

REGULAR BOARD MEETING AGENDA
Tuesday, December 18, 2018
7:00pm

A copy of the Public Board Meeting Agenda is available on the School District website at:

<http://www.comoxvalleyschools.ca>

Alternately, copies are available on request from Debbie.Page@sd71.bc.ca.

1. Call to Order

The Board of Education acknowledges that we are on the traditional territories of the K'omoks First Nation. We would like to thank them for the privilege of living on their land and the gift of working with their children.

2. Adoption of Agenda

Recommendation:

THAT the Board of Education adopt the December 18, 2018 Regular Public Board Meeting Agenda as presented.

3. Board Meeting Minutes

Pg. 5

Recommendation:

THAT the Board of Education adopt the Regular Board Meeting Minutes of November 27, 2018 as presented.

4. Report on In-Camera Meeting – Tuesday, November 27, 2018

- Human Resources

5. Board Chair's Report

Chair – Janice Caton

6. Presentation or Delegation – 15 minutes

Early Years Child Care Community Work

Joanne Schroeder and Allan Douglas

7. Education Committee Meeting Report

None

Pg. 9

Next Meeting:

DATE: Tuesday, January 8, 2019

TIME: 6:30 pm

LOCATION: Glacier View Secondary Centre

8. **Strategic Direction**
A. Superintendent

- Pg. 10 i. **District News**
ii. **Environmental Outdoor Leadership**
iii. **Governance and Policy Workshop**
Pg. 12 iv. **K-12 Regular Enrolment Audit, Briefing Note**

Recommendation:

THAT the Board of Education, through the Board Chair, write a letter expressing the concerns regarding the audit process to the Minister of Education and copy this letter to the BC School Trustees Association.

B. Secretary Treasurer

- Pg. 16 i. **G.P. Vanier Seismic Project Update, Briefing Note**

Recommendation:

THAT the Board of Education of School District No. 71 (Comox Valley) approve the transfer of \$1,450,000 from unrestricted operating surplus to cover the overspend on the G.P. Vanier Seismic Project.

- Pg. 18 ii. **2018-19 Ministry of Education Recalculated Operating Grant Allocation, Briefing Note**

Recommendation:

THAT the Board of Education of School District No. 71 (Comox Valley) approve the transfer of unrestricted operating surplus in the amount of \$1,220,129 in order to balance the 2018-19 Amended Annual Budget.

- Pg. 22 iii. **2019-20 Preliminary Budget Process, Briefing Note**

Recommendation:

THAT the Board of Education approve the establishment of a Budget Committee (sub-committee of the Finance Committee).

- Pg. 24 iv. **Governance Workshop – Eli Mina, Briefing Note**

Recommendation:

THAT the Board of Education receive the briefing note as information.

- Pg. 25 v. **Draft Board of Education Annual Work Plan, Briefing Note**

Recommendation:

THAT the Board of Education receive the draft proposed Board Annual Work Plan for review and feedback.

C. Human Resources

Pg. 29 i. Retirements and Recognition

Recommendation:

THAT the Board of Education receive this report as information.

9. Board Committee Reports
None

10. Board Business / Correspondence

Pg. 30 i. Board Committees 2018-2019

Recommendation:

THAT the Board of Education approve the Standing Board Committee structure as presented:

Board Standing Committees:

- ***Finance***
- ***Policy***
- ***Labour Relations***
- ***Community Engagement***
- ***Facilities***

Board Standing Committee – Sub-Committees:

- ***Budget Advisory***
- ***Audit***

ii. Board Committee Appointments 2018-19, Briefing Note

Recommendation:

THAT the Board of Education approve the Board Committee appointments and committee schedules as presented.

Pg. 32 iii. Trustee – School Liaisons, Briefing Note

Recommendation:

THAT the Board of Education approve the Trustee – School Liaisons as presented.

iv. BC School Trustees Association (BCSTA) Academy, Verbal Report,
November 29 – December 1, 2018, Vancouver, BC

Pg. 33 v. BC School Trustees Association (BCSTA) Provincial Council Report, Ian
Hargreaves, BCSTA Trustee Representative

Recommendation:

THAT the Board of Education receive the briefing note as information.

vi. **Notice of Motion**

RE: Establishment of a Comox Valley School Designated Fund (or family of funds) in partnership with the Comox Valley Foundation.

11. **Public Question Period**

12. **Adjournment**

REGULAR BOARD MEETING MINUTES
Tuesday, November 27, 2018
7:00pm

A copy of the Public Board Meeting Minutes will be posted on the School District website at:
<http://www.comoxvalleyschools.ca>

1. Call to Order – 7 pm

Present:

Trustees

Janice Caton, Board Chair
Tonia Frawley, Vice Chair
Ian Hargreaves
Sheila McDonnell
Kat Hawksby
Michelle Waite
Sarah Jane Howe

Staff

Dean Lindquist, Superintendent of Schools
Tom Demeo, Assistant Superintendent
Nicole Bittante, Secretary Treasurer
Candice Hilton, Director of Finance
Geoff Manning, Director of Instructional Services K-12
Ian Heselgrave, Director of Operations
Esther Shatz, Director of Instruction (Student Services)
Lynda-Marie Handfield, Director, Human Resources
Josh Porter, Director, Information Technology
Mary Lee, Communications & Community Engagement Manager
Marlene Leach, Executive Assistant, Business and Operations
Debbie Page, Recording Secretary

The Board of Education acknowledges that we are on the traditional territories of the K'omoks First Nation. We would like to thank them for the privilege of living on their land and the gift of working with their children.

2. Adoption of Agenda

Recommendation:

THAT the Board of Education adopt the November 27, 2018 Regular Public Board Meeting Agenda. **CARRIED**

3. Board Meeting Minutes

Recommendation:

THAT the Board of Education adopt the Regular Board Meeting Minutes of October 23, 2018. **CARRIED**

Recommendation:

THAT the Board of Education adopt the Inaugural Board Meeting Minutes of November 13, 2018. **CARRIED**

Regular Public Board Meeting – Minutes

Tuesday, November 27, 2018

7 pm

4. **Report on In-Camera Meeting**
None

5. **Board Chair's Report**
Janice Caton - Verbal Report – Deferred to December 18, 2018 Board meeting

6. **Presentation or Delegation**
BC Music Educators Association (BCMEA) Award – Recipients

Dean Patterson, Principal, Highland Secondary School introduced Nancy Cox (Highland Teacher 26 years) and Dale Hallier (Highland Teacher, 32 years), recipients of the BC Music Educators Association (BCMEA) Award in recognition of their dedication and commitment to the fine arts.

7. **Education Committee Meeting Report**
None

8. **Strategic Direction**
A. Superintendent

i. **District News**

- **Everybody Deserves a Smile (EDAS) Campaign** – Donations can be dropped off at designated locations until December 10, 2018. For a complete list of partnering schools, donation drop off locations or more information, please contact Chantal Stephan (250) 729-0804, Principal LeBlanc (stephane.leblanc@sd71.bc.ca) or visit <http://edas.ca/project/comox-valley/>
- Congratulations to Abby McDowell, G.P. Vanier Secondary School student, making it to the finals in two events at the **BC high school swim provincials**.
- **Smash the Stigma – Jack Dot Org** (www.jack.org) – G.P. Vanier Secondary School students are raising awareness about mental health – learning to promote easier ways to seek resources for mental health while helping to break down barriers of the “us vs them” stigma attached to someone who may be suffering.
- **École Robb Road Elementary School** students contributed to their community by volunteering at the Comox Valley Food Bank. The school community collected 500 lbs of non-perishable items worth an estimated \$1300 and made a cash donation of \$676.50.
- **Orange Shirt Day**, October 23-26, 2018. Phyllis Webstad visited the community and six schools - sharing her message about reconciliation.
- **Mark R. Isfeld Secondary School – Grad Fashion Show** November 13, 2018 was a booming success.

