



**COWICHAN VALLEY**

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School District

**2022/2023 Annual Budget**

**Board Education and Business Committee**

**Meeting – April 26, 2022**



# Budget Guiding Principles

## **2022/2023 BUDGET GUIDING PRINCIPLES**

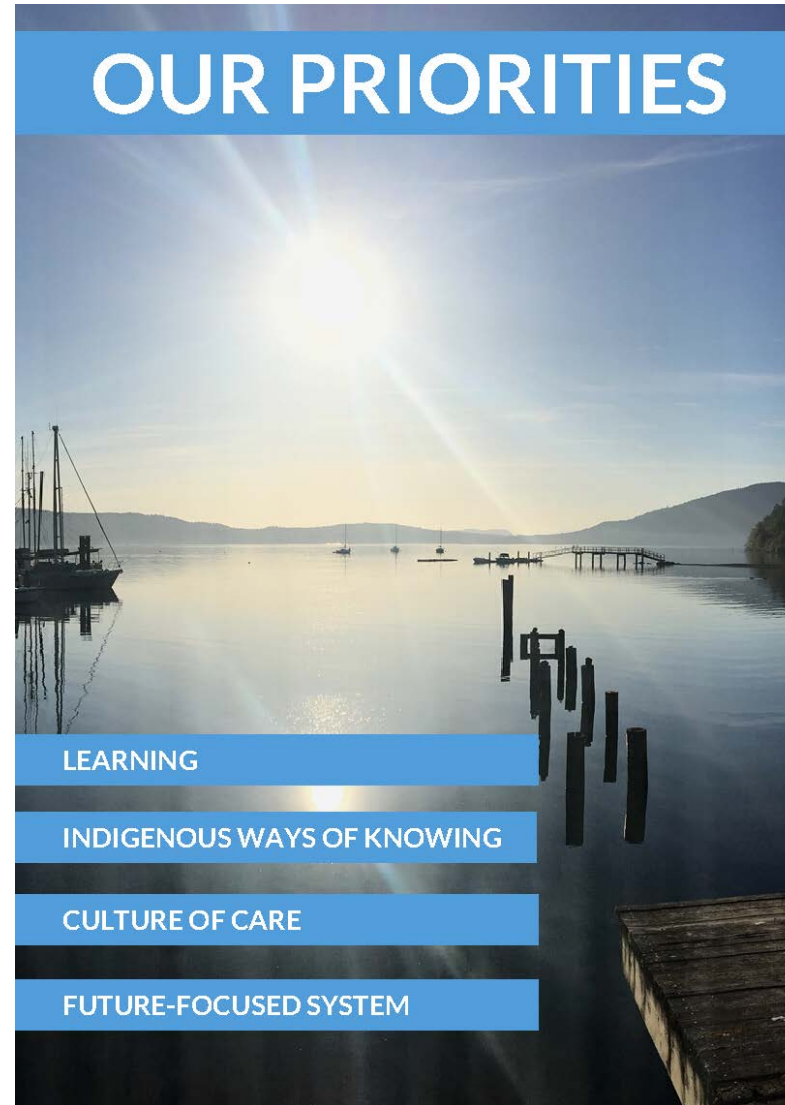
The School District's budget is a financial plan that helps the Board prepare all learners in the Cowichan Valley School District for a world they will create. The Board does this by properly allocating funding that aligns with the Strategic Plan and reflect priorities within that plan. The budget also communicates how the District utilizes its financial resources and allows for detailed, and public, monitoring of expenditures.

# Budget Guiding Principles

## Guiding Principles for Budget Development:

- The budget must properly fund the priorities within the Strategic Plan and prepare our learners for a world they will create. This is done through the effective prioritization of student learning through the proper allocation of resources;
- Is developed as a mechanism to aid in Reconciliation;
- Accounts for uncertainties of the global COVID-19 pandemic and its effects on the school district;
- Must be developed in a transparent process and must include public and partner input through communication, consultation and reporting back;
- Is developed on the principle of equity;
- Complies with the *School Act*, collective agreements and other regulatory requirements and Board policy;
- Considers multi-year implications of decisions;
- Balances short-term and long-term priorities;
- Maintains appropriate contingency balance.

