourhood schools include eight elementary schools, three middle schools, and three secondary schools. The district also provides educational programming at the Children's Development Centre, two Individual Learning Centres, a Kindergarten to Grade 12 online learning school called SIDES (South Island Distance Education School), and at SISP (Saanich International Student Program).

In the 2021/22 budget, the district budgeted for revenues of \$84.0 million in the operating fund<sup>1</sup>. These revenues were comprised of provincial grants (\$74.2 million); direct funding from First Nations (\$3.2 million); international student tuition (\$3.5 million); international student homestay fees (\$2.0 million); and other revenues (\$1.1 million). In the 2021/22 annual budget, the Board appropriated an additional \$2.4 million in prior year accumulated surplus to fund continuing operating expenditures.

As shown below, in the 2021/22 budget the Saanich School District invested 83.5% of the operating budget in instructional programs.



<sup>1</sup> Additional targeted program funding/revenues are reported in the special purpose fund (\$12.2 million in the 2021/22 budget). Most special purpose funding is directed to Instructional programs.

## 2022/23 Budget Consultation Background Document – April 25, 2022

Operations and Maintenance was 10.9% of 2021/22 budgeted expenditures and includes facilities/grounds maintenance, custodial, information technology, health and safety, and utilities. The district operates 20 facilities and approximately 960,000 square feet of space.

District administration was 3.9% of 2021/22 budgeted expenditures and includes Board governance, educational leadership, finance and payroll, human resources, and communications.

Transportation costs, including the operations of the school bus fleet, was 1.7% of 2021/22 budgeted expenditures.

### 2021/22 Budget Consultation Process

In November 2021, the Board approved the [2021/22 Budget Guiding Principles](#) to guide the budget consultation process. These principles include that the Saanich Board of Education will keep support for students at the forefront of its decisions. As the Board recognizes public education is the responsibility of the whole community, community engagements is key to the decision making process.

School Boards adopt two budgets in each fiscal year:

- A preliminary budget is adopted before the end of June for the following fiscal year based on forecasted enrolment and revenues; and
- An amended budget is adopted before February during the fiscal year reflecting actual fall enrolment and funding.

This budget consultation will inform decisions regarding priorities for the preliminary and amended budgets for 2022/23, and planning for future budgets. The consultation process is overseen by the Budget Advisory Committee (BAC), which provides advice to the Board of Education. Documents related to the 2022/23 budget consultation process are posted to the [consultation site](#) throughout the process. More information on the budget context, priorities, and alternatives for balancing Budget 2022/23, as summarized below, can be found in the April 26, 2022 BAC meeting materials.

### Context for Budget 2022/23

#### **Unfunded Inflationary Pressures**

The Saanich School District is forecasting budget pressure in 2022/23 because inflationary pressures are not being funded. A contributing factor is also that the funding formula in BC is disproportionately leveraged to enrolment change. As enrolment grows funding generally increases faster than enrolment-based program costs, and as enrolment declines funding decreases faster than enrolment-based program costs. And because inflationary pressures are not being funded, even a school district with stable enrolment will experience growing budget pressure each year that can only be addressed over

## 2022/23 Budget Consultation Background Document – April 25, 2022

time through program reductions. In May 2021 and again in February 2022, the Saanich Board of Education [wrote](#) to Minister of Education regarding these Education funding concerns.

Provincial funding rates for 2022/23 are unchanged from the 2021/22 funding rates. While the Ministry of Education has confirmed provincially negotiated collective agreements will be funded through a separate special grant, no other annual inflationary cost pressures will be funded in 2022/23.

Unfunded inflationary pressures in 2022/23 are approximately \$1.2 million and are more significant than in previous years. These inflationary pressures include salary inflation, recent changes to the Employment Standards Act related to minimum illness and injury leave benefits; Canada Pension Plan (CPP) rate increases; medical/dental plan premium increases; and cost escalation in utilities, fuel, and software licenses. In April 2022, the Saanich Board of Education [wrote](#) to the Minister of Education to protest that recent changes to the Employment Standards Act had not been funded.

Enrolment in Saanich schools overall is not forecasted to grow in 2022/23. Without enrolment growth and without inflationary costs being reflected in 2022/23 funding rates, funding available for programs is effectively being reduced.

