

School District #75 (Mission)
Special Committee of the Whole Meeting
Agenda

February 12, 2019, 3:30 pm
District Education Office, 33046 4th Avenue, Mission, BC

Pages

1. CALL TO ORDER
The Board Chair will acknowledge that this meeting is being held on Traditional Territory.
2. ADOPTION OF AGENDA
3. DELEGATIONS/PRESENTATIONS
4. CURRICULUM
5. UNFINISHED BUSINESS
6. STAFF REPORTS
 - 6.1 Amended Budget 2018/19 Action 1 - 6
 - 6.2 Preliminary 2019/20 Budget Discussion 7 - 8
 - 6.3 Stave Falls Elementary Information 9 - 31
7. NEW BUSINESS
8. MINUTES OF PREVIOUS MEETINGS
9. INFORMATION ITEMS
10. ADJOURNMENT

ITEM 6.1 Action File No. 8010.20.2018/2019

TO: Committee of the Whole
FROM: C. Becker, Secretary Treasurer
SUBJECT: Amended Budget 2018/19

Recommendation

THAT the Amended Budget information for the 2018/19 be reviewed.

Summary:

The 2018/2019 Amended Budget is presented for consideration. Significant adjustments were needed to reconcile the budget and eliminate the deficit created by operational changes that shifted the budget from a projected operating surplus of \$630,000 to a projected operating deficit of \$1.37 million – a change of \$2 million.

Background:

In the spring of 2018, the preliminary budget for the 2018/2019 school year was developed based on the enrolment projections made in February 2018. In June 2018 when the budget was being considered for approval, staff had identified an issue with the enrolment projections, as significantly fewer students had registered for the upcoming school year. The 2017/2018 surplus funds were held, and the funds being transferred for capital projects were identified as being available to be withheld to address any actual shortages, and the capital could be funded from the local capital reserve. As such, staff have been holding back capital spending until now to ensure funds could be accessed if the budget needed support.

Late in June, staff also identified a trend in May and June where the substitute costs had increased by approximately 50%. This trend has continued, and the substitute costs are projected to exceed the preliminary budget by approximately \$1.1 million. The amended budget discussion with the Board in December identified this issue, which when coupled with the enrolment declines, has created a significant budget issue for the School District. The increase in substitute costs have two causes. The first is that the school district has put considerable effort into hiring TTOC's to address the shortages across the District and meet contractual obligations. Hiring more TTOCs means fewer classrooms are without teachers during absences. The second is that 22 contract TTOC positions were created in resolution to a TTOC shortage grievance arbitration. This increased the benefit costs for TTOCs by approximately \$600,000 as contract positions are eligible for benefits, paid spring and winter breaks, and paid professional development days. This grievance settlement agreement for these positions ends June 2019. However, the contracts are continuing contracts, and as such, it will be a slow transition to eliminate contract TTOC positions, as we are required to provide each teacher in these contract positions with a teaching assignment. Also, the contract TTOCs are meeting a need to ensure TTOCs are available.

Staff have worked closely with all operating areas to reduce budgets to minimal amounts, to reduce the cuts needed to reconcile the budget. Direction will be provided to all managers and principals to defer expenses to next year those expenses that can be deferred. However, staff note that this may only exacerbate the issue for next year. The School District cannot have a structural deficit, and operational adjustments will need to be given serious consideration for the 2019/2020 budget to ensure a structural deficit is not created for next year.

The attached documents summarize the changes that have been made to address the budget shortage. The most significant adjustments made are to reduce the deficit:

1. Eliminate additional transfer to local capital \$895,000
2. Transfer back to operating from local capital \$600,000
(The state falls capital maintenance will be funded from the Annual Facilities Grant)
3. Drawing from the surplus reserve – balance in reserve after adjustments is \$145,000
4. Reducing school operating supplies \$200,000
5. Aged reductions (enrolment decline) \$90,000

Options:

There are limited options to address the potential deficit this year. Staff have incorporated all the identified changes. Staff are planning to provide direction to eliminate all non-essential professional development and travel expenses for the rest of the year. The superintendent may need to review and approve all requests.

Due to the deficit position, no additional items are presented for inclusion in the amended budget. The list of additional needs, if funding was available, is presented to ensure the information is tracked and carried forward to the 2019/2020 budget discussion.

Approaches to consider for next year.

1. Hold off replacing non-essential positions that are vacant.
2. Reduce discretionary spending on professional development, travel, and other non-essential expenses.
3. Reduce number of TTOC contract positions.
4. Delay non-essential capital replacements (machinery, equipment)

Staff do not recommend reducing technology upgrades, however, some technology upgrades may need to be delayed until funding is confirmed.

Analysis and Impact:

The School District is unable to approve a budget that creates a structural deficit. A structural deficit occurs if an operating deficit exceeds the amount of funding available in surplus and reserves accounts. The adjustments made have minimized the impact to the organization. With only six months of the budget year remaining, there is limited ability to adjust operations to address the budget shortfall. However, the issues identified this year will undoubtedly have a similar impact on the 2019/2020 budget. As such, planning for the next school year must consider operational changes to eliminate the budget shortfall.

Implementation

1. A follow-up Committee meeting is required to review the draft bylaw.
2. The Amended Budget Bylaw must be approved by February 28, 2019.

Attachments:

