



Nanaimo Ladysmith Public Schools
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Reconnect and Recover 2022-23 Preliminary Annual Budget

May 11, 2022



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District Overview



Nanaimo Ladysmith Public Schools (NLPS) is the second largest school district on Vancouver Island and resides within the traditional territories of the Snuneymuxw, Snaw-Naw-As and Stz'uminus First Nations. In addition, NLPS is a proud community partner with Tillicum Lelum Aboriginal Friendship Centre and Mid Island Métis Nation. The District claims approximately 15,000 students, with approximately 2700 students identifying as Indigenous and 1200 students with special needs. The District offers a full range of programs from kindergarten to grade 12 with additional programs for pre-school and adult learners. There are: twenty-eight elementary schools; eight secondary schools (including Learning Alternatives and Career Technical Centre); one distributed learning school – Island ConnectEd (K12); and approximately 2,200 employees. The District encompasses the City of Nanaimo, the towns of Ladysmith and Lantzville, Gabriola Island, North Oyster, Cedar and many other communities which represent a population of 132,623 (2021 Census), and we are one of the fastest growing communities in Canada. The District's annual budgeted expense is \$182 million.

Board of Education

 Charlene McKay (Board Chair)	 Jessica Stanley (Board Vice-Chair)	
 Bill Robinson Trustee	 Chantel O'Neill Trustee	 Elaine Wilkinson Trustee
 Greg Keller Trustee	 Naomi Bailey Trustee	 Stephanie Higginson Trustee
 Tania Brzovic Trustee	 Scott Saywell Superintendent/ CEO	 Mark Walsh Secretary Treasurer / CFO

Message from the Superintendent

The goals of the Nanaimo Ladysmith Public Schools Strategic Plan include improving success rates for students, increasing safety and well-being, be true stewards of our land and inculcate sustainability into our learning and our actions and reconcile our relationship with Indigenous peoples. As Superintendent, my role is to operationalize these ambitious goals.

The impacts of the COVID-19 pandemic are far-reaching and have disproportionately affected our most vulnerable populations of students. Many students are experiencing issues with their mental health and many students have lost their connection with the school system. **Recovering** from the pandemic and **Reconnecting** students to our system will be the primary focus for the coming school year and therefore, it is with optimism, I present the 2022-23 preliminary budget appropriately named the “**Reconnect and Recover**” budget.

To reconnect we are focusing on continued use of our outreach programming. These programs, starting in early July, are intended to focus on students who we have not seen very much of during COVID. We need to make our District a safe space for these students and create a clear path back into our schools as well as create a path to graduation. Some of the funding to support outreach is stemming from our robust International Student Programming that is reconnecting international partners to the Nanaimo-Ladysmith region.

To assist in recovery, we are looking to add resources for students with diverse learning needs at the elementary level. We know that many of our students between kindergarten and grade 2 have missed out on opportunities for socialization and pre-kindergarten learning opportunities. We know that the complex learning profiles of our student population are getting more complex, and we want to ensure that we can offer an inclusive learning environment that provides the least restrictive learning environment to all learners. Funding to support this initiative will stem from increasing enrolment that continues to recover from a brief, COVID related, pause in growth. We will continue to maintain elevated levels of counselling allocations and Community Youth and Family Support Workers (CYFSW) in our system to support mental health and wellness. While this is not a new initiative, it needs to be recognized that the Board has long supported significant investments in these areas.

Through our local capital and Annual Facilities Grant, the District will continue to boost our efforts in lowering our Green House Gas (GHG) emissions and enhance outdoor learning opportunities. In closing, I believe that the Board and the community can be confident that the 2022-23 budget supports Board’s goals and will serve to enhance life chances for students by focusing resources where they are needed.

Sincerely,



Scott Saywell

Executive Summary

Nanaimo Ladysmith Public Schools is in an exciting period of growth and with much of the adverse effects of the global pandemic behind us, we are highly optimistic about our future and see 2022/23 as a year we will recover as well as reconnect with our students, our stakeholders, and our community. While we recognize there are still many lingering complexities and that some of our students, families, staff and partners are still struggling, we are anticipating a more positive road ahead.

Budget 2022/23 has been created with future growth in mind, where we've estimated an increase in funded student enrolment of 276 FTE over 2021/22 which corresponds to an additional 170 students. The differential between funded FTE and headcount is related to our students fully reconnecting to their brick-and-mortar schools from distributed learning, and secondary students reverting to pre-COVID course loads.

We are also seeing more interest in our International Student Education Program where historically many of our student population comes from China, whereas this coming year we have many students joining us from Europe, Turkey, Brazil and Mexico. Our preliminary budget estimates are somewhat conservative as there is still risk involved related to global events and the possibility of student cancellations, however we anticipate we will meet, and quite possibly exceed our target of 287 FTE, which corresponds to 376 students receiving educational services for part or all of the school year. During the global pandemic we saw our International Program shrink to under 120 students, so this is a very welcome recovery and reconnection to our outstanding International Program.

With this increased student enrolment and the associated revenue, the district is able to maintain all of our current educational programming, as well, we are able to make a small investment in additional programming, focused on reconnecting students who continue to have difficulty reengaging with schools. New in 2022/23, the proposed Tier 3 Program looks to enhance our continuum of supports and opportunities for students experiencing barriers to success in more traditional classroom settings as the pandemic has highlighted that some of our more complex learners do better under an alternate "hybrid" approach, which reduces the duration they are required to spend in a classroom each day. Further, there will be a small increase in ELL/IST support at some of our Elementary Schools and additional teaching support for children with vision and hearing complexities. Finally, the district will offer a summer outreach program as it did in 2021/22 where 78 elementary and 50 secondary students received support. The program not only provides access to food and services, but also creates opportunity for those who have not been in a traditional school setting since the pandemic began, to be connected with a support team who will work to reengage and help them successfully transition back to school in September.

The district was contemplating further investments in education, however, an enhancement to the Employment Standard Act relating to Paid Sick Days means a new, unanticipated cost pressure for 2022/23, estimated at \$675,000. This amendment is applicable to our casual staff (Effective March 31st), as Collective Agreement and Contract provisions provide sick days to all other district staff, however, actual costs are yet to be determined, pursuant to usage by our casual staff. While the estimated \$675,000 may be in excess of costs, overall replacement costs have also increased

substantially resulting in a budget increase for 2022/23 which may or may not be adequate post-COVID, staff feel however that the combination of both budgets is reasonable at this time.

With the increase in student enrolment there are associated capacity pressures within some of our schools. Our current Long-Range Facilities Plan provides district statistics relating to our school sites, projected enrolment, seismic upgrade needs, as well as identifies 34 recommendations to address opportunity, constraints, policy to guide future decisions and planning, environmental stewardship strategies, safety and accessibility concerns, as well as opportunity to partner with local First Nation and Stakeholders to enhance our schools and sites; the Plan can be found [here](#).

While the Ministry of Education and Childcare provides Capital funding for some of the projects identified in our 5-year Capital Plan, as well as an Annual Facilities Grant, there are many local capital costs that must be funded by the district. This funding may come from either our Accumulated Local Capital Fund balance, proceeds from the sale of land for which we have little inventory of, Accumulated Operating Surplus, or transfers from our current year Operating Fund. New in 2022/23, the district has assessed future pressures relating to Local Capital and has prepared a three-year financial plan in order to be transparent to both Ministry and Stakeholders as to our future planning and needs, and to highlight the associated funding required to support the multi-year plan. Generally, our Annual Budget includes a transfer from Operating to Local Capital to support our annual IT Plan, however, due to a healthy investment in technology in 2021/22 will have not included a transfer in the preliminary budget, we will await our year-end Accumulated Operating Surplus position as well as our ending Local Capital balance then propose an overall transfer of funds to support the 2022/23 Local Capital Plan, inclusive of IT needs.

In relation to COVID, enhanced cleaning protocols along with the associated custodial staffing that were in place over the last two years, first funded by Ministry, then funded using accumulated operating surplus, have not been included in Budget 2022/23 as the proposed budget, without the aforementioned funding sources, would require the district make cuts to programs or other supports in order to continue this pandemic related staffing. Budget 2022/23 does account for some inflationary staffing costs, specifically for our Exempt Staff and Teacher increments, it does not however include salary increases for CUPE or the NDTA as contractual negotiations are underway where upon ratification, associated increases will be implemented, and funded by special grant through the Ministry of Education and Childcare. With regards to the Classroom Enhancement Fund, historically Ministry provides the Grant at 90% of the prior year which means an artificial reduction in teacher staffing levels until we substantiate our staffing needs in the fall. This year however, Ministry has provided the Fund at 100% and the district wishes to express our appreciation as this negates the negative affect of the historic holdback.

In conclusion, the district looks to welcome back all of our returning families to the multitude of educational programs and supports provided by way of our 2022/23 Annual Budget. With a focus on future growth, we also anticipate and look to welcome new families to our lovely city, where additional educational resources will be added to the system as identified by enrolment tracking processes throughout the spring, summer and early fall, in support of our entire learning community.



Strategic Plan

Our strategic plan defines the key areas of focus as we work together to support student learning in order to achieve our vision of Success for All.

The District's goals and objectives are guided by the four goals of the Board's Strategic Plan:

- ▶ Continuous improvement of instruction and assessment
- ▶ Safe, caring and healthy learning and working environment that is inclusive of the diversity of our entire learning community
- ▶ To be a leader in environment stewardship and sustainability
- ▶ Truth and reconciliation

Vision

Courageous, innovative, inclusive and personalized learning community that inspires success for all.

Mission

To educate all students to become confident, curious and caring citizens by creating an inspiring, inclusive and healthy environment to work, learn and play.

Values

Student Centered Accountability, Collaboration, Diversity, Equity, Honesty, Inclusion, Integrity, Mutual Respect, Sustainable, and Transparency.

Syeyutsus Framework

Truth and Reconciliation is a significant goal of Nanaimo Ladysmith Public Schools (NLPS). The goal of reconciliation was established by the Board of Education in response to Canada's Truth & Reconciliation Calls to Action and is underpinned by the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). In partnership, NLPS and Indigenous Knowledge Keepers are committed to continue working together on the journey of reconciliation.

Nanaimo Ladysmith Public Schools commits to honoring the land and using this Framework to guide and inform by:

- ▶ Working with our students, staff, Indigenous Knowledge Keepers, and community partner groups in a spirit of respect, courage and vulnerability to bridge together different views and beliefs, in a restorative caring way.
- ▶ Providing ongoing and meaningful learning opportunities for all students, staff, and community partner groups.

Guiding Principles

Guiding principles provide the framework and parameters for which the districts budget is created.