Regular Public Board Meeting – Minutes
Tuesday, November 27, 2018
7 pm

ii. **Board Governance and Policy Workshop**

DATE: Saturday, January 12, 2019

TIME: 9:00 am to 3:00 pm

LOCATION: School Board Office, Board Room

Facilitator: Dr. Leroy Sloan

iii. **Alignment of SD 71 Policy and Administration Procedure Alignment with Cannabis Legislation**

Superintendent Dean Lindquist spoke to the briefing note he provided for Board information.

Recommendation:

THAT the Board of Education receive the briefing notes as information. **CARRIED**

B. Assistant Superintendent

i. **Calendar Change 2019/20**

Assistant Superintendent Tom Demeo spoke to the briefing note he provided for information.

Recommendation:

THAT the Board of Education change the 2019 October Professional Development day from October 18, 2019 to October 25, 2019 and that this change is communicated to students, parents, and staff through our normal communication channels. **CARRIED**

C. Director of Operations

i. **Hornby Island – Verbal Update**

Director of Operations, Ian Heselgrave gave a slide presentation on the course of action since the Hornby Island School Arson (August 26, 2018).

D. Director of Human Resources

i. **Retirements and Recognitions**

None

9. **Board Committee Reports**

None

Regular Public Board Meeting – Minutes
Tuesday, November 27, 2018
7 pm

10. Board Business / Correspondence

i. Village of Cumberland re: Cumberland Community Partnership

Recommendation:

THAT the Board of Education refer this item to management for a response.

CARRIED

ii. Minister of Education re: Welcome to Boards of Education

Recommendation:

THAT the Board of Education receive this correspondence as information.

CARRIED

**iii. First Nations Education Steering Committee (FNESC) Conference,
November 22 to November 24, 2018, Vancouver BC, Sheila McDonnell, Trustee,
Baynes Sound, Hornby and Denman Islands**

Trustee Sheila McDonnell gave a verbal summary for Board information. A written report will be provided.

iv. Notice of Motion –

The Board Procedural Bylaw 2018 will be brought forward to the December 18, 2018 regular public meeting for approval.

11. Public Question Period

12. Adjournment – 8:15 pm

Education Committee Meeting Dates 2019

Date: Tuesday, January 8, 2019
Location: G.P. Vanier Secondary
Address: 4830 Headquarters Road, Courtenay
6:30 pm

Date: Tuesday, February 12, 2019
Location: Nala'atsi Alternate School
Address: 665 – 16th Street, Courtenay
6:30 pm

Date: Tuesday, March 12, 2019
Location: Navigate / NIDES
Address: 2505 Smith Road, Courtenay
6:30 pm

Date: Tuesday, April 9, 2019
Location: Ecole Robb Road
Address: 1909 Robb Avenue, Comox
6:30 pm

Date: Tuesday, May 14, 2019
Location: Highland Secondary
Address: 750 Pritchard Road, Comox
6:30 pm

BRIEFING NOTE

TO: Board of Education

DATE: December 18, 2018

RE: *District News*

There are many, many things to celebrate daily in our schools. We encourage anyone with news to send items to debra.page@sd71.bc.ca so that monthly we can honour all that our schools do to support the community and world.



Congratulations to Mr. Webb's Grade 5-6 class – 1st place in **Sumdog's Canadian National Math Competition** – beating all other classes that were registered. 1123 students participated from across Canada and each of these students answered 1000 math questions during the week-long competition.



Mark R. Isfeld Secondary School – Culinary Club (Gr. 9-12) were invited to cook with Chef Eric and his team at Tigh-Na-Mara Resort – a community toy drive and fundraiser brunch, serving close to 2000 people.

2018 Premier's Awards for Indigenous Youth Excellence in Sport

Three of the eight recipients for the 2018 Premier's Awards for Indigenous Youth Excellence in Sport are from a Comox Valley Secondary School. The Awards were presented at the Wei Wai Kum First Nation Thunderbird Hall in Campbell River, November 27, 2018.



Everybody Deserves a Smile (EDAS) Program wraps up on the weekend. Packing began December 13, 2018 – to fill 1155 gift bags for our homeless community. Thank you everyone for your support.



Classroom Collaboration - Grade 3 class from Valley View Elementary School partnered with Mark R. Isfeld's Foods 11 class to bake **gingerbread cookies**.



Highland Has Heart - tradition of delivering holiday gift cards throughout their school community continued for another successful year.

Winter Break – School Closure

Monday, December 24, 2018 to Friday, January 4, 2019 (inclusive)
Re-Opening: Monday, January 7, 2019

In-District Cross Boundary Requests Begin January, 2019

Students registered in the Comox Valley school district may request a transfer to a school outside their catchment area for the 2019/20 school year. Registration opens January 7, 2019 for a seven-week period for cross boundary applicants to submit an online request. Requests will be considered on a case-by-case basis. For more information: <https://22.files.edl.io/280c/12/06/18/192754-50af46dd-8c71-40ee-b21c-60296f57e0f9.pdf>

BRIEFING NOTE

TO: Board of Education **DATE:** December 18, 2018

FROM: Dean Lindquist, Superintendent of Schools

RE: K-12 Regular Enrolment Audit

Background

On November 27, 2018 we received notification from Ministry's Compliance Branch of their intention to audit our K-12 Enrollment in January 2019.

There are four new trustees on this board and they are likely not aware of this being an issue as the following information was shared with trustees in March 2018:

- On October 6, 2017, our district was notified that School District No. 71 (Comox Valley) was scheduled for a K-12 Regular Enrolment Compliance Audit of the 2017/18 school year data reported by our school district.
- The purpose of the audit is to *"follow up on the recommendations of the district's 2013/14 K-12 Regular Enrolment Audit Report (appended), and to provide assurance to the Ministry of Education and boards of education that Ministry directives and policies are currently being followed."*
- When we received notification of the audit, concern was expressed to government about alignment issues between the 2002 Compliance Program Audit Policy and the 2017/18 K-12 Regular Enrolment Audit Program.
- Through the process the auditor stated in writing *"The practice of submitting funding claims for 2-credit courses as 4-credit courses is a systemic practice and requires us to treat it as such,"* essentially accusing the district of fraudulent behavior.
- Our district took offence to the accusatory phrase of systemic practice of submitting claims for 2-credit courses as 4-credit courses. The Director of Information Technology investigated the error identified by the auditor and the reason for this error which was found to be Ministry software documentation issues.
- On March 1, 2018, a detailed letter was sent to the Deputy Minister outlining the district's concerns. This was done in preparation for a March 2, 2018 meeting with the Deputy

Minister and an Assistant Deputy Minister to discuss our concerns with how government managed this issue and also the policy alignment issue that currently exists.

As the last audit was less than one-half year ago and the district is still implementing recommendations, senior leadership and high school principals questioned the rationale for Ministry conducting a second audit so close to the last one.