1. Operating Budget Summary
2. Local Capital – Proposed Reallocation
3. Major Changes
4. Additional Needs

18/19 Amended Budget

Feb 12, 2019

	2018/19 Amended	2018/19 Preliminary	\$ Change	% Change	2017/18 Actuals	\$ Change	% Change
OPERATING REVENUE							
Grants							
Ministry of Education - Operating Grants	58,799,771	59,619,357	(819,586)	-1.37%	57,063,995	1,735,776	3.04%
Other Ministry of Education Grants	890,269	824,891	65,378	7.93%	1,244,102	(353,833)	-28.44%
Provincial Grants - Other	261,034	281,034	(20,000)	-7.12%	357,150	(96,116)	-26.91%
Total Grants	59,951,074	60,725,282	(774,208)	-1.27%	58,665,247	1,285,827	2.19%
Tuition	2,432,000	2,376,500	55,500	2.34%	2,517,026	(85,026)	-3.38%
Other Revenue	390,532	335,000	55,532	16.58%	451,227	(60,695)	-13.45%
Rentals & Leases	150,000	137,000	13,000	9.49%	200,241	(50,241)	-25.09%
Investment Income	145,000	145,000	-	0.00%	201,829	(56,829)	-28.16%
TOTAL OPERATING REVENUE	63,068,606	63,718,782	(650,176)	-1.02%	62,035,570	1,033,036	1.67%
OPERATING EXPENSE							
Salaries							
Teachers	24,613,020	25,081,820	(468,800)	-1.87%	24,207,317	405,703	1.68%
Principals and Vice-Principals	3,922,400	3,833,900	88,500	2.31%	3,584,352	338,048	9.43%
Education Assistants	5,992,600	6,096,900	(104,300)	-1.71%	5,940,501	52,099	0.88%
Support Staff	7,045,200	7,024,110	21,090	0.30%	6,439,228	605,972	9.41%
Other Professionals	2,019,313	1,945,613	73,700	3.79%	1,895,993	123,320	6.50%
Substitutes	3,200,782	2,136,561	1,064,221	49.81%	2,595,388	605,394	23.33%
Total Salaries	46,793,315	46,118,904	674,411	1.46%	44,662,779	2,130,536	4.77%
Employee Benefits	10,905,830	10,710,859	194,971	1.82%	10,372,238	533,592	5.14%
Total Salaries and Benefits	57,699,145	56,829,763	869,382	1.53%	55,035,017	2,664,128	4.84%
Services and Supplies							
Services	1,953,839	1,716,306	237,534	13.84%	1,768,973	184,866	10.45%
Student Transportation	19,000	22,500	(3,500)	-15.56%	52,642	(33,642)	-63.91%
Professional Development and Travel	492,400	425,800	66,600	15.64%	535,668	(43,268)	-8.08%
Rentals & Leases	264,040	230,228	33,812	14.69%	111,457	152,583	136.90%
Dues & Fees	88,100	88,100	-	0.00%	74,434	13,666	18.36%
Insurance	155,277	181,665	(26,388)	-14.53%	198,501	(43,224)	-21.78%
Supplies	2,631,368	2,496,165	135,203	5.42%	2,539,120	92,248	3.63%
Utilities	1,134,000	1,097,200	36,800	3.35%	1,055,529	78,471	7.43%
Total Services and Supplies	6,738,024	6,257,964	480,060	7.67%	6,336,324	401,700	6.34%
Total Operating Fund Expenses	64,437,169	63,087,727	1,349,442	2.14%	61,371,341	3,065,828	5.00%
NET OPERATING FUND SURPLUS (DEFICIT)	(1,368,563)	631,055	(1,999,618)	-316.87%	664,229	(2,032,792)	-306.04%
Capital Assets Purchased from Operating	(600,000)	895,000	(1,495,000)	-167.04%	2,379,137	(2,979,137)	-125.22%
NET SURPLUS (DEFICIT)	(768,563)	(263,945)	(504,618)	191.18%	(1,714,908)	946,345	-55.18%
Prior Year Unrestricted Surplus	914,371	263,945	650,426	246.43%	2,225,720	(1,311,349)	-58.92%
Projected Operating Surplus/(Deficit)	145,808	0	145,808		510,812	(365,004)	-71.46%

Local Capital Summary

Feb 12, 2019

Project	Opening	Budget	Transfers	YTD Expense	Balance
Bus Fleet	(47,983)			33,734	(14,248)
Classroom Furniture Replacement	(50,000)	(50,000)			(100,000)
Dewdney Renovations	29,258		(29,258)		-
Facilities Equipment	(84,301)			4,751	(79,550)
Ferndale	(62,332)			61,220	(1,112)
MSS Science Labs	25,216	(150,000)		165,477	40,693
Photocopiers	(81,629)				(81,629)
Portables	(555,807)			301,215	(254,592)
Riverside Upgrades	(100,000)				(100,000)
School Improvements	(175,813)			98,508	(77,305)
Solar Panels	(6,065)			4,259	(1,806)
Stave Falls	89,537	(675,000)		67,184	(518,280)
Technology Improvements	(276,044)		65,000	-	(211,044)
Telecom Systems	(31,271)	(20,000)			(51,271)
Unallocated	(392,075)		34,679		(357,396)
White Fleet	(99,028)		(5,421)	114,599	10,150
Workorder Systems	(130,980)				(130,980)
TOTAL	(1,949,319)	(895,000)	65,000	850,949	(1,928,370)

Local Capital Summary - Proposed Re-allocation

Project	Opening	Reclass	Appropriate	YTD Expense	Balance
Bus Fleet	(47,983)		14,248.04	33,734.48	0.00
Classroom Furniture	(50,000)		25,000.00		-25,000.00
Dewdney Renovations	29,258	(29,258)			0.00
Facilities Equipment	(84,301)			4,751.25	-79,550.09
Ferndale	(62,332)		1,111.92	61,220.32	0.00
MSS Science Labs	25,216	(190,693)		165,477.40	0.00
Photocopiers	(81,629)		61,629.00		-20,000.00
Portables	(555,807)		154,591.75	301,215.37	-100,000.00
Riverside Upgrades	(100,000)		100,000.00		0.00
School Improvements	(175,813)			98,507.92	-77,304.84
Solar Panels	(6,065)		1,806.06	4,259.39	0.00
Stave Falls	89,537	(156,720)		67,183.74	0.00
Technology Improvements	(276,044)	60,000			-216,043.54
Telecom Systems	(31,271)				-31,271.00
Unallocated	(392,075)	99,581	110,632.75		-181,861.34
White Fleet	(99,028)	(15,571)		114,599.21	0.00
Workorder Systems	(130,980)		130,980.48		0.00
TOTAL	(1,949,319)	(232,661)	600,000.00	850,949	(731,031)

