

BUDGET 2025-26

April 15, 2025

Presented by:

Nita Miki, Assistant Secretary-Treasurer


Presentation Outline

1. Key budget dates
2. Directions 2025 and Financial Governance
3. Budget process and consultation
4. 2025-26 proposed budget
 - Assumptions, funding and other considerations
 - Budget –operating fund, special purpose funds and capital funds
5. Risk factors
6. Budget Outcomes

Key Budget Dates

- February 18 - Partner group and community - budget input meeting
- March 4 - *Provincial budget announcement*
- March 13 - Ministry announcement of 2025-26 preliminary operating grant
- April 15  - **Public Board Meeting – 2025-26 proposed budget**
- April 22 - Special public budget meeting – partner group and community feedback comments
- April 29 - Public board meeting and board approval of the 2025-26 budget

Budget Approval Timeline

- Per School Act (Sec 113)  School Districts are required to file a balanced budget by June 30th of each year



Why does SD43 complete the budget process in April?

- Funding for 2025-26 not announced until March 13th
- SD43 has contractual obligations that stipulate a 60-day notification period to meet certain commitments.
- Schools need staffing allocations with adequate time to organize classes for the following year.



As an outcome, the presentation of the budget, the subsequent discussion, feedback comments, and final Board approval is all done in April

Strategic Plan - Directions 2025

DIRECTIONS 2025 Strategic Goals and Objectives

- Budget and Financial Framework is guided by *Directions 2025*
- Resource allocation directly aligned with goals and objectives in *Directions 2025*

Financial Statement Discussion & Analysis



- Increased Transparency:
 - More detailed and open discussion on financial results
 - Explaining variances to budget
 - Providing updated projections
 - Standardized quarterly reports
 - Comprehensive year end financial report

Budget Process Consultation Guide

For the Fiscal Year Beginning July 1, 2025

BUDGET CONSULTATION GUIDE 2025/26

Learning for a Lifetime



- Budget Consultation Guide

- Aligning budget planning and resource allocation to Directions 2025
- Governance and accountability principles under which budgets are developed
- Budget process and timelines
- General background information
- Public engagement
 - roles of interested parties
 - roles of trustees

2025-26 Budget Consultation

- Prior to developing the 2025-26 Budget, the Board invited partner groups (CTA, CUPE, CPVPA, DPAC) to present their priorities and budget requests.
- Special Public Meeting was held on February 18th , 2025, to receive partner group and community input to help shape the 2025-26 budget.
- The Board and the District Leadership Team (DLT) discussed these requests, including identifying the underlying issue resulting in the request, discussed current or potential solutions, and incorporated these requests into the draft budget where funding permitted, and alignment existed with district priorities.

2025-26 Budget Consultation

- A complete summary of the comments received during these meetings and responses to these recommendations are captured in the budget document



BOARD OF EDUCATION Budget Partner Group and Community Meeting Summary 2025/26

Item #	Partner Group	Request		Budgetary Request - What We Heard	How We Responded
Teachers - Non Enrolling/Learning Services					
1	CTA	CTA - French Learning Supports		Additional Learning Support for French Immersion programs at all levels with focus at the elementary and middle school levels.	In collaboration with French Immersion teachers and the NEW French Immersion mentorship teacher and coordinator - the focus has been on supports for: a language website created and implemented for shared resources, online websites, curriculum overview and parent support; alignment of personnel resources from Learning Services for language programs; online learning workshops hosted by district for in-class supports as well as ACPI membership for resources and in service; support for French Immersion Dept Heads to assist with communication of standard district inclusion tools kits.
2	CMTA	Music/Fine Arts Coordinator	⊕	Creation of a 1.0 FTE Music/Fine Arts Coordinator position to manage the music budget and organize district music events.	Due to significant unfunded cost pressures (benefits, WSBC, CPP, EI, etc.) and declining enrolment, the district is unable to create this position at this time.
Teachers - General					
3	CTA	CTA - Teacher Staffing	⊕	No teacher layoff and maintain staffing levels for teachers	Not implementing teacher layoff introduces significant financial risk to the budget, however, the District understands the nonfinancial impacts that layoff causes and will do all possible to avoid the implementation of teacher layoff.

