MAKING PROGRESS TOWARD
Sustainable Schools

NEXT STEPS

Recommendations on capital funding and planning:
- *school life-cycle & deferred maintenance*
- *climate change*
- *student population growth*
- *school area standards*

BCSTA 2023/24 CAPITAL WORKING GROUP | MAY 2024

BCSTA British Columbia School Trustees Association

A shared vision

"As president of the British Columbia School Trustees Association, I am pleased to endorse the Capital Working Group's recommendations. This report aligns with our focus on the need for infrastructure investments and effective, healthy learning environments in schools across B.C. We believe these recommendations have the potential to significantly and positively impact the quality of education and the well-being of our students and staff. BCSTA's board of directors fully supports these recommendations and looks forward to advocating for their implementation."

Carolyn Broady, President,
BC School Trustees Association (BCSTA)

"The work that the BCSTA Capital Working Group has done to create this comprehensive report is exemplary. Of particular interest is the work that the group did to ensure the conversation about school district assets include the impact of climate change and the mitigation actions necessary to protect those assets as much as possible. The BCSTA Climate Action Working Group believes a multi-faceted approach to the challenges presented by climate change must include increased capital funding to reduce emissions and create adaptive strategies. Aligning our work will greatly benefit both group's objectives and we look forward to working together on potential initiatives arising from the report."

Catherine Zaitsoff (Kootenay-Columbia),
BCSTA Climate Action Working Group Chair

"The Rural and Remote Network appreciated the opportunity to preview the Capital Working Group's draft report. The Network was able to both identify and confirm the challenges rural and remote districts face."

Helen Gilbert (Peace River North),
BCSTA Rural and Remote Network Chair

"This report is a thorough and well-researched analysis regarding the five broad categories and provides a comprehensive overview of the issues and offers measured recommendations to address them. The report is an important resource for understanding the challenges facing schools in the province and for developing effective strategies to address them. The BCSSA supports the recommendations"

Rohan Arul-pragasam, President,
BC School Superintendents Association

"This report a thorough document that provides valuable insights into capital planning and funding for schools in British Columbia. The report covers a wide range of relevant topics, including life-cycle maintenance funding, climate change, student population growth, school area standards, and more. The recommendations provided in the report are thoughtful and measured and are focused on improving the learning conditions for students in BC's public schools. BCASBO supports the recommendations and looks forward to continuing to help advance the work in these important areas."

Ray Velestuk, President,
BC Association of School Business Officials

"Despite an increased level of investment in 2024/25 a significant shortfall in public school capital funding continues to be evident. This shortfall is the result of decades of chronic underfunding. The evidence includes 1741 "temporary" portables currently in use for instruction in the public school system in B.C. and $9 billion required for deferred maintenance over the next five years."

Mike Murray
Chair, BCSTA Capital Working Group

Contents

Introduction

In the spring of 2023, the British Columbia School Trustees Association (BCSTA) board of directors invited several trustees from member boards of education, as well as representatives of the BC School Superintendent's Association (BCSSA) and the BC Association of School Business Officials (BCASBO), to sit on the 2023/24 Capital Working Group (CWG). The work of the committee is outlined in the terms of reference (appendix A). Essentially, the committee's role is:

- to build on the work of the previous CWG which made several recommendations in 2020 and
- to address resolutions related to capital funding, which have been adopted at BCSTA annual general meetings for the past several years.

In framing the work of the committee, it was felt that a more direct dialogue with government and detailed analysis was needed to support change. The committee met with Ministry of Education and Child Care (MECC) staff to clarify current practice and discuss resolutions having to do with capital funding passed by BCSTA members. The committee's approach has been to define the funding which is currently being provided and compare that to what is actually needed. Recommendations are made on how shortfalls can be addressed and what additional research may be required to define what is needed.

The working group organized BCSTA capital resolutions and the committee's recommendations into five broad categories:

1. **Life-cycle / Deferred Maintenance Funding** (Annual Facility Grants, School Enhancement Program funding, Building Envelope Program funding)
2. **Climate Change** (Carbon Neutral Capital Program funding, greenhouse gas emission reductions, net zero construction, mitigation / adaptation, Bus Acquisition Program funding)
3. **Student Population Growth** (land acquisition, portables, new schools, pre-fabricated construction)
4. **School Area Standards** (related to growth as this applies to both the assessment of capacities in current school facilities and in the design of new facilities and additions)
5. **General** (addressing the process of reviewing capital programs and who should be involved)

Some resolutions the committee reviewed were very specific, having to do with items such as replacing lead water lines and wired safety glass or installing sprinklers. The committee has determined the best approach to address those items is to increase life-cycle funding in general, which would have a positive impact on the way districts are able to address those very specific issues, should it be increased sufficiently.

The 2020 CWG published two papers which contained more detailed recommendations for consideration by the provincial government, which are included in the appendix.

Life-cycle & deferred maintenance funding

There were several recommendations outlined in a paper from the 2020 CWG, *The Case for Increased School Life-cycle Funding* (appendix B), which have been partially implemented in the form of increased funding. While those increases are greatly appreciated, the amount of increased funding is not to the recommended levels, which were intended to gradually increase, in order to cover deferred maintenance in a reasonable time frame.

Despite these limitations some progress has been made. The average facility condition indicator (FCI) for the 1600 public school buildings in the province has reduced, albeit not to desired levels (.47 in 2020 to .44 in 2023). Anything over .30 is considered poor condition in an explanation of FCI contained in the Maple Ridge - Pitt Meadows School District facilities plan, while anything over .60 is considered very poor. The average FCI for schools in BC was .38 in 2013/14 and .44 In 2023/24, which demonstrates that facility conditions have worsened over the last ten years. In reviewing these numbers, ministry officials have shared the following observation:

"... onsite assessments for K-12 sector in B.C. are conducted every five years which gives a very different result than ones that are conducted annually. If annual assessments were done, FCIs would be much lower and that is what we see following onsite assessments that school districts get every 5 years – FCI for a district can easily drop by 0.2 for entire district following the assessments – it's usually because the engineer will (for example) inspect a roof and based on specs it may only last 20 years but in actuality it has been well maintained and they will get 30 years out of it. In summary, the FCI doesn't tell the story of a building – it is the details in the building condition report (roof due, boiler due, etc.)."

This report will outline the progress which has been made over the past three years later and will revisit the recommendations made in 2020 to determine if they are still valid or need to be adjusted.

Climate change

The annual investment in the Carbon Neutral Capital Program (CNCP) has risen from 5 million dollars per year in 2019/20 to $23M in each of the past two years. It has increased further to $26.8M in the 2024/25 budget. While this rise has come closest to meeting the recommended level of investment proposed by the 2020 CWG, it is overshadowed by the most recent annual proposals from districts for CNCP projects amounting to over $76M. It should be noted that the School Enhancement Program (SEP) is often used to supplement the CNCP for climate mitigation projects. The annual SEP budget increased from $65M in 2019/20 to $70 in each of the past two years. The 2024/25 budget remains at $70M. Requests for SEP funding totaled $149M in 2022/23

and $163.1M in 2023/24. The previous CWG's recommendation for increased SEP funding was for $103M in 2023/24.

The Bus Acquisition Program (BUS) has also experienced a significant rise in funding to $23M in the 2024/25 budget. The largest portion of that increase ($9M) is intended for electric busses.

The 2020 life-cycle paper recommended completing a more detailed review on what it would take to meet the 2030 provincial greenhouse gas (GHG) emission targets. A recent capstone project completed by UBC School of Engineering students has identified technologies with the potential to meet the 2030 targets. The report indicates the estimated investment required to implement that technology over the next six years is $218M (not including inflation and growth) with various sources of funding identified. Those include, but are not limited to, the MECC CNCP, SEP and the BUS. Other sources of funding, including federal grants, were mentioned and will need to be fully explored to determine how much more money will be needed beyond the amount already budgeted in ministry programs. The solutions outlined in the capstone paper need further review in a regional context, especially with the use of electric buses in extreme winter climates. Alternatives, such as hydrogen fueled or hybrid busses, may need to be explored. CWG members also identified the need to pursue solutions including solar generated electricity and onsite geothermal energy, which involve reducing reliance on the electrical power grid. This will be particularly important as growing electrical demands outpace the available supply.

During the committee's review, members identified the need for a new program dedicated to assisting districts in adapting to extreme climate events. This is essential from a climate justice perspective as some events have a significant impact on specific communities more than others. The intent would be to fund adaptation measures needed to address weather extremes such as very high or very low ambient temperatures, wildfires (and smoke), flooding and frequent power outages. These measures may include establishing schools as reception centres for evacuees with associated capital costs including emergency generators, etc.

A final comment on this relatively complex subject involves a recommendation from the CWG for the MECC to pursue a formal plan on addressing climate change in public schools in concert with technical advisors from districts. The intent would be to address both mitigation, including GHG emission reductions, and adaptation, such as (enhanced air filtration in areas prone to wildfires.

Student population growth

The School Site Land Acquisitions: Issue and Solutions (appendix C) paper from the 2020 CWG recommended either increasing the cap on school site acquisition charges (which haven't been increased for 23 years) or new enabling legislation which would allow local governments and school districts the opportunity to establish school site development cost charges in the same

fashion that the acquisition of municipal park land is funded through locally established development cost charges. The need for new schools (and school sites) is a direct result of in-migration and population growth. With that case, an argument can be made that development should pay the cost of school site acquisitions and the offsite servicing needed to accommodate the student population growth generated by new housing developments. The recommendations did not suggest that the cost of constructing schools or acquiring portables be created by developers.

Should the proposed changes be implemented, the many millions of dollars being spent by government on school site acquisitions could be redirected to underfunded deferred school maintenance or building new schools and additions. The amount identified for land acquisition over the next five years in the capital plans from the largest 25 school districts in B.C. is $1.7 billion, and this figure provides an idea for the potential impact of this proposal. **To illustrate the influence the BCSTA proposal would have had if it were adopted several years ago, this $1.7B of funding required for land acquisition over the next five years could have been redirected to fund the construction of as many as thirty elementary schools.**

It is the 2023/24 CWG's position that the recommendations contained in the school site land acquisition paper are still valid, but unfortunately they have yet to be implemented. In order to encourage that implementation it is felt that the BCSTA board needs to approach the Union of BC Municipalities (UBCM) and the Ministry of Municipal Affairs (MMA) to explore the required legislative changes, and any other collaboration needed, to address population growth and the resulting requirement for more schools. A BCSTA/UBCM protocol agreement on this and other topics may be a possibility and should be explored. This is particularly important in light of recent provincial government legislation on increasing housing density and the federal government's increased immigration figures. Both of these factors will result in added pressure on existing schools, particularly in urban areas with more families opting for condominium living given the cost of housing.

The provincial government identified student enrolment at 578,797 in 2021 and is projecting 623,483 students in 2031 . With districts such as Surrey experiencing growth of over 2000 new students per year, addressing capacity issues is something the MECC has prioritized. They have advanced a few critical off-cycle land acquisition priorities mid-year by using a flexible approach based on available capital funding in the fiscal year. They have utilized the same approach to order prefabricated additions which should alleviate the need for as many portables as might otherwise have been required by September 2024. The use of prefabricated construction is intended to be faster and, expectantly, less expensive than standard construction methods. The lifespan of prefabricated classrooms is much longer than portables and very close to what can be expected from standard built schools. Both strategies are welcome news and will result in reducing the impact of growth and the shortfalls noted above. Spaces for an additional 2400 students were approved in the

province over the past year and more are anticipated in the near-term.

A CBC News report published in September of 2023 identified more than 2100 portables currently in use in B.C. school districts. According to the ministry, records indicated there were 1,741 portables used for general instruction in the province in 2023/24.

The fact of 1741 "temporary" portables being used in the system is an indicator of decades of chronic underfunding of new school construction.

A provincial capital investment is needed to accommodate the projected increases in student enrolment. It is also required to correct many years of chronic underinvestment by replacing "temporary" portables, particularly those that continue to be used for instruction and have long exceeded their effective life expectancy. At $1M to $1.5M per prefabricated classroom, replacing all 1741 portables over the next ten years will cost approximately $200M per year in addition to the amount needed for student enrolment growth. While the new approach will be helpful, this alone will be insufficient to resolve the problem. Without significant additional funding some districts will still need to purchase and maintain portables from their operating reserves to meet the capacity requirements of their growing student populations. Until funding for new schools and additions (including prefabricated construction) can catch up to the need, it is felt that government should provide funding to these districts for portables. This action would be in accordance with a recent recommendation found in the 2024 Report on the Budget 2024 Consultation from the Select Standing Committee on Finance and Government Services (SSCFGS).

It must be noted that government has announced a significant increase in capital funding for the next three years to address student population growth. The annual funding for new schools, additions and school site acquisitions has increased from $195M in 2023 to approximately $566M in 2024/25 and will continue at $550M per year for 2025/26 and 2026/27. Unfortunately, that is insufficient to meet the requirements identified by the largest 25 schools districts in the province in their five year capital plans.

While the provincial funding available over each of the next three years for additions, new schools and site acquisitions has increased substantially over prior years, it still doesn't match the roughly $1.5B per year needed to address school district five year major capital plans for growing student enrolment and replacing what were originally intended to be temporary portable classrooms.

School area standards

There have been several BCSTA resolutions adopted requesting a review of school area standards. The rationale for a 2018 BCSTA resolution referred to a school replacement project approved with a 30 per cent smaller footprint than the original school built for the same student population. While considerations for efficiency should be made given the increasing cost of construction, efficiency needs to be paired with effectiveness and functionality.

Compounding this, there have been several additional responsibilities added to schools in recent years which require more space and will be outlined within this report. Unfortunately, without additional space allocations, the only way to address these needs is to reduce classroom footprints during the school design process. While some suggest the Neighbourhood Learning Centre (NLC) allocation provides flex space for these additions, that argument ignores the original intent to use this in support of community use, for enhanced gymnasium and performing arts spaces as well as Strong Start classrooms.

