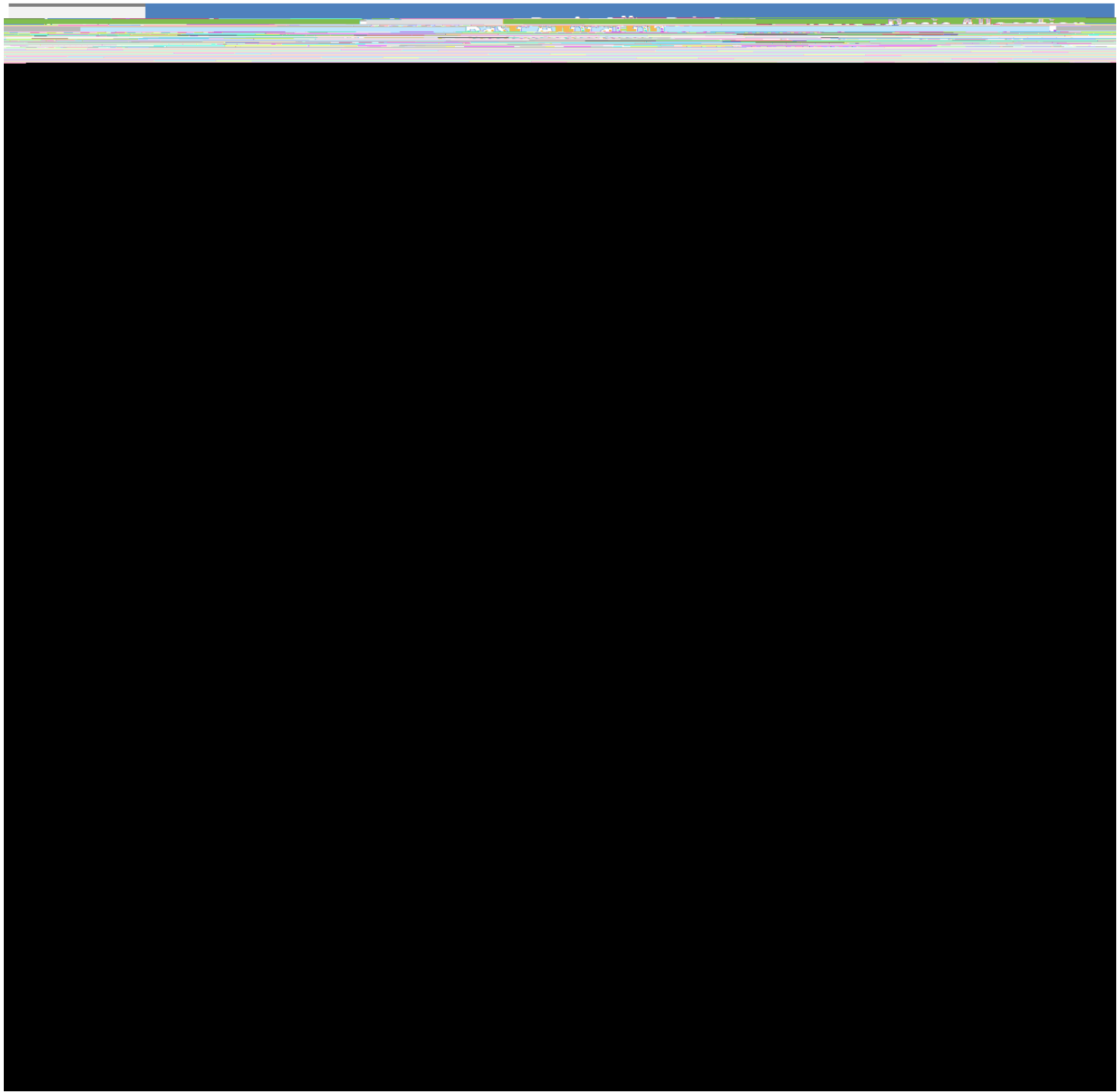
Budget Advisory Working Group

Richmond School District Annual Budget

January 15, 2024

