



Sooke School District 2024-2027 Financial Plan



TERRITORIAL ACKNOWLEDGEMENT

We acknowledge the traditional territories of the Coast Salish: T'Sou-ke Nation and Sc'ianew Nation and Nuuchah-nulth: Pacheedaht Nation. We also recognize some of our schools reside on the traditional territory of the Esquimalt Nation and Songhees Nation.

EXECUTIVE SUMMARY

The Sooke School District Board of Education is pleased to present this Financial Plan identifying the resources required to deliver on our Strategic Plan 2021-2025. This plan offers a multi-year perspective on our financial framework, projecting revenues and expenditures over the next three fiscal years (2024 to 2027).

Our budget narrative reflects a dynamic financial landscape. As we strive to meet our operational needs, we face challenges such as inflation and the growing capital needs of our district. As part of our Strategic Plan (2021-2025), the Board of Education has identified three priorities:

- Learning
- Engagement
- Growth

As one of the province's fastest-growing school districts, our plan aims to meet the intricate financial demands of an organization serving over 13,000 students and employing over 2,000 staff.

For further insights into our district, including details on traditional territories, the Board of Education and the Strategic Plan, we invite you to explore our website at www.sd62.bc.ca.

Aligned with our Strategic Plan, this document reflects our commitment to listening our community's needs while effectively managing our finite resources.



HOW DOES THE BOARD CREATE THE BUDGET?

The Board has established a comprehensive budget process that ensures:

- The priorities of the Strategic Plan are properly funded;
- A transparent process that includes partner and public input through communication and consultation;
- Decisions are reported back to the public and partner groups; and
- Compliance with the School Act, collective agreements, Board policy, and other regulatory requirements.

BUDGET TIMELINES

As per the School Act, the Board must adopt an annual budget on or before June 30 of each year for the next fiscal year. The District starts the budget process in early January with the first reading of the budget planned for April. Through the Resources Committee, a special Committee of the Whole meeting in April, public Board Meetings, and communication through the District website and social media, the process is transparent and provides multiple consultation opportunities for partner and public input.

Month	Executive	Leadership Team	Resource Committee	Board Meetings
January	Highlight the operating grant recalculation details	Jan 10 – review the 23/24 recalculated operating grant	Jan 16 – review the 23/24 recalculated operating grant	Jan 23 – review the 23/24 recalculated operating grant
February	Confirm 24/25 (Year 4) Operational Plan work	Feb 7 – Identify proposed costs for Operational Plan	Feb 13 – Review & input on draft Operational Plan work	Feb 20 – Partner presentations Feb 27 – Review & input on draft Operational Plan
March	Draft Budget based on Operational Plan	Mar 6 – Review and prioritize activities on the Operational Plan	Mar 6 – Review & input on draft Operational Plan priorities	Mar 12 – Review & input on draft Operational Plan priorities
April	Finalize Budget for presentation	Apr 10 – Review and input on draft Budget	Apr 16 – Review and input on draft Budget	April 23 – Committee of the Whole April 30 – 1 st reading of the Budget
May	Revise Budget (if applicable)	May 1- Review revised Budget (if applicable)	May 14 – Review and input on revised Budget (if applicable)	May 28 – 2 nd and 3 rd readings of the Budget

BUDGETING STRATEGIC PRIORITIES

With the Strategic Plan as our guiding document, we initiated a comprehensive consultation process involving district partners and the broader community. Through these consultations, a series of critical priorities were identified. As we remain steadfast in our commitment to executing the strategic initiatives outlined in our plan, it's essential to highlight the top three priorities that surfaced from our consultation process:

PRIORITY	ACTION
Learning	Provide opportunities for learners to develop critical and creative thinking skills. (Learning Objective 2)
Engagement	Continue to develop, expand and implement a culture of wellness. (Engagement Objective 4)
Growth	Build and maintain spaces and resources that support our creative and critical learning, and our culture of belonging. (Growth Objective 2)



BUDGET FUND TYPES

The District's Budget is comprised of three separate Funds: Operating Fund, Special Purpose Fund, and Capital Fund. The District's total budget bylaw amount includes expenses and asset purchases from all funds. The Operating Fund is where the majority of the District's expenses are reported and is driven by domestic and international student enrolment.

