



MINUTES OF A MEETING OF THE FINANCE & FACILITIES COMMITTEE

Tuesday, December 11, 2018

School Board Office - 8:30 a.m.

Present: D. Stevenson (in the Chair); L. Block, S. Donahue, Trustees; J. Leiterman, Secretary Treasurer; C. Kennedy, Superintendent; S. Nosek, Associate Superintendent; D. Nelson, Director of Instruction; J. Brown, Manager of Finance

Stakeholder Representation: C. Ratz, S. Rauh (WVAA); R. Willock, S. Capier (WVTA); B. Scott (WVMEA); Danielle Katerberg (DPAC)

Absent: J. Ross, Acting General Manager of Facilities; K. Johnson, Assistant Secretary Treasurer

1. Introduction – Acting General Manager of Facilities

Committee Chair Stevenson called the meeting to order and welcomed Trustee Lynne Block. Those present briefly introduced themselves. The Secretary Treasurer then announced the appointment of Jamie Ross as Acting General Manager of Facilities while Director Wade Hickey is on medical leave. She sent regrets on his behalf, as he is currently attending the facilities department Christmas breakfast and was unable to be at this meeting. Mr Ross has a background in education and most recently worked with the district last year helping with teacher assessments. The Secretary Treasurer said he is working very well with facilities staff and she is pleased to report that he has agreed to stay on until June 2019, which will provide a sense of stability for facilities staff.

2. Snow Removal Plan

Last winter, the decision was made to experiment with snow removal being undertaken not just by our staff, but by independent contractors as well. This system produced mixed results and this year, facilities staff approached the Secretary Treasurer with a comprehensive and collaborative plan to handle the work completely in-house. She said she was impressed not only with the scope of the plan, but the ownership and pride with which facilities staff undertook the process. To help, we now have a second truck outfitted with salting equipment and an articulating plough. The plan document has been forwarded to Principals for feedback with respect to priority areas, timing, areas of responsibility, expectations etc. The effectiveness of the plan can't be assessed until it is put into practice and the Secretary Treasurer asked the reps for the WV Administrators Association (WVAA) to let their members know they are looking for feedback.

Independent contractors likely will be hired as necessary to assist with clearing roofs, should we receive enough snow to warrant it. Not all our schools are equipped with safety gear and it would make more sense to hire companies who are experts at working in such conditions, during a time of year when they typically have a reduced workload.

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3. Natural Gas Update

The Secretary Treasurer reported that natural gas supply has been a topic of concern for districts, particularly in Metro, since the explosion in October which left the pipeline working at reduced capacity. All districts in the province have taken action to reduce usage of natural gas. West Vancouver Schools have reduced temperature settings by 2°C, but have also adjusted timing, so that furnaces come on earlier and are turned off earlier, so buildings are warm by the time school starts, but not too hot in the afternoon and warm unnecessarily after the school day ends. This has reduced usage by an hour or so each day.

Metro districts were concerned about how to create a common plan for a no-heat day, akin to existing collective snow day plans, if natural gas is simply not available. Enbridge says this scenario is highly unlikely and conditions and timing are favourable right now, with milder weather than usual and the holiday break approaching. While costs have increased, only our delivery rates have gone up, as we are on a fixed-rate contract. That contract does expire in January, but we have enjoyed savings thus far.

4. WorkSafeBC Rate Increase

The Secretary Treasurer said this was a good news story and she is very proud of our record. WorkSafeBC has increased rates for the education sector to \$0.81 from \$0.69 on average, but West Vancouver Schools' rate has only increased to \$0.64. It was noted that we have been lower than the provincial average for at least 10 years and while it saves money, the Secretary Treasurer said it is most important to her that staff is safe. She said she is impressed that health and safety is taken seriously by all levels of staff and is proud that we are a safe place to work.

5. Irwin Park Update

This large summer project encompassed both the building envelope and mechanical systems upgrade and, despite doubts due to scope of work, the school opened in September as planned. Exterior work and interior finishing has continued throughout the fall, with the final site meeting taking place next week on December 19. The project will finish on time and on budget, and the Secretary Treasurer reported that the project management provided by Unitech Construction Management Ltd has exceeded expectations. It was noted that the site manager is well versed in the workings of the school, knows schedules, staff, and how spaces are used, and has been able to meet needs and look for savings as the work has progressed.

