

# Preliminary Budget 2022/23

With Three-Year Financial Plan



New  
Westminster  
Schools

## 1.0 DISTRICT OVERVIEW

School District No. 40 (New Westminster) (the District) services the learning needs of over 7,000 students in the City of New Westminster. The District provides K-12 educational services in 12 elementary schools, 3 middle schools, one secondary school and also provides a number of alternate education and programs of choice including French Immersion, Montessori and an International Baccalaureate program.

All decisions made by the New Westminster Board of Education (the Board) are guided by our vision, mission and core values as determined through deep consultation with our stakeholders and community. The District's initiatives and resources are all aligned to our strategic plan which is grounded in our foundation to support our commitment in creating a place where students love to learn by enabling each student to learn in a safe, engaging, and inclusive environment.

The District operates under the authority of the School Act of British Columbia (the School Act) as a corporation and receives over 93% of revenue from the B.C. provincial government through the Ministry of Education. Any changes to provincial grants will consequently have a significant impact on the District's budget. The District is exempt from federal and provincial corporate income taxes.

In accordance with the School Act, school districts in the province must approve a balanced budget for the upcoming fiscal year and submit it to the Ministry of Education by June 30. This budget has been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board. As required by the Ministry of Education and Public Sector Accounting Standards (PSAB), the District tracks and reports revenue and expenditures under three separate funds: the operating fund, the special purpose fund, and the capital fund.

**OPERATING FUND:** The operating fund includes operating grants and other revenues used to fund instructional programs, school and district administration, facilities operations, maintenance, and transportation.

**SPECIAL PURPOSE FUND:** The special purpose fund is comprised of separate funds established to track revenue and expenditures received from the Ministry of Education and other sources that have restrictions on how they may be spent.

**CAPITAL FUND:** The capital fund includes capital expenditures related to facilities and equipment that are funded by Ministry of Education capital grants, operating funds, and special purpose funds. An annual deficit in the capital fund that is a result of amortization expense and budgeted capital assets purchased from operating and special purpose funds exceeding the amortization of deferred capital revenue plus budgeted local capital revenue is permitted under the Accounting Practices Order of the Ministry of Education.



## COVID-19 Pandemic

Unquestionably, the COVID-19 pandemic has had a remarkable impact on all areas of life, including teaching and learning. As we enter the 2022/23 school year, we anticipate the pandemic being behind us, but still need to address the recovery from the disruptions it has had on education and the social-emotional wellbeing of staff, students and their families. To that end, the 2022/23 budget is grounded in priorities that put investments towards pandemic recovery strategies. While we pivot to pandemic recovery, we are still guided, as we always have been, by our strategic plan.

## OUR LEARNING JOURNEY – STRATEGIC PLAN

In 2019, the Board approved its 5-year strategic plan, *Our Learning Journey*, which serves as a roadmap grounded in the collective wisdom of our students, staff, parents and community. Across New Westminster Schools, our shared priorities – along with our school-based and department-specific goals and actions – amplify and enhance each other. We are proud to have a consultative model that coordinates budget planning and resource allocation activities with inclusive stakeholder feedback based on the vision, goals and objectives.

### Vision

A place where students love to learn

### Mission

To enable each student to learn in a safe, engaging, and inclusive environment

### Values

#### Collaboration

Purposeful, cooperative relationships to achieve shared goals and consider each other in our decisions and actions

#### Engagement

Meaningful, purposeful, and relevant learning

#### Equity

Fair treatment and the removal of barriers to learning, achievement, and the pursuit of excellence for all

#### Inclusion

Learning where all people are welcomed, respected, and supported

#### Innovation

Curiosity, inquiry, and creativity

#### Integrity

Ethical, principled, and honest in our words and actions

Collectively, we, as a learning community are committed to following our strategic priorities of *Transforming the student experience, Building meaningful relationships, Leading into our future and Ensuring full participation in learning.*



## 2.0 BUDGET PROCESS AND CONSULTATION

We strive to ensure that budget input and resource allocations are connected to and aligned with our strategic plan – this model is an integral part of the District’s operating culture. All budget decisions made by the District are guided by our vision and values and specifically guided by the following principles:

- **Alignment to our strategic plan** – priorities implemented must be aligned with the District’s strategic directions;
- **Fiscally responsible** – proposed changes reflect prudent spending and balance new priorities with identified efficiencies;
- **Maximize returns** – priorities implemented must balance results and investments to maximize returns on student learning outcomes; and
- **Future oriented** – proposed changes are thoughtful and stand the test of time rather than being reactionary in nature.