OPERATING FUND

Revenue

- Operating Grant Revenue
- International Revenue
- Other Revenue

Expenditures

- Instruction
- District Administration
- Operations and Maintenance
- Transportation

SPECIAL PURPOSE FUND

- Classroom Enhancement Fund (CEF)
- Annual Facilities Grant (AFG)
- School Food Programs
- Community Link
- Academies
- School Generated Funds

CAPITAL FUND

- New Schools
- School Enhancement Programs (HVAC, Roofing Upgrades)
- Seismic Mitigation Projects
- Bus Purchases
- Playgrounds
- Land Purchases

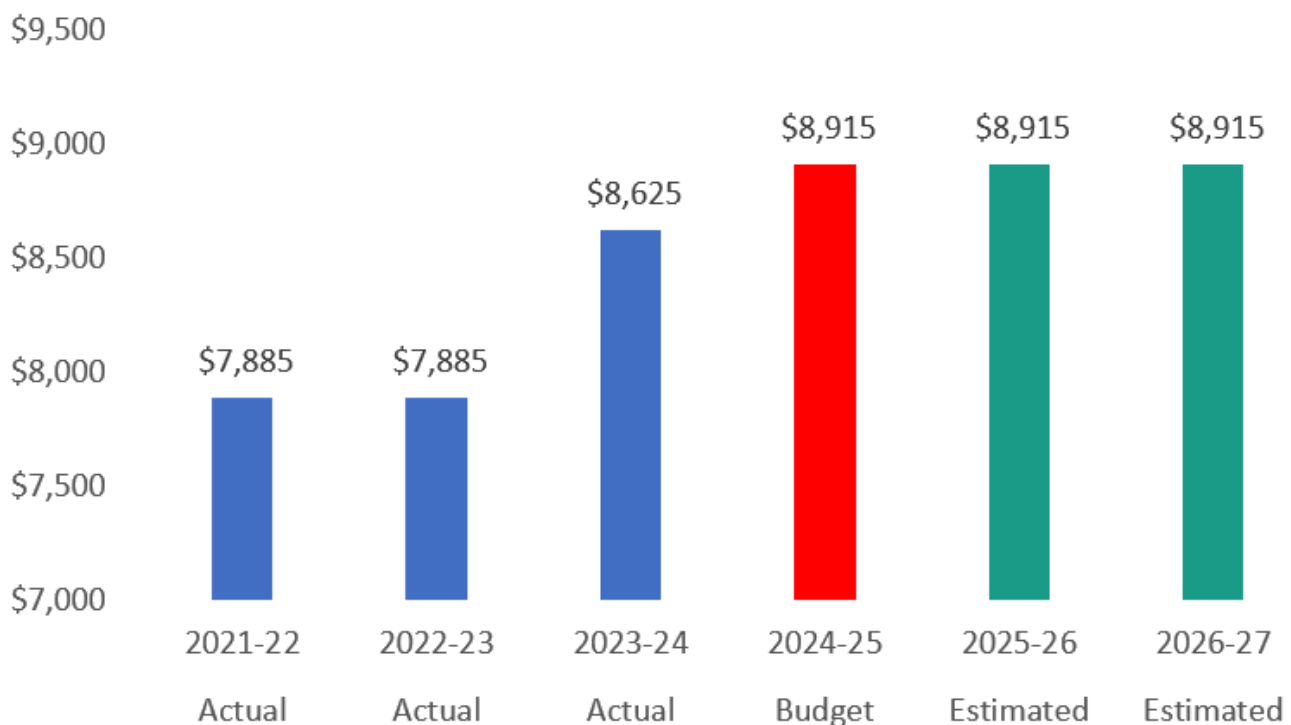




OPERATING GRANT ALLOCATION

In March 2024, the Ministry announced an increase to the basic per-student Operating Grant allocation by approximately 3.4% from a standard (regular) FTE funding allocation of \$8,625 to \$8,915. This increase is to fund the labour settlements for District staff. In April 2024, the provincial government announced that the District's unionized employees will get the maximum (1.00%) cost-of-living adjustment (COLA) for their year 3 wage increase. Since this was announced after the basic allocation was determined, it is estimated that the 1.00% COLA will be applied to the allocation in 2025/26. Since the current collective agreements are set to end June 30, 2025 and future increases are not known at this time, there are no additional estimated increases for 2025-26 and 2026-27.

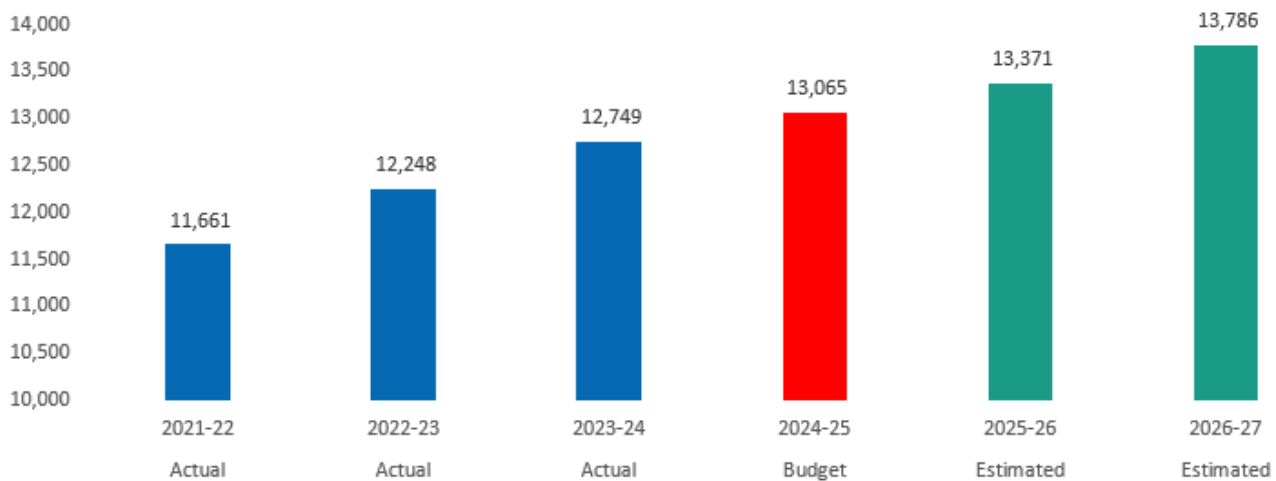
Per Student Allocation - Standard (Regular) FTE



SEPTEMBER K-12 STANDARD ENROLMENT

The chart below shows 3 years of historical September K-12 Standard Enrolment, and the projected enrolment for the next 3 years. At 13,065 FTE in 2024/25, enrolment is expected to increase by 316 FTE over the prior year which is 4% of the anticipated total 7,719 FTE enrolment growth across the province. Based on the updated District Long-range Facilities Plan, enrolment is expected to increase by a further 721 FTE in the subsequent two years.