As such, an analysis (attached) of Ministry audits of school districts from 2010-11 to the present was completed. The review of school district audits (using Ministry data) since 2010/11 illustrates the following:

- Five school districts - 0 audits during this period
- Nine school districts - 1 audit during this period
- Eighteen school districts - 2 audits during this period
- Nineteen school districts - 3 audits during this period
- Seven school districts - 4 audits during this period
- Two school districts - 5 audits during this period

In addition, there were only two incidences for K-12 auditing where a school district was audited two years in a row.

The Compliance Audit process is an important process for government when completed properly with current policy. However, the process for many reasons has negatively impacted districts across the province. As a result of these issues and SD71 board advocacy, the BCSTA wrote a letter to the Minister regarding the audit processes. To date we are not aware of any outcomes from this letter.

Implications

An email was sent to the Deputy Minister identifying our concerns with this process. The following excerpt from this email states:

We were notified that our three secondary schools and one secondary centre would be audited for K – 12 enrollment during this school year for the second time in two years and the third time in 6 years. In addition, our Distributed Learning Program was audited this past year and four years earlier.

I find it difficult to comprehend that the Ministry does not provide sufficient time for the school district to implement and review the outcomes of the recommendations from the last audit, before a new audit is initiated. In fact, the Ministry has the data from the 2018/19 1701 submission to verify that our school district has in fact implemented the recommendations. Furthermore, coming back to audit a school such as Glacier View that had no recommendations and no “claw back” of funding is both a waste of time and funding for both the district and the Ministry.

Our concern that the Ministry has the data in the 1701 submission to verify their questions without auditing the system again is important. Secondly, the Ministry has not met with our district to discuss

our concerns regarding the disconnect between the audit policy that is at least fifteen years old and how this policy hampers implementing the new curriculum and addressing student learning needs.

Recommendation

As no satisfactory resolution is in place on this matter and the district has not heard back from the Ministry regarding our concerns expressed in the November 28, 2018 email, administration is recommending ***THAT the Board of Education, through the Board Chair, write a letter expressing the concerns regarding the audit process to the Minister of Education and copy this letter to BCSTA.***

Auditing Stats 2010-11 to 2017-18

Regular Enrollment Audit



2017/18 2016/17 2015/16 2014/15 2013/14 2012/13 2011/12 2010/11

SD5	SD10	SD38	SD42	SD84	SD6	SD75	SD8
SD20	SD73	SD45	SD47	SD75	SD19	SD83	SD34
SD22	SD58	SD46	SD48	SD74	SD53	SD67	SD85
SD33	SD64	SD50	SD67	SD72	SD57		SD39
SD51	SD82	SD52	SD63	SD73	SD59		SD43
SD54	SD85	SD73	SD78	SD37	SD79		SD54
SD57		SD81					SD60
SD64		SD81					SD63
SD70							
SD71							
SD72							
SD79							
SD83							

School District

Audit #

5	2
6	3
8	4
10	1
19	2
20	2
22	2
23	5
27	1
28	0
33	1
34	3
35	4
36	1
37	4
38	3
39	3
40	2
41	3
42	3
43	2
44	0
45	2
46	3
47	2
48	1
49	1
50	2
51	1
52	2
53	3
54	3
57	4
58	2
59	2
60	3
61	4
62	3
63	3
64	3
67	3
68	3
69	2
70	2
71	4
72	4
73	3
74	2
75	2
78	1
79	3
81	2
82	3
83	3
84	2
85	1
87	0
91	5
92	0
93	0

Distributed Learning Audit

2017/18 2016/17 2015/16 2014/15 2013/14 2012/13 2011/12 2010/11

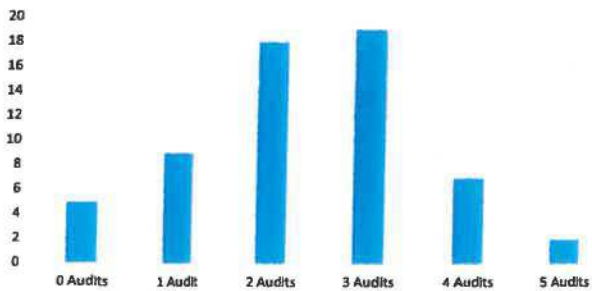
SD8	SD22	SD40	SD8		SD6		SD21
SD38	SD33	SD81	SD35		SD39		SD34
SD37	SD68	SD47	SD38		SD53		SD38
SD61	SD63	SD60	SD37		SD57		SD43
SD71		SD67	SD63				SD42
SD72		SD69	SD71				SD61
SD79			SD73				SD62
SD81			SD82				

Special Education Audit

2017/18 2016/17 2015/16 2014/15 2013/14 2012/13 2011/12 2010/11

SD23	SD8	SD6	SD20	SD34	SD45		SD5
SD46	SD27	SD19	SD40	SD81	SD34		SD33
SD57	SD35	SD39	SD49	SD69	SD63		SD42
SD60	SD37	SD43	SD58	SD73	SD87		SD46
SD62	SD38	SD50	SD59				SD68
SD67	SD74	SD52	SD64				SD75
SD68	SD84	SD53	SD70				
SD81		SD62					
		SD72					
		SD83					
		SD81					

Number of Districts



BRIEFING NOTE

TO: Board of Education
FROM: Nicole Bittante, Secretary-Treasurer
RE: George P. Vanier – Seismic Project Update

DATE: December 18, 2018

Purpose

The purpose of this briefing note is to advise the Board of Education of the budget overspend on the G.P. Vanier Seismic project and to request a transfer from unrestricted operating surplus to cover the overspend.

Background

The G.P. Vanier Seismic upgrade was approved by the Ministry of Education in October 2015. The project commenced in 2016 with funding provided from a number of sources, including \$32,803,629 in funding from the Ministry of Education, and approximately \$1,009,000 in district funding through Annual Facilities Grant, Ministry Restricted Capital, and Local Capital. The total construction budget was estimated to be \$33,153,802.

Issue

In October 2018, it was determined that the district has overspent on the project by approximately \$1,450,000. There are no remaining sources of project funds to cover this overspend.

Analysis of Issue

Significant work has been performed over the last month to determine why an overspend on the project has occurred. It can be explained by the fact that a number of expenditures were charged to the seismic project, but they were never removed from the original construction budget that was provided to the construction company. These items included:

1. GST - the construction budget that was provided to the construction company was exclusive of GST; however, the budget provided should have included the non-rebateable portion of GST, which was a cost to the district of approximately \$477,000.
2. Salaries - a percentage of the Director of Operation's salary was charged to the project as well as wages for a custodian. The construction budget that was provided to the construction company was not reduced for these charges. Over the term of the project the amount charged to salaries and wages was approximately \$196,000.

3. Gym walls – last year, the district fixed the gym walls at G.P. Vanier due to a safety concern, and although the Ministry provided funding of \$220,000 to address the issue, the district spent \$337,000. This resulted in an overspend of approximately \$117,000 which was charged to the G.P. Vanier project.
4. Planning costs - during initial project planning, the associated planning costs of approximately \$152,000 were charged to the project and were not removed from the original construction budget.
5. Risk reserve – the original budget that was provided included access to the full amount of the risk reserve. Access to the risk reserve required approval from the Ministry and the full amount was not accessed – resulting in a net overspend of approximately \$465,000 between budget and funding.
6. Other balancing factors of approximately \$40,000

While the resulting overspend was not identified until the project was completed, it was thought that the project budget had allowed room for the above expenditures. Throughout the project, district staff were using the original budget that was provided to the construction company and were reconciling this amount to the current project spend, remaining expenditures, and funds available; therefore, it appeared that the budget was on target. It was not until the end of the project that it became apparent that the remaining costs would exceed the available funding.

