

April 20, 2015

The Honourable Mike de Jong
Minister of Finance and Government House Leader
P.O. Box 9048, Stn Prov Govt
Victoria BC V8W 9E2

The Honourable Peter Fassbender
Minister of Education
P.O. Box 9045, Stn Prov Govt
Victoria, BC V8W 9E2

Dear Minister de Jong and Minister Fassbender:

Re: Provincial Budget and Operating Grant

On behalf of the North Vancouver School District, the Board of Education, the North Vancouver Parent Advisory Council, the North Vancouver Administrators, the North Vancouver Teachers' Association and the Canadian Union of Public Employees Local 389, we are writing in joint advocacy to support adequate funding for public education in the provincial budget. This submission is a reflection of our shared commitment to the future of a thriving and wholly supported public education system in British Columbia.

On March 12, 2015, British Columbia's 60 Boards of Education were advised that they are required to collectively ensure \$29 million in 'administrative savings' in their 2015/16 budget forecasts; increasing to \$54 million in required 'administrative savings' for the 2016/17 and subsequent years. In the North Vancouver School District, this represents approximately 0.6% of the current budget - or \$760,017 in 2015/16, rising to approximately \$1,520,000 in 2016/17, representing approximately 1.2% of future operating budgets.

At the time of the 2015/16 budget announcement, the Province identified an administrative spending target of 7%. North Vancouver School District is well below this target with approximately 3.51% (\$4.93 million) of its operating budget spent on District administration. North Vancouver School District has diligently and prudently managed its finances and has a very low overhead to manage a complex organization with an increasingly broad mandate. The Board has actively engaged its community and partner groups in consultative processes each year to carefully consider and establish priorities when developing its operating budgets. Attached for your reference is documentation related to the historical cuts to our organization in recent years, a summary of their profound impact, and an accounting of the significant reductions implemented over these years.

The Board is committed to continuing to provide an excellent school experience for students, and will prioritize its efforts to find the required savings to balance the budget; however, finding \$760,017 of 'administrative savings' in 2015/16 and \$1,520,000 in 2016/17 will come at a cost to the high standards of service expected in North Vancouver's community and presents a considerable challenge to the Board. The required reductions prevent the Board from reinvesting these funds to meet the needs of our students. Any reduction in funding will impact the educational experience of our students as the district operates as a system, with strong connections between the classroom and the services supporting our students and our teachers.

The North Vancouver Board of Education is disappointed and deeply concerned by the Province's announced budget direction for the coming two years and the obligated 'administrative savings' which reduce the 2015/16 budget by an expected \$760,017 and the 2016/17 budget by \$1,520,000. North Vancouver School District is facing rising operating costs and pressures such as Medical Services Plan (MSP) and Canadian Pension Plan (CPP) premiums, BC Hydro rate increases, and inflation.

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The North Vancouver Board of Education has consistently demonstrated its capacity and responsibility to meet its financial obligations, even when required to fund Collective Agreements negotiated at a provincial level. The recognition of the Board's autonomy in developing and balancing its operating budget would have been appreciated. The Board must retain flexibility in the preparation of its budget to meet the unique needs of our students and community.

The North Vancouver School District, the Board of Education, the North Vancouver Parent Advisory Council, the North Vancouver Administrators, the North Vancouver Teachers' Association and the Canadian Union of Public Employees Local 389 are requesting that the 2015/16 Provincial Budget be amended to rescind the required administrative cuts and be amended to increase the funding for K-12 education by fully covering the costs of provincial collective agreements, employee benefits costs due to premium increases, BC Hydro increases, and inflation in order to ensure the high quality public education system for which our province is known.

Sincerely,

NORTH VANCOUVER
BOARD OF EDUCATION

Handwritten signature of Cyndi Gerlach in black ink.

Cyndi Gerlach
Board Chair

NORTH VANCOUVER
SCHOOL DISTRICT

Handwritten signature of John Lewis in black ink.

John Lewis
Superintendent of Schools

NORTH VANCOUVER
PARENT ADVISORY COUNCIL

Handwritten signature of Jane Lagden Holborne in black ink.