In order to achieve these principles, we remain committed to the following as part of our budget process:

- providing timely and accurate budget information;
- receiving budget input and feedback;
- prioritizing budget requests for the upcoming budget year;
- allocating available resources to best meet requests that align with the vision, goals and objectives; and
- communicating the outcomes effectively for transparent accountability.

The consultation process has been a two-way dialogue between the Board and its stakeholders to define priorities for the future. It has allowed for valuable input into the District’s direction and decision making. The table below provides the budget process for the 2022/23 year and the various opportunities for stakeholder engagement:

|                     |  |
|---------------------|--|
| December 15, 2021   | Approval of the 2022/23 Budget process   |
| February 15, 2022   | Submission of three-year enrolment to Ministry of Education  |
| February 22, 2022   | Approval of the 2021/22 amended budget   |
| March 15, 2022      | Ministry of Education Funding announcement for 2022/23   |
| April 11 – 22, 2022 | Budget survey and one-on-one consultation with stakeholders (CUPE, DPAC, New Westminster P/VP Association, New Westminster Teachers’ Union (NWTU), Student Voice, Indigenous Education Advisory Council) |
| April 26, 2022      | Presentation of survey results and stakeholder submission presentations  |



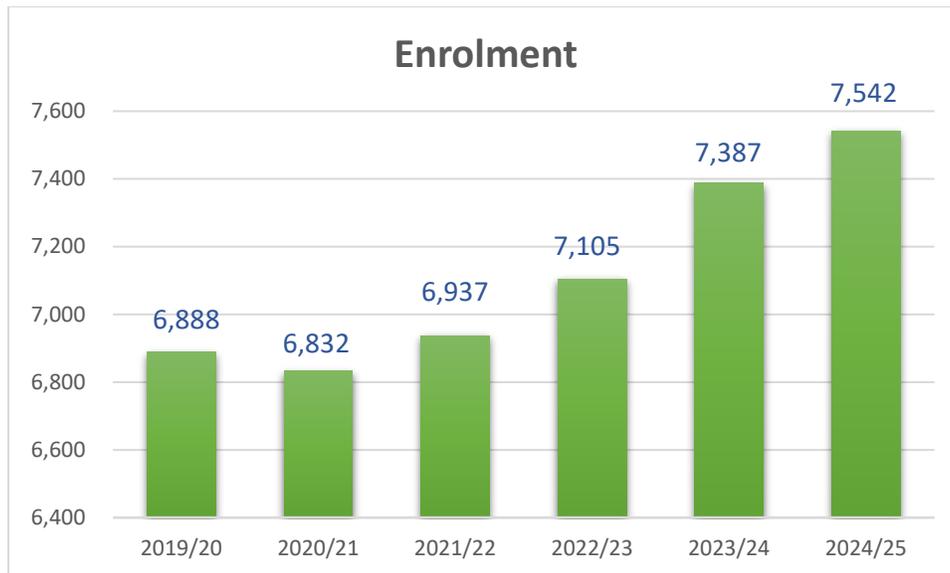
|              |  |
|--------------|--|
| May 10, 2022 | Superintendent Budget recommendations for 2022/23                    |
| May 10, 2022 | Complete 1 <sup>st</sup> and 2 <sup>nd</sup> reading of budget bylaw |
| May 24, 2022 | Complete 3 <sup>rd</sup> and final reading of budget bylaw           |

There were multiple avenues to interact and share feedback in advance of the Board's decision on the preliminary budget passed at the end of May.

### 3.0 STUDENT ENROLMENT

The District is funded primarily through an operating grant received from the Ministry of Education. The operating grant is based on student enrolment which is compiled through a data collection process in September, February, May and July. The District receives a fixed amount per full-time equivalent student (FTE). The District also receives supplementary grants for students who are identified as having unique needs and for other demographic and geographical factors.

The District is one of the fastest growing districts in the province, with the most rapid rate of growth expected over the next five years. The enrolment information presented below is based on actual full-year enrolment (regular, alternate, distributed learning, continuing education, summer school and non-graduated adult learners) for 2019/20 and 2020/21, actual enrolment for September and February and estimated for May for 2021/22 and forecasted enrolment for 2022/23 to 2024/25.