- ▶ The annual budget complies with the school act, district policy and other legislative requirements. The Board must submit a balanced budget
- ▶ The budget process be aligned with and support the Board's strategic direction and goals
- ▶ Positive student experience and outcomes are priority
- ▶ Feedback from community and stakeholder engagement process will be incorporated where resources allow and in alignment with board and operational goals
- ▶ Ongoing costs should not be greater than ongoing revenues
- ▶ District accumulated surplus is established and maintained in accordance with Board Policy
- ▶ Sustainable, inclusive, equitable and financially prudent resource allocations, along with risk mitigation strategies are key drivers in budget decisions and creation

Budget Criteria

Setting decision criteria is best practice when making organizational decisions. Decision criteria are those variables or characteristics that are important to the district when making decisions and should provide direction when evaluating alternatives. When faced with a budget decision, the criteria should be considered in respect of where resources should be directed in priority order.

- ▶ Maximize success/completion rates for all students
- ▶ Optimize our schools and facilities as safe, healthy and inclusive learning and workspaces
- ▶ Provide all students with safe, equitable and inclusive access to schools and programs
- ▶ Provide greater supports and opportunities to embed Indigenous culture, teachings and curriculum for all students
- ▶ Provide a variety of pathways for every student to meet his/her desired learning outcomes
- ▶ Maximize support for student learning in literacy and numeracy
- ▶ Provide adequate and sustainable budgets for facilities and technology to sustain necessary infrastructure and space needs
- ▶ Optimize the use of technology as a tool to support student learning and organizational efficiencies
- ▶ Support student and employee wellness throughout the district
- ▶ Optimize our organizational capacity through ongoing leadership enhancement opportunity and succession planning
- ▶ Reduce the impact of our operations on the environment through continuously improved sustainability practices

Budget Preparation

Preparation for the annual budget begins by utilizing the prior year's amended budget as the initial starting point, it is not rebuilt from a zero base each year as educational programs are ongoing, and many operational costs are fixed. One time revenue and expenditures, along with any appropriated surplus's are removed, then adjustments are made to account for student enrolment estimates, current year funding levels as approved by the Ministry, and other revenue and expenditures changes deemed necessary per review of all budget categories in order to ensure the district has accounted for all known variables, inflation, areas of risk, current year initiatives in support of student education, and any required adjustments to respond to the emergent or strategic needs of the district.

Budget assumptions are based on audit that include, but are not limited to the following:

- ▶ Student enrolment
- ▶ Operating Grant
- ▶ Other revenue sources
- ▶ International student enrollment and tuition
- ▶ Annual Facilities Grant current year funding/priorities
- ▶ Capital Funding Agreement confirmation
- ▶ Removal of prior year's restricted surplus
- ▶ Removal of prior year's deferred revenue
- ▶ Adjustments for salary increases per Collective Agreements, employment contracts or Ministry direction
- ▶ Replacement and benefit costs
- ▶ Technology (IT) plan, including all district annual software license fees
- ▶ Contractual obligations such as professional development, release time, etc.
- ▶ Special Purpose Fund reorganizations to align with annual educational programming plans
- ▶ Departmental expenditure reorganization per determined needs
- ▶ District initiatives/strategies to align with Board goals and objectives
- ▶ Potential expenditure adjustments (+/-) for utilities, supplies, equipment, software, insurance, legal fees, professional development, etc.
- ▶ Rentals, leases and community use of facilities revenue adjustments if required
- ▶ Cost adjustments for items such as Maternity/ Paternity pay, premiums and allowances
- ▶ Actuarial expense
- ▶ Adjustments for the NGN contribution, EFB liability, job evaluations and potential grievance/arbitration settlements, etc.

Risk Mitigation

Local Capital (District Capacity) – While the Ministry of Education and Child Care provides Capital funding for items identified in and selected from our 5 year Capital Plans pursuant to available resources, as well as the Annual Facilities Grant (AFG), they do not provide financial resources for additional classroom space that may be necessary per enrolment growth, per compliance with Class Size and Composition language (LOU 17), capital expenditures not authorized under the AGF, nor do they fund district priorities such as infrastructure upgrades, vehicles, equipment, or asset replacements and additions as well as other such costs. Accordingly, districts must ensure they have resources set aside to support multi-year planned/estimated expenditures of a capital nature, not anticipated to be funded by the Ministry. For 2022/23 staff have prepared a three-year Local Capital schedule, tied to Board Goals, the Long-Range Facilities Plan, or to the Operational Plan, which identifies upcoming projects or costs per year, as well as the amount of operating funds, or accumulated operating surplus that would be necessary to support the Plan. Also important to note, the Ministry of Education and Child Care could direct the district to cost-share on an upcoming Capital project which would be taken from Local Capital reserves, impacting our ability to deliver on the multi-year Local Capital Plan thus identified projects must be defensible and necessary to ongoing or increased operations. Current estimates total \$3.5 million for the coming year, \$3.4 million the following year, and \$2.3 million in the third year, subject to change per emergent needs, unanticipated operational costs, shifts in priorities, or unforeseen events.

Technology - In order to ensure the preliminary operating grant, based on our estimated student enrolment, is directed to ongoing educational programming and business operations we do not have a planned transfer of funds from the Operating to Local Capital Fund in the 2022/23 Annual Budget to support additional or refreshed technology. Instead, as we anticipate a 2021/22 year-end surplus which will increase or at least maintain our accumulated operating surplus position, staff will recommend a transfer to Local Capital that supports the coming years technology plan in September, when the Board is presented with year-end financial results. Note that the estimated transfer for technology in each of the next three years is included in the transfer figures noted above.

Executive Compensation Review – In accordance with best practice, BCPSEA is coordinating an updated total compensation review of school district-based exempt positions for the K-12 public education sector. The review will be based on a market study to validate or update, if appropriate, the existing regional salary model for principals and vice-principals and district-specific models for executive and exempt staff. This review is expected to be complete in early summer 2022 where current salary structures will be updated within the 2022/23 fiscal year, as per implementation guidelines and associated approval processes, but note that such increases are not funded by the Ministry, they must be funded using current operating funds. In order to ensure the district is in a position to absorb the overall cost, \$450,000 has been set aside to account for this anticipated but not yet confirmed salary increase.

Sick Leave Provisions (ESA) – The district has set aside \$675,000 to mitigate the newly amended Employment Standards Act where 5 paid sick days are now applicable to all staff so now includes casual employees. Estimates are highly preliminary as costs are still to be determined per usage, however, it is expected that between these additional costs, and increased replacement costs per lingering COVID effects, this may be higher than anticipated where an adjustment may be required in the Amended Annual Budget.

Budget Timeline

In accordance with the School Act, school districts must approve a balanced budget and submit it to the Ministry of Education by the end of June each year, and an Amended Annual Budget by the end of February each year. Below is an example of a Budget Timeline for a fiscal year.

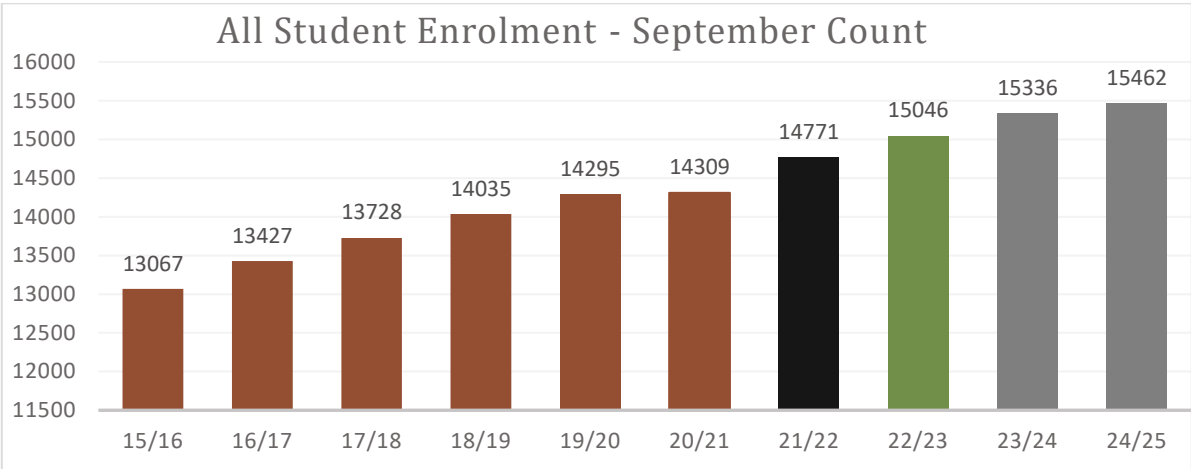
- September** Financial Statements presented to and approved by the Board (Q4 Financial Report)
1701 Student Data Collection
- October** Preliminary Departmental discussions on coming year’s budget
Quarterly Report (Q1) presented to the Board.
- December** Ministry of Education provides confirmed Operating Grants based on 1701 Student Data
- January** Operating Grant update provided to the Board per December MOE confirmation
Amended Annual Budget finalized per MOE funding confirmation
Enrolment Estimate process for next year begins
Departmental discussions on coming year’s budget continue
Stakeholder discussions on coming year’s budget begin
- February** Amended Annual Budget presented to and approved by the Board (Q2 report included)
Enrolment estimates finalized for Ministry submission
Enrolment update provided to the Board
Community/stakeholder engagement process for upcoming budget determined and started
Thought Exchange goes out to public
- March** Ministry announces Preliminary Operating Grants for coming year based on projected Student enrolment – Board receives update
Budget creation begins
Community engagement process begins, includes Stakeholders, Students, First Nations and Partner groups
Departmental budgets finalized per confirmed funding levels
- April** Community engagement process concludes
Proposed Preliminary Annual Budget is completed and a high level summary is provided to Board/Public
- May** Proposed Preliminary Annual Budget is presented to the Board
Stakeholder presentations take place
Quarterly Financial Report presented to the Board (Q3)
Final Budget discussions take place
Preliminary Annual Budget is finalized, presented to and approved by the Board



Student Data

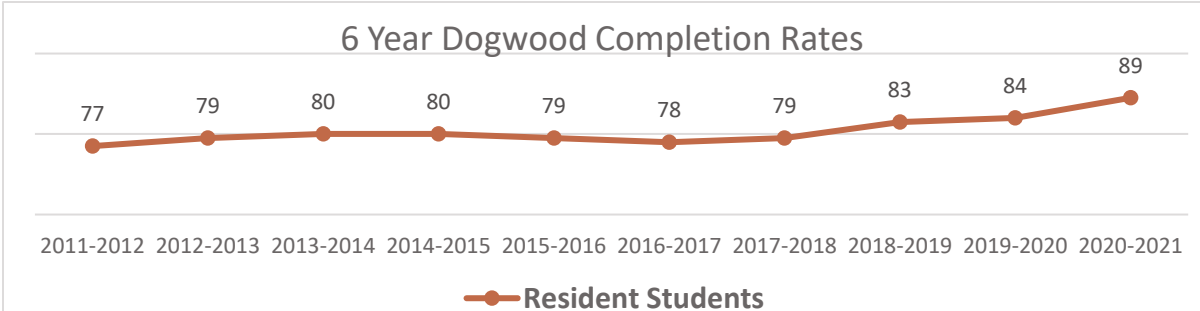
The enrolment information presented below is based on September FTE actuals (regular, distributed learning, continuing education, and adult learners) for 2014/15 to 2021/22, preliminary estimates for 2022/23 and forecasts for 2023/24 and 2024/25.