In order to restore budgetary balance, it is necessary to either increase revenues or reduce program expenditures by \$1.0 million. Following discussions with the Ministry of Education, we are comfortable that we can likely make the case for increased funding of \$345,000 through the Classroom Enhancement Fund, which funds the class size and composition contractual requirements restored in the fall of 2017. While there is a risk this funding increase will not be approved, we recommend it is reflected in budget planning so that program impacts in 2022/23 are minimized.

With this additional revenue reflected, program reductions of \$655,000 are necessary to balance the 2022/23 Preliminary Budget.

### Strategic Budget Priorities

The Board of Education adopted a [new strategic plan](#) in March 2022 focusing on the following four priority areas:

- Literacy
- Indigenous Learner Success
- Mental Health and Wellness
- Global Citizenship

Implementation of these priorities is driving change to operational plans and the deployment of existing resources. This includes the deployment of district and teacher leadership capacity, and curriculum and professional development budgets in support of improving performance in these priority areas. The strategic plan is also driving changes to the deployment of instructional program resources including, but not limited to the following:



## 2022/23 Budget Consultation Background Document – April 25, 2022

- reallocation of literacy program resources to a broader early intervention program with an equity lens;
- expansion of SENĆOŦEN language instruction in elementary schools; and,
- expansion of Mental Health Literacy and Digital Literacy programs for students.

There are no program reductions which will not negatively impact either strategic priorities or priorities for [appropriately managing operational risks](#). In determining alternatives for consideration in balancing Budget 2022/23, the options being proposed are those that are possible and that will have less overall impact on identified priority areas.

### Alternatives for Balancing Budget 2022/23

When determining potential alternatives for balancing the budget, the following was considered: comparative budget analysis with similar school districts (benchmark districts), plans to operationalize strategic and risk management priorities, collective agreement obligations, and other relevant contextual information.

The following observations were made when comparing the Saanich budget to the average of 4 similar BC school districts (Comox, Cowichan, Campbell River, and Mission). When looking at budget allocated per student FTE, in comparison to these benchmark districts Saanich budgets:

- more on instruction in relation to the basic funding allocation (adjusted for differences in supplemental funding for unique needs).
- more on special education and English language learning, overall and in relation to the supplemental funding received for unique student needs.
- within special education, significantly more on Teacher and Other Professional staffing and less on Education Assistant staffing.
- Less on other instructional programs including regular instruction, career programs, library services, and counselling.
- Less is allocated overall to district administration and operations and maintenance.
- More is allocated overall to information technology.
- Less is allocated to service, supplies, and equipment replacement overall and particularly in the operations, maintenance, and information technology functions.

The detailed analysis can be found in section 5 of the Budget Facts Package in the [April 7, 2022 BAC meeting materials](#).

### **Function 1 (Instruction) (83.5% of Operating Budget)**

Regular Instruction is the largest program within the Instruction function, with the majority of expenditures within regular instruction being teacher staffing. However, as current enrolling teacher staffing levels are required to meet class size requirements (Teacher's collective agreement), there is limited opportunity to reduce budgets in regular instruction. Similarly, teacher staffing comprises the

## 2022/23 Budget Consultation Background Document – April 25, 2022

majority of budgets in Library Services and in Counselling and these staffing levels are just above what is required contractually.

There are other programs without contractual restrictions, but where present budget allocations are considered necessary for basic program operation (example: Career Programs), or necessary for supporting strategic priorities (example: Indigenous Education).

The two areas where it is possible to make budget reductions are English Language Learning (ELL) and Special Education, which are discussed further below.

### English Language Learning (ELL)

In Saanich, the ELL program staffing budget equals 129% of the supplemental funding received for students designated for English Language Learning. In comparison, this average in the benchmark districts is 113%. If the ELL teacher staffing allocation was reduced by 1.0 FTE, the Saanich allocation would be approximately 116% of supplemental funding (still above but closer to the average).

### Special Education

Saanich budgets \$127 per student FTE more on special education salaries and benefits overall compared to the benchmark district's average, but receives \$33 per student FTE less in supplemental funding for students with special needs designations. Saanich budgets \$77 per student FTE less on Education Assistant salaries relative to the comparison district's average (excluding benefits). Saanich budgets \$165 per student FTE more on salaries for Teacher, Other Professionals<sup>2</sup>, and non-enrolling teaching assignments for School Administrators. When benefits are included and when grossed up to Saanich enrolment, this variance is equivalent to additional budget allocation of approximately \$1.6 million.