The CWG believes a more detailed review of area standards is required to ensure standards meet the current space requirements of today's effective learning environments. Such a review should include discussions with those tasked with administering facility allocations within districts and should identify regional differences while providing comparisons to similar jurisdictions in western Canada.

General

Another area of review for the 2023/24 CWG is that of how capital programs for public schools in B.C. are determined and monitored and what level of ongoing consultation should be completed in the process of those determinations. Since this work is largely technical in nature the group is recommending a standing advisory committee be established by the MECC which would include ministry staff, key school district personnel and design professionals.

Regional equity in capital funding

In the course of its review the CWG acknowledged that capital investments in schools are not equitable throughout the province. Much of this has to do with addressing increased student enrolment and safety concerns related to seismic activity. While capital funding equity is desirable, it is not entirely possible given the variables which need to be taken into consideration.

The report identifies recommendations for increased capital investments in rural and remote communities. Specifically, the CWG has indicated greater investments are needed in the annual facilities grant (AFG), the SEP and other capital programs, including the CNCP. Increases in these programs should have a positive impact on all school districts in the province. Greater technical support was also identified as being required given the limited staff resources in smaller districts. Increasingly important to rural and remote communities is the need for a new climate adaptation program to address extreme climate events like floods and wildfires, which are having a disproportionate impact on rural and remote school districts. Significant investments may be required in this program where, for example, some schools may need to be relocated away from flood plains or require significant flood and fire protection. Major mechanical upgrades dealing with air filtration may also be needed along with renovations to ensure schools can provide a smoke-free learning environment for students and staff during the fire season and potentially

provide a centre for emergency social services during extreme climate events.

The subject of school replacements also needs to be considered. There are many aging facilities located in the province which continue to be used well beyond their anticipated life expectancy. Careful consideration must be given to replacing schools over completing major upgrades when the Facility Condition Index (FCI) score for the building reaches critical levels. This notion also acknowledges that the schools built 60 or 70 years ago are not usually best configured to meet the needs of today's students, the education system, student and staff safety and current zoning requirements.

The CWG believes it is appropriate to keep regional disparities in mind when considering prioritization. Of course, the overall goal is to have sufficient funding available to address all of the identified capital requirements whenever and wherever they exist.

Summary of recommendations

(note: the agency and/or organization the advice is intended for is listed at the end of each recommendation)

Life-cycle maintenance funding

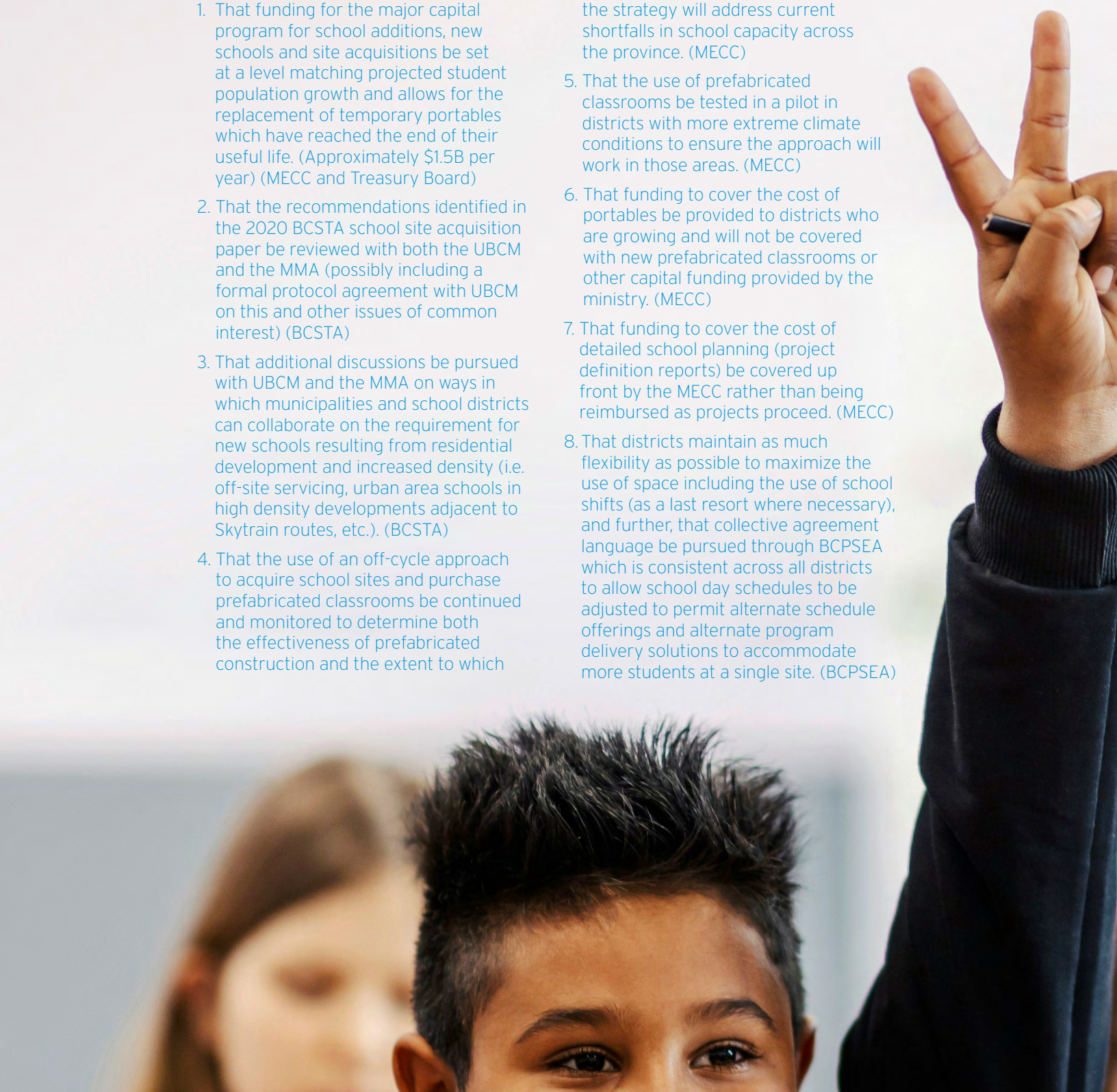
1. That the allocations for the AFG be increased each year by 3 per cent for new buildings added to the system and that the allocations for both AFG and the SEP be increased by an additional 3 per cent for inflation plus 15 per cent beyond inflation. The intent is to catch up over time to address immediate deferred maintenance. That would amount to $179M in 2024/25 and $218M in 2025/26 for the AFG program and $85M in 2024/25 and $101M in 2025/26 for the SEP program. (MECC)
2. That life-cycle maintenance funding be available to complete upgrades on older portables if it is determined that replacement with prefabricated classrooms will be delayed for a period of years. (MECC)

Climate change

1. That the MECC, in concert with the Ministry of the Environment and Climate Change Strategy (MECCS), provide technical leadership in the area of climate change to:
    a. continue providing support for climate change planning particularly in districts who lack the technical expertise needed for that work
    b. develop and fund a multi-year provincial public school climate change plan addressing GHG emission mitigation and climate adaptation strategies, taking the UBC capstone project into consideration. (MECC and MECCS)
    c. create emission standards/guidelines in consultation with school districts that recognize regional variations that can be applied through the process of reviewing all capital submissions. (MECC and MECCS).
2. That the MECC and MECCS review the UBC report with the report's authors and complete a more detailed review (based on recommendations to do so in the report) in concert with school district facilities managers and energy managers. (MECC and the Technical Advisory Committee (TAC))
3. That the ministry explore the potential of the outside funding sources listed in the UBC report to determine what outside funding may be available to implement the plan. (MECC, local school districts)
4. That the recommendations contained in the UBC report be implemented following validation from the further review noted above with adjustments incorporating alternatives to electric busses where appropriate and other strategies like solar and geo-thermal energy sources. (MECC, school districts)
5. That the additional funding required to implement the UBC plan, after outside sources of funding are either confirmed or determined not to be available, be incorporated into the ministry's CNCP and BUS program. (MECC)
6. That the carbon offsets collected from all school districts be added to the CNCP program. (MECCS and MECC)
7. That the additional funding required to address the need for air cooling in schools not being converted to heat pumps and facing extreme temperatures as a result of climate change be provided. (MECC)
8. That new schools be constructed as close as possible to a net zero emissions standard. (MECC and school districts)
9. That the MECC approach the GHG emission target as a provincial objective meaning that investments in some districts (like those with significant school bussing) may be greater than other districts based on their greater potential to reduce emissions. (MECC and MECCS)
10. That the MECC explore and fund whatever climate change adaptation measures are necessary to protect and preserve school infrastructure and healthy learning environments. (MECC)
11. That a specific capital fund be created for climate change adaptation to support the implementation of risk reduction and emergency preparedness measures. (MECC)

Student Population growth

1. That funding for the major capital program for school additions, new schools and site acquisitions be set at a level matching projected student population growth and allows for the replacement of temporary portables which have reached the end of their useful life. (Approximately $1.5B per year) (MECC and Treasury Board)
2. That the recommendations identified in the 2020 BCSTA school site acquisition paper be reviewed with both the UBCM and the MMA (possibly including a formal protocol agreement with UBCM on this and other issues of common interest) (BCSTA)
3. That additional discussions be pursued with UBCM and the MMA on ways in which municipalities and school districts can collaborate on the requirement for new schools resulting from residential development and increased density (i.e. off-site servicing, urban area schools in high density developments adjacent to Skytrain routes, etc.). (BCSTA)
4. That the use of an off-cycle approach to acquire school sites and purchase prefabricated classrooms be continued and monitored to determine both the effectiveness of prefabricated construction and the extent to which the strategy will address current shortfalls in school capacity across the province. (MECC)
5. That the use of prefabricated classrooms be tested in a pilot in districts with more extreme climate conditions to ensure the approach will work in those areas. (MECC)
6. That funding to cover the cost of portables be provided to districts who are growing and will not be covered with new prefabricated classrooms or other capital funding provided by the ministry. (MECC)
7. That funding to cover the cost of detailed school planning (project definition reports) be covered up front by the MECC rather than being reimbursed as projects proceed. (MECC)
8. That districts maintain as much flexibility as possible to maximize the use of space including the use of school shifts (as a last resort where necessary), and further, that collective agreement language be pursued through BCPSEA which is consistent across all districts to allow school day schedules to be adjusted to permit alternate schedule offerings and alternate program delivery solutions to accommodate more students at a single site. (BCPSEA)



School area standards

1. That a technical review of school area standards be undertaken by BCSTA involving BCSSA, BCASBO, the Education Facilities Manager Association of BC (EFMABC) and MECC staff to establish an appropriate standard going forward. The new standard should recognize changes in the education system as well as accessibility issues, regional differences and climate adaptation priorities. (BCSTA)

General

1. That a technical advisory committee on capital be formed by the MECC to:
    - monitor progress on a continuing basis on all aspects of capital programs and funding
    - make further recommendations to the MECC on the strategies required to address growth, life-cycle and climate change issues as well as school area standards.

The advisory group should include representatives from BCASBO, BCSSA and EFMABC who are directly involved in implementing capital programs within districts. It may also include representation from the Ministry of Emergency Management and Climate Readiness (MEMCR) and/or MECCS. (MECC)

Life-cycle/deferred maintenance funding

The following data is offered as an update to the 2020 paper on this subject.
All data is provided by the MECC. Historical fiscal year budgets for the routine capital programs versus deferred maintenance versus average provincial FCI (as assessed by VFA Canada Corporation) are as per the following table:

Fiscal year	Routine capital program budget (afg, bep, cncp, sep) n.i.c. Afg operating	Immediate deferred maintenance (cost of repairs and upgrades required within 1 year) n.i.c. closed schools	Total deferred maintenance (cost of repairs and upgrades required within 5 years) n.i.c. closed schools	Average provincial FCI for total asset inventory
2023/24	$224.6M	$422M	$8.97B	0.44
2022/23	$202M	$363M	$7.77B	0.44
2021/22	$191.5M	$437M	$7.67B	0.47
2020/21	$181.2M	$441M	$7.05B	0.47
2019/20	$170M	$491M	$6.95B	0.44
2018/19	$170M	$343M	$6.70B	0.43
2017/18	$155M	$396M	$6.28B	0.43
2016/17	$172.3M	$332M	$6.26B	0.42
2015/16	$152M	$305M	$6.09B	0.42
2014/15	$98M	$296M	$5.98B	0.41
2013/14	$98M	$254M	$5.41B	0.38

Historical Minor Capital Program project requests versus projects funded are as following:

2023/24

- AFG 2416 projects submitted in district spending plans, $147.1M allocated.
- BUS 100 project requests valued at $20M, 71 projects approved within $13M budget.
- CNCP 166 project requests valued at $76.4M, 82 projects approved within $23M budget.
- Playground Equipment Program (PEP) 109 project requests valued at $21.3M, 25 projects approved within $5M budget.
- SEP 235 project requests valued at $163.1M, 111 projects approved within $70M budget.

2022/23

- AFG 2407 projects submitted in district spending plans, $120.5M allocated.
- BUS 117 project requests valued at $19.6M, 84 projects approved within $15M budget.
- CNCP 169 project requests valued at $67M, 84 projects approved within $23M budget.
- PEP 111 project requests valued at $18.3M, 30 projects approved within $5M budget.
- SEP 244 project requests valued at $$149M, 137 projects approved within $70M budget.

2021/22

- AFG 2632 projects submitted in district spending plans, $120.5M allocated.
- BUS 142 project requests valued at $21.5M, 84 projects approved within $15M budget.
- CNCP 206 project requests valued at $77.7M, 96 projects approved within $23M budget.
- PEP 91 project requests valued at $15M, 60 projects approved within $10M budget.
- SEP 346 project requests valued at $179.6M, 127 projects approved within $59M budget.

