



AGENDA
Wednesday, February 12, 2025. 9:30 AM
Finance, Audit, and Facilities – SD 64 (Gulf Islands)

Called to order:

- 1. Adoption of Agenda**
- 2. Approval of January 15, 2025 Meeting Summary (*attachment*)**
- 3. Business Arising**
 - a) Amended Budget Discussion
 - *DRAFT Amended Annual Budget 2024-2025 (*link*)*
 - *Short-Term and One-time investments (*attachment*)*
 - *Function Analysis (*attachment*)*
- 4. New Business**
- 5. Other Business**
- 6. Next Meeting:** Not yet scheduled
- 7. Adjournment**



Summary

Finance, Audit, and Facilities Committee – SD 64 (Gulf Islands)

In attendance

Committee: Rob Pingle (committee chair), Jeannine Georgeson, Greg Lucas, Chaya Katrensky (board chair, ex-officio)

Trustees: Deborah Luporini, Chaya Katrensky, Nancy Macdonald

Staff: Jill Jensen (superintendent of schools), Jesse Guy (secretary treasurer), Boe Beardsmore (associate superintendent), Lyall Ruehlen (director of instruction), Lori Deacon (director of corporate services)

Guests: Ian Mitchell (GITA), Angela Thomas (CUPE)

Regrets: Adrian Pendergast (GIVPA)

The meeting was called to order at 11:10 p.m. by Committee Chair Rob Pingle. Chair Pingle acknowledged that this meeting is held on the territories of the Hul'qumi'num and SENĆOŦEN speaking peoples – huy tseep q'u.

1. Adoption of Agenda

Adoption of agenda by consensus.

2. Approval of Summary

Adoption of the May 8, 2024 and 2024 06 19 pre-audit FAF summaries by consensus. Correction to spelling of Chaya Katrensky.

3. New Business

a. Draft FAF Committee Terms of Reference

The terms of reference were drafted to reflect the same structure as the other standing committee terms of reference.

Action: That the draft Terms of Reference be brought to the January 29 public meeting of the Board for consideration of adoption.

b. Draft Amended Budget Discussion

Jesse provided an update on the amended budget process, noting the delay in receiving updated revenue numbers from the Ministry. Labour settlement funding was not sufficient to meet the actual increases to all employee groups. Savings will need to come from one-time investment spending. The committee discussed the impact of the delay and the plan to have a draft budget ready for review at the February 12th FAF committee meeting.

c. Annual Audit Contract Renewal Discussion



Jesse and the trustees discussed the renewal of the services contract for audit of the Board's financial statements. They considered the benefits of a multi-year contract and the likely need to follow the BC bid process due to the contract's potential value.

Action: Secretary Treasurer will begin the bid process for a five-year service contract to procure auditors.

d. Water Taxi Surveillance

Item brought forward from the last FAF meeting. Trustee Georgeson raised concerns about student behavior on the water taxi and suggested the need for surveillance or supervision. The committee discussed the importance of student leadership, behavior management and expectations, the complexities of implementing surveillance, and implications around privacy management.

Action: Staff will follow up on the issue from an operational perspective and bring back to a future meeting for further discussion.

4. Other Business

5. Next Meeting: February 12, 2025, Microsoft Teams

6. Adjournment: 11:58 a.m.

2024-25 Amended Budget Analysis

Short-Term and One Time Investments

Annual Budget

District Investments

EPIC - School Planning	\$	145,000	Function 1
Admin Professional Growth	\$	50,000	Function 1
Policy Renovation	\$	20,000	Function 4
IT Training	\$	13,000	Function 5
Transportation manifest initiative (Traversa)	\$	58,000	Function 7
	\$	286,000.00	A Total

Local Capital Investments

Sports team mini-coach	\$	130,000.00	Local Capital
Facilities fleet replacement	\$	100,000.00	Local Capital
Galiano Renewal (floors, painting, rot remediation)	\$	100,000.00	Local Capital
Tech renewal (network switches, student devices)	\$	125,000.00	Local Capital
Local Capital	\$	95,000.00	Local Capital
	\$	550,000.00	B Total

Annual Budget 2024/25

Short-Term and One Time Investments

Amended Budget 2024/25

Reductions

EPIC- Nummary Support	\$ 122,000.00	Function 1	\$ 23,000
Admin Professional Growth	\$ 50,000.00	Function 1	\$ -
Policy Renovation	\$ 20,000.00	Function 4	\$ -
IT Training	\$ 13,000.00	Function 5	\$ -
Transportation manifest initiative (Travers	\$ -	Function 7	\$ 58,000
	\$ 205,000		\$ 81,000

