



School District No. 63 (Saanich)

2023/24 Annual Budget
Facts Package

April 2023

Prepared by:

Jason Reid, Secretary Treasurer

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Section 1

Briefing Note – April Facts Package

To: Budget Advisory Committee

Prepared By: Jason Reid
Secretary Treasurer

Subject: April 2023 Budget Facts Package

Date: April 4, 2023

The purpose of this briefing note is to provide additional information to supplement the documents included in sections 2 to 5 of the April Facts Package.

Enrolment and Operating Grant Projections (Section 2)

Enrolment Projections

As annual enrolment will fluctuate relative to the long-range forecast, each year at this time we review and refine the forecast considering registration data, with a focus on K registration numbers. Following this review of registration data to date combined with cohort analysis of each school, the forecast for regular enrolment has been reduced from 6,756 (as reported in February) to 6,700.

Most of the revisions occurred in elementary schools, as K registrations to the end of February are trending below forecast and below registrations for this time last year. Regular elementary enrolment had previously been forecasted to grow by 34 FTE in February, and has been adjusted to instead reflect a small decline of 23 FTE. Despite forecasted decline in elementary, regular enrolment is still forecasted to grow by 56 FTE (from 6,644 to 6,700) due to forecasted growth in middle and secondary. Overall fall enrolment is forecasted to increase by 104 FTE (from 7,211 to 7,315) due to projected growth in both regular and online learning enrolment.

The 2023/24 forecast for International Program enrolment is 250 FTE, consistent with the forecast for 2022/23.

Overall, forecasted enrolment is conservative with a greater likelihood that actual enrolment will exceed forecast. However, as secondary and online enrolment are subject to greater fluctuation, actual enrolment may also fall short of forecast.

Operating Grant Projections

The ministry announced operating grant rates for 2023/24 on March 15th, and the updated funding tables are now available on the [ministry's website](#). The Ministry also prepared a summary of preliminary operating grants for 2023/24, which is included in section 2.

Most funding rates are increasing by 9.4% in 2023/24; however, this reflects two years' worth of funding for collective agreement costs (2022/23 and 2023/24), and also funding for exempt

staff salary adjustments in 2022/23 only. In 2022/23, Saanich received a special operating grant of \$2,990,238 for collective agreement costs and exempt compensation, which is now being rolled into the overall funding rate increases for 2023/24.

While funding was provided in 2022/23 for exempt compensation, a decision has not yet been made on whether exempt compensation will be funded in 2023/24 and a decision is not expected imminently. Funding rate increases in 2023/24 also do not reflect any other inflationary pressures facing Saanich and other school districts. As discussed in the next section, these unfunded inflationary pressures result in significant projected budget pressure in 2023/24.

In 2023/24, the Ministry is introducing targeted funding of \$71.5 million for school food programs in the K-12 sector. While district allocations have not been announced yet, if funding is allocated based on enrolment as expected the annual allocation to Saanich will likely be more than \$800,000/year. The Ministry has confirmed funding can be used for staff time to administer food programs and can be used to fund existing programs presently funded from the operating fund. I propose that \$200,000 of this funding be allocated to fund existing staffing allocations for cafeteria/food programs in secondary schools, reducing the 2023/24 operating fund budget pressure by the same amount.

The analysis of operating grants (in section 2) calculates operating funding for 2023/24 based on forecasted enrolment. Forecasted operating grants are increasing by \$7,269,521; however, this includes \$2,990,238 received as special grant in 2022/23 for compensation increases. Excluding this special grant amount, funding increases by \$4,279,283 and is comprised of \$3,883,179 for increased funding rates (for collective agreement costs) and net funding from growth of \$396,104. This funding from growth is net of a reduction of \$307,534 for funding from enrolment decline received in 2022/23 (previous year). Funding for enrolment decline is one time funding received when a district has enrolment decline in excess of 1%, which occurred in 2022/23 as online learning continued to decline post-pandemic.

Estimated Operating Fund Budget Pressure (Section 3)

A detailed budget pressure schedule is included in section 3 of the facts package, and projects budget pressure in 2023/24 of almost \$1.7 million. The summary below separates budget pressure into three categories: Collective Agreement (Funding versus Cost), Enrolment Changes (Funding versus Cost), and Other Budget Changes.

Budget Pressure by Category	
<u>Collective Agreement - Funding versus Cost</u>	
Funding Rate Increase	3,883,179
CUPE Wage Inflation	(999,809)
Teacher Wage Inflation	(2,612,412)
Increased elementary prep time	(147,730)
Surplus / (Deficit)	123,228
<u>Enrolment Change - Funding versus Cost</u>	
Enrolment Funding Increase	396,104
Enrolling Teacher Staffing Increase	(603,844)
Education Assistant Staffing Decrease	110,000
Surplus / (Deficit)	(97,740)
<u>Other Budget Changes</u>	
Interest Revenue Increase	170,000
Allocate Food Program Funding	200,000
Exempt Staff Wage Inflation	(470,919)
Average Teacher Cost Escalation	(261,788)
Staff Replacement Cost Escalation	(600,000)
Employee Benefits Cost Inflation	(477,794)
Service and Supply Inflation	(267,741)
Surplus / (Deficit)	(1,708,242)
Total Surplus / (Deficit)	(1,682,754)

Collective Agreement – Funding versus Cost

Funding rate increases exceed estimated collective agreement costs for Teachers and CUPE by \$123,228. In addition to wage and benefit improvements, these costs include the addition of 1.25 Enrolling Teacher FTE for a contractual increase to elementary prep time. The surplus of funding over cost may be overstated as some benefit cost increases relating to collective agreement changes could be reflected as “Other Budget Changes”. However, it is fair to say that operating funding for collective agreement changes is very close to the estimated cost.