Budget 2025-26

- The details and assumptions are documented in our published 'Budget 2025-26 & Multi-Year Fiscal Plan' document
- This is an aspect of our commitment to increased transparency and accountability
- Our budget development is guided by *Directions 2025*

BUDGET 2025-26



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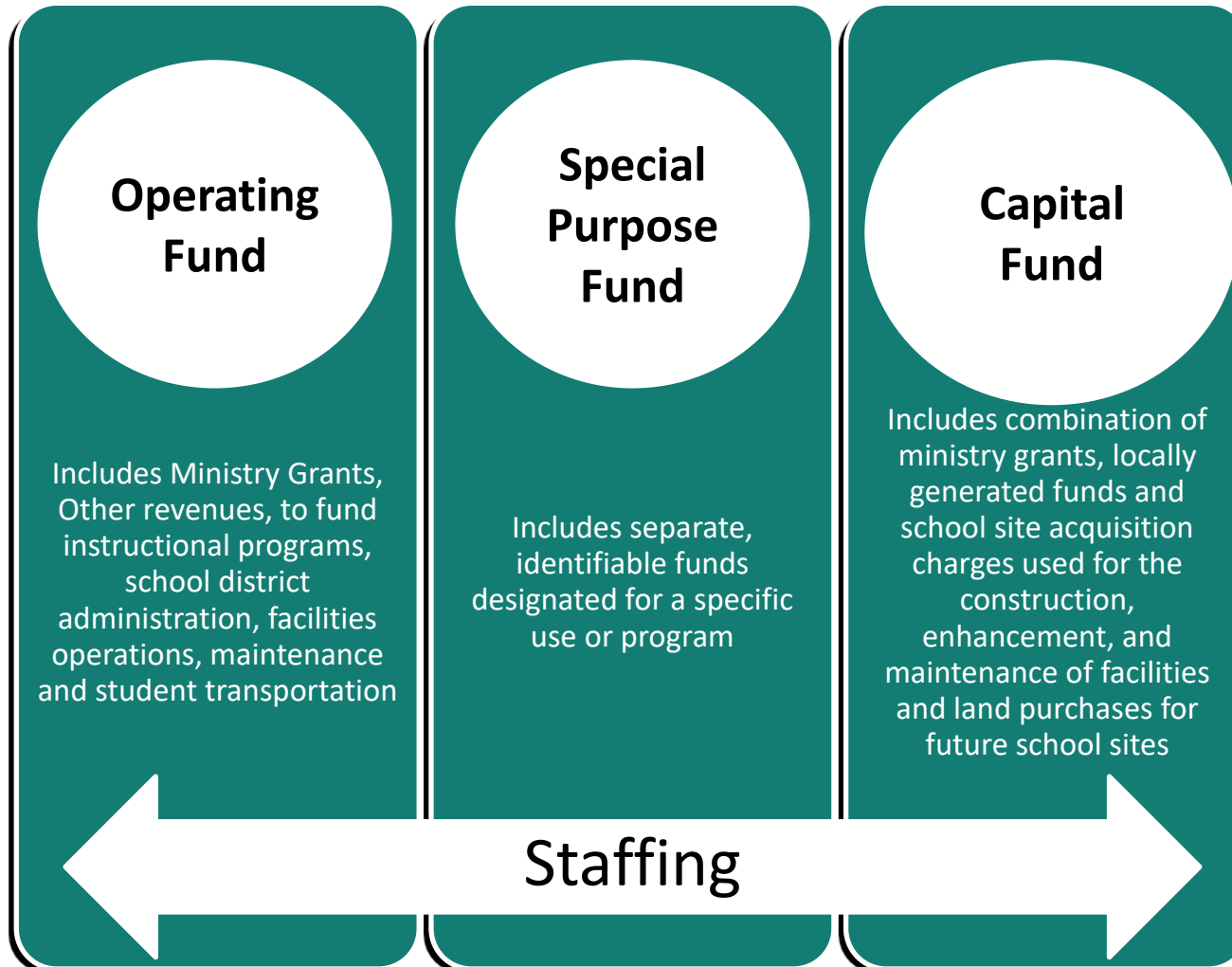
2025-26 Budget Assumptions