Local Capital Investments

Sports team mini-coach	\$ -	Local Capital	\$ 130,000
Facilities fleet replacement	\$ -	Local Capital	\$ 100,000
Galiano Renewal (floors, painting, rot rem	\$ 100,000	Local Capital	\$ -
Tech renewal (network switches, student	\$ 100,000	Local Capital	\$ 25,000
Local Capital	\$ 75,000.00	Local Capital	\$ 20,000
	\$ 275,000.00	B Total	\$ 275,000.00

Reconciliation to Annual Budget Bylaw 24/25

Total Operating Revenues (without Funding Protection)	23,449,845	
Total Operating Expense (Functions 1-7)	<u>24,716,295</u>	
Budgeted Surplus/Deficit before Funding Protection	- 1,266,450	C

Add Funding Protection	<u>992,717</u>	D
Surplus/Deficit with Funding Protection	- 273,733	

Local Capital items per above	B - 550,000	
Budgeted Allocation (Retirement) of Surplus (Deficit)	- 823,733	

Agrees to Budget Schedule 2

Reconciliation to current ongoing year expense impact on Accumulated Surplus

Surplus/Deficit without Funding Protection	C - 1,266,450	
Added back one time investment items in Operating	A 286,000	
Add back prior year required carry forward items in Operating Expense	150,000	
Local Capital items per above	B 550,000	

Adjusted Deficit without one time investments (operating and capital) and prior year items	- 280,450	
Add Funding Protection	<u>D 992,717</u>	

Surplus/Deficit with Funding Protection and items added back for current year ongoing expense	\$712,267	
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Reconciliation to Amended Budget Bylaw 24/25

Total Operating Revenues (without Funding Protection)	\$24,132,675
Total Operating Expense (Functions 1-7)	<u>25,217,508</u>
Budgeted Surplus/Deficit before Funding Protection	- 1,084,833
 Add Funding Protection	 <u>605,989</u>
Surplus/Deficit with Funding Protection	- 478,844
 Local Capital items per above	 B - <u>275,000</u>
Budgeted Allocation (Retirement) of Surplus (Deficit)	- 753,844

Agrees to Budget Schedule 2

Reconciliation to current ongoing year expense impact on Accumulated Surplus

Surplus/Deficit without Funding Protection	C - 1,084,833
Added back one time investment items in Operating	A <u>205,000</u>
Add back prior year required carry forward items in Operating Expense	150,000
Local Capital items per above	B <u>275,000</u>
Adjusted Deficit without one time investments (operating and capital) and prior year items	- 454,833
Add Funding Protection	D <u>605,989</u>
Surplus/Deficit with Funding Protection and items added back for current year ongoing expense	\$151,156

SD64 Draft Amended Budget 24/25 Discussion



Function 1 Instruction

Total **Instruction** Costs per Student FTE

Total Cost:	\$18,020,635
Cost per Student FTE:	\$12,276
% of Total Operating Expense:	71%

Elements of Instruction Expense

Regular education costs that occur in school budlings:

- Teachers
- CUPE supports
- Indigenous Education
- Learning Services
- Books
- Curriculum Resources
- Principals/ Vice-Principals
- Field Trips
- Counselling
- Paper / Supplies
- Student Tech
- School Flex Budgets

Function 4 District Administration

Total District Administration Costs per Student FTE

Total Cost: \$1,735,097

Cost per Student FTE: \$1,182

% of Total Operating Expense: 7%

Elements of District Administration Expense

District work occurring in the board office and at the School Board Table that unifies the district, connects to the Ministry of Education and Child Care and provides oversight, to the whole District:

- School Board
- Human Resources
- Policy
- Legal
- Education Reporting
- Financial Reporting
- Insurance
- Communication
- Website
- Payroll
- Accounting
- Privacy
- Compliance

Function 5 Operation & Maintenance

Total **Operation & Maintenance** Costs per Student FTE

Total Cost:	\$3,510,914
Cost per Student FTE:	\$2,392
% of Total Operating Expense:	14%

Elements of Operations & Maintenance Expense

The maintenance and safe operations of our buildings and grounds:

- Custodial Services
- Grounds
- Health and Safety
- Building Repair
- Capital Projects Management
- Technology Infrastructure
- Hydro
- Water and Sewage
- Heating Fuel
- Garbage & Recycling
- Building Security
- Machine Repair