Tied to enrolment is the capacity constraints of our facilities to accommodate enrolment growth. During the 2021/22 school year, we completed the construction of Skwo:wech Elementary and are currently in the design phase of the 13-classroom addition for Queen Elizabeth Elementary in Queensborough.

## 4.0 OPERATING FUND BUDGET

The base budget over the next three years is estimated to be in deficit. For the 2022/23 school year, the deficit is \$1,168,193, followed by deficits of \$598,000 and \$324,000 in the 2023/24 and 2024/25 school years, respectively. The decline in deficits is a result of the District's anticipated enrolment growth over these years, which we have noted above to be significant. The base budget makes the following assumptions/adjustments:

- Grant revenues increased to align with enrolment expectations;
- International revenues restored to expectations of 200 FTE;
- No COVID funding as has been received in previous years;
- Teacher and Education Assistant (EA) increases in staffing based on estimated student enrolment projections;
- No collective agreement wage increases (or related funding) as bargaining is still in process at the provincial level;
- Unfunded increases for principals and vice principal and exempt staff included as per the recommended salary grids from the BC Public Sector Employers Association (BCPSEA);
- Reversal of one-time savings and surplus asks from the previous year;
- Employment Standards Act changes for illness/injury for casual support and teachers teaching on call; and
- Inflation

The three-year financial plan for the operating budget is included in section 4.6.

### 4.1 Operating Fund Revenue

Provincial grants anticipated from government sources represent approximately 95% of the District's revenue sources for 2022/23. The next most significant source of revenue is off-shore tuition from international students which represents approximately 4% of the 2022/23 operating revenues. The remaining revenue is comprised of sources such as facility rentals, interest revenue and miscellaneous income.

#### *Operating Grant Revenue*

Due to enrolment growth, the District anticipates receiving a lift in operating grant revenue of \$2.3 million for 2022/23. Operating grant calculations are based on the preliminary operating grants announced by the Ministry of Education on March 11, 2022. Labour settlement funding has not been included in the operating grant estimates as collective bargaining has not yet concluded. There has not been a change in funding model or funding rates from the prior year, therefore the increase in Ministry of Education grants each year is solely a reflection of enrolment increases.



## International Education

The pandemic had a significant impact on our international education program over the past two years. In the 2021/22 school year, we had fewer enrolled international students attending our District which had a large impact on the District's revenue. It is anticipated that for the 2022/23 school year, enrolment for international students will rebound back to our planned level of 200 FTE which will increase international revenue by \$0.8 million from the 2021/22 school year to \$3.05 million for the upcoming year. This level of enrolment is assumed to remain consistent for 2022/23 and 2023/24. The majority of these students will be attending New Westminster Secondary School (NWSS).

### 4.2 Operating Fund Expenses

The most significant portion of the District's expenses is salaries and benefits, which comprise 91% of the District's operating budget. The remaining 9% goes to services, supplies and capital asset purchases.

#### Salaries and Benefits

| (in thousands)                     | 2020/21 Actual | 2021/22 Amended Budget | 2022/23 Preliminary Budget |
|------------------------------------|----------------|------------------------|----------------------------|
| Teachers                           | 30,121         | 31,825                 | 33,205                     |
| Principals and Vice Principals     | 4,013          | 3,914                  | 4,058                      |
| Educational Assistants             | 6,567          | 6,590                  | 6,859                      |
| Support Staff                      | 5,420          | 5,704                  | 5,775                      |
| Other Professionals                | 2,765          | 3,000                  | 2,812                      |
| Substitutes                        | 1,459          | 2,015                  | 2,547                      |
| <b>Total Salaries</b>              | <b>50,345</b>  | <b>53,048</b>          | <b>55,256</b>              |
| Employee Benefits                  | 11,762         | 12,654                 | 13,587                     |
| <b>Total Salaries and Benefits</b> | <b>62,107</b>  | <b>65,702</b>          | <b>68,843</b>              |

In the 2022/23 school year, salaries and benefits are estimated to increase by \$3.1 million due to enrolment growth, salary increments and related benefits and new priorities (see Section 4.5). Wage increases for unionized employees have not been included in the salaries and benefits estimates for 2022/23 and subsequent years as collective bargaining has not yet concluded.

It is estimated that an additional 13.9 FTE teachers and 5.0 FTE EAs will be required to support increased enrolment in 2022/23. The incremental cost is \$1.68 million.