**18/19 Amended Budget
Summary of Major Changes**

Feb 12, 2019



Major Changes (Included in Budget)	Amount
<u>Revenue</u>	
Operating grant revenue decrease - enrolment	820,000
Other grant revenue increase - economic stability dividend, ITA, mental health	(60,000)
Tuition revenue increase - International	(55,000)
Other revenue increase - leases, fortis rebates	(45,000)
<u>Expenses</u>	
Wage increases - all groups	145,000
Teacher - FTE changes	(550,000)
PVP - FTE changes	90,000
EA - FTE changes	(85,000)
ALW (EA) - FTE changes	(30,000)
Other Prof - FTE changes	40,000
Substitute/casual costs	1,065,000
Benefit adjustments	195,000
Services - Int'l medical (offset with revenue)	80,000
Services - Wireless (Aerohive) licensing / Airwatch	50,000
Services - Other various	75,000
PD/Travel - Int'l student activities (offset with revenue), other	85,000
PD/Travel - Int'l conferences/travel reduced	(20,000)
Rental expense - additional computer leases	35,000
Supplies - School carryover from 17/18	405,000
Supplies - School supply budgets reduced 15%	(200,000)
Supplies - Fuel cost adjustment for white fleet / buses	20,000
Supplies - recycling program	100,000
Supplies - ABED re-allocation to PVP, enrolment decline	(200,000)
Supplies - Reclass computer purchases from capital	60,000
Supplies - Summit reduction	(25,000)
Supplies - ELL reduction	(10,000)
Supplies - International school allocations	(20,000)
Utilities - NGN service increase	35,000
	2,000,000
Capital - Eliminate allocation from operating to local capital	(895,000)
Capital - Appropriate funds from local capital reserve	(600,000)
Surplus adjustment - 2017-18 restricted school surplus appropriated	(405,000)
Surplus adjustment - contingency removed	(630,000)
Surplus adjustment - prior year surplus lower than forecast	385,000
Total Non-Discretionary	(145,000)

18/19 Amended Budget
Summary of Additional Needs
Feb 12, 2019



Additional Needs Identified (Not Included in Budget)	Amount	Budget
Grounds equipment - large mower	90,000	Local Capital
Shutters - Albert McMahon	60,000	Local Capital
Special needs washroom - Albert McMahon	15,000	Local Capital
Carpeting - Clarke Theatre	40,000	Local Capital
IT - Replacement/Renewal of district network switches	80,000	Tech
Primary literacy & numeracy support EA (5 hr/day)	35,000	Curriculum
District reading intervention afternoon program G 4-6 teacher (.5 FTE)	47,500	Curriculum
District reading intervention afternoon program G 4-6 busing	10,000	Curriculum
Temp IT technician to permanent	75,000	Technology
Admin funding (TTOC shortages)	75,000	Schools
Joyful literacy extended to all schools/teachers (G K-2)	20,000	Curriculum
Fully resourced guided reading programs (elem/summit)	50,000	Curriculum
SPED enrolling teacher release time	30,000	Student Services
Professional development for TTOC's (recruiting initiative)	20,000	HR
Theatre capital improvements	50,000	Local Capital
Window replacements - Transportation	20,000	Local Capital
White fleet additions	100,000	Local Capital
Physical demand analysis	10,000	Health & Safety
SUB-TOTAL ADDITIONAL NEEDS IDENTIFIED	827,500	

Special Committee of the Whole Meeting

Tuesday, February 12, 2019



ITEM 6.2 Discussion

File No. 8010.20.2019/2020

TO: Committee of the Whole
FROM: C. Becker, Secretary Treasurer
SUBJECT: Preliminary 2019-2020 Budget

Recommendation

That the Board begin formulating ideas and direction regarding the preliminary 2019/2020 budget.

Summary:

This report is to begin the process of developing priorities for the 2019/2020 budget. Additional information will be gathered based on the discussion at the March Committee meeting for additional feedback and direction on priorities for the 2019/2020 budget. The budget will be developed over the next two months for consideration in May and June. The strategic plan is under review and will be considered as the budget is developed and presented over the next few months.

Background:

The budget must be approved prior to June 30, 2018. The budget considers the growth anticipated throughout the district, as well as the special projects and initiatives that are underway, such as the upgrades to technology, and the implementation of the new curriculum. To ensure staff have the Board's focus in mind as the plans are put together, it is best to review this direction as the budget work begins.

The following is the direction for the 2018/2019 budget priorities:

MOVED and Seconded that the 2018/2019 budget be developed with the following priorities:

- 1. Continue to advance the technology upgrades within the School District;**
- 2. Continue to provide additional resources and support to advance the new Curriculum;**
- 3. Ensure resources are available for Student Services that supports the individual educational needs of students;**
- 4. Continue to expand the supports for Aboriginal Education, recognizing the unique needs of both on-reserve, and off-reserve Aboriginal students;**
- 5. Ensure students are afforded a well-rounded participation and input process;**
- 6. Ensure the plan provides options to address the overcrowding at École Mission Secondary School;**
- 7. Ensure a plan and funding is available to support students transitioning from Elementary to Middle School, from Middle School to High School, or to a program of studies at Summit, Fraserview, or Riverside College.**
- 8. Ensure that funding is available to open Stave Falls Elementary school in September 2019.**

Public Participation:

Superintendent Wilson will be initiating consultation with students for consideration. The Committee of the Whole structure supports the partner groups and the public with providing recommendations for the budget as well.

Attachments:

- a. Budget timeline

Budget Timelines – 2019 / 2020 Preliminary Annual Budget

Date	Action	Responsible
February 12	COTW – preliminary budget direction discussion:	Board / Angus / Corien
March 5	Review preliminary enrolment estimates Identify partner group priorities Identify Board priorities	Board / Angus / Corien
March	Identify operational priorities for each school and function: Education, Student Services, Aboriginal Education, Facilities, Transportation, IT, HR, Finance, District	Finance / Principals / Managers
	Consult with Students	Angus
	Initiate development of draft revenue and expenditure plan	Finance
	Finalize enrolment estimates	Principals
April	Pull all budget data / information together	Finance
	Review draft school budget plans with each Principal	Angus / Corien / Derek
	Prepare draft of budget documents	Finance
	Preliminary review of draft consolidated plan, identify final revisions	Principals, Managers
	Identify issues and options, and prepare reports for the board	Angus / Corien / Derek
May 7 May 14 May 28	COTW Meetings Public notices, Information on website <i>Board direction considering the presentation and feedback</i>	Board Corien / Derek / Angus
June 4	Budget Bylaw – Preliminary review at COTW	Board
June 18	Budget Bylaw – Adopted, copy sent to the Ministry	Board

ITEM 6.3 Information

File No.

