

# NOTICE OF MEETING

## FINANCE COMMITTEE

Secretary Treasurer's Office  
Wednesday, April 20, 2022  
Room 180  
5:00 pm

Public viewing via live broadcast

Oliver Hanson  
Lois Chan-Pedley  
Fraser Ballantyne  
Estrellita Gonzalez

Helen McGregor, Superintendent of Schools  
J. David Green, Secretary-Treasurer

### Notice of Meeting

A Meeting of the **Finance Committee** will be held in room 180 of the VSB Education Centre (1580 West Broadway, Vancouver BC) **for participating trustees, staff, and stakeholder representatives on Wednesday, April 20, 2022 at 5:00pm**. The meeting will be live broadcast for the public. The Education Centre is currently closed to the public.

Trustees:	Carmen Cho Janet Fraser Barb Parrott (Alternate)	Jennifer Reddy Allan Wong
Student Trustee:	Ricky Huang	
Other Senior Management Staff attending:	Pedro da Silva Jody Langlois David Nelson	Pete Nuij Rob Schindel Shehzad Somji
Reps:	Terry Stanway, VSTA Vanessa Lefebvre, VESTA Mike Vulgaris, VASSA Joel Levine, VEPVPA Gord Lau, DPAC  Tyson Shmyr, PASA Warren Williams, CUPE 15 Brent Boyd, CUPE 407 Neil Munro, Trades Harjit Khangura, IUOE Vicky Qui, VDSC	Alt. Treena Goolieff, VSTA (Alt.) Jody Polukoshko, VESTA (Alt.) David Bach, VASSA (Alt.) Henry Au, VEPVPA (Alt.) Vik Khanna, DPAC (Alt. 1) Skye Richards, DPAC (Alt. 2)  Charleen Ann Derzak, CUPE 407  Tim De Vivo, IUOE (Alt.)
Other Staff:	Helen Yee Will Hsu	

# FINANCE COMMITTEE

## MEETING AGENDA (REVISED)

Wednesday, April 20, 2022  
5:00 pm  
Room 180, VSB Education Centre

We are unlearning and relearning on the traditional and unceded lands of the x<sup>w</sup>məθk<sup>w</sup>əyəm (Musqueam), Skwxwú7mesh (Squamish) and səlilwətał (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.

Committee members consist of four trustees and members may vote on committee recommendations.

### 1. Information Items

- 1.1 2022-2023 Budget Engagement Summary Report
- 1.2 2021-2022 Amended Annual Budget Update

### Presenters

Patricia MacNeil, Director of Communications  
Shehzad Somji, Assistant Secretary Treasurer

### 2. Discussion Items

- 2.1 2022-2023 Draft Annual Budget Update
  - 2.1.1 Adult Education Enrollment and Staffing Update

J. David Green, Secretary Treasurer  
Shannon Burton, Director of Instruction

### 3. Items for Approval

None

### 4. Information Item Requests

*Committee members may request follow-up information on previously discussed items and/or suggest possible topics for future committee meetings agendas. All requests for future agenda items will be considered by the Chair and Vice Chair at their weekly Agenda Setting meeting.*

### Date and Time of Next Meeting

Wednesday May 18, 2022 at 5:00pm

## **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 Review Budget assumptions and budget priorities that provide a framework for the preparation of the annual District budget and to be approved by the Board of Education in conjunction with senior administration.

5.2.4 Make recommendations regarding school fees.

5.2.5 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.

5.2.6 Make recommendations re the appointment of the District Banker and review banking services at least every three years.

5.2.7 Fiscal Matters Referred to the Committee by the Board:

5.2.7.1 Review matters referred and make recommendations as requested.

April 20, 2022

**ITEM 1.1**

TO: Finance Committee

FROM: Patricia MacNeil, Director, Communications  
Shehzad Somji, Assistant Secretary-Treasurer

**RE: 2022-2023 Budget Engagement: Summary Report**

*Reference to Education Plan:*

*Goal 1: The Vancouver School Board will improve student achievement, physical and mental well-being, and belonging by ...*

- *Ensuring the alignment among school, District, and provincial education plans.*

*Goal 2: The Vancouver School Board will increase equity by ...*

- *Improving stewardship of the District's resources by focusing on effectiveness, efficiency, and sustainability.*

**INTRODUCTION:**

This report provides information about the 2022-2023 budget engagement summary report, which is attached.

**BACKGROUND:**

The District's [Administrative Procedure 106: District Public Engagement](#) guides all engagement activities. Best practices acknowledge that the engagement spectrum can and should be fluid to reflect meaningful engagement opportunities. As such, engagement for the 2022-2023 budget development rested within both the inform and consult levels of the International Association of Public Participation (IAP2) spectrum. Early and deliberate meetings with formal stakeholder groups and several committee-of-the-whole meetings (during which delegation presentations by members of the public can share input) are vital in ensuring ongoing and frequent input. Additionally, as is the District's practice, an annual budget online survey sought feedback and input about the budget.

The online survey was promoted via website updates, social media updates, and live-streamed committee and committee-of-the-whole meetings, as well as direct emails to students' families and students.

**Analysis**

**Online Budget Survey**

The engagement summary report details feedback and input received from the District's formal stakeholder groups and participants in the online budget survey. The survey ran between February 14 to

February 25, 2022, and again between March 10 and March 31, 2022, to encourage more participation by the public. Nearly 2,000 participants took part – the most participation in the annual budget survey in the last several years. Three types of information were sought through the survey: participants’ level of support for priorities, participants’ preferences for funding sources and details about participant demographics.

Participation was geographically balanced throughout the city, with approximately 87 per cent of respondents indicating they are family members of students enrolled in the District. Nearly seven per cent of respondents indicated they are students in the District – with a near equal split between elementary and secondary students.

Participant responses indicated the greatest level of support for investments in learning resources (i.e., textbooks, library books and classroom materials). To a lesser degree, participants indicated support for funding for mental health and wellness resources in schools.

Survey participants were informed that if the Board wished to provide additional funds to any or all the above areas (or others), sources of funding would be required to be identified. Amongst those listed, participants indicated they are most supportive of using funds from prior years’ surplus, followed by support for increasing funds raised through grants and donations.

The engagement summary report provides additional information about participants’ support for priorities within the budget, funding source options and demographic details.

### **Stakeholder Input**

Concurrent with the survey, District finance staff met with representatives of stakeholder groups to obtain their input regarding the 2022-2023 budget. Each meeting, except that the Vancouver District Student Council, also included a trustee in attendance. Generally, stakeholder input regarding priority areas has remained consistent throughout the last years. A common theme of additional staff is evident through input of stakeholder.

The engagement summary report provides additional information about input received from stakeholder groups.

### **CONCLUSION:**

A full engagement summary report provides additional details about participant responses including an overview of comments and suggestions from participants via open-ended comment boxes in the first two sections of the survey. A copy of comments provided has been shared with trustees to help inform their budget deliberations.

### **RECOMMENDATION:**

This report is provided for information.

Attachment: 2022-2023 budget engagement summary report

# **BUDGET DEVELOPMENT 2022-2023**

## Engagement Summary Report



## Overview

The budget development process lays the foundation for looking at resource allocation from a District-wide perspective. The Vancouver School District works to provide equity for schools and create a cost consciousness, which will enhance Vancouver students' learning opportunities. The process is transparent and provides accountability. In that way, it contains beliefs, values and guiding principles that address the District's educational focus and includes extensive engagement.

Budget considerations must align with the District's [Education Plan](#) which sets the strategic priorities as well as the educational programming priorities in addition to financial policy direction from the Ministry of Education.

As such, the strategy to develop the budget for 2022-2023 school year reflects the following commitments:

- Maintain a focus on student achievement, recognizing the personalized learning needs of students.
- Reflect responsible stewardship in implementing the objectives of the District's educational, financial and facilities-related plans.
- Respect the District's decision-making culture, encouraging creativity and innovation in meeting the learning needs of specific communities.
- while providing the flexibility to address changing short-term needs.
- Focus on equity for all schools and all students of the District
- Reflect the specific needs of vulnerable students.
- Input from the District's educational leaders, stakeholder groups and the broader community.

## Engagement Spectrum

The District is committed to open, clear and transparent engagement. The [budget development timeline](#) provides several and varied opportunities for input into the annual budget. The following information summarizes input from stakeholders and members of the public gathered from February 17, 2022, to March 31, 2022. Additional opportunities for input and feedback remain in April and May.

The District's [Administrative Procedure 106: District Public Engagement](#) guides all engagement activities. Best practices acknowledge that the engagement spectrum can and should be fluid to reflect meaningful engagement opportunities. As such, engagement for the 2022-2023 budget development rested within both the inform and consult levels of the International Association of Public Participation (IAP2) spectrum. Early and deliberate meetings with formal stakeholder groups and several Committee-of-the-Whole meetings (during which delegation presentations by members of the public can share input) are vital in ensuring ongoing and frequent input.

Additionally, as is the District's practice, an annual budget online survey sought feedback and input about the budget. That survey ran between February 14 and February 25, 2022, and again between March 10 and March 31, 2022, to encourage more participation by the public. Nearly 2,000 participants took part. The District's 2022-2023 annual budget survey saw the highest participation in the last number of years.

The online survey was promoted via website updates, social media updates, news stories, and live-streamed committee and committee-of-the-whole meetings, as well as direct emails to students' families and students.

## Participant Analysis Summary of Feedback and Input

The annual budget development process is aided by several avenues for feedback and input including:

- Meetings with the District’s formal stakeholder groups.
- Delegation presentations.
- Written submissions.
- Budget survey for members of students, their families, staff and the broader Vancouver community.

This engagement summary report details feedback and input received from District’s formal stakeholder groups and participants in the budget survey. Written submissions and delegation presentations continue at the time of this report’s drafting. The engagement summary report will also contribute to the Board’s consideration as it approves the budget.

## Summary of Budget Survey Results

Three types of information were sought through the survey: participants’ level of support for priorities, participants’ preferences for funding sources and details about participant demographics.

The first area of inquiry, participants’ level of support for priorities, sought their input about priority areas for inclusion in the budget, should funding be available. Participants were asked to indicate their level of support for the following:

- Mental health and wellness resources in schools.
- Learning resources, such as textbooks, library books, classroom materials (i.e., blocks, puzzles), technology and lab supplies.
- Replacing aging equipment and furniture, outdoor learning spaces, etc.
- Support for staffing.
- Curriculum and instruction, such as increasing staff support to coordinate innovative professional learning opportunities and instructional practice in literacy, numeracy and critical thinking.
- Increasing/enhancing the current District strategies addressing diversity and anti-racism, such as more ongoing training opportunities and additional resources
- Level of support for investing in green technology and upgrades to help the environment.

Based on survey responses, participants expressed the greatest support for investments in learning resources (i.e., textbooks, library books and classroom materials). To a lesser degree, participants indicated support for funding of mental health and wellness resources in schools. Participants expressed some, but significantly less, support for staffing (in general and school-based curriculum staff). Additionally, participant responses indicate they are less supportive of investing in green technology and upgrades, and of increasing/enhancing current District strategies addressing diversity and anti-racism. Responses to each survey question are available in appendix A.

Via an optional open-ended comment box, participants were also asked to share other priorities for consideration in the 2022-2023 budget. Many respondents shared comments that corresponded with the broad topics presented in the survey questions. More than 130 comments were submitted via open-ended response. Generally, comments specified a desire for funding of specific programs, supports and resources aligned with the funding priorities questions presented in the survey. The majority of comments indicated a

desire for funding of educational programming — such as supporting students with diverse learning needs, enriched learning, Indigenous education, second language instruction, fine arts and music programs, as well as technology supports, vocational programs, library resources and climate education. There was also considerable inclusion of social-emotional supports including building community connections, student personal safety and wellbeing, school clubs and extracurricular activities, as well as enhancing equity, diversity and inclusion. To a lesser degree, respondents advised funding for more staff, more and better staff training, and better pay for some staffing groups such as support staff. Finally, a small portion of participant comments noted improvements to school facilities — such as improved ventilation, outdoor learning spaces, and general maintenance/up-keep as an area of priority. A copy of all comments submitted has been provided to trustees for their review.

The second section of the online budget survey sought feedback about participants' preferences for sources of funding. As the District faces a structural deficit, survey participants were informed that if the Board wished to provide additional funds to any or all the above areas (or others), sources of funding would be identified. With this as context, participants were asked to indicate their level of support for each of the following areas:

- Using funding from prior years' surplus.
- Re-allocating funds from one area to increase another.
- Increasing lease and rental rates.
- Increasing funds raised through grants and donations.
- Increasing international student fees.

It is important to note that support for the range of options presented in this second part of the survey is more diffused along the spectrum (strong support, somewhat support, neutral, least supportive and do not support). Based on responses, participants indicated the greatest level of support for using funds from prior years' surplus, followed by increasing funds raised through grants and donations. To a lesser degree, participants indicated support for increasing international student fees, however, responses indicated a high level of neutral support for this option. Additionally, support for reallocating funds from one area to another was noted as a supportive option by participants, but many indicated this option as least supportive. Finally, fewer participants' responses indicated support for increasing lease and rental rates. Regarding this option, respondents' support was the most diffused across the spectrum with this option registering the highest number of least supportive and no support at all indications.

Survey participants were also asked to share other ideas for funding sources via an open-ended comment box. Their suggestions also align with the above general categories of funding options with some specific suggestions. Generally, input via the comments suggest greater advocacy efforts to increase funding allocations from the provincial government and improved stewardship of existing funds. A copy of all comments has been provided to trustees for their review.

## Participant Analysis

Throughout this engagement, we aimed for input from students, families, staff and community members across Vancouver. The following provides a breakdown of participants in the annual budget survey. There were nearly 2,000 participant responses provided, which marks the greatest participation in the annual survey in the last four years.

Participants were asked to indicate their postal code and from this data participation was geographically balanced across the city.

The vast majority of participants indicated they were a family member of student enrolled in the District – approximately 87 per cent of respondents. Of those, most were family members of students at the elementary level, with the highest indication that they were the family members of students enrolled in a District choice program followed secondly by family members of students enrolled in special education programs.

A small percentage of participants indicated they are students enrolled in the District – nearly seven per cent. Student participants were nearly evenly divided between the elementary and secondary level. Mirroring the family participation, most student participants indicated they are enrolled in a District choice program.

As in previous years, participation by staff and members of the broader public remain significantly lower than family member respondents.

See Appendix A for details about participant demographics.

## Summary of Stakeholder Input

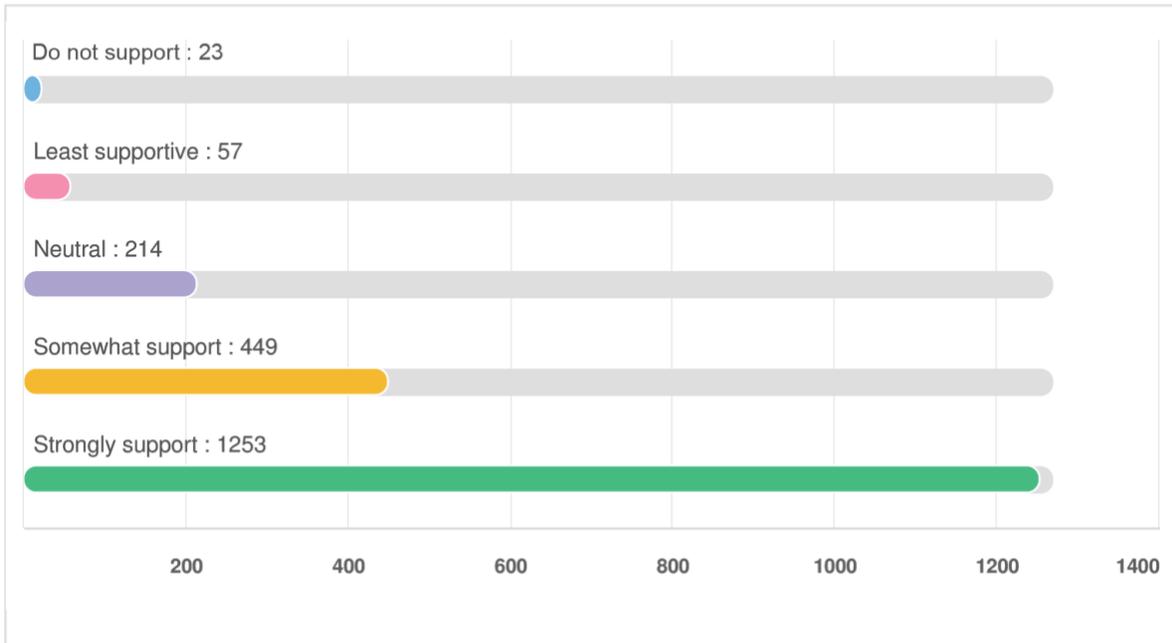
Each year, staff with the District's finance department meet with representatives of the District's formal stakeholder groups to obtain input into the annual budget development. These meetings took place between February 17 and March 7, 2022. These sessions were also attended by a trustee (apart from the meeting with the Vancouver District's Student Council).

