

# **BCSTA 2018/2019 Draft Budget**

**Approved by Provincial Council  
April 28, 2018**

# BCSTA Draft 2018/2019 Budget

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## **Budget Cycle**

Following BCSTA’s budget cycle, illustrated on page 10, the Finance & Audit Committee requested feedback from the October 2017 Provincial Council to assist in preparing BCSTA’s 2018/2019 draft budget. The first budget draft is presented to the February 2018 Provincial Council for review and will ultimately be adopted by the April 2018 Provincial Council.

## **Budget Considerations**

At the October 2017 Provincial Council meeting, the Finance & Audit Committee reviewed a number of factors that were expected to impact BCSTA’s 2018/2019 operating budget. The items that have impacted the development of BCSTA’s draft 2018/2019 budget are:

### **1. Member Fees**

Although member fees for SD39 (Vancouver) and SD63 (Saanich) were not included in the 2017/2018 budget, both boards of education renewed their membership with the Association during the 2017/2018 fiscal year. Full membership is therefore projected for 2018/2019, resulting in an increase in member fees of approximately \$119,000.

Student Full-Time Equivalent (FTE) enrolment data as of September 30 of each year is used to calculate BCSTA member fees for the following year, based on fee formulas set by the Provincial Council in 1995 and updated in 1999.

Student enrolment declined from 1999 through 2014 and BCSTA member fees were reduced as a result. However, FTE student enrollment increased in 2015 and 2016, which resulted in an increase in member fees in 2016/2017 and 2017/2018. Member fees increases resulting from increased FTE student enrollment partially offset the loss of member fee revenue in 2016/2017 and 2017/2018 resulting from member board withdrawal.

In 2017, student enrollment increased a total of 4,974 FTEs, which results in a member fee increase of approximately \$6,000 for 2018/2019.

Additionally, in accordance with the February 2017 Provincial Council directive “that BCSTA member fees be increased each year by the amount of the most recent five-year average of the Vancouver Price Index as of January 1 of each year,” member fees are increased by 1.20 percent for 2018/2019. This increase totals approximately \$24,000 and will be used to increase BCSTA’s contract support capacity and thereby enhance BCSTA’s ability to be flexible, adaptive and responsive to change, and ultimately, to enable the Association to better meet the needs of its member boards of education.

*Member Fees* is therefore increased a total of \$149,000 in 2018/2019:

Fees for SD39 (Vancouver) and SD63 (Saanich).....	\$ 119,000
FTE student enrollment.....	6,000
Inflationary member fee increase*.....	24,000
Total member fee increase.....	<u>\$ 149,000</u>

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Note: As the inflationary member fee increase for 2018/2019 will be fully funded from restricted funds, per Board of Director resolution, the only changes in fees for individual boards of education will be solely the result of changes in FTE students, as shown in Appendix I.

## 2. Member Equity

The February 2017 Provincial Council also directed that annual inflationary member fee increases, as shown under item 1 above, be supported by any unbudgeted year-end surplus arising in the fiscal year preceding adoption of BCSTA's annual budget. As BCSTA did not end the 2016/2017 fiscal year with a surplus, funds are not available to support the 2018/2019 member fee increase of 1.20 percent, or approximately \$24,000. However, the Finance & Audit Committee determined that an overall member equity surplus (see note below) existed at the end of 2016/2017. The Board of Directors internally designated this surplus and directed that designated funds be used to fully fund the 2018/2019 member fee increase.

\*Note: The Finance & Audit Committee conducts an annual review of member equity in relation to BCSTA's contractual obligations. Should total member equity exceed the amount required to meet all of BCSTA's contractual obligations, the Board of Directors may elect to use the excess member equity surplus to:

- a. Offset the effects of member Board withdrawal, should the need arise
- b. Offset unbudgeted, emergent expenses, should the need arise
- c. Undertake a specific, unbudgeted project
- d. Reduce member fees
- e. Reduce registration fees for AGM or Academy

## 3. Interest Revenue

As a result of declining interest rates in 2015/2016 with no rate improvement in 2016/2017, the *Interest* budget line was reduced \$3,000 in 2017/2018. However, as there has been a slight improvement in interest rates in 2017/2018, this budget line has been increased \$4,000 in 2018/2019.

## 4. 2017 CSBA Congress

The Canadian School Boards Association (CSBA) Congress and the National Trustee Gathering on Aboriginal Education are annual events hosted by CSBA's provincial members. As BCSTA hosted these events in 2017/2018, they will be hosted by another provincial association in 2018/2019. The revenue and expenditure lines for the CSBA Congress are therefore eliminated in 2018/2019. Net profit earned on these events will not be available to support the 2018/2019 operating budget.