Enrolment Change – Funding Versus Cost

With overall school age enrolment forecasted to increase by 104 FTE from 7,211 to 7,315, Enrolling Teacher staffing is increasing by 5.1 FTE. And with a forecasted decline in unique needs designations and related funding, the preliminary budget for Education Assistant staffing is reduced by \$110,000. Following adoption of the preliminary budget, Enrolling Teacher and Education Assistant staffing will be adjusted for actual enrolment relative to forecast.

Normally, enrolment growth generates additional funding in excess of staffing costs. However, with the loss of funding for enrolment decline (\$307,534) received in the previous year, there is a small deficit resulting from enrolment growth. However, any further growth relative to forecast going forward will be at full funding rates.

Other Budget Changes

Other budget changes include the following:

- Interest Revenue - reflects further interest rate increases, with some allowance for potential moderation of interest rates in 2023/24.
- Allocate Food Funding Program – allocate targeted funding to existing budgets for cafeteria/food programs to reduce operating fund budget pressure.
- Exempt Staff Wage Inflation - as funding for this item has not yet been confirmed, it is presented as an unfunded inflationary cost at this time.
- Average Teacher Cost Escalation - In 2022/23 we are experiencing escalation in average teacher cost attributable to increased average step placement in the wage grids. There are a number of factors that cause average step placement to either increase or decrease. To be conservative we are forecasting that this increased cost will persist into 2023/24.
- Staff Replacement Cost Escalation - Staff replacement costs have continued to escalate through 2021/22 and 2022/23, and the estimated budget pressure for 2023/24 reflects that this cost escalation will persist through 2023/24.
- Employee Benefit Cost Inflation - This reflects known increases to benefit costs in 2023/24 including increased medical/dental plan premiums, WorksafeBC premiums, and CPP rates. It also reflects escalation in other benefit costs experienced in 2022/23, and expected to persist into 2023/24.
- Service and Supply Inflation – this budget pressure reflects service and supply inflation considered to be unavoidable. This includes transportation supplies, custodial supplies, software licenses, property lease rates (ILC Broadmead), insurance, utilities, and fuel. Other service and supply inflation includes a number of smaller inflationary increases to services and supplies including office supplies/paper, OHS supplies, legal services, service contracts, travel/mileage, and maintenance supplies (plumbing, electrical, etc.).

Note the service and supply inflation cost pressure does not reflect further reduced purchasing power impacting school and program budgets. This includes learning resources, technology, and the availability of facilities funding for enhancements. In particular, it is no longer possible to

meet the commitments of the RefreshEd (technology) plan at present funding levels (discussed further in section 4).

Balancing Budget 2023/24

The 2023/24 estimated budget pressure of \$1,682,755 reflects significant projected cost inflation and experienced cost escalation, particularly escalation in staff replacement costs. While it is possible actual cost pressures could equal and even exceed this estimate, there are a number of factors that may also reduce cost pressure including:

- Exempt Compensation Funding – this funding was provided in 2022/23 and is under consideration for 2023/24. Funding of this cost could reduce cost pressure by up to \$470,000.
- Enrolment Growth – Enrolment growth relative to the 2023/24 forecast (and in future years) would generate funding net of additional program costs that can be applied to inflationary pressures. For example, an additional 100 student FTE would generate approximately \$300,000 in funding net of additional program costs. Growth in unique needs designations similarly increases net funding available for inflationary pressures.
- Lower Net Cost Escalation – Budget pressure reflects experienced cost escalation in staff replacement and average teacher salary. The budget pressure is less than the actual projected negative cost variances in 2022/23, reflecting that savings in other budget areas (hiring lag, unpaid leaves, etc.) will likely offset some overage in staff replacement and/or teacher salary costs. However, we are not fully offsetting these cost pressures with other budget savings that may persist into 2023/24, such as a higher than usual underspend in Education Assistant staffing due to recruitment and retention challenges. While we are taking steps to help address recruitment and retention challenges, these higher than usual budget savings may persist into 2023/24 reducing budget pressure, although temporarily. It is also possible the replacement cost and teacher salary cost escalation we are experiencing in 2022/23 may moderate.

While there are many factors that will impact actual financial results relative to forecast, it is clear unfunded inflationary costs will result in significant budget pressure in 2023/24 and beyond.

Last spring, a detailed analysis¹ of program expenditures in comparison to similar school districts and in relation to collective agreement requirements was completed. This analysis showed that administrative and operational costs per student was below average when compared to similar school districts, and also that there was limited discretion over the teacher staffing budget (over 50% of budget expenditures) due to collective agreement requirements (All enrolling teacher and most non-enrolling teacher positions are required by collective agreement). In short, there was limited budget flexibility last year, and this flexibility has been reduced further by inflationary cost. As a result, there are limited areas where reductions are

¹ This analysis can be found in section 5 of the Budget Facts Package included in the [April 2022 BAC meeting materials](#).

even possible, and there are no reductions that will not have an impact on either programs or operational risk.

While I believe budget reductions will likely be necessary in the future, the Board does have the financial flexibility (i.e. contingency reserve) to defer decisions regarding potential budget reductions. This would allow observation of actual net budget pressure relative to forecast (considering the uncertainties noted above), and allow the completion of detailed program reviews informing where reductions are possible. It would also allow time for further advocacy regarding the issue of unfunded inflationary costs. As unfunded inflationary pressure is an issue impacting all school districts, in December 2022 the BCSTA [wrote](#) to the Minister of Education and Child Care on this matter. In February 2022, the Saanich Board of Education also [wrote](#) to Minister of Education regarding these funding concerns.