Benefit costs are estimated to increase by \$481,000 as a result of increases in rates relating to CPP, EI and extended health and dental rates as well as a reduction to the benefit holiday periods available to the District.

Salaries and benefits expense in 2023/24 and 2024/25 are estimated based on the following assumptions:

- Increases to teachers, EAs and TTOCs for enrolment growth is based off of the three-year enrolment submission to the Ministry of Education on February 15, 2022 and current ratio allocations;
- Cost increases for employee benefits will not be provincially funded;
- The BCPSEA approved grids for non-unionized staff will remain unchanged or that any provincially approved changes will be funded by the Province and therefore not included as increased costs or increased revenue; and
- Any negotiated labour settlement for NWTU and CUPE will be fully funded by the Province and therefore not included as increased costs or increased revenue.

### *Staffing*

|                           | 21/22        |                        | 22/23                 |                        |
|---------------------------|--------------|------------------------|-----------------------|------------------------|
|                           | 2021/22 FTE  | Student to Staff Ratio | Projected 2022/23 FTE | Student to Staff Ratio |
| Teachers                  | 428.2        | 16.2                   | 441.1                 | 16.1                   |
| Principals/VPs - Admin    | 22.0         | 315.3                  | 21.0                  | 338.3                  |
| Principals/VPs - Teaching | 8.0          | 867.1                  | 8.0                   | 888.1                  |
| Other Professionals       | 27.0         | 256.9                  | 25.0                  | 284.2                  |
| Education Assistants      | 189.9        | 36.5                   | 197.8                 | 35.9                   |
| Support Staff             | 137.6        | 50.4                   | 141.1                 | 50.4                   |
| Trustees                  | 7.0          | 991.0                  | 7.0                   | 1,015.0                |
| <b>Total</b>              | <b>819.7</b> | <b>8.5</b>             | <b>841.0</b>          | <b>8.4</b>             |

### *Services and Supplies*

In 2022/23, services and supplies budgets have been increased to reflect costs increases for contracted services and supplies. Projections for 2023/24 and 2024/25 assume there will be CPI inflation for services and supplies of 2%. No changes to service levels and existing budget allocations are contemplated in these projections.

### **4.3 Base Budget Unfunded Costs and Cost Pressures**

The Ministry of Education does not fund all costs related to our education system. These costs which are downloaded to Districts must be absorbed within budgets. The following reflect some additional unfunded pressures we face for the upcoming year and are reflected in the base budget and contribute to the District's current and future year deficits.

#### *Inflation*

Early in the 2022 calendar year, Canada's annual inflation rate was over 5%. Historically, over the past decade, we have seen inflation of about 2%. This increase in inflation is reducing the purchasing power of Districts and specifically schools and departments in carrying out their work when purchasing services and supplies. In years past, inflation has not been a significant factor to adjust for, however, in the current year circumstance, management has adjusted to increase service and supply costs by 2% to offset the decrease to purchasing power. This represents an unfunded cost of approximately \$138,000.

#### *Exempt Staff Wages*

Exempt staff (Managers and Principals and Vice-Principals) wage increases are not funded. BCPSEA has provided school districts across the province wage grids that are utilized to establish rates of pay across the education sector. This represents an unfunded cost increase of \$206,000 for the 2022/23 school year. As part of the multi-year financial plan, an increase of 2% has been budgeted to represent the unfunded wage increase for exempt staff.

#### *Portables*

We continue to see significant growth of enrolment across the District. Nearly all schools are at or over their capacity limits. Until a new school is built to create capacity, the District must fund the purchase of portables through its operational dollars. This represents costs of \$216,000 for the 2022-23 school year. An additional amount of \$200,000 per year has also been included in the multi-year financial plan given the District's anticipated requirements for additional capacity through use of portables.

#### *Employee Sick Leave Benefits*

On March 31, 2022, Royal Assent was received for the provision of five (5) days of annual paid illness and injury leave under the Employment Standards Act (ESA) for unionized casual employees and TTOCs. With this change, the District could expect up to a \$270,000 unfunded cost pressure. These amounts will only be validated over time, once a pattern of use is established. For the 2022/23 school year, the District has budgeted \$130,000 to acknowledge these costs and will adjust during the amended budget cycle once more information is known.