Saanich has historically recognized the value of these specialist teacher positions in supporting classroom complexity by funding staffing levels well above those required by collective agreement ratios. In 2016/17, the district was staffed 9.4 FTE above the blended contractual ratio to be restored in 2017/18 for Learning Assistance, Special Education Resource and ELL Teacher positions. During the restoration year, the district advocated for additional restoration funding, and received additional funding allowing staffing in these categories to be increased further in 2018/19 to 18.2 FTE above the contractual ratio (by maintaining the historical operating fund budget and increasing staffing further with targeted funding). The majority of this overage relative to contractual requirement (14.85 FTE) was in the Special Education Resource Teacher category (Behavior Support (BS) and Integration Support (IST)). This was done because of the value of these positions in supporting classroom complexity, and because the district was financially able to continue allocating additional funding from the operating fund.

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<sup>2</sup> In SD63 other professionals in function 1 (Instruction) are speech pathologists and psychologists.

## 2022/23 Budget Consultation Background Document – April 25, 2022

Learning Assistance (LA) positions directly support the Literacy Goal in the new Strategic Plan and there has actually been a net decrease in FTE since 2016/17. Maintaining these positions is necessary for implementing planned strategies to improve Literacy results.

Integration Support (IST) and Behavior Support (BS) teacher positions support the Mental Health and Wellness Goal strategic plan goal. However, as staffing in IST/BS positions is where SD63 has historically invested its available discretionary funds with significant staffing increases in recent years, it is also where reductions are most feasible in comparison with reductions in other program areas. An additional factor is the potential for contractual remedy to be used more effectively to support classroom complexity.

Teachers in Saanich receive approximately \$1.5 million annually in contractual remedy to support classroom complexity, significantly more than the Provincial average. Contractual remedy funds additional teacher time, and teachers can choose to use remedy to be released for preparation time, increase non-enrolling teacher support, fund additional enrolling staffing for co-teaching, or other remedies as the local parties may agree to. It is the view of the senior leadership team that the most effective support for classroom complexity is increased non-enrolling teacher support; however, allocating remedy to non-enrolling support has been challenging in part because its use is determined by each teacher in accessing their remedy bank, and because non-enrolling teachers are not available on a call-in basis.

Unused remedy at the end of the last school year (June 30, 2021) was equivalent to approximately 7.0 teacher full-year FTE and the unused balance is expected to be similar at the end of this school year. Over the past few years we have worked with the Saanich Teachers' Association (STA) to improve how remedy is used. Beginning this year the STA has agreed that unused remedy in excess of 10 days will automatically be contributed to school staffing committees, and we are hopeful this will shift remedy to fund more non-enrolling teacher support in the future.

Given all of the factors above, a reduction of 4.0 FTE in the category of Special Education Resource Teacher is recommended. Reductions will be smaller at elementary schools as inclusive education teams are smaller to begin with, there is less remedy available to elementary teachers (more undesignated need), and because of the importance of focusing on early intervention where it will have a greater impact on learning and development.

### **Administrative and Operational Functions (16.5% of Operating Budget)**

District administration is 3.9% of budgeted expenditures and includes Board governance, educational leadership, finance and payroll, human resources, and communications. Salaries and benefits in this area are 7% lower than the average of benchmark districts, and service and supply budgets are just below average.

Operations and Maintenance is 10.9% of 2021/22 budgeted expenditures and includes facilities/grounds maintenance, custodial, information technology, health and safety, and utilities. Facilities operations



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budgets overall are lower and service and supply budgets are significantly lower in comparison to benchmark school districts. The Information Technology staffing budget is higher than in benchmark districts and the IT infrastructure budget is lower.

Transportation, including the operations of the school bus fleet, is 1.7% of 2021/22 budgeted expenditures, and is driven by service levels.

There are limited opportunities to find budgetary savings in the administrative and operational areas, as historically budget reductions had been more concentrated in these functions. However, a further reduction of \$123,500 is being proposed to administration/operations budgets, and/or in service and supply budgets in any function. District staff are still reviewing these possible further areas of reduction, and final recommendations will reflect what is learned through the community consultation.