There is currently a shortfall of funds to cover the remaining project expenditures. The district has an unrestricted operating surplus of \$3,572,351, and as such, surplus funds will be required to cover the overspend.

It should be noted that moving forward on future projects, including Lake Trail Middle School seismic upgrade, there will be increased oversight by the Secretary-Treasurer and strict financial monitoring and reporting to the board of capital budgets and expenditures.

Recommendation

THAT the Board of Education of School District No. 71 (Comox Valley) approve the transfer of \$1,450,000 from unrestricted operating surplus to cover the overspend on the G.P. Vanier Seismic project.

Respectfully submitted,

Nicole Bittante

Nicole Bittante
Secretary-Treasurer

BRIEFING NOTE

TO: Board of Education **DATE:** December 18, 2018
FROM: Nicole Bittante, Secretary-Treasurer
RE: 2018-19 Ministry of Education Recalculated Operating Grant Allocation

Purpose

The purpose of this briefing note is to update the Board of Education on the Ministry of Education recalculated operating grant allocation, and to request a transfer from operating surplus to cover the budget deficit for the 2018-19 Amended Budget.

Background

In February of each year, preliminary enrolment projections are provided to the Ministry of Education.

School District No. 71 uses *Baragar Systems*, an enrolment projection software tool, as well as local knowledge, to assist with preliminary enrolment projections each spring.

The Ministry of Education funds school districts based on FTE enrolment (not actual headcount) and relies on the FTE enrolment projections to determine the preliminary operating grant for districts, which is then provided to districts in March. The preliminary operating grant allows districts to develop a preliminary budget for the following school year. The preliminary budget is approved by the Board and submitted to the Ministry in June.

On September 30th, the Ministry takes a “snapshot” of each district’s actual enrolment which is verified and reported back to district’s in October. The Ministry then re-calculates the operating grant and provides an amended operating grant to districts in December. Districts are then required to prepare an amended annual budget, which is approved by the Board and submitted to the Ministry in February.

Analysis

In February 2018, preliminary FTE enrolment projections were provided to the Ministry of Education. The total preliminary operating grant for School District No. 71 in March 2018 was \$80,593,531.

On December 7, 2018, the Ministry of Education announced the 2018-19 recalculated funding allocations based on the actual September 2018 enrolment (see attached).

The recalculated funding allocation for the Board of Education of School District No. 71 is \$79,073,402 - approximately \$1,520,130 less than what was originally estimated to be received in the preliminary grant.

2018-19 Interim Operating Grant	
Preliminary operating grant estimate	\$ 80,593,531
Enrolment changes	(1,542,752)
Salary differential grant changes	22,623
Interim operating grant	\$ 79,073,402
Net additional operating grant	\$ (1,520,129)

The major differences between the two estimates are as follows:

- The actual student FTE enrolment as at September 30, 2018 is 191.625 FTE less than projected, higher than projected for ELL students and Level 1 special needs students, and lower than projected for Aboriginal education students, Level 2 and 3 special needs students, and adult education students. Details are provided in the following table:

Student Enrolment Type	2018-19 Preliminary Operating Grant		2018-19 Estimated Operating Grant		Variance	
	Enrolment	Funding	Enrolment	Funding	Enrolment	Funding
Standard schools	7561.000	56,125,303	7366.750	54,683,385	(194.250)	(1,441,918)
Alternate schools	122.000	905,606	156.000	1,157,988	34.000	252,382
Distributed learning	788.000	4,806,800	754.625	4,603,213	(33.375)	(203,587)
Home schooling	6.000	1,500	9.000	2,250	3.000	750
Course challenges	3.000	696	2.000	464	(1.000)	(232)
Total School Aged Enrolment	8480.000	61,839,905	8288.375	60,447,300	(191.625)	(1,392,605)
ELL - English Language Learners	92.000	130,640	118.000	167,560	26.000	36,920
Aboriginal Education	1345.000	1,654,350	1324.000	1,628,520	(21.000)	(25,830)
Special Needs						
Level 1	6.000	232,800	8.000	310,400	2.000	77,600
Level 2	345.000	6,693,000	337.000	6,537,800	(8.000)	(155,200)
Level 3	66.000	646,800	59.000	578,200	(7.000)	(68,600)
Adult Education	14.875	69,853	11.313	53,124	(3.562)	(16,729)
Summer Learning		16,497		18,189		1,692
Total Enrolment Changes						(1,542,752)

- The salary differential funding for School District No. 71 has increased due to a higher than anticipated average educator salary variance from the provincial average educator salary. At September 30, 2018, the average educator salary in our school district was \$77,327 and the provincial average educator salary was \$76,269.

The net reduction of \$1,520,129 to the Ministry Operating Grant has resulted in a structural budget deficit that needs to be addressed in the preparation of the amended budget.

Over the last month, a thorough review of the entire district budget has been completed. Department and program budgets have been reviewed in detail with each of the department and program budget managers, and a number of budget adjustments have been made to budget line items. As a result of the review, a savings (budget reduction) of approximately \$300,000 has been found. This has reduced the budget deficit to an amount of \$1,220,129.

The district will need to find these funds in order to balance the amended budget, which the Board will need to approve in January before submitting to the Ministry.

It should be noted that the actual FTE enrolment at September 30, 2018 has increased over the actual FTE enrolment last year at September 30, 2017 by 153 FTE. Enrolment overall is not decreasing in the Comox Valley. The decrease is from what was projected back in February to be the enrolment for September, which generating the preliminary operating grant for the district.

Currently, the district has an unrestricted operating surplus of \$3,572,351. It is necessary to request that the final amended budget is balanced utilizing unrestricted surplus funds from the prior year.

Recommendation

THAT the Board of Education of School District No. 71 (Comox Valley) approve the transfer of unrestricted operating surplus in the amount of \$1,220,129 in order to balance the 2018-19 Amended Budget.

