

# Staff Report



April 16, 2024

**To** Board of Education (Public Meeting)

**From** Sean Nosek, Superintendent/CEO

**Re** **Strategic Plan Consultation & Preliminary Budget for 2024-2025**

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This report is presented to the Board for information.

**BACKGROUND:**

Since December 2023, the district has been collecting feedback through various consultations to 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. The superintendent and secretary-treasurer will provide an update on the results gathered from the recently closed strategic plan consultation engagement portal, internal and external environmental assessments, and the district's core competencies. Additionally, preliminary budget estimates, including Q3 financial information, will be presented.

## Phase II: Environmental Assessment

### Internal Environmental Assessment Categories and Questions

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#### 2024-25 Strategic Plan Renewal

##### **INTERNAL FACTORS & ISSUES**

**Work Atmosphere** - How would you characterize the general working environment and operating conditions within the school district? Your department?

- Decreased Resilience / Increased Complexity
- Structural and Organizational Stress affecting the workforce
- Low feelings of support or value among employees
- Decreased Resilience / Increased Complexity
- Challenges in the relationship with unions, affecting the overall climate and morale in district
- Labor shortages cause angst
- Need to build capacity for succession planning

**Resource Availability** - How would you characterize or describe our district's current ability to access required resources (human, physical, and intangible)?

- Insufficient funding to provide adequate staffing levels, especially for support staff who support complex needs in schools
- Increased funding is needed to attract and retain the workforce. (compensation management by BCPSEA limits flexibility)
- Labor shortage, particularly for teachers and educational assistants (EAs).
- Student transportation services are being strained, indicating a strain on operational staffing.

**Program/Service Development & Implementation** - What issues within the district impacts our ability to develop and deliver innovative services & programs related to our strategy?

- Redeployment of staff
- Lack of engagement by teaching staff to attend training/professional development outside of the bell
- Energy of staff
- Limited financial resources

**Secure New Clients** - What issues within the district impacts our ability to grow our client base?

- Capacity limits in our schools
- Public Reputation
- What do our employees say about the school district?

**Retain Existing Clients** - What issues within the district impact client retention?

- Redeployment
- Struggle with recruitment and retention
- Learning supports in place for students with diverse needs
- Competitive wages
- Culture

## Phase II: Environmental Assessment

### Internal Environmental Assessment Categories and Questions

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**Other Pending Issues** - What other significant issues, unrelated to the categories above, should be considered in strategic planning?

# Abbotsford School District: Environmental Assessment

## External Environmental Assessment Categories and Questions

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### 2024-25 Strategic Plan Renewal

#### **EXTERNAL MACRO LEVEL FACTORS AND TRENDS**

**Economic** - What economic factors and trends impact the school district’s ability to operate and remain competitive?

- Inflation and its impact on the cost of living
- Maintenance and equipment costs
- Funding allocation from the Ministry of Education and Child Care
- Rising costs associated with labor shortages
- Increase in cost of wages, and benefits
- Cost of supplies and materials

**Technological and Scientific** - What factors and trends in technology and science impact the school district’s ability to operate and remain competitive?

- Stay updated with rapid changes in AI technology.
- Changing technology tools for work and maintenance.
- Ensuring sufficient physical technology and devices are available.
- AI advancements and automation.
- Secure management and identification of data.
- Changing technology tools for work and maintenance.

**Social and Cultural** - What social and cultural factors and trends impact the district’s ability to operate and remain competitive?

- Changing Workforce: Increased flexibility and decreased commitment among the workforce.
- D.E.I. (Diversity, Equity, Inclusion): The importance of these principles in social and cultural contexts.
- Mental Health: The effects of global events such as the pandemic and conflicts (like those in Gaza/Ukraine) on mental health.
- Combatting Misinformation: Addressing the spread of misinformation.
- Work/Life Flexibility: Mobility of workforce and the need for flexibility in the work environment.
- SOGI

**Political/Regulatory** - What political factors and trends impact the district’s ability to operate and remain competitive?

