



# Memorandum to the Board of Education

**FROM:** Michael McLellan, Secretary-Treasurer  
**DATE:** February 16, 2024  
**SUBJECT:** 2023-2024 Amended Annual Budget

**For Information**

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## 2023-2024 AMENDED BUDGET STATEMENTS & SCHEDULES

This memo will serve as an Amended Budget Discussion & Analysis (ABD&A) for the 2023-2024 Amended Annual Budget. Drafts of the crucial statement and schedules from the Amended Budget are attached as follows:

- Detailed Statement of Operations. This statement provides the information on Statement 2 of the Amended Budget. It shows full revenue details in all funds and a summary of expenses by function, drawing from the Amended Budget's Schedule 2 & 2A – Operating Fund, Schedule 3 – Special Purpose Funds, and Schedule 4 – Capital Fund.
- Summary Expenses By Expense Category. This schedule shows the breakdown of expenses by categories of staffing, services and supplies in both the operating and special purpose funds as a whole, drawing from the Amended Budget's Schedule of 2B – Operating Fund + 3A – Special Purpose Funds.
- Detailed Expenses Schedules by Expense Category. This schedule shows the breakdown of expenses into all categories of staffing, services, and supplies to the level of program and function, as well as to each special purpose fund, drawing on Schedules 2C – Operating Fund and 3A – Special Purpose Funds.

## OPERATING FUND

*Operating Block Funding (Refer to the Statement of Operations)*

In 2023-2024, funding from the MECC in the operating fund and special purpose funds combined will total \$12,316,776, an increase of \$936,472 over the total funding of \$11,380,304 in 2022-2023.

Approximately 52% of this increase is in the operating fund, in which funding will rise to \$10,971,102 from \$10,430,472 last year. The increase is driven by operating grants per student increasing from \$7,885 per FTE to \$8,625 per FTE, a 9.3% increase. There are also concomitant increases in the Unique Needs and Unique Geographic parts of the operating block. Labour Settlement Funding of \$159,525 this year will pay for increased costs in the new collective agreements negotiated with partner groups.



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## **OPERATING FUND (Continued)**

### *Funding Protection & Enrolment Decline (Refer to the Statement of Operations)*

For 2023-2024, total enrolment is 519.4075 FTE, a decline of 3.6876 FTE from 523.0951 FTE in 2022-2023, resulting in enrolment decline funding totalling \$1,074.

### *Operating Fund Staffing (refer to the Detailed Expenses Schedule)*

The increase in Operating Fund revenues largely pays for the accompanying increases in staffing expenses due to negotiated general increases in salaries and wages and for step and experiential increases for eligible employees.

Of the total 2023-2024 operating fund expenses of \$11,232,961, roughly 84%, or \$9,464,026, will be spent on staffing. This includes approximately 42 FTE Teachers, 25 FTE Education Assistants and 30 Support Staff positions, as well as the School and District leadership positions. (Note there will also roughly be an additional \$817,219 spent on staffing paid for with special purpose funds, described below in the special purpose section.)

### *Operating Fund Services & Supplies (refer to the Summary and Detailed Expenses Schedule)*

Services and supplies expenses in the operating fund in 2023-2024 are expected to total \$1,824,137. (Note there will also be an additional \$663,490 spent on services and supplies paid for with special purpose funds, described below in the special purpose funds section.)

The largest component of these services and supplies expenses will be the \$776,829 spent on instruction expenses, including school supplies, library resources, unique needs, and indigenous education supplies. \$420,548 will be spent on operations expenses, including maintenance, custodial supplies, building maintenance supplies, all technology hardware and software purchases, and utilities. Transportation expenses will be \$189,000, comprised of fuel, maintenance parts and insurance, plus \$6,000 for transportation assistance to families not serviced by bus routes. District administration services and supplies expenses are budgeted to be \$437,760, which includes technology software, telephone and network maintenance costs, human resources and legal expenses, accounting software, audit and district supplies expenses.