Respectfully submitted,

Nicole Bittante

Nicole Bittante
Secretary-Treasurer

Interim Operating Grants Following the September 2018 Enrolment Count - 2018/19 School Year

School District 71 Comox Valley

September 2018 Enrolment Count

	School-Age Enrolment	Funding Level	Funding	Total Supplement
Standard (Regular) Schools	7,366.7500	\$7,423	\$54,683,385	
Continuing Education	0.0000	\$7,423	\$0	
Alternate Schools	156.0000	\$7,423	\$1,157,988	
Distributed Learning	754.6250	\$6,100	\$4,603,213	
Home Schooling	9	\$250	\$2,250	
Course Challenges	2	\$232	\$464	
Total Enrolment-Based Funding (September)	8,277.3750			\$60,447,300

	Total Enrol. Change	Funding Level	Funding	Total Supplement
1% to 4% Enrolment Decline	99.3437	\$3,712	\$0	
4%+ Enrolment Decline		\$5,567	\$0	
Significant Cumulative Decline (7%+)	846.5938	\$3,712	\$0	
Supplement for Enrolment Decline				\$0

	Enrolment	Funding Level	Funding	Total Supplement
Level 1 Special Needs	8	\$38,800	\$310,400	
Level 2 Special Needs	337	\$19,400	\$6,537,800	
Level 3 Special Needs	59	\$9,800	\$578,200	
English Language Learning	118	\$1,420	\$167,560	
Aboriginal Education	1,324	\$1,230	\$1,628,520	
Adult Education	11.3125	\$4,696	\$53,124	
Vulnerable Students			\$0	

Supplement for Unique Student Needs **\$9,275,604**

Variance from Provincial Average	\$1,058
Estimated Number of Educators	460.483
	\$487,191

	Enrolment	Funding Level	Funding	Total Supplement
FTE Distribution	8,288.6875	\$180.33	\$1,494,699	
Supplement for Salary Differential				\$1,981,890

Supplement for Unique Geographic Factors **\$5,058,683**

Funding Protection **\$0**

Supplement for the Education Plan **\$164,443**

September 2018 Enrolment Count, Total **\$76,927,920**

July 2018 Enrolment Count

	Enrolment	Funding Level	Funding	Total Supplement
Summer Learning Grade 1-7	0	\$212	\$0	
Summer Learning Grade 8-9	0	\$212	\$0	
Summer Learning Grade 10-12	0	\$423	\$0	
Supplemental Summer Learning Funding			\$0	
Cross-Enrolment, Grade 8 and 9	43	\$423	\$18,189	
Summer Learning, Total				\$18,189

February 2019 Enrolment Count (Estimated)

	Enrolment	Funding Level	Funding	Total Supplement
School-Age FTE - Continuing Education	0.0000	\$7,423	\$0	
Adult FTE - Continuing Education	0.0000	\$4,696	\$0	
K-Gr 9 School-Age FTE - Distributed Learning	40.0000	\$3,050	\$122,000	
Gr 10-12 School-Age FTE - Distributed Learning	170.0000	\$6,100	\$1,037,000	
Adult FTE - Distributed Learning	22.0000	\$4,696	\$103,312	
Level 1 Special Needs Enrolment Growth	0	\$19,400	\$0	
Level 2 Special Needs Enrolment Growth	0	\$9,700	\$0	
Level 3 Special Needs Enrolment Growth	0	\$4,900	\$0	
Newcomer Refugees	0.0000	\$3,712	\$0	
ELL Supplement - Newcomer Refugees	0	\$710	\$0	
February 2019 Enrolment Count, Total				\$1,262,312

May 2019 Enrolment Count (Estimated)

	Enrolment	Funding Level	Funding	Total Supplement
School-Age FTE - Continuing Education	0.0000	\$7,423	\$0	
Adult FTE - Continuing Education	0.0000	\$4,696	\$0	
K-Gr 9 School-Age FTE - Distributed Learning	25.0000	\$2,033	\$50,825	
Gr 10-12 School-Age FTE - Distributed Learning	125.0000	\$6,100	\$762,500	
Adult FTE - Distributed Learning	11.0000	\$4,696	\$51,656	
May 2019 Enrolment Count, Total				\$864,981

2018/19 Full-Year Estimated Total (Estimated)

2018/19 Full-Year Estimated Total (Estimated)	\$79,073,402
Estimated 2018/19 Operating Grant from Indigenous Services Canada	\$154,728
Estimated 2018/19 Operating Grant from Ministry of Education	\$78,918,674

*Note: Highlighted sections are estimated and will be updated following the February and May enrolment counts

BRIEFING NOTE

TO: Board of Education
FROM: Nicole Bittante, Secretary-Treasurer
RE: 2019-20 Preliminary Budget Process

DATE: December 18, 2018

Purpose

The purpose of this briefing note is to advise the Board of Education of the 2019-20 preliminary budget process.

Background

In February of each year, preliminary enrolment projections are provided to the Ministry of Education.

The Ministry of Education funds school districts based on FTE enrolment (not actual headcount) and relies on the FTE enrolment projections to determine the preliminary operating grant for districts, which is then provided to districts in March.

The preliminary operating grant allows districts to develop a balanced preliminary budget for the following school year. The preliminary budget is approved by the Board and submitted to the Ministry in June.

Process

This year, the process for developing the budget will be completed through the work of a Budget Advisory Committee, a new sub-committee of the Finance Committee. The Budget Advisory Committee will include representatives from all stakeholder groups in the district, including senior staff, school principals, trustees, support staff (CUPE), teachers (CDTA), and parents (DPAC).

The process will begin in January, with an initial meeting of the Committee to:

- Develop a Budget Advisory Committee Terms of Reference
- Develop the 2019-20 Budget Guiding Principles
- Develop the 2019-20 Budget Development Timelines

These items will be brought forward to the Board at the end of January for approval.

There will be at least 6 committee meetings throughout the months of January to June in order to develop recommendations for the Board in order to approve a balanced preliminary budget in May and submit to the Ministry in June. the bulk of the work will occur after the March preliminary operating grant announcement.

Recommendation

THAT the Board of Education of School District No. 71 (Comox Valley) receive the briefing note for information.

Respectfully submitted,

Nicole Bittante

Nicole Bittante
Secretary-Treasurer

BRIEFING NOTE

TO: Board of Education
FROM: Nicole Bittante, Secretary-Treasurer
RE: Governance Workshop – Eli Mina

DATE: December 18, 2018

Purpose

The purpose of this briefing note is to update the Board of Education on a planned Board Governance workshop in February with Eli Mina.

Background

Eli Mina is a Registered Parliamentarian and Board Effectiveness Consultant. He works with Municipal and Regional Boards, Education Boards, Leaders of Aboriginal Communities (Chiefs, Councils, etc.), Regulatory Bodies, Non-Profit Boards, Lawyers, Corporate Secretaries, etc.

Mr. Mina has agreed to do a full-day session with our Board on variety of topics including:

- Robert's Rules of Order
- Effective Meetings
- Preventing and Dealing with Disputes and Dysfunction
- Agendas, Minutes and related issues

The session will take place on **Saturday, February 2, 2019** at the School Board Office. The session will run from **9:00 am to 3:00 pm**.

A few neighboring Boards of Education have been invited to attend the session as well, and the cost of the session will be shared between districts.

Recommendation

THAT the Board of Education of School District No. 71 (Comox Valley) receive this briefing note for information.

Respectfully submitted,

Nicole Bittante

Nicole Bittante
Secretary-Treasurer

BRIEFING NOTE

TO: Board of Education
FROM: Nicole Bittante, Secretary-Treasurer
RE: **DRAFT Board of Education Annual Work Plan**

DATE: December 18, 2018

Purpose

The purpose of this briefing note is to provide the Board of Education with a draft proposed Annual Work Plan for feedback.

Background

At the start of each school year, the Board of Education should develop and/or review an Annual Work Plan, which outlines major tasks and decisions that take place throughout the year. Many of the tasks and decisions are required through legislation and/or policies and regulations.

A draft Board Annual Work Plan has been prepared and presented for review. Trustees can provide any input or feedback to the proposed Annual Work Plan and should receive and/or adopt the final Work Plan at the January board meeting.

Recommendation

THAT the Board of Education of School District No. 71 (Comox Valley) receive this briefing note and proposed Board Annual Work Plan as information presented for feedback and revisions as necessary.