Generally, over the last several years, input by stakeholders about their priority areas for consideration in the annual budget have remained consistent. Furthermore, there is divergence between some areas of priorities expressed between stakeholder groups and public survey participants, most notably in the area of staffing. However, some general themes highlight common areas of support. These include supports for students of diverse learning needs and support for mental health and wellness resources/programming, as well as support for Indigenous education, diversity, equity and inclusion. Support for advocacy efforts to increase funding also emerges as a theme shared by some stakeholder representatives and survey participants.

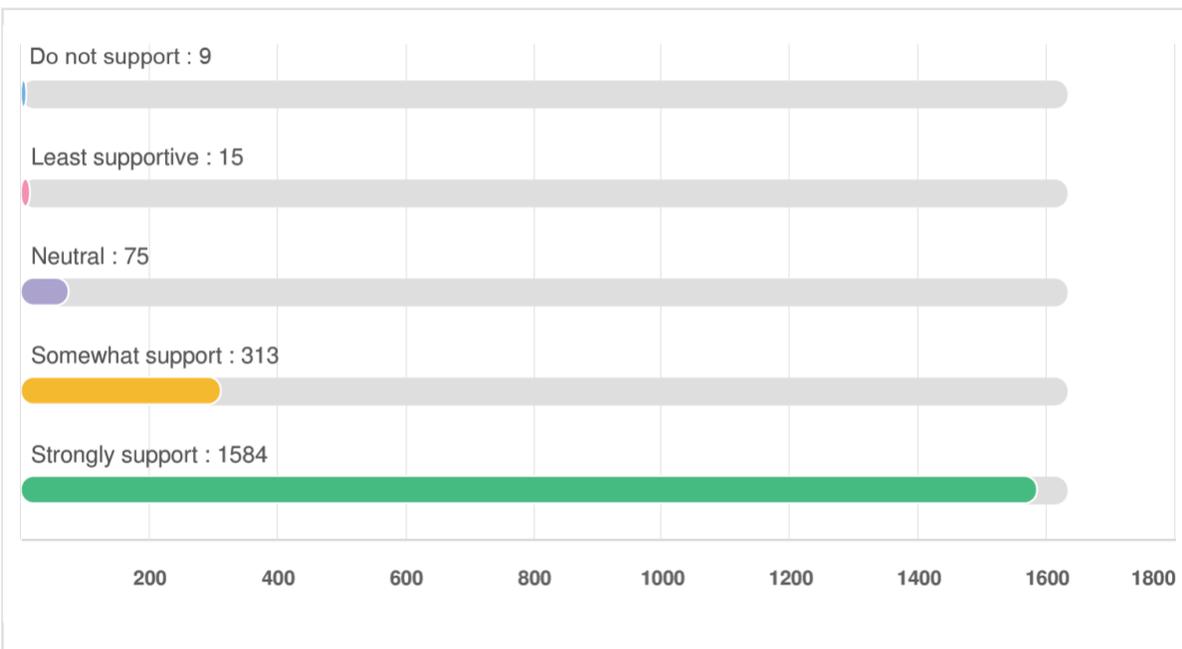
Appendix B details of stakeholder meeting dates and trustee attendance, as well an overview of input provided by each stakeholder group.

## Appendix A – Survey Responses

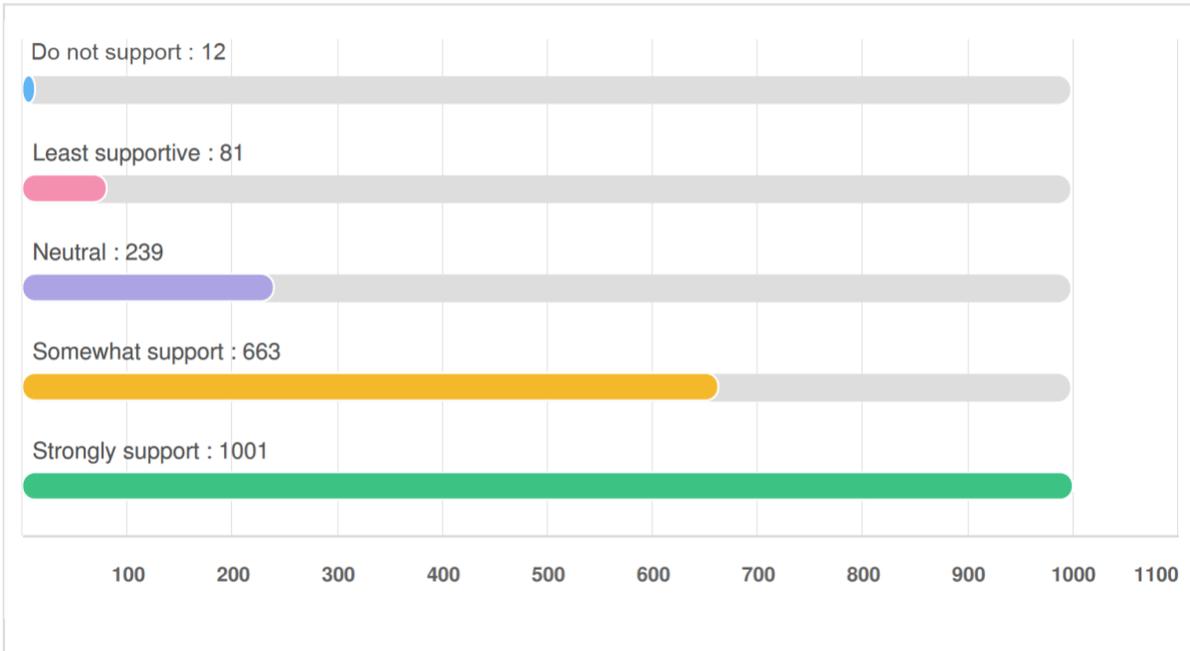
**Q1** Indicate your level of support for mental health and wellness resources in schools.



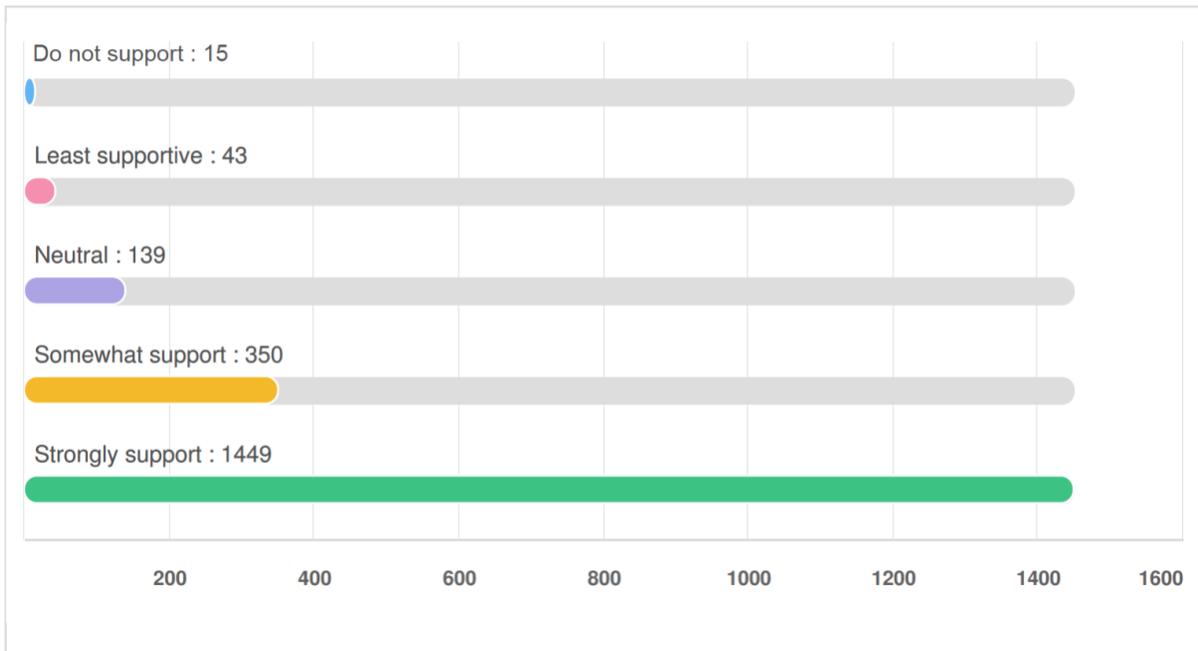
**Q2** Indicate your level of support for learning resources, such as textbooks, library books, classroom materials (i.e., blocks,...



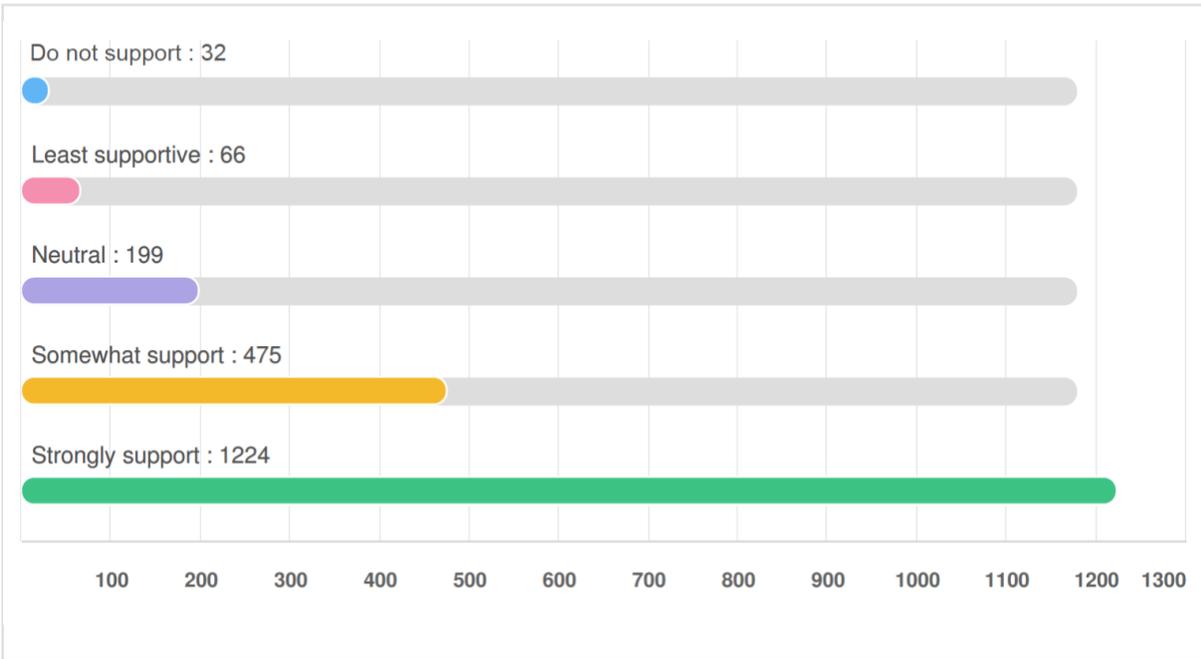
**Q3** | Indicate your level of support for replacing aging equipment and furniture, outdoor learning spaces, etc.



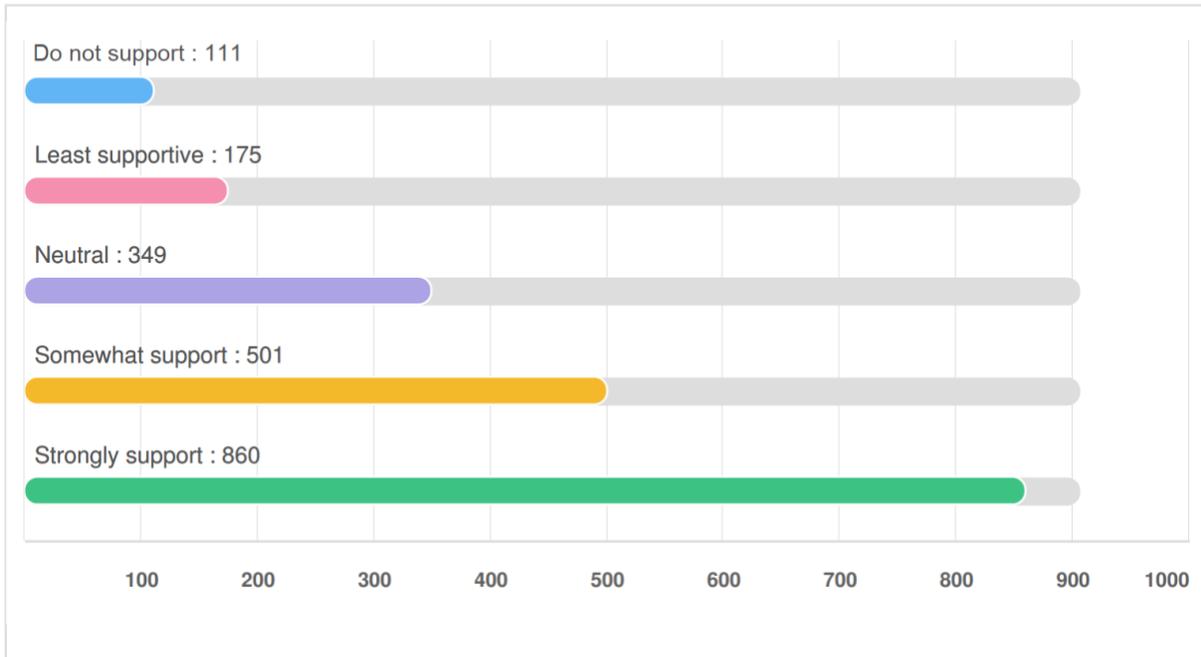
**Q4** | Indicate your level of support for staffing.



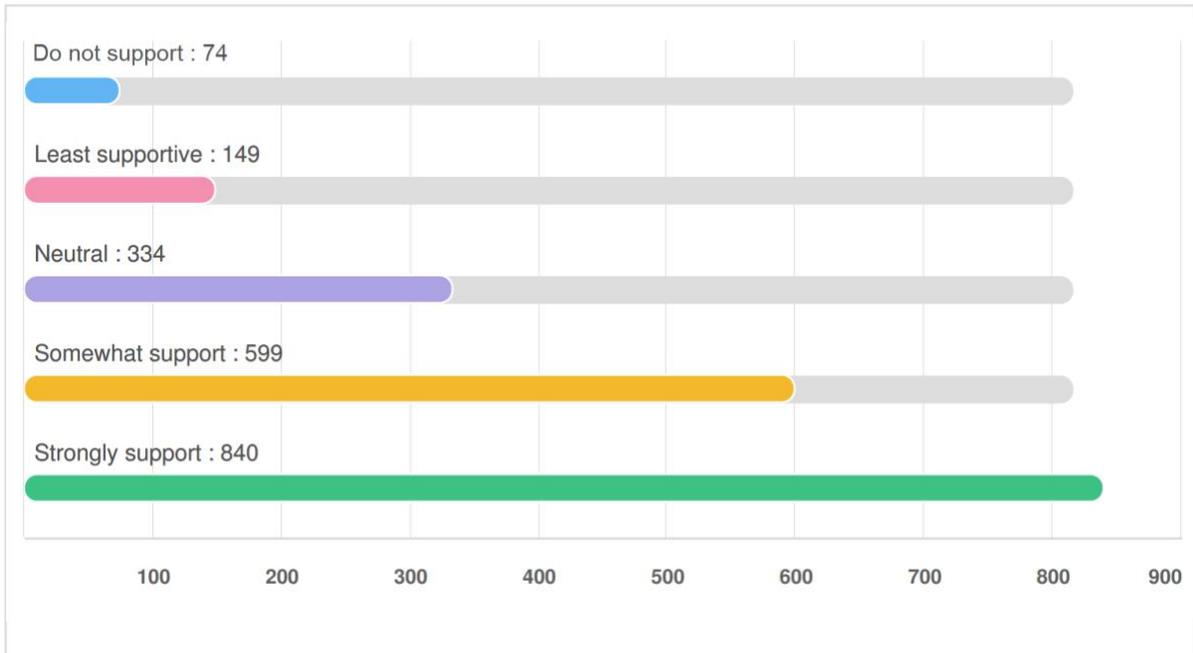
**Q5** Indicate your level of support for curriculum and instruction, such as increasing staff support to coordinate innovative pr...