2020/21

- AFG 2993 projects submitted in district spending plans, $115.5M allocated.
- BUS 165 project requests valued at $24.2M, 101 projects approved within $13M budget.
- CNCP 124 project requests valued at $40M, 67 projects approved within $17.2M budget.
- PEP 137 projects requests valued at $12M, 40 projects approved within $5M budget.
- SEP 413 project requests valued at $207.8M, 164 projects approved within $64M budget.

2019/20

- AFG 2768 projects submitted in district spending plans, $115.5M allocated.
- BUS 148 project requests valued at $21.8M, 87 projects approved within $13M budget.
- CNCP 112 project requests valued at $36.3M, 19 projects approved within $5M budget.
- PEP 146 requests valued at $14M, 50 projects approved within $5M budget.
- SEP 431 requests valued at $219.5M, 138 projects approved within $65M budget.

2018/19

- AFG 2605 projects submitted in district spending plans, $115.5M allocated.
- BUS 123 project requests valued at $16M, 93 projects approved within $13M budget.
- CNCP 90 project requests valued at $26.5M, 19 projects approved within $5M budget.
- PEP 158 project requests valued at $15M, 51 projects approved within $5M budget.
- SEP 415 project requests valued at $145M, 175 projects approved within $65M budget."

The 2024/25 budget anticipates annual expenditures of $150.1M for AFG funding, $70M for the SEP and $26.8M for the CNCP. The total annual amount invested in school maintenance through the AFG (both from capital and operating), the CNCP, the Building Envelope Program (BEP) and the SEP totaled $248.1M in 2023/24 and is budgeted at $255M in 2024/25. While this represents a significant increase from prior years, this level of investment should be compared to the $422M in immediate deferred maintenance recommended to be completed in one year by the engineering firm engaged to assess school buildings in the province. This amount is reinforced by the requests for funding submitted in 2023/24 by school districts in each of these capital programs (over $410M).

The BUS will also benefit from a significant increase from $13M to $23M in 2024/25. $9M of that amount is intended for electric busses.

In 2020 the previous CWG recommended AFG investments of $203.6M in 2023/24, BEP investments of $8M in 2023/24, CNCP investments of $32.1M in 2023/24 and SEP investments of $103.2M in 2023/24 for a total of $346M. This is $98.8M more than the amount actually allocated.

While we appreciate the increases which have been made it is apparent the $50.6M per year added since 2020 is insufficient to achieve what the 2020 CWG had hoped for. While the increase has covered inflation it has done little to slow down increases in deferred maintenance which now total $8.97B required within five years. Thankfully the increased investment has resulted in a reduction in the average provincial FCI from .47 in 2020/21 to .44 in 2023/24. Unfortunately, that rating still falls in the "poor condition" category.

With this the case the 2023/24 CWG wishes to make the following recommendations on life-cycle funding:

1. **That the allocations for the AFG be increased each year by 3 per cent for new buildings added to the system and that the allocations for both AFG and the SEP be increased by an additional 3 per cent for inflation plus 15 per cent beyond inflation. The intent is to catch up over time to address immediate deferred maintenance. That would amount to $179M in 2024/25 and $218M in 2025/26 for the AFG program and $85M in 2024/25 and $101M in 2025/26 for the SEP program. (MECC)**
2. **That life-cycle maintenance funding be available to complete upgrades on older portables if it is determined that replacement with prefabricated classrooms will be delayed for a period of years. (MECC)**

The second recommendation is needed given the age and deteriorating condition of older portables in the province and recognizing that replacing older portables with new prefabricated classrooms will take some time to complete.

Two other investments will have an impact on the FCI over time. The first is the seismic upgrading program while the other has to do with school replacements. A recent recommendation during the 2024 budget consultation from the Select Standing Committee on Finance and Government Services (SSCFGS) encouraged increased funding to enable a faster pace for seismic upgrades than has been the case in the past.

"Allocate necessary capital funding for the seismic mitigation program."

The provincial expenditures for seismic upgrades over the past several years follow. They are expected to continue into the future until all necessary upgrades have been completed.

2018	$119M
2019	$221M
2020	$310M
2021	$369M
2022	$326M
2023	$245M

School replacements, which often occur at some point after a building reaches 60 years of service, will also have a significant impact on deferred maintenance since all the deferred maintenance attached to a school which is to be replaced, including seismic issues, will be eliminated by replacement. The province has funded the following amounts for school replacements (partial and full including seismic work in partial replacement projects) over the past several years.

2018	$118M
2019	$209M
2020	$215M
2021	$226M
2022	$228M
2023	$196M

Climate change

Investments in the CNCP have increased significantly in recent years, which signals the importance that government has attached to GHG emission reductions.

2020/21	$5M
2021/22	$17.2M
2022/23	$23M
2023/24	$23M

The program will increase further in 2024/25 to a total of $26.2M. The 2020 CWG recommendation was that the CNCP program be increased to $32.6M in 2023/24 based largely on the number and value of requests for funding under the program. The proposals received from school districts throughout the province totaled $74.6M in 2023/24. The SEP provides another source of funding for GHG reduction projects, and recommended increases to the funding are included in this report.

Currently, school districts are required to purchase carbon offsets as part of the carbon neutral government policy. The CWG believes adding the collected amount from all districts to the CNCP program would be beneficial and make a direct connection between the amount districts are required to pay and the strategies necessary to reduce emissions. An article from policynote.ca makes the same case.

What is needed to achieve the GHG emission targets for 2030? The previous CWG report recommended a detailed technical review of this question. Subsequently, UBC engineering students were invited to conduct such a review which they have now completed.

The report can be found on BCSTA's Portal and provides the following recommendations to BCSTA and through BCSTA to the MECC and school districts. It should be noted that further study is identified as being required for the draft recommendations to be proven effective.

"11. Recommendations for BCSTA

This study shows that the total GHG emissions from all B.C. public schools in 2021 only dropped by 9 per cent of GHG emissions when compared with the baseline GHG emissions in 2010. It is far behind the 2030 target of a 43 per cent reduction from 2010. A further reduction of 68,077 tCO2e is required. To achieve the target, the following recommendations are proposed for BCSTA:

a. *Introducing 450 electric school buses can bring a reduction of around 8,100 tCO2e by 2030.*

b. *Replacing less-efficient boilers with heat pumps for 485 elementary schools, replacing boilers with condensing boilers for 80 elementary schools, and replacing boilers with condensing boilers for 230 secondary schools can bring another reduction of 60,000 tCO2e by 2030. Thus, a total of 68,100 tCO2e can be reduced.*

c. *To support these projects, BCSTA needs to advocate the B.C. government for extra funding of $37.5 million for electric school bus adoption. Besides, BCSTA also needs to continuously communicate with the B.C. government to ensure that all the current available funding would not be cut or reduced in the future.*

d. *Also, BCSTA may need to lobby with the B.C. government to ensure the funding is approved in a timely manner.*

e. *With reference to the demographic data, GHG emission measures should be prioritized to adopt in the school sectors that have a greater size in student numbers, such as School District 36 Surrey and School District 39 Vancouver. Early results in GHG reduction would be seen and work as a reference to expanding the measures to other school districts with specific modifications.*

f. *Further study and considerations are suggested to be made during the planning stage of measure implementation, to ensure the retrofitted operations are able to provide support to the special needs students. For example, the accessibility design and equipment on the electric school bus.*

g. *Due to the limited information available, the estimates in this study are very preliminary. To have a more comprehensive study, BCSTA is suggested to collect the indoor footage and the age of all school buildings and conduct a detailed analysis by clustering all B.C. schools according to their locations, the indoor footage, and the age of the buildings. These three variables are important variables for determining the requirement of a heating system.*

h. *BCSTA is also recommended to work closely with the energy managers/ specialists of school districts since the energy managers/specialists know very well about the conditions of all equipment. With an understanding of the current conditions of the equipment, BCSTA can have a better picture for prioritizing the retrofit projects across different school districts. Besides, energy managers/specialists can share their success stories in reducing GHG emissions with BCSTA.*

i. *Promoting behavioral change in energy consumption also helps in reducing GHG emissions. There are many behavioral change programs run in School District 51 Boundary and School District 37 Delta such as the paper-cut program, the recycling program, the Unplug Appliances program, the Green Awareness program, etc. By promoting these behavioral change programs, energy consumption can be reduced without having a significant amount of capital investment. BCSTA can share these success stories through the website and enewsletters "*

The report also provided the following tables for consideration and rough costing:

"Table 7

Cost and Funding Estimates on Boilers Replacement Items - Project cost Funding

Cost of heat pumps for southern elementary schools ($96,000 per school x 485 schools) $47 million

Cost of condensing boilers for northern elementary schools ($83,000 per school x 80 schools) $7 million

Cost of condensing boilers for secondary schools ($125,000 per school x 230 schools) $29 million

CleanBC Custom Program capital incentives for proposed heat pumps in southern elementary schools ($60/tCO2e of lifetime GHG savings) $37 million

CNCP for boiler upgrades projects ($3 million per year x 5 years) $15 million

SEP for boiler upgrades projects ($16 million per year x 5 years) $80 million "

"Table 6

Cost and Funding Estimates on Electric School Buses Items Project Cost

Funding Cost of 450 school buses ($300,000 x 450) $135 million

Electric school buses funded by the B.C. government ($150,000 x 450) $67.5 million

Electric school buses funded by the Canada Infrastructure Bank $30 million

Cost of Level 2 EV chargers $8,000-$9,000 / charger EV chargers funded by CleanBC Go Electric Fleets Program Full funding

Additional funding required: $37.5 million

By switching 450 school buses to electric school buses, around 8,100 tCO2e can be reduced. However, the funding for electric school buses currently available is insufficient for switching 450 gasoline/ diesel school buses to electric school buses. Extra funding of $37.5 million is required."

The MECC notes the average cost of a full-size electric school bus was $500K in 2023/24, considerably more than the amount noted above.

Another quotation is derived from the recommendations contained in the report of the SSCFGS on the 2024 budget consultations. In that report it is recommended that government:

"Increase funding for zero-emission school buses so that all new school buses are zero-emission."

One of the other benefits of converting as many schools as possible to heat pump technology is that of providing cooling at times of year when schools are increasingly experiencing extreme temperatures resulting from climate change. A means of addressing this in schools not being serviced with heat pumps needs to be pursued and funded to maintain healthy learning environments.

There are some issues that will need further discussion with respect to the proposed technologies. First, while electric buses are working well in some locations, it is the experience of some school districts that they are not necessarily the best solution in areas of extreme cold in winter and where they are serving longer routes. Further exploration is needed to determine if hybrid and/or hydrogen powered buses might be a better solution to fully electric buses in some areas.

Another issue cannot be ignored while considering electric school buses and other GHG emission reduction strategies like heat pumps. In the longer term the

province's capacity to generate electricity may be stretched beyond powering the proposed emission reduction strategies which are based on electrical power being readily available. This is especially true with government considering the phasing out of natural gas. What that discussion leads to is placing some level of priority on creating schools that generate their own energy, whether through solar panels or geo thermal systems, which would also help schools achieve net zero status.

There is a further concern which has been expressed by those involved in the design and construction of new schools. This topic was the subject of a BCSTA resolution submitted by Greater Victoria in 2021, albeit for all schools and not just new facilities. Those involved in the design of new schools have advised that ministry guidelines insist new facilities be "net zero ready," meaning they should be easily converted to a net zero operation over time and result in a minimum 50 per cent reduction in emissions compared to a building constructed to lead gold standard heated with natural gas. The CWG believes that every new school should be as close to a net zero standard in terms of GHG emissions as possible.

As noted in the introduction to this report further discussion is required with respect to the need for adaptation related to climate change. This is particularly important in areas prone to extreme temperatures and regular climate disasters like wildfires (smoke) and floods. Schools need to benefit from the most robust protection possible in terms of flood proofing and wildfire protection. They also need to consider their role in some areas as reception centres, which require equipment that includes emergency generators. Air quality issues can arise from wildfires and higher levels of filtration are required to ensure healthy learning environments.

The message in this discussion is that while meeting GHG reduction targets is important as a climate mitigation strategy, adaptation is also required, which will vary from region to region in the province. An additional fund is required to focus on adaptation strategies beyond the current CNCP program.

Given the complexity of this subject it is the view of the CWG that the MECC (in concert with MECCS) should be encouraged to provide more technical leadership in the area of climate change and that a climate change plan should be developed for public schools that addresses both GHG emission reductions and climate adaptation strategies, while also recognizing regional differences throughout the province. It is noted that the MECC has already provided consultant services to assist 10 school districts by doing energy audits and providing advice on future submissions for the CNCP, SEP and AFG programs.

During the pandemic, air quality was addressed in schools with enhanced filtration and more frequent air changes. Air quality in the face of wildfires and smoke pollution is another challenge that will need to be addressed in whatever mechanical systems are utilized, particularly in areas where wildfires are more prevalent.

