



Memorandum

Date: October 11, 2024
To: Finance and Planning Committee
From: Delta Carmichael, Secretary-Treasurer/CFO
Information Item: **Budget Pressures Overview – 2024/2025**

1.0 RELEVANT BOARD MOTION/DIRECTION

None.

2.0 BACKGROUND

Each year, in accordance with the *School Act*, the District is responsible for creating a budget plan for the upcoming school year. In the spring of 2024, the 2024/2025 Annual Budget was developed using the District Budget Development Principles and was approved by the Board of Education at the June 26, 2024, Public Board meeting.

The 2024/2025 Annual Budget was built on a projected student enrolment of 400 FTE which was aligned with prior year trends. The 3-year average of student enrolment growth is 520 FTE (2.22%) and the 6-year average of student enrolment growth is 434 FTE (1.90%).

3.0 INFORMATION STATEMENT

Two significant circumstances resulted in an unforeseen \$4.4M budget pressure for the 2024/2025 school year.

- 1) **Year-end Pressures** - As discussed at the September 18, 2024, Finance and Planning Committee meeting, there were many inflationary costs that exceeded the budget when the June 30, 2024 audited financial statements were presented. Due to these cost escalation pressures, the District was unable to commit as much funding to Local Capital as at June 30, 2024. The 2024/2025 Amended Budget was also adjusted to better reflect increased costs for such items as illness, software expenses and other services and supplies costs. Also, the work order recovery budget (relates to school and/or department recovery work supported by the Operations Department) was reduced to allow the Operations Department to continue to focus on the maintenance of buildings. These year-end pressures resulted in a budget pressure of approximately \$2,200,000 as calculated below.

4.0 SECRETARY-TREASURER/CFO'S COMMENTS

As illustrated in *Appendix A*, the total net pressure for the 2024/2025 school year is approximately \$4.4M. Senior staff worked collaboratively to identify \$4.4M in savings. Where possible, unfilled positions were left vacant to avoid direct impact to existing positions. This plan was shared with the Board of Education, union executives (where applicable), school administrators and the District's school business officials.

5.0 APPENDIX

A. 2024/2025 Budget Pressure Plan

**2024/2025 Budget Pressure Plan
Appendix A**

Description	District		School		Total	
	FTE	\$	FTE	\$	FTE	\$
Int'l Ed. Revenue	0.0000	387,500	0.0000	0	0.0000	387,500
Increased Revenues	0.0000	387,500	0.0000	0	0.0000	387,500
Staffing	7.4000	1,146,980	7.8571	964,966	15.2571	2,111,946
Discretionary	0.0000	791,572	0.0000	440,571	0.0000	1,232,143
Capital	0.0000	660,000	0.0000	0	0.0000	660,000
Total Expenses	7.4000	2,598,552	7.8571	1,405,537	15.2571	4,004,089
Total	7.4000	2,986,052	7.8571	1,405,537	15.2571	4,391,589
		<u>67.99%</u>		<u>32.01%</u>		<u>100.00%</u>