- Polarizing political views
- Union relations
- Elections

**Environmental** - What environmental factors and trends impact the district’s ability to operate and remain competitive?

- Impact of Climate Change
- Green priorities + increased energy costs



# Abbotsford School District: Environmental Assessment

## External Environmental Assessment Categories and Questions

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**Other Global/National Influences** – What global/national level factors and trends, not related to the previous categories, impact the district’s ability to operate and remain competitive?

### **EXTERNAL MICRO LEVEL FACTORS AND TRENDS**

**Current State of the Sector** – What is the present state of the education sector in BC?

- Labour shortage: The lack of sufficient staff in schools.
- Complex classrooms: Challenges arising from diverse student needs, such as accommodating autism and various behaviours.
- Increasing polarization in education: This includes issues like letter grades, inquiry, timetables, SOGI, and Codes of Conduct that may affect children's education.
- Funding not matching the complexity of need: A mismatch between the financial resources provided and the diverse requirements of the educational system.
- Dysfunction at the school board level: Problems with governance and decision-making in education.

**Legal & Regulatory** – How do current or pending laws, legal actions and regulatory activities affect our organization?

- Human Rights vs Worker Rights
- Health & Safety
- WorkSafe changes and increasing WSBC costs
- Collective Agreement: restoration of old language
- Truth & Reconciliation

**Clients/Stakeholders** – What are the needs/wants/expectations of our clients? Have they changed?

- Aiming for safe, caring, and inclusive schools that meet greater expectations with an increased number of staff.
- Addressing the decreasing levels of employee experience, implying a need to improve work conditions and satisfaction.
- The challenge of balancing work and life demands, specifically highlighted for teachers.
- The cost of living as a significant concern, potentially impacting inclusion and work-life balance.

**Competitors** – Who are our primary competitors (or competitive forces) and what is our district’s competitive advantage over them?

- Independent Schools: Emphasis on the availability of choices and options for students and parents.
- Online Learning Platforms: An implied alternative or supplement to traditional schooling methods.
- Neighbouring Districts: Differences in contract language that could be significant.

**Other Industry/Sector Trends** - List other industry or sector trends not identified in previous categories.



**CORE COMPETENCIES**

**Core Competencies – What makes us special? What gives us an advantage over other SD's? Independent SD's?**

- Very professional caring staff
- Commitment to student learning in various forms by all employees
- A strong array of district programs at the secondary level (e.g., careers).
- Commitment to diversity, equity, inclusion and Truth & Reconciliation
- Support/Opportunities for staff
- Mentorship support for teachers & PVPs
- Strategic investment in technology & digital tools
- The overall strategic maturity of the organization.
- Operational coherence between levels and departments
- History of high achievement
- Value student Voice

**Abbotsford School District**  
**Strategic Plan Updates in 2024-25 - Emerging Areas of Need**  
**April 16, 2024**

Emerging Areas of Need	
Finance	Implementation of new ERP system
	Satisfying changing and increasing external reporting requirements
	Maintaining a reasonable accumulated surplus
Facilities & Transportation	Aging white fleet
	Recruitment & retention of staff
	Rising utility Costs
Information Technology	Rapidly changing cyber security landscape
	Increasing number of part-time teachers is increasing the demand for devices (laptops)
Communications	Digital transformation & integration
	Crisis communications
Human Resources	Employee wellness
	Organizational culture
	Labour management relationship
Curriculum	Assessment & reporting
	Increase in ELL
	Leveraging AI to enhance teaching and learning
Learning Support Services	Availability of staff
	Support for new staff
	Increasing complexity of student needs
Early Learning	Demand increasing for licensed childcare
	Staffing shortages resulting in redeployment of early literacy staff
	Focus on literacy and numeracy
Middle Schools	Increased complexity of learners
	Classroom space considerations
	Specialized staffing
Secondary Schools	Implementation of a secondary data plan
	Implementation of secondary reporting (student progress)
	Need to improve student success in numeracy and literacy



