



## **MINUTES OF A MEETING OF THE FINANCE & FACILITIES COMMITTEE**

**Tuesday, September 15, 2020**

**School Board Office - 8:30 a.m.**

Present: D. Stevenson Chair; L. Block, Trustee; J. Leiterman, Secretary Treasurer;  
F. De Dios, Director of Facilities

Stakeholder Representation: S. Capier (WVTA), M. Finch (WVAA); K. Richter (DPAC); B. Scott (WVMEA)

Committee Chair Stevenson began by welcoming everyone to the meeting with a round-table introduction and extended a special welcome to Superintendent Kennedy's new Executive Assistant, Amanda Barr. The floor was turned over to the Director of Facilities for the Facilities Update.

### **1. Facilities Update**

The Director of Facilities explained that Facilities department protocols and changes implemented provide a safe environment for students, teachers, and staff to safely resume school activities as directed by the Provincial Health Authority, Work Safe BC and the CDC. Four measures were focused on to avoid the potential spread of Covid-19. Firstly, the Custodial staff will pay additional attention to high touch surfaces. Five casual custodians were hired. Additionally, there is a different pool of casual custodians to draw on for absences. The second measure was to reduce the number of school sites per custodian. Initially there were 11 custodians moving from site to site. They have been converted to single site or two site assignments only. Thirdly, from May through September, all custodians trained new disinfecting procedures. It was noted that the custodians were already practicing disinfecting procedures and that these procedures are not necessarily new procedures, but it was important to ensure that all custodians were refreshed. The final measure was to update all ventilation systems. The standards of ASHRAE (American Society of Heating, Refrigerating and Air-Conditioning Engineers) are followed. The recommendation is six to twenty air changes per hour, with six being the acceptable minimum. District-wide, all HVAC units have been re-programmed to maximize fresh air and are set at 100% fresh air intake wherever applicable, only dropping below 100% should the outdoor temperature drop below -4 degrees, to avoid freezing the boiler coils. Hours of the programming have also been changed, such that an air exchange or a "flush" is now done two hours before school starts and then one hour after school ends. Consistent with normal practice, all HVAC filters were replaced over the summer. However, they will be upgraded MERV 13 (Minimum Efficiency Reporting Value) filters. Filters range between 1 and 16, with 13 being the recommendation for classrooms. The filters were ordered in the summer but with such a high demand, they are not expected to arrive until December. The old filters required semi-annual replacement; the MERV 13 filters will likely require quarterly replacement. Finally, the custodians have been asked to open the windows in the morning prior to school opening to provide fresh air intake.

Committee Chair Stevenson asked if there were any questions. Trustee Block asked if the smoke has changed the procedure of opening windows and whether air filters changes will be changed more

frequently. The Director of Facilities replied that the situation is being monitored and will be adjusted if needed. While there has been no direction from the Health Authorities around changing HVAC procedures to combat the impact of the poor air quality on ventilation, the Director is confident that the existing MERV 8 filters will be adequate until changeover to the Merv 13 filters and will not require early replacement. Trustee Block asked if the Director of Facilities was confident moving forward or if he can foresee any upcoming issues related to Covid-19 or the air filtration processes. The Director responded that adjusting capital requests for HVAC enhancements in schools will be reviewed, and the cleansing processes are a work in progress as they have always been. Trustee Block offered her compliments to the Director of Facilities and the staff.

WVTA representative Spencer Capier asked for information on HVAC in portables and spaces that do not have HVAC systems, and whether the Director of Facilities is confident that all spaces are adequately protecting the teachers and students. The Director of Facilities noted the recommendation for spaces that do not have HVAC systems, is to open the windows to circulate as much fresh air as possible, and noted that all systems are maximized to their full potential to provide fresh air to staff and students. He noted that although there may be new technologies available at this time, the District is complying with ASHRAE's recommendations. Mr Capier asked if Hepa filters are more effective than MERV filters, to which the answer was no. Mr Capier then asked what the recommendations are for the teachers and schools regarding cleaning around lunch times and shared his concerns about the safety of the cleaning spray Virex. The Director of Facilities noted that at this time all hands must be on deck when it comes to in-class cleaning, - and that Virex has been reviewed and the recommendation for using PPE are for handling the concentrated product, not the diluted product that is provided to the schools. Just like any chemical, it should not be accessible to children. Website links with training for using these chemicals have been circulated and will be resent again.