# The Four Priorities of the 2020-2024 Strategic Plan



The Main  
Theme of the  
2022/2023  
Annual Budget



# The Budget Process so Far

- The Board has been actively engaging the community to collect information in order to establish priorities for the 2022/2023 Annual Budget.
- To date the Board has:
  - Established the 2022/2023 Budget Guiding Principles;
  - Considered the priorities of the Strategic Plan when discussing options to balance the Budget;
  - Issued a survey on the Budget and received 125 responses;
  - Held a liaison meeting with Rights Holders;
  - Held liaison meetings with DSAC, CVTF, USW, CUPE, PVPA, and DPAC;
  - Received information from staff at Board Education and Business Committee meetings and a Regular Board meeting.

# The Budget Process so Far

- At the February 22, 2022 Regular BEBC meeting, the Board received the following information:
  - The enrolment estimate for 2022/2023;
  - A preliminary budget report containing assumptions and risk factors;
  - A draft of the 2022/2023 Budget Guiding Principles.
- At the March 1, 2022 Open Board Meeting the Board:
  - Adopted the 2022/2023 Budget Guiding Principles.
- At the March 29, 2022 Regular BEBC meeting, the Board received the following information:
  - A review of the Ministry Funding announcement;
  - A detailed review of inflationary pressures affecting the budget;
  - The contents of the opening budget position;

# The Budget Process so Far

- At the April 14, 2022 Special BEBC meeting, the Board received the following information:
  - An updated year-end surplus projection including the February enrolment count;
  - An updated opening budget position now including the financial implications of casual sick leave and the addition of an Early Years Manager;
  - A list of options to reduce that shortfall;
  - A list of options that add to the shortfall;
  - Information on the two primary Special Purpose Funds.
- On April 19, 2022 the Board heard feedback from the Advisory Committee on the Budget Options and use of Surplus.
- On April 19, 2022 a public Budget meeting was held to provide another option for the public to comment.



# The Budget Process so Far

- At this meeting we will:
  - Present an updated list of options and possible balanced budget;
  - Align the options to the Board's Strategic Priorities;
  - Invite Trustees to provide feedback and recommendations;

# Aligning the Options to the Board's Strategic Priorities While Achieving a Balanced Budget

Description	Revenues	Surplus	Expenditures	(Shortfall)	Strategic Priority
Opening Balance March 29, 2022	\$91,630,255		\$94,036,507	-\$2,406,252	
Employment Standards Act – Casual Sick Leave			400,000		
Early Years Manager			104,073		Learning
Amended Opening Balance April 14, 2002	91,630,255		94,540,580	-2,910,325	
Adjustments (Non-Staffing)					
Restriction of 2021/2022 Surplus		\$2,000,000			
Interest Revenue	140,000				
Change to CUPE Budget Formula			-289,138		

Description	Revenues	Surplus	Expenditures	(Shortfall)	Strategic Priority
Benefit Premium Holiday (One-Time Savings)			-50,000		
International Student Program Revenues	100,000				Learning
COVID Supports (Handwashing / Sanitation)		50,000	50,000		Culture of Care
Mental Health Supports		70,000	70,000		Culture of Care
Student Assessments		40,000	40,000		Culture of Care / Learning
Technology Dashboard			25,000		Future Focused Systems
Technology Installation			40,000		Future Focused Systems
Industry Training Authority Student Grants	16,000		16,000		Learning
Average Teacher Salary Balancing			-200,000		



Description	Revenues	Surplus	Expenditures	(Shortfall)	Strategic Priority
Transportation Route Addition			10,608		Learning
Website Update / Communications			30,000		Future Focused Systems
Absenteeism Replacements			-100,000		Culture of Care
<b>Subtotal Non-Staffing Adjustments</b>	<b>\$91,886,255</b>	<b>\$2,160,000</b>	<b>\$94,183,050</b>	<b>-\$136,795</b>	
<b>Staffing Adjustments:</b>					
Literacy Teacher			106,000		Learning
Teacher Reallocation to Literacy			-106,000		Learning
Staffing Reduction			-65,000		
<b>Subtotal Staffing Adjustments</b>	<b>\$91,866,255</b>	<b>\$2,160,000</b>	<b>\$94,118,050</b>	<b>-\$71,795</b>	