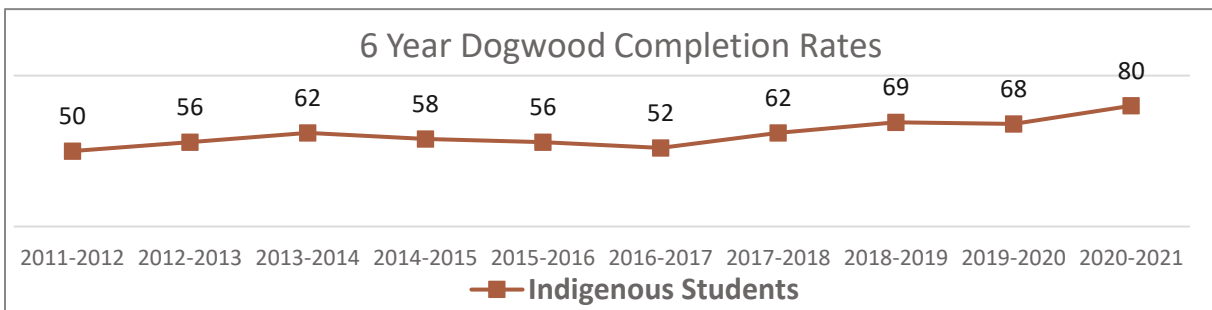
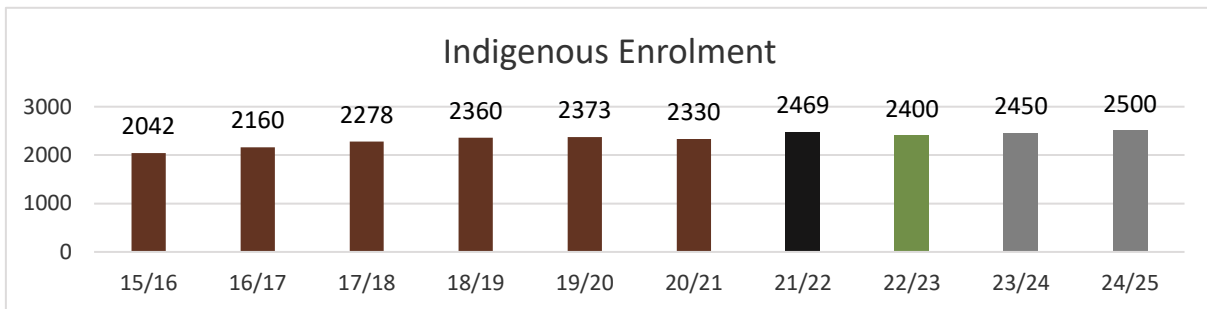
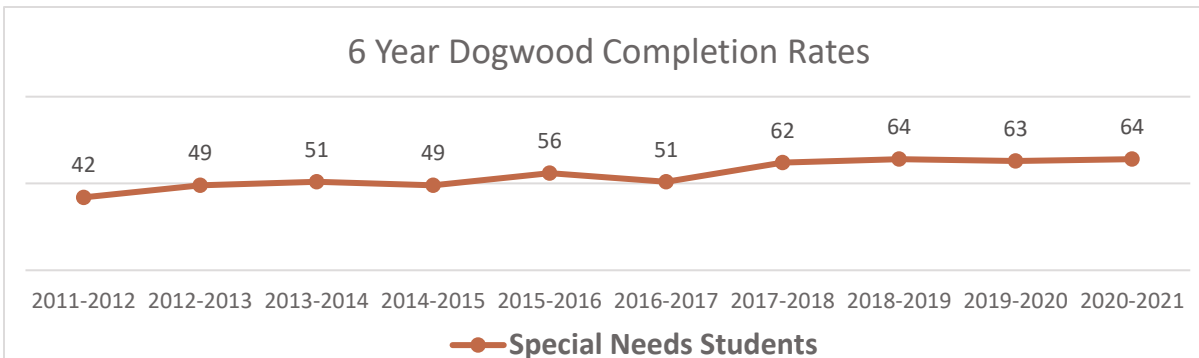
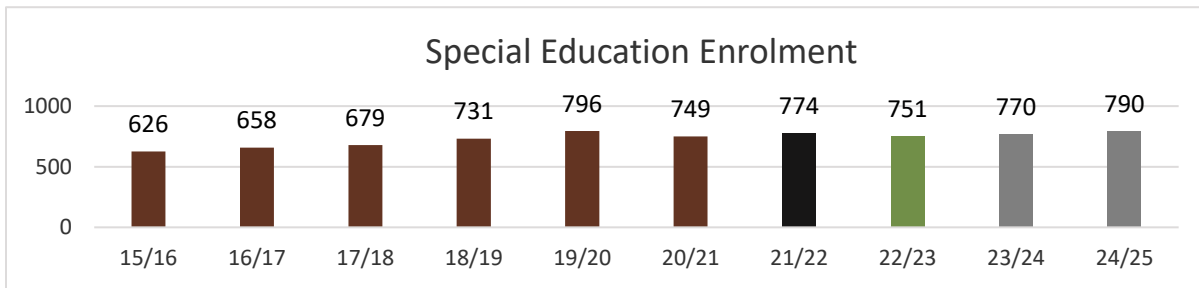
The three-year forecast was prepared using enrolment projections generated by Baragar Systems (enrolment projections software), historical enrolment trend analysis, and local knowledge. The forecasted data represents per student FTE which our Operating Grant is calculated on each of the three years. The district generally takes a conservative approach to preliminary enrolment estimates in order to avoid being over funded, however, during the pandemic it was necessary to be more conservative to mitigate the risk of unknown factors such as in/out migration and families keeping their children at home. With reduced COVID impact and protocols, and communities reengaging in pre-pandemic ways of life, enrolment estimates have reverted to historic levels. Note that future forecasts may also be adjusted, depending on known changes in demographic variables.



The preliminary estimated September enrolment for 2021/22 was a very conservative 14,360FTE and the confirmed enrolment was 14,771FTE, for a difference of 411 FTE. This increase was due to students returning to the classroom from the shift out in 2020/21 due to the ongoing pandemic, secondary students reengaging in their studies where they returned to pre-pandemic course load levels, and overall growth in the district.

A key indicator of our student’s success is the 6-year completion rate data. The chart below represents all resident students, and shows student outcomes increased in 2020-21 by 5.95%

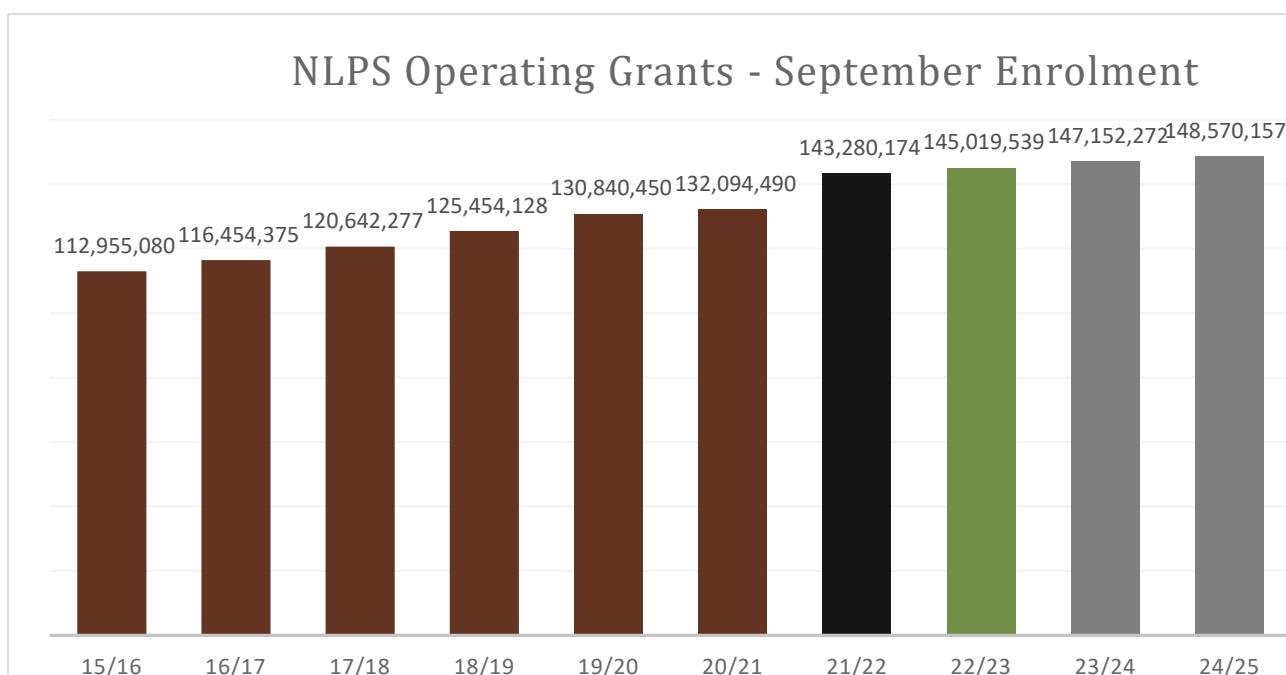




Operating Grant

The provincial government and BC's 60 elected Boards of Education co-manage the education system in British Columbia. The province establishes the amount of grant funding available for public education annually and uses a funding formula to allocate these funds to Boards of Education. Boards manage and allocate their allotment based on local spending priorities that align with both the mandate of the Ministry of Education and the School District's Strategic and Operational Plan. Operating Grants for the K-12 system are allocated using student data collected from districts and applying formulae to ensure equity across British Columbia.

The chart below shows the district's actual operating grants, per September enrolment, for 2015/16 to 2021/22, the preliminary operating grant for 2022/23 and forecasts for 2023/24 and 2024/25.



