



**School District No.36 (Surrey)**

# 2022 BC Budget Consultation

Written Submission

## 2022 BC Budget Consultation

The Surrey Board of Education is grateful for the opportunity to submit this report to the Select Standing Committee on Finance and Government Services in support of the development of the Provincial 2022 Budget.

The Surrey School District is the largest and fastest growing school district in the province, with a total school age population of over 74,000 students. This represents 13% of the total provincial student enrolment in public schools.

A rich mosaic of cultures are represented within the student population. There are more than 3,200 students of Aboriginal ancestry (First Nations, Métis and Inuit), and more than half of all students in the district are from a household in which a language other than English is spoken. Of the more than 150 languages represented in Surrey schools, the highest percentages are Punjabi, Tagalog (Filipino), Mandarin, Hindi and Arabic.

The district is dedicated to the promotion of inclusive, equitable and meaningful educational experiences for all students. This vision is reached by working collaboratively with school teams, parents and community partners to create supportive, inclusive, and caring learning communities where all children, specifically those children who have exceptional learning needs, can reach their full potential

The district's student population is growing at the rate of over 1,000 students per year. This, coupled with restored teacher collective agreement language resulting in smaller class sizes, have created a critical shortage of school capacity. To meet this demand, the district has used its operating funds to purchase portable classrooms.

The district's 2021/2022 Operating Budget Revenues total \$754 million with almost 97.7% of this revenue or \$737 million being received from the Operating Grant provided by the Ministry of Education. Total budgeted consolidated revenues for the district exceed \$853 million.

We believe that as governors of the largest school district in British Columbia, it is important for us to share our priorities for the provincial government's funding of our public schools. Please find each of our priority areas outlined below.

### **Major New Space Capital Projects:**

As noted above, one of the most significant challenges for the Surrey School District is our continued enrolment growth and our critical shortage of school capacity to accommodate our students. Although we have made tremendous strides with recent major capital announcements, we continue to experience enrolment growth that exceeds our seating capacity.

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In response to our school capacity shortage, we continue to convert other specialty educational spaces such as computer labs and multi-purpose areas into classrooms and we have been forced to place over 360 portables to accommodate more than 7,000 students that cannot be accommodated in our overcrowded schools.

We appreciate this government's commitment to fund a number of capital projects to provide additional school capacity in our district, however, this investment is not sufficient.

***We request the level of investment in new space capital projects in Surrey to be further increased and that this higher level of investment be continued into future years to provide safe and appropriate educational spaces for all of our existing and future students.***

#### **Local School District Contributions to Major Capital Projects:**

The current government requirement to have school districts contribute up to 50% of the total cost of capital projects for new space is not appropriate, fair or equitable. Other districts with major capital projects, such as seismic projects, do not have the same requirement or condition of funding. Surrey continues to purchase additional portables from its own operating grants with no recognition of these costs as the district's contribution towards major capital projects. We see no reason why major capital projects of any kind should require an allocation of operating fund from school districts. The burden of this policy on school districts, and particularly on districts that are growing as quickly as Surrey, is too great and requires the reallocation of operating funding away from much needed services to students.

***We strongly support the Report of the Funding Model Review Panel Recommendations 21 and 22, that major capital funds should not be directed out of the operating fund intended for school operations. We request the policy requiring a local district capital funding contribution on major capital projects be eliminated.***

#### **Portables:**

A significant unfunded cost driver for the Surrey School District directly related to our continued growth and our lack of school capacity is our growing reliance on portables. The cost of moving a single portable is \$75,000, and the cost to acquire, place and prepare each portable for instruction is \$210,000. The annual average operating cost for a portable is over \$13,000.

## LEADERSHIP IN LEARNING

There currently is no additional funding allocated to school districts to cover the cost of acquiring, placing or operating portables. To fund the cost of portables, our district must reallocate funding from other areas within our operating budget with the overall effect of reducing our ability to fund other services to our students.

