

**MEETING OF THE BOARD HELD IN PUBLIC
AGENDA**

TUESDAY, SEPTEMBER 8, 2026

5:00 PM – 7:00 PM

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. Changes to the Proposed Agenda

4. Consent Package Questions (p. 4)

App. 4

5. Adoption of Agenda

Proposed Resolution:

THAT the Agenda for this September 8, 2026 meeting **BE ADOPTED**, as circulated.

6. Receiving Public Presentations – Nil

7. Comments or Questions from the Public regarding items on this Agenda

The public may post comments or questions in the Q&A area on the webinar. These will be read aloud during the meeting.

8. Adoption of Minutes (p. 18)

App. 8

Proposed Resolution:

THAT the minutes from the June 9, 2026 Meeting of the Board Held in Public **BE ADOPTED**, as circulated.

9. Future and Action Item Tracking (p. 23)

App. 9

10. Education – Reports from the Superintendent

A. Temporary Superintendent Succession Designate 2026-2027 (p. 24)

App. 10A

B. School Food Programs (p. 25)

App. 10B

C. Student Trustee Program and the District Student Voice Framework (p. 32)

App. 10C

D. National Day for Truth and Reconciliation (p. 36)

App. 10D



11. Operations and Finance – Reports from the Secretary-Treasurer

- A. 2025-2026 Audited Financial Statements (p. 39) App. 11A

Proposed Resolution:

THAT the appropriation of the accumulated surplus for the Operating Fund be increased by \$1,689,775 from \$4,398,277 to \$6,088,052 as stated in note 19 of the audited financial statements of the year ended June 30, 2026, **BE APPROVED.**

THAT the Audited Financial Statements and Financial Discussion & Analysis for the year ended June 30, 2026, **BE APPROVED.**

Proposed Resolution:

THAT the Audited Financial Statements and Financial Discussion & Analysis for the year ended June 30, 2026, **BE APPROVED.**

- B. 2025-2026 Statement of Financial Information (p. 134) App. 11B
C. Quarterly Capital Plans Update (p. 200) App. 11C
D. 2027-2028 Minor Capital Plans Submission (p. 203) App. 11D

Proposed Resolution:

THAT the Board of Education conclude three readings at this meeting for the approval of the submission of the Minor 2027/28 Capital Plan.

Proposed Resolution:

THAT the 2027/28 funding request of \$50,250 for kitchen equipment under the Food Infrastructure Program be approved.

READ A FIRST TIME THE 8th DAY OF September 2026;

READ A SECOND TIME THE 8th DAY OF September 2026;

READ A THIRD TIME, PASSED THE 8th DAY OF September 2026.

Proposed Resolution:

THAT the 2027/28 funding request of \$1,000,000 for sprinkler upgrades under the School Enhancement Program be approved.

READ A FIRST TIME THE 8th DAY OF September 2026;

READ A SECOND TIME THE 8th DAY OF September 2026;

READ A THIRD TIME, PASSED THE 8th DAY OF September 2026.

Proposed Resolution:

THAT the 2027/28 funding request for \$402,000 for HVAC upgrades under the School Enhancement Program be approved.

READ A FIRST TIME THE 8th DAY OF September 2026;

READ A SECOND TIME THE 8th DAY OF September 2026;

READ A THIRD TIME, PASSED THE 8th DAY OF September 2026.

Proposed Resolution:



THAT the 2027/28 funding request of \$412,000 for the HVAC upgrades under the Carbon Neutral Capital Program be approved.

READ A FIRST TIME THE 8th DAY OF September 2026;

READ A SECOND TIME THE 8th DAY OF September 2026;

READ A THIRD TIME, PASSED THE 8th DAY OF September 2026.

Proposed Resolution:

THAT the 2027/28 funding request for 8 buses be approved.