- ▶ *Forecasted Operating Grants are based on projected September enrolment, with no increase in per pupil funding or unique funding factors.*
- ▶ *The preliminary estimated Operating Grant for 2021/22 was \$138,362,646 and the confirmed Grant was \$143,280,174 for a difference of \$4,917,528 where again, this is a direct result of students returning to schools and re-engaging in studies post-pandemic, and overall district growth.*

Special Purpose Fund Overview

Special Purpose funds are separate funding envelopes provided by the Ministry of Education or other third-party sources for particular programs, functions or activities. These individual funds have restrictions as to how they may be spent so revenues and expenditures are tracked separately. In addition, each fund has reporting requirements either annually, semi-annually or subject to contract specifications. Where applicable, surplus balances at the end of each year or purpose are either returned back to the funding party, or in the case of a Ministry program, are deferred for use in the next fiscal year.

In 2020/21 the Ministry of Education provided significant one-time funding in response to the global pandemic. In 2021/22 districts received an additional COVID response grant to address start-up costs, but it was not sufficient to cover continued cleaning protocol thus the Board opted to fund ongoing cleaning protocol in 2021/22 using surplus which has not been removed, further, the small Grant applicable to 21/22 is not anticipated to continue into 2022/23. Therefore, any COVID related supports such as custodial, cleaning, hygiene and/or health and safety measures would require the district use surplus funds again in 2022/23 should there be a recommendation they be continued in any fashion.

The 2022/23 Special Purpose Funds confirmed at this time, along with historic allocations, are reflected below:

Special Purpose Fund	5 Year Historic Summary					2022/23
	2017/18	2018/19	2019/20	2020/21	2021/22	
Classroom Enhancement Fund	11,451,187	12,239,301	12,453,421	12,068,477	11,519,097	11,158,702
Learning Improvement Fund	477,835	484,588	485,237	488,486	487,126	498,816
CommunityLINK	2,224,298	2,243,848	2,264,422	2,311,113	2,361,778	2,361,778
Annual Facilities Grant	555,642	555,642	555,642	555,642	543,922	555,746
Strong Start Fund	256,000	256,000	257,264	256,000	256,000	256,000
Ready Set Learn Fund	71,050	61,250	62,028	63,700	63,700	63,700
Federal French Fund	202,584	202,584	202,584	222,497	255,636	255,636
Mental Health Fund			26,500	51,000	120,482	51,000
ASSAI	90,402	92,500	152,000	153,250	35,000	
CR4YC			18,229	11,250	11,250	11,250
BCTEA - Student Transportation Fund			46,123	244,052	226,768	
Federal COVID Fund				5,535,410		
Provincial COVID Fund				1,068,252	338,553	
Rapid Response Team Fund (COVID)				150,000	147,500	-
Seamless Day K					50,000	
Total	15,328,998	16,135,713	16,523,450	23,179,129	16,416,812	15,212,628

Note: The chart represents the districts most significant, or ongoing Special Purpose Funds, provided by an external party

With regards to the Classroom Enhancement Fund, note that the Ministry of Education has historically only provided 90% of the prior year's teacher staffing allocation for the preliminary budget. However, Ministry changed that practice for this fiscal year, providing the full 100%, a very welcome and appreciated shift as it eliminates the need to reduce initial staffing levels based on the preliminary budget funding envelope.

Special Purpose Funds may change over the course of the fiscal year, further, new Funds may be announced. Note that any adjustments will be reflected in the Amended Annual Budget.



Summary by Fund

AFG (Annual Facility Grant) - Funding provided to boards of education to use at their discretion for projects required to maintain facility assets through their anticipated economic life and to prevent premature deterioration of these assets. The amount of the Annual Facility Grant will be calculated by the Ministry of Education using a formula based on student enrolment and the average age of facilities, with an adjustment made for unique geographic factors.

The Annual Facilities Grant consists of two components, a Capital allocation and a Special Purpose allocation; total envelope for 2022/23 is \$2,849,677

The Board of Education may expend its Annual Facility Grant for the purpose of:

- ▶ Upgrading or replacing existing facility components throughout the expected economic life of an existing capital asset
- ▶ Enhancing the service potential of an existing capital asset or a component of an existing capital asset by correcting deficiencies in design or construction, and unsafe conditions
- ▶ Significantly lowering the associated operating costs of an existing capital asset
- ▶ Extending the life of an existing capital asset or a component of an existing capital asset beyond its original life expectancy.

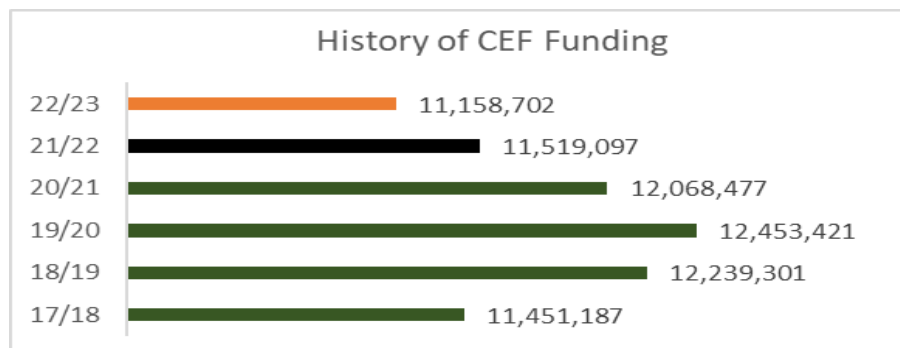
The table below is a high-level summary of planned spending in 2022/23, per Ministry AFG category, along with the 2021/22 summary for comparison:

Annual Facilities Grant Summary

AFG Eligible Category		2022/23		2021/22	
		Budget	%	Budget	%
1	Roof Replacements	\$ 567,615	20.3%	\$ 429,883	16.0%
2	Mechanical System Upgrade	\$ 271,194	9.7%	\$ 12,178	0.5%
3	Electrical System Upgrade	\$ 12,614	0.5%	\$ 280,094	10.4%
4	Facility Upgrades	\$ 696,529	24.9%	\$ 383,607	14.3%
5	Loss Prevention	\$ -	0.0%	\$ -	0.0%
6	Functional Improvements	\$ 44,148	1.6%	\$ 6,089	0.2%
7	Tech Infrastructure Upgrade	\$ -	0.0%	\$ -	0.0%
8	Site Upgrade	\$ 143,796	5.1%	\$ -	0.0%
9	Disabled Access	\$ 9,460	0.3%	\$ -	0.0%
10	Asbestos Abatement	\$ 3,153	0.1%	\$ -	0.0%
11	Health & Safety Upgrades	\$ 372,734	13.3%	\$ 1,248,245	46.5%
12	Site Servicing	\$ 681,138	24.3%	\$ 323,935	12.1%
Total AFG Project Costs		\$ 2,802,379		\$ 2,684,031	
CAMS Contribution		\$ 47,298		\$ 47,298	
Total AFG Funding		\$ 2,849,677		\$ 2,731,329	
<i>Less Capital Portion</i>		<i>\$ (2,293,931)</i>		<i>\$ (2,175,687)</i>	
Balance = Special Purpose Portion		\$ 555,746		\$ 555,642	

* Note that contingency and administration have been estimated and applied to each category.

Classroom Enhancement Fund (CEF) - This Fund was introduced by the Ministry of Education in August 2017 as a result of the Supreme Court decision to restore class size and composition limits, pursuant to LOU17. The fund originally provided for capital needs related to additional classroom spaces and associated supplies, increased overhead costs, and the additional teacher staffing required under the restored language. At this time only overhead and teacher staffing costs are funded by Ministry, any costs related to additional classroom space must be funded by district reserves. Note that the overhead funding provides resources for increased Facilities, Payroll and HR staff necessary to support the restored language.



CEF Funding Summary	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Teacher Staffing	9,310,660	9,956,257	10,485,237	10,413,172	9,756,522	9,756,522
Overhead	1,892,051	1,574,133	1,572,967	1,402,180	1,402,180	1,402,180
Remedy	248,476	708,912	395,217	253,125	360,395	TBD
Total Funding	11,451,187	12,239,302	12,453,421	12,068,477	11,519,097	11,158,702

* 2022/23 - Funding for Teacher Staffing is now being provided 100% of the prior year allocation.

* Per LOU compliance at September 29, 2022 the District will submit actual staffing needs/costs, as well as estimated remedy costs to the Ministry in October; additional requested funding will be confirmed in December 2022.

CEF Rev/Exp Summary	Actual 17/18	Actual 18/19	Actual 19/20	Actual 20/21	Budget 21/22	Budget 22/23
Deferred Revenue		418,319	481,217	76,637	28,119	
Revenue Current Yr.	11,451,187	12,239,301	12,453,421	12,068,477	11,519,097	11,158,702
Less, Recovered by MOE		(418,318)	(481,217)	(76,637)		
Expenditures						
Teacher Staffing	(6,881,591)	(7,949,107)	(8,361,084)	(8,361,353)	(7,795,862)	(7,795,862)
Administrators	(176,343)	(252,158)	(256,819)	(274,070)	(262,373)	(264,333)
Education Assistants		(57,982)	(58,514)	-		
Support Staff	(269,510)	(442,790)	(371,071)	(402,336)	(403,059)	(403,060)
Other Professionals	(102,860)	-	(101,715)	(104,665)	(104,142)	(104,142)
Substitutes	(741,455)	(536,492)	(500,380)	(512,141)	(593,768)	(282,956)
Benefits	(2,080,986)	(2,309,688)	(2,414,730)	(2,346,293)	(2,291,492)	(2,218,238)
Supplies and Services	(257,684)	(48,949)	(309,471)	(39,500)	(96,520)	(90,111)
Capital purchases	(522,439)	(160,919)	-	-	-	-
Surplus(Deficit) at Year End	418,319	481,217	79,637	28,119	-	-

*2020-21 GWI provided to the Operating Fund by MOE = Supplement to CEF 436,507

*Source for Actuals - Financial Statements (21/22 Actuals TBD)

*Source for Budget 21/22 - Amended Annual Budget

*Source for Budget 22/23 - Preliminary Annual Budget

Learning Improvement Fund (LIF) - The Support Staff Learning Improvement Fund provides an ongoing multi-year commitment of additional resources, specifically targeted to support complex classes that present challenging learning conditions. Districts have discretion in how they allocate these funds to improve the learning conditions for all students and support teachers in meeting student needs.

For the past number of years, per agreement between CUPE Local 606 and the district, this fund provides an additional hour for each of our Education Assistant positions, as well as increases Supervision Aide positions from 3.3 to 3.5 hours each. Additionally, there is one extra EA position supported by this Special Purpose Fund.