## 5. BCSTA Event Contracts

BCSTA has signed hotel contracts for BCSTA events through to December 2022. This will enable BCSTA to keep the cost of hotel room nights for these events, which include Academies and AGMs, at a minimum. Additionally, these contracts will ensure that rooms are available at conference hotels for registrants attending BCSTA events.

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## 6. Trustee Academies

BCSTA will be hosting a Trustee Academy in November 2018, consistent with previous years; however, as 2018/2019 is an election year, BCSTA will also be co-hosting, with the BC Public School Employers Association (BCPSEA), a separate Academy for new trustees in January 2019. BCSTA will assume responsibility for all costs and associated revenues for both events.

## 7. Provincial Council

As a result of the timing of the 2018 municipal election, which will be held on October 20, 2018, BCSTA has rescheduled the October 2018 Provincial Council meeting. It will now be held in conjunction with the November 2018 Trustee Academy.

No change to this budget line is recommended for 2018/2019.

## 8. Standing Committees

As a means of reducing the cost of holding meetings, committees moved to an online, rather than an in-person, meeting format whenever feasible. Cost savings are also achieved by holding mixed-format meetings.

No changes to the standing committee budget lines are recommended for 2017/2018.

## 9. Advocacy

No change to this budget line is recommended for 2018/2019.

## 10. In-District/Professional Development Services

This budget line has been used historically for providing facilitations to individual member boards on topics such as governance roles, strategic planning, board roles and responsibilities, and to provide support for board self-reviews, superintendent reviews, superintendent searches, etc.

Although feedback from member boards identified *In-District/Professional Development Services* as a priority member service, member boards also requested that BCSTA host an annual Board Chairs' meeting. Without sufficient funding to support both service priorities, the *In District/Professional Development Services* budget line was reduced a total of \$20,000 in 2017/2018, in order to fund the cost of the Board Chairs' meeting. This budget line was therefore reduced from \$45,000 to \$25,000 in 2017/2018.

With the return of member boards in 2017/2018, this budget line has been restored to \$45,000 in 2018/2019, consistent with member board feedback that this is a priority member service area.

## 11. Board Chairs' Meeting

Based on member feedback the Board Chairs' meeting has become an annual event.

No change to this budget line is projected for 2018/2019.

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## **12. Communications/Publications**

No change to this budget line is recommended for 2018/2019.

## **13. Legal Counsel**

No change to this budget line is recommended for 2018/2019.

## **14. Board of Directors**

In 2011/2012, the Board of Director Honouraria Review Committee recommended that Board of Director honouraria be automatically increased each year by the most recent five-year rolling average of Vancouver's CPI. An increase of \$1,000 to this budget line for Board of Director honouraria is therefore recommended for 2018/2019.

Additionally, in order to accommodate the work of the Board and to enable meetings with partner groups, Board of Director meetings have been extended from part-day to full-day meetings. An additional increase of \$5,000 to this budget line is therefore recommended.

## **15. Equipment Maintenance**

In 2016/2017, BCSTA hired a full-time, on-site Manager of Information Technology. This role was previously filled by a part-time, off-site manager, who worked four days per week (0.8 FTE), and who employed the services of external contractors to support BCSTA's information technology needs.

This 2016/2017 staffing change resulted in an increase in BCSTA's internal information technology services capacity, and the need for external contract services has therefore been greatly reduced. As a result, this budget line has been decreased \$10,000. This amount will be used to offset the increased staffing cost resulting from changing the Manager of Information Technology position from part time to full time.

Additionally, \$1,000 has been moved to the *Equipment Maintenance* budget line from the *Office Administration* budget line to reflect a change in oversight responsibility. The *Equipment Maintenance* budget line has therefore been decreased a total of \$9,000 in 2018/2019, as shown below:

Moved to <i>Salaries/Benefits</i> .....	<\$ -10,000 >
Moved from <i>Office Administration</i> .....	<u>1,000</u>
Total budget line reduction .....	< <u>\$ 9,000</u> >

## **16. Office Administration**

As shown above, \$1,000 has been moved from this budget line to the *Equipment Maintenance* budget line to reflect a change in oversight responsibility.

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## **17. Building**

Under its current lease agreement with SD39 (Vancouver), BCSTA exercised its final option to renew its lease for a five-year term beginning on September 1, 2014 and ending on August 31, 2019. In keeping with the license contract, BCSTA's lease rate was increased to market rates. This market-rate adjustment resulted in a \$4,000 increase for the first three years of the final five-year term, with an additional increase of \$12,000 to be applied in years four and five. As the fourth year in the final five-year lease term commenced on September 1, 2017, this budget line was increased \$10,000 in 2017/2018, reflecting the increase for the last 10 months of the fiscal year. This budget line will therefore require an additional increase of \$2,000 in 2018/2019.

