

**THE BOARD OF EDUCATION OF SCHOOL DISTRICT 68
REGULAR BOARD MEETING
AGENDA**

Wednesday, August 30, 2023, 6:00 PM

BOARD ROOM

395 Wakesiah Avenue

Nanaimo, BC V9R 3K6

Policy 2.4 Role of the Chair and Vice-Chair

The Chairperson, or designate, shall be the official spokesperson to the news media for the Board.

Pages

1. CALL TO ORDER

The Chair will call the meeting to order. With great respect and humility, we acknowledge and honour the lands of the Snuneymuxw people. The Snuneymuxw people maintain their profound, unique and spiritual connection to the land through ageless traditions, teachings, stewardship and expressions of reciprocity.

2. TRANSFER OF ITEMS TO OPEN MEETING AGENDA

3. ADDITIONS

4. DELETIONS

5. CHANGE IN ORDER

6. APPROVAL OF THE AGENDA

That the Agenda be approved.

7. APPROVAL OF THE MINUTES

That the minutes from the Regular Board of Education meeting held on June 28, 2023, be adopted.

8. SECTION 72(3) REPORT

8.1 Section 72(3) Report

That the Section 72(3) Report from the Closed Board of Education meeting on June 28, 2023 and the Special Closed Board meeting on June 29, 2023, be received.

9. ANNOUNCEMENTS AND REMINDERS

Schools Re-Open: September 5

Education Committee Meeting: September 6

Business Committee Meeting: September 13

Board of Education Meeting: September 27

10. PRESENTATIONS

11. CORRESPONDENCE

12. SENIOR STAFF REPORTS

12.1 Mark Walsh, Secretary-Treasurer 4

Re: Financial Year End - Preliminary Surplus Allocation

12.2 Mark Walsh, Secretary-Treasurer 10

Re: Policy Committee Work Plan

That the Board of Education of School District No. 68 (Nanaimo-Ladysmith) approve the Policy Committee Work Plan for 2023-2024.

13. UNFINISHED BUSINESS

14. NEW BUSINESS

15. FOR INFORMATION

16. QUESTION PERIOD

Question Period is intended to enable the public to obtain clarifying information regarding a current agenda item.

Individuals wishing to ask questions of the Board upon completion of Committee and Board sessions shall do so in writing on the form provided which includes their name, street address and email address. The individual will be asked to verify his/her self and be afforded the opportunity to read out their own question. Each individual shall be limited to one follow-up question upon receiving a response. Forms are available in the information rack near the entrance of the Board Room.

If the meeting is being held online, individuals wishing to ask questions of the Board shall type their question in the Q&A compose box on the right side of the screen and then select send. Your question will be read by the Board or Committee Chair.

Questions and responses will be included in the video of the meeting and the meeting minutes and will be part of the public record.

17. ADJOURNMENT

That the meeting be adjourned.

**NANAIMO LADYSMITH PUBLIC SCHOOLS
BOARD OF EDUCATION
INFORMATION SHEET**

DATE: August 30, 2023
TO: Board of Education
FROM: Mark Walsh, Secretary-Treasurer
SUBJECT: 2022/23 Summary of Accumulated Operating Surplus

Background:

This memo is intended to provide the Board with a preliminary review of the district's end of fiscal year financial position. Like in previous years it will provide a general overview that aligns with the draft financial statements to be presented at the September Business Committee along with recommended motions associated with the surplus.

Overall, the District continues to maintain a positive financial position without growing its surplus which shows that the Board is able to maintain a prudent reserve while at the same time support today's students with today's dollars.

Discussion:

In accordance with the Board's Accumulated Operating Surplus (Reserves) policy, it is appropriate for the Board to maintain a reasonable operating surplus, with consistent rules and guidelines in place to manage financial risk by ensuring there are the resources necessary to meet both planned and unplanned obligations, while spending as much of the district's resources as possible on current or multi-year programs, services, or initiatives.