## **SPECIAL PURPOSE FUNDS**

### *Special Purpose Funding (Refer to all Statements and Schedules)*

Special Purpose Funding from the MECC will also rise approximately 43% this year compared to last, from \$949,832 to an estimated \$1,361,624, driven largely by the new \$350,000 Feeding Futures



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Fund (FFF), as well as \$70,963 of the Student & Family Affordability (S&FA) funding from last year carried forward, and the \$48,241 in Seamless Day funding, all of which is planned to be spent by year-end. As for the other Special Purpose funds, the funding provided this year is also budgeted to be spent by the end of this year.

## *Special Purpose Funding – Feeding Futures Fund (Refer to the Detailed Expenses Schedule)*

The provincial government has pledged that the new FFF funding will be ongoing indefinitely, which will provide the district with \$350,000 annually to contribute to food programs. This is the floor amount for school districts, so as a small district, we benefit from higher \$s per student than in other districts. This year, as it took some time to ramp up our food programs, some FFF funding would be unused for food provision, so the remaining funds will be used in conjunction with Food Infrastructure Funding (FIP) to expand our schools' capacity for food storage and preparation, which is described below in the Capital Funds section of this memo.

Our district has followed a decentralized approach with this fund, under which third parties provide the provision of food to students. Other models are being used in the province, including centralized food coordinators and relying mainly on volunteers from PACs at schools to expand existing food programs. These alternative models have been used in larger districts with less FFF funding per student. We will be comparing our model to the approaches used in other districts at our zone at meetings during the next month to help us plan for the best use of the funding next year.

## *Special Purpose Funding – Student & Families Affordability Fund (Refer to Detailed Schedule)*

The remaining S&FA funding is being spent mainly on reduced school fees for students and to help pay for transportation and activities, reducing costs for families.

## *Special Purpose Funding – Seamless Day Fund (Refer to Detailed Schedule)*

The Seamless Day funding is being used for the Seamless Day program at Burton Elementary School and to help cover expenses from the Nakusp Early Learning Childcare Centre during its start-up phase, assuring that it runs in the red. There may be a small amount of Seamless Day funding.

## *Special Purpose Staffing (Refer to Summary and Detailed Schedules)*

Roughly half of the total \$1,538,175 in Special Purpose funding this year will be used on staffing. Staffing costs will be approximately \$817,219, services and supplies costs will comprise \$663,490, and capitalized staffing expenses will add a further \$57,466 of expenses. There is special purpose spending in all employee categories.



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## SPECIAL PURPOSE FUNDS (Continued)

The Classroom Enhancement Fund (CEF) pays for an additional 1.7 FTE teachers that were required due to the restored language in the collective agreement with BCTF, including the district’s teacher-librarian.

A Principal position is funded through the Early Learning and Child Care Capacity Fund (ELC). The ELC is a three-year fund created to fund additional leadership to help districts transition to assuming greater responsibilities for childcare and early learning. This initiative is part of the move for childcare programming to be consolidated into the Ministry of Education to create the MECC and part of the provincial government’s priority to expand access to childcare. A small amount of the CEF funding covers the incremental costs of school leadership associated with the restored language.

Various special purpose funds provide funding for hiring additional Educational Assistants, including the Learning Improvement Fund (LIF), and the Educational Assistants hired to improve learning across the district, including from the following funds: Strong Start, Community Link, the Mental Health grant, and Seamless Day.

Additional maintenance and operations staff are paid for through the special purpose component of the Annual Facilities Grant (AFG) and under the overhead component of CEF.

## CAPITAL FUNDING

### *MECC Funding*

For the year ending March 31, 2024, the district was approved for the following MECC funding:

FUND	AMOUNT	PROJECT
AFG Capital	\$328,544	Various projects.
Bus Acquisition Program (BUS)	\$461,731	New Electric Bus.
School Enhancement Program (SEP)	\$210,000	NES Electrical Upgrades.
School Enhancement Program (SEP)	\$102,250	LESS & NSS
School Enhancement Program (SEP)	\$386,450	NSS HVAC.
Carbon-Neutral Capital Program (CNCP)	\$400,000	NSS HVAC.
Carbon-Neutral Capital Program (CNCP)	\$65,000	Electric Bus charging infrastructure
Playground Equipment Program (PEP)	\$195,000	NES Playground.
Food Infrastructure Program (FIP)	\$36,000	EES Kitchen Equipment.
Food Infrastructure Program (FIP)	\$85,000	NSS Kitchen Equipment.
Food Infrastructure Program (FIP)	\$65,000	LESS Kitchen Equipment.
<b>TOTALs</b>	<b>\$2,334,975</b>	



