

**POLICY, OPERATIONS & FINANCE PARTNER ADVISORY COMMITTEE
AGENDA**

TUESDAY, APRIL 22, 2025

11:00 AM – 12:30 PM PST

In person: School Board Office, 811 Stanley Street, Nelson BC

Via video conference: [Zoom](#) - Webinar ID: 657 3277 9733 – Password: 495118

1. Call to Order

2. Acknowledgement of Aboriginal Territory

We acknowledge, respect and honour the First Nations in whose traditional territories the Kootenay Lake School District operates and all Aboriginal people residing within the boundaries of School District No. 8.

3. Receiving Presentations/Delegations - Nil

4. New or Ongoing Business

A. 2025-2026 Preliminary Draft Budget Discussion (p. 2)

App. 4A

5. Comments or Questions from the Public Regarding Items in this Agenda

6. Meeting Schedule & Reminders

The next meetings of the Committee are scheduled for May 13, 2025.

7. Adjournment



FROM: Cathy MacArthur, Secretary-Treasurer
DATE: April 22, 2025
SUBJECT: 2025-2026 Preliminary Draft Budget Discussion

For Information

Introduction

This memorandum provides information on the 2025-2026 preliminary draft budget.

Information

The Board of Education must approve a budget by June 30th of each year. The 2025-2026 budget is prepared in accordance with section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia and Section 111 of the School Act.

Enrolment-based funding drives most of the operating funding for school districts. The Ministry of Education and Child Care (MoECC) is increasing the basic enrolment-based funding for standard, continuing, and alternate student FTEs and the funding for unique student needs by 1.1% for 2025-2026. The MoECC funding amounts are also determined through unique geographical features and other factors.

The enrolments for the preliminary budget are based on estimated enrolment figures submitted to the MoECC on or before February 15th. For 2025-2026, SD8 is projecting an estimated enrolment of 4,322 regular K-12 full-time equivalent students FTEs, 18 alternate school student FTEs, and 270 online learning FTEs. This is a projected decline of 74.1875 student FTEs in the regular K-12 and alternate school student FTEs and an increase of 8.3125 online learning student FTEs.

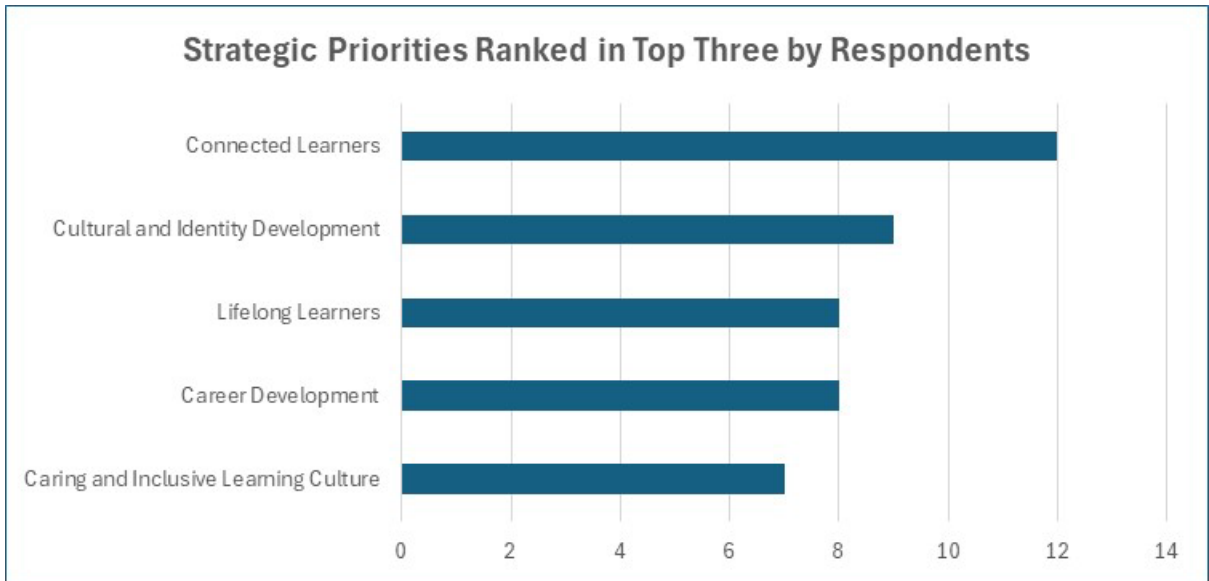
PUBLIC INPUT

Public input on budget priorities was requested through a budget survey. Twenty people completed the survey with ten respondents being parents/guardians and the remainder being staff and educational partners. When asked which education level was a priority for them, the response was fairly evenly split between elementary, middle and secondary followed by early learning.

