

Staff Report



March 12, 2024

To Board of Education (Public Meeting)

From Sean Nosek, Superintendent/CEO

Re **Strategic Plan Engagement & Preliminary Budget for 2024-25 Updates**

This report is presented to the Board for information.

BACKGROUND:

Since December 2023, the district has engaged in a variety of consultations to gather feedback that will help inform the Board's strategic plan for 2024-28. The Board of Education has met with school district staff, parents/guardians, community members, key community stakeholders, and students. Our online engagement portal has been live since early February, and we look forward to reviewing the feedback next month. This process is comprehensive in scope with the aim of building public awareness and engaging audiences in ongoing and meaningful dialogue to achieve educational objectives, generate relevant data, and determine if any strategic goals should be adjusted.

As part of the continuous improvement cycle, staff will also provide an update on the 2024-25 Preliminary Budget, which aligns with the revision and renewal of the district's strategic plan.

PRELIMINARY BUDGET 2024-25

Board of Education Meeting
March 6, 2024

2024-25 Preliminary Budget - Calendar

February	13	Board Meeting	Amended 2023-2024 Budget approval	✓
	15		Submit enrolment estimates to the Ministry	✓
March	6	Public Information Meeting	2024-2025 Public Budget Information Meeting	✓
	12	Board Meeting	2024-2025 Budget: Preliminary Budget estimates	
April	9	Finance & Facilities	Review of Strategic & Operational Plans Review of Budget information Review of school/department allocations	
	12		Final day to adjust enrolment projections	
	16	Board Meeting	Revised strategic plan information. Preliminary Budget estimates including Q3 Financial	
May	7	Finance & Facilities	Forecast of current year financial results and Preliminary budget estimates	
	14	Board Meeting	Forecast of current year financial results and Preliminary budget estimates	
	16	Public Information Meeting	Budget Information Meeting	
	31		Finalize school-based staffing estimates, final day for schools/departments to complete spending estimates	
June	18	Board Meeting	Approval of 2024-2025 Budget and Strategic Plan	
	28		Deadline for Budget Submission to Ministry	



Budget & Strategic Planning Cycle

September-December

- School & District plan implementation
- Analysis from previous year
- Board reporting commences
- Schools publish results
- Budget analysis
- Financial statements

January – February

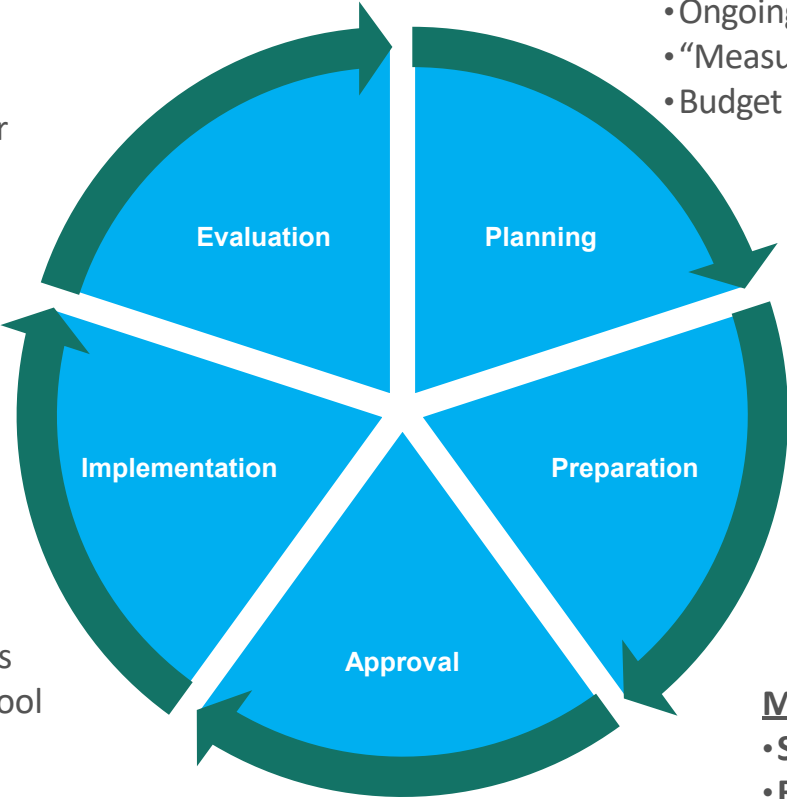
- Ongoing district and school implementation
- “Measuring Up” Report
- Budget estimates & forecasting

February - March

- Environmental assessment updates
- Updated SWOT analysis
- Enrolment projections
- Commence community engagements
- Complete Program/Service Reviews
- Ministry funding announcement

March - May

- Strategic Plan and School Plan reformulation
- Revise and update goals and objectives
- Staffing Estimates
- Operating Budget Estimates



July

- School budget allocations
- Updated Strategic & School Plans published

June

- Budget & Updated Strategic Plan Approval

Aligning the Budget to our Strategic Plan



Progressive Workforce

We provide a workplace that fosters creativity, inspires excellence, and challenges everyone to embrace growth



Engaging Opportunities

We provide engaging opportunities for every member of our learning community to contribute to student success.



Optimized Resources

We are creative and responsible in the management of educational resources.



Student Success

Our students are engaged, challenged and prepared for a lifetime of success.

Goals

Objectives

Projects

2024-25 Preliminary Budget Planning



Optimized Resources

Financial stewardship will guide our decision making.

We will be creative and responsible in the management of our educational resources.

- Fiscal stewardship and transparency
- Awareness & engagement



STUDENT
SUCCESS



ENGAGING
OPPORTUNITIES



PROGRESSIVE
WORKFORCE

Budget Guiding Principles

Guiding Principles

Maximize the allocation of resources to support the goals & priorities in the Strategic Plan.

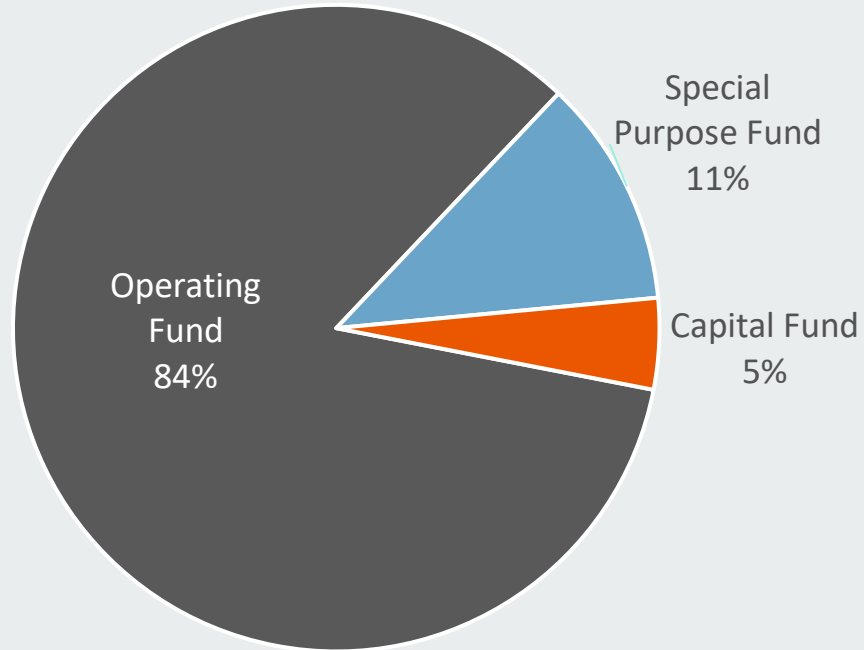
Commit to building a strong understanding of budget information through ongoing communications.

