

# 2021/22 School Year Preliminary Annual Budget – Revenue Analysis Presentation to the Standing Committee May 4, 2021

## BUDGET – BY FUND



### OPERATING FUND 1

- Learning
- Teaching
- Programs
- Administration
- Facility Operations and Maintenance
- Small purchases of furniture & equipment

### CAPITAL FUND 2

- Buildings
- Major Repairs
- Infrastructure
- Land Purchases
- Technology Investments
- Expenditures may be phased or saved up for

### SPECIAL PURPOSE FUND FUND 3

- Designated for specific use
- Time limited, generally 12 to 24 months
- Examples:
  - Classroom Enhancement Fund
  - Federal & Provincial COVID Restart Grants
  - Portion of Annual Facility Grant

### SCHOOL GENERATED FUNDS FUND 3

- Included in Fund 3
- No impact to budget
- Expenses are recorded, and matched against revenues net to zero.
- Unspent funds are carried forward for use in the following year.
- Eg: Fees for student trips and yearbooks

# Operating Fund Revenues-General and Program



## OPERATING FUND 1

- Learning
- Teaching
- Programs
- Administration
- Facility Operations and Maintenance
- Small purchases of furniture & equipment

## General Revenues vs Program Revenues

- General Revenues are available to pay for District wide costs – eg. Salaries, Supplies, Facilities, Technology, Pro-D and other Strategic Priorities
- Program Revenues are typically run as a cost recovery, with nothing left over to pay for District wide costs.

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# Operating Fund -Significant Revenue Sources



- General Revenues
  - Operating Grant
  - International Tuition Revenue
  - Rental and Lease Income
  - Interest Income
- Program Revenues
  - Cheakamus Centre Operations
  - Academies and Band & Strings

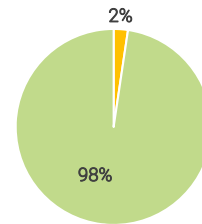
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# Operating Fund - Significant Revenue Sources



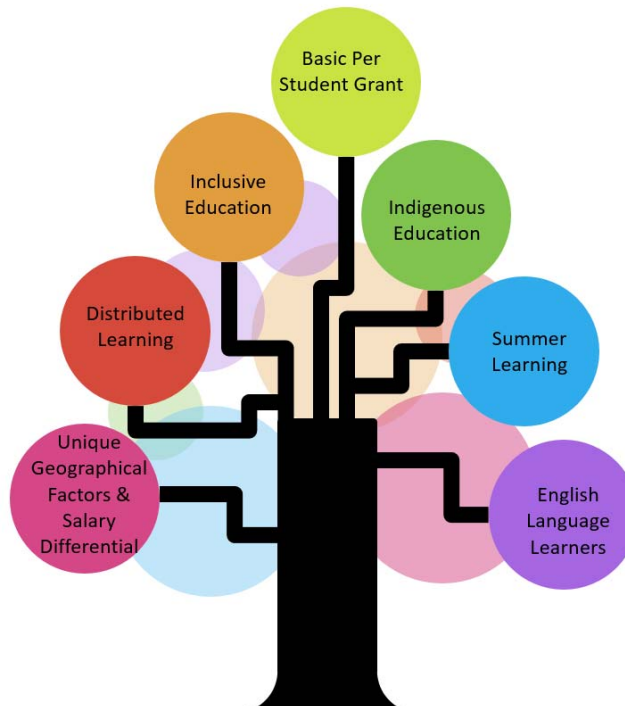
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  - Academies and Band & Strings

## Operating Fund Revenues




These revenues make up 98% of Operating Fund Revenue in 2021/22

## Components of the Operating Grant



## Operating Grant Assumptions - Student Enrolment



September 1701 Enrolment	15,155.0000		
Summer School FTE Enrolment	108.6250		
February Estimated Recount	102.0000		
May Estimated Recount	45.0000		
<b>2021/22 Preliminary Budget Standard School Aged Enrolment</b>	<b>15,410.6250</b>		
2020/21 Amended Budget Standard School Aged Enrolment	15,331.5625		79.0625

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## Supplemental Operating Grant Assumptions - Student Enrolment

