

Budget Advisory Working Group

Richmond School District Annual Budget

January 15, 2024

Presentation Outline



2023/24 Amended Budget Highlights

Operating Budget Assumptions – Revenues

Operating Budget Assumptions – Expenses

Budget Process

Budget Consultation

Table Discussions



2023/24 Amended Budget Highlights

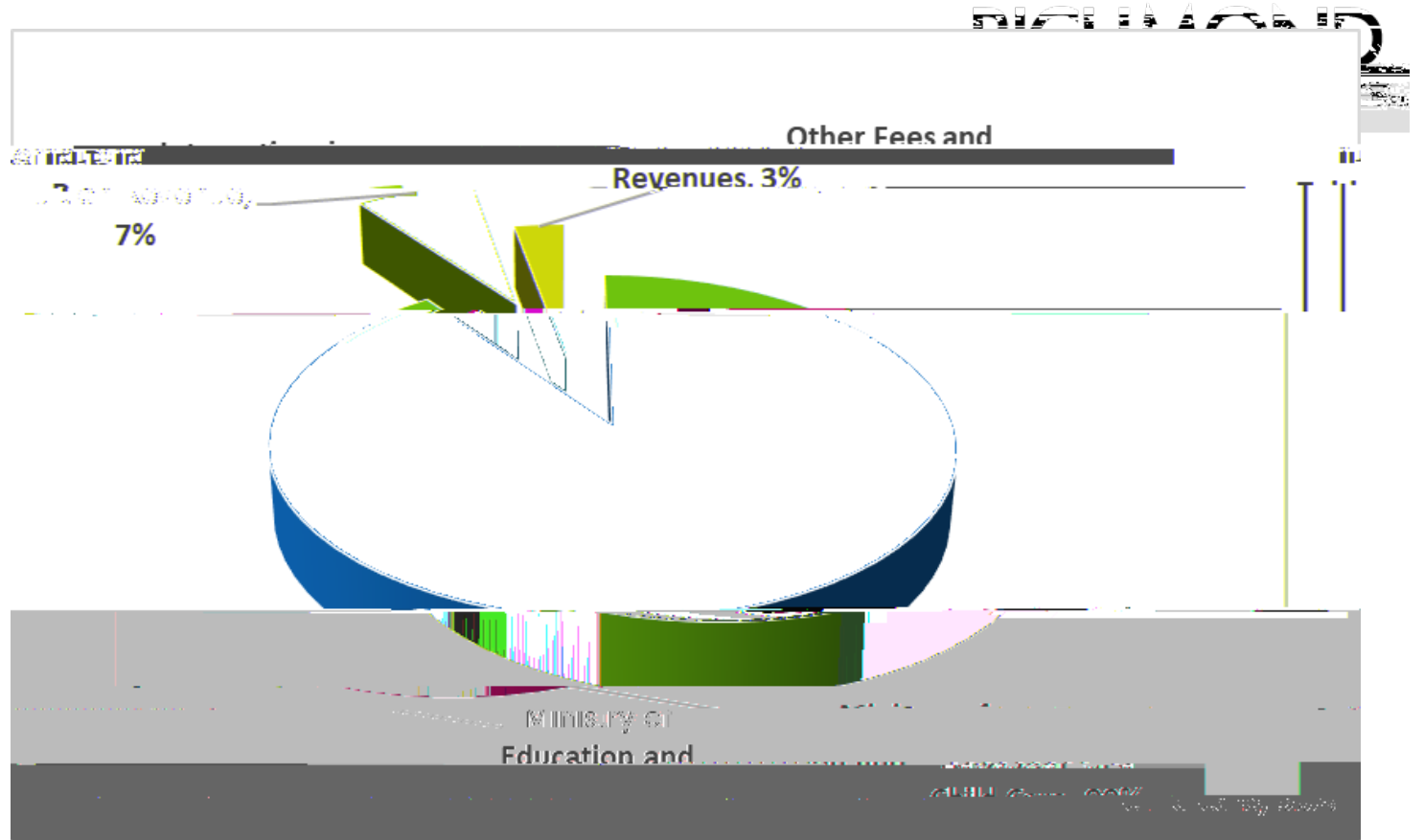
Ministry
Operating Grant
Allocation
Formula