Trustee Block asked if the custodians follow a list of items that should be covered each day. The Director of Facilities gave some detail around the Custodians latitude to prioritize as needed, while still completing their required list. It is understood that some schools will be unique with their requirements and that service gaps have been eliminated between shifts, which the custodians are happy with. Committee Chair Stevenson thanked the Director of Facilities for the thoughtful plan and answering all the questions.

## **2. Federal Funding for Covid Support**

The Secretary Treasurer explained the plan for the federal funding for Covid support. On top of the \$500,000 given by the Province that is devoted specifically to Covid costs, the district will receive an additional \$2,400,000 through Federal funding, to be received in two installments; the first to be received shortly and the second in December. This Federal funding is targeted funding that is reported on and can only be spent in specific ways. Allowable costs include learning resources, including additional teachers and staff to assist with remote learning, particularly the transition program which requires more staff, additional health and safety training which benefits the custodians, coverage for the cost of barriers, hand hygiene which now includes hand sanitizer and not just hand washing stations as previously permitted. ventilation such as the MERV 13 filters (cost of \$50,000 annually), additional cleaning machines such as an electrostatic cleaner (which will be employed should an infection be confirmed, allowing for a deeper clean if needed). There will be funds for more PPE if needed. In transportation, there will be more busses as well as additional bus runs in the middle of the day. With

all filtration set to 100% max air we will incur higher utility costs, which can be paid with this funding. Exact needs are still in the process of being identified. It is anticipated \$600,00 of the first installment will go to staffing costs and the balance will go to facilities and transportation. She then opened the floor to any questions.

WVTA representative Spencer Capier noted that teachers are very focused on the idea of barriers and asked for more detail on how those would be accessed. The Secretary Treasurer noted that this was a labour management question and would be a conversation about the working situation because the focus is always on connecting teachers to their students and keeping people safe. She asked that he please bring those situations forward so they can be considered along with all the other areas of suggested expenditures.

### **3. Audited Financial Statements 2019/20**

The Secretary Treasurer began by explaining that the purpose of yesterday's Audit Committee meeting was to focus on the audit and not on the actual numbers, which is the focus of today's meeting. Today's Finance & Facilities Committee meeting tells the story behind the numbers and where they differed from our budget and expectations from the prior year, and where it leaves us sitting moving forward as of July 1<sup>st</sup>. She reminded everyone that there are 3 funds under the public sector accounting: capital fund, special purpose fund and operating capital. In special purpose and capital funds we have little latitude as it is all targeted funding, and we follow Ministry direction. Although little time will be spent discussing these funds, it is important that everyone is aware what they are.

Capital funding is received as deferred funding and only recorded as revenue as it is spent. There are two main capital streams, the first is the AFG which is about 1.2M per year, an amount which has changed little over the past eleven years. It was explained that capital can be tricky because it follows the government yearend which is March 31st. What that means for the district is that we begin spending the following year's money in the current year so rather than it being a sharp cut off, the money will flow over and we can keep delving in. Because the money is available, it is easy to overspend in the beginning of the year. Gratitude was expressed towards the Director of Facilities who cut the spending on next year's AFG in half compared to the previous four years.

#### **DEFERRED CAPITAL (Sched 4c, d)**

#### **TANGIBLE CAPITAL (Sched 4b)**

Mr Capier asked questions related to capital funding, firstly requesting the time frame for a cabling infrastructure refresh. The Secretary Treasurer replied that it was a serious discussion last year prior to Covid, but Covid then had to become the focus. If Covid wasn't an issue, it could be approximately a 3 year cycle to upgrade all schools. He then inquired about ventilation for portables and asked if other portables besides the portables in Rockridge required the addition of air ventilation units. The Secretary Treasurer noted that the Rockridge portables had been an ongoing issue over the years, requiring the upgrade to ventilation as well as new carpeting and paint, but that no other sites had complaints. She suggested other portables might be situated in the shade, or were a different age, so we were fortunate in not needing further upgrades.

#### **SPECIAL PURPOSE FUNDS (SCH 3,3a)**

The Secretary-Treasurer noted that \$7.5m in funding was received for a variety of special purpose funds, and expenditures amounted to close to the same amount. In particular she noted that the Learning Improvement Fund (LIF), and the Classroom Enhancement Fund (CEF) supported a total of \$3m in teacher and support staff expenditures.

### **OPERATING Fund (Sched 2b)**

The Secretary-Treasurer reviewed the operating fund revenue and expenses, noting that this is where we have the most latitude to control our expenditures.