Description	Revenues	Surplus	Expenditures	(Shortfall)	Strategic Priority
Additional Surplus to Balance		71,795			
Balanced Budget	\$91,886,255	\$2,231,795	\$94,118,050	\$0	

## Items Not Contemplated in the Sample Balanced Budget

- Principal / Vice-Principal and Exempt Compensation % Adjustment \$184,814. The Board values the contributions of the non-unionized employees and recognizes the challenges that compression creates in the compensation structure with other unionized employee groups. To date there has been no approval from the Public Sector Employers Council (PSEC) to permit compensation improvements for the 2022/2023 school year. It is suggested that this item is revisited in the 2022/2023 Amended Annual Budget process if a compensation adjustment is approved by PSEC.
- Automated Dispatch. The CUPE Collective agreement requires consultation if there is the potential to displace a member due to automation. As this is a cost neutral item it can occur at any time in the budget year.

# Surplus Reconciliation

Surplus Reconciliation	
2020/2021 Unrestricted Surplus	\$3,293,925
2021/2022 Projected Surplus as at March 31, 2022	1,500,000
<b>Total Surplus Available</b>	<b>\$4,793,925</b>
Surplus Utilized to Balance 2022/2023 Annual Operating Budget	2,231,795
<b>Remaining Surplus</b>	<b>\$2,562,130</b>
<b>Percentage of Budget</b>	<b>2.72%</b>



# Capital Balances

	MINISTRY RESTRICTED	LOCAL CAPITAL	TOTAL
<b>OPENING</b>	<b>2,442,721</b>	<b>790,796</b>	<b>3,233,517</b>
PROJECTED INTEREST	10,800	3,500	14,300
COMMITMENTS - CUSTODIAL EQUIPMENT		(20,000)	(20,000)
CROFTON NET PROCEEDS		1,732,174	1,732,174
SUBTOTAL BEFORE CSS CONTRIBUTION	2,453,521	2,506,470	4,959,991
CSS CONTRIBUTION COMMITMENT	(800,000)	(1,400,000)	(2,200,000)
CSS SCOPE LADDER ADDITIONS		(480,621)	(480,621)
<b>ESTIMATED CAPITAL BALANCE AVAILABLE</b>	<b>1,653,521</b>	<b>625,849</b>	<b>2,279,370</b>

# Custodial Equipment 3 Year Plan

- The 5-year custodial equipment replacement program previously adopted by the Board has now expired. This program was supported by an allocation from the local capital fund.
- Moving forward the following replacement program is recommended for approval.

Equipment	Year	Quantity	Expenditures
Auto scrubbers	2023	2	\$15,000
Auto scrubbers	2024	2	15,500
Auto scrubbers	2025	2	16,000
Three Year Total			46,500
Auto scrubbers	2026	2	16,500
Auto scrubbers	2027	2	17,000
Chariot Auto scrubber	2027	1	15,000
Five Year Total			95,000

# Feedback from Trustees on the Options





## 2022/2023 Annual Budget Recommendation

If the Board is satisfied with the budget options as presented, the following recommendation is proposed:

- “That the Board Education and Business Committee directs staff to prepare the 2022/2023 Annual Budget in accordance with the information presented at the April 26, 2022 Board Education and Business Committee Meeting and bring a balanced 2022/2023 Annual Budget to the April 28, 2022 Special Board Education and Business Committee for recommendation to the Board.”

# The Next Steps

- A Special Board Education and Business Committee will be held to review the balanced 2022/2023 Annual Budget and make a recommendation to the Board.
- The Board will receive a balanced budget for consideration at the May 3, 2022 Open Board Meeting;
- Staffing processes for the 2022/2023 school year will begin on May 4, 2022.