### Summary of Proposed Budget Changes

The proposed budget changes outlined in this background document are summarized below:

Apply for Increased Funding Allocation	345,000
Reduce ELL Teacher Allocation by 1.0 FTE	106,300
Reduce IST/BS Teacher Allocation by 4.0 FTE	425,200
Reduce administration/operation and/or service and supplies (TBD)	123,500
<b>Total Proposed Budget Changes</b>	<b>1,000,000</b>

### Next Steps in Budget Process

The Board of Education is seeking your input in determining priorities for Budget 2022/23, through completion of a survey and participation in an In-person Community Budget Meeting on May 4<sup>th</sup> at 7pm at Bayside Middle School.

More information on the budget consultation process including detailed documents supporting 2022/23 budget planning are available on the district's [budget consultation site](#). If you have questions about the budget consultation process, please contact the Office of the Secretary Treasurer at 250-652-7332.

## Attachment 2: Budget Survey

### 2022/23 Budget Consultation Survey

Your participation in this survey will inform the Board of Education in determining budget priorities for the 2022/23 budget year and beyond. This survey closes on May 12, 2022 (end of day) and the results will be compiled and reviewed by the Budget Advisory Committee on May 17, 2022.

1. What best describes your connection to the Saanich School District?
  - a. Student
  - b. Staff
  - c. Parent/Guardian/Grandparent
  - d. Community member
  - e. Other (please specify)
  
2. Do you agree with the proposed approach to balancing Budget 2022/23? [yes/no] If not, what alternatives for balancing the budget should be considered? [open ended – 250 word limit]
  
3. Do you have any further advice for the Board of Education regarding Budget 2022/23? [open ended – 250 word limit]

## Attachment 3 – Invitation List for Community Budget Meeting

<b>Invitations to Community Budget Meeting</b>
All School Administrators
Excluded Staff
All Local Media
Pauquachin First Nation
Tseycum First Nation
Tsartlip First Nation
Tsawout First Nation
WSANEC School Board
South Wellness Centre
Community Arts Council of the Saanich Peninsula
Mary Winspear Community Cultural Centre
North and South Saanich Agricultural Society
Beacon Community Services
Saanich Peninsula Chamber of Commerce
Sidney and North Saanich Memorial Park Society
Sidney Business Association
Sidney/North Saanich Library
Vancouver Island Regional Library

### Attachment 3 – Invitation List for Community Budget Meeting

Brentwood Bay Rotary Club
Sidney Rotary Club
Central Saanich Senior Citizens Assoc
Central Saanich Lions Club
Sidney Lions Club
District of Saanich
District of Central Saanich
District of North Saanich
Town of Sidney
MP, Saanich and Gulf Islands
MLA Saanich South
MLA Saanich North and the Islands
COPACS
District PACs
CUPE Local 441
Saanich Administrators' Association
Saanich Teachers' Association
Central Saanich Police Department

## Attachment 3 – Invitation List for Community Budget Meeting

RCMP Sidney Detachment
Saanich Police Department
Peninsula Recreation Commission
Saanich Commonwealth Place
Blackline Marine Group
Saanich Peninsula Community Literacy
Beacon Community Services
Island Health
Peninsula Crossroads Restorative Justice
Camosun College
University of Victoria
Peninsula Co-Op
Saanich Fruit Growers
Canadian Federation of University Women
Community Associations



**Attachment 4 - Saanich School District  
Revised 2022/23 Budget Consultation Process**

The following changes are proposed to facilitate further consultation reflecting the implications of the 2022/23 funding shortfall