LIF Rev/Exp Summary	Actual 17/18	Actual 18/19	Actual 19/20	Actual 20/21	Budget 21/22	Budget 22/23
Deferred Revenue	-	-	-	11,312		
Revenue	477,836	484,588	485,237	488,486	487,126	498,816
Expenditures						
Education Assistants	(357,338)	(363,485)	(358,639)	(376,236)	(366,809)	(373,092)
Support Staff	(14,965)					
Substitutes		(15,176)	(16,747)	(17,551)	(17,104)	(19,401)
Benefits	(105,533)	(99,314)	(98,538)	(105,658)	(103,081)	(105,384)
Supplies and Services		(6,613)		(353)	(132)	(939)
Surplus(Deficit) at Year End	-	-	11,313	-	-	-

*Source for Actuals - Financial Statements (Actuals for Fiscal 21/22 TBD)

*Source for Budget 21/22 - Amended Annual Budget

*Source for Budget 22/23 - Preliminary Annual Budget

Learning Improvement Fund Budget Summary

Fiscal Year	2022/23		Fiscal Year	2021/22	
Deferred Revenue (Prior Yr. Balance)		-	Deferred		-
Current Year Revenue		498,816	Current Yr.		487,126
Total Revenue		498,816	Total Revenue		487,126
Expenditures			Expenditures		
1 Education Assistant (30Hrs/wk.)	0.857 FTE	48,553	1 0.857 FTE		48,060
264 EA Positions - 1 hr top-up	7.543 FTE	409,040	261 7.457 FTE		400,286
130 Supervision Aides @ .2hr top-up	0.743 FTE	40,284	126 0.720 FTE		38,648
- Contingency (inflationary costs)		939	-		132
Total Expenses		498,816	Total Expenses		487,126
Surplus/Deficit		-			-

With the small increase in revenue for 2022/23 an additional 3 EA and 4 Supervision Aide top-ups are able to be supported by the Fund.



Community Link – This fund is in support of the academic achievement and social functioning of vulnerable students. Programs and services can include breakfast, lunch and snack programs, academic supports, counseling, youth workers and after-school programs. Decisions about specific programs and services are left to school boards so that the needs of individual students and local communities are met.

The majority of our Community LINK Fund provides the resources for our Child Youth Family Support Workers whose role is focused on providing guidance, ongoing assistance, encouragement and support to “at risk” students in developing and achieving appropriate behaviour, personal and life skills, as well as assists them with integrating or re-integrating into the regular school system. Further supports include specialized teaching for students with vision or hearing complexities, and ELL/IST support at our Elementary Schools.

Presented below is a Revenue/Expenditure Summary as well as a more detailed listing of the current supports provided by this Special Purpose Fund:

C-LINK Rev/Exp Summary	Actual 17/18	Actual 18/19	Actual 19/20	Actual 20/21	Budget 21/22	Budget 22/23
Deferred Revenue	92,764	22,340	115,404	109,812	47,543	
Revenue	2,224,298	2,243,848	2,264,422	2,311,113	2,361,778	2,361,778
Expenditures						
Teacher Staffing	(332,594)	(248,677)	(333,036)	(355,579)	(375,031)	(377,880)
Principals						
Education Assistants	(1,238,837)	(1,276,917)	(1,299,514)	(1,350,493)	(1,290,878)	(1,286,702)
Support Staff	(41,913)		(30,000)			
Other Professionals		(81,138)	(100,429)	(103,307)	(90,916)	(104,141)
Substitutes	(12,052)	(4,693)	(2,500)	(55,890)	(71,739)	(71,886)
Benefits	(460,916)	(403,432)	(448,019)	(452,624)	(461,074)	(464,489)
Supplies and Services	(202,304)	(135,927)	(56,516)	(55,489)	(119,683)	(56,680)
Capital purchases	(6,105)					
Surplus(Deficit) at Year End	22,341	115,404	109,812	47,543	-	-

**Source for Actuals - Financial Statements (Actuals for Fiscal 21/22 TBD)*

**Source for Budget 21/22 - Amended Annual Budget*

**Source for Budget 22/23 - Preliminary Annual Budget*

Of additional note, in 2021/22 CommunityLINK was able to provide unplanned, additional EA hours (.429FTE) using the 2020/21 year-end surplus (deferred revenue). However, as that one-time funding must be removed in the preliminary annual budget, the associated FTE is also removed.

Depending on the year-end balance on June 30, 2022, there may be an opportunity to use any associated surplus in support of additional EA time. If applicable, any additional staffing would be available in the Fall of 2022 and the increased expense would be presented in the Amended Annual Budget.



The proposed budget for Community LINK is as follows:

<u>Community LINK Budget</u>	2022/23 Annual Budget		2021/22 Amended Budget	
Revenue				
Deferred Revenue (Prior yr. surplus)		-		47,543
Annual Revenue		<u>2,361,778</u>		<u>2,361,778</u>
Total Revenue		<u>2,361,778</u>		<u>2,409,321</u>
Expenses				
Specialist Teacher	0.700 FTE	79,233	0.700 FTE	78,369
SST/ELL Support	0.500 FTE	56,595	0.500 FTE	55,978
Coordinator	3.000 FTE	343,162	3.000 FTE	340,500
Mental Health Manager	1.000 FTE	126,533	1.000 FTE	109,463
30 Child Youth Family Support Workers	28.286 FTE	1,653,093	28.286 FTE	1,636,312
Education Assistants	0.857 FTE	46,482	1.286 FTE	69,015
Supplies/Services		56,680		119,684
Total Expenses		<u>2,361,778</u>		<u>2,409,321</u>
Surplus (Deficit)		<u>-</u>		<u>-</u>

Official Language Education Program (OLEP) - The Ministry of Education administers federal funding intended to support incremental costs resulting from offering French as a second official-language in British Columbia. The district anticipates the same funding level in 2022/23 that was received in 2021/22 which was \$255,636.

This funding may be reviewed, amended or supplemented at the Ministry of Education's discretion, on an annual basis, depending on reported enrolment in French as a second language, and the availability of funds from the BC action plan. All Federal Funds received by school districts must be spent entirely in support of French Immersion Programs or Core French Courses. The ministry could reclaim any portion of the grant not used for this purpose.

Funds are provided under seven categories; however, school districts have the flexibility to reallocate funds between these categories to best support the educational services provided. The districts OLEP grant supports 1.2 FTE Coordinator positions, as well as financial allocations out to schools for educational resources, technology, cultural activities, and professional development opportunities for Core and French Immersion teachers.



Financial data under this funding is as follows:

OLEP Rev/Exp Summary	Actual 17/18	Actual 18/19	Actual 19/20	Actual 20/21	Budget 21/22	Budget 22/23
Deferred Revenue			31,779	90,273	47,610	
Revenue	202,584	202,583	202,584	222,497	222,497	255,636
Expenditures						
Teacher Staffing	(29,674)	(29,975)	(19,256)	(120,857)	(108,829)	(109,680)
Substitutes	(1,555)	(6,599)			(8,000)	(8,000)
Benefits	(7,732)	(8,389)	(4,578)	(28,627)	(29,371)	(29,585)
Supplies and Services	(133,164)	(108,351)	(98,302)	(104,459)	(123,907)	(108,371)
Capital purchases	(30,459)	(17,490)	(21,954)	(11,217)		
Surplus(Deficit) at Year End	-	31,779	90,273	47,610	-	-

*Source for Actuals - Financial Statements (Actuals for Fiscal 21/22 TBD)

*Source for Budget 21/22 - Amended Annual Budget

*Source for Budget 22/23 - Preliminary Annual Budget

StrongStart BC - StrongStart programs provide school-based early learning services for families or caregivers and their pre-school aged children, at no cost to families. The programs are intended to fill a niche for young children who are not attending childcare and are in the home with their parent or other caregivers, such as grandparents or nannies. Both children and adults' benefit from StrongStart BC early learning programs as children have access to high-quality learning environments and benefit from social interactions while the adults who accompany them learn new ways to support learning, both at the program and at home.

StrongStart centers, administered by School Districts, provide a positive early learning experience for children where the goal is to create an interactive, play-based environment that supports caregivers and children to enjoy learning together, develop essential skills and prepare for a transition to school.

Nanaimo Ladysmith Public Schools operates eight Strong Start Centers across the District, located at Bayview Elementary School, Cedar Elementary School, Fairview Community School, Frank J. Ney Elementary, Georgia Avenue Community School, Ladysmith Primary, McGirr Elementary School, and Quarterway Elementary School

The Ministry of Education provides \$32,000 worth of funding for each center in support of programs and activities offered. With no planned changes for 2022/23, budget still provides for one StrongStart Facilitator at each site as well as a small allocation for program resources.

However, note that the amount available for program-based resources has been reduced due to the increased cost of CUPE wages, with no additional funding to offset these rising expenses.



Financial data for the StrongStart program is represented below:

Strong Start Rev/Exp Summary	Actual 17/18	Actual 18/19	Actual 19/20	Actual 20/21	Budget 21/22	Budget 22/23
Deferred Revenue			964	12,338	33,855	
Revenue	256,000	256,000	257,264	256,000	256,000	256,000
Expenditures						
Teacher Staffing						
Principals/Vice Principals		(1,564)				
Education Assistants	(190,464)	(180,219)	(180,324)	(170,662)	(197,001)	(197,001)
Substitutes	(39)					
Benefits	(65,516)	(62,415)	(59,667)	(56,932)	(52,895)	(52,895)
Supplies and Services	19	(10,838)	(5,899)	(6,889)	(39,959)	(6,104)
Surplus(Deficit) at Year End	-	964	12,338	33,855	-	-

*Source for Actuals - Financial Statements (Actuals for Fiscal 21/22 TBD)

*Source for Budget 21/22 - Amended Annual Budget

*Source for Budget 22/23 - Preliminary Annual Budget

Ready Set Learn - Intended for families and their three- to five-year-old children, Ready, Set, Learn is all about fostering positive connections between families, the school system and local community agencies.

Elementary schools that enroll Kindergarten classes hold Ready, Set, Learn events in their schools or communities. These events provide a fun, family-oriented atmosphere with the intent of supporting children's transitions into school. Families who attend an event at a local school take part in play-based activities while learning about early learning programs and services, their local elementary school, and their communities. Events may feature guests, handouts, or information from community agencies and other early childhood service providers.

