

DELTA SCHOOL DISTRICT



2023/24 BUDGET

As at April 25, 2023

THREE-YEAR BUDGET AND FINANCIAL PLAN

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2023/24 BUDGET REPORT & THREE-YEAR FINANCIAL PLAN

SCHOOL DISTRICT NO. 37 (DELTA)

DISTRICT OVERVIEW

The Delta School District (the “District”) aims to be an innovative, inclusive community where all learners belong, and everyone soars with more than 16,000 students and a headcount of over 2,200 active employees. The District has 24 elementary schools and seven secondary schools located in Ladner, North Delta, and Tsawwassen.

Our schools and District offices are located on the traditional territories of the Tsawwassen First Nation and Musqueam Indian Band. The District offers its respect to the Knowledge Keepers and all Indigenous Peoples who have been on these lands since time immemorial.

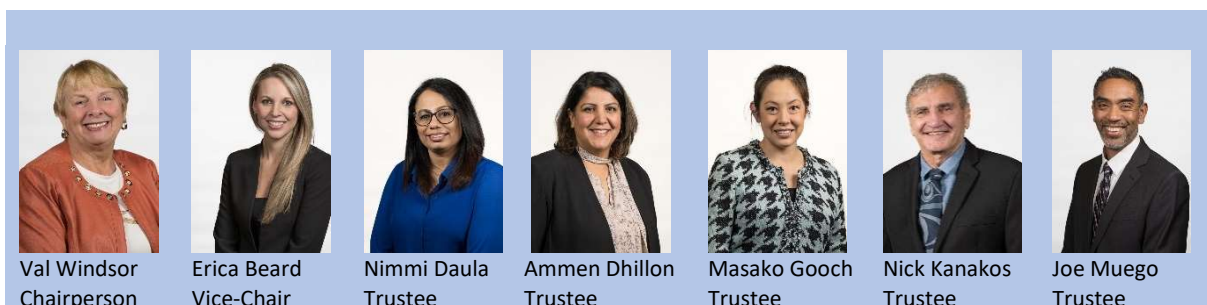
The District’s schools provide safe, culturally diverse, and nurturing learning environments. We offer a variety of quality programs to meet unique learning needs and we engage students in stimulating and relevant educational experiences. A dedication to social responsibility teaches our students to respect themselves, their environment and each other.

Ranking highly in student and parent satisfaction surveys, we constantly strive to build real value in education. Our graduation rates are among the highest in British Columbia. The District’s accomplishments are due as much to the dedication and hard work of teachers and staff as they are to the commitment and support of parents and the broader learning community.

In the Delta School District, our entire community is working hard to become the best district we can be.

BOARD OF EDUCATION

Elected trustees make up the composition of the Delta School District’s Board of Education. They represent the Delta communities of Ladner, North Delta and Tsawwassen and are elected every four years, on the same cycle as mayors and city councils. The primary role and responsibility of the Board of Education, through the trustees, is the governance of the District. The trustees are accountable to the Ministry of Education and Child Care (the “Ministry”) within the Provincial Government. There are currently seven elected trustees.



ROLES, RESPONSIBILITIES AND FINANCIAL GOVERNANCE

District trustees perform a variety of important duties including establishing educational and administrative policies and regulations as well as overseeing the educational, operational, financial, and ministerial requirements of the District. Additionally, trustees advocate for enhanced government funding for the

educational, operational, and capital needs of the District. The Board of Education, through its trustees, guides the work of the Superintendent of Schools and the members of the administrative staff who provide the day-to-day leadership and management of the District.

The Board and its trustees are committed to transparency and have adopted the Ministry’s financial governance requirements. These requirements include the development of an Annual Budget which is guided by the District’s vision and includes a consultative budget engagement process. The Board and trustees are committed to a thoughtful, strategic, and student-centred approach to balancing the budget each year.

VISION, MISSION AND PURPOSE

Vision 2030 builds on the successes of our Bold Vision for 2020, which served the District well in recent years. Vision 2030 is the District’s guiding North Star for the next decade as it supports Delta’s present and future students. [Click here](#) to learn how Vision 2030 was developed during the 2020/21 school year.

Vision Statement – The Delta School District is an innovative, inclusive community where all learners belong, and everyone soars.

Mission Statement – The Delta School District’s mission is to inspire and nurture thriving future-ready learners.

Our Values – Compassion, Responsibility, Integrity, Creativity, Diversity, Resilience.



STRATEGIC PLAN 2021-24 - THE DISTRICT'S GUIDING PRINCIPLES:

As we strive to achieve our bold vision, our work will be grounded in compassion and the following six principles will be deeply embedded in each of our goal areas:

CORE COMPETENCIES

Thinking, Communication, Personal and Social

We will support students in their growth as educated global citizens by helping them achieve proficiency in the intellectual, personal, social, and emotional knowledge, skills and processes associated with the three core competencies.

UNIVERSAL AND INCLUSIVE APPROACHES/PRACTICES

We will account for the uniqueness and variability in learners when designing and delivering education to help make space for a strength-based, innovative, and individualized approach, and reduce the need for specific accommodations for students with disabilities and/or diverse abilities.

EQUITY

A commitment to equitable outcomes requires that we recognize and respond to differences in strengths and needs. We will seek to ensure that all Delta students have the opportunities required to reach their full potential.

INDIGENOUS WORLDVIEWS AND KNOWLEDGE

We will seek a deeper understanding and appreciation of the Indigenous histories, cultures and Principles of Learning through our learning and working practices. We will foster stronger relationships with local First Nation Communities through collaboration and consultation. We will implement the Truth and Reconciliation Commission calls to action related to education.

WELL-BEING AND CONNECTEDNESS

We know that the well-being of staff has a direct impact on student well-being, which is directly correlated to their learning (E. Oberle, K. Schonert-Reichl, 2016). As such, we will prioritize social, emotional and physical well-being and a sense of belonging for all students and staff, with a particular focus on mental wellness.

DIVERSITY

Diversity is a defining aspect of the Delta School District. We recognize the need for continued leaning and engagement in this regard and will actively respect, appreciate, embrace, and learn from the valuable diversity within our District.

THE DISTRICT'S GOALS

Our Strategic Plan sets out five goals that will guide our actions over the next three years and drive progress towards achieving our Vision 2030.

1. **Graduation for All** → All Delta students will graduate with dignity, purpose, and options, and will leave school more confident and curious than when they entered.
2. **Powerful and Inspiring Learning Environments** → Learning in Delta will provide all students with opportunities and experiences to thrive and flourish.
3. **Strong Foundation in Literacy and Numeracy** → All Delta students will have the literacy and numeracy knowledge and skills to thrive in a global society.
4. **Engaged, Empowered and Healthy Workforce** → Nurturing our workforce will enable employees to thrive and reach their highest potential, which in turn will ensure our students receive the best education possible.
5. **Strong Governance and Stewardship of Resources** → Maximizing the availability of the District's resources to support the delivery of our strategic goals and ensure long-term sustainability.

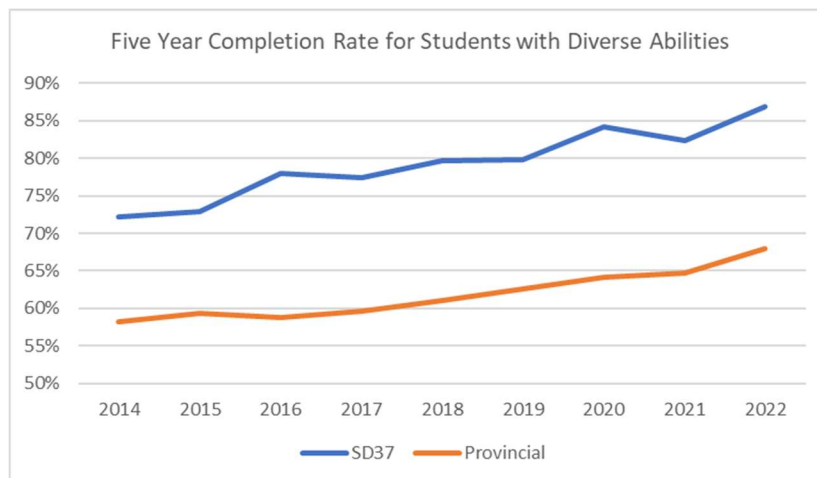
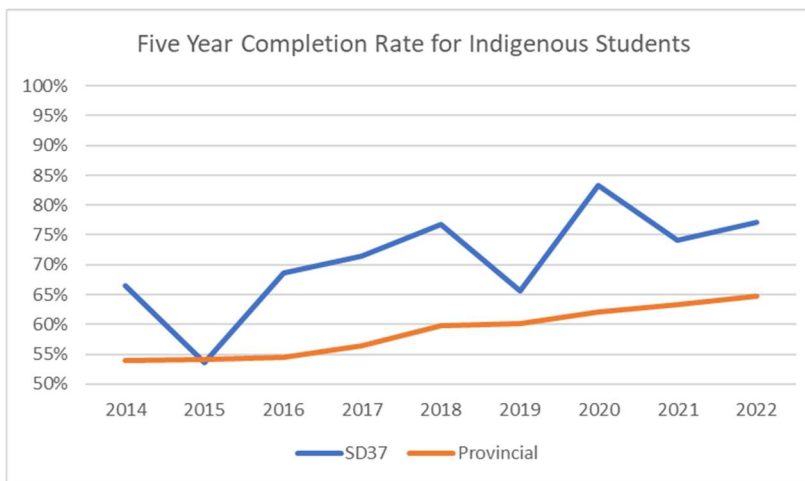
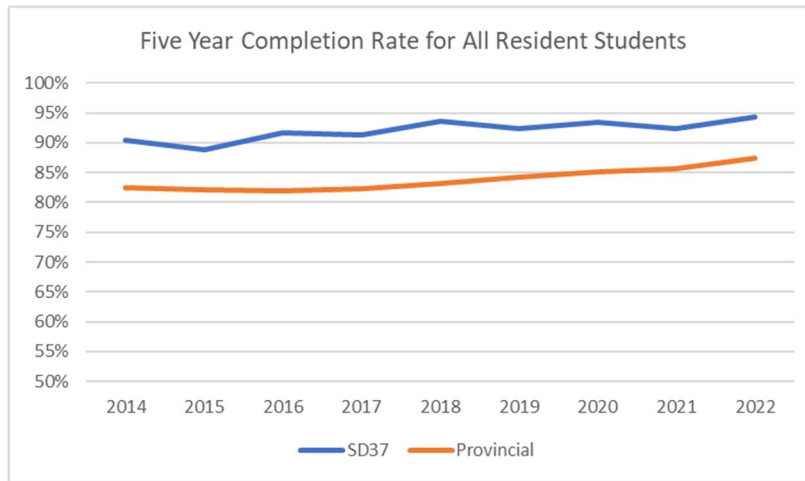
STRATEGIC BUDGETING

The District works to align its budget to its Strategic Plan to help achieve the five goals listed above. Collaborative budget conversations occur with District departments to ensure connection of department budgets to the Strategic Plan.

Every department examines its budget to identify possible efficiencies while ensuring it is continuing to support the District's strategic objectives and Vision 2030. Initiative effectiveness is based on progress toward measurable goals. Where initiatives are not providing the most effective support for student success and well-being, the District's Budget Committee examines those initiatives to consider how better support for students can be achieved and if the related funding should be utilized differently.

STUDENT ACHIEVEMENTS

The Delta School District continues to have completion rates well above the provincial average, as shown in the following five-year completion rate graphs for all students, Indigenous students and students with diverse abilities.



BUDGET DEVELOPMENT OVERVIEW

SCHOOL DISTRICT BUDGET BACKGROUND

A balanced budget is a stipulation of the *School Act* (Section 113). The District’s budget is prepared in accordance with Public Sector Accounting Standards (PSAB), Section 23.1 of the *Budget Transparency and Accountability Act of the Province of British Columbia*, and with Regulation 198/2011 issued by the Province of B.C. Treasury Board.

School districts in B.C. must submit balanced budgets to the Ministry on or before June 30th for the upcoming school year. The District starts its budget process in November and completes the process around the end of April with the Board of Education’s approval of the Preliminary Annual Budget. Board approval in April allows for adherence to the 60-day notification requirement for staffing related to layoff notification as outlined in the Collective Agreement(s).

B.C. School District budgets are reported as a consolidation of three separate funds: the Operating Fund, Special Purpose Fund and Capital Fund.

The Operating Fund budget contains the revenues and expenses for the day-to-day operation of the District. B.C. Ministry of Education and Child Care grants and other revenues, including International Student program fees, largely form the revenues for this fund. Expenses include costs for instructional programs, school and district administration, facilities operations, maintenance, and transportation.

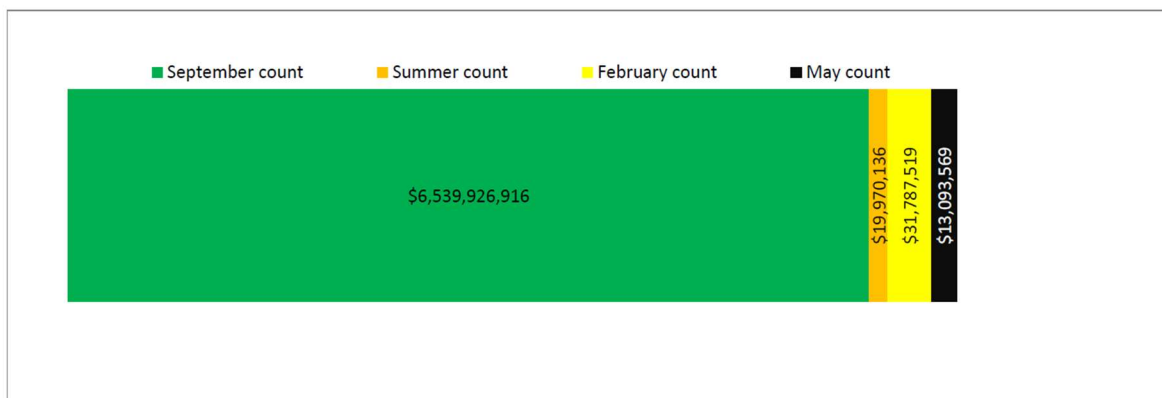
The Special Purpose Fund contains “restricted contributions” where the term “restricted contributions” is defined as legislative or contractual stipulations, or restrictions, as to the use of funds. Ministry funds including the Annual Facility Grant (AFG) and Classroom Enhancement Fund (CEF), together with other funds such as the School Generated Funds and scholarships, are reported in the Special Purpose Fund.