Ministry Operating Grant Allocation Formula



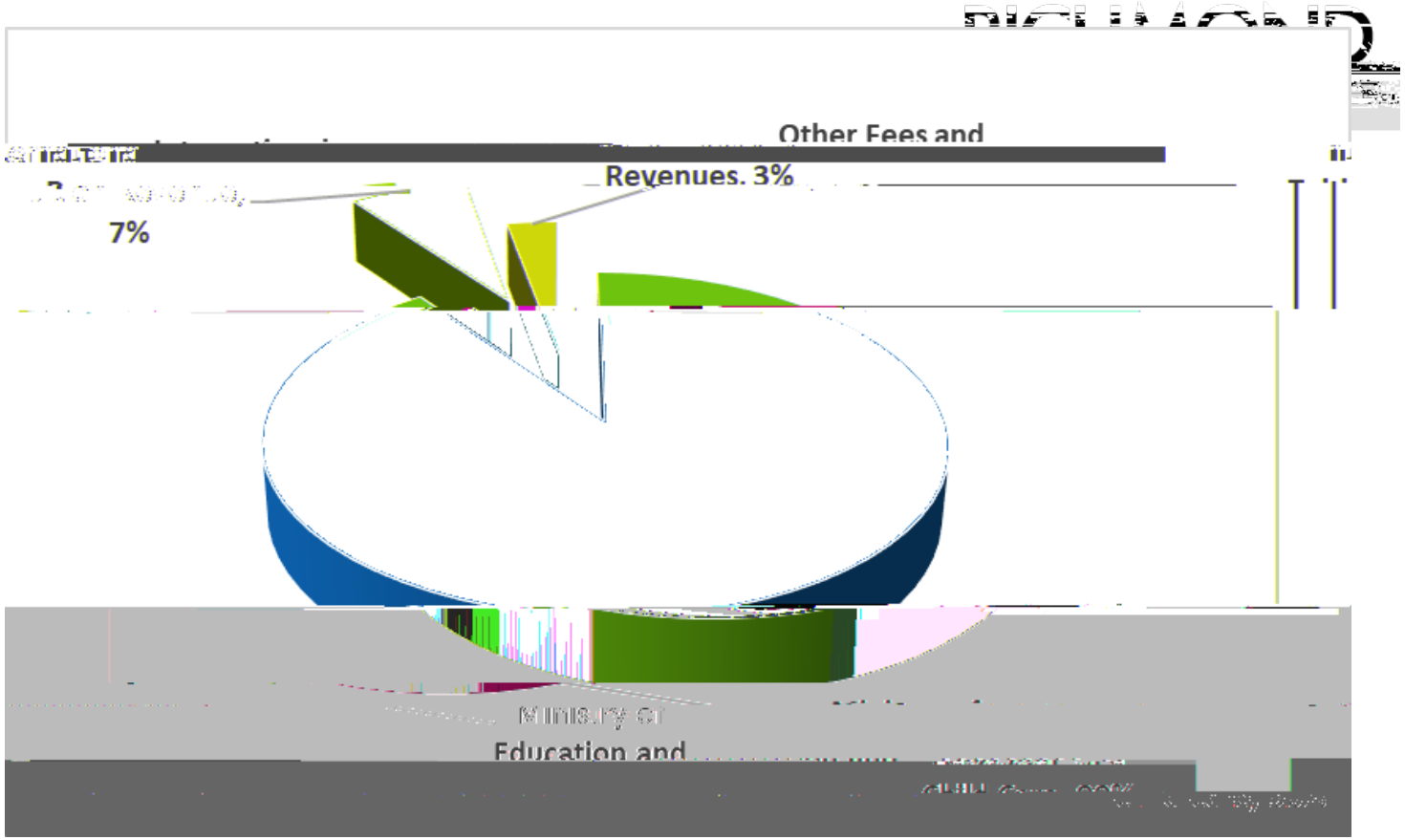
Impacts of enrolment changes are reflected in revenues and expenses