At this time, I recommend we seek feedback through the consultation on potential areas where budget savings can be achieved. Over the next few weeks staff will also review expenditure budgets to determine if service and supply underspend can be re-allocated to help fund the 2023/24 Budget.

In order to balance the 2023/24 Budget and reduce the amount of future budget reductions required I recommend the following:

- program budgets not be increased beyond the essential adjustments (those already reflected in the budget pressure calculation),
- that during 2023/24 any additional funding from enrolment growth relative to forecast be applied to reduce budget pressure,
- that the committee seek feedback on and consider any potential budget reductions that may be possible and provide direction on further review of programs for consideration of future budget reductions, and
- that the 2023/24 Preliminary Budget be balanced by allocating to the extent necessary: contingency reserve, and to the extent possible underspend of 2023/24 service and supply budgets.

Strategic Budget Priorities (Section 4)

The Board of Education's strategic plan focuses on the following four priority areas:

- Literacy
- Indigenous Learner Success
- Mental Health and Wellness
- Global Citizenship

Implementation of these priorities is driving change to operational plans and the deployment of existing resources. This includes the deployment of district and teacher leadership capacity, curriculum and professional development, and deployment of instructional program resources. An overview of the budget implications of implementing the strategic plan is included in section 4.

In February, the committee reviewed the [2023 Risk Report](#). The assessment of IT and building infrastructure risks (risks A and E) increased relative to last year due to significant inflationary cost pressures. In particular, it was noted that it is no longer possible to implement the RefreshEd plan without either additional funding or adjustments to the plan.

Without additional funding, the cycle of renewal for IT resources and devices will increase, and the number of devices that are deployed and supported will need to decrease. The estimated cost to fully fund the RefreshEd plan is \$350,000, and should be a future consideration (budget permitting), given the importance of the RefreshEd plan to both supporting educational program priorities and managing operational risk.

Multi-year Financial Plan Outline (Section 5)

The approved budget consultation plan includes the development of a multi-year financial plan demonstrating how financial resources are used to support strategic priorities and operational needs to enhance student educational outcomes. As this financial plan will reflect the results of the budget consultation, a draft will be prepared following adoption of the budget for review by the Finance, Facilities, and Technology Committee and Board in June. This report will further highlight the impact of unfunded inflationary costs on budget sustainability.

A draft report outline has been prepared and is included in Section 5.

