



SCHOOL DISTRICT NO. 37 (DELTA)
ACCUMULATED OPERATING SURPLUS REPORT
YEAR ENDED JUNE 30, 2023

Val Windsor
Board Chair
Date Signed 09/26/23

Doug Sheppard
Superintendent
Date Signed 09/26/23

Nicola Christ
Secretary Treasurer
Date Signed 09/26/23

2023-24 MULTI-YEAR ACCUMULATED OPERATING SURPLUS – YEAR END ACTUAL

The term Accumulated Operating Surplus refers to the accumulation of prior-year funds in a surplus position, that is, when funding available over time exceeds expenses paid. The word “surplus” refers to net resources available to fund future initiatives and does not indicate that there are excess funds. **Accumulated Operating Surplus Funds are a key financial management tool.** They help support effective planning and risk mitigation strategies.

The Board of Education maintains 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 funds, and
- **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.**





This report provides ...

- (1) the final 2022-23 reserve use and final 2022-23 year-end balances.
- (2) the Board of Education-approved allocation of the Accumulated Operating Surplus balance of \$15,158,341 to support the operations of 2023-24 and early allocations for future years.

Please Note: Each section of restriction below has been segregated into two tables showing items (1) and (2) above. This segregation helps to better display the large report in letter size format. For continuity between the two tables of each section, the 2023-24 Opening Balance on the right-hand side of table (1) is also shown as the starting column on table (2) for that same section.

In 2022-23, a surplus of \$1.093 million increased the prior-year Accumulated Operating Surplus balance of \$14,065,553 to \$15,158,341.

Funds due to an imposed constraint – (1) 2022-23 use, new additions and carry-forward balance:

RESERVE REPORT - FOR 2023-24		Table (1)		2022-23 SCHOOL YEAR				New Additions Total	Opening Balance 2023-24
				Opening Balance July 1, 2023	Planned Use Current School Year - Year End	Actual Use Current School Year - A. Budget	Remaining Balance		
PLANNING AND REPORTING SCHEDULE									
As at: September 26, 2023									
INTERNALLY RESTRICTED - NATURE OF CONSTRAINT									
A	CONTRACTUAL OBLIGATIONS								
	CUPE TRAINING FUND	12,495	(12,495)		12,495		2,115	14,610	
	EARLY CAREER MENTORSHIP	190,822	(190,822)	(190,822)	-		-	-	
	ERASE GRANT	-	-		-		76,394	76,394	
	FOOD DONATIONS	46,674	-		46,674		-	46,674	
	GENESIS THEATRE FUNDS	75,164	(3,000)	(10,317)	64,848		3,468	68,316	
	GRANT BALANCES	11,812	(6,912)	-	11,812		12,011	23,823	
	HEATH PARKING LOT RENEWAL	100,000	(40,000)	(38,463)	61,537		(61,537)	-	
	HR RELATED CONTRACT OBLIGATIONS	164,500	(164,500)	(135,455)	29,045		180,955	210,000	
	IB PROGRAM - ENGLISH BLUFF	43,780	(43,780)	(48,884)	(5,104)		53,368	48,264	
	JOINT CUPE TRAINING FUND	54,176	(21,670)	(3,658)	50,518		-	50,518	
	PEER SUPPORT COORDINATOR (1 FTE FOR ONE YEAR)	-	-		-		146,131	146,131	
	POPARD TEACHER TRAINING PROGRAM	387,640	(250,000)	(35,789)	351,851		-	351,851	
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		93,507	2,117,510	
TOTAL - RESTRICTED DUE TO NATURE OF CONSTRAINT		3,111,066	(733,179)	(463,387)	2,647,678		506,412	3,154,091	



Funds in this category come from donors, grant providers, or are restricted due to contractual arrangements or commitments which may either be legally binding or implied.

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.

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 to the Operating Fund for reporting purposes of the portion of funds that more closely resembles operating-like funding. The School Generated Funds balance will be updated at regular reporting intervals. Spending of these funds will take place in the Special Purpose Funds.

2022-23 estimated spending in this section was \$733 thousand. **Actual spending of \$463 thousand was lower largely** due to a) an overestimation of an event cost connected with the POPARD program and b) HR-related contract obligations ultimately being less than anticipated.