- Enrolment expected to decline due to lower immigration levels and lower number of students entering kindergarten than students graduating.
- International Education program expected to remain at current levels.
- The district will try to maximize interest revenues through investments like GIC's with Bank of Canada rates expected to continue along current trends.
- Budget does not include any wage increments for Teachers or Support staff as contracts are still under negotiation.
- Benefit costs (statutory and contractual) are expected to increase due to rate increases, higher usage, and inflationary increases from service providers
- Full impact of tariffs is unknown.

2025-26 Budget Deliberations

- Most expenditure increases are due to contractual, legislative, inflationary or regulatory requirements
 - The Ministry does not provide funding for these increases
- Benefit rates for CPP, EI, WorkSafe, Health and Dental Benefits are increasing
 - The Ministry does not provide adequate funding for these increases
- Projecting an enrolment decrease in our standard K-12
 - Impact on funding and staffing
 - Only funded for those that are in our schools before September 30th.
- Focus on maintaining budget to the extent possible
 - Reduce expenses or increase revenues
- Impact of tariff war
 - Products coming from USA from our suppliers may be higher than expected.

Budget incorporates three Funds:



Change in Enrolment & Funding

Change in Enrolment and Funding	Increase/ (Decrease) FTE	Funding Incr/(decr) from Enrolment
Standard Schools ↓	(132.5)	(1,181,238)
CE/Home School/Course Challenges	0.1	557
Alternate Schools	9.0	80,235
Distributed Learning (online)	(4.8)	(34,200)
Level 1 Inclusive Learners	2.0	101,460
Level 2 Inclusive Learners ↑	29.0	698,030
Level 3 Inclusive Learners	(13.0)	(158,080)
English Language Learning (ELL) ↓	(409.0)	(734,155)
Indigenous Education ↓	(46.0)	(81,420)
Adult Education	(1.1)	(6,046)
July Enrolment Count	(75.0)	(15,375)
February Enrolment Count	8.0	60,620
May Enrolment Count	0.0	0
TOTAL INCREASE (DECREASE) in FUNDING		(\$1,269,612)

Change in Ministry Grant Funding

Changes in Ministry Grant Funding	\$	TOTAL
Decrease in grant funding due to projected enrolment decline	(1,269,612)	
Net Increase in Base & Supplementary Grants (after COLA adj)	553,200	
Operating Grant		(716,412)
Increase in Graduated Adult Funding - (enrolment increase)	41,175	
Decrease in other grants (NGN Self Provisioned & DELF)	(93,215)	
Internal Holdback for Salary Differential	(150,000)	
Other Ministry Grants		(202,040)
Net Decrease in Ministry Grants		(\$918,452)

Unfunded Cost Pressures

Unfunded Cost Pressures	\$	TOTAL
Teachers' - grid step increments, less adjustment for retirements	(1,490,970)	
Exempt - grid step increments & related benefits	(571,790)	
Benefits - Health and Dental premium rate and usage increases	(2,511,036)	
Statutory Benefits - (CPP, EI, WorkSafeBC, rate increases)	(1,053,250)	
Other inflationary increases - (utilities, insurance, IEP, lease)	(368,387)	
Unfunded Cost Pressures		(\$5,995,433)