Unfortunately, we were not able to secure funding for an ongoing drainage issue which has become critical. It had been hoped that flooding from the rear of the property would be mitigated by drainage work completed at the front of the school as part of the current project but during a recent extreme weather event, the back of the property was flooded and water flowed through the building. Not only was the water running down the hill, but it was coming back up drains as well. This site has been developed in different ways and in different stages over time, by both the school district and the municipality, but without a comprehensive drainage plan. Based on investigative measures taken to date the existing drain pipes appear to be blocked somewhere under the school building. As a result, the Secretary Treasurer says she now needs to find \$200,000 to deal with this critical issue. She has been in touch with the Ministry and

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while they indicated that we can expect some SEP funding for 2019/120, it will be less than \$1 million for the district. While this drainage issue is not on our current capital plan, the Ministry indicated that if we can take a phased approach to a capital plan project that will be awarded funds, and complete a phase for less than the funding awarded, we could redirect the difference to address the Irwin Park issue. Unitech is currently gathering quotes for the drainage work and our facilities crew has come up with a contingency plan in the meantime. Sand bags are on site, they will be installing a sump pump, and crews are checking the grounds on the weekends and overnight, while monitoring the weather forecast. The Secretary Treasurer is also speaking to the District of West Vancouver, as the municipal playground also has inadequate drainage. They are also on a tight budget, but the fact that they are discussing the issues is positive.

6. Sentinel Gym Update

The Secretary Treasurer reviewed the history of the Sentinel gym fabric-structure gym project, saying that this unfortunately was not a good news story. This project has been in the works for over a year now, with expectations that it would be in place by September 2018. There were a number of delays in the spring and a change in approach, and while that resulted in a \$1 million savings over the original plan, the completion date was pushed back to November 2018.

There were subsequent delays, however, and as the full extent of site preparation was realized, it became clear that November was no longer realistic. The location is comprised of both soil and organic material removed from the main Sentinel building site, and the geotechnical engineers have advised that it must be firmly compacted before a fabric structure with a floor can be erected. It is not possible to compact the ground properly if the material is wet and, with the winter weather arriving, this is no longer possible.

The Secretary Treasurer said she made the decision in October to pull the plug on the project for the winter, and noted it was a very difficult one to make. Ultimately, the financial risk associated with having to truck soil in and out if compacting was not successful was too much. There is no Ministry funding for this project and it is being financed by rental revenue and savings associated with the LED conversion project. She said she this is a very unfortunate situation and is aware of the challenge this has presented to Sentinel staff. She said she is grateful that everyone has pulled together and acknowledged Principal Mike Finch and Academy Director Diane Nelson for the work they have done.

The structure itself will be delivered and stored on-site within the next month. Beyond that, there is still the permit process to finish and the site/soil preparation to complete. Electrical and HVAC needs to be installed and in order to do that, Sentinel's hydro capacity needs to be upgraded. The Secretary Treasurer said she is looking into bringing in either Unitech or the gym structure manufacturer as a project manager to ensure the project moves ahead in a timely manner and will be ready to open in September 2019.

Renee Willock, president of the West Vancouver Teachers' Association (WVTA), noted that teachers had understood that the existing Sentinel field house would not be converted to a fencing facility from a gym until the new structure was in place. The Secretary Treasurer acknowledged that they had made a mistake and it was an error in judgement to move forward based on original project timelines, rather than waiting until completion before the field house space was converted for the fencing academy.

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7. 2018/19 Amended Budget – Revenue

The Secretary Treasurer reported she is in the process of finalizing the 2018-19 amended budget, but is still working on the cost side. The revenue figures reviewed today all have associated costs, so while revenue has increased costs are also expected to increase in proportion. As 89% of our budget goes to salary and benefits and changes according to demographics, the Assistant Secretary Treasurer has been recalculating costs each month in order to get cost estimates as accurate as possible. It was noted that we have very tight reserves and there is little room for guess work.