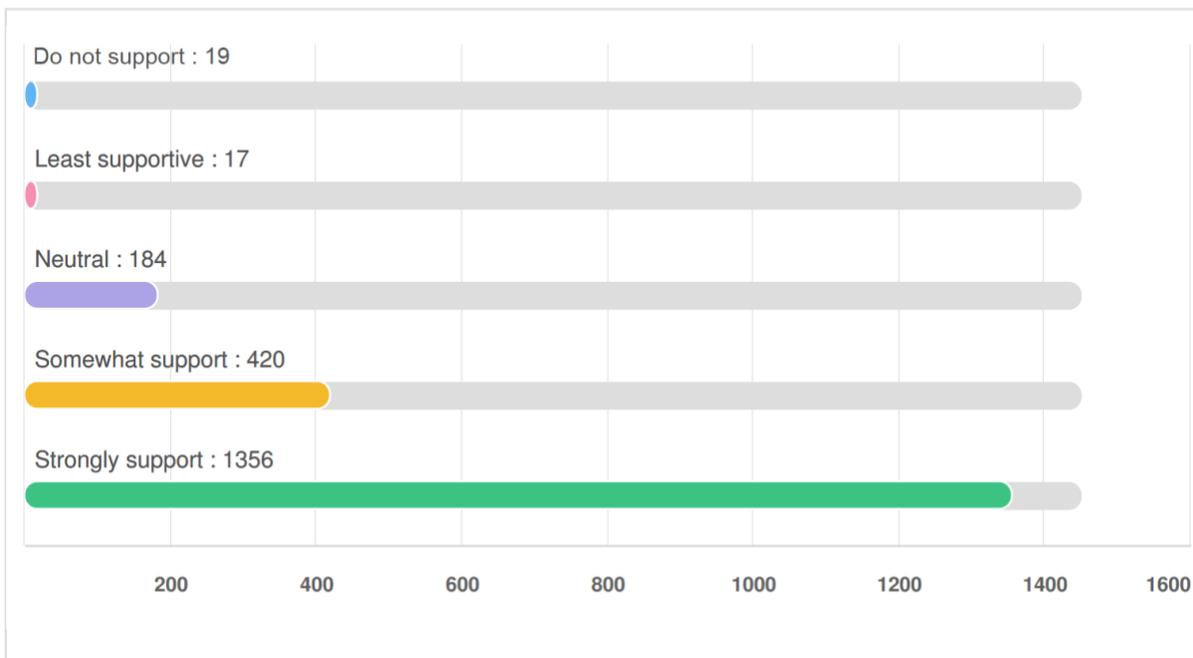
**Q6** Indicate your level of support for increasing/enhancing the current District strategies addressing diversity and anti-racis...



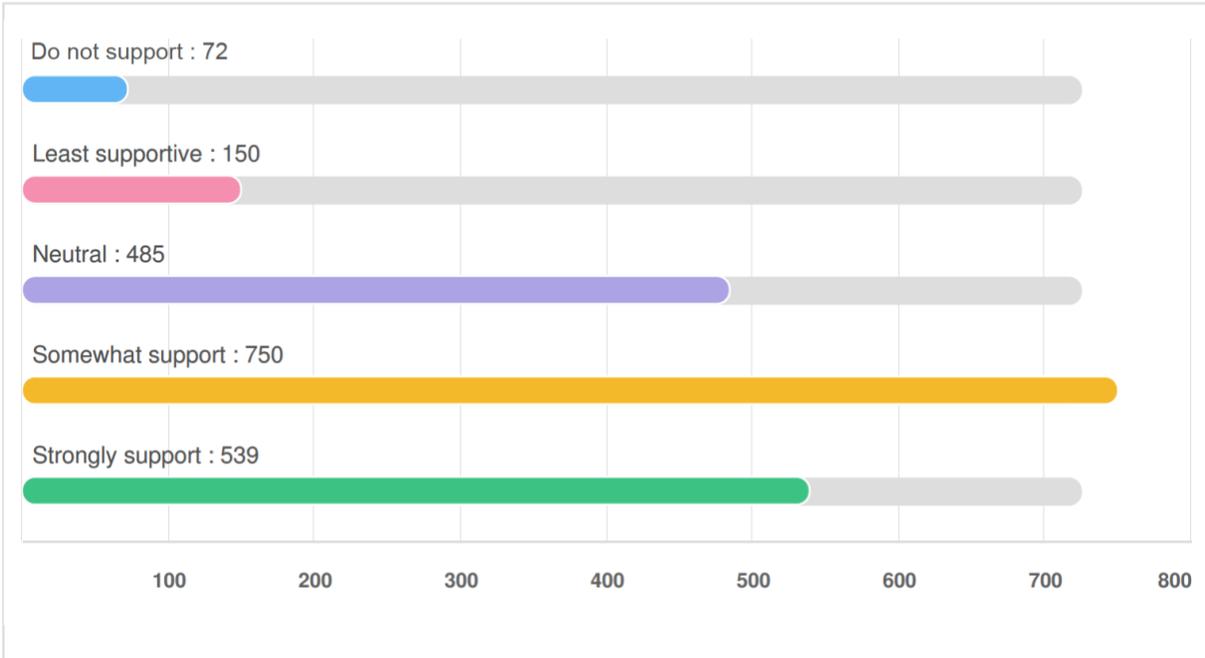
**Q7** Indicate your level of support for investing in green technology and upgrades to help the environment.



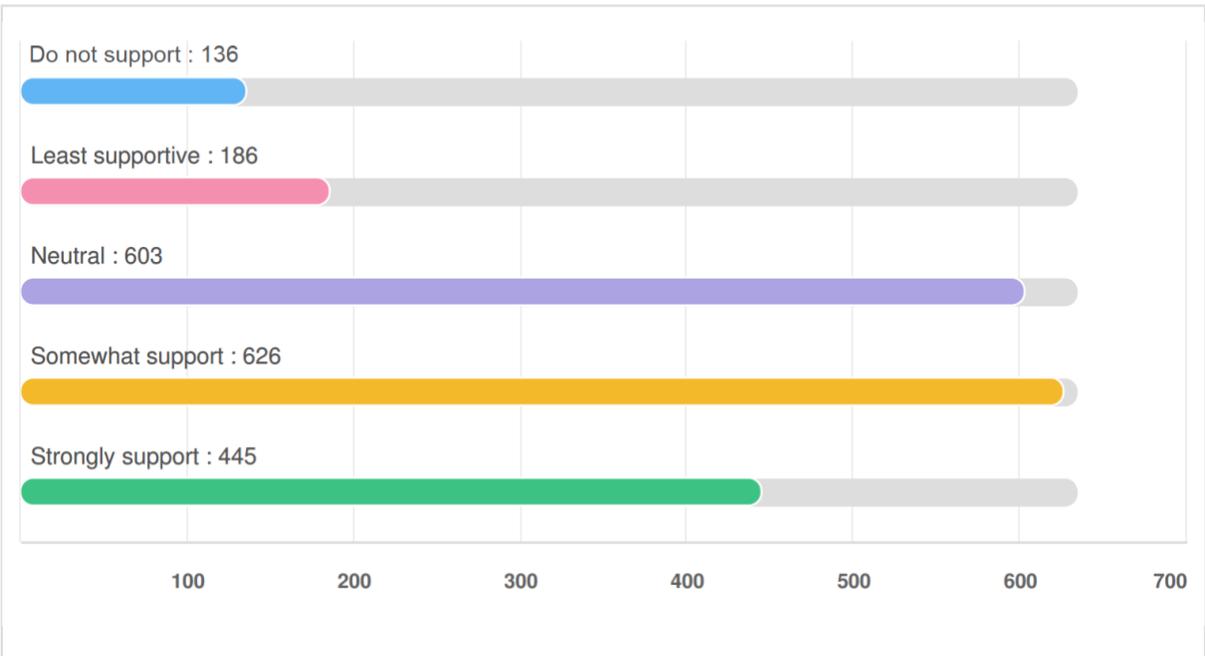
**Q9** Indicate your level of support for using funding from prior years' surplus.



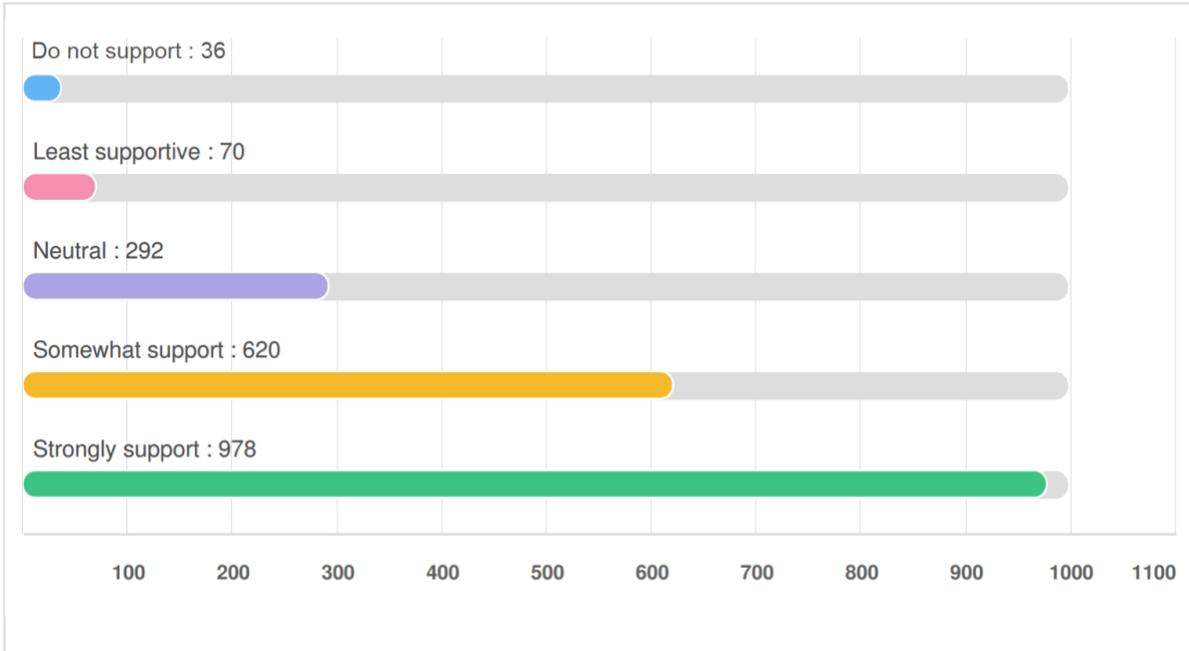
**Q10** | Indicate your level of support for re-allocating funds from one area to increase another.



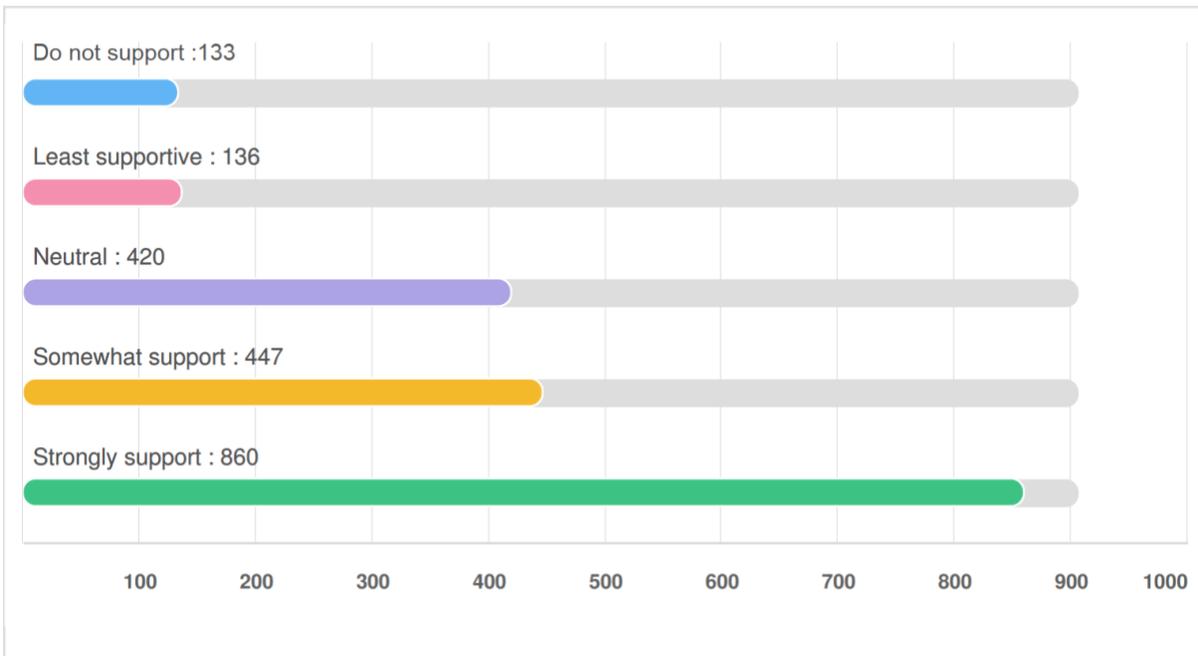
**Q11** | Indicate your level of support for increasing lease and rental rates.



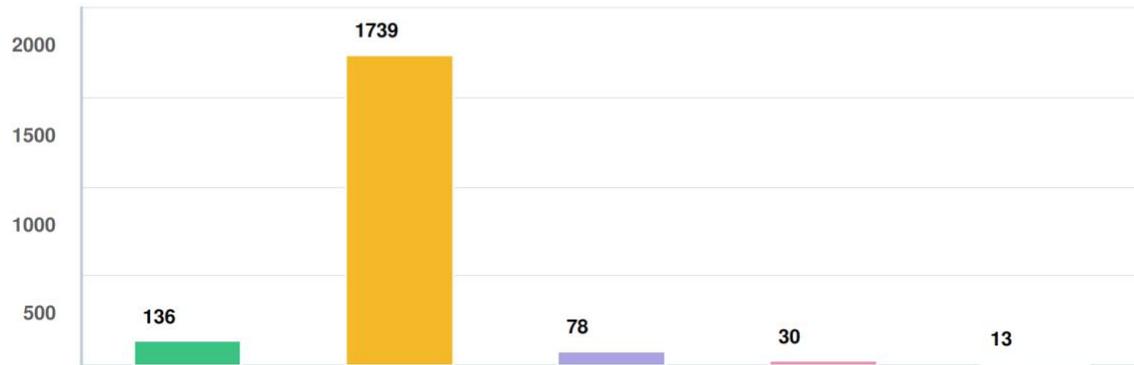
**Q12** Indicate your level of support for increasing funds raised through grants and donations.



