

NOTICE OF MEETING

FINANCE COMMITTEE

Secretary Treasurer's Office
April 21, 2021
Teams Live Broadcast

Oliver Hanson
Lois Chan-Pedley
Estrellita Gonzalez
Allan Wong
(Alternate - Barb Parrott)

Suzanne Hoffman, Superintendent of Schools
J. David Green, Secretary-Treasurer

Notice of Meeting

A Meeting of the **Finance Committee** will be held on Teams Live Broadcast on **Wednesday, April 21, 2021 at 5:00pm.**

Trustees:	Fraser Ballantyne Carmen Cho Janet Fraser	Barb Parrott Jennifer Reddy
Student Trustee:	Ricky Huang	
Senior Management Staff:	Carmen Batista Pedro da Silva Jody Langlois	David Nelson Rob Schindel
Reps:	Terry Stanway, VSTA Jody Polukoshko, VESTA Mike Vulgaris, VASSA Joel Levine, VEPVPA Skye Richards, DPAC Tyson Shmyr, PASA Warren Williams, CUPE 15 Brent Boyd, CUPE 407 Neil Munro, Trades Harjit Khangura, IUOE Bryan Guan, VDSC	Alt. Treena Goolieff, VSTA (Alt.) David Bach, VASSA Shannon Burton, VEPVPA Vik Khanna, DPAC (Alt. 1) Alan Patola Moosmann, DPAC (Alt. 2) Hannah Dubuc, CUPE 15 Charleen Ann Derzak, CUPE 407 Tim DeVivo, IUOE
Other Staff:	Shehzad Somji	

FINANCE COMMITTEE

MEETING AGENDA

Wednesday, April 21, 2021
at 5:00 pm
Teams Live Broadcast

The meeting is being held on the traditional unceded territory of the Musqueam, Squamish and Tsleil-Waututh Nations. The meeting is being live-streamed and the audio and visual recording will also be available to the public for viewing after the meeting. The footage of the meeting may be viewed inside and outside of Canada.

Meeting Decorum:

The Board has a strong commitment to ethical conduct. This includes the responsibility of committee members to conduct themselves with appropriate decorum and professionalism. As Chair of the Committee it is my responsibility to see that decorum is maintained. To do that I ask that:

- i. All members/delegates request to speak through the chair;
- ii. Civility towards others is maintained as stakeholder representatives and trustees share perspectives and participate in debate;
- iii. Staff be able to submit objective reports without influence or pressure as their work is acknowledged and appreciated;
- iv. Committee members refrain from personal inflammatory/accusatory language/action;
- v. Committee members, trustees, representatives and /staff present themselves in a professional and courteous manner.

Please see reverse for the Purpose/Function and Powers and Duties of this Committee.

1. Delegations

None

Estimated Time

2. Information Items

2.1 COVID-19 Funding Update

Presenters

Shehzad Somji, Assistant Secretary
Treasurer

3. Discussion Items

3.1 Budget 2021-2022 Update and Discussion
(information to be provided at the meeting)

Shehzad Somji, Assistant Secretary
Treasurer

4. Items for Approval

5. Information Item Requests

Date and Time of Next Meeting

Wednesday, May 12, 2021

Finance Committee

5.1 Purpose/Function:

5.1.1 To assist the Board in being fiscally responsible.

5.2 Powers and Duties:

5.2.1 Annually make recommendations to the Board regarding its submission to the Select Standing Committee on Finance and Government Services.

5.2.2 Provide input regarding the budget development process.

5.2.3 Make recommendations regarding school fees.

5.2.4 By reviewing quarterly financial reports make recommendations for increasing value for money including: reducing costs, increasing revenue, eliminating or reducing resource allocations where commensurate results are not being achieved, disposal of assets, and increasing benefits without increasing costs.

5.2.5 Fiscal Matters Referred to the Committee by the Board:

5.2.5.1 Review matters referred and make recommendations as requested.

April 21, 2021

ITEM 2.1

TO: Finance Committee Name

FROM: J. David Green, Secretary-Treasurer
Shehzad Somji, Assistant Secretary-Treasurer**RE: COVID-19 Funding Update***Reference to Strategic Plan:**Goal 4: Provide effective leadership, governance, and stewardship.**Objective: Effectively utilize school district resources and facilities.**Support effective communication, engagement, and community partnerships.***INTRODUCTION:**

This report is provided for information and is a follow up to the report presented at the January meeting of the Finance Committee.

