

June 5, 2015

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

Dear Minister Fassbender:

Re: Submission of 2015/2016 Needs and Opportunity Budget

On behalf of the North Vancouver School District, the North Vancouver Board of Education, the North Vancouver Parent Advisory Council, the North Vancouver Teachers' Association, the Canadian Union of Public Employees Local 389, and the North Vancouver Administrators' Association, we present for your consideration a 2015/2016 Needs and Opportunity Budget in conjunction with our 2015/2016 Final Budget.

The 2015/2016 Needs and Opportunity Budget estimates the additional expenditures required to preserve current services, restore services eroded by past budgets, and address unmet needs. As each year goes by, we find the magnitude of cumulative years of underfunding not only forces further reductions in our service levels, but increasingly restricts our options to mediate the impacts upon our community.

As a consequence of the introduction of the *Administrative Savings Plan*, and a direct reduction in funding, the Board was required to reduce expenditures that would otherwise be directed to the needs of our students and classrooms. Savings achieved through operational efficiencies will not be reinvested in students, as intended, but will be directed to the funding shortfall imposed by the Province.

The directions we have had to take to present a balanced budget have created concerns about the Province's commitment to public education. We respectfully ask that as Minister, you will champion the vital need for adequately funded public education as a component of a strong and revitalized British Columbia.

Thank you for your consideration of our concerns.

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Sincerely,

NORTH VANCOUVER
BOARD OF EDUCATION



Cyndi Gerlach
Board Chair

NORTH VANCOUVER
SCHOOL DISTRICT



John Lewis
Superintendent of Schools

NORTH VANCOUVER
PARENT ADVISORY COUNCIL



Jane Lagden Holborne
NVPAC Chair

NORTH VANCOUVER
ADMINISTRATORS



Adam Baumann
Co-Chair

NORTH VANCOUVER
ADMINISTRATORS



Yolande Martinello
Co-Chair

CANADIAN UNION OF PUBLIC
EMPLOYEES LOCAL 389



Cindy McQueen
President

NORTH VANCOUVER
TEACHERS' ASSOCIATION



Carolyn Pena
President

Enclosure: North Vancouver School District 2015/2016 Needs and Opportunity Budget

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

North Vancouver School District

2015/2016 NEEDS and OPPORTUNITY BUDGET

A. Discussions of the 2015/2016 Operating Budget

Faced with the prospect of challenging financial circumstances, before the unanticipated action of the Ministry of Education to introduce the requirement for an 'Administrative Savings Plan' of \$1.52 million for 2015/2016 and 2016/2017, the Board of Education established the preparation of the 2015/2016 Operating Budget as a 'maintenance' budget. While acknowledging the accumulation of prior unmet needs, the Board anticipated the capacity to balance its revenues with planned expenditures to address the priority needs of our students.

As a consequence of the introduction of the 'Administrative Savings Plan', and a direct reduction in funding, the Board is once again required to reduce expenditures that would otherwise be directed to the needs of our students and classrooms. Savings achieved through operational efficiencies will not be reinvested in students, as intended, but will be directed to the funding shortfall imposed by the Province.

The Board actively engaged its' partner groups in consultation for the development of the 2015/2016 operating budget. Meeting participants included concerned parents, community members and education partners.

During these public meetings, trustees and education partners considered the following matters:

- The current circumstances and challenges for the 2015/2016 operating budget
- The magnitude and impacts of revenue reductions that had occurred during prior budget years
- The certain impacts of anticipated further funding and expenditure restraints in 2015/2016
- Proposed reductions and their potential impacts in 2015/2016
- The concern that funding will not be provided for exempt and management salary increases.

The sentiments, views, expectations and opinions of participants at the *Finance and Facilities* Standing Committee meetings included the following:

- The importance of ensuring that parents and the community at large understand the challenges faced by the Board in balancing its expenditures to available revenue and the effect this will have on the level of programs and services provided to students
- The concern that despite promises and assurances by the province, education funding has not been protected to the extent expected and assumed by parents and our community
- The need for the Board to advocate for the true costs of education to be fully funded by the Provincial Government, recognizing the full costs of collective agreements, benefits, and inflation.