With the upcoming expiration of BCSTA's current lease on August 31, 2019, the Finance & Audit Committee has been tasked with investigating lease options for the Association. This work is currently underway. As part of its review, the Finance & Audit Committee will be investigating continued lease options with the Vancouver School Board.

## **18. Financial**

BCSTA contracts its audit firms for a five-year term. BCSTA's current audit firm, D&H Group, LLP, was appointed in 2013/2014, making 2017/2018 the fifth year of their five-year term. An audit firm will be appointed for the next five-year term commencing in 2018/2019. The *Financial* budget line, which currently includes \$13,000 for audit fees has therefore been increased \$3,000, based on an estimated increase in audit fees for the five-year term starting in 2018/2019.

## **19. Depreciation**

The *Depreciation* budget line is affected by BCSTA's capital asset purchases. These assets are purchased or replaced on an as-needed basis such that equipment is not replaced until such time as it fails, becomes obsolete or problematic.

This budget line will be affected by the 2017/2018 information technology infrastructure update that included the replacement of all of BCSTA's workstations and servers, server backup hardware and software, and BCSTA's database software. Each of the systems replaced had either become problematic, obsolete or had otherwise failed.

Leasehold improvements for construction of an additional enclosed office in 2017/2018 will also affect this budget line in 2018/2019.

The increase to this budget line is limited to \$2,000 for 2018/2019 as:

- No capital asset purchases or leasehold improvements are planned for 2018/2019
- The 2017/2018 write off of problematic, failed and redundant computer equipment eliminated depreciation expense on those items

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## **20. Salaries/Benefits**

BCSTA's staff salary grid increases have been tied historically to teacher salary negotiations. As a result, the salary grid will be increased as follows in 2018/2019:

- One half of one percent, effective July 1, 2018
- One percent, effective May 1, 2019
- Increase equivalent to the Economic Stability Dividend applied to the teacher salary grid, should there be one, effective May 1, 2019

Other factors expected to affect the *Salaries/Benefits* budget line in 2018/2019 are:

- Movement on the staff salary grid
- Changes to benefit costs
- Implementation of an Employer Health Tax effective January 1, 2019
- 2016/2017 and 2017/2018 staffing changes, which include:
  - Replacement of BCSTA's off-site, part-time Manager of Information Technology with an onsite, full-time Manager of Information Technology
  - Hiring of a new Director of Education Services to replace part-time contract staff hired to provide medical leave coverage for the Education Services Department as an interim measure in 2016/2017
  - Replacement of the Program Assistant, Finance
  - Replacement of the Program Assistant, Legal Services

Additionally, as shown on page one, the inflationary member fee increase of 1.20 percent, or approximately \$24,000, has been allocated to this budget line in order to increase BCSTA's contract support capacity and enable BCSTA to be more flexible, adaptive, responsive to change, and ultimately, to better able meet the needs of member boards of education.

Based on cost projections for these offsetting factors, this budget line has been increased a total of \$81,000 in 2018/2019. This amount includes the \$10,000 that has been moved from the *Equipment Maintenance* budget line to reflect cost savings in that budget line as a result of 2016/2017 staffing changes, as shown under item 15 on page four.

## **21. Government Grants**

BCSTA has received a number of government grants, the details of which were provided to the October 2017 Provincial Council.

The Finance & Audit Committee is sensitive to the fact that, as government grant funds are being depleted, it is important to make use of these funds to undertake unbudgeted projects that are of import to member boards of education. Grant funds have therefore been used to undertake various projects such as providing support for boards to attend rural education regional meetings, support trustee learning and to develop the *Trustee Learning Guide*. Grant funds will be used in 2018/2019 to update and maintain the *Trustee Learning Guide*, to develop an online version of the *Guide to School Legislation* and to support leadership development.

