

SCHOOL DISTRICT No. 23 – BOARD COMMITTEE REPORT

COMMITTEE: Finance and Legal Committee Meeting DATE: November 18, 2015
CHAIRPERSON: Trustee L. Mossman STAFF CONTACT: E. Sadlowski, Director of Finance

The Committee Chairperson acknowledged that the meeting was being held on the Traditional Territory of the Okanagan People.

Attendees:

Board of Education:

Trustee L. Mossman (Chairperson)
Trustee R. Cacchioni (Committee Member)
Trustee J. Fraser (Committee Member)
Trustee M. Baxter

Staff:

E. Sadlowski, Director of Finance (*absent*)
L. Paul, Secretary-Treasurer
H. Gloster, Superintendent (*absent*)
K. Kaardal, Superintendent/CEO Designate (*absent*)
T. Beaudry, Assistant Superintendent
B. Bertram, Executive Assistant (*Recorder*)

Partner Group Representation:

COTA Susan Bauhart, President
COPAC Shelley Courtney, President
COPVPA No representative
CUPE Wendy Johnson, President
District Student Council No representative

Agenda/Additions/Amendments/Deletions

Add: 7.3 BCPSEA – Economic Stability Dividend (New item)

November 18, 2015 Agenda – approved as amended.

Reports/Matters Arising

September 16, 2015 Committee Report – received as presented.

Committee Members Queries/Comments

Trustee Cacchioni

Noted that the City of Kelowna recently waived the Development Cost Charges (DCC) on subsidized housing, and queried whether the School District's School Site Acquisition Charge (SSAC) was waived as well.

The Secretary-Treasurer responded that, if a municipality waives their DCC, they must request permission to waive the District's SSAC, and no such request has been made by the City of Kelowna.

Trustee Fraser

Queried whether, if Lake Country catchment areas are amended, the cost of potential amendments to bus routes had been calculated.

The Secretary-Treasurer responded that costing for potential changes to busing cannot be made until the catchment area configuration has been established by the Board. It is anticipated that current service levels would be maintained, however the bus routes themselves may be altered.

Discussion/Action Items

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

Committee members reviewed the underlying meaning of the various budget development principles.

Outcome

The Committee recommended that approval of the Budget Development Principles be forwarded to the Board of Education as an Action Item.

2. School District No. 23 (Central Okanagan) 2016/2017 Budget Development Timeline

The Secretary-Treasurer reviewed the budget development timelines which will be tighter this year given the later Spring Break which carries into the Easter long weekend. The Ministry of Education has published a multi-year total funding envelope commitment for education; however, school districts have not been advised what their multi-year funding amounts will be. Committee members discussed the timing for budget input requests and the information to be contained in the online budget survey which is typically sent out early in the New Year, e.g. including budget background information and/or specific budget recommendations.

The COTA President commented that an additional budget pressure could be resources for the new provincial curriculum, as it is unclear whether these will be funded by the province or by school districts.

Outcome

The Committee agreed to amend the February 1st line detail to read “Request for Input Begins” and remove the words *via Online Survey*.

The Committee agreed that the 2016/2017 Budget Development Timeline would be forwarded to the Board of Education for approval.

The Committee agreed that the Budget Online Survey would be added as a future Committee agenda item.

3. Revenue and Expense Summary at October 31, 2015

The Secretary-Treasurer reviewed the variations between the 2014 and 2015 Revenue and Expense Summary at October 31st which are due to last year's late start as a result of job action. School districts are facing unknown future funding hits including a potential wage increase for exempt staff (2% retroactive to July 2015, and a further 2% on January 1, 2016). It is unknown yet whether payment of these wage increases will be downloaded to districts. School boards are also facing increased inflation costs for existing benefit packages.

The District has met the two-year Administrative Savings requirement, however will still face a funding reduction of at least \$1 million for 2016/2017.

Outcome

The Committee agreed to receive the Revenue and Expense Summary at October 31, 2015 and to forward the Summary to the Board of Education as an Information Item.

A copy of the Administrative Savings Report will be provided to the Finance and Legal Committee in the New Year.

4. EMERGENT ITEM: Select Standing Committee on Finance and Government Services Recommendations

As a result of committee discussion regarding the District's Budget Development Timeline, it was agreed that it would be recommended that the Board of Education send a letter endorsing the Select Standing Committee on Finance and Government Services' recommendations for K-12 funding.

Outcome

The Committee recommended that the Board of Education write a letter to the Minister of Finance, with a copy to the Minister of Education, endorsing the Select Standing Committee on Finance and Government Services' report and recommendations for K-12 funding.

Information Items

1. MyEducation BC Provincial Student Demographic System – Overtime Costs Due to Performance Issues

The Secretary-Treasurer advised that clerical overtime to date is approximately \$41,900. Although a certain amount of overtime would normally occur during school start-up, this figure is up significantly from prior years. It would be extremely difficult to calculate the full overtime amount associated to the implementation of MyEducation BC, as teachers and school administrators have also put in countless hours of extra time to ensure that schools and classrooms are able to function. The province has given no indication that funding for these overtime hours will be reimbursed to school districts.

2. September 2015 Enrolment Numbers

The Committee reviewed the enrolment numbers for the past five years. The District currently sits at approximately 300 FTE students over projection for this year.

3. BCPSEA – Economic Stability Dividend

The Secretary-Treasurer reviewed the Economic Stability Dividend which has been negotiated into many collective agreements and is based on a formula of performance within British Columbia. Both teachers and support staff will see an increase of 0.45% applied to current salary grids, effective May 1, 2016. The province has not yet confirmed that additional funding will be provided to school districts for the salary increase.

Recommendations/Referrals to the Board/Coordinating Committee/Other Committees

Future Public Board Meeting Action Items:

- School District No. 23 (Central Okanagan) Budget Development Principles
- School District No. 23 (Central Okanagan) 2016/2017 Budget Development Timeline
- Select Standing Committee on Finance and Government Services Recommendations – Letter from the Board of Education

Future Public Board Meeting Information items:

- Revenue and Expense Summary at October 31, 2015
- September 2015 Enrolment Numbers

Meeting Schedule

2016 Meeting Dates To Be Determined.

Items for Future Finance and Legal Committee Meetings

- Update – 2012 and 2014 Deloitte Reports - Ministry of Education
- Budget Online Survey
- Administrative Savings Report (June 2015)
- Funding for Syrian Refugees

January	February	April (1st meeting)
<ul style="list-style-type: none">- Amended Annual Budget for the Fiscal Year- Ministry Recalculation Allocation – School District No. 23 and Provincial	<ul style="list-style-type: none">- Revenue and Expense Summary at January 31	<ul style="list-style-type: none">- Overview of Budget Allocation- Budget Consultation Input Received
April (2nd meeting)	May	June
<ul style="list-style-type: none">- Central Okanagan School District Preliminary Budget Proposal – Superintendent’s Budget Recommendations- Trustee Indemnity for the Fiscal Year	<ul style="list-style-type: none">- Auditor’s Report to the Finance Committee – Initial Communication on Audit Planning for the Year- Annual CommunityLINK Allocations- Trustee Travel Expenses- Financial Update – International Education Program- Review of Policy 425 and Regulations 425R - Student Fees	<ul style="list-style-type: none">- School District No. 23 (Central Okanagan) Annual Budget for the Fiscal Year

Questions – Please Contact:

Trustee Lee Mossman, Chairperson
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