An Early Career Mentorship grant ended in 2022-23 but, during the 2023-24 Budget process, the Board of Education agreed to fund a **Peer Support Coordinator** for an additional one-year period. These funds were newly added to this section.

An **Erase Grant** and other smaller unspent **Grant Balances** were carried forward.

Food Donation Funding of \$47 thousand was left unspent for the future when the Student and Family Affordability Grant was made available to districts for a one-year period by the Ministry in 2022-23. The district's portion of this grant was \$1.509 million.

Targeted **Genesis Theatre Funds**, parent-funded **English Bluff IB Program Funds** and targeted **POPARD Teacher Training Program Funds** roll forward each year. The program net revenues are added to, and net costs are deducted from their accumulated prior-year program funds.

The **Heath Parking Lot** was completed for less than anticipated. The remaining funds were moved to the Future Classroom Enhancement project (see page 10-12 below).

HR Related Contract Obligations have been updated to their required amount for 2023-24.

CUPE Training Funds and Joint CUPE Training Funds were hardly utilized as other district funding sources were used for training, which enabled the preservation of these funds for the coming year.

The unrestricted **School Generated Funds** balance increased in 2022-23 by \$94 thousand.



SCHOOL DISTRICT NO.37 (DELTA)
ACCUMULATED OPERATING SURPLUS REPORT
YEAR END JUNE 30, 2023

Funds due to an imposed constraint – (2) 2023-24 opening balance and planned use for the next three years:

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.

RESERVE REPORT - FOR 2023-24		Table (2)				Expected Ending Balance	Strategic Goal
PLANNING AND REPORTING SCHEDULE		Opening Balance 2023-24	Planned 2023-24	Planned 2024-25	Planned 2025-26		
As at: September 26, 2023							
INTERNALLY RESTRICTED - NATURE OF CONSTRAINT							
A	CONTRACTUAL OBLIGATIONS						
	CUPE TRAINING FUND	14,610	(14,610)			-	Healthy Workforce
	EARLY CAREER MENTORSHIP	(0)				-	Engaged, Empowered Workforce
	ERASE GRANT	76,394	(76,394)			-	Powerful and Inspiring Learning Environments
	FOOD DONATIONS	46,674	(46,674)			-	Graduation for all
	GENESIS THEATRE FUNDS	68,316	(35,000)	(33,316)		-	Stewardship of Resources
	GRANT BALANCES	23,823	(23,823)			-	Powerful and Inspiring Learning Environments
	HEATH PARKING LOT RENEWAL	-				-	Stewardship of Resources
	HR RELATED CONTRACT OBLIGATIONS	210,000	(210,000)			-	Healthy Workforce
	IB PROGRAM - ENGLISH BLUFF	48,264	(48,264)			-	Powerful and Inspiring Learning Environments
	JOINT CUPE TRAINING FUND	50,518	(26,500)	(24,018)		-	Engaged, Empowered Workforce
	PEER SUPPORT COORDINATOR (1 FTE FOR ONE YEAR)	146,131	(146,131)			-	Healthy Workforce
	POPARD TEACHER TRAINING PROGRAM	351,851				351,851	Stewardship of Resources
B	FUNDING REQUIRED TO MEET INDIG. ED. SPENDING TARGET						
C	SCHOOL GENERATED FUNDS - NOT EXTERNALLY RESTRICTED						
	SCHOOL GENERATED FUNDS	2,117,510				2,117,510	Stewardship of Resources
TOTAL - RESTRICTED DUE TO NATURE OF CONSTRAINT		3,154,091	(627,396)	(57,334)	-	2,469,361	

The spending plans for 2023-24, 2024-25 and 2025-26 for the section are as follows:

The reserve use plan for most initiatives in this section calls for use of the available funding in the 2023-24 year.

It is anticipated that the **Genesis Theatre** and **Joint CUPE Training Funds** will be utilized over more than one year.

POPARD Teacher Training Funds are not shown to have a spending plan presently. A new administrator is heading this program and it is anticipated that some additional time is required for an estimation of the amount of funding needed for 2023-24 and going forward. We anticipate having this information available in time for the 2023-24 Amended Budget.