TO: Committee of the Whole
 FROM: A. Wilson, Superintendent
 SUBJECT: Stave Falls Elementary

Summary:

Currently, 31 students are registered to attend Stave Falls Elementary School, which is slated for opening September 2019. As the registrations are currently significantly less than originally forecast, staff have analyzed the registrations, and provide information for the Board's consideration.

Background:

As noted at the January 5, 2019 Committee meeting, the enrolment at Stave Falls Elementary is currently significantly less than originally forecast. The preregistrations from the 2018 survey indicated that 62 students would be registered for the 2019/2020 year. The following table summarizes the current registrations at 31 students. If all catchment students attend the school, the school would have 55 students. Also, only two out of district students have registered.

Grade	MPSD In Catchment	MPSD Out of Catchment	Out of School District	Total
k	7	3	-	10
1	5	-	-	5
2	2	1	-	3
3	2	2	1	5
4	2	2	-	4
5	-	2	1	3
6	-	1	-	1
	18	11	2	31
Current in-catchment students attending:				
Hatic	1			
ESR	3			
West Heights	1			
Silverdale	18			
Windebank	2			
ECM	3 (french immersion)			
	28			
Notes:				
- 4 in-catchment students registered are from MPSD schools				
- 24 in-catchment students not registered at Stave Falls				

Options:

Due to the lack of registrations considering the preregistration process, staff request that the Board discuss and consider various options to try and increase the enrolment in the school. This discussion should include the following options:

1. Directing that all students currently residing within the Stave Falls catchment area be automatically transferred to the Stave Falls School as their catchment school for September 2019, and that if a parent would like their child to attend a different school that the parent be required to submit a cross boundary application, which would be considered on an individual basis.
2. Alternately, the Board could allow students from the Stave Falls catchment currently attending other catchment schools to be grandfathered to remain at their current school, with or without busing. Note: grandfathering students with busing will require one or two additional buses at the School District's cost. The School District does not have reserve funds available to purchase any new buses. This option would further hinder the enrolment at Stave Falls.
3. That the Board restrict cross boundary requests of students from the Stave Falls catchment to require Stave Falls students to attend the Stave Falls School.
4. That walk limits for students attending the Stave Falls school remain the same as other elementary schools, to limit the additional busing needs for this school.
5. That the School District undertake an aggressive marketing campaign to promote the nature and forestry outdoor education focus of the Stave Falls School to encourage greater enrolment.
6. That the Board establish a minimum target enrolment expectation by a specific date (such as April 30th), and that a decision regarding opening or deferring be tied to this minimum enrolment target.
7. The Board could decide to open the school regardless of the enrolment for the first year.

Attachments:

- 1 Stave Falls Report – Feb 2018

Stave Falls Elementary School

Report to

Committee of the Whole

February 13, 2018

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Background

In the 2007/2008 school year, there were 115 students attending Stave Falls Elementary and 164 students attending Silverdale Elementary. In March 2008, the Mission Public School District passed Bylaw 2008-03 to close Stave Falls Elementary School, and revised the Silverdale Elementary School catchment to include the students residing in the Stave Falls area of Mission.

The enrolment in Silverdale Elementary declined in subsequent years, along with all other catchment areas in the Mission Public School District. In 2016, the School District saw an increase in the number of students attending schools in Mission. This is consistent with the enrolment projections from 2008, where 2014 was the low point in student enrolment with increases in the following years. The current enrolment projections are increasing more than originally projected, due to significant growth in certain areas of the community.

In 2016, the Mission Public School District initiated a public process as it considered disposing of four closed schools including the Stave Falls Elementary School. During the process of public notifications, the Stave Falls Community Association submitted a proposal to support opening the school for community use. The Board considered this proposal, in addition to other proposals from other proponents, and directed staff to continue to investigate lease options with another tenant.

The Stave Falls Community Association and other members of the public objected to this action, reporting to the school district that there were sufficient school aged children within the Stave Falls area to warrant reopening the school. The Association advocated supporting reopening the school, as they believe it to be in their children's interest to obtain their elementary school education in their community.

The School Board subsequently passed a motion to conduct a pre-registration process, and Staff presented the pre-registration results to the Committee of the Whole meeting on January 24, 2018. The committee also had a preliminary review of a report regarding upgrades needed in order to use the Stave Falls School.

The discussion from the January 2018 meeting indicated that the board needed additional information before reaching a decision regarding the Stave Falls School. This report provides additional information for the Board's consideration.

See Appendix 1 for a chronology of events regarding the Stave Falls School.

Stave Falls Elementary School - Options

Currently, the School District has considered two options regarding the Stave Falls School:

1. Disposing of the Stave Falls School
2. Reopening the Stave Fall School

It is important to note that other options could be considered. These include:

3. Repurposing the Stave Falls School for another School District purpose
4. Leasing the Stave Falls School to a tenant – full or partial lease
5. Keeping Stave Falls School closed – in its current state
6. Keeping the land and removing the school building

This report provides information to assist with the decision of potentially reopening the Stave Falls School as a K to grade seven school as per the pre-registration resolution, providing costing and other information for consideration.

Pre-registration and Enrolment Projections

The pre-registration indicates that if Stave Falls was reopened as a K-7 school, just over 50 students would attend in 2018/2019 and just over 60 students would attend in 2019/2020. The Community Association felt that the registration process did not capture all the possible students from the Stave Falls area. It is also unlikely that the pre-registration obtained a realistic count of potential students from the Maple Ridge School District. In comparing the pre-registration information with the enrolment projections from 2008, it does suggest that the student count from the pre-registration is light.

The following table includes information on both Stave Falls and Silverdale schools. The first column is the actual and projected enrolments for Silverdale. This information is provided, as reopening the Stave Falls School will require changes to the Silverdale catchment and decrease the student enrolment at Silverdale. The Silverdale enrolment projections should be decreased if the Stave Falls school reopens, by between 10 – 20 students a year.

The second column is the enrolment projections prepared using the Baragar enrolment projection module in 2008. It shows a steady decline in enrolment projected until 2014, and then a steady increase, returning to almost the same enrolment as when the school was closed.

The final three columns are based on the pre-registration information. The middle column is the actual information from the pre-registration, and the final two columns are modified enrolment projections in order to develop a budget forecast for the Stave Falls School. The fourth column increases the pre-registration information by a factor of 1.4 as an estimate that not all parents interested in Stave Falls actually registered. The fifth column is adjusted by an additional factor of 1.4 to consider that if the school offered a program of choice (a magnet program); more students would attend, mostly from the Maple Ridge School District. Both modified enrolment projections are comparable to the projections originally generated in 2008, although they may be optimistic as an increase of 40% is significant.