The Capital Fund budget for the District is primarily comprised of building renewal and playground replacement projects funded from externally restricted capital revenues (mainly from the Ministry). Capital projects funded from Operating or Special Purpose Funds tend to be smaller building projects, technology and equipment replacement, and playground restorations.

2023/24 MINISTRY OPERATING GRANT¹

Public school districts in B.C. are primarily funded through Operating Grants provided by the B.C. Ministry of Education and Child Care. The Ministry will be providing a total of \$6.622 billion in Operating Grants to boards of education in the 2023/24 year. The Operating Grant funds are allocated using individual district enrolments and specific factors that apply to each school district. The grants are then updated based on actual enrolment and other data collected from school districts throughout the school year.

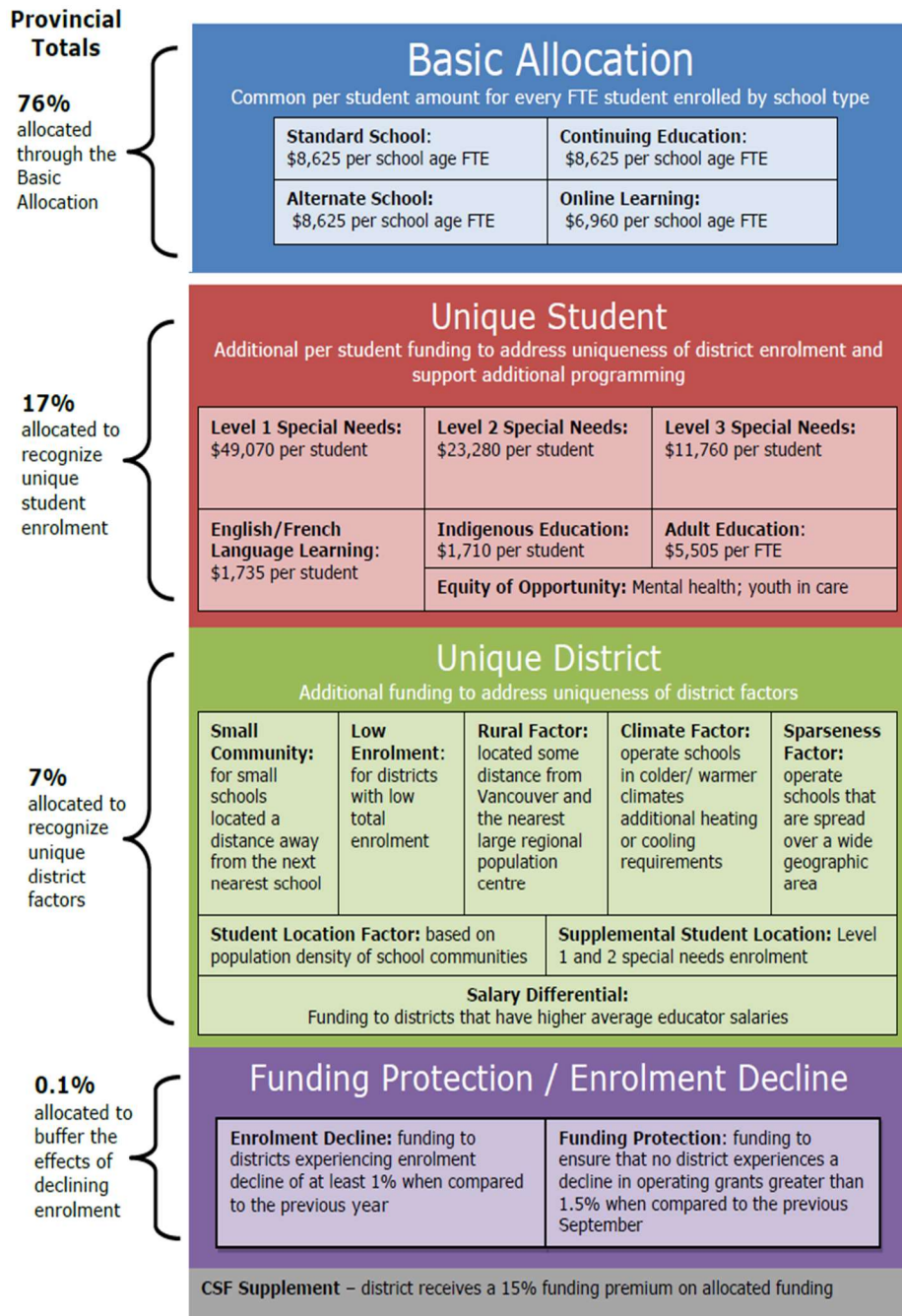
**Allocation of the total Operating Block and Enrolment counts
(2023/24 estimated as at March 2023)**



¹ Information in this section is based on the Ministry of Education and Child Care’s 2023/24 Operating Grants Manual: <https://www2.gov.bc.ca/gov/content/education-training/k-12/administration/resource-management/k-12-funding-and-allocation/operating-grants/k12funding-23-24>

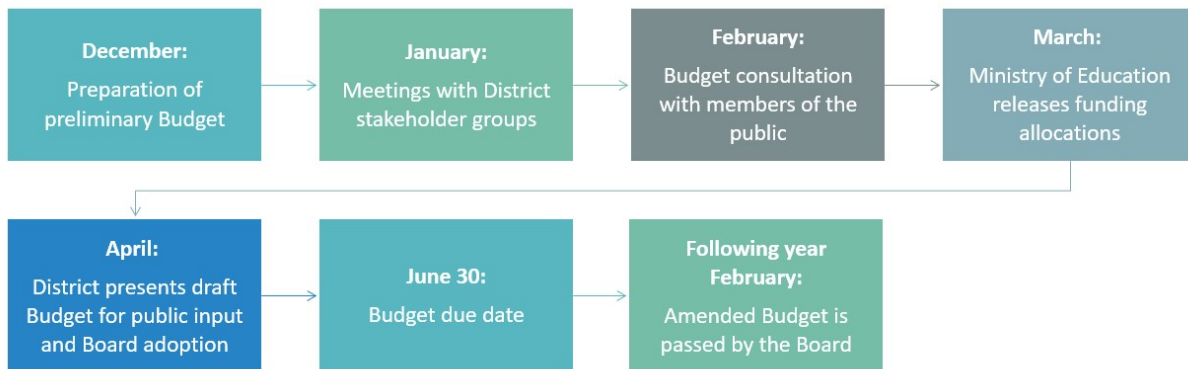
Funding Adjustments:

- Districts’ preliminary allocations are adjusted after each of the enrolment counts; September 29th, February, and May.
- A district’s preliminary allocation will increase if actual enrolment is higher than district estimated enrolment and will consequently decline if actual enrolment is lower than district estimated enrolment.
- Funding Protection is calculated following the September enrolment count only – this supplemental grant is calculated last and ensures that districts do not experience a funding decline of greater than 1.5% compared to the previous year for the September count.
- The full operating funding block must be allocated to districts by June 30 of the current school year.
- Funding is disbursed in a “just in time” manner to closely match district cash needs.



BUDGET DEVELOPMENT PROCESS, TIMELINE AND CONSULTATION

The District's budget process starts in the year prior to when the budget will take effect. The planned process takes place over several months, as follows:



- **In December**

The finance team prepares a preliminary budget based on known cost factors and changes from the prior year. Ministry operating grant funding is estimated at this stage. Department budgets are reviewed for strategic alignment, budget year opportunities and challenges. The preliminary budget is based on the Board approved current year Annual Budget, **which is adjusted for:**

- Forecasted enrolment changes
- Projected Ministry operating grant funding based on the forecasted enrolment changes
- Projected revenue (e.g., International Student Program revenue, rental revenues, investment income)
- Contractual and statutory requirement-based changes to employee salaries and benefits
- Contractual rate and cost changes to services, supplies and utilities
- Projected changes to staffing due to forecasted enrolment or revenues
- Adjustments for one-time revenue or expenses included in the prior year budget

- **In January**

The Budget development process begins through a series of **meetings with the District's rightsholder groups**. Budget assumptions are made, and specific priority areas are identified.

- **In February**

The District holds **budget consultation meetings to enable the public** to provide input on their priorities.

- **In March**

Budget information is further refined after the **Ministry releases funding allocations** for the next school year. This is when the actual budget balance is known, and final balancing recommendations can be prepared.

- **In April**

The District presents a **draft preliminary Annual Budget for the Delta Board of Education and public to consider**. The budget may change as the Board directs. The **Board will adopt a balanced Annual Budget** for the upcoming school year, typically near the end of April, which is **due to be submitted to the Ministry by June 30**.

- **Finally**, as the next school year progresses, the original Annual Budget is monitored and adjusted, and an **Amended Budget** is passed by the Board **at the end of February**.

An important aspect of the budget process is consultation and engagement with our District partner groups and the community. Below is a calendar of the public Board meetings and partner group meetings related to the 2023/24 budget development process:

Meeting Type	Date
Public Board Meeting to review budget development process	January 10, 2023
Public Board Meeting to receive input on the 2023/24 budget	February 21, 2023
Budget Engagement meeting with Delta Teachers' Association	February 23, 2023
Budget Engagement Meeting with First Nations	February 27, 2023
Budget Engagement Meeting with Delta Principals & Vice Principals Association	March 2, 2023
Budget Engagement Meeting with CUPE Local 1091	March 7, 2023
Public Board Engagement Session	March 7, 2023
Public Release of Budget Recommendations	April 13, 2023
Special Public Board Meeting <ul style="list-style-type: none"> - Board receives delegates regarding budget recommendations - Presentation of proposed Reserves allocations 	April 18, 2023
Public Board Meeting <ul style="list-style-type: none"> - Approval of budget with Reserves allocations - Approval of Three-Year Budget Report - Adoption of the budget bylaw 	April 25, 2023

DISTRICT BUDGET GUIDELINES

The District has established budget guidelines for preparing the Annual and Amended Budgets to ensure:

- The **preparation of a balanced budget** for recommendation to the Board in accordance with *School Act* requirements
- **Consistency** in preliminary budget preparation by Financial Services
- Expected revenues and costs reflect the **most up-to-date knowledge** of enrolment estimates, contractual obligations, and effective rates
- Calculations are prepared based on **applicable financial standards, principles, and practices**
- **Newly added services** are added **based on an** approved budget change proposal (**business case**)
- Budget changes are recommended by a **committee of staff representing all areas of the District**
- **Budget changes are strategically aligned and** made by Board approval.

TRUSTEE BUDGET PRIORITIES FOR 2023/24

As the Board transitioned into the 2023/24 Budget process, trustees updated their key priorities to maintain alignment with the District's Vision 2030 and 2021-2024 Strategic Plan. Trustees wish to acknowledge the important work that lies ahead as the District continues on its mission *to inspire and nurture thriving, future-ready learners*, and takes further steps to achieve its Vision 2030 to become *an innovative, inclusive community where all learners belong, and everyone soars*.

- Trustees wish to maintain **specific initiatives that support Vision 2030**. This includes supports with an emphasis on Graduation for All, Powerful and Inspiring Learning Environments, Strong Foundations in Literacy and Numeracy, Engaged, Empowered and Healthy Workforce, and Strong Governance and Stewardship of Resources.
- Trustees prioritize a commitment to improving **student success, equity, and inclusivity** of outcomes for all learners as foundational to the Vision 2030 and the ongoing realization of the District's strategic plan. Trustees prioritize innovative and individualized **inclusive learning environments** in which all students are connected, engaged, thrive, and have the opportunities to reach their full potential and experience success in an ever-evolving technological world and workforce.
- A key priority of trustees is to continue the long-term plan for **improving literacy and numeracy rates with Indigenous students**, particularly at the Grades 1–4 levels. Trustees recognize that additional and continued efforts are critical to responding to differences in strengths and needs, and achieving equity for young Indigenous learners, in particular to ensure they develop the literacy and numeracy skills required to graduate with dignity, purpose, and options, and leave school more confident and curious than when they first entered.
- Trustees recognize the need for continued learning, understanding and appreciation of the valuable diversity within the District. In particular, trustees prioritize the need to ensure an antiracist learning environment and also to continue to embrace **Indigenous histories, cultures and Principles of Learning**.
- **Student physical and mental wellness:** Trustees prioritize the promotion of student physical and mental wellness as a core competency. This is a collective responsibility rooted in compassionate, inclusive, robust, and nurturing learning environments and relationships. As such, trustees prioritize a **system-wide approach to physical and mental health promotion**; strengthening and expanding the work already being done in schools to promote student physical and mental wellness. Placing priority on preventative, universal and targeted learning opportunities and supports for all students; in combination with an emphasis on building student agency and the development of social emotional, mental health literacy and physical health competencies equips Delta students to thrive.
- Trustees recognize and support the school district's role in the ChildCareBC Vision for providers and partners of all kinds to work together with government to deliver **early learning and child care** on school grounds.
- Trustees place a focus on **employee wellness** encompassing support and programs that help to improve social, emotional, mental, and physical health and well-being, and create a culture that ensures employees have the resources they need to be successful, empowered and engaged at work. In turn, this will help ensure that students receive the best education and experiences possible.