BACKGROUND:

With the Provincial Government announcing a return to in class instruction for students for September 2020, a Safe Return to School Grant was also announced to help districts implement new health and safety measures. At the same time, the Federal Government announced the Safe Return to Class Fund for each Province and Territory to help them in supporting their return to school plans.

ANALYSIS

In the March 27, 2020 letter to parents, the Superintendent identified the priorities the District would focus on to implement continued learning opportunities for students. These same four priorities were used to determine the spending of the Provincial and Federal grants:

1. Health & Safety
2. Communication
3. Connections & Community
4. Continuity of Learning

Provincial Safe Return to School Grant

The Provincial Safe Return to School Grant allocated \$42.5 million to public schools and \$3.1 million to independent schools. The District's share of this grant was \$3.6 million as illustrated in the table below. The grant provided specific spending amounts in five different spending categories by the Ministry and districts are required to spend the funds in those categories. The

five categories are:

1. Investment in more staff and staff time for cleaning schools.
2. Improving and increasing access to hand hygiene, including the installation of non-touch faucets to existing sinks.
3. Cleaning supplies.
4. Face masks and shields.
5. Support for remote learning, such as technology loans or software to support students with disabilities or complex needs.

The District's spending plan, as at March 31, 2021, is shown in the table below:

31-Mar-21		Provincial SRTSG Fund 46			
		Budget	Ytd Spending	Projected to end of year	Available
Funding Amount Available		\$ 3,556,154	\$ 2,515,006	\$ 1,041,148	\$ -
Cleaning Supplies		431,612	263,225	168,387	-
Additional Time to Clean		1,539,984	1,179,863	360,121	-
Extra Cleaning for OOSC Operators		400,000	280,000	120,000	-
Gathering Place - additional cleaning cost charged by CoV		6,500	-	6,500	-
Upgrading sinks and faucets		754,491	370,742	383,749	-
Sanitizer Stations		21,564	19,173	2,391	-
Masks and Face Shields		195,598	195,598	-	-
Technology		206,405	206,405	-	-
Total Budget / Spending		3,556,154	2,515,006	1,041,148	-

The change in the Provincial spending plan from the February 17, 2021 meeting is that the amount that was unallocated, \$546,484, has been added back to Additional Cleaning Time as the provincial funding cannot be adjusted between categories.

Federal Safe Return to Class Fund

The original plan for the Federal Fund was for it to be distributed in two phases, with \$121.2 million being distributed in September 2020 and the second phase expected to be distributed in January 2021 with the same funding amount. The Province held back 10% of the first allocation (\$12.12 million) as a reserve for emerging issues.

The District originally received \$9,177,259 in phase one and developed a spending plan based on the Superintendent's four priorities with an expectation that \$9,177,259 would be received in the phase 2 announcements. The Ministry released the September holdback of the Federal Funds on January 5, 2021 and the District received \$1,012,859. The holdback amount allocated to the District was based on a combination of student enrolment and COVID-19 exposure numbers. On February 4, 2021, the Ministry announced that phase 2 funding will match phase 1 funding and the District will receive \$9,177,259 as expected. The Ministry will also allocate an additional \$3.5 million to school districts based on the incremental COVID-19 exposures reported as of February 15, 2021 in recognition of the added cost of managing exposures in schools. The funding allocated to the District was \$194,444. The total of the Federal Grant is therefore \$19,561,821.

A summary of the District's spending plan for the Federal Grant, by priority category, follows:

	Budget	YTD Spend	Projected to June 30, 2021	Available
Health and Safety	5,421,319	4,037,703	1,383,617	-
Communication & Connection	991,043	543,384	447,659	-
Learning for All	11,275,206	6,868,200	4,407,005	-
Other	1,874,253	742,776	725,331	406,146
	\$ 19,561,821	\$ 12,192,063	\$ 6,963,612	\$ 406,146

The following tables show the detailed spending plan by District priority and costs to March 31, 2021:

31-Mar-21	Federal SRTCG Fund 45			
	Budget	Ytd Spending	Projected to end of year	Available
Health and Safety				
Ventilation Systems Upgrades				
Upgrade DDC Controls (47 schools)	75,000	19,213	55,787	-
Upgrade Pneumatic Controls	150,000	70,771	79,229	-
AtmosAir for 18 Schools (UV Installation)	-	-	-	-
Filter Replacement	250,000	227,627	22,373	-
Additional Utilities Cost	-	-	-	-
Misc HVAC Upgrades	17,040	17,040	-	-
Cleaning Equipment & Foggers and Misters	50,000	37,185	12,815	-
Autoscrubbers and custodial carts	200,000	195,375	4,626	-
Cleaning Supplies	100,000	34,622	65,378	-
Additional Time to Clean	-	-	-	-
Extra Cleaning for OOSC Operators	-	-	-	-
Gathering Place - additional cleaning cost charged by CoV	-	-	-	-
Upgrading sinks and faucets	-	-	-	-
Quarantine Costs (CA Provisions)	1,000,000	596,738	403,262	-
Sanitizer Stations	142,817	95,207	47,610	-
Hand Sanitizer	500,000	327,216	172,784	-
Masks and Face Shields	1,001,400	1,001,302	98	-
Plexiglass Barriers	100,000	57,032	42,968	-
Flu shots (50% Uptake)	45,360	45,360	-	-
Spray Bottles	27,000	18,164	8,836	-
Furniture, furniture moves & disposal	580,673	573,212	7,461	-
Support for Secondary H&S Plan	81,402	43,431	37,970	-
Health and Safety Training	206,371	154,728	51,643	-
Additional Supervision Aide Hours for 150 FTE + 10 FTE (Dec-Jun)	774,583	462,014	312,569	-
Support for Purchasing (Jr. Buyer)	72,780	14,575	58,205	-
Cavell Transition	45,978	45,978	-	-
Cavell fence opening - parent/student flow at bus pick up/drop off site	915	915	-	-
	5,421,319	4,037,703	1,383,617	-

Some of the changes to the Health and Safety category from the last report are:

- The District has not experienced an increase in utilities cost as was expected and have reallocated the \$750,000 budget that was initially put in place. With \$400,000 being added for Quarantine Costs and the balance under Yet to be Allocated.
- The budget for Quarantine Costs was increased by \$400,000, back to the original estimate of \$1.0 million as teachers can access isolation pay as of February 1, 2021 if they are required to quarantine. The District has over 500 teachers that have been approved for this pay.

31-Mar-21		Federal SRTCG Fund 45			
		Budget	Ytd Spending	Projected to end of year	Available
Communications and Connections					-
Counselling and YFSW Support		100,000	48,271	51,729	-
Mental Health and Well Being		498,375	248,715	249,660	-
KidSafe Additional Resources (Start Winter Break)		150,000	150,000	-	-
Wellness Coordinator (Nov 1 start)		88,334	37,718	50,616	-
Health and Safety Manager (start Dec 14)		137,976	42,323	95,653	-
Communicating secondary school changes (SPUR SOW)		16,358	16,358	-	-
		991,043	543,384	447,659	-

No changes have been made in the Communications and Connections category of spending. The current spending plan is sufficient, and the mental health and counselling supports continues.

31-Mar-21

Learning for All

Side-by-side/in-service (Pro-D)

Support for Musqueam/Indigenous Students Remote Learning

Additional Teaching Staff

VLN

District Teacher for Program Development on hourly basis

8.2 FTE Teachers working in VLN (Elementary)

2.0 FTE SSA

TTOC's to support quarter system in Secondary

Additional licences required under new programming

VLN Reading Resources

27 FTE for Transition Plan - 23.7 FTE as of April 2021

Make Up Prep Time

22 FTE to Maintain Secondary Staffing

ISP Remote Learners

Technology

Office 365 Administrator

Service Delivery Supervisor

For Students

For Staff

Digital Resources (OverDrive - remote learning)

Food Programs

Outdoor Learning Resources & Supplies

School based budget (\$10/student)

School apply for funding

M&C Clerk - 1.0 FTE (Jan-July 2021)

Virtual Grad Ceremonies

Option 4 Reporting

Federal SRTCG Fund 45

Budget	Ytd Spending	Projected to end of year	Available
-	-	-	-
250,000	176,181	73,819	-
229,144	132,234	96,910	-
880,311	403,467	476,844	-
82,136	58,080	24,057	-
294,974	164,138	130,836	-
5,526	5,526	-	-
1,962	1,962	-	-
2,770,585	1,179,362	1,591,223	-
950,000	313,577	636,423	-
2,463,158	1,758,558	704,600	-
127,522	127,522	-	-
733,840	283,206	450,634	-
107,678	49,225	58,453	-
107,678	43,926	63,751	-
-	-	-	-
-	-	-	-
250,000	209,859	40,141	-
482,456	472,685	9,771	-
478,240	478,240	-	-
899,996	899,996	-	-
50,000	10,457	39,543	-
100,000	100,000	-	-
10,000	-	10,000	-
11,275,206	6,868,200	4,407,005	-