On a further note, the Stave Falls School has eight classrooms and would have an estimated operating capacity of 180 students (a nominal capacity of 195 students).

Enrolment Projections Summary

Year	Silverdale Enrolment (actual & Estimates) 1	Stave Falls		Stave Falls	
		2008 Estimated Student Enrolment 2	Pre- Registered Students 3	Stave Falls Adjusted Pre- Registration Estimate 4	Stave Falls Adjusted Pre- Registration with Program Estimate 5
2008	164	106			
2009	140	102			
2010	135	90			
2011	137	85			
2012	118	76			
2013	107	75			
2014	103	74			
2015	104	80			
2016	107	84			
2017	112	85			
2018/2019	113	90	53	74	104
2019/2020	125	92	62	87	122
2020/2021	124	98	67	94	132
2021/2022	135	99	67	94	132
2022/2023	142	101	68	95	133
2023/2024	143		64	90	126

1. Silverdale 2018 - 2024 estimates - 2018 Baragar projections

2. Stave Falls 2008-2023 estimates - 2008 Baragar projections

3. Stave Falls pre-registrations

4. Stave Falls pre-registration - increased by 40% to 2023-24

5. Stave falls pre-registration - increased additional 40% - potential program of choice

Projected Operating Budget

The revenue and expense projections for the Stave Falls School is based on the projected enrolment and the anticipated staffing levels considering the estimated class sizes from the enrolment projections. The following table provides a reasonable projection of the estimated budgets (current costs) for the Stave Falls Elementary School.

Stave Falls - Draft Budget Projections			
Projected Student Enrolment	53	74	104
OPERATING REVENUE			
Ministry of Education			
Enrolment Based Funding	382,554	534,132	750,672
Special Needs Funding	57,190	79,850	122,600
Salary Differential Supplement (Teacher)	5,809	8,111	12,481
Pay Equity Supplement (Support)	5,679	7,929	14,572
Small Community Supplement	162,400	162,400	162,400
Total Revenue	613,632	792,422	1,062,725
OPERATING EXPENSE			
Salaries			
Teachers	222,864	304,581	408,584
Principals and Vice-Principals	109,774	109,774	109,774
Education Assistants	25,380	50,760	76,140
Support Staff	66,339	76,664	95,577
Substitutes	6,000	10,000	22,961
Total Salaries	430,357	551,779	713,036
Employee Benefits	100,230	128,509	166,066
Total Salaries and Benefits	530,587	680,288	879,102
Services and Supplies			
Services	2,200	2,600	2,900
Student Transportation	150	209	294
Professional Development and Travel	1,000	1,000	1,000
Supplies	10,000	14,000	17,000
Utilities	21,300	21,300	21,300
Total Services and Supplies	34,650	39,109	42,494
Total Expenses	565,237	719,397	921,596
Net Operating Surplus (Deficit)	48,395	73,025	141,128
Less: Projected District Administration Costs	69,665	89,963	120,650
Net Contribution to Capital / Reserves	(21,270)	(16,938)	20,478
<i>Revenue projections based on average per student for Dewdney, Deroche, and Silverdale</i>			

The budgets are based on the second year of operation, when the additional rural funding is in place. The budgets for the first year of operation would be in a deficit, as the rural school funding of \$162,400 is not in effect until the second year.

The budgets would cover all of the general operating costs of the school, and would provide some coverage of the District overhead costs. When the school enrolment reaches about 100 students, it would be contributing to capital needs. Capital projects include local capital programs, transportation needs, information technology, and some building enhancements. If a school is unable to contribute to its proportional share of overhead costs or capital / reserve costs, it must be covered by other schools.

To test for reasonableness, the calculations were compared to the 2016/2017 actual financial information. The following table shows this comparison with Deroche, Dewdney, and Silverdale, the three smaller rural schools in the school district.

We note that Deroche receives more support through the Aboriginal Education department and less direct Education Assistant Support. The Aboriginal Department is included in the District costs, which is shared with all schools based on revenues per school. As such, it appears that Deroche has a strong financial performance for 2016/2017. This may not be completely accurate. In 2017 /2018, Deroche has more support, and this financial performance is expected to decline.

The comparison is based solely on the number of students. It does not consider that Deroche, Dewdney and Silverdale are K – 6 schools, and the pre-registration for Stave Falls was for K – 7.

Appendix 2 provides more information on the financial comparisons of all schools.

Mission Public School District								
2016 / 2017 Financial Analysis of Schools								
	Enrolment	STATEMENT REVENUE	TOTAL OPERATING EXPENSE	Net Operating Surplus (Deficit)	Allocation of District Costs	Contribution to Capital / Reserves	% of Revenue	per student
Deroche	77	781,061	(660,866)	120,195	(80,629)	39,566	5.07%	514
Dewdney	131	1,303,611	(1,029,232)	274,379	(149,125)	125,254	9.61%	956
Silverdale	108	1,092,062	(1,004,004)	88,058	(120,664)	(32,606)		
Stave Falls	53	613,632	(565,237)	48,395	(69,665)	(21,270)		
Stave Falls	74	792,422	(719,397)	73,025	(89,963)	(16,938)		
Stave Falls	104	1,062,725	(921,596)	141,129	(120,650)	20,479	1.93%	197

Note: the financial information for both Deroche and Silverdale appear to have anomalies. The Finance Department is conducting a more detailed review of the financial information to ensure the data is correct moving forward.

Repairs and Maintenance - Opening Stave Falls School for Use

At the Committee of the Whole meeting of January 24, 2018, a report was presented that provided a preliminary review of anticipated costs to reopen the Stave Falls School. At that time, the facilities department had not reviewed the report, and was missing additional costing information.

Subsequent to the meeting, the Director of Facilities reviewed the information from the consultants' report and additional information from the facilities department. Considering the discussion at the January committee meeting, the Director reviewed the report with the lens of identifying those items that, in his opinion, must be completed prior to opening the school, and the work that could be deferred. As such, the following recommended budget for building maintenance provides the cost estimates for the minimum work needed to open the school, as well as the list and budget of maintenance work that could be deferred.

