

# 2024-2025 Financial Plan

*April 29, 2024*



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## EXECUTIVE SUMMARY

The Vancouver School Board (VSB) is proud to provide exceptional learning experiences for students. As a large, urban school district, VSB is one of Canada's most diverse school systems.

With deep gratitude and respect, we are honoured to be learning and unlearning on the ancestral and unceded lands of the xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh Úxwumixw (Squamish Nation) & səlilwətał (Tsleil-Waututh Nation). We embrace Indigenous ways of knowing and learning and work to expand Indigenous perspectives across the curriculum and within our 107 schools and programs, where more than 51,000 students learn and grow.

Equity and inclusivity are at the forefront of our approach to education. More than 7,700 staff work to create learning environments where every student thrives by prioritizing students' needs, applying evidence-informed practices and building relationships. VSB's culture reflects the diversity of our city. Students enrolled in VSB come from varied backgrounds and lived experiences and are encouraged to explore and share their unique selves and gifts. Our commitment to students goes beyond academics. Students' overall well-being and sense of belonging are equally important. We strive to build a school system where every student can be their authentic self and succeed throughout their learning journey. In doing this work, we champion equity and accountability by making evidence-based decisions. As a learning organization, we seek to continually improve student outcomes in service to them, their families and the broader community. For more information about our school district, visit <https://www.vsb.bc.ca>.

VSB operates under the authority of the *School Act* of British Columbia (B.C.) as a corporation and receives more than 90 per cent of revenue from the B.C. provincial government through the Ministry of Education and Child Care (MECC or Ministry). Any changes to provincial grants will consequently have a significant impact on the school district's financial plan and budget. The school district is exempt from federal and provincial corporate income taxes.

In accordance with the *School Act*, school districts in the province must approve a balanced budget for the 2024-2025 fiscal year (July 1, 2024 - June 30, 2025) and submit it to the Ministry by June 30, 2024.

This financial plan has been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act of the Province of British Columbia* supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board. As required by the Ministry of Education and Child Care and Public Sector Accounting (PSA) Standards, VSB tracks and reports revenue and expenditures under three separate funds: the operating fund, the special purpose fund and the capital fund.

**Operating Fund:** Includes operating grants and other revenue used to fund instructional programs, school and District administration, facilities operations, maintenance and transportation.

**Special Purpose Fund (SPF):** Is comprised of separate funds established to track revenue and expenditures received from the Ministry and other external funding sources that have restrictions on how they may be applied (e.g. Classroom Enhancement Fund, Annual Facilities Grant, Feeding Futures Fund, CommunityLINK and School Generated Funds).

**Capital Fund:** Includes capital expenditures related to facilities (purchases and enhancements) and equipment (purchases) that are funded by Ministry capital grants, operating funds and special purpose funds. An annual deficit in the capital fund that is a result of amortization expense and budgeted capital assets purchased from operating and special purpose funds exceeding the amortization of deferred capital revenue, plus budgeted local capital revenue is permitted under the Accounting Practices Order of the Ministry of Education and Child Care.

The District is required to prepare a balanced budget where revenues plus any appropriated surpluses fully fund annual operating expenses, annual SPF expenses, annual capital fund expenses, tangible capital asset acquisitions (from Operating, SPF's & Local Capital), and any planned reduction of prior years' deficits.

Prior years' accumulated surpluses can be appropriated to fund expenses for 2024-2025.

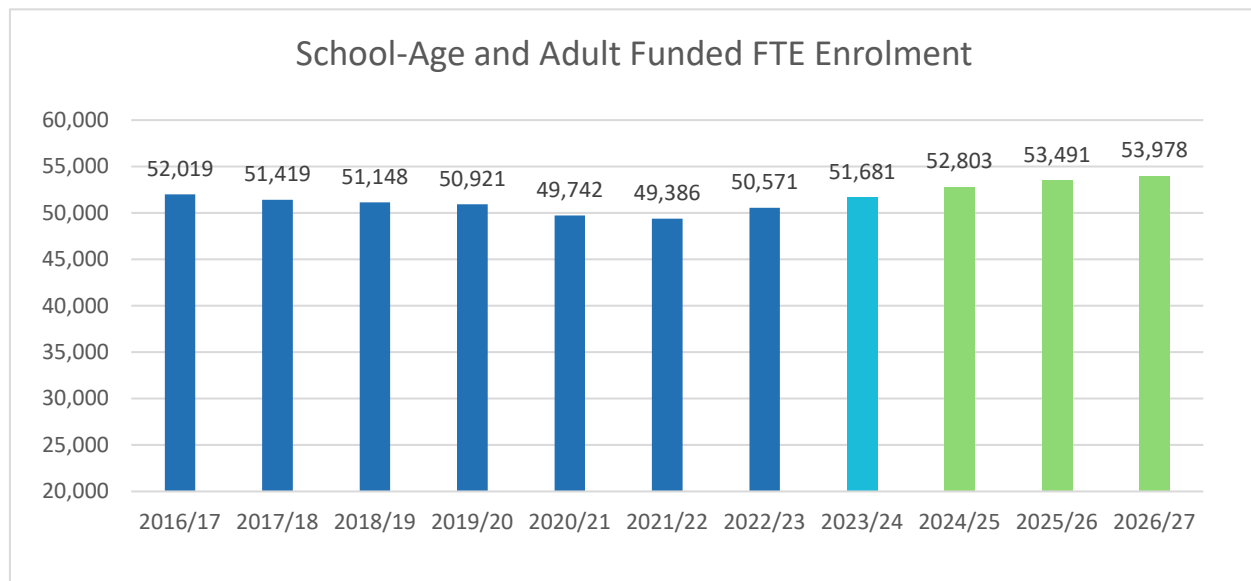
## BUDGET OVERVIEW

### Student Enrolment

VSBC is expecting to serve 52,803 students in the 2024-2025 school year. This is an increase of 1,122 students (2.17%) as compared to the 2023-2024 school year. Growth is anticipated to continue primarily because of sustained immigration levels.

The enrolment information summarized in the graph below is based on actual enrolment for 2016-2017 through 2022-2023, actual and projected enrolment for 2023-2024, and forecasted enrolment for 2024-2025 through 2026-2027. Included in the graph below are regular, alternate, online learning (school-age), continuing education (school-age), summer learning and non-graduated adult learners full time equivalent (FTE) student enrolment.

*Figure 1 – Student Enrolment*



## 2024-2025 Operating Budget Summary

VSB anticipates that revenues will offset expenses in the 2024-2025 year in the operating fund as summarized in the Figure 2 below.

The projections for 2025-2026 and 2026-2027 assume that Ministry funding rates per student FTE will remain the same as those for 2024-2025. Additional information about the 2025-2026 and 2026-2027 forecasts is included in the financial section of this report.

*Figure 2 – Annual Operating Budget Summary*

(\$ millions)	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
<b>Revenue</b>							
Provincial Grants - MECC	486.26	485.53	520.37	566.99	597.90	608.41	615.99
Provincial Grants - Other	0.06	0.06	0.06	0.06	0.08	0.08	0.08
Federal Grants	2.35	2.38	2.69	3.22	3.41	3.41	3.41
Tuition	22.28	22.27	23.47	25.71	24.49	24.49	24.49
Other Revenue	18.41	18.19	18.66	17.72	15.44	15.44	15.44
Rentals and Leases	2.75	3.85	5.11	4.89	4.89	4.89	4.89
Investment Income	1.85	1.62	5.80	6.90	6.09	5.09	4.47
<b>Total Revenue</b>	<b>533.96</b>	<b>533.90</b>	<b>576.16</b>	<b>625.49</b>	<b>652.30</b>	<b>661.81</b>	<b>668.77</b>
<b>Expense</b>							
Salaries and Benefits	474.16	488.50	518.76	565.71	591.26	599.80	605.53
Services and Supplies	43.67	53.35	60.88	61.61	57.81	58.02	59.16
<b>Total Expense</b>	<b>517.83</b>	<b>541.85</b>	<b>579.64</b>	<b>627.32</b>	<b>649.07</b>	<b>657.82</b>	<b>664.69</b>
<b>Net Revenue (Expense)</b>	<b>16.13</b>	<b>(7.95)</b>	<b>(3.48)</b>	<b>(1.83)</b>	<b>3.23</b>	<b>3.99</b>	<b>4.08</b>
Capital Assets Purchased	(5.60)	(4.34)	(4.08)	(4.42)	(4.16)	(4.16)	(4.16)
<b>Surplus (Deficit) for the Year</b>	<b>10.53</b>	<b>(12.29)</b>	<b>(7.56)</b>	<b>(6.25)</b>	<b>(0.93)</b>	<b>(0.17)</b>	<b>(0.08)</b>
<b>Accumulated Surplus</b>	<b>40.65</b>	<b>40.65</b>	<b>28.36</b>	<b>20.80</b>	<b>14.55</b>	<b>3.07</b>	<b>2.90</b>
Internally Restricted Operating Surplus	(29.55)	(24.69)	(16.33)	(11.48)	(10.55)	-	-
Unrestricted Operating Surplus (Contingency)	(11.10)	(3.67)	(4.47)	(3.07)	(3.07)	(2.90)	(2.82)
	<b>\$ 10.53</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

The majority of revenues are received from the provincial government in the form of the Ministry of Education and Child Care operating grants and other provincial grants (92.11%). Tuition, the majority of which is received from international students, is anticipated to be 3.75% of operating fund revenue in 2024-2025. Other revenues, which include school generated funds, are anticipated to contribute 2.37% of operating fund income.

The majority of expenses are salaries and employee benefits. For the 2024-2025 year, salaries and benefits are anticipated to account for 90.51% of total operating expenses. Utilities, including electricity, heat, sewer, and waste disposal costs, are forecast to be 1.82% of total expenses, and services and supplies, which includes classroom and custodial supplies, are anticipated to be 7.03% of total operating expenses.

## Special Purpose Funds Summary

The special purpose fund (SPF) is comprised of separate funds established to track the revenue and expenditures related to grants received from the Ministry and other funding sources. Each individual fund has restrictions on how VSB may spend the funds received that are prescribed by the funder.

The following special purpose funds have been included in the 2024-2025 Annual Budget:

- Annual Facility Grants (AFG) (excluding amounts paid via bylaw)
- Learning Improvement Fund (LIF)
- Special Education Technology
- Provincial Resource Program (PRP) (including SET BC)
- CommunityLINK Grants (CLINK)
- CommunityLINK Other
- Official Languages in Education French Programs (OLEP)
- StrongStart
- Ready, Set, Learn
- Classroom Enhancement Fund – Staffing
- Classroom Enhancement Fund – Overhead
- Classroom Enhancement Fund – Remedies
- First Nation Student Transportation Fund
- Mental Health in Schools
- Changing Results for Young Children (CR4YC)
- Seamless Day Kindergarten Funding
- Early Childhood Education (ECE) Dual Credit program
- Strengthening Early Years to Kindergarten Transitions (SEY2KT)
- Early Care & Learning (ECL)
- Student & Family Affordability Fund
- Feeding Futures Fund
- School Generated Funds (restricted contributions only)
- Assistive Technology AT-BC
- Settlement Workers in School
- Communication Assistance for Youth and Adults (CAYA)
- Provincial Resource Centre for the Visually Impaired (PRCVI)

Figure 3 summarizes budgeted revenue and expenses by type of expense for all special purpose funds.

VSB anticipates recording revenues of \$94.92 million in the SPF in the 2024-2025 year. The projections for 2025-2026 and 2026-2027 assume no changes in annual funding for these funds.

### Classroom Enhancement Fund

On March 14, 2024, the Ministry announced preliminary Classroom Enhancement Fund (CEF) allocations for school districts for the 2024-2025 school year. VSB has been provided with a preliminary CEF allocation of \$37.59 million, sufficient to fund an estimated 258.30 FTE teachers (\$33.08 million) and overhead costs (\$4.51 million). The preliminary allocations do not reflect additional FTE teacher staffing that may be required to meet restored collective agreement requirements in the 2024-2025 year. Adjustments to District allocations may be made once final fall 2024 staffing is known. Final 2024-2025 allocations will be confirmed at the same time as the operating grant recalculation in December 2024.



Figure 3 – Special Purpose Funds Summary

(\$ millions)	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
<b>Revenue</b>							
Provincial Grants - MECC	\$ 84.17	\$ 62.09	\$ 69.66	\$ 76.93	\$ 78.93	\$ 76.90	\$ 76.90
Provincial Grants - Other	6.30	7.25	7.85	8.74	8.79	8.79	8.79
Other Revenue	3.33	6.80	7.55	6.15	7.08	7.08	7.08
Investment Income	0.37	0.22	0.82	0.13	0.12	0.12	0.12
Total Revenue	94.17	76.36	85.88	91.95	94.92	92.89	92.89
<b>Expense</b>							
Salaries and Benefits	68.85	56.84	60.01	67.92	69.91	69.91	69.91
Services and Supplies	22.50	18.86	25.21	23.41	24.34	22.31	22.31
Total Expense	91.35	75.70	85.22	91.33	94.25	92.22	92.22
Net Revenue (Expense)	2.82	0.66	0.66	0.62	0.67	0.67	0.67
Capital Assets Purchased	(2.82)	(0.66)	(0.66)	(0.62)	(0.67)	(0.67)	(0.67)
Surplus (Deficit) for the Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

## Capital Fund Summary

The Capital Fund includes capital expenditures related to land, buildings (purchases and enhancements), computer hardware and software, vehicles and equipment that are funded from capital grants, land capital, local capital, the operating fund and special purpose funds. An annual deficit in the capital fund that is a result of amortization expense and budgeted capital assets purchased from operating and special purpose funds exceeding the amortization of deferred capital revenue plus budgeted local capital revenue is permitted under the Accounting Practices Order of the Ministry of Education and Child Care. A deficit of \$0.82 million is projected for the capital fund.

Figure 4 – Capital Fund Summary

(\$ millions)	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
<b>Revenue</b>							
Other Revenue	\$ 0.40	\$ 0.44	\$ 1.64	\$ 0.27	\$ 0.27	\$ 0.27	\$ 0.27
Rentals and Leases	1.35	5.59	2.62	2.31	2.63	2.63	2.63
Investment Income	0.22	0.18	0.61	0.81	0.60	0.60	0.60
Amortization of Deferred Capital Revenue	20.52	22.43	24.55	26.56	29.14	31.83	32.96
Total Revenue	22.49	28.64	29.42	29.95	32.64	35.33	36.46
<b>Expense</b>							
Services and Supplies	0.71	0.82	0.52	1.42	0.93	0.93	0.93
Amortization of Tangible Capital Assets	29.61	32.38	34.35	35.36	37.36	39.37	39.67
Total Expense	30.32	33.20	34.87	36.78	38.29	40.30	40.60
Net Revenue (Expense)	(7.83)	(4.56)	(5.45)	(6.83)	(5.65)	(4.97)	(4.14)
Net Transfers (to) from other funds	8.42	5.28	4.74	5.04	4.83	4.83	4.83
Surplus (Deficit) for the Year	0.59	0.72	(0.71)	(1.79)	(0.82)	(0.14)	0.69
Capital Surplus (Deficit), beginning of year	117.10	117.69	51.40	50.69	48.90	48.08	47.94
Capital Surplus (Deficit), end of year	\$ 117.69	\$ 118.41	\$ 50.69	\$ 48.90	\$ 48.08	\$ 47.94	\$ 48.63

\*2022-2023 Capital Surplus (Deficit), beginning of year includes prior period adjustments to recognize asset retirement obligation totalling \$67.01 million.



## FINANCIAL PLAN DEVELOPMENT

### GUIDING PRINCIPLES

All operating and financial decisions at VSB are informed by the [Education Plan 2026](#) and the priorities outlined in the [Framework for Enhancing Student Learning report](#). The Education Plan presents the District's values and its commitment to creating an equitable learning environment.



#### Education Plan

##### *Values Statement*

The Vancouver School Board believes an effective public education system will prepare students to be active, productive, and socially responsible citizens. Students who complete their education with the Vancouver School Board should possess a strong educational foundation; be disposed to treat others with respect and work cooperatively with them; act upon the values and principles that make us human; care for themselves, for others, and for the planet; and exercise a critical intelligence adaptable to new situations.

VSB will foster school communities where students can learn, see themselves, feel supported and connected so that they develop a love of learning and become lifelong learners.

##### *Equity Statement*

The Vancouver School Board – a large, urban school district located on the unceded, traditional lands of the xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh Úxwumixw (Squamish Nation) and səilwətał (Tsleil-Waututh Nation) – respects and supports Indigenous ways of knowing and learning.

VSB will create an equitable learning environment where every child can experience a deep sense of belonging and is free to pursue pathways of learning in ways that are authentic to themselves. The VSB will achieve this by:

- having students see themselves and their communities in the curriculum and in the staff throughout the District;
- prioritizing student needs by making informed decisions and engaging in open communication with rights holders and stakeholders; and
- actively fighting systems of oppression through relationship building, ongoing communication and transparency.

##### *Goals and Priorities*

The Education Plan provides direction for the financial planning process as Goal 2 indicates that “improving stewardship of the District’s resources by focusing on effectiveness, efficiency and sustainability” is essential for VSB to achieve its goal of increasing equity.

The Framework for Enhancing Student Learning identifies the link between effective planning and enhanced student learning and success. The document includes a commitment to Indigenous rights holders and Indigenous peoples, education partners and communities to work together to continuously improve student learning.

## Framework for Enhancing Student Learning

VSB provides an annual comprehensive update on its progress toward the goals outlined in the Education Plan. These goals are closely aligned with the [Framework for Enhancing Student Learning](#). The most recent update was presented in the [2022-2023 Framework for Enhancing Student Learning Report](#). Ongoing updates are provided regularly at the Education Plan committee.

The report centers around student success across three key areas: Intellectual Development, Human and Social Development and Career Development. To assess progress, VSB collects data from various sources, including the Foundation Skills Assessment, Graduation (Literacy and Numeracy) Assessments, Student Learning Surveys, report card information and Completion Rates.

Key findings from the 2022-2023 report are:

1. Literacy and Numeracy Performance:
  - VSB students perform above the provincial average in both literacy and numeracy for all resident students.
  - However, there are disparities among specific student groups, including Indigenous, English Language Learners, and Diverse Learners.
2. Focus Areas:
  - Literacy results trend higher than numeracy across all grade levels (K-12).
  - VSB continues to prioritize both literacy and numeracy as crucial areas of focus.
3. Completion Rate:
  - The six-year completion rate for B.C. students during the 2022-2023 school year was 94%, surpassing the provincial average of 92%.
  - Indigenous students, English Language Learners, Children and Youth in Care and Diverse Learners have lower completion rates than the overall completion rates.

Overall, VSB remains committed to enhancing student learning outcomes and addressing any disparities to ensure equitable education for all students.

## FINANCIAL PLAN ENGAGEMENT PROCESS

VSB's financial planning process is guided by the Education Plan, the 2022-2023 Framework for Enhancing Student Learning (FESL) report and applicable Board and provincial policies. Engagement activities follow best practice standards set by the International Association of Public Participation (IAP2) and in alignment with the District's administrative procedures.

Our goal is to actively seek and incorporate feedback from the xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh Úxwumixw (Squamish Nation) and səliłwətał (Tsleil-Waututh Nation), District leaders and the District's formal stakeholder groups, as well as feedback from students, their families, staff and the broader public in the annual budget and financial plan. We aim to provide clear information, ensure every voice is valued and make financial decisions that align with our community's values and our District's educational goals. All feedback will be considered by the Board. Any decisions regarding financial planning and engagement, will be made by the Board of Education (trustees).

A summary of key engagement activities is provided below.



The [Financial Plan Development Engagement Summary](#) report outlines the activities and feedback received during the public engagement period. Key considerations that emerged from the feedback collected include:

- Professional learning – inclusive instructional practices that support academic excellence, critical and creative thinking.
- Leadership development, employee engagement, recruitment and retention, succession planning.
- Support for VSB's reconciliation efforts.
- Digital literacy, safety online.
- Revenue generation including improved facilities utilization through rentals.
- Facilities maintenance and accessibility (AFG, Capital Plan).
- Inclusion and support for students with diverse learning needs.
- Staffing levels in schools.
- Review and modernize systems and structures.

