

School District No. 5 (Southeast Kootenay)



SCHOOL DISTRICT 5
SOUTHEAST KOOTENAY

Finance, Operations, and Transportation September 2024



Finance, Operations, and Transportation

Finance

School districts' budgets in British Columbia are reported as a consolidation of three separate funds: operating, special purpose, and capital.

The Operating fund budget contains the revenues and expenses for the day-to-day operation of the District. Ministry grants and other revenues, including international student program fees and facility lease rental revenues form the revenues for this fund. Expenses include costs for instructional programs, district administration, facilities, maintenance, and transportation.

Special purpose fund(s) budgets contain "restricted contributions" defined as legislative or contractual stipulations, or restrictions, as to the use of funds. Ministry funds including the Annual Facilities Grant (AFG), Classroom Enhancement Fund (CEF), School Generated Funds (SGF), and scholarships, are reported in this fund.

The Capital fund budget for the District primarily comprises building renewal and playground replacement projects funded from externally restricted capital revenues (mainly from the Ministry). Projects funded from operating or special purpose funds are largely for smaller building and facilities maintenance projects, technology and equipment replacement, and playground restorations.

The school district operates on a budget of approximately \$100 million dollars annually. The budget breaks down into three main areas: Operating, Special Purpose, and Capital funds as shown in Figure 1.

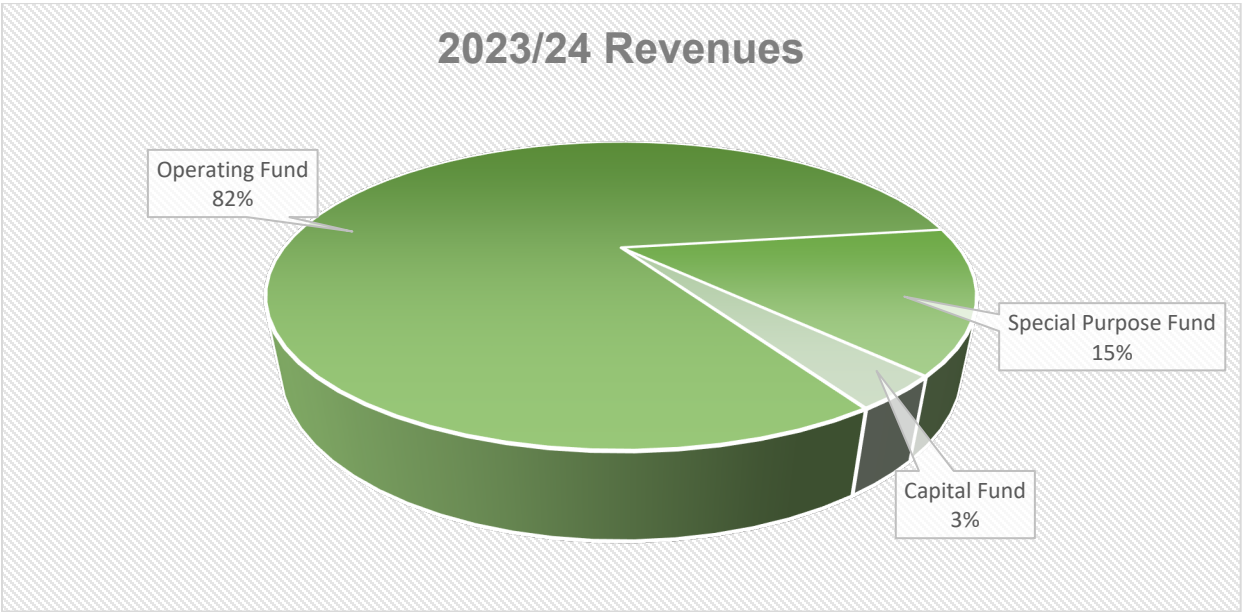


Figure 1

Staffing costs are determined based on student configuration within the schools. Instructional expenses make up the majority of the budget expenditures as shown in Figure 2.