READ A FIRST TIME THE 8th DAY OF September 2026;

READ A SECOND TIME THE 8th DAY OF September 2026;

READ A THIRD TIME, PASSED THE 8th DAY OF September 2026.

12. Governance and Policy – Nil

13. Human Resources – Nil

14. Trustee Verbal Reports

- A. Student Trustees
- B. Trustees
- C. Chair
- D. British Columbia School Trustee Association (BCSTA)
- E. British Columbia Public School Employers' Association (BCPSEA)
- F. District Parent Advisory Committee (DPAC)
- G. Other

15. Comments or Questions from the Public

The public may post comments or questions in the Q&A area on the webinar. These will be read aloud during the meeting.

16. Meeting Schedule and Reminders

- A. Board Meetings

The next Meeting of the Board held in Public is scheduled for October 13, 2026 in **Creston**.

17. Adjournment



SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)
CONSENT PACKAGE – PUBLIC MEETING
SEPTEMBER 8, 2026

ITEM

The following Consent items are routine items received for information.

- | | |
|---|-------|
| 1. Board Correspondence Package | p. 5 |
| 2. Superintendent's Report September 2026 | |
| 3. Monthly Financial Report – for period ended July 31, 2026 | p. 11 |
| 4. Transactions over 50k – for period ended July 31, 2026 | p. 15 |
| 5. List of Trustee Recusals | p. 17 |
| 6. Indigenous Education Council (IEC) Meeting Minutes | |
| 7. New or significantly revised Administrative Procedures – Nil | |

SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)**BOARD CORRESPONDENCE PACKAGE****SEPTEMBER 8, 2026**

ITEM	DATE
1. School District No. 5 Board of Education Chair Doug McPhee to School District No. 52 cc. Board Chair Susan Chew related to support for affordable housing	June 1, 2026
2. MLA Brittney Anderson to Chair Chew related to advancing affordable housing and workforce training pathways in rural communities	July 2, 2026
3. Minister Beare to Board Chairs and Superintendents related to ARC Foundation funding cut	July 22, 2026



SCHOOL DISTRICT 5

S O U T H E A S T K O O T E N A Y

June 1, 2026

Board of Education
c/o Kate Toye
Prince Rupert School District (SD52)
634 – 6th Avenue East
Prince Rupert BC V8J 1X1

Dear Ms. Toye

RE: Letter of Support re: Expansion of Affordable, School-Based Child Care

At the School District 5 (SD5), Southeast Kootenay public Board Meeting of May 12, 2026, the Board carried the following motion:

THAT a letter of support be written to Prince Rupert School District 52 in response to their letter regarding aligning BC's Education and Child Care Funding Model to Expand Affordable, School-Based Child Care

The Southeast Kootenay Board of Education (SD5) wishes to extend its appreciation to your Board for supporting the efforts of Kootenay Lake School District (SD8) in their advocacy to align BC's Education and Child Care Funding Model to expand affordable, school-based child care across the Province.

Our Board believes that advocating together for the betterment of public education and child care strengthens our individual district voices throughout the year, rather than relying solely on the BCSTA AGM to amplify our shared voices in support of the students, parents and communities we represent across BC.

While the BCSTA works diligently to advocate throughout each year in support of the motions carried at our AGMs during each term of office, our Board believes trustees also benefit from one another's individual board advocacy efforts and that those efforts should be reinforced whenever a board feels strongly about an issue another board brings forward.

Doug McPhee (Chair) • Trina Ayling • Bev Bellina • Irene Bischler • Alysha Clarke
• Nicole Heckendorf • Chris Johns • Sarah Madsen • Wendy Turner



The need for “a more predictable, sustainable and aligned funding model for school-based child care across BC” is one such issue that resonates deeply with our own Board. In our (mostly) rural communities, where shift work is prevalent, for both parents, as the need for two incomes is necessary to address the rising cost of living, we watch our parents, neighbours, family members and friends struggle with the lack of child care.