Jane Lagden Holborne
NVPAC Chair

NORTH VANCOUVER
ADMINISTRATORS

Handwritten signature of Adam Baumann in black ink.

Adam Baumann
Co-Chair

NORTH VANCOUVER
ADMINISTRATORS

Handwritten signature of Yolande Martinello in black ink.

Yolande Martinello
Co-Chair

CANADIAN UNION OF PUBLIC
EMPLOYEES LOCAL 389

Handwritten signature of Cindy McQueen in black ink.

Cindy McQueen
President

NORTH VANCOUVER
TEACHERS' ASSOCIATION

Handwritten signature of Carolyn Pena in black ink.

Carolyn Pena
President

Enclosure

cc Board of Education, School District No. 44 (North Vancouver)
Georgia Allison, Secretary Treasurer & CFO
All Boards of Education (via BCSTA)

North Vancouver School District
Historical cuts to organization
Incremental changes (without adjustments for enrolment)

Introduction

The North Vancouver Board of Education has consistently managed its operating budget in a proactive manner. Operational savings and administrative efficiencies have been effectively implemented, while revenue generation initiatives are continually pursued. As a result of careful management, due diligence, and the foresight to make difficult decisions on multi-year financial projections, the Board has achieved successive balanced operating budgets. This is a significant accomplishment when considering the imposition of provincially negotiated collective agreements, without commensurate funding, in addition to escalating costs associated with utilities and inflation.

This report highlights many of the measures implemented by the Board during recent years, the associated impacts, and considerations for the preparation of the 2015/16 Operating Budget. As 2009/10 was a critical year in the Board's management of operating budget challenges, this report provides perspective on budget measures implemented during the period of 2009/10 to 2014/15.

Supporting materials attached to this report include two spreadsheets itemizing the historical cuts, including 'add-back' items, and the DRAFT Administrative Savings Plan that identifies items being considered for the development of the 2015/16 Operating Budget.

Staffing reductions due to restructuring, school closures and CUPE Savings Plan

Since 2009/10, staffing reductions due to district restructuring, school closures and the required CUPE Savings Plan have been implemented to achieve a combined staffing reduction of 100.45 FTE and total budget reductions of **\$8.9 million**. These reductions in staffing were in addition to 25 teaching FTE attributed to enrolment decline.

The Board proceeded with significant restructuring of services within the School District during the 2009/10 and 2010/11 school years. This involved a reorganization of departments and changes to service delivery models. In 2010/11, the Board proceeded with the closure of two elementary schools, Fromme and Plymouth, with students being redirected to neighbouring schools for the subsequent school year. These closures were in addition to four previous elementary school closures in 2004 and 2005.

During 2011/12 and 2012/13 the Board proceeded with additional school closures including; Ridgeway Annex, Keith Lynn, and Balmoral Junior Secondary. Program restructuring was also implemented in 2012/13, 2013/14, and 2014/15 with the consolidation of alternate programs, the elimination of Continuing Education and a significant reduction in Summer School offerings.

Staffing reductions, beyond those related to declining enrolment, in the six-year period between 2009/10 and 2014/15 totalled 100.45 FTE including; Teachers (31.2 FTE), CUPE support staff (48.62 FTE), Administration (13.5 FTE), and Exempt staff (7.13 FTE).

While school closures implemented during the period of 2010/11 to 2012/13 resulted in operational savings and revenue generated through long-term leases, the savings and revenue were redirected to unfunded liabilities and escalating costs. The added costs of unfunded collective agreement settlements and the required CUPE Savings plan further impacted the Board's capacity to sustain established service levels.

