

NANAIMO LADYSMITH PUBLIC SCHOOLS

BUSINESS COMMITTEE PUBLIC MEETING

ACTION SHEET

DATE: September 13, 2023
TO: Business Committee
FROM: Mark Walsh, Secretary-Treasurer and Taunia Sutton, Associate Secretary-Treasurer
SUBJECT: 2023-24 Multi Year Financial Plan

Recommendation:

The Business Committee recommends that the Board of Education of School District No. 68 (Nanaimo-Ladysmith) approve the recommended 2023-24 Multi Year Financial Plan.

Background:

In October 2017, the Ministry of Education and Child Care launched a review of the K-12 public education funding model to consider whether there was a better way to allocate operating funding to Boards of Education. In 2018, the province appointed an Independent Review Panel to undertake a review of how public education is funded for the first time in almost 30 years. The review involved input and consultation from all 60 school districts and over 350 education stakeholders.

The Panel presented a final report on December 18, 2018, with 22 recommendations along three themes: equity, accountability, and financial management. To understand what these recommendations meant for students in the classroom, working groups were established in spring 2019; members included parents, teachers, inclusive education advocacy groups and Indigenous education partners.

Final Working Group reports were completed in October 2019, and partners noted that some of the recommendations would be relatively straightforward to implement, while others – like how Government funds inclusive education or online learning – would require extensive work to ensure there would be no negative, unintended consequences for students.

A two-phase approach was planned to implement the 22 recommendations, however, phase 2 was interrupted by COVID and next steps are still TBD. Phase one included implementation of 12 recommendations, specifically, 2, 3, 12, 13, 14, 15, 16, 17, 19, 20, 21 and 22 where recommendation 19 was:

To support multi-year financial planning, where:

- Government should issue three-year operating funding to Boards of Education, based on available funding and projected student enrolment, and
- School districts should be required to develop three-year financial plans

Although the Ministry of Education and Child Care has not committed to providing three-year operating grants in advance, Multi Year Financial Plans must now be developed and maintained, as well as approved by Boards of Education, as of September 2023.

Discussion:

The Multi Year Financial Plan is intended to estimate revenues and plan expenses over multiple years, allowing the district to set longer-term priorities and work towards future goals. Unlike the Annual Budget, Amended Budget and Financial Statements, the Ministry of Education and Child Care has not provided districts with a template, nor prescriptive parameters for which to guide the creation of the Multi Year Financial Plan.

Ministry did however provided districts with suggested content which included some of the following:

- District overview
- Strategic Plan/Board Goals
- Learning Initiatives in alignment with Board goals
- Community and Stakeholder Consultation process
- Risk Mitigation
- Budget development and a budget/financial planning timeline
- Student Enrolment
- Estimated Revenues and Expenses with assumptions
- Estimated Salaries and Benefit Expenses
- Multi Year Financial Plan
- Accumulated Operating Surplus position/appropriations
- Local Capital Schedule

It should be noted that without confirmation of Ministry funding, the financial plan is based solely on conservative high-level estimates, making future planning difficult to project with any certainty. The draft Multi Year Financial Plan has therefore been based on our most recent student enrolment projections, status quo educational service levels and prudent revenue estimates.

As well, the draft Plan does not anticipate year-end surpluses or deficit's impacting our Accumulated Operating Surplus balance, instead, it estimates balanced financials, with some appropriation of the districts accumulated surplus to support our long-range Local Capital planning.

Summary:

With September 2023 being the first year Multi Year Financial Plans are required, the Ministry of Education and Child Care will be providing feedback to the sector, in order to guide subsequent years planning.

For Nanaimo Ladysmith Public Schools, there are two driving factors that will affect the coming year's planning. First and as a reminder, our student enrolment post-COVID had softened as compared to previous expectations, however, recent enrolment figures indicate a more positive trend emerging. If student enrolment rebounds and future growth aligns with our long-range projections the district would see significant increases in revenue, allowing the district to continue current programming levels, possibly allowing for enhanced services. However, this will be contingent on the Ministry of Education and Child Care's funding rates being sufficient to cover not only the rising costs of salaries and benefits per contractual negotiations, but also, ongoing inflationary cost pressures.

Attachments/Links:

[MOECC - Funding Model Independent Review Panel Final Report 2018](#)
2023-24 Multi Year Financial Plan