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## Budget Impact Summary

As shown on pages one through six, BCSTA is facing cost pressures in a number of budget lines in 2018/2019, summarized as follows:

- The Board of Directors honouraria increase, based on Vancouver CPI, will be approximately \$1,000
- As Board of Director meetings have increased from part-day to full-day meetings to enable meetings with partner groups and to accommodate the work of the Board, this budget line is increased an additional \$5,000
- the *Academies* budget line is expected to increase approximately \$30,000 as a result of:
  - increased attendance for the November 2018 Academy as it follows an election
  - a projected increase in meal and conference material costs
- BCSTA will be responsible for all costs associated with jointly hosting, with BCPSEA, a New Trustee Academy in January 2019. Costs for this event are estimated at \$50,000
- The *In-District/Professional Development Services* budget line, which was reduced from \$45,000 to \$25,000 in 2017/2018 due to lack of funding, has been restored to \$45,000
- Lease costs will increase by \$2,000 in 2018/2019
- Audit fees are expected to increase by approximately \$3,000
- The *Depreciation* budget line has been increased \$2,000. This amount takes into consideration the \$9,000 reduction in depreciation expense resulting from the 2017/2018 write off of computer equipment, which is shown on page five
- The *Salaries/Benefits* budget line has been increased a total of \$81,000. This amount includes \$7,000 for the Employer Health Tax which is to be implemented on January 1, 2019, as well as the annual inflationary member fee increase of \$24,000 which will be used to expand BCSTA's capacity to provide services to member boards

The 2018/2019 cost pressures noted above have been offset as follows:

- Student enrollment increased by 4,974 FTE students as of September 30, 2017. Member fees for 2018/2019 are increased approximately \$6,000 as a result
- The inflationary member fee increase for 2018/2019, based on the most recent five-year average of the Vancouver Consumer Price Index of 1.20 percent, totals approximately \$24,000 for 2018/2019. The 2018/2019 increase will be fully funded from internally designated funds, per Board of Director resolution
- As BCSTA has full membership in 2017/2018, fees for all member boards are included in the 2018/2019 budget draft. Additional revenues as a result of full membership total approximately \$119,000
- As higher attendance is projected for the November 2018 Academy, registration fees are expected to increase approximately \$9,000, which will partially offset the increase in projected costs for the event
- The interest revenue budget line has been increased \$4,000 to reflect a slight improvement in interest rates
- Costs associated with changing the Manager of Information Technology position from four days per week to a full-time position have been offset by savings achieved in the *Equipment Maintenance* budget line, as the need for external contract support has been greatly reduced

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Budget details are shown on pages 12 through 19 of this budget draft.

## **Impact on Member Fees and Member Services**

Member fees are affected each year by changes in FTE students, annual inflationary increases to maintain or improve service levels, use of member equity to offset annual inflationary member fee increases and approved increases or decreases to specific budget lines.

Over the past twenty two years, member fees have been increased a total of 14 percent. As inflation, based on the Vancouver Consumer Price Index (CPI), has increased over 31 percent, member fee increases have not been sufficient to maintain BCSTA staffing or services over this period. Additionally, BCSTA has been impacted by the decrease in member fee revenues resulting from declining FTE student enrollment from 1999 through 2014. Although BCSTA has implemented numerous cost-saving measures, as shown below, budget cuts have impacted BCSTA's ability to deliver services to member boards. The Finance & Audit Committee and Board of Directors have therefore been concerned that the ongoing lack of member fee increases each year would affect the long-term viability of the Association, its ability to provide services to member boards and its ability to be responsive and adaptive to change and to the priorities of its membership. As a result, the February 2017 Provincial Council implemented an annual inflationary member fee increase based on the most recent five-year average of Vancouver's Consumer Price Index, as of January 1 of each year, in order to rebuild the Association's capacity to deliver member services.

Cost-saving measures include:

- Funding for *In-District/Professional Development Services\** was reduced from \$95,000 to \$25,000 between 2006/2007 and 2017/2018  
\*Note: with additional funds available in 2018/2019, resulting from the return of SD39 (Vancouver) and SD63 (Saanich) in 2017/2018, this budget line has increased from \$25,000 to \$50,000
- Printed agenda packages for governance, committee and annual general meetings are no longer provided
- Food costs at BCSTA events have been reduced
- BCSTA no longer uses an external photographer
- The Board of Director and standing committees meet using an online meeting format, whenever possible or using a mixed-meeting format, whereby some members attend in person and some attend remotely
- Grant funds are used to provide services to member boards of education, including development, maintenance and annual updating of the online *Trustee Learning Guide*; development of an online version of the *Guide to School Legislation*; support for AGM and Academy and support for other projects that meet grant criteria, as they arise
- The Associate Executive Director position was eliminated, reducing BCSTA's staff complement from 13 FTEs to 12
- The Director, Communications position was eliminated, reducing BCSTA's staff complement from 12 FTEs to 11
- The Manager, Administration and Executive Services position was eliminated and replaced with an Administrative Assistant position

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- The Director, Information and Education Technology position was eliminated and replaced with a Manager, Information Technology
- The full-time position of Business Analyst was eliminated and replaced with the part-time position of Program Assistant, Finance

For 2018/2019, the Finance & Audit Committee has prepared a balanced draft budget that includes an **inflationary member fee increase of 1.20 percent\***, in accordance with the February 2017 Provincial Council directive to apply an annual member fee increase equivalent to the most recent five-year rolling average of the Vancouver CPI, as of January 1 of each year.