**Q13** Indicate your level of support for increasing international student fees.



**Q15** Which of the following statements best describes you?

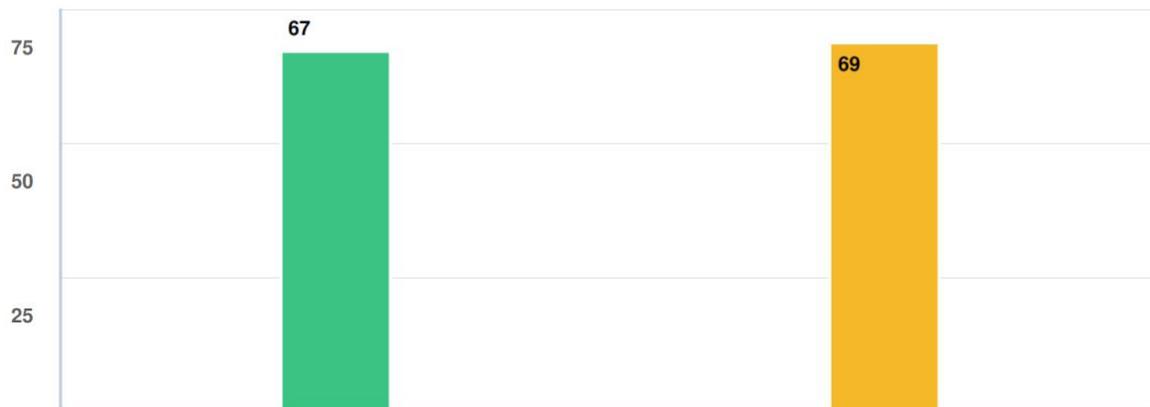


**Question options**

- Not applicable
- Member of the broader Vancouver community
- Staff member in the Vancouver School District
- Family member of a student in Vancouver School District
- Student in the Vancouver School District

Mandatory Question (1995 response(s))  
Question type: Checkbox Question

**Q16** I'm a student enrolled in:

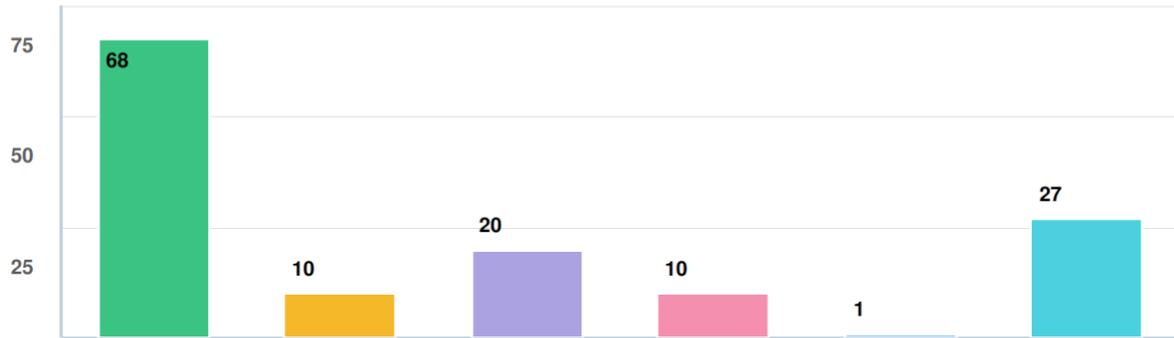


**Question options**

- Secondary school in the Vancouver School District
- Elementary school in the Vancouver School District

Mandatory Question (136 response(s))  
Question type: Checkbox Question

**Q17** I'm a student enrolled in the following type of education program:

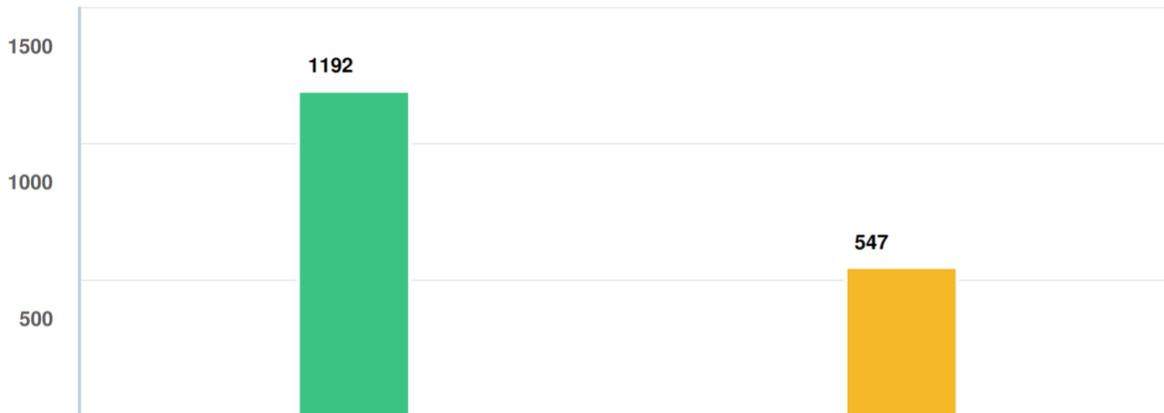


**Question options**

- Other (please specify)
- Student enrolled in student enrolled in Adult Education
- Student enrolled in the Vancouver Learning Network
- Student who receives ELL support
- Student who receives special education support
- Student enrolled in a choice program

Mandatory Question (136 response(s))  
Question type: Checkbox Question

**Q18** I'm a family member of a student enrolled in:

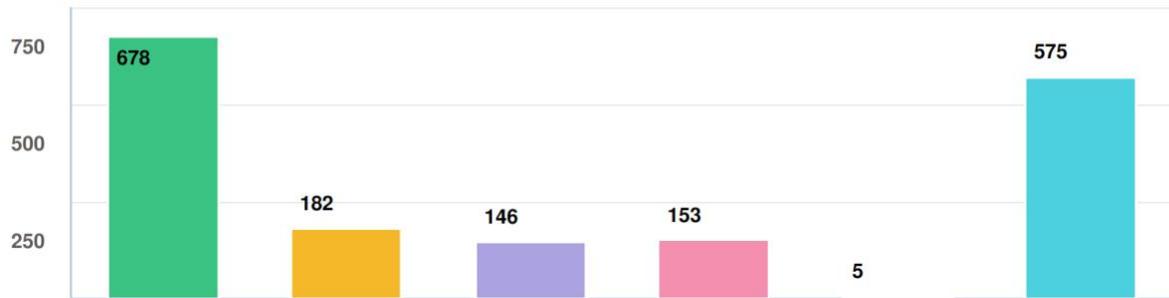


**Question options**

- Secondary school in the Vancouver School District
- Elementary school in the Vancouver School District

Mandatory Question (1738 response(s))  
Question type: Checkbox Question

**Q19** I'm a family member of a student enrolled in the following type of education program:



**Question options**

- Other (please specify)
- Family member of a student enrolled in student enrolled in Adult Education
- Family member of a student enrolled in the Vancouver Learning Network
- Family member of a student who receives ELL support
- Family member of a student who receives special education support
- Family member of a student enrolled in a choice program

*Mandatory Question (1738 response(s))  
Question type: Checkbox Question*

## Appendix B – Stakeholder Input

In January, District finance staff began meeting with stakeholder groups to obtain input regarding the development of the 2022-2023 budget. Trustees were invited to join the meetings. Meeting dates and key takeaways for budget consideration are detailed below.

Stakeholder Group	Input
CUPE 15 February 17, 2022 Trustee in attendance: Barb Parrott	Set up one time fund from vacancy savings  Line item for technology for C15 members  Replace SSA's taking leave less than 4 hrs.  Lower threshold for extra clerical to 250 students  2 FTE as a resource to SSAs taking on practicum students
IUOE February 17, 2022 Trustee in attendance: Janet Fraser	Continue funding the cafeteria equipment replacement program  Reintroduce internal catering by cafeteria staff  Increase Supervision Aide hours from 2.5 to 4  Benefits of extra staffing during the pandemic was a benefit to schools. Continue with providing the extra staffing, especially at elementary.
PASA February 24, 2022 Trustee in attendance: Barb Parrott	no specific budget asks
VEPVA February 25, 2022 Trustee in attendance: Janet Fraser	Review Admin envelope across District for possible additional Admin time in schools <ul style="list-style-type: none"> <li>○ Alternatively, increase supplemental staffing (resource teachers, area counsellors, IEW's, SSW's, YFW's etc.) to support students</li> </ul> \$150,000 used for retired/active PVP to support VEPVA/VASSA members in schools <ul style="list-style-type: none"> <li>○ 60% for staffing</li> <li>○ 40% for services (speakers, coaches, trainers etc.)</li> </ul>
VSSA February 25, 2022 Trustee in attendance: Janet Fraser	Review Admin envelope across District for possible additional administrator time in schools  Increase S&CS Liaison workers  Increase staffing allocations for counselling and school-based resources

<p>VSTA March 2, 2022 Trustee in attendance: Lois Chan-Pedley</p>	<p>Provide staffing for 8 blocks of library</p> <p>1.0 FTE Teacher Librarian for Vancouver Alternative Secondary School</p> <p>One-to-two blocks of dedicated academic counselling for Indigenous students</p>
<p>DPAC March 3, 2022 Trustee in attendance: Barb Parrott</p>	<p>Keep budget reductions away from students and classrooms</p> <p>Operating Fund priorities</p> <ul style="list-style-type: none"> <li>• Use funding to reduce areas of complaints</li> <li>• Find ways to attract students to the District</li> <li>• Conduct an operational audit to change the District's spending with a view to long-term</li> </ul> <p>Advocacy by Trustees and associations to increase funding for K-12</p>
<p>VESTA March 3, 2022 Trustee in attendance: Estrellita Gonzalez</p>	<p>Increases to non-enrolling staffing based on student and school needs</p> <p>Maintain all current Adult Ed programs and sites and a commitment to growing/expanding additional programs</p> <p>Provision of TTOC coverage for all non-enrolling teachers from first day of absence</p> <p>Provision of TTOC coverage for all absences</p> <p>Reinstate and/or increase the Library budgets in schools as was the intent in the original purchases plan for the Destiny operating system.</p> <p>Increase in FTE and top up for school organization funding to allow for increased flexibility in upper intermediate class organizations</p> <p>That the Indigenous Education Program be increased and that all monies allocated to the department be used for direct supports for Indigenous students across the District</p> <p>That the VSB continue to allocate funds and time for ongoing anti-racism, anti-oppression, decolonization, and reconciliation in-service for all employees, consistent with obligations under Sec 7 and 8 of the BC Human</p>

	<p>Rights Code (in particular, the 2016 and 2021 changes to the Code). the Calls to Action of the Truth &amp; Reconciliation Commission of Canada, the Calls to Justice of the National Inquiry Into Murdered &amp; Missing Indigenous Girls &amp; Women, and the UN Declaration of the Rights of Indigenous Peoples</p> <p>Staffing to address the high caseloads at VLN</p> <p>That VSB update their hot lunch program to include culturally aware/sensitive menu items like halal meat</p>
<p>CUPE407 March 3, 2022 Trustee in attendance: Barb Parrott</p>	<p>no specific budget asks</p>
<p>Trades March 4, 2022 Trustee in attendance: Barb Parrott</p>	<p>No specific budget asks, however seeking an agreement on mileage matter</p>
<p>VDSC March 7, 2022 No trustee in attendance</p>	<p>Funding for improvements to student washroom facilities</p> <p>Funding for equipment, supplies and textbooks</p> <p>Funding for additional support staff to help students with mental health challenges</p>

April 20, 2022

**ITEM 1.2**

TO: Finance Committee

FROM: Shehzad Somji, Assistant Secretary-Treasurer

**RE: 2021-2022 Amended Annual Budget Update**

*Reference to Education Plan:*

*Goal 2: The Vancouver School Board will increase equity by ...*

- *Improving stewardship of the District's resources by focusing on effectiveness, efficiency, and sustainability.*

#### INTRODUCTION:

The Vancouver Board of Education approved the 2021-2022 Amended Annual Budget on February 28, 2022, which was developed with information known at that time. This report provides an update based on economic changes since the budget was presented to the Finance Committee on February 16, 2022, and other known factors.

#### BACKGROUND:

There are four significant changes that can be quantified that will impact the 2021-2022 Amended Annual Budget that staff are aware of at the time of drafting this report:

1. Enrolment changes with the February count.
2. The increase in interest rates forecasted by the Bank of Canada.
3. The successful project completion of migrating PeopleSoft to Oracle.
4. The announcement of the 2021-2022 Digital Services Recovery Fee

The net impact of these four items will also have a positive effect on the year end results for the District as discussed below.

There will be other costs such as the cost related to recent changes in the Employment Standards Act that provides for five days of paid sick leave for casual employees and TLOC's and potential savings that will also impact this year's financial results that have yet to be quantified.

#### DISCUSSION

##### Enrolment Change

The District provides an enrolment count to the Ministry in February each year for Adult Education, Distance Learning, Special Needs, Newcomer Refugees and Youth Training in Trades students. Based on

this enrolment submission, there is a slight change to funding the District will receive as shown in the following table:

	FTE	Funding
Adult Education	(31.250)	\$ (222,139)
Distance Education	(36.938)	(291,038)
Special Needs	64.000	512,480
Newcomer Refugees	(24.500)	(109,292)
Youth Training in Trades	1.250	9,856
		<u>\$ (100,132)</u>

### Interest Rates

At the March 2, 2022 Bank of Canada policy interest rate meeting, the Bank announced an increase of 0.25% to the overnight bank rate which led to financial institutions increasing the Prime Lending Rate. The revised interest rate forecast has the Bank of Canada increasing rates 0.25% at the April 13<sup>th</sup> meeting and 0.25% at the June 1<sup>st</sup> meeting. The District's bank accounts receive an interest rate based on a discount from the Prime Lending Rate and with this new forecast, there is an increase in interest income revenue expected. Staff have also revised the estimated bank balances from those used in the Amended Annual Budget to calculate the expected increase of \$206,216. The amounts under Balance in the table below is the change in the bank balance from the Amended Annual Budget forecast.

	Balance	Rate	Interest Income
2022 Jan	1,867,872	0.00%	\$ 11,227
2022 Feb	(2,175,552)	0.00%	922
2022 Mar	(6,976,001)	0.25%	24,566
2022 Apr	(6,407,716)	0.50%	46,995
2022 May	(7,007,867)	0.50%	49,717
2022 Jun	(7,565,089)	0.75%	72,789
			<u>\$ 206,216</u>

### PeopleSoft Project

At the start of this fiscal year the District procured the services of Oracle Canada to support the PeopleSoft application systems. This was a seven-month project that was successfully completed March 16, 2022 and is forecasted to come in under budget. The District booked a liability of \$3.9 million in the 2018-2019 fiscal year when it was determined that the previous service provider was not providing the level of service required. The initial forecast for the project was to be in a surplus position of approximately \$0.23 million, however the revised forecast is projecting a surplus of \$1.1 million at June 30, 2022 as shown in the following table:

	Budget Estimates	Spending to March 31, 2022	Estimated Spend to June 30, 2022
Accrued Liability	\$ 3,983,206	\$3,983,206	\$ 3,983,206
Transition Costs	2,042,436	1,489,898	2,042,436
District Costs	1,711,065	201,322	815,891
Total Costs	<u>3,753,501</u>	<u>1,691,220</u>	<u>2,858,327</u>
Project Surplus (Deficit)	<u>\$ 229,705</u>	<u>\$2,291,986</u>	<u>\$ 1,124,879</u>

### Digital Services Recovery Fee

School Districts pay for the Digital Services Recovery (DSR) Fee at the rate of \$40 per student FTE. The DSR was established in 20/21 as an opportunity to streamline the governance structure and reduce the costs associated with administration and reporting for the digital services provided to schools and districts by the Ministry. It has also enabled enhancements and reinvestment in services to the K-12 system. The Digital Services Board (DSB) was established in spring of 21/22 to oversee current and future digital investments for digital services included in the Digital Services Fee. The 20/21 school year combined Next Generation Network (NGN) which provides internet access services to schools and MyEducation BC which is the information system used by the Ministry, including the Parent/Student portal to access educational information.

On March 28<sup>th</sup>, the Ministry's Services and Technology Division released the amount for the 2021-2022 Digital Services Recovery Fee which is \$169,529 higher than budgeted. The Amended Annual Budget amount was based on the District's 2020-2021 experience.

