



**Central Okanagan
Public Schools**
Together We Learn

CENTRAL OKANAGAN PUBLIC SCHOOLS - BOARD COMMITTEE REPORT

Finance and Audit Committee Meeting

Public Meeting

Wednesday, January 18, 2023, 4:00 pm

School Board Office

1040 Hollywood Road S

Kelowna, BC

Board of Education: Trustee W. Broughton, Chair
Trustee V. Johnson, Committee Member
Trustee C. Desrosiers, Committee Member
Trustee J. Fraser
Trustee A. Geistlinger
Trustee L. Tiede

Absent: Trustee L. Guderyan

Staff: Kevin Kaardal, Superintendent of Schools/CEO
Delta Carmichael, Secretary-Treasurer/CFO
Kate Cumming, Assistant Secretary-Treasurer
Val Dougans, Finance Manager
Lise Bradshaw, Executive Assistant (Recorder)

Absent: Terry Beaudry, Deputy Superintendent of Schools

Partner Groups: Susan Bauhart - COTA President
Kieran Fahy - CUPE Secretary-Treasurer
Nicola Baker - COPAC Vice-President
Scott Sieben - COPVPA President (*arrived at 4:04 pm*)
Zach Johnson - DSC Co-President

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

AGENDA

January 18, 2023 Committee Agenda - approved as presented.

REPORTS/MATTERS ARISING

Finance and Audit Committee Public Meeting Report - November 16, 2022

November 16, 2022 Committee Report - received as distributed.

COMMITTEE MEMBERS QUERIES/COMMENTS

The COTA President asked if BCPSEA had approved a salary grid increase for exempt staff. The Secretary-Treasurer/CFO confirmed that this had been approved.

DISCUSSION/ACTION ITEMS

2022/2023 Amended Annual Budget Bylaw

The Committee Chair stated that each February, the Board submits an Amended Annual Budget reflecting updated revenues and expenses based on actual student enrolment and actual expenditure patterns. The Amended Annual Budget includes Operating, Special Purpose and Capital Funds. The deadline to submit the Amended Annual Budget to the Ministry of Education and Child Care is February 28, 2023.

The Assistant Secretary-Treasurer presented the 2022/2023 Amended Annual Budget, highlighting the numerous factors for the \$8.095 million increase to the budget over the 2022/2023 Annual Budget presented in June 2022. These factors include, but aren't limited to:

Changes in revenues due to:

- Student enrolment increase, causing an increase in the District's operating grant of \$2.263 million.
- the Student and Family Affordability Fund: \$2.397 million.
- the Classroom Enhancement Funding: \$3.848 million.
- the revised estimate of amortization of deferred capital contributions increased revenue by \$1.027 million.
- estimated revenues from School Generated funds increased by \$434,013.
- Jordan's Principle funding: \$295,580.
- Settlement Workers in Schools program funding: \$192,684.

Changes in expenditures due to:

- Increase to teaching, CEA and other staff's wages and benefits as a result of the increase to the student FTE
- Increase of \$3.848 million related to the Classroom Enhancement Fund as a result of the District's request for additional teaching staff and the overall increase to wages and benefits related to this fund.
- Increase of \$242,598 relating to staff positions fully funded by the Settlement Workers in Schools program.
- Increase to the teacher illness budget of \$483,946 as a result of the increase in overall teacher FTE and expected additional illness costs.
- Increase of \$2.397 million in field studies, supplies, supports for vulnerable Indigenous families and expansion of the Brown Bag lunch and school breakfast programs funded by the Student and Family Affordability Fund
- \$1.050 million decrease to Operations and Maintenance costs due to the revised estimate of amortization of capital assets.

The Amended Budget Bylaw amount is \$311,759,193.

The Assistant Secretary-Treasurer and the Secretary-Treasurer/CFO responded to questions from the Committee.

Outcomes:

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) Amended Annual Budget Bylaw for the Fiscal Year 2022/2023 in the amount of \$311,759,193.

THAT: The Board of Education of School District No. 23 (Central Okanagan) give second reading to the School District No. 23 (Central Okanagan) Amended Annual Budget Bylaw for the Fiscal Year 2022/2023 in the amount of \$311,759,193.

THAT: The Board of Education of School District No. 23 (Central Okanagan) give all three readings to the School District No. 23 (Central Okanagan) Amended Annual Budget Bylaw for the Fiscal Year 2022/2023 in the amount of \$311,759,193.