Given this report the 2023/24 CWG wishes to make the following recommendations on climate change:

1. That the MECC, in concert with the Ministry of the Environment and Climate Change Strategy (MECCS), provide technical leadership in the area of climate change to:
   a. continue providing support for climate change planning particularly in districts who lack the technical expertise needed for that work
   b. develop and fund a multi-year provincial public school climate change plan addressing GHG emission mitigation and climate adaptation strategies, taking the UBC capstone project into consideration. (MECC and MECCS)
   c. create emission standards / guidelines in consultation with school districts that recognize regional variations that can be applied through the process of reviewing all capital submissions. (MECC and MECCS).
2. That the MECC and MECCS review the UBC report with the report's authors and complete a more detailed review (based on recommendations to do so in the report) in concert with school district facilities managers and energy managers. (MECC and the Technical Advisory Committee (TAC))
3. That the ministry explore the potential of the outside funding sources listed in the UBC report to determine what outside funding may be available to implement the plan. (MECC, school districts)
4. That the recommendations contained in the UBC report be implemented following validation from the further review noted above with adjustments incorporating alternatives to electric busses where appropriate and other strategies like solar and geo-thermal energy sources. (MECC, districts)
5. That the additional funding required to implement the UBC plan, after outside sources of funding are either confirmed or determined not to be available, be incorporated into the ministry's CNCP and BUS program. (MECC)
6. That the carbon offsets collected from all school districts be added to the CNCP program. (MECCS and MECC)
7. That the additional funding required to address the need for air cooling in schools not being converted to heat pumps and facing extreme temperatures as a result of climate change be provided. (MECC)
8. That new schools be constructed as close as possible to a net zero emissions standard. (MECC and school districts)
9. That the MECC approach the GHG emission target as a provincial objective meaning that investments in some districts (like those with significant school bussing) may be greater than other districts based on their greater potential to reduce emissions. (MECC and MECCS)
10. That the MECC explore and fund whatever climate change adaptation measures are necessary to protect and preserve school infrastructure and healthy learning environments. (MECC)
11. That a specific capital fund be created for climate change adaptation to support the implementation of risk reduction and emergency preparedness measures. (MECC)

Student population growth

ENROLMENT INCREASES

The provincial government identified student enrolment at 578,797 in 2021 and is projecting 623,483 students in 2031. Recent federal projections anticipate an additional 485,000 immigrants arriving in the country in 2024. We are not aware of whether the MECC contemplated these numbers in their projections. Regardless, an increase of 44,686 students over 10 years is substantial. A portion of that number may be absorbed into current capacities although that is significantly offset by students who are currently housed in temporary (portable) classrooms. A significant percentage of the growth is landing in the lower mainland, on southern Vancouver Island and in the Okanagan. The districts in these areas already lack capacity so the issue of overcrowding will be exacerbated.

Based on these enrolment projections 1900 new classrooms will need to be constructed by 2031 (translating to approximately 90 elementary schools each accommodating 500 students). Of course, none of this anticipates the current shortfall with thousands of B.C. students currently being housed in 1,741 temporary portables in the province. These are the result of chronic underfunding of major capital over many years. Replacing temporary portables over time (with new schools and additions) is another requirement, especially those that have exceeded their useful life expectancy. To illustrate the shortfall even further the largest 25 school districts in the province submitted their five year capital plans in June 2023 based on their student enrolment projections. The required investment to meet the needs of those districts over the next five years follows:

New schools	$3.01B
Additions	$2.918B
Land acquisitions	$1.69B
Replacements	$1.468B
Seismic repairs	$3.168B

Given these figures the annual investment required for new schools, additions and land acquisition alone is approximately $1.5B. This compares to the current and previous annual investments for the entire province on expansions, new schools and school site acquisitions which follow:

2018	$76M
2019	$190M
2020	$174M
2021	$236M
2022	$174M
2023	$195M

The 2024/25 provincial budget has recognized the significance of the shortfall with an increased annual investment of roughly $550M included for new schools, additions and land acquisition in each of the next three years. Although two and three years into the future is a little

more challenging to predict, ministry staff anticipate a total expenditure in 2024/25 of $566M for new schools, additions and land acquisition based on their review of projects currently moving forward. A further $65M is anticipated for replacements on top of $176M for seismic work (some of which is partially funding school replacements). While that is not sufficient to address the noted requirements it represents a significant improvement from the amount of funding previously available.

Government more than doubled the capital funding available for new school construction, additions and land acquisition from 2023/24 to 2024/25. We are very appreciative of that increase, however, a preliminary analysis of school district major capital plans suggests the amount budgeted in 2024/25 is just over one third of the annual investment required to address the identified needs of school districts in the province.

The CWG believes more detailed analysis is required and that the major capital program for school additions, new schools and site acquisitions should be set at a level that matches projected student population growth plus the replacement of temporary portables moving forward. That amount will likely be in the order of $1.5B per year.

PORTABLES

There is perhaps no greater frustration for boards of education, district staff and parents than the need to place students in portables when the capacity of existing schools is insufficient to accommodate growing student populations. Adding to this frustration is that the cost of purchasing, servicing and maintaining portables is held by school districts, with no contribution from the provincial government, and that the need for portables is driven by the lack of sufficient provincial capital funding for new schools and additions. This practice causes millions of dollars, used for this purpose, to be unavailable for direct student services and learning. We are hopeful the need for portables will be considerably reduced with the additional investments promised for the next three years and, hopefully, beyond.

Government has acknowledged this situation in the recent provincial government report on the 2024 budget consultations published by the SSCGSF. The report includes the following recommendation to government related to portables.

"Provide targeted funding for the purchase, maintenance and relocation costs of portables and establish clearly defined timelines to ensure their use is temporary."

As noted in the introduction to this paper, there are over 2000 portables currently in place in the province, 1741 of which are being used for instruction. The number of portables in the province is an indicator of the chronic underfunding for new schools, school additions and land acquisition, which has been evident over many years. Since the current cost of a basic portable can be as much as $350,000 (Kelowna) the investment of local school districts has been substantial. The cost of fully serviced 'wet' portables (with washrooms) can be considerably more. In fairness there are some exceptions where additional funding was provided by the provincial government for childcare facilities and extra classrooms needed as a result of the teacher labour settlement several years

ago. Unfortunately, that has resulted in increased pressure on the system since there was no plan developed at the time to eventually replace the temporary portables acquired to meet the immediate needs of the system with new schools or additions. The vast majority of the 1,741 units currently being used for instruction were paid for directly by local school districts. Many of these are reaching the end of their useful life and need to be replaced.

Population projections for the province suggest continuing growth in a number of districts for several years. Of course, the answer is to build new schools in a timely fashion so that portables are not needed. Doing so is easier said than done given the costs involved.

OFF-CYCLE APPROACH AND PREFABRICATED CLASSROOMS

Recently the ministry has launched an initiative to use a flexible approach based on available capital funding in the fiscal year to acquire school sites and order prefabricated classrooms which have a lifespan more in line with regular school buildings. The prefabricated units are proposed not only to replace portables but also to reduce the cost and timing of construction of traditionally built schools. We understand three urgently required school sites were purchased in this fashion and 12 prefabricated projects in seven school districts were also approved (and fully funded by the province). The 12 projects include 104 classrooms and more are anticipated in the near-term. The initiative to use prefabricated construction is based on a similar approach used extensively in other western provinces. The CWG suggests BCSTA monitor the use of prefabricated classrooms to adjudicate the success of the program and to consider endorsing their use recognizing that prefabricated classrooms alone may be insufficient and will need to be supplemented by ancillary spaces. Growth doesn't just mean there is a need for classroom space. At a certain point additional gymnasium and other spaces are also required.

It is understood by everyone that this off-cycle approach alone will not be sufficient to accommodate growing student populations. We must also acknowledge that the increased investment identified in the 2024/25 to 2026/27 three year budget will not be sufficient to address the student population growth illustrated by the five year capital submissions of the largest twenty five school districts in the province. The amount required will also be dependent upon such things as the value of land to be acquired for new schools, construction costs and the level of population growth. Where sufficient major capital is not available interim funding for portables to accommodate growth should be provided. Funding should also be prioritized to replace existing portables where their age and condition has long exceeded their planned life expectancy. Capital maintenance funding may also be required to extend the life of existing portables if they cannot be replaced in a timely fashion.

PLANNING FUNDS

There is another item of irritation for boards of education struggling to fund their operating budgets and that is the timing of detailed school planning following initial approvals to complete a project definition report (PDR). The problem is that the ministry does not provide up front funding for PDRs although it does reimburse districts for

those expenses once a project proceeds. Since these reports can cost up to several hundred thousand dollars, it is felt to be an unreasonable burden for districts to carry for a significant amount of time, especially if their capital reserves are already reduced to minimum levels.

SCHOOL SITE ACQUISITION CHARGES

A second paper prepared by the previous CWG and referenced in the introduction was titled School Site Land Acquisitions: Issues and Solutions. The paper recommended either a significant increase to the cap on school site acquisition charges or new enabling legislation which would allow local governments and school districts the opportunity to establish school site development cost charges, in the same fashion that the acquisition of municipal park land is funded through locally established development cost charges. Roughly 90 per cent of school site acquisition costs are currently covered by the provincial government, with minimal amounts covered by inadequate school site acquisition charges which have not been increased for 23 years. The notion is that the need for new schools (and school sites) is a direct result of in-migration and development and that the many millions of dollars being spent by government on school site acquisitions could better be spent on underfunded deferred school maintenance or on building new schools or additions. It is the current CWG's position that the recommendations contained in that paper are still valid since the recommendations it contains have yet to be implemented. Even more compelling is the fact that land values have increased significantly over the past several years, especially in areas of significant growth. Development cost charges used for this purpose need to be adjusted regularly to reflect current land values.

The following table identifies the funding provided by government for the acquisition of new school sites since 2020.

2020	$64M
2021	$63M
2022	$2M
2023	$62M

All of this represents funding which could be available to address other needs if not required for land acquisition. The amount identified for land acquisition in the capital plans of the largest 25 school districts in the province over the next five years is $1.7B. That amount could be utilized for deferred maintenance or building many new schools if not required to purchase school sites.

Some have indicated that making this shift in funding for site acquisition (from government to development) will result in increased housing costs at a time when government wishes to do just the opposite. Others suggest that housing prices are set by the marketplace and that an increase in school site acquisition charges or the implementation of a development cost charge for this purpose would not necessarily result in increased prices. With that said, school districts are at an inflection point in terms of the need for new schools and cannot wait any longer to match the funding required for new schools to government's own enrolment projections. Government needs to increase funding for new schools and additions and make a choice between the proposed legislative changes for school site acquisitions or increasing the amount they budget for new schools and additions even more than they would have without the proposed adjustment for school site

acquisition charges.

EXTENDED SCHOOL DAYS

Although not ideal, if increasing space cannot be achieved, consideration may need to be given to using extended school days in secondary schools to increase school capacity. The down side to this approach is the impact on extracurricular sports and arts activities which already take place before or after school. Bus schedules can also be disrupted by using shifts in schools. Extended days are currently possible in many but not all districts due to their collective agreement language. This would need to be changed to allow all districts that option. The BC Public Schools Employer Association (BCPSEA) will need to be involved to achieve that end.

Given this information, the working group offers the following recommendations on student enrolment growth:

1. That funding for the major capital program for school additions, new schools and site acquisitions be set at a level matching projected student population growth and allows for the replacement of temporary portables which have reached the end of their useful life. (approximately $1.5B per year) (MECC and Treasury Board)
2. That the recommendations identified in the 2020 BCSTA school site acquisition paper be reviewed with both the UBCM and the MMA (possibly including a formal protocol agreement with UBCM on this and other issues of common interest) (BCSTA)
3. That additional discussions be pursued with UBCM and the MMA on ways in which municipalities and school districts can collaborate on the requirement for new schools resulting from residential development and increased density (i.e. off-site servicing, urban area schools in high density developments adjacent to Skytrain routes, etc.). (BCSTA)
4. That the use of an off-cycle approach to acquire school sites and purchase prefabricated classrooms be continued and monitored to determine both the effectiveness of prefabricated construction and the extent to which the strategy will address current shortfalls in school capacity across the province. (MECC)
5. That the use of prefabricated classrooms be tested in a pilot in districts with more extreme climate conditions to ensure the approach will work in those areas. (MECC)
6. That funding to cover the cost of portables be provided to districts who are growing and will not be covered with new prefabricated classrooms or other capital funding provided by the ministry. (MECC)
7. That funding to cover the cost of detailed school planning (project definition reports) be covered up front by the MECC rather than being reimbursed as projects proceed. (MECC)
8. That districts maintain as much flexibility as possible to maximize the use of space including the use of extended school days (as a last resort where necessary), and further, that collective agreement language be pursued through the BC Public Schools Employer Association (BCPSEA) which is consistent across all districts to allow school day schedules to be adjusted to permit shifts and the ability to accommodate more students at a single site. (BCPSEA)

School area standards

There have been several BCSTA resolutions adopted requesting a review of school area standards, which does have an impact on the "growth issues" currently being experienced. One resolution's rationale referred to a school replacement project approved with a 30 per cent smaller footprint than the original school built for the same student population. While one can and should argue for efficiency given the increasing cost of construction, creating inadequate learning spaces will not serve our students well. On top of this there have been several additional responsibilities added to schools over the past few years. All of the following are adding to the requirement for more space:

1. More robust food security programs,
2. Child care,
3. Integrated Child and Youth (ICY) Teams in schools (involving other ministries),
4. The need for calming spaces
5. The need for spaces for small group and one on one instruction (for growing numbers of students with diverse needs)
6. The need for some level of dedicated safe space for indigenous learners.

Recommendations contained in ministry requested equity scans related to truth and reconciliation identified the need for dedicated space for Indigenous education. With the trauma inflicted upon survivors of residential schools whose families are part of current day school communities, it is paramount that we maintain space design consultation with Indigenous rights-holders. Adequate consultation will ensure we are creating welcoming and safe spaces while actioning the United Nations Declaration on the Rights of Indigenous Peoples to "*retain shared responsibility for the upbringing, training, education and well-being of their children, consistent with the rights of the child*."

Unfortunately, without additional space allocations, the only way to address these identified needs is to reduce classroom footprints during the school design process. While some point to NLCS as providing the flex space for these additions, that argument ignores the original intent to use these for enhanced gymnasium and performing arts spaces as well as Strong Start classrooms. Moreover, these spaces are generally planned in response to community consultation which is a requirement for school planning. A more detailed technical review of area standards needs to be completed to identify what the standards ought to be given new education requirements.