The Learning for All category provides support in the form of additional staffing or resources to both students and staff. Almost half of the \$11.3 million budget allocated to this category is for additional staffing to support students in the transition plan (\$2.8 million) and to maintain staffing in secondary schools (\$2.5 million). Schools received \$1.4 million for outdoor learning opportunities and resources, comprised of \$0.5 million allocated to schools on a per student basis and \$0.9 million after submitting application for outdoor learning resources. 77 application were approved for the \$0.9 million.

Changes from the report presented to the Committee in February are as follows:

- \$0.15 million increase in TTOC time to support the quarter system.
- \$0.13 million reduction for the transition plan teachers as the actual staff hired is 23.7 FTE.
- \$0.10 million increase in the fees for ISP remote learners as the District received the invoice for payment.
- \$0.10 million provided to schools for virtual graduation ceremonies.
- \$0.01 million for additional support for staff to help with Option 4 Students Final Reporting.

31-Mar-21

Other

First Student Bussing
 Additional Cleaning
 Guaranteed Ridership
 Lynch Bus Lines (Cavell to Maple Grove - Jan 2021)
 Grounds Transportation
 Material Services delivery of PPE
 Fencing
 Fleet Insurance - additional vehicles for safe work procedures
 Miscellaneous
 Yet to be Allocated (**See Note 1**)

Federal SRTCG Fund 45			
Budget	Ytd Spending	Projected to end of year	Available
242,000	137,013	104,987	-
900,000	419,836	480,164	-
100,000	44,166	55,834	-
79,448	40,291	39,157	-
100,000	54,811	45,189	-
20,247	20,247	-	-
19,484	19,484	-	-
6,928	6,928	-	-
406,146			406,146
1,874,253	742,776	725,331	406,146

Note 1: Funding will be spent. District Senior Management is considering further allocation

This category is a catch-all for spending. The changes from the February Finance Committee report are as follows:

- There has been some miscellaneous items spending - \$0.07 million.
- With the reallocation of the utilities budget, there is \$0.40 million that is yet to be allocated. The District Senior Management is reviewing options on utilizing the remaining budget.

RECOMMENDATION(S):

This report is provided for information.

VANCOUVER SCHOOL DISTRICT FINANCE COMMITTEE MEETING

April 21, 2021

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Live-streamed

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Committee Roll Call

- Please all unmute
- Once your name is called, please confirm your presence and mute yourself

ITEM 2.1

COVID-19 Funding Update

Shehzad Somji, Assistant Secretary Treasurer

Provincial Grant

31-Mar-21

Funding Amount Available

Cleaning Supplies
 Additional Time to Clean
 Extra Cleaning for OOSC Operators
 Gathering Place - additional cleaning cost charged by CoV
 Upgrading sinks and faucets
 Sanitizer Stations
 Masks and Face Shields
 Technology

Total Budget / Spending

Provincial SRTSG Fund 46			
Budget	Ytd Spending	Projected to end of year	Available
\$ 3,556,154	\$ 2,515,006	\$ 1,041,148	\$ -
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21,564	19,173	2,391	-
195,598	195,598	-	-
206,405	206,405	-	-
3,556,154	2,515,006	1,041,148	-

- 450 iPads, 70 laptops for students
- 406 faucets replaced
- 92 new sink installations
 - 50% installed

Federal Grant Summary

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Other	1,874,253	742,776	725,331	406,146
	\$ 19,561,821	\$ 12,192,063	\$ 6,963,612	\$ 406,146

- Changes from February meeting:

- Budget for utilities reallocated
- Staff determining spending plan for available budget

Federal Grant – Health and Safety

31-Mar-21

Health and Safety

	Federal SRTCG Fund 45			
	Budget	Ytd Spending	Projected to end of year	Available
Ventilation Systems Upgrades				
Upgrade DDC Controls (47 schools)	75,000	19,213	55,787	-
Upgrade Pneumatic Controls	150,000	70,771	79,229	-
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Cavell fence opening - parent/student flow at bus pick up/drop off site	915	915	-	-
	5,421,319	4,037,703	1,383,617	-