Trustees and education partners expressed the view that previous and current provincial governments were not providing funding increases commensurate with cost increases and expanding mandates and as a consequence, were not providing through its operating grants, sufficient funds for public education.

The preparation of the 2015/16 Operating Budget

The challenge associated with preparing the 2015/2016 Operating Budget was to address a funding shortfall introduced as 'Administrative Savings' while simultaneously addressing anticipated increased costs of benefits, utilities and goods and services arising from escalation and inflation. The Board estimated these combined elements as presenting a \$2.0 to \$2.5 million challenge for the 2015/2016 operating budget to be addressed through a combination of revenue improvements and expenditure reductions. The Board adopted its 2015/2016 Operating Budget Bylaw on May 26, 2015.

B. Concerns with the 2015/2016 Operating Budget

The 2015/2016 Operating Budget adopted by the Board on May 26, 2015 was not a needs budget – it balanced planned expenditures to estimated revenue from all sources, meeting the requirements of the *School Act*. The 2015/2016 Operating Budget does not enable the maintenance of current service levels and provides for no restoration of services eroded over past years of under funding, fiscal controls and expenditure restraints and provides no contingency to address the materialization of risk factors throughout 2015/2016.

The reduction in service levels, unmet needs, the accumulated impacts of expenditure reductions in past years and the risk factors associated with restraints, have been reported to the Board on numerous occasions.

Included among the risk factors are:

- Unforeseen and/or inescapable changes in the forecasted revenue and/or forecasted expenditures
- Unanticipated and/or unavoidable increases in the costs of goods or services
- Emergent issues related to essential replacements or repairs of aging instructional and non-instructional equipment
- Emergent issues related to aging facilities, related occupational health and safety issues, and related health board requests
- Downloading of responsibilities and costs from other senior levels of government
- Security issues and the associated costs of vandalism, break-ins and theft
- Replacement of aging technology and the acquisition of needed new technologies/supports
- Costs of compliance, including legal costs, associated with increasing regulatory powers and requirements of various government agencies

Without a contingency, the Board will have to address the materialization of risk factors by reducing planned expenditures for 2015/2016.

The 2015/2016 Operating Budget adopted by the Board provided for a reduction in current service levels and no opportunity for any restoration of services eliminated or reduced over the past years. The management of unmet needs and expectations become more challenging each year.

Significant unmet needs and challenges include:

- Class sizes in core courses at secondary schools
- Class sizes in grades 1 to 3 and grades 4 to 7
- Class-based support for Kindergarten and school 'start-up' in September
- Actual costs associated with supports for students with special learning needs
- Increased professional and program development supports for teachers and support staff
- Occupational health and safety programs and wellness supports
- Emergency management supplies for staff and students
- School and classroom supplies and materials
- Actual costs associated with an expanded mandate for early learning, community literacy, student safety and healthy living
- Actual costs associated with the administration of the Foundation Skills Assessment
- Actual costs associated with provincially negotiated contracts, including wages and benefits
- Applications of information technology: hardware, software and technical supports
- New and replacement furniture and equipment, including workstation upgrades
- Custodial and maintenance frequency of services
- Energy efficiency upgrades and related measures to achieve 'carbon neutral' mandates
- Mechanical systems maintenance and upgrades
- Interior painting
- Asphalt, fencing, exterior lighting and grounds repairs.

C. The 2015/2016 Needs and Opportunity Budget

The Board submitted its first *Opportunity Budget* to the Minister of Education in October 2003. Through its *2003/04 Opportunity Budget*, the Board identified that \$8,087,000 in additional funding was required to begin addressing unmet needs. The Board submitted a second *Opportunity Budget* to the Minister of Education for the 2004/05 Budget year, identifying additional funding needs in the amount of \$8,850,600. A third *Opportunity Budget* for the 2009/10 Budget year, identified additional funding needs in the amount of \$10,900,000. The *2010/11 Needs and Opportunity Budget* identified \$16,400,000 as the Board's estimate of additional expenditures needed to address unmet and unfunded needs.