## ORGANIZATIONAL INFORMATION

### BOARD OF EDUCATION

A board of education elected for a four-year term governs School District No. 39 (Vancouver). The Vancouver Board of Education (the Board) is comprised of nine elected trustees. Trustees are elected every four years at the same time as the mayor and city council for the City of Vancouver. A student trustee elected by the Vancouver District Student Council in accordance with [Policy 18](#) participates in regular public meetings of the Board and provides student perspective on matters before the Board.

The Board provides overall direction and leadership to the District and its roles and responsibilities are outlined in [Policy 2](#). The Board's role in ensuring that VSB achieves its operational and strategic objectives includes:

- Developing and maintaining a culture of student learning.
- Setting District priorities and key results to be included in strategic plans.
- Monitoring the performance of the District in achieving established priorities and key results.
- Acting as an advocate for public education and the District.
- Supporting the superintendent by monitoring and providing feedback about performance.
- Assessing the effectiveness of the Board and maintaining a board development plan.

The superintendent reports directly to the Board and is the Chief Executive Officer of the District. All Board authority delegated to the staff of the District is delegated through the superintendent. The Superintendent supports the Board in developing and enacting strategic plans by:

- Providing administrative support to the Board to develop the plan.
- Developing a communication strategy to support key actions to be undertaken under the plan.
- Developing operational plans for operating units that support the goals of the plan.

### DISTRICT ORGANIZATION

#### Educational Services

##### *School and Program-Based Staffing*

In total, VSB employs over 7,700 individuals, working at more than 100 sites across Vancouver. Principals and vice principals perform a critical role across VSB as they play both a managerial and an educational leadership role. Principals and vice principals are responsible for translating strategic priorities into operational plans at each school and for managing the day-to-day staffing requirements. Ensuring that secondary and elementary schools and programs have sufficient qualified personnel to support student needs has become increasingly complex in recent years.

Teachers may be considered as holding enrolling or non-enrolling positions. Historically, enrolling teachers have taught students directly in classrooms, while non-enrolling, or teacher specialists, provided support to vulnerable and complex students either in the classroom or in resource areas. In recent years this distinction has become less pronounced as teachers typically perform multiple functions on a day-to-day basis.

VSB employs school and student support workers (SSAs and SSBs) to provide additional supports for students with diverse needs. VSB staff perform a needs assessment when students present with the possibility of requiring additional supports, and that assessment informs decisions about programming and allocation of support. VSB provides supports, as required, even if the student has not received a designation that results in funding from the Ministry.

Under the supervision of principals, office support staff have essential roles in maintaining the operations of schools and programs in areas including: student records, attendance, communication, correspondence, health and safety and budgets.

### ***School Budget Allocations***

A portion of VSB's annual budget is allocated to schools as "flexible budgets" to allow schools to oversee the purchase of supplies, minor repairs and other school-specific expenditures. These allocations are provided directly to schools based on a combination of factors and are overseen by school administrators.

Individual schools may also raise funds directly for various initiatives. Funds may be raised by schools or Parent Advisory Councils. These revenues are considered School Generated Funds as they are maintained by individual schools and any surplus generated is not available to fund general school district operations.

The Ministry has announced that additional one-time Student and Family Affordability Fund allocations totalling \$2.03 million will be provided during 2023-2024, but it is anticipated that most of that funding will be used during 2024-2025. This funding is intended to enhance equity by removing barriers to accessing school services. School based administrators will have input about how those funds will be applied at each school during 2024-2025.

### ***District Services***

Supporting the diversity and complexity of VSB's student population requires a coordinated and collaborative leadership structure. The Educational Services team is led by associate superintendents that report directly to the superintendent. The associate superintendents each have a shared responsibility for the oversight of either elementary or secondary schools as well as specific portfolios. Directors of instruction report directly to one or more of the associate superintendents and oversee district level programs, manage specific portfolios, and provide direct support to principals and vice-principals at elementary or secondary schools and programs. District principals and vice principals report to one of the directors of instruction. Portfolios align with the goals of VSB's Education Plan and resources are allocated based on the changing needs of students.

The following provides examples of the portfolio items supported by associate superintendents, directors of instruction, district principals, teachers, exempt staff and support staff.

### **Learning and Instruction**

The Learning and Instruction teams work to improve student achievement by focusing on literacy, numeracy, and deep, critical and creative thinking. The team is made up of district principals and district resource teachers who offer support for schools and classrooms as well as system level support for professional learning and the implementation of curriculum and assessment. They work with teachers in the areas of literacy, numeracy, critical thinking, the arts, modern languages and mentorship. The team's work is crucial to achieving the goals of the Education Plan and the Ministry's Framework for Enhancing Student Learning policy.

### **Learning Services**

The Learning Services team operates in close collaboration with school teams, students' parents/guardians, and community partners to ensure the academic and social-emotional success of all students. Learning Services support encompasses a spectrum of learning environments, ranging from inclusive classrooms to more specialized, self-contained settings. Within VSB, a diverse group of district professionals collaborates closely with school and program staff to address the varying educational needs of students.

The budgets allocated to Learning Services include funding for department wages and benefits; training and professional development; as well as services and supplies. The Ministry provides supplemental funding for students with diverse abilities; the Board then approves how the additional funding is allocated. Currently, this funding is used to provide the following: teachers, student support workers, child and youth care workers, district learning services support staffing, student transportation, and specialized supplies. Student outcomes and needs are reviewed to inform staffing decisions and resource allocation.

### **Safe and Caring Schools**

In alignment with the Education Plan, the commitment of the Safe and Caring Schools, Social Emotional Learning (SEL) and Mental Health, and the Equity and Anti-Oppression teams is paramount. VSB places a strong emphasis on supporting students through an equity lens, recognizing that each student's unique needs and experiences must be considered. VSB staff actively provide resources and support, guided by a trauma-informed approach. They engage in restorative practices to foster a positive and inclusive learning environment and focus on social and emotional learning and mental health literacy to support well-being, connectedness and a sense of belonging. Collaboration with staff ensures that students receive the necessary assistance to thrive academically and emotionally.

### **English Language Learning**

Students who are English Language Learners (ELL) receive targeted academic support from qualified teaching staff, over and above regular classroom instruction. ELL specialist teachers regularly collaborate with classroom teachers and promote new methods of inclusive ELL support. The ELL district resource teacher provides professional development and ongoing, targeted support in ELL supportive practices to VSB staff throughout the school year.

### **Early Learning and Child-Care**

VSB supports a variety of early learning initiatives including 19 StrongStart programs, Kindergarten Seamless Day, and Ready, Set, Learn and Welcome to Kindergarten events. A focus continues to be working with providers to offer before-and-after-school child care at the majority of our elementary schools, and support opportunities to create age 0-5 child care spaces at schools where possible.

### **District Choice Programs**

In addition to District's network of neighbourhood schools, VSB also offers a variety of choice programs at both the elementary and secondary level, designed to meet the needs of students. District choice programs include French Immersion, Mandarin Immersion, Montessori, International Baccalaureate, secondary Mini Programs, Indigenous Focus and the Arts. Programs are responsive to student needs, with the understanding that offerings, sites and enrolment may change from year-to-year based on unique needs.

### **Pathways to Graduation**

VSB offers many pathways to graduation including Adult Education, Vancouver Learning Network (VLN), Alternate and Alternative Programs and Career Programs (including Apprenticeship and Dual Credit programming).

### **Communications**

The Communications Department, reporting to the superintendent, provides expertise in strategic communications, media relations, social media, crisis communication, public engagement and content creation. It is our goal to ensure families, staff and community members receive accurate and timely information.



## Business Operations

VSB's Business Operations functions include finance, facilities, risk management, community connections and board support services and are overseen by the secretary treasurer and CFO. The office of the secretary treasurer oversees recording and maintaining records for the board and standing committee meetings, as well as coordinating these meetings and handling board correspondence. The office fulfills the responsibilities and requirements of the secretary treasurer as outlined in the *School Act*, ensuring compliance and effective governance.

The Risk Management and Privacy Compliance department plays a pivotal role in the organization. Its primary responsibilities are strategic enterprise risk management and the management of a comprehensive privacy program in accordance with the *British Columbia Freedom of Information and Protection of Privacy Act* (BC FIPPA). This includes safeguarding personal information, promoting transparency, and handling Freedom of Information requests. The department also provides litigation support, assisting the organization in legal matters. In addition to these responsibilities, the department is tasked with ensuring that the VSB maintains adequate insurance levels, managing insurance claims, contract review and providing risk advice across the organization.

## Finance

The Finance department is responsible for financial reporting, which involves tracking and reporting on the school district's financial performance in accordance with Ministry guidelines and applicable accounting standards and legislation. It also handles budgeting and forecasting, which involves planning for future years. The department oversees material services and purchasing, ensuring the school district has the supplies and services it needs to operate effectively. Additionally, it manages VSB's Food Services Program, providing school meals for students. Team members include an executive director, managers, supervisors and support staff.

## Facilities

The Facilities department actively manages and maintains all VSB facilities. Team members include directors, managers, supervisors, building engineers, trades, grounds, support and exempt staff. In addition to routine operations and maintenance, the department takes a proactive approach in planning for the future. The department also develops long-term facilities plans. This involves forecasting the anticipated educational needs of students across the District and developing capital plans to meet those needs. The Vancouver Project Office, a part of the department, takes charge of executing major capital projects. These projects encompass seismic mitigation measures, seismic replacements, and new construction initiatives. Sustainability is a core value that the facilities department integrates into all its functions. The department also handles the rental and leasing of VSB facilities, ensuring optimal utilization of space.

## Community Connections

The Community Connections department is an integral part of the organization, focusing on several key areas. It actively seeks revenue generation opportunities through grants, donations and managing paid parking facilities. The department places a strong emphasis on building relationships with the local community, understanding their needs, and garnering support for the school district. It oversees the entire lifecycle of a grant, from research and application to compliance and reporting. The department also forms strategic partnerships with local businesses, non-profit organizations and other educational institutions to provide value for students and the school district. A significant goal is to enhance equity of access, ensuring all students have equal opportunities to benefit from the resources and opportunities provided by the VSB.



## **Employee Services**

The Employee Services department is responsible and accountable for supporting the employee experience of over 7,700 employees through four portfolios, Compensation- Payroll and Benefits, Health, Safety and Wellness, Recruitment and Staffing, and Labour Relations. The team includes an executive director, directors, managers, supervisors, support staff, and exempt staff.

The Employee Services department is committed to implementing human resources practices that support the Education Plan Goals of equity and reconciliation. In particular, the department dedicates its budgetary and human resources towards fostering a diverse workforce to enable students to see themselves and their communities in the caring adults that are entrusted to their supervision. The department also ensures safe and inclusive workplaces free from discrimination and racism.

The strategic initiatives of the department are informed by key enterprise risks and mitigation strategies, as well collaboration with and feedback from employee group partners. The work of the Employee Services team and its utilization of budgetary resources will continue to focus on employee recruitment and retention, health and safety, labour relations, leadership development, professional learning and succession planning.

## **Learning and Information Technology**

The Learning and Information Technology (LIT) department oversees Information Technology services and District-based library services. The department supports staff and students in five areas: Education, Infrastructure, Application Development, Service Delivery, IT Systems, and IT Infrastructure. The Department continues to incorporate emerging technology into the school system and support digital literacy.

### ***Education***

The Education team supports schools by providing resources and training to enhance the daily use of technology in the school system. As technology evolves, so does our work in integrating new technologies into school operations and learning environments. Responsibilities include managing LIT initiatives such as technology deployment, updating the public-facing website, coordinating professional development, and supporting the implementation of educational software. Looking ahead, the team will support the rollout of Artificial Intelligence (AI) and continue to provide digital literacy resources for the District.

### ***Application Development***

The Application Development team is tasked with the creation, maintenance, and enhancement of information systems that facilitate the District's business and educational activities. They conduct business analysis, create documentation, design databases and repositories, develop reporting systems, and implement web-based applications. Additionally, they are involved in modernizing District software solutions, facilitating data exchanges, and developing web applications that integrate with various District systems.

### ***Service Delivery***

The Service Delivery team is dedicated to offering essential technical support and training. They address incidents and service requests in schools and District offices, tackling issues related to devices and services, managing installations, and advising on technology acquisitions.

### ***IT Systems***

The IT Systems team ensures the support and deployment of systems, applications and security across 30,000 devices. They are responsible for the architecture and implementation of server, data storage and backup and recovery systems, which underpin District services like printing and application hosting. Additionally, they oversee the configuration, rollout, and updating of devices and software, as well as managing user and device identity and access controls.

### ***Infrastructure***

The Infrastructure team is entrusted with the development and configuration of a comprehensive wired and wireless network infrastructure, ensuring a dependable, efficient, and secure setting for District services and devices. Their responsibilities include the implementation and upkeep of cloud solutions, Microsoft cloud services and the integration of District services with cloud connectivity and security protocols. They also administer communication systems, such as VoIP phone systems, email, Microsoft Teams and Office 365 applications, assuring the continuous availability, optimal performance, and scalability of the District's network, cloud, and communication infrastructures.

Addressing the complexity of maintaining VSB's IT infrastructure, which is pivotal in supporting educational goals and business services, is increasingly challenging. The lack of adequate technology access remains an impediment to student learning, with many students depending on VSB resources for access to laptops and other devices to complete their schoolwork. As the costs associated with managing information systems escalate, the District recognizes the necessity for more prompt and dependable data about student progress, identifying it as a crucial element for fulfilling the objectives of the Education Plan.

## FINANCIAL INFORMATION

### BUDGET STRUCTURE

VSB is required to prepare and submit budgets to the Minister of Education and Child Care, in the form, with the information, and at the time required by the Minister. The Annual Budget is prepared in accordance with the [Accounting Practices Order](#), Section 23.1 of the [Budget Transparency and Accountability Act](#), Regulations [257/2010](#) and [198/2011](#) issued by the Province of BC Treasury Board the [Financial Planning and Reporting Policy](#) and the [K-12 Accumulated Operating Surplus Policy](#).

As required by the Ministry of Education and Child Care and Canadian Public Sector Accounting Board, VSB tracks and reports revenue and expenditures under three separate funds: the operating fund, the special purpose fund and the capital fund.

School districts in British Columbia must report revenues and expenditures within a provincially defined structure. The revenue and expense categories include:

**Grants** includes provincial grants received from the provincial and the federal government.

**Tuition** includes fees collected for non-resident students and eligible continuing education courses.

**Rentals and Leases** includes all revenue from rentals and leases of school facilities.

**Investment Income** includes revenue from funds deposited by the school district in term deposits or other investments.

**Salaries and Benefits** represent all salaries and benefits paid on behalf of employees including contributions to pension plans, Canada Pension Plan and Employee Insurance, WorkSafeBC premiums, employer health tax, and the costs of providing extended health and dental benefit plans.

**Services and Supplies** includes the costs of supplies, materials, services rendered, and utilities.

**Capital Asset Purchases** include the cost of tangible capital assets purchased (e.g. furniture, equipment, computer hardware and software, and buildings).

### PROCESS TO BUILD THE ANNUAL BUDGET

In developing the balanced budget for the operating fund for 2024-2025 the overall goal is to provide, to the extent possible, a comparable level of programs and services as provided in 2023-2024. Priority is given to initiatives that support the goals in the Education Plan, while also ensuring that VSB maintains a balanced budget. The development of the annual budget for 2024-2025 includes:

- Development and approval of the 2023-2024 amended annual budget.
- Development and submission to MECC of three-year enrolment projections.
- Development of base budget which includes revenue and expense estimates validation through a zero-based budget review process, estimated enrolment driven changes to revenue and expenditures, estimated changes to employee salaries and benefits; estimated changes to services, supplies, and utilities due to contractual rate changes; and adjustments for one-time revenue or expenditures included in the prior year budget.
- The creation of the balanced status quo budget.
- Consideration of structural deficit reduction strategies.
- Financial plan engagement to inform financial priorities.
- Board approved budget changes.

The base of this financial plan is the Board approved [2023-2024 amended budget](#).

## FINANCIAL SUMMARY

### Revenue and Expense (All Funds Combined)

The following table summarizes revenue and expense by object for all funds - actuals for years 2020-2021 to 2022-2023 and budgeted for 2023-2024 to 2026-2027. An analysis by fund for 2023-2024 to 2026-2027 is included in the following sections of this document.

(\$ millions)	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
<b>Revenue</b>							
Provincial Grants - MECC	570.43	547.62	590.03	643.92	676.83	685.31	692.89
Provincial Grants - Other	6.36	7.31	7.91	8.80	8.87	8.87	8.87
Federal Grants	2.35	2.38	2.69	3.22	3.41	3.41	3.41
Tuition	22.28	22.27	23.47	25.71	24.49	24.49	24.49
Other Revenue	22.14	25.43	27.85	24.14	22.79	22.79	22.79
Rentals and Leases	4.10	9.44	7.73	7.20	7.52	7.52	7.52
Investment Income	2.44	2.02	7.23	7.84	6.81	5.81	5.19
Amortization of Deferred Capital Revenue	20.52	22.43	24.55	26.56	29.14	31.83	32.96
<b>Total Revenue</b>	<b>650.62</b>	<b>638.90</b>	<b>691.46</b>	<b>747.39</b>	<b>779.86</b>	<b>790.03</b>	<b>798.12</b>
<b>Expense</b>							
Salaries and Benefits	543.01	545.34	578.77	633.63	661.17	669.71	675.44
Services and Supplies	66.88	73.03	86.61	86.44	83.08	81.26	82.40
Amortization of Tangible Capital Assets	29.61	32.38	34.35	35.36	37.36	39.37	39.67
<b>Total Expense</b>	<b>639.50</b>	<b>650.75</b>	<b>699.73</b>	<b>755.43</b>	<b>781.61</b>	<b>790.34</b>	<b>797.51</b>
<b>Net Revenue (Expense)</b>	<b>11.12</b>	<b>(11.85)</b>	<b>(8.27)</b>	<b>(8.04)</b>	<b>(1.75)</b>	<b>(0.31)</b>	<b>0.61</b>
Capital Assets Purchased	(8.42)	(5.00)	(4.74)	(5.04)	(4.83)	(4.83)	(4.83)
Net Transfers (to) from other funds	8.42	5.28	4.74	5.04	4.83	4.83	4.83
<b>Surplus (Deficit) for the Year</b>	<b>\$ 11.12</b>	<b>\$ (11.57)</b>	<b>\$ (8.27)</b>	<b>\$ (8.04)</b>	<b>\$ (1.75)</b>	<b>\$ (0.31)</b>	<b>\$ 0.61</b>

The surplus (deficit) for the year is comprised of operating surplus (deficit) and capital surplus (deficit) for the year. All operating fund deficits have been funded or are expected to be funded from available accumulated surplus carried forward from a prior year. The capital funds surplus (deficit) is comprised of amortization of deferred capital revenue, amortization of tangible capital assets, and targeted revenue for specific capital projects that show as expenses in the year they are recognized under generally accepted accounting principles. An annual deficit is permitted in the capital fund.

For 2024-2025, \$0.93 million of prior year surplus is expected to be used to achieve a balanced operating budget; a deficit of \$0.82 million is projected for the capital fund. Per Ministerial Order 033/09 Accounting Practices Order, a capital fund deficit is permitted for the amount that amortization of tangible capital assets expense exceeds amortization of deferred capital revenue.

A summary of VSB staffing by employee type is provided in the table below.

All Funds - FTE Staffing	2023-24 Budget	Change	2024-25 Budget
Teachers	3,110	16	3,126
Principals and Vice Principals	207	-	207
Educational Assistants	1,129	52	1,181
Support Staff	1,281	1	1,282
Other Professionals	141	-	141
Trustees	10	-	10
	<b>5,878</b>	<b>69</b>	<b>5,947</b>

## OPERATING FUND

The operating fund includes operating grants and other revenues used to fund instructional programs, school and district administration, facilities operations, maintenance, and transportation.

This section provides background information for the budget process, together with preliminary budget changes that form the basis of the 2024-2025 Preliminary Operating Budget.

The following table summarizes revenue and expense by object for the Operating Fund — actuals for years 2020-2021 to 2022-2023 and budgeted for 2023-2024 to 2026-2027.