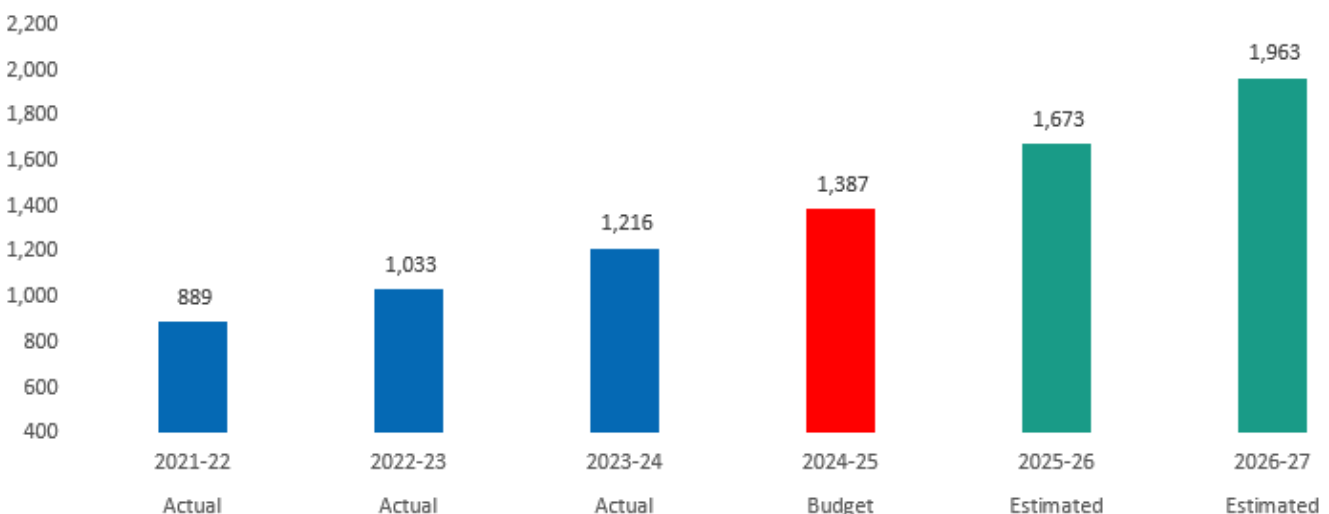
September K-12 Standard Enrolment (FTE)



SEPTEMBER SPECIAL NEEDS ENROLMENT

School districts also receive supplemental funding in the Operating Grant for those students with special needs in order to provide additional supports and resources. The enrolment count of students with special needs is reported in September and February. At 1,192 FTE in 2024/25, the chart below shows a budgeted increase of 171 FTE (14%) from the prior year and a further 576 FTE estimated increase in the subsequent two years.

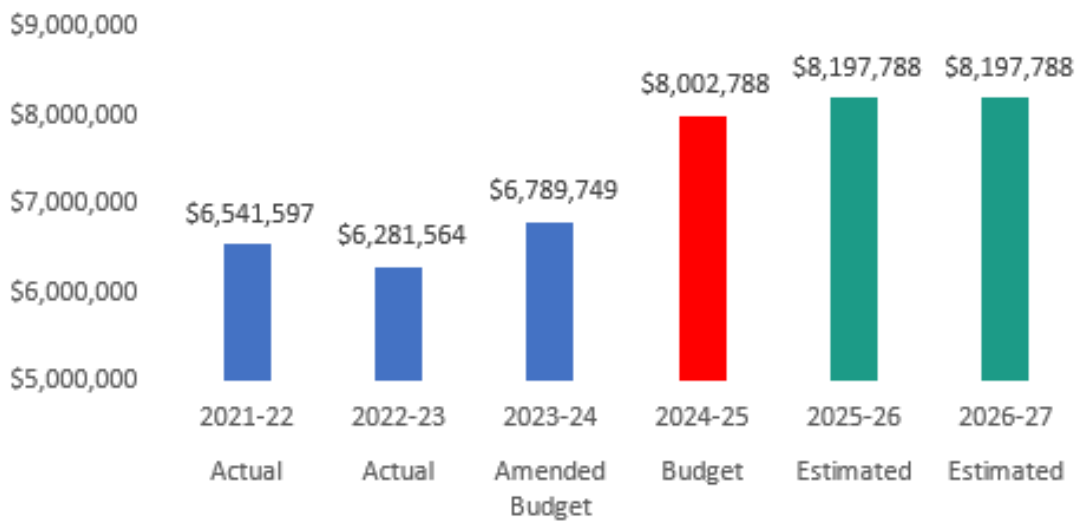
September Special Needs Level 1-3 (FTE)