SCHOOL DISTRICT NO.37 (DELTA)
 ACCUMULATED OPERATING SURPLUS REPORT
 YEAR END JUNE 30, 2023

Funds set aside for anticipated unusual expenses identified by the Board – (1) 2022-23 use, new additions and carry-forward balance:

Purple amounts are contingency funds; **yellow** denotes an ongoing cost for which funds need to be made available again in future years; **green** indicates that the funding is intended to be spent on the related initiatives until the initiatives have been completed and not beyond

RESERVE REPORT - FOR 2023-24		2022-23 SCHOOL YEAR				New Additions Total	Opening Balance 2023-24
		Opening Balance July 1, 2023	Planned Use Current School Year - Year End	Actual Use Current School Year - A. Budget	Remaining Balance		
PLANNING AND REPORTING SCHEDULE							
As at: September 26, 2023							
INTERNALLY RESTRICTED - ANTICIPATED FOR UNUSUAL EXPENSES							
A STAFFING NEEDS THAT ARE SHORT TERM AND VARIABLE IN NATURE							
	REGULAR INSTRUCTION STAFFING PROVISION	700,000	(600,000)	-	700,000	(700,000)	-
	INCLUSIVE LEARNING STAFFING PROVISION	700,000	(98,300)	(699,970)	30	1,399,970	1,400,000
	ILLNESS PROVISION	-	-	-	-	400,000	400,000
	EMPLOYMENT STANDARDS ACT (ESA) - EMPLOYEE SICK LEAVE	342,000	(342,000)	(96,448)	245,552	(245,552)	-
	SEAQUAM IB: 9 BLOCKS FOR 2021-22 / OVERALL 2 FTE OVER 2 YEARS	146,039	(146,039)	(138,106)	7,933	(7,933)	-
B SELF INSURANCE OF MINOR EQUIPMENT LOSS OR DAMAGE							
	INSURANCE DEDUCTIBLE	10,000	-	-	10,000	-	10,000
C IMPLEMENTATION OF NEW INITIATIVES							
D IMPACT OF EMERGING EVENTS							
TOTAL - RESTRICTED FOR UNANTICIPATED UNUSUAL EXPENSES		1,898,039	(1,186,339)	(934,524)	963,515	846,485	1,810,000

2022-23 estimated spending in this section was \$1.186 million. Actual reserve use came to **\$935 thousand**. Variances were as follows:

A **provision for Regular Instruction** staffing was not utilized in regular instruction but was needed in **Inclusive Learning**. Based on this, these unspent funds were moved to the Inclusive Learning category.

Employee Sick Leave required less funding than originally anticipated. The remaining available funds of \$246 thousand **have been repurposed more generally to cover Illness costs**. Further funding was added to the Illness provision for a total of \$400 thousand.

The need for **Seaquam IB Teaching Block Funding** was of a temporary nature in 2021-22 and 2022-23. Once the need had been addressed, no further funds were added.



SCHOOL DISTRICT NO.37 (DELTA)
 ACCUMULATED OPERATING SURPLUS REPORT
 YEAR END JUNE 30, 2023

Funds set aside for anticipated unusual expenses identified by the Board - (2) 2023-24 opening balance and planned use for the next three years:

RESERVE REPORT - FOR 2023-24		Table (2)					Expected	
PLANNING AND REPORTING SCHEDULE		Opening Balance	Planned	Planned	Planned	Ending	Strategic Goal	
As at: September 26, 2023		2023-24	2023-24	2024-25	2025-26	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	
	ILLNESS PROVISION	400,000	(400,000)			-	Healthy Workforce	
	EMPLOYMENT STANDARDS ACT (ESA) - EMPLOYEE SICK LEAVE	-				-	Healthy Workforce	
	SEAQUAM IB: 9 BLOCKS FOR 2021-22 / OVERALL 2 FTE OVER 2 YEARS	-				-	Graduation for All	
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	(1,100,000)	(700,000)	-	10,000		

No changes have been made to this section since the reporting of the estimated 2023-24 reserve at the time of the 2023-24 Original Budget process in May.

Over a duration of two years, 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.