Changes in Staffing

Staffing Changes	FTE	\$	TOTAL
<u>Reductions in Staffing</u>			
Teachers - K-12, ELL and online enrolment related decreases	(11.2)	1,569,640	
Teachers - Indigenous Education enrolment decrease	(1.0)	81,420	
Teachers - Transfer French teacher staffing to OLEP	(0.6)	84,000	
Adminstrator - Recovery from Early Learning Child Care program		124,719	
<u>Increases in Staffing</u>			
Educational Assistants - enrolment increases level 1 and 2	10.0	(621,780)	
Custodial Staffing - increase at Minnekhada	0.3	(22,383)	
Clerical - increase Secretary 2 from 20 to 35 hours - Minnekhada	0.4	(26,390)	
Net decrease in Staffing costs			\$1,189,226

Change in Other Revenues

Increase in Other Revenues	\$	TOTAL
Increase in International Education Revenues	1,175,000	
Increase in Continuing Education Revenues	37,030	
Decrease in Miscellaneous Revenues	(17,030)	
Increase in Rental Revenues	428,826	
Increase in Investment Income	400,000	
Total Increase in Other Revenues		\$2,023,826

Reversal of one-time budgets

Reversals of one time Budgets available for use in 2025/26	\$	TOTAL
Budget utilized for Purchase of Portables	650,000	
Budget utilized for one-time initiatives - Maintenance	190,037	
Budget utilized for one-time initiatives - IT, HR, Other	242,729	
Funds available for use in 2025/26		\$1,082,766

Other Budget Reductions

Decreases to Operational Budgets	\$	TOTAL
Reduction of Board Contingency	200,000	
Snow Removal	200,000	
Capital Maintenance Budget	400,000	
Professional Development & Travel	82,753	
Various Legal, Professional and Contractual Services	584,979	
Furniture and Equipment Budgets	327,330	
Computer Replacement Budgets	117,191	
General, School, & Maintenance Supplies	483,275	
Various Corporate Services budgets	222,539	
Net Reduction in Operational Budgets		\$2,618,067

Change in Surplus usage

Difference from prior year Surplus usage	\$	TOTAL
Reversal of surplus utilized during 2024/25	(3,750,000)	
Surplus usage for 2025/26 per surplus policy	3,750,000	
Change in surplus usage for 2025/26		\$0

Planned annual surplus usage of \$3,750,000 per our Reserves policy

Summary of Changes

Summary of Changes		TOTAL
Decrease - Ministry Grant Funding	(918,452)	
Unfunded Cost Pressures (Salary, Benefits, Statutory & Inflationary)	(5,995,433)	
Total Funding Pressures		(6,913,885)
Staffing Changes	1,189,226	
Increase - Other Revenues	2,023,826	
Reversals of one time budgets from current year	1,082,766	
Net Decrease to Various Operating Budgets	2,618,067	
Reductions in Expenses/Increases in Revenues		6,913,885
Reverse Surplus usage from 2024/25	(3,750,000)	
Add Surplus usage for 2025/26	3,750,000	
Change in Surplus usage		0
Balanced Budget		0

Operating Budget – Summary

- Used reserves in a fiscally responsible manner to ensure future financial sustainability, \$3.75 million per policy
- Increased International Education Program revenues– enhances school district programs, services & provides financial stability
- Increased other revenues to support budget shortfall
- Retained many of the budget additions added in previous years
- Added staffing to support vulnerable learners
- Reduced supplies and services budgets to address shortfall including Board Contingency
- Taken a cautious and conservative approach in the Preliminary Budget planning to minimize operational disruptions during the school year

Special Purpose Funds

Special Purpose Funds include:

- School Generated Funds
- Annual Facility Grant
- Learning Improvement Fund
- CommunityLINK Funds
- Classroom Enhancement Fund
- Provincial Resource Program
- Federal French Language Grant
- Settlement Services and Language Instruction for Newcomers
- Early Learning Programs (Strong Start & Ready Set Learn, Changing results for Young children)
- Mental Health in Schools
- First Nations Student Transportation
- Feeding Futures School Food Program
- Other Funds