INTERNATIONAL STUDENT PROGRAM

The International Student Program generates additional tuition revenue separate from the Operating Grant and helps fund existing infrastructure and services elsewhere in the District. Due to post pandemic impacts the market has become increasingly competitive as school districts across the country struggle to maintain International Student Program enrolment. As a result, the projected enrolment is estimated to increase by 10 FTE to 260 FTE in 2024/25 and remain static at 260 FTE for the subsequent two years. Additionally, pay for program cost increases the tuition rates are increasing by \$750 per FTE to \$15,000 in 2024-25, and another \$750 to \$15,750 in 2025-26. As the tuition rates have yet to be set for 2026-27, they are estimated to remain the same as the prior year.

International Student Program Revenues



OPERATING FUND EXPENSES

Staffing levels take various factors into consideration including student and educational needs, funding availability, enrolment growth, and organizational capacity. As student enrolment is projected to increase so will staffing levels. For the 2025/26 to 2026/27 years, teacher staffing increases assume additions at a 1 to 24 teacher to student ratio. Staffing for educational assistants are still to be determined (TBD) as plans on how to utilize the Operating Grant's special needs supplemental funding for 2024/25 and subsequent years are still being finalized.

The District will continue to grow in other areas, but for the 2025/26 year, the additional support staff, principal and vice principal, only reflect the needs of the new SCIANEW STELTKE Elementary school in South Langford.

Staffing Chart – Total FTE – Operating

	Actual 2021-22	Actual 2022-23	Amended Budget 2023-24	Budget 2024-25	Estimated 2025-26	Estimated 2026-27
Teachers*	592	611	654	657	670	687
Principals and Vice Principals	66	71	72	71	73	73
Educational Assistants	360	392	449	TBD	TBD	TBD
Support Staff	270	273	283	273	276	276
Other Professionals	47	49	51	48	48	48
Total	1,335	1,396	1,509	1,049	1,067	1,084

*Total teachers (including CEF) for Budget 2024-25 is 864 FTE

Staffing Chart – Year over Year Changes in Total FTE – Operating

	Actual 2022-23	Amended Budget 2023-24	Budget 2024-25	Estimated 2025-26	Estimated 2026-27
Teachers*	19	43	3	13	17
Principals and Vice Principals	5	1	(1)	2	-
Educational Assistants	32	57	TBD	TBD	TBD
Support Staff	3	10	(10)	3	-
Other Professionals	2	2	(3)	-	-
Total	61	113	(11)	18	17

*Total teachers (including CEF) year over year increase for Budget 2024-25 is approximately 16 FTE

All labour settlement impacts known as of March 2024 and released through the Operating Grant have been incorporated into the 2024/25 Budget. The details regarding the cost of living adjustment (COLA) of 1.00% in 2024/25 have yet to be released by the Ministry so have not be included. No salary increases have been assumed for the future years as the collective agreements for unionized employees are set to expire June 30, 2025.