District surplus is categorized as either internally restricted for particular use, or unrestricted. Under restricted surplus there are three unique categories:

- Anticipated Unusual Expenses: Identified one-time or intermittent projects not able to be funded by current year revenues.
- Financial Constraints/Targeted Funds: Grants, revenues, or financial commitments that extend beyond the current fiscal year are restricted for future use.
- Operations Spanning Multiple School Years: Situations where operating surplus funds may need to be carried over to future years.

Accumulated surplus may also be used to support the districts Local Capital balance, for specific capital initiatives that have clear linkage to the Board's strategic goals, as well as any future capital cost share expectations related to major capital projects that are identified in the board's five-year Capital Plan and approved by the Ministry for concept plan or business case development at the time the project is brought forward for funding approval.

Information Sheet: 2022/23 Surplus Allocation Recommendation

The surplus allocation schedule below presents the 2022-23 accumulated surplus position which includes the items staff have identified as restricted, categorized into the reserve balances as described above, as well as the unrestricted balance.

The 2022-23 financial statements are currently prepared in draft, pending completion of the final stages of the audit, and discussions and approval of the restricted surplus allocations by the Board of Education. Pending approval, the information below would be reflected as Note 13 in the audited financial statements.

| Note 13 Accumulated Surplus | | |
|---|-------------------|-------------------|
| OPERATING FUND | 2022-2023 | 2021-2022 |
| Accumulated Operating Surplus | 8,579,310 | 7,818,360 |
| <i><u>Restricted Surplus Reserve for Anticipated Unusual Expenses:</u></i> | | |
| Staffing Contingencies | 250,000 | 600,000 |
| Replacement Cost Contingencies | 250,000 | 400,000 |
| | <u>500,000</u> | <u>1,000,000</u> |
| <i><u>Restricted Surplus Reserve for Financial Constraints/Targeted Funds:</u></i> | | |
| District Benefit Plans - Premium Balance | 2,539,431 | 2,575,232 |
| Revenue for 23/24 received in 22/23 for ICY Team | 717,241 | - |
| Teacher Mentorship Grant | 259,621 | 261,758 |
| Indigenous Education Programs | 144,184 | 415,443 |
| Bargaining/CUPE Table Money Carry-Over | 41,020 | - |
| Trustee Professional Development/Travel | 19,716 | - |
| Outreach Program | - | 55,938 |
| Seamless Day Kindergarten Pilot | - | 50,000 |
| Health & Safety | - | 17,800 |
| Total | <u>3,721,213</u> | <u>3,376,171</u> |
| <i><u>Restricted Surplus Reserve for Operations Spanning Multiple School Years:</u></i> | | |
| School Opening Costs - Yr. 1 Operating Costs | 600,000 | - |
| School Equipment (Enrolment) | 250,000 | - |
| School Supplies | 223,356 | 134,367 |
| Undelivered purchase orders /outstanding obligation at June 30th | 100,490 | 563,343 |
| Active Transportation | 12,500 | - |
| Total | <u>1,186,346</u> | <u>697,710</u> |
| <i><u>Unrestricted Operating Surplus Reserve:</u></i> | <u>3,171,752</u> | <u>2,744,479</u> |
| Summary of Accumulated Operating Surplus | | |
| Total Internally Restricted Surplus Appropriated by the Board | 5,407,558 | 5,073,881 |
| Total Unrestricted Surplus | <u>3,171,752</u> | <u>2,744,479</u> |
| Total Accumulated Operating Surplus | 8,579,310 | 7,818,360 |
| CAPITAL FUND | | |
| Investment in Tangible Capital Assets | 29,935,253 | 27,909,196 |
| Local Capital | 4,616,185 | 7,221,058 |
| Capital Surplus | <u>34,551,438</u> | <u>35,130,254</u> |
| TOTAL ACCUMULATED SURPLUS | 43,130,748 | 42,948,614 |
| <i>Proposed transfer to Local Capital</i> | <i>2,700,000</i> | <i>1,000,000</i> |
| Revised Unrestricted Operating Surplus Balance, pending Board approval | 471,752 | 1,744,479 |
| Revised Local Capital Balance, pending Board approval | 7,316,185 | 8,221,058 |