Financial information for this program is as follows:

Ready Set Learn Rev/Exp Summary	Actual 17/18	Actual 18/19	Actual 19/20	Actual 20/21	Budget 21/22	Budget 22/23
Deferred Revenue	59,897	17,185	16,221	22,119	39,066	
Revenue	66,150	65,415	64,478	63,700	63,700	63,700
Expenditures						
Education Assistants		(4,076)				
Substitutes	(17,711)	(8,048)	(5,568)	(12,165)	(2,500)	(2,500)
Benefits	(3,201)	(2,288)	(1,190)	(2,309)	(625)	(625)
Supplies and Services	(87,950)	(51,967)	(51,822)	(32,279)	(99,641)	(60,575)
Surplus(Deficit) at Year End	17,185	16,221	22,119	39,066	-	-

*Source for Actuals - Financial Statements (Actuals for Fiscal 21/22 TBD)

*Source for Budget 21/22 - Amended Annual Budget

*Source for Budget 22/23 - Preliminary Annual Budget



Operating Fund

The District's Operating Budget is funded by multiple sources, which includes the Ministry of Education Operating Grant, other Ministry of Education Grants, other Provincial Grants, International Student Education Tuition, First Nation Local Education Agreement Funding, as well as other miscellaneous revenue not deemed Special Purpose by the Ministry of Education.

Operating Grant

Since the 2021/22 Amended Budget, the overall change to the Operating Grant per the estimated increase in enrolment is reflected below:

NLPS - Financial Impact of Projected Enrol for 2022/23 Vs. the 2021/22 Amended Budget							
	Funded FTE			RATES	Funding		
	22/23 Annual Budget	21/22 Amended Budget	Change		22/23 Annual Budget	21/22 Amended Budget	Change
September Enrolment							
Standard (Regular) Schools	14,393.615	14,112.375	281.240	7,885	113,493,654	111,276,077	2,217,577
Continuing Education	-	-	-	7,885	-	-	-
Alternate Schools	295.000	289.000	6.000	7,885	2,326,075	2,278,765	47,310
Distributed Learning	355.225	366.500	(11.275)	6,360	2,259,231	2,330,940	(71,709)
Adult Education (Non-Graduates)	2.500	2.875	(0.375)	5,030	12,575	14,461	(1,886)
Total September Enrolment	15,046.340	14,770.750	275.590		118,091,535	115,900,243	2,191,292
Unique Student Supplements							
Home Schooling	83.00	83.000	-	250	20,750	20,750	-
Course Challenges	4.00	4.000	-	246	984	984	-
Level 1 Special Needs	16.000	17.000	(1.000)	44,850	717,600	762,450	(44,850)
Level 2 Special Needs	510.000	534.000	(24.000)	21,280	10,852,800	11,363,520	(510,720)
Level 3 Special Needs	225.000	223.000	2.000	10,750	2,418,750	2,397,250	21,500
English Language Learning	885.000	909.000	(24.000)	1,585	1,402,725	1,440,765	(38,040)
Indigenous Education	2,400.000	2,469.000	(69.000)	1,565	3,756,000	3,863,985	(107,985)
Total Unique Student Supplements	-	-	-		19,169,609	19,849,704	(680,095)
Other Funding Categories							
Equity of Opportunity Supplement					853,479	842,654	10,825
Salary Differential Supplement					3,278,380	3,218,333	60,047
Unique Geographic Factor Supplement					3,493,625	3,340,508	153,117
Education Plan Supplement					132,911	128,732	4,179
February Data Count (New SPED/DL/ELL)	154.000	154.000	-		1,006,675	1,019,806	(13,131)
May Data Count (New DL Only)	93.000	93.000	-		522,560	527,720	(5,160)
Total Other Funding Supplements	247.000	247.000	-		9,287,630	9,077,753	209,877
Total September Enrolment	15,046.340	14,770.750	275.590		118,091,535	115,900,243	
Total Unique Student Supplements					19,169,609	19,849,704	
Total Other Funding Categories	247.000	247.000	-		9,287,630	9,077,753	
Grand Total - FTE and Revenue	15,293.340	15,017.750	275.590		146,548,774	144,827,700	1,721,074

The School District's 2022-23 Estimated Operating Block can be found at:

<https://www2.gov.bc.ca/assets/gov/education/administration/resource-management/k12funding/22-23/22-23-sd-68-march-2022.pdf>

The Ministry of Education Operating Grant Manual, which contains the associated funding formulas, can be found at:

<https://www2.gov.bc.ca/assets/gov/education/administration/resource-management/k12funding/22-23/22-23-operating-grants-manual.pdf>

Operating Fund – Summary of Revenue Changes

Represented below are the operating revenue changes made to the 2022/23 Annual Budget, compared to those included in the 2021/22 Amended Budget.

Operating Fund - Summary of Revenue Changes	22-23 Annual Budget	21-22 Amended Budget	Change	
MOE Operating Grant	146,548,774	144,827,700	1,721,074	1
Less Local Education Agreement Federal Funding Recovery	(1,384,606)	(1,174,655)	(209,951)	2
Total	145,164,168	143,653,045	1,511,123	
Other Ministry of Education Grants				
Student Transportation	244,630	244,630	-	
Other	87,445	182,964	(95,519)	3
Pay Equity	160,000	160,000	-	
Total	492,075	587,594	(95,519)	
Other Provincial Grants				
Industry Training Grants	195,000	227,000	(32,000)	4
MCFD Program	40,416	40,416	-	
Other	-	8,000	(8,000)	5
Total	235,416	275,416	(40,000)	
Other Revenue				
Local Education Agreement - Federal Funding	1,384,606	1,174,655	209,951	6
International Student Education	4,579,200	4,322,250	256,950	7
Conseil Scolaire Francophone (CSF)	519,299	519,299	-	
Cafeteria Revenue	220,000	220,000	-	
BC Hydro Energy Grant	50,000	50,000	-	
Rentals and Leases	500,000	400,000	100,000	8
Investment Income	235,000	186,000	49,000	9
Other	117,000	117,000	-	
Total	7,605,105	6,989,204	615,901	
Revenue prior to Surplus Appropriation/Transfers	153,496,764	151,505,259	1,991,505	
Appropriated Surplus	105,938	8,858,355	(8,752,417)	10
Transfer of Operating Funds to Local Capital	-	(5,187,500)	5,187,500	11
Total Operating Revenue	153,602,702	155,176,114	(1,573,412)	

1) Revenue increase per increased student enrolment of 275.59FTE

2) Less \$209,951 to the Operating Grant offset by increased Federal funding for additional Indigenous Students under our LEA's

3) Removal of PFA (Provincial Framework Agreement) funding for benefits as current Collective Agreements expire June 30th; 2022/23 funding TBD

4) Decrease to anticipated ITA revenue as one time additional grants received in 21/22 are not applicable to 22/23

5) Removal of miscellaneous grants received in 21/22 not applicable to 22/23

6) Offset of #2

7) Increased ISE Tuition per 22/23 student enrolment estimates

8) Increase to Rentals and Leases per increased usage post-COVID

9) Increased Investment revenue per / estimates related to higher interest rates and new district investment portfolio

10) Removal of the prior year appropriated surplus, addition of current year's appropriation

11) Removal of the Transfer to Local Capital; 22/23 Transfer pending YE Accumulated Operating Surplus balance and confirmed resources required

Overall revenue for 2022/23, prior to the addition of appropriated surplus, is estimated to be \$1.991 million over 2021/22. This is largely due to our estimated student enrolment where we anticipate an increase of 275.59 FTE, which provides \$1.721 million in additional funding.

Further revenue comes through our International Student Education program which continues to recover from the decline experience during the pandemic where the program decreased from 325 students pre-COVID to an all-time low of 160 in 2020/21, increasing to 380 students in 2021/22. Budget 2022/23 accounts for growth but remains somewhat conservative due to ongoing global complexities and the potential for student cancellations prior to school start up; we are projecting 387 students but anticipate we'll likely see upwards of 415. If student enrolment figures do exceed projections, additional staffing will be provided to the applicable schools in support of those students. Any increase in tuition revenue, along with the associated expenses, will be presented in the 2022/23 Amended Annual Budget.

Operating Fund - Summary of Revenue Changes	
Opening Revenue - 2021/22 Amended Annual Operating Budget	155,176,115
2021-22 Operating Revenue - Amended Budget	155,176,115
<i><u>Summary of Revenue Adjustments</u></i>	
Removal of Restricted Surplus	(7,060,336)
Removal of Unrestricted Surplus	(1,798,019)
Removal of the Restricted/Unrestricted Surplus transfers to Local Capital	5,187,500
International Student Education increase per projected student enrolment	256,950
Removal of one time increase in ITA revenue	(32,000)
Removal of Supplement for Collective Agreement Benefit costs through BCPSEA	(95,519)
Adjustment to Rentals and Community Use revenue per current/coming year preliminary estimates	100,000
Adjustment Interest revenue per current/coming year preliminary estimates	49,000
Removal of Miscellaneous grants not applicable to 22/23	(8,000)
MOE Operating Grant update per 2022-23 projected student enrolment	1,721,075
<i>Total Operating Revenue Adjustments</i>	<i>(1,679,349)</i>
2022-23 Operating Revenue	153,496,766
<i>Add Appropriation of Accumulated Restricted Operating Surplus</i>	<i>105,938</i>
Closing RevenueExpense - 2022-23 Preliminary Annual Budget	153,602,704

Note the budget includes the appropriation of \$105,938 of restricted surplus, part of which was required to add the Seamless Day K staffing back, pending the Ministry of Education and Childcares confirmation of Special Purpose Funding in the 2022/23 year, expenses will be transferred from Operating over to the applicable Special Purpose Fund. (\$50,000)

The balance of surplus was used to fund the Summer Outreach Program in July and August of 2022, similar to the programing in 2021 where 78 elementary students and 50 secondary students were not only provided access to food and services, but also given opportunity to remain connected to the school community in an effort to ensure they returned to the classroom in September. (\$55,938)

Supportive Board Goal – Continuous Improvement of Instruction and Assessment



Operating Expenses

Expense adjustments for Budget 2022/23 start with detailed analysis of the operating expenses in the 2021/22 Amended Annual Budget. From there, all known, projected, or anticipated increases or decreases are accounted for which may include items such as salary and benefit rate adjustments, inflationary cost pressures, removal of budgets not applicable to the current year, contractual obligations, assumed risk mitigation strategies, and student enrolment. The following chart represents the district's adjusted operating expenses for Budget 2022/23, since the approval of the 2021/22 Amended Budget.