- The District’s emphasis is on spending in the classroom, but the District also seeks an operating approach of overall balance. Where sound judgment or circumstances suggest a temporary or longer-term increase in **administration costs** to support the delivery of strategic goals and/or ensure long-term sustainability, trustees may deem it acceptable to increase administration spending.
- Trustees prioritize that **Sustainability and Energy Management practices** permeate decision making to reduce and manage the District’s environmental footprint and increase sustainability, ensuring the District continues to work towards the requirements of the *Climate Change Accountability Act*, Carbon Neutral Government Regulation and Clean B.C. 2030 targets. This will include projects that incorporate green practices and/or support student-led Environmental Stewardship Programs.

2023/2024 BUDGET

The District’s budget process results in a strategic budget recommendation being proposed to the Board of Education by the District after deliberations by the Budget Committee have concluded. Throughout the budget process and finally, at its Special Budget Input meeting on April 18, the Board of Education received input on budget priorities from the public, education partner groups and rightsholders. After the April 18 public input meeting, which asked for feedback on the proposed budget recommendation by the District to the Board of Education, the Board deliberated on the input received. The impact of this deliberation on the proposed budget recommendation is indicated in this document in blue text, as applicable.

BACKGROUND

Delta School District staff and the Board of Trustees are committed to a thoughtful, strategic and student-centred approach to balancing the budget each year. **A balanced budget is a stipulation of the *School Act*.**

2023/24 BUDGET OVERVIEW

The Annual Operating Budget for 2023/24 is **\$189.7 million²**, up by **\$8.6 million** from the 2022/2023 Amended Annual Operating Budget of **\$181.1 million**.

The District anticipates an increase in enrolment of 99 full-time enrolled [FTE] students for the 2023/24 school year, bringing the student FTE total from 16,131 in the 2022/23 Amended Annual Operating Budget to 16,230 student FTE forecasted for the upcoming year.

The District will receive **\$1.085 million** more in Operating Grant funding than anticipated prior to the funding announcement, which will help to cover operational cost increases.

In order to develop the most sustainable and strategically effective budget possible, the District has followed a budget balancing strategy based on the following themes:

- Ensuring that any proposed reductions have the least impact on students
- Decreasing program areas that have had limited impact on student success and wellbeing
- Mitigating risk and ensuring long-term sustainability by reducing the reliance on Reserve funds

Approximately 91.1% of the District’s operating costs are staffing related.

² The \$189.7 million includes \$223 thousand in additional announced Operating Grant funding and \$2.2 million from Reserves to the budget.

MINISTRY OF EDUCATION AND CHILD CARE FUNDING ANNOUNCEMENT

Based on last year's Ministry **Operating Grant formula**, the District had anticipated funding of **\$168.659 million**. This year, the Per Pupil amounts have increased by **9.4%**. As a result of the increase in per pupil amounts and the estimated increase in student enrolment for the fall of 2023*, the District will receive **\$1.085 million** more than anticipated in Operating Grant funding for the 2023/24 school year, bringing the total Ministry funding received to **\$169.744 million**.

**Please note: The enrolment numbers are early estimates and subject to change. The final funding received will reflect the actual enrolment numbers reported once the 2023/24 school year has started.*

THE 2023/24 BUDGET COMPOSITION

A number of non-discretionary budgeted costs have increased including salaries due to labour settlements [\$13.112 million] and other wage increases/salary composition costs [\$1.595 million], benefit rate increases [Extended health benefits, Canada Pension Plan and a new sick leave allowance for casual workers - \$2.203 million], staffing model increases [\$1.332 million] and non-staffing related increases [audit fees and utility costs - \$326 thousand].

Increases in budgeted funding sources including additional Ministry funding [\$17.964 million] and investment income [\$827 thousand] will help to cover these costs.

FACTORS INFLUENCING THE BUDGET

In recent years, school districts in B.C., including the Delta School District, have experienced significant financial uncertainties and volatility arising from a number of factors, all of which need to be considered when formulating the budget.

Delta, like many other school districts, saw **higher student enrolment** in September 2022 than expected, largely due to work permit population increases. The District expects to see increased enrolment again in September 2023 for the same reason. However, the District is also anticipating an increase of 86 FTE in the number of English Language Learners [ELL] and a decrease of 77 FTE in the number of Inclusive Learning students in Levels 1, 2 and 3, which will decrease the amount of targeted funding overall for Inclusive Learning support.

High inflation means that some **costs have increased significantly** [e.g. audit fees, utility costs]. It is not possible to increase all budgeted amounts which means **less can be purchased than before**.

Another factor is that, while **enrolment in our International Student Program** is recovering faster than the provincial average, it has **not yet returned to pre-pandemic levels**. In addition, **agent commissions have increased**. As a result, International Student Program net contribution remains volatile and cannot be relied upon to top up the District's Reserves and to supplement the available Ministry funding to support students and educational facilities.

Staffing costs are increasing. There were less retirements in the 2022/23 school year than expected which means that the District has more teachers at the higher levels on the salary grid. Fortunately, the provincial funding announcement will help to cover some of this cost.

Since the pandemic, work absences from illness are at an all-time high across Canada and show few signs of relenting. People are now far more inclined to stay home from work if they are unwell to avoid spreading their illness to others in their workplace. The District, like most organizations, has seen a significant **increase in illness costs** as a result. For example, in the fall and winter of 2022/23, illness costs increased by

30% or by an estimated \$2.092 million in the 2022/23 Amended Annual Operating Budget. This has resulted in levels of illness costs in excess of budget that will need to be addressed in the 2023/24 budget. This will reduce reliance on Reserve funds, a one-time funding source, to cover an anticipated ongoing increase in illness costs and help ensure that they do not negatively impact other key areas in the budget moving forward.

The District continues to rely on the availability of Reserve funding for **technology purchases**. The District would prefer to build these costs into the budget as the availability of Reserve funding is uncertain from year to year and does not necessarily align with the timeline required for technology replacement.

The District anticipates a significant **increase in investment income** compared to previous years that will assist with budgeted needs this year. However, this cannot be relied on as a regular source of funding moving forward due to large fluctuations in investment rates.

Last year, in the 2022/23 Draft Annual Operating Budget, the District addressed its significant budget shortfall through operational savings [\$2.479 million] and a reduction in supplies/expense allowances [\$297 thousand]. The recently published Amended Annual Operating Budget, which captures actual revenues and expenses for the 2022/23 school year, shows that the District received more funding than expected last year due to increased enrolment, International Student Program revenues and investment income. This is good news as it will help to replenish the Reserve funds needed to mitigate financial volatility, cover financial uncertainty and support strategic objectives including regular instruction, Inclusive Learning, Indigenous Education, Facilities and technology needs.

2023/24 STRATEGIC BUDGET CHANGES

As in previous years, the District **recommended a** budget strategy that ensures the **proposed changes have the least possible impact on students and classrooms**. Every department examined its budget to identify possible efficiencies while ensuring it is continuing to support the District's strategic objectives and Vision for 2030. In addition, the District remains committed to fully funding its operations without undue reliance on funding sources that are not certain in these uncertain times and to holding sufficient Reserve funds to buffer potential future revenue shortfalls.

The District **proposed** to utilize \$223 thousand of the additional announced \$1.085 million of the Operating Grant funding plus operational savings of \$422 thousand [*see initiatives outlined below*] to make a contribution [\$499 thousand] towards illness costs in excess of budget and to retain a Peer Support Coordinator position [\$146 thousand] that provides valuable support to teachers and which had been funded by a two-year Ministry grant previously. **The Board, in its deliberations on April 18, after the public input meeting that evening, unanimously approved the addition of a second Peer Support Coordinator to be funded for one-year from the Accumulated Operating Surplus and for this position to be re-evaluated for effectiveness and availability of funding no later than during the 2024/25 budget process. No other changes were approved by the Board with respect to the proposed budget recommendations by the District.**

Initiatives Resulting in Operational Savings - \$422 thousand consisting of:

- Change in Library Unallocated Flexible Time [\$200 thousand]. Changes in the staffing model for librarians will enable some cost savings related to the provision of preparation time for teachers. A full-time librarian will be teaching library prep coverage 9% [from 71% to 80%] more than currently. There will be no reduction in librarian staffing overall.
- Vehicle Equipment Services Department [\$191 thousand]. Currently, the Facilities Department has two vacant FTE positions in its Vehicle Equipment Services Department. By not filling these

positions for the 2023/24 school year, significant savings are possible while the long-term impact on operations can be reviewed and assessed.

- Educational Program Savings [\$31 thousand]. Carefully considered decreases in program areas that have limited impact on student learning will provide additional cost savings.

COMMENTARY

“We are fortunate that our early concerns regarding another difficult budget year were alleviated by the increase in Operating Grant funding received. This means that we were able to make strategic budget decisions to address cost increases without compounding some of the reductions made in previous years. This year, it has become clear that the amount currently budgeted for illness costs is no longer sufficient given the upward trend in staff illness.

Through our budget public engagement process, we recognize that providing support for Inclusive Learning continues to be a top priority for many of our rightsholders. Inclusive Learning will remain a priority for using Reserve funds to ensure continued levels of service quality. Additional priorities include supporting early literacy for students of Indigenous ancestry, regular staffing contingency [including increased illness costs] and replacement of aging technology.

As always, we remain committed to creating a budget in the most student-centred way possible. We have taken a sustainable and measured approach that will protect the school district from risk and ensure it is less reliant on Reserve funds which have declined in recent years.”

Nicola Christ, Secretary Treasurer
Delta School District

MULTI-YEAR REPORTS

The Delta School District prepares its Annual Budgets based on the prior year’s Annual Budget, which it updates for estimated enrolment changes, the resulting staffing level and funding impacts, updated salaries, benefit rates, contract obligations and other known cost considerations. Changes in initiatives and programs are also integrated at this time or later at the Amended Budget stage in February of the budget year, as applicable.

MULTI-YEAR STUDENT ENROLMENT AND ENROLMENT TRENDS

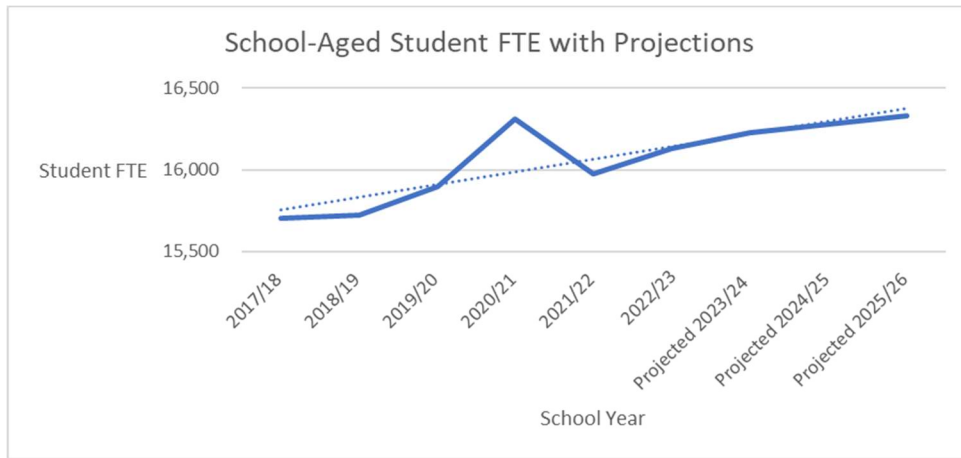
B.C. K-12 Education funding is largely enrolment driven. 96.9% of the District’s 2023/24 Ministry Operating Grant is based on enrolment. Please see the section above on the Ministry Operating Grant for per pupil funding amounts and a full description of the funding formula. Student enrolment also drives staffing levels. Funding levels and staffing levels interact differently with enrolment, however, and this difference is one of the key drivers of whether budgets balance in any given year.

Student Enrolment

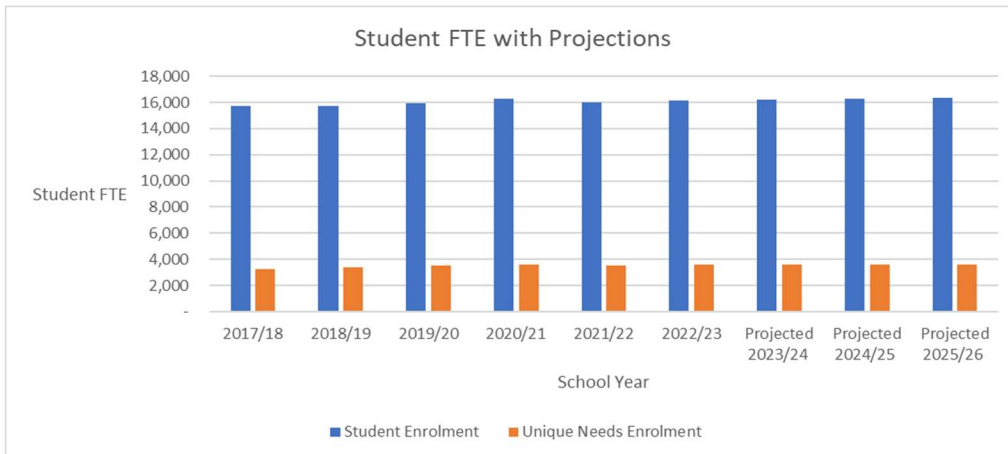
The Delta School District’s school-aged student enrolment FTE (full-time equivalent) including distributed learning and Home Quest students for 2023/24, 2024/25 and 2025/26 has been projected at 16,021, 16,071, and 16,121, respectively. School-aged enrolment makes up a projected 98.7% of the district’s Ministry funded enrolment for 2023/24. Adult student FTE at an estimated 0.3% and summer learning at an estimated 1.0% make up the remainder of the district’s total Ministry funded school-aged enrolment for 2023/24. Similar ratios apply to the enrolment of other school years.

School-aged enrolment for 2023/24 is anticipated to increase by 0.6% when comparing September to the prior September, due to an expected increase in work permit population.

We are presently projecting increases of 0.3% or 50 students per year for each of 2024/25 and 2025/26. This can be seen in seen in the following table.

