

Staff Report



February 11, 2025

To Board of Education (Public Meeting)

From Ray Velestuk, Secretary-Treasurer/CFO
Monica Schulte, Assistant Secretary-Treasurer

Re **2024/2025 Amended Annual Budget Bylaw**

RECOMMENDATION:

THAT the Board of Education approve having all three readings of the 2024/2025 Amended Annual Budget Bylaw in this one meeting.

THAT School District No. 34 (Abbotsford) Amended Annual Budget Bylaw for fiscal year 2024/2025 be given first reading.

THAT School District No. 34 (Abbotsford) Amended Annual Budget Bylaw for fiscal year 2024/2025 be given second reading.

THAT School District No. 34 (Abbotsford) Amended Annual Budget Bylaw for fiscal year 2024/2025, specifying an expenditure of \$294,601,061 be given third reading, reconsidered, and finally passed and adopted on this 11th day of February 2025.

BACKGROUND:

On June 18, 2024, the Board of Education approved the 2024/2025 Annual Budget Bylaw based on preliminary estimates of enrolment, funding, and expenditures. Since that time, July and September actual enrolments have resulted in recalculated operating grants for the 2024/2025 year.

Section 113 (1) of the *School Act*, requires that a board, by bylaw, (a) must adopt an annual budget on or before June 30 of each year for the next fiscal year, and (b) may amend the annual budget adopted under paragraph (a).

Section 113 (2) of the *School Act*, further states that if an operating grant to a board is amended, or a grant is withheld or reduced, the minister may order that the board, by bylaw, must amend its annual budget, and must send a certified copy of the amended annual budget to the minister within 60 days of the order together with a certified copy of its annual budget.

The following details the most significant changes incorporated into the 2024/2025 Amended Budget.

OPERATING FUND REVENUE CHANGES - \$2.04 million increase

Ministry of Education and Child Care Operating Grant

Changes in July and September enrolment from projections to actual have generated an additional \$1.36 million; \$0.31 million generated by regular enrolment increases, \$0.44 million for unique enrolment increases, \$0.65 for labour settlement funding and a decrease in salary differential funding of -\$0.04 million.

Tuition Revenue

An additional \$0.75 million has been received for international student revenue as the FTE has increased from 350 to 395.

OPERATING FUND EXPENDITURE CHANGES - \$3.12 million increase

Teacher Salaries

Increased enrolment has required additional teachers at a cost of \$0.52 million.

Principal and Vice Principal Salaries

The budget for Principal and Vice Principal salaries has increased by \$0.69 million to cover vacancies in existing positions. No additional FTE has been added.

Substitute Salaries

Substitute Salaries are becoming a significant budget pressure and are anticipated to increase by \$1.80 million.

Benefits

Benefit costs have decreased \$0.62 million to reflect actual anticipated costs.

Supplies and Services

Schools and departments will have reallocated their budgets between supply and capital asset accounts as operational needs for the year become known.

Supplies and services have increased \$0.89 million, funded primarily from prior year surplus carryforwards. Supply allocations to schools have increased also to match increased enrolment.

OPERATING FUND CAPITAL ASSET PURCHASE CHANGES - \$0.12 million increase

Increases to capital asset purchases are funded from prior year surplus.

TRANSFER TO LOCAL CAPITAL - \$0.50 million decrease

Contributions of \$0.50 required for capital projects were made on the 2023/24 financial statements and are therefore no longer required in the 2024/25 budget.

OPERATING FUND ACCUMULATED SURPLUS APPROPRIATION – \$0.70 million increase

The net change to operating fund revenue and expenses of \$0.70 million detailed above are funded through prior year appropriated surplus reported on the June 30, 2024, financial statements.

The following table shows the change in surplus from the June 30, 2024, Financial Statements to the 2024/25 Amended Budget Bylaw. The remaining unrestricted operating surplus of \$4.79 million is 2.1% of operating expenditures and is compliant with AP 524.

	23/24 FS	24/25 Budget	Anticipated at June 30, 2025
Appropriated on the 23/24 Financial Statements:			
ACE-IT	291,106	291,106	0
Skills Exploration	37,959	37,959	0
Indigenous Education	199,977	199,977	0
Abby Arts Centre	101,000	101,000	0
Schools	1,180,006	1,180,006	0
Strategic Plan Initiatives	250,000		250,000
Information Technology Initiatives	1,000,000		1,000,000
Total appropriations	3,060,048	1,810,048	1,250,000
Use of unappropriated on 23/24 Financial Statements:			
Unappropriated on 23/24 Financial Statements	5,653,918		5,653,918
School deficits forgiven		33,153	(33,153)
Reinstate Back to School special purpose fund		50,306	(50,306)
Increase PVP budget		693,800	(693,800)
Increase substitutes budget		88,835	(88,835)
Total use of unappropriated surplus	5,653,918	866,094	4,787,824
Anticipated surplus carry forward		(1,000,000)	1,000,000
Total use of prior year operating surplus	8,713,966	1,676,142	7,037,824

LOCAL CAPITAL FUND

The only change made in the local capital fund is the decreased transfer from operating of \$0.50 million as detailed above.