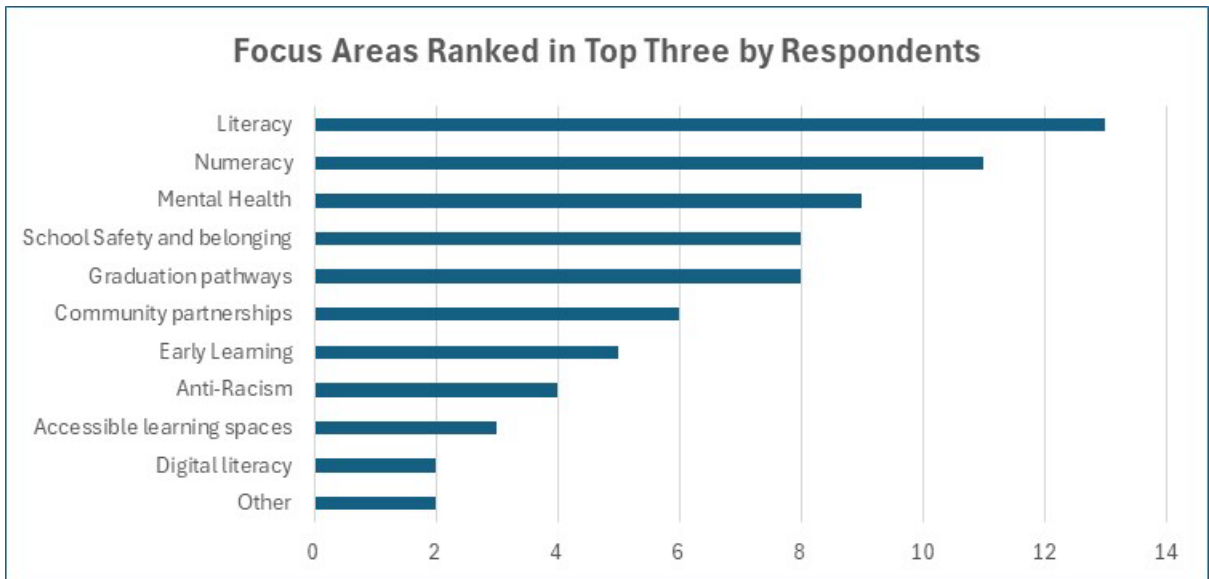
The survey asked respondents to rank and comment on their budget priorities based on the district's strategic priorities, focus areas, use of additional available funding, and use of accumulated operating surplus.

As shown below, the ranking order for strategic priorities was connected learners, cultural and identity development, lifelong learners, career development, and a caring and inclusive learning culture.