Higher revenues than budget:

- Ministry operating grant revenue
- Classroom Enhancement Fund (CEF) funding
- International education revenue

Operating Budget – Revenues

Operating Revenue Sources



Data source: 2023/24 Budget

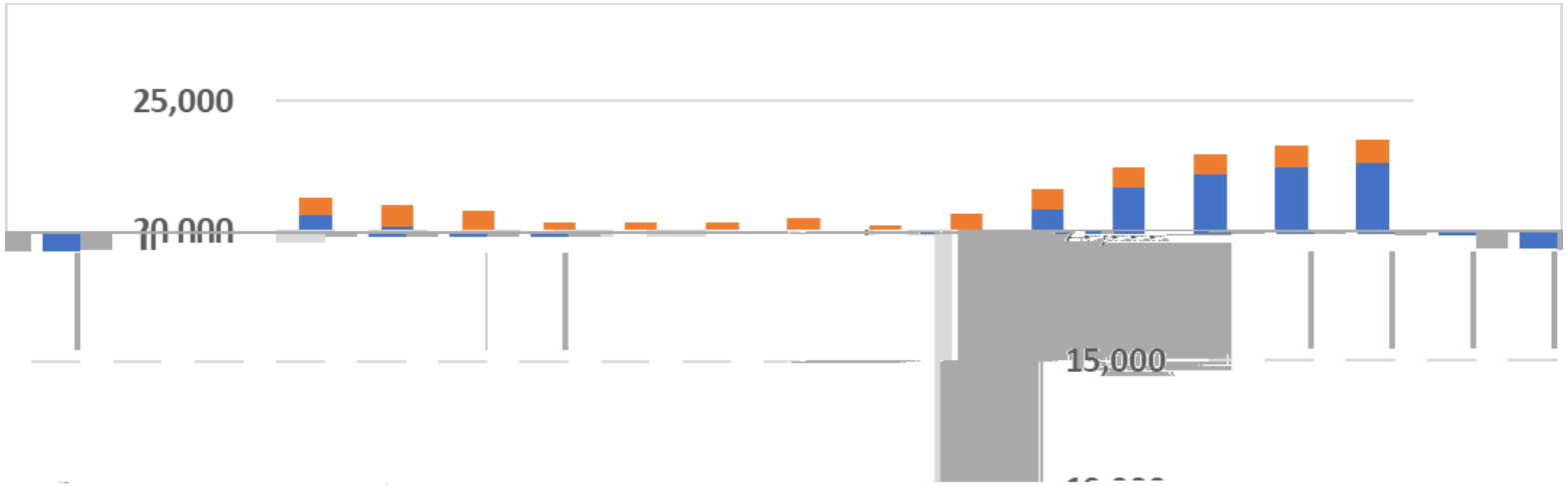
- **Definition of Budget Assumptions:**
  - Best estimates of budget factors based on available information and extensive analysis at the time of budget development
- **Student Enrolment Projection – Planning Department:**
  - Hybrid model:
    - Uses school catchment based local knowledge on growth and demographics to develop school by school projection
    - Justified with a global cohort methodology based on district enrolment trends and demographic data
    - Global projection using the cohort methodology typically relies on a five-year average student retention rate, which is commonly used by metro school districts
  - Housing development and completion data in the City of Richmond
    -

Three-Year Enrolment Projections

- **Enrolment Growth Projection for the Next Three Years:**
  - Domestic total student population:
    - 2024/25: 2.3%
    - 2025/26: 1.2%
    - 2026/27: 1.0%
  - Students requiring additional support (special needs, ELL, Indigenous):
    - 2024/25: 2.2%
    - 2025/26: 1.4%
    - 2026/27: 1.0%