We agree that school districts are uniquely positioned to provide child care opportunities quickly and cost effectively; that we have the existing sites, workforce/framework and community trust necessary for successful implementation of widely accessible child care. What we lack is the political will to provide dedicated capital funding for new builds, additions, renovations and modular solutions necessary to provide child care spaces and the stable, multi-year funding—indexed to inflation—necessary to cover operating costs.

Our Board wishes to add our own support to the advocacy efforts of the Kootenay Lake District (SD8) and your own Board, Prince Rupert District (SD52) on this vital issue.

Sincerely,



Doug McPhee, Board Chair

Cc: Susan Chew, Board Chair, Kootenay Lake School District (SD8)
BCSTA –for distribution to member Boards

Doug McPhee (Chair) • Trina Ayling • Bev Bellina • Irene Bischler • Alysha Clarke
• Nicole Heckendorf • Chris Johns • Sarah Madsen • Wendy Turner





Brittney Anderson
MLA, Kootenay Central

July 2, 2026

Board Chair Susan Chew
School District No. 8 (Kootenay Lake)
Sent via email to STOffice@sd8.bc.ca

RE: Advancing Affordable Housing and Workforce Training Pathways in Rural Communities

Dear Chair Chew,

Thank you for your letter dated April 15, 2026 advocating for greater access to affordable housing and the expansion of role-specific training pathways into post-secondary education. I appreciate the strong connection you have drawn between housing availability, staff recruitment, and student success.

The Province recognizes the unique pressures facing small, rural, and remote communities and is committed to working in partnership with local governments, Indigenous partners, and regional organizations to advance long-term, locally driven housing solutions. This includes continued support through programs such as the Community Housing Fund and BC Builds, where new middle-income rental housing is being prioritized for local workers.

Recent examples include developments like Penny Lane Apartments in Kaslo, or the Herridge Lane in Nelson. We will also be bringing a further 55 units to Nelson through a partnership with the Nelson and District Chamber of Commerce, as well as 18 units in Creston. Complementary efforts, including REDIP funding and partnerships with organizations like the Columbia Basin Trust, are also supporting workforce and student housing in the region.

I would also like to acknowledge your recommendations regarding career education and training pathways. Over the past five years, the Ministry of Education and Child Care has invested more than \$16 million in special grants to expand career education and dual credit opportunities, alongside ongoing operating funding—such as the \$32.2 million provided in 2024/25 supporting over 29,000 dual credit and trades-related course completions.



These efforts are further strengthened through partnerships with the Ministry of Post-Secondary Education and Future Skills and SkilledTradesBC. Notably, the Province is investing \$241 million over three years beginning in 2026/27 to significantly expand trades training, including new seats, reduced waitlists, and rural-focused initiatives. This includes targeted investments in the Kootenay region to increase training capacity. SkilledTradesBC Apprenticeship Advisors, such as the Southeast region's advisor, are also available to support connections between schools, students, and local employers.

Thank you again for your strong and ongoing advocacy on behalf of students, families, and educators in School District No. 8. Your leadership and thoughtful insights are invaluable as we continue working to address the interconnected challenges facing rural communities. I look forward to continued collaboration in advancing solutions that support both community sustainability and student success.

Sincerely,



Brittny Anderson, MLA
Kootenay Central



July 22, 2026

Ref: 319593

Dear Board Chairs and Superintendents:

I want to be very clear, my number one priority continues to be that schools are safe and welcoming environments for all students and staff. Unfortunately, over the past few days, we have seen misinformation circulating as a result of divisive and dangerous rhetoric. Our public education system must be one that is grounded in human rights and supports all students and staff.

As part of government's broader commitment to responsible expenditure management, funding provided to the ARC Foundation, the organization that originally developed SOGI 123 in collaboration with the Ministry of Education and Child Care, K-12 education partners, and other organizations, has been reduced over the last two years and will not continue in fiscal year 2026/27. I want to be clear that my expectations around safety and inclusion have not changed. Existing resources continue to be available to districts and schools and the Ministry's commitment to welcoming and inclusive schools and supporting 2SLGBTQIA+ students and staff remains steadfast.