Maintain a three-year budget plan to ensure funding sources can support program initiatives.

Maintain surplus/reserve balances to respond to emergent needs.

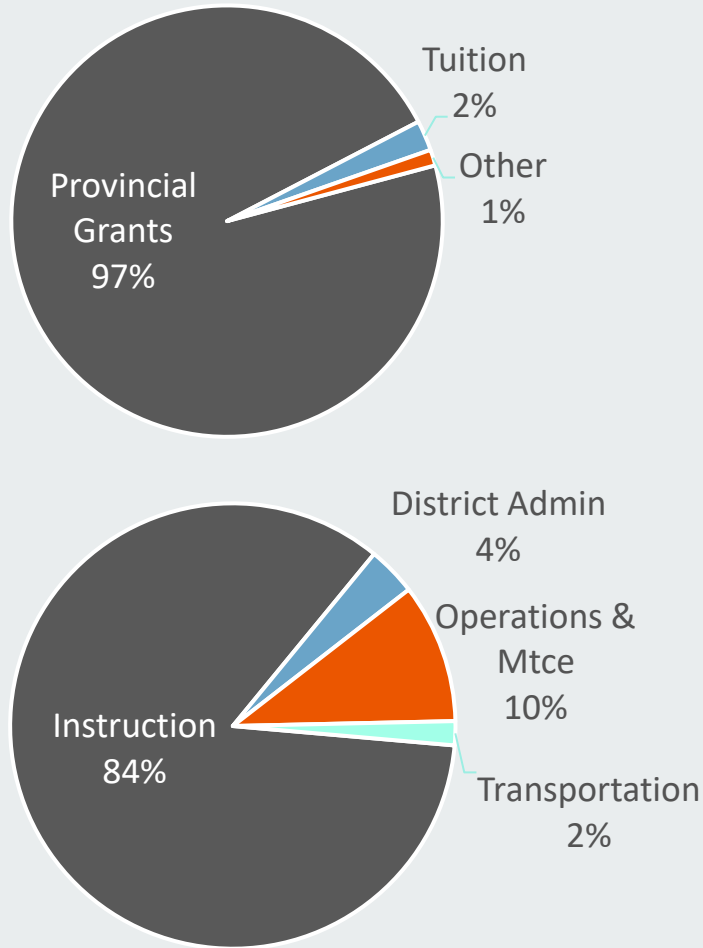
Maintain strong fiscal management policies.

Consolidated 2023-24 Budget (Amended)



Consolidated Budget (millions)	2023-24
Operating Fund	231.26
Special Purpose Fund	31.45
Capital Fund	12.55
Total Budget	275.27

Operating Budget – 2022-23 (Amended)



Current Year Operating Budget (millions)	2023-24
Revenue	230.27
Expense	230.83
Net Revenue (Expense)	(0.56)
Transfers to Capital Fund	(0.94)
Budgeted (Current Year Deficit)	(1.50)

Accumulated Surplus

Operating Reserves (Accumulated Surplus) *AP 524 – Accumulated Surplus*

- Indicator of *financial health*
- Reserves are **one-time funding** sources that cannot sustain on-going services or programs.
- Reserves are necessary to **cover unexpected** and unavoidable expenditures.
- Recommended unrestricted accumulated surplus
 - **1% to 3%** of operating expenses (**\$2.3 M - \$7 M**)



Accumulated Surplus

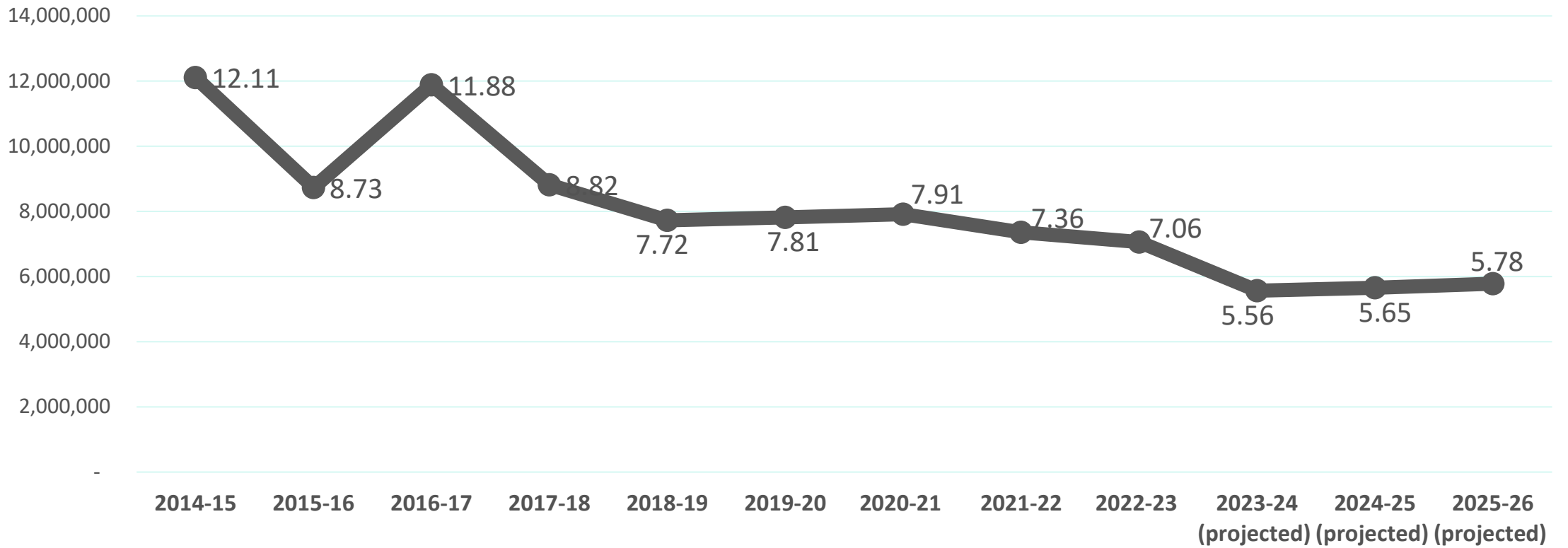
Accumulated Operating Surplus	2021-22	2022-23
Internally restricted due to constraints on funds	178,704	345,905
Internally restricted for planned future operations	1,542,530	1,143,478
Internally restricted for future requirements	1,420,830	1,283,182
Unrestricted Operating Surplus	4,216,218	4,283,174
Total Accumulated Operating Surplus	7,358,282	7,055,739