A few of the estimated costs would need further review and updating once more detailed repair work begins. A few cost estimates are outstanding, such as an updated seismic review, and obtaining a cost estimate for shutters. As such, the summary of anticipated minimum costs to open Stave Falls School is still a very high-level estimate. Staff anticipate that a minimum 20% contingency would be required for unanticipated costs.

A realistic budget to bring the Stave Falls School to a useable condition would be approximately \$380,000. Additional costs of up to approximately \$780,000 would be needed after opening. Some of the additional or deferred costs could be funded from the Annual Facilities Grant, regular maintenance activities (flooring and lighting upgrades), and through Capital project funding from the Province (such as the roof replacement).

Building Repairs / Preparations for Use			
	Total Estimate	Minimum	Deferred
Architectural	\$ 431,500	\$ 214,500	\$ 217,000
Civil	82,300	19,500	62,800
Mechanical	308,000	21,000	287,000
Electrical	152,600	62,600	90,000
	\$ 974,400	\$ 317,600	\$ 656,800
Contingency	194,880	\$ 63,520	\$ 131,360
	\$ 1,169,280	\$ 381,120	\$ 788,160

The minimum costing would be needed regardless of the use of the building – school or lease tenant. See Appendix 3 for detailed costing breakdown

School Start-up Costs

In addition to costs for bringing the Stave Falls School building to a state suitable for occupancy, there are additional costs related to reinstating educational services in the building. The following table summarizes the additional costs needed to set up a functioning public school.

The set up costs are one-time costs to equip the school with materials and supplies. Some of the desks may be sourced from inventory. However, the District is in the process of identifying and removing all asbestos containing desks that are in storage, and replacing all desks in schools that are in use and containing asbestos over the next five years. As such, even if desks in storage are used, they may eventually need to be replaced.

School Related Set up costs - Summary			
	Total Estimate	Minimum	Deferred
Information Technology	\$ 117,600	\$ 85,800	\$ 31,800
Rooms / school set up	30,200	18,210	11,990
Library Resources	100,000	75,000	25,000
Education Resources	97,500	82,500	15,000
	\$ 345,300	\$ 261,510	\$ 83,790

Appendix 4 provides more details on the set up costs.

Additional Considerations

In order to support reaching a decision regarding the potential reopening of the Stave Falls Elementary School, it is imperative that any other information that could affect the outcome of the decision be provided in advance. As such, the following information is provided for the Board's consideration.

1. Adding an additional school will increase the administrative costs of the organization. This would include a principal, IT, facilities, student services, and aboriginal education. The expectation is that the increased costs would be proportional to the estimate in the budget, and would not negatively affect other schools nor relieve other schools of their proportional cost of administrative costs. In essence, it should be cost neutral on Administrative overhead.
2. All schools have minimum staffing levels for music, library services, and learning support resources. Regardless of the number of students in the School, these services are required. At 50 – 100 students, this is a .5 -.6 FTE non-classroom teacher.
3. Overall, the annual surplus (funds available for Capital and Reserves after operating and administrative costs) are expected to be reduced until Stave Falls reaches approximately 100 students. This would be applicable to Silverdale as well, if Silverdale's enrolment fell below 100 students. Once the 100-student threshold is reached, the funding available for Capital and Reserves is expected to stabilize. Staff note that the Deroche School does not have the same conditions, as other targeted funds support this school.
4. The funding for Capital and Reserves is currently driving the technology infrastructure upgrades. Once the new IT infrastructure is in place, there will be less funding left over after operating expense – the \$2,618,427 figure will be reduced. This is because some of the technology upgrades involve leasing computer equipment, to set up an ever-greening program and keep technology current. This transfers the capital costs to operating costs.
5. Efficient school operations leaves more funds available for additional educational resources. Adding an additional school to the fixed operating costs leaves fewer resources for educational resources. However, there is no mechanism to determine what the right balance is. It is worth noting that there are offsetting impacts when adding fixed costs to the overall cost of operations. As noted in Appendix 2 – Financial Comparisons, although an important consideration, financial performance should not be the only determinate in evaluating the provision of services.
6. Over the past few years, the organization reduced services in order to cover operating deficits. This meant postponing upgrades to technology and other educational resources. The recent growth in student enrolment, and with the deficit covered, the School District is able to make strategic decisions regarding student learning. The educators in the school district are pleased that additional funds have been put into educational resources and technology. They are excited about the direction we are taking, and would like to ensure this momentum continues. This is particularly important as we implement the new curriculum. As the new curriculum

continues to be rolled out, the costs associated with the new curriculum are not known. While opening the Stave Falls School would not necessarily reverse this direction, or limit the acquisition of new resources, reducing funding for educational resources is an area of concern for staff. The hope would be that this interest be considered, recognizing the need to balance the multiple interests of stakeholders.

7. Currently, the school district spends approximately \$20,000 a year on utilities and basic maintenance activities for the Stave Falls School.

Summary

The following chart provides the summary of costs to reopen Stave Falls as a school, and to set it up as a school. The costs include the anticipated funding shortfall, considering that in the first year the funding for a rural school is not provided.

Financial Sources Summary - Minimum Cost for start up			
	Total Estimate	Minimum	Deferred
Building Maintenance	\$ 1,169,280	\$ 381,120	\$ 788,160
Set Up Cost	345,300	261,510	83,790
Anticipated funding shortfall (first year only)	162,400	162,400	
	\$ 1,676,980	\$ 805,030	\$ 871,950

Funding the minimum costs to open the Stave Falls School can be accomplished using some of the available reserves and surplus funds. Most would need to come from the contingency reserve as opposed to local capital, as most of the maintenance work is operating in nature. This would leave approximately \$200,000 in the contingency reserve. The analysis shows that the School District has the resources available at this time to proceed with opening the Stave Falls School. Some of the deferred costs could also be covered from the local capital reserve or other facilities funding such as AFG, in future years.

Financing Stave Falls Start Up - if a September 2018 start up			
Available Reserve Funds	Projected Balance	Minimum	Balance
Unrestricted operating surplus	\$ 901,133	\$ 705,030	\$ 196,103
Local Capital Reserve			
expansion plans	352,125	100,000	252,125
available for other projects	402,075	-	402,075
Balance of available reserve funds	\$ 1,655,333	\$ 805,030	\$ 850,303
<i>* note: not all building maintenance is capital - most of the minimum cost is operating</i>			

At this time, the Finance Department has not reviewed the long-term projections or the financial risks beyond the first year. In addition, a detailed boundary review has not been completed. Staff are in the process of initiating the review.