Summary of Surplus by Category:

Anticipated Unusual Expenses:

The Anticipated Unusual Expense Reserve is for identified one-time or intermittent projects not able to be funded by current year revenues. The following amounts have been added to this reserve category in 2022-23:

Staffing - \$250,000 – These funds are reserved for the restored Class Size and Composition

Information Sheet: 2022/23 Surplus Allocation Recommendation

Language (LOU17). We have received preliminary funding, however it may or may not be adequate pending the September 30 compliance requirement. If on September 30, these funds are not required, the board will have the opportunity to utilize them for additional staffing if they choose, or the funds would remain unspent and become part of the unrestricted surplus balance.

Replacement Costs - \$250,000 – These funds are reserved in the event that the 2023-24 replacement costs exceed budgeted levels due to the ongoing uncertainty with the *Employment Standards Act* regulations and post pandemic usage. In 2022-23, the district used approximately \$125,000 of the contingency and with the end of year trend of less failure to fills the amount remains but has been lowered.

Financial Constraints/Targeted Funds

The Financial Constraints/Targeted Funds Reserve is for grants, revenues, or financial commitments that extend beyond the current fiscal year but are restricted for future use.

The restricted items within this reserve total \$3,721,213 the largest being the benefit premium balance of \$2,539,431. This item was added for the first time in 2020-21 per requirement from our auditors to be in compliance with Public Sector Accounting Standards. The majority of this amount is restricted by the providers to cover claims incurred but not yet recorded, however some of the balance could be utilized by the board.

The remaining items include revenue received in 22/23 specifically for the 23/24 Integrated Child and Youth (ICY) Clinical Counsellors and Youth Peer Support Working positions as part of the ICY teams, unspent Teacher Mentorship Grant, the Indigenous Education year-end balance (significantly less than previous years), a planned surplus from our CUPE bargaining process, and Trustee professional development funding.

Operations Spanning Multiple School Years

This year there are a number of items in the Operations Spanning Multiple Years Reserve. A few of the items were previously placed under the financial constraint envelope (e.g., purchase order) but have been shifted based on Ministry guidance. The items are as follows:

- School opening costs – These funds are to support costs associated with reopening Rutherford Elementary which could include capital costs (e.g., furniture and desks), as well as first year operating costs.
- School Equipment (Enrolment) – The District has a budget to support additional enrolment (e.g., desks for a new class). However, these funds are insufficient in the current year to cover the additional needs particularly at the secondary level.
- School Supplies – Monies left unspent in schools and remaining in school budgets. These may be for supplies or larger projects and are at the discretionary use of schools.
- Purchase Orders – Purchases made in the previous school year that had yet to be delivered.
- Active Transportation – Projects planned in 2022-23 that were not able to be expended, therefore the funds are restricted to be used in 2023-24.

Unrestricted Operating Surplus

After the allocation of the accumulated operating surplus into the restricted reserves noted above, prior to any transfers to Local Capital, the unrestricted operating surplus is \$3,171,751.

A transfer of \$2,700,000 is being proposed to Local Capital in order to fund the district's annual technology plan as well as to support planned projects and capital acquisitions during the multi-year Local

Information Sheet: 2022/23 Surplus Allocation Recommendation

Capital Schedule as presented below.