← Range
\$2.3M - \$7M

Accumulated Surplus



in \$ millions



Financial
comparisons



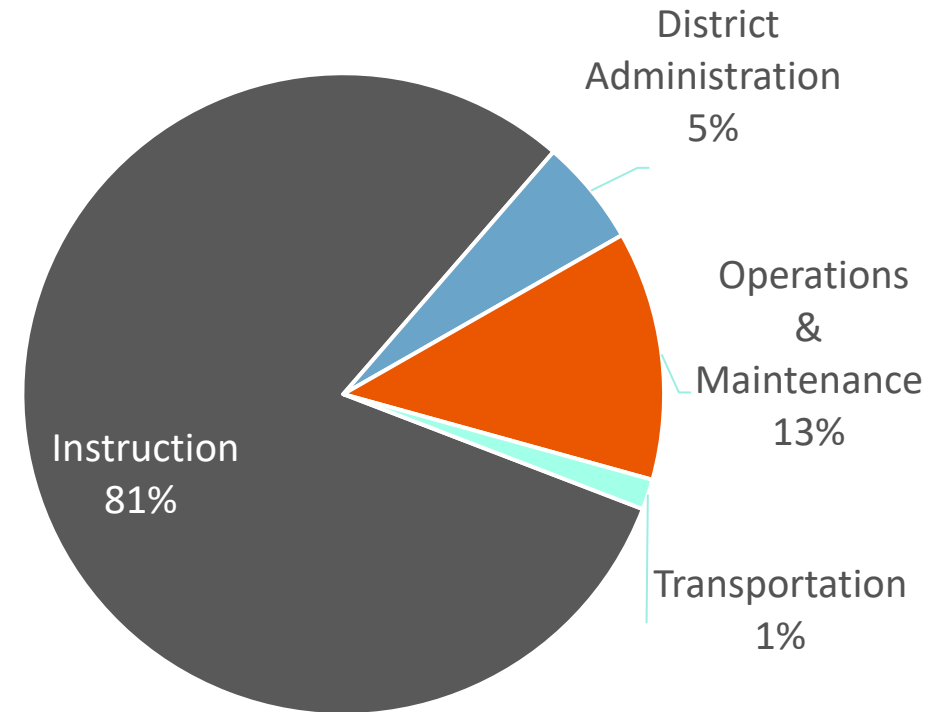
Five-year increase in spending



Total five-year increase in operating expenditures

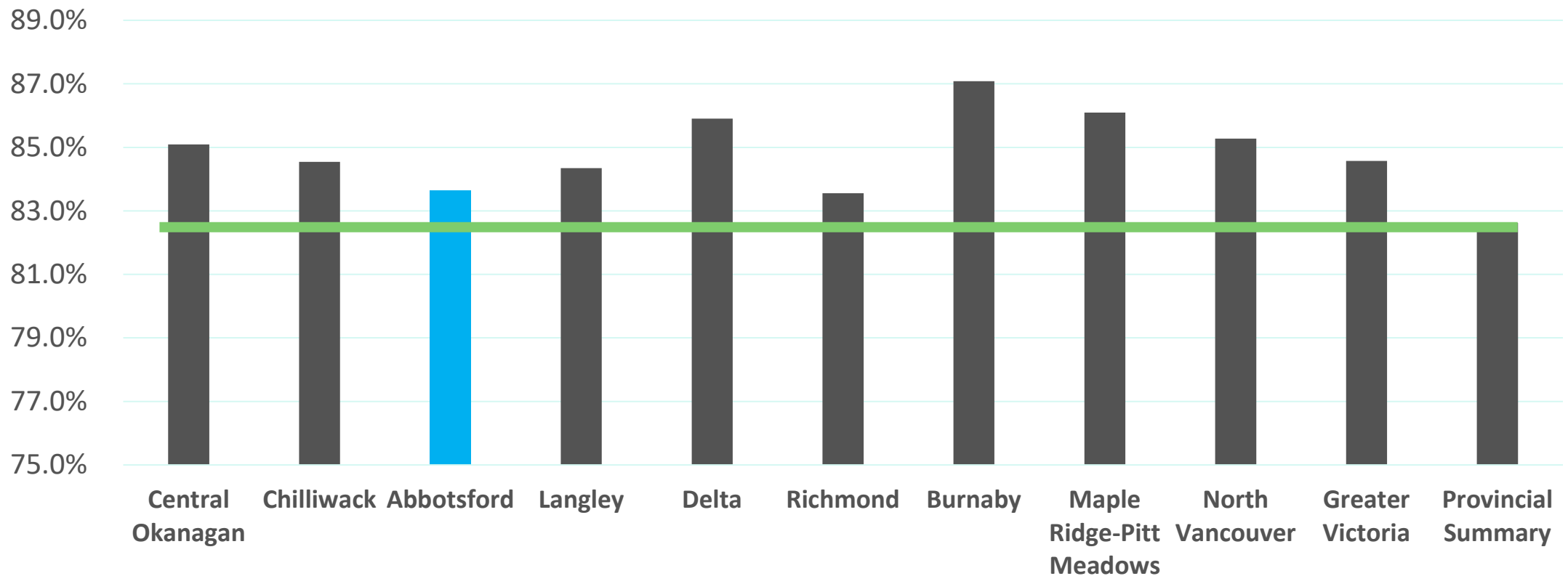
\$36.8 million

How the \$36.8 million was spent



Spending Comparisons – 2022-23

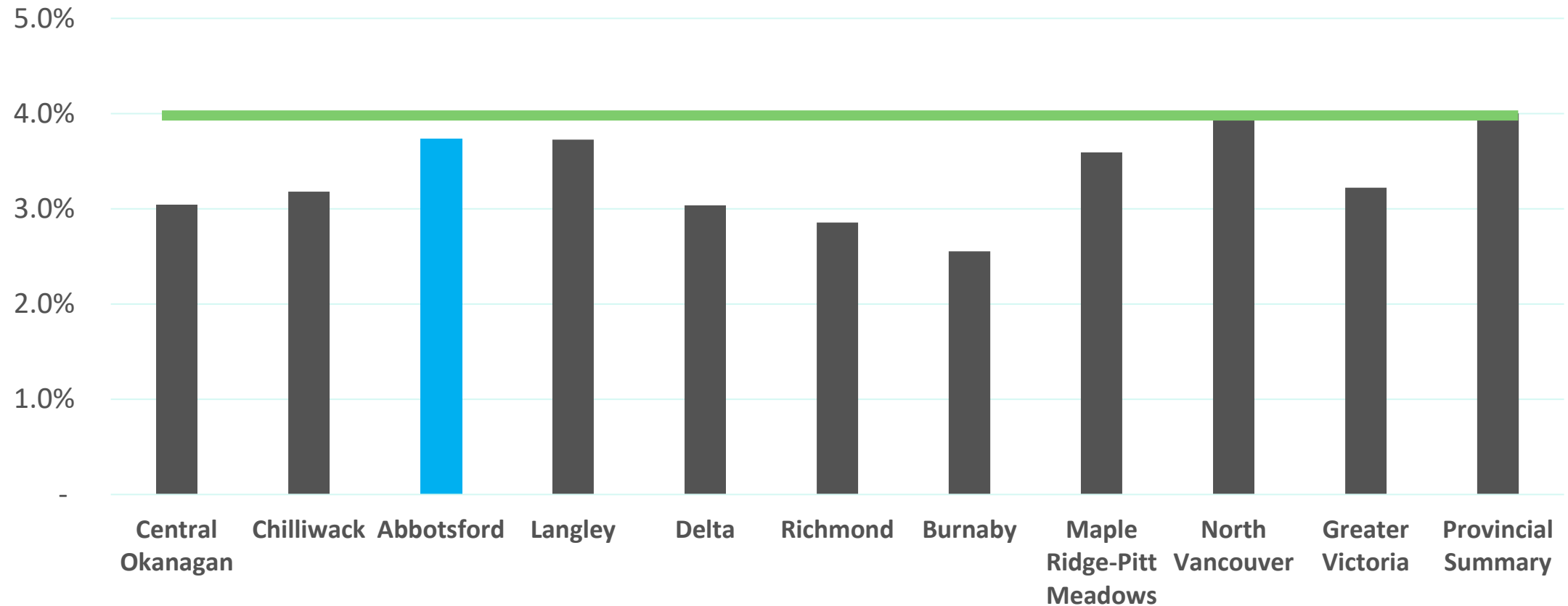
Instruction



Spending Comparisons – 2022-23

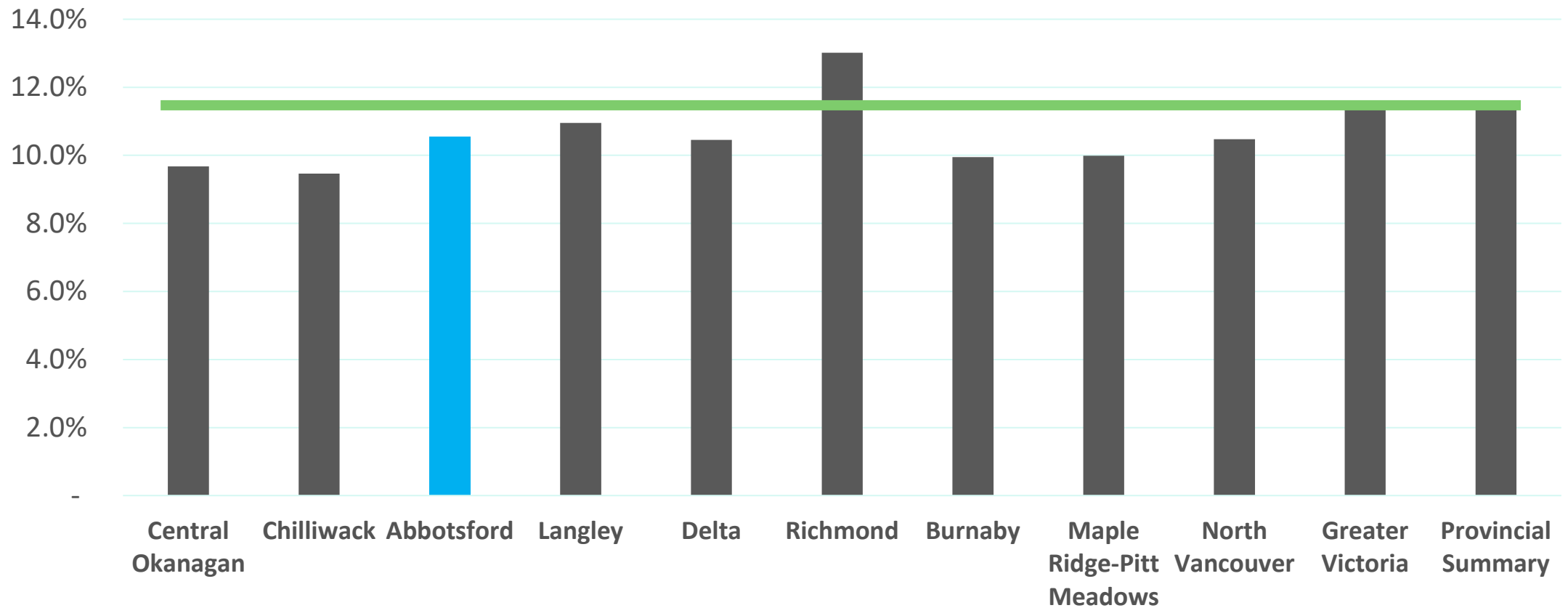


District Administration