The review should include consultations with those tasked with administering facility allocations within districts and a review of area standards from similar jurisdictions in western Canada. Particular attention must also be given to regional differences within the province since what works in the Lower Mainland will likely not be suitable in Prince George. Given this report the 2023/24 CWG wishes to offer the following recommendations on school area standards:

1. **That a technical review of school area standards be undertaken by BCSTA involving BCSSA, BCASBO, the Education Facilities Manager Association of BC (EFMABC) and MECC staff to establish an appropriate standard going forward. The new standard should recognize changes in the education system as well as accessibility issues, regional differences and climate adaptation priorities. (BCSTA)**

General

Finally, while there are no BCSTA resolutions to this effect, the current CWG wishes to recommend the formation of a standing technical advisory committee to the MECC involving those who are managing facilities in school districts. The purpose of such a group would be to monitor:

- the adequacy of school lifecycle maintenance programs
- the degree to which recommendations from the UBC GHG emission study are being implemented and to determine if adjustments are needed over time
- the extent to which modular construction and funding addresses capacity issues in growing districts
- school area standards including recommendations for change tied to the further integration of community services into school facilities.

An advisory committee could be used by ministry staff to review proposed program changes before they are finalized and should meet at least once per year to review progress and offer advice to ministry staff on priorities within the system.

Given this report and background the 2023/24 CWG wishes to offer the following recommendation on establishing a technical advisory committee.

1. That a technical advisory committee on capital be formed by the MECC to:

- **monitor progress on a continuing basis on all aspects of capital programs and funding =**
- **make further recommendations to the MECC on the strategies required to address growth, lifecycle and climate change issues as well as school area standards.**

The advisory group should include representatives from BCASBO, BCSSA and EFMABC who are directly involved in implementing capital programs within districts. It may also include representation from the Ministry of Emergency Management and Climate Readiness (MEMCR) and/or MECCS. (MECC)

Conclusion

What is obvious from this report is that there has been progress made since the previous CWG offered its recommendations in 2020. That evidence is largely provided in the increased capital funding provided by the province. We thank everyone involved for that progress.

Despite an increased level of investment in 2024/25, a significant shortfall in public school capital funding continues to be evident. This shortfall is the result of decades of chronic underfunding. The evidence includes 1741 "temporary" portables currently in use for instruction in the public school system in B.C. and $9B in deferred maintenance required over the next five years.

The intent of this report has been to define the issues raised in BCSTA resolutions on capital funding and government policy more clearly and to offer measured recommendations to address those issues. Like most reports of this nature, it does outline additional work to be done to achieve the aspirations of the province and school districts in B.C. Positive working relationships with the MECC and with organizations such as UBCM will be key to achieving those aspirations.

In concluding this report, we acknowledge significant contributions in the form of data and answers to many questions from the MECC, notably Assistant Deputy Minister Chris Brown, Executive Director Damien Crowell and the Capital Management Branch along with their staff. We also wish to acknowledge the work of UBC engineering students Christopher Wong and Rebecca Yuen (supported by BCSTA's Director of Education Services Gordon Li as industry partner) for their capstone project work titled Reducing Emissions in BC Public Schools. We have also benefitted from others too numerous to mention who have reviewed earlier drafts of the report and have shared their wisdom with the CWG.

Finally, we acknowledge the members of the 2023/24 BCSTA Capital Working Group for their collective efforts wrestling with the issues outlined in this paper.

Chantelle Desrosiers
Central Okanagan

Gurveen Dhaliwal
New Westminster

Nicole Duncan
Greater Victoria

Mal Gill
BC School Superintendent's Association

Bob Holmes
BCSTA Board of Directors, Surrey

Doug McPhee
Southeast Kootenay

Mike Murray, CWG Chair
Maple Ridge – Pitt Meadows

Mark Regier
BCSTA Communications Director
Staff Support

Ray Velestuk,
BC Association of School Business Officials

Allison Watson
BCSTA Board of Directors, Sooke

For background information contact:
Mike_Murray@sd42.ca, 604 626-5193.

Terms of Reference

During the 2018 BCSTA AGM the Association adopted a number of motions related to capital construction and space utilization issues for the K-12 education system. As part of the Association's 2018/2019 Strategic Plan, the Board of Directors initiated a trustee based working group to assist with advocacy related to these resolutions. The committee established priorities within the list of motions to be addressed and published two BCSTA position papers presented by the group to the Board of Directors for use in the Association's advocacy to the Ministry.

1. School Site Land Acquisition Issues and Solutions and
2. The Case for Increased School Lifecycle Funding

Both papers are attached and have previously been presented to the Ministry of Education for consideration.

While the Ministry has expressed some support for the recommendations identified in the first paper, no legislative changes have resulted to this date. Some capital funding increases have been implemented to the various capital programs referenced in the second paper but not to the recommended levels.

PURPOSE

The purpose of the 2023 Board Ad Hoc Capital Working Group is to:

1) obtain an update from the Ministry on the actual progress made by government on the recommendations offered previously by the BCSTA in the two previous position papers and determine any next steps the Association Board of Directors should consider going forward,
2) review motions adopted at the 2019 and later AGMs related to capital construction and space utilization,
3) make recommendations to the full Board of Directors as to how the Association might best achieve the desired outcomes described in those resolutions,
4) make any additional recommendations to the Board of Directors regarding K-12 focused initiatives on capital projects, and
5) produce a summary report to the Board of Directors with the Working Group's recommendations by no later than March 1, 2024 including recommendations on any further work suggested by the committee.

REPORTING

The committee reports to the board of directors. While the working group is welcome to involve or consult with external individuals, groups or other ministries for the purpose of collecting information and strengthening lines of communication, the Group shall not represent the views of the association; nor commit the association to any particular course of action or involvement.

CONSIDERATIONS

Issues for consideration by the group:

- How best might BCSTA achieve the outcomes identified in the AGM motions and the first two position papers offered by the BCSTA to government?
- What other recommendations would assist BCSTA and its member boards in addressing the issues of capital construction and space utilization within the K-12 public education system?
- How might BCSTA work with other K-12 education partner groups, the Ministry of Education, and other external groups to address the overall issue of capital projects and space utilization within the K-12 public education system?
- Are there specific resources or working relationships that would be of use to school districts or BCSTA in addressing the overall issue of capital projects and space utilization within the K-12 public education system?

MEMBERSHIP

The President, in consultation with the Board of Directors, shall appoint seven members to the Working Group including two (2) directors from the BCSTA board and five at large trustees from throughout the Province. In addition, the BC Association of School Business Officials and the BC School Superintendents Association shall each be invited to appoint a representative to the committee. The group shall be empowered to invite additional nonvoting representatives from outside organizations to participate in group meetings as needed and appropriate. Such representation may include representatives of the Ministry of Education. The chair shall be appointed by the president.

BCSTA's chief executive officer will appoint staff support to the Working Group.

EXPENSES

The Working Group is assigned a budget of $3000 to cover meeting and travel expenses as well as all other associated costs. While most meetings will occur using an electronic platform should there be a need for an occasional in person meeting Working Group members will be reimbursed for travel expenses related to their participation on the Group in accordance with BCSTA's Expense Policy.

The appointed Chair of the Working Group shall be responsible for monitoring the budget and expenses, which may not be exceeded without the expressed prior consent of the BCSTA CEO.

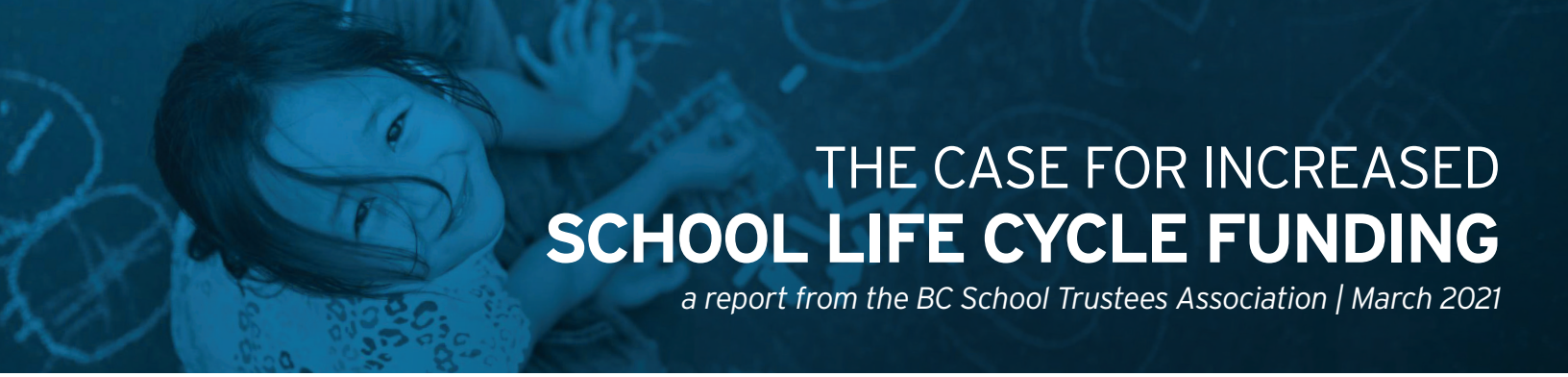
It is understood that additional resources may be required as the work progresses to complete necessary research and provide consulting support. Approval for additional resources will be obtained from the Board of Directors in advance of any commitments being made.

TIMELINES AND MEETING FREQUENCY

Meetings will be at the call of the Working Group Chair and may be in person, via telephone, or on-line. The Working Group will submit its recommendations and final report to the Board of Directors no later than March 1, 2024.

The Working Group mandate will be completed upon the submission of its recommendations and final report to the Board of Directors, and shall be disbanded at that time, unless specifically renewed or extended by the Board of Directors.

These terms of reference were approved by the board of directors on June 8, 2023.



THE CASE FOR INCREASED SCHOOL LIFE CYCLE FUNDING

a report from the BC School Trustees Association | March 2021

Introduction

Life cycle maintenance refers to the work which must be completed over the "life" of a building to ensure it remains in peak operating condition. A roof may need to be replaced a few times over the typical 50 to 60 year life of a public school building, as will mechanical and electrical systems. Structural and building envelope upgrading may also be required. This is not an exhaustive list but serves to provide examples of the type of work included in life cycle maintenance.

By all accounts B.C. schools suffer from an ever-increasing level of deferred life cycle maintenance. Several measures of this situation are offered in the following pages. One critical measure suggests the shortfall in 2020 needed to address deferred maintenance in the public school system is $237M (see Figure 1, page 3).

The intent of this paper is to define the problem and make recommendations for consideration by government to correct the shortfall.

The context of these recommendations is also worthy of consideration given the need for economic recovery following the COVID-19 pandemic and the potential for significant infrastructure investments to fuel that recovery.

Premier Horgan's November 2020 mandate letter to Minister of Education Jennifer Whiteside offers additional context. The letter directs the minister to "continue to invest in new and modernized schools, including focussing on meeting seismic requirements and climate change and energy efficiency standards as set out in our Clean BC plan."

In 2020 the routine capital program funded by the provincial government for schools totaled $204M. By comparison the estimated cost of repairs and maintenance recommended by building system engineers engaged by the Ministry was more than double that amount at $441M.

Summary of Recommendations

1. That a building life cycle plan be developed for each new public school facility at the time of construction including an indication of the annual contributions necessary to fully implement the plan over time.
2. That the Annual Facilities Grant (currently $115M) be increased by:
    a. inflation (currently roughly 2%), plus
    b. an amount equivalent to the annual contribution necessary to implement the detailed life cycle plan for new buildings (roughly 3%) and
    c. a minimum of 15% for "catch up" each year

    amounting to a minimum of $139.5M in 2021/22, $168.5M in 2022/23, $203.6M in 2023/24, $246M in 2024/25, etc., noting that annual increases should continue until the recommended deferred maintenance costs can be covered.
3. That School Enhancement Program funding (currently $64M) be increased by:
    a. inflation (currently roughly 2%) and
    b. a minimum of 15% for "catch up" each year

    amounting to a minimum of $75M in 2021/22, $88M in 2022/23, $103.2M in 2023/24 and $121M in 2024/25, etc., noting that annual increases should continue until the recommended immediate deferred maintenance costs can be covered and
4. That the Carbon Neutral Capital program be increased a minimum of 100% in 2021/22 and 10% per year thereafter amounting to $33.4M in 2021/22, $36.74M in 2022/23, $40.41M in 2023/24 and $44.45M in 2024/25.
5. That the provincial government carry out the required research to identify appropriate technologies and determine the funding required to achieve provincial government energy conservation objectives for existing public buildings outlined in the Clean BC program; and further, that the provincial government work with the federal government to provide the necessary funding to achieve those objectives.
6. That the need for more up-to-date learning environments to support student success and the level of accumulated deferred maintenance both be given greater consideration in the decision-making process about whether to complete major renovations or replace school buildings as they approach the end of their useful life.
7. That a review of the process to determine the Facility Condition Index be undertaken by the Ministry of Education in concert with school district Directors of Facilities and Maintenance to ensure accuracy incorporating more frequent local updates.
8. That a review of the Building Envelope Program be completed by the Ministries of Education and BC Housing in concert with school district Directors of Facilities and Maintenance to ensure adequate funding is available to finally complete all building envelope repairs that stemmed from the "leaky condo"era.
9. That all of the additional funding identified as being required in this paper be provided beyond the current Ministry of Education funding envelope.

Background

Deferred Maintenance

Figure 1 (below) identifies historic routine capital program allocations, deferred maintenance recommended within 1 year, deferred maintenance recommended within 5 years, and the change in the average provincial facility condition index (FCI) of school facility assets.

The listed capital programs in Figure 1 include the Annual Facilities Grant (AFG), the Carbon Neutral Capital Program (CNCP), the School Enhancement Program (SEP) and the Building Envelope Program (BEP) all of which contribute to addressing facility life cycle maintenance requirements. It will be noted Figure 1 captures a long term trend toward poorer conditions in school buildings, along with a growing estimate of unfunded immediate deferred maintenance costs (a $237M shortfall in 2020).

If the trend toward a worse average facility condition index were to continue at a certain point the province would experience a crisis of needing to replace many school buildings all at once. That may not occur for several years, however, the trend is definitely of concern. The FCI descriptor on page four of this paper and the current average FCI rating of 0.47 suggest many school buildings must already be in the poor or very poor rating category.