Three Year Enrolment Projection

Three Year Enrolment Projection



Other Revenues

- **Other Revenues:**
  - Investment income
  - Rental revenue (daycare operations, school rental and classrooms for LINC)
- **Budget Assumptions:**
  - Investment income is projected to be stable with slight decrease in 2025
    - Projected average interest rate:
      - 2024/25: 5.0% for central deposit program
    - Historical average interest rates:
      - 2023/24: 5.7% (actual to date)
      - 2022/23: 4.4%
      - 2021/22: 1.2%
  - Rental revenue is projected to be stable

Operating Budget – Expenses

Operating Budget Object Allocation

Operating Budget – Expenditure Object Allocation

Data source: 2023/2024 Budget

Operating Budget –

Staffing Costs:

- Enrolling teacher positions to support enrolment growth
- Educational Assistant positions to support students with diverse needs
- Salary increases due to provincial settlement
- Salary step increments for teachers, administrators, and exempt staff
- Benefit increases due to salary increase, rate increase, and higher benefit usage
- Substitute costs increases

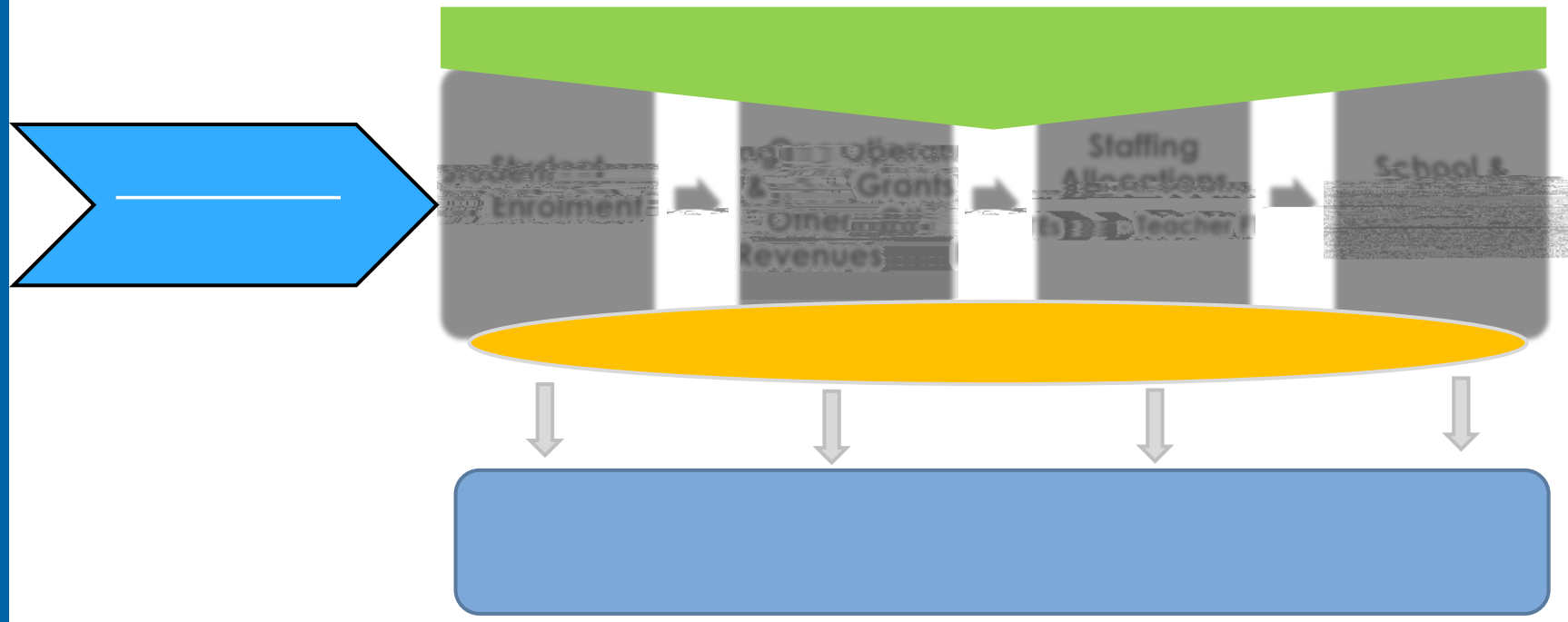
Supplies and Service Costs:

- General inflationary cost increases
- Utilities rate increases (electricity, natural gas, water/sewage, insurance)
- Cost increases in services and contracts, including rental expenses, software and licensing cost increases and international student homestay
- Transfers to local capital fund to meet capital asset replacement requirements, including vehicle replacement, computer and photocopier leases, custodial and IT equipment update and replacement, and potential portable relocation costs

Guiding Principles

Aligning Budget to Strategic Plan

Annual Budget Development Process



Ministry K-12 Public School Financial Reporting Policy

- School Districts must follow the

Budget Consultation

Budget Consultation

Engagement with Education Partner Groups:

- Two-way dialogue to allow the Board and partner groups to define opportunities and challenges and work together on solutions
- Allows for valuable input to the district's fiscal decision making

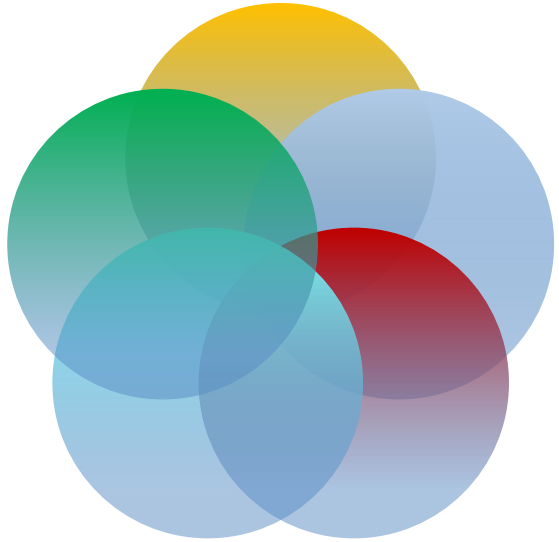
Role for Partner Groups:

- Learn about government funding allocation and district budget process
- Learn about the priorities and goals set out in the district Strategic Plan
- Learn about the district's responsibility to the provincial government
- Engage in the budget consultation by asking questions about the budget
- Contribute ideas and input that align the priorities and goals in the Strategic Plan with the district fiscal plan and resource allocation

Role for the Board of Education:

- Elected decision-

Areas of Focus



Key Dates

January 8, 2024	Trustee Budget Workshop	An opportunity for Trustees to review and discuss Amended Budget 2023/24 and preliminary 2024/25 Budget information
January 15, 2024	Budget Advisory Working Group Meeting	The board and education partner groups are presented with preliminary budget information; engage in round table discussions on the alignment between the fiscal plan and strategic plan priorities and goals
February 8, 2024	Richmond Leadership Team (RLT) Meeting Budget Consultation	Preliminary budget information presented to RLT for their feedback and input
February 14, 2024	Finance & Legal Committee Meeting	Preliminary 2024/25 three-year budget information presented to the Committee In-camera meeting
February 21, 2024	Public Board Meeting	Approval of 2023/24 Amended Budget
March 7, 2024	Budget Advisory Working Group Meeting	Preliminary three-year fiscal plan and draft budget proposals presentedt6M6M6M6MCn aesent intn-0.003 ag(ti)4.1 (ng)]TJE (o)2 ()-4 (g)on

Table Discussions

1. What budget priorities are important to you?
2. Are there areas that you think the Board should consider allocating additional funding to support the priorities in the Strategic Plan?
3. Are there areas that you think the Board should consider decreasing funding to support the priorities in the Strategic Plan?
4. Are there any budget-related suggestions that you would like the Board to consider?