2021-2022 Digital Service Recovery	\$ 1,796,265
Amended Annual Budget	<u>1,626,736</u>
	<u>\$ (169,529)</u>

### Summary

The net impact to the Amended Annual Budget for the above items is a surplus of \$1.1 million:

Enrolment Change	\$ (100,132)
Interest Rates	206,216
PeopleSoft Project	1,124,879
Digital Service Recovery Fee	<u>(169,529)</u>
	<u>\$ 1,061,434</u>

### **RECOMMENDATION(S):**

This report is provided for information.

April 20, 2022

**ITEM 2.1**

TO: Finance Committee

FROM: J. David Green, Secretary-Treasurer

**RE: 2022-2023 Draft Annual Budget Update**

*Reference to Education Plan:*

*Goal 2: The Vancouver School Board will increase equity by ...*

- *Improving stewardship of the District's resources by focusing on effectiveness, efficiency, and sustainability.*

**INTRODUCTION:**

This report is an update on matters related to the 2022-2023 draft annual budget discussed at the two Committee of the Whole (COW) meetings of the Board held this month and is provided for information. The update topics include:

- Update on factors that impact the projected deficit presented at the April 12, 2022 meeting
- Questions asked by Trustee Reddy
- Question from Trustee Cho about the Structural Deficit
- Clarification of Matters Discussed at April 12, 2020 COW Meeting
- High Level 3-Year Projections
- Conclusion

**FACTORS IMPACTING PROJECTED DEFICIT:**

The draft status quo budget presented at the April 12, 2022 Committee of the Whole meeting of the Board had a budgeted operating fund deficit of \$13,865,867 after removal of proposed additions \$868,153 as illustrated below:

	<b>Presented on April 4th CotW</b>	<b>Addition Reduction</b>	<b>Status Quo</b>
<b>Net Revenue (Expense)</b>	<b>(14,734,020)</b>	<b>(868,153)</b>	<b>(13,865,867)</b>
<b>Required Prior Year Surplus Appropriation</b>	<b>14,734,020</b>	<b>868,153</b>	<b>13,865,867</b>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(1,790,218)		(1,790,218)
Capital Leases	(2,833,503)		(2,833,503)
Transfer from Local Capital Reserve	4,623,721		4,623,721
<b>Total Net Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Budgeted Surplus (Deficit), for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>

This budgeted deficit of \$13,865,867 would require an equal appropriation of surplus to create a balanced budget position and the amount of surplus available, as presented at the April 4, 2022 Committee of the Whole meeting of the Board was \$8,818,826 leaving a shortfall of \$5,047,041. There are two significant changes that will impact this shortfall:

1. In the update report on the 2021-2022 amended budget included in the agenda of this meeting a combination of additional interest revenue and cost savings of \$1,061,434 will contribute to reducing the projected deficit of \$2,289,680 presented on April 4, 2022, thereby increasing the projected available surplus at June 20, 2022 by an equal amount.
2. A revised projection of 1,205 students enrolled in the International Student Program for next year was received by the Finance Department on April 13, 2022 which will, subject to final reconciliation, reduce the projected deficit for 2022-2023 by over \$1.0 million, as estimated below:

	<u>FTE</u>	<u>Amount</u>
Tuition	105.00	1,627,500
Teacher	5.55	<u>(620,737)</u>
		<u>1,006,763</u>

These two factors will contribute to reducing the deficit shortfall by over \$2.0 million, as illustrated below:

	<u>Status Quo</u>	<u>Changes</u>	<u>Revised</u>
Projected Deficit	(13,865,867)	1,006,763	(12,859,104)
Projected Available Surplus	<u>8,818,826</u>	<u>1,061,434</u>	<u>9,880,260</u>
Shortfall	<u>(5,047,041)</u>	<u>2,068,197</u>	<u>(2,978,844)</u>

#### TRUSTEE REDDY QUESTIONS

Following the April 4, 2022 COW meeting of the Board, Trustee Reddy submitted a series of questions related to the report that was distributed after the meeting. The questions and staff answers are provided in Appendix A.

#### TRUSTEE CHO QUESTION re STRUCTURAL DEFICIT

On April 13, Trustee Cho sent an email to the Secretary-Treasurer with this question:

One of the things that was discussed was our structural deficit and you presented a number of contributing factors. Will staff be presenting strategies to address our structural deficit for the Boards consideration?

**Staff Response:** Suggestions will be provided at the Finance Committee meeting on April 20, 2022.

## APRIL 12, 2022 COW MEETING MATTERS

The following matters were discussed at the April 12, 2022 COW Meeting and related information is provided where available or will be provided when it is available.

1. Structural deficit information comparatives from other districts.

An attempt will be made by staff to gather such information. Included in the presentation at the committee meeting will be comparative information on the higher cost of the massage and physiotherapy extended health benefits the District experiences.

2. Information on unfunded costs.

An attempt will be made by staff to estimate what those costs are. This will be included in the presentation at the meeting. Initially, approximately \$6.0 million for salary lifts for excluded staff and principals and vice-principals has been spent over the last number of years and has not been funded. Also, as mentioned at the COW meeting, staff is currently calculating the cost of the five paid sick leave days resulting from the recent changes in the Employment Standard Act.

3. Adult Education – are reductions in staffing levels being planned and how can we provide adult education learning opportunities?

The topic of adult education comes up every year during the budget discussions. It is a valuable but costly program. Information that has been shared with Trustees and stakeholders during previous budget discussions will be presented at the meeting on Wednesday.

## HIGH LEVEL 3-YEAR PROJECTIONS

This section of the report should be read from the view that it provides important information on the future financial challenges the District will face rather than the accuracy of the information. Hence the title “High Level 3- Year Projections”. More work is required on this analysis and more definitive information will be provided at future meetings.

Finance Department staff were asked to look at what the incremental costs pressures would be for the next three years, taking declining enrolment into account and modifying the assumptions in the 2022-2023 draft budget where changes are known or using the same ones. The preliminary result is below which indicates additional cost pressures of approximately \$6.0 million per year. These incremental costs would be in addition to the current deficit the District is facing.

	Revenue			Expenses						Total Projected Cost Pressure
	Operating Grants	Interest Income	Total	Staffing	Benefit Rate Change	Average Tchr Salary	Inflation	CPI Training	Total	
<b>23/24</b>	(1,502,084)	698,579	<b>(803,505)</b>	137,235	(2,741,213)	(1,422,287)	(985,944)	(196,714)	<b>(5,208,922)</b>	<b>(6,012,427)</b>
<b>24/25</b>	(1,866,280)	333,327	<b>(1,532,953)</b>	539,874	(2,892,890)	(1,448,054)	(971,392)	196,712	<b>(4,575,750)</b>	<b>(6,108,703)</b>
<b>25/26</b>	(1,045,537)	370,108	<b>(675,429)</b>	(197,178)	(3,042,933)	(1,474,287)	(981,892)	(196,712)	<b>(5,893,002)</b>	<b>(6,568,431)</b>

**CONCLUSION:**

For the last few years, the District has relied on using surpluses to balance the annual budget. As evident in the discussion during the current budget development process the ability to continue to use that strategy is diminishing. Based on the high level 3-year projections above, if no action is taken to address the structural deficit and the declining enrolment trend continues, the District would be facing cost pressures (budget deficit) of close to \$30 million in 2025-2026.

**RECOMMENDATION(S):**

This report is provided for information.

Attachment: Appendix A

1. Strathcona - Is the PAC request regarding the school access going to be implemented from the current maintenance budget or is a budget amendment required to ensure the cost of the work is covered?

The Parent Advisory Council (PAC) request cannot be implemented as presented at the March 8, 2022 Committee of the Whole meeting on budget. It's been determined by staff that removal of the existing fence poses a risk to students because it puts children in the parking lot without a barrier separating them from vehicles. There is also the matter of the fire lane access to the inner courtyard and whether that would be impacted by the PAC Proposed solution. David Green advised Trustees on this in a memo on March 11, 2022. Staff are working to secure a traffic planning consultant to advise us about other possible solutions. The Director of Facilities has reached out to one consultant known to the Vancouver Project Office (VPO). If a solution is feasible that can maintain the requirements, we will assess the funding source accordingly. A low-cost solution would be handled from existing budgets. A larger cost solution would likely come from the Annual Facilities Grant. The Director of Facilities is not anticipating requiring a budget amendment.

2. The average teacher cost has been revised up from \$87,899 to \$87,928 since January. What accounts for that rise?

Average teacher salary increases as teachers receive step salary increments in the next fiscal year, offset by estimated retirement savings from replacing senior teachers.

On page 11, there is a note that the "average teacher salary may be higher than projected". What is the extent of this risk and where does it come from? If higher, by how much?

The District's average teacher salary is impacted by the composition of the teaching staff. As teachers with different salary categories and seniority enter or leave the District, the average teacher salary changes. Because the budget assumptions are being reviewed regularly the average teacher salary will change from time to time until the budget is approved. The current estimated average teacher salary projection is based on staff's assumption of the salary increment and retirements occurring, which is adjusted regularly as staff announce retirements. With 2,723.82 teacher FTE currently in the draft budget, a \$100 change in the average teacher salary will have a \$272,382 budget impact.

3. General inflation is pegged at 4.3%. To what categories does this increase apply that are not included in the rest of the list on page 7?

Other than the categories listed, and spending based on contracts (such as leases, software maintenance, etc.), all remaining spending categories would be impacted by the general inflation factor of 4.3%. Some examples are school/office supplies, postage, phone costs, insurance, textbooks, etc.

What are "water and sewer" costs that have been increased for inflation?

The City of Vancouver charges utilities cost for VSB facilities use of water and sewer.

4. Is the decrease in provincial MOE revenue of \$2.87 million (page 8) reflected in the decrease in enrolment cited on page 9 (Table 4)? If so, why aren't the two numbers the same? If not, what is referred to in the \$2.87 million number?

\$2.87 million is referring to the change in the entire Operating Grant, which includes:

Regular	(531.19)	\$ (4,188,413)
Adult Ed + Grad Adult	(71.68)	(474,368)
VLN + Grad Adult	(114.88)	(665,801)
ELL	23.00	36,455
Indigenous	6.00	9,390
Sp Ed	102.00	2,033,670
Salary Differential		(178,618)
Transportation		166,596
Summer School		152,074
Equity of Opportunity/Curriculum and Learning		(83,251)
Enrolment Decline Supplement		330,844
Early Learning Framework		(9,057)
		<u>\$ (2,870,480)</u>

While the amount in Table 4 is focused on the net impact of the 531.19 FTE regular students:

Regular	(531.19)	\$ (4,188,413)
Enrolment impact on teaching FTE		<u>2,574,906</u>
		<u>\$ (1,613,507)</u>

5. On page 8, Other Revenue is up to over \$12 million. Interest and rentals are listed separately, what is included in that "Other Revenue" figure?

Categories of revenues included in Other Revenue are:

School Generated Funds	\$ (7,428,617)
CSF Leases	(1,150,000)
Cafeteria Sales	(1,000,000)
School Supply Fees	(856,675)
Cafeteria Donations and Other Revenue	(631,992)
Share Maintenance	(401,128)
Advanced Placement	(340,900)
Other	(114,927)
Disposal of Old Fleet Vehicle	(103,000)
School Site Paid Parking Revenue	(60,000)
Joint Pro-D Fund	(35,750)
	<u>\$ (12,122,989)</u>

6. Instruction Expenses (page 8) are up nearly \$3.5 million. Why?

Instruction Expenses include salaries and benefits for all employee groups as well as all services and supplies budgets related to instruction. Instruction expenses include all programs under the Instruction Function from Regular Instruction to International Student Program. The increase of \$3.5 million is largely due to the District’s increase in benefit cost and inflation as over 80% of the total budgeted expense is related to the Instruction Function.

7. On page 8, it states that the student enrolment decline is 490 students or 531 FTE. How is an FTE total more than the actual number of bodies?

Secondary students can take more than 8 courses (1 FTE) in a school year. When this occurs, the student’s FTE is greater than their headcount. The table below is the summary of our student and headcount number:

	2021/2022	2022/2023	Difference
FTE	47,431	46,900	(531)
Head count	47,386	46,896	(490)
FTE / Headcount	100.10%	100.01%	

8. Do Employee Benefit Premium increases cover all employees of the District including those from the Superintendent's office down to the lowest paid?

Employee Benefits covers all eligible employees in the District.

Is any amount included in the \$3.735 million for a performance-based increase for those excluded staff subject to the 'executive freeze' (from August 21/2020) as noted on the Executive Compensation Public Reports? Is that freeze or any other related freeze continuing for 2022-23?

No, there are no performance-based increases included in the \$3.735 million additional employee benefits cost. The executive compensation freeze announced in August 2020 directed districts to freeze all compensation for executive-level staff for the 2020-2021 performance year. The positions impacted in the District were the Superintendent, the Deputy Superintendent and the Secretary-Treasurer. At this time there is no indication that the executive freeze will apply to 2021-2022 and beyond.

As stated in the budget assumptions, there are no budgeted salary increases for exempt staff and principals and vice principals included in the draft budget. The current compensation structure is under review by BCPSEA. Adjustments will be made when the revised structure is announced.

Please provide a breakdown of this increase in cost as noted in Table 4 as well as the "Other" line in Table 4

The increase in Benefits are as follows:

Canada Pension Plan	\$ 1,411,217
Employment Insurance	215,481
Workers Compensation Board	333,179
Extended Health	1,003,088
Dental	712,671
Other	59,630
	<u>\$ 3,735,265</u>

The increases in the Other category are:

Other Enrolment Impact	
Special Needs and other supplemental funding	\$ 1,249,401
Increase SEA for increase special needs student enrolment	(1,643,394)
Lower Summer Schools Funding (compare to pre-pandemic)	(1,866,245)
Teacher Salary Adjustments	
Est. 22/23 Teacher Salary Step Increment	(3,120,905)
Est. 22/23 Teacher Retirement Savings	1,718,582
Reverse 20/21 COVID Assumptions (Summer School and Rentals)	1,028,293
Increase interest income	1,350,506
Student Computer Replacement and Fleet Replacement	(703,056)
Other	(136,821)
	<u>\$ (2,123,639)</u>

9. Are the costs associated with both elementary and secondary "make up preparation time" coming out of the Classroom Enhancement Fund?

No, this would be an Operating Fund cost, if approved.

10. What is the expected unallocated surplus going to be on June 30, 2022? (It is stated that it may change by then.)

The projected unrestricted surplus at June 30, 2022 is \$8,818,826 as shown in Table 6 (page 10). This may change as updated financial information for the current fiscal year becomes available.

Further, in Table 6, please explain Operations Spanning Future School Years and Nature of Constraint Funds - what are these? What do the amounts represent?

[Board Policy 19: Accumulated Operating Surplus](#) identifies the various categories of accumulated surplus and their purpose.

Operations Spanning Future School Years are for projects that take greater than one year to implement.

The Nature of Constraints on the Funds category includes amounts that have restrictions on how the monies can be spent, for example Indigenous Education targeted funding, donations received by the District with specific spending criteria, funding for energy projects etc.

The \$14.13 million includes:

Board Approved use of surplus for 21/22 Budget	\$ (9,426,729)
School Balances (including VTF/VBE Joint Pro-D)	(3,005,939)
Distributed Learning Funding for Courses in Progress	(676,048)
Projects in Progress	
IT Projects	(245,000)
Student Technology Replacement	(354,610)
Learning Services Computer Replacement	(213,000)
AIRS for 22/23	(110,000)
Long Range Facilities Planning	(100,000)
	<u>\$ (14,131,325)</u>

It appears that the contingency and unrestricted surplus total nearly \$11 million this year. Is the draft budget for next year reflective of similar positive outcomes as of June 2023?

The \$11.0 million that is being referred to was the balance available at June 30, 2021. The majority of the Unrestricted Operating Surplus will be used to offset the projected 2022-2023 budget deficit.

As for the deductions, why does the appropriated surplus need to be, in essence, paid back if it was money available to be spent and was spent this year? Same question for \$5 million to amended budget in June?