# BUDGET & STRATEGIC PLAN

# 2024-25

Board of Education Meeting  
April 16, 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	<b>Board Meeting</b>	<b>Revised strategic plan information. Preliminary Budget estimates including Q3 Financial</b>	
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

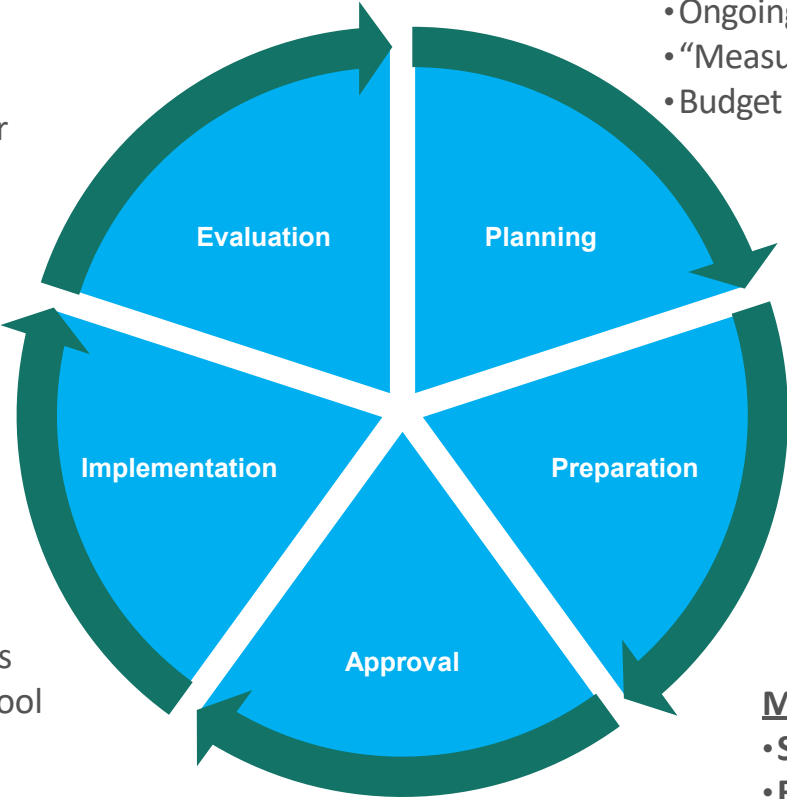
- Ongoing district and school implementation
- “Measuring Up” Report
- Budget estimates & forecasting

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

# 2024-25 Strat Plan Budget Process

1. *Updated External Assessment*
2. *Updated Internal Assessment*
3. *Updated Core Competencies*
4. *Updated SWOT Analysis*
5. *Emerging Areas of Need*
6. *Stakeholder Feedback*
  - *Engagement Portal Feedback*
  - *District Planning Team Feedback*
  - *Joint Partner Feedback*
  - *Other sources of feedback*
7. *Update 2024/25 Strategic Plan Goals, Objectives & Initiatives*
  - *Cut Before You Add*
  - *Prioritizing New Initiatives*
8. *Recommendations to the Board (May 14)*
9. *Board approval (June 18)*



# 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

# Accumulated Surplus

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## 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