Operating Fund - Summary of Expense Changes		
Opening Expense - 2021/22 Amended Annual Operating Budget		155,176,115
Summary of Expense Adjustments		
Removal of all Restricted/Unrestricted Surplus items (Staffing Impact = -3 TCH FTE/-10 FTE Custodial/-1.25	-18.922 FTE	(3,820,854)
Staffing update per projected student enrolment (+15.639) and removal of one time staffing (-20.65)	-5.011 FTE	(575,007)
EA Staffing update per projected enrolment and removal of one time staffing N/A to 22/23	-9.73 FTE	(223,159)
Clerical Staffing - removal of one time staffing (-.313)	-0.313 FTE	(2,259)
Retirement of Assistant Secretary Treasurer replaced by 1.0 Payroll/1.0 District Clerical	1.00 FTE	(36,522)
BCTEA Transportation routes moved back into Operating until 22/23 funding confirmed	3.382 FTE	218,910
School Operating Budgets updated per projected student enrolment		33,893
International Budget increase per revenue update	1.00 FTE	213,970
Benefit Rate increase per inflationary costs/anticipated expense		297,798
Increase to Average Teacher Salary per anticipated annual increments		599,254
Teacher Replacement Cost increase		251,012
Administrative/Excluded Salary Increases estimated for 22/23		273,537
Update to District digital/technical contracts for 22/23		245,983
Reversal of one time budget ADJ's N/A to 22/23 (Staffing = -1.25AO time/.247 RRT Secondment reversal)	-1.003 FTE	(292,707)
School calendar update for 22/23 per days in session increases 10 month employees from 39 to 39.4 wks.		148,196
Adjustment for the estimated cost of implementing the new ESA Sick Leave provision		672,066
Tier 3 Program (1.0 FTE VP/.943FTE CYSFW/.857FTE EA)	2.8 FTE	249,520
Vice Principal assignment adjustments		10,426
Additional ELL/IST teaching resources for Elementary Schools	0.51 FTE	56,594
Summer Outreach - FUNDED BY SURPLUS (5 CYSFW's over 8 weeks)	0.957 FTE	55,938
Early Years Program (Seamless Day K) - FUNDED BY SURPLUS (1 ECE for start up pending Ministry funding)	0.75 FTE	50,000
Total Operating Expense Adjustments	-24.58 FTE	(1,573,411)
Closing Expense - 2022-23 Preliminary Annual Budget		153,602,704

Additional investments in education in Budget 2022/23 are noted below, along with the supporting Board goal.

Learning Services - 2022-23 Budget Priorities		
	Budget Transfer	2022-23 Investment
District Tier 3 Program		
New Staffing includes a Vice Principal, CYSFW and EA		249,520
Board Goal - Continuous Improvement of Instruction and Assessment		
Other Staffing Additions		
.51FTE Increase in Elementary IST/ELL allocations		56,594
Vice Principal assignment adjustments		10,426
Funded by Departmental Expense Reorganization - No Cost Impact		
.20 FTE increase to Specialist Teacher for Vision	22,638	
.20FTE Increase to Specialist Teacher for Hearing	22,638	
.30 FTE Increased Admin Time for Island Connect Ed	46,759	
Board Goal - Continuous Improvement of Instruction and Assessment		
Total Investment - 2022/23		316,540



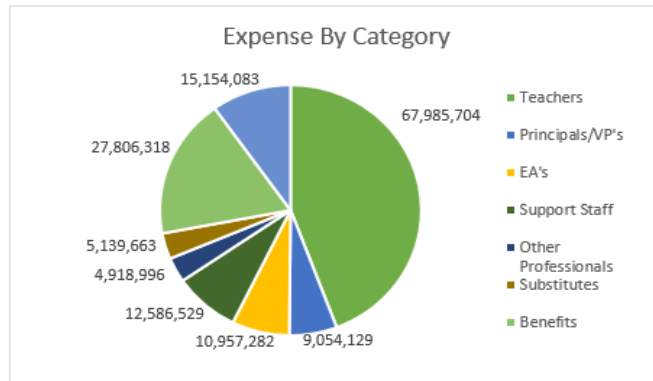
Operating Fund Summary

For presentation to the Ministry of Education, any transfer of Operating Revenue to Local Capital and an Appropriation of Restricted Surplus must be identified separately from general Revenue. For summary purposes, the chart below presents the Revenue and Expenses, as they will be shown on the 2022/23 Annual Budget Document for Bylaw approval.

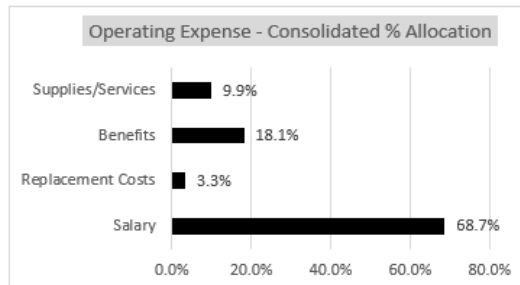
Operating Fund - Revenue and Expense Summary	
Operating Revenue	153,496,766
Operating Expense	153,602,704
Surplus(Deficit)	(105,938)
Transfer of Operating Funds to Local Capital	-
Appropriation of Restricted Surplus	105,938
Surplus(Deficit)	-

Summary of Surplus Appropriation	
2022/23 Summer Outreach Program	55,938
Seamless Day K Program pending MOE Funding	50,000
Total	105,938

Total Expenses by Category



Category	Expense	%
Teachers	67,985,704	44.3%
Principals/VP's	9,054,129	5.9%
EA's	10,957,282	7.1%
Support Staff	12,586,529	8.2%
Other Professionals	4,918,996	3.2%
Substitutes	5,139,663	3.3%
Benefits	27,806,318	18.1%
Services / Supplies	15,154,083	9.9%
Total Expenses	153,602,702	100%



District Staffing

District staffing consolidated under the Operating, Special Purpose, and Capital Fund has increased substantially in the last three years. This is predominantly due to the restoration of the class size and composition language under LOU17 (Classroom Enhancement Fund). Further, the District has seen an increased number of students with unique needs who require additional assistance to enable them to access and participate in educational programs. The district has also seen a significant increase in Capital works in support of Ministry approved projects, facility upgrades, and classroom space modifications or additions per increased enrolment. And most recently, COVID-19-19, which brought with it a large in-flux of staffing for enhanced cleaning protocols, on-line and distributed learning, and support for learning loss.

Overall, since 2014/15, our student to staffing ratio has continued to improve, and the district shows an increase in staffing of 283.23FTE. However, given the pandemic required increased educational and custodial supports, and the additions were funded first by Ministry, and then by district surplus, the increased level of staffing with no ongoing funding source is not able to be maintained without making cuts elsewhere to accommodate. The chart below provides staffing levels up to those included within the 2021/22 Amended Budget; however, Budget 2022/23 will show reductions.

Student FTE September Enrolment	12,878	13,067	13,427	13,728	14,035	14,295	14309	14771	21/22
Budgeted FTE Staffing	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	Student to Staff Ratio
Teachers	724.64	715.74	739.79	832.178	864.431	877.274	883.505	885.403	16.68
Administrative Officers	57.75	55.50	54.00	59.600	66.200	65.800	67.000	69.750	211.77
Education Assistants	255.20	272.15	279.29	276.923	298.868	312.886	311.448	323.021	45.73
Support Staff	243.82	224.90	224.43	241.161	251.264	250.835	277.982	271.255	54.45
Other Professionals	38.29	38.50	41.50	44.000	47.500	51.500	53.000	53.500	276.09
Total	1,319.70	1,306.79	1,339.01	1453.862	1528.263	1558.295	1592.935	1602.929	9.22
Student to Staff Ratio	9.76	10.00	10.03	9.44	9.18	9.17	8.98	9.22	

**Source - Amended Annual Budgets*

Noted below is the overall change in FTE since 2014/15, as compared to our 2021/22 Amended Annual Budget, reflecting the growth for each category.

Change in FTE from 2014/15 to 2021/22	
Teachers	160.77
Administrative Officers	12.00
Education Assistants	67.82
Support Staff	27.44
Other Professionals	15.21
Total	283.23



Staffing Changes – Operating Fund

2022/23 OPERATING FUND - Summary of Staffing Change	
Teachers	
Secondary staffing update per enrolment and removal of all extra supports provided in 21/22	6.182
1.0 Outreach Coordinator Elem - Funded by surplus in 21/22	-1.000
1.0 Secondary Outreach - Funded by surplus in 21/22	-1.000
Elem Enrol HR staffing update + temp FTE removal	-1.020
1.0 ISE Coordinator removal, DVP remaining in its place	-1.000
CTC removed temp teach funded by temp grant	-0.300
ICE Temp Staffing (1sst/4.0FTE/.3AO Backfill)	-5.300
Learning Alt - .50 of 2.0 SD84 intake as partially funded by surplus	-0.500
District Learning Services Coordinator added Jan2022 for 21/22 only	-0.500
ELL staffing - removal of one time support	-3.200
IST/ELL Elementary Increase	0.510
Hearing/Vision Teacher increase (.2ea)	0.400
ISE Advising Blocks for Secondary	1.002
Indigenous ED - Deferred revenue removed, staff reorganization	-0.687
Total	-6.413
Support Staff	
Bus Monitors - Removal	-1.250
Custodial - COVID - Removed	-10.000
HR Temp Clerical -COVID Fund - Reversed	-0.714
Painting Project - Painter removed	-1.000
Element Enrol adj	-0.257
ICE Temp Clerical	-0.485
New Payroll Specialist (Hambley Retirement)	1.000
New Finance Admin (Hambley Retirement)	1.000
BCTEA routes back to Transportation Dept	3.382
Secondment to RRT returned to Communications (Clerical)	0.143
Total	-8.181
Education Assistants	
Outreach EA's funded by surplus in 2021/22	-0.800
NOE Crossing Guard funded by surplus in 2021/22	-0.286
Supervision position adjustment per enrol	0.096
EA Staffing Update per projected enrol/new formula/removal of extra contingency in 21/22 only (149.34 hrs)	-4.278
Learning Services EA contingency removal as 21/22 only	-5.572
Seamless Day ECE - Funded by Surplus in 22/23	0.321
Tier 3 Program CYSFW	0.943
Tier 3 Program EA	0.857
Indigenous ED - Deferred revenue removed, staff reorganization	-0.973
Total	-9.692
Other Professionals	
HR Manager (Contractual Support for COVID) - Funded by surplus in 21/22	-0.5
ISE Homestay Coordinator	1.000
1.0FTE Assistant Sec Treasurer per Retirement	-1.000
Secondment to RRT returned to H&S/Communications	0.12
Total	-0.380
Administrators	
Temp .25 AO time at ND increased to .80 ongoing	0.550
VP at Uplands	-1.000
Remove .5 District Prin overlap with DOI 21/22 only	-0.500
Tier 3 Program VP	1.000
Total	0.050



Total Change in FTE – Operating and Special Purpose Funds

The district’s total, full-time equivalent staffing levels, from both the Operating and Special Purpose Funds, are summarized below:

2022/23 OPERATING FUND - FTE Summary			
Category	22/23 Annual Budget	Change	21/22 Amended Budget
Teachers	781.366	-6.413	787.779
Administrative Officers	67.800	0.050	67.750
Education Assistants	266.581	-9.656	276.237
Support Staff	236.944	-8.181	245.125
Other Professionals	49.500	-0.380	49.880
Total FTE	1402.191	-24.580	1426.771

2022-23 Special Purpose Fund FTE Summary			
Category	22/23 Annual Budget	Change	21/22 Amended Budget
Teachers	97.624	0.000	97.624
Administrative Officers	2.000	0.000	2.000
Education Assistants	45.179	-1.605	46.784
Support Staff	22.605	-3.525	26.130
Other Professionals	4.500	0.880	3.620
Total FTE	171.908	-4.250	176.158

2022/23 Consolidated FTE Summary			
Category	22/23 Annual Budget	Change	21/22 Amended Budget
Teachers	878.990	-6.413	885.403
Administrative Officers	69.800	0.050	69.750
Education Assistants	311.760	-11.261	323.021
Support Staff	259.549	-11.706	271.255
Other Professionals	54.000	0.500	53.500
Total FTE	1574.099	-28.830	1602.929



Reconciliation to the Ministry of Education and Childcare Budget Document

The 2022/23 Annual Budget, reconciled to include the Operating, Special Purpose and Capital Fund, is presented below, as well as the District's Budgeted Bylaw amount, both are represented within the Ministry of Education Annual Budget document, provided separately.

