



MINUTES OF A MEETING OF THE FINANCE & FACILITIES COMMITTEE

Tuesday, May 8, 2018

School Board Office - 8:30 a.m.

Present: P. Dorsman (in the Chair); S. Donahue, Trustee; J. Leiterman, Secretary Treasurer; C. Kennedy, Superintendent; S. Nosek, Associate Superintendent; W. Hickey, Director of Facilities; K. Johnson, Assistant Secretary Treasurer; J. Brown, Manager of Finance; J. Wright, Facilities Manager; J. Carpino, Purchasing Manager

Stakeholder Representation: M. LaBounty (WVAA); R. Millard (WVTA); Danielle Katerberg (DPAC)

Absent: D. Stevenson, Committee Chair; R. Willock (WVTA); B. Scott (WVMEA)

Committee Chair Stevenson was unable to attend the meeting and Trustee Dorsman took the Chair.

1. Welcome new Facilities Manager

The Director of Facilities introduced Jason Wright, the new facilities manager for the district. He gave a brief background, noting he most recently worked at UBC and has lots of experience, including work around building management systems. He welcomed Mr Wright and said it was good to have the team at facilities complete.

2. Irwin Park Project update

The Director of Facilities gave a brief update on the Irwin Park project and noted that he met with the Irwin Park PAC last week and they are very excited about the project. He said all the equipment for the project has been ordered and we are in as good a place as possible.

The RFP process is now complete and the successful candidate was Unitech Construction Management Ltd. They will be responsible for coordinating all trades and schedules, and will be working with the consultant and the various trades to manage the project as a whole. The district will be consulted regarding any changes or major decisions, but otherwise Unitech will handle the project, streamlining communications and freeing up the Director and Manager of Facilities to deal with the other numerous summer projects.

The Director acknowledged that it is a huge project and a measured risk, but said he is confident in the timelines and that his confidence was bolstered by the level of interest in the RFP process.

4. **Sentinel Gym Project Update**

The Director of Facilities reminded the committee that the site of the new sprung structure has been moved from the east to the west side of the current field house and reported that the results of the geotechnical and environmental reports mentioned last month were not as favourable as initially hoped. There is still more work to be done to remove organic material from the site, but the architect and structural engineer are working together and the project is still on schedule to be completed for opening day in September.

5. **Annual Facilities Grant**

The Director of Facilities reviewed the expenditure plan for the 2018/19 Annual Facilities Grant, noting that although the form was received slightly later this year, it is easier to complete. Though we are ready to submit pending Board approval, the deadline is June 30. He then walked the committee through the plan, which includes a variety of items from interior modernization work resulting from the District Redesign Committee process, to upgrading plumbing and electrical, to creating new breakout spaces in schools. The most expensive items are roofing repairs at Rockridge; district-wide fire alarm and fire plan upgrades; improving wheelchair access to the Chartwell playground; and flooring throughout the district.

The Secretary Treasurer noted that much of the work is already underway or completed, due in part to better and earlier planning, and the combination of modernization and maintenance projects.

RECOMMENDATION: That the 2018/19 AFG Expenditure Plan be forwarded to the Board for approval and filing with the Ministry.

6. **2018/19 Preliminary Annual Budget**

The Secretary Treasurer began by fulfilling a previous request from Committee Chair Stevenson, highlighting the impact our locally-generated International Student Programs revenue has on our budget. Initially, international monies were used for special projects, but as the years have passed, have been absorbed into general operations. She noted that it is important to remember that it is our international funds that allow us to continue to provide some of the things that makes West Vancouver School District unique. While there is no real chance of the program going away, it is important to consider it in terms of risk management and understand the impact it has upon what we sometimes take for granted.

International monies account for 14% of our total operating budget. Total program revenue for 2018/19 is \$9.6 million and total program cost is \$4.8 million, for a net contribution to the operating budget of \$4.3 million. If we did not have those monies, the obvious losses would be 34 FTE teachers; 16 daytime custodians; 9 Elementary Band teachers; lunchtime supervision aides; and the innovation grant program. Those items would subtotal \$2.2 million and the other \$2.1 million shortfall would have to be made up through the loss of reduced administration and office assistants at schools with less than 350 students; reduced numbers of Education Assistants; no classroom modernization or pro-d travel; and no Teaching Assistants for secondary science labs, careers departments, or libraries. The operation of our schools would be deeply affected.