#### **4.4 Efficiencies supported in the 2022/23 School Year**

Given the base budget deficit the District faces, the fiscally responsible action would be to work to reduce that deficit by identifying ongoing efficiencies. Reliance on balancing budgets solely through the use of reserves cannot be sustained over the long run. To that end, the following efficiencies have been identified to offset the base budget deficit:

| <b>Efficiency identified</b>                                     | <b>Total (\$)</b> |
|--|-------------------|
| ADST and Flex furniture reprioritization and supply cost savings | \$101,272         |
| Teacher coach reprioritization                                   | \$102,090         |
| Administrative and district office restructuring                 | \$264,678         |
| International Education restructuring                            | \$61,537          |
| <b>Total Efficiencies Identified</b>                             | <b>\$529,577</b>  |



#### 4.5 Priorities supported in the 2022/23 School Year

| Priority identified                                    | Ongoing (\$)     | One Time (\$)    | Total (\$)       |
|--|------------------|------------------|------------------|
| 0.6 FTE Behaviour team specialist                      | \$61,992         |                  | \$61,992         |
| 1.0 FTE District counselling (safe and caring schools) | \$103,320        |                  | \$103,320        |
| 0.2 FTE increase in Admin (0.2 teacher backfill)       | \$20,418         |                  | \$20,418         |
| 0.4 FTE mentorship facilitator                         | \$40,992         |                  | \$40,992         |
| 1.0 FTE Indigenous Education Support Worker            | \$52,795         |                  | \$52,795         |
| Student Supervision Staffing                           | \$72,677         |                  | \$72,677         |
| Indigenous Education Equity in Action Initiatives      | \$18,191         |                  | \$18,191         |
| Communications support                                 |                  | \$35,000         | \$35,000         |
| Climate action curriculum implementation               |                  | \$50,000         | \$50,000         |
| Anti-Racism Pro-D (3-year plan)                        |                  | \$30,000         | \$30,000         |
| Performance feedback and orientation systems           |                  | \$15,500         | \$15,500         |
| Finance Training and modules                           |                  | \$15,500         | \$15,500         |
| Electric/climate action friendly power tools           |                  | \$37,500         | \$37,500         |
| New maintenance equipment for Skwo:wech                |                  | \$15,000         | \$15,000         |
| <b>Total Requests Identified</b>                       | <b>\$370,385</b> | <b>\$198,500</b> | <b>\$568,885</b> |

#### *Teaching and Learning*

For the 2022/23 school year, the base budget included two significant investments. The first investment is \$500,000 in additional replacement costs budgeted for. This additional investment allows the District the ability to deploy priority EA and TTOC staffing to ensure we have more consistent coverage when we experience higher rates of absences as we are currently observing now.

The second significant investment in the base budget was \$150,000 in additional contingency EA staffing. We know we get students with special needs throughout the school year, many of whom come without designation and as a result no funding. To ensure we create consistency and support for these students in the classroom, we have budgeted for 6 additional EAs which we anticipate deploying as needed throughout the school year.

Also, to support the school environment, we have increased administration by 0.2 FTE, a 0.1 FTE at Howay Elementary and another 0.1 FTE at Fraser River Middle School to support growing student enrolment. This cost of \$20,418 represents a 0.2 FTE teacher backfill of staffing.

We have heard passionate presentations from students about the need for climate action to be further infused into the curriculum in the 2022/23 school year. The work the District has done in the current year has helped to create good awareness as well as creating some additional resources across the District. The plan for the next school year allows more focused work at our high school, New Westminster Secondary School, an opportunity for department leaders to work together to come up with more specific ways climate action may be embedded in student work and activity to enhance this learning. To that end, a one-time investment has been allocated of \$50,000, as well as the continuation of the \$10,000 Green Team grants to schools. Further to these investments, to support climate change, \$37,500 will be invested on a one-time basis to purchase climate action friendly power tools for the facilities team.

The District has enjoyed the benefits of a mentorship facilitator which was a 0.8 FTE position that was paid in part by District resources and in part by the NWTU. The District will be operationalizing the full cost of this very important position at an additional and ongoing investment of \$40,992.

### *Mental Health and Well-being*

The District increased the allocation of counselling time in 2021/22 to 17 FTE. This allocation of staffing is greater than the Ministry of Education required ratio of 1:535. This amount of staffing is fully operationalized and will continue into the 2022/23 school year.