The operating budget reflects the estimated revenue and expenses for 2024-2025. Revenue and expense estimates have been validated through a zero-based budget review process. The 2024-2025 budget reflects assumptions made for:

- Projected enrolment changes.
- Projected changes to revenue and staffing due to changes in enrolment.
- Projected changes to revenue due to funding formula changes.
- Estimated changes to employee salaries and benefits.
- Estimated changes to services, supplies, and utilities due to contractual rate changes.
- Adjustments for one-time revenue or expenditures included in the prior year budget.
- Budget changes based on key priorities identified in the Education Plan, the Framework for Enhancing Student Learning report and through the financial plan engagement process.

Figure 2 – Annual Operating Budget Summary

(\$ millions)	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
<b>Revenue</b>							
Provincial Grants - MECC	486.26	485.53	520.37	566.99	597.90	608.41	615.99
Provincial Grants - Other	0.06	0.06	0.06	0.06	0.08	0.08	0.08
Federal Grants	2.35	2.38	2.69	3.22	3.41	3.41	3.41
Tuition	22.28	22.27	23.47	25.71	24.49	24.49	24.49
Other Revenue	18.41	18.19	18.66	17.72	15.44	15.44	15.44
Rentals and Leases	2.75	3.85	5.11	4.89	4.89	4.89	4.89
Investment Income	1.85	1.62	5.80	6.90	6.09	5.09	4.47
<b>Total Revenue</b>	<b>533.96</b>	<b>533.90</b>	<b>576.16</b>	<b>625.49</b>	<b>652.30</b>	<b>661.81</b>	<b>668.77</b>
<b>Expense</b>							
Salaries and Benefits	474.16	488.50	518.76	565.71	591.26	599.80	605.53
Services and Supplies	43.67	53.35	60.88	61.61	57.81	58.02	59.16
<b>Total Expense</b>	<b>517.83</b>	<b>541.85</b>	<b>579.64</b>	<b>627.32</b>	<b>649.07</b>	<b>657.82</b>	<b>664.69</b>
<b>Net Revenue (Expense)</b>	<b>16.13</b>	<b>(7.95)</b>	<b>(3.48)</b>	<b>(1.83)</b>	<b>3.23</b>	<b>3.99</b>	<b>4.08</b>
Capital Assets Purchased	(5.60)	(4.34)	(4.08)	(4.42)	(4.16)	(4.16)	(4.16)
<b>Surplus (Deficit) for the Year</b>	<b>10.53</b>	<b>(12.29)</b>	<b>(7.56)</b>	<b>(6.25)</b>	<b>(0.93)</b>	<b>(0.17)</b>	<b>(0.08)</b>
<b>Accumulated Surplus</b>	<b>40.65</b>	<b>40.65</b>	<b>28.36</b>	<b>20.80</b>	<b>14.55</b>	<b>3.07</b>	<b>2.90</b>
Internally Restricted Operating Surplus	(29.55)	(24.69)	(16.33)	(11.48)	(10.55)	-	-
Unrestricted Operating Surplus (Contingency)	(11.10)	(3.67)	(4.47)	(3.07)	(3.07)	(2.90)	(2.82)
	<b>\$ 10.53</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## Operating Revenue

### Ministry of Education and Child Care Operating Grant

MECC operating grant estimates for 2024-2025 to 2026-2027 are based on the current MECC funding allocation formula and VSB's forecasted enrolment changes summarized in the table below. Additional information about forecasted enrolments is included in the student enrolment trends and forecast section of this report.

FTE students	2022-23	2023-24		2024-25		2025-2026		2026-27	
	Actual	Change	Budget	Change	Budget	Change	Budget	Change	Budget
<b>Enrolment Categories</b>									
Standard (Regular) Schools	48,324	930	49,254	1,098	50,352	688	51,040	487	51,527
Continuing Education (School-Age)	67	-	67	1	68	-	68	-	68
Alternate Schools	307	36	343	-	343	-	343	-	343
Online Learning (School-Age)	707	(5)	702	46	748	-	748	-	748
Non-Graduated Adults	167	12	179	(27)	152	-	152	-	152
Summer Learning	970	141	1,111	2	1,113	-	1,113	-	1,113
Newcomer Refugees	27	(2)	25	-	25	-	25	-	25
Youth Train in Trades	2	(2)	-	2	2	-	2	-	2
<b>Total Funded Enrolment</b>	<b>50,571</b>	<b>1,110</b>	<b>51,681</b>	<b>1,122</b>	<b>52,803</b>	<b>688</b>	<b>53,491</b>	<b>487</b>	<b>53,978</b>
Level 1 - Inclusive Education	62	(3)	59	(2)	57	-	57	-	57
Level 2 - Inclusive Education	2,524	138	2,662	178	2,840	153	2,993	158	3,151
Level 3 - Inclusive Education	504	(36)	468	-	468	-	468	-	468
English Language Learners	8,712	533	9,245	597	9,842	278	10,120	(270)	9,850
Indigenous Education	2,161	(52)	2,109	-	2,109	23	2,132	(63)	2,069

On March 14, 2024, the Ministry announced the preliminary operating grants for school districts for the 2024-2025 year based on enrolment projections provided by school districts in February 2024.

The Basic Allocation for standard, continuing education and alternate schools increased from \$8,625 to \$8,915 per school age FTE. The funding per school age FTE students enrolled in Online Learning has also increased from \$6,960 to \$7,200. In total 75% of provincial funding is allocated through the Basic Allocation.

Standard School	Continuing Education	Alternate School	Online Learning
\$8,915 per school age FTE	\$8,915 per school age FTE	\$8,915 per school age FTE	\$7,200 per school age FTE

These increases reflect the labour settlement funding required to fund the wage and benefits increases for cost of living adjustment (COLA) 2023-2024 and 2% general wage increase in 2024-2025. The COLA funding for 2024-2025 has not yet been announced and it will be distributed as a separate labour settlement grant.

Unique student funding is provided to address the uniqueness of school district enrolment and support additional programming. This category accounts for 18% of provincial funding. Funding rates for unique student needs also increased as follows:

Level 1 Inclusive Education	Level 2 Inclusive Education	Level 3 Inclusive Education
\$50,730 per student	\$24,070 per student	\$12,160 per student

- For Level 1 Inclusive Education funding has increased from \$49,070 to \$50,730. This funding category includes students identified as Physically Dependent or Deafblind.
- For Level 2 Inclusive Education funding has increased from \$23,280 to \$24,070. This funding category includes students identified as Moderate to Profound Intellectual Disability, Physical Disability or Chronic Health Impairment, Visual Impairment, Deaf or Hard of Hearing, Autism Spectrum Disorder
- For Level 3 Inclusive Education funding has increased from \$11,760 to \$12,160. This funding category includes students identified as Intensive Behaviour Interventions or Serious Mental Illness.

<b>English Language Learner</b> \$1,795 per student	<b>Indigenous Education</b> \$1,770 per student	<b>Adult Education</b> (non-graduated over 19) \$5,690 per FTE
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- Funding for English / French Language Learners increased from \$1,735 to \$1,795.
- Funding for Indigenous Education increased from \$1,710 to \$1,770.
- Funding for Non-graduated Adult Education increased from \$5,505 to \$5,690.
- The Equity of Opportunity allocation has increased by \$177,228 to \$2,428,958.

Finally, Unique District related allocations increased as follows:

- Climate Factor – increase of \$10,657 to \$102,127
- Student Location - increase of \$178,020 to \$3,259,817
- Salary Differential – Increase of \$494,233 to \$15,941,711

The Curriculum and Learning Support Fund continues to be provided in 2024-2025 and it increased by \$9,214 to \$450,383. This funding will continue to be provided to assist districts with implementing initiatives as part of the provincial curriculum.

In addition, a new allocation for Indigenous Education Councils totalling \$77,750 is provided for 2024-2025.

Unique District					7%
Additional funding to address uniqueness of district factors					
<b>Small Community:</b> For small schools located a distance away from the next nearest school	<b>Low Enrolment:</b> For districts with low total enrolment	<b>Rural Factor:</b> Located some distance from Vancouver and the nearest large regional population centre	<b>Climate Factor:</b> Operate schools in colder/warmer climates	<b>Sparseness Factor:</b> Operate schools that are spread over a wide demographic area	
Student Location					0.1%
Additional funding based on standard school enrolment and the school-age population density of communities within districts					
Salary Differential					
Funding to districts that have higher average educator salaries					
Funding Protection/Enrolment Decline					
<b>Enrolment Decline:</b> funding to districts experiencing enrolment decline of at least 1% when compared to the previous year		<b>Funding Protection:</b> funding to ensure that no district experiences a decline in operating grants larger than 1.5% when compared to the previous September			



VSB's preliminary operating grant allocation is \$582.79 million as outlined in Figure 5.

Figure 5 – Ministry of Education preliminary operating grant allocation for 2024-2025

Funding Category	Projected Student FTE 2024-25	Funding Rate per FTE 2024-25	2024-25 Funding (\$)	Funding Change			Projected Student FTE 2025-26	Projected Funding 2025-26	Projected Student FTE 2026-27	Projected Funding 2026-27
				Rate Change per FTE	Labour Settlement (\$)	Enrolment Change (\$)				
July Enrolment										
Grade 1-7	5,100	\$ 255	\$ 1,300,500	10	\$ 51,000	\$ 5,390	5,100	\$ 1,300,500	5,100	\$ 1,300,500
Summer Learning Grade 8-9	1,250	\$ 255	\$ 318,750	10	\$ 12,500	\$ 245	1,250	\$ 318,750	1,250	\$ 318,750
Summer Learning Grade 10-12	2,500	\$ 505	\$ 1,262,500	15	\$ 37,500	\$(3,675)	2,500	\$ 1,262,500	2,500	\$ 1,262,500
Supplemental Summer Learning			\$ 932,442		\$ 31,379			\$ 932,442		\$ 932,442
Cross-Enrolment (Grade 8 & 9)	50	\$ 505	\$ 25,250	15	\$ 750	\$(1,960)	50	\$ 25,250	50	\$ 25,250
Base Allocation - September Enrolment										
Standard Schools	50,352	\$ 8,915	\$448,888,080	290	\$14,602,080	\$ 9,467,555	51,040	\$ 455,021,600	51,527	\$459,363,205
Continuing Education	24	\$ 8,915	\$ 213,403	290	\$ 6,942	-	24	\$ 213,398	24	\$ 213,403
Alternate Schools	343	\$ 8,915	\$ 3,057,845	290	\$ 99,470	-	343	\$ 3,057,845	343	\$ 3,057,845
Online Learning	421	\$ 7,200	\$ 3,033,000	240	\$ 101,100	-	421	\$ 3,033,000	421	\$ 3,033,000
Homeschoolers	82	\$ 250	\$ 20,500	-	\$ -	\$ -	82	\$ 20,500	82	\$ 20,500
Course Challenges	177	\$ 279	\$ 49,383	9	\$ 1,593	-	270	\$ 75,330	270	\$ 75,330
Supplemental Funding - September Enrolment										
Unique Student Needs										
English Language Learners	9,822	\$ 1,795	\$ 17,630,490	60	\$ 589,320	\$ 1,001,095	10,100	\$ 18,129,500	9,830	\$ 17,644,850
Indigenous Education	2,109	\$ 1,770	\$ 3,732,930	60	\$ 126,540	-	2,132	\$ 3,773,640	2,069	\$ 3,662,130
Level 1 - Inclusive Education	57	\$ 50,730	\$ 2,891,610	1,660	\$ 94,620	\$(98,140)	57	\$ 2,891,610	57	\$ 2,891,610
Level 2 - Inclusive Education	2,800	\$ 24,070	\$ 67,396,000	790	\$ 2,212,000	\$ 3,794,640	2,963	\$ 71,319,410	3,126	\$ 75,242,820
Level 3 - Inclusive Education	468	\$ 12,160	\$ 5,690,880	400	\$ 187,200	-	468	\$ 5,690,880	468	\$ 5,690,880
Adult Education	65	\$ 5,690	\$ 369,850	185	\$ 12,025	\$(11,010)	65	\$ 369,850	65	\$ 369,850
February Enrolment Count										
CE - School Age	24	\$ 8,915	\$ 213,960	290	\$ 6,960	-	24	\$ 213,960	24	\$ 213,960
CE - Adults	50	\$ 5,690	\$ 284,500	185	\$ 9,250	\$(93,585)	50	\$ 284,500	50	\$ 284,500
Online Learning - Grade K-9	12	\$ 3,600	\$ 43,200	120	\$ 1,440	\$(24,360)	12	\$ 43,200	12	\$ 43,200
Online Learning - Grade 10-12	170	\$ 7,200	\$ 1,224,000	240	\$ 40,800	\$ 139,200	170	\$ 1,224,000	170	\$ 1,224,000
Online Learning - Adults	4	\$ 5,690	\$ 22,760	185	\$ 740	\$(44,040)	4	\$ 22,760	4	\$ 22,760
Level 1 - Inclusive Education	-	\$ 25,365	-	830	\$ -	-	-	\$ -	-	\$ -
Level 2 - Inclusive Education	40	\$ 12,035	\$ 481,400	395	\$ 15,800	\$ 174,600	30	\$ 361,050	25	\$ 300,875
Level 3 - Inclusive Education	-	\$ 6,080	-	200	\$ -	-	-	\$ -	-	\$ -
Newcomer Refugees	25	\$ 4,458	\$ 111,450	145	\$ 3,625	-	25	\$ 111,450	25	\$ 111,450
ELL - Newcomer Refugees only	20	\$ 898	\$ 17,960	30	\$ 600	\$ 17,360	20	\$ 17,960	20	\$ 17,960
May Enrolment Count										
CE - School Age	20	\$ 8,915	\$ 178,300	290	\$ 5,800	\$ 17,250	20	\$ 178,300	20	\$ 178,300
CE - Adults	30	\$ 5,690	\$ 170,700	185	\$ 5,550	-	30	\$ 170,700	30	\$ 170,700
Online Learning - Grade K-9	20	\$ 2,400	\$ 48,000	80	\$ 1,600	\$ 18,560	20	\$ 48,000	20	\$ 48,000
Online Learning - Grade 10-12	125	\$ 7,200	\$ 900,000	240	\$ 30,000	\$ 174,000	125	\$ 900,000	125	\$ 900,000
Online Learning - Adults	3	\$ 5,690	\$ 17,070	185	\$ 555	-	3	\$ 17,070	3	\$ 17,070
Additional Supplemental Funding										
Equity of Opportunity Supplement			\$ 2,428,958		\$ 100,530	\$ 76,698		\$ 2,461,593		\$ 2,484,695
Unique Geographic Factors			\$ 3,361,944		\$ 2,922	\$ 185,755		\$ 3,528,385		\$ 3,697,738
Salary Differential			\$ 15,941,711		\$ 494,233	-		\$ 16,291,866		\$ 16,584,738
Curriculum Learning and Support			\$ 450,383		\$ -	\$ 9,214		\$ 460,262		\$ 466,454
Indigenous Education Councils			\$ 77,750		\$ 77,750	-		\$ 77,750		\$ 77,750
TOTAL			\$582,787,459		\$18,964,174	\$14,804,792		\$ 593,848,811		\$601,949,015

### Other Ministry of Education and Child Care Grants

In addition to the operating grant, the Ministry provides funding for school districts under the following categories:

- Pay equity funding has been announced for the 2024-2025 year and VSB's allocation is \$7.29 million which is anticipated to remain unchanged through the 2026-2027 year.
- Funding for graduated adults has not yet been announced for the 2024-2025 year. VSB's allocation is estimated to be \$1.19 million which is expected to remain unchanged through the 2026-2027 year.
- Student transportation funding and the Districts' 2024-2025 allocation is \$0.05 million which is expected to remain unchanged through the 2026-2027 year.

- Official Languages in Education Protocol (OLEP) for the 2024-2025 year is \$0.58 million which is expected to remain unchanged through the 2026-2027 year.
- Early Learning Grant has not yet been announced for the 2024-2025 year. VSB's allocation is estimated to be \$1.09 million which is expected to remain unchanged through the 2026-2027 year.
- Labour settlement funding for cost of living adjustment (COLA) and management salary increases for the 2024-2025 year has not yet been announced. VSB anticipates to receive an allocation of \$6.54 million for the 2024-2025 which will remain unchanged through the 2026-2027 year.

#### Other Revenue

The financial projections reflect VSB's forecasted revenue for the years 2023-2024 through 2026-2027. Rentals and lease income reflect terms of existing leases and assume no increase in rental income for periods after those leases expire. Interest income is projected to decline as interest rates on deposits with the provincial Central Deposit Program are based on the CIBC prime rate which is tied to the Bank of Canada's target overnight rate. VSB anticipates that the Bank of Canada will lower interest rates by 50 basis points each quarter until the target rate reaches 2.50% at which point it will remain constant to the end of the forecast period. All other revenues are anticipated to remain unchanged through 2026-2027.

### Operating Expense

In aggregate, operating expenses are anticipated to be \$649.07 million for the 2024-2025 year. Salaries and benefits account for approximately 91% of total operating expense.

#### Staffing

Staffing allocations have been reviewed to ensure the classroom teaching staffing allocated to schools from the operating fund is sufficient to support the creation of school organizations within the *School Act*-stipulated class-size limits by grade. Preliminary organizations have been created for all elementary schools based on estimated enrolment by school for 2024-2025. The secondary staffing allocations have been reviewed to ensure accuracy of staffing allocations. For 2024-2025, all classroom teacher allocations will be based on student FTE.

The *School Act* stipulated class size limits are included in table below.

Grade	School Act Class Size
Kindergarten	1:22
Grade 1 - 3	1:24
Grade 4 - 7	1:30
Grade 8 - 12	1:30

The actual staffing required will not be confirmed until September 2024 when the actual student enrolment for 2024-2025 is known and schools are re-organized to meet the collective agreement mandated class size and composition by grade and course type. The staffing required to meet collective agreement requirements is funded by the Ministry of Education and Child Care under the Classroom Enhancement Fund.

This funding is confirmed in December 2024; however, school staffing and organization must occur in May-June 2024. This means that VSB will have to employ additional teachers before the additional CEF allocation is confirmed by the Ministry. To manage this risk, a sufficient contingency reserve must be maintained for 2024-2025.

It is expected that the restored collective agreement language for the Vancouver Teachers Federation (VTF) will continue to result in increased staffing allocations that are estimated to continue to be fully funded by the province under the Classroom Enhancement Fund for the next four years. Forecasted revenue and staffing costs are not included in these estimates.

### *Salary and Benefit Expenses*

VSBS's collective agreement with the Vancouver Teachers' Federation is effective from July 1, 2022, to June 30, 2025. The collective agreement allows for a general wage increase (GWI) of 2.0% and 1.0% COLA effective July 1, 2024. The forecast for the 2025-2026 and 2026-2027 years assume no salary increases.

VSBS's collective agreement with the Canadian Union of Public Employees (CUPE), Local 15 is effective from July 1, 2022, to June 30, 2025. The collective agreement allows for a GWI of 2.0% and 1.0% COLA effective July 1, 2024. The forecast for the 2025-2026 and 2026-2027 years assume no salary increases.

VSBS's collective agreement with CUPE, Local 407 is effective from July 1, 2022, to June 30, 2025. The collective agreement allows for a GWI of 2.0% and 1.0% COLA effective July 1, 2024. The forecast for the 2025-2026 and 2026-2027 years assume no salary increases.

VSBS's collective agreement with the International Union of Operating Engineers (IUOE), Local 963 is effective from July 1, 2022, to June 30, 2025. The collective agreement allows for a GWI of 2.0% and 1.0% COLA effective July 1, 2024. The forecast for the 2025-2026 and 2026-2027 years assume no salary increases.

VSBS's collective agreement with the Bargaining Council of Vancouver School Board Construction and Maintenance Trade Unions is effective from July 1, 2022, to June 30, 2025. The collective agreement allows for a GWI of 2.0% and 1.0% COLA effective July 1, 2024. The forecast for the 2025-2026 and 2026-2027 years assume no salary increases.

All salary changes for non-unionized staff are implemented based on policy directives provided by the Public Sector Employers' Counsel (PSEC) and the BC Public Schools Employers' Association (BCPSEA). In 2022, BCPSEA provided school districts with salary grids for non-unionized staff. The estimated salary expense for the 2024-2025 budget assumes an increase in salaries of 3% based on BCPSEA-approved salary grids. The forecast for the 2025-2026 and 2026-2027 years assume no salary increases.

Substitute budgets are built with the assumption that there will be 13 replacement days per teacher FTE annually.