- 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
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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%

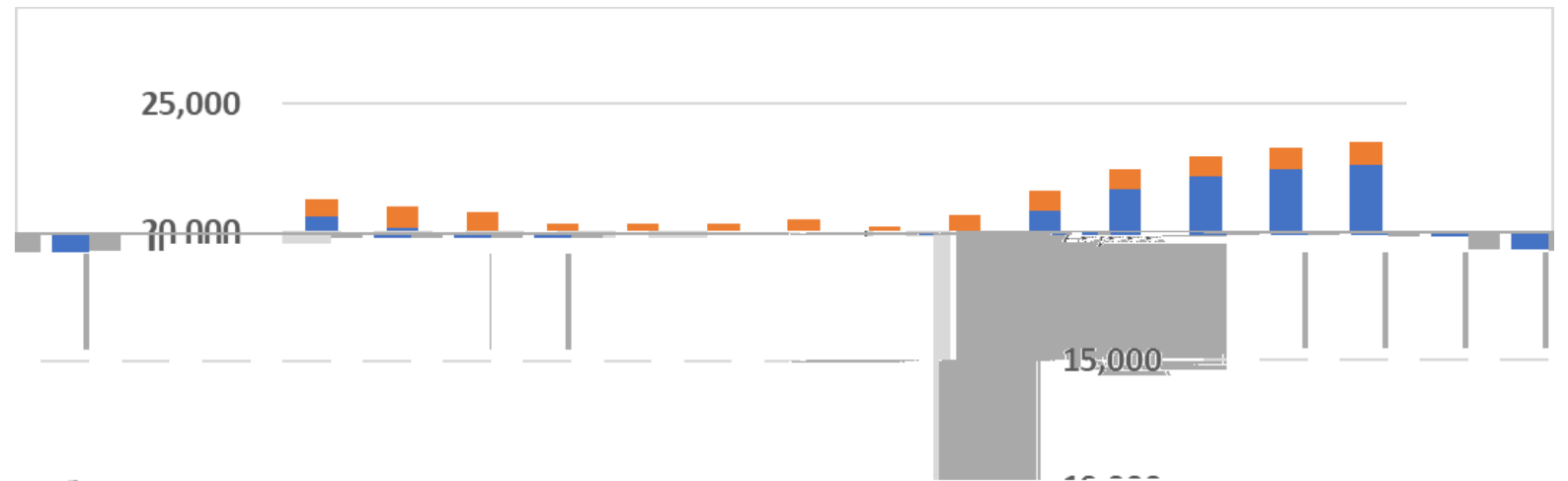
2026/27: 1.0%



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%

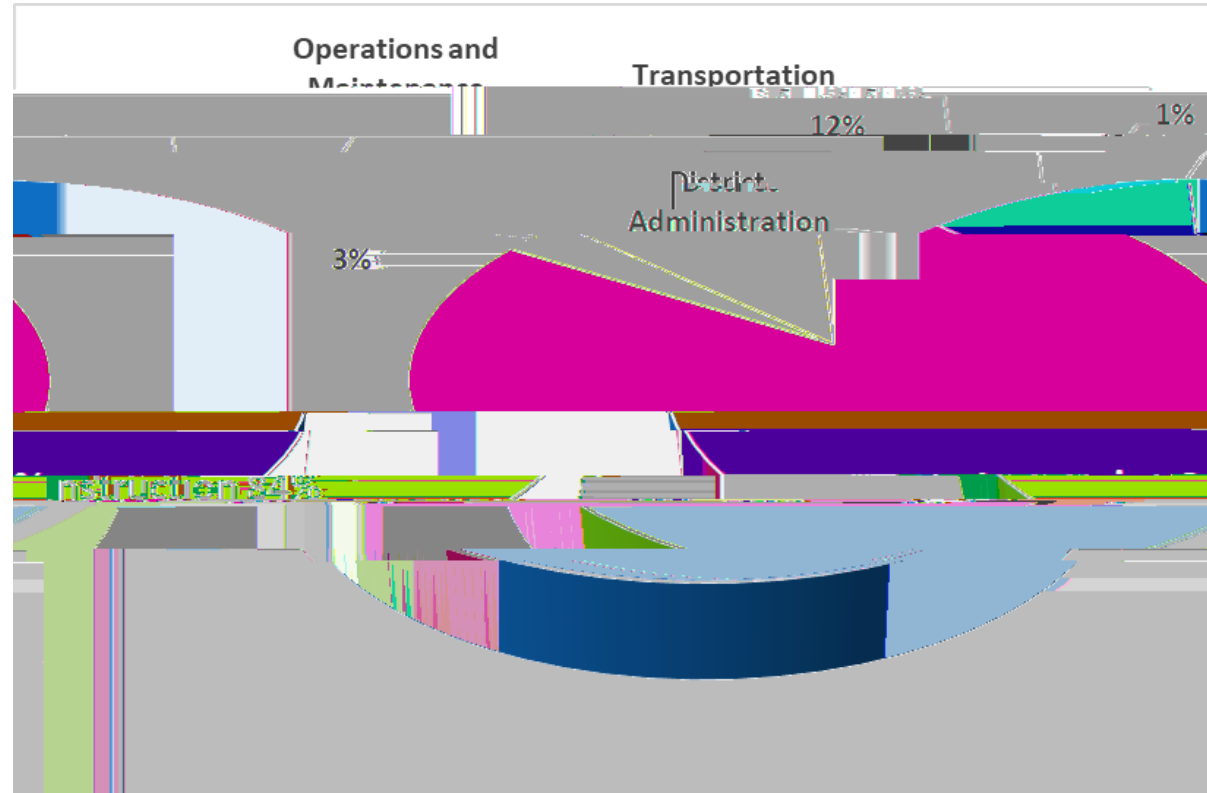