Based on our budget survey and overall feedback from our leadership team, mental health and well-being continue to be a top priority raised by all as we move into 2022/23. To that end, an additional 1.0 FTE counselling position (\$103,320) has been added to service the Safer Schools portfolio (which helps to support areas including sexual orientation and gender identity (SOGI), Violence Threat Risk Assessment (VTRA) and Social-Emotional Learning (SEL)) and in addition, provide additional counselling supports.

Well-being also includes safety and supervision of our growing District for an investment of \$72,677. The District has added 5 hours per week of noon-hour supervision at each elementary and middle school site, plus 20 hours at the high school.



### *Indigenous Education*

For the 2022/23 school year, the District anticipates enrolment of indigenous students to be 300 FTE. The targeted funding provided to the District by the Ministry of Education is \$469,500. The preliminary budget allocates \$568,722 which is over and above the targeted funding by \$99,222. In the 2022/23 priorities, it was put forward that an indigenous education support worker position be operationalized from the 2021/22 year as this position was funded through one-time COVID funding. Additional budgets have also been allocated to meet the priority of indigenizing spaces, which is of great importance to our schools and a sentiment echoed by our Indigenous Advisory Committee. Work was well underway in 2021/22 on indigenizing spaces at our new schools, Skwo:wech Elementary and New Westminster Secondary School.

### *Inclusive Education*

As per the District's inclusive education review, the 2022/23 year represents the 3<sup>rd</sup> year of phased implementation of the recommendations. The Board has supported adding a 0.6 FTE of behaviour specialist time in alignment with the recommendations. This is in addition to the operationalized supports put in during years 1 and 2 of the implementation which included training, mentorship, curriculum facilitators and other staffing supports.

The District also added 5.0 FTE EAs due to growth in enrolment and an anticipated increase of students with diverse needs in 2022/23. As a strategy, to be able to implement additional staffing supports should students come to the District throughout the year with support needs, contingency staffing for EAs has also been budgeted for to provide staffing once needs are identified on a much more expedited basis. Please also refer above under 'Teaching and Learning' on the staff replacement strategy for EAs.

### *Anti-Racism*

To continue with the District's work of Equity, Diversity and Inclusion, the District has allocated \$30,000 over three (3) years to provide training to all staff members in the District.

### *Technology*

Technology has been identified by nearly all stakeholders as a priority area for the coming school year. The District's tech steering committee has outlined a path forward on the devices to move forward with on hardware refresh cycles. There are no additional investments required at this time to carry out the refresh as the budget currently allocated is sufficient. Amounts within school budgets have been reallocated to reflect and acknowledge technology as a significant learning resource.



## *Department Supports*

As the function of Human Resources, Finance, Facilities and Communications go to support over 7,000 students and over 1,000 employees, these teams also require resources to carry out their work in supporting the strategic directions of the District. To that end, we have allocated \$81,000 to these initiatives on a one-time basis.

### **4.5 Contingency Reserve**

The Board is responsible to protect the District from extraordinary financial items which would negatively disrupt District operations and the continuity of learning for students. To mitigate these risk areas, the Board maintains a contingency reserve from its available operating surplus.

Per Board Policy 19, the contingency reserve shall be at least 2% of operating expenses. The District's level of contingency reserve for planning purposes is \$2 million. It is anticipated by the end of the 2021/22 school year that the operating reserves will be \$3.2 million. The differential between the expected ending reserve balance of \$3.2 million and the \$2 million contingency reserve represents amounts available to support planning for operations spanning future school years, anticipated unusual expenses identified by the board and/or for expenses which must be reserved due to the nature of constraints on the funds.

### **4.6 Operating Budget Three-Year Plan**

Below is a three-year projection of the operating fund revenue and expenses by object. This projection is based on factors that are known to the District at the time and contain assumptions that the District will maintain current service levels and programs. Assumptions made in building the three-year plan are included in the respective areas of Section 4.0 and also include the following:

- Projected changes to revenue and staffing due to changes in enrolment;
- Estimated changes to employee salaries and benefits;
- Estimated changes to services, supplies and utilities due to inflation; and
- Adjustments for one-time revenue or expenditures included in the prior year budget

After factoring efficiencies and priorities into the base budget, the District is estimating that a funding shortfall of \$1,207,506 will have to be addressed in 2022/23. This is estimated to be followed by budget funding shortfalls of approximately \$468,000 for 2023/24, and \$194,000 for 2024/25.