With respect,

Jason Reid
Secretary Treasurer

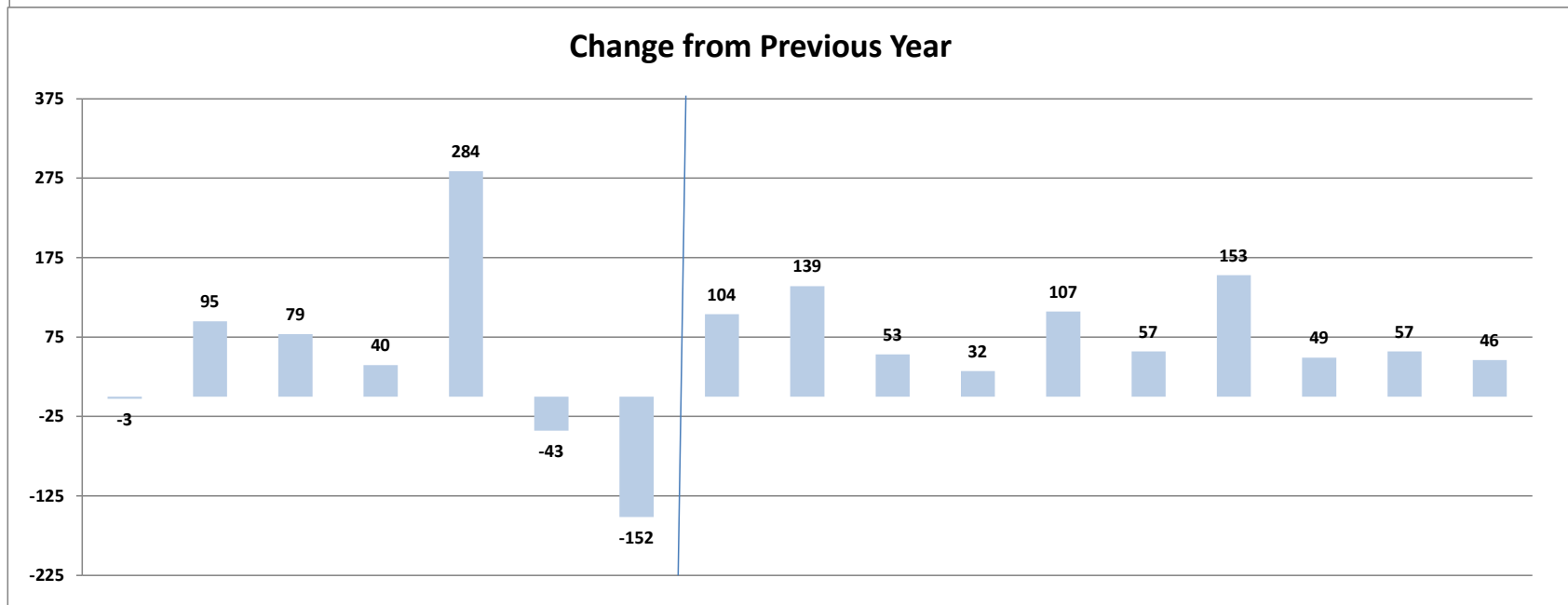
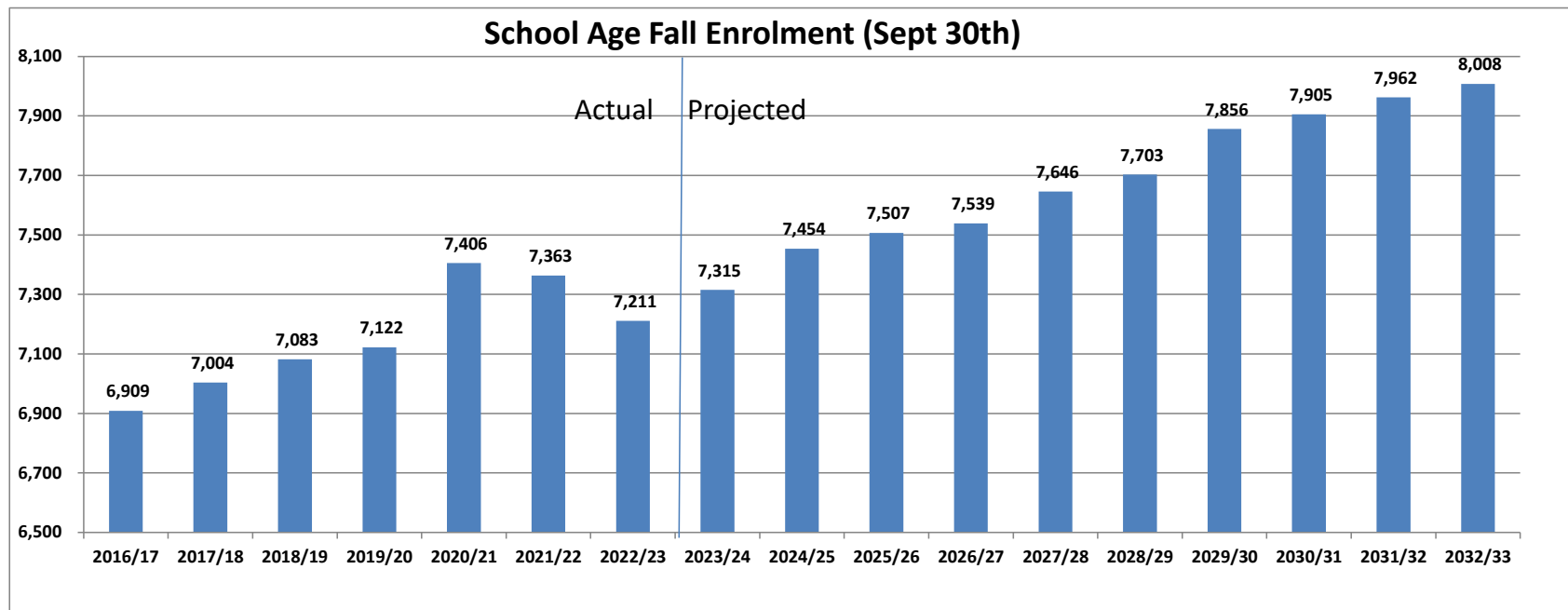
Section 2