There is no payback of the appropriated surplus. A surplus is only created if actual spending in a fiscal year is less than revenue and funding received. The \$5.0 million being referred to as a “deduction”, is categorized as Additional Spending June 2022 Amended Budget and was for amounts carried forward at year end for work in process. This one-time spending therefore reduces the available surplus.

11. \$14.25 million is "restricted portion of surplus". Please explain how you came to that amount and why it is restricted.

“Restricted portion of surplus” are the estimated June 30<sup>th</sup> remaining balance of targeted funds, or any known current year projects in progress that will extend into the next fiscal year. The breakdown of the \$14.25m is the following:

School Generated Fund	\$ (7,800,557)
Energy and Other Miscellaneous Grants	(3,403,245)
School Flexible Budget	(2,573,841)
Learning Service Computer Replacement	(213,000)
\$1.5M Special Ed Support Fund	(173,079)
Labour Negotiation and Retirement Dinner	<u>(94,388)</u>
	<u>\$ (14,258,110)</u>

April 20, 2022

**ITEM 2.1.1**

TO: Finance Committee

FROM: Shannon Burton, Director of Instruction

RE: **Adult Education Enrollment and Staffing Update**

*Reference to Strategic Plan:*

*Goal 1: The Vancouver School Board will improve student achievement, physical and mental well-being, and belonging by ...*

- Encouraging students to reach beyond previous boundaries in knowledge and experience.*
- Increasing literacy, numeracy, and deep, critical, and creative thinking.*
- Ensuring that students develop and can implement a plan for a successful transition upon completion of secondary school.*

**INTRODUCTION:**

This report provides information regarding Adult Education enrollment, and staffing.

**BACKGROUND:**

Vancouver School Board Adult Education serves the needs of four different categories of students:

1. **School Age under 19 (SA):** A student who was not successful in a regular high school setting and is working towards obtaining a regular dogwood diploma
2. **Adult Diploma (AD):** A student returning to school who did not graduate and now wants to graduate by obtaining an adult diploma
3. **Graduated Adult (GA):** A student who needs to upgrade for post-secondary prerequisites or upgrade language skills
4. **International Student:** A student who is sometimes full time and other times just supplementing the program they take at one of our high schools

Table 1 shows the number of students enrolled in each category for the last five years.

Table 1: Annual Enrollment by Student Category

<i>Year</i>	<i>SA</i>	<i>AD</i>	<i>GA</i>	<i>Total FTE</i>	<i>Total Registrations</i>	<i>Staff FTE Required</i>
<i>2016/17</i>	<i>160</i>	<i>285</i>	<i>221</i>	<i>666</i>	<i>5328</i>	<i>26.64</i>
<i>2017/18</i>	<i>111</i>	<i>192</i>	<i>254</i>	<i>557</i>	<i>4456</i>	<i>22.28</i>
<i>2018/19</i>	<i>115</i>	<i>158</i>	<i>323</i>	<i>595</i>	<i>4760</i>	<i>23.8</i>
<i>2019/20</i>	<i>104</i>	<i>222</i>	<i>218</i>	<i>545</i>	<i>4360</i>	<i>21.8</i>
<i>2020/21</i>	<i>72</i>	<i>188</i>	<i>347</i>	<i>607</i>	<i>4856</i>	<i>24.28</i>
<i>2021/22*</i>				<i>347</i>	<i>2776</i>	<i>13.88</i>

*\* registration for this calendar year is not finalized until May therefore these are partial numbers.*

Figure 1 shows the number of full-time students by student category over the last 5 years.

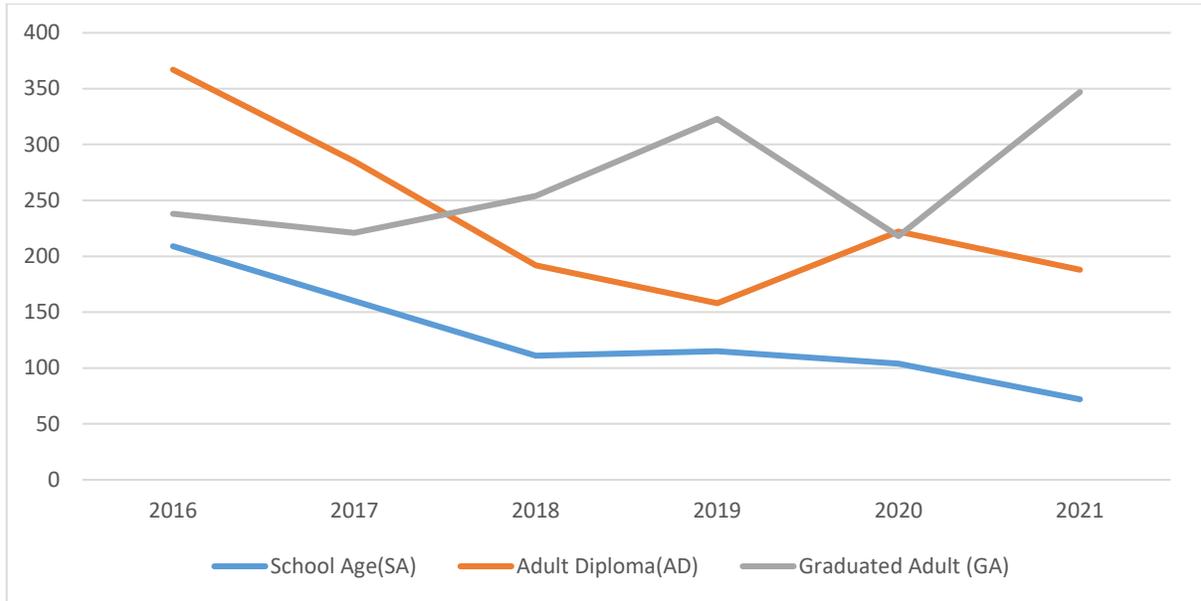


Figure 1: Adult Education Full Time Equivalent Students by Category

Figure 2 shows the correlation between student full time equivalent registrations and staffing full time equivalent. Adult Ed staffing is driven by student registrations. Therefore, higher student registrations requires more staffing FTEs.

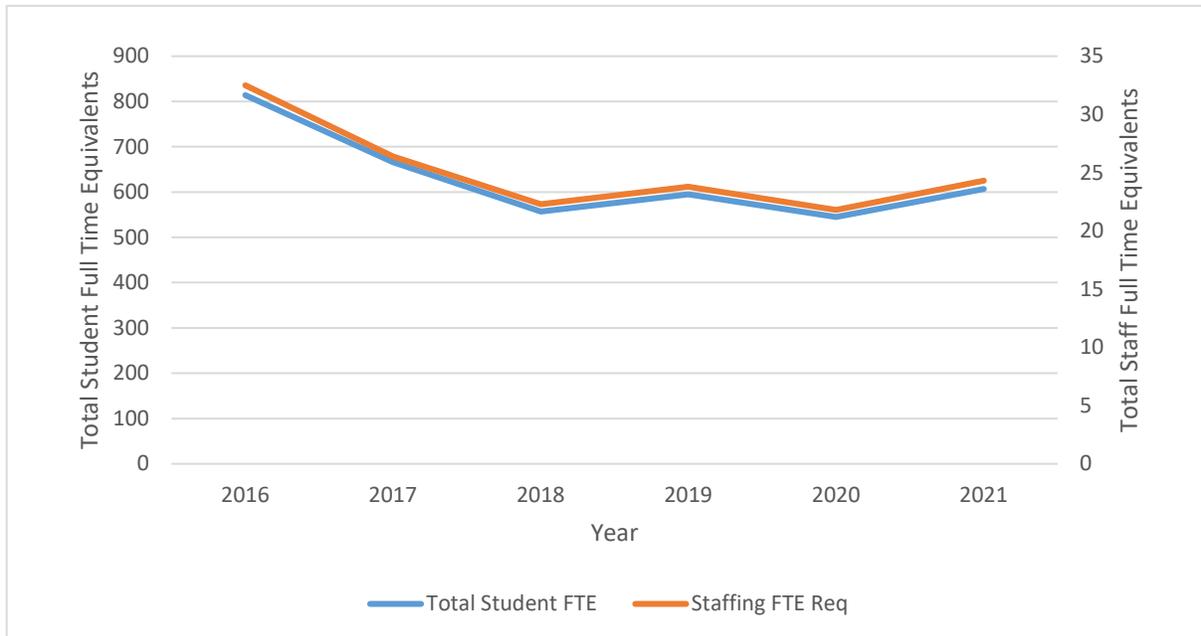


Figure 2: Student Full Time Equivalent vs Staffing Full Time Equivalent

**ANALYSIS:**

Adult Education offerings, staffing process and structures have remained relatively consistent over many years. There has always been both structured and self-paced delivery models and various sites for students to choose to pursue their educational programming. The centers have always been open all day, with a slight expansion of hours in the learning center to include Saturdays.

As per the charts above, enrollment has been relatively stable since 2017. During the pandemic (2020-2021) there was an increase in enrollment due to the online offerings available, which made education more accessible for those working and with family responsibilities. This year - 2021/2022 - has been a transition year back to in-person classes.

**RECOMMENDATION:**

This report is provided for information.

# VANCOUVER SCHOOL DISTRICT FINANCE COMMITTEE

Wednesday, April 20, 2022  
5:00 pm



1



## INDIGENOUS ACKNOWLEDGEMENT

Please join me in acknowledging that we are unlearning and relearning  
on the traditional and unceded lands of the  
**xʷməθkʷəy̓əm (Musqueam), Sk̓wx̓wú7mesh (Squamish), and səliłwətał (Tsleil-Waututh) Nations**



xʷməθkʷəy̓əm  
(Musqueam)



Sk̓wx̓wú7mesh  
(Squamish)



səliłwətał  
(Tsleil-Waututh)

2

## Live-streamed

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.

## Committee Roll Call

- Roundtable roll call
  - Stakeholders: please state your first and last name and the name of the group you are representing
  - Trustees and staff: please state your first and last name and position

# ITEM 1.1

## 2022-2023 Budget Engagement Summary Report

Patricia MacNeil, Director of Communications

# QUESTIONS?

## ITEM 1.1

### 2022-2023 Budget

### Engagement Summary Report



7

## ITEM 1.2

### 2021-2022 Amended Annual Budget Update

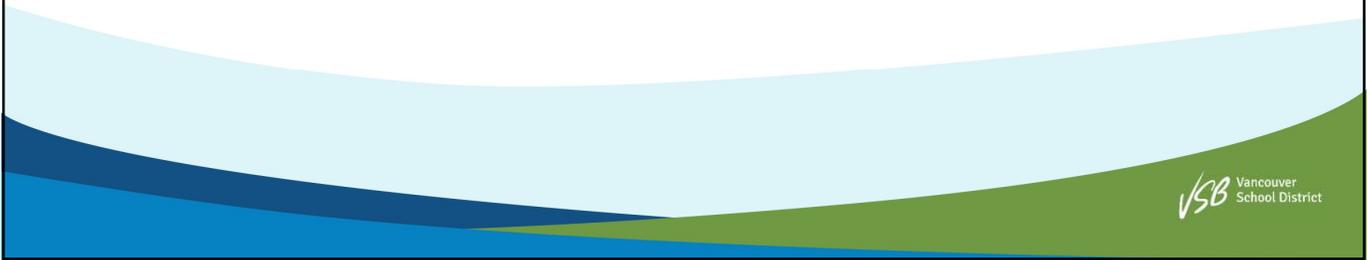
Shehzad Somji, Assistant Secretary Treasurer



8

## Four areas that will impact the Amended Budget

1. Enrolment change with the February count
2. Interest Rates
3. PeopleSoft migration to Oracle
4. Digital Services Recovery Fee



9

## Enrolment Change

- February count for:
  - Adult Education
  - Distance Learning
  - Growth in Special Needs
  - Newcomer Refugees
  - Youth Training in Trades

	FTE	Funding
Adult Education	(31.250)	\$ (222,139)
Distance Education	(36.938)	(291,038)
Special Needs	64.000	512,480
Newcomer Refugees	(24.500)	(109,292)
Youth Training in Trades	1.250	9,856
		<u>\$ (100,132)</u>



10

## Interest Rates

	Balance	Rate	Interest Income
2022 Jan	1,867,872	0.00%	\$ 11,227
2022 Feb	(2,175,552)	0.00%	922
2022 Mar	(6,976,001)	0.25%	24,566
2022 Apr	(6,407,716)	0.50%	46,995
2022 May	(7,007,867)	0.50%	49,717
2022 Jun	(7,565,089)	0.75%	72,789
			<u>\$ 206,216</u>

- Bank of Canada rate increases March 2<sup>nd</sup> and April 13<sup>th</sup>
  - April 13th increase 0.25% greater than this projection
  - Updated projection \$284,797 provides additional \$78,581 in revenue
- Change in bank balance also has an impact
- Year end variance will be different



11

## PeopleSoft

	Budget Estimates	Spending to March 31, 2022	Estimated Spend to June 30, 2022
Accrued Liability	\$ 3,983,206	\$3,983,206	\$ 3,983,206
Transition Costs	2,042,436	1,489,898	2,042,436
District Costs	1,711,065	201,322	815,891
Total Costs	<u>3,753,501</u>	<u>1,691,220</u>	<u>2,858,327</u>
Project Surplus (Deficit)	<u>\$ 229,705</u>	<u>\$2,291,986</u>	<u>\$ 1,124,879</u>

- Liability recorded in 2018-19 for estimated costs
- Successful migration to Oracle completed March 2022



12

## Digital Services Recovery Fee

	Student Headcount	Per Student Fee	Total Fee
2021-2022 Digital Service Recovery	50,231	\$ 40.00	\$ 2,009,240
DSR Adjustment			(212,975)
Total DSR Cost			1,796,265
Amended Annual Budget			1,626,736
			<u>\$ (169,529)</u>

- District's pay a fee of \$40 per student
- Fees for Next Generation Network (NGN) and MyEducation BC
- Opportunity to streamline the governance structure and reduce costs associated with administration and reporting
- Surplus in DSR has reduced the cost



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## Net Impact to Amended Budget

Enrolment Change	\$	(100,132)
Interest Rates		206,216
PeopleSoft Project		1,124,879
Digital Service Recovery Fee		<u>(169,529)</u>
	\$	<u>1,061,434</u>

- Information known to March 31, 2022
- Projected surplus may change by June 30th



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# QUESTIONS?

## ITEM 1.2

### 2021-2022 Amended Annual Budget Update



15

## ITEM 2.1

### 2022-2023 Draft Annual Budget Update

J. David Green, Secretary Treasurer



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## Status Quo Budget Presented on April 12, 2022

	Presented on April 4th CotW	Addition Reduction	Status Quo
<b>Net Revenue (Expense)</b>	<b>(14,734,020)</b>	<b>(868,153)</b>	<b>(13,865,867)</b>
<b>Required Prior Year Surplus Appropriation</b>	<b>14,734,020</b>	<b>868,153</b>	<b>13,865,867</b>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(1,790,218)		(1,790,218)
Capital Leases	(2,833,503)		(2,833,503)
Transfer from Local Capital Reserve	4,623,721		4,623,721
<b>Total Net Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Budgeted Surplus (Deficit), for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>

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## Factors Impacting the Draft Budget Deficit

- Changes to the amended annual budget

Enrolment Change	\$	(100,132)
Interest Rates		206,216
PeopleSoft Project		1,124,879
Digital Service Recovery Fee		(169,529)
	\$	<u>1,061,434</u>

- Revised enrolment forecast for the International Student Program

	FTE	Amount
Tuition	105	\$1,627,500
Staffing	5.55	(620,737)
		<u>\$1,006,763</u>

18

## Revised Shortfall April 20, 2022

Status Quo Deficit - April 12, 2022	\$ 13,865,867
Projected Surplus Available	<u>8,818,826</u>
Shortfall - April 12, 2022	\$ 5,047,041
2021-2022 Amended Budget Changes	(1,061,434)
Revised Enrolment for ISP Program	(1,006,763)
Restricted Surplus for 2022-2023	<u>(354,610)</u>
Shortfall - April 20, 2022	<u>\$ 2,624,234</u>



## Trustee Reddy's Questions



1. Strathcona - Is the PAC request regarding the school access going to be implemented from the current maintenance budget or is a budget amendment required to ensure the cost of the work is covered?