INTERFUND TRANSFERS AND CAPITAL PLANNING

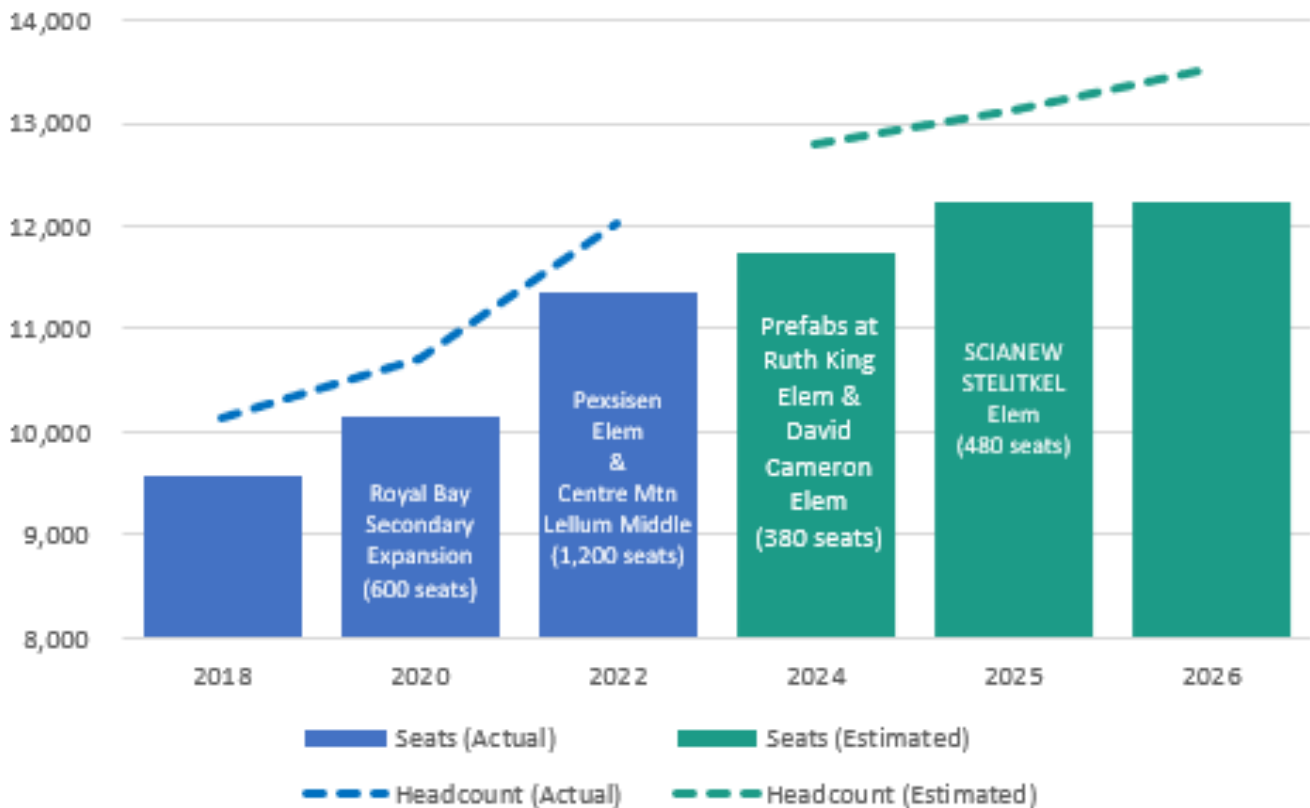
When capital assets are purchased with operating funds, they must be transferred from the Operating Fund to the Capital Fund in order to be properly capitalized and amortized (expensed) over the life of the asset. This transfer is reflected as an inter-fund transfer.

Consistent with the prior two fiscal years, the District has budgeted another \$350,000 towards the construction of the new SCIANEW STELITKEL Elementary School in South Langford.

The response from the Ministry to the District's 2024-25 Annual Five-Year Capital Plan submission did not include support for any new expansion program capital projects. Despite the additions of the new SCIANEW STELITKEL Elementary School and 18 prefabricated classrooms at David Cameron Elementary and Ruth King Elementary, the District is anticipating continued space challenges in the future as a result of the estimated future growth.