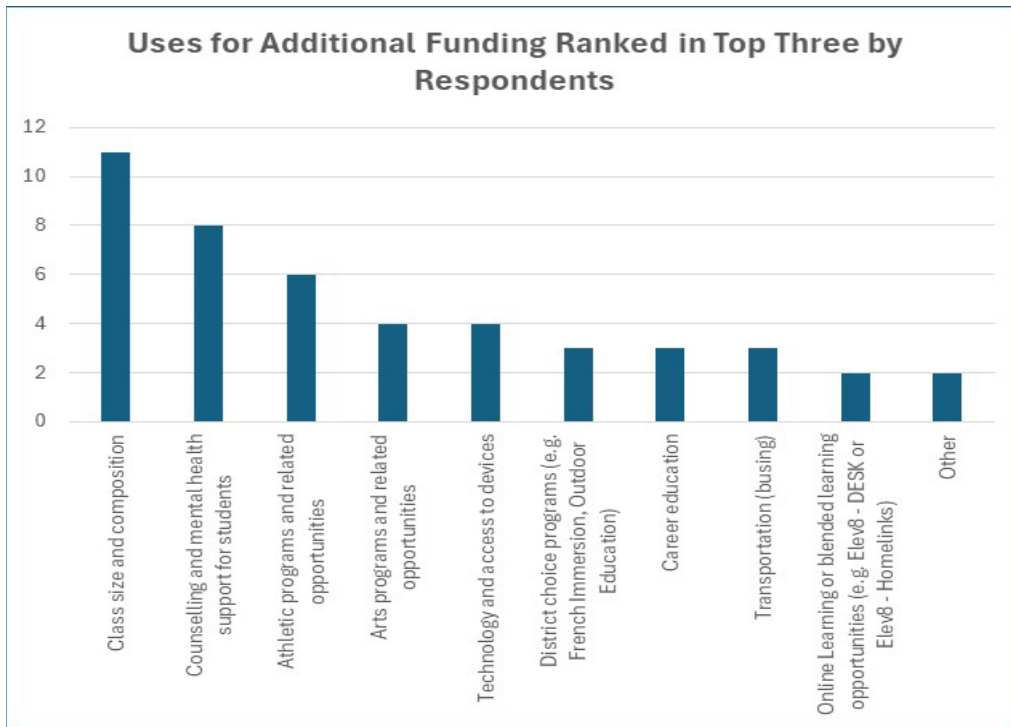


As shown below, the ranking order for focus areas was literacy, numeracy, mental health, school safety and belonging, graduation pathways, community partnerships, early learning, anti-racism, accessible learning spaces, digital literacy, and other

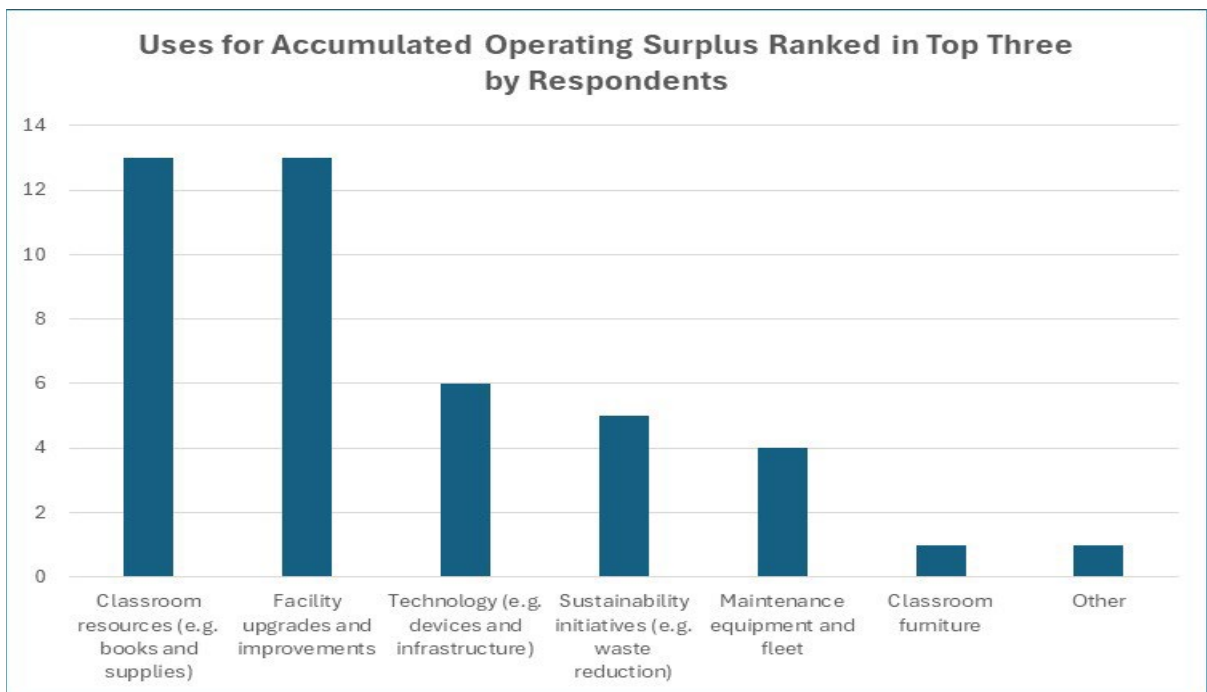


As shown below, the ranking order for uses of additional available funding was class size and composition, counselling and mental health supports for students, athletic programs and related opportunities, arts programs and related opportunities, technology and access to devices, district choice programs, career education, transportation, online learning, and other.





As shown below, the ranking order for uses of accumulated operating surplus were classroom resources, facility upgrades and improvements, technology, sustainability initiatives, maintenance equipment and fleet, classroom furniture, and other.



PRELIMINARY BUDGET

The preliminary budget focuses on the priorities indicated in the survey and the educational resources for student achievement and success as supported by the SD8 2024-2029 Strategic Plan.