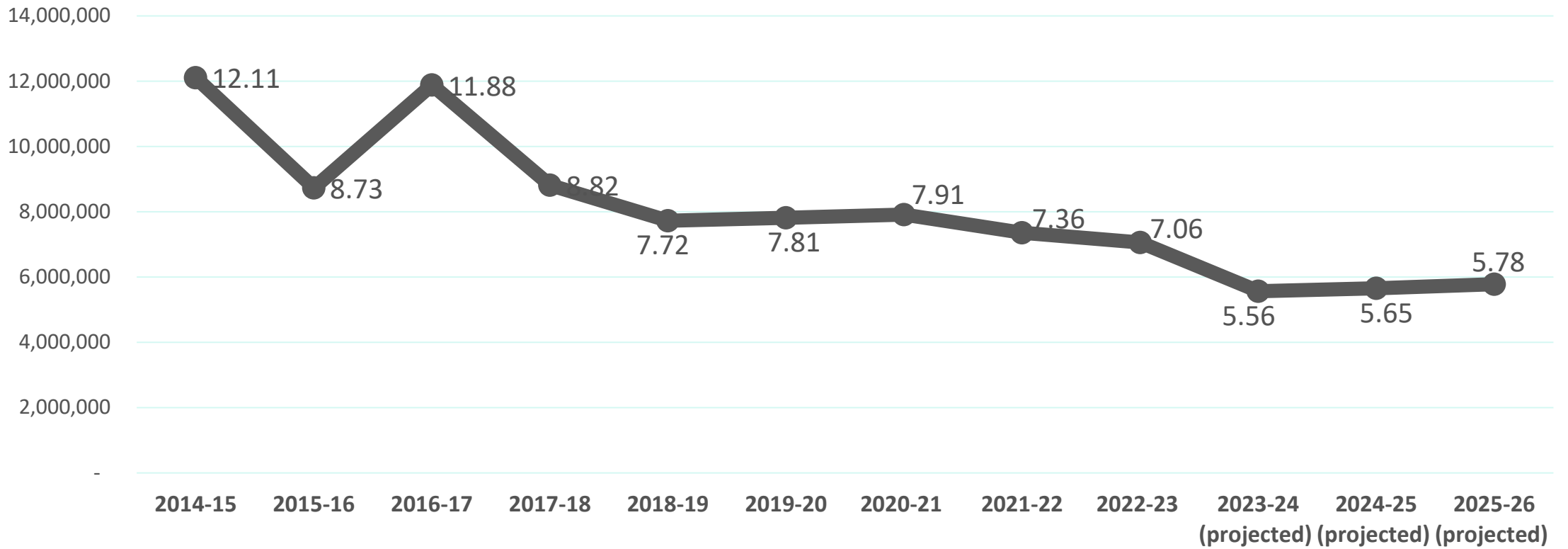
Accumulated Operating Surplus	2021-22	2022-23
Internally restricted due to constraints on funds	178,704	345,905
Internally restricted for planned future operations	1,542,530	1,143,478
Internally restricted for future requirements	1,420,830	1,283,182
Unrestricted Operating Surplus	4,216,218	4,283,174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