Head Count vs Seats



ACCUMULATED OPERATING SURPLUS

The use of the operating surplus enables the Board to engage in long-term planning, mitigate financial risk and support consistent services. The Board has a policy to maintain a contingency of 2% of operating expenses. Given the fiscal challenges we are facing, the Board of Education is projecting an accumulated operating surplus of approximately 1% for the next three years. This is updated annually based on actual enrollment.



MULTI-YEAR OPERATING FUND FINANCIAL PLAN SUMMARY

The following table is a detailed financial plan summary for the Operating Fund. It considers the projected enrolment and related effects on staffing and expenditures, interfund transfers, and the Accumulated Operating Surplus.

	Actual 2022/2023	Amended Budget 2023/2024	Budget 2024/2025	Estimated 2025/2026	Estimated 2025/2026
Revenues					
Provincial Grants					
Ministry of Education and Child Care	136,376,916	153,091,639	162,151,408	169,559,978	179,025,183
Other	22,599	141,000	141,000	141,000	141,000
Tuition	6,361,744	6,914,769	8,092,788	8,287,788	8,287,788
Other Revenue	1,470,144	1,048,757	1,839,122	1,839,122	1,839,122
Rentals and Leases	492,358	502,500	512,500	512,500	512,500
Investment Income	1,051,952	835,971	853,875	853,875	853,875
Total Operating Revenue	145,775,713	162,534,636	173,590,693	181,194,263	190,659,468
Salaries					
Teachers	53,900,943	60,976,908	64,425,213	66,364,613	68,646,049
Principals and Vice Principals	9,619,843	10,460,864	10,498,675	10,793,675	10,793,675
Educational Assistants	13,651,316	16,458,734	19,269,966	22,962,737	27,511,446
Support Staff	13,494,106	15,509,574	15,726,329	15,930,069	15,930,069
Other Professionals	5,344,305	5,996,389	5,808,016	5,808,016	5,808,016
Substitutes	6,091,382	6,178,277	6,281,371	6,281,371	6,281,371
Total Salaries	102,101,895	115,580,746	122,009,570	128,140,481	134,970,626
Employee Benefits	26,184,315	29,783,165	32,637,333	34,281,111	36,108,162
Employee Benefit Rate (as a % of Total Salaries)	25.65%	25.77%	26.75%	26.75%	26.75%
Services and Supplies					
Services	7,110,704	7,326,240	7,835,669	7,882,669	7,929,669
Professional Development and Travel	1,099,322	1,066,164	1,140,112	1,140,112	1,140,112
Rentals and Leases	468,644	308,858	308,858	308,858	308,858
Dues and Fees	172,174	166,956	167,956	167,956	167,956
Insurance	493,447	487,651	577,651	577,651	577,651
Supplies	5,410,031	6,295,180	6,146,900	6,028,781	6,589,790
Utilities	1,958,813	1,815,844	2,390,844	2,640,844	2,840,844
Bad Debt	26,942	25,800	25,800	25,800	25,800
Total Services and Supplies	16,740,077	17,492,693	18,593,790	18,772,671	19,580,680
Total Operating Expense	145,026,287	162,856,604	173,240,693	181,194,263	190,659,468
Net Revenue (Expense)	749,426	(321,968)	350,000	-	-
Interfund Transfers					
Tangible Capital Assets Purchased and Work in Progress	(746,705)	(2,704,100)	-	-	-
Local Capital	(350,000)	(350,000)	(350,000)	-	-
Total Interfund Transfers	(1,096,705)	(3,054,100)	(350,000)	-	-
Total Operating Surplus (Deficit), for the year	(347,279)	(3,376,068)	-	-	-
Operating Surplus, beginning of year	5,576,128	5,228,849	1,852,781	1,852,781	1,852,781
Total Operating Surplus (Deficit), for the year	(347,279)	(3,376,068)	-	-	-
Operating Surplus, end of year	5,228,849	1,852,781	1,852,781	1,852,781	1,852,781
Operating Surplus, end of year					
Restricted for future capital cost-sharing	-	-	-	-	-
Internally Restricted Operating Surplus	3,626,088	-	-	-	-
Unrestricted Operating Surplus (Contingency)	1,602,761	1,852,781	1,852,781	1,852,781	1,852,781
Total Operating Surplus, end of year	5,228,849	1,852,781	1,852,781	1,852,781	1,852,781
Contingency as % of Operating Expense	1.11%	1.14%	1.07%	1.02%	0.97%