This report provides details to support a decision with respect to the Stave Falls Elementary School. It is not an exhaustive report, nor is it intended to support one action over another. The information provided is intended to support the discussion and decision regarding the possible reopening of the Stave Falls School.

Appendix 1 – Chronology of Board Direction and Decisions

- March 2008 Stave Falls Elementary School Closure Bylaw approved – closed July 1, 2008
- Feb 2016 Notice provided regarding potential disposition of School, soliciting comments on:
- a. The disposal of the properties, and/or;
 - b. Interest in acquiring any of the sites.
- Feb 2017 The Board considered comments from the public, options, and proposals, and directed staff to move forward in negotiations with a proponent interested in leasing the building
- March 2017 Public Board Meeting - Stave Falls Elementary School
- MOVED and Seconded that the Board conduct a pre-registration for Stave Falls Elementary School. The pre-registration include the years 2017/18, 2018/19 and 2019/20. The pre-registration be open online and in person at the Board office for the entire month of April 2017. Data from this pre-registration will be presented to a Committee of the Whole meeting in May 2017 and then brought to the May 2017, public Board meeting to help Trustees consider the financial viability of reopening Stave Falls Elementary.*
- AMENDMENT #1*
- MOVED and Seconded that the Board conduct a pre-registration for Stave Falls Elementary School.*
- CARRIED*
- AMENDMENT #2*
- MOVED and Seconded that the Board conduct a pre-registration for Stave Falls Elementary School. The pre-registration include up to a three (3) year period.*
- CARRIED*
- MOVED and Seconded that the Stave Falls Elementary School matter be referred to a Special Committee of the Whole meeting to take place in either May or June, 2017.*
- CARRIED*
- April 2017 Announcement of Special COTW meeting to discuss Stave Falls School
- Date: June 6, 2017
- Time: 6:00 pm
- Location: Fraserview Learning Centre
32444 - 7th Avenue
- June 2017 Special Committee of the Whole meeting held to discuss the Stave Falls School
- October 2017 Special Committee of the Whole meeting held to discuss the Stave Falls School
- October 2017 Public Board Meeting
- 6.1 Preliminary Student Registration – Stave Falls Elementary

MOVED and Seconded that a preliminary registration for a potentially reopened Stave Falls School will take place between November 20, 2017 to December 15, 2017;

AND THAT the registration will be available for both on-line and paper submissions;

AND THAT registration will be open to all children eligible for public education in British Columbia who fall within the acceptable age ranks for kindergarten to grade 7 in the school years 2018-19, 2019-20, 2020-21;

AND THAT registration forms will be patterned from the registration form currently used by the District but, if necessary, modified to provide information on anticipated home address and current school attended.

CARRIED

January 2018 Special Committee of the Whole meeting - to review Pre-registration results

Appendix 2 – Financial Comparisons

The following table provides a preliminary financial analysis of each school. The calculated capital contribution per student and the percent of revenue calculation provides a marker that can be compared to the financial performance of each school. The Finance Department has prepared this analysis, firstly to ensure all expenses are coded correctly, and secondly, to ensure each school principal can monitor and manage the financial performance of the school.

The ability to review financial performance can help ensure long-term financial viability of educational programs. Although a valuable performance indicator, financial performance is just one of many factors used to evaluating programs. Program effectiveness measures should also be considered when making programming decisions. Most effectiveness measures, such as graduation rates, reading and math skill levels, or meeting social obligations are not related to financial performance.

From a financial perspective, larger schools are generally more efficient, although this is not always a linear relationship as demonstrated with the financial review of the Mission Schools. The financial perspective does not factor in issues or perspectives that are unique to neighborhoods, such as proximity to services, school organization, or building efficiencies.

Some schools have unique characteristics that make it unreasonable to compare, such as the unique educational challenges at Fraserview and Riverside. These two schools operate independently, yet both are linked to the services provided at the high school. The financial performance of these schools could be consolidated with the contribution from Mission Secondary to determine the efficiency of the secondary system.

Other schools that appear to have anomalies in the financial system are Deroche, Hatzic Elementary, and Silverdale. Deroche appears to have an abnormally high financial performance indicator, while Hatzic Elementary and Silverdale appear to have abnormally low financial performance indicators. Finance staff will be reviewing the expense allocation codes to determine if expenses have been coded correctly. As such, the allocation of financial costs to individual schools should not be considered to be 100% accurate. However, the information does provide a preliminary measure in determining financial performance.

Appendix 2 – continued

Mission Public School District								
2016 / 2017 Financial Analysis of Schools								
	Enrolment	STATEMENT REVENUE	TOTAL OPERATING EXPENSE	Net Operating Surplus (Deficit)	Allocation of District Costs	Contribution to Capital / Reserves	% of Revenue	per student
Albert McMahon	389	\$ 3,461,674	\$ (2,749,755)	\$ 711,918	\$ (452,245)	\$ 259,673	7.50%	668
Cherry Hill	250	2,198,582	(1,738,224)	460,358	(287,046)	173,311	7.88%	693
Christine Morrison	437	3,503,086	(2,675,714)	827,372	(459,493)	367,880	10.50%	842
Deroche	77	781,061	(660,866)	120,195	(80,629)	39,566	5.07%	514
Dewdney	131	1,303,611	(1,029,232)	274,379	(149,125)	125,254	9.61%	956
ESR	384	3,125,365	(2,382,446)	742,919	(409,808)	333,111	10.66%	867
Hatzic Elem	291	2,339,430	(2,033,321)	306,109	(305,993)	116	0.00%	0
Hillside	365	2,725,275	(2,104,843)	620,432	(357,799)	262,634	9.64%	720
Mission Central	230	1,976,972	(1,841,986)	134,987	(257,419)	(122,432)		
Silverdale	108	1,092,062	(1,004,004)	88,058	(120,664)	(32,606)		
West Heights	233	2,017,110	(1,671,688)	345,422	(263,207)	82,215	4.08%	353
Windebank	316	2,619,015	(2,018,995)	600,020	(343,005)	257,015	9.81%	813
HMS	655	5,627,885	(4,742,996)	884,890	(734,944)	149,946	2.66%	229
HPMS	646	5,775,265	(5,259,538)	515,726	(729,249)	(213,522)		
MSS	1369	11,501,495	(8,944,308)	2,557,187	(1,506,007)	1,051,179	9.14%	768
Fraserview	100	1,155,906	(1,002,267)	153,639	(150,982)	2,657	0.23%	27
Summit	NA	986,977	(912,322)	74,655	(129,591)	(54,936)		
Riverside	NA	1,133,867	(1,067,280)	66,587	(129,220)	(62,633)		
Total Schools		53,324,639	(43,839,784)	9,484,855	(6,866,428)	2,618,427		
District		6,088,385	(12,954,812)	(6,866,428)				
Total		\$ 59,413,023	\$ (56,794,596)	\$ 2,618,427				
Allocation of District costs based on a percentage of total per student funding and special needs funding								