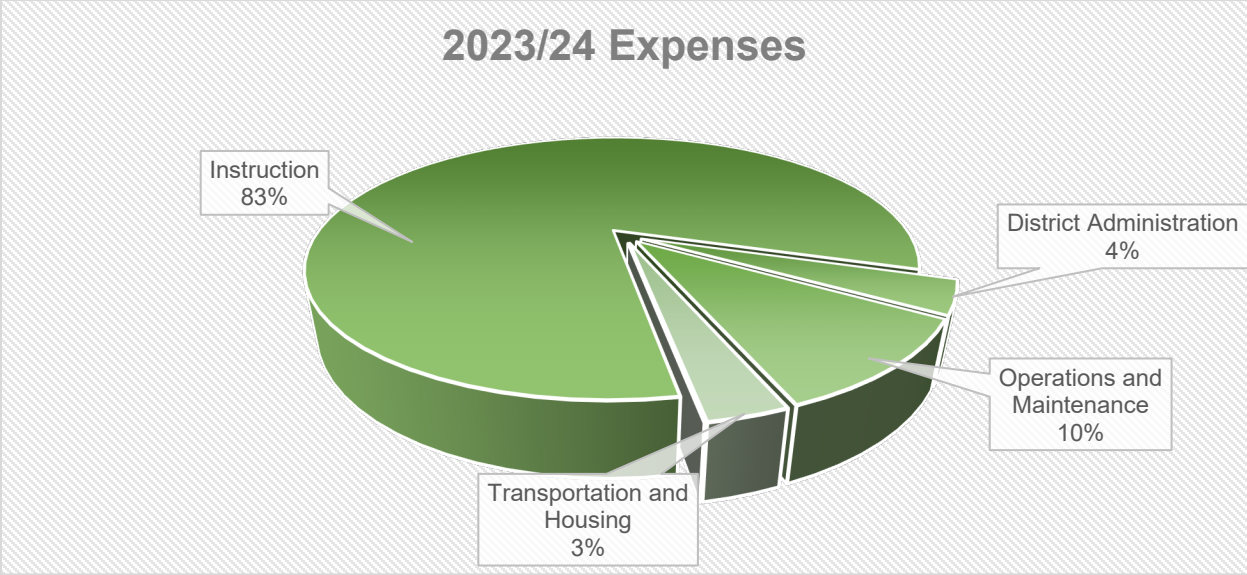


Figure 2

Instructional salaries are broken down further by role in Figure 3:

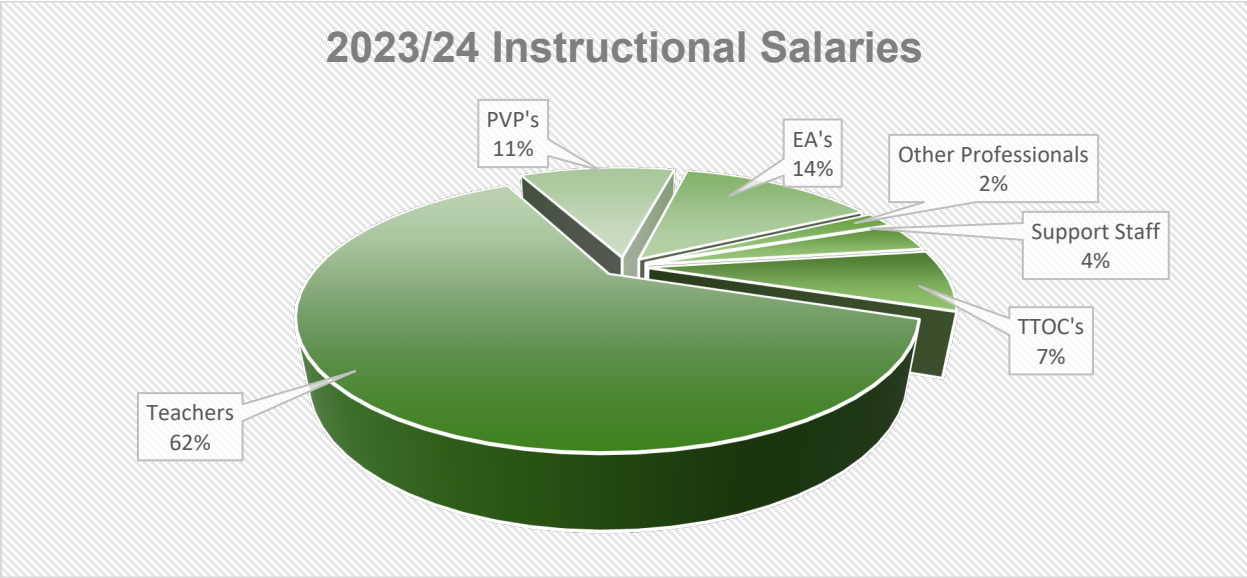


Figure 3

Services and Supplies make up the other components of the Budget and are further broken down in Figure 4.