Employee benefit expenses are projected to increase relative to salaries in the 2024-2025 year. Employee benefits vary by employee group as such benefits as a percentage of salary vary amongst the employee groups. The overall increase in benefits is due to combination of wage growth and changes in the effective benefit rates. Some of the changes in the employee benefit rates as a percentage of salary include:

**CPP (Canada Pension Plan):** Maximum pensionable earnings increased from \$68,500 to \$69,700 at the start of 2024. Second tier CPP brackets also increased, from a maximum of \$73,200 to \$79,400. Maximum CPP contributions are expected to increase by a total of \$271 per employee between 2024 and 2025.

**Employment Insurance (EI):** Maximum insurable earnings increased from \$63,200 to \$64,900, and the rate increased from 1.66% to 1.69%.

**WorkSafeBC:** Premiums are anticipated to increase from 1.55% of salaries to 1.62% of salaries.

**Extended Health:** Costs have increased based on the VSB's experience which has resulted in the effective costs per salary increasing by 14% for support staff and 22% for teachers.

**Dental:** Costs have increased based on VSB's experience which has resulted in the effective cost per salary increasing by 13% for support staff and 19% for teachers.

## Services and Supplies

Anticipated expenditures for services and supplies are expected to decline in 2024-2025 due to specific factors. First, in the previous year (2023-2024), the budget included provisions for financial obligations related to contingencies. However, these are not expected to recur, as their timing and amounts cannot be reliably estimated. Second, a provision for potential computer software expenses of \$1.64 million was included in the 2023-2024 budget. Given VSB's aging IT infrastructure, significant investments in IT are likely in the coming years, which could impact our projections. Lastly, other services and supplies are projected to decrease by \$1.57 million, primarily due to lower forecasted supplies acquisitions in school flex budgets.

The 2024-2025 budget includes allocations for items internally restricted (appropriated) by the Board as part of the 2022-2023 financial statements for the items detailed in the table below.

\$ millions	2024-25 Budget
Internally Restricted (Appropriated) by the Board for:	
Operations Spanning Multiple School Years	
School Budget Balances	0.16
Education Plan	0.02
IT Capital Plan	0.17
Long Range Facilities Plan Implementation	0.04
	<u>0.39</u>
Anticipated Unusual Expenses Identified	
Risk Mitigation - Systems and Processes	0.30
Financial Provisions	0.24
	<u>0.54</u>
<b>TOTAL Internally Restricted (Appropriated) by the Board</b>	<b><u>0.93</u></b>

## International Education

VSB's International Education Program is a comprehensive program aimed at providing international students with education opportunities within Vancouver. The program provides students with a quality education, a diverse curriculum, language support and other support services, as well as homestay programs. Overall, the program provides a supportive and enriching educational experience and continues to maintain its strong reputation. International student enrolment is projected to remain unchanged from 2024-2025 to 2026-2027. Enrolment trends can change based global factors and federal government immigration policy that are difficult to anticipate. A summary of estimated revenue and expense for the program is provided below.

Figure 6 - International Education Summary

(\$ millions)	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
International Student FTE	1,351	1,309	1,382	1,448	1,412	1,412	1,412
<b>Revenue</b>							
Tuition	\$ 20.27	\$ 20.30	\$ 21.42	\$ 23.73	\$ 22.51	\$ 22.51	\$ 22.51
Other Revenue	0.54	1.28	0.95	0.88	0.88	0.88	0.88
Total Revenue	<u>20.81</u>	<u>21.58</u>	<u>22.37</u>	<u>24.61</u>	<u>23.39</u>	<u>23.39</u>	<u>23.39</u>
<b>Expense</b>							
Salaries and Benefits	9.89	8.38	8.90	8.29	9.83	9.83	9.83
Services and Supplies	0.57	1.15	1.70	1.98	1.98	1.98	1.98
Total Expense	<u>10.46</u>	<u>9.53</u>	<u>10.60</u>	<u>10.27</u>	<u>11.81</u>	<u>11.81</u>	<u>11.81</u>
Net Revenue (Expense)	\$ 10.35	\$ 12.05	\$ 11.77	\$ 14.34	\$ 11.58	\$ 11.58	\$ 11.58

## Indigenous Education

The Indigenous Education team is made up of a director of instruction, district principal, teachers, and support staff. The team works to provide enhanced services that ensure belonging, mastery, culture and community as per the terms of reference in the Indigenous Education Council (IEC). The work of the Indigenous Education team is key to achieving the goals of VSB's Education Plan and the Ministry's Framework for Enhancing Student Learning policy.

The department works alongside the learning and instruction team to continue to target support for literacy, numeracy, and the core competencies. In addition to targeted instructional support, the Indigenous Education team supports the District and school communities to deliver culturally relevant educational opportunities such as weaving, carving, drum making and learning opportunities on the land.

VSB receives targeted funding to support Indigenous Education based on the number of students receiving services. For the 2024-2025 year, an additional grant has been provided to support the implementation of Indigenous Education Councils.

Ensuring that this funding is utilized effectively requires the collaboration of boards of education and local Indigenous communities. VSB works closely with local Indigenous leaders to develop and deliver programs and services that integrate academic achievement and Indigenous culture and language.

The IEC met on March 11, 2024, to review current budget allocations and to provide input into the 2024-2025 budget priorities for the targeted funding.

In the current year the salary for the Indigenous Education director of instruction was funded from available Indigenous Education targeted funding. Services and supplies for Indigenous Education were funded on a one-time basis from appropriated surplus funds from 2022-2023.

In 2024-2025 it is proposed to fund the salary for the Indigenous Education director of instruction from available operating funds. This budget change will highlight the District's strong commitment to truth and reconciliation and allows the Indigenous Education department to access an equivalent amount of funds for supplies, cultural learning opportunities and work toward the Education Plan's goal of reconciliation without a reduction of staffing in the department.

A summary of Indigenous Education actual revenue and expense for 2020-2021 to 2022-2023 and projected spending for 2023-2024 to 2026-2027 is included in the table below.

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Actual	Actual	Budget	Budget	Budget	Budget
Student Enrolment FTE	2,091	2,154	2,161	2,109	2,109	2,132	2,069
<b>Revenue</b>							
MECC Grant Indigenous Education	\$ 3.14	\$ 3.37	\$ 3.38	\$ 3.61	\$ 3.73	\$ 3.77	\$ 3.66
MECC Grant Indigenous Education Council	-	-	-	-	0.08	0.08	0.08
Total Revenue	3.14	3.37	3.38	3.61	3.81	3.85	3.74
<b>Expense</b>							
Salaries and Benefits	2.80	3.21	3.17	3.82	4.11	4.11	4.11
Services and Supplies	0.15	0.81	0.47	0.24	0.19	0.19	0.19
Total Expense	2.95	4.02	3.64	4.06	4.30	4.30	4.30
Available Funds (Operating Contribution)	\$ 0.19	\$ (0.65)	\$ (0.26)	\$ (0.45)	\$ (0.49)	\$ (0.45)	\$ (0.56)

## **Proposed Budget Changes**

The proposed budget changes support the achievement of Education Plan objectives, address the priorities outlined in the Framework for Enhanced Student Learning (FESL) report and reflect key considerations arising from the financial plan engagement process. To effectively address our evolving operational context, over the next three years, VSB must thoroughly review existing systems, structures, and strategies. Where necessary, these changes will be thoughtfully implemented to ensure optimal utilization of resources and improved educational outcomes.

### **Professional Learning and Framework for Enhancing Student Learning Response**

As part of VSB's continuous cycle of improvement, we annually review and analyze achievement data, student learning survey data, and completion rate data as outlined in the Framework for Enhancing Student Learning report which allows identification of target areas of need for students. The data indicates that literacy and numeracy, specifically for English Language Learners, Indigenous Learners and Diverse Learners continue to require focus. Literacy and numeracy are foundational skills that allow students to be successful in all curricular areas. It is recommended that \$0.43 million be allocated to enhance the work of the Learning and Instruction team. This team focuses on working side-by-side with classroom teachers in schools to implement instructional practices that better support all students with key literacy, numeracy and critical and creative thinking skills. Additional staffing and resources for this team will support targeted, ongoing professional development for K-12 teachers, achieve full implementation of the VSB Responsive Literacy Framework, and create structures, supports and resources to improve student outcomes in numeracy K-12.

### **Enhancing Leadership Capacity**

It is proposed that \$75,000 be allocated to support the professional growth and development of current and future leaders across VSB. This investment aims to enhance their leadership skills and abilities. Effective leadership is crucial for employee engagement, morale, and succession planning. By empowering system leaders, we ensure a positive impact on workplace dynamics and overall organizational success.

### **Leveraging Technology for Efficiency**

It is proposed that \$50,000 be allocated to strategically enhance our organizational systems and services through the effective use of technology. Focus areas include process simplification, digital infrastructure upgrades, staff training, and user-centric service delivery. By streamlining processes and embracing technology, we aim to create an agile, tech-savvy organization that delivers efficient services while prioritizing internal and external customer satisfaction.

### **Indigenous Education**

It is proposed to fund the salary for the Indigenous Education director of instruction from available operating funds. This budget change will highlight the District's strong commitment to truth and reconciliation and allows the Indigenous Education department to access an equivalent amount of funds for supplies, cultural learning opportunities and work toward the Education Plan's goal of reconciliation without a reduction of staffing in the department.



## **Approved Budget Allocations**

At the April 24, 2024, Special Public Board meeting the Board approved the following budget allocations brought forward by trustees based on the feedback received through the financial plan development engagement process.

### **Arts Education**

In 2019, the District completed a music review. The goal of the review was to support arts education across VSB, with music education being the first step. To support this work, it was approved that \$0.13 million be allocated to fund a 1.0 FTE K-12 arts district resource teacher, who would work on the Learning and Instruction team to support all aspects of arts education which includes, fine arts, drama, dance, and music. Specifically, they would focus on supporting generalist elementary music teachers through targeted professional development opportunities and co-teaching, curating K-12 arts resources, creating structures to share art materials between schools (such as musical instruments and specialized art tools), supporting and developing community partnerships with visual artists, performers, and musicians to enhance classroom experiences, as well as supporting the recommendations of the Music Review.

### **Recruitment Strategy Review and Improvement**

Through the engagement process, we heard of the need to review VSB recruitment practices so that we stay competitive in the acquisition and retention of talent within a highly competitive labour market.

The Board approved the allocation of \$50,000 from available 2023-2024 surplus to refine our recruitment strategy and enhance processes. This budget will fund a professional audit by a qualified third-party service provider of our current methods, the identification and adoption of improvements.

Through this investment we look to continue to optimize our hiring process by ensuring we attract and retain high-caliber diverse talent, efficiently and effectively. The objective of the review is to improve candidate experience, reduce time-to-hire, and increase retention rates.

### **Technology**

Providing an adequate number of appropriate technology for student learning has been a challenge for many years in the VSB, and indeed for school districts across BC. The Board approved the allocation of \$250,000 from Local Capital to enhance equity of access to technology for students.

We all live in a rapidly evolving digital world and so it is more important than ever to strive for equity of access to technology for students. This strategic investment will not only help bridge the technological learning divide but also foster an inclusive learning environment.

### **Digital Literacy**

Digital literacy is crucial for student success in today's technology-driven world as it equips students with the ability to navigate, understand, and utilize digital tools effectively. It fosters critical thinking, problem-solving, and communication skills, which are essential for academic achievement and future career opportunities. Being digitally literate empowers students to participate responsibly in the digital world, promoting safety, ethics, and respect in online interactions. As AI is introduced in the school system, digital literacy is more important than ever for students.

Two positions in the Safe and Caring Schools team have been vacant for two years. These positions can be used to support the school district's digital literacy needs. The Board approved that 1 FTE teacher and 1 FTE exempt position be reallocated from Safe and Caring Schools to Digital Literacy.



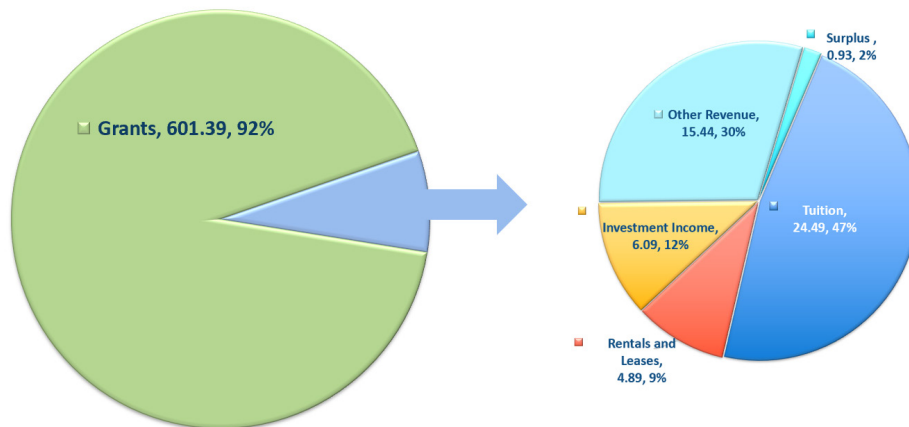
The 1 FTE teacher would be used for creating a Digital Literacy Mentor Teacher who, in collaboration with the LIT team, would enhance education by developing learning materials, leading learning sessions, and working together with other staff members to help students develop better digital literacy skills and be safe online.

The 1 FTE Exempt Staff would be used for creating an exempt position focused on AI, Digital Literacy and Cyber Security. This dedicated role will support change management, ensure smooth integration, optimal performance, and promote digital literacy that follows privacy and security standards.

### Proposed Preliminary Operating Budget Summary

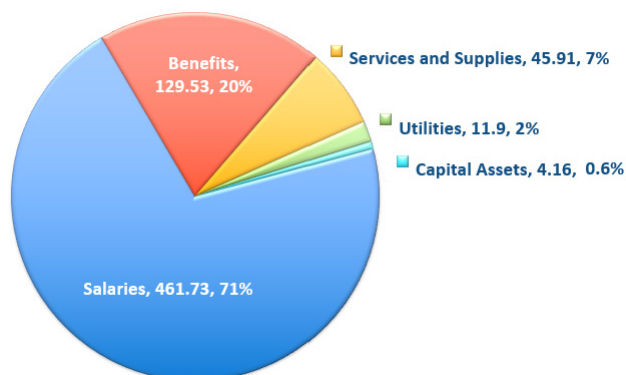
The majority of revenues are received from the provincial government in the form of operating grant funding from the Ministry of Education and Child Care and other provincial grants (92.11%). The level of provincial funding consequently has a significant impact on the educational services and programs that can be offered.

Because the primary determinant of provincial funding is enrolment, a forecasted decline or increase in enrolment affects programs and services. Outside of provincial grants, international education and other tuition fees are the primary source of revenue, which accounts for 3.75% of total revenue. The projected operating budget revenue for 2024-2025 is \$652.30 million and the projected appropriated surplus to be used in 2024-2025 is \$0.93 million for a total revenue available of \$653.23 million.



The projected operating expenses, including proposed budget changes, total \$653.23 million, which results in a balanced operating budget.

Salaries and benefits account for 90.4% of the operating budget, while services, supplies, utilities, and capital assets purchased represent 9.6%.



The following table summarizes budgeted revenue and expenses by type.

Budgeted Revenue and Expense (\$ millions)	2022-23 Actual	2023-24 Amended Budget	2024-25 Annual Budget	Change \$	Change %
<b>Revenue</b>					
Provincial Grants - MECC	\$ 520.37	\$ 566.99	\$ 597.90	\$ 30.91	5.45%
Provincial Grants - Other	0.06	0.06	0.08	0.02	33.33%
Federal Grants	2.69	3.22	3.41	0.19	5.90%
Tuition	23.47	25.71	24.49	(1.22)	(4.75)%
Other Revenue	18.66	17.72	15.44	(2.28)	(12.87)%
Rentals and Leases	5.11	4.89	4.89	-	-
Investment Income	5.80	6.90	6.09	(0.81)	(11.74)%
<b>Total Revenue</b>	<b>576.16</b>	<b>625.49</b>	<b>652.30</b>	<b>26.81</b>	<b>4.29%</b>
<b>Expense</b>					
Teachers	246.45	270.23	279.01	8.78	3.25%
Principals and Vice Principals	27.80	30.83	31.51	0.68	2.21%
Educational Assistants	45.78	49.94	55.02	5.08	10.17%
Support Staff	59.44	63.33	66.93	3.60	5.68%
Other Professionals	12.98	13.03	13.79	0.76	5.83%
Substitutes	16.24	16.80	15.47	(1.33)	(7.92)%
Employee Benefits	110.07	121.55	129.53	7.98	6.57%
<b>Total Salaries and Benefits</b>	<b>518.76</b>	<b>565.71</b>	<b>591.26</b>	<b>25.55</b>	<b>4.52%</b>
Services	14.67	17.45	14.81	(2.64)	(15.13)%
Student Transportation	3.31	3.54	3.69	0.15	4.24%
Professional Development and Travel	1.33	1.08	1.69	0.61	56.48%
Rentals and Leases	0.76	0.96	0.95	(0.01)	(1.04)%
Dues and Fees	1.13	1.04	0.97	(0.07)	(6.73)%
Insurance	1.18	1.35	1.38	0.03	2.22%
Supplies	26.85	24.56	22.42	(2.14)	(8.71)%
Utilities	11.65	11.63	11.90	0.27	2.32%
<b>Total Services and Supplies</b>	<b>60.88</b>	<b>61.61</b>	<b>57.81</b>	<b>(3.80)</b>	<b>(6.17)%</b>
<b>Total Expense</b>	<b>579.64</b>	<b>627.32</b>	<b>649.07</b>	<b>21.75</b>	<b>3.47%</b>
<b>Net Revenue (Expense)</b>	<b>(3.48)</b>	<b>(1.83)</b>	<b>3.23</b>	<b>5.06</b>	
Capital Assets Purchased	(4.08)	(4.42)	(4.16)	0.26	(5.88)%
<b>Surplus (Deficit) for the Year</b>	<b>(7.56)</b>	<b>(6.25)</b>	<b>(0.93)</b>	<b>5.32</b>	
<b>Accumulated Surplus</b>	<b>28.36</b>	<b>20.80</b>	<b>14.55</b>	<b>(6.25)</b>	
Internally Restricted Operating Surplus	(16.33)	(11.48)	(10.55)	0.93	
Unrestricted Operating Surplus (Contingency)	(4.47)	(3.07)	(3.07)	-	
	\$ -	\$ -	\$ -	\$ -	

## SPECIAL PURPOSE FUNDS

The special purpose funds budget includes revenue and expenditures related to grants received from third parties that have restrictions on how they may be spent. Special purpose funds consist of targeted funding allocated to school districts for a specific purpose. Operating and capital funds cannot be transferred to special purpose funds.

Pursuant to Sections 156(4) and (5) of the *School Act*, each special purpose fund must be accounted for in accordance with the terms of that special purpose fund. *Treasury Board Restricted Contribution Regulation 198/2011*, issued in November 2011, defines a restricted contribution as “a contribution that is subject to a legislative or contractual stipulation or restriction as to its use other than a contribution or part of a contribution that is of, or for the purpose of acquiring, land.”

The following grants meet the definition of a restricted contribution per Treasury Board Regulation 198/2011:

- Annual Facility Grants (AFG) (excluding amounts paid via bylaw)
- Learning Improvement Fund (LIF)
- Special Education Technology
- Provincial Resource Program (PRP) (including SET BC)
- CommunityLINK Grants (CLINK)
- CommunityLINK Other
- Official Languages in Education French Programs (OLEP)
- Strong Start
- Ready, Set, Learn
- Classroom Enhancement Fund – Staffing
- Classroom Enhancement Fund – Overhead
- Classroom Enhancement Fund – Remedies
- First Nation Student Transportation Fund
- Mental Health in Schools
- Changing Results for Young Children (CR4YC)
- Seamless Day Kindergarten Funding
- Early Childhood Education (ECE) Dual Credit program
- Strengthening Early Years to Kindergarten Transitions (SEY2KT)
- Early Care & Learning (ECL)
- Student & Family Affordability Fund
- Feeding Futures Fund
- School Generated Funds (restricted contributions only)
- Assistive Technology AT-BC
- Settlement Workers in School
- Communication Assistance for Youth and Adults (CAYA)
- Provincial Resource Centre for the Visually Impaired (PRCVI)
- Earnings and disbursements of endowments (excluding capital)
- Interest earned on any of the above funds.