Significant impacts identified through these measures have included;

- Increased class size averages
- Less time available to meet individual student needs
- Reduced special education services provided by professional and support staff
- Reduced time for teacher librarians to support cooperative teaching and literacy
- Reduced capacity to provide in-service for teaching and support staff
- Limited ability to support and train staff in revised service delivery models
- Increased teaching time required of Principals and Vice Principals
- Increased demands on Administrators to meet continued community expectations
- Reduced support staff services including custodial and clerical time
- Reduced levels of cleanliness in classrooms
- Reduced levels of supervision of students on playgrounds
- Increased absenteeism due to stress and workload demands
- Increased pressure on parents to raise funds for school and instructional supplies
- Increased reliance on parents to raise funds for equipment and technology
- Increased travel by parents in transporting students to schools
- Loss of community-based schools and decrease in close community connections
- Decreased flexibility to accommodate students in their neighbourhood school

Staffing reductions due to general organizational initiatives

Staffing reductions due to general organizational initiatives have been implemented by the Board to achieve additional savings of **\$400,000**. These measures have included calendar adjustments resulting in a two-week spring break, health and wellness initiatives, and delays in the hiring and replacement of staff and reductions in overtime costs. While savings have been achieved through these approaches, there have been direct and indirect impacts on families and students. Although the two-week spring break has enabled the Board to achieve savings related to reduced staff replacement costs, concerns remain that additional days of closure introduced through local calendars have a disproportional negative impact on a vulnerable student population.

Operational savings through school closures

Operational savings of **\$212,000** have been achieved through school closures, primarily as a result of reduced utility and custodial costs. Although savings have been achieved through closures, the additional revenues have effectively been consumed by rising utility costs.

Operational savings through energy efficiencies and shared services

Similarly, the energy savings resulting from the adoption of a local school calendar and the implementation of efficiencies and shared service initiatives totalling **\$283,000** have effectively 'offset' increased utility costs, and inflation for goods and services, rather than enabling a reinvestment in classrooms and students.

Revenue increases

The Board of Education has successfully negotiated long-term leases for a number of its closed schools. Although other revenue generating strategies have been effectively implemented, the achievement of revenue through leases has provided significant benefits during the period of 2009 through 2015. The additional revenue of **\$1.1 million** through these means has been used to balance the budget, avoiding reductions in other areas.

'Add-back' budgets of 2011/12 and 2012/13

As a result of district restructuring during the 2009/10 and 2010/11 budget years combined with school closures and the negotiation of long-term leases, the Board was able to 'add back' **\$2.6 million** in improvements during the 2011/12 and 2012/13 budget years.

While total reductions of **\$10.9 million** have been implemented since 2009/10, the 'add-back' budgets enabled the Board to redress some of the previous reductions on a priority basis, resulting in a net reduction of 73.88 FTE and **\$8.3 million**.

Staffing increases during the consecutive 'add back' budgets of 2011/12 and 2012/13 totalled 26.57 FTE including; Teachers (17.47 FTE), CUPE staff (6.6 FTE), and Administration (2.5 FTE). The net impact on staffing between 2009/10 and 2014/15 after accounting for the 'add back' budgets totals 73.88 FTE including; Teachers (13.73 FTE), CUPE support staff (42.02 FTE), Administration (11.0 FTE), and Exempt staff (7.13 FTE).

Summary

The cumulative effect of successive reductions to the operating budget have been identified throughout this report. Further impacts are related to the inability for the Board to reinvest in the services provided to students to meet the needs of our students and the expectations of our community.

Faced with continued budget challenges and financial uncertainty related to unfunded liabilities, there are significant human costs within the public education system that must be acknowledged. Reduced staffing and service levels, year after year, have a profound impact on every person in our School District.

We commend our staff for their continued commitment and dedication to public education while faced with diminishing budgets.