The *2015/2016 Needs and Opportunity Budget* amount of \$18,295,000 is the Board's estimate of additional expenditures needed to preserve current services and to restore educational services, programs and supports, to address unmet and unfunded needs and to accommodate risk factors contained in the 2015/2016 Operating Budget.

D. Components of the 2015/2016 Needs and Opportunity Budget

Class sizes in core courses at secondary schools (\$1,300,000)

A decrease in the average class size by 2 students in core Secondary courses would require an additional 12.0 FTE @ \$98,500 (average salary + benefits). Associated costs would include substitute costs, professional development and educational leadership.

Class sizes at Grades 1 to 3 (\$1,800,000)

A decrease in the average class size by 2 students in Grades 1 through 3 would require an additional 17.0 FTE @ \$98,500 (average salary + benefits). Associated costs would include substitute costs, professional development and educational leadership.

Class sizes at Grades 4 to 7 (\$1,400,000)

A decrease in the average class size by 2 students in Grades 4 through 7 would require an additional 13.0 FTE @ \$98,500 (average salary + benefits). Associated costs would include substitute costs, professional development and educational leadership.

Support for Kindergarten 'start-up' in September (\$45,000)

The Board has previously supported an education aide on a temporary basis within each Kindergarten class during the first three weeks of school in September to assist with the transition to Kindergarten and to establish classroom routines and playground supervision. With many Kindergarten classes being at the class size maximum of 22 students, there are additional demands within many of these classes. Casual staff would be required at an additional cost of \$45,000 beyond the \$30,000 built into the budget.

Classroom supports for students with special learning needs (\$2,100,000)

An increase in Learning Assistance and Learning Services staffing with the restoration of special education aides to prior service levels would help address needed supports for students with special learning needs. Increased demands are being faced within the classrooms and limited resources are available to adequately support students. Although the Learning Improvement Fund and Education Fund have provided some relief, the identified needs greatly exceed the funding provided for these purposes.

Program support services for teachers and students (\$1,800,000)

Ongoing support of instructional practice and program delivery has been significantly reduced in recent years. Curricular, program and instructional support services have been reduced in the areas of Library services, English Language Learners, Mathematics, Literacy, Aboriginal Education, Special Education, Gifted Programs, Alternate Programs, Careers and Work Experience. Reductions in Program Services and Library services will have an impact on the delivery of services to students at the classroom level.

Professional development of teachers and support staff (\$700,000)

Support for training of teachers and support staff has been significantly reduced over successive budgets. The provision of \$700,000 is to address in service in areas of early learning, aboriginal student success, teaching mathematics, literacy instruction, the application of information technology, supporting students with special needs, teaching citizenship and social responsibility, implementing graduation requirements, and supporting a teacher mentorship program.

Leadership development and succession planning (\$600,000)

Positions of leadership and the time and resources necessary to support leadership activities and initiatives have been significantly reduced at both the administrator and teacher level. While administrative demands have continued to escalate, there has been a steady reduction in the time allocated for these important positions. Administrators and teachers both serve as instructional leaders at their schools in supporting improved student achievement. To provide for future leadership needs at both the school and district levels, there is a need for additional support.

Occupational Health and Safety/Wellness Programs (\$500,000)

Staff and program costs associated with programs and services to manage costs associated with absenteeism, on the job injuries, disability management and crisis and disaster planning. Wellness initiatives need dedicated resources to help ensure employees are being adequately supported.

School and classroom supplies and materials (\$1,600,000)

Block budgets have been maintained at significantly reduced levels with very limited funds available for replacement of curriculum/program materials and the purchase of required textbooks for instruction, and the maintenance of libraries. A very conservative increase of 50% annually would help relieve the reliance upon fund-raising and increased fees charged to students.

Emergency Management Supplies (\$800,000)

Provision for students and staff during emergent situations and natural disasters is not provided within the operating budget. To varying degrees, Parent Advisory Councils have assisted with the acquisition of supplies and materials that will be of assistance to schools during emergencies. There is a need for a basic allocation of resources to each site that will be available to staff during an emergency.

Costs associated with an expanded mandate for early learning, community literacy, student safety and healthy living (\$400,000)

The expanded mandate of the Board of Education has not been adequately funded to meet the Board of Education's requirements to deliver early learning services and programs, community and district literacy initiatives, and to address student health and safety issues related to nutrition, daily physical activity, management of medical plans, emergency services and procedures.