Committee members: Dave Stevenson, Pieter Dorsman

The impact of our successful International Program means that we are able to continue to offer all those things, as well as retain staff, promote staff wellness, draw and retain students and offer diversity. Most importantly, we are able to offer our students a world class education.

Acting Committee Chair Dorsman noted that the MOE's funding formula review is currently underway. The review includes an analysis of the benefits of international programs for those districts that have them, and a consideration of the potential impact of that funding stream upon future operating grant allocations. It is unknown at this time whether any action will be taken in this regard.

The Secretary Treasurer continued by emphasizing that the losses she just detailed are all hypothetical, and that though there are challenges, West Vancouver Schools will be moving forward with an enhanced status quo budget for 2018/19.

The 2018/19 Annual Preliminary Budget was reviewed, including the planning cycle, and it was noted that it is based on February 2018 estimated enrollment numbers, adjusted slightly today. The focus for the District Leadership Team continues to have two key priorities: to maintain and grow innovation (including the revised curriculum, assessment, and technology); and to provide stability and a sense of certainty for our parents, students, and staff. Recommendations for curricular themes include: support for the new curriculum, particularly at grades 10-12; print and digital resources to support that curriculum; collaboration time; and targeted professional development on the new BC curriculum and assessment methods. As well, there will be a continued focus on a number of areas, including early learning intervention, non-enrolling teacher ratios, special needs assessment, fewer blended classes, and smaller classes.

Revenue highlights were summarized and the committee was reminded that the per student allocation for 2018/19 has increased by \$122/FTE, resulting in a net increase in the 2018/19 operating grant of \$1 million. The funded FTE figure has increased by 20 over the February figures and is expected to be status quo in September. International students have decreased by 10 FTE, resulting in a drop of just over \$100,000. This drop is attributed to aggressive recruitment and incentives offered by Ontario targeting the Chinese market, including less rigour and higher agent commissions. District Administrator of International Programs Michael Frankowski is increasing his travel to try to regain numbers, but the drop does reduce pressure on the homestay situation. It was noted that Mr Frankowski's efforts to diversify our international program in recent years means that the impact is not as great, but it is a situation that will be monitored.

Expenses were also briefly reviewed and salaries and benefits continue to be the largest cost. It was noted that initially there will be a large reduction in the number of Education Assistants, resulting in a decrease in spending of \$438,000. EA staffing may increase in October 2018 after a full payroll cycle and upon better clarification of needs, but the preliminary budget will reflect past staffing levels, not those for 2017/18. There are also minor reductions in spending for other professionals and teachers across the district, with a loss of no more than .2FTE at any one site. It was noted that staffing is being reduced to offset the benefits increase resulting from the new Health Payroll Tax at \$650,000. During the transition year, where we must pay both the new tax and MSP, we will realize a cost of \$962,000. BCASBO is lobbying to have this practice changed. That figure should drop in the amended budget and ultimately should not be more than MSP costs in the future, but for now the overall result is a net increase in operating expenses of \$78,000.

The Secretary Treasurer reported that the structural deficit for 2018/19 is \$0.4million, an improvement upon the \$1.2 million for the amended 2017/18 budget. However, reserves at July 1, 2018 will be \$1,105,984 or 0.92% of our operating expenses, well below recommended guidelines. Moving forward, our reserves for future years will fall to \$672,179, eliminating the \$1 million contingency fund. The challenge for 2018/19 is to build our reserves back to at least \$1 million and the hope is that the 2017/18 actual year end results are an improvement upon the amended budget estimates, putting us in a better position to begin 2018/19.

The Acting Committee Chair thanked the Secretary Treasurer for her hard work and acknowledged that while we are in decent shape, there will be challenges ahead.

RECOMMENDATION: That the 2018/19 Preliminary Annual Budget be forwarded to the Board for adoption and filing with the Ministry.

7. Adjourn

9:19 a.m.

Julia Leiterman, Secretary Treasurer