THAT: The Board of Education of School District No. 23 (Central Okanagan) give third reading and adopt the School District No. 23 (Central Okanagan) Amended Annual Budget Bylaw for the Fiscal Year 2022/2023 in the amount of \$311,759,193 on the 8th day of February 2023.

It is expected that the Ministry of Education and Child Care will announce additional funding for the 3.25% wage increase for teachers and 4% for principals, vice principals and exempt staff in

the coming weeks. This will result in a change to the draft 2022/2023 Amended Annual Budget in funding revenue and salaries and benefits expenses. Once the changes are implemented, the revised 2022/2023 Amended Annual Budget and updated Bylaw will go directly to the Board of Education for approval in order to meet the Ministry's February 28th, 2023, deadline.

Financial Update – December 31, 2022

The Assistant Secretary-Treasurer provided a financial update for the period ending December 31, 2022. The District's spending is progressing as expected in some areas and projected to be higher than budgeted in other areas. Staff illness costs are slightly elevated but will be monitored in the coming months. There continues to be unfilled job positions for CEAs and some trades, however the Human Resources Department is actively recruiting. Benefit costs are lower during the latter part of each calendar year as several employees have reached their annual maximum for CPP and EI. There continues to be some underspending in certain types of expenses (TTOC release, training, professional development, accommodation) due to the COVID-19 pandemic as well as the shift to more virtual meetings and professional development opportunities.

The Assistant Secretary-Treasurer and the Secretary-Treasurer/CFO responded to questions.

Outcome:

The Finance and Audit Committee received the Financial Update as of December 31, 2022 as presented and will forward to the Board of Education as an information item.

Annual Review of Committee's Mandate, Purpose and Function – Policy 160 – Finance and Audit Committee

The Assistant Secretary-Treasurer stated that the Committee reviews *Policy 160 – Finance and Audit Committee* on an annual basis. There are no recommended changes to the policy at this time.

DISCUSSION/INFORMATION ITEMS

2022/2023 Ministry Funding Recalculation Allocation – School District No. 23

The Committee reviewed the 2022/2023 Ministry of Education and Child Care's funding recalculation allocation for the District.

2023/2024 Budget Survey Questions – DRAFT

The Assistant Secretary-Treasurer presented the draft 2022/2023 budget survey questions for review. This survey will be sent to all partner groups, the general public via the District's website, parents via school messenger and communicated on school websites. The survey will

also include pertinent financial, budget and other District information to assist partner groups, general public and parents to provide more informed comments and suggestions.

The Committee discussed the draft questions and had a suggestion to reorder the wording of #4 to say:

The Ministry of Education and Child Care will announce funding for the 2023/2024 budget in March 2023. If there is a budget shortfall, what programs, services and/or activities would you like to have the District prioritize?

The COPAC Vice-President asked if there was a way to help parents better understand what the budget meant for them at a school level, and whether parents knew about the district being responsible for the cost of portables.

5:33 pm: Trustee Geistlinger left the meeting.

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

February 8, 2023 Public Board Meeting:

- Financial Update - December 31, 2022 - (Information Item)
- Affirmation of Policy 160 - Finance and Audit Committee (Action Item)
- 2023/2024 Budget Survey Questions - (Information Item)

February 22, 2023 Public Board Meeting:

- Approval of 2022/2023 Amended Annual Budget - (Action Item)

ITEMS FOR FUTURE FINANCE AND AUDIT COMMITTEE MEETINGS

February

- Budget Presentation
- School Fees Summary

April (1st Meeting)

- Overview of Budget Allocation
- Budget Consultation Input Received
- Trustee Indemnity for the 2023/2024 Fiscal Year

April (2nd Meeting)

- Central Okanagan School District Preliminary Budget Proposal – Superintendent’s Budget Recommendations
- 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
- 2022/2023 Draft Accumulated Operating Surplus Review

FUTURE FINANCE AND AUDIT COMMITTEE MEETINGS

All meetings start at 4:00 pm.

- February 15, 2023
- April 5, 2023
- April 19, 2023
- May 17, 2023
- June 21, 2023

Main Board Room, 1040 Hollywood Rd. S., Kelowna

ADJOURNMENT

The meeting adjourned at 5:44 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