← Range  
\$2.3M - \$7M

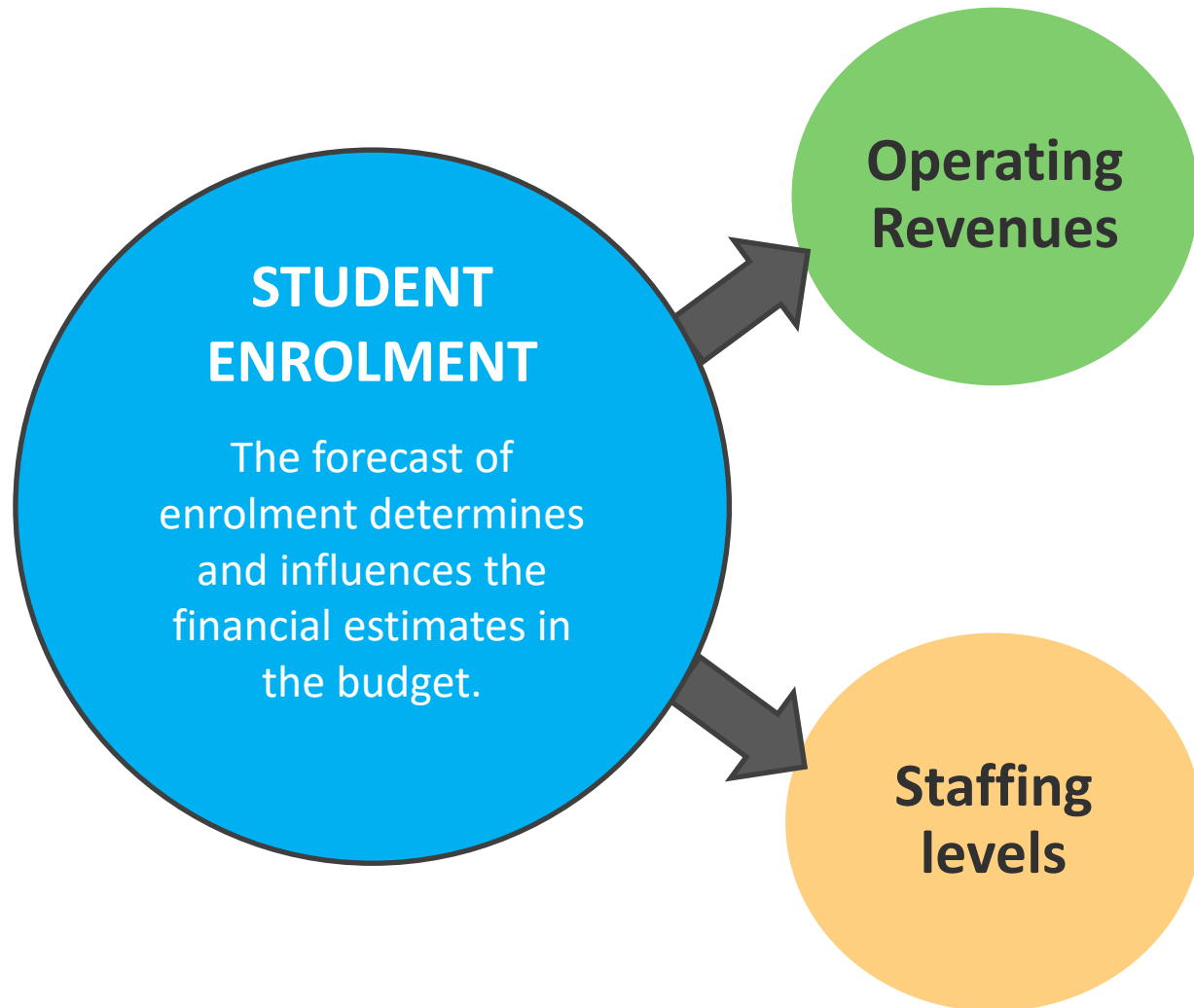
# Accumulated Surplus



in \$ millions



# 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.



# Enrolment Estimates

Enrolment Information	2023-24	2024-25	2025-26	2026-27
<b>Enrolment (September)</b>				
School Aged	19,536.6	19,747.0	19,790.0	19,841.0
Alternate Ed	256.8	264.0	264.0	264.0
Adults	23.6	23.0	23.0	23.0
Distributed Learning (School Aged)	234.2	235.0	235.0	235.0
<b>Total</b>	<b>20,051.2</b>	<b>20,269.0</b>	<b>20,312.0</b>	<b>20,363.0</b>
Unique Student Needs:				
ELL	3,336.0	3,550.0	3,720.0	3,900.0
Indigenous Education	2,024.0	2,030.0	2,030.0	2,030.0
Special Education:				
Level 1	27.0	27.0	27.0	27.0
Level 2	971.0	1,045.0	1,120.0	1,200.0
Level 3	228.0	265.0	265.0	265.0
<b>Enrolment (February)</b>				
<b>Total</b>	<b>140.0</b>	<b>120.0</b>	<b>120.0</b>	<b>120.0</b>
<b>Enrolment (May)</b>				
<b>Total</b>	<b>105.0</b>	<b>90.0</b>	<b>90.0</b>	<b>90.0</b>
<b>Total Funded Students</b>	<b>20,296.2</b>	<b>20,479.0</b>	<b>20,522.0</b>	<b>20,573.0</b>