Function 7 Transportation & Housing

Total Transportation & Housing Costs per Student FTE

Total Cost:	\$1,950,864
Cost per Student FTE: (all students NOT just riders)	\$1,329
% of Total Operating Expense:	8%

Elements of Transportation & Housing

The operation of a safe transportation system for students from their home region to school:

- Bus Drivers
- Mechanic
- Radio Administration
- Notifications
- Bus Fuel
- Bus Parts
- Water Taxi Contract (and fuel surcharges)
- Student Boarding
- Student Manifests and Digital Tracking
- Travel Assistance
- Commercial Repair Services

Operating Budget Four Functions By Object

Total Operating Expense By Object (Type)

Total Salary and Benefit	\$20,760,366	82%
Total Services and Supplies	\$4,457,144	18%
Total Operating Expense	\$25,217,510	

Elements of Salary & Benefits and Service & Supplies

Salary & Benefits	Service & Supplies
<ul style="list-style-type: none">Teacher, CUPE, Principals and Exempt Staff Wages, TrusteesHealth Benefits (Private) (Blue Cross)CRA (Federal) Employment Remittance (EI and CPP)Employer Health Tax (Provincial)Worker’s Compensation Board (Provincial)	<ul style="list-style-type: none">Student Transportation (water taxis and buses (except bus driver wages)Utilities (Hydro, propane, water, sewage, garbage, paper recycling, vehicle and bus fuel)Employee training and travelService Contracts (learning services, board, Indigenous Education, photo copiers, legal, audit)Supplies (paper, toilet paper, cleaning products etc.)Insurance (Buses, vehicles, and annual premium)

Revenue and Discretionary Transportation Per Student FTE

Total Operating Revenue per Student FTE

Total Operating Revenue:	\$24,738,664
Revenue per Student FTE:	\$16,852

Total Operating Discretionary Transportation Expense Student FTE

Discretionary Transportation Expense: \$1,622,600 (with removal of \$328K in supplemental revenue)
Per Student FTE: \$1,105

Operating Revenue Analysis

Estimated Operating Grant Overview

Schedule 2A Operating Revenue from MoECC		
Total Enrollment Based Funding		13,033,697
Supplement for Enrolment Decline		132,341
Supplement for Unique Student		2,017,766
Indigenous Education Targeted funding		279,660
Indigenous Education Council		60,209
Supplement for Salary Differential		441,310
Supplement for Unique Geographic Factors		6,096,972
Curriculum and Learning Support Fund		13,614
		22,075,569
Funding Protection		605,989
	Total Estimated Operating Grant	22,681,558

Additional Items From MoECC		
Pay Equity		102,398
Student Transportation Fund		328,264
Support staff Benefits Grant		26,000
FSA Scorer Grant		7,500
Labour Settlement Funding		180,623
Total MoECC Revenue		23,326,343
Local Items		
Other School Districts		
International Tuition		480,000
Miscellaneous		163,321
GISPA		27,000
Homestay Fees		362,000
Medical and Other International Fees		90,000
Rentals and Leases		90,000
Investment Income		200,000
Total Local Revenue Items		1,412,321
Total Operating Revenue		24,738,664

SD64 Revenue Analysis (2024-25 Amended Budget Sch 3A)

Special Purpose Fund Revenue

Estimated SPF Grant Overview

Special Purpose Funds Revenue from MoECC SCH 3A				
Special Purpose Funds that Support Regular Operations				
Annual Facility Grant		Capital	Repair/Maintenance/district capital projects	103,649
Learning Improvement Fund		Schools	Learning Services	79,855
Strong Start		Schools/Community	Early learning	128,000
Ready Set Learn		Schools/Community	Early Learning	19,600
OLEP		Schools	French Immersion	153,252
Community Link		Schools	Learning Services	164,268
Classroom Enhancement Funds		Schools	Classroom Teaches, Esa, Cleaning and OH	2,961,964
Mental Health in Schools		Schools	Learning Services	57,000
Seamless Day Kindergarten		Schools/Community	Early Learning / Daycare	55,400
Student and Family Affordability		Students and Families	Food, Supplies and Fees	100,000
SEY2KT		Schools/Community		13,000
Changing Results for Young Children		Schools/Community		4,725
Early Years to Kindergarten		Schools/Community	Early Learning	19,000
Early Care and Learning		Staff for early learning	Early Learning / Daycare	175,000
Feeding Futures Fund		Schools	Food, Supplies and Staff	350,000
			Total MoECC Special Purpose Funds	4,384,713