| (in thousands)   | 2020/21 Actual | 2021/22 Amended Budget | 2022/23 Preliminary Budget | 2023/24 Projection | 2024/25 Projection |
|--|----------------|------------------------|----------------------------|--------------------|--------------------|
| <b>Provincial Grants - Ministry of Education</b>         |                |                        |                            |                    |                    |
| Operating Grant, Ministry of Education                   | 63,378         | 67,922                 | 70,220                     | 73,225             | 75,304             |
| Other Ministry of Education Grants                       | 3,199          | 934                    | 925                        | 925                | 925                |
| <b>Provincial Grants - Other</b>                         | <b>69</b>      | <b>69</b>              | <b>69</b>                  | <b>69</b>          | <b>69</b>          |
| <b>Other Revenue</b>                                     |                |                        |                            |                    |                    |
| Continuing Education and Summer School Fees              | 12             | 3                      | 3                          | 3                  | 3                  |
| International and Out of Province Students               | 1,847          | 2,168                  | 3,050                      | 3,050              | 3,050              |
| Instructional Cafeteria Revenue                          | 59             | 150                    | 150                        | 150                | 150                |
| Miscellaneous  | 32             | 67                     | 31                         | 31                 | 31                 |
| Rentals and Leases                                       | 251            | 279                    | 279                        | 279                | 279                |
| Investment Income  | 206            | 200                    | 200                        | 200                | 200                |
| <b>TOTAL OPERATING REVENUE</b>                           | <b>69,053</b>  | <b>71,792</b>          | <b>74,926</b>              | <b>77,932</b>      | <b>80,011</b>      |
| <b>Operating Expenses</b>                                |                |                        |                            |                    |                    |
| Salaries and Benefits                                    | 62,107         | 65,702                 | 68,842                     | 71,073             | 72,748             |
| Services and Supplies                                    | 5,251          | 6,503                  | 6,502                      | 6,632              | 6,762              |
| <b>TOTAL OPERATING EXPENSES</b>                          | <b>67,358</b>  | <b>72,205</b>          | <b>75,344</b>              | <b>77,705</b>      | <b>79,510</b>      |
| <b>Capital Purchases and Other</b>                       |                |                        |                            |                    |                    |
|  | <b>-749</b>    | <b>-1,270</b>          | <b>-750</b>                | <b>-825</b>        | <b>-825</b>        |
| <b>Surplus (Deficit), for the year</b>                   | <b>946</b>     | <b>-1,683</b>          | <b>-1,168</b>              | <b>-598</b>        | <b>-324</b>        |
| <b>Efficiencies</b>                                      |                |                        |                            |                    |                    |
| Ongoing Efficiencies                                     |                |                        | 530                        | 530                | 530                |
|  | 946            | -1,683                 | -638                       | -68                | 206                |
| <b>Requests</b>  |                |                        |                            |                    |                    |
| Ongoing Priorities                                       |                |                        | -370                       | -370               | -370               |
| One-Time Priorities                                      |                |                        | -199                       | -30                | -30                |
| Use of Prior Year Appropriated Surplus to balance budget | 0              | 1,683                  | 1,207                      | 468                | 194                |
| <b>Total Operating Surplus (Deficit), for the year</b>   | <b>946</b>     | <b>0</b>               | <b>0</b>                   | <b>0</b>           | <b>0</b>           |
| <b>Operating Surplus (Deficit), beginning of year</b>    |                |                        |                            |                    |                    |
|  | 3,978          | 4,924                  | 3,241                      | 2,034              | 1,567              |
| Use of Prior Year Appropriated Surplus to balance budget | 0              | -1,683                 | -1,207                     | -468               | -194               |
| <b>Operating Surplus (Deficit), end of year</b>          | <b>4,924</b>   | <b>3,241</b>           | <b>2,034</b>               | <b>1,567</b>       | <b>1,372</b>       |

## 5.0 SPECIAL PURPOSE FUND

The special purpose fund is comprised of separate funds established to track revenue and expenditures received from the Ministry of Education and other sources that have restrictions on how they may be spent and are therefore not available for expenditures in the operating fund. Amounts are deferred when received and recognized as revenue when the related expenditures are incurred. The District has the following special purpose funds:

- Classroom Enhancement Fund (CEF)
- Community LINK
- Learning Improvement Fund (LIF)
- Annual Facility Grant
- Special Education Equipment
- Strong Start
- Ready, Set, Learn
- Official Languages in Education French Programs (OLEP)
- Mental Health in Schools
- Apprentice Program
- United Way
- Seamless Day
- Scholarships and Bursaries
- School Generated Funds

The following represents a few highlights of the work that is funded from these special programs:

### ***Classroom Enhancement Fund***

This funding relates to the ratification of the Memorandum of Agreement pursuant to the Letter of Understanding No.17, to the 2013-2019 BCPSEA-BCTF Provincial Collective Agreement that resolves all matters related to the implementation of the Supreme Court of Canada decision from the fall of 2016. This fund was established to address the additional teacher and corresponding overhead costs throughout the province associated with the memorandum.