| Local Capital 2023-24 | | | | | |
|---|-------------------------------------|-------------------|-------------------|-------------------|--------------------|
| Multi-Year Local Capital Plan | | | | | |
| Revenue | 2022/23 YE Financial Position | Budget 2023-24 | Budget 2024-25 | Budget 2025-26 | 4 + Yrs. |
| Deferred Revenue per F/S | 7,221,058 | 4,616,185 | 2,550,000 | 1,400,000 | - |
| Other - Project reclassification | 31,115 | | | | |
| | 7,252,173 | 4,616,185 | 2,550,000 | 1,400,000 | - |
| Operating Fund and/or Accumulated Surplus Transfers | | | | | |
| Transfer necessary to support three-year planning | - | 1,850,000 | - | - | - |
| Technology / Infrastructure Upgrades | 1,035,546 | 850,000 | 750,000 | - | - |
| Total Transfer from Operating | 1,035,546 | 2,700,000 | 750,000 | - | - |
| Investment Income | 237,421 | 200,000 | 175,000 | 175,000 | 175,000 |
| Total Revenue | 8,525,140 | 7,516,185 | 3,475,000 | 1,575,000 | 175,000 |
| Planned Local Capital Projects | | | | | |
| Board Goal - Continuous improvement in students with complex and unique abilities, Indigenous and overall student population on student achievement | | | | | |
| Equitable Access to Technology (Wi-Fi) | 1,227,252 | 900,000 | - | - | - |
| Technology Plan | 547,841 | 850,000 | 250,000 | 250,000 | - |
| Learning Studios | 31,714 | 275,000 | 250,000 | 250,000 | - |
| Board Goal - To be a leader in environmental stewardship and sustainability | | | | | |
| Environmental Sustainability | 11,233 | 50,000 | 50,000 | 50,000 | - |
| Landscape Sustainability | 3,327 | 5,000 | - | - | - |
| Environmental Upgrades - General | 811,443 | - | - | - | - |
| E-Bus | 157,074 | 50,000 | 50,000 | - | - |
| Outdoor Learning Fund | 130,364 | 261,000 | - | - | - |
| Board Goal - Safe, caring and healthy learning and working environment that is inclusive of the diversity of our entire learning community | | | | | |
| Accessibility | 23,936 | 50,000 | 50,000 | 50,000 | - |
| School Enhancement Projects | 16,833 | 50,000 | 50,000 | 50,000 | - |
| Board Goal - Truth and Reconciliation | | | | | |
| Syeyutsus Support | 34,233 | 50,000 | 50,000 | 50,000 | - |
| Long Range Facilities Plan (LRFP) | | | | | |
| Vehicle Replacement Program/AMP | 81,179 | 650,000 | 300,000 | 300,000 | - |
| District Equipment/Signage | 164,005 | 25,000 | 25,000 | 25,000 | - |
| Enrollment Growth Space Needs | 263,958 | 750,000 | 500,000 | 450,000 | - |
| Bayview Acquisition Fund | 236,471 | 50,000 | - | - | - |
| Support of Pending/New Capital Projects | 112,507 | 250,000 | 100,000 | 100,000 | - |
| Turf Field Expense | - | 700,000 | - | - | - |
| Pleasant Valley HVAC Support | 52,920 | - | - | - | - |
| LIS/NDSS/Rutherford - Capital Contributions | - | - | 400,000 | - | 2,500,000 |
| Residual Prior Yr. Project Expense | 2,664 | - | - | - | - |
| Contingent Reserve | - | 185 | - | - | - |
| Total Projects/Expenses | 3,908,955 | 4,966,185 | 2,075,000 | 1,575,000 | 2,500,000 |
| Fund Balance | 4,616,185 | 2,550,000 | 1,400,000 | - | (2,325,000) |

Note 1: The current allocations are subject to change if emergent needs arise

The Local Capital schedule represents the district's long-range planning that falls outside of the Capital Programs that are funded by the Ministry of Education and Child Care. This schedule will be presented to the Business Committee in September as part of the newly required Multi Year Financial Plan but is being shared in advance to provide additional relevance to the district's operating surplus and Local Capital positions.

It is important to note that the districts accumulated Local Capital balance will reduce as spent year-over-year. An increase in the balance is contingent on transfers from the Operating Fund, the Accumulated Operating Surplus balance, or from the sale of district properties. Further, the projects identified within

Information Sheet: 2022/23 Surplus Allocation Recommendation

the Local Capital schedule are future commitments for the most part, major changes would require significant discussion and planning.