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## CAPITAL FUNDING (Continued)

### *Board of Education Funding*

The Board of Education also set aside accumulated operating surplus for capital projects this year:

PROJECT	AMOUNT
Vehicles – Vans	\$168,056
Vehicles – Mower	\$47,488
Technology Devices	\$45,000
Technology Network Infrastructure & Equipment	\$113,000
NES Playground	\$240,000
Charging Infrastructure	\$90,000
District Classroom Improvement Fund	\$100,000
<b>TOTALs</b>	<b>\$763,544</b>

### *BUS Purchases*

In addition to the approved BUS funding of \$461,731, the district recently applied for emergency funding to replace a third bus that was recently decommissioned. We are expecting confirmation that the additional funding will be provided by the MECC later this month. The amount of the funding will be equal to the cost of the new bus.

Only one of these buses will be built by year-end, so the funding approvals for the other two buses will be extended into its 2024-2025 fiscal year and into the district’s capital budget for next year.

### *School Enhancement (SEP) – NES Electrical*

The project to maintain and upgrade electrical systems at Nakusp Elementary School is partially complete, and a partial extension of the funding approval to complete the project in 2024-2025 year will be required.

### *School Enhancement (SEP) and Carbon Neutral Capital Program (CNCP) – NSS HVAC Project*

Phase 1 of the project to upgrade and replace the HVAC systems at Nakusp Secondary School, funded by both SEP and CNCP funding, is ongoing, and a partial extension of the CNCP funding for this project into the 2024-2025 year will be required.



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## *Carbon Neutral Capital Program (CNCP) Project – Charging Infrastructure*

The District was approved for one additional CNCP project this year, to build charging infrastructure in the Southern Zone, which will allow for the use of electric buses on routes for Burton and Edgewood. In conjunction with other funding from other provincial and federal sources, the charging infrastructure will possibly fully fund the charging structure investment. As such, the \$90,000 set aside by the Board of Education from its accumulated operating surplus may not be needed.

## *Playground Equipment Program (PEP) Project – NES Playground*

At a meeting of the Board on June 30, 2024, the Board of Education approved the use of up to \$240,000 of accumulated operating surplus to supplement the \$195,000 of funding provided by the MECC for the project, for total project funding of \$435,000. As of the date hereof, \$353,774 has been spent.

## *Food Infrastructure Program (FIP) + Feeding Futures Fund (FFF) Projects – All Schools*

Investments have been made at all schools to improve the storage, preparation and serving of food to students. In addition to the \$186,000 of FIP funding provided by the MECC, approximately \$50,000 of FFF funding will be used to complete all projects.

## *Board Operating Surplus - Vehicles*

In December 2023, Nakusp Secondary School purchased a Ford Transit van at a cost of \$93,452 using its own funds. A second van is on order for the district, with unknown production and delivery dates.

## *Board Operating Surplus – Technology*

Under the 2023-2024 Long-range Technology Plan, the district planned various investments in hardware and equipment for student devices, network revitalization, backup battery renewal, and classroom presentation equipment. To fund these investments, the Board of Education set aside \$168,000 of accumulated operating surplus in addition to \$120,000 in the Annual Budget for this year. As of the date hereof, the student devices, battery replacements, and classroom presentation equipment have been purchased, and significant progress has been made toward the network revitalization projects.

## *Board Operating Surplus – District Classroom Improvement Fund*

The accumulated operating surplus funds set aside by the Board of Education for the improvement of classrooms have not been spent yet. Several potential projects have been discussed with schools, and consultation is planned with operations and the Educational Leadership Team to discuss and set forth parameters and budgets for projects.