The mentioned provision of **\$400 thousand for illness** has been set aside to buffer potentially higher than budgeted illness costs. Since the pandemic, work absences from illness are at an all-time high across Canada and show few signs of relenting. While additional funding has been added to the 2023-24 Operating budget, the added budget dollars are now believed to be insufficient.

Insurance Deductible funds are for use as and when needed.



SCHOOL DISTRICT NO.37 (DELTA)
ACCUMULATED OPERATING SURPLUS REPORT
YEAR END JUNE 30, 2023

Funds for budget balancing and for operations spanning one or multiple school years – (1) 2022-23 use, new additions and carry-forward balance:

Purple amounts are contingency funds; **yellow** denotes an ongoing cost for which funds need to be made available again in future years; **green** indicates that the funding is intended to be spent on the related initiatives until the initiatives have been completed and not beyond; **orange** means that there is some flexibility in the need for the availability of the funding; **pink** is for initiatives that are being saved up for.

RESERVE REPORT - FOR 2023-24		Table (1)		2022-23 SCHOOL YEAR				New Additions Total	Opening Balance 2023-24
				Opening Balance July 1, 2023	Planned Use Current School Year - Year End	Actual Use Current School Year - A. Budget	Remaining Balance		
PLANNING AND REPORTING SCHEDULE									
As at: September 26, 2023									
INTERNALLY RESTRICTED FOR OPERATIONS SPANNING MULTIPLE YEARS									
A	BUDGET BALANCING								
B	SCHOOL & DEPARTMENT SURPLUSES / CARRY FORWARDS								
	SCHOOL ROLLOVERS	2,289,936	(500,000)	(448,484)	1,841,452	-	1,841,452		
	CAFETERIA SUBSIDY FOR ACE-IT PROGRAM	-		-	-	10,000	10,000		
	ACADEMIES	-		35,468	35,468	-	35,468		
C	OPERATING PROJECTS IN PROGRESS - OTHER								
	FINANCIAL RISK MANAGEMENT WORK	40,000	(10,000)	(11,000)	29,000	16,000	45,000		
	HR SUPPORT FOR CAREER MENTORSHIP INITIATIVE	20,000	(20,000)	(6,724)	13,276	(13,276)	-		
	HR TRAINING & RECRUITMENT INITIATIVES	40,000	(20,000)	(4,725)	35,275	164,725	200,000		
	INTERNATIONAL STUDENT PROGRAM	25,000	(25,000)	(25,000)	-	25,000	25,000		
	WELLNESS - DISTRICT STAFF APPRECIATION	50,000	(50,000)	(50,000)	-	50,000	50,000		
D	TECHNOLOGY								
	TECHNOLOGY ROADMAP INITIATIVES	1,250,000	(583,334)	(564,860)	685,140	1,175,721	1,860,862		
	MY ED BC IMPLEMENTATION	242,342	(242,342)	(145,661)	96,681	173,319	270,000		
	FUTURE BUSINESS TECHNOLOGY PROJECT	160,604	-	-	160,604	763,999	924,603		
	ONLINE LEARNING TECHNOLOGY PROJECT	100,000	(100,000)	(100,000)	-	-	-		
D	UTILITIES								
	UTILITIES	168,000	-	(288,565)	(120,565)	288,565	168,000		

School Accumulated Surplus (Rollover) Funds – Actual use of \$448 thousand in funding aligned with planned use, and reduced the initially available amount of \$2.290 million to \$1.841 million.

An **Ace-It Teaching Cafeteria** food cost subsidy of \$10 thousand has been set aside in recognition of the program’s higher food costs.

Academy programs ended with a net gain of \$35 thousand which has been set aside for the programs’ use.



The **Financial Risk Management** line item provides short-term financial risk management support, as needed. Funds available for 2023-24 and the following two years were increased by \$5 thousand per year to cover inflationary cost pressures.

The HR Training & Recruitment provision, although not spent in the prior year due to the timing of training events, has been increased to \$200 thousand, to provide \$100 thousand per annum for training and a two-year recruitment plan.

The International Student Program upgraded its program website with \$25 thousand provided in 2022-23. Changes over the last five years have made it necessary to update, translate and reprint the International Student Program’s brochure in 2023-24. The brochure provides information that helps international students find out more about the learning experience offered by the Delta School District.