Operating Surplus

As shown below, the preliminary budget represents a balanced budget with \$66.6 million in revenues and operating expenses.

| | 2025-2026 Preliminary Budget | 2024-2025 Amended Budget | Increase (Decrease) | |
|---|------------------------------------|--------------------------------|---------------------|-----------------|
| | \$ | \$ | \$ | % |
| Surplus (Deficit) | | | | |
| Total Operating Revenue | 66,029,495 | 66,887,635 | (858,140) | (1.3%) |
| Total Operating Expense | 66,029,495 | 66,960,772 | (931,277) | (1.4%) |
| Surplus (Deficit) before Transfers to Capital Fund | - | (73,137) | 73,137 | (100.0%) |
| Transfers to Capital Fund for Tangible Capital Assets | (600,000) | (504,019) | (95,981) | 19.0% |
| Surplus (Deficit) after Transfers to Capital Fund | (600,000) | (577,156) | (22,844) | 4.0% |

In the 2024-2025 amended budget, the operating deficit was budgeted at \$73K and transfers to Capital for Tangible Capital Assets were budgeted at \$0.5 million, resulting in the use of \$0.6 million of Opening Accumulated Operating Surplus.

In the 2025-2026 preliminary budget, operating revenue is projected to decline by \$0.8 million (1.3%) to \$66.0 million. Operating expenses are projected to decline by \$0.9 million (1.4%) to \$66.0 million, resulting in no operating surplus or deficit before transfers to the Capital Fund. Transfers to the Capital Fund of \$0.6 million are budgeted to be funded by Opening Accumulated Operating Surplus.

Operating Revenues

The operating revenues as shown below is projected to decrease by \$0.8 million (1.3%) compared to 2024-2025.

| | 2025-2026 Preliminary Budget | 2024-2025 Amended Budget | Increase (Decrease) | |
|--|------------------------------------|-----------------------------|---------------------|---------------|
| | \$ | \$ | \$ | % |
| Operating Revenues | | | | |
| Operating Grant Revenue & Other MoECC Grants | 63,831,988 | 64,245,428 | (413,440) | (0.6%) |
| Other Provincial Grants | 303,850 | 303,850 | - | 0.0% |
| Federal Grants | 116,410 | 116,410 | - | 0.0% |
| Tuition | 624,800 | 1,002,150 | (377,350) | (37.7%) |
| Other Revenue | 630,447 | 636,797 | (6,350) | (1.0%) |
| Rentals and Leases | 105,000 | 105,000 | - | 0.0% |
| Investment Income | 417,000 | 478,000 | (61,000) | (12.8%) |
| Total Revenue | 66,029,495 | 66,887,635 | (858,140) | (1.3%) |

Operating grant revenue and other MoECC grants are projected to decline by \$0.4 million (0.6%) due to the decline in regular K-12 full-time equivalent students FTEs and students with unique



needs. Tuition from international students is projected to decrease by \$0.4 million (37.7%) due to lower enrolments. Investment income is projected to decrease by \$61K due to lower interest rates.

Operating Expenses

The operating expenses as shown below are projected to decrease by \$0.9 million (1.4%) compared to 2024-2025.

| | 2025-2026 Preliminary Budget | 2024-2025 Amended Budget | Increase (Decrease) | |
|-------------------------------------|------------------------------------|--------------------------------|---------------------|---------------|
| | \$ | \$ | \$ | % |
| Operating Expense s | | | | |
| Salaries | | | | |
| Teachers | 23,308,770 | 23,697,916 | (389,146) | (1.6%) |
| Principals and Vice-Principals | 4,526,079 | 4,482,435 | 43,644 | 1.0% |
| Educational Assistants | 3,930,582 | 3,930,582 | 0 | 0.0% |
| Support Staff | 7,983,511 | 7,818,666 | 164,845 | 2.1% |
| Other Professionals | 2,530,529 | 2,688,608 | (158,079) | (5.9%) |
| Substitutes | 3,377,307 | 3,684,013 | (306,706) | (8.3%) |
| Total Salaries | 45,656,778 | 46,302,220 | (645,442) | (1.4%) |
| Employee Benefits | 11,465,925 | 11,601,723 | (135,798) | (1.2%) |
| Total Salaries and Benefits | 57,122,703 | 57,903,943 | (781,240) | (1.3%) |
| Services and Supplies | | | | |
| Services | 2,422,876 | 2,551,938 | (129,062) | (5.1%) |
| Student Transportation | 338,695 | 340,421 | (1,726) | (0.5%) |
| Professional Development and Travel | 624,246 | 658,484 | (34,238) | (5.2%) |
| Rentals and Leases | 122,551 | 122,551 | 0 | 0.0% |
| Dues and Fees | 94,440 | 99,210 | (4,770) | (4.8%) |
| Insurance | 215,000 | 215,000 | 0 | 0.0% |
| Supplies | 3,259,781 | 3,269,321 | (9,540) | (0.3%) |
| Utilities | 1,829,203 | 1,799,904 | 29,299 | 1.6% |
| Total Services and Supplies | 8,906,792 | 9,056,829 | (150,037) | (1.7%) |
| Total Operating Expenses | 66,029,495 | 66,960,772 | (931,277) | (1.4%) |

The salaries and benefits are projected to decrease by \$0.7 million (1.3%) but remain consistent as a percentage of total operating expenses (86.5% in 2025-2026 and 2025-2026).