Net expenses were \$500k less than budgeted, due to the impact of the pandemic. Increases due to negotiated salary lifts for staff (funded), and exempt staff salary lifts (not funded), were offset by significant savings in staff replacement costs due to the spring school closure, resulting in a net increase of only \$600k in salaries. Benefits were down \$300k due to decreased use due to the pandemic situation. Services were down \$500k due to reduced homestay costs in our International program as students returned home early, as well as cancellation of our academies in the final quarter of the year. Supplies were down \$269k due to reduced printing, classroom supply, travel, and pro-d costs as a result of the pandemic. Facilities costs were down due to newer vehicles in the fleet requiring fewer repairs, as well as reduced grounds costs. The allocation of expenses was consistent with prior years, with 87% being spent on salaries and benefits, and 13% on services and supplies.

Operating revenues are provided by the operating grant from the government, based on the fundable students attending our schools, as well as locally generated revenue from our International program, Choice programs and Premiere Academies. Total revenue is comprised of 84% Ministry funding, 13% International, 2% Programs of Choice, and 1% from rentals and interest.

The Secretary-Treasurer noted that our operating revenue increased by \$2.1m over budget, primarily due to increased local enrolment, an increase in per student funding rates, and negotiated salary increases for teachers and support staff that were funded by the Ministry. Summer learning revenue from July 2019 was down slightly due to reduced International participation. Decreases in rental revenue due to not charging childcare operators over the last quarter were offset by interest income improvements from earlier in the year.

The Secretary-Treasurer also reviewed differences between actual financial results and estimates made in late May and June for the preparation of the 2020-21 Preliminary Budget. Operation revenue was up \$60k over estimated due to higher interest and miscellaneous revenue, and operating expenses savings came in an additional \$914k higher than spring numbers, due to higher than estimated savings in benefits, TTOC's, travel and printing.

Operating reserves improved, from a budgeted deficit of \$310k to a structural surplus of \$2.2m. This provided the District with an overall reserve balance of \$4.4m on June 30. The Preliminary 2020-21 budget requires \$2.935m to balance, leaving \$1.5m available for future years. The Secretary-Treasurer cautioned that while the increased reserve is excellent news, it will have to be carefully conserved to meet future needs and we anticipate continued budget challenges both in 2020-21 and the following school year.

Mr Capier asked where we are currently at with the international program? The Secretary Treasurer did not have the exact numbers but estimated we are about 20 students above our estimated 45% drop in enrolment. We estimated we would lose about 281 FTE, and we have lost about 260 or so.

Trustee Block voiced concerns around students that will opt for distance learning and whether there will be enough funding from the Covid funds to buffer the reduced operating grant. The Secretary Treasurer noted that the Covid funding is special purpose funding for Covid related costs. The operating grant is determined by how many students are registered. As distanced learning is not offered in our district, we will not receive funds for students that opt for it. For families that choose the remote transition plan option, they remain in our funding. We have been getting enrollment estimates that will not be final till end of the month when we do our 1701 count, but at this time we are currently tracking above our preliminary budget estimates for enrollment.

Trustee Block asked if the impact of Covid on our IT department has been substantial and if any area ie personnel, equipment, training, etc. will be increased or looked at for additional investment/funding. The Secretary Treasurer explained that we are very fortunate with the access that we have to additional devices for teachers and students. It was not necessary to budget for device costs because we already had this in place. The focus has been on ProD to assist teachers to deliver on-line instruction. Pro-D days from the winter were shifted to the end of August to provide teachers with support and prepare them for the coming year.

Staffing was touched on and it was noted that the HR Committee was the venue for updates on that. Mr Capier talked about putting pressure on to have more hands on-deck to help teachers one-on-one so that the technology is used more efficiently. The Secretary Treasurer made a point that some of the federal funding will go towards staffing to support remote learning.

Trustee Block asked if there is any way to know what is ahead of us and if we can properly budget plan with everything shifting so often. The Secretary-Treasurer replied that it is very early in the amended budget process. The first step will be after we file the 1701, which will allow us to estimate the operating grant that can be expected based on actual enrollment.

Mr Capier asked if the 1701s will continue just once per year. The Secretary Treasurer confirmed that at this time there is no change but all of the districts have advocated for a second 1701 because there are always new students arriving after September 30, and currently only those with special needs are recognized for additional funding. She noted that the government is experiencing its own funding challenges, but this would certainly be a good year to have a second 1701!

#### **4. Adjourn**

9:41am