Special purpose funds revenue is estimated to total \$94.92 million, which represents an increase of \$2.97 million compared to the 2023-2024 annual budget. The following table summarizes revenue, and expenses by object for special purpose funds - actuals for years 2020-2021 to 2022-2023 and budgeted for 2023-2024 to 2026-2027.

Figure 3 – Special Purpose Funds

(\$ millions)	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
<b>Revenue</b>							
Provincial Grants - MECC	\$ 84.17	\$ 62.09	\$ 69.66	\$ 76.93	\$ 78.93	\$ 76.90	\$ 76.90
Provincial Grants - Other	6.30	7.25	7.85	8.74	8.79	8.79	8.79
Other Revenue	3.33	6.80	7.55	6.15	7.08	7.08	7.08
Investment Income	0.37	0.22	0.82	0.13	0.12	0.12	0.12
<b>Total Revenue</b>	<b>94.17</b>	<b>76.36</b>	<b>85.88</b>	<b>91.95</b>	<b>94.92</b>	<b>92.89</b>	<b>92.89</b>
<b>Expense</b>							
Salaries and Benefits	68.85	56.84	60.01	67.92	69.91	69.91	69.91
Services and Supplies	22.50	18.86	25.21	23.41	24.34	22.31	22.31
<b>Total Expense</b>	<b>91.35</b>	<b>75.70</b>	<b>85.22</b>	<b>91.33</b>	<b>94.25</b>	<b>92.22</b>	<b>92.22</b>
<b>Net Revenue (Expense)</b>	<b>2.82</b>	<b>0.66</b>	<b>0.66</b>	<b>0.62</b>	<b>0.67</b>	<b>0.67</b>	<b>0.67</b>
Capital Assets Purchased	(2.82)	(0.66)	(0.66)	(0.62)	(0.67)	(0.67)	(0.67)
<b>Surplus (Deficit) for the Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Figure 7 details Special Purpose Fund grant revenue by fund.

Figure 7 – Special Purpose Funds Grants

(\$ millions)	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
Annual Facility Grant	\$ 2.24	\$ 2.20	\$ 2.26	\$ 2.25	\$ 2.24	\$ 2.24	\$ 2.24
Assistive Technology AT-BC	3.50	4.17	5.07	5.03	5.21	5.21	5.21
CAYA	2.90	3.06	3.05	3.58	3.59	3.59	3.59
Changing Results for Young Children	0.02	0.01	0.01	0.02	0.02	0.02	0.02
Classroom Enhancement Fund	33.67	32.80	36.37	38.18	37.59	37.59	37.59
CommunityLINK	9.36	9.39	9.93	10.77	10.56	10.56	10.56
CommunityLINK Other	0.45	0.28	0.37	0.29	0.27	0.27	0.27
COVID Rapid Response	0.18	-	-	-	-	-	-
ECE Dual Credit Program	-	-	-	0.02	-	-	-
ECL Early Care & Learning	-	-	0.08	0.18	0.20	0.20	0.20
Feeding Futures Fund	-	-	-	5.57	5.65	5.65	5.65
First Nation Student Transportation Fund	0.05	0.13	0.13	0.15	-	-	-
Learning Improvement Fund	1.52	1.63	1.56	2.03	2.06	2.06	2.06
Mental Health in Schools	0.07	0.08	0.06	0.08	0.05	0.05	0.05
Miscellaneous	0.70	0.43	0.27	0.43	0.42	0.42	0.42
OLEP	0.79	0.60	0.75	0.80	0.80	0.80	0.80
Pandemic Recovery Team	-	0.31	-	-	-	-	-
PRCVI	2.24	2.20	2.53	2.90	3.16	3.16	3.16
PRP	2.29	2.20	2.41	3.02	3.51	3.51	3.51
Ready Set Learn	0.22	0.23	0.23	0.22	0.22	0.22	0.22
Return to School	23.21	1.20	1.09	-	-	-	-
Scholarships and Bursaries	0.02	0.05	0.10	0.03	0.11	0.11	0.11
School Generated Funds	2.21	5.65	6.99	5.43	6.33	6.33	6.33
Seamless Day Kindergarten	-	0.01	0.04	0.06	0.06	0.06	0.06
Settlement Workers in School	0.01	0.03	0.10	0.05	0.05	0.05	0.05
SEY2KT (Early Years to Kindergarten)	-	-	-	0.04	0.04	0.04	0.04
Special Education Technology	7.89	9.08	8.20	9.17	10.14	10.14	10.14
Strong Start	0.63	0.62	0.61	0.61	0.61	0.61	0.61
Student & Family Affordability Fund	-	-	3.67	1.04	2.03	-	-
<b>TOTAL</b>	<b>\$ 94.17</b>	<b>\$ 76.36</b>	<b>\$ 85.88</b>	<b>\$ 91.95</b>	<b>\$ 94.92</b>	<b>\$ 92.89</b>	<b>\$ 92.89</b>

### Annual Facility Grant

The Annual Facility Grant (AFG) was established to account for Ministry grants and expenditures relating to annual facility maintenance projects. The AFG allocation is comprised of both a special purpose fund allocation and a bylaw capital allocation. This funding is first allocated to fund province-wide initiatives (\$2.00M for the Capital Asset Management System) and the balance is distributed to school districts.

AFG funds may be spent for the purpose of:

- Upgrading or replacing existing facility components through the expected economic life of an existing capital asset.
- Enhancing the service life potential of an existing capital asset or component of an existing capital asset by addressing deficiencies in design or construction and unsafe conditions.
- Significantly lowering the associated operating costs of an existing capital asset.
- Extending the life of an existing capital asset or a component of an existing capital asset beyond its original life expectancy.

Each school district is required to prepare a spending plan and submit it to the Ministry for approval. The special purpose portion of the AFG grant funding for 2024-2025 is the same as the amount received for the 2023-2024 year. For budgeting purposes, it is estimated that the Annual Facilities Grant will remain unchanged for the 2025-2026 and 2026-2027 years.

A summary of the 2024-2025 AFG funding allocation compared to the previous year is shown in the following table.

AFG Funding Allocation	2023-24	2024-25	Change
<b>Capital</b>	\$11,773,052	\$12,068,331	\$295,279
<b>Special Purpose Fund</b>	\$2,238,404	\$2,238,404	\$ 0
<b>Provincial CAMS*</b>	\$(190,502)	\$(190,502)	\$ 0
<b>Total Grant</b>	\$13,820,954	\$14,116,232	\$295,279

\*Represents deductions made for the maintenance of the Provincial Capital Asset Management System (CAMS).

The 2024-2025 AFG Expenditure Plan is included below.

AFG Expenditure by Type (in thousands)		Description of Items Included in Plan
Accessibility	1,023	-Elevator upgrades and rebuilds -Accessible washroom construction -Accessible emergency response -Playground upgrades -Exterior access
Asbestos Abatement	538	-Boiler refractory -Pipe insulation -Asbestos testing and removal
Electrical	1,973	- LED lighting upgrades - Fire alarm upgrades - Emergency lighting replacement - PA upgrades - High voltage vault servicing - Security system upgrades - Power distribution panel upgrades - Phone wiring analogue to VOIP - Hand dryer installation

AFG Expenditure by Type (in thousands)		Description of Items Included in Plan
Exterior Wall Systems	970	<ul style="list-style-type: none"> <li>- Exterior painting and pressure washing</li> <li>- Door and hardware upgrades</li> <li>- Windows replacement</li> <li>- Exterior skirting and fascia</li> <li>- Gutters and barriers</li> <li>- Masonry</li> </ul>
HVAC	1,416	<ul style="list-style-type: none"> <li>- Boiler Upgrades</li> <li>- Furnace Upgrades</li> <li>- Heating coil replacement</li> <li>- Ventilation recalibrations</li> <li>- Heating piping replacement</li> <li>- Control upgrades</li> <li>- Compressor repairs and replacement</li> </ul>
Interior Construction	3,138	<ul style="list-style-type: none"> <li>- Gym floor refinishing and flooring upgrades</li> <li>- Rekeying</li> <li>- Drapery renewal</li> <li>- Millwork renewal</li> <li>- Gym door repairs</li> <li>- Shop equipment safeguarding</li> </ul>
Plumbing	1,253	<ul style="list-style-type: none"> <li>- Water pipe replacement</li> <li>- Water bottle fill stations</li> <li>- Washroom upgrades</li> <li>- Sprinkler review and upgrades</li> <li>- Water conservation</li> </ul>
Roofing	2,228	<ul style="list-style-type: none"> <li>- Replace failing roof systems</li> </ul>
Site Upgrades	1,577	<ul style="list-style-type: none"> <li>- Replace external stairs</li> <li>- Sidewalks, pathways, courts</li> <li>- Handrails, ladders, flag poles</li> <li>- Tree pruning and management</li> <li>- Playground repairs</li> </ul>
<b>Total</b>	<b>14,116</b>	

A summary of the Annual Facilities Grant special purpose fund budget is included in Figure 8.

Figure 8 – Annual Facilities Grant

(\$ millions)	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
<b>Revenue</b>							
Provincial Grants	\$ 2.24	\$ 2.20	\$ 2.24	\$ 2.24	\$ 2.24	\$ 2.24	\$ 2.24
Investment Income	-	-	0.02	0.01	-	-	-
<b>Total Revenue</b>	<b>2.24</b>	<b>2.20</b>	<b>2.26</b>	<b>2.25</b>	<b>2.24</b>	<b>2.24</b>	<b>2.24</b>
<b>Expense</b>							
Salaries and Benefits	1.99	1.93	1.99	1.91	1.87	1.87	1.87
Services and Supplies	0.25	0.27	0.27	0.34	0.37	0.37	0.37
<b>Total Expense</b>	<b>2.24</b>	<b>2.20</b>	<b>2.26</b>	<b>2.25</b>	<b>2.24</b>	<b>2.24</b>	<b>2.24</b>
<b>Net Revenue (Expense)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

### ***Classroom Enhancement Fund***

On March 10, 2017, the Ministry of Education, the BC Public School Employers Association (BCPSEA) and the BC Teachers' Federation (BCTF) ratified a Memorandum Agreement (the Memorandum) pursuant to a Letter of Understanding (LoU) No. 17, to the 2013-2019 BCPSEA-BCTF Provincial Collective Agreement. The Memorandum fully and finally resolves all matters related to the implementation of the Supreme Court of Canada decision in the Fall of 2016.

The ratification of this agreement resulted in the establishment of the Classroom Enhancement Fund (CEF) to address the additional teacher and corresponding overhead costs throughout the province associated with this Memorandum. The school district is required to record and report the actual costs and the amount allocated may be adjusted to reflect the actual costs incurred.

The restored collective agreement language for class size and district level non enrolling teacher staffing generation ratios are outlined in the following tables.

For the purpose of posting and/or filling non-enrolling teacher positions, the school district may combine the non-enrolling teacher categories of Learning Assistance Teachers, Special Education Teachers and English Language Learners into a single category.

#### ***Restored Collective Agreement Class Size Ratios***

Secondary	Collective Agreement Class Size	Elementary	Collective Agreement Class Size
English	1:28	Kindergarten	1:20
Home Economics Labs	1:28	Grade 1 - 3	1:22
English Language Learners	1:20	Grade 3/4 Split (more Grade 3's)	1:22
Technical Studies (except drafting)	1:24	Grade 3/4 Split (more Grade 4's)	1:24
Special Education with 6 or more FTE	1:15	Grade 4 - 7	1:30
All Others	1:30	Grade 4 - 7 (multi age)	1:28

#### ***Restored Collective Agreement Non-Enrolling Ratios***

Non-Enrolling Teachers	Collective Agreement Ratios
Teacher Librarians	1:702
Counsellors	1:535
Learning Assistance Teachers	1:504
Special Education Teachers	1:232
English Language Learners (1:ELL student enrolment)	1:57.5

On March 14, 2024, the Ministry announced preliminary Classroom Enhancement Fund (CEF) allocations for school districts for the 2024-2025 school year. VSB has been provided with a preliminary CEF allocation of \$37.59 million, sufficient to fund an estimated 258.30 FTE teachers (\$33.08 million) and overhead costs (\$4.51 million). The preliminary allocations do not reflect additional FTE teacher staffing that may be required to meet restored collective agreement requirements in the 2024-2025 year. Adjustments to District allocations may be made once final fall 2024 staffing is known. Final 2024-2025 allocations will be confirmed at the same time as the operating grant recalculation in December 2024.

The following table summarizes the CEF allocations received by VSB from 2020-2021 to 2022-2023 and forecasted to be received from 2023-2024 to 2026-2027.



Figure 9 - Classroom Enhancement Fund Grants

(\$ millions)	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
CEF - Teacher FTE	277.50	258.00	265.00	258.30	258.30	258.30	258.30
CEF - Teacher Funding	\$ 28.89	\$ 28.67	\$ 30.08	\$ 32.43	\$ 33.08	\$ 33.08	\$ 33.08
CEF - Overhead	4.04	4.04	4.04	4.42	4.51	4.51	4.51
CEF - Remedies	0.98	0.97	1.30	1.33	-	-	-
Total CEF Funding	\$ 33.91	\$ 33.68	\$ 35.42	\$ 38.18	\$ 37.59	\$ 37.59	\$ 37.59

The table below summarizes the actual CEF revenue and expenses for 2020-2021 to 2022-2023 and projected revenue and expense for 2023-2024 to 2026-2027. No changes are projected at this time.

Figure 10 - Classroom Enhancement Fund

(\$ millions)	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
<b>Revenue</b>							
Provincial Grants	\$ 33.62	\$ 32.78	\$ 36.31	\$ 38.18	\$ 37.59	\$ 37.59	\$ 37.59
Investment Income	0.04	0.02	0.06	-	-	-	-
Total Revenue	33.66	32.80	36.37	38.18	37.59	37.59	37.59
<b>Expense</b>							
Salaries and Benefits	33.57	32.73	35.76	38.07	37.48	37.48	37.48
Services and Supplies	0.09	0.07	0.61	0.11	0.11	0.11	0.11
Total Expense	33.66	32.80	36.37	38.18	37.59	37.59	37.59
Net Revenue (Expense)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

## CommunityLINK

CommunityLINK funding is designed to support the academic advancement and social functioning of students coming from vulnerable circumstances. VSB uses these funds to support a wide range of programs including academic supports, youth counselling, and after-school programs as well as supplemental staffing.

In 2024-2025 the grant will be used to fund 13 FTE community coordinators, 52 FTE educational assistants, 20 FTE teachers, five support staff and two exempt staff.

Figure 11 - CommunityLINK Budget

(\$ millions)	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
<b>Revenue</b>							
Provincial Grants	\$ 9.35	\$ 9.38	\$ 9.87	\$ 10.77	\$ 10.56	\$ 10.56	\$ 10.56
Investment Income	0.01	0.01	0.06	-	-	-	-
Total Revenue	9.36	9.39	9.93	10.77	10.56	10.56	10.56
<b>Expense</b>							
Salaries and Benefits	7.19	7.74	7.79	8.76	9.48	9.48	9.48
Services and Supplies	2.17	1.65	2.14	2.01	1.08	1.08	1.08
Total Expense	9.36	9.39	9.93	10.77	10.56	10.56	10.56
Net Revenue (Expense)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

### ***Feeding Futures Fund***

Feeding Futures funding from the Ministry of Education and Child Care is designated to assist in schools in providing meals to students who face food insecurity. The 2023-2024 year marked the first year of funding and school districts were given time to review their food programs and to develop long-term spending plans. In 2024-2025 Feeding Futures funding for VSB will be \$5.65 million and is projected to remain unchanged for future years.

In 2024-2025, school districts will continue to have the flexibility that was in place during the foundational year, to continue to support students and families as longer-term approaches for school food programs are put in place. Although criteria will remain the same in 2024-2025, criteria may be adjusted over time and school districts can expect standardized spending criteria in place for the 2025-2026 school year.

The following spending criteria applies to funds received under this grant.

#### **Food**

- Maintain current programs, increase number of students served, increase nutrition.
- Support Culinary Arts programs if food produced is provided to students in need.
- Program delivery should be stigma free, flexible, and respect student privacy.

#### **Staff**

- Flexibility to hire up to one FTE school food coordinator if needed or offset existing costs for a School Food Coordinator.
- Functions of the role may include coordination and/or delivery of the program (e.g., prepare food, build community connections, seek local partnerships and procurement opportunities, work with local First Nations and Indigenous partners).
- Within reason, school districts may use a portion of Feeding Futures funding to offset staffing costs for staff directly involved in the delivery of school food programs.

#### **Other**

- Small appliances or equipment to prepare, store, cook, and transport food.
- Continuity of Student and Family Affordability Fund supports that improve student food security.

In 2024-2025, the funding will be used as follows:

#### ***Food Programs (\$2.44 million)***

This allocation includes food and cafeteria supplies purchased at commissary kitchens and the secondary school cafeterias to produce meals for VSB's school food programs. We are continuing to engage with FeedBC, led by the Ministry of Agriculture and Food, to increase purchasing from BC local food suppliers.

#### ***Staff (\$2.55 million)***

The food services coordinator is included for providing meal production, kitchen operation and staff support at commissary kitchens. The primary role is to ensure the daily preparation of meals for breakfast and lunch and the logistics of meal delivery to various schools. The staffing also includes secondary school culinary arts programs, meal production and additional commissary staffing to support the increasing meal production at commissary kitchens.

#### ***Food Delivery (\$0.24 million)***

Material Services is responsible for transporting the delivered meal programs. Currently five trucks deliver meals to over 55 locations daily and there is capacity to add locations in the future.

### Third-Party Food Providers (\$0.43 million)

Working with Growing Chefs, students are empowered to cook food for themselves and share with their classmates. This gives the opportunity for students to interact and learn about food. There are plans to add additional school sites to this program in addition to the existing locations (John Norquay and Lord Roberts Elementary and Total Ed Secondary Program).

Figure 12 – Feeding Futures Fund

(\$ millions)	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
<b>Revenue</b>							
Provincial Grants	\$ -	\$ -	\$ -	\$ 5.57	\$ 5.65	\$ 5.65	\$ 5.65
Total Revenue	-	-	-	5.57	5.65	5.65	5.65
<b>Expense</b>							
Salaries and Benefits	-	-	-	2.13	2.69	2.69	2.69
Services and Supplies	-	-	-	3.44	2.96	2.96	2.96
Total Expense	-	-	-	5.57	5.65	5.65	5.65
Net Revenue (Expense)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

## CAPITAL FUND

The Capital Fund includes capital expenditures related to land, buildings (purchases and enhancements), computer hardware and software, vehicles and equipment that are funded from Ministry of Education and Child Care capital grants (bylaw capital, Ministry of Education and Child Care restricted capital), land capital, local capital, the operating fund, and special purpose funds. Pursuant to Ministerial Order 033/09, an annual deficit may be incurred in the capital fund Statement of Operations for the portion of amortization expense that exceeds revenues from deferred capital contributions. This deficit does not require prior approval from the Minister of Education and Child Care.

The capital fund budget includes local capital revenue, amortization of deferred capital revenue, amortization of tangible capital assets, and capital assets funded from local capital, operating funds, and special purpose funds.

The capital fund is anticipated to record a deficit of \$0.82 million. Capital Fund revenues include \$29.14 million recognized due to the amortization of deferred capital revenue which are funds contributed to the acquisition of tangible capital assets by the Ministry and other contributors. The amortization of tangible capital assets accounts for \$37.36 million of the expense, for a net impact of \$8.96 million. The Ministry allows school districts to report a deficit in their capital funds provided it does not exceed the amortization net impact.

