

FINANCE COMMITTEE

Wednesday, April 20, 2022

Committee Report to the Board, April 25, 2022 at 7:00 pm

The Chairperson of the Committee called the meeting to order and acknowledged we are unlearning and relearning on the traditional and unceded lands of the x̱m̱əθḵʷəy̱əm (Musqueam), S̱ḵw̱x̱w̱ú7mesh (Squamish) and sə̱lilwətaʔ (Tseil-Waututh) Nations and reviewed meeting decorum. This meeting was live-streamed and the audio and visual recording is also available to the public for viewing after the meeting. The footage of the meeting may be viewed inside and outside of Canada.

A master PowerPoint presentation detailing the flow of the agenda was provided throughout the meeting, a copy of which is on file with the meeting agenda.

1. 2022-2023 Budget Engagement Summary Report

The Director of Communications presented a report dated April 20, 2022 entitled **2022-2023 Budget Engagement: Summary Report**. The report includes a summary of information received from the online budget survey and stakeholder input.

Committee members, trustees and stakeholder representatives provided feedback and staff answered questions and provided clarification on various points.

This was provided for information only.

2. 2021-2022 Amended Annual Budget Update

The Assistant Secretary Treasurer presented a report dated April 20, 2022 entitled **2021-2022 Amended Annual Budget Update**. The report provides an update on the 2021-2022 amended budget since it was presented to the Finance Committee on February 16, 2022 and approved at the February Board meeting. Additional information was included in the PowerPoint presentation.

The Assistant Secretary Treasurer reported on the areas identified that impact the amended budget. In presenting the slide on increased interest rates, he reported that the expected April 13, 2022 rate increase of .25% was actually .5%. A new calculation was done on April 20, 2022 (before the meeting) and \$78,000 more interest income is now expected bringing the total amount of estimated interest revenue to \$284,000. In presenting the slide titled Digital Services Recovery Fee, he informed everyone that districts pay a fee of \$40 per student head count.

Committee members and other trustees provided feedback and staff answered questions and provided clarification on various points.

During discussion, the Secretary Treasurer reported that, with the new estimated amount for increased interest revenue of \$284,000, the potential annual deficit for 2021-2022 could be reduced by over \$1.1 million. Any further increases in interest rates will be incorporated into an updated draft budget for 2022-2023.

This was provided for information only.

3. Follow-Up to the April 12, 2022 Special Board/Committee of the Whole Meeting

The Assistant Secretary Treasurer and the Superintendent provided verbal updates as follow-up to items that arose at the April 12, 2022 Special Board/Committee of the Whole budget meeting.

The Superintendent reported on multiple initiatives throughout the District on anti-racism and non-discrimination, including mandatory training for staff. She reported:

- Furthering staff and student learning in these areas is ongoing, with schools working with District resource teachers and with professional development opportunities offered on a continuous basis.
- An anti-racism non-discrimination strategic plan is currently being created. Goals of the plan are to be presented to the Board for approval in June 2022.
- A further update will be provided at the May 4, 2022 Student Learning and Well Being Committee meeting.

The Superintendent provided clarification on Indigenous Education funds. She reported that these funds are utilized to support Indigenous students and Indigenous Education initiatives and specific questions regarding these funds can be directed to any member of the Senior Management Team.

Following up on a topic of discussion about vegetarian and halal food matters, the Assistant Secretary Treasurer reported on the Food Ad hoc Committee, which is working on a 10-year wholistic food framework for the District. He reported:

- On the structure of the committee.
- Guiding principles will be developed for the District.
- An update will be provided at the May 4, 2022 Student Learning and Well Being Committee meeting.
- A draft report will be presented to the Board at the June 27, 2022 meeting.
- Food security and culture is an important component for students to succeed in schools.

Stakeholders and trustees provided feedback and staff answered questions and provided clarification on various points.

4. 2022-2023 Draft Annual Budget Update

The Secretary-Treasurer presented a report dated April 20, 2022 entitled **2022-2023 Draft Annual Budget Update**. The report provides an update to the 2022-2023 draft annual budget since the April 4 and 12, 2022 Committee of the Whole (Budget) meetings, including answers to some questions asked by trustees. Additional information was provided in the PowerPoint presentation.