The 2025-2026 preliminary budget for salaries and benefits is based on the current collective agreements for CUPE and KLTF which expires on June 30, 2025. Any additional labour costs resulting from labour settlements and additional labour settlement funding from the MoECC will be reflected in the 2025-2026 amended budget. Changes in salaries include:

- Teachers - Decrease due to a reduction in staffing resulting from lower student enrolments and a shift of teaching salaries from the operating fund to special purpose funds
- Principals and Vice-Principals - Increase due to staff progression through salary scale and the filling of positions
- Support Staff - Increase due to additional staffing from realignment of CUPE and exempt positions



- Other Professionals - Decrease due to eliminating district level exempt staff positions
- Substitutes - Decrease due to less use of relief staff for teachers and principals

Supplies and Services are projected to remain constant at \$9.0 million with the following changes:

- Services - Reduction in discretionary contracted services and services related to the international program due to lower enrolments
- Professional development and travel - Reduction due to anticipated reduction in travel for the upcoming year
- Supplies - Reductions in supplies related to international program being offset by increases in other instructional supplies
- Utilities - Increase related to increase in utility rates

Special Purpose Funds

The projected 2025-2026 revenue from each Special Purpose Funds is shown in the table below.

| | 2025-2026 Preliminary Budget | 2024-2025 Amended Budget | Increase (Decrease) | |
|--|------------------------------------|--------------------------------|---------------------|---------------|
| | \$ | \$ | \$ | % |
| Revenue | | | | |
| After School Sports & Arts Grant | 50,000 | 59,348 | (9,348) | (15.8%) |
| Annual Facility Grant | 279,640 | 279,640 | 0 | 0.0% |
| Classroom Enhancement Fund | 9,695,795 | 9,621,529 | 74,266 | 0.8% |
| Community Link | 759,052 | 795,022 | (35,970) | (4.5%) |
| Early Care & Learning (ECL) Funding to Schools | 175,000 | 175,000 | 0 | 0.0% |
| Early Years to Kindergarten (SEY2KT) | - | 27,429 | (27,429) | (100.0%) |
| Feeding Futures Fund | 597,706 | 759,649 | (161,943) | (21.3%) |
| First Nation Student Transportation | 26,863 | 26,863 | 0 | 0.0% |
| Health Promoting Schools | 27,000 | 27,000 | 0 | 0.0% |
| Learning Improvement Fund | 218,305 | 223,014 | (4,709) | (2.1%) |
| Literacy Professional Learning Grant | 200,000 | - | 200,000 | 0.0% |
| Mental Health in Schools | 55,000 | 55,000 | 0 | 0.0% |
| Early Childhood Education Dual Credit Program | - | 45,975 | (45,975) | (100.0%) |
| OLEP | 115,835 | 115,835 | 0 | 0.0% |
| Ready, Set, Learn | 41,650 | 41,650 | 0 | 0.0% |
| Seamless Day Kindergarten | 55,400 | 71,334 | (15,934) | (22.3%) |
| Scholarships and Bursaries | 30,000 | 30,000 | 0 | 0.0% |
| School Generated Funds | 1,615,000 | 1,615,000 | 0 | 0.0% |
| Strong Start | 160,000 | 216,353 | (56,353) | (26.0%) |
| Student & Family Affordability Fund | 50,000 | 203,904 | (153,904) | (75.5%) |
| Work Experience Enhancement Initiative | - | 50,000 | (50,000) | (100.0%) |
| Grants under \$25,000* | 29,000 | 23,303 | 5,697 | 24.4% |
| Total Revenue | 14,181,246 | 14,462,848 | (281,602) | (1.9%) |

The decrease for After School Sports & Arts Grant, Feeding Futures Fund, Seamless Day Kindergarten, Strong Start, Student & Family Affordability Fund, and the Work Experience Enhancement Initiative relates to the assumption of lower carry forward amounts being available in 2022-2026 compared to 2024-2025.



The decrease for Community Link, Feeding Futures, and the Learning Improvement Fund relates to lower funding due to lower enrolments.

Overall, SD8 is pleased to maintain a budget that supports the Board of Education's Strategic Plan and focuses on staffing and support in the classroom.