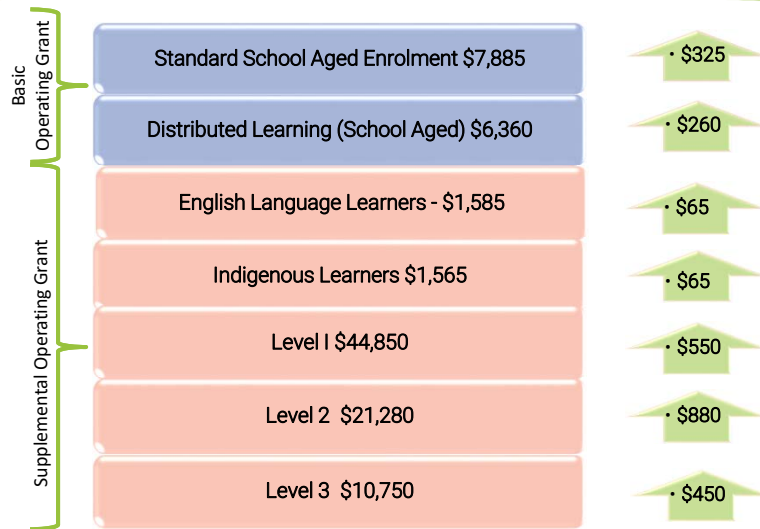


### Supplemental Operating Grant Funding for Diverse Learners

	2021	2022	Change
Level 1	17	16	(1)
Level 2	566	600	34
Level 3	193	205	12
Indigenous Learners	603	620	17
English Language Learners	1,017	1,025	8
Adult Learners	6	6	0

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## Changes to Operating Grant Funding by Category 2021/22



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## Fund 1 - Operating Grant Funding Analysis



	2019/2020 Actual	2020/21 Amended Annual Budget	2021/22 Preliminary Annual Budget	% of Total Budgeted Revenue	Budget 2022 to 2019/20 Actual Variance
<b>Operating Revenues</b>					
Operating Grant - Min of Ed	137,468,116	140,130,676	145,310,827	91.21%	7,842,711
Other Min of Ed Grants	6,792,397	7,345,080	3,130,399	1.97%	(3,661,998)
<b>Total Min of Ed Grants</b>	<b>144,260,513</b>	<b>147,475,756</b>	<b>148,441,226</b>	<b>93.18%</b>	<b>4,180,713</b>

- Other Min of Ed Grants includes \$2.9M Pay equity grant in each year
- 2019/20 Other Min of Ed Grants includes \$2.35M of Labour Settlement Funds and \$1.2M of Employer Health Tax Grant funds
- 2020/21 Other Min of Ed Grants includes \$4.1M of Labour Settlement Funds
- For 2021/22, these Labour Settlement and Employer Health Tax were removed from "Other Ministry Grants" and included as part of Operating Grant

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# Fund 1 - Operating Grant Funding Analysis



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## Impact for 2021/22 Operating Budget

- 2020/21 Salary Budget for Teaching & CUPE Support Staff +/- \$100M
- Contractual Negotiated Wage increases = 2% = \$2M
- PVP & Exempt Salary increments must be funded by District Generated Revenues

# 2021/22 Operating Grant – What are the Risks?



- Changes to Student Enrolment – Forecast is made 6 months in advance
- Supplemental Operating Grant Funding Risks
  - Classification of Levels I, II or III
  - Indigenous Learners attend community schools
  - Over estimate English Language Learners
- Overall Risk Assessment

**LOW**

## International Student FTE Assumptions



	<b>FTE</b>
2019/20 Actual	725
2020/21 Amended Budget	310
2021/22 Preliminary Budget	375

Estimated Revenue 2021/22      \$6,070,800      Represents 3.81% of  
Total Budget Revenue

- International Students pay \$15,000 per year
- No change to International Student Tuition Fees Charged for 2021/22

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## 2021/22 International Revenue-What are the Risks?



- External Factors due to COVID-19
  - Uncertainty of border closures and travel restrictions
  - Rate of vaccination programs here and abroad
  - Economic conditions
  - Difficulty in finding Homestays for students
- Conservative approach to budget planning
  - Revenue shortfalls must be offset by reduced spending
- Overall Risk Assessment

# Moderate

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## Rental and Lease Income Estimates for 2021/22 Preliminary Operating Budget

	2019/20 Actual	2020/21 Expected	2021/22 Preliminary Budget	
Community Rentals	471,453	180,000	300,000	
Childcare Programs	198,133	181,338	181,338	
Leased School Sites	1,625,967	1,579,296	1,677,679	
<b>Total</b>	<b>\$2,295,553</b>	<b>\$1,940,634</b>	<b>\$2,159,017</b>	Represents 1.39% of Total Budget Revenue

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## Rental and Lease Income Assumptions for 2021/22 Preliminary Operating Budget

- Anticipate gradual return to full community use of school spaces
- Budget anticipates community use @ approximately 60% of typical year
- Assumes no impact to operations at leased school sites and childcare programs

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## Rental and Lease Income Risk to 2021/22 Preliminary Operating Budget



- Contracts in place at leased school sites and childcare programs
- Childcare programs and Independent Schools fully operational for 2020/21
  