We have based all of our analysis on data obtained from the Ministry of Education. It has been identified by some districts that more detailed and frequent analysis is needed on the process of assessing school buildings and that the analysis should involve school district staff involved in facility maintenance, to ensure the FCI is accurate and up to date. As a consequence we have made a recommendation for such a review to be completed at the earliest opportunity.

Fiscal Year	EDUC Routine Capital Program Allocations (AFG, BEP, CNCP, SEP) plus AFG operating	Immediate Deferred Maintenance (Cost of repairs and upgrades required within 1 year) n.i.c. closed schools	Total Deferred Maintenance (Cost of repairs and upgrades required within 5 years) n.i.c. closed schools	Average Provincial Facility Condition Index (FCI) for Total Asset Inventory
2020/21	$204M	$441M	$7.05B	0.47
2019/20	$192M	$491M	$6.95B	0.44
2018/19	$193M	$396M	$6.70B	0.43
2017/18	$195M	$343M	$6.28B	0.43
2016/17	$174M	$332M	$6.26B	0.42
2015/16	$152M	$305M	$6.09B	0.42
2014/15	$98M	$296M	$5.98B	0.41
2013/14	$98M	$254M	$5.41B	0.38
2012/13	$96M	$236M	$5.38B	0.37

Figure 1 – Source: Ministry of Education

Facility Condition Index

The BC Ministry of Education has established a Capital Asset Management System (CAMS) for all schools in the province and has contracted with VFA Inc. to conduct facility condition audits.

The purpose of the facility condition audit is to determine the equivalent age and condition of each school building. The condition includes structural, architectural, mechanical, electrical, plumbing, fire protection, equipment and furnishings and life safety. An audit of site conditions is also included.

The audit determines what resources will be required over the coming years to maintain or replace aging facilities. Each school is given a rating called the Facility Condition Index (FCI). This is a comparative index that allows the Ministry to rank each school against all others in the province and is expressed as a decimal percentage of the cost to remediate maintenance deficiencies divided by the current replacement value (i.e. 0.26).

According to VFA Inc.,
FCI ratings have the following meanings:

0.00 to 0.05 – Excellent
Near new condition.
Meets present and foreseeable future requirements.

0.05 to 0.15 – Good
Good condition. Meets all present requirements.

0.15 to 0.30 – Average
Has significant deficiencies, but meets minimum requirements. Some significant building system components nearing the end of their normal life cycle.

0.30 to 0.60 – Poor
Does not meet requirements. Immediate attention required to some significant building systems. Some significant building systems at the end of their life cycle. Parts may no longer be in stock or very difficult to obtain. High risk of failure of some systems.

0.60 and above – Very Poor
Does not meet requirements. Immediate attention required to most of the significant building systems. Most building systems at the end of their life cycle. Parts may no longer be in stock or very difficult to obtain. High risk of failure of some systems.

The FCI is a significant factor the Ministry of Education uses to determine funding priorities for rejuvenation or replacement projects. Generally, a school will not be considered for replacement unless the FCI is close to 0.60 or above.

How Deferred Maintenance is Calculated

In Figure 1 immediate deferred maintenance refers to those projects which are recommended by the engineering firm engaged by MOE to complete facility condition assessments each year. While the projects included in those recommendations do not necessarily involve building systems that will fail in the next year, preventive maintenance is always better than reactive or crisis maintenance. Building systems need to be properly maintained before they fail.

Building condition assessments are completed by engineers who are specialists in this field. They rely upon their knowledge of building systems to know where the sweet spot is.....that place where an ounce of prevention avoids a pound of cure and where replacement is more cost effective than constant repairs. Deferred maintenance reflects the work these specialists indicate should be done which has not been done as a result of inadequate funding. It is appropriately a requirement of government that building condition assessments are completed so government can direct limited funding to the areas of greatest need. We commend government for that, however, identifying and not addressing other maintenance requirements must still be considered a shortfall.

Capital Maintenance Project Requests/ Allocations

Figure 2 (below) documents shortfalls in each of several capital programs over the past five years.

The number of projects and funding for requests beyond the actual number of projects and funding provided by the ministry are reported for

- the Carbon Neutral Capital Program (CNCP),
- the School Enhancement Program (SEP),
- the Bus Acquisition Program (BUS) and
- the Playground Equipment Program (PEP).

All of these programs indicate the inadequacy of current levels of funding. Full program descriptions are available here.

Unlike other programs listed in Figure 2, the Annual Facilities Grant is based on what is provided to districts by formula. Districts seek approval from the ministry on how they intend to use their AFG allocation. The best indication of an AFG shortfall is that provided in Figure 1. Figure 3 (page 5) provides another indication of less than adequate AFG funding.

The Building Envelope Program (BEP) identified in Figure 1 is not listed in Figure 2. We are advised the annual funding provided for this program amounts to approximately $10M each year and is intended to address building envelope issues arising during the "leaky condo" years and will be phased out over time as they are addressed. Some additional funding for this purpose has been provided through litigation. We are advised by some districts relying on this funding that it is inadequate and, therefore, we are making a recommendation that the program be reviewed by the Ministry of Education and BC Housing Authority in concert with affected school districts and appropriately funded to address outstanding projects.

Figure 2 – Source: Ministry of Education

2020/21

AFG	2993 projects submitted in district spending plans, $113.5M total allocated
BUS	165 project requests valued at $24.2M. 101 projects approved for $14.6M.
CNCP	124 project requests valued at $40M. 67 projects approved for $16.7M.
PEP	137 projects requests valued at $12M. 40 projects approved for $5M.
SEP	413 project requests valued at $207.8M, 164 projects approved for $64M

2019/20

AFG	2768 projects submitted in district spending plans, $113.5M total allocated
BUS	148 project requests valued at $21.8M. 87 projects approved for $12.8M.
CNCP	112 project requests valued at $36.3M. 19 projects approved for $5M.
PEP	146 requests valued at $14M. 50 projects approved for $5M.
SEP	431 requests valued at $219.5M. 138 projects approved for $65M.

2018/19

AFG	2605 projects submitted in district spending plans, $113.5M total allocate
BUS	123 project requests valued at $16.M. 93 projects approved for $13M.
CNCP	90 project requests valued at $26.5M. 19 projects approved for $5M.
PEP	158 project requests valued at $15M. 51 projects approved for $5M.
SEP	415 project requests valued at $145M. 175 projects approved for $65M.

2017/18

AFG	2704 projects submitted in district spending plans, $108.5M total allocated
BUS	134 project requests valued at $16.2M. 73 projects approved for $10M.
CNCP	91 project requests valued at $30.6M. 15 projects approved for $5M.
SEP	346 project requests valued at $167M. 130 projects approved for $55M.

2016/17

AFG	2123 projects submitted in district spending plans, $108.5M total allocated
BUS	126 project requests valued at $16M. 73 projects approved for $10.8M.
CNCP	85 project requests valued at $22.2M. 25 projects approved for $5M.
SEP	462 project requests valued at $277.3M. 146 projects approved for $70M.

Annual Facility Grant

Figure 3 tracks changes in the Annual Facilities Grant since 2002 indicating increases in that specific area of funding have risen by far less than inflation even though capital costs have risen significantly during that same period.

Given the shortfalls noted earlier we have recommended increases to the AFG program which are considerably greater than inflation beyond 2021/22. These increases and those recommended to other education routine capital programs are required to address the growing levels of deferred maintenance identified in Figure 1.

The result of underfunding public school life cycle funding is that many BC schools suffer from poor life cycle maintenance, looking and feeling tired, and creating less than ideal learning conditions.

As important, they cost more to operate than they should, taking money away from student educational resources. Fairly straight forward energy efficiency upgrades can redirect hundreds of thousands of dollars back into education operating budgets in addition to helping achieve the climate change targets established by the province.

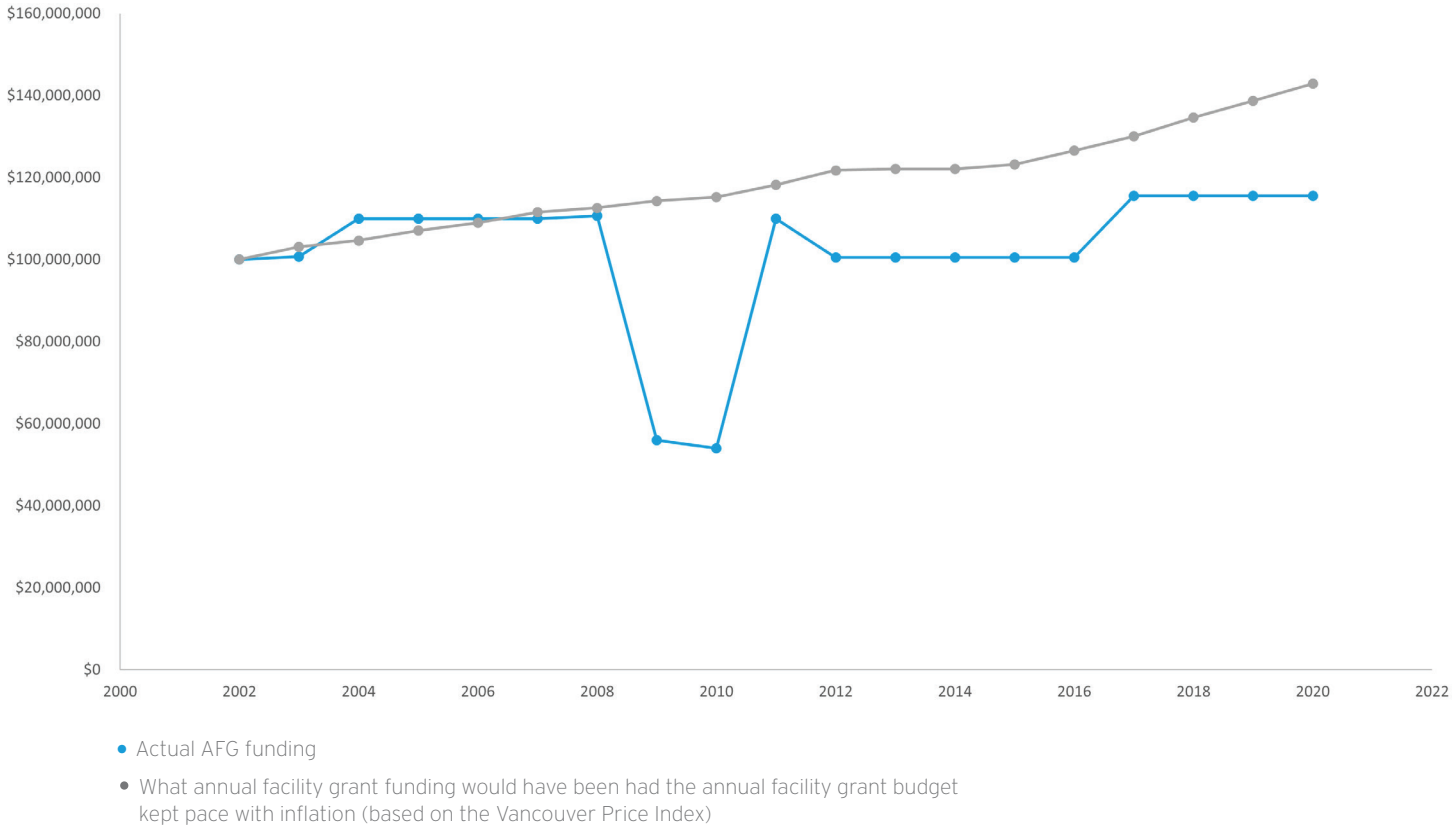


Figure 3 – data sourced from the Ministry of Education. The graph identifies the value of the Annual Facilities Grants (AFGs) awarded for each year beginning in 2002 compared to the amount which should have been budgeted given inflation (based on the Vancouver Consumer Price Index).

Investments in New Schools, Seismic Upgrading and School Replacements

It can be said districts and government do a reasonable job of ensuring schools are safe which is a clear priority. The only exception may be those schools for which recommended seismic upgrading has not yet been completed. To their credit government has identified seismic retrofitting as a priority. Unfortunately, government and the boards of education involved in addressing this situation seem to be having some difficulty catching up to the problem, especially since seismic survivability standards appear to be increasing. Keeping up to the need for capital funding for new schools and additions on top of the seismic upgrade program has been extremely challenging. Despite this Government has made substantial attempts to address these issues with increased funding as noted in Figure 4.

	B2018	B2019	B2020
SEISMIC	126M	220M	310M
NEW & ADDITION	102M	166M	332M

Figure 4 – Source: Ministry of Education

A few school replacements are also being funded which will have an impact on the facility condition index as very old schools are fully replaced. The amounts provided over the past three years for full building replacements are $9.8M in 2018, $31.4M in 2019 and $56M in 2020.

All three of these areas of funding (for new schools, additions and seismic upgrading) are important and, although they are not the subject of this discussion paper, we must assume plans have been developed which define the level of funding required to complete seismic upgrades and construct new schools to keep pace with growth in the system.

While these needs are being more appropriately addressed we cannot forget the amount of funding required to address deferred maintenance in existing buildings. New schools and seismic upgrading are both needed. They tend to enjoy a higher profile than maintenance projects in existing schools. However, the latter are equally important if we are to fulfill our responsibility as trustees of important public assets.

Data obtained from the Ministry of Education illustrates a growing level of deferred maintenance and the degree to which we are failing in this responsibility.

Regional Differences and Equity

During the process of writing this paper the capital working group heard from many school districts both verbally and in writing. A few quotations are shared from the written input on the following page. Apart from validating the need for additional life cycle funding to address deferred maintenance some also raised the need to consider regional differences and matters of equity.

There is no question that growth and seismic survivability are demanding the bulk of limited capital funding. As reported earlier, allocations for 2020 for these two categories of work amounted to $642 million. This can be compared to education routine capital funding (including AFG from operating) in the same year of $204M which, as we've noted, is $237M less than the amount recommended by building system engineers..