District Staff Appreciation is a trustee staff recognition allowance for use as deemed appropriate by the Board.

Technology Roadmap Initiative - An increase in new funding of \$1.176 million was provided to cover 2023-24 priority projects and also set aside initial funds for 2024-25. A total of \$1.861 million in funding is now anticipated to be spread over two years with \$1.378 million needed for 2023-24 and more needed but not yet available, for 2024-25.

MyEd BC - an annual budget of \$270 thousand is needed to manage this student information system. In 2022-23, \$100 thousand was not spent from reserve funds due to a temporary absence in staffing.

The district’s business technology system is in eventual need of upgrade or replacement. Funds are being saved up via this initiative, resulting in a balance so far of \$925 thousand with no current spending plan until the project gets closer to fruition.

Utilities - Funding was required in 2022-23 for an increase in the cost of geothermal energy plan operations. The balance was restored at year end to cover future cost fluctuations.

Please see table (2) below for the spending plan for this section.



SCHOOL DISTRICT NO.37 (DELTA)
 ACCUMULATED OPERATING SURPLUS REPORT
 YEAR END JUNE 30, 2023

Funds for budget balancing and for operations spanning one or multiple school years - (2) 2023-24 opening balance and planned use for the next three years:

RESERVE REPORT - FOR 2023-24		Table (2)				Expected Ending Balance	Strategic Goal
PLANNING AND REPORTING SCHEDULE		Opening Balance 2023-24	Planned 2023-24	Planned 2024-25	Planned 2025-26		
As at: September 26, 2023							
INTERNALLY RESTRICTED FOR OPERATIONS SPANNING MULTIPLE YEARS							
A BUDGET BALANCING							
B SCHOOL & DEPARTMENT SURPLUSES / CARRY FORWARDS							
	SCHOOL ROLLOVERS	1,841,452	(200,000)	(200,000)	(200,000)	1,241,452	Stewardship of Resources
	CAFETERIA SUBSIDY FOR ACE-IT PROGRAM	10,000	(10,000)			-	Powerful and Inspiring Learning Environments
	ACADEMIES	35,468	(35,468)			-	Powerful and Inspiring Learning Environments
C OPERATING PROJECTS IN PROGRESS - OTHER							
	FINANCIAL RISK MANAGEMENT WORK	45,000	(15,000)	(15,000)	(15,000)	-	Stewardship of Resources
	HR SUPPORT FOR CAREER MENTORSHIP INITIATIVE	-				-	Engaged, Empowered and Healthy Workforce
	HR TRAINING & RECRUITMENT INITIATIVES	200,000	(100,000)	(100,000)		-	Healthy Workforce
	INTERNATIONAL STUDENT PROGRAM	25,000	(25,000)			-	Stewardship of Resources
	WELLNESS - DISTRICT STAFF APPRECIATION	50,000	(50,000)			-	Healthy Workforce
D TECHNOLOGY							
	TECHNOLOGY ROADMAP INITIATIVES	1,860,862	(1,378,000)	(482,862)		-	Powerful and Inspiring Learning Environments
	MY ED BC IMPLEMENTATION	270,000	(270,000)	-		-	Stewardship of Resources
	FUTURE BUSINESS TECHNOLOGY PROJECT	924,603				924,603	Engaged Workforce / Stewardship of Resources
	ONLINE LEARNING TECHNOLOGY PROJECT	-				-	Graduation for All
D UTILITIES							
	UTILITIES	168,000				168,000	Stewardship of Resources



SCHOOL DISTRICT NO.37 (DELTA)
 ACCUMULATED OPERATING SURPLUS REPORT
 YEAR END JUNE 30, 2023

Funds for budget balancing and for operations spanning one or multiple school years (continued) – (1) 2022-23 use, new additions and carry-forward balance:

Purple signifies contingency funds; **yellow** denotes an ongoing cost for which funds need to be made available again in future years; **green** indicates that the funding is intended to be spent on the related initiatives until the initiatives have been completed and not beyond; **orange** means that there is some flexibility in the need for the availability of the funding; **pink** is for initiatives that are being saved up for.