2022/23 Budget Reconciliation	
Operating Revenue	153,496,766
Special Purpose Revenue	17,907,628
Amortization of Deferred Capital Revenue	6,600,000
Local Capital Investment Income	30,000
Total Revenue	178,034,394
Operating Expense	153,602,704
Special Purpose Expense	17,907,628
Amortization of Capital Asset Expense	10,200,000
Total Expense	181,710,332
<i>Surplus(Deficit)</i>	<i>(3,675,938)</i>
Appropriation of Restricted Surplus	105,938
Surplus(Deficit)	(3,570,000)

¹ The deficit presented is from the Capital Fund only, and is the difference between the Amortization of Deferred Capital Revenue and the Amortization Expense on District Assets; Ministry allows for this deficit.

2022/23 Budget Bylaw	
<i>The Bylaw amount is the District's Budgeted <u>EXPENSES</u> only, which are as follows:</i>	
Operating Expense	153,602,704
Special Purpose Expense	17,907,628
Amortization of Capital Asset Expense	10,200,000
Tangible Capital Assets Purchased from Local Capital	-
Total Bylaw	181,710,332



District Capital



Below is a summary of ongoing capital projects with their associated funding envelopes, prior period expenses referred to as WIP (Work in Progress), the 2021/22 budget amount, along with expense to Q3, a projection to year-end and the estimated budgets for 2022/23. Note that some projects span multi-years and some projects, although approved by the funding party, may have a delayed start which could be due to a variety of factors.

2022-23 Capital Budget - Revenue/Expense Schedule								
April 27, 2022								
Capital Projects			Total Project COA	WIP	2021/22 Annual Budget	2021/22 Expenses at March 31	2021/22 Q4 estimated expense	2022-23 Estimated Budget
School Addition	CP44D	Hammond Bay	11,277,098	1,955,466	9,321,632	4,129,011	2,000,000	3,192,621
School Reno	CP10C	Dover Bay	2,344,274	-	2,344,274	-	900,000	1,444,274
BEP	CPD21	Dover Bay	4,750,000	4,012,778	737,222	103,765	-	633,457
	CP337	Forest Park	31,000	6,132	24,868	24,403	-	465
	CP11C	John Barsby	24,250	6,947	17,303	17,206	-	97
	CP348	LIS	33,000	6,495	26,505	25,645	-	860
	CP352	Mountain View	44,250	9,695	34,555	34,306	-	250
	CP358	NOE	33,000	4,722	28,278	28,278	-	-
Seismic	CP324	Cilaire	10,027,544	1,639,939	8,387,605	3,593,412	2,800,000	1,994,193
	CP366	Pleasant Valley	6,713,304	994,187	5,719,117	2,244,472	2,000,000	1,474,645
	* CP48A	Ladysmith Intermediate	TBD	-	-	-	-	TBD
SEP/CNCP	CP44C	Hammond Bay	159,000	132,672	26,328	18,136	20,000	(11,808)
	CP66B	Pleasant Valley (HVAC)	375,000	-	375,000	82,880	275,000	17,120
	CP24B	Cilaire (HVAC)	1,000,000	-	1,000,000	147,776	825,000	27,224
	CP209	Cedar Secondary	400,000	-	400,000	-	200,000	200,000
	* CP48B	Ladysmith Intermediate	1,218,000	-	-	-	100,000	1,118,000
	* CP11D	John Barsby	508,000	-	-	-	50,000	458,000
BUS	CP682	District - Bus x 2	416,896	-	416,896	416,896	-	-
	* CP682	District - Bus x 3 (SPP Contribution)	552,287	-	-	-	-	552,287
Playground	CP371	Quarterway	165,000	-	165,000	165,000	-	-
	* CP24A	Cilaire	165,000	-	-	-	-	165,000
Child Care (MCFD)	CP447	Chase River	2,196,213	292,203	1,904,010	586,913	333,500	983,597
	CP448	Forest Park	2,123,636	505,560	1,618,076	1,022,838	141,000	454,238
	CP449	LPS	2,279,113	240,656	2,038,457	318,881	400,000	1,319,576
	CP450	QQS	1,976,689	-	1,976,689	14,792	10,000	1,951,897
	CP451	Rock City	2,436,717	24,418	2,412,299	50,833	61,000	2,300,466
	CP457	Cilaire	2,698,085	-	2,698,085	-	-	2,698,085
	CP458	Georgia Ave	2,431,273	-	2,431,273	-	3,000	2,428,273
	CP459	Pleasant Valley	2,838,069	-	2,838,069	-	-	2,838,069
	CP460	Quarterway	1,073,279	-	1,073,279	-	-	1,073,279
	CP461	Seaview	2,594,173	-	2,594,173	6,257	1,000	2,586,916
StrongStart (MCFD)	CP452	Bayview	34,286	-	34,286	-	7,000	27,286
	CP454	Cedar Elementary	34,286	-	34,286	-	-	34,286
	CP455	Fairview	34,286	-	34,286	-	-	34,286
	CP456	Quarterway	34,286	-	34,286	-	-	34,286
Project Totals			63,021,294	9,831,870	50,746,137	13,031,700	10,126,500	30,031,225

Note 1: Annual Budget figures are the Total Project COA, less prior year(s) WIP

Note 2: WIP (Work in Progress) - Prior year(s) project expenditures; per Schedule 4B of the Annual Financial Statements

Note 3: COA (Certificate of Approval) - The current approved funding envelope, subject to change by the funding party

Note 4: This list is exclusive of AFG and Local Capital

Note5: Items in Red are the newly approved 2022/23 Capital Projects

District Local Capital



Ministry of Education and Childcare has indicated they would like to see multi year financial planning with regards to cash balances such as Accumulated Operating Surplus and Local Capital, in order to ensure districts are managing financial assets, risk, and ongoing operational pressures, are being transparent to the public, are focusing on enhancing student outcomes, and supporting Board Goals and Operational Plans.

The newly developed multi-year Financial Plan is presented below:

Local Capital - Three Year Financial Plan			
<i>2022/23 to 2024/25</i>			
Revenue	2022-23	2023-24	2024-25
Estimated Deferred Revenue	6,000,000	3,114,000	2,181,000
Fund Credit per Expense Reallocation	408,359		
	6,408,359	3,114,000	2,181,000
<u>Operating Fund and/or Accumulated Surplus Transfers</u>			
<i>Transfer necessary to fund three year planning</i>	<i>2,550,000</i>	<i>2,400,000</i>	<i>1,300,000</i>
Technology / Infrastructure Upgrades	1,000,000	1,000,000	1,000,000
Total Transfer from Operating	3,550,000	3,400,000	2,300,000
Investment Income	30,000	32,000	34,000
	3,580,000	3,432,000	2,334,000
Total Revenue	9,988,359	6,546,000	4,515,000
<u>Planned Projects</u>			
Board Goal - Continuous improvement of instruction and assessment			
LC035 Equitable Access to Technology (Wi-Fi)	1,500,000	800,000	800,000
LC609 Technology Plan	1,000,000	1,000,000	1,000,000
LC800 Learning Studios	275,000	275,000	300,000
Board Goal - To be a leader in environmental stewardship and sustainability			
LC682 Solar Panel Project	250,000		
LC683 Landscape Sustainability Project	10,000		
LC723 Environmental Upgrades - General	775,000	100,000	100,000
LC724 E-Bus	225,000	250,000	275,000
LC561 Outdoor Learning Fund	300,000	50,000	50,000
Board Goal - Safe, caring and healthy learning and working environment that is inclusive of the diversity of our entire learning community			
LC681 Accessibility	40,000	40,000	40,000
LC750 School Enhancement Projects	88,000	50,000	50,000
Board Goal - Truth and Reconciliation			
LC203 Syeyutsus Support	175,000	100,000	100,000
Long Range Facilities Plan (LRFP)			
LC580 Vehicle Replacement Program/AMP	300,000	350,000	400,000
LC581 District Equipment/Signage	200,000		
LC997 Enrollment Growth Space Needs	250,000	300,000	350,000
LCSSA School Site Acquisition Fund	400,000		
LCLRP LRFP-Capacity/Capital Contributions		850,000	850,000
LCCAP Support of Pending/New Capital Projects	100,000	100,000	100,000
LCTFR Turf Field Reserve	500,000		
TBD Cilaire Parking Lot	50,000		
TBD Randerson Drainage Support	200,000		
TBD Pleasant Valley HVAC Support	125,000		
LC999 Contingent Reserve	111,359	100,000	100,000
Total Projects/Expenses	6,874,359	4,365,000	4,515,000
Fund Balance	3,114,000	2,181,000	-

As reflected, the district is estimating a 2021/22 year-end Local Capital balance of \$6.4 million, pending actual fourth quarter results which may vary due to supply chain, workforce, and/or construction issues, where the final balance will be presented on the Audited Financial Statements in September.

Prior to that confirmation, staff have used the estimated year-end balance as the opening revenue for the 2022/23 preliminary Local Capital three-year financial plan, where proposed annual transfers from the Accumulated Operating Surplus balance would be necessary to provide the additional resources needed to support the Plan.

Each September, when the Board is presented with the districts accumulated operating surplus position, resource allocations may be determined in alignment with Policy 2.16 and AP 524 - Accumulated Operating Surplus (Reserves), where Local Capital transfers would be recommended pursuant to the districts multi-year financial plan, along with consideration for other educational or operational needs throughout the district.

We also wish to note that the current schedule does not account for anticipated revenues and expenses related to newly constructed childcare facilities. Amounts included on our future schedules will be based on our ongoing experience.