Operating and Special Purpose Expenses Combined

Operating and SPF Expenses		Budget Amended 24/25 Draft			
	Operating	SPF	Total Operating and SPF	%	
Teachers	7,381,758	2,295,000	9,676,758	49%	Of Salary
PVP	2,485,104	120,000	2,605,104	13%	Of Salary
EA	1,634,013	220,000	1,854,013	9%	Of Salary
Support Staff	2,457,876	110,000	2,567,876	13%	Of Salary
Other Professionals	1,995,829	62,000	2,057,829	10%	Of Salary
Substitutes	749,775	244,725	994,500	5%	Of Salary
Total Salary	16,704,355	3,051,725	19,756,080		
			-		
Employee Benefits	4,056,011	829,451	4,885,462	20%	Of total Salary and Benefits
			-		
Total Salary and Benefits	20,760,366	3,881,176	24,641,542	81%	Of total Expense
Services and Supplies	4,457,144	1,370,781	5,827,925	19%	Of total Expense
Total Expense	25,217,510	5,251,957	30,469,467		

Operating and Special Purpose Expenses Combined

	Operating and Special Purpose Combined for Regular Operations SCH 2B and SCH 3A					
	Budget 24/25 Draft Annual Budget		Audited F/S 24/25		Amended Annual Budget 24/25	
	Oper. & SPF Exp.	%	Oper. & SPF Exp.	%	Oper. & SPF Exp.	%
Teachers	9,049,037	49%	9,378,981	49%	9,676,758	50%
PVP	2,322,735	13%	2,309,156	12%	2,605,104	14%
EA	2,028,953	11%	1,740,691	9%	1,854,013	10%
Support Staff	2,397,494	13%	2,479,592	13%	2,567,876	13%
Other Professionals	1,910,727	10%	2,173,916	11%	2,057,829	11%
Substitutes	838,475	5%	1,134,528	6%	994,500	5%
Total Salary	18,547,421		19,216,864		19,756,080	
	-		-		-	
Employee Benefits	4,425,187	19%	4,425,187	19%	4,885,462	20%
	-		-		-	
Total Salary & Benefits	22,972,608	79%	23,642,051	80%	24,641,542	81%
Services & Supplies	6,051,084	21%	6,051,084	20%	5,827,925	19%
Total Expense	29,023,692		29,693,135		30,469,467	

Schedule of Changes in Accumulated Surplus (Deficit by Fund) SCH1 in F/S

Schedule of Changes in Accumulated Surplus (Deficit by Fund) SCH1 in F/S					
			Operating Fund	Capital Fund	Total
Accumulated Surplus (Deficit) beginning of year			2,978,455	7,053,953	10,032,408
Prior Period Adjustments					-
Accumulated Surplus Deficit, beginning of year, as restated			2,978,455	7,053,953	10,032,408
					-
Changes for the year					-
Surplus (Deficit) for the year			- 478,846	- 400,000	- 878,846
Inter fund transfers					-
Tangible Capital Assets Purchased			- 275,000	275,000	-
Net Changes for the year			- 753,846	- 125,000	- 878,846
					-
Accumulated Surplus (Deficit), end of year - (statement 2)			2,224,609	6,928,953	9,153,562

Policy 6.11 Accumulated Operating Surplus

Annual Operating Surplus: is the difference between the current year's revenue and expenses. This is like your regular cash account.

Accumulated Operating Surplus: is all prior year's annual surplus (and deficits) combined. Like an investment account.

Policy 6.11 recommends that the School District hold a minimum of 2% and a maximum of 5% of Accumulated Operating Surplus.

Recommended range, in alignment with policy, for the 2024/2025 year based on draft Operating Total Revenue is: \$500,000 to \$1,250,000.

Actual accumulated surplus at the end of next school year (June 30, 2025), based on 2024/2025 amended budget and current year spending: estimated \$2,000,000.

Final Considerations

The District still has a solid accumulated surplus that is above the recommend level.

Labour settlement funding and regular inflation has resulted in expense meeting revenue quicker than had been anticipated 3-4 years ago, and accumulated surplus being used to maintain the current status quo. The additional labour settlement funding provided has not matched the increase to collective agreements.

There is solid funding for specific special purpose initiatives from the MoECC.

Senior Staff, with the completion of the Strategic Plan, will be working on long range plans. These discussions will also be a component of sustainability planning.

I would recommend that, for the 25/26 budget, considerations be made to ensure that revenue and expense for regular operations do not rely on accumulated surplus.