# Operating Grant Estimates

Operating Grant Analysis	2023-24		2024-25		Increase (Decrease)
	Enrolment	Funding	Enrolment	Funding	
<b>Enrolment Based Funding</b>					
September	20,051	172,499,940	20,269	180,243,501	15,957,160
February	120	776,025	120	822,500	6,195
May	95	648,425	90	626,050	-56,340
Unique Student Needs					
ELL	3336	5,787,960	3,550	6,372,250	554,185
Aboriginal Education	2024	3,461,040	2,030	3,593,100	288,260
Equity Supplement*		767,719		861,910	86,142
Special Education					
Level 1	27	1,324,890	27	1,369,710	97,060
Level 2	971	22,604,880	1045	25,153,150	2,547,120
Level 3	228	2,681,280	265	3,222,400	253,150
Salary Differential		3,601,350		3,616,823	31,996
Unique Geographic Factors		3,272,845		3,392,842	209,904
Summer Learning		683,700		707,111	31,885
Curriculum Support Fund		176,624		180,248	1,277
IEC Funding		-		68,500	1,277
<b>Total</b>		<b>218,286,678</b>		<b>230,230,095</b>	<b>20,007,994</b>

# Preliminary Estimates

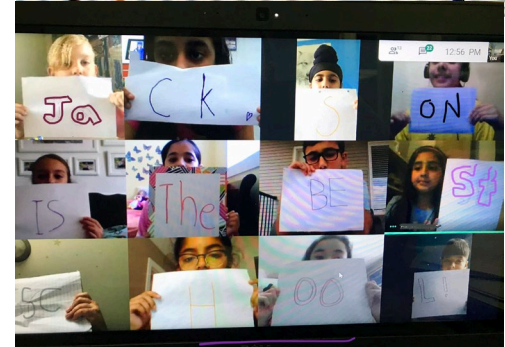
	2023-24	2024-25
Operating Fund Budget (in Millions)	Budget	Budget
<b>Operating Fund</b>		
<b>Revenues</b>		
Operating Grants	222.30	232.13
Other Revenues	7.96	8.10
<b>Total Revenue</b>	<b>230.27</b>	<b>240.22</b>
<b>Expense</b>		
Salaries	166.94	174.47
Benefits	41.52	43.70
Supplies & Services	22.37	23.50
<b>Total Expense</b>	<b>230.83</b>	<b>241.67</b>
<b>Net Revenue (Expense)</b>	<b>-0.56</b>	<b>-1.44</b>
Total Interfund Transfer	-0.93	-0.65
<b>Surplus (Deficit) for Year</b>	<b>-1.50</b>	<b>-2.09</b>
<b>Accumulated Surplus (Deficit), Beginning of Year</b>	<b>7.06</b>	<b>5.56</b>
<b>Accumulated Surplus (Deficit), End of Year</b>	<b>5.56</b>	<b>3.47</b>

# 2024-25 Preliminary Budget - Assumptions

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## 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 (2% GWI + 1% COLA)
- Staffing adjustments relate to enrolment increases only
- No major service or programming changes
- Updated *Strategic Plan*



# 2024-25 Preliminary Budget - Budget Pressures

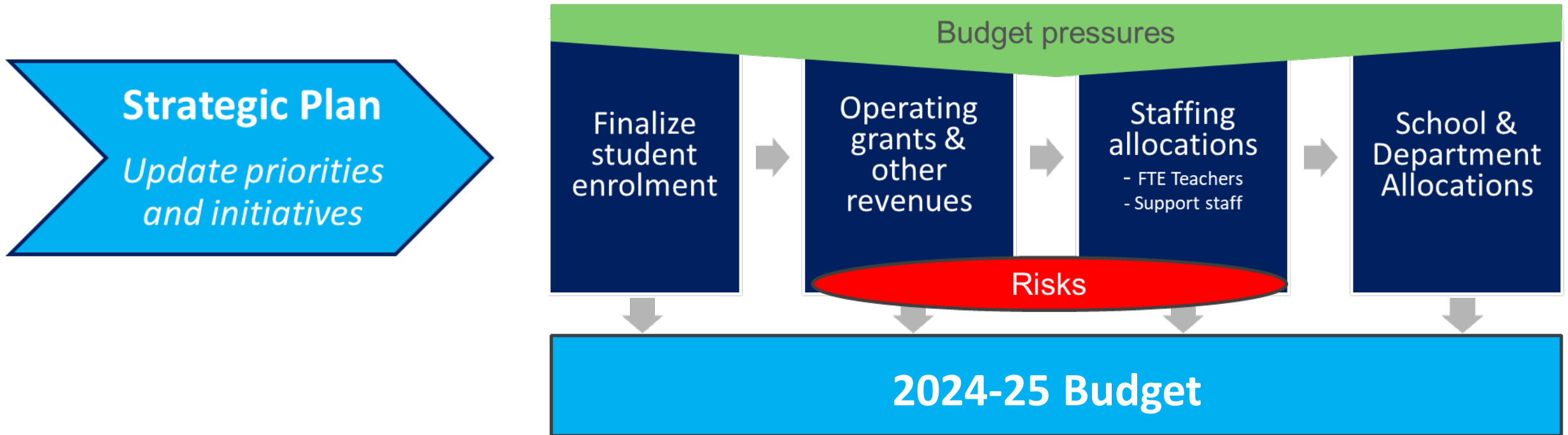
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## Budget Pressures