Resources that support inclusive learning environments continue to be available to school districts and educators through both the provincial [erase](#) (expect respect & a safe education) website and the ARC Foundation's [website](#). Since its introduction in 2016, SOGI 123 has remained an optional resource that schools and educators may choose to use to support safe, caring, and inclusive learning environments and to help address bullying and discrimination affecting students and staff.

I appreciate the significant contributions of the ARC Foundation in supporting educators across British Columbia, and would like to recognize them for their work. The ARC Foundation has been an important partner in developing resources and building the capacity of school communities to create inclusive environments where all students and staff feel safe, welcome, and respected.

I appreciate your ongoing leadership and dedication to supporting the success and well-being of all students and staff, regardless of how they look, how they dress, who they pray to, or how they identify. Your efforts help foster safe, inclusive, and respectful learning environments throughout British Columbia.

Sincerely,

Lisa Beare
Minister



Monthly Financial Report

For the period ended July 31, 2026



COMMENTS

Operating Expenditure Report

- The budget information is based on the 2026-2027 Budget approved by the Board on May 12, 2026.
- The last column shows whether the salaries expense is incurred based on the school calendar (10 months), or for the whole year (12 months), or a combination of both.
- The Operating Expenditure Report reflects one month of actual District operations and no months of School operations.
- The salaries and benefits are trending as expected based on the budgeted amounts and the applicable months for all employee groups.

Special Purpose Expenditure Report

- The budget information is based on the 2026-2027 Budget approved by the Board on May 12, 2026.
- The Special Purpose Expenditure Report reflects one month of actual District operations and no months of School operations.
- Other than the Annual Facility Grant and Early Care and Learning Fund to Schools, spending for the special purpose funds generally occurs during the school year.



OPERATING FUND EXPENDITURE REPORT
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	July 2026 Actuals	2026- 2027 Amended Budget	\$ Available Budget	% Available Budget	Applicable Months
Salaries					
Principal & Vice-Principal Salaries	368,680	4,603,689	4,235,009	92%	12
Teacher Salaries	49,805	23,235,849	23,186,044	100%	10
Educational Assistants	-	4,335,061	4,335,061	100%	10
Support Staff	243,699	7,744,557	7,500,858	97%	10/12
Other Professional Salaries	222,424	2,609,646	2,387,222	91%	12
TOCs/Relief Salaries	27,323	3,551,516	3,524,193	99%	10/12
Total Salaries	911,931	46,080,318	45,168,387	98%	
Employee Benefits	194,890	11,896,114	11,701,224	98%	10/12
Total Salaries and Benefits	1,106,821	57,976,432	56,869,611	98%	
Services & Supplies					
Services	41,956	2,250,829	2,208,873	98%	
Student Transportation	-	389,621	389,621	100%	
Professional Development & Travel	6,093	706,358	700,265	99%	
Rentals and Leases	8,752	94,116	85,364	91%	
Dues and Fees	56	115,788	115,732	100%	
Insurance	-	216,800	216,800	100%	
Supplies	89,570	3,567,869	3,478,299	97%	
Utilities	22,125	1,868,447	1,846,322	99%	
Total Services & Supplies	168,552	9,209,828	9,041,276	98%	
Total Operating Expense	1,275,373	67,186,260	65,910,887	98%	