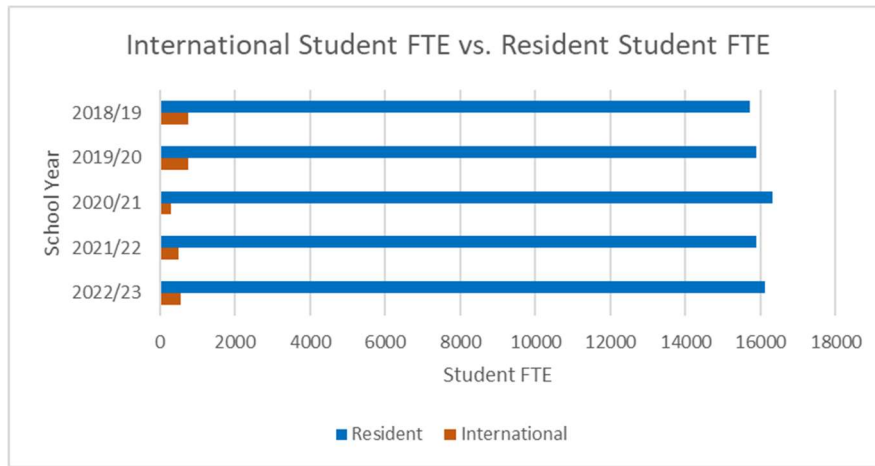


The chart below shows the enrolment of students with Ministry special education designations within the overall student enrolment total. The general trend over the years has been an increase in the number of students with unique needs. Projections for 2023/24, 2024/25 and for 2025/26 are estimates based on the most current actual information. We have assumed small increases for 2023/24, 2024/25, and 2025/26, until such time as more detailed information becomes available. Should enrolment increase beyond the projected numbers, supplemental Ministry funding would also increase, and would then become available to support the increased need for services.



International enrolment, shown in the following table, increased to a high point of 758 student FTE in 2019/20 before dropping to 310 FTE in 2020/21 due to COVID. There has been some recovery over the last two years, and some further recovery is anticipated for 2023/24.

The District budgets a steady, conservative contribution from its International Student Program in the Annual Budget, adjusting to actual enrolment and the related revenues and costs when the District prepares the Amended Budget in February. This strategic approach to budgeting has kept the District from having to make sudden budget reductions due to previously unforeseen events, such as COVID, which impact International Student Program operations. Budgeted enrolment at this early stage is not a projection of actual enrolment and has not been included in the chart for that reason at this time.



MULTI-YEAR OPERATING REVENUE

The following Operating Fund sections include high-level summary tables of budget dollars that provide an overview of the trend from the prior year’s audited financial statements, to a forecast of the current year, to three budgeted future years, 2023/24, 2024/25 and 2025/26.

The budget for 2023/24 (or budget year 1), is shown in two formats: a balanced budget in the traditional district style, and a budget that includes Accumulated Operating Surplus fund spending. Both columns are marked in red. They are labelled: “2023/24 Budget – Balanced” and “2023/24 Budget – With Reserves.”

Operating Revenues

A significant portion of the budgets are expected to remain relatively stable, year-over-year. This can be observed in the revenue table on the next page. Also visible are areas where changes do occur or are expected to occur. Areas of change have been marked, and the reason for the change has been provided here. From a revenue perspective, the column for the 2023/24 Budget with Reserves is identical to the 2023/24 Balanced Budget column, as reserves are budgeted for expenses and do not impact revenues.

Ministry of Education funding increases reflect changes in enrolment and changes in per pupil funding. In years 2023/24, 2024/25 and 2025/26, enrolment changes are based on estimates. An assumption has been made that estimated salary increases for CUPE staff and teachers in 2024/25 and 2025/26 will be fully funded.

Tuition consists mostly of International Student Program fees, but also includes continuing education, academy, and summer school fees. The District budgets a conservative contribution from the International Student Program in the Annual Budget, with adjustments based on actual enrolment made to the Amended Budget in February. There was an increase in international enrolment in 2022/23, and this was captured in the 2022/23 forecast; however, it is unknown at this time if an increase in international enrolment will occur in 2023/24.

Other Revenues include some revenue streams that change in amount from year to year, and as such the District always budgets conservatively in this area.

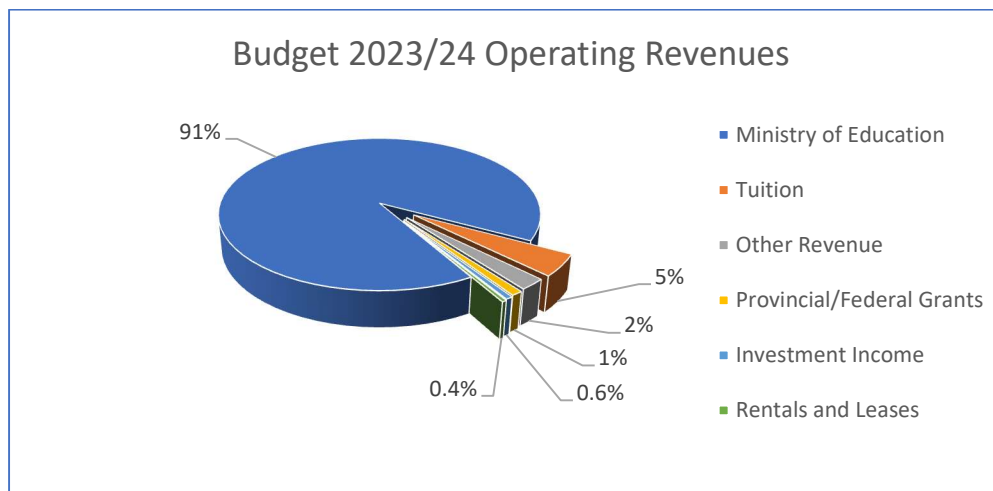
Rentals and Leases includes revenue from rentals of District facilities. These revenues began to recover in 2021/22 and 2022/23 following the lifting of COVID restrictions. Based on the current situation, the District has included steady Rentals and Leases revenues in the 2023/24, 2024/25, and 2025/26 budgets.

Investment Income is impacted by interest rates and the amount of cash invested. Rates have been higher in 2022/23 compared to 2021/22. It is unknown if rates will remain high after 2022/23.

BUDGETED OPERATING REVENUES

(\$millions)	2021/22 ACTUAL	2022/23 FORECAST	2023/24 BUDGET Balanced	2023/24 BUDGET With Reserves	2024/25 BUDGET	2025/26 BUDGET
Revenues						
Provincial Grants - Ministry of Education	155.98	164.13	171.83	171.83	175.52	178.17
Provincial Grants - Other	0.78	0.67	0.66	0.66	0.66	0.66
Federal Grants	1.21	1.17	1.19	1.19	1.19	1.19
Tuition	8.94	9.49	8.56	8.56	8.56	8.56
Other Revenue	6.49	4.74	4.39	4.39	4.39	4.39
Rentals and Leases	0.64	0.75	0.75	0.75	0.75	0.75
Investment Income	0.41	1.37	1.14	1.14	0.91	0.78
Total Revenues	174.45	182.33	188.53	188.53	191.98	194.51

The chart below is based on the 2023/24 Budget and shows the distribution of the District’s main Operating Fund revenue sources and their relationship to each other. At 91%, Ministry funding is the District’s main funding source, and tuition fees at 5% are the next largest. All other funding types are significantly smaller.



MULTI-YEAR OPERATING EXPENSES – STAFFING

The following table shows the District’s salaries and benefits expenses, including expenses for the three budgeted future years, 2023/24, 2024/25 and 2025/26. The 2023/24 Budget is shown in two columns, “Balanced” and “With Reserves”.

Reserve funds (also called “Accumulated Operating Surplus Funds”) are accumulated funds from prior years that now represent a one-time funding source that can help the District meet its commitments and strategic objectives, and provide operational necessities and educational supports for students. The “2023/24 Balanced” column shows the Salaries and Benefits costs in the balanced budget, without Reserves included, and the “With Reserves” column includes reserve-funded salaries and benefits costs in it.

Salaries generally increase over time to keep up with the cost of living. Each of the three budgeted future years includes salary increases due to labour settlements. The 2023/24 labour settlement increases will be offset against Ministry funding. It is anticipated that Ministry funding for the other two future years will also be provided.

Other factors that are driving the increased salaries and benefits costs, in addition to the labour settlement increases, are outlined below:

- **Teacher salaries** are higher in the 2023/24 Budget due to the increased number of teachers required to provide services for the expected increase in student enrolment.
- **Teacher and Education Assistant (EA) costs** are based upon estimated student enrolment. Budgeted teacher and EA costs are adjusted based on actual enrolment and student need during preparation of the Amended Budget in February.

=> During the budget consultation process, the District heard the concerns around how student needs are complex and increasing, and the importance of support being provided to students right from the start of the school year. The District carefully considers Inclusive Learning student projections during the budget process for the next school year to help it be proactive in terms of providing the right level of support within the confines of the available funding. The District spends well above the amount it receives in supplemental funding for designated students from the Ministry with a strategy of tapping into other funding sources, such as fees generated by the District’s International Student Program, and drawing upon Reserve funds (Reserve funds are budgeted in 2023/24 to provide an additional \$700 thousand in Inclusive Learning salaries and benefits costs).

- **Substitute labour** is higher in 2022/23 due to absences and added TTOCs and casual staffing due to the ongoing COVID pandemic, combined with a severe flu season in the fall and winter of that year. Substitute labour also includes sick leave for casual employees under the new *Employment Standards Act*. The District has set aside partial funding in the Accumulated Operating Surplus for these costs. It is hoped that Ministry funding for this ongoing cost will eventually be provided.

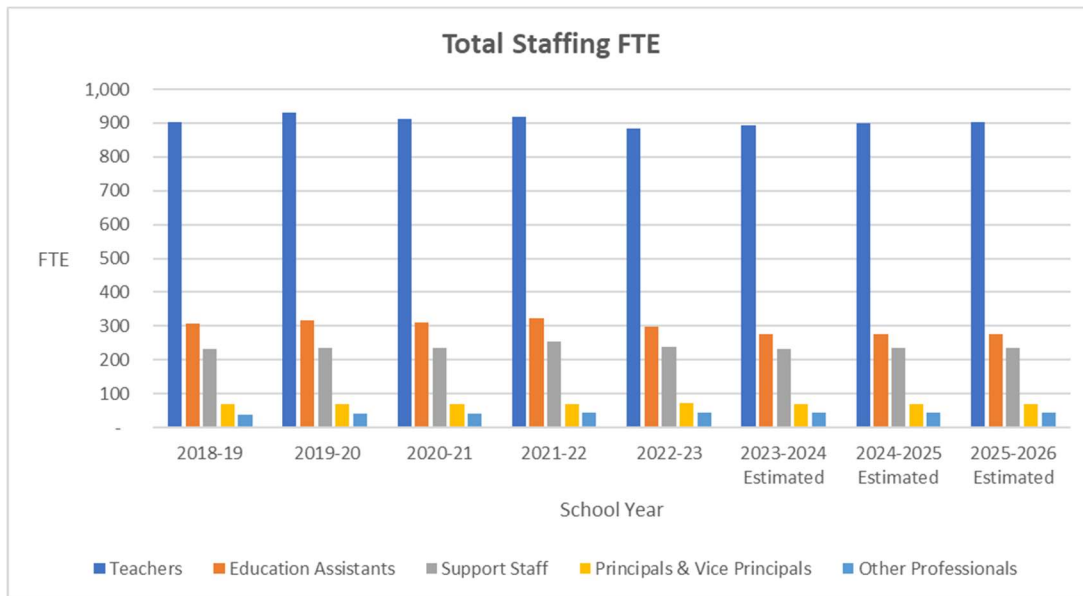
=> As noted in “The District’s Goals” section above, having an engaged, empowered and healthy workforce is one of the District’s key goals. The District heard the concerns around the mental health and well-being of staff during the budget consultation process. The District can take steps in this area by strategically directing operational savings budgeted for 2023/24 to retain a Peer Support Coordinator to provide valuable support to teachers. The District proposes to strengthen its 2023/24 illness budget using operational savings, which will help mitigate financial risk.

- **Benefits costs** are higher in 2022/23 mostly because of benefit rate increases over the prior year. Rates increased even more significantly for 2023/24, particularly Extended Health and Dental rates, and there will be introduction of additional Canada Pension Plan costs that will take effect January 1, 2024.