Enrolment and Operating Grant Projections

School District No. 63 (Saanich) Capacities and Projected FTE Enrolments

Prepared March 17, 2023

		<div>← actual →</div>						<div>forecast →</div>												
SEPTEMBER	Operating Capacity							Current	Forecasted Enrolment											
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33		
Regular Enrolment																				
Brentwood Elementary	370	311	314	315	330	319	346	347	350	366	370	357	353	354	356	361	368	377		
Cordova Bay Elementary	268	249	275	281	297	299	324	333	330	355	371	372	365	380	389	393	405	418		
Deep Cove Elementary	328	316	321	315	311	305	310	320	325	357	354	353	352	356	357	364	367	370		
Keating Elementary	509	405	411	431	451	451	475	494	497	499	488	490	492	494	495	501	508	518		
KELSET Elementary	351	380	394	396	391	378	371	364	365	377	376	376	374	382	384	396	401	405		
Lochside Elementary	396	394	422	425	429	420	430	435	432	439	439	427	435	439	448	452	467	482		
Prospect Lake Elementary	196	207	230	247	259	266	273	275	245	247	231	215	214	216	218	223	227	235		
Sidney Elementary	328	290	310	338	345	345	378	394	395	385	370	374	352	349	358	356	357	350		
Bayside Middle School	775	567	590	547	570	553	567	594	590	610	643	672	685	681	677	663	657	647		
North Saanich Middle School	475	403	366	380	378	338	368	371	385	401	422	433	455	442	436	408	407	419		
Royal Oak Middle School	600	634	632	639	632	588	600	567	603	610	644	641	660	656	627	616	617	616		
Claremont Secondary	1,075	1,044	1,044	1,088	1,060	986	998	1,002	989	954	904	901	946	949	1,057	1,042	1,054	1,061		
Parkland Secondary	725	439	440	414	412	433	425	427	446	472	488	504	527	548	558	591	583	565		
Stellys Secondary	925	778	752	782	765	731	732	722	748	767	792	809	821	842	881	924	929	930		
Total Regular Enrolment	7,321	6,416	6,500	6,598	6,630	6,412	6,597	6,644	6,700	6,839	6,892	6,924	7,031	7,088	7,241	7,290	7,347	7,393		
Continuing Education		40	27	21	23	12	16	11	20	20	20	20	20	20	20	20	20	20		
Alternate Programs		144	167	181	182	182	178	198	195	195	195	195	195	195	195	195	195	195		
Online Learning		309	310	282	287	800	573	358	400	400	400	400	400	400	400	400	400	400		
Total for Enrolment Based Funding		6,909	7,004	7,083	7,122	7,406	7,363	7,211	7,315	7,454	7,507	7,539	7,646	7,703	7,856	7,905	7,962	8,008		
Change from PY		-3	95	79	40	284	-43	-152	104	139	53	32	107	57	153	49	57	46		
Other Enrolment (September)																				
Special Needs - Level 1		5	6	6	8	8	9	10	10											
Special Needs - Level 2		260	276	277	298	318	320	352	348											
Special Needs - Level 3		178	225	224	243	232	246	251	245											
English as a Second Language		325	410	475	542	531	529	520	544											
Indigenous Education		570	542	537	559	601	621	600	600											
Adult - Non-Graduated		44	37	21	26	44	31	27	30											
Adult - Graduated		9	21	39	48	90	66	53	50											
FEBRUARY COUNT							actual	actual	forecast											
Continuing Ed - School Age		24.500	22.625	27.125	15.063	8.063	15.125	10.625	15.000											
Continuing Ed - Adult		0.250	1.000	0.250	0.183	0.125	0.125	0.250	1.000											
OL Learning - School Age K-9		40.000	51.375	52.875	40.500	9.875	22.625	34.875	40.000											
OL Learning - School Age 10-12		130.000	131.875	125.688	105.125	174.313	126.813	110.313	120.000											
OL Learning - Non-Grad Adult		26.375	24.750	25.750	31.125	41.625	30.875	22.250	30.000											
MAY COUNT							actual	forecast	→											
Continuing Ed - School Age		26.375	28.375	19.063	26.000	14.875	23.563	15.000	15.000											
Continuing Ed - Adult		0.625	0.500	-	1.500	0.125	-	1.500	1.000											
OL Learning - School Age K-9		14.250	6.250	2.625	6.000	5.125	3.375	5.000	5.000											
OL Learning - School Age 10-12		80.000	76.375	63.813	75.000	99.438	86.375	75.000	75.000											
OL Learning - Non-Grad Adult		12.875	10.125	11.750	12.000	22.250	17.250	15.000	15.000											



Summary of 2023/24 Preliminary Operating Grant Announcement

The operating grant block is projected to grow by \$620 million to over \$6.6 billion in 2023/24. The increase is the result of the addition of \$537 million to fully fund wage increases for teachers, support staff and union exempt staff plus estimated enrolment growth totalling \$83 million.

Per student funding rates have increased by an average of 9.4% as detailed in the table below.

Supplement	2023/24 Rates	2022/23 Rates	\$ Change	% Change
Basic Allocation (Standard, Continuing Education and Alternate schools)	\$8,625	\$7,885	\$740	9.4%
Basic Allocation (Online Learning)	\$6,960	\$6,360	\$600	9.4%
Special Needs – Level 1	\$49,070	\$44,850	\$4,220	9.4%
Special Needs – Level 2	\$23,280	\$21,280	\$2,000	9.4%
Special Needs – Level 3	\$11,760	\$10,750	\$1,010	9.4%
English Language Learning	\$1,735	\$1,585	\$150	9.5%
Indigenous Education	\$1,710	\$1,565	\$145	9.3%
Adult Education	\$5,505	\$5,030	\$475	9.4%
Summer Learning (Grades 1-9)	\$245	\$224	\$21	9.4%
Summer Learning (Grades 10-12)	\$490	\$448	\$42	9.4%

Supplements that are provided based on a formula have also increased:

Supplement	2023/24	2022/23	\$ Change	% Change
Equity of Opportunity Supplement	\$26.5M	\$24.0M	\$2.5M	10.4%
Small Community Supplement	\$100.4M	\$91.0M	\$9.4M	10.3%
Low Enrolment Factor	\$63.7M	\$62.3M	\$1.4M	2.2%
Student Location Factor	\$103.7M	\$97.7M	\$6.0M	6.2%

Labour Settlement Funding

For the upcoming school year, labour settlement funding will be allocated through the operating grant rates with a portion allocated to the Classroom Enhancement Fund, CommunityLINK, and Provincial Resource Programs.

Labour settlement funding related to the Cost of Living Adjustment (COLA) for teachers and support staff will be allocated as a special grant at a later date.

School Food Programs Fund

The Ministry is introducing a multi-year School Food Programs Fund in 2023/24 to increase food programming and food security for students and their families. Allocations will be announced later.

Enrolment Changes

School districts are estimating they will enrol 574,226 school-age FTE in September 2023, an increase of 5,701 FTE (or 1.0%) over the September 2022 total. Thirty-nine (39) districts are estimating they will have increased enrolment in September 2023.

School districts are also estimating there will be substantial enrolment growth across the Unique Student Needs funding categories, including increases of 3,100 Level 2 and 450 Level 3 students, as well as an additional 9,335 ELL students and 1,400 Indigenous Education students.

Operating Grant Changes

All 60 districts are estimated to have increases to their operating grants for the upcoming school year. The per student average, including all special grants, is an estimated \$12,681 for 2023/24, a 33.0% increase from 2016/17.