- Changes from February meeting:
 - Budget for utilities eliminated
 - Increased Quarantine Costs

Federal Grant – Communications and Connections

31-Mar-21

Communications and Connections

Counselling and YFSW Support
Mental Health and Well Being
KidSafe Additional Resources (Start Winter Break)
Wellness Coordinator (Nov 1 start)
Health and Safety Manager (start Dec 14)
Communicating secondary school changes (SPUR SOW)

Federal SRTCG Fund 45			
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88,334	37,718	50,616	-
137,976	42,323	95,653	-
16,358	16,358	-	-
991,043	543,384	447,659	-

- No changes to spending plan

Federal Grant – Learning for All

31-Mar-21

Learning for All

Side-by-side/in-service (Pro-D)

Support for Musqueam/Indigenous Students Remote Learning

Additional Teaching Staff

VLN

District Teacher for Program Development on hourly basis

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Option 4 Reporting

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478,240	478,240	-	-
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50,000	10,457	39,543	-
100,000	100,000	-	-
10,000	-	10,000	-
11,275,206	6,868,200	4,407,005	-

- Changes from February meeting:
 - TTOC for Q4 (+ \$0.15 m)
 - Transition Plan (- \$0.13 m)
 - ISP Remote Learners (+ \$0.10 m)
 - Virtual Grad Ceremonies (+ \$0.10 m)
 - Option 4 Students Final Reporting (+ \$0.01 m)

Federal Grant - Other

31-Mar-21

Other

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 Additional Cleaning
 Guaranteed Ridership
 Lynch Bus Lines (Cavell to Maple Grove - Jan 2021)
 Grounds Transportation
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19,484	19,484	-	-
6,928	6,928	-	-
406,146			406,146
1,874,253	742,776	725,331	406,146

- Changes from February meeting:
 - Balance of Utilities budget (\$0.35 m) added to Yet to be Allocated

QUESTIONS?

ITEM 2.1

COVID-19 Funding Update

ITEM 3.1

Budget 2021-2022 Update

Shehzad Somji, Assistant Secretary Treasurer

Agenda

1. Follow up from April 15, 2021
2. Budget Process
3. Updated Draft Status Quo 2021-2022 Operating Fund Budget
4. Use of Surplus
5. Risk Factors
6. Next Steps

Follow up from April 15, 2021

Trustee Parrott – The motion to add \$188,097 in 2020-21 budget was to hire more teachers in Adult Education. How many teachers were hired?

- The \$188,097 was added to the teacher staffing budget in the preliminary budget for 2020-2021
- Enrolment was not sufficient to hire more teachers
- Staffing is based on enrolment and the courses offered and only the required staff was hires
- The amount was originally carried forward in the draft 2021-2022 budget but in being reversed.

Trustee Wong – If the District had adjusted the minimum class size in Adult Education from 26 to 25 in 2020-21, what would be the cost impact?

- To date this year, only 5 classes have been cancelled in the first three terms due to low enrollment. These classes were cancelled before the terms began. No classes have been cancelled once a term started. The classes cancelled had enrollment of less than 20 students and in many cases were as low as 9 and 12 students.
- If every structured class were reduced, we would potentially run every class at 25, which translates to potential loss of \$87,269 loss in funding. Maximum class size is outlined in the collective agreement.

1	Student Loss per Class
130	Classes per Year
<hr/>	
130	Student Registrations
16.25	FTE Equivalent
\$ 5,370.40	Average per Student Funding
<hr/>	
\$ 87,269	Potential Loss in Funding