RESERVE REPORT - FOR 2023-24		Table (1)	2022-23 SCHOOL YEAR				New Additions Total	Opening Balance 2023-24
			Opening Balance July 1, 2023	Planned Use Current School Year - Year End	Actual Use Current School Year - A. Budget	Remaining Balance		
PLANNING AND REPORTING SCHEDULE								
As at: September 26, 2023								
INTERNALLY RESTRICTED FOR OPERATIONS SPANNING MULTIPLE YEARS								
D	CAPITAL - BUILDINGS/FACILITIES				-			
	EMERGENCY PREPAREDNESS CONSULTANT	92,653	(92,653)	(95,999)	(3,346)	108,346	105,000	
	EMERGENCY PREPAREDNESS EQUIPMENT	200,000	(165,000)	(172,136)	27,864	34,499	62,363	
	EQUIPMENT REPLACEMENT - TECH ED WORKSHOPS	81,839	(81,839)	-	81,839	-	81,839	
	FACILITY EQUIPMENT - PROACTIVE REPLACEMENT	505,760	(125,000)	(23,856)	481,904	68,096	550,000	
	FUTURE CLASSROOM ENHANCEMENT PROJECT	240,000	-	(14,061)	225,939	79,149	305,088	
	LONG RANGE FACILITY PLAN CONSULTANT	60,000	(60,000)		60,000	-	60,000	
D	CAPITAL PROJECTS - YEAR END IN PROGRESS				-			
	YEAR END - CAPITAL IN PROGRESS	250,947	(250,947)	(98,117)	152,830	102,087	254,917	
E	PURCHASE COMMITMENTS - YEAR END IN PROGRESS				-			
	YEAR END - PURCHASE ORDER COMMITMENTS	30,000	-		30,000	-	30,000	
F	EDUCATION PROGRAMS OVER MULTIPLE YEARS				-			
	VISIONING	230,000	-	(3,055)	226,945	73,055	300,000	
	GSI GRANTS	74,000	(70,000)	(71,094)	2,906	71,094	74,000	
	LEADERSHIP DEVELOPMENT	111,677	(51,677)	(37,337)	74,340	25,660	100,000	
	SECONDARY STUDENT IN-HOUSE APPRENTICESHIP POSITION	61,549	(38,000)	(6,965)	54,584	6,965	61,549	
	EDUCATION PROGRAM CONTINUANCE PROVISION	1,016,140	-		1,016,140	(132,795)	883,345	
F	EDUCATIONAL PROGRAMS OVER MULTIPLE YEARS - EQUITY & SUCCESS				-			
	INDIGENOUS PROGRAM - EARLY LITERACY	315,963	(235,000)	(241,134)	74,829	425,171	500,000	
	INDIGENOUS PROGRAM - SATELLITE SCHOOL	161,000	(161,000)	(144,501)	16,499	158,421	174,920	
F	EDUCATION PROGRAMS OVER MULTIPLE YEARS - CIA				-			
	CURRICULUM INSTRUCTION & ASSESSMENT	187,234	(94,444)	(51,014)	136,220	(42,828)	93,392	
F	EDUCATION PROGRAMS OVER MULTIPLE YEARS - INCLUSIVE EDUCATION				-			
	INCLUSIVE LEARNING EQUIPMENT	35,000	(35,000)	(33,029)	1,971	68,029	70,000	
TOTAL - RESTRICTED FOR OPERATIONS SPANNING MULTIPLE YEARS		8,039,644	(3,011,236)	(2,601,850)	5,437,794	3,699,002	9,136,796	
TOTAL INTERNALLY RESTRICTED OPERATING SURPLUS		13,048,749	(4,930,754)	(3,999,761)	9,048,988	5,051,899	14,100,887	



The **Emergency Preparedness Consultant** position has been extended by one year beyond its initial two-year term. Funding for **emergency preparedness equipment** has been topped up by \$34 thousand for planned spending in 2023-24.

The **Capital - Building/Facility** section also includes classroom upgrades, tech ed workshop equipment replacement, facility equipment replacement and an upcoming project for an updated Long Range Facility Plan. **Tech Ed workshop** equipment and **Long-Range Facility Plan** projects, originally planned for 2022-23, have been postponed to 2023-24. Funding remaining from the Heath Parking Lot improvements has been added to the **Future Classroom Enhancement** project to cover increasing construction costs. This project is anticipated to proceed in 2023-24. The **Proactive Facility Equipment Replacement** fund annually provides for the scheduled replacement of aging facility equipment.