Funding for Students with L1, L2 & L3 Special Needs is projected to grow by \$95 million, or 12.7%, from \$743 million to \$838 million, as enrolment continues to grow and labour settlement funding is added.

Funding will be recalculated when actual enrolment is known in the September 2023 enrolment count.

Funding Protection/Enrolment Decline

A total of 10 districts are receiving an estimated total of \$5.3 million in Funding Protection; this is a decrease of \$0.3 million or 4.8% less compared to 2022/23.

In 2023/24 it is estimated that nine districts will receive \$1.1 million from the Supplement for Enrolment Decline, unchanged from nine districts but \$1.0 million less than 2022/23.

Special Purpose Grants

In addition to the operating grant block, the following amounts are being provided for school district operations:

- School Food Programs Fund (**new**): \$71.5 million
- Preliminary Classroom Enhancement Fund: \$597.7 million
- Learning Improvement Fund: \$25.0 million, a \$4.25 million increase from 2022/23
- CommunityLINK: \$58.7 million, a \$2.1 million increase from 2022/23
- Pay Equity: \$50.9 million, unchanged
- Student Transportation Fund: \$15.4 million, unchanged

Classroom Enhancement Fund (CEF)

We are announcing CEF staffing funding at 100% of the amounts for the current school year plus additional labour settlement funding for general wage increases for teachers to facilitate budgeting and planning for the next school year. The same methodology has been used to determine the overhead allocations for 2023/24.

Thus, the preliminary Classroom Enhancement Fund is set at \$597.7 million:

- \$552.8 million for CEF staffing
- \$44.9 million for CEF overhead

As in previous years, we are not announcing CEF remedy funding at this time. CEF remedies will be allocated based on school district reporting of actual remedies incurred in October 2023.

The process for applying for any additional funding for the 2023/24 CEF staffing allocations will be the same as last year.

SCHOOL DISTRICT NO. 63 (SAANICH)
ANALYSIS OF THE MINISTRY OF EDUCATION OPERATING GRANTS

	2022/23 Amended Budget			2023/24 Preliminary Budget			Overall Change	Rate Change	Enrolment Change
	FTE	Grant	Total	FTE	Grant	Total			
Enrolment based funding									
Standard schools	6644.0000	7,885	52,387,940	6700.0000	8,625	57,787,500	5,399,560	4,916,560	483,000
Continuing education	11.3750	7,885	89,692	20.0000	8,625	172,500	82,808	8,418	74,391
Alternate schools	198.0000	7,885	1,561,230	195.0000	8,625	1,681,875	120,645	146,520	(25,875)
Online learning	358.0000	6,360	2,276,880	400.0000	6,960	2,784,000	507,120	214,800	292,320
	7211.3750			7315.0000					
Course challenges	41.000	246	10,086	41.000	270	11,070	984	984	0
Home school students	14.000	250	3,500	14.000	250	3,500	0		
Total September enrolment based funding			56,329,328			62,440,445	6,111,117	5,287,282	823,836
Supplement for Enrolment Decline			307,534			0	(307,534)	0	(307,534)
Unique student needs									
Special education - level 1	10.0000	44,850	448,500	10.0000	49,070	490,700	42,200	42,200	0
Special education - level 2	352.0000	21,280	7,490,560	348.0000	23,280	8,101,440	610,880	704,000	(93,120)
Special education - level 3	251.0000	10,750	2,698,250	245.0000	11,760	2,881,200	182,950	253,510	(70,560)
English as a second language	520.0000	1,585	824,200	544.0000	1,735	943,840	119,640	78,000	41,640
Indigenous education	600.0000	1,565	939,000	600.0000	1,710	1,026,000	87,000	87,000	0
Adult education	27.2500	5,030	137,068	30.0000	5,505	165,150	28,083	12,944	15,139
Equity of Opportunity Supplement			399,823			441,572	41,749	41,749	0
Total Unique Needs Funding			12,937,401			14,049,902	1,112,502	1,219,403	(106,901)
Salary differential			1,433,223			1,468,917	35,694	35,694	0
Unique geographic factors			3,540,456			3,676,782	136,326	136,326	0
Funding Protection			0			0	0	0	0
Curriculum and Learning Support Fund			66,267			64,902	(1,365)	(1,365)	0
Total September operating grant			74,614,208			81,700,948	7,086,740	6,677,339	409,400
Estimated enrolment based funding - July			76,160			72,520	(3,640)	6,216	(9,856)
Estimated enrolment based funding - February			1,325,234			1,449,470	124,236	124,924	(688)
Estimated enrolment based funding - May			688,870			751,055	62,185	64,938	(2,753)
Total aggregate funding			76,704,472			83,973,993	7,269,521	6,873,417	396,104
2022/23 Amended Budget			76,704,472	2022/23 Settlement Funding rolled into rates			(2,990,238)		
Difference			0	2023/24 Rate Increase			3,883,179		

SCHOOL DISTRICT NO. 63 (SAANICH)
ANALYSIS OF THE MINISTRY OF EDUCATION OPERATING GRANTS
DETAILS OF FEBRUARY AND MAY GRANTS