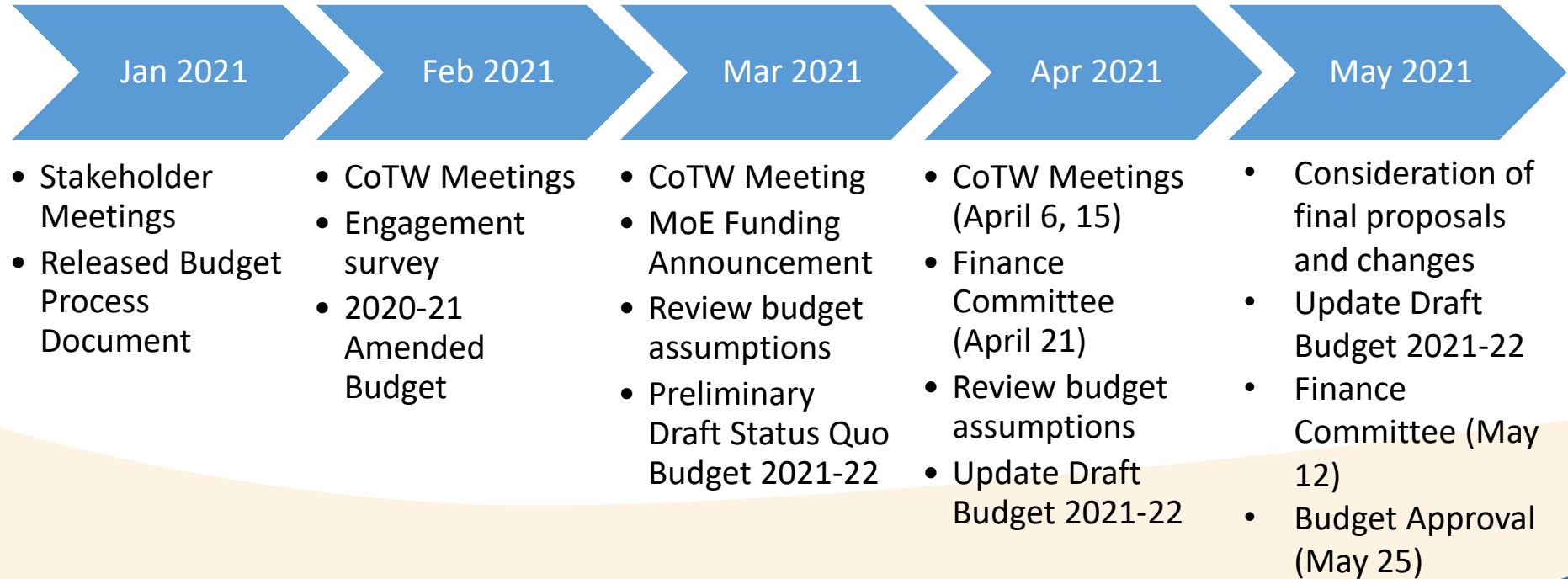
Trustee Parrott - Explanation of Projected Surplus

Explanation of Projected Available Surplus

Actual		
Budgeted		
Projected		
Available June 30, 2020		30,129,688
Amended Budget Analysis		
Original Surplus Required to Balance 2020-2021	(8,949,210)	
Planned Spending for 2020-2021 from Surplus	(10,777,587)	
Planned Spending for 2020-2021 Not spent	5,179,430	
Estimated Surplus Available June 30, 2021	1,686,276	
Surplus Required to Balance Amended Budget	(12,861,091)	(12,861,091)
Remaining Surplus From 2020 After Amended Budget		17,268,597
Increase in Projected Surplus for 2020-2021		1,847,483
Projected Surplus Available at June 30, 2021		19,116,080
Less: Restricted Surplus Component		
Donated Funds for School Programs	(2,728,401)	
Unspent School Balances	(2,375,699)	
Technology Purchases for 2021-2022	(1,104,610)	
Print Shop Equipment Replacement for 2021-2022	(58,444)	
North Hamber Enrolment Pressures	(349,000)	
Other Projects	(75,330)	
Restricted Component of Projected Surplus	(6,691,484)	(6,691,484)
Unrestricted Component of Projected Surplus		12,424,596

Budget Process

2021-2022 Budget Process



Updated Draft Status Quo 2021-2022 Operating Fund Budget

Schedule 2 – Operating Fund Revenue and Expense

- Shows revenue and expense for the Board's operating fund to produce a balanced budget position
- Revenue by major source, including tuition separately
- Expenses are shown by function
- Appropriation of prior year's surplus is permitted as per Section 111 of the *School Act*

Assumptions

Enrolment

- School-aged enrolment projection – 48,535
- International Student enrolment – 1,151
- Modified summer school
- In class learning for all students

Revenue

- No change to rental rates
- Community rentals start September 2021
- Interest rate on CDP dropping 0.50%
- Cafeterias open September 2021

