

**SCHOOL DISTRICT NO. 53
(OKANAGAN SIMILKAMEEN)
MULTI YEAR FINANCIAL PLAN
2024 - 2027**



Purpose

The purpose of this financial plan is to facilitate the District's rights and stake holders to understand the financial process employed and to provide a summary of information used to make financial decisions in supporting the Board's strategic priorities. This plan is an outline of the preparation, review and approval of the District's Annual Budget.

The Annual Budget is the District's financial plan that allocates funding aligning it with the Board's strategic plan, reflecting priorities within the strategic plan. The budget is a communication tool that shows how financial funding is utilized and how expenses are monitored.

District Overview

School District No. 53 serves over 2,400 student FTE in 8 schools (5 elementary and 3 secondary) and a distance learning centre, covering the communities of Cawston, Hedley, Keremeos, Okanagan Falls, Oliver, and Osoyoos.

The School District operates on the traditional territories of the Osoyoos Indian Band, the Lower Similkameen Indian Band and the Upper Similkameen Indian Band.

All decisions made by the Board of Education (The Board) both educational and financial are guided by the District's strategic plan that includes these District goals:

- Student Achievement
- Positive Culture
- Health & Wellbeing
- Supporting Truth & Reconciliation

The Board, it's employees and partners are driven by the District's Mission Statement to 'support the development of all learners through relevant, real world experiences that promote responsible, culturally aware citizenship and lifelong learning' and by the District Vision to 'be an innovative learning community where all members are supported in their academic, social, and mental wellbeing, equipped with the skills and experiences necessary to thrive in a diverse and changing world'. The District's strategic plan and vision can be found on its website www.sd53.bc.ca



Board Of Education

In accordance with the School Act, Boards of Education of every School District in the province must approve a balanced budget each year and submit the same to the Ministry of Education and Childcare on or before June 30 of the year.

School Districts in the province are governed by the *School Act* of British Columbia and receive a majority of their revenue as funding grants from the Ministry of Education and Childcare.

School District No. 53 (Okanagan Similkameen) prepares its Annual Budget in keeping with the Board's strategic plan and in accordance with section 23.1 of the *Budget Transparency and Accountability Act* of the Province of British Columbia, supplemented by Regulations 257/2010 and 198/2011 of the Province of British Columbia Treasury Board.

The District's budget process makes sure that the priorities set out in the strategic plan are appropriately funded; that the entire process is transparent with rights/stake holder consultation and input; compliance with regulatory requirements and Board policy.



Our Trustees



Rob Zandee
Board Chair



Casey Brouwer
Vice-Chair



Deb Marten
Trustee



Brenda Dorosz
Trustee



Karen Clayton
Trustee



Sholeh Pickell
Trustee

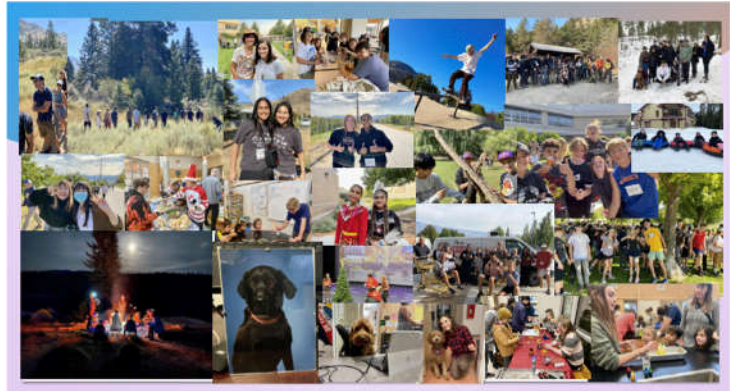


Christine Watson
Trustee

Alignment With Strategic Plan

The purpose of a multi year financial plan is to provide greater transparency and accountability for the planning and reporting of financial resources under the purview of Boards of Education.

The primary purpose of the multi year plan is to outline how the District will use the funding provided to support strategic goals and operating needs with an eye to improving educational outcomes for all students.



There is also a need for Boards to develop and maintain policies that speak to the process of reporting out to educational partners and local community including First Nations and Metis Nations BC on progress of aligning financial resources with strategic plan and other operational needs of the District.