Figure 4 – Capital Fund Summary

(\$ millions)	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
<b>Revenue</b>							
Other Revenue	\$ 0.40	\$ 0.44	\$ 1.64	\$ 0.27	\$ 0.27	\$ 0.27	\$ 0.27
Rentals and Leases	1.35	5.59	2.62	2.31	2.63	2.63	2.63
Investment Income	0.22	0.18	0.61	0.81	0.60	0.60	0.60
Amortization of Deferred Capital Revenue	20.52	22.43	24.55	26.56	29.14	31.83	32.96
<b>Total Revenue</b>	<b>22.49</b>	<b>28.64</b>	<b>29.42</b>	<b>29.95</b>	<b>32.64</b>	<b>35.33</b>	<b>36.46</b>
<b>Expense</b>							
Services and Supplies	0.71	0.82	0.52	1.42	0.93	0.93	0.93
Amortization of Tangible Capital Assets	29.61	32.38	34.35	35.36	37.36	39.37	39.67
<b>Total Expense</b>	<b>30.32</b>	<b>33.20</b>	<b>34.87</b>	<b>36.78</b>	<b>38.29</b>	<b>40.30</b>	<b>40.60</b>
<b>Net Revenue (Expense)</b>	<b>(7.83)</b>	<b>(4.56)</b>	<b>(5.45)</b>	<b>(6.83)</b>	<b>(5.65)</b>	<b>(4.97)</b>	<b>(4.14)</b>
Net Transfers (to) from other funds	8.42	5.28	4.74	5.04	4.83	4.83	4.83
<b>Surplus (Deficit) for the Year</b>	<b>0.59</b>	<b>0.72</b>	<b>(0.71)</b>	<b>(1.79)</b>	<b>(0.82)</b>	<b>(0.14)</b>	<b>0.69</b>
Capital Surplus (Deficit), beginning of year	117.10	117.69	51.40	50.69	48.90	48.08	47.94
<b>Capital Surplus (Deficit), end of year</b>	<b>\$ 117.69</b>	<b>\$ 118.41</b>	<b>\$ 50.69</b>	<b>\$ 48.90</b>	<b>\$ 48.08</b>	<b>\$ 47.94</b>	<b>\$ 48.63</b>

\*2022-2023 Capital Surplus (Deficit), beginning of year includes prior period adjustments to recognize asset retirement obligation totalling \$67.01 million.

The actual and forecasted changes to Investment in Capital Assets are summarized in the following table.

Figure 13 – Investment in Tangible Capital Assets

(\$ millions)	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
<b>Revenue</b>							
Other Revenue	\$ 0.19	\$ 0.17	\$ 0.17	\$ -	\$ -	\$ -	\$ -
Amortization of Deferred Capital Revenue	20.51	22.43	24.55	26.56	29.14	31.83	32.96
<b>Total Revenue</b>	<b>20.70</b>	<b>22.60</b>	<b>24.72</b>	<b>26.56</b>	<b>29.14</b>	<b>31.83</b>	<b>32.96</b>
<b>Expenses</b>							
Amortization of Capital Assets	29.61	32.39	34.35	35.36	37.36	39.37	39.67
<b>Net Revenue (expense)</b>	<b>(8.91)</b>	<b>(9.79)</b>	<b>(9.63)</b>	<b>(8.80)</b>	<b>(8.22)</b>	<b>(7.54)</b>	<b>(6.71)</b>
<b>Net Transfers (to) from other funds</b>							
Tangible Capital Assets Purchased	5.94	2.75	2.37	2.90	2.53	2.53	2.53
<b>Other Adjustments to Fund Balances</b>							
Tangible Capital Assets Purchased from Local Capital	1.02	1.78	1.94	2.01	0.80	0.56	0.56
Capital Lease Principal Payment	2.30	2.42	2.19	1.95	2.10	2.10	2.10
	3.32	4.20	4.13	3.96	2.90	2.66	2.66
<b>Capital Surplus (Deficit) for the year</b>	<b>0.35</b>	<b>(2.82)</b>	<b>(3.12)</b>	<b>(1.94)</b>	<b>(2.79)</b>	<b>(2.35)</b>	<b>(1.52)</b>
<b>Capital Surplus (Deficit), beginning of year</b>	<b>106.71</b>	<b>107.06</b>	<b>37.22</b>	<b>34.10</b>	<b>32.16</b>	<b>29.37</b>	<b>27.02</b>
<b>Capital Surplus (Deficit), end of year</b>	<b>\$ 107.06</b>	<b>\$ 104.24</b>	<b>\$ 34.10</b>	<b>\$ 32.16</b>	<b>\$ 29.37</b>	<b>\$ 27.02</b>	<b>\$ 25.50</b>

\*2022-2023 Capital Surplus (Deficit), beginning of year includes prior period adjustments to recognize asset retirement obligation totalling \$67.01 million.

## Local Capital

The Local Capital balance is comprised of previous years' operating surpluses, which are transferred to the local capital (LC) and the board portion of proceeds from disposal of land. With Board approval, the funds in local capital can be used to assist in funding capital or operating expenses. Local capital can also be used to fund major initiatives that are not funded by the provincial government. The forecasted changes and planned usage of local capital balances are summarized in the following tables.

Figure 14 – Local Capital

(\$ millions)	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
<b>Revenue</b>							
Other Revenue	\$ 0.21	\$ 0.27	\$ 1.47	\$ 0.27	\$ 0.27	\$ 0.27	\$ 0.27
Rentals and leases	1.35	5.59	2.62	2.31	2.63	2.63	2.63
Investment Income	0.22	0.18	0.61	0.81	0.60	0.60	0.60
<b>Total Revenue</b>	<b>1.78</b>	<b>6.04</b>	<b>4.70</b>	<b>3.39</b>	<b>3.50</b>	<b>3.50</b>	<b>3.50</b>
<b>Expense</b>							
Operations and Maintenance	0.52	0.71	0.34	1.23	0.72	0.73	0.73
Capital Lease Interest	0.19	0.11	0.19	0.19	0.19	0.19	0.19
<b>Total Expense</b>	<b>0.71</b>	<b>0.82</b>	<b>0.53</b>	<b>1.42</b>	<b>0.91</b>	<b>0.92</b>	<b>0.92</b>
<b>Net Revenue (expense)</b>	<b>1.07</b>	<b>5.22</b>	<b>4.17</b>	<b>1.97</b>	<b>2.59</b>	<b>2.58</b>	<b>2.58</b>
<b>Net Transfers from other funds</b>							
Capital Lease Payment	2.49	2.53	2.37	2.14	2.29	2.29	2.29
<b>Other Adjustments to Fund Balances</b>							
Tangible Capital Assets Purchased from Local Capital	(1.01)	(1.79)	(1.94)	(2.01)	(0.80)	(0.56)	(0.56)
Capital Lease Principal Payment	(2.30)	(2.42)	(2.19)	(1.95)	(2.10)	(2.10)	(2.10)
<b>Total Other Adjustments to Fund Balances</b>	<b>(3.31)</b>	<b>(4.21)</b>	<b>(4.13)</b>	<b>(3.96)</b>	<b>(2.90)</b>	<b>(2.66)</b>	<b>(2.66)</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>0.25</b>	<b>3.54</b>	<b>2.41</b>	<b>0.15</b>	<b>1.98</b>	<b>2.21</b>	<b>2.21</b>
<b>Capital Surplus (Deficit), beginning of year</b>	<b>10.38</b>	<b>10.63</b>	<b>14.17</b>	<b>16.58</b>	<b>16.73</b>	<b>18.71</b>	<b>20.92</b>
<b>Capital Surplus (Deficit), end of year</b>	<b>\$ 10.63</b>	<b>\$ 14.17</b>	<b>\$ 16.58</b>	<b>\$ 16.73</b>	<b>\$ 18.71</b>	<b>\$ 20.92</b>	<b>\$ 23.13</b>

VSB incurs expenditures related to the planning and design of major capital projects that are funded by Local Capital. These costs include the preparation of project definition documents that must be submitted to the Ministry in order for a project to be considered for funding. VSB bears these costs even if an anticipated project is not approved. The timing and amount of these expenditures is difficult to forecast and unanticipated expenditures may reduce the projected surplus for the 2024-2025 to 2026-2027 years.

VSB anticipates an increase to Local Capital in 2024-2025 which will be allocated as indicated below.

Figure 15 - Plan for Local Capital

(\$ millions)	2023-24 Budget	2024-25 Budget
Capital Projects Cost Share		
Eric Hamber Secondary	\$ 0.16	\$ 0.16
Henry Hudson Elementary	0.32	0.32
Kitsilano Secondary	0.05	0.05
Parkade Renewal		0.22
Equipment Replacement		0.50
Replacement School at Lord Roberts Annex site	14.41	15.13
Contingency Reserve for Local Capital	1.79	2.33
Total Local Capital	\$ 16.73	\$ 18.71

## Bylaw Capital

Bylaw Capital includes the Ministry of Education and Child Care capital grants for specific capital projects funded by the Ministry through certificates of approval, capital portion of the Annual Facility Grant, carbon neutral capital project funding, playground equipment funding, and other project funding paid through a certificate of approval.

## Capital Projects

Capital projects funded by the Ministry through bylaw capital and Ministry of Education and Child Care restricted capital for the period 2020-2021 to 2023-2024 are summarized in Figure 16.

Figure 16 - Capital Projects

Project (\$ millions)	Funding	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	Spending
<b>Bylaw Capital School Replacement</b>						
Nelson	\$ 17.89	\$ 1.34	\$ 0.45	\$ -	\$ -	\$ 1.15
Fleming	18.95	1.23	1.53	0.20	0.05	3.01
Kitsilano	59.80	-	0.04	-	-	(0.49)
Maple Grove	24.44	4.17	0.21	-	0.03	4.29
Tennyson	22.88	4.86	2.82	0.55	0.11	8.34
Bayview	24.46	8.63	9.03	3.03	0.22	20.91
wəkwə'nəs tə syaqwəm	21.38	9.96	5.99	2.19	0.34	18.48
Lloyd George	20.27	2.67	5.50	8.23	3.07	19.47
Hamber	93.52	8.33	24.91	26.38	23.55	83.17
Hudson	29.67	0.81	0.86	7.15	15.51	24.33



Project (\$ millions)	Funding	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	Spending
<b>Bylaw Capital Seismic Mitigation</b>						
Lord Byng	13.96	7.14	2.45	0.03	-	9.62
Maquinna	8.23	5.36	0.31	-	-	5.67
Selkirk	4.69	1.87	0.16	-	-	2.03
Wolfe	16.99	9.12	1.74	0.01	-	10.87
Cavell	17.97	3.17	9.23	4.33	0.20	16.93
Livingstone	14.82	0.88	7.46	4.72	0.18	13.24
Weir	16.71	3.30	10.49	1.64	-	15.18
Grenfell	12.67	0.11	-	-	1.12	1.00
<b>Annual Facilities Grant</b>						
Accessibility	2.69	0.15	0.53	0.86	1.13	2.67
Electrical	8.01	2.10	1.94	1.87	2.22	8.14
HVAC	1.97	0.04	0.69	0.55	0.01	1.29
Plumbing	4.23	1.65	1.56	0.97	0.74	4.94
Roofing	9.27	1.94	2.21	1.53	2.93	8.61
Other	20.69	3.12	4.15	3.98	7.64	20.63
<b>Total Bylaw</b>	<b>\$ 486.16</b>	<b>\$ 81.95</b>	<b>\$ 94.26</b>	<b>\$ 68.22</b>	<b>\$ 59.05</b>	<b>\$ 303.48</b>
<b>Ministry of Education Restricted Capital</b>						
Coal Harbour	\$ 31.66	\$ -	\$ -	\$ -	\$ 26.67	\$ 26.67

On April 5, 2024, the Ministry of Education and Child Care announced funding for a new school in Olympic Village for \$150 million and an expansion of Henry Hudson Elementary for \$15 million. Spending related to these newly approved projects will be reflected in the financial statements as Tangible Capital Assets purchased from bylaw capital.

## Long Range Facilities Plan

The [Long-Range Facilities Plan \(LRFP\)](#) outlines facilities management strategies in support of long-term accommodation of projected students in support of educational programs. The LRFP is a Board-driven document that provides a framework for facilities planning and investment decisions to support the District's annual review of its Five-Year Capital Plan and proposed capital projects. The LRFP establishes facility needs, space requirements, priorities, and strategies to inform and guide facilities projects, priorities, and decisions from both a Ministry requirement perspective and a local Vancouver perspective.

## 2024-2025 Capital Plan

On an annual basis, VSB prepares a Five-Year Capital Plan and submits it for funding consideration to the Ministry of Education and Child Care. The LRFP outlines how Capital Plan priorities are established for new and existing facilities. Figure 17 details the major capital plan priorities included in VSB's submission to the Ministry for 2024-2025.

Figure 17 – 2024-2025 Major Capital Plan

2024-2025 MAJOR CAPITAL PLAN			
Rank	Facility/Site	Project Description	Project Cost (\$millions)
<b>Addition</b>			
1	False Creek Elementary	1 Kindergarten & 5 elementary classrooms addition (40K/250E to 60K/350E)	\$ 12.66
2	Emily Carr Elementary	1 Kindergarten and 8 elementary classrooms addition (40K/250E to 60K/450E)	14.45
3	King George Secondary	Expand nominal capacity from 375 to 1,000	59.85
<b>New School</b>			
1	New Elementary at UBC South Campus	New 410 capacity K-7 school (60K/350E)	39.04
2	New Elementary at Roberts Annex Site	510 (60K/450E); 3-storey school (4,425m2)	82.88
<b>Seismic Mitigation Program</b>			
1	David Thompson Secondary	Upgrade	125.44
2	Killarney Secondary	Upgrade	164.64
3	Sir Alexander Mackenzie Elementary	Full Replacement (Seismic)	47.44
4	Renfrew Community Elementary	Full Replacement (Seismic)	49.58
5	False Creek Elementary	Full Replacement (Seismic)	54.32
6	Sir Winston Churchill Secondary	Full Replacement (Seismic)	173.10
7	John Oliver Secondary	Full Replacement (Seismic)	160.11
8	Waverley Elementary	Full Replacement (Seismic)	41.16
9	Florence Nightingale Elementary	Full Replacement (Seismic)	36.24
10	Emily Carr Elementary	Full Replacement (Seismic)	32.43
11	King George Secondary	Full Replacement (Seismic)	64.36
12	Sir John Franklin	Full Replacement (Seismic)	31.41
13	Sir William Osler Elementary	Full Replacement (Seismic)	32.43
14	Mount Pleasant Elementary	Full Replacement (Seismic)	32.43
15	Windermere Secondary	Full Replacement (Seismic)	146.28
16	Champlain Heights Elementary	Full Replacement (Seismic)	41.30
17	Lord Beaconsfield Elementary	Full Replacement (Seismic)	32.43
18	Dr H N Maccorkindale Elementary	Full Replacement (Seismic)	41.30
19	Templeton Secondary	Full Replacement (Seismic)	140.22
20	Grandview Elementary	Full Replacement (Seismic)	27.24
21	Southlands Elementary	Full Replacement (Seismic)	34.28
22	Admiral Seymour Elementary	Full Replacement (Seismic)	36.29
<b>Total Major Capital Plan</b>			<b>\$ 1,753.28</b>

## ACCUMULATED SURPLUS

The Board of Education is responsible for ensuring the school district is protected financially from financial forecasting risk and unforeseen circumstances which could negatively impact school district operations and the education of students. A level of financial reserves, in the form of an accumulated operating surplus, is an indicator of financial health and can contribute to multi-year planning for future educational services and operational needs. To discharge this responsibility and to provide increased financial stability, effective planning and support funding predictability, the Board established [Board Policy 19 - Accumulated Operating Surplus](#).

The Board's accumulated operating surplus consists of internally restricted operating funds and unrestricted operating funds, in the following categories:

- Internally Restricted
  - Operations spanning multiple school years
  - Anticipated unusual expenses identified
  - Nature of constraints on funds
- Restricted for Future Capital Cost Share
- Unrestricted Operating Surplus (Contingency)

The policy established that the amount of Unrestricted Operating Surplus (Contingency) at the end of a fiscal year should be a minimum of 1.0 per cent and a maximum of 2.5 per cent of actual Operating Expenses of that fiscal year.

*Figure 18 – Accumulated Surplus*

(\$ millions)	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget	2024-25 Budget	2025-26 Budget	2026-27 Budget
<b>Capital Fund</b>							
Local Capital	\$ 10.63	\$ 14.17	\$ 16.58	\$ 16.73	\$ 18.71	\$ 20.92	\$ 23.13
Invested in Tangible Capital Assets	107.06	104.24	34.10	32.16	29.37	27.02	25.50
Capital Accumulated Surplus	117.69	118.41	50.68	48.89	48.08	47.94	48.63
<b>Operating Fund</b>							
Operations Spanning Multiple Years	14.13	12.67	3.38	0.63	-	-	-
Anticipated Unusual Expenses Identified	2.59	1.38	1.90	0.30	-	-	-
Nature of Constraints on Funds	1.83	10.64	11.06	10.55	10.55	10.55	10.55
Contingency	11.11	3.68	4.46	3.07	3.07	2.90	2.82
Operating Fund Accumulated Surplus	29.66	28.37	20.80	14.55	13.62	13.45	13.37
Accumulated Surplus	\$ 147.35	\$ 146.78	\$ 71.48	\$ 63.44	\$ 61.70	\$ 61.39	\$ 62.00

The 2024-2025 Annual Budget anticipates no change to the Contingency balance. Forecasted operating expenses in the 2026-2027 year are \$664.69 million which corresponds to a targeted Contingency balance of \$6.64 million at the end of 2026-2027. In order to achieve the targeted level of Contingency, additional strategies to reduce the structural deficit will be required in the coming years. The review of operating units, programs and services that started in the 2024-2025 planning cycle will continue in the next few years.

## RISK FACTORS

There are several risk factors that may have a financial impact on VSB, ranging from enrolment changes, unexpected cost pressures and lost revenues. The two most significant areas of risk are the financial pressure associated with the budget's structural deficit and those identified in the Enterprise Risk Management review.

### Revenue

The majority of VSB's funding comes from the provincial government and there may be changes to the forecasted operating grant in the 2024-2025 Financial Plan due to changes in actual funded enrolments, or as a result of funding announcements that may occur during 2024-2025.

The provincial operating grant included in these estimates may not be the same as the operating grant distributed by the Ministry of Education and Child Care on March 14, 2024. The main factors that create variances of provincial funding are actual funded enrolment as at September 30, 2024, and other provincial funding announcements made during the remainder of 2023-2024 and into 2024-2025. Other provincial grants such as the 2024-2025 labour settlement funding for cost of living adjustment included in these estimates may not be the same as the amounts actually received.

The international education revenue included in these estimates is based on an estimated program enrolment of 1,412 students. The actual revenue and net revenue from international education may vary significantly from estimates due to the highly competitive nature of this market, changes in the global economy and/or political climate, and the impacts of federal immigration policies. Any major negative variance from estimates will have to be funded from the contingency reserve.

The preliminary Classroom Enhancement Fund grant is not sufficient to cover the estimated costs related to the implementation of the restored collective agreement language. Any negative variance from estimates will have to be funded from the contingency reserve.

### Expense

Salary and benefits expenses are based on average salaries and benefit rates for teachers and specific salaries for other employee groups. Variances in average teacher salaries will impact forecasted results and actual costs of substitutes may vary significantly from historical trends which are reflected in the Amended Budget. Changes in weather patterns may impact utilities and forecasted utilities costs and result in unanticipated expenditures.

The staffing levels included in these estimates are based on projected student enrolment. Any material change to student enrolment or the distribution of students by school may impact the staffing levels required in 2024-2025.

The salaries and benefits estimates are based on estimated average salaries for teachers, specific salaries for other employee groups, and known benefit rate changes. Variances in average teacher salaries will impact these estimates. These estimates include modest provisions for management and exempt wage increases; any provincially approved changes to management compensation beyond these modest estimated increases would have to be funded from existing budgets. Also, actual substitute costs may vary significantly from the costs estimated based on historical trends.

The staffing estimates for education assistants are based on estimated funded enrolment for students with diverse needs. Actual staffing levels required to support students with diverse needs may vary significantly from the staffing provided based on funded enrolment of students with diverse needs. Additional staffing will have to be funded from the contingency reserve.

The existing budget allocations are not sufficient to support the procurement, maintenance or timely replacement of school district assets. This means that IT hardware is not refreshed on a regular basis, the deferred maintenance for VSB facilities continues to grow, and the facility condition index for VSB facilities continues to deteriorate. Any major equipment failures during 2024-2025 must be funded from the contingency reserve.

These estimates are based on the assumption that all costs related to the implementation of the restored VTF collective agreement language will be fully funded by the Ministry of Education and Child Care through the Classroom Enhancement Fund and that all costs related to labour settlements will be fully funded by the Ministry of Education and Child Care.

## Structural Deficit

A structural deficit occurs when an organization's ongoing expenditures are continually greater than its income, including government funding and other sources of revenue. If income does not cover expenses over time, the structural deficit will have a cumulative effect. Necessary infrastructure investments, maintenance and upgrades are not funded as part of the ongoing budget which means VSB has a structural deficit which must be addressed.