***We request the operating grant funding model be modified, or alternatively, a special grant be provided to districts, to cover the cost of acquiring, moving, operating and maintaining portables for those districts without sufficient school capacity to accommodate all students appropriately.***

### **Annual Facilities Grant (AFG):**

The Surrey School District, like most districts throughout the province, continues to struggle with insufficient funding to support the mandatory maintenance of our existing schools and buildings. The district's sole source of funding for this work is through grants, most significantly, the Annual Facilities Grant (AFG). The provincial AFG has only increased minimally over the last few years while costs have increased significantly. This lack of sufficient funding has left many of our schools in an inferior state of repair, negatively affecting the quality of our educational spaces, shortening the life of some building components and increasing our operational costs. In addition, many new learning service deliveries require technology infrastructure support that require retrofitting existing facilities. Furthermore, older buildings having asbestos and vermiculate remediation requirements further increases building maintenance costs.

***We request the Annual Facilities Grant provincial funding allocation be increased significantly, and that a process be developed to continue to increase this funding annually recognizing inflationary costs, as well as the age and number of buildings in each district.***

### **Funding to Support Vulnerable Students:**

The CommunityLINK (Learning Includes Nutrition and Knowledge) funding is designed to support the academic achievement and social functioning of vulnerable students. Programs and services can include breakfast, lunch and snack programs, academic supports, counseling, youth workers and after-school programs. These funds have not kept pace with the changing demographics of school districts' student population nor do they reflect the increase in labour required and inflationary costs. This has created a significant imbalance of equity across all school districts and for Surrey Schools it has created a heavy reliance on sporadic community

## **LEADERSHIP IN LEARNING**

donations to maintain existing nutritional and support programs for an increasing number of vulnerable students.

Recent changes to the funding formula of the Equity of Opportunity, formally Vulnerable students' funds, were cut by more than 28% for Surrey. This operating grant was first introduced in 2012-2013 to address the funding inequities observed from the disbursement of the CommunityLINK funds to select school districts. These funds helped support our most vulnerable students by providing additional services from additional teaching time or educational assistant hours.

The Surrey School District, like many districts in the province, spends up to 50% more on services for students with special needs than the funding provided to districts. This increased cost of services for our most vulnerable students must be funded through a reallocation from other areas within the district's budget, negatively affecting the services to all students.

***We request the implementation of recommendation 6 of the Report of the Funding Model Review Panel – where the Ministry should create a single Inclusive Education Supplement that incorporates all unique student funding grants, reflective of current socio-economic indexes and reflective of higher-cost support for those students that are physically dependent and/or have needs that significantly impact the students' learning.***

### **Funding to Cover Annual Inflationary and Other Costs:**

The Board of Education appreciates this government's commitment to fund the cost of unionized labour settlements and enrolment increases. We do believe however, that government should be annually funding other inflationary costs as well, such as:

- Salary increases for all exempt, principals and vice-principal staff
- Annual inflation on supplies, services, employee benefits, energy and utilities.

The annual impact of inflation on district costs beyond just unionized salary costs is significant. Without additional funding allocated to districts to help offset the impact of the annual inflation pressures on district expenses, districts must continue to relocate funds from other areas within their budgets to cover these costs. Since 2002, the BC consumer price index has risen by 34.1%, while operating grant lifts predominately only recognize provincially negotiated unionized labour settlements costs. As previously emphasized in this report, any time budgets are forced to be reallocated to cover unfunded cost pressures there is a negative impact on the funding remaining available for other services to support students.

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***We strongly support the Report of the Funding Model Review Panel recommendations 18 and request that the Ministry of Education develop an annual process to work with the British Columbia Association of School Business Officials to determine the annual inflationary cost pressures for districts and that funding be allocated through the Operating Grant allocations to cover these costs.***

**Conclusion:**

On behalf of the Surrey Board of Education we would like to thank you for the opportunity to make this submission to the Select Standing Committee on Finance and Government Services. We are proud of our school district and our accomplishments, and we appreciate our partnership and co-governance role with the Ministry of Education. We want to emphasize that we are prepared to work with government to assist you in addressing the funding challenges we have highlighted.

We look forward to government's response to the issues we have raised and are available at any time to clarify or provide more information as appropriate.

Yours truly,

On behalf of the Board of Education

Simon Ayres, CPA, CMA  
Assistant Secretary-Treasurer

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