Needed upgrades and renovations (deferred maintenance) are often addressed when seismic work or additions are completed. It only makes sense that those upgrades should occur at the same time as major structural work is being undertaken. Of course the addition of upgrades, seismic work and the need for school expansions can also factor into the decision on whether or not to replace an older school. There comes a point in the calculation when complete replacement makes more sense from a purely fiscal analysis.

There really cannot be any arguments as to why $642M (or more) is needed on an annual basis to address the critical issues of growth and seismic survivability, especially given the number of portables growing districts are having to purchase from operating funding to ensure there is enough space to accommodate their students. Reducing the number of portables being used in this fashion is a stated goal of government. In the report we've suggested that more detailed analysis and planning may be required to ensure adequate resources in these areas.

However, if funding is limited and seismic mitigation, new schools and school expansions are identified as priorities it means that the replacement of older schools and deferred maintenance (which is the subject of this paper) are severely underfunded. Since the majority of growth and seismic work are occurring in urban areas it is understandable why many of our more rural districts believe they are receiving an inadequate level of attention from government.

On top of that many of them exist in areas that experience more extreme climates, with disproportionate heating and maintenance costs during the winter months. Underfunding programs like the Carbon Neutral Capital Program, which could have an even more significant impact in areas experiencing extreme climates, adds to this sense of regional disparity.

There is another point some districts shared which bears repeating and it is embodied in the following phrase offered by one of our committee members, "your environment fosters your culture". To illustrate, one of the schools referenced by District 72, Campbell River, is 57 years old with an FCI of .69 which is very poor or critical on some FCI scales. Putting any significant amount of money into

deferred maintenance doesn't make a lot of sense at this stage given the strong case for replacement, and yet there is no funding for replacement despite several years of the project topping the district's capital request. It happens that the school is situated in an area of the community experiencing a disproportionate amount of poverty and a vulnerable student population. The result is a community within the district that is perceived to be under-served, with the consequent perception that the need of students for an appropriate and positive physical learning environment is somehow less of a priority in this school than in other SD72 school communities.

This is not a situation we can collectively ignore if we are to create positive learning environments for all of the children of our province....if we are to ensure equity within our education system. The only thing that will address this is increased funding for education routine capital programs and school replacements, and not at the expense of seismic upgrading or addressing growth. All of these needs must be addressed.

Rules and Standards Have Changed Over the Last Fifty Years.

Standards for health and safety have changed considerably over time with ever increasing and appropriate measures to address such issues as the use of asbestos many years ago, lead content in the water more recently and seismic survivability. The cost of energy has gone up considerably as well, demanding measures to become more efficient, not only to keep costs down but also to reduce green house gas emissions and, literally, save the planet. Government is now requiring that school buildings meet reasonable standards for energy efficiency reducing emissions by 50% from 2007 levels by 2030 and achieving net zero targets for new buildings by 2032. That is very appropriate and to be applauded as we consider the design of new schools, but what about our existing building infrastructure? It is not unusual for schools to be in service for over fifty years. How do we reduce the carbon footprint of buildings constructed that many years ago and ensure they are safe and efficient, not to mention providing positive learning environments for children?

".....it costs more to operate buildings that are in poor repair which takes away from student educational resources.....the quality of our buildings, especially in rural/remote locations is a factor in staff recruitment and retention."

SD60 North Peace

"Thirteen of our twenty buildings are in the poor or very poor FCI category. Thus we utilize every dollar of our annual facilities grant just trying to triage our most urgent maintenance needs. The district submits an annual plan for the spending then always adjusts based on a roof that sprouts a leak or a boiler that fails. There are never enough funds to address all of the needs thus building deferred maintenance requirements and costs continue to grow."

SD71 Comox Valley

"One wonders what our future selves might wish that we had done today to succeed in managing this challenging problem in the long run...In our experience a majority of projects that are a good fit for CNCP funding tend to be more expensive projects, including HVAC rooftop units, heating, water and electrical systems. The gap between existing equipment and the much lower Clean BC targets (to be achieved with enhanced systems and equipment) would possibly justify .....a doubling in the current amount (of available funding)."

SD 37, Delta

"As a district with most of our buildings more than 30 years old funding to do exterior upgrades to schools would greatly improve student, staff, parent and community morale in our pubic education system."

SD 28, Quesnel

"Since much of the provincial funding for the Building Envelope Program flows through the BC Housing Authority it creates some further complexity. That the fund is only $10M annually is a significant detriment to addressing more costly maintenance. The funding is simply insufficient. For example, we have two schools each of which require more than the annual fund provided. As a result these projects never get approved, the buildings are deteriorating more rapidly than others which significantly increases operating costs and (reduces) building life.....the leaky condo era was 1981-98 and 22 years later the building envelope is still a significant issue"

SD43, Coquitlam

".....we are particularly concerned about the specific challenges facing many rural and remote communities in northern BC. The window of time that districts are able to perform cost effective building and maintenance is smaller and northern districts can face significantly higher building and maintenance costs during colder months than other districts might."

SD57, Prince George

How Can We Address the Problem?

Boards of education have long expressed the concern that the annual allocation of capital funding to address deferred maintenance is inadequate. Figure 1 provides a relatively clear substantiation of that claim.

Many municipal governments have addressed this problem for their own facility infrastructure by developing life cycle plans at the point of constructing new buildings, identifying each building's life cycle costs well into the future and putting sufficient funding into a reserve each year to ensure the identified work can be addressed as it comes up in the plan. Roofs, mechanical and electrical systems all need to be replaced several times over the life of a building. Given the extremes of our climate regular reviews and repair/replacement of building envelopes is another aspect of the ongoing work which needs to be addressed more than once during the life of a building.

Strata councils are required in legislation to have lifecycle plans which they are wise to implement to avoid surprise assessments as major issues arise. It is a preferred approach to set monthly strata fees at a level sufficient to accommodate everything in the plan rather than wait until something breaks down and requires an emergency repair or replacement and a somewhat unexpected assessment. An unanticipated $10,000 bill, or greater, can be a significant blow to a family's budget, not to mention the disruption if replacement is left until something like a water line breaks.

Many commercial buildings operate this way as well with a portion of every lease payment for common costs allocated to life cycle projects.

The cost to address the reported shortfalls for school facility life cycle maintenance is significant ($237M per year) and couldn't possibly be addressed all at once. We have suggested other sources of funding that could be tapped in another paper of the BCSTA Capital Working Group (School Site Acquisition Charges – Issues and Solutions). Implementing the recommendations offered in that paper would free up more capital funding over the long term. This is a long term problem and, we submit, requires a steady and considered long term approach to address the issue. If the recommended changes had been made in the years prior government could have saved $42M in land acquisition costs in 2018 and similar amounts going forward. However, nothing we can suggest short of additional government funding will be sufficient to bring the entirety of public K-12 education infrastructure up to the desired level very quickly.

Life Cycle Plan Recommendations

To begin we are suggesting that the ministry require a standardized life cycle plan be developed for every new school building that is constructed into the future.....and further....that an adequate annual contribution be added to the Annual Facilities Grant of the school district in which the facility is located to address the lifecycle needs of that building over time.

Ideally school districts would work backwards and create such plans for all their existing buildings and apply to the ministry for the annual funding required to sustain the overall building life cycle plan. That is likely unrealistic given the increased amount of funding required as indicated by the high number of requests made and relatively few which are approved. In 2019/20 the amount allocated by the province to lifecycle maintenance (the combination of AFG, SEP, CNCP and BEP) was $205M against a recommended amount of $441M. As noted earlier the recommended amount is derived from the work of building system engineers engaged by MOE to complete the facility condition assessment each year.

Ideally the annual allocation from the ministry would address the annual deficit ($237M). Since that is unrealistic in the short term we are suggesting a gradual "catch up" to eventually achieve enough annual funding to meet existing building life cycle needs, concurrent with a new system of lifecycle planning and funding for new buildings as they come on board.

In summary we are recommending annual increases in the Annual Facilities Grant, the School Enhancement Program and the Carbon Neutral Capital Program until the total recommended level of funding required to complete recommended immediate deferred maintenance can be achieved.

Annual Facilities Grant Recommendations

The current AFG allocation in 2020/21 is $115.5M. We are recommending that amount be increased each year with the addition of:

- the annual contribution identified as being required in new facility life cycle plans plus
- inflation (currently roughly 2%) plus
- a minimum of 15% beyond inflation intended to reduce the shortfall for existing buildings over time.

The investment made in constructing new schools and additions in 2020 was $332M. In order to provide a rough estimate of the annual life cycle contribution required for new facilities we have anticipated that cost to be the initial capital cost divided by a fifty year life or $6.6M. That can be roughly translated to 3% of the current combined investment in AFG and SEP. The actual amount added to the system each year should be based on the specific lifecycle plans prepared for each building in the prior year. However, for the purposes of this paper and its recommendations we have simplified the calculation.

This formula would amount to AFG funding of approximately $139.5 in 2021/22, $168.5M in 2022/23, $203.6M in 2023/24 and $246M in 2024/25.

School Enhancement Program Recommendations

We are also recommending an annual increase in the School Enhancement Program (SEP). The SEP funding provided for 2020/21 is $64M. We are recommending that amount be increased each year with the addition of:

- inflation (currently roughly 2%) plus
- a minimum of 15% beyond inflation intended to reduce the shortfall for existing buildings over time

This would amount to SEP funding of $75M in 2021/22, $88M in 2022/23, 103.2M in 2023/24 and $121M in 2024/25.

Both of these programs would continue to increase using these formulas beyond 2025 until the amount being budgeted is sufficient to address the deferred maintenance shortfall.

We have selected a 15% factor in our formula for "catch up" recognizing it will still take several years to do so. If the "catch up" provision was increased to 20% over $500M would be available in 2025. A smaller "catch up" amount would extend the time needed to achieve the required level of funding and complete the required work.

Carbon Neutral Capital Program Recommendations

We must also consider the Carbon Neutral Capital Program. Expenditures in this program are often used to replace electrical, mechanical or other systems which need to be replaced in the regular course of completing life cycle maintenance. It only makes sense that completing upgrades to systems to make them more energy efficient would be completed at the same time.

There is another significant argument to be made for increased funding beyond the amount already provided in the Carbon Neutral Capital Program. Reduced consumption generally means reduced operating costs, which can then be redirected to student achievement.

We are hoping the total amount of funding required to achieve the net zero targets established by the province for new buildings and improved efficiency for existing buildings (50% reduced consumption by 2030) will be the subject of further investigation and recommendations by government and is beyond the scope of this paper. However, we do feel it is appropriate in the context of this discussion to suggest a minimal ramping up of the Carbon Neutral Capital Program. It can be seen in Figure 2 that funding requests for this work totalled 2.5 times the available funding in 2020. Total requests amounted to $40M in 2020/21 while the available funding amounted to only $16.7M.

We are concerned the amount of annual funding currently available in the Carbon Neutral Capital Program for public schools is significantly less than the amount required to achieve Clean BC objectives. We are recommending the annual allocation to the Carbon Neutral Capital Program be doubled in the next year and increased by 10% per year thereafter . At this point we do not know if that level of investment will be sufficient to achieve the goals of the Clean BC program. We do know that most districts have already completed the easiest upgrades beginning with lighting systems followed by more efficient Boiler and HVAC equipment as mechanical systems reach the end of their life expectancy. What remains are projects which will be needed to achieve the Clean BC goals by 2030. They are very likely to be more complex and expensive as conversions from traditional to more innovative systems using alternative clean energy sources are contemplated. We are recommending CNCP allocations over the next four years should be $33.4M in 2021/22, $36.74M in 2022/23, $40.41M in 2023/24 and $44.45M in 2024/25. These increases are considered to be the minimum required. A more detailed analysis on what it will take to achieve Clean BC goals by 2030 may indicate the need for even greater resources. We are also recommending that analysis be undertaken by the provincial government as soon as possible.

Of course Initial capital funding for new buildings should be based on achieving as close to net zero emission targets as possible going forward, leading to new buildings fully achieving the net zero target by 2032.

Access the Clean BC program details here.

Renovate or Replace?

Many districts and the Ministry of Education face difficult decisions as schools approach the end of their useful life (fifty to sixty years of service) and encounter the need to complete relatively costly seismic upgrades and building system upgrades if they are to continue safely accommodating students in those facilities.

The dilemma is that schools built so many years ago often do not include the kind of learning environments we want to offer to students. For example most older secondary schools do not include the kind of trades and technical training facilities which are commonplace in modern secondary schools. Most older elementary schools do not provide the kind of break out space needed for Education Assistants to work one on one with students who have specialized needs, resulting in hallways filled with EAs and their assigned students when working in regular classrooms is not appropriate.

Unfortunately in the process of making capital submissions for older facilities to the Ministry of Education many school districts have experienced a direction from government to plan for the least expensive solution which will ensure student safety and meet basic building system requirements. This is often occurring without adequately addressing the needs of students. With that the case we are recommending that decisions concerning whether or not to complete major upgrades or replace older buildings which have effectively reached the end of their useful life (50 to 60 years) include greater consideration of the changing learning needs of students. Full replacement may cost more than renovations in the short term but will often be more educationally effective and justifiable given a longer term perspective.

Moreover, all of the deferred maintenance of an older facility being considered for renovation must be considered in the calculation to determine the comparable costs of renovation vs replacement.

Conclusion

Building new schools and additions as our student population grows is important as is completing seismic upgrades to ensure our buildings are survivable in the event of an earthquake. With that said ensuring regular, appropriately timed life cycle maintenance on all school facilities is equally necessary to fully achieve our goal of providing safe and efficient school facilities which provide excellent learning environments for children. Accomplishing that can only be achieved with adequate annual funding provided by government. We have offered several recommendations along with a formula which should be used to catch the system up to address the ever increasing levels of deferred maintenance currently being experienced by school districts in British Columbia, and urge consideration of those recommendations and the proposed formula by government. Maintaining our schools is not a luxury that can wait until the economy is better. We need to act now to avoid serious problems in the future.