To ensure the Board can make an informed decision, additional information can be found below. This schedule presents the accumulated surplus position, the recommended surplus allocations, as well as multi year financial planning that reflects the estimated unspent surplus balances that will carry to subsequent years, showing the amount available for future operations over the course of the financial plan.

The figures shown assume that there will be no annual operating surpluses that would increase the accumulated balances in each of the three years presented, nor annual operating deficits that would reduce the available balances.

| Accumulated Operating Surplus Schedule 2022-23 to 2024-25 | | | |
|---|--------------------|--|--------------------|
| | 2022-23 | Timeline/Notes: | Board Goals |
| <u>Accumulated Operating Surplus</u> | 8,579,310 | | |
| <u>Restricted Surplus Reserve for Anticipated Unusual Expenses:</u> | | | |
| Staffing Contingencies | 250,000 | Allocated per emergent needs | 1,3 |
| Replacement Cost Contingencies | 250,000 | Allocated per emergent needs | 1,3 |
| | <u>500,000</u> | | |
| <u>Restricted Surplus Reserve for Financial Constraints/Targeted Funds:</u> | | | |
| District Benefit Plans - Premium Balance | 2,539,431 | Balance may vary per Carrier - TBD | |
| Revenue for 23/24 received in 22/23 for ICY Team | 717,241 | 2023-24 | 1,2,3 |
| Teacher Mentorship Grant - Jointly managed with NDTA | 259,621 | Multi Years | 1,3 |
| Indigenous Education Programs | 144,184 | 2023-24 | 1,3,4 |
| Bargaining/CUPE Table Money Carry-Over | 41,020 | 2023-24 | 1,3 |
| Trustee Professional Development/Travel | 19,716 | 2023-24 | 3,4 |
| | <u>3,721,213</u> | | |
| <u>Restricted Surplus Reserve for Operations Spanning Multiple School Years:</u> | | | |
| School Opening Costs - Yr. 1 Operating Costs | 600,000 | 2024-25 | 1,2,3,4 |
| School Equipment (Enrolment) | 250,000 | 2023-24 | 1,2,3 |
| School Supplies | 223,356 | 2023-24 | 1,3,4 |
| Undelivered purchase orders /outstanding obligation at June 30th | 100,490 | 2023-24 | 1,2 |
| Active Transportation | 12,500 | 2023-24 | 2,3 |
| | <u>1,186,346</u> | | |
| Total Restricted Operating Surplus | <u>5,407,559</u> | | |
| Opening Unrestricted Operating Surplus | 3,171,751 | | |
| Less, Proposed transfer to Local Capital | <u>(2,700,000)</u> | See Local Capital 3 Year Plan/Schedule | |
| Closing Unrestricted Operating Surplus Balance (pending Board approval) | <u>471,751</u> | | |
| <u>Multi Year Financial Planning</u> | | | |
| <u>Anticipated carry-forward to 2023-24</u> | | | |
| Unrestricted Surplus Balance | 471,751 | | |
| District Benefit Plans - Premium Balance (Financial Obligation, Retained) | 2,539,431 | Balance may vary per Carrier - TBD | |
| Teacher Mentorship Grant (Estimated unspent portion retained) | 250,000 | Residual Balance TBD | |
| School Opening Costs - Yr. 1 Operating Costs | 600,000 | | |
| Replacement Cost Contingencies (Potentially unspent in 23/24) | 250,000 | Emergent needs or carried forward | |
| Total Estimated retained Surplus Balance, carried to 2024-25 | <u>4,111,182</u> | | |
| <u>2024-25 Anticipated use of Surplus</u> | | | |
| Opening Surplus Balance (Assumes no 2023/24 year end surplus/deficit to affect balance) | 4,111,182 | | |
| Less District Benefit Plans - Premium Balance as must be retained | <u>(2,539,431)</u> | Balance may vary per Carrier - TBD | |
| Less Teacher Mentorship Grant - Jointly managed with NDTA (Financial obligation) | <u>(250,000)</u> | | |
| Surplus available for future operations | <u>1,321,751</u> | | |
| Proposed transfer to Local Capital to support multi year planning | <u>(750,000)</u> | See Local Capital 3 Year Plan/Schedule | |
| Accumulated Surplus Balance available for future operations (25/26) | <u>571,751</u> | Planning TBD | |