The District's financial direction is set through an Annual Budget (financial plan), and this determines resource allocation to programs and schools.





Budget Development & Timelines

Provincial funding to School Districts is done by way of a funding formula that allocates funds to Boards of Education. Provincial funding is in three streams:

Operating Fund – Operational revenues & expenses, assets & liabilities of the District are reported in this fund and include: salaries, wages and benefits, supplies & services, transportation and administrative expenses.

Capital Fund – This fund reports capital assets including land, building, furniture and equipment, fleet buses and other vehicles. Annual funding is through a Major, a Minor Capital stream and Annual Facilities Grant (capital) based on the requirements of a District and typically based on a rolling five year capital plan.

Special Purpose Fund (SPF) – Funds designated for a specific purpose or program are reported here, such as:

- Annual Facilities Grant (operational)
- Classroom Enhancement Fund
- Community Link
- Federal French Fund
- Feeding Futures Fund
- Just B 4 Fund
- Ready, Set, Learn
- Seamless Day Kindergarten Fund
- StrongStart
- School Generated Funds

The District is required to submit a balanced budget twice a year. The first or Annual Budget is to be submitted on or before June 30 of each year for the following year. The Annual Budget is based on a rolling three year enrolment projections that the District submits to Ministry each year on or before February 15. The School District utilizes Baragar software to predict future year's enrolment projections.

The second or Amended Annual Budget is submitted on or before February 28 each year.

Enrolment projections provided to the Ministry are in the form of Full Time Equivalent (FTE) and not headcount. Typically, elementary to grade 9 head counts are also equal to FTE. Grade 10 to 12 FTE's are based on the number of courses taken by the student (where 8 courses are equal to 1 FTE).

Below is the Budget Process and Timeline for the District's Annual & Amended Budgets:

Budget Development:

The District's budget development process for the next school year begins in January with the following taking place:



- Board approval of budget timeline and process for the year
- Estimating student enrolment; projections sent to the Ministry of Education for funding purposes
- Reviewing the District's strategic plan and goals to set priorities for resource allocation
- Reviewing data, and trends of both current year and previous years to set budget criteria
- Reviewing previous years' budget criteria – are they valid to carry forward?
- Assessing risks related to changes in funding formula, accounting rules, collective bargaining etc.
- Sharing information on preliminary funding, budget criteria, trends etc. with stakeholder/rightsholder/other partner groups
- Seeking input on budget priorities from stakeholder/rightsholder/other partner groups
- Preparing a draft Annual Budget in the prescribed form and presenting to the Board of Education for approval and adoption by means of a by-law before the end of June
- Incorporating any changes in enrolment, funding, staffing, expenditures into an Amended Annual Budget which is prepared late January/early February and which is approved and adopted before the end of February by means of a Board of Education by-law

Budget Preparation:

The District's budget is prepared by following these three big picture steps:

- Projecting costs for providing existing services into next year; this includes commitments such as salary and benefits, services and supplies
- Projecting revenues and comparing it to expenses to determine the net budget position – either a surplus or a deficit
- Identifying strategies and options to address the net budget position

Budget Monitoring:

The District's monitoring process is continuous and takes place throughout the school year:

- Monitoring actual performance against budget and reporting any significant variance from the Annual and Amended Annual Budgets
- Providing the Board of Education with a monthly financial report which includes a forecast of revenues and expenses to year end

