



**Central Okanagan
Public Schools**
Together We Learn

CENTRAL OKANAGAN PUBLIC SCHOOLS - BOARD COMMITTEE REPORT

Finance and Audit Committee Meeting

Public Meeting

Wednesday, June 19, 2024, 4:00 pm

School Board Office

1040 Hollywood Road S

Kelowna, BC

Board of Education: Trustee W. Broughton, Chair
Trustee L. Guderyan, Committee Member
Trustee C. Desrosiers, Acting Committee Member
Trustee A. Geistlinger
Trustee L. Tiede

Absent: Trustee V. Johnson, Committee Member

Staff: Delta Carmichael, Secretary-Treasurer/CFO
Kevin Kaardal, Superintendent of Schools/CEO
Terry Beaudry, Deputy Superintendent of Schools
Lise Bradshaw, Executive Assistant (Recorder)

Absent: Kirsten Nugent, Finance Manager

Partner Groups: Susan Bauhart, COTA President
Teri Wishlow, CUPE President
Nicola Baker, COPAC President
There were no representatives from COPVPA or DSC.

**The Central Okanagan Board of Education acknowledged that this meeting was being held
the unceded, Traditional Territory of the Okanagan People.**

AGENDA

Trustee Desrosiers was appointed as Acting Voting Committee Member for the June 19, 2024 Finance and Audit Committee meeting, in the absence of Trustee Johnson.

June 19, 2024 Committee Agenda - approved as presented.

REPORTS/MATTERS ARISING

Finance and Audit Committee Public Meeting Report - May 15, 2024

May 15, 2024 Committee Report - received as distributed.

COMMITTEE MEMBERS QUERIES/COMMENTS

The COTA President queried the spending freeze recently implemented in the District, and whether schools who had saved money in their 2023/2024 District-level budget would get the funds back for the next school year. The Secretary-Treasurer/CFO clarified that only District-level accounts were frozen for the month of June 2024 (not school-based accounts), and that once year-end is finalized, the District would be in a better position to determine if District-level funds committed to the 2024/2025 school year would be affected.

The CUPE President queried the funding for the new District Principal of Transitions position, considering the spending freeze. The Secretary-Treasurer/CFO advised that the funding for this position will come out of next year's budget, and is funded by Special Purpose Fund grants.

DISCUSSION/ACTION ITEMS

2024/2025 Annual Budget Bylaw

The Secretary-Treasurer/CFO stated that the Ministry of Education and Child Care requires that the Annual Budget be prepared, adopted by Bylaw and submitted by June 30 each year.

The comparative data for the budget preparation is the 2023/2024 Amended Annual Budget. The 2024/2025 Budget is based on a conservative 400 FTE student increase, and 400 FTE international students. A few significant changes since the Superintendent of Schools/CEO 2024/2025 Budget Recommendations Report include:

- Increase of 36 ELL student FTE projected for September, 2024.
- Increase to Federal Settlement Workers in Schools (SWIS) funding.
- One approved Jordan's Principle application (there will likely be more to follow, which will be reflected in the 2024/2025 Amended Annual Budget).
- Increase to the Community Rental Program rates effective July 1, 2024.
- School appropriated surplus committed to the 2024/2025 school year was more than originally budgeted.

An overview of the points for consideration, revenues and expenses for the 2024/2025 Annual Budget was provided.

The Secretary-Treasurer/CFO and the Superintendent of Schools/CEO answered queries from the Committee members regarding grant funding, dental benefit costs, exempt staff salary increase funding, the discontinuation of the District's Summer Literacy Program, the Student and Family Affordability Program and Feeding Futures Program, portable costs, the new Wellness Program and CommunityLINK funding.

Outcome:

The Finance and Audit Committee recommended to the Board:

THAT: The Board of Education of School District No. 23 (Central Okanagan) give first reading to the School District No. 23 (Central Okanagan) Annual Budget Bylaw for the Fiscal Year 2024/2025 in the amount of \$374,795,441.

THAT: The Board of Education of School District No. 23 (Central Okanagan) give second reading to the School District No. 23 (Central Okanagan) Annual Budget Bylaw for the Fiscal Year 2024/2025 in the amount of \$374,795,441.

THAT: The Board of Education of School District No. 23 (Central Okanagan) give all three readings to the School District No. 23 (Central Okanagan) Annual Budget Bylaw for the Fiscal Year 2024/2025 in the amount of \$374,795,441.