Costs associated with the administration of the Foundation Skills Assessment (\$50,000)

The funding provided by the Ministry in support of the continued administration of the Foundation Skills Assessment is insufficient to meet actual costs. The School District has consistently supplemented these funds to ensure that all aspects of administration, including marking, have been completed.

Information Technology: hardware, software and supports (\$2,100,000)

Hardware: increasing the number of machines and planned replacement of existing machines every 4th year (\$1,000,000 annual increase). *Software:* upgrades for student information and licensing costs (\$300,000 annual increase). *Connectivity:* required upgrades to bandwidth and wireless networks to provide reasonable access to learning resources and business applications (\$400,000 annual increase) *Support:* technical support for software implementation, and hardware and connectivity maintenance and repair (\$400,000 annual increase).

New and Replacement Furniture and Equipment (\$1,000,000)

Classroom/Instructional Equipment: allocate an allowance to secondary schools to permit a 25-year replacement cycle for equipment in Classrooms, Offices, Kitchens, Shops, Gyms, and Home Economics. (\$60,000 per school per year for 7 schools = \$420,000).

Workstation upgrades: ergonomic workstations to support the application of technology within classrooms are needed across the school district (\$200,000 per year for five years).

Communication Equipment: allocate funds for ongoing replacement of school communication equipment, including sound field systems (\$200,000 per year for four years).

Physical Education and Audio Visual Equipment: allocate funds to replace \$3,000 worth of PE equipment on a 20-year cycle and \$3,000 worth of AV equipment on a 10-year cycle for each of the 25 elementary schools (25 x \$6,000 = \$150,000).

Custodial Equipment: allocate funds to replace custodial equipment on a 10-year cycle (36 locations, over 10 years = \$30,000 per year).

Custodial cleaning – increase frequency of service (\$700,000)

Restore custodial complement by adding 10 positions (\$500,000), allowing custodians more time to focus on cleaning classrooms, washrooms and high traffic corridors, and providing replacement services for custodians absent on approved sick leave (\$200,000).

Mechanical Systems Preventive Maintenance (\$400,000)

Required to undertake long-term preventative maintenance, address 'carbon neutral' requirements, improve occupant comfort, increase building equipment lifespan and significantly reduce the risk of immediate shutdown due to equipment (e.g. boiler) failure.

Interior Painting (\$350,000)

Reinstate a ten-year cycle of full interior painting. Interior painting currently consists of spot touch-up only with no provision for full interior repainting.

Asphalt and Fencing (\$150,000)

Reinstate twenty-year cycle of asphalt and fencing replacement. Holes, cracks, and root upheavals prevalent on asphalt surfaces are currently repaired only where significant liability exists. Similarly, uncapped steel fence pipe poles, steel bands, wire ends, and unprotected bottom of fencing will be repaired only where significant liability exists.

Exterior Lighting (\$300,000)

Upgrade all school lighting over five years to bring exterior lighting to current WCB standards. The value of exterior lighting upgrade requirements at an average school is \$30,000.

Grounds Improvements and Repairs (\$200,000)

Allocate funds to support two additional Grounds workers to permit brush control twice a year, annual weeding, and to implement crime prevention measures through environmental design to help reduce costs associated with vandalism. Current program to upgrade grounds is limited by lack of funding to support and adequate staffing complement and necessary supplies and equipment.

E. Summary

The 2015/2016 Operating Budget was not a needs budget – it balanced planned expenditures to estimated revenue from all sources, meeting the requirements of the *School Act*. The 2015/2016 Operating Budget provided for no restoration of services eroded over the past years of under funding, fiscal controls and expenditure restraints and provided no contingency to address the materialization of risk factors throughout 2015/2016.

The 2015/2016 Needs and Opportunity Budget is a minimum needs budget, which includes \$18,295,000 over and above the 2015/2016 Operating Budget to maintain and restore educational services, programs and supports to prior levels, to address unmet and unfunded needs, and to accommodate the risk factors associated with the 2015/2016 Operating Budget.