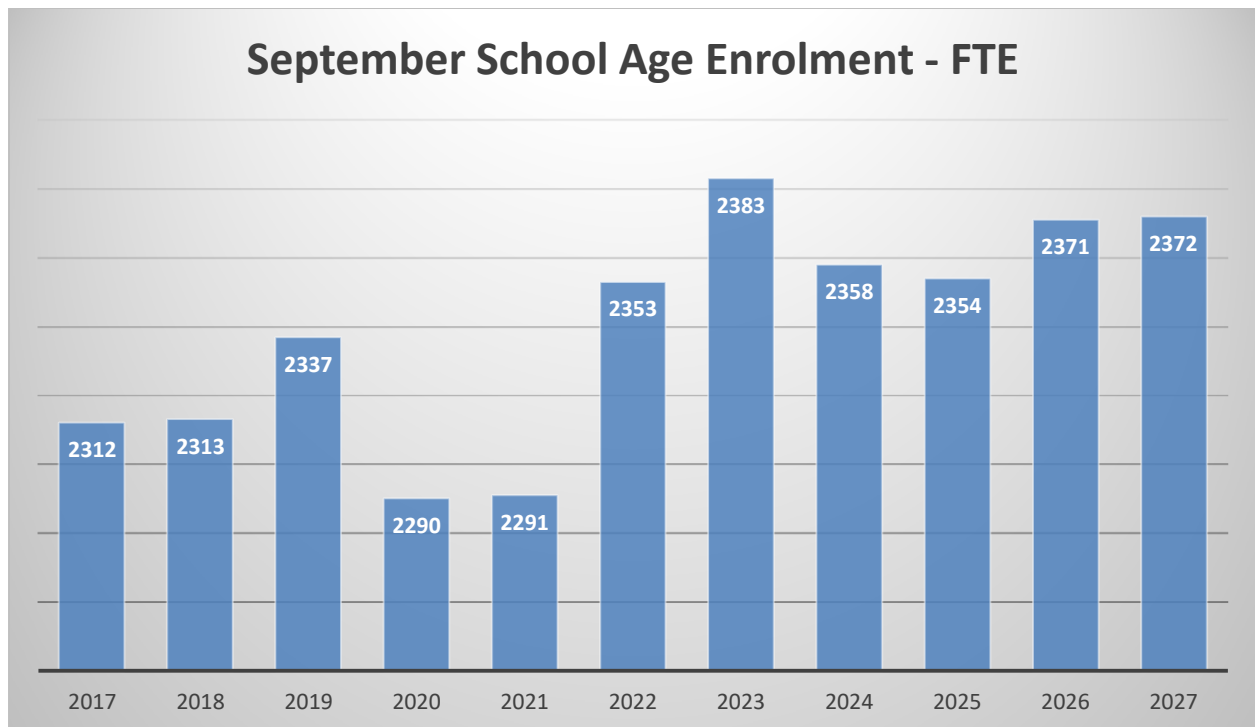
Budget Timelines – SY 2024-25

January 10, 2024 – 6 pm	Finance & Facilities Committee Proposal for 2024-25 process and timeline
January 23, 2024 – 7 pm	Board of Education Meeting Approval of proposed 2024-25 Annual Budget process and timeline
February 14, 2024 – 6 pm	Finance & Facilities Committee Presentation of draft 2023-24 Amended Annual Budget
February 28, 2024 – 7 pm	Board of Education Meeting Approval and adoption of 2024-25 Amended Annual Budget
March 6, 2024 – 4 pm	1st Stakeholders/rightsholders meeting Preliminary meeting to discuss process and request for input
March 15, 2024	Ministry Funding Announcement Preliminary funding is announced for SY 2024-25 by the Ministry of Education
April 10, 2024 – 6pm	Finance & Facilities Committee Discussion of inputs received from stakeholder/rightsholder groups and of variables
April 22, 2024 – 4 pm	Stakeholders/rightsholders meeting Subsequent meeting to present budget estimates and request further input
April 23, 2024 – 1 pm	Snr. Mgmt./PVP meeting Preliminary budget estimates presentation to senior management and PVP group
April 24, 2024 – 7 pm	Board of Education Meeting Continued discussion of inputs received from stakeholder/rightsholder groups and of variables
May 8, 2024 – 6 pm	Finance & Facilities Committee Presentation and discussion of 1 st draft of 2024-25 Annual Budget
May 22, 2024 – 7 pm	Board of Education Meeting Presentation of 1 st draft of 2024-25 Annual Budget to the public
June 5, 2024 – 6 pm	Finance & Facilities Committee Presentation and discussion of final updated draft of 2024-25 Annual Budget
June 19, 2024 – 7 pm	Board of Education Meeting Approval and adoption of 2024-25 Annual Budget

Multi-Year Planning

Enrolment count is done twice a year and operating grant is adjusted to reflect the actual enrolment count.

The chart below shows the actual September school age enrolment count for years ended 2017 to 2024 and forecasts for the years ended 2025 to 2027.