Staffing Summary – Special Purpose Fund

SPECIAL PURPOSE FUND	Actual 2023/24	Amended 2024/25	Preliminary 2025/26	Change from prior year
Teachers	355.21	365.13	363.15	(2.0)
Support	12.59	13.59	13.59	0.0
Educational Assistants	90.28	89.78	86.78	(3.0)
Administrators	1.65	1.65	1.65	0.0
Other Professionals	0.00	0.00	0.00	0.0
TOTAL	459.73	470.15	465.17	(5.0)

- Decrease of (1.8) FTE CEF - teachers for class/size composition (ELL)
- Decrease of (0.8) FTE ELCC – reduction in teacher coverage for admin
- Increase of 0.6 FTE OLEP – transfer of French teacher from operating
- Decrease of (2.0) FTE SWIS – reduction of Settlement Worker and Youth Worker due to lower funding
- Decrease of (1.0) FTE LINC - reduction of Work Experience Facilitator due to lower funding

Classroom Enhancement Fund

CLASSROOM ENHANCEMENT FUND	Amended 2024/25		Preliminary 2025/26		Variance	
	FTE	in \$000's	FTE	in \$000's	FTE	in \$000's
Staffing:						
Teachers	349.2	\$45,594	347.5	\$45,341	(1.8)	(\$253)
TTOC's		\$1,902		\$1,902	-	\$0
Total Staffing	349.2	\$47,496	347.5	\$47,243	(1.8)	(\$253)
Overhead:						
EA's	33.0	\$1,955	33.0	\$1,955	-	\$0
Administrators	1.0	\$438	1.0	\$438	-	\$0
Other Expenses		\$110		\$110		\$0
Total Overhead	34.0	\$2,503	34.0	\$2,503	0.0	\$0
TOTAL	383.2	\$49,999	381.5	\$49,746	(1.8)	(\$253)
Remedy Costs		\$4,493		TBD		TBD

Feeding Futures Fund

FEEDING FUTURES FOOD PROGRAM	Amended 2024/25		Preliminary 2025/26		Variance	
	FTE	in \$000's	FTE	in \$000's	FTE	in \$000's
Funds Allocated:						
Direct to Schools		\$1,169		\$1,050		(\$119)
Direct to Food Partners		\$786		\$786		\$0
Total Funds Allocated	0.0	\$1,955	0.0	\$1,836	0.0	(\$119)
Funds Held at Board Level:						
Lunch Program		\$500		\$500		\$0
Summer Camp Lunches		\$40		\$20		(\$20)
Staffing	10.1	\$836	10.1	\$836	0.0	\$0
Teacher DH Allowances		\$265		\$265		\$0
Mileage, Supplies, Equip, Other		\$251		\$76		(\$175)
Total Funds Held at Board Level	10.1	\$1,892	10.1	\$1,697	0.0	(\$195)
TOTAL	10.1	\$3,847	10.1	\$3,533	0.0	(\$314)

Capital Fund 2025-26

- Our capital budget incorporates the following key elements:
 - Lease revenues from closed schools, interest income and SSAC charges.
 - Construction activity for new schools, seismic replacements, building envelope projects
 - Annual Facility Grant projects
 - Transfers from Operating to Capital for capital item purchases
 - Continued MOA#17 best efforts:
 - Adding portables and classroom conversions as needed

Risk Factors

- Underfunding
 - statutory and benefit cost increases
 - inflationary costs
- Enrolment decline
- Capital funding requirements
- Staffing/recruitment challenges
- Classroom Enhancement Fund

2025-26 Budget Outcomes

- Maintained many budgetary items added during the past two years
- Districts Accumulated Operating Surplus Policy provides ongoing financial stability
- Supporting our most vulnerable learners
- Maximizing resources for student success