Rental revenue is projected to be stable



Operating Budget – Expenses

Operating Budget Program Allocation

Operating Budget – Expenditure Program 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



Budget Process

Guiding Principles

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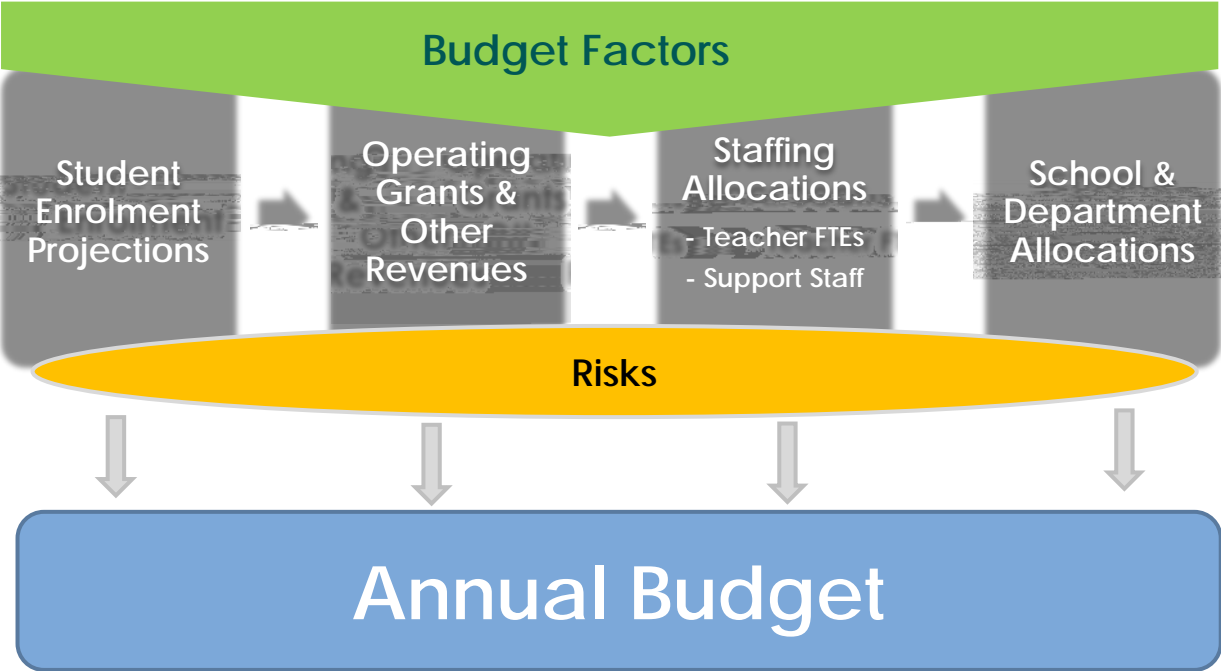