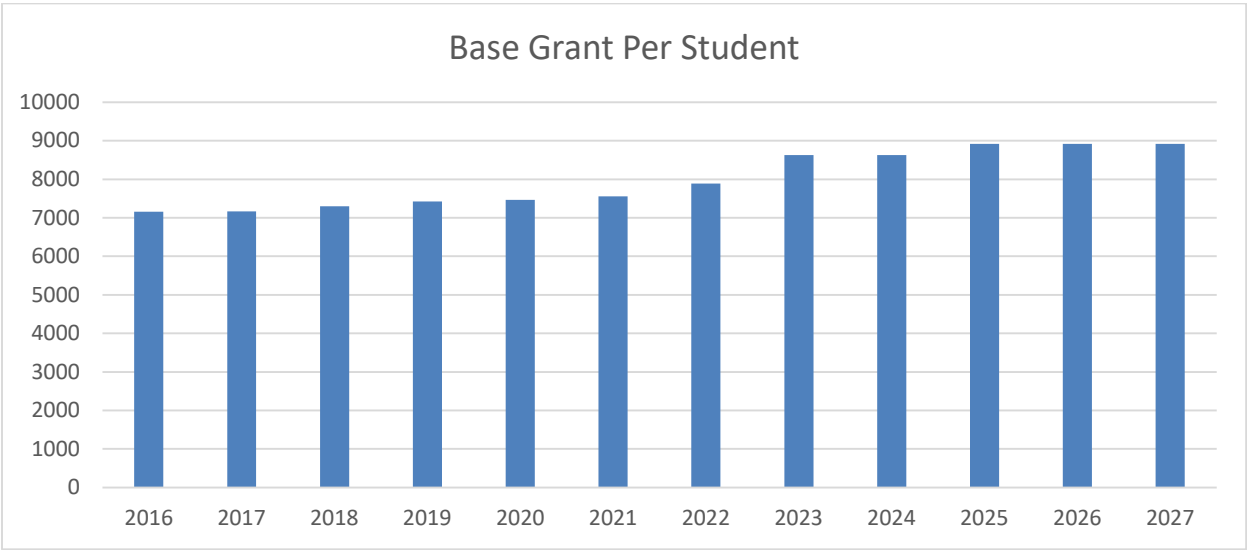


As can be noted in the graph, enrolment has fluctuated from 2,312 FTE in 2017 to 2,358 FTE in 2024. The fluctuations have been consistent with the District's long term outlook of static enrolment with minor fluctuations. The forecast for years 2025 to 2027 is very similar to 2024 year with small changes. This trend is expected to continue for the foreseeable future.

Operating Revenue

The District does not anticipate significant increase to operating revenue based on enrolment projections over the next three years. Per student funding for the next years is anticipated to remain at a level sufficient to cover negotiated wage increases. Per student funding is anticipated to remain the same at \$8,915 per school age FTE.

There is no change anticipated for unique student needs or unique geographic factors at this time.



Staffing

Various factors such as enrolment growth, educational needs, strategic priorities, and funding available come into play when determining staffing levels. As enrolment projections are forecasted to be static, staffing levels over the next years will remain very similar to school year 2023-24.

Salary Expense

Salary & benefits expense makes up about 85% of the District’s operating expense.

School year 2022-23 marked the beginning of a new three year collective agreement cycle between the District, South Okanagan Similkameen Teachers Union (SOSTU), Canadian Union of Public Employees (CUPE). Future year forecasts of salary expense include increases for each employee group negotiated at the provincial level.

The forecast also assumes that Exempt staff including Principals and Vice Principals will receive annual increases similar to those attained by unionized employees.

Multi Year Operational Forecast Summary

The chart below shows the 2025-2027 forecast summary. The forecast considers projected enrolment and related effects on operating expenses such as staffing and services and supplies.

As can be seen from the forecast the following two years can be managed by allocating accumulated surplus to cover overspend and balance the budget. Uncertainty around funding and inflationary factors makes projections beyond the suggested time frame less certain.