\*Note: As shown on pages two and seven, the inflationary member fee increase for 2018/2019 will be fully funded from restricted funds, per Board of Director resolution. The only changes in fees for individual boards of education will therefore be solely the result of changes in FTE students, as shown in Appendix I.

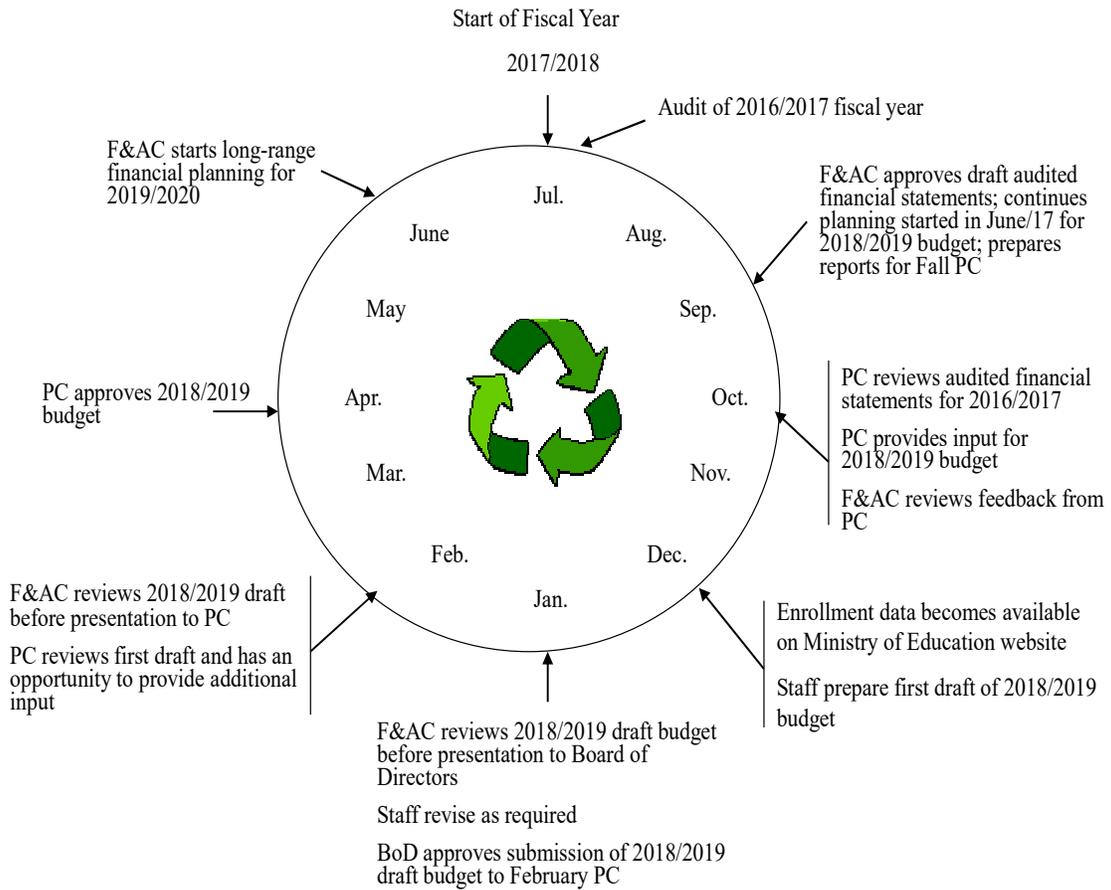
The Finance & Audit Committee, Board of Directors, and BCSTA staff remain committed to using member dollars to their best effect.

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British Columbia  
School Trustees  
Association

## 2018/2019 Budget Cycle



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## BCSTA Categories and Fee Formulas

At the February 1995 Provincial Council meeting, a new method for calculating BCSTA member fees was adopted. The purpose of adopting the new schedule was to eliminate distortions under the prior methodology caused by enrollment fluctuations. The new method was based on a set range of FTEs and fees for each of four categories. At the February 2001 Provincial Council, Category 4 was adjusted to address an inequity and a fifth category was added. The categories and corresponding ranges are:

<u>Category</u>	<u>Range of FTEs</u>	<u>Range of Fees</u>
1	0 – 4,000	\$ 4,000 – 28,000
2	4,001 – 10,000	\$28,000 – 38,000
3	10,001 – 30,000	\$38,000 – 65,000
4	30,001 – 75,000	\$65,000 – 80,000
5	75,001 – 125,000	\$80,000 – 95,000