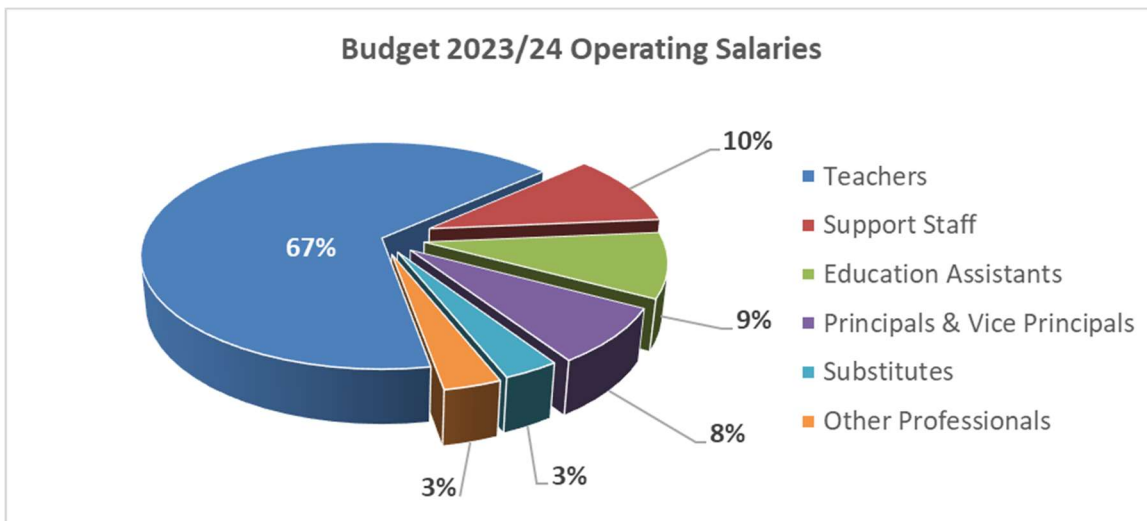
BUDGETED SALARIES AND BENEFITS EXPENSES

(\$millions)	2021/22 ACTUAL	2022/23 FORECAST	2023/24 BUDGET Balanced	2023/24 BUDGET With Reserves	2024/25 BUDGET	2025/26 BUDGET
Salaries						
Teachers	83.15	84.12	90.06	90.50	92.16	94.32
Administrators	9.57	10.09	9.93	9.93	10.13	10.33
Education Assistants	13.28	12.36	12.61	13.18	12.92	13.02
Support Staff	13.64	13.42	13.96	13.98	14.26	14.31
Other Professionals	4.43	4.57	4.51	4.65	4.60	4.69
Substitutes	5.56	5.87	4.38	4.45	4.45	4.53
Benefits	32.16	32.94	35.25	35.64	36.64	37.83
Total Salaries & Benefits	161.78	163.38	170.71	172.32	175.17	179.02

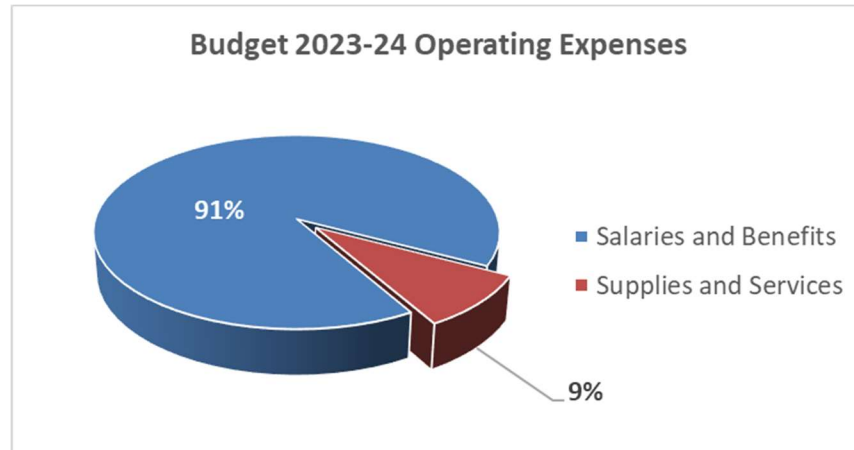
The following table shows staffing FTE in the Operating Fund. In 2021/22, Accumulated Operating Surplus funds were used for COVID transition initiatives. Significant staffing was added from these funds to provide added services. Staffing reverted to pre-COVID levels in 2022/23. Staffing levels for 2023/24, 2024/25 and 2025/26 are unchanged, apart from some adjustments related to enrolment changes in these future years.



The following graph indicates the salary costs that pertain to the staffing FTE in the table above and provides the cost percentages assigned to each labour category. Substitute labour does not have FTE attached because labour in this category is replacement labour or casual labour that accumulates on a short-term basis of days or even partial days.



Staffing and benefits costs make up the bulk of the district’s budgets. Please see the graph on the next page as it pertains to the Operating Fund. It is this distribution between staffing and non-staffing costs that makes it difficult to make large budget reductions from supplies and services alone.



MULTI-YEAR OPERATING EXPENSES – SUPPLIES AND SERVICES

The following table shows the combined amount of supplies and services expenses for 2021/22, as well as the current year 2022/23 forecast and the budgets for 2023/24, 2024/25 and 2025/26.

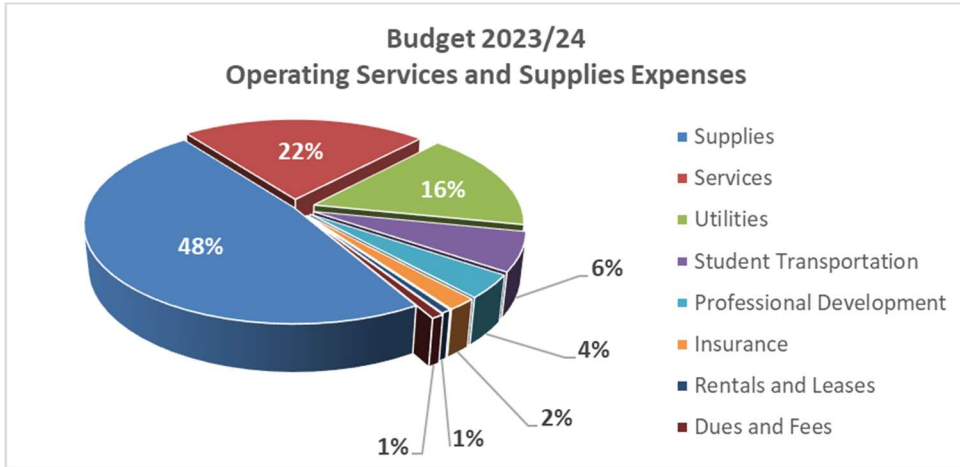
BUDGETED SERVICES AND SUPPLIES EXPENSES

(\$millions)	2021/22 ACTUAL	2022/23 FORECAST	2023/24 BUDGET Balanced	2023/24 BUDGET With Reserves	2024/25 BUDGET	2025/26 BUDGET
Expenses						
Services	4.30	4.33	3.71	3.95	3.75	3.75
Student Transportation	1.08	1.35	1.06	1.06	1.06	1.06
Professional Development	0.47	0.64	0.68	0.71	0.63	0.63
Rentals and Leases	0.05	0.18	0.11	0.11	0.11	0.11
Dues and Fees	0.20	0.14	0.14	0.14	0.14	0.14
Insurance	0.32	0.33	0.33	0.33	0.33	0.33
Supplies	6.31	8.28	8.08	8.37	8.06	8.09
Utilities	2.71	2.52	2.72	2.72	2.72	2.72
Total Services and Supplies	15.43	17.77	16.83	17.38	16.81	16.83

Observations:

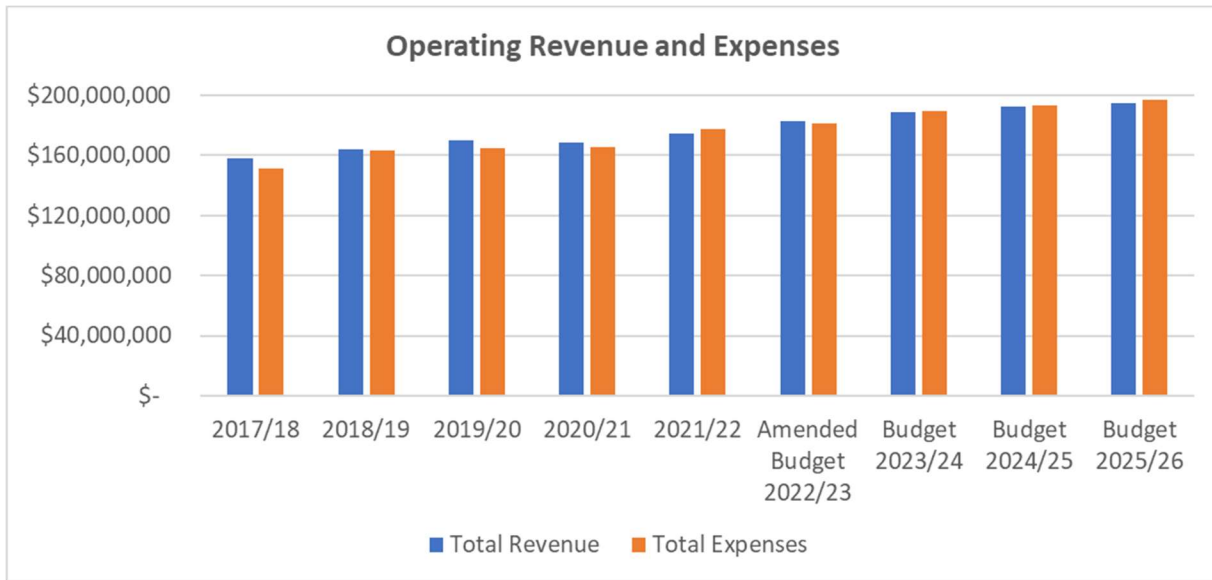
- **The 2022/23 forecast** represents the 2022/23 Amended Budget and captures all relevant and available information for the 2022/23 year. A key variance in 2022/23 is the reclassification of school generated funds, resulting in higher supplies expenses (see the Accumulated Operating Surplus section for more details on school generated funds).
- **The 2023/24 budget** includes Reserve funded costs. Details on the Reserve funded initiatives can be found in the Accumulated Operating Surplus section later in this report.
- **In 2024/25 and 2025/26**, costs are reduced because reserve additions are presently not sufficiently well known and do not warrant adding into the budgets at this time. The District is tracking inflationary pressures and expects that, as we approach preparing the full annual budgets for 2024/25 and 2025/26, costs will have to increase beyond what is known to date.

The graph below provides a typical distribution of the District’s non-staffing related budget.



MULTI-YEAR OPERATING REVENUE AND EXPENSES COMPARISON

The graph below shows the revenue and expenses of the Operating Fund over the last five years, together with the current year forecast and the budgets for 2023/24, 2024/25 and 2025/26.



Observations:

- **The years from 2017/18 to 2020/21** show revenues exceeding expenses, a scenario that resulted in the availability of Accumulated Operating Surplus (“Reserves”) funds for additional initiatives, educational supports, and strategic district objectives.
- **2021/22** showed higher spending than revenues due to the addition of \$2.76 million in Accumulated Operating Surplus funds to cover additional costs, namely wages costs.
- **2022/23** includes higher revenues than expenses due to further recovery of the International Student Program and improved investment income.
- **The 2023/24 Budget** is a balanced budget but shows higher spending than revenues due to the addition of \$3.54 million in Accumulated Operating Surplus Funds (see details in the next section).

There are different approaches to developing multi-year budgets. The District developed the **2024/25 and 2025/26 budgets** by rolling forward our model using the assumptions listed below and the information currently available. This process produces projected revenues and expenses, which provide information as to what uncertainties the District may need to address in the future, and help indicate what steps the District may need to take now to mitigate financial risks.

2024/25 and 2025/26 budget assumptions:

- School-aged standard enrolment is expected to grow in each of 2024/25 and 2025/26, based on recent increases from work permit population increases. Staffing is modelled based on enrolment.
- Salary increases across all CUPE, and teaching positions have been increased by 2% in 2024/25, in accordance with the collective agreements that expire June 30, 2025. A 2% increase is also assumed for management and administrators in 2024/25.
- Salary increases of 2% across all categories are assumed for 2025/26, based on 2024/25.
- Benefit rate increases are assumed to be an average of the 2022/23 and 2023/24 increases.
- The Operating Grant from the Ministry has been budgeted in 2024/25 and 2025/26 to provide funding for salary and wage increases from collective agreements for CUPE and teaching staff, and to fund wage-sensitive benefit increases.³ It is assumed there will not be Operating Grant funding for inflationary increases – this is in line with what the District has experienced in recent years.
- It is unknown if funding will be provided for management and administrator salary and wage increases in 2024/25 and 2025/26; therefore, no funding has been included in those years' budgets for this purpose.
- Funding has been confirmed for 2024/25 to cover commitments made to CUPE during local table bargaining. It is unknown if funding will be provided for 2025/26; therefore, no such funding has been included in the 2025/26 budget.
- The investment income rate is assumed to be 2.70% for each of 2024/25 and 2025/26, which is 1.25% lower than the rate used for 2023/24.
- The standard conservative amount of International Student Program funding has been included in each of 2024/25 and 2025/26, as typically budgeted in the District's Original Budget process.

Conclusions:

Using the budget assumptions outlined above results in a (\$982) thousand shortfall in 2024/25 and a (\$2.33) million shortfall in 2025/26. The main drivers for the increasing shortfall in each successive year are unfunded wages and benefits increases, combined with lower investment income. There is also the absence of local table bargaining funding in the 2025/26 budget.

While the 2024/25 and 2025/26 budgets are estimates at this stage, they do highlight the financial pressures the District will continue to face into the future. Funding sources such as the International Student Program and investment income are uncertain and cannot be relied upon to cover increasing costs.

The District will need to continue to think strategically to address budget concerns. This process should include ongoing conversations with District departments to ensure connection of department budgets to the Strategic Plan, continual examination of the budget to identify initiatives where funding could be used differently to provide better support for students, and engagement with educational partners and other rightsholders to gather information on funding priorities.

³ Wage-sensitive benefit costs are calculated as a percentage of employee earnings, and include costs such as Employment Insurance (EI) premiums and Canada Pension Plan (CPP) contributions. Benefit costs that are not calculated as a percentage of earnings include Extended Health Benefits (EHB) and Dental costs.

MULTI-YEAR OPERATING SURPLUS/DEFICIT AND ESTIMATED ACCUMULATED OPERATING SURPLUS IMPACT (AFTER BALANCING 2023/24)

The term Accumulated Operating Surplus refers to the accumulation of prior year funds sitting in a surplus position. The word “surplus” refers to there being net resources available to fund future initiatives and does not indicate that there are excess funds.

An Accumulated Operating Surplus occurs when funding available in a particular year exceeds expenses paid.

Goal 5 of the **Strategic Plan** calls for **Strong Governance and Stewardship of Resources**. One of the objectives of this goal is to increase rightsholder understanding and insight regarding the District’s financial information and resources.

Accumulated Operating Surplus Funds (also called “Reserve Funds”) are a **key financial management tool** as they help support effective planning and risk mitigation strategies.

Boards maintain reasonable operating surplus funds to:

- Protect the District from extraordinary circumstances and financial volatility which would negatively impact District operations and the education of students.
- Meet commitments
- Balance budgets
- Support strategic objectives, including operational necessities and educational outcomes for students.
- Bridge timing gaps and fund the cost of new mid-year initiatives that have not yet been budgeted.



District Policy 19 provides for governance of reserve funds and for the priority order in which they are used.