Board Goals

- 1 Continuous improvement in students with complex and unique abilities, Indigenous and overall student population on student achievement
- 2 Safe, caring and healthy learning and working environment that is inclusive of the diversity of our entire learning community
- 3 To be a leader in environmental stewardship and sustainability
- 4 Truth and Reconciliation

As

previously noted, the Ministry of Education and Child Care now requires the Board to maintain a Multi Year Financial Plan, currently being completed in draft for presentation at the September Business Committee Meeting. The financial plan includes estimated current and future year's resources, including

Information Sheet: 2022/23 Surplus Allocation Recommendation

any planned appropriation of accumulated operating surplus, to prepare, plan and implement strategies to achieve strategic long-term goals and priorities both operationally, as well as to enhance student outcomes.

Note that the anticipated carryforwards presented under the Multi Year Financial Planning section of the schedule are best estimates, actual year end results will adjust the figures and future financial plans accordingly.

As presented in the Surplus Schedule, if the Board approves the recommended transfer of \$2,7000,000 from the \$3,171,751 unrestricted operating surplus balance, the remaining balance available for allocation at this time would be \$471,751. However, the Board may also choose to retain some or all of the balance for future operations.

It should be noted that staff have determined that significant additional ELL needs have arisen through summer enrollment. In addition, support for inclusion is also a priority and the Board can anticipate recommendations associated with these need areas for the use the of funding.

As mentioned above, this memo is provided to the Board as information and will return to the Business Committee and then again to the Board in September, along with recommended allocation of any unrestricted surplus.

**NANAIMO LADYSMITH PUBLIC SCHOOLS
BOARD OF EDUCATION
PUBLIC MEETING
ACTION SHEET**

DATE: August 30, 2023
TO: Board of Education
FROM: Mark Walsh, Secretary-Treasurer
SUBJECT: Policy Committee Work Plan 2023-2024

Recommendation:

That the Board of Education of School District No. 68 (Nanaimo-Ladysmith) approve the Policy Committee Work Plan for 2023-2024.

Background:

This action sheet outlines the Policy Committee's priorities for the 2023-24 year.

Discussion:

Attached to this Action Sheet is the Policy Committee Work Plan that subject to Board approval will be focused on by the Policy Committee for the 2023-24 school year.

The work plan is ambitious and some of the work has carried forward since last year. Notably, there are a number of seminal policies that continue to be reviewed including Continuous Improvement of Instruction and Assessment, Inclusion (with outside assistance), Role of the Superintendent, Aboriginal Education as well as the creation of new policies on childcare and a variety of financial related policies. It should be noted that there are a number of policies will be reviewed by the Board as a whole.

It should be noted that the new Board may also have priorities which may be able to be added to the work plan at a later date.

Finally, it is the intention of the Policy Committee to bring the policies to the Board for public consultation in groups. The intention is to reduce the number of times we ask the community for feedback and lessen any consultation fatigue.

Appendix A: Policy Committee Work Plan

Policy Committee Work Plan

1.0 Foundation & Direction

1.3 Continuous Improvement of Instruction and Assessment

2.10 Governance & Management

2.XX - Role of Secretary-Treasurer (Work led by whole Board)

2.0 Inclusion Policy (in progress)

2.13 – Superintendent Review (Work led by whole Board)

2.3.2 – Code of Conduct (Work led by whole Board)

2.8 – Aboriginal Education

3.0 Operational Expectations

3.XX – Childcare

3.XX - Catchment & Student Enrolment

3.XX – Student Voice

3.7 – Role and Responsibility of Superintendent (to be combined with Sup Review 2.13)

3.8 Transportation

Other