Using these ranges, the following fee formulas were calculated:

Category 1	Fees = $(\$6.1 \times \text{FTEs} + 2,600) \times 0.9955$
Category 2	Fees = $(\$1.45 \times \text{FTEs} + 21,750) \times 0.9955$
Category 3	Fees = $(\$1.33 \times \text{FTEs} + 23,400) \times 0.9955$
Category 4	Fees = $(\$0.3333 \times \text{FTEs} + 55,000)$
Category 5	Fees = $(\$0.30 \times \text{FTEs} + 57,500)$

This method provides for a straight-line relationship between FTEs and fees, with costs per FTE student decreasing as the number of FTE students increase. When fee adjustments are applied, this relationship remains constant for each category and the integrity of the prescribed formulas is maintained.

For instance, in 2004/2005 and 2005/2006, the Provincial Council approved a two-per cent increase to member fees, and in 2006/2007 a one-per cent member fee increase was approved. These increases were consecutively applied to, and consequently changed, the fee formulas to the following:

Category 1	Fees = $(\$6.10 \times \text{FTEs} + 2,600) \times 1.0462$
Category 2	Fees = $(\$1.45 \times \text{FTEs} + 21,750) \times 1.0462$
Category 3	Fees = $(\$1.33 \times \text{FTEs} + 23,400) \times 1.0462$
Category 4	Fees = $(\$0.3333 \times \text{FTEs} + 55,000) \times 1.0508$
Category 5	Fees = $(\$0.30 \times \text{FTEs} + 57,500) \times 1.0508$

Thus, the fee formulas set by the February 1995 and 2001 Provincial Councils remain constant over time. They are increased or decreased, based on member needs, by adjusting the multiplier to the formula for each category.

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## TOTAL REVENUE AND EXPENDITURE SUMMARY

### TOTAL REVENUE

*(All amounts are in thousands of dollars)*

<b>Item</b>	<b>Budget 2016/17</b>	<b>Budget 2017/18</b>	<b>Budget 2018/19</b>	<b>Dollar Change</b>
Member Fees	1875	1873	2022	+ 149
AGM	221	213	216	+ 3
CSBA Congress	--	298	--	- 298
Interest	81	78	82	+ 4
Academies	--	205	264	+ 59
Grant Admin/ Entrepreneurial	12	12	12	--
<b>Total</b>	<b>2189</b>	<b>2679</b>	<b>2596</b>	<b>- 83</b>

### TOTAL EXPENDITURES

*(All amounts are in thousands of dollars)*

<b>Item</b>	<b>Budget 2016/17</b>	<b>Budget 2017/18</b>	<b>Budget 2018/19</b>	<b>Dollar Change</b>
Core Services	684	1131	970	- 161
Office	276	285	282	- 3
Salaries	1229	1263	1344	+ 81
<b>Total</b>	<b>2189</b>	<b>2679</b>	<b>2596</b>	<b>- 83</b>

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## CORE BUDGET REVENUE

*(All amounts are in thousands of dollars)*

R – REVENUE					
No.	Item	Budget 2016/17	Budget 2017/18	Budget 2018/19	Dollar Change
R1	Member Fees*	1875	1873	2022	+149
R2	AGM*	221	213	216	+ 3
R3	CSBA Congress*	--	298	--	-298
R4	Interest*	81	78	82	+ 4
R5	Academies*	--	205	264	+ 59
R6	Grant Administration, Entrepreneurial	12	12	12	--
	Total	2189	2679	2596	- 83

R1. *Member Fees* is **increased \$149,000** in 2018/2019. This reflects an increase of approximately \$6,000 resulting from an increase in student enrollment of 4,974 FTE students; an inflationary member fee increase of \$24,000 for 2018/2019, based on the most recent five-year average of the Vancouver CPI and \$119,000 from the inclusion of fees for SD39 (Vancouver) and SD63 (Saanich).

As the inflationary member fee increase for 2018/2019 will be fully funded from restricted funds, per Board of Director resolution, the only changes in fees for individual boards of education will be solely the result of changes in FTE students, as shown in Appendix I.

R2. *AGM* is **increased \$3,000** to reflect a slight increase in the number of projected registrants for the AGM and pre-conference.

R3. BCSTA will not be hosting the CSBA 2018 Congress and National Trustee Gathering on Aboriginal Education. Net profit realized for these events is therefore not available to support BCSTA's 2018/2019 operating budget.

R4. *Interest* is **increased \$4,000** to reflect a slight increase in interest rates.