This policy outlines:

- the **purpose and use** of operating surplus funds,
- the **way in which the Board restricts** operating surplus,
- **how financial risk will be mitigated** by establishing contingency surplus funds subject to certain limits and criteria.

Accumulated Surplus funds are earmarked in the following priority sequence:

- Funds set aside due to an **imposed constraint**
- Funds required to **balance an approved budget**
- Funds set aside for **anticipated unusual expenses identified by the Board**
- Funds for **operations spanning one or multiple school years**

There is an expectation for boards to maintain reasonable unrestricted operating funds to support effective planning, that includes risk mitigation. From time to time, boards may require emergency funds or contingency funds for unexpected increases in expenses or in one-time costs or for decreases in anticipated revenues. In these situations, boards need to have enough funds to continue to provide educational services and maintain regular operations without implementing one-time service cuts.

District revenues consist of funding from the Ministry of Education, International Student Programs, and other miscellaneous sources. Historically, the performance of the International Student Program has provided the Board of Education with the ability to spend annually more than the available Ministry funding on educational programs to support Delta students. However, given the uncertain nature of the global economy, the board has always taken a conservative approach to forecasting International Student Program revenues.

International Student Program performance was negatively impacted by the COVID-19 pandemic and this impact has not yet been fully reversed. While enrolment in our International Student Program is recovering faster than the provincial average, it has not yet returned to pre-pandemic levels. In addition, agent commissions have increased. As a result, the International Student Program net contribution remains volatile and cannot be relied upon to top up the District’s Reserves in 2023/24 and to supplement the available Ministry funding to further support the delivery of District strategic goals. In 2021/22, the International program net contribution was \$4.9 million, compared to \$7.4 million at its height in 2017/18. The outcome for 2022/23 will not be known until the 2022/23 Audited Financial Statements have been completed.

Initiatives funded from Accumulated Operating Surplus funds, and proposed to the Board of Education, like other budgeted funds, are strategically vetted by the District Budget Committee in terms of the strategic objectives they meet and how the success of the initiative is measured.

2023/24 ACCUMULATED OPERATING SURPLUS REPORT – AN ESTIMATE

Funds set aside due to [an imposed constraint](#)

RESERVE REPORT - BUDGET 2023/24						
PLANNING AND REPORTING SCHEDULE FOR 2023/24						
As at:	Opening Balance	Planned	Planned	Planned	Expected	Strategic Goal
April 18, 2023 - Estimate	2023/24	2023/24	2024/25	2025/26	Ending Balance	
INTERNALLY RESTRICTED - NATURE OF CONSTRAINT						
A CONTRACTUAL OBLIGATIONS						
FOOD DONATIONS	46,674	(46,674)			-	Graduation for all
GENESIS THEATRE FUNDS	64,664	(35,000)			29,664	Stewardship of Resources
HR RELATED CONTRACT OBLIGATIONS	89,545	(89,545)			-	Healthy Workforce
PEER SUPPORT COORDINATOR (1 FTE FOR ONE YEAR)	146,131	(146,131)			-	Healthy Workforce
JOINT CUPE TRAINING FUND	54,176	(26,500)			27,676	Engaged, Empowered Workforce
POPARD TEACHER TRAINING PROGRAM	137,640				137,640	Stewardship of Resources
B FUNDING REQUIRED TO MEET INDIG. ED. SPENDING TARGET						
C SCHOOL GENERATED FUNDS - NOT EXTERNALLY RESTRICTED						
SCHOOL GENERATED FUNDS	2,024,003				2,024,003	Stewardship of Resources
TOTAL - RESTRICTED DUE TO NATURE OF CONSTRAINT	2,562,833	(343,850)	-	-	2,218,983	

Initiatives in the table (above) show internally restricted funds due to an imposed constraint.

Funds in this category come from donors, grant providers, or are restricted in this category due to contractual arrangements or commitments. Commitments in this area may be legally binding or the commitment is implied.

Binding Contracts include HR Department-related contractual obligations, and a joint CUPE and management-administered training fund for support staff.

Additional Restrictions include Genesis theatre annual net operating balances, which are traditionally spent on the replacement of theatre equipment, as needed; annual net operating balances from the Provincial Outreach Program for Autism Related Disorders (POPARD), and donations provided to the district to support food insecurity. On April 18, 2023, following the public budget input meeting, Trustees added a one-year provision for an additional 1.0 FTE Peer Support Coordinator position which was funded from the “Education Program Continuance Provision” in this 2023/24 Budget Accumulated Operating Surplus Plan, and which is to be re-evaluated for effectiveness and availability of funding no later than during the 2024/25 budget process.

School Generated Funds are generally accounted for in a special purpose fund separate from the Operating Fund. However, public sector financial regulation requires the reclassification of the portion of funds that more closely resembles operating-like funding to the Operating Fund for reporting purposes.

Additional information for this section:

- Spending estimates in this area are based on information available at the time. The amounts will be updated based on information available at year-end.
- The green colour indicates that the funding is intended to be spent on the related initiatives until the initiatives have been completed and not beyond.

Funds set aside for anticipated unusual expenses identified by the Board

RESERVE REPORT - BUDGET 2023/24						
PLANNING AND REPORTING SCHEDULE FOR 2023/24						
As at:	Opening Balance	Planned	Planned	Planned	Expected	Strategic Goal
April 18, 2023 - Estimate	2023/24	2023/24	2024/25	2025/26	Ending Balance	
INTERNALLY RESTRICTED - ANTICIPATED FOR UNUSUAL EXPENSES						
A	STAFFING NEEDS THAT ARE SHORT TERM AND VARIABLE IN NATURE					
	REGULAR INSTRUCTION STAFFING PROVISION	-			-	Graduation for All
	INCLUSIVE LEARNING STAFFING PROVISION	1,400,000	(700,000)	(700,000)	-	Graduation for All
	PROVISION FOR ILLNESS	400,000			400,000	Healthy Workforce
B	SELF INSURANCE OF MINOR EQUIPMENT LOSS OR DAMAGE					
	INSURANCE DEDUCTIBLE	10,000			10,000	Stewardship of Resources
C	IMPLEMENTATION OF NEW INITIATIVES					
D	IMPACT OF EMERGING EVENTS					
TOTAL - RESTRICTED FOR UNANTICIPATED UNUSUAL EXPENSES		1,810,000	(700,000)	(700,000)	-	410,000

The preceding table shows support for anticipated unusual expenses.

- **The provision of \$1.4 million for Inclusive Learning** is intended to support currently unknown instances of student need that cannot be supported from within the budget for a period of two years.
- **A further provision of \$400 thousand has been set aside to buffer potentially higher than budgeted illness costs.** Please see the 2023/24 Budget section beginning on page 12 for further information on this topic.
- **Insurance Deductible** – for use as and when needed.

Additional information for this section:

- Purple amounts are contingency funds; Yellow denotes an ongoing cost for which funds need to be made available again in future years.

Funds for [budget balancing](#) and for [operations spanning one or multiple school years](#)

Table 1 of 2 in this section

RESERVE REPORT - BUDGET 2023/24						
PLANNING AND REPORTING SCHEDULE FOR 2023/24						
As at:	Opening Balance	Planned	Planned	Planned	Expected	Strategic Goal
April 18, 2023 - Estimate	2023/24	2023/24	2024/25	2025/26	Ending Balance	
INTERNALLY RESTRICTED FOR OPERATIONS SPANNING MULTIPLE YEARS						
A	BUDGET BALANCING					
B	SCHOOL & DEPARTMENT SURPLUSES / CARRY FORWARDS					
	SCHOOL ROLLOVERS	1,953,026	(200,000)	(200,000)	(200,000)	1,353,026 Stewardship of Resources
C	OPERATING PROJECTS IN PROGRESS - FACILITIES					
C	OPERATING PROJECTS IN PROGRESS - OTHER					
	FINANCIAL RISK MANAGEMENT WORK	45,000	(15,000)	(15,000)	(15,000)	- Stewardship of Resources
	EMERGENCY PREPAREDNESS CONSULTANT	105,000	(105,000)			- Stewardship of Resources
	DISTRICT STAFF APPRECIATION	50,000	(50,000)			- Healthy Workforce
	HR CONTINGENCY	40,000				40,000 Healthy Workforce
	INTERNATIONAL STUDENT PROGRAM	25,000	(25,000)			- Stewardship of Resources
D	TECHNOLOGY					
	TECHNOLOGY ROADMAP INITIATIVES	1,800,000	(900,000)	(900,000)		- Powerful & Inspiring Learning Environments
	MY ED BC IMPLEMENTATION	304,000	(152,000)	(152,000)		- Stewardship of Resources
	FUTURE BUSINESS TECHNOLOGY PROJECT	457,984				457,984 Engaged Workforce / Stewardship of Resources
D	UTILITIES					
	UTILITIES	168,000				168,000 Stewardship of Resources

The table above and the following one show funds for operations spanning between one and three years.

- **No “Budget Balancing” dollars have been set aside** as none are required for the fully balanced 2023/24 Budget.
- **School Accumulated Surplus Funds** - Schools are in the same position as the District with respect to planning for the unforeseen, saving up for certain initiatives and having cost cycles that do not align perfectly with the fiscal year.
- **Financial Risk Management** – this item provides for short-term financial risk management support.
- **An Emergency Preparedness Consultant** was engaged for a 2-year term to implement the District’s updated Emergency Preparedness plan. The project is still ongoing, and the consultant continues to be essential for the project. The position has therefore been extended by one more year.
- **District Staff Appreciation** is a trustee staff recognition allowance for use as deemed appropriate by the board.
- **The HR Contingency** provides a buffer for additional costs that may arise from time to time which are not funded by the regular department budget.
- **International Student Program** – changes in school schedules and other changes over the last five years have made it necessary to update, translate and reprint the program’s brochure which provides information that helps international students to choose the Delta School District for their international learning experience.
- **The technology category contains the Technology Roadmap.** Technology Roadmap is the name for the District’s strategic technology plan. Where funds are available, they support the district in implementing the next phase of the plan for the coming year. Other items in this section:
 - **MyEd BC Student Information system** - this is in an implementation phase.
 - **The District’s business technology system** has been with the District for many years and is in eventual need of upgrade or replacement. The matter of next generation Enterprise Resource Planning (ERP) systems for the K-12 sector is being researched provincially. An eventual initiative requires saving up for.
- **The utility line item is a contingency for fluctuations in utility costs.** Having a contingency makes it possible for the District not to have to budget the maximum utility amount possible.

Table 2 of 2 in this section

RESERVE REPORT - BUDGET 2023/24						
PLANNING AND REPORTING SCHEDULE FOR 2023/24						
As at:	Opening Balance	Planned	Planned	Planned	Expected	Strategic Goal
April 18, 2023 - Estimate	2023/24	2023/24	2024/25	2025/26	Ending Balance	
INTERNALLY RESTRICTED FOR OPERATIONS SPANNING MULTIPLE YEARS						
D CAPITAL - BUILDINGS/FACILITIES						
FUTURE CLASSROOM ENHANCEMENT PROJECT	225,939	(225,939)			-	Powerful and inspiring learning environments
EMERGENCY PREPAREDNESS EQUIPMENT	62,363	(62,363)			-	Stewardship of Resources
FACILITY EQUIPMENT - PROACTIVE REPLACEMENT	481,904	(125,000)	(150,000)	(150,000)	56,904	Stewardship of Resources
LONG RANGE FACILITY PLAN CONSULTANT	60,000	(60,000)			-	Stewardship of Resources
D CAPITAL PROJECTS - YEAR END IN PROGRESS						
E PURCHASE COMMITMENTS - YEAR END IN PROGRESS						
YEAR END - PURCHASE ORDER COMMITMENTS	30,000				30,000	Stewardship of Resources
F EDUCATION PROGRAMS OVER MULTIPLE YEARS						
VISIONING	300,000				300,000	DSD is an innovative, inclusive community, where all learners belong and everyone soars
GSI GRANTS	74,000	(74,000)			-	Powerful and inspiring learning environments
LEADERSHIP DEVELOPMENT	100,000	(50,000)	(50,000)		0	Engaged, empowered and healthy workforce
EDUCATION PROGRAM CONTINUANCE PROVISION	870,009				870,009	Powerful and inspiring learning environments
SECONDARY STUDENT IN-HOUSE APPRENTICESHIP POSITION	61,549				61,549	Powerful and inspiring learning environments
F EDUCATIONAL PROGRAMS OVER MULTIPLE YEARS - EQUITY & SUCCESS						
INDIGENOUS PROGRAM - EARLY LITERACY (PROG 36)	500,000	(250,000)	(250,000)		-	Graduation for all / inspiring learning environments
INDIGENOUS PROGRAM - SATELLITE SCHOOL (TEACH/EA)	174,920	(125,000)	(49,920)		-	Graduation for all / inspiring learning environments
F EDUCATION PROGRAMS OVER MULTIPLE YEARS - CIA						
CURRICULUM INSTRUCTION & ASSESSMENT	93,392	(46,696)	(46,696)		-	Strong Foundations in Literacy and Numeracy
F EDUCATION PROGRAMS OVER MULTIPLE YEARS - INCLUSIVE EDUCATION						
INCLUSIVE LEARNING EQUIPMENT	70,000	(35,000)	(35,000)		-	Strong Foundations in Literacy and Numeracy
TOTAL - RESTRICTED FOR OPERATIONS SPANNING MULTIPLE YEARS	8,052,086	(2,500,998)	(1,848,616)	(365,000)	3,337,472	
TOTAL INTERNALLY RESTRICTED OPERATING SURPLUS	12,424,919	(3,544,848)	(2,548,616)	(365,000)	5,966,455	

The section above is a continuation of the previous one and contains:

- **Building/facility projects**, which include one-time projects (green) or projects that are anticipated to be of a recurring nature (orange) and are not funded from other sources. This category includes classroom upgrades, emergency preparedness supplies, equipment replacement and an upcoming project for an updated Long Range Facility Plan.
- **Year-end purchase order commitments** – funding is set aside here for committed, unspent funding for goods anticipated to arrive in the coming year.
- Support for initiatives that focus on district strategic and education goals and capacity building is available from **Vision and leadership development** funds. Vision-related funds also enable improved outcomes for students in other ways, including inquiry work in Delta schools through **GSI grants** and through an **in-house apprenticeship** program in facilities for secondary students.
- An **Education Program Continuance** provides contingency funding for a variety of education-related eventualities from enabling the temporary continuance of education related programs that may be impacted by funding discontinuance to the evaluation of programs on a temporary basis.
- Reserve funding is provided each year for **Indigenous Education** supports.
- **Curriculum, Instruction and Assessment** funding supports improvement in math instruction in grades K-3 through an innovative math program in elementary schools.
- **Education Equipment** for students with diverse abilities is provided from here.