SPECIAL PURPOSE FUND EXPENDITURE REPORT

	July 2026 Actuals	2026 - 2027 Amended Budget	\$ Available Budget	% Available Budget
Ministry of Education and Child Care Funds				
Annual Facilities Grant	17,761	279,640	261,879	94%
Classroom Enhancement Fund	-	11,370,783	11,370,783	100%
Community Link	3,980	759,048	755,068	99%
Early Care and Learning Fund to Schools	14,703	175,000	160,297	92%
Feeding Futures	11,480	589,425	577,945	98%
First Nation Transportation	-	30,851	30,851	100%
Health Career Work Experiential Learning	-	1,300	1,300	100%
Learning Improvement Fund	-	215,310	215,310	100%
Mental Health in Schools	-	55,000	55,000	100%
OLEP	2,641	109,758	107,117	98%
National School Food Program	-	183,350	183,350	100%
Ready Set Learn	1,011	44,100	43,089	98%
StrongStart	-	170,000	170,000	100%
Work Experience Enhancement Initiative	-	17,288	17,288	100%
Total MOECC Funds	51,576	14,000,853	13,931,989	100%
Other Provincial Special Purpose Funds				
ASSAI	-	50,000	50,000	100%
Health Promoting Schools	-	27,000	27,000	100%
Total MOECC Funds	-	77,000	77,000	100%
Other Special Purpose Funds				
School Scholarships and Bursaries	-	30,000	30,000	100%
School Generated Funds	590	2,015,000	2,014,410	100%
Donations	-	25,000	25,000	100%
Total MOECC Funds	590	2,070,000	2,069,410	100%
All Special Purpose Funds	52,166	16,147,853	16,078,399	100%



Monthly Transactions over 50K

For the period ended July 31, 2026



PAYMENTS IN JULY 2026 OVER \$50K (CHEQUES AND EFT)

Vendor Name	Amount
BMO Mastercard	149,713
North Mountain Construction Ltd	112,652
Falcon Engineering Ltd	53,795
Teachers' Pension Fund	827,465
Municipal Pension Fund	90,401
Receiver General RP0002	135,316
Receiver General RP0001	1,131,373
Pacific Blue Cross	238,925
British Columbia Teacher Federation	67,464
BC Teachers Federation	55,192
Worksafe BC	340,230
Engineered Air	56,952
Receiver General RP0003	51,895
Receiver General RP0002	112,994
Municipal Pension Fund	58,492



LIST OF TRUSTEE RECUSALS
2026-2027

**Date of Meetings held in the
absence of the public with one or
more declared Conflicts of Interest**

NIL

**MEETING OF THE BOARD HELD IN PUBLIC
MINUTES
TUESDAY, JUNE 9, 2026
5:00 PM – 7:00 PM**

Board:

S. Chew, Chair *(via video conference)*
J. Bremner, Vice Chair *(via video conference)*
M. J. Blackmore
K. Etheridge
A. Gribbin
D. Lang *(via video conference)*
S. Nazaroff
M. Shunter
L. Trenaman

Student Trustees:

L. Catherall, KRSS *(via video conference)*
I. Hamilton, CBES *(via video conference)*
K. Keyes, MSSS *(via video conference)*
G. Klassen, KRSS *(via video conference)*

District Staff:

T. Smillie, Superintendent
C. MacArthur, Secretary-Treasurer
L. Carriere, Director of Aboriginal Education
B. Eaton, Director of Instruction - Curriculum, Instruction, and Assessment
D. Holitzki, Assistant Superintendent
C. Kerr, Director of Operations
C. Singh, Director of Human Resources
S. Bruskowski, Executive Assistant

Regrets:

Nil

1. Call to Order

The meeting was called to order at 5:00 PM.

2. Acknowledgement of Aboriginal Territory

3. Changes to the Proposed Agenda – Nil

4. Consent Package Questions – Nil

5. Adoption of Agenda

UPON a motion duly made and seconded it was **RESOLVED:** 25/26-061

THAT the Agenda for this June 9, 2026 meeting **BE ADOPTED**, as circulated.

The motion carried unanimously.

6. Receiving Public Presentations – Nil



7. Comments or Questions from the Public regarding items on this Agenda – Nil

In response to questions from a member of the public regarding her son's EA support time, Superintendent Smillie reviewed the process for bringing forward requests or concerns under SD8's communication protocol and advised that the parent continue working with school staff.