R5. The Academies budget line has **increased \$59,000** as a result of two factors:

- i. As 2018/2019 will be an election year, an increase in attendance at the November 2018 Academy is projected, resulting in an increase of approximately \$9,000
- ii. As 2018/2019 will be an election year, an additional Academy, to be jointly hosted by BCSTA and BCPSEA, will be held in January 2019. Revenues for this event are estimated at \$50,000

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## CORE BUDGET EXPENDITURES

*(All amounts are in thousands of dollars)*

### PROGRAM A: CORE SERVICES

A1 – ADVOCACY					
No.	Item	Budget 2016/17	Budget 2017/18	Budget 2018/19	Dollar Change
A1(a)	Advocacy Services	71	71	71	--
A1(b)	CSBA	40	40	40	--
A1(c)	AGM*	177	181	184	+ 3
A1(d)	Provincial Council	96	96	96	--
A1(e)	Board of Directors*	87	88	94	+ 6
A1(f)	Finance & Audit Committee	10	10	10	--
A1(g)	Professional Learning Committee	18	18	18	--
A1(h)	Aboriginal Ed. Committee	26	26	26	--
A1(i)	Legislative Committee	2	2	2	--
A1(j)	Branch Support	17	17	17	--
	<b>Total</b>	544	549	558	+ 9

A1(c). The *AGM* budget line is **increased \$3,000** to reflect a projected increase in speaker costs.

A1(e). The *Board of Directors* budget line is **increased \$6,000** as a result of two factors:

- i. As shown on page four, Board meetings have expanded from part-day to full-day meetings to accommodate the Board's work and meetings with partner groups. This budget line is therefore increased \$5,000 to accommodate the additional cost of holding full-day meetings
- ii. As Board of Director honouraria will be increased by the Vancouver Consumer Price Index (CPI)\* average of 1.20 per cent for 2012 through 2016, this budget line has been increased \$1,000

\*Note: In 2011/2012, the Board of Director Honouraria Review Committee recommended that Board of Director honouraria be reviewed annually, with increases to be based on Vancouver's CPI.

In 2011/2012, the Review Committee recommended that cost-of-living increases, based on the most recent five-year rolling average of Vancouver's CPI, be applied annually to Board honouraria to ensure that:

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- budget issues do not arise in future years resulting from a need to implement large increases required to bring honouraria amounts in line with market levels; and
- trustees with an interest in serving on the Board of Directors will not be excluded from doing so for financial reasons.

Based on the Vancouver Consumer Price Index (CPI) average of 1.20 per cent for 2012 through 2016, this budget line is **increased \$1,000** for 2018/2019.

Recommended Board of Director Honouraria increases are:

President:	\$ 16,591 to \$ 16,790/year = \$199/year
Vice-President:	\$ 8,294 to \$ 8,394/year = \$100/year
Director:	\$ 5,926 to \$ 5,997/year = \$ 71/year

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## CORE BUDGET EXPENDITURES

*(All amounts are in thousands of dollars)*

<b>A2 - TRUSTEE AND BOARD SERVICES</b>					
<b>No.</b>	<b>Item</b>	<b>Budget 2016/17</b>	<b>Budget 2017/18</b>	<b>Budget 2018/19</b>	<b>Dollar Change</b>
A2(a)	Academies*	--	172	252	+ 80
A2(b)	CSBA Congress*	--	270	--	-270
A2(c)	In-District/Pro-D Services*	45	25	45	+ 20
A2(d)	Board Chairs' Meeting	--	20	20	--
A2(e)	Communications/Publications	30	30	30	--
A2(f)	Legal Counsel	65	65	65	--
	Total	140	582	412	-170

- A2(a). The *Academies* budget line is **increased \$80,000** as a result of the following:
- i. Meal and conference material costs for the November 2018 Academy are projected to increase approximately \$30,000. This amount takes into account a projected increase in attendance at this event
  - ii. As 2018/2019 will be an election year, BCSTA and BCPSEA will jointly host a New Trustee Academy in January 2019. Costs for this event are estimated at \$50,000
- A2(b). BCSTA will not be hosting the CSBA 2018 Congress and National Trustee Gathering on Aboriginal Education. Costs and associated revenues for this event are therefore not included in BCSTA's 2018/2019 operating budget.
- A2(c). In 2017/2018, due to a lack of funding, costs to host the annual Board Chairs' Meeting were allocated from the *In-District/Pro-D Services* budget line. As member boards have indicated that In District/Professional Development Services is a member service priority, this budget line has been restored. *In-District/Pro-D Services* has therefore been **increased \$20,000** in 2018/2019.