In keeping with K-12 best practices in financial risk management, an unallocated balance of funds is being maintained to guard against deficits in the event of the unforeseen.

RESERVE REPORT - BUDGET 2023/24						
PLANNING AND REPORTING SCHEDULE FOR 2023/24	Opening Balance 2023/24	Planned 2023/24	Planned 2024/25	Planned 2025/26	Expected Ending Balance	Strategic Goal
As at: April 18, 2023 - Estimate						
TOTAL UNRESTRICTED OPERATING SUPPLUS (CONTINGENCY)	1,016,801	-	-	-	1,016,801	
Percentage of Operating Budget	1%				1%	
TOTAL OPERATING FUND RESERVE	13,441,720	(3,544,848)	(2,548,616)	(365,000)	6,983,256	

The unrestricted funds in the above slide provide funding for operating situations that cannot be anticipated and budgeted for and/or where it may not be feasible to absorb the cost in any given year, or also, to offset unrealized revenues. The funds set aside in this report make up 1% of the balanced 2023/24 Operating Budget Bylaw amount.

Available funding in this report represents estimates that take into consideration the District's 2022/23 Amended Budget and high-level estimates to June 30, 2022. Estimated spending for 2023/24 considers known realities up to April 13, 2023.

Spending estimates for 2024/25 and 2025/26 reflect currently known funding needs where the dollars are presently available. The future availability of funding is not reasonably predictable in these uncertain times. Spending has not been estimated where sufficient initiative information is not yet available or where the funding level available presently would result in deficit spending which is not an option under the *School Act*.

RESERVE REPORT - BUDGET 2023/24						
PLANNING AND REPORTING SCHEDULE FOR 2023/24	Opening Balance 2023/24	Planned 2023/24	Planned 2024/25	Planned 2025/26	Expected Ending Balance	Strategic Goal
As at: April 18, 2023 - Estimate						
ONE-TIME OR WHILE FUNDING LASTS	5,959,170	(1,087,152)	(215,000)	(215,000)	4,442,018	
KEY INITIATIVES THAT REQUIRE FUNDING EACH YEAR	4,248,920	(2,162,000)	(2,086,920)	-	-	
ONGOING INITIATIVES - SOME FLEXIBILITY IN TIMING	810,845	(295,696)	(246,696)	(150,000)	118,453	
CONTINGENCY AMOUNTS	948,000	-	-	-	948,000	
FUTURE INITIATIVES	457,984	-	-	-	457,984	
UNRESTRICTED	1,016,801	-	-	-	1,016,801	
GRAND TOTALS	13,441,720	(3,544,848)	(2,548,616)	(365,000)	6,983,256	
		-26%	-19%	-3%		

Availability of funds

For financial planning purposes, it is important to understand the nature of the costs that are being supported by Reserve funds. Equally important is to know where the funding sources will come from and what the likelihood of future funding availability is when needed.

- **One-time initiatives and their related costs (green section):**

Many of these initiatives are undertaken based on a funded objective, like a donation or a grant, which can be of a one-time or recurring nature. In this case, the objective is being carried out with the available funds and once the objective has been met and the project is complete, additional funding is not required. In this case, the key financial consideration is to carry out the project within the available funding envelope.

In other cases, projects of a one-time nature can be carried out when the funding is or has become available. In this case, the appropriate amount of funding is set aside and does not need to be replenished once the funds are spent.

Approximately \$6 million dollars of the overall \$13.4 million Reserve funding estimate falls into this category.

- **By comparison, initiatives with continuing costs (yellow and orange sections) need a continuing funding source. As reserves are of a one-time nature, the sustainability of such costs needs to be re-evaluated each year.**

In some cases (orange section), there is some choice as to when the initiative is undertaken. This provides some flexibility to plan such projects according to the availability of the funding. Currently, \$296 thousand has been set aside in this area for 2023/24.

In other cases (yellow section), there is a great likelihood that the initiative requires a steady funding source. Initiatives of this nature are a key financial planning priority. That is, funding will be allocated here first. If affordable, such initiatives benefit from being built into the budget. However, with tight budgets, it is not always possible to fund all initiatives in the Annual Budget. Doing so might result in deficits that would require key reductions in the Annual base budget. Fiscal room can however become available later as the school year gets underway. It is with this new information that further planning for ongoing future costs can be considered. Approximately \$2.16 million per year is currently required for Reserve-funded ongoing initiatives. Funding has been set aside for two years to ensure sustainability of these initiatives even given current uncertainties for future funding availability.

- **Contingency funds are set aside for eventualities that may or may not occur and are intended to support or safeguard the district if or when unforeseen circumstances arise.** Contingencies are funded from available funding that can be re-purposed if the eventuality ceases to be an issue. \$948 thousand has been set aside here.
- **Future initiatives funding is intended for one-time initiatives that require an amount of funding that needs to be saved up for over time.** \$458 thousand has been set aside so far for the sole project of replacing the district's ERP system.
- **Unrestricted funds are maintained to support effective planning and risk mitigation beyond the above-mentioned scenarios.**

We are hopeful that the International Student Program will recover further in 2023/24. However, full recovery is anticipated to potentially require several years.

In the prior year, unfavourable enrolment trends, reduced investment income, rental revenues and increasing inflationary pressures on an increasingly tight budget were the most significant concerns from a Reserve planning perspective. Current enrolment trends are increasing, and favourable investment rates currently are resulting in higher investment income while inflationary pressures continue to exercise pressure on the District's budget.

The change in year-over-year financial outlook is being monitored continuously to best support District objectives and student needs from all available District funding sources. Further information will become available at year-end.

The following table shows the change of Accumulated Operating Surplus Funds over the years. The report shows how the annual revenues, expenses, and capital purchases from the Operating fund result in a surplus or deficit at year-end. The last two rows show the Accumulated Operating Surplus at the beginning of the year and at the end of the year after the addition of the year’s surplus or deficit.

- **The 2020/21 ending balance** indicates usage of \$4.95 million in Accumulated Operating Surplus funds for COVID transition initiatives (\$2.76 million to cover the difference between Operating Revenues and Expenses plus \$2.19 million to cover capital and other purchases).
- **The 2022/23 forecast** shows a deficit as the District has used amounts above what was originally planned to be funded by the operating reserves for operations and capital projects. Final numbers for 2022/23 will be available after fiscal year end. A full update will be available in September, after the 2022/23 Audited Financial Statements have been completed.
- **2023/24 Balanced Budget and 2023/24 Budget with Reserve initiatives** – The balanced budget shows a balance of zero. The addition of \$3.54 million in reserve-funded initiatives results in a deficit balance of minus \$3.54 million in the second 2023/24 column. The end of year Accumulated Operating Surplus balance is reduced from \$13.44 million to \$9.90 million, as a result.
- **The 2024/25 budget shows a (\$982) thousand shortfall and the 2025/26 budget shows a (\$2.33) million shortfall.** See page 23 for more details.

BUDGETED OPERATIONS NET AND ACCUMULATED OPERATING IMPACT

(\$millions)	2021/22 ACTUAL	2022/23 FORECAST	2023/24 BUDGET Balanced	2023/24 BUDGET With Reserves	2024/25 BUDGET	2025/26 BUDGET
Total Revenue	174.45	182.33	188.53	188.53	191.98	194.51
Total Expenses	177.21	181.15	187.54	189.71	191.98	195.85
Capital Purchases and Other	2.19	1.80	0.99	2.36	0.98	0.99
Surplus (Deficit) for the year	(4.95)	(0.62)	-	(3.54)	(0.98)	(2.33)
Accumulated Surplus (Deficit) - Beg of Year	19.01	14.06	13.44	13.44		
Accumulated Surplus (Deficit) - End of Year	14.06	13.44	13.44	9.90		

SPECIAL PURPOSE FUND BUDGET

The following Special Purpose Fund schedules provide information on “restricted contributions” where the term “restricted contributions” is defined as legislative or contractual stipulations, or restrictions, as to the use of funds. These funds include, among others, funds that are designated to be Special Purpose Funds by the Ministry of Education and Child Care (e.g., Annual Facility grant), School-Generated Funds and Scholarship Funds.

The following table summarizes the estimated opening balance of the Special Purpose Funds as of July 1, 2023, the anticipated receipts and expenses for the 2023/24 school year, and the closing balance as at June 30, 2024. Most receipts shown for 2023/24 are provided by the Ministry and have been announced. All have been incorporated into the 2023/24 Annual Budget.

2023/24 Special Purpose Fund Budget	Opening Est	Receipts	Available	Spent	Closing
Annual Facilities Grant	-	618,060	618,060	618,060	-
Learning Improvement Grant	-	643,004	643,004	643,004	-
Classroom Enhancement Fund (CEF)	-	10,536,888	10,536,888	10,536,888	-
CEF Overhead	-	840,183	840,183	840,183	-
School Generated Funds	867,429	1,260,000	2,127,429	1,260,000	867,429
Strong Start	-	224,000	224,000	224,000	-
Ready, Set, Learn	-	58,800	58,800	58,800	-
Federal French Grant	-	248,895	248,895	248,895	-
Community Link	-	647,543	647,543	647,543	-
New Horizons for Seniors	33,998	-	33,998	33,998	-
Seamless Day Kindergarten	-	137,766	137,766	137,766	-
ECE Dual Credit	-	25,000	25,000	25,000	-
POPARD	-	3,489,761	3,489,761	3,489,761	-
ESWIS	58,175	-	58,175	5,000	53,175
Train in Trades	-	90,000	90,000	90,000	-
NOIIE	275,983	157,000	432,983	157,000	275,983
Scholarships	283,353	41,200	324,553	41,200	283,353
GRAND TOTAL	1,518,938	19,018,100	20,537,038	19,057,098	1,479,940

The funding for many of the District’s Special Purpose Funds shown in the following tables is not announced until March of the year before the funding is provided. However, many funds have exhibited funding patterns over the years that allow for an assumption of predictable continuance as shown in the estimated Special Fund Budget tables for 2024/25 and 2025/26.

ESTIMATE

2024/25 Special Purpose Fund Budget	Opening Est	Receipts	Available	Spent	Closing
Annual Facilities Grant	-	618,060	618,060	618,060	-
Learning Improvement Grant	-	655,854	655,854	655,854	-
Classroom Enhancement Fund (CEF)	-	10,747,626	10,747,626	10,747,626	-
CEF Overhead	-	856,987	856,987	856,987	-
School Generated Funds	867,429	1,260,000	2,127,429	1,260,000	867,429
Strong Start	-	224,000	224,000	224,000	-
Ready, Set, Learn	-	58,800	58,800	58,800	-
Federal French Grant	-	253,873	253,873	253,873	-
Community Link	-	660,474	660,474	660,474	-
POPARD	-	3,559,331	3,559,331	3,559,331	-
ESWIS	53,175	-	53,175	5,000	48,175
Train in Trades	-	90,000	90,000	90,000	-
NOIIE	275,983	157,000	432,983	157,000	275,983
Scholarships	283,353	41,200	324,553	41,200	283,353
GRAND TOTAL	1,479,940	19,183,205	20,663,145	19,188,205	1,474,940

ESTIMATE

2025/26 Special Purpose Fund Budget	Opening Est	Receipts	Available	Spent	Closing
Annual Facilities Grant	-	618,060	618,060	618,060	-
Learning Improvement Grant	-	668,961	668,961	668,961	-
Classroom Enhancement Fund (CEF)	-	10,962,579	10,962,579	10,962,579	-
CEF Overhead	-	874,127	874,127	874,127	-
School Generated Funds	867,429	1,260,000	2,127,429	1,260,000	867,429
Strong Start	-	224,000	224,000	224,000	-
Ready, Set, Learn	-	58,800	58,800	58,800	-
Federal French Grant	-	258,950	258,950	258,950	-
Community Link	-	673,663	673,663	673,663	-
POPARD	-	3,624,820	3,624,820	3,624,820	-
ESWIS	48,175	-	48,175	5,000	43,175
Train in Trades	-	90,000	90,000	90,000	-
NOIIE	275,983	157,000	432,983	157,000	275,983
Scholarships	283,353	41,200	324,553	41,200	283,353
GRAND TOTAL	1,474,940	19,512,160	20,987,100	19,517,160	1,469,940

Description of Special Purpose Funds:

<p>ANNUAL FACILITY GRANT: The Annual Facility Grant provides funding for planned repair and maintenance costs. This funding can also be used for Capital projects. The expectation is that funding is fully spent during the year.</p>
<p>LEARNING IMPROVEMENT GRANT: This grant is intended to provide Education Assistants with additional time for enhanced consultation, collaboration, and planning time, to attend IEP and other school-based meetings. It is allocated in annual consultation with CUPE.</p>
<p>SCHOLARSHIPS: The District manages a group of scholarship and memorial funds on behalf of various families and groups of individuals wishing to provide funding for specific educational initiatives in the memory of special educators and loved ones. The individual funds have different stipulations. Some scholarships are paid from investment income, while others draw down the main contribution itself.</p>
<p>SCHOOL GENERATED FUNDS (SGF) are collected and managed directly at our schools with financial oversight by the District. Fundraisers, parent contributions to school trips, and PAC donations to the school are a few examples of the funding sources reported here.</p>
<p>VARIOUS ANNUAL EDUCATION GRANTS: Several annual, education initiative-specific funds, largely provided by the Ministry of Education and Child Care meet the criteria of a special purpose funds and are reported as such. These include: Strong Start and Ready-Set-Learn for early learning initiatives, the Federal French Grant which provides supplemental funding for Official Language Education initiatives, and Community LINK funding which supports academic achievement and social functioning of vulnerable students.</p>
<p>POPARD: The Provincial Outreach Program for Autism Related Disorders (POPARD) provides professional support to school districts in BC for students with autism spectrum disorder (ASD). The program is administered by the Delta School District for the Province of BC. The fund is to be spent fully each year.</p>