Respectfully submitted,

Nicole Bittante

Nicole Bittante
Secretary-Treasurer

Board of Education Annual Work Plan

Monthly

- Attend Board meetings
- Attend Education Committee meeting
- Attend Board Standing Committee meetings (Policy, Finance, Facilities, Community Engagement)
- Attend Parent Advisory Council meetings

September

- Review the Audit Findings Report and Management Letter for June 30th Year End
- Approve Audited Year End Financial Statements
- Submit Audited Year End Financial Statements to the Ministry of Education
- Review proposed Trustee calendar for Board meetings, Committee meetings, PAC meetings, and related functions
- Submit Executive Compensation Disclosure to Public Sector Employers' Council
- Consider motions to BCSTA Provincial Council

October

- Recognize World Teachers' Day
- Review class size report on school organizations
- Receive Student Learning Frameworks report
- Submit Classroom Enhancement Fund report to the Ministry of Education
- Represent Board at BCPSEA Symposium
- Represent Board at BCSTA Provincial Council Meeting
- Represent Board at Ministry of Education Annual Liaison Meeting
- Attend BCSTA Branch meeting (VISTA)
- Community Engagement Session

November

- Receive enrolment update report
- Election of Board Chairperson and Vice-Chairperson
- Annual Chairperson Report
- Approve Trustee Appointments to Committees and Community Liaison Groups
- Attend the BCSTA Trustee Academy

December

- Consider motions for BCSTA Annual General Meeting and Provincial Council
- Receive Statement of Financial Information (SOFI)
- Circulation of draft budget process

January

- Strategic Plan review
- Attend Governance and Policy Workshop
- Receive the Ministry of Education funding update
- Approve the budget process for upcoming year
- Represent Board at BCPSEA Annual General Meeting
- Community Engagement Session

February

- Strategic Plan review
- Attend Governance Workshop – Eli Mina
- Adopt the Amended Annual Budget Bylaw
- Review and Approve Programs of Choice
- Review 3-year enrolment projection
- Represent Board at BCSTA Provincial Council Meeting
- Represent Board at Ministry of Education Annual Liaison Meeting
- Receive June 30th Operating Fund Projection

March

- Nominate candidates for Premier's Award of Excellence and BCSTA Innovation Award
- Receive Ministry of Education Preliminary Operating Grant for upcoming year
- Approve School District Calendar
- Receive June 30th Operating Fund Projection

April

- Receive proposed Preliminary (Annual) Budget
- Approve the Preliminary (Annual) Budget for implementation
- Adopt the Annual Facilities Grant Bylaw
- Receive annual review of rental fees
- Attend the BCSTA Annual General Meeting
- Receive June 30th Operating Fund Projection
- Attend BCSTA Branch meeting (VISTA)
- Community Engagement Session

May

- Adopt the Annual Budget Bylaw
- Approve School Fees
- Receive the Carbon Neutral Action Report
- Receive June 30th Operating Fund Projection

June

- Receive the Aboriginal Education Report
- Adopt the Board Calendar for the upcoming year
- Adopt the Board Annual Work Plan for the upcoming year
- Approve trustee school liaison assignments for the upcoming year
- Review trustee remuneration
- Approve Five-year Capital Plan for submission to Ministry of Education
- Community Engagement Session
- Year-end briefing to review Strategic Plan
- Written acknowledgement of contributions by PAC and DPAC and others as appropriate

SUMMER

- Complete Superintendent Growth Plan Review
- Complete Board Self Evaluation
- Trustee/Senior Leadership Working Session

Other Items Ongoing or Scheduled as Needed

- Attend trustee learning/development/orientation sessions
- Attend school functions (as invited)
- Review the district Strategic Plan
- Review and approve Board Policies and Bylaws
- Review and approve Capital Project Bylaws
- Hear student appeals as needed
- Respond to media requests regarding governance matters in consultation with the Superintendent of Schools and the Communications Manager
- Review and approve Board/Authority Authorized Courses
- Ratify Collective Agreements
- Approve exempt compensation
- Approve disposition of real property (land and buildings)
- Declare facilities/properties surplus to the needs of education
- Attend Board Liaison meetings as outlined in the Trustee Calendar
- Advance Board positions through BCSTA
- Recognize school and community highlights
- Receive Technology Plan updates
- Receive energy management plan updates
- Attend employee recognition events

BRIEFING NOTE

TO: Board of Education

RE: **Human Resources Administration**
Retirements and Recognition

DATE: December 18, 2018

Susan Bannister, Teacher, Arden Elementary School will retire effective December 31, 2018 after 10 years of service with the district.

Board Committees 2018-19

Board Standing Committees

Finance Committee	Trustee: Tonia Frawley (Chair) Trustee: Ian Hargreaves Trustee: Sarah Jane Howe
Policy Committee	Trustee: Michelle Waite (Chair) Trustee: Tonia Frawley Trustee: Kat Hawksby
Labour Relations Committee	Trustee: Sheila McDonnell (Chair) Trustee: Sarah Jane Howe
Community Engagement Committee	Trustee: Sheila McDonnell (Chair) Trustee: Ian Hargreaves Trustee: Kat Hawksby
Facilities Committee	Trustee: Ian Hargreaves (Chair) Trustee: Michelle Waite Trustee: Sarah Jane Howe

Board Standing Committee - Sub-Committees

Finance and Operations Sub-Committee – Budget Advisory Meets January - June	Trustee: Tonia Frawley (Chair) Trustee: Ian Hargreaves Alternate: Sarah Jane Howe
Finance and Operations Sub-Committee - Audit Committee Meets twice at year end	Trustee: Sarah Jane (Chair) Trustee: Ian Hargreaves Alternate: Tonia Frawley

External Committees (Elected)

BCSTA Provincial Council	Trustee: Ian Hargreaves Alternate: Michelle Waite
BCPSEA	Trustee: Sheila McDonnell Alternate: Sarah Jane Howe

Other Board Committees

Indigenous Education Council	Trustee: Janice Caton Trustee: Tonia Frawley Alternate: Kat Hawksby																								
Professional Development Committee	Trustee: Tonia Frawley Alternate: Sarah Jane Howe																								
Teacher Mentorship/Peer Support Committee	Trustee: Ian Hargreaves																								
District Calendar Committee (Meets as needed)	Trustee: Tonia Frawley																								
District Parent Advisory Committee	2 Trustee Representatives on a rotating basis Lead contact is the Board Chair <u>2019:</u> <table><tr><td><i>January</i></td><td>Janice Caton</td><td>Sheila McDonnell</td></tr><tr><td><i>February</i></td><td>Kat Hawksby</td><td>Sarah Jane Howe</td></tr><tr><td><i>March</i></td><td>Ian Hargreaves</td><td>Tonia Frawley</td></tr><tr><td><i>April</i></td><td>Michelle Waite</td><td>Janice Caton</td></tr><tr><td><i>May</i></td><td>Sheila McDonnell</td><td>Kat Hawksby</td></tr><tr><td><i>September</i></td><td>Sarah Jane Howe</td><td>Ian Hargreaves</td></tr><tr><td><i>October</i></td><td>Tonia Frawley</td><td>Michelle Waite</td></tr><tr><td><i>November</i></td><td>Janice Caton</td><td>Sheila McDonnell</td></tr></table>	<i>January</i>	Janice Caton	Sheila McDonnell	<i>February</i>	Kat Hawksby	Sarah Jane Howe	<i>March</i>	Ian Hargreaves	Tonia Frawley	<i>April</i>	Michelle Waite	Janice Caton	<i>May</i>	Sheila McDonnell	Kat Hawksby	<i>September</i>	Sarah Jane Howe	Ian Hargreaves	<i>October</i>	Tonia Frawley	Michelle Waite	<i>November</i>	Janice Caton	Sheila McDonnell
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<i>October</i>	Tonia Frawley	Michelle Waite																							
<i>November</i>	Janice Caton	Sheila McDonnell																							
Indigenous Parent Club (IPAC)	Trustees: Kat Hawksby and Sheila McDonnell																								
Tribune Bay Outdoor Education Society	Trustee: Sheila McDonnell Alternate: Kat Hawksby																								
CVRD Comox Valley Sports Centre Commission	Trustee: Sarah Jane Howe Alternate: Michelle Waite																								
CVRD Integrated Regional Transportation Select Committee	Trustee: Sheila McDonnell Alternate: Kat Hawksby																								
Comox Valley Social Planning Society	2 Trustee Representatives: Michelle Waite and Sarah Jane Howe																								