<b>TOTAL CORE SERVICES (A1 – A2)</b>	684	1131	970	-161
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# BCSTA Draft 2018/2019 Budget

## OFFICE EXPENDITURES

*(All amounts are in thousands of dollars)*

### PROGRAM B: OFFICE SUPPORT

B - OFFICE OPERATIONS					
No.	Item	Budget 2016/17	Budget 2017/18	Budget 2018/19	Dollar Change
B1	Building*	116	126	128	+ 2
B2	Equipment Maintenance*	70	70	61	- 9
B3	Office Administration*	20	20	19	- 1
B4	Financial*	49	51	54	+ 3
B5	Depreciation*	21	18	20	+ 2
	Total	276	285	282	- 3

- B1. BCSTA's lease costs increased to market rates for its last five-year lease term, September 1, 2014 through August 31, 2019. Costs increased \$4,000 for the first three years of the lease term and an additional \$12,000 for the final two years of the term. As a result, BCSTA's lease costs increased \$10,000 in 2017/2018 to reflect 10 months of the fourth year's increase. An additional **\$2,000 increase** will therefore be required in 2018/2019.
- B2. This budget line has been decreased \$10,000 to reflect the decrease in external contract support needed with the 2016/2017 hire of a full-time, in-house Manager of Information Technology. This amount has been reallocated to the *Salaries/Benefits* budget line, as shown on page 18. As shown on page 4, \$1,000 has been moved to this budget line from B3. *Office Administration* to reflect a change in oversight responsibility. The **total decrease to this budget line is therefore \$9,000** for 2018/2019.
- B3. As shown above, \$1,000 from this budget line has been allocated to B.2 *Equipment Maintenance*. This budget line is therefore **decreased \$1,000** in 2018/2019.
- B4. As shown on page five, this budget line has been **increased \$3,000** to reflect the anticipated increase in audit fees for the upcoming five-year term, starting in 2018/2019.
- B5. This budget line has been **increased \$2,000** to reflect the 2017/2018 technology update and the addition of a new closed office space. As shown on page five, the increase in depreciation expense in 2018/2019 is net of the 2017/2018 write off of computer equipment that was either problematic, obsolete or had otherwise failed.

# BCSTA Draft 2018/2019 Budget

## STAFF SALARIES

(All amounts are in thousands of dollars)

<b>S – STAFF SALARIES</b>					
<b>No.</b>	<b>Item</b>	<b>Budget 2016/17</b>	<b>Budget 2017/18</b>	<b>Budget 2018/19</b>	<b>Dollar Change</b>
S1	Total Salaries/Benefits*	1229	1263	1344	+ 81
<b>TOTAL POSITIONS (FTEs)</b>		10.6	10.6	10.8	0.2

S1. The *Salaries/Benefits* budget line is **increased \$81,000** in 2018/2019 to address a number of factors:

- Consistent with historical practice, BCSTA’s staff salary grid has been increased in accordance with teacher-negotiated salary increases. Increases that will affect this budget line in 2018/2019 are:
  - 0.5% salary-grid increase effective July 1, 2018
  - 1.00% salary-grid increase effective May 1, 2019
  - Salary-grid increase equivalent to the Economic Stability Dividend applied to the teacher salary grid, should there be one, effective May 1, 2019
- Movement on the staff salary grid
- Changes in benefit costs
- 2016/2017 and 2017/2018 staffing changes, as shown on page five:
- The \$24,000 inflationary member fee increase for 2018/2019 has been allocated to contract services under this budget line to build BCSTA’s capacity to provide services to member boards
- \$10,000 has been transferred to this budget line from the *Equipment Maintenance* budget line, as shown on pages four, six and 17
- The cost of the Employer Health Tax is estimated at \$7,000. The tax is to be implemented on January 1, 2019, halfway through the 2018/2019 fiscal year

<b>TOTAL CORE EXPENDITURES (PROGRAMS A, B, and S)</b>	2189	2679	2596	- 83
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# BCSTA Draft 2018/2019 Budget

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## **GRANT ADMINISTRATION AND ENTREPRENEURIAL ACTIVITY**

*(All amounts are in thousands of dollars)*

<b>Item</b>	<b>Budget 2016/17</b>	<b>Budget 2017/18</b>	<b>Budget 2018/19</b>	<b>Dollar Change</b>
<b><u>Revenue</u></b>				
Grants	--	--	--	--
Contracts	12	12	12	--
Total	12	12	12	--
<b><u>Expenditures</u></b>				
Grants	--	--	--	--
Contracts	--	--	--	--
Total	--	--	--	--
Net Contribution	12	12	12	--

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