

In Attendance:

Board of Education:

Trustees Duncan (Committee Chair), Whiteaker, Paynter, Ferris, Hentze, Leonard

Staff:

Deb Whitten, Interim Superintendent

Kim Morris, Secretary/Treasurer

Colin Roberts, Interim Deputy Superintendent

Harold Caldwell, Associate Superintendent

Katrina Stride, Associate Secretary/Treasurer

Chuck Morris, Director of Facilities

Julie Lutner, Director of Finance/Budgets and Financial Reporting

Connor McCoy, President, Greater Victoria Principals Association

Brenna O'Connor, Vice President, Greater Victoria Principals Association

Songhees Nation:

Ellie Dion, Education Liaison

Metis Nation Greater Victoria:

Caitlin Bird, President

Stakeholders:

Karin Kwan, VCPAC

Paula Marchese, VCPAC

Ilda Turcotte, GVTA

Jane Massy, CUPE 947

Taily Wills, CUPE 947

Darren Reed, CUPE 382

Katrina Legge, CUPE 382

Regrets:

2. What option(s) would you like to explore further? Groups reported back highlighting the following:

Reporting out from the breakout rooms

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2. What conclusions can you draw?

Reporting out from the breakout rooms highlighted the following:

- Staff to include enrolment for the historical years
- Discussed the struggle of using enrolment projections to create budget and trying to balance being as accurate as we can vs making sure we're not over estimating revenue (risk)
- Challenge of projection and balance how aggressive to be
- Surplus to cover deficit when you have it but what happens when surpluses are all used
- We're getting there (with small reserve we have now) how do we allocate and reduce our dependence on deficit over time
- Using up budget in the year its allocated- schools sit with carry overs lost opportunity
- within each year there's a story about revenue and expense
- When we look at it there is money saved in a year but not the next (e. COVID)
- Making assumptions and if clearly articulated can help us make decisions

Surplus Philosophy and Policy

The Committee discussed aspects of surplus including its importance and how to create and maintain a surplus. The Committee also reviewed the draft revised surplus policy that went to the Operations Policy & Planning Committee on December 6, 2021. The policy was drafted out of necessity following the Ministry's new policy. The Committee also reviewed historical operating budget underspends which average 9.13% over 7 years, to understand if the District could take more risk in its budgeting to come closer to \$0 at year end, could this address part of the structural deficit each year.

The Committee broke into three groups to discuss the following questions:

1. What should the Board do when it has a surplus?
2. Should the Board hold unallocated operating surplus for contingency?
3. How much? Currently 1% contingency = \$2.1 million
4. What should the Board consider if it makes more assumptions or takes more risk in its budget methodology?

Reporting out from the breakout rooms highlighted the following:

- No one disagreed with holding surplus almost a must
- 2%-4% is adequate
- Defining a rainy day fund and parameters around when to use
- Discussion how to build up 2% surplus
- Strategy formulation could be longer term over 3-4 years
- Coming out of pandemic this year may not be a good year to do all at once; add a small amount this year and add more in fully functioning 'normal' year