Date or Date Range	Planned Budget Consultation Process (Budget Process / <a href="#">Staffing Process</a> )		Revised Budget Consultation Process (Budget Process / <a href="#">Staffing Process</a> )		
	Event	Description	Event	Description	Explanation
April 13, 2022	Preliminary teacher staffing allocations provided to schools	Preliminary teacher staffing allocations provided to allow schools to begin organizing / time tabling for the 2022/23 school year.	Reschedule to April 21, 2022		Reschedule preliminary teacher staffing allocations for planning purposes to align with budget planning extension.
April 14, 2022	School Communities and Public Budget Meeting / Community Survey	Present context and priorities for Budget 2022/23 and seek feedback from staff and the broader community	Reschedule to May 4, 2022		Reschedule meeting to provide more time for district staff and the Budget Advisory Committee to consider options for balancing the 2022/23 Preliminary Budget.
April 13, 14, 22	Scheduled Student Voice Meetings	Budget Consultation Meetings scheduled with Secondary Students	Reschedule Student Voice Meetings to May		Reschedule meetings to more closely align with School Communities and Public budget meeting, and release of the survey
April 21, 2022	Management Team Session	Review results from community/public meeting and seek feedback on budget priorities.	Management Team Session		Proceed with scheduled meeting focusing on budget context, strategic priorities, implications for preliminary staffing allocations, and to seek feedback on identified options.
April 21, 2022			Preliminary teacher staffing allocations provided to schools.	Preliminary teacher staffing allocations provided to allow schools to begin organizing / time tabling for the 2022/23 school year.	Rescheduled from April 13, 2022. Initial allocations will reflect proposed options for balancing the 2022/23 Budget to be considered at the April 26th BAC meeting. Final decision on staffing changes are pending the Board's adoption of the 2022/23 preliminary Budget.
April 26, 2022	Teacher staffing level meetings	Teacher staffing meetings by level (elementary, middle, secondary)	Reschedule to May 2, 2022		Rescheduled to May 2, 2022 to provide schools with sufficient time to plan after receiving planning allocations later (April 21th versus April 13th).
April 26, 2022			Budget Advisory Committee	Review options for balancing the 2022/23 Preliminary Budget and review final budget consultation plan.	New BAC meeting to consider options for balancing the 2022/23 budget and to review the final budget consultation plan.
April 28, 2022	Budget Advisory Committee Meeting	Review results of community/public meeting and community survey and make recommendations to the Board for balancing the budget.	Reschedule final BAC meeting to May 17, 2022		Reschedule final BAC meeting to align with the extended consultation period.

Date or Date Range	Planned Budget Consultation Process (Budget Process / <a href="#">Staffing Process</a> )		Revised Budget Consultation Process (Budget Process / <a href="#">Staffing Process</a> )		
	Event	Description	Event	Description	Explanation
Month of May	School Support Staff planning meetings	Meetings with each school to review support staff allocations for 2022/23	School Support Staff planning meetings	Meetings with each school to review support staff allocations and assignments for 2022/23	No change to planned timelines necessary
May 2, 2022			Teacher staffing level meetings	Teacher staffing meetings by level (elementary, middle, secondary)	Rescheduled from April 26, 2022.
May 2 to 13, 2022			Student Voice Meetings (Secondary Students)	Budget Consultation Meetings	Schedule meetings to more closely align with School Communities and Public budget meeting, and release of the survey
May 2 to 13, 2022			Consultation meetings with WSÁNEĆ and partner groups	Budget Consultation Meetings	Schedule meetings to more closely align with School Communities and Public budget meeting, and release of the survey
May 4, 2022	Special Board Budget Meeting (7pm)	Public budget meeting where the Board debates options for balancing the 2022/23 preliminary budget	Rescheduled to June 1, 2022		Defer Special Board Budget Meeting to align with extended consultation process
May 4, 2022			School Communities and Public Budget Meeting / Community Survey	Present context and priorities for Budget 2022/23 and seek feedback from staff and the broader community	Rescheduled from April 14, 2022.
May 17, 2022			Budget Advisory Committee Meeting	Review results of community/public meeting and community survey and make recommendations to the Board for balancing the budget.	Final BAC meeting rescheduled from April 28, 2022 to align with extended consultation period.
May 18, 2020	Regular Board Meeting	Adoption of 2022/23 Preliminary Budget	Reschedule Board Adoption of Budget to June 15, 2022 Board Meeting.		Defer adoption of preliminary budget to June Board meeting
June 1, 2022			Special Board Budget Meeting (7pm)	Public budget meeting where the Board debates options for balancing the 2022/23 preliminary budget	Rescheduled from May 4, 2022 to align with extended consultation period.
June 15, 2022			Regular Board Meeting	Adoption of 2022/23 Preliminary Budget	Rescheduled from May 18, 2022 meeting to align with extended consultation period.