For 2022/23, the District has been provided a preliminary CEF allocation of \$5,960,420 to fund 55.5 FTE teachers and \$373,060 in overhead funding. Adjustments to the District's allocations may be made once the final fall 2022 staffing is known.



## ***Community LINK***

This funding is designed to support the academic achievement and social functioning of vulnerable students. Total funding for 2022/23 will be \$1,580,583 and is projected to remain unchanged for future years.

For the upcoming year, the District continues its work to support students through the provision of meal subsidies, expending over \$200,000 in subsidies to ensure all students have access to stigma-free lunches. The largest expense within this special purpose fund is \$1,220,000 in social-emotional supports for vulnerable learners through 14 FTE Youth Care Workers and approximately 3.0 FTE in counselling staffing. In addition, \$135,000 has been budgeted to support the District's Community School Program.

## ***Learning Improvement Fund***

This fund was established by the Province for the purpose of providing additional resources, specifically targeted to support complex classes that present challenging learning conditions. The 2022/23 funding of \$239,010 is used for increased hours of work for EAs and Youth Care Workers as has consistently been done over the past number of years.

As the LIF has not increased in line with the increases to collective agreement wage increase, this special purpose fund continues to face pressure, whereby in order to continue to support the additional time for our staff, the District supplements amounts of approximately \$60,000 in its operating fund.



## 6.0 CAPITAL FUND

The capital fund includes capital expenditures related to facilities (purchases and enhancements) and equipment that are funded by the Ministry of Education capital grants, land capital, local capital, operating funds and special purpose funds.

On an annual basis, the District prepares a Five-Year Capital Plan and submits it for funding consideration to the Ministry of Education. The plan identifies capital funding needs for existing and new facilities.

The following are current capital projects supported by the provincial government.

### ***New Fraser River Zone Elementary School***

Recently, the District received notice from the Ministry of Education acknowledging our needs for a 500-student capacity elementary school in the Fraser River Zone. At present, the District is working on a concept plan for this project with hopes for a positive funding announcement next year. In addition, we continue to express our needs for additional capital projects to address capacity required at the middle school level, also in the Fraser River Zone.

### ***Queen Elizabeth Elementary School***

This expansion includes the creation of an additional 13 classrooms to serve the fast-growing community of Queensborough. The project is in its early stages. The estimated project value is \$20.4 million.

### ***Skwo:wech Elementary***

The Skwo:wech Elementary replacement project features open spaces and a design that's intended to support revised and modern curriculum needs. In addition, it features an expansion to the childcare centre with new infant and toddler spaces to better support local families. The estimated project value is \$35 million.

The doors were opened to students in March 2022 and the project is in its final stages, which includes decommissioning of the original building.

### ***New Westminster Secondary School (NWSS)***

The NWSS replacement project accommodates 1,900 grade 9 to 12 students in a modern learning environment with the latest sustainable energy management systems. The total cost of the project is approximately \$106.5 million.

Students were welcomed into the new facility in January 2021 and the project is in its final stages, which involves decommissioning of the original building.



**Other Capital Funded Projects**

Annual facilities grant funds are used throughout the District to address ongoing maintenance and improvement needs at schools. Planned spending for the capital component in 2022/23 is \$973,783.

Additional funding for capital projects in 2022/23 is detailed below.

| Facility Name                 | Project Description  | Bylaw Funding |
|-------------------------------|--|---------------|
| Lord Tweedsmuir Elementary    | School Enhancement Program – Exterior Wall Systems                         | \$1,700,000   |
| Ecole Glenbrook Middle School | Carbon Neutral Capital Program – HVAC Upgrades                             | \$500,000     |
| Lord Tweedsmuir Elementary    | Playground Equipment Program – Universally Accessible Playground Equipment | \$165,000     |