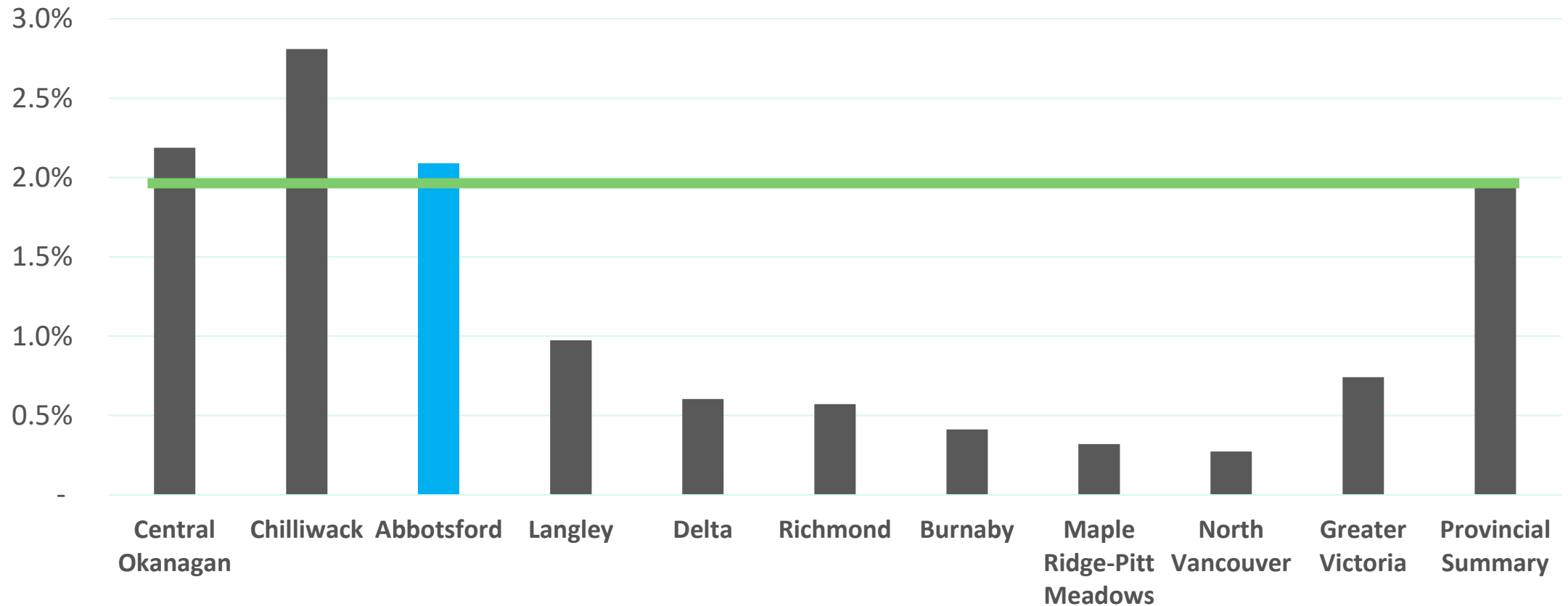
Spending Comparisons – 2022-23

Operations & Maintenance



Spending Comparisons – 2022-23

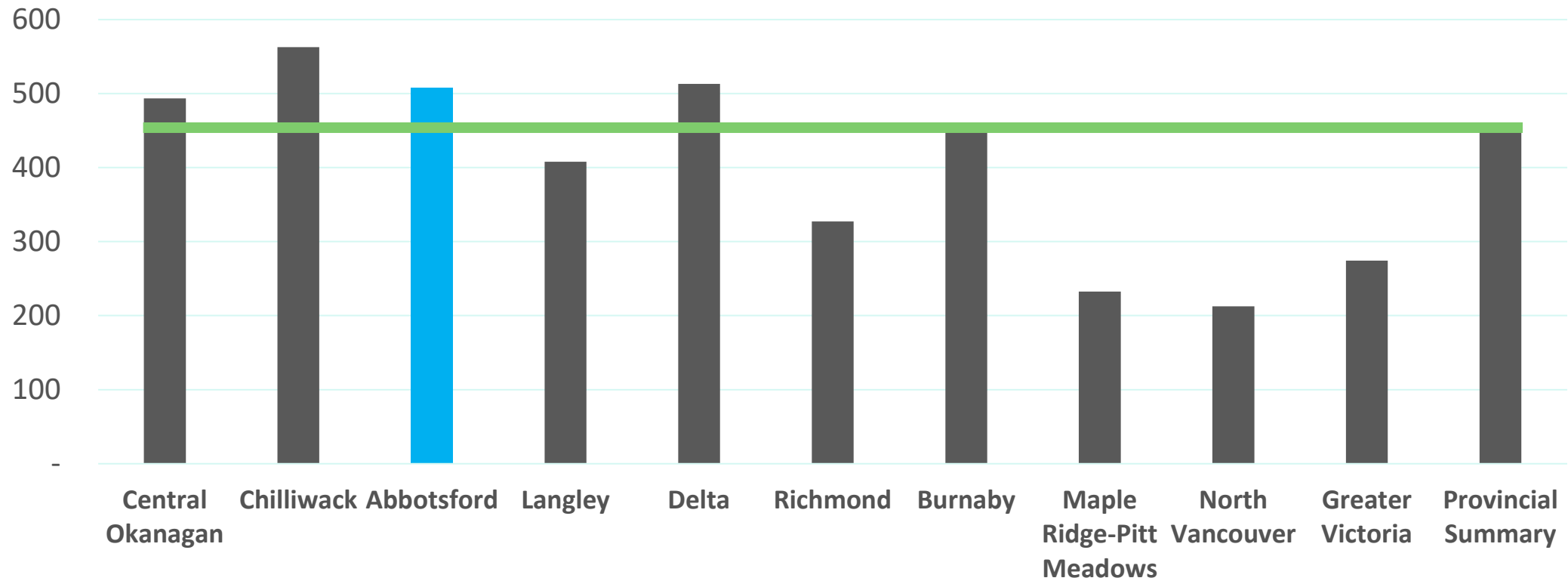
Transportation



Spending Comparisons – 2022-23

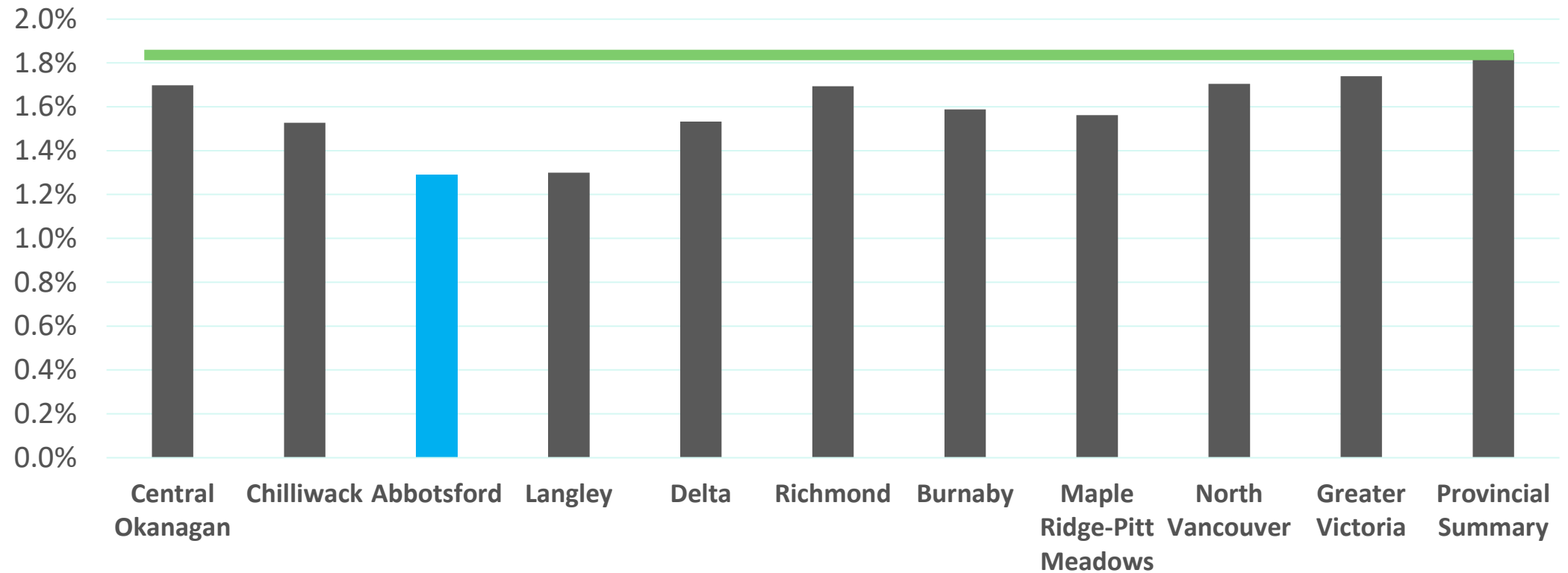


Supplies per Student



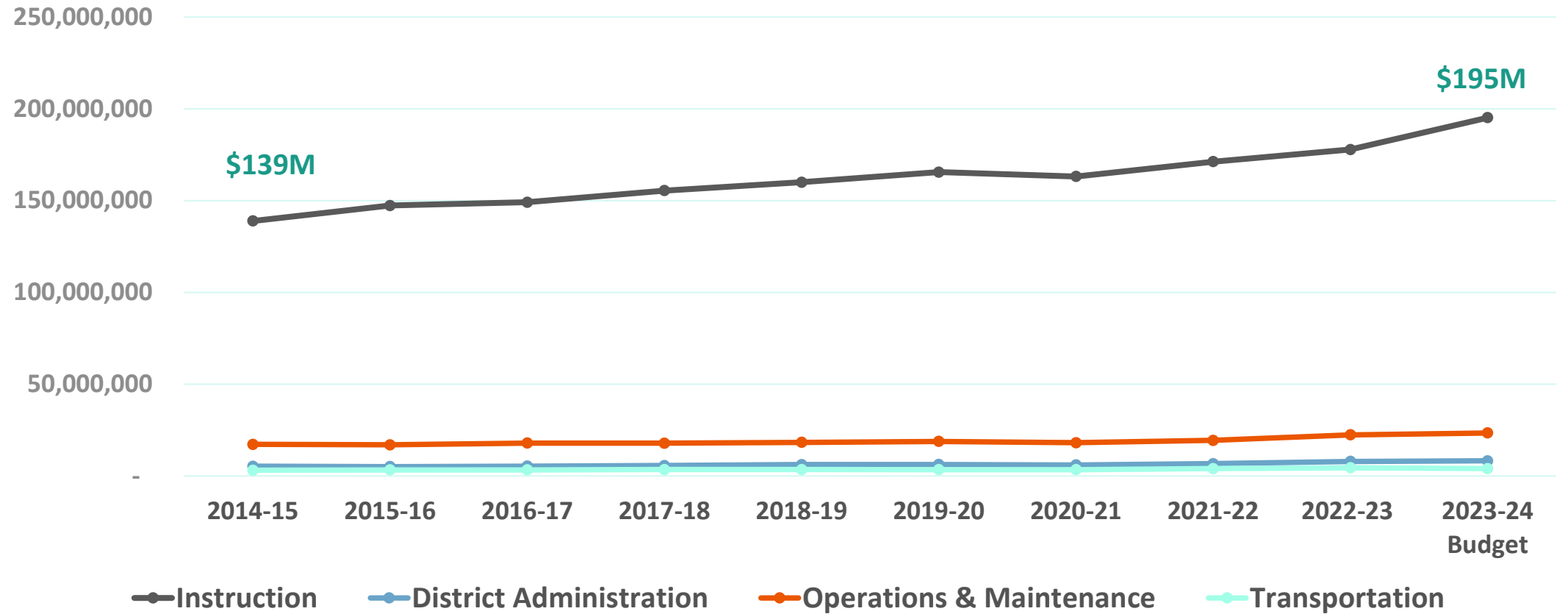
Spending Comparisons – 2022-23

Utilities

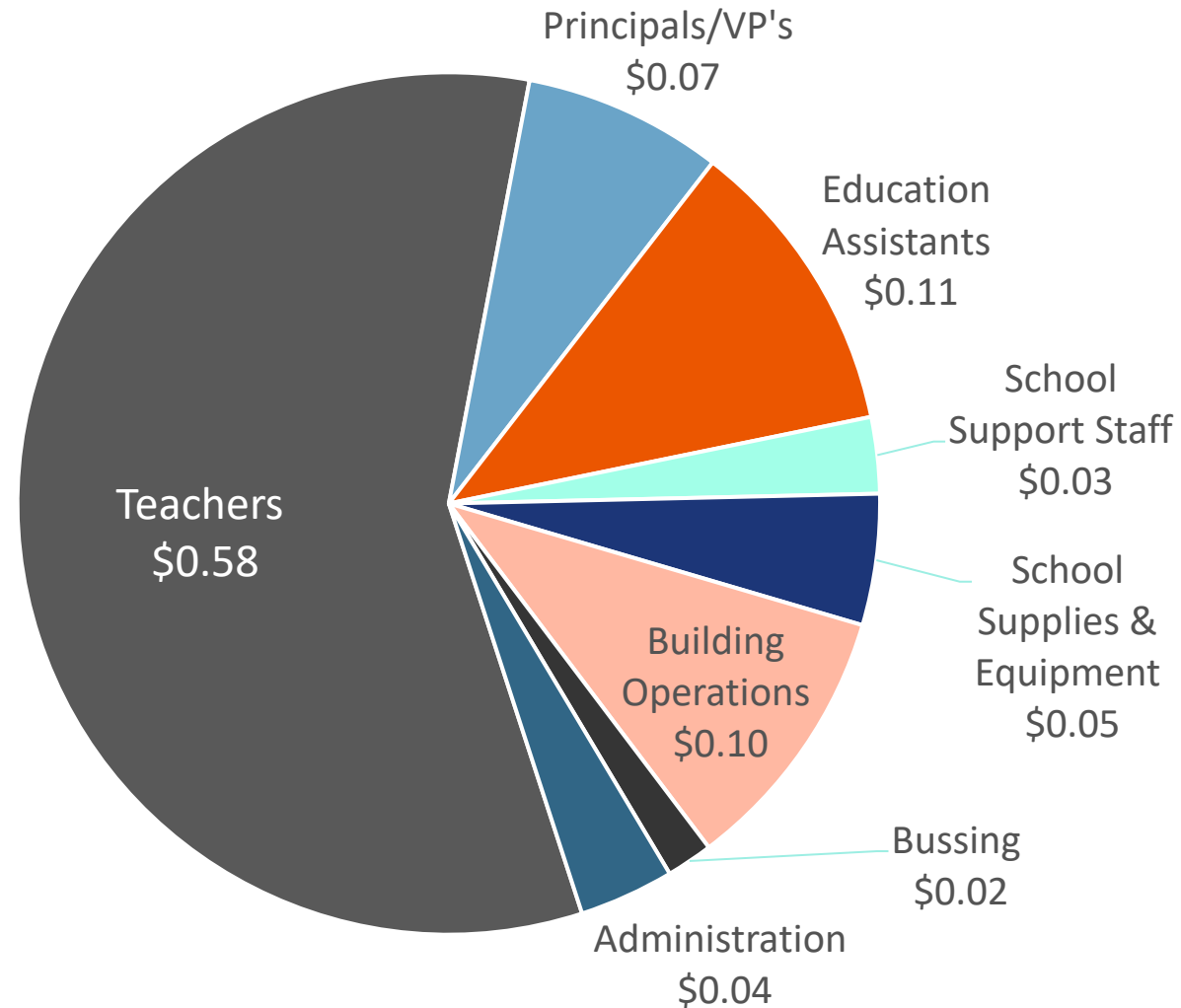


Spending Comparisons

10 Year Change in Operating Spending