SPECIAL PURPOSE FUNDS

Contributions restricted from an external party are reported as Special Purpose Funds (SPF). The annual funding received varies from year to year and the funding is not always confirmed at the time that the budget is prepared. The more significant SPF of the District include the Classroom Enhancement Fund (CEF), Learning Improvement Fund (LIF), Community LINK, Official Languages in Education French Programs (OLEP), Strong Start, Academies, School Generated Funds, and the new Feeding Futures Fund.

CAPITAL FUNDS

The Capital Fund includes capital expenditures for land, buildings, buses and other tangible capital assets that are funded from the Ministry capital grants, local capital, the Operating Fund, and Special Purposes Funds.

The 2024/25 budget includes \$29.6 million in anticipated total capital additions that are to be amortized (expensed) over the useful life of the asset.

Some of the more significant capital projects include:

- Expansion Program (EXP) – \$22.3 million for the prefabricated classrooms at David Cameron Elementary and Ruth King Elementary
- School Enhancement Program (SEP) – \$0.85 million for a HVAC upgrade at Willway Elementary and \$0.45 million for roofing upgrades at Crystal View Elementary
- Carbon Neutral Capital Program (CNCP) – \$0.5 million for energy upgrades at John Muir Elementary
- Playground Equipment Program (PEP) – \$0.195 million for a new playground at John Muir Elementary

Finally, at approximately \$5.1 million, the new childcare centre at Colwood Elementary is expected to be completed in 2024/25.



SUMMARY OF BUDGET BYLAW CHANGES

Summary of Budget Bylaw Changes 23-24 Amended Budget to 24-25 Budget (in \$ millions)

Type	Strat Plan Link	FTEs	Operating	SPF	Capital	Total
23/24 Amended Budget (net of carry overs)			163.149	33.657	13.502	210.309
Inflation and Growth						
Inclusive Education Services (net of labour settlement)	L3	TBD	3.226			3.226
Na'tsa'maht Indigenous Education	E2	TBD	0.131			0.131
Indigenous Education Councils	E2		0.099			0.099
English Language Learners (ELL) support	L1	TBD	0.078			0.078
Staffing:						
Total Labour Settlement (all employee groups)	E1		2.552	0.510		3.061
Additional Teachers	L2	17.64	0.914			0.914
Services & Supplies:						
Program Review - AFG salaries	G3		0.300			0.300
Pressures - increments, reserve policy, pro d	G2		1.565			1.565
Employee Benefits	G2		1.794			1.794
Utilities	G2		0.575			0.575
Ratios - enrolment driven service and supplies	E1		0.142			0.142
International Program inflation	L1		1.178			1.178
Other:						
Amortization Expense	G2				0.222	0.222
Reallocation Strategies						
Itinerant elementary school based clerical	G3	-2.00	-0.099			-0.099
Custodial: ratio adjustments	G3	-2.00	-0.150			-0.150
Library Assistants reduction	L1	-0.75	-0.052			-0.052
Reduction of bus routes in urban areas	G3	-5.00	-0.326			-0.326
Exempt staff reduction	G3	-3.00	-0.353			-0.353
Principal / Vice Principal reduction	L1	-1.00	-0.175			-0.175
Department Teacher Coordinators reduction	L1	-3.00	-0.360			-0.360
District-wide support Teachers reduction	L1	-2.48	-0.298			-0.298
Department service and supply budgets	G3		-0.300			-0.300
24/25 Budget			173.591	34.167	13.724	221.482