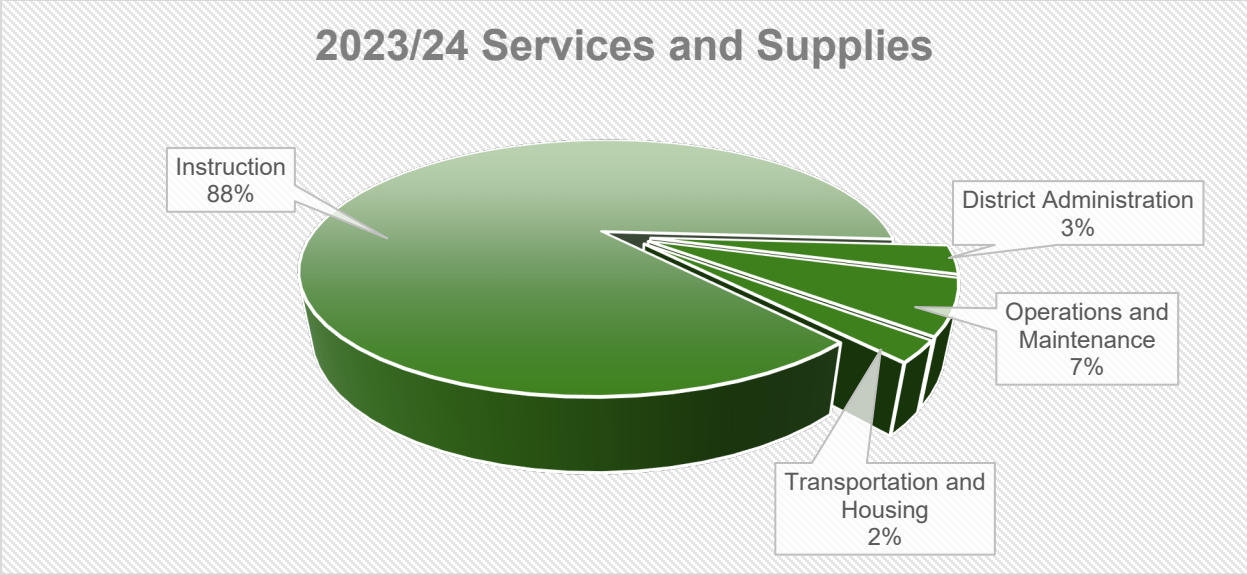


Figure 4

Instruction services and supplies are funds allocated to support student success. District administration, operations, maintenance and transportation allocations are required to support the overall operations of the school district. Special purpose funds are grants provided by the Ministry which are outside of the normal operating grant and are targeted funds that support Ministry identified priorities or projects. Special purpose funds and targeted funds add supports for Indigenous learners, English language learners, and learners with diverse abilities/disabilities, capacity building, early learning and French programming and have been allocated to support the Board of Education priorities.

This allocation aligns with Learning Priority Three – Students will transition successfully from secondary school with the core competencies to achieve their life and career goals by removing barriers to equity, providing learning environments and inclusive opportunities while engaging all learners.

This year, we actively sought public input to ensure our stakeholders had the opportunity to contribute their feedback and ideas to our annual budget process. This engagement allowed us to foster valuable conversations with our community, helping us better understand and address their needs and priorities.

The Board of Education remains steadfast in its commitment to health and safety and recruitment and retention initiatives. We continue to maintain one of the highest custodial staffing ratios in our schools, implement programs designed to reduce workplace violence—efforts aimed at mitigating the significant employee absence issues we currently face, and prioritized funds to continue the district French teaching position. Additionally, we have prioritized maintaining lower class sizes by hiring 28 additional classroom teachers, ensuring a supportive learning environment for our students.

We are extremely grateful to have received additional provincial funding to support wage increases from labour settlements, which will help our staff manage ongoing affordability concerns.

The Board of Education is dedicated to balancing the budget in a manner that prioritizes the best interests of our students while safeguarding the school district from potential risks. We have diligently examined all areas for potential efficiencies, allowing us to redirect operating funds towards additional classroom support. Our focus remains on the wellbeing of our students and staff, ensuring alignment with our strategic priorities

The majority of the special purpose funds relate to Classroom Enhancement Funds which are provided to appropriately staff the schools for restored language to the Collective Agreements. During 2023/24, the district received \$9.8 million in funding through the Classroom Enhancement Fund (CEF) for teaching positions and for other overhead costs related to the contract restoration.