Expenses

- Inflation – 1.00%
- Utilities – 3.60%
- Teacher and Support Staff wage lifts – 2.00%
- Exempt Staff wage lift – 1.15%
- WorkSafe and Benefit premium increases
- Anti-Racism training costs - \$646,979
- Average Teacher Salary - \$87,000

Draft 2021-2022 Budget Update

	<u>April 20, 2021</u>	<u>April 15, 2021</u>	<u>Increase /(Decrease)</u>
Revenue	\$ 523,812,715	\$ 523,642,215	\$ 170,500
Salaries & Benefits	488,491,156	488,075,411	(415,745)
Services & Supplies	42,122,790	41,572,790	(550,000)
Net Revenue (Expense)	(6,801,231)	(6,005,986)	(795,245)
Net transfers (to) from Other Funds	(5,172,069)	(5,172,069)	-
Required Prior Year Surplus Appropriation	\$ (11,973,300)	\$ (11,178,055)	\$ (795,245)

Revenue Update

ISP Enrolment

\$ 170,500

- International Student Enrolment increase from 1,140 to 1,151 (\$0.17 m)

Expense Update

ISP Staffing	\$ (53,842)
21/22 Collective Agreement Negotiation	(100,000)
One-Time COVID Contingency	(500,000)
Estimated 21/22 Exempt Wage Lift	(500,000)
Correct Adult Ed budget	188,097
	<u>\$ (965,745)</u>

- Staffing impact due to ISP enrolment change (-\$0.05 m)
- Cost for collective agreement renewal (-\$0.1 m)
- Contingency for pandemic related expenses in 21/22 (-\$0.5 m)
- PSEC announced new grid for exempt staff but no guidance (-\$0.5 m)
- Adjust Adult Ed budget as teacher staffing is enrolment driven (\$0.19 m)

Schedule 2 – Operating Fund Revenue and Expenses

	2022 Preliminary Draft Budget	2021 Amended Annual Budget	Increase (Decrease)
Revenues			
Provincial Grants			
Ministry of Education	489,719,334	482,286,608	7,432,726
Other	62,249	62,249	-
Federal Grants	2,457,164	2,414,888	42,276
Tuition	20,004,507	21,792,177	(1,787,670)
Other Revenue	5,729,513	4,610,408	1,119,105
Rentals and Leases	4,449,812	2,904,384	1,545,428
Investment Income	1,390,136	1,962,779	(572,643)
Total Revenue	523,812,715	516,033,493	7,779,222
Expenses			
Instruction	439,689,599	431,894,403	7,795,196
District Administration	23,337,217	23,213,124	124,093
Operations and Maintenance	63,997,092	64,224,141	(227,049)
Transportation and Housing	3,590,038	2,758,293	831,745
Total Expense	530,613,946	522,089,961	8,523,985
Net Revenue (Expense)	(6,801,231)	(6,056,468)	(744,763)
Required Prior Year Surplus Appropriation	11,973,300	12,861,091	(887,791)
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(2,007,924)	(3,674,295)	1,666,371
Capital Leases	(3,164,145)	(3,130,328)	(33,817)
Total Net Transfers	(5,172,069)	(6,804,623)	1,632,554
Budgeted Surplus (Deficit), for the year	0	0	0

Schedule 2A – Operating Fund Revenue

	2022 Preliminary Draft Budget	2021 Amended Annual Budget	Increase (Decrease)
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	480,984,420	458,901,610	22,082,810
Other Ministry of Education Grants	8,734,914	23,384,998	(14,650,084)
Total Provincial Grants - Ministry of Education	489,719,334	482,286,608	7,432,726
Provincial Grants - Other	62,249	62,249	-
Federal Grants	2,457,164	2,414,888	42,276
Tuition			
Summer School Fees	639,375	616,640	22,735
Continuing Education	1,005,632	578,513	427,119
International and Out of Province Students	18,359,500	20,597,024	(2,237,524)
Total Tuition	20,004,507	21,792,177	(1,787,670)
Other Revenues			
Other School District/Education Authorities	1,150,000	1,150,000	-
Instructional Cafeteria	1,080,000		1,080,000
Miscellaneous Fees and Revenue	3,499,513	3,345,908	153,605
Other Grants	-	114,500	(114,500)
Total Other Revenue	5,729,513	4,610,408	1,119,105
Rentals and Leases	4,449,812	2,904,384	1,545,428
Investment Income	1,390,136	1,962,779	(572,643)
Total Operating Revenue	523,812,715	516,033,493	7,779,222