- Inflationary pressures (3%-6%)
- 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)

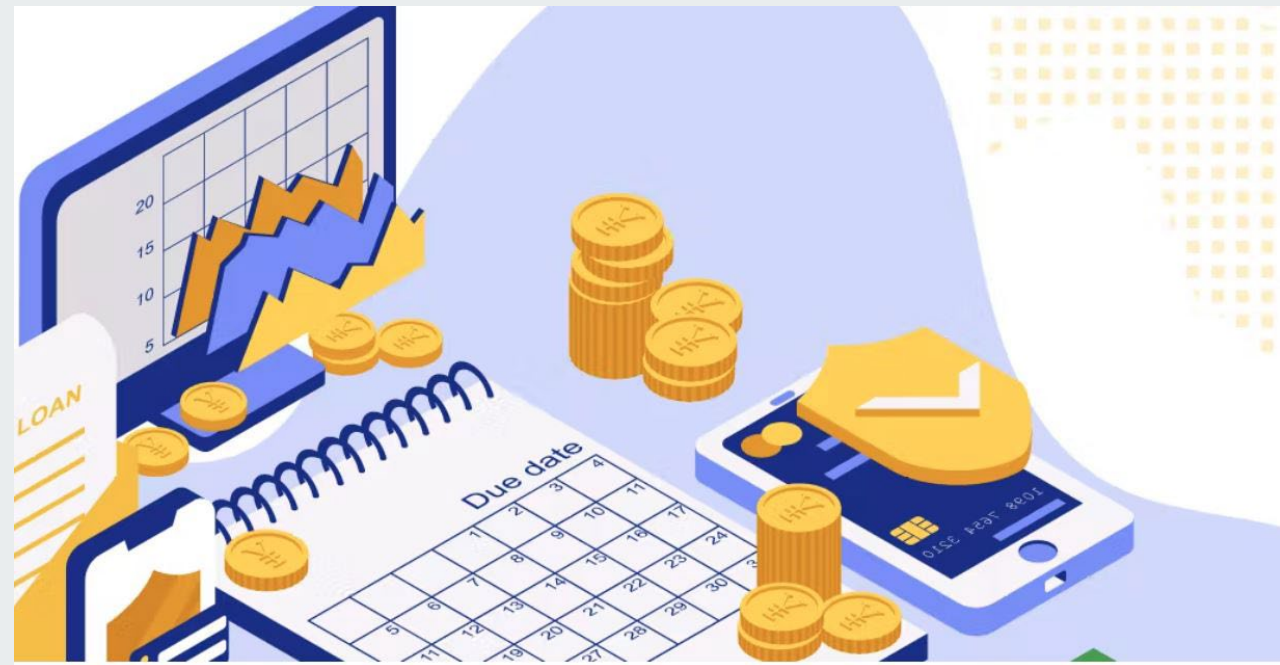


# 2024-25 Budget Development Plan



# 2024-25 Budget Development Plan

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[engage.abbyschools.ca](https://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
- Revenue & expense (program) estimates
- Budget to Ministry of Education by June 30



QUESTIONS