Most of VSB's revenues come from provincial grants, which are tied to enrolment. In the past, fixed costs have not declined in step with declining revenues and necessary items remain underfunded.

To address the structural deficit, VSB must make structural changes. This will include long-term changes, rethinking and restructuring operations and related costs.

Taking a multi-year approach is necessary to tackle the structural deficit and support the longer-term perspective decision-making that can create lasting change.

Some factors contributing to the District's structural deficit are:

- higher cost associated with maintaining many old buildings and operating more sites and programs than are required to meet the current educational needs of students;
- continued impacts of past enrolment decline experienced over more than a decade;
- creation of programs that do not have a funding source or that rely on surplus funds;
- provision of services that do not have a funding source;
- collective agreement wage lifts and exempt staff wage lifts not fully funded over time;
- maintaining a higher than collective agreement required level of non-enrolling teacher staffing
- provincial funding not covering the cost of inflation; and
- increasing need for supports for students with diverse abilities due to changing demographics and increased immigration.

VSB has contractual and operating obligations that give rise to expenditures that cannot be offset by corresponding revenues. The expenditures required to satisfy these obligations can vary from year-to-year, and in some cases the amount and timing of these expenditures is impacted by factors that are outside of the control of the District. This makes it difficult to quantify the impact of the structural deficit on each fiscal period. For example, VSB is anticipating that employee benefits will increase as a percentage of salary in the 2024-2025 year as described in the financial section of this report. Ministry funding is not expected to offset the full amount of employee benefits in the 2024-2025 year, and the unfunded portion is part of the structural deficit.

Addressing the structural deficit is critical, as VSB will need to increase its financial capacity to achieve its strategic objectives.

## Capital Projects

Due to their magnitude, capital projects have the potential to significantly impact the financial position of the District. There is no process to assess the risk of the entire capital program; individual project risk assessments must be done on a continuous basis. Project agreements with the Ministry of Education and Child Care contain contingencies to mitigate financial risk. Smaller projects consider contingency requirements when building the overall project budget and are managed internally.

## Contingent Assets

In January 2022, VSB received an arbitration award regarding the annual ground lease rent for the site on which Kingsgate Mall occupies. The District has invoiced the tenant annual rent based on the arbitration ruling. The tenant has appealed the arbitration decision and is paying a lower amount of rent. The collectability of the amount invoiced depends on the appeal outcome. Contingent assets are not recorded in this financial plan.

## Contingent Liabilities

In the ordinary course of operations, VSB has legal proceedings brought against it. It is the opinion of management that final determination of these claims will not have a material effect on the financial position or operations of VSB.

## Enterprise Risk Management

As part of the District's Enterprise Risk Management initiative, a comprehensive enterprise-wide risk assessment was updated in 2021.

The risk assessment identified 20 key areas of risk. Some of the major areas of risk for VSB are outlined below.

**Organizational Capacity** – The most significant risk factor identified was organizational capacity. The additional capacity placed on the organization and staff resulting from the pandemic is a concern moving forward, particularly around mental health and the need to hire additional staff to address needs created by the pandemic. There is an increased awareness of privacy and security issues around technology distributed to students and staff. Also, the need to stay informed of Ministry and Provincial health and safety directions resulted in staff being hired to update District messaging to schools.

**Facility Maintenance** – The District operates 77 elementary schools, 18 secondary schools, 12 annexes, eight District Schools (leased or District program sites), six District Support Facilities and three properties on which businesses operate for a total of 124 active facilities. The Long-Range Facilities Plan identified the District has many older buildings with significant seismic safety concerns and deferred maintenance requirements. The capital approval process takes time and resources to get new capital projects up and running, and the Ministry continues to request that school districts contribute more local funds toward capital projects.

**Labour Disruption** – The risk that an agreement cannot be reached with an employee group, leading to labour disruption.

**Supporting Students and Families with Diverse Needs and Mental Health Issues** – The risk that the District, due to limited funds, is challenged to fully support with resources and staffing, the learning experience of students with special academic, behavioural or physical needs (including accessibility).

**Key Employee Recruitment/Retention** – The risk that the District is unable to recruit and retain enough qualified teachers and staff in key positions to meet its needs.



**Technology Requirements** – The demand for technology hardware, software and system utilization continues at a rapid pace. Providing the required services and ensuring that information is secure and protected necessitates allocating more financial resources. Technology in support of education will allow the District to implement the paradigm shift and transformational education required to be at the forefront and on the cutting-edge in the 21<sup>st</sup> Century. Technology in support of the Framework for Enhancing Student Learning and more real-time reporting on student progress is a crucial undertaking. The MyEdBC student administration system requires enhancements to meet the ongoing needs for improved data and reporting. System security remains a high concern. With that in mind, new positions in the LIT department will need to be created. While a multi-year plan was developed for some aspects of the District's requirements, additional resources will need to continue to be directed in this area.

**International Education** – The District relies on enrolment in the International Education Program to supplement Ministry of Education and Child Care funding. Many of the students who enrol in the program do not come to the province until just before the start of the school year.

Since receiving the report and updated risk register, each of the 20 risks has been assigned to a senior leader. Some leaders may have multiple ownership of the risks depending on their respective portfolios. The Director of Risk Management has been conducting further risk analysis for each risk and working with the Risk Owners and other district staff who are subject matter experts to identify what is driving each risk, what if any current mitigations may be in place and identify future mitigations or opportunities for mitigation. Once future mitigations are determined, risk treatment plans will be developed for each risk to determine what changes need to occur and if resources or funding will be required to mitigate the risk.

## SUPPLEMENTAL INFORMATION

### STUDENT ENROLMENT TRENDS AND FORECAST

#### Enrolment Projection Assumptions

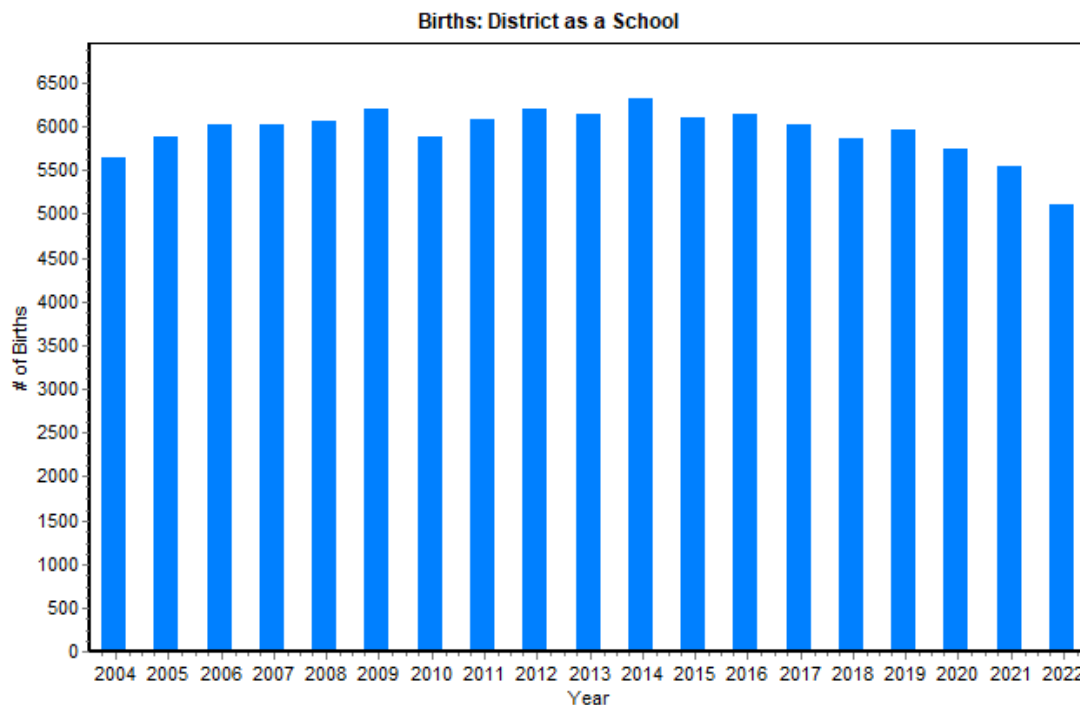
The three-year headcount enrolment projections for students enrolled in regular K-12 schools were prepared using the following data:

- Population projections generated by Baragar Systems (enrolment projections software).
- Two-year average (grade-to-grade) transition rates.
- Local knowledge of recent and historical enrolment trends.

#### Births

Historic changes in the number of births can be a major factor impacting past, present, and future enrolments. Since reaching the peak in 2014, the number of births to residents of Vancouver has been trending lower, at an average of 152 fewer births per year. Included in this average was the single greatest year-over-year decrease in two decades, with 442 fewer births in 2022. The number (5105) was also, by far, the lowest recorded number in two decades, and will likely begin negatively impacting enrolment in VSB schools starting in 2027. The lower number of births in 2020 (5749) and 2021 (5547) will also respectively begin impacting schools starting in 2025 and 2026. As these smaller births cohorts enter school and progress through the grades, replacing larger cohorts, lower total enrolments could be expected in the future.

The children currently enrolled in grades K-12 were born between 2006 and 2018, during which time the number of births per year averaged 6,081. Over the last four years, the births have averaged 5,591 per year, a decrease of 490.



## Migration

The net impact of youth moving in and out of the VSB can also be a major factor impacting enrolment projections. This migration of youth aged 1-16 has been consistently negative over the last 10 years, however, this year the impact of migration was only -0.1%.

The assumptions made in these projections are for continued negative migration, varying by age group, but averaging approximately -0.9%, the same as the overall average of the last two years. If next year's net migration remains similar to this year, or turns positive, the migration projection assumptions made next year will be adjusted accordingly.

It should be noted that Canada's population grew by a record one million people in 2022 - almost entirely due to a surge in immigrants (437,180) and non-permanent residents (607,782) - with similar growth experienced so far in 2023. Additionally, the federal government has now targeted 500,000 new immigrants per year by 2025.

With a growth rate of 2.7%, Canada has remained the fastest-growing G7 country. Should that rate persist, Canada would double its current population of roughly 40 million within 26 years.

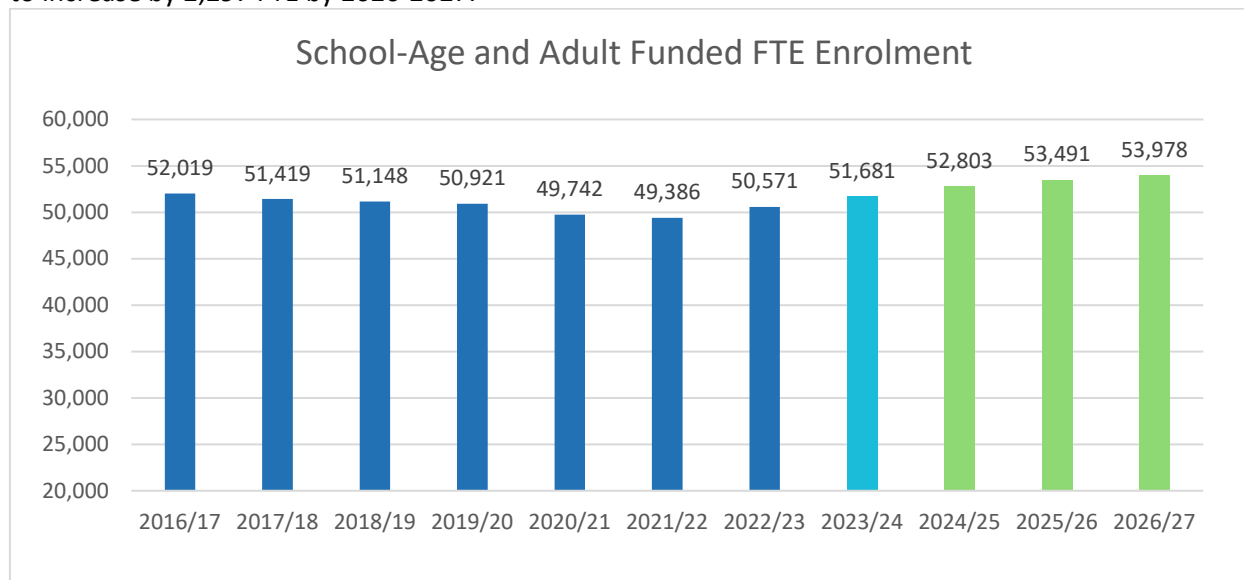
The assumptions in this projection are for continued positive impact of immigration varying by age group and consistent with patterns experienced in the prior two years.

## Enrolment Projections

Major categories of student enrolment are detailed below. The enrolment information presented in this section is based on actual full-year enrolment for 2016-2017 to 2022-2023, actual enrolment for September 2023 and projected enrolment for February 2024 and May 2024 for 2023-2024.

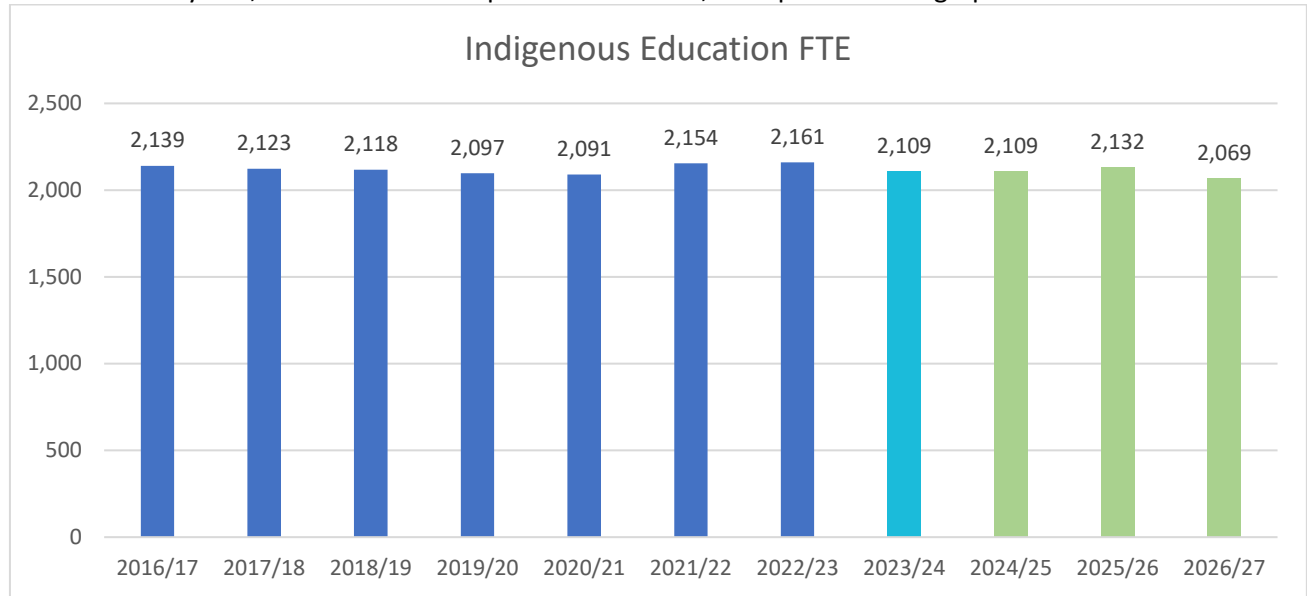
### School Age and Adult Enrolment

The enrolment history for regular, alternate, online learning (formerly referred to as distributed learning), continuing education, summer learning, and non-graduate adult learners is presented in the following chart. Since 2016-2017, funded enrolment has decreased by 338 full time equivalent (FTE) and is projected to increase by 2,297 FTE by 2026-2027.



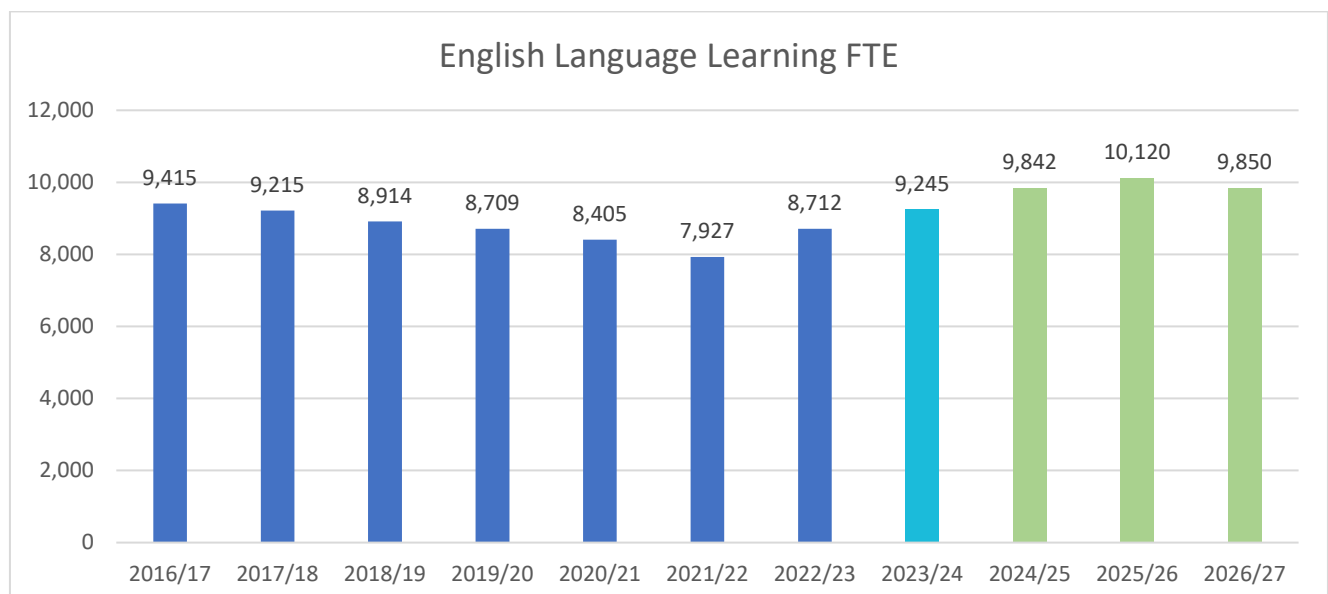
### Indigenous Education

Since 2016-2017, there has been a decrease in Indigenous education enrolment of 30 students. To project enrolment for future years, we utilized a cohort model. This model, which considers historical grade-to-grade transition rates, was applied to determine the projected enrolment in Indigenous education. Over the next three years, enrolment is anticipated to fluctuate, as depicted in the graph below.



### English Language Learners (ELL)

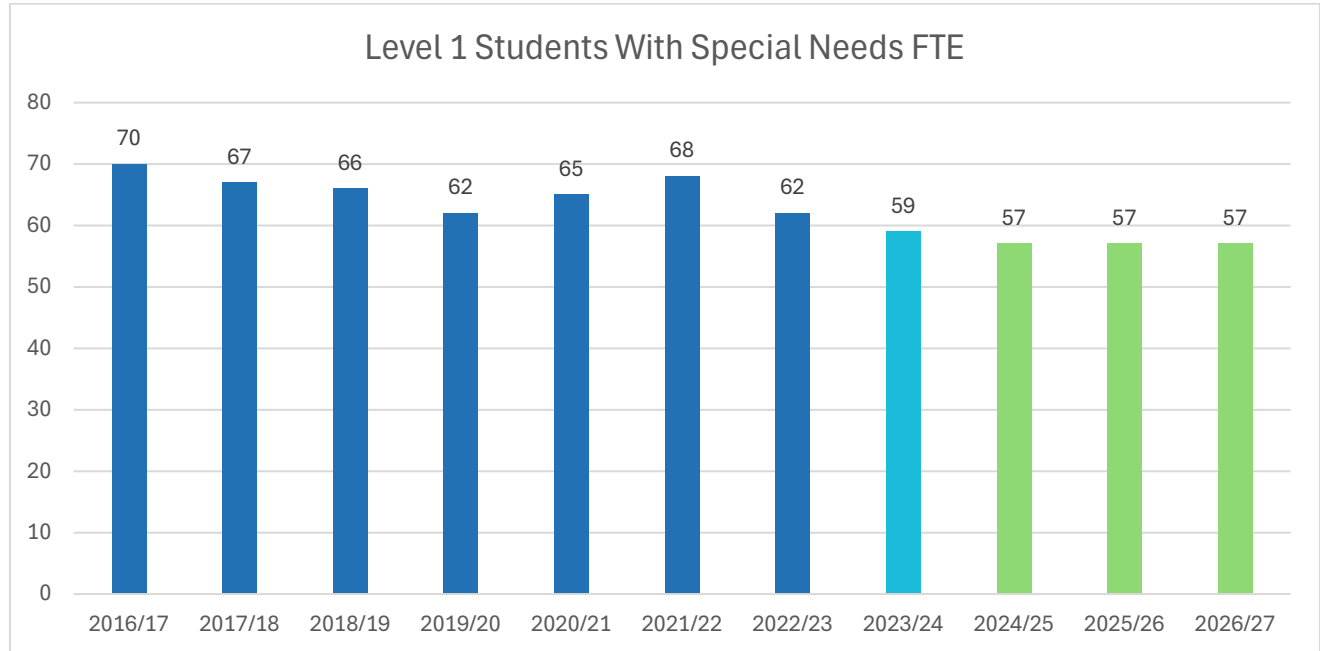
School-age students are eligible for English Language Learners (ELL) funding for a duration of up to five years, provided they continue to meet the funding criteria. We used historical ELL enrolment data, categorized by years of service, to estimate future enrolment numbers. Additionally, based on enrolment data from the last two years, we estimated that 60% of new registrants will be ELL students. Our projections for the next three years are as follows: 9,842 students for 2024-2025, 10,120 students for 2025-2026, and 9,850 students for 2026-2027.