Schedule 2B – Operating Fund Expenses

	2022 Preliminary Draft Budget	2021 Amended Annual Budget	Increase (Decrease)
Salaries			
Teacher Salaries	238,838,165	235,492,004	3,346,161
Principal and Vice Principal Salaries	26,665,160	26,371,368	293,792
Educational Assistant Salaries	43,830,514	41,679,879	2,150,635
Support Salaries	56,864,318	55,103,468	1,760,850
Other Professional Salaries	11,406,460	11,690,338	(283,878)
Substitute Salaries	10,905,234	11,508,029	(602,795)
Total Salaries	388,509,851	381,845,086	6,664,765
Employee Benefits	99,981,305	99,309,223	672,082
Total Salaries and Benefits	488,491,156	481,154,309	7,336,847
Services and Supplies			
Services	13,685,091	14,236,197	(551,106)
Student Transportation	3,574,546	2,677,627	896,919
Professional Development and Travel	1,567,958	1,057,750	510,208
Rentals and Leases	645,270	852,232	(206,962)
Dues and Fees	994,802	1,011,635	(16,833)
Insurance	1,021,552	1,073,038	(51,486)
Supplies	12,349,931	11,880,800	469,131
Utilities	8,283,640	8,146,373	137,267
Total Services and Supplies	42,122,790	40,935,652	1,187,138
Total Operating Expense	530,613,946	522,089,961	8,523,985

Use of Surplus

Use of Surplus

- District will be using unrestricted accumulated surplus to balance the 2021- 2022 budget
- Projected deficit is \$12.0 million
- Estimated surplus available is \$13.6 million

Projected Surplus Available for Use

Accumulated Surplus June 30, 2020:

Operations Spanning Future School Years	\$ 14,499,276
Anticipated Unusual Expenses	2,876,397
Nature of Constraints on Funds	3,863,185
Contingency Reserve	5,049,436
Unrestricted Operating Surplus	<u>3,841,394</u>
	30,129,688

Less:

Appropriated Surplus June 2021 Annual Budget	(8,949,210)
Additional Spending June 2021 Amended Budget	(5,598,157)
Technology Purchases 2021-22	(1,104,610)
Print Shop Equipment Lease 2021-22	(58,444)
North Hamber Enrolment Pressure 2021-22	<u>(349,000)</u>
	<u>(16,059,421)</u>

Available Surplus	14,070,267
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Projected Surplus 2020-21

Projected Surplus at March 31, 2021	1,936,276
February Enrolment Recount	<u>1,597,483</u>
	17,604,026

Restricted Portion of Surplus	<u>(5,179,435)</u>
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Unrestricted Operating Surplus	12,424,591
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Surplus Restricted for 2021-22 Year	<u>1,157,444</u>
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Projected Surplus Available June 30, 2021	<u>\$ 13,582,035</u>
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Risk Factors

- Further enrolment decline in the International Student Program would result in a reduction in funding offset partially by a reduction in staffing and departmental costs.
- The average teacher salary cost may be higher than what is projected.
- Students opt for distance learning rather than in-class instruction will decrease the District's revenue due to how distance courses are funded.
- Surplus appropriation is increasing each year to balance the budget
 - Not sustainable, required need to develop multi-year financial plan
 - Budget has a structural deficit and adding costs should be avoided
- Pandemic costs may be higher than budgeted (\$0.5 million)

Still to be done

- Reconcile student FTE numbers to determine staffing levels
- Review overage in non-enrolling
- ~~• Review Admin allocations~~
- Review costing in central departments
- ~~• Look at premium holiday for benefits~~
- ~~• Consider overtime control~~
- Analyze services and supplies budgets
- ~~• Analyze cost structure in the International Student Program~~
- ~~• Analyze operating fund amounts supporting special purpose funds~~
 - ~~• Community LINK~~
 - ~~• Strong Start~~
- ~~• Finalize answering Trustee questions~~

Next Steps

Next Steps

- May 12, 2021 - Finance Committee – Budget 2021-22 discussion
- May 25, 2021 – Three readings and adoption of 2021-22 Annual Budget Bylaw

QUESTIONS?

ITEM 3.1

Budget 2021-2022 Update

Information Item Request

Date and Time of Next Meeting

Wednesday, May 12, 2021 at 5:00 pm

Thank you for your time,

The End