	2022/23 Amended Budget			2023/24 Preliminary Budget			Overall Change	Rate Change	Enrolment Change
	FTE	Grant	Total	FTE	Grant	Total			
Estimated enrolment based funding - February									
School Age FTE - Continuing Education	15	7,885	118,275	15	8,625	129,375	11,100	11,100	0
Adult FTE - Continuing Education	1	5,030	5,659	1	5,505	5,505	(154)	534	(688)
K - 9 School Age FTE - Distributed Learning	40	3,180	127,200	40	3,480	139,200	12,000	12,000	0
Gr 10 - 12 School Age FTE - Distributed Learning	120	6,360	763,200	120	6,960	835,200	72,000	72,000	0
Adult FTE - Distributed Learning	30	5,030	150,900	30	5,505	165,150	14,250	14,250	0
Designation Funding			160,000			175,040	15,040	15,040	0
Total February Enrolment Funding	206		1,325,234	206		1,449,470	124,236	124,924	(688)
Estimated enrolment based funding - May									
School Age FTE - Continuing Education	15	7,885	118,275	15	8,625	129,375	11,100	11,100	0
Adult FTE - Continuing Education	2	5,030	7,545	1	5,505	5,505	(2,040)	713	(2,753)
K - 9 School Age FTE - Distributed Learning	5	2,120	10,600	5	2,320	11,600	1,000	1,000	0
Gr 10 - 12 School Age FTE - Distributed Learning	75	6,360	477,000	75	6,960	522,000	45,000	45,000	0
Adult FTE - Distributed Learning	15	5,030	75,450	15	5,505	82,575	7,125	7,125	0
Total May Enrolment Funding	112		688,870	111		751,055	62,185	64,938	(2,753)

Section 3

Operating Fund Budget Pressure



**Operating Fund Budget Pressure
For the 2023/24 Fiscal Year**

**April 6, 2023
Estimated Budget
Pressure**

Decrease (Increase) in Revenues:

Continuing Expenses Funded by Appropriation of Accumulated Surplus	-
Operating Grant Increase	(7,269,521)
2022/23 Labour Settlement Funding rolled into Operating Grant	2,990,238
Interest Revenue	(170,000)
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	(4,449,283)

Increase (Decrease) in Expenses:

CUPE Wage Inflation	999,809
Teacher Wage Inflation	2,612,412
Exempt Staff Salary Inflation	470,919
Medical/Dental Plan Premium Increase	205,000
Worksafe BC Rate Increase	95,000
Other Employee Benefit Increases	177,794
Average Teacher Cost Adjustment	261,788
Increased Replacement Costs	600,000
Enrolling Teacher Change (for projected student FTE)	603,844
Enrolling Teacher Change (for increased elementary prep time)	147,730
Education Assistant Budget (for projected unique needs)	(110,000)
Transportation/Custodial Supplies Inflation	125,000
Software Licences/ Property Lease Inflation	61,696
Insurance Inflation	35,000
Utilities and Fuel Inflation	21,045
Other Services and Supplies Cost Inflation	125,000
Trustee Election (previous fiscal year)	(100,000)
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	6,332,037
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Proposed Budget Changes:

Allocate Funding for Food Programs to Operating Fund	(200,000)
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	(200,000)
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Total Operating Fund Pressure 1,682,754

Section 4

Strategic Budget Priorities

To: Budget Advisory Committee

Prepared By: Jason Reid
Secretary Treasurer

Subject: Budget Strategic Priorities

Date: April 4, 2023

The purpose of this briefing note is to outline how strategic priorities are being operationalized and how they will be supported through Budget 2023/24.

The Board of Education's 2022 - 2027 Strategic Plan focuses on the following four strategic priority areas:

- Literacy
- Indigenous Learner Success
- Mental Health and Wellness
- Global Citizenship

In considering how budget planning supports strategic priorities, the focus is to first review and adjust the deployment of existing budgets in support of strategic plan priorities. This is because the greatest opportunity for change resides in the more than \$100 million already being invested into programs annually. Through this review proposed budget changes may also be identified, including transfer of budget between programs or additional budget where significant value will result in relation to cost.

Given the significant inflationary costs facing the school district in 2023/24, increased program budgets are not being recommended at this time. However, budget consultation feedback will inform how existing resources are being deployed to operationalize priorities, and will inform future budget decisions.

Key strategies common to the implementation of all four strategic priorities, as described below, are an increased focus on school planning and student voice:

- Focused School Planning: Aligned to Board strategic priorities, school growth plans will trace the narrative of learning over the course of a year, focused on the goals, strategies and tracking mechanisms to answer the questions, 'What does a year's worth of learning look like in our school?' and 'How will we know?' Funding for professional growth opportunities is a limitation to school planning, as these opportunities are necessary for school teams to articulate, track progress and learn from the targeted, evidence-based priorities at the school level.

- Student Voice – We plan to continue to accelerate, engage, and activate student voice in our district, to inform and empower the implementation of identified strategic priorities.

Strategic Budget Priorities

Literacy

The following initiatives are in-progress or are planned in support of the Literacy priority:

- The creation of a K-12 Literacy plan for Saanich with an initial focus on Early Learning
- Implementation of a Fall and Spring District Literacy Assessment for all students in grades 1 to 8
- Staffing allocation changed to more equitably support all students in the district
- Implementation of a comprehensive plan to consistently employ tier one and two supports for early literacy that embeds ongoing professional development which has resulted in 3 times many students receiving intervention support
- Implementation of Heggarty phonological awareness program in all elementary schools
- Create a plan to examine and purchase resources that reflect diversity and inclusion
- Continue to build a data dashboard to track student progress and inform educational progress

Implementation of these initiatives will involve continued engagement with teachers and parents, and regular review and sharing of literacy data.