NORTH VANCOUVER SCHOOL DISTRICT #44

HISTORICAL CUTS TO ORGANIZATION

INCREMENTAL CHANGES (without adjustments for enrolment)

		2009-10		2010-11		2011-12		2012-13		2013-14		2014-15		5 Year Total		Add-Backs		Net Position	
		FTE	\$	FTE	\$	FTE	\$	FTE	\$	FTE	\$	FTE	\$	FTE	\$	FTE	\$	FTE	\$
Staffing	Reductions due to Restructuring, School Closures, Non-Core Program Closures, and CUPE Savings Plan																		
	Administrative Officers	4.00	503,321	6.30	797,351	0.80	102,026	2.40	308,170					13.50	1,710,868	2.50	285,000	11.00	1,425,868
	Aides (C.U.P.E)	10.19	493,196	8.37	405,108									18.56	898,304	5.60	250,000	12.96	648,304
	Exempt Staff	4.50	413,533	0.13	11,572					1.00	60,000	1.50	90,000	7.13	575,105			7.13	575,105
	Instructors (Continuing Ed.)	4.79	422,603											4.79	422,603			4.79	422,603
	Support Staff (C.U.P.E)	2.50	127,050	14.06	714,529	2.00	101,640	11.50	584,430					30.06	1,527,649	1.00	70,000	29.06	1,457,649
	Teachers			20.89	2,075,814	0.22	20,606	0.80	74,941					21.91	2,171,361	17.47	1,660,000	4.44	511,361
	Eliminate Kindergarten Supervision Aides											50,000	-	50,000		50,000		-	-
	Eliminate Release time during School Hours				215,868									-	215,868		98,500		117,368
	Increase Teacher Librarian NIT to 50%			4.50	407,354									4.50	407,354			4.50	407,354
	Continuing Education Closure							200,000						-	200,000			-	200,000
	Cheakamus Center (NVOS) Operations Contracted Out to Listel								150,000			350,000		-	500,000			-	500,000
	Elementary Summer School Closure											200,000		-	200,000			-	200,000
	Subtotals:	25.98	1,959,703	54.25	4,627,595	3.02	224,272	14.70	1,167,540	1.00	210,000	1.50	690,000	100.45	8,879,111	26.57	2,413,500	73.88	6,465,611
Staffing	General Organization Initiatives																		
	Adopting a 2 week Spring Break with lower absence costs									120,000									
	Health & Wellness (Attendance Support) initiatives									100,000									
	Delays in Hiring & Replacements									150,000									
	Overtime Reduction									30,000									
	Subtotals:	-	-	-	-	-	-	-	-	400,000	-	-	-	-	400,000	-	-	-	400,000
Operations	Operating Overhead reductions due to School Closures																		
	Fromme & Plymouth			161,250															
	Ridgeway Annex				29,830														
	Keith Lynn							20,615											
	Subtotals:	-	-	-	161,250	-	29,830	-	20,615	-	-	-	-	-	211,695	-	-	-	211,695
Operations	Efficiencies undertaken																		
	Adopting a 2 week Spring Break with lower operating costs									25,000									
	Procurement initiatives with EDCO & Shared Services							108,000											
	District supports (textbooks, maintenance, apprenticeships)														186,500				
	Systems Conversions (VOIP, Telephone Land Lines, Docutivity)									50,000		100,000							
	Subtotals:	-	-	-	-	-	-	-	108,000	-	75,000	-	100,000	-	283,000	-	186,500	-	96,500
Revenue	New Long Term Lease Revenue																		
	Maplewood, Westover, Fromme, Plymouth			757,800						350,000									
	Subtotals:	-	-	-	757,800	-	-	-	-	350,000	-	-	-	-	1,107,800	-	-	-	1,107,800
Total Incremental Savings & Revenue:		25.98	1,959,703	54.25	5,546,645	3.02	254,102	14.70	1,296,155	1.00	1,035,000	1.50	790,000	100.45	10,881,606	26.57	2,600,000	73.88	8,281,606
Total Cumulative Savings & Revenue:			1,959,703		7,506,348		7,760,450		9,056,606		10,091,606		10,881,606						

NORTH VANCOUVER SCHOOL DISTRICT #44

HISTORICAL CUTS TO ORGANIZATION

Incremental Changes (without adjustments for enrolment)