Our 2018/19 regular enrolment is 6916.5 FTE – an increase of 24.5 FTE over our spring estimates. This is a very minor increase, but does mean that administrators did an excellent job of estimating their student numbers. That additional FTE figure resulted in an increase of approximately \$160,000 in additional funding. Per student FTE funding remains at \$7423. Other funding was reviewed, with increases seen in students with unique needs, English Language Learner (ELL) numbers, and Indigenous students resulting in approximately \$308,000 in additional funding.

The Provincial Salary Differential was reviewed and it was noted that the average teacher salary can vary from year to year, based on the demographics of our teaching staff. West Vancouver teachers are currently paid, on average, \$400 less than the provincial average of \$76,269. This is significantly less than the difference last year, and as a result, our salary differential funding has increased by \$234,000. It is good news is that our teachers are getting closer to the provincial average (last year the difference was \$995) and it was noted that future salary harmonization would make this calculation irrelevant, if the province and union are ever able to reach agreement on this topic. The change was unexpected and indicates that not all the recently-hired teachers were new teachers.

Other Ministry funding streams were reviewed, including carbon tax, transportation grants, and employee health benefits assistance. Ultimately, Ministry funding increased by \$796,000 over the preliminary figures.

Locally-generated revenue was then reviewed and remains a critical part of our budget. While there was a slight decline in the number of international fee-paying students attending summer learning, there was an increase in the user-pay elementary band program. Academies and programs of choice were reviewed and while enrolment in a particular academy can change from year to year, they continue to be a draw for students outside the district, who bring with them Ministry funding. Numbers continue to be strong as a whole, and it was pointed out that these programs are run on a cost-recovery basis, not as a for-profit model. There was also an increase in rental revenue of \$72,000 with more preschools and community groups using our facilities.

Our international student program continues to provide critical funding, but enrolment was not as strong as expected. While we have fewer fee-paying FTE, driven in part by a reduction in part-year student enrolment, application and registration fees made up any difference. The \$2 million net funding that is generated by the program is fully-embedded in our budget, and allows us to provide supervision aides, daytime custodians, and increased teacher-librarian time, among other things. It is very valuable to us. It was noted that while the homestay placement revenue has increased by \$600,000, this amount is fully matched by the same increase in homestay costs, and

should not be considered when calculating the net increase in revenue for the amended budget.

The adjusted net increase to our revenue over the preliminary budget is \$927,000. With an anticipated operating deficit of \$400 - 600,000 there will be a further draw-down on our reserves.

Moving forward, cost-savings and efficiencies will need to be found. We cannot change the expenses related to salaries and benefits, but will have to look at the way we fund our capital projects and technology initiatives. The Secretary Treasurer said the line will have to be drawn somewhere, but that people – our staff and students – continue to be the most important factor when making budgetary decisions. She said the bottom line is revenue is up slightly and will cover any increased costs, but it is a very tight budget year.

8. Sentinel Gym Scheduling

The Secretary Treasurer asked the committee chair if, before adjournment, Director of Instruction Nelson could speak to the Sentinel gym situation, as she had arrived about half way through the meeting, after that topic had been covered.

The committee chair agreed and Director Nelson began by acknowledging the challenge faced by Sentinel teachers with the early conversion of the field house to a fencing facility. While it has been hard for all involved, she feels it is coming together now, particularly in the last few days.

Working with teachers, Director Nelson identified key areas of concern, including gym space to ensure the scope and sequence of the physical education program, including martial arts, and wrestling, is being maintained. She has also met with the athletic director at Hollyburn Country Club (HCC) to identify all possible venues within the club that are available during school hours between December and Spring Break in March. A list of those dates and venues were given to Mark Fenn, athletic director at Sentinel, who went over it with his department and then went back to Director Nelson with venue requests and instructors where required. Teachers have also been booking HCC venues themselves. It was noted that teachers can have their classes participate in fencing and other academy programs if desired.

Director Nelson said the opportunity to communicate has helped a very challenging situation and she believes everyone is on the same page now and that everything is finally coming together this week. When asked, she told Mrs Willock that she did believe that teachers are able to deliver lessons with scope and sequence. It was also noted that AP final exams in May will be held in the field house as usual, with HCC accommodating any classes or academy programs that are disrupted during that time.

9. Adjourn

9:30 a.m.

Julia Leiterman, Secretary Treasurer

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