8. Adoption of Minutes

UPON a motion duly made and seconded it was **RESOLVED:** 25/26-062

THAT the minutes from the May 12, 2026 Meeting of the Board Held in Public
BE ADOPTED, as circulated.

The motion carried unanimously.

9. Future and Action Item Tracking – Nil

10. Education – Reports from the Superintendent

A. Enhancing Student Learning Report and School Learning Plans 2026

Superintendent Smillie presented the 2025-2026 Enhancing Student Learning Report and School Learning Plans for Board approval. She reported on district progress toward improving student outcomes in literacy, numeracy, belonging, safety, graduation, and career development, with a continued focus on equity for Indigenous students, children and youth in care, and students with diverse abilities. She highlighted areas of growth, key strategic adjustments, and the alignment of school and district plans with the Board's 2024-2029 Strategic Plan, and recommended approval of the 2025-2026 Enhancing Student Learning Report and School Learning Plans.

Trustees expressed gratitude for the learning gained through the School Learning Tours and for the opportunity to experience the energy and activities taking place in schools.

UPON a motion duly made and seconded it was **RESOLVED:** 25/26-063

THAT the 2025-2026 Enhancing Student Learning Report and School Learning Plans be **APPROVED**.

The motion carried unanimously.

11. Operations and Finance – Reports from the Secretary-Treasurer

A. Climate Action and Sustainability Annual Report

Secretary-Treasurer MacArthur, Director Eaton, and Director Kerr presented the Climate Action and Sustainability Annual Report and provided an update on the implementation of Policy 173: Climate Action and Sustainability. She reported on district actions undertaken to advance sustainability through education, stewardship, and organizational culture, including energy efficiency projects, sustainability education initiatives, waste reduction efforts, and the expansion of electric transportation infrastructure. It was noted that the report fulfilled annual climate accountability reporting requirements and outlined ongoing actions to reduce environmental impacts and strengthen sustainability across the district.



Trustees expressed appreciation for the efforts to advance climate action and to embed Policy 173: Climate Action and Sustainability in curriculum and operational initiatives throughout the district.

B. Quarterly Capital Update

Director Kerr presented the quarterly Capital Operations Plan update and reported on the status of capital projects across the district. He highlighted progress on facility upgrades, infrastructure improvements, FireSmart initiatives, and electric vehicle charging infrastructure funded through various capital programs as outlined in the memo.

Trustees commended the significant progress reflected in the extensive list of ongoing and completed projects.

C. Long-Range Facilities Plan Update 2026

Secretary-Treasurer MacArthur the 2026 Long-Range Facilities Plan update and reported on progress made since the adoption of the 2021 Long-Range Facilities Plan. She reviewed facility improvements, modernization projects, infrastructure upgrades, and property decisions completed across the district's six Families of Schools and noted that the district's facilities planning and capital investments continued to align with the priorities and direction established in the 2021 plan.

Trustees recognized the dedication of district and operations staff in supporting the safe and efficient operation of schools and transportation services.

D. Video Surveillance

Secretary-Treasurer MacArthur presented the annual review of video surveillance within the district as required under Policy 840 and the School Act. She reported on the use of video surveillance at designated district schools, outlined retention and storage practices for recorded footage, and noted that access to video recordings remained restricted to authorized personnel on an as-needed basis as outlined in the memo. The district plans to install video cameras at selected locations of Mount Sentinel Secondary School in the summer.

12. Governance and Policy

A. Public Interest Disclosure Act (PIDA) June 2026 Report

Secretary-Treasurer MacArthur presented the annual Public Interest Disclosure Act (PIDA) report and reviewed the district's obligations under the legislation to receive, investigate, and report disclosures of serious wrongdoing while protecting employees from reprisal. She reported that no PIDA disclosures were received by School District No. 8 during the 2025-2026 reporting period.

