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The School Act requires the boards of education (board) to prepare a balanced annual budget. Estimated spending in the annual budget must not exceed estimated revenue plus accumulated

The Board may approve the use of appropriated surplus or contingency reserve under the following circumstances:

- The elimination of any deficit arising at the end of a fiscal year of operations;
- The funding of new cost pressures in a fiscal year that were not known at the time of budget development;
- Extraordinary unknown utilities cost pressures;
- The payment of severances (wages and benefits) upon termination of employment;
- The settlement of any legal action that is not covered by insurance;
- Initial one-time cost outlays for new education programs;
- Coverage for disaster recovery expenditures;
- Extraordinary expenses incurred to ensure business continuity;
- Replacement of equipment essential to the continuation of safe operations of school district facilities;
- Coverage for unexpected additional major capital project costs not funded by the province;
- To assist in balancing future years budgets.

In recognizing that the use of the contingency reserve represents a one-time source of funding, the Board will incorporate into its future budget planning processes, strategies to re-establish the contingency reserve. Such strategies may be implemented over a period of two years.

Inter-Fund Transfers are funds transferred from one fund to another (e.g. between Operating Fund and Capital Fund). Inter-fund transfers require must be made through board motion. Approval of interfund transfers related to confidential matters or land, legal or personnel matters shall be considered in a closed board meeting.