



BOARD STRATEGIC LEARNING SESSION

January 24, 2023

2022-2023 Amended Budget Review

BUDGET ADVISORY COMMITTEE

Terms of Reference

The Budget Advisory Committee provides input to the Board on matters related to:

1. **The Preliminary Annual Budget**

- 1.1. Review plans for public consultation into the budget planning process.
- 1.2. Review enrollment and staffing projections.
- 1.3. Review preliminary budget documents.

2. **Budget Monitoring**

- 2.1. Review quarterly financial results relative to the annual budget.
- 2.2. Review revisions to the preliminary annual budget prior to the preparation of the amended annual budget.
- 2.3. Provide input to the Board of Education on the amended annual budget.





BUDGET ADVISORY COMMITTEE

Clarifying purpose and timelines

- Is a standing committee – constituted to perform a continuing function, remains in existence, constituted under bylaws (Robert's Rules, 50:7-9)
- What is the function of the budget committee?
 - **Review** projections, preliminary and amended budgets, and review budget monitoring reports
 - **Provide input** to the Board on the amended annual budget
- What is review?
 - Delegation of detailed and focused consideration of budget
- A charter can help clarify the board's intention and the operation of the committee

Sept 30
Student
Count



Oct-Jan

Budgets are reviewed & amended to reflect the Sep 30th student count, current staffing, and any events that impact the budget



Jan - Feb

Amended Budget discussed with Budget Advisory Committee, and to the Board of Education for 3 readings



We are here



Amended Budget and Bylaw due to MoEd by **Feb 28**

Amended

Current Year



Oct

Nov

Dec

Jan

Feb

Mar

Apr

May

June

Jul

Nov - Feb

Preliminary budget planning begins for the next school year including input from staff and the Board



Mar - Apr

Budget Assumptions to Budget Advisory Committee, the Board, staff and public for review and input on significant budget contractions and/or expansions



May - Jun

To Board of Education for 3 readings



Preliminary Budget due to MoEd by **Jun 30**



Preliminary

Next Year



AMENDED BUDGET UPDATE

New Information from the BC Ministry of Education

The Question:

To reflect the impact of the revised collective bargaining agreements, or not reflect the impact of the revised collective bargaining agreement?

- Revenue:
 - The Ministry interim operating grants published in December 2022 do not include the impact of the new collective bargaining agreements → the amended budget should not include the anticipated additional revenue
- Expenses:
 - The 2022-25 collective agreement with CUPE, for support staff, was approved in September 2022; however, local bargaining has not finished as of January 2022 → the amended budget should not include anticipated additional costs
 - The 2022-25 collective agreement with BCTF was approved in November 2022 and local bargaining concluded, accordingly the District is operating under the new agreement as of January 2022 → the amended budget should include the anticipated additional costs

AMENDED BUDGET UPDATE

New Information from the BC Ministry of Education

	First Amended Budget		Revised Amended Budget	
	Include	Do not Include	Include	Do not Include
Revenue from labor settlements	✓			✓
Cost of support staff wage increase	✓			✓
Cost of teacher and non-represented staff wage increase	✓		✓	

WAGES & BENEFIT CHANGES, BASED ON RATIFICATION

(\$000s)	Teachers	EAs	Support	PVP / Other Prof	Subs	Benefits	Total Sal & Ben
<u>Wages & Benefits:</u>							
Wage/Collective Agreement Increases, expected once all ratified	(3,148)	(629)	(633)	(325)	(214)	(783)	(5,732)
Wage/Collective Agreement Increases, as currently ratified (Revised Amended Budget)	(3,148)	-	-	(325)	(214)	(502)	(4,189)

OPERATING BUDGET COMPARISON —

Summary of what we
think will happen

(\$000s)	Revenues	Expenses	Capital	Surplus (Deficit)
Preliminary 22/23 Budget	155,886	(156,334)	(352)	(800)
Changes				
Enrolment	775	(1,891)		(1,116)
Labour Settlement Funding	5,171			5,171
Other MoEd Funding	666 (71)			(71)
Other Revenues	649	(4,189) (87)		562
Wage/Collective Agree. Incr.		(5,732)		(5,732)
Staffing Changes		1,270		1,270
Contracted Staffing		(302)		(302)
International Program	230	(184)		46
Benefit Rates		175		175
Indigenous Ed.	41	(348)		(307)
Substitutes		(260)		(260)
School Budgets		(637)		(637)
Department Supplies Changes		(98)		(98)
Holdback Funding	0	141		141
Capital	0	0	(145)	(145)
Amended 22/23 Budget	162,681	(164,287)	(497)	(2,103) (5,714)
Indigenous Program Surplus Carry Forward	157,527	(162,744)		625
School Surpluses		(5,218)		917
Budgeted Surplus (Deficit), for the Year				(561) (4,172)

STATEMENT 2 — AMENDED ANNUAL BUDGET

School District No. 33 (Chilliwack)

Statement 2

Amended Annual Budget - Revenue and Expense
Year Ended June 30, 2023

	2023 Amended Annual Budget	2023 Annual Budget
Budget Bylaw Amount		
Operating - Total Expense	162,744,258	156,334,319
Operating - Tangible Capital Assets Purchased	496,726	
Special Purpose Funds - Total Expense	19,261,617	15,780,392
Capital Fund - Total Expense	12,145,313	11,896,117
Capital Fund - Tangible Capital Assets Purchased from Local Capital	5,101,574	554,274
Total Budget Bylaw Amount	199,749,488	184,565,102

RESERVE SUMMARY

Revised for Ministry of Education and Child Care

(\$000s)	Ending Balance	Ending Balance	Ending Balance	Ending Balance	2022/23 Budget		Budgeted Balance
	Jun.30/19	Jun.30/20	Jun.30/21	Jun.30/22	Surplus (Deficit)	Transfers	Jun.30/23
Unrestricted Operating Surplus	2,208	1,969	1,730	3,568	(5,218)	(496)	(2,146)
Internally Restricted Operating Surplus	763	1,307	2,472	2,183	0	0	2,183
Total Operating Fund Accumulated Surplus	2,971	3,276	4,202	5,751	(5,218)	(496)	37
Unrestricted Local Capital			74	74		496	570
Restricted for Capital Cost Sharing	1,293	2,293	5,028	5,028	0	(5,598)	(570)
Invested in Tangible Assets	65,797	65,834	65,207	64,374	(1,270)	5,598	68,702
Total Capital Fund Surplus	67,090	68,127	70,309	69,476	(1,270)	496	68,702



RESERVE SUMMARY

Summary of what we think will happen

(\$000s)	Ending Balance	Ending Balance	Ending Balance	Ending Balance	2022/23 Budget		Budgeted Balance
	Jun.30/19	Jun.30/20	Jun.30/21	Jun.30/22	Surplus (Deficit)	Transfers	Jun.30/23
Unrestricted Surplus	2,208	1,969	1,730	3,641	(560)	(73)	3,008
Restricted Local Capital	1,293	2,293	5,028	5,028	0	(5,028)	(0)
	3,502	4,263	6,758	8,669	(560)	(5,102)	3,008

Per [Policy 611 – Accumulated Operating Surplus](#): “The Board will attempt to maintain a contingency reserve of 3.5 percent of annual operating expenses.”

$$\text{Current Reserve: } \frac{\$3,008,212}{\$164,287,260} = 1.87\%$$

When districts are looking at new school builds, the Ministry of Education and Child Care will often look to surpluses for contribution to the project.