Three Year Operating Budget Forecast

	Actual 2023-24	Annual Budget 2024-25	Forecast 2025-26	Forecast 2026-27
<u>Revenues</u>				
Provincial Grants - Ministry of Education	33,645,449	34,384,755	36,276,153	36,648,641
Other Provincial Grants - MCFD	24,060	24,060	24,060	24,060
Int'l/Out of Province Students	10,000	10,000	-	-
Funding from First Nations (LEA)	1,439,908	1,568,490	1,568,490	1,568,490
Other Revenues	342,265	291,589	355,600	362,712
Rentals & Leases	55,617	48,640	48,940	48,940
Investment Income	225,201	177,301	120,465	115,465
Total Operating Revenue	35,742,500	36,504,835	38,393,708	38,768,308
<u>Expenses</u>				
Salaries:				
Teachers	14,027,730	14,282,860	14,711,346	15,005,573
Principals & Vice Principals	2,279,852	2,297,570	2,366,497	2,413,827
Excluded	1,498,487	1,649,542	1,699,028	1,733,009
Trustees	101,081	101,275	104,275	106,361
Educational Assistants	3,465,003	3,794,433	3,908,266	3,986,431
Support Staff	3,440,987	3,389,299	3,490,978	3,560,798
Substitutes	933,334	860,610	886,428	904,156
Total Salaries	25,746,474	26,375,589	27,166,818	27,710,155
Employee Benefits	6,175,299	6,303,413	6,520,036	6,650,437
Total Salaries & Benefits	31,921,773	32,679,002	33,686,854	34,360,592
Services & Supplies:				
Services	1,841,315	1,460,882	1,504,708	1,534,802
Student Transportation	221,305	136,681	265,871	271,188
Professional Development & Travel	206,049	140,286	178,811	180,599
Dues and Fees	93,627	95,286	108,963	110,052
Insurance	190,302	122,250	126,918	128,187
Supplies	1,301,821	1,549,261	1,595,739	1,627,653
Utilities	837,276	636,214	804,491	820,581
Total Services & Supplies	4,691,695	4,140,860	4,585,501	4,673,062

Total Operating Expenses	36,613,468	36,819,862	38,272,355	39,033,654
Net Revenue/(Expense)	(870,968)	(315,027)	121,353	(265,346)
Interfund Transfers	(354,513)	(287,390)	(151,304)	(151,304)
Operating Surplus/(Deficit)	(1,225,481)	(602,417)	(29,951)	(416,650)
Transfer (to)/from Local Capital	(550,000)	800,000	-	-
Operating Surplus/(Deficit) Beginning of Year	2,024,499	249,018	446,601	416,650
Operating Surplus/(Deficit) End of Year	249,018	446,601	416,650	-

Annual Facilities Grant and Minor Capital Funding

Annual Facilities Grant is provided to Districts to be used at their discretion for repair and maintenance at schools to ensure that they are safe and functional.

For school year 2024-25, the District has been provided with special purpose annual facility grant of \$125,870 and a capital annual facility grant of \$678,629. The total of \$804,499 is projected to be spent on the following through school year 2024-25:

- Okanagan Falls Elementary School - Staff Parking - \$215,000
- Osoyoos Secondary School Gym Roofing - \$46,260
- Cawston Primary School - Door's upgrade - \$69,000
- Oliver Elementary School - Irrigation - end of life replacement - \$110,500
- Oliver Elementary School - Exterior Painting - \$97,535
- Similkameen Elementary/Secondary School - Resurface area in metal shop - \$12,460
- District - Server upgrades - \$150,000

The District has also been approved for the following Minor Capital Funds for school year 2024-25:

- Osoyoos Elementary School - School Enhancement Program - HVAC upgrade - \$1,192,203
- Osoyoos Elementary School - Carbon Neutral Capture Program - HVAC upgrade - \$810,220
- Transportation - 76 passenger, no wheelchair Bus - \$374,461
- Oliver Elementary School - Playground Equipment Program - \$195,000
- Various Schools - Food Infrastructure Program - \$94,854

Engagement Process

For the 2024-25 budget consultation process, the District utilized an online forum - Community Voice to engage rights/stake holders and the public. The online forum was used to communicate District plans and surveyed participants as to what budget choices they favoured. Through this process the District has learned that the community prioritizes literacy & numeracy and mental health of students and staff,



Online outreach was augmented with in person meetings held at the School Board Office, where budget details were presented and discussed.

Contacting District Management

This report is designed to provide the reader with an overview of the School District's long term financial plan and to demonstrate increased accountability for the public funds that the District receives.

If you need additional information or have questions about this report, please contact the Secretary Treasurer at 250-498-3481 or visit the District's website at www.sd53.bc.ca