Trustee School Liaisons 2018-19

SCHOOL	TRUSTEE
Airport Elementary	Michelle Waite
Arden Elementary	Ian Hargreaves
Aspen Park Elementary	Tonia Frawley
Brooklyn Elementary	Tonia Frawley
Courtenay Elementary	Kat Hawksby
Denman Island Community	Sheila McDonnell
Ecole Puntledge Park Elementary	Janice Caton/Kat Hawksby
Ecole Robb Road Elementary	Ian Hargreaves
Hornby Island Community	Sheila McDonnell
Huband Park Elementary	Michelle Waite
Miracle Beach Elementary	Ian Hargreaves
Queneesh Elementary	Janice Caton/Kat Hawksby
Royston Elementary	Sarah Jane Howe
Valley View Elementary	Janice Caton
Cumberland Community	Sarah Jane Howe
Highland Secondary	Michelle Waite
G.P. Vanier Secondary	Tonia Frawley
Glacier View Learning Centre	Sheila McDonnell
Lake Trail Middle	Kat Hawksby
Mark R. Isfeld Secondary	Janice Caton
NIDES - Navigate	Ian Hargreaves

BRIEFING NOTE

TO: Board of Education
FROM: Ian Hargreaves, Trustee
RE: BCSTA Provincial Council Meeting Report

DATE: December 18, 2018

To: Provincial Councillors,
c: Board Chairs, BCSTA Board of Directors, Finance & Audit Committee

As discussed at the December 1, 2018 Provincial Council meeting, the Finance & Audit Committee is sending an invitation to all member Boards of Education to provide feedback to be used to develop BCSTA's 2019/2020 operating budget. Input from Boards of Education is a crucial part of the budget development process, so the Finance & Audit Committee wants to ensure that Boards have an opportunity to submit any suggestions they may have prior to development of the first budget draft (which Provincial Council will review in February 2019).

Additional feedback can also be provided at the February meeting, or sent to the Finance & Audit Committee after the February meeting. The final budget will be adopted at the April 2019 Provincial Council meeting.

At the December 1, 2018 Provincial Council meeting, the Finance & Audit Committee reviewed a number of factors that are expected to affect BCSTA's 2019/2020 operating budget:

- Student FTE enrollment
- Capital asset replacement
- An increase in lease costs
- Rising hotel and meal costs
- Movement on the staff salary grid
- Projected increase to BCSTA's staff salary grid based on teacher-negotiated salary increases
- Changes to benefit costs

As 2018/2019 FTE student data is not yet available, and the results of teacher bargaining are not yet known, the Finance & Audit Committee is not yet able to estimate the net effect of these factors on BCSTA's 2019/2020 operating budget; however, as information becomes available and revenues and expenses can be estimated, the Finance & Audit Committee will determine, based on member feedback, how to best to allocate resources to serve member needs.

As part of your role as your board's Provincial Council representative, would you please engage your fellow board members and submit your Board's feedback with regard to budget and service priorities to the Finance & Audit Committee by **Friday, December 21, 2018**.

Feedback or questions can be sent to the Finance & Audit Committee by mail or by e-mail to:

BCSTA Finance & Audit Committee
c/o Jodi Olstead, Director of Finance & Human Resources
BC School Trustees Association
4th Floor, 1580 West Broadway
Vancouver, BC V6J 5K9
jolstead@bcsta.org

Provincial Council Agenda Item 7.5 – *2019/2020 BCSTA Budget Planning* and the 2018/2019 budget, as adopted by the April 2018 Provincial Council, are attached for your reference.



PROVINCIAL COUNCIL MEETING: December 1, 2018

AGENDA ITEM 7.5: 2019/2020 BCSTA Budget Planning

BACKGROUND:

The Finance & Audit Committee (Committee) is responsible for developing BCSTA's annual operating budgets. The process for budget development is as follows:

- In June, the Committee begins its long-range budget planning
- In September, the Committee discusses factors that are expected to impact BCSTA's operating budget for the following fiscal year
- At the Fall Provincial Council meeting, typically held in October, the Committee reviews these factors with Councillors and requests feedback to assist with development of a budget draft
- In December, once student FTE information is available from the Ministry of Education, the Committee develops the first budget draft, based on the feedback received from the Fall Provincial Council
- The first budget draft will be reviewed and received by Board of Directors and by the February Provincial Council, where additional feedback is requested
- Based on feedback received from the February Provincial Council, the budget draft is revised as needed
- In April, the Committee presents the final budget draft to Provincial Council for adoption

At its September 24, 2018 meeting, the Finance & Audit Committee discussed a number of factors that are expected to impact BCSTA's 2019/2020 operating budget. These factors, for consideration by the December 2018 Provincial Council, are listed below:

1. Student enrollment, which declined from 2000/2001 to 2014/2015, increased by approximately 4,690 FTE students in 2015/2016, approximately 5,885 FTE students* in 2016/2017, and approximately 4,974 FTE students in 2017/2018. As FTE student data is used to calculate member fees for the following fiscal year, fee revenue therefore increased in 2016/2017, 2017/2018 and 2018/2019. With a projected increase in FTE students in 2018/2019, member fees are expected to increase in 2019/2020 as well.

Information on enrollment will be available from the Ministry of Education in December 2018.

*Note: FTE data for 2016/2017 does not include SD39 (Vancouver).

2. BCSTA has full membership in 2018/2019. Should member boards give notice of withdrawal for 2019/2020, member equity may be used to offset the loss of member fees for the first year of board withdrawal.
3. The February 2017 Provincial Council approved an annual inflationary member fee increase, based on the most recent five-year average of the Vancouver Price Index as of January 1 of each year. The 2018/2019 operating budget, adopted by the April 2018 Provincial Council, therefore included an inflationary member fee increase of 1.20 percent, which totalled approximately \$24,000. A similar increase is projected for 2019/2020; however, in accordance with the February 2017 Provincial Council directive, should there be an unbudgeted year-end surplus in the year preceding adoption of BCSTA's annual budget, the surplus will be used to support the member fee increase.

As a year-end surplus existed at the end of fiscal 2017/2018, these surplus funds will be used to fully offset the 2019/2020 inflationary member fee increase.