THAT: The Board of Education of School District No. 23 (Central Okanagan) give third reading and adopt the School District No. 23 (Central Okanagan) Annual Budget Bylaw for the Fiscal Year 2024/2025 in the amount of \$374,795,441 on the 26th day of June 2024.

Multi-Year Financial Plan (2024/2025 - 2026/2027)

Under the newly instituted District Policy 162 - Financial Planning and Reporting, it is mandated that the Board develop, implement and submit to the Ministry of Education and Child Care a comprehensive Multi-Year Financial Plan. The Plan must illustrate the allocation of funds and resources to support strategic objectives and operational requirements, with an emphasis on improving educational outcomes for all students.

In addition to the Central Okanagan Public Schools' Strategic Plan and the District's Mission, Vision and Cultural Values, the District will also consider the District's Overarching Goal, using both the District Budget Development Principles and guided school-based budget decisions model while also considering key assumptions such as student growth, funding, wages, benefits, and inflation.

The Secretary-Treasurer/CFO and Superintendent of Schools/CEO answered queries from the Committee members.

Outcome:

The Finance and Audit Committee recommended to the Board:

THAT: The Board of Education approve the Multi-Year Financial Plan (2024/2025 to 2026/2027) as attached to the Agenda and as presented at the June 19, 2024 Finance and Audit Committee Meeting.

DISCUSSION/INFORMATION ITEMS

2023/2024 Estimated Accumulated Operating Surplus

The Secretary-Treasurer/CFO stated that as required by the Ministry of Education and Child Care, as well as District Policy 161 – *Accumulated Operating Surplus*, a preliminary report on the restricted and unrestricted accumulated operating surplus to June 30, 2024 was provided as part of the agenda package. The report outlines the estimated accumulation and planned use of the operating surplus.

A final report will be brought forward to the Finance and Audit Committee in September, 2024 for recommendation to the Board of Education.

Trustee Desrosiers commented it is always a concern that a very low accumulated operating surplus will make it more difficult for staff and the Board to balance the budget in two years.

The Secretary-Treasurer/CFO and the Superintendent of Schools/CEO answered queries from the Committee.

RECOMMENDATIONS/REFERRALS TO THE BOARD/COORDINATING COMMITTEE/OTHER COMMITTEES

Public Board Meeting - June 26, 2024

- 2024/2025 Annual Budget Bylaw (*Action Item*)
- Multi-Year Financial Plan (2024/2025 - 2026/2027) (*Action Item*)
- 2023/2024 Estimated Accumulated Operating Surplus (*Information Item*)

ITEMS FOR FUTURE FINANCE AND AUDIT COMMITTEE MEETINGS

September

- Presentation: Audited Financial Statements for the Fiscal Year
- Audited Financial Statements for the Fiscal year (*Action Item*)

October

- Financial Update at September 30th
- Student and Family Affordability Fund Update as of June 30, 2024
- Feeding Futures Fund Update as of June 30, 2024

November

- School District No. 23 (Central Okanagan) Budget Development Principles
- School District No. 23 (Central Okanagan) Budget Development Timeline

January

- Amended Annual Budget for the Fiscal Year
- Ministry of Education and Child Care Funding Recalculation Allocation
- Financial Update at December 31st
- Budget Survey Development
- Annual Review of Committee's Mandate, Purpose and Function

February

- Budget Presentation
- School Fees Summary

April (1st Meeting)

- Central Okanagan Public Schools Superintendent of Schools/CEO Budget Proposal Report
- Budget Consultation Input Received
- Trustee Indemnity for the 2025/2026 Fiscal Year

April (2nd Meeting)

- Central Okanagan Public Schools Superintendent of Schools/CEO Budget Recommendations Report
- Financial Report at March 31st

May

- Auditor's Report to the Finance and Audit Committee – Initial Communication on Audit Planning for the Year
- Annual CommunityLINK Allocations
- Financial Update - International Education Program

June

- School District No. 23 (Central Okanagan) Annual Budget for the Fiscal Year
- 2024/2025 Accumulated Operating Surplus Review
- Proposed Multi-Year Financial Plan (2025/2026 to 2027/2028)

FUTURE FINANCE AND AUDIT COMMITTEE MEETING

Wednesday, September 18, 2024

4:00 pm, Main Board Room

ADJOURNMENT

The meeting adjourned at 4:57 pm.

Questions - Please Contact:

Trustee Broughton, Chair at 250-718-9219 or Wayne.Broughton@sd23.bc.ca

Delta Carmichael, Secretary-Treasurer/CFO at 250-860-8888 or Delta.Carmichael@sd23.bc.ca

Wayne Broughton, Chair