How we spend each Dollar



2024-25 Preliminary Budget



BUDGET
2024

Taking Action For You

BUDGET AND FISCAL PLAN
2024/25 - 2026/27



Ministry of Education & Child Care 2024-25 Budget Highlights

Operating Budget totals \$9.6B

- 2024-25 increases:
 - \$300M Shared Recovery Mandate +COLA
 - \$217M Enrolment growth
 - \$71M Classroom Enhancement Fund
 - \$19M School Food Program
 - Details coming re: Student Affordability Fund

2024-25 Preliminary Budget - Assumptions

Current Budget Assumptions

- Enrolment increase of approximately 218 FTE students
- No shifts in provincial operating grants
- Collective Agreement & exempt salary/benefit increases will be fully funded by the Province
- No major service or programming changes
- Updated *Strategic Plan*



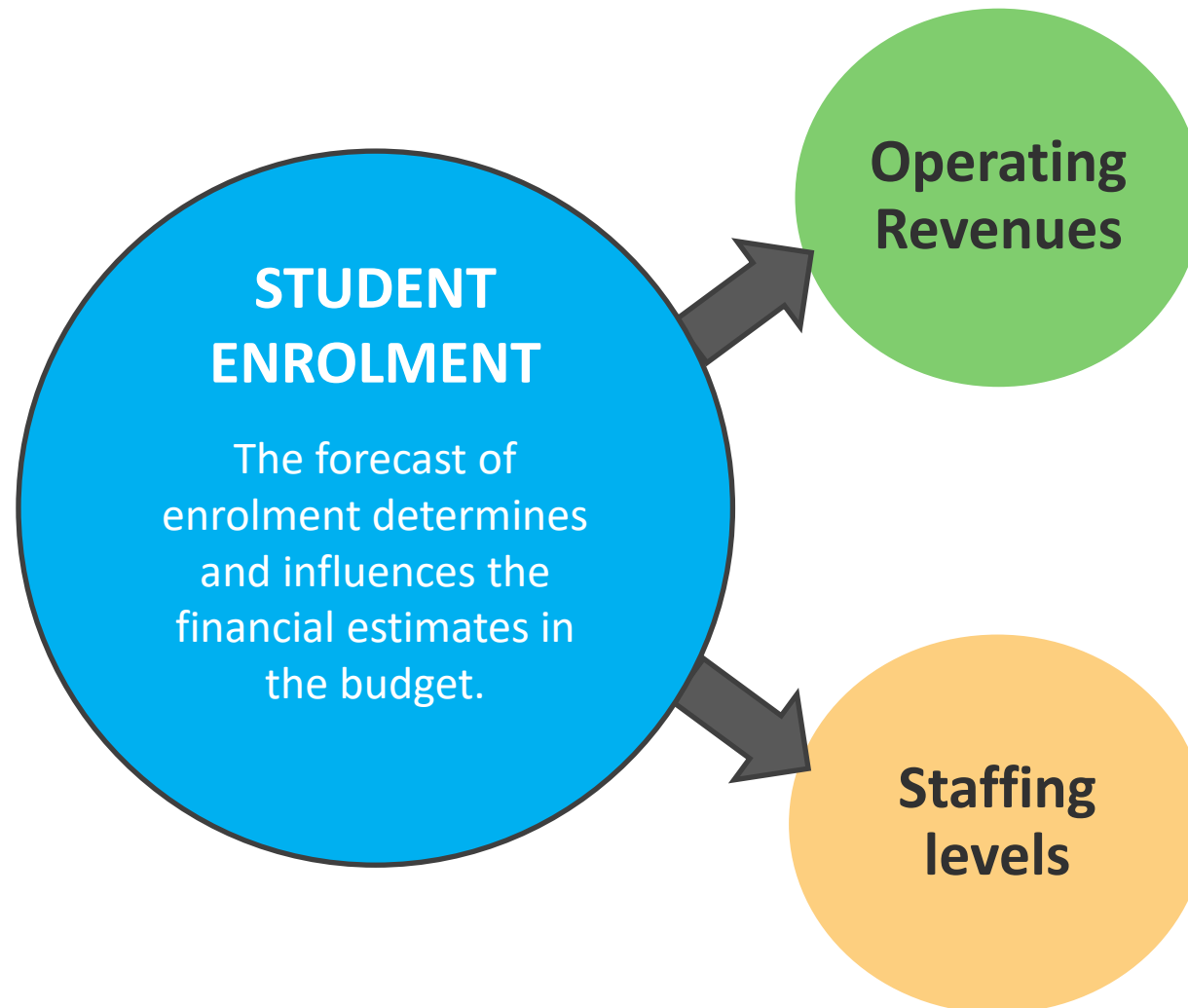
2023-24 Preliminary Budget - Budget Pressures

Budget Pressures

- Inflationary pressures (5%-8%)
- Continuing Board contributions to capital projects (final year \$0.50 million)
- Environmental cost pressures
- Recruitment challenges
- New ERP implementation
- Increasing employee absence costs
- Student transportation – services & costs
- Increasing demand for space (portable classrooms)
(SD is at 101% total capacity-utilization of schools)



Enrolment & Staffing



- Enrolment determines **98%** of total revenues

- Staffing costs account for almost **90%** of operating costs
Most staffing costs are allocated based on the number of students.