Year-end Capital Project and Purchase Order Commitment line items set aside unspent but committed in-progress capital project funds, and a provision for year-end in-progress purchase commitments.

Initiatives that focus on district strategic education goals and capacity building are funded from **Vision and Leadership Development** funds, including **School Inquiry Grants (GSI)** and an **In-house Apprenticeship Program** in Facilities for secondary students. A **wellness initiative** from Vision 2030 funds is also planned for 2023-24.

An **Education Program Continuance** provision sets aside funding for education programs that may be impacted by uncertainty or for the evaluation of new programs on a temporary basis.

Reserve funding has been provided for additional **Indigenous Education** program supports, over and above Ministry targeted funding each year starting several years ago. To provide greater assurance of program continuity, funding, while available, has been set aside for two years.

Curriculum, Instruction and Assessment funding provides financial support, over and above the district's budget for math instruction improvements in grades K-3 through an innovative math program.

Education Equipment for students with diverse abilities has been set aside for the next two years.

Please see table (2) below for the specific spending details in this section.



SCHOOL DISTRICT NO.37 (DELTA)
 ACCUMULATED OPERATING SURPLUS REPORT
 YEAR END JUNE 30, 2023

Funds for budget balancing and for operations spanning one or multiple school years (continued) - (2) 2023-24 opening balance and planned use for the next three years:

RESERVE REPORT - FOR 2023-24		Table (2)				Expected Ending Balance	Strategic Goal
PLANNING AND REPORTING SCHEDULE		Opening Balance 2023-24	Planned 2023-24	Planned 2024-25	Planned 2025-26		
As at: September 26, 2023							
INTERNALLY RESTRICTED FOR OPERATIONS SPANNING MULTIPLE YEARS							
D	CAPITAL - BUILDINGS/FACILITIES						
	EMERGENCY PREPAREDNESS CONSULTANT	105,000	(105,000)			-	Stewardship of Resources
	EMERGENCY PREPAREDNESS EQUIPMENT	62,363	(62,363)			-	Stewardship of Resources
	EQUIPMENT REPLACEMENT - TECH ED WORKSHOPS	81,839	(31,839)	(25,000)	(25,000)	-	Stewardship of Resources
	FACILITY EQUIPMENT - PROACTIVE REPLACEMENT	550,000	(125,000)	(150,000)	(150,000)	125,000	Stewardship of Resources
	FUTURE CLASSROOM ENHANCEMENT PROJECT	305,088	(305,088)			-	Powerful and Inspiring Learning Environments
	LONG RANGE FACILITY PLAN CONSULTANT	60,000	(60,000)			-	Stewardship of Resources
D	CAPITAL PROJECTS - YEAR END IN PROGRESS						
	YEAR END - CAPITAL IN PROGRESS	254,917	(254,917)			-	Stewardship of Resources
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	(50,000)			250,000	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	(80,000)	(20,000)		-	Engaged, empowered and healthy workforce
	SECONDARY STUDENT IN-HOUSE APPRENTICESHIP POSITION	61,549	(25,000)			36,549	Powerful and Inspiring Learning Environments
	EDUCATION PROGRAM CONTINUANCE PROVISION	883,345	(23,029)			860,316	Powerful and Inspiring Learning Environments
F	EDUCATIONAL PROGRAMS OVER MULTIPLE YEARS - EQUITY & SUCCESS						
	INDIGENOUS PROGRAM - EARLY LITERACY	500,000	(250,000)	(250,000)		-	Graduation for All / Inspiring Learning Environments
	INDIGENOUS PROGRAM - SATELLITE SCHOOL	174,920	(125,000)	(49,920)		-	Graduation for All / Inspiring Learning Environments
F	EDUCATION PROGRAMS OVER MULTIPLE YEARS - CIA						
	CURRICULUM INSTRUCTION & ASSESSMENT	93,392	(40,000)	(40,000)	(13,392)	-	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		9,136,796	(3,729,704)	(1,367,782)	(403,392)	3,635,918	
TOTAL INTERNALLY RESTRICTED OPERATING SURPLUS		14,100,887	(5,457,101)	(2,125,116)	(403,392)	6,115,279	