		2009-10		2010-11		2011-12		2012-13		2013-14		2014-15		5 Year Total Reductions		Add-Backs		Net Position		
		FTE	\$	FTE	\$	FTE	\$	FTE	\$	FTE	\$	FTE	\$	FTE	\$	FTE	\$	FTE	\$	
Staffing	Reductions due to Restructuring			Budget Challenge 2010						NVOS & CUPE Savings Plan										
	Teachers			20.14	2,006,064									20.14	2,006,064	17.47	1,660,000	2.67	346,064	
	Administrative Officers	4.00	503,321							1.00	60,000	1.50	90,000	4.00	503,321	2.50	285,000	1.50	218,321	
	Exempt Staff	4.50	413,533											7.00	563,533			7.00	563,533	
	Support Staff (C.U.P.E)	2.50	127,050											2.50	127,050	1.00	70,000	1.50	57,050	
	Aides (C.U.P.E)	10.19	493,196											10.19	493,196	5.60	250,000	4.59	243,196	
	Instructors (Continuing Ed.)	4.79	422,603											4.79	422,603			4.79	422,603	
	Eliminate Release time during School Hours				215,868									-	215,868		98,500	-	117,368	
	Increase Teacher Librarian NIT to 50%			4.50	407,354									4.50	407,354			4.50	407,354	
	Eliminate Kindergarten Supersions Aides												50,000	-	50,000		50,000	-	-	
Staffing	Reductions due to School & Program Closures (Fromme, Plymouth, Ridgeway Annex, Keith Lynn)			Fromme & Plymouth		Ridgeway Annex		KLASS, Balmoral, Cont. Ed.												
	Teachers			0.75	69,750	0.22	20,606	0.80	74,941					1.77	165,297			1.77	165,297	
	Administrative Officers			6.30	797,351	0.80	102,026	2.40	308,170					9.50	1,207,546			9.50	1,207,546	
	Exempt Staff			0.13	11,572									0.13	11,572			0.13	11,572	
	Support Staff (C.U.P.E)			14.06	714,529	2.00	101,640	11.50	584,430					27.56	1,400,599			27.56	1,400,599	
	Aides (C.U.P.E)			8.37	405,108									8.37	405,108			8.37	405,108	
Staffing	General Organization Initiatives																			
	Adopting a 2 week Spring Break with lower absence costs									120,000				-	120,000			-	120,000	
	Health & Wellness (Attendance Support) initiatives									100,000				-	100,000			-	100,000	
	Delays in Hiring & Replacements									150,000				-	150,000			-	150,000	
	Overtime Reduction									30,000				-	30,000			-	30,000	
Operations	Overhead reductions due to School Closures																			
	Fromme & Plymouth				161,250									-	161,250			-	161,250	
	Ridgeway Annex						29,830							-	29,830			-	29,830	
	Keith Lynn								20,615					-	20,615			-	20,615	
Operations	Savings from Non-Core Education Program Changes																			
	Continuing Education Closure								200,000					-	200,000			-	200,000	
	Elementary Summer School Closure											200,000		-	200,000			-	200,000	
	Cheakamus Center (NVOS) Operations Contracted Out to Listel									150,000		350,000		-	500,000			-	500,000	
Operations	Energy Efficiencies undertaken																			
	Adopting a 2 week Spring Break with lower operating costs									25,000				-	25,000			-	25,000	
	Procurement initiatives with EDCO & Shared Services							108,000						-	108,000			-	108,000	
	District supports (textbooks, maintenance, apprenticeships)													-	-		186,500	-	(186,500)	
	Systems Conversions (VOIP, Telephone Land Lines, Docutivity)									50,000		100,000		-	150,000			-	150,000	
Revenue	New Long Term Lease Revenue																			
	Maplewood, Westover, Fromme, Plymouth				757,800					350,000				-	1,107,800			-	1,107,800	
Total Incremental Savings & Revenue:		25.98	1,959,703	54.25	5,546,645	3.02	254,102	14.7	1,296,155	1.00	1,035,000	1.50	790,000	100.45	10,881,606	26.57	2,600,000	73.88	8,281,606	
Total Cumulative Savings & Revenue:		1,959,703	7,506,348	7,760,450	9,056,606	10,091,606	10,881,606													