- Risk to the Budget results from uncertainty at which demand for community use of school spaces returns
  
- Mitigate the risk through use of conservative revenue estimates
- Overall budget risk is deemed

**Low**

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## Interest Income Estimate for 2021/22 Preliminary Operating Budget



	2019/20 Actual	2020/21 Expected	2021/22 Budget
Interest Income	\$ 758,732	\$ 478,000	\$ 416,000

Represents 0.26% of  
Total Budget Revenue

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## Interest Income Assumptions and Risk 2021/22 Preliminary Operating Budget



- Interest rates will remain low over the duration of the year
- Cash balance in Central Deposit Program will remain constant at approx. \$22M earning 1.45%
- Cash balance in operating account fluctuates month to month and earns 0.7%
- Overall budget risk is deemed to be

**Low**

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## Cheakamus Centre Revenues - Assumptions



- Additional work required to finalize 2021/22 Budget

### **Working Assumptions:**

- Canada Emergency Wage Subsidy to continue through at least September 2021
- Environmental Learning Centre under construction through spring 2022
- Provincial Health Officer Orders in place through the Fall - limits opportunities for rental revenues

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## Cheakamus Centre Preliminary Plan for 2021/22



- Revenue generation will occur during Q4 Apr-June 2022
- Estimated Revenue - \$150,000
- Associated Operating Expenses - \$650,000

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## Cheakamus Centre – What are the Risks?



- Discontinuation of Federal Wage Subsidy Program
- Construction delays with Environmental Learning Centre
- Restrictions imposed by PHO Orders

Impact to Preliminary Operating Budget Revenue:

- Revenue for 2020/21 was minimal
- Continued focus on minimizing fixed costs

**LOW**

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## Academies and Band & Strings Program Revenues 2021/22



	2020/2021		2021/22	Year over Year
	Expected	Actual	Prelim Budget	Change
Academies	302,376		873,315	570,939
Band & Strings	430,000		531,570	101,570
	\$ 732,376		\$ 1,404,885	\$ 672,509

- These Program Revenues are based on a cost recovery model
- They have significant costs associated with delivering the program

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## Academies and Band & Strings Program Revenues Assumptions and Risks



### Assumptions

- Estimates based on program registrations to date
- Demonstrates confidence in full return in the fall

### What are the Risks?

- Adherence to PHO Orders
- Calendar risk resulting from semester system

**Overall Risk to the Preliminary Operating Budget**

**Low**

**School District No. 44 (North Vancouver)**

Preliminary Annual Budget - Operating Fund Revenues  
Year Ended June 30, 2022

Schedule 2A

General Revenues

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International Tuition Fees	10,846,468	5,060,000	<b>6,070,800</b>	3.81%	(4,775,668)
Rental & Lease Income	2,390,823	1,922,434	<b>2,221,017</b>	1.39%	(169,806)
Interest Income	758,732	375,000	<b>416,000</b>	0.26%	(342,732)
<b>Total District Generated Revenues</b>	<b>13,996,023</b>	<b>7,357,434</b>	<b>8,707,817</b>	<b>5.47%</b>	<b>(5,288,206)</b>

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Cheakamus Centre Revenue	1,400,579	40,000	<b>150,000</b>	0.09%	(1,250,579)
Academies and Band & Strings	1,175,861	732,280	<b>1,404,885</b>	0.88%	229,024
<b>Total Program Revenues</b>	<b>2,576,440</b>	<b>772,280</b>	<b>1,554,885</b>	<b>0.98%</b>	<b>(1,021,555)</b>

General Revenues

Program & Other Revenues

### School District No. 44 (North Vancouver)

Preliminary Annual Budget - Operating Fund Revenues  
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<b>Total Program Revenues</b>	<b>2,576,440</b>	<b>772,280</b>	<b>1,554,885</b>	<b>0.98%</b>	<b>(1,021,555)</b>
Other Income	857,095	621,512	<b>603,651</b>	0.38%	(253,444)
Teacher Mentorship Funds		330,000		0.00%	
French Immersion DL Program		150,000		0.00%	
<b>Total Other Income</b>	<b>857,095</b>	<b>1,101,512</b>	<b>603,651</b>	<b>0.38%</b>	<b>(253,444)</b>
<b>Total Operating Revenues</b>	<b>161,690,071</b>	<b>156,706,982</b>	<b>159,307,579</b>	<b>100.00%</b>	<b>(2,382,492)</b>

General Revenues

Program & Other Revenues

## What does this mean?



1. District generated revenues are down \$5M from 2019/20 School Year
2. No expectation of additional Federal or Provincial Covid-19 funding
3. Decisions required to balance priorities, programs and services during current fiscal outlook



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## Questions?

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