The PAC request cannot be implemented as presented at the March 8, 2022 Committee of the Whole meeting on budget. It's been determined by staff that removal of the existing fence poses a risk to students because it puts children in the parking lot without a barrier separating them from vehicles. There is also the matter of the fire lane access to the inner courtyard and whether that would be impacted by the PAC Proposed solution. David Green advised Trustees on this in a memo on March 11, 2022. We are working to secure a traffic planning consultant to advise us about other possible solutions. The Director of Facilities has reached out to one known to the VPO. If a solution is feasible that can maintain the requirements, we will assess the funding source accordingly. A low-cost solution would be handled from existing budgets. A larger cost solution would likely come from the Annual Facilities Grant. The Director of Facilities is not anticipating requiring a budget amendment.

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2. The average teacher cost has been revised up from \$87,899 to \$87,928 since January. What accounts for that rise?

Average teacher salary increases as teachers receive step salary increments in the next fiscal year, offset by estimated retirement savings from replacing senior teacher.

On page 11, there is a note that the "average teacher salary may be higher than projected". What is the extent of this risk and where does it come from? If higher, by how much?

The District's average teacher salary is impacted by the composition of the teacher staff. As teachers with different salary categories and seniority enter or leave the District, the average teacher salary changes. Because the budget assumptions are being reviewed regularly this average teacher salary will change from time to time until the budget is approved. The current estimated average teacher salary projection is based on staff's assumption of the salary increment and retirements occurring, which is adjusted regularly as staff announce retirements. With 2,723.82 teacher FTE currently in the draft budget, a \$100 change in the average teacher salary will have a \$272,382 budget impact.

22

3. General inflation is pegged at 4.3%. To what categories does this increase apply that are not included in the rest of the list on page 7?

Other than the categories listed, and spending based on contracts (such as leases, software maintenance, etc.), all other the remaining spending categories would be impacted by the general inflation factor of 4.3%. Some examples are school/office supplies, postage, phone costs, insurance, textbooks, etc.

What are "water and sewer" costs that have been increased for inflation?

The City charges utilities cost for VSB facilities use of water and sewer.

4. Is the decrease in provincial MOE revenue of \$2.87 million (page 8) reflected in the decrease in enrolment cited on page 9 (Table 4)? If so, why aren't the two numbers the same? If not, what is referred to in the \$2.87 million number?

\$2.87 million is referring to the change in the entire Operating Grant, which includes:

Regular	(531.19)	\$ (4,188,413)
Adult Ed + Grad Adult	(71.68)	(474,368)
VLN + Grad Adult	(114.88)	(665,801)
ELL	23.00	36,455
Indigenous	6.00	9,390
Sp Ed	102.00	2,033,670
Salary Differential		(178,618)
Transportation		166,596
Summer School		152,074
Equity of Opportunity/Curriculum and Learning		(83,251)
Enrolment Decline Supplement		330,844
Early Learning Framework		(9,057)
		<u>\$ (2,870,480)</u>

While the amount in Table 4 is focused on the net impact of the 531.19 FTE regular students:

Regular	(531.19)	\$ (4,188,413)
Enrolment impact on teaching FTE		<u>2,574,906</u>
		<u>\$ (1,613,507)</u>

5. On page 8, Other Revenue is up to over \$12 million. Interest and rentals are listed separately, what is included in that "Other Revenue" figure?

School Generated Funds	\$	(7,428,617)
CSF Leases		(1,150,000)
Cafeteria Sales		(1,000,000)
School Supply Fees		(856,675)
Cafeteria Donations and Other Revenue		(631,992)
Share Maintenance		(401,128)
Advanced Placement		(340,900)
Other		(114,927)
Disposal of Old Fleet Vehicle		(103,000)
School Site Paid Parking Revenue		(60,000)
Joint Pro-D Fund		(35,750)
	\$	<u>(12,122,989)</u>



25

6. Instruction Expenses (page 8) are up nearly \$3.5 million. Why?

Instruction Expenses include salaries and benefits for all employee groups as well as all services and supplies budgets related to instruction. Instruction expenses include all programs under the Instruction Function from Regular Instruction to International Student Program. The increase of \$3.5 million is largely due to the District's increase in benefit cost and inflation as over 80% of the total budgeted expense is related to the Instruction Function.



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7. On page 8, it states that the student enrolment decline is 490 students or 531 FTE. How is an FTE total more than the actual number of bodies?

Secondary students can take more than 8 courses (1 FTE) in a school year. When this occurs, the student's FTE is greater than their headcount. The table below is the summary of our student and headcount number:

	2021/2022	2022/2023	Difference
FTE	47,431	46,900	(531)
Head count	47,386	46,896	(490)
FTE / Headcount	100.10%	100.01%	

27

8. Do Employee Benefit Premium increases cover all employees of the district including those from the Superintendent's office down to the lowest paid?

Employee Benefits covers all eligible employees in the District.

Is any amount included in the \$3.735 million for a performance-based increase for those excluded staff subject to the 'executive freeze' (from August 21/2020) as noted on the Executive Compensation Public Reports? Is that freeze or any other related freeze continuing for 2022-23?

No, there are no performance-based increases included in the \$3.735 million additional employee benefits cost. The executive compensation freeze announced in August 2020 directed districts to freeze all compensation for executive-level staff for the 2020-2021 performance year. The positions impacted in the district were the Superintendent, the Deputy Superintendent and the Secretary-Treasurer. At this time there is no indication that the executive freeze will apply to 2021-2022 and beyond.

As stated in the budget assumptions, there are no budgeted salary increases for exempt staff and principals and vice principals included in the draft budget. The current compensation structure is under review by BCPSEA. Adjustments will be made when the revised structure is announced.

28

9. Are the costs associated with both elementary and secondary "make up preparation time" coming out of the Classroom Enhancement Fund?

No, this would be an Operating Fund cost, if approved.

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10. What is the expected unallocated surplus going to be on June 30, 2022? (It is stated that it may change by then.)

The projected unrestricted surplus at June 30, 2022, is \$8,818,826 as shown in Table 6 (page 10). This may change as updated financial information for the current fiscal year becomes available.

Further, in Table 6, please explain Operations Spanning Future School Years and Nature of Constraint Funds - what are these? What do the amounts represent?

Board Policy 19: Accumulated Operating Surplus identifies the various categories of accumulated surplus and their purpose.

Operations Spanning Future School Years are for projects that take greater than one year to implement.

The Nature of Constraints on the Funds category includes amounts that have restrictions on how the monies can be spent, for example Indigenous Education targeted funding, donations received by the District with specific spending criteria, funding for energy projects etc.

30

11. \$14.25 million is "restricted portion of surplus". Please explain how you came to that amount and why it is restricted.

The \$14.26 million includes:

<b>Operations Spanning Multiple School Years</b>	
School Flexible Budget	\$ 2,573,847
Learning Service Computer Replacement	213,000
<b>Nature of Constraints on Funds</b>	
School Generated Fund	7,800,557
Energy and Other Miscellaneous Grants	3,403,245
\$1.5M Special Ed Support Fund	173,079
<b>Anticipated Unusual Expenses</b>	
Labour Negotiation and Retirement Dinner	94,388
	<u>\$ 14,258,116</u>

It appears that the contingency and unrestricted surplus total nearly \$11 million this year. Is the draft budget for next year reflective of similar positive outcomes as of June 2023?

The \$11.0 million that is being referred to was the balance available at June 30, 2021. The majority of the Unrestricted Operating Surplus will be used to offset the projected 2022-2023 budget deficit.

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## Questions from Trustee Reddy (rec'd April 19<sup>th</sup>)

1. can you let me know how much we have budgeted for consultation and collaboration with the MST nations as rights and title holders and which projects in particular are covered within this budget item?
2. can you let me know how much we have budgeted for staff recruitment efforts including teachers, French Immersion teachers, and support staff and what items are included in that budget item?
3. how much would it cost to provide early screening of special needs to all new VSB students?
4. how much do we budget for school psychologists currently and how much does one FTE cost?
5. how much would it cost to offer additional and increased in-service anti-racism training?

- To be answered prior to the May 3, 2022, COW Meeting

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## Trustee Cho's Question

33

One of the things that was discussed was our structural deficit and you presented a number of contributing factors. Will staff be presenting strategies to address our structural deficit for the Boards consideration?

Answer: District staff are identifying strategies to address the structural deficit, and these will be discussed with trustees at a workshop on April 27, 2022, and brought forward to the May 3, 2022, Committee of the Whole meeting.

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## Structural Deficit

Available revenue does not cover costs on a continuing basis

Contributing factors:

- Non-Enrolling staffing levels higher than collective agreement (District ratios richer than provincial agreement)
- Continued use of surplus (one-time money)
- Increasing need for SSW support in schools
- Collective agreement wage lifts not fully funded over time
- Excluded wage lifts not funded over time
- Expensive paramedical group insurance benefits
- Reliance on International Student Program (worsens the deficit when enrolment is lower)



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## Non-Enrolling Staffing

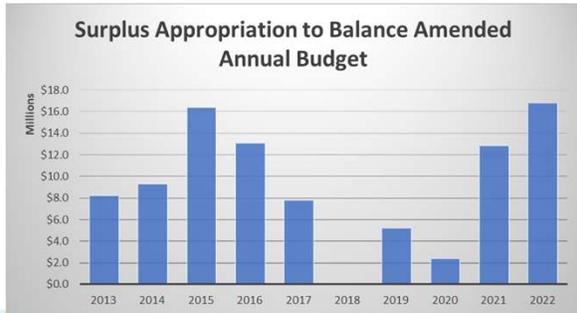
	TL's	Counsellors	LAT's	SpEd	ELL	Variance to Ratio
Provincial	702	693	504	342	74	
VSB	702	535	504	232	57.5	50.0
Burnaby	700	458	1,840	195	69	20.6
New West	702	535	387	342	61.4	
Coquitlam	702	693	504	342	74	6.0



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## Use of Surplus to Balance Budget

- District has used \$92.0 million to balance the budget from 2012-13 to 2021-22



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## Use of Local Capital Reserve (one-time funds)

- District has used LCR in the past in budget and in actual

• 2013-2014	Budget - \$4,374,052	Actual - \$4,374,052
• 2014-2015	Budget - \$3,081,534	Actual - \$2,481,534
• 2015-2016	Budget - \$725,000	Actual - \$447,793
• 2016-2017	Budget - \$379,207	Actual - \$307,914

- Draft budget contains a transfer of \$4,623,721 from LCR to help balance the draft budget



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## Exempt Wage Lifts

2017-18	\$	334,826
2018-19		510,789
2019-20		2,030,661
2020-21		-
2021-22		3,570,632
	\$	<u>6,446,907</u>

- Cumulative impact to the budget
- \$6.4 million in wages and benefits cost added since 2017-18
- No funding from the Ministry



39

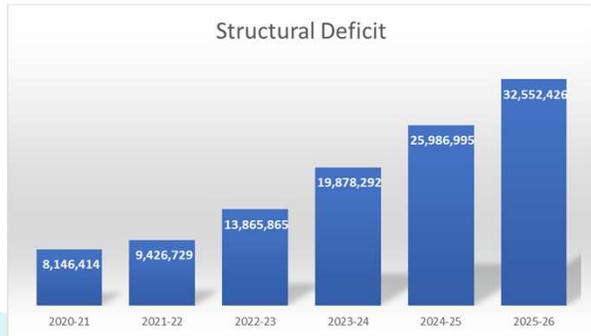
## 3-year incremental cost projection

	Revenue			Expenses						Total Projected Cost Pressure
	Operating Grants	Interest Income	Total	Staffing	Benefit Rate Change	Average Tchr Salary	Inflation	CPI Training	Total	
23/24	(1,502,084)	698,579	<b>(803,505)</b>	137,235	(2,741,213)	(1,422,287)	(985,944)	(196,714)	<b>(5,208,922)</b>	<b>(6,012,427)</b>
24/25	(1,866,280)	333,327	<b>(1,532,953)</b>	539,874	(2,892,890)	(1,448,054)	(971,392)	196,712	<b>(4,575,750)</b>	<b>(6,108,703)</b>
25/26	(1,045,537)	370,108	<b>(675,429)</b>	(197,178)	(3,042,933)	(1,474,287)	(981,892)	(196,712)	<b>(5,893,002)</b>	<b>(6,568,431)</b>



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## Structural Deficit Increase



- 2021-22 premium holiday and refund (\$4,470,912)
- 2022-23 District wide expense reduction (\$5,926,741)

## Accumulated Operating Surplus

### Explanation of Projected Available Surplus

Actual	
Budgeted	
Projected	
<b>Available June 30, 2021</b>	<b>40,661,728</b>
<b>Amended Budget Analysis</b>	
Original Surplus Required to Balance 2021-22	(9,426,729)
Planned Spending for 2021-22 from Surplus	(19,331,883)
Planned Spending for 2021-22 Not Spent	14,258,110
Estimated Deficit June 30, 2022	(2,289,680)
<b>Surplus Required to Balance Amended Budget</b>	<b>(16,790,182) (16,790,182)</b>
Remaining Surplus from 2021 After Amended Budget	23,871,546
Decrease in Projected Deficit for 2021-22	1,061,434
<b>Projected Surplus Available at June 30, 2022</b>	<b>24,932,980</b>
<b>Less: Restricted Surplus Components</b>	
Donated Funds for School Programs	(11,203,802)
Unspent School Balances	(2,573,841)
Other 2020-21 Surplus Restricted Not Spent	(480,467)
Technology Purchase for 2022-23	(354,610)
AIRS Program 2022-23	(110,000)
Summer 2022 School Kitchens Repair & Renovation	(330,000)
Restricted Component of Projected Surplus	<b>(15,052,720) (15,052,720)</b>
<b>Unrestricted Component of Projected Surplus</b>	<b>9,880,260</b>

## Accumulated Operating Surplus:

<b>Accumulated Surplus June 30, 2021:</b>	
Operations Spanning Multiple School Years	\$ 14,131,325
Anticipated Unusual Expenses	2,589,139
Nature of Constraints on Funds	12,832,758
Contingency Reserve	5,178,279
Unrestricted Operating Surplus	<u>5,930,227</u>
	40,661,728
<b>Less:</b>	
Appropriated Surplus June 2022 Annual Budget	(9,426,729)
Additional Spending June 2022 Amended Budget	(5,073,773)
Technology Purchases 2022-23	(354,610)
AIRS Program 2022-23	(110,000)
North Hamber Enrolment Pressure 2022-23	<u>(330,000)</u>
	<u>(15,295,112)</u>
Available Surplus	25,366,616
Projected Surplus 2021-22	
Projected Deficit at January 2022	(2,289,680)
2021-22 Amended Budget Changes	<u>1,061,434</u>
	24,138,370
Restricted Portion of Surplus	<u>(14,258,110)</u>
Unrestricted Operating Surplus	9,880,260
Surplus Restricted for 2022-23 Year	794,610
Projected Surplus Available June 30, 2022	<u>\$ 10,674,870</u>



Risk & Insurance | Employee Benefits | Retirement & Private Wealth

# School District 39 Massage Therapy & Physiotherapy Utilization Analysis

Period (Oct 2020 – Sept 2021)

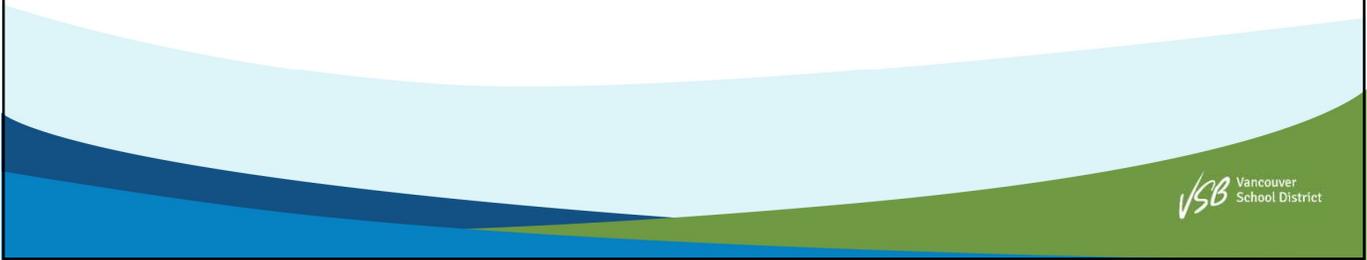
## Higher Massage & Physiotherapy Comparators