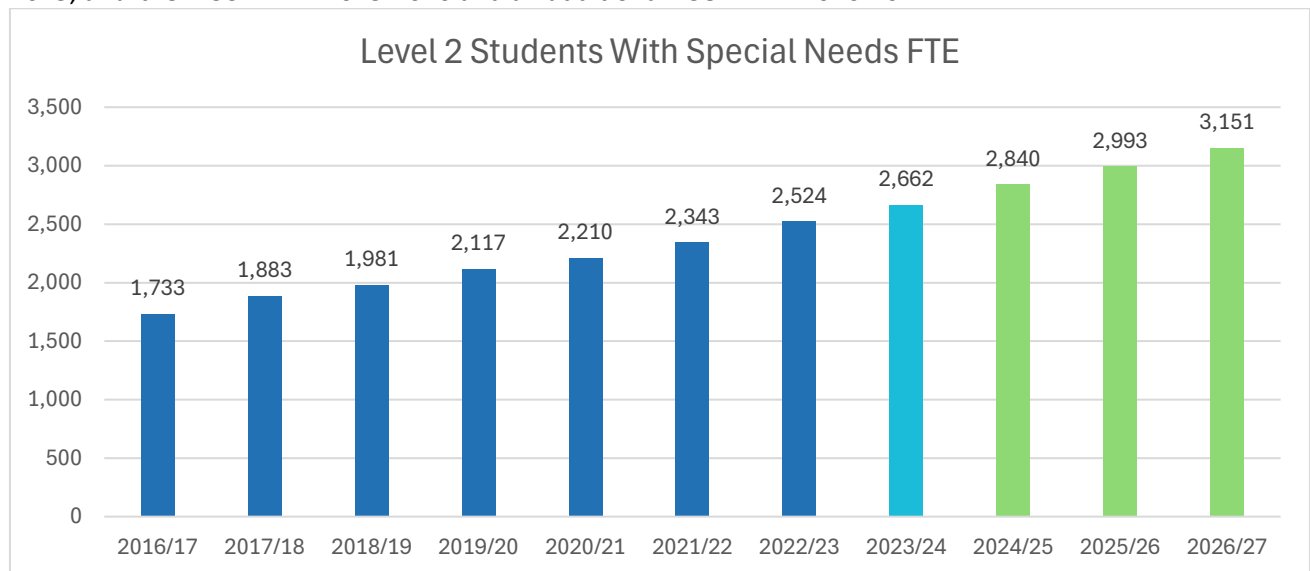
### Students with Special Needs

Supplemental funding is provided for three categories of students with special needs.

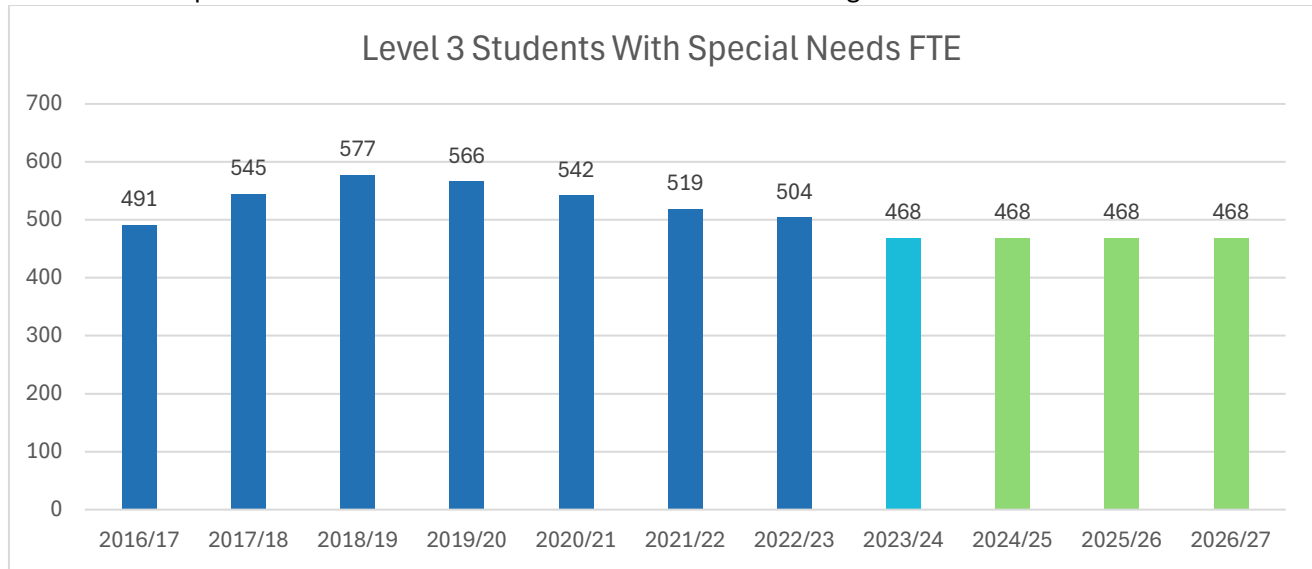
Students with Special Needs enrolment is estimated to decrease by two FTE for Level 1 students in 2024-2025 and remain stable at 57 students after that.



Students with Special Needs enrolment is estimated to increase by 178 FTE for Level 2 students in 2024-2025, a further 153 FTE in 2025-2026 and an additional 158 FTE in 2026-2027.



Students with Special Needs enrolment is estimated to remain unchanged for Level 3 students.





## GLOSSARY OF KEY TERMS

Term	Description
<b>80K/600E</b>	80 kindergarten spaces/600 elementary spaces
<b>AFG</b>	Annual Facilities Grant
<b>Amended Budget</b>	Boards must prepare, have adopted by bylaw and submit to the Ministry of Education and Child Care an amended (final) budget on or before February 28.
<b>Amortization</b>	The cost of a tangible capital asset with a limited life less any residual value is amortized over the asset's useful life. Amortization is recognized as an expense in the Statement of Operations.
<b>Annual Budget</b>	Boards must prepare a preliminary budget and have it adopted by bylaw on or before June 30 as per section 113 of the <i>School Act</i> (Adoption of Budget), and submitted to the Ministry by this date.
<b>BCPSEA</b>	British Columbia Public School Employers' Association
<b>BCSTA</b>	British Columbia School Trustees' Association
<b>BCTF</b>	British Columbia Teachers' Federation
<b>Budget Year</b>	July 1 to June 30
<b>Capital Assets Purchased</b>	This category of expense consists of the expenditures of a school district for the purchase of capital assets.
<b>Capital Bylaw</b>	If the Minister of Education and Child Care approves a capital plan the Board must prepare a capital bylaw in a form specified by the minister. The capital bylaw must be adopted by a majority of the Board and the Board may not amend a capital bylaw except as approved in writing by the minister.
<b>Capital Fund</b>	The capital fund includes capital expenditures related to facilities (purchases and enhancements) and equipment (purchases) that are funded by Ministry of Education and Child Care capital grants, operating funds, and special purpose funds.
<b>Casual Employee</b>	Individuals who substitute for regular continuing staff other than teachers.
<b>CE</b>	Continuing Education
<b>CEF</b>	Classroom Enhancement Fund
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>CNCP</b>	Carbon Neutral Capital Program
<b>COLA</b>	Cost of living adjustment
<b>CommunityLINK</b>	CommunityLINK (Learning Includes Nutrition and Knowledge) funding is designed to support the academic achievement and social functioning of vulnerable students.
<b>COVID-19</b>	COVID-19 is a new disease that has not been previously identified in humans. In March 2020, the World Health organization declared COVID-19 a pandemic.
<b>CPI</b>	Consumer Price Index
<b>CPP</b>	Canada Pension Plan
<b>CUPE</b>	Canadian Union of Public Employees

Term	Description
<b>Curriculum and Learning Support Fund</b>	The Curriculum and Learning Support Fund is provided to assist districts with implementing initiatives as part of the new provincial curriculum.
<b>Deferred Capital Contribution</b>	Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital contribution and amortized over the life of the asset acquired as revenue in the statement of operations.
<b>Deferred Revenue</b>	Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. When restrictions are met, deferred revenue is recognized as revenue.
<b>DPAC</b>	District Parent Advisory Council
<b>EA</b>	Education Assistant
<b>EDI</b>	The Early Years Development Instrument (EDI) is a short questionnaire completed by kindergarten teachers across Canada and internationally which measures children's ability to meet age appropriate developmental expectations.
<b>Education Plan</b>	The Board approved the <a href="#">Education Plan</a> , that will guide the District's work from 2021 to 2026. The plan centers students' needs – their learning, well-being and voices – in programming and supports at schools, operations and management by staff as well as decisions by the Board. The full plan can be reviewed on the VSB website: <a href="http://www.vsb.bc.ca">www.vsb.bc.ca</a>
<b>Educational Assistant Salaries</b>	This category of expense includes salaries paid to educational assistants, teacher assistants and child care workers.
<b>Educational Assistants</b>	Education assistants, early childhood educators, teacher assistants, child and youth care workers, student support workers (SSA, SSB) and Indigenous support workers.
<b>EHB</b>	Extended Health Benefits
<b>EI</b>	Employment Insurance
<b>ELL</b>	English Language Learners
<b>Employee Benefits and Allowances</b>	This category of expense includes the amounts paid by a school district on behalf of or to its employees for either an earned contributed benefit (e.g., Employment Insurance, Canada Pension Plan, medical plan insurance) or for miscellaneous allowances (car, mileage, isolation). Also included here are payments to or on behalf of employees for educational upgrading.
<b>Enrolment Count</b>	School District submission of enrolment information to the Ministry of Education and Child Care. This includes data about each student enrolled in a educational program provided by VSB, each child registered with a school or distributed learning school operated by VSB, and each child who participates in an early learning program. Enrolment counts are completed in September, February and May of each school year.

Term	Description
<b>FCI</b>	The Facility Condition Index is a comparative index allowing the Ministry of Education and Child Care to rank each school against all others in the province and is expressed as a decimal percentage of the cost to remediate maintenance deficiencies divided by the current replacement value (e.g. 0.26).
<b>FESL</b>	<u><a href="#">Framework for Enhancing Student Learning report.</a></u> As required annually by the Ministry of Education and Child Care, VSB prepares an Annual Framework for Enhancing Student Learning (FESL) Report that looks at results from various grade K-12 assessments to determine the intellectual, human and social, and career development outcomes among students. The report follows guidelines distributed by the Ministry of Education and Child Care. The FESL report can be reviewed on the VSB website: <a href="http://www.vsb.bc.ca">www.vsb.bc.ca</a>
<b>FFSFP</b>	Also referred to as School Food Programs, the Feeding Futures School Food Program is a new special purpose fund commencing in 2023/24.
<b>FSL</b>	French as a Second Language
<b>FTE</b>	Full Time Equivalent
<b>Growing Chefs</b>	Organization that provides edible education programming in schools. <a href="https://www.growingchefs.ca/">https://www.growingchefs.ca/</a>
<b>IT</b>	Information Technology
<b>K</b>	Thousand
<b>LCR</b>	Local Capital Reserve
<b>LIF</b>	Learning Improvement Fund
<b>M</b>	Million
<b>MECC</b>	Ministry of Education and Child Care
<b>Memorandum of Agreement</b>	In March 2017, the Ministry of Education, the BC Public Schools Employers' Association and the BC Teachers' Federation ratified a Memorandum of Agreement that fully and finally resolved all matters related to the implementation of the Supreme Court of Canada decision from the fall of 2016.
<b>Ministry</b>	Ministry of Education and Child Care
<b>MPP</b>	Municipal Pension Plan
<b>MSP</b>	Medical Services Plan
<b>MyEd BC</b>	Student information system
<b>OLEP</b>	Official Language Education Program
<b>Operating Fund</b>	The operating fund includes operating grants and other revenues used to fund instructional programs, school and district administration, facilities operations, maintenance and transportation.
<b>Operating Grant</b>	The Operating Grant represents the amount of operating funding allocated by the Ministry of Education and Child Care to boards of education on an annual basis.
<b>Other Professional Salaries</b>	This category of expense includes salaries paid to superintendents, assistant superintendents, secretary-treasurers, assistant secretary-treasurers, trustees, and any other board employee who is excluded from a union agreement.

Term	Description
<b>Other Professionals</b>	Superintendents, assistant superintendents, secretary treasurers, assistant secretary treasurers, trustees, and any other board employee who is excluded from a union agreement.
<b>P/VP</b>	Principal/Vice Principal
<b>Preliminary Budget</b>	Boards must prepare, adopt by bylaw, and submit to the Ministry of Education and Child Care an annual (preliminary) budget on or before June 30 as per section 113 of the <i>School Act</i> (Adoption of Budget).
<b>Principal and Vice Principal</b>	Certified teachers (or teachers with a letter of permission) employed by a school district on a continuous basis, full-time or part-time, under contract (i.e., principals, vice principals).
<b>Principal and Vice-Principal Salaries</b>	This category of expense includes salaries paid to certified teachers (or teachers with a letter of permission) employed by a school district on a continuous basis, full-time or part-time, under contract (i.e., principals, vice-principals, and directors of instruction.) Also included in this remuneration would be administrative allowances for the temporary assumption of those duties (e.g., principal's allowance, vice-principal's allowance.)
<b>PSA</b>	Public Sector Accounting
<b>PSEC</b>	Public Sector Employers' Council
<b>PST</b>	Provincial Sales Tax
<b>Salaries</b>	This category of expense includes the gross amounts paid to employees of a school district as salary, vacation pay, termination pay and administrative allowance for services rendered. It would include payments to teachers, principals and vice-principals, non-teaching personnel, aides, substitutes, and trustees employed on a continuous basis, full-time or part-time. Time taken for sick leave, and other paid leave, is also considered a salary cost.
<b>School Generated Funds</b>	School generated funds represent the accumulated funds held by individual schools. Each school has its own bank account and records the funds received and disbursed throughout the year. These funds are raised at the school level through fundraising, school store revenue, and various other activities. The school generated funds are intended to be used to fund activities that directly benefit the students in the school.
<b>SD39</b>	Vancouver School District or The Board of Education of School District No. 39 (Vancouver) or VSB
<b>SEL</b>	Social Emotional Learning
<b>SEP</b>	School enhancement program is a category of funding under the Ministry of Education and Child Care capital plan.
<b>Services</b>	This category of expense includes the expenditures incurred for individuals, organizations or companies to perform various services for a school district (the primary purpose being the service provided, and a product does not necessarily result). Included are professional/technical services, data processing services, contracted transportation, transportation assistance, travel, facilities and equipment rental, dues and fees, insurance, interest, other contracts, services, and office and communication expenses.

Term	Description
<b>SLP</b>	Speech and Language Pathologist
<b>SOGI</b>	Sexual Orientation and Gender Identity Framework
<b>Special Purpose Fund</b>	The Special Purpose Fund is comprised of separate funds established to track revenue and expenditures received from the Ministry of Education and other sources that have restrictions on how they may be spent (e.g. Classroom Enhancement Fund, Annual Facilities Grant, Community LINK, Ready Set Learn and School Generated Funds).
<b>SPF</b>	Special Purpose Fund(s)
<b>SSA</b>	Student Support worker who provides assistance in an elementary or secondary school, with classroom assignments and management, maintaining appropriate behaviour and school related operational activities. Assists in organizing and implementing programs and activities in support of students with special needs, behavioural issues and multi-cultural backgrounds. Liaises with parents/guardians, volunteers, school committees and community agencies. Operates a variety of instructional aid equipment. May supervise student activities.
<b>SSB</b>	Student Support worker who Provides counselling and activity planning to assist students requiring developmental, behavioural and/or multicultural support. Work includes promoting and interpreting languages and cultures, life skills development, counselling in one-to-one, group or family sessions, assessing behaviour and promoting self-image and providing skills training. Facilitates communication between school, home, community agencies and within student groups. Documents case notes and maintains files. May supervise students in school related activities.
<b>Substitutes</b>	Individuals who substitute for regular continuing staff while the regular staff are ill or absent for other reasons.
<b>Substitute Salaries</b>	This category of expense includes salaries paid by the school district to those individuals who substitute for regular continuing staff while the regular staff are ill or absent for other reasons.
<b>Supplies</b>	<p>This category of expense consists of the expenditures of a school district for all supplies and materials of a consumable and/or non-capital nature. This includes supplies, books and guides, audio-visual materials, electricity, fuel, water and sewage, garbage and assets not meeting the criteria for capitalization. Charges for freight, sales tax, courier services, etc., associated with the applicable supply of items are to be included with the cost of the items.</p> <p>Also included here are the expenditures of a school district for supplies which meet or fall within one or more of the following criteria:</p> <ul style="list-style-type: none"> <li>- they are consumable in nature</li> <li>- they are inexpensive (inadvisable to capitalize)</li> <li>- they lose their original shape or appearance with use</li> <li>- they are expendable (replaced rather than repaired)</li> </ul>
<b>Support Staff</b>	Administrative staff (other than principals and vice principals) and support staff that are employed by a school district on a continuous basis, full-time or part-time.

Term	Description
<b>Support Staff Salaries</b>	Salaries paid to administrative staff (other than principals and vice-principals) and support staff that are employed by a school district on a continuous basis, full-time or part-time, would be included in this category of expense. This category of expense includes salaries paid to non-excluded secretaries, clerks and non-excluded staff such as accountants, maintenance staff, custodians, noon hour supervisors and bus drivers.
<b>Teacher</b>	Certified teachers (or teachers with a letter of permission) employed by a school district on a continuous basis, full-time or part-time, excluding superintendents, assistant/deputy superintendents, principals, vice principals, and directors of instruction.
<b>Teacher Salaries</b>	This category of expense includes salaries paid to certified teachers (or teachers with a letter of permission) employed by a school district on a continuous basis, full-time or part-time, excluding superintendents, assistant/deputy superintendents, principals, vice-principals, and directors of instruction. Also included in this remuneration would be administrative allowances for the assumption of supervisory duties (e.g., department head's allowance and head teacher's allowance).
<b>TPP</b>	Teachers' Pension Plan
<b>Transportation</b>	Costs of activities related to the conveyance of students to and from school on a regular basis and direct supervision of busing.
<b>TTOC</b>	Teacher Teaching on Call
<b>Unearned Revenue</b>	Unearned revenue includes tuition fees received for courses to be delivered in future periods and receipt of proceeds for services to be delivered in a future period. Revenue will be recognized in that future period when the services are provided.
<b>Utilities</b>	Costs incurred by the school district for the consumption of heat, light, and water, as well as expenditures for garbage, sewer, conservation measures, recycling programs and internet/telephone providers (this would include all costs related to the Next Generation Network).
<b>VSB</b>	Vancouver School District or The Board of Education of School District No. 39 (Vancouver)
<b>WIP</b>	Work in Progress
<b>YMIE</b>	Yearly Maximum Insurable Earnings
<b>YMPE</b>	Yearly Maximum Pensionable Earnings