This funding aligns with the Learning Priorities in the Framework for Enhancing Student Learning.

Current Financial Circumstances

The District has a small surplus in our 2024/25 budget and experienced a \$4.12 million surplus in 2023/24. However, the District has incurred significant deficits in 2021/22 and 2022/23 using up most of our prior year surpluses.

In 2023/24, the District received another one-time funding from the province of \$0.15 million for Student & Family Affordability fund. These funds enabled the District to provide support for vulnerable students and families facing affordability concerns from the high cost of living. High cost of living also affected the District with high utilities and fuel costs, supplies and construction costs resulting in another year of deficit.

Maintaining existing staffing levels in the budget was possible due to the Classroom Enhancement Fund, Feeding Futures foods funding, and a continued focus on removing contingency staffing amounts that did not fund the positions of specific individuals currently in assignment. There continues to be a low degree of flexibility in the budget this year. As a result, our capacity to top up district Reserve funds, which are often used to find dollars for initiatives that are not in the budget, is reduced.

In summary, we have developed increased funding needs and enhanced service expectations, yet we are now facing a significantly tighter budget with decreasing Reserves over the previous years. As a result, we continue to believe the appropriate financial approach going forward is a cautious one.










The District remains committed to fully funding its operating costs without undue reliance on funding sources that are not certain in these uncertain times. The budget has been balanced by reducing expenses with the least possible impact to students. The District continues to be committed to holding sufficient Reserve funds to buffer potential revenue shortfalls.

Every department has examined its budget to identify efficiencies and areas for reduction. Unfortunately, balancing options that avoid impacts on the classroom are limited resulting in difficult choices this year.

The District's goal is to effectively support the Framework for Enhancing Student Learning by providing a safe, healthy and financially sustainable learning environment for our students and

staff. The Framework for Enhancing Student Learning is reflective of the commitment of the District to ensure student success by ensuring our learners are literate, numerate, feel connected to our schools and communities and, ultimately, graduate with purpose and options.

We will continue to:

-  ensure, through multi-year financial planning, budget reviews and the annual budget process, the allocation of resources (people, time, and budget) is completed in a fiscally responsible manner and supports the achievement of the Board's strategic plan;
-  review and improve business processes and business systems to create value;
-  support our community of learners through effective communication which enables efficient decision making;
-  ensure business continuity through effective risk management, succession planning, strategic recruitment, retention, and professional development;
-  effectively support the governance function of the Board of Education;
-  continue to effectively represent the district perspective to provincial government on business related initiatives (i.e., Select Standing Committee);
-  ensure district assets are safeguarded and that the school district's financial position is stable through the design and implementation of adequate internal controls and financial processes; and
-  ensure departments have the organizational capacity (people and expertise) to manage all current and planned initiatives and projects, while delivering regular operations.
-  focus on reallocating dollars from supplies and expense allowance funds to alleviate the need to reduce funding from actual filled positions or other critical initiatives, such as school budgets.

Operations

The District is located in the Southeastern corner of British Columbia. The footprint of the District is fully contained within the Ktunaxa Nation, including the communities of ?aq'am and Yaqit ?a·knuqfi'it.

The District is comprised of the communities of Elkford, Sparwood, Fernie, Jaffray/South Country and Cranbrook. The District serves approximately 6,000 students in: 16 neighborhoods schools (10 elementary schools, 2 middle schools, and 4 secondary schools); Kootenay Discovery School (KDS); Kootenay Education Services (KES); and the Kootenay Learning Campus (KLC), the Continuing Education program.

The District facilities provide student-centred learning opportunities that are welcoming and safe and that prepare learners to achieve their career and life goals. These provisions align with the Framework for Enhancing Student Learning Educational Priorities.

The Board of Education is committed to the health and safety of students and staff in the District facilities. Facilities are maintained with one of the highest custodial staffing ratios in the province. The Operations Department enhances the learning environment and intellectual development of the District learners by maintaining the condition, safety and cleanliness of our buildings, grounds and equipment. This results in healthy school facilities for our students and staff. The maintenance teams provide service for our schools while maintaining building systems with a robust maintenance program.

Facility renewal project plans are completed annually to ensure our facilities remain safe and in good condition. Each year, the Board of Education submits a five-year capital plan to the Ministry of Education that outlines the major capital projects the District has identified.

During 2023/24, Fernie Secondary School experienced two floods. The remediation work was completed and paid through the School Protection Plan so there was minimal cost incurred by the District. This work is completed as at the start of the 2024/25 school year.