### Comparator Aggregate:

- Teachers - 8,818
- Support Staff - 6,044

### Vancouver's School District:

- Teachers - 3,325
- Support Staff - 1,882



1 | Coverage Details

2 | Teachers

3 | Support Staff

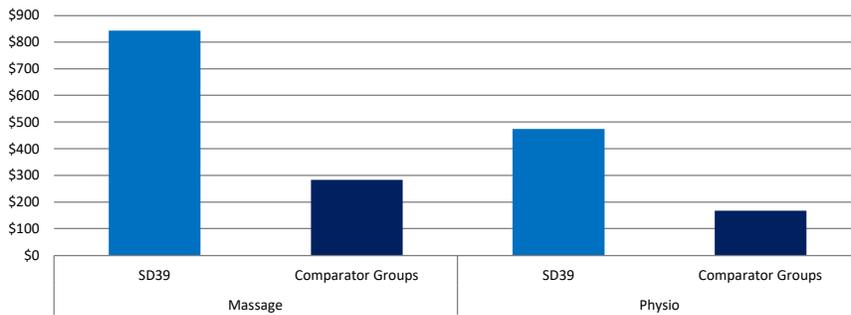
## Coverage Details

Division	SD39 Current Coverage	Standard Plan
Teachers	Massage Therapy – Unlimited (reasonable and customary limits apply) Physiotherapist - Unlimited (reasonable and customary limits apply)	Massage Therapy - \$900 per year Physiotherapist - \$900 per year
Support Staff (IUOE 963)	Massage Therapy – Unlimited (reasonable and customary limits apply) Physiotherapist - Unlimited (reasonable and customary limits apply)	Massage Therapy - \$1,200 per year Physiotherapist - \$900 per year
Support Staff (CUPE 15)	Massage Therapy – 26 visits per year Physiotherapist - Unlimited (reasonable and customary limits apply)	
Support Staff (CUPE 407)	Massage Therapy – \$2,500 per year Physiotherapist - Unlimited (reasonable and customary limits apply)	

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## Teachers

Teachers - Cost Per Employee



Message & Physio as % of Total EHC Claims SD39



Comparator Groups

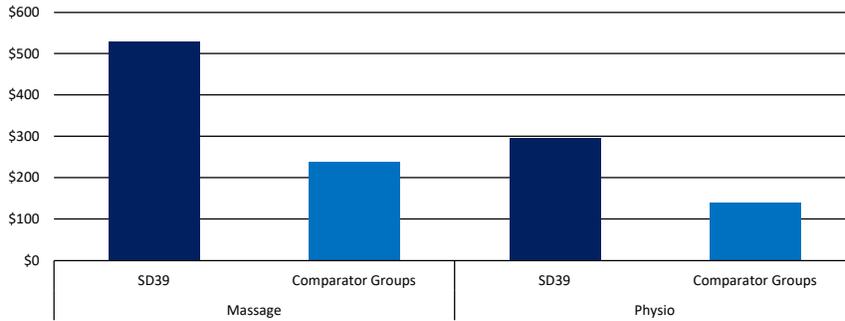


	SD 39			Comparator Groups		
	Total Claims Paid	% of EHC	Cost per Employee	Total Claims Paid	% of EHC	Cost per Employee
Message	\$2,791,568	36%	\$842	\$2,496,504	17%	\$283
Physio	\$1,570,455	20%	\$474	\$1,477,482	10%	\$168
Paramedical Total	\$5,009,569	65%	\$1,512	\$6,889,858	47%	\$781
EHC Total	\$7,688,297		\$2,320	\$14,588,502		\$1,654

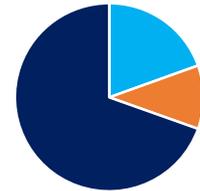
48

## Support Staff

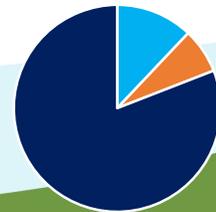
Support Staff - Cost Per Employee



Massage & Physio as % of Total EHC Claims SD39



Comparator Groups



	SD 39			Comparator Groups		
	Total Claims Paid	% of EHC	Cost per Employee	Total Claims Paid	% of EHC	Cost per Employee
Massage	\$1,526,029	28%	\$529	\$1,436,799	15%	\$238
Physio	\$851,062	16%	\$298	\$841,152	9%	\$139
Paramedical Total	\$2,966,017	55%	\$1,002	\$3,497,441	36%	\$579
EHC Total	\$5,429,360		\$2,184	\$9,683,564		\$1,602

\*While the three support staff groups have been included in aggregate, there are differences in the individual coverage allowances. See slide 3 for further detail.

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## Adult Education

Vancouver School Board Adult Education serves the needs of four different categories of students:

- 1. School Age under 19 (SA):** A student who was not successful in a regular high school setting and is working towards obtaining a regular dogwood diploma
- 2. Adult Diploma (AD):** A student returning to school who did not graduate and now wants to graduate by obtaining an adult diploma
- 3. Graduated Adult (GA):** A student who needs to upgrade for post-secondary prerequisites or upgrade language skills
- 4. International Student:** A student who is sometimes full time and other times just supplementing the program they take at one of our high schools

50

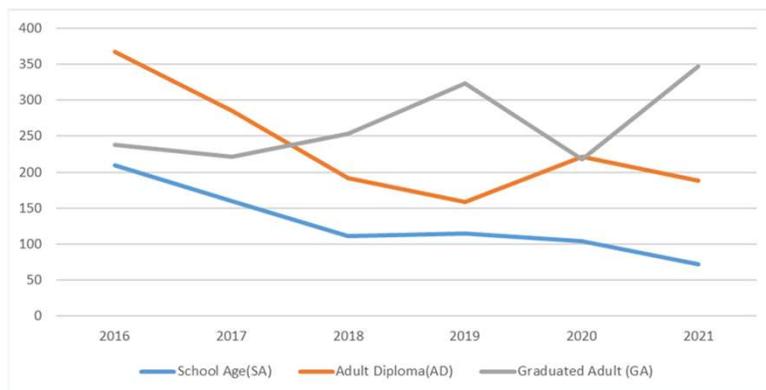
## Annual Enrolment by Student Type

Year	SA	AD	GA	Total FTE	Total Registrations	Staff FTE Required
2016/17	160	285	221	666	5328	26.64
2017/18	111	192	254	557	4456	22.28
2018/19	115	158	323	595	4760	23.8
2019/20	104	222	218	545	4360	21.8
2020/21	72	188	347	607	4856	24.28
2021/22*				347	2776	13.88



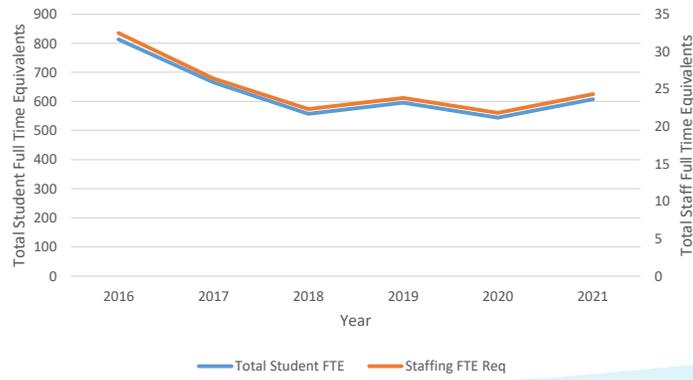
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## Number of FTE Students by Student Type – Last 5 Years



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## Correlation Between Student FTE and Teacher FTE



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# QUESTIONS?

## ITEM 2.1 2022-2023 Draft Annual Budget Update



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## Trustee Fraser's Questions

55

Work is underway on the implementation of the recently approved Education Plan, in developing an Anti-Racism and Non-Discrimination Plan, and developing a Food Framework. While this work is not yet complete, could there be a proposal for some one-time funding so that there could be a strong start as this work rolls out?

Staff are working on answering this question and will provide an answer to the Committee and at the May 3, 2022, Committee of the Whole meeting.

56

It is proposed that the budgeted purchase of capital assets of \$4,623,721 come from a transfer from Local Capital. Is this proposal a one-time strategy or is the intention to fund operating capital purchases from local capital on an ongoing basis?

- This would be a one-time strategy to assist in creating a balanced budget for 2022-2023.
- No decision has been made as whether this will be an ongoing strategy
- District has done this in the past in budget and in actual.
  - 2013-2014 Budget - \$4,374,052 Actual - \$4,374,052
  - 2014-2015 Budget - \$3,081,534 Actual - \$2,481,534
  - 2015-2016 Budget - \$725,000 Actual - \$ 447,793
  - 2016-2017 Budget - \$379,207 Actual - \$ 307,914

57

In Table 6 the amount of the restricted portion of the surplus is \$14,258,116 – is this the amount to be carried forward to next year? That includes the categories in our surplus policy - operations spanning future school years, anticipated unusual expenses, nature of constraints on funds and contingency reserve? My concern is to have a contingency reserve for the next school year.

The restricted surplus \$14.26 million is to be carried forward to the next year.

**Operations Spanning Multiple School Years**

School Flexible Budget	\$ 2,573,847
Learning Service Computer Replacement	213,000

**Nature of Constraints on Funds**

School Generated Fund	7,800,557
Energy and Other Miscellaneous Grants	3,403,245
\$1.5M Special Ed Support Fund	173,079

**Anticipated Unusual Expenses**

Labour Negotiation and Retirement Dinner	94,388
	<u>\$ 14,258,116</u>

58

I understand the replenish school flex budgets is to restore flex budgets to the level they were before a previous cut. Can you provide details about this level and the timeline for restoration?

The Board approved reduction to flex budgets happened in the 2016-17 budget process, since then we have restored around \$130,000 each year:

2016-2017 Reduction	\$ (1,181,835)
2017-2018	165,584
2018-2019	127,656
2019-2020	130,000
2020-2021	130,000
2021-2022	130,000
2022-2023 Proposed	130,000
	<u>\$ (368,595)</u>



59

Is secondary preparation time a new way of handling this issue, or a reallocation of funds?

The need to budget for secondary preparation time is when teachers are pulled from their prep blocks to cover staffing shortage, however staffing shortages in recent years created challenges in repaying the missed prep time through TTOC deployment. There is a need to budget for prep time payouts.



60

I think I heard that the Strong Start program deficit due to the province not funding negotiated pay raises – is this correct?

The funding for Strong Start program has not changed in many years. The District receives \$32,000 for each for the 19 Strong Start it operates for a total of \$608,000. However, as wages go up each year for the early childhood educators and inflationary pressures add to costs the entire operation requires operational funding.



61

I attended a recent DPAC meeting, as the DPAC trustee rep could not be there, would also like to share that there was question about the increase in employee benefits/impact of no premium holiday, and the parameters around these costs. My response was that I understood benefits are covered in the district's collective agreements and that staff would be able to provide more details.

Increase in employee benefits is mostly due to rate changes, the cost impact of the changes are:

Canada Pension Plan	\$1,411,217
Employment Insurance	215,481
Workers Compensation Board	333,179
Extended Health	1,003,088
Dental	712,671
Other	59,630
	<u>\$3,735,265</u>

The benefit premium holiday was a way to utilize the surplus held by our benefit administrator. Between July 2021 to January 2022, premium holiday was taken with the CUPE 15, IUOE, and CUPE407 groups on the extended health and dental benefits. All these benefits were employee 100% paid except IUOE's Extended Health which is 60% employer paid. By taking a premium holiday, it would mean the employee and VSB did not need to contribute premium during this period, but employees still have the benefit coverage.



62

## Trustee Gonzalez's Questions



63

Similar to Janet, wondering about funds for food vision, Ed plan and music implementation as per the work done on all 3 of these over the last few years.

Staff are working on answering this question and will provide an answer to the Committee and at the May 3, 2022, Committee of the Whole meeting.



64

I'm concerned about the financial impact of the 5-day sick leave in relation to TTOC's and casual staff so hoping we will have some estimate on financial impact.

The estimated impact of this benefit is approximately \$450,000.



65

Technology: a sense of what the focus will be on for this budget ie replacement and where the greatest need still is.

Staff are working on answering this question and will provide an answer to the Committee and at the May 3, 2022, Committee of the Whole meeting.



66

## Trustee Wong's Questions

67

CUPE submission- what is this cost savings from the past and is this reflected in this year's budget?

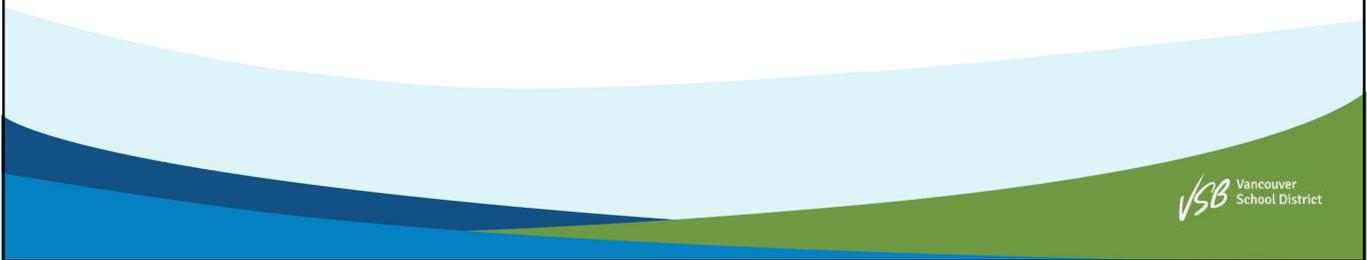
'Cost Savings due to absences not being filled-we would like any cost savings due to absences not being filled to be returned to CUPE 15 members. You may recall that the Trustees passed a motion in 2019 for 1.5 million for support staff. With this money, some of the following was negotiated:-ipads for all SSA's to help address the lack of access of technology for this group-paid CPI training on weekends for permanent SSA's-paid CPI training for on call SSA's-TRD position created to help support SSA's who work with difficult students-pot of money for SSA's to purchase apps that the board didn't have-unfortunately this was only for the SSA's but there have been cost savings due to absences not being filled by our other bands, Office support in particular, and they should also benefit from those savings.-the cost savings could also be used towards creating more bands, the work that our members are doing have changed over the years and through the Job Evaluation process we are seeing jobs that are rated that don't fall anywhere. This requires a new position/band to be created but the board has indicated that they don't have the money to do this so our members are stuck doing work that should be paid at a higher rate. We recently created an IT-D position through job evaluation.'

Staff are working on answering this question and will provide an answer to the Committee and at the May 3, 2022, Committee of the Whole meeting.

68

'Cafeteria Equipment; Continue funding the cafeteria equipment replacement at the increased level.'

The Board increased funding for the cafeteria equipment by \$100,000 in the 2020-21 budget, from \$200,000 to \$300,000. With inflation the 2022-23 budget has \$320,000 for cafeteria equipment replacement.



69

'Catering Revenue; VSB should start allowing our cafeteria staff to do school based catering again; this could generate additional revenue for the district. We do not understand why district is saying "NO" to the additional revenue.'

Staff are working on answering this question and will provide an answer to the Committee and at the May 3, 2022, Committee of the Whole meeting.



70

For the last couple of years I asked about the creation of the Indigenous Culinary Arts Program (and potentially more). It was to be looked at as part of the Food Review. May I ask where we are at with this and potential cost to create such a program? FYI the program was the brainchild of staff (Just to be upfront that I'm not trying to take credit for it).

Staff are working on answering this question and will provide an answer to the Committee and at the May 3, 2022, Committee of the Whole meeting.



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# Information Item Request



72

# Date and Time of Next Meeting

Wednesday May 18, 2022 at 5:00pm



73

Thank you for your time,

# The End



74