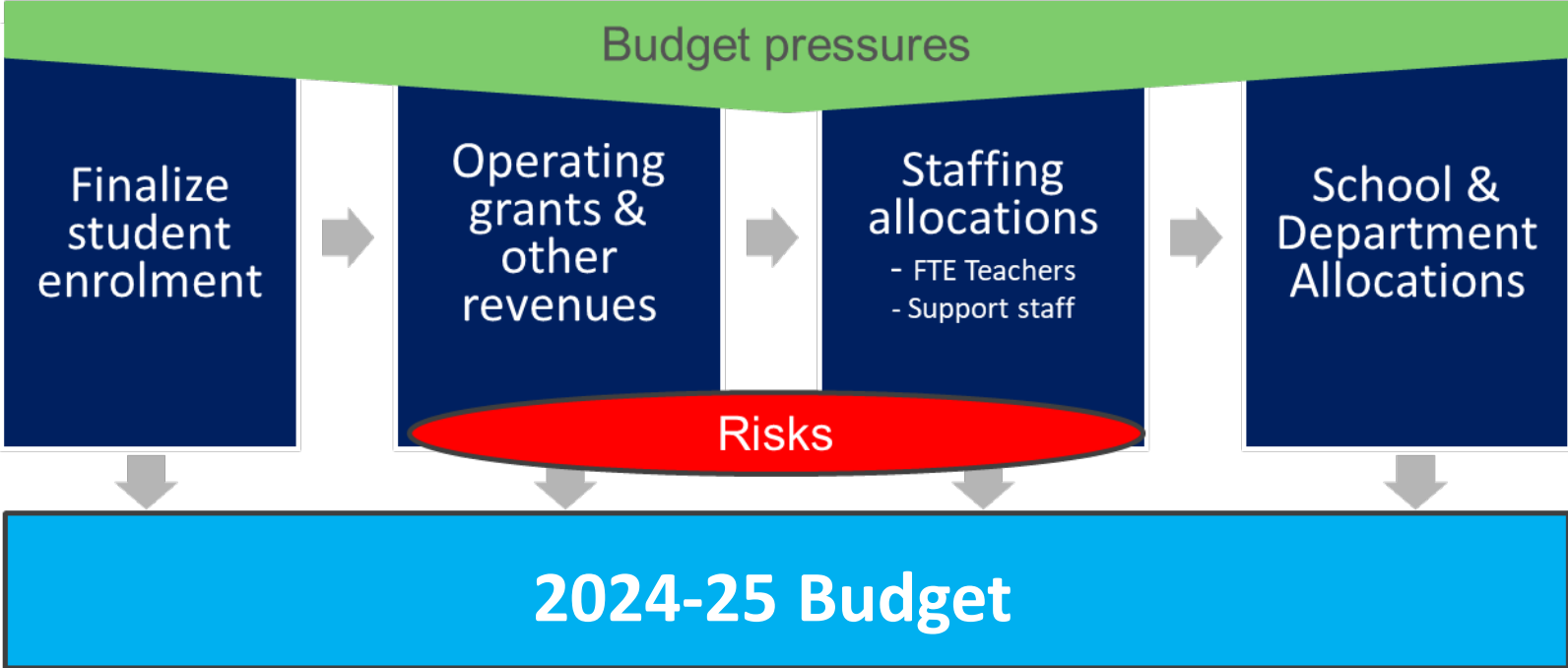
Budget Drivers



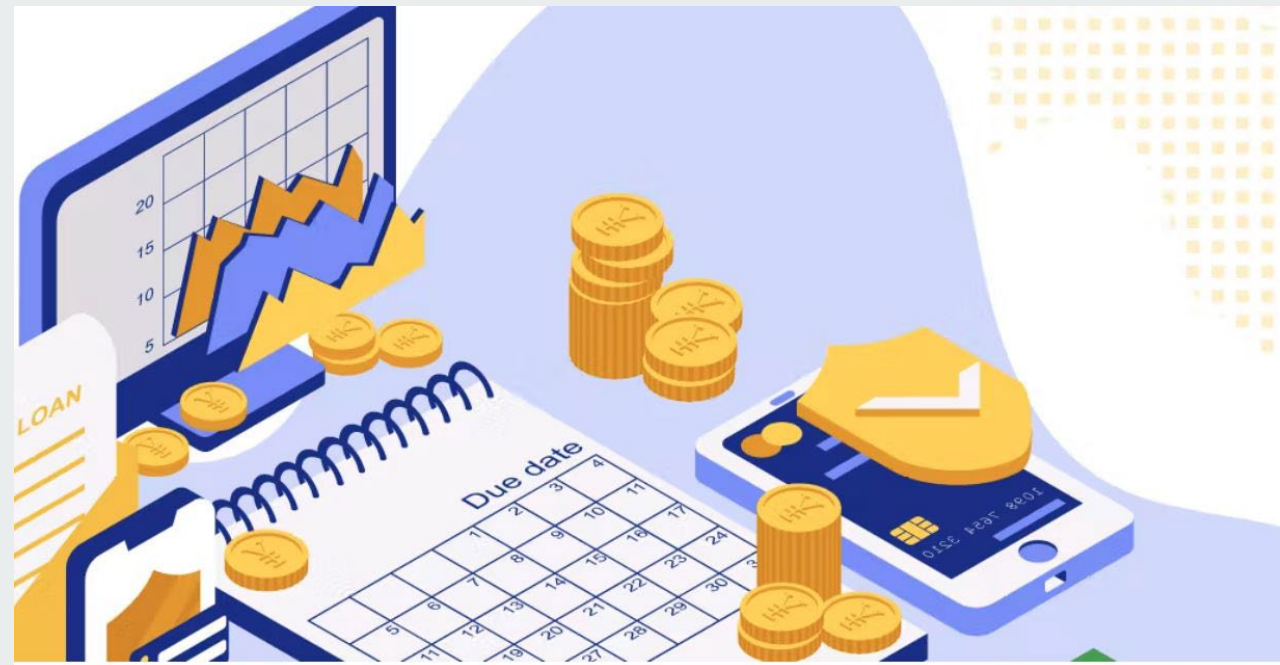
Enrolment Information	2021-22	2022-23	2023-24
September Funded Students	19,503.1	20,027.5	20,246.0
Unique Student Needs:			
ELL	2,824.0	3,336.0	3,550.0
Indigenous Education	1,927.0	2,024.0	2,030.0
Special Education	1,175.0	1,226.0.0	1,337.0
Enrolment (Feb) Total	133.0	120.0	120.0
Enrolment (May) Total	117.0	95.0	90.0
Total Funded Students	19,753.1	20,242.5	20,456.0
International Students (HC)	281.9	352.0	342.0



2023-24 Budget Development Plan



2024-25 Budget Development Plan



engage.abbyschools.ca

External

- Stakeholder engagement opportunities
 - Budget engagement portal
 - IEC consultation
 - Stakeholder meetings
- Public Information meetings

Internal

- **Strategic Plan**
 - Goal/Objective development
 - School engagements (PAC & staff)
 - Update Operational Plans

Preliminary Budget Estimates

- Operating Grant Announcement – March 14/24
- Revenue & expense (program) estimates
- Budget to Ministry of Education by June 30



QUESTIONS