In order to implement these initiatives, it is recommended that current budget allocations be maintained for learning assistance teachers, professional development, and learning resources. The allocation of existing budgets will change in support of the planned Literacy initiatives, including the following changes:

- focus district and teacher leadership time and professional development budget on this priority
- revising current early learning supports to meet the needs of all learners, including possible reallocation of resources to a broader early intervention program with an equity lens

Indigenous Learner Success

The following initiatives are in-progress or are planned in support of the Indigenous Learner Success priority:

- Reallocation of staffing to focus on Early Literacy and Social Emotional Learning for Indigenous students - significant focus on supporting primary students with literacy
- SENĆOTEN language instruction for all Kindergarten students
- SENĆOTEN language instruction for all students at Brentwood and KÉLSET
- Focus on ensuring that we continue to support secondary teachers in offering a variety of culturally responsive courses to meet the graduation requirement
- Continue to review data to look for barriers with a particular emphasis on student voice
- Maintain family advocate Education Assistant position

Implementation of these initiatives will involve continued engagement with teachers, extensive ongoing community engagement available in a variety of formats, and student focus groups with ongoing feedback.

In order to implement these initiatives, it is recommended that current budget allocations be maintained in Indigenous Education, professional development, and learning resources.

The allocation of existing budgets will change in support of the planned Indigenous Learner Success initiatives, including the following:

- Focus district and teacher leadership time and professional development budget on this priority
- Allocation of curriculum budget to support implementation of mandatory Indigenous course
- Use of Indigenous Education budget to support targeted early literacy
- Use of grant money to support language and curricular programs

Mental Health and Wellness

The following initiatives are in-progress or are planned in support of the Mental Health and Wellness priority:

- Mental Health Literacy for students at the middle school level is in progress and is under consideration for implementation at elementary and secondary.
- Secondary Physical Health Education 9 & 10 curriculum embedding mental health & wellness within curriculum is in-progress.
- Building capacity for staff - focus on current professional learning and on staff wellness. This is in-progress.

- EASE (Everyday Anxiety Strategies for Educators) training at each level - in progress at Elementary and Middle, and planned at Secondary.
- Digital Literacy at the elementary and middle school level - initial implementation completed at elementary and middle level. Under consideration for secondary.
- Comprehensive Counselling Approach with monthly district-wide focus is in progress
- Anti-racism initiatives are under consideration. At beginning stages of identifying district vision, direction and curricular resources.
- Indigenous Student Mentorship Program – Year two in partnership with Human Nature Counseling. This initiative is funded by grants.

In order to implement these initiatives, it is recommended that current budget allocations be maintained in counselling, student advocacy, social emotional learning, teacher leadership, professional development, learning resources, and other inclusive education budgets.

The allocation of existing budgets will change in support of the planned Mental Health and Wellness initiatives, including focusing district and teacher leadership time and professional development budget on this priority.

Global Citizenship

This goal is to provide opportunities and experiences that inspire learners to be knowledgeable, curious and active global citizens who support the well-being of oneself, family community and our environment.

Many of the initiatives described for the preceding three priority areas also support the Global Citizenship priority. Examples include digital literacy, mental health literacy, social emotional learning, and Indigenous Education initiatives. This priority area is also being supported through the following initiatives:

- Focusing teacher leadership and professional development budget on this priority and the advancement of learning experiences that focus on the role of citizens in broader global and societal issues
- Data information practice with a focus on equity of student success
- A particular focus on student voice to understand how to achieve this goal for students
- Phased implementation of Brightspace: Over the 2023-24 year, our aim is to strategically onboard Brightspace into the School district. Key features of Brightspace include the use of a teacher dashboard, which helps capture evidence of student learning: digital report cards, core competency self- reflection, student assessment feedback, student gradebook and portfolios. Additionally, Brightspace will provide the platform for parent and student portals for ongoing communication of student learning, through the features available in the teacher dashboard.

The allocation of existing budgets will change in support of the planned Global Citizenship initiatives, including the following changes:

- Focus district and teacher leadership time and professional development budget on this priority
- Allocation of curriculum budget to support development and implementation of learning experiences that focus on broader global and societal issues.

With respect,

Jason Reid
Secretary Treasurer

Section 5

Multi-year Financial Plan Outline

Draft Outline - Table of Contents for Multi-Year Financial Plans

District Overview

- Numbers of students
- Programs and schools
- Demographics

Board of Education

- Roles, responsibilities
- Governance structure

Summary of how financial planning aligns with and supports the strategic plan

- Budget background
 - How does the Board create the budget
 - Consultation process
- Strategic plan
 - What process does the Board use to develop the strategic plan
 - Strategic plan priorities/goals/objectives

Financial Plan Overview

- How financial resources support strategic priorities (i.e. improved student educational items)
 - Strategic Priority #1 in Strategic Plan
 - Improve Learning
 - How financial resources (now and projected) will support student learning
 - Strategic Priority #2 etc.
- Assumptions used in financial plan
- Staffing summary/significant changes/ financial pressures

Multi-Year Financial Projections

- Projected student enrollment trends
- Operating revenue/expenses
 - Operating grants and other revenues
 - Staffing
 - Operating expenses/supplies, services
- Multi-Year operating revenue and expense comparison
- Multi-Year operating surplus/deficit & estimated operating surplus

Special Purpose Funds

- What are special purpose funds
- Funds designated for (i.e. Annual Facilities Grant, Community Link, etc.)

Capital Fund Budget

- Brief overview
- Details as needed (e.g. building upgrades, bus fleet, energy sustainability, etc.)

Summary of engagement with public, community partners etc. (including Indigenous community)

- Consultation method
- Who was consulted
- Feedback submitted
- How was/will feedback be addressed and incorporated (i.e. actions)