Annual Budget Development Process



Aligning Budget to Strategic Plan

Strategic Plan
Priorities & Goals



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

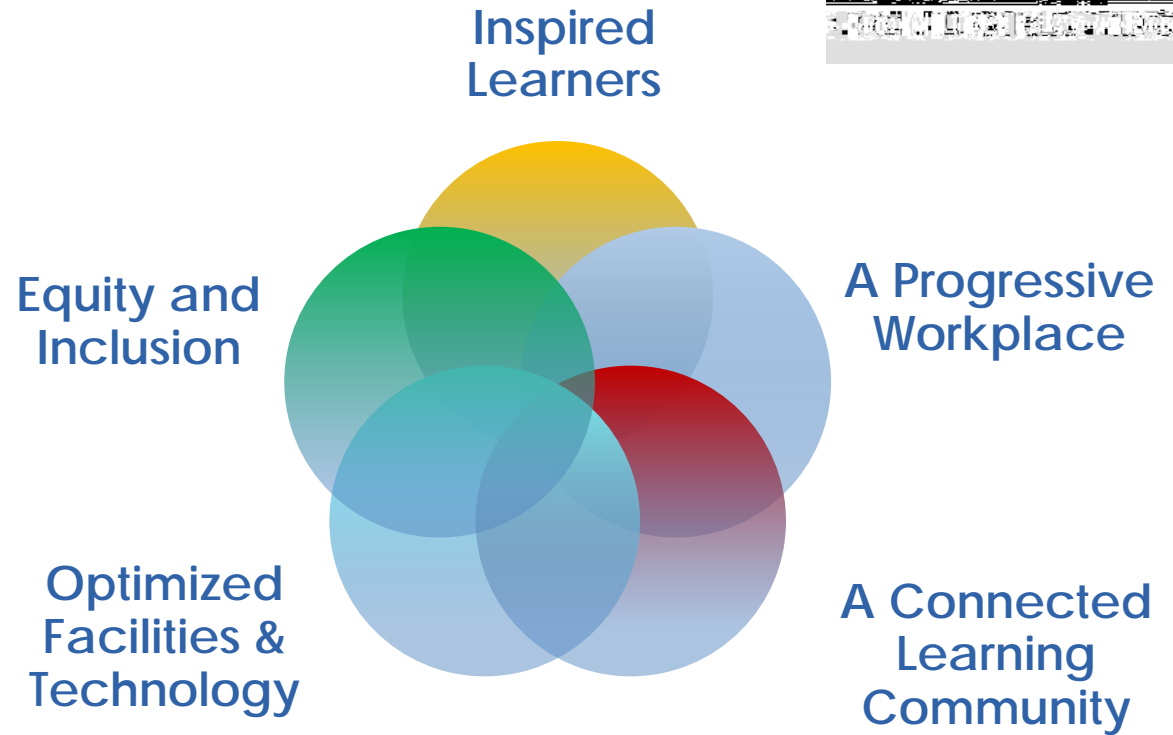
Contribute ideas and input that align the priorities and goals in the Strategic Plan with the district fiscal plan and resource allocation

Role for the Board of Education:

Elected decision-



Areas of Focus



Key Dates

Date	Meeting	Goal
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 presented

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?