Acknowledgements

The historical data used in this report was obtained from available Ministry of Education records.

This discussion paper was developed by the BCSTA's Capital Working Group. Members of the working group include:

JANICE CATON
SD 71 Comox Valley

GREG FRANK
BC Association of School Business Officials
SD36, Surrey

ESTRELLITA GONZALEZ
SD39, Vancouver

KATHLEEN KARPUK
SD73, Kamloops

MIKE MURRAY
BCSTA Board,
SD42, Maple Ridge and Pitt Meadows

RAVI PARMAR
SD62, Sooke

DONNA SARGENT
BCSTA Board,
SD38, Richmond

SCHOOL SITE LAND ACQUISITIONS ISSUES AND SOLUTIONS

a report from the BC School Trustees Association

Context

The BCSTA formed a Capital Working Group (CWG) in September of 2018 to review various BCSTA resolutions adopted by the membership on government policy related to capital work in the sector. The review resulted in a recommendation to BCSTA's board to pursue various policy changes within government. That recommendation was subsequently adopted. This brief paper is intended to provide some background and recommendations on one of the issues discussed by the CWG; school site acquisition.

Recommendations

1. That the required legislative and regulatory changes be introduced eliminating the current cap on School Site Acquisition Charges (SSACs) and requiring school districts to set SSACs using a formula similar to that used for municipal parkland Development Cost Charges (DCCs). The formula would allow for an amount to be established based on the market value of the land to be acquired for a school site, (less the amount already collected for the purchase) divided by the number of remaining development units set by the Municipal Government serving the same geographic area as the school district. The calculation should be reviewed regularly to ensure the amount being collected reflects increasing land values over time.
2. That SSACs be updated regularly to reflect current land values.
3. That the required legislative and regulatory changes be introduced requiring municipal governments who charge development cost charges to include the cost of off site servicing of new schools in their municipal development cost charges. It is recognized some municipal governments do not have sufficient development to warrant establishing development cost charges at all. In those cases required off site servicing would necessarily continue to be attributed to new or replacement school construction costs.
4. That legislative changes be introduced to require that Municipal governments collect SSACs set by a school district.
5. That over the next ten years the percentage of provincial funding to be provided in addition to SSACs to facilitate school site acquisitions noted in the current regulations be gradually reduced from 65% of the total cost to as little as possible of the total cost recognizing the proposed increases in SSAC payments anticipated in recommendation one will take time to be collected.
6. That school site acquisitions continue to be approved and funded by the provincial government even if the locally collected SSACs are insufficient to acquire the necessary land, given the urgent need to proceed with new school construction in growing areas.
7. That school site acquisitions be authorized and encouraged to take place within five years of an Official Community Plan being adopted which identifies designated school sites or at the earliest reasonable opportunity upon request of a property owner, first utilizing available SSACs and additional funding as required from the Ministry of Education .
8. That developers continue to be provided with the option of dedicating designated school sites to the school district in return for the payment of SSACs being forgiven.
9. That Municipal governments and school districts be encouraged to enter into a purchase agreement wherein the local government front ends the acquisition of a school site designated in an Official Community Plan (OCP) utilizing available SSACs and additional funding from the local government which is to be paid back with interest through a combination of the collection of future SSACs and provincial government payments once approved in the school district's capital plan.

Background / Issues to be Resolved

Official Community Plans

Municipal governments are given the authority to adopt Official Community Plans (OCPs). The relevant legislation is found in the Local Government Act (Part 14, Division 4). OCPs identify acceptable land uses (among other policy matters) and the relationship between various land uses (residential, commercial, industrial, transportation and utility corridors, public amenities including parks and schools, etc.). Land use designations are also influenced by Agricultural Land Reserve boundaries, by defined environmentally sensitive areas and by environmental protection policies (i.e. stream setbacks etc.). Land use decision making is fine tuned at the point of development applications being considered through more detailed planning. However, once privately owned lands are designated for a particular use within an OCP there can be a reasonable expectation that it will eventually be used for that purpose subject only to the detailed planning mentioned above.

Municipalities are required to consult with school districts on the requirement for school sites within an OCP based on residential growth anticipated in the plan. The purpose of designating school sites at this point is to ensure the land being set aside for this purpose is suitable for its intended use. If Municipal Governments did not designate school sites at the point of adopting their OCPs there is a significant risk that appropriate sites will either not be available when needed or will be less desirable (i.e. hillside land which is more difficult and expensive to develop).

Timing

In order to secure the sites required to accommodate the school facilities needed to respond to anticipated residential growth they need to be acquired in a reasonable period of time following their designation within an OCP. Once land is designated as a school site in the OCP the owners are precluded from using it for another purpose (other than what it's current zoning permits) unless the OCP and zoning are amended. It has been suggested that government should require school sites be rezoned by municipal governments for school purposes once an OCP is amended to ensure development under current zoning does not further frustrate the use of the land for school purposes.

This does lead to the private owners of designated school sites asking school districts to either purchase the designated site at fair market value, based on highest and best use, or give it up so they can develop it for other uses (often residential development). There is legal precedent established to suggest governments must demonstrate their intent to purchase sites designated in an OCP for a public purpose within a reasonable period of time following such designation or give up the designation (Hall vs Maple Ridge 1993). Many school site acquisitions have been delayed in the past until a decision is imminent to move ahead with school construction. Under these circumstances residential development can come close to surrounding designated school sites which have still not been authorized in capital plans to be purchased.

> "Residential development can come close to surrounding designated school sites which have still not been authorized in capital plans to be purchased."

There are some circumstances where the scope of a single development is so large (i.e. a few thousand residential units) that the developer can be required to dedicate the school and park sites needed to serve the neighbourhood they are developing as a condition of that development. This is usually part of a servicing agreement in which DCCs and SSACs are forgiven equivalent in value to the value of the land being dedicated. Although this has happened in communities like Coquitlam it is actually quite rare that a single development proposal is so large that it can accommodate that type of school site and park dedication.

Rationale for delays in purchasing

Delays in purchasing school sites have been justified in the past by suggesting that a new school may or may not be required in the area in the future and the cost to the province to proceed with the purchase is significant if insufficient SSACs are available. With this rationale school site acquisitions are not authorized to proceed until the school district and Ministry of Education are relatively close to making a decision to build a new school.

The problem with this approach is:

- Pressure from land owners of designated sites who want to sell their land often begins far in advance of government being prepared to acquire the property and build a school.
- Courts can order removal of the OCP designation if requested to do so by the land owners if governments are not prepared to follow through with acquisitions.
- The price of the land to be acquired can increase exponentially over time and could be subject to lengthy and costly expropriation proceedings.

Inadequacy of current SSACS

Part of the delay in moving ahead with acquisitions has at least in part to do with the inadequacy of funding for the purchase. SSACs have not kept up to increasing land values having been capped at no more than $1,000 per single family residential unit when they were first introduced in 2000 (BC REG 17/00) and actually reflect no relationship to land values in different geographical areas of the province. The inadequacy of SSACs has resulted in more and more capital funding needing to be provided by the provincial government for land acquisitions for schools, which has contributed to even more justification for the delay in acquiring needed lands. In fact, the ratio between the amount of funding being provided by SSACs and direct provincial funding is heavily weighted to the provincial funding side of the equation. Although it can vary depending upon specific circumstances the current formula embedded in the regulation addressing this subject suggests 65% of the cost will be covered by government while SSACs collected for that purpose account for the remaining 35%. In fact, the ratio over the last year has meant provincial funding of over 90% of the total cost.

> "SSACs have not kept up to increasing land values having been capped at no more than $1,000 per single family residential unit ...and actually reflect no relationship to varying land values in different geographical areas of the province."

In our view development should be covering close to if not 100% of the cost of land acquisition for the public services needed to support that development through much increased SSACs which are more frequently reviewed and adjusted to reflect current land values. We do not believe merely increasing the cap on SSACs in the current regulations will address the long-term problem.

The cost of off-site servicing required by municipal governments is another cost that should be a simple cost of development. We are suggesting that such servicing be required to be provided by municipal governments and funded through their own Development Cost Charges. We appreciate that is not possible in communities where the level of development is insufficient to warrant the collection of DCCS. In those cases the cost of off site servicing will necessarily continue to be a cost attributable to the construction of a new school.

> "In our view development should be covering close to if not 100% of the cost of land acquisition for the public services needed to support that development..."

Some would suggest additional contributions should be made for school building development as well, similar to municipal government amenity charges which are used to build fire halls and recreation centres. We are not suggesting the introduction of school amenity charges at this point but increasing the amount that development pays toward school site acquisition and off-site servicing makes sense. Setting SSACs based on a calculation similar to that used by municipalities in establishing park land acquisition DCCs and similarly timed is one way to ensure regular reviews of the charges so they reflect current local land values. Taking this approach would increase the percentage of school site acquisition costs being covered by development. We believe that, eventually, the additional funding this would add to the system would allow for earlier, more sensible, acquisition timing and the redirection of money currently being spent on land acquisition to other areas of need within the public school system.

Inflation / increased land values

More recently, over the last decade or so, another downside to delaying the purchase of school sites has become apparent. Inflationary and speculative pressures tied to rapid growth have increased land values significantly. Delays in purchasing land which will eventually be needed have resulted in millions of dollars of increased costs, some sites more than doubling in value in less than two or three years. We know the pace and scope of the increases reflected in this recent trend will likely not continue but some significant increases in cost are still likely over the long term. There are limits to the developable land area in the south coast area in particular which boasts the most desirable climate in the Country. With this the case purchasing land for school sites is at least a good investment even if they are eventually not needed for schools. We're not suggesting land acquisition as an investment policy but we are suggesting that land acquisitions are a relatively low risk long term investment for government, especially in rapidly developing areas of the province.

> "Delays in purchasing land which will eventually be needed have resulted in millions of dollars of increased costs."

All of this suggests the need to acquire designated school sites in a more timely fashion and to generate sufficiently increased revenue through increased SSACs to make that possible.

What about the increased cost of housing?

One of the arguments against this change which may be advanced by those in the development community is that any increase in charges like SSACs will result in increased housing costs at a time when governments are trying to keep the cost of housing down. In our view it is the competitive market that dictates pricing and the relatively small increase to the overall price that would be represented by increasing SSACs would be minimal albeit reflected in the bottom line of the development community.

It does seem to us to be inconsistent that the bulk of the cost of some public amenities and services required to support development are being passed along by municipal governments in the form of DCCs and amenity charges but not by the provincial government with respect to schools in the form of appropriate SSACs.

Transition

The implementation of increased SSACs will not have an immediate impact on land acquisitions which need to be addressed in the near term. However, making the changes now will have a longer term impact. Government fronting of current costs could possibly be tied to some kind of reimbursement to the province for up front acquisition costs from increased SSACs collected at a later date to a predetermined threshold. We've suggested government change the percentage to be covered by SSACs ultimately to 100% where continuing residential development is occurring and SSACs can be collected. This would represent a significant change to the current regulation of a 65/35 split (per BC REG 17/00).

We are aware of at least one local government willing to address the delay in the acquisition of designated school sites by fronting acquisitions if the school district and the provincial government do not currently have the resources to move ahead. This would require the Municipality to enter into a purchase agreement with the school district which identifies repayment with interest over time as SSACs and additional provincial funding become available. Naturally this would require Minister approval but should not be precluded if it makes sense.

Savings

A further argument for increasing SSACs to a level more reflective of actual land values is that of reducing the amount needing to be funded by the provincial government. The amount of money spent by the province as its share of land acquisitions in 2018 was $42.1M. Interestingly the total added to that amount from SSACs was only $1.6M, meaning the 65/35 formula was not followed due to the specific circumstances encountered and the urgent need for the land in order to proceed with new school construction. In that instance provincial funding actually covered 96% of the cost.

"Although it will take some time to make the change and collect higher SSACs we are recommending the savings which are achieved through this change be redirected to address other capital needs like the growing level of deferred maintenance in our public schools."

If SSACs had been collected over the years in the fashion we are suggesting sufficient to cover even 65% of the total cost of land acquisition the savings in provincial funding for the last year would have been in the order of $26.8M. Of course, funding of 100% through SSACs would mean a saving of the entire $42.1M. Although it will take some time to make the change and collect higher SSACs we are recommending the savings which are achieved through this change be redirected to address other capital needs like the growing level of deferred maintenance in our public schools. That doesn't mean additional funding isn't also required to adequately address deferred maintenance needs but acknowledges any savings achieved as suggested could be part of the solution.

Conclusion

It has been suggested by some that the current cap on the amount of school site acquisition charges that can be collected should be raised since it hasn't been increased for many years. While BCSTA views that as a positive step we believe a longer term solution is required that passes the largest part of school site acquisition costs and 100% of off site servicing along as an appropriate cost of land subdivision, development and housing densification. The alternative is to continue paying what amounts to 65% (according to the regulation) or over 90% (in reality) of the cost of land acquisitions plus the cost of off site servicing to accommodate growth in certain areas by using provincial tax revenues provided by all of the taxpayers of the province. In the current system taxpayers are subsidizing development quite considerably. As noted above there are other capital needs in the public school system which could be addressed if savings resulting from an appropriate change in the formula for school site land acquisitions and off site servicing can be achieved. ■

BCSTA wishes to acknowledge the work of the following members of BCSTA's Capital Working Group in preparing this discussion paper.

MEGAN DYKEMAN
SD35, Langley

GREG FRANK
BC Association of School Business Officials
SD36, Surrey

ESTRELLITA GONZALEZ
SD39, Vancouver

KATHEEN KARPUK
SD73, Kamloops

DAWN LANG
SD8, Kootenay Lake

MIKE MURRAY
BCSTA Board,
SD42, Maple Ridge and Pitt Meadows

RAVI PARMAR
SD62, Sooke

DONNA SARGENT
BCSTA Board,
SD38, Richmond