B. Approve Policy 171: Sexual Orientation Gender Identity

Superintendent Smillie presented revised Policy 171: Sexual Orientation and Gender Identity and recommended the policy for approval. She reported that the revisions reflected current language, and had been reviewed by the Policy, Operations and



Finance Partner Advisory Committee, and were circulated for public field testing. She noted that no public feedback was received during the field-testing period.

UPON a motion duly made and seconded it was **RESOLVED:**

25/26-064

THAT policy 171 **BE APPROVED.**

The motion carried unanimously.

13. Human Resources – Nil

14. Trustee Verbal Reports

A. Student Trustees

- **KRSS (Student Trustee Catherall)** *(via video conference)*

Student Trustee Lucien Catherall, representing Kootenay River Secondary School, reported on recent student activities and engagement, including a successful spring dance, the French class's educational trip to Quebec, and the Edison Electric Go Kart Team's participation in a regional competition. He highlighted student involvement in school leadership through the student council presidential election and noted excitement surrounding the release of student schedules for the 2026-2027 school year, reflecting anticipation for upcoming opportunities and experiences.

- **MSSS (Student Trustee Keyes)** *(via video conference)*

Student Trustee Keyes, representing Mount Sentinel Secondary School, reported on recent student activities and upcoming year-end events, including a successful community fundraiser, preparations for the annual Athletics Day, and continued participation in extracurricular programs. He highlighted student engagement in athletics, performing arts, and outdoor learning opportunities, as well as strong community involvement through school events and celebrations. He also noted several upcoming milestones, including drama and band performances, the Grad Dinner Dance, and an optional school-wide trip to Battle Snake Canyon. As the school year draws to a close, students continued to demonstrate school spirit and participation across a variety of academic, cultural, and recreational activities.

- **CBESS (Student Trustee Hamilton)** *(via video conference)*

Student Trustee Hamilton, representing CBESS, reported on recent school activities as graduation preparations neared completion, noting that graduates had finished fundraising efforts, including a successful silent auction that exceeded expectations. She highlighted student learning and community engagement through a collaborative Indigenous arts mural, a community science fair, a field trip exploring local history, and an upcoming outdoor education camping trip, as well as staff recognition initiatives and the completion of the school's first-ever yearbook.

Trustees celebrated the Student Trustees for stepping into their roles and for providing reports to the Board.

B. Trustees



- Trustee Trenaman reported attending JSAC and PVP Pool interviews, as well as retirement celebrations recognizing staff members' longstanding commitment to student success. She also noted that the School Learning Tours highlighted the exemplary work taking place in schools throughout the district.
- Trustee Blackmore congratulated graduating students, thanked the Senior Leadership Team for their work, and acknowledged the value of the School Learning Tours.
- Vice Chair Bremner congratulated graduates and reported attending IEC meetings, Welcome to Kindergarten events, and retirement celebrations. She thanked SD8 staff for their work throughout the year and wished everyone a happy summer.
- Trustee Nazaroff reported attending retirement celebrations and acknowledged the district's efforts to recognize the contributions of staff.
- Trustee Lang reported attending School Learning Tours and retirement celebrations and recognized staff for organizing these events and showcasing student and staff achievements.

C. Chair

Chair Chew echoed the comments of fellow Trustees and recognized the contributions of Senior Leaders through their reports and ongoing efforts to support public education. She acknowledged the work of the Student Trustees, thanked fellow Trustees for their commitment, and recognized Superintendent Smillie and her team for their dedication and leadership throughout the district.

D. British Columbia School Trustee Association (BCSTA) – Nil

E. British Columbia Public School Employers' Association (BCPSEA) – Nil

Trustee Gribbin informed the Board of the upcoming BCPSEA AGM on Monday.

F. District Parent Advisory Committee (DPAC)

Vice Chair Bremner advised the Board that the June DPAC meeting was postponed to September.