The status quo budget presented on April 12, 2022 requires an appropriation of \$13.8 million from prior year surplus to create a balanced budget position. With only \$8.8 million of available projected surplus a shortfall of \$5.0 million was originally expected. In reviewing the slide titled Factors Impacting the Draft Budget Deficit, he noted with the changes to the amended budget presented earlier and an improved enrolment projection for the International Student Program of 105 FTE, the revised shortfall is now projected to be \$2.62 million.

The Secretary Treasurer and Assistant Secretary Treasurer reviewed answers to a Trustee's questions from the April 12, 2022 Special Board/Committee of the Whole meeting. The Secretary Treasurer also informed everyone there is a workshop for trustees the week of April 25, 2022 where identifying strategies to address the structural deficit will be discussed. Those strategies, and answers to questions from trustees not yet answered, will be brought to the May 3, 2022 Special Board/Committee of the Whole meeting.

The Secretary Treasurer provided an example of a structural deficit, using one time funding to balance the budget as has been done in previous years. He informed everyone the District needs to recognize the position it is in, with all surpluses used up from the last 2 years. Costs exceed income that is coming in.

Analysis of massage therapy and physiotherapy utilization was provided following up on a request from the April 12, 2022 Special Board/Committee of the Whole meeting, for information only. The Secretary Treasurer reported there are no plans to change these benefits as they are governed by collective agreements.

5. **Adult Education Enrollment and Staffing Update**

S. Burton, Director of Instruction, presented a memorandum dated April 20, 2022 entitled **Adult Education Enrollment and Staffing Update**. She reviewed Adult Education categories and provided statistics from multiple years (2016-2017 to 2021-2022) on:

- annual enrollment by student type
- number of FTE students by student type
- correlation between student FTE and teacher FTE

Committee members, trustees and stakeholder representatives provided feedback and staff answered questions and provided clarification on various points.

During discussion, the Secretary Treasurer informed everyone the divisional budget will be posted online and trustees have been asked to consider what they might want to bring forward as budget changes, using the divisional budget as a guide. He reviewed the budget timeline going forward.

Adult Education for new immigrants was discussed. S. Burton confirmed more information could be provided on what information the Welcoming Centre provides to newcomers regarding Adult Education. She clarified that there are currently two locations for Adult Education; Gathering Place downtown (for self-paced programming) and the South Hill Centre.

Grants from business development were discussed. The Secretary Treasurer confirmed grants could be used to offset the deficit if they are not restricted as special purpose funds but it would be a one time contribution. The Assistant Secretary Treasurer confirmed an update on business development could be brought to the May 3, 2022 Finance Committee meeting.

In response to a question, the Secretary Treasurer gave examples of programs other than Adult Education that are also subsidized by the District (e.g., Community LINK, StrongStart, Annual Facilities Grant).

The Secretary Treasurer reported that currently it is proposed that \$55,000 be used from the operating budget to subsidize the StrongStart in schools. Responses to unanswered questions from trustees will be provided at the May 3, 2022 Special Board/Committee of the Whole meeting.

The Secretary Treasurer reported staff are working to provide a complete budget by May 3, 2022, which would include Special Purpose Funds and the Capital Fund. He confirmed a workshop can be held with the District Parents' Advisory Council regarding capital funding and this is being worked on.

This was provided for information only.

5. **Information Item Requests:** None

6. Date and Time of Next Meeting

The next meeting of this Committee is scheduled for Wednesday, May 18, 2022, at 5:00 pm.

Meeting adjourned at 6:54 pm.

Oliver Hanson, Chairperson

Committee members present in the room: Oliver Hanson, Lois Chan-Pedley, Estrellita Gonzalez

Committee members present in Teams: Fraser Ballantyne

Other trustees present in the room: Barb Parrott, Janet Fraser, Allan Wong

Other trustees present in Teams: Jennifer Reddy

Senior Management present in the room: Helen McGregor, Pete Nuij, Shehzad Somji

Senior Management present in Teams: David Green

Association representatives present
in the room: Cynthia Schadt, CUPE 15
Gord Lau, DPAC
Paul Loeman, IUOE
Joel Levine, VEPVPA
Jody Polukoshko, VESTA

Other staff present in the room: Shannon Burton
Patricia MacNeil
Will Hsu