On June 30, 2024, there was a fire at Amy Woodland Elementary School that caused significant damage. The impact of this issue is uncertain at this time and the District is working closely with the Ministry on possible solutions and next steps to ensure the future needs of Cranbrook students are met.

The Ministry of Education approved the District for a new Fernie Elementary School at a budget of \$33.5 million. The District is excited to begin the work on this significant project and is working with community partners to best meet the needs of students and families from an education and child care focus.

The District has continued to work towards reducing emissions and has been working towards the goal of carbon neutrality. All the departments continue to be in the mindset of reducing unnecessary emissions through the removal of inefficient printers and purchasing energy saving appliances. The District believes the goal of collaborating with staff and students to become more energy-wise will continue to pay off in the years to come.

The District has replaced older light fixtures with LED lights and kits and dimming switches have been installed in all the classrooms allowing teachers to lower the light levels to foster the development of our classroom communities into comfortable learning environments.

The District will also continue with best practices for HVAC maintenance that was learned during the COVID-19 pandemic to ensure a healthy environment for our students and staff is maintained.

The above operational strategies ensure that the District will continue to provide all students with the best opportunities to succeed in life.




Transportation

Approximately 2,400 students are transported on 25 bus routes in and around Cranbrook and the Elk Valley.

Supporting Educational Priority Two, students will have a place to belong in our schools and in our society, the Transportation Department provides financial transportation assistance to parents, whose children are eligible to receive transportation, where bussing is not available. This enhances the connection to the school and to the District. The District also strives to create a welcoming and safe inclusive environment and currently has two accessible bus routes in Cranbrook.

A transportation agreement has been developed in collaboration with both of our Indigenous communities to adjust our school bus routes to enhance the service level for our Indigenous students. The Transportation Department is active in the creation and implementation of the transportation plan with respect to the BC Tripartite Education Agreement (BCTEA), providing extracurricular access to our on-reserve Indigenous students. As part of the District's commitment to reducing our carbon footprint, the District operated two electric buses during the 2023/24 school year. An additional two electric buses have been added to the District fleet for the 2024/25 school year.

Additional District Initiatives for 2024/25

-  The Board of Education has committed additional supports in the form of 1.2 FTE worth of additional teaching time (estimated cost of \$162,000) to create full-time music, band, and shop positions to better attract and retain teachers for these roles.
-  The Board of Education continues to support Special Education for a total district budget of \$17,906,511 compared to funding received of \$12,636,850 for Level 1, 2 and 3 students, a difference of \$5,269,661 or 29% covered by operating funds which demonstrates the Board's significant commitment to Student Services.
-  The Board of Education continues to review opportunities to support French Immersion programs by hiring French-speaking staff. The Board continued the support of a District French teaching position at a cost of \$135,000 to answer a reduction in French funding.

Barriers and Other Factors

The average age of the District's facilities is 50 years, which is beyond their economic useful life. Replacing aging facilities will help reduce carbon emissions and reduce repairs and maintenance costs. At this time, immediate attention is required to replace multiple schools with significant building management systems at the end of their economic life.

The closure of Amy Woodland Elementary School after the fire on June 30, 2024, had an immediate impact on students and staff in Cranbrook. There were over 240 students in the Amy Woodland Elementary catchment area that were displaced due to the fire in addition to a total of 40 teaching, exempt and CUPE staff. The closure of Amy Woodland Elementary also provided barriers for transportation, after school child care, and the StrongStart program.

The full impact of this fire is uncertain at this time and the District is working closely with the Ministry on possible solutions and next steps to ensure the future needs of Cranbrook students are met.

There are necessary ongoing upgrades needed to properly serve our students and staff at Mount Baker Secondary School. These upgrades include a new elevator (\$400,000), a dust collection system (\$400,000), and an updated fire suppression system (\$2,000,000). The District has been advocating for a replacement school for over 20 years.

The District continues to experience school capacity constraints with Isabella Dicken Elementary School in Fernie being well above capacity. The approval of the new Fernie elementary school, will help to meet the long-term needs of the community. The school is estimated to be ready for occupancy by the Fall of 2027.

Summary

The Finance, Facilities, and Transportation departments of the District continue to support the Priorities identified in the Framework for Enhancing Student Learning through the transparent allocation of resources for instruction, efficient and effective communication, and understanding that all employees of the District are responsible for the success of students.