G. Other – Nil

15. Comments or Questions from the Public – Nil

16. Meeting Schedule and Reminders

A. Board Meetings

The next Meeting of the Board held in Public is scheduled for September 8, 2026.

17. Adjournment

The meeting was adjourned at 6:32 PM.

Board Chair

Secretary-Treasurer



Board Meeting	Resolution #	Resolution Summary	Resolution	Assignment	Action Taken w/ Date	Complete
Resolutions in Progress						
February 26, 2019	18/19-092	Properties Sell or Defer	WHEREAS there are nine Board owned properties under consideration for sale in the existing 2016-2026 Facilities Plan, which the Board has previously resolved to sell; WHEREAS the Board is currently in the process creating a new facilities plan (the "2019-2029 Facilities Plan"), for which it is currently consulting with stakeholders and has contracted Baragar Systems to provide long-range enrolment projections and demographic analysis; Moved by Trustee Lang , seconded by Trustee Chew: NOW THEREFORE BE IT RESOLVED THAT in line with past Board resolutions, the following property interests be sold forthwith: 1. Former Crawford Bay maintenance yard; 2. Retallack land; 3. Former Yahk Elementary, and; 4. Ymir Land; THAT the sale of the following property interests be deferred until the Board adopts the new 2019-2029 Facilities Plan: 1. Former Al Collinson Elementary; 2. Former Gordon Sargent Elementary; 3. Kin Park in Creston, and; 4. Salmo tennis court & pool land	Secretary-Treasurer	As of July 2026, the following properties have not sold: - Former Crawford Bay maintenance yard; - Ymir Land; - Salmo Tennis Court & Pool Land	In Progress
Standing Resolutions						
Completed Resolutions						
June 9, 2026	25/26-064	Approve Policy 171	THAT policy 171 BE APPROVED.			Complete
June 9, 2026	25/26-063	Approve Enhancing Student Learning Report	THAT the 2025-2026 Enhancing Student Learning Report and School Learning Plans be APPROVED.			Complete
June 9, 2026	25/26-062	Approve Minutes	THAT the minutes from the May 12, 2026 Meeting of the Board Held in Public BE ADOPTED, as circulated.			Complete
June 9, 2026	25/26-061	Approve Agenda	THAT the Agenda for this June 9, 2026 meeting BE ADOPTED, as circulated.			Complete
May 12, 2026	25/26-060	Approve Policy	THAT policy 490 BE APPROVED.			Complete
May 12, 2026	25/26-059	Approve Policy	THAT policy 129 BE APPROVED.			Complete
May 12, 2026	25/26-058	Approve Policy	THAT policy 116 BE APPROVED.			Complete
May 12, 2026	25/26-057	Approve Policy	THAT policy 115 BE APPROVED.			Complete
May 12, 2026	25/26-056	Approve Board Calendar	THAT the 2026-2027 Board Meeting Calendar and 2026-2027 Governance Framework and Learning Plan BE APPROVED.			Complete
May 12, 2026	25/26-055	Appoint Chief Election Officer	THAT the Board of Education of School District No. 8 (Kootenay Lake) appoint Secretary-Treasurer Cathy MacArthur as Chief Election Officer for the 2026 School Trustee Elections.			Complete
May 12, 2026	25/26-054	2027-2028 Major Capital Plan Submission	THAT the Major 2027/28 Capital Plan Submission Summary totaling \$18,702,875 be approved for submission to the Minister of Education and Child Care. READ A FIRST TIME THE 12th DAY OF MAY 2026; READ A SECOND TIME THE 12th DAY OF MAY 2026; READ A THIRD TIME, PASSED THE 12th DAY OF MAY 2026.			Complete
May 12, 2026	25/26-053	Reading of Major Capital Plan Submission	THAT the Board of Education conclude three readings at this meeting for the approval of the submission of