Changes to the overall spending plan of the section since the 2023-24 Original Budget are as follows: The section total has increased from the budgeted \$2.501 million to \$3.730 million due to an increased availability of funds, including increases in technology by approximately \$596 thousand, year-end capital in progress funding of \$255 thousand, \$100 thousand for HR recruitment, \$79 thousand for classroom enhancements, \$35 thousand for Academies, \$50 thousand for Wellness (under Visioning), \$32 thousand for Tech Ed Workshops, \$23 thousand for In-house Apprenticeships, \$30 thousand for Leadership Development, \$10 thousand for the Ace-It Cafeteria and \$19 thousand for all other initiatives.



SCHOOL DISTRICT NO.37 (DELTA)
 ACCUMULATED OPERATING SURPLUS REPORT
 YEAR END JUNE 30, 2023

The Total of Internally Restricted Accumulated Surplus Funding set aside for the 2023-24 year is \$5.457 million. All amounts are estimates and may not necessarily be spent as listed. Funding for future years is being accumulated over time. Current balances are not an indicator of the funding that will ultimately be available for these future years.

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 – (1) 2022-23 use, new additions and carry-forward balance:

RESERVE REPORT - FOR 2023-24		Table (2)					
PLANNING AND REPORTING SCHEDULE		Opening Balance	Planned	Planned	Planned	Expected	
As at: September 26, 2023		2023-24	2023-24	2024-25	2025-26	Ending Balance	Strategic Goal
TOTAL UNRESTRICTED OPERATING SUPLUS (CONTINGENCY)		1,057,454	-	-	-	1,057,454	
TOTAL OPERATING FUND RESERVE		15,158,341	(5,457,101)	(2,125,116)	(403,392)	7,172,732	

The Unrestricted Surplus amount for 2023-24 is \$1.057 million. Unrestricted amounts are set aside for unforeseen costs.

Availability of funds - (2) 2023-24 opening balance and planned use for the next three years:

RESERVE REPORT - FOR 2023-24		Table (2)					
PLANNING AND REPORTING SCHEDULE		Opening Balance	Planned	Planned	Planned	Expected	
As at: September 26, 2023		2023-24	2023-24	2024-25	2025-26	Ending Balance	
ONE-TIME OR WHILE FUNDING LASTS		7,296,255	(1,887,793)	(372,334)	(215,000)	4,821,128	
KEY INITIATIVES THAT REQUIRE FUNDING EACH YEAR		4,275,781	(2,758,000)	(1,517,782)	-	(1)	
ONGOING INITIATIVES - SOME FLEXIBILITY IN TIMING		996,248	(411,307)	(235,000)	(188,392)	161,549	
CONTINGENCY AMOUNTS		608,000	(400,000)	-	-	208,000	
FUTURE INITIATIVES		924,603	-	-	-	924,603	
UNRESTRICTED		1,057,454	-	-	-	1,057,454	
GRAND TOTALS		15,158,341	(5,457,100)	(2,125,116)	(403,392)	7,172,732	

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):**

Initiatives in this category continue while funds last. Funding does not need to be replenished once the available funds are spent.

Approximately \$7.296 million of the overall \$15.158 million reserve funding estimate falls into this category. An amount of \$1.888 million of this \$7.296 million is anticipated to be needed in 2023-24.

- **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.**

Initiatives of this nature (yellow sections) are a key financial planning priority. 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.

Approximately \$2.758 million per year is currently required for reserve-funded ongoing initiatives. For some initiatives in this category, funding has been set aside for two years to ensure sustainability of these initiatives, given current uncertainties for future funding availability. The current total amount in this category is \$4.276 million.

In other cases (orange section), there is some flexibility as to when a project is undertaken. Currently, \$996 thousand has been set aside in this area overall, \$411 thousand of which are earmarked for 2023-24.

- **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. \$608 thousand overall 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 over time.** \$925 thousand has been set aside so far for the sole project of replacing the district's Enterprise Resource Planning (ERP) system.
- **Unrestricted funds of \$1.057 million are maintained to support effective planning and risk mitigation beyond the above-mentioned scenarios.**