Appendix 3 – Detailed Building Upgrades Costing

Stave Falls School - Building Cost Analysis - Opening Stave Falls				
		Estimate	Minimum	Deferred
Architecture				
Exterior				
	Minor trim repairs	7,500	7,500	
	Windows / seals (Exterior)	17,500	17,500	
		25,000	25,000	-
Structural				
	1 Seismic Restraints		-	
		-	-	-
Roof				
	Roof Repairs	20,000	20,000	
	2 Storm Drainage	35,000	35,000	
	New Roof	175,000		175,000
	Replace Snow guards	6,500	6,500	
	Seal Roof - snow guards	2,500	2,500	
	Replace Skylights	19,500	19,500	
	Replace Benches	2,500		2,500
		261,000	83,500	177,500
Interior				
	Repair flooring joints	5,500	5,500	
	Replace carpets in classrooms	27,000	27,000	
	Replace carpets in admin/common	10,500		10,500
	3 Gym Floor	5,000		5,000
	cleaning	9,500	9,500	
		57,500	42,000	15,500
Walls				
	Repairs	7,500	7,500	
	Repaint Walls	35,500	35,500	
		43,000	43,000	-
Ceilings				
	Repair/replace damaged T-bar panels	3,500	3,500	
		3,500	3,500	-
Doors & Frames				
	Replace broken hardware	8,500	5,000	3,500
	Weather Stripping	4,500		4,500
	Keying	2,500	1,000	1,500
		15,500	6,000	9,500
Windows				
	4 Exterior Roll Shutters			-
		-	-	-

Appendix 3 – continued

Stave Falls School - Building Cost Analysis - Opening Stave Falls				
		Estimate	Minimum	Deferred
Millwork				
	cleaning & repairs	3,500	2,000	1,500
	Shelving supported	1,500	1,500	
		5,000	3,500	1,500
Miscellaneous				
	Fire extinguisher	5,500	3,000	2,500
	Washroom accessories	4,500	2,500	2,000
		10,000	5,500	4,500
Boiler				
	Room separation	3,500		3,500
	Dampers (fusible links)	7,500	2,500	5,000
		11,000	2,500	8,500
		431,500	214,500	217,000
Civil				
	Storm flush & inspecton (Grounds Department)	3,800	1,000	2,800
	Pavement repair	10,000		10,000
	Sewage system review	3,000	3,000	
	- Dozing & flow equalization	2,500	2,500	
	- Aerators & Filters	10,000	10,000	
	- Grinder Pump - per pump	3,000	3,000	
	Playground - if opened as a school	50,000		50,000
		82,300	19,500	62,800
Mechanical				
	Water (Potable water well pumps and pressure system)	28,000	5,000	23,000
	Heating System (Repairs & Replacement of Heating Control V	190,000	10,000	180,000
	Ventilation Upgrade & (Duct Cleaning)	90,000	6,000	84,000
		308,000	21,000	287,000
Electrical				
5	Exterior parking lights	24,000	24,000	
	Exterior building lights	16,000	16,000	
	Testing emerg equipment	3,000	3,000	
	Test and repair exiting lighting	1,000	1,000	
	Fire Alarm Testing	5,000	5,000	
	Receptical replacement (GFI Recepticals where required)	3,600	3,600	
	Sewer plant devices (Control Panel Replacement)	5,000	5,000	
6	DDC & Interior Lighting (Control Systems)	95,000	5,000	90,000
		152,600	62,600	90,000
		974,400	317,600	656,800

Appendix 3 – continued

Stave Falls School - Building Cost Analysis - Opening Stave Falls			
NOTES			
1	Report to determine scope and costs		
2	Gutter & Downpipe Replacement		
3	Once sheeting is removed floor will be assessed for refinishing		
4	Required for Site Security - significant building damage when school was open, due to location		
5	Old light standards vandalized and damaged beyond useful life		
6	\$5000 Temporary Repair, may not be sufficient		

Appendix 4 – School Set up Costing Details

School Related Set-up Cost Detail			
	Estimate	Essential	Deferred
Information Technology			
Gym Sound System	2,100		2,100
Projection Screen for Gym	2,700		2,700
Phone system	1,600	1,600	
Multifunctional Device (Photocopier/Fax)	1,600	1,600	
Laptop Cart and Printer	12,900		12,900
Network switch for Technology	3,200	3,200	
WIFI 10 access points	6,400	6,400	
Computers for staff and office	9,100	9,100	
Teacher laptops	7,500	7,500	
PA/Bell System	26,800	26,800	
Internet Install	3,800	3,800	
Firewall and switch	4,300	4,300	
Server, UPS and licensing	5,400	5,400	
Wiring for technology	16,100	16,100	
Projectors/Screens for classrooms	10,300		10,300
Security Cameras	3,800		3,800
	117,600	85,800	31,800
Set Up			
Desks - Staff	5,000		5,000
Desks - Students (per student - \$122)	12,200	6,710	5,490
Signage	4,500	4,500	
BSW set up	5,000	5,000	
Photographs	1,500		1,500
Office set up	2,000	2,000	
	30,200	18,210	11,990
Education Based Resources			
Library	100,000	75,000	25,000
Classroom resources			
Reading books	20,000	20,000	
PM Benchmark Kit	500	500	
JUMP Math	2,000	2,000	
Other Resources	75,000	60,000	15,000
	97,500	82,500	15,000
	345,300	261,510	83,790