<p><u>CLASSROOM ENHANCEMENT FUND</u>: Three Special Purpose Funds, provide the Ministry of Education funding support for the additional costs of teacher staffing, teacher remedies and overhead costs provided by the restored collective agreement language dating back to 2002 under LOU 17.</p>
<p><u>SEAMLESS DAY KINDERGARTEN</u>: Due to the recent addition of childcare to the Ministry of Education, school districts are exploring childcare school programs. The Seamless Day Kindergarten pilot program is set to run until June 2024 at Sunshine Hills Elementary School. The program will provide the opportunity for children to attend childcare at their school with a team of Early Childhood Educators (ECEs) who support learning alongside classroom teachers.</p>
<p><u>EARLY CHILDHOOD EDUCATION DUAL CREDIT PROGRAM</u>: Issued by the Province, the purpose of this grant is to increase post secondary access to institutions offering the Early Childhood Education (ECE) program for those students interested in a career in ECE.</p>
<p><u>NEW HORIZONS FOR SENIORS</u>: Issued by the Minister of Employment and Social Development, this is funding for a mentorship program between seniors and youth (including newcomers, visible minorities and Indigenous Peoples) enabling the youth to engage with and learn from seniors.</p>
<p><u>ESWIS GRANTS</u>: These grants date back several years and are used to supplement ESWIS programs.</p>
<p><u>YOUTH TRAIN IN TRADES</u>: Youth Train in Trades is the in-class component of a high school apprenticeship. Youth Train in Trades students are youth apprentices registered with the Industry Training Authority. Youth Train in Trades programs are usually offered through partnerships between school districts and post-secondary institutions.</p>
<p><u>NETWORK OF INQUIRY AND INDIGENOUS EDUCATION</u>: The District provides financial services to the Network of Inquiry and Indigenous Education (NOIIE), which is a voluntary network of inquiry-based schools and school districts in British Columbia, with partner networks around the world. Using an inquiry-oriented, evidence-based approach to learning and teaching through the Spiral of Inquiry, teams work towards improving outcomes for all learners in their settings and submit case studies to share their progress in a spirit of generosity, curiosity and growth.</p>

CAPITAL FUND BUDGET

K-12 capital assets are largely Ministry funded, but also include assets funded by the District from Operating or Special Purpose Funds and from other Non-Provincial funds, as in the case of PAC funded playground equipment. Ministry funded capital assets can be Major Capital projects, with a value per project in the millions, including new school buildings, whole building upgrades or structural seismic projects. Alternatively, they can be Minor Capital projects, including the Ministry funded projects listed in the following table that provide for partial building upgrades and replacement of aging building systems. The Annual Facility Grant is intended for projects required to maintain facility assets through their anticipated economic life and to prevent premature deterioration of these assets. Capital expenditures typically relate to facility enhancements, furniture and equipment, maintenance vehicle replacements, education technology and infrastructure.

The following table summarizes the 2023/24 capital budget. The first line items (blue) list District funded projects that include estimates of capital purchases from budgeted dollars and capital projects funded from the Accumulated Operating Surplus. The latter are included in the initiatives shown in the

Accumulated Operating Fund Surplus section for 2023/24 above and fall into the technology and facility project categories. The PAC funded playground dollars have been estimated. The Ministry funded projects and Annual Facility Capital grant consist of Ministry approved Minor Capital projects for 2023/24.

Capital Budget 2023/24 - Project	Amount
School/department capital purchases – District funded	200,000
Technology Projects – District funded	1,075,000
Leases – District funded	611,721
Classroom Enhancement - District funded	225,939
Facility Equipment Replacement - District Funded	125,000
Other Equipment (for Inclusive Learning, Emergency Preparedness, and Genesis Theatre) - District Funded	132,363
Playgrounds – PAC funded	100,000
Cougar Canyon Elementary Roof – Ministry funded	819,450
HVAC upgrades in four Elementary schools - Ministry funded	518,200
Sands Secondary HVAC upgrades - Ministry funded	259,100
Seaquam Secondary HVAC upgrades - Ministry funded	414,560
Annual Facility Capital Grant – Ministry funded	3,234,953
Total	\$7,716,286

Capital Budgets for 2024/25 and 2025/26 (shown in the following tables) are comprised of high-level estimates at this early stage. District funded projects and PAC-funded Playgrounds are base level estimates where actual dollars are not yet available. Accumulated Operating Surplus funded projects have not yet been included. Ministry funded Minor Capital project estimates for these years have been submitted to the Ministry as part of the District’s 5-year capital plan submission. The listed projects represent the District’s highest priority projects on the capital plan. However, funding is not approved and therefore not guaranteed until the 4th quarter of the school year beforehand. The Ministry funded Annual Facility Grant is also an estimate. Year-over-year actual receipts have been very consistent and, in the absence of a change in how the Annual Facility Grant is funded, these estimates are anticipated to be close to accurate.

Capital Budget 2024/25 - Estimate Project	Amount
School/department capital purchases – District funded	200,000
Technology Projects – District funded	175,000
Leases – District funded	611,721
Playgrounds – PAC funded	100,000
Two Playgrounds – Ministry funded	330,000
Three Roof Projects – Ministry funded	978,750
Elevator Installations in two Elementary schools – Ministry funded	1,195,000
High Voltage Transformer upgrade in Secondary school - Ministry funded	400,000
Classroom Air Supply Distribution in four schools – Ministry funded	500,000
Two Rooftop Unit (RTU) replacements - Ministry funded	400,000
Refrigeration Equipment in Secondary school - Ministry funded	200,000
Direct Digital Control (DDC) upgrades/HVAC - Ministry funded	500,000
Lighting upgrades in two Elementary schools - Ministry funded	159,600
Annual Facility Capital Grant – Ministry funded	3,234,953
Total	\$8,985,024

Capital Budget 2025/26 - Estimate Project	Amount
School/department capital purchases – District funded	200,000
Technology Projects – District funded	175,000
Leases – District funded	611,721
Playgrounds – PAC funded	100,000
Playground – Ministry funded	165,000
Roof Project for Elementary school – Ministry funded	942,300
Heat Pump Replacements - Ministry funded	1,000,000
Classroom Air Supply Distribution in four schools – Ministry funded	500,000
Common area/courtyard conversion in Secondary school - Ministry funded	500,000
Two school bathroom replacements - Ministry funded	268,000
High Voltage Transformer upgrade in Secondary school - Ministry funded	400,000
Two Rooftop Unit (RTU) replacements - Ministry funded	400,000
Direct Digital Control (DDC) upgrades/HVAC - Ministry funded	250,000
Lighting upgrades in two Elementary schools - Ministry funded	123,000
Annual Facility Capital Grant – Ministry funded	3,234,953
Total	\$8,869,974

ENGAGEMENT PROCESS SUMMARY

As part of the process to develop the 2023/2024 draft budget, the District conducted a number of meetings to gather information on rightsholders’ funding priorities.

As in previous years, this included meetings with the Delta Teachers’ Association (DTA), CUPE 1091 and the Delta Principals and Vice Principals Association (DPVPA).

The District hosted a **budget public engagement session** on **March 7, 2023** to encourage discussion and gather important feedback from the community on their funding priorities for the draft budget. 26 attendees (9 parents, 12 staff, 1 community, 4 unknown) participated in the event, which also included invited guests from CUPE, Delta Principals and Vice Principals Association (DPVPA) and the Delta Teachers Association (DTA). During the session, participants were allocated randomly to one of seven breakout rooms, each containing a trustee, a facilitator and a recorder. This format allowed small groups to engage in valuable discussion and ensured that every participant was able to speak up and share their thoughts and feedback.

Following the **release of the 2023/2024 Draft Annual Budget on April 13, 2023** via the school district website and social media channels, the District held a **Special Budget Consultation Board Meeting** to listen to rightsholders’ feedback on the draft budget. At the **April 18 meeting**, feedback was received from the Delta Teachers’ Association and CUPE 1091. Feedback was also received via an online survey and email.

The following table contains a summary of the feedback and questions received from this process.

Date	Feedback/Questions	District's Response
<p>Rightsholders' funding priorities</p> <p>Please note: This input was received <u>prior to the release of the draft budget on April 13</u> via various channels including the Feb 21 public board meeting, March 7 public input session and email submissions from:</p> <ul style="list-style-type: none"> • Parents • Staff • Community members • DTA • CUPE 1091 • First Nations • DPVPA 	<p>The vast majority of feedback related to Inclusive Learning, and the need for more learning support in schools, in particular EAs, to enable full inclusion to take place, and to ensure that the educational needs of all students are met.</p> <p>Specific concerns, opinions, and questions:</p> <ul style="list-style-type: none"> - Complex needs are increasing, yet resources are decreasing. - Inclusive Learning support needs to be provided as soon as the school year begins. - Inclusive Learning support is reactive. - The reduction in EAs and noon hour supervisors increases the burden on teachers. - The difficulty in recruitment and retention of EAs leads to constant change for students. - The IL system could be better organized to provide more predictability in staffing. - We are seeing integration rather than inclusion. - Upper/intermediate grades are not getting the support they need. - More educational resources for parents should be provided. - Equal assessment, term planning and reporting for IEPs is needed. - An advocacy page on the District's website that highlights the work the District is doing to advocate for more funds would be helpful. - Make it easier for people to get the support they need – some people don't know how to get an IEP for their child. - What is the District doing to meet needs without additional funding? - What is the District doing to advocate for more funding? - What can parents do to help advocate for more funding? - Is there District funding for sensory items? 	<p>During the engagement process, the District provided an overview of how Ministry funding works, including for students with identified special needs.</p> <p>Funding is allocated on a per pupil amount and covers everything from salaries to utility costs and building maintenance. The District also receives supplemental funding for students with designations. For every \$1 it receives in supplemental funding, Delta School District spends \$1.85 by tapping into other funding sources, such as fees generated by its International Student Program.</p> <p>Participants were informed that counsellor ratios are above the required ratios. District representatives responded to specific questions raised by rightsholders in the various engagement sessions. Where required, district staff also followed up with individuals via phone or email.</p> <p>All feedback collected was shared with the Board of Education prior to approval of the Budget by the Board.</p>

Date	Feedback/Questions	District's Response
	<p>Other concerns and questions:</p> <ul style="list-style-type: none"> - Need more support for the Occupational Health and Safety Department. - There is concern for the mental health and wellbeing of students and staff. - More transparency around Pro-D for teachers and who decides the topics is needed. - Need a continued focus on improving literacy and numeracy rates for Indigenous students. - Need a continued focus on improving graduation rates for all learners, especially those with diverse learning needs and Indigenous ancestry. - Need to ensure equity, diversity and inclusion at both the student and staff levels. - Need appropriate funding to support international students. - Request to continue support for Project Pickle, agricultural literacy program. - Seems to be an increase in board office staff and administrators, but less EAs. - Need to ensure the peer support program continues. - It would be beneficial to have better class composition rather than remedy, which comes late in the year and is not effective. - Are split-grade classes having a negative impact on students' learning? - How can the local farming community help supplement and support educational programs? - Is there an over emphasis on gender issues at the expense of traditional education? - Need to ensure the peer support program continues. 	
<p>Rightsholders' input received <u>after the release of the draft budget on April 13 via various</u></p>	<p>Representatives from the Delta Teachers' Association attended the April 18 input meeting to highlight the importance of the two Peer Support Coordinators in providing strategies and support for educators, and to urge the board to consider keeping both positions moving forward.</p>	<p>Following the budget input meeting, the board met and discussed the feedback received regarding the draft budget recommendations.</p> <p>The board subsequently voted to make changes to the draft budget to maintain</p>

Date	Feedback/Questions	District's Response
<p><u>channels including:</u></p> <ul style="list-style-type: none"> • April 18 Special Budget Consultation Board Meeting • Email • Online survey 	<p>In addition, DTA representatives shared their concerns regarding the draft budget recommendation to reduce Teacher Librarians' admin time provide educators with additional prep time. They feel the additional prep time should be provided through additional FTE for Teacher Librarians. They also shared feedback from Teacher Librarians highlighting the various types of support they provide to students.</p> <p>A CUPE 1091 representative thanked the Board of Education and Superintendent for this year's budget consultation process and expressed appreciation that there were no reductions in EA FTE in the draft budget. They requested that the Board joins them in lobbying the government to improve funding for EAs and also asked the board to reject the draft budget recommendation to reduce the hours of elementary school EAs as they feel it will have a negative impact on staff.</p> <p>Feedback provided via email suggested that the district could provide more clarity around how Inclusive Learning supplemental funding could be allocated.</p> <p>Feedback received through the online survey advocated for more mental health and social and emotional supports, more EAs and a reconsideration of the draft budget recommendation to reduce the hours of EAs.</p>	<p>both of the Peer Support Coordinator positions, fundable out of Reserves for the 2023/2024 school year. The board requested that the need for both positions is re-assessed during next year's budget cycle based on the effectiveness of the positions and availability of funding to support them moving forward.</p>

CONTACTING MANAGEMENT

This budget report is designed to provide the School District's rightsholders with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact budget@deltaschools.ca.

For more information on the budget process, including an [overview of the budget](#), [Reserve funds and your role in the process](#), please visit: <https://www.deltasd.bc.ca/news-events/news/2023-2024-school-district-budget-process/>