4. The Finance & Audit Committee monitors BCSTA's member equity annually and notifies the Board of Directors should a member equity surplus exist. BCSTA did not have a member equity surplus at the end of 2017/2018. When the Association does have a member equity surplus, the Board of Directors may elect to:
 - Restrict funds for future use
 - Reduce member fees or offset a member fee increase
 - Offset the effects of member Board withdrawal, should the need arise
 - Undertake a specific unbudgeted project or projects
 - Reduce registration fees for AGM and/or Academy
5. As interest rates declined in 2015/2016 and 2016/2017, the *Interest* budget line was decreased a total of \$3,000 in 2017/2018. However, as there was a slight improvement in interest rates in 2017/2018, the interest revenue budget line was increased \$4,000 in 2018/2019. No change to the interest revenue budget line is recommended at this time.
6. Hotel and meal costs continue to increase and are expected to impact the *AGM, Academy* and *Provincial Council* budget lines. Although BCSTA has contracted with various venues through to April 2022 to lock in meal and hotel room rates, increases to these budget lines are expected for 2019/2020. Additional pressure to these budget lines is anticipated as audio-visual and travel costs are also expected to increase in 2019/2020.
7. BCSTA will host two Academies in 2018/2019, as is its practice during an election year in order to provide additional support to newly-elected trustees. For the remainder of the election term, BCSTA typically hosts a single Academy. In 2019/2020, therefore, BCSTA will host a single Academy. As a result, *Academy* revenue and expense budget lines will be reduced to reflect the change from two events to a single event.
8. In order to accommodate the work of the Board and to enable meetings with partner groups, Board of Director meetings have been extended from part-day to full-day meetings. In 2018/2019, the *Board of Directors* budget line was therefore increased \$5,000 to accommodate costs associated with holding full-day meetings.

In 2011/2012, the Board of Director Honouraria Review Committee recommended that Board of Director honouraria be automatically increased each year by the most recent five-year rolling average of Vancouver's CPI. An increase of \$1,000 to this budget line for Board of Director honouraria was applied in 2018/2019. A similar increase is expected for 2019/2020.

9. Although feedback from member boards identified *In-District/Professional Development Services* as a priority member service, member boards also requested that BCSTA host an annual Board Chairs' meeting. Without sufficient funding to support both service priorities, the *In District/Professional Development Services* budget line was reduced from \$45,000 to \$25,000 in 2017/2018 to provide funding for the Board Chairs' meeting. With the return of member boards in 2017/2018, the *In-District/Professional Development Services* budget line was restored to \$45,000 in 2018/2019. At this time, no change to the *In-District/Professional Development Services* or the *Board Chairs' Meeting* budget lines are projected for 2019/2020.

PROVINCIAL COUNCIL MEETING: December 1, 2018
AGENDA ITEM 7.5: 2019/2020 BCSTA Budget Planning

10. Under its current lease agreement with SD39 (Vancouver), BCSTA exercised its final option to renew its lease for a five-year term, which took effect on September 1, 2014. As this final lease term will expire on August 31, 2019, the Board of Directors tasked the Finance & Audit Committee with investigating lease options to determine if it will be cost effective, given the expense of relocating, to move BCSTA's offices at the conclusion of the lease term, should a more affordable option be found. This work is currently underway.
11. BCSTA contracts its audit firms for a five-year term. The current audit firm, D&H Group, LLP, was appointed in 2013/2014, making 2017/2018 the fifth year of their five-year term. The Finance & Audit Committee is therefore in the process of conducting a review of audit firms in order to contract with an audit firm for the five-year term commencing in 2018/2019. As the *Financial* budget line was increased in 2018/2019 to accommodate a projected increase in audit fees, no change to this budget line is recommended for 2019/2020.
12. The *Depreciation* budget line is affected by BCSTA's capital asset purchases. These assets are purchased or replaced on an as-needed basis. Whenever possible, BCSTA defers the replacement of equipment until such time as it becomes obsolete or problematic. Prior capital asset replacements expected to impact the 2019/2020 *Depreciation* budget line are:
 - Replacement of all workstations in 2017/2018
 - Update of server infrastructure hardware and software in 2017/2018
 - Update of backup infrastructure in 2017/2018
 - 2017/2018 leasehold improvements

There are no capital asset additions planned for 2018/2019; however, in 2019/2020, BCSTA will need to replace its network switches and anticipates that its photocopier, which was purchased in 2013/2014, may also need to be replaced.

Should BCSTA relocate its offices in 2019/2020, this budget line will be affected by all the above items in addition to relocation costs, possible leasehold improvements, and possible IT infrastructure updates, dependent upon what is needed in the new location. Changes to this budget line are therefore expected in 2019/2020.

13. BCSTA is in the process of reconfiguring its Communications Department, which may impact the *Communications/Publications* budget line in 2019/2020.
14. BCSTA's *Salary/Benefits* budget line will be impacted by a number of factors in 2019/2020:
 - Possible increase to the staff salary grid based on teacher salary negotiations*
 - Rising benefit costs
 - Movement on the staff salary grid

*Note: BCSTA staff salary grid increases have been historically tied to teacher salary negotiations. As the teachers' current collective agreement expires on June 30, 2019, and as a new agreement is not yet in place, it is not currently known if a salary grid increase will be applied in 2019/2020 and if so, what the increase will be.

15. With government grant funds being depleted, the Association is making use of remaining funds to undertake unbudgeted projects that are of value to member boards of education. Grant funds have therefore been used to undertake various projects including development of the *Trustee Learning Guide* and the update of the *Guide to School Legislation*, which is currently underway. BCSTA therefore has limited grant funds available to support its operating budgets.
16. At this time, no changes to the following budget lines are projected for 2019/2020:
 - *Finance & Audit Committee*
 - *Indigenous Education Committee*
 - *Legislative Committee*
 - *Professional Learning Committee*
 - *Advocacy*
 - *Legal Counsel*
 - *Equipment Maintenance*
 - *Office Administration*

Budget Impact

Based on this analysis, there are several factors that are expected to put pressure on BCSTA's 2019/2020 operating budget:

- Possible relocation of BCSTA offices, which will result in an increase in depreciation costs
- Projected increase in lease costs, regardless of whether BCSTA relocates its offices
- Increase in salary costs resulting from movement on the staff salary grid and rising benefit costs
- Projected increase in salary costs resulting from teacher-negotiated salary increases
- Increased hotel and meal costs for BCSTA events
- Projected increase in audio-visual costs for BCSTA events
- Projected increase in travel costs
- Annual Board of Director honouraria increase, based on Vancouver's CPI

This analysis also indicates that there are factors that may result in a reduction in cost pressures in 2019/2020, including:

- Member fee revenue is expected to increase as a result of the projected increase in FTE students
- The annual inflationary member fee increase, based on Vancouver's CPI, will provide additional member fees in 2019/2020*
- Increases to meeting room and meal costs for BCSTA events have been minimized by contracting with conference hotels through to April 2022

*Note: The 2019/2020 inflationary member fee increase will be fully funded from BCSTA's 2017/2018 year-end surplus, in accordance with the February 2017 Provincial Council directive.

At this time, there is insufficient data to determine if a member fee increase in excess of the annual inflationary member fee increase will be required to support the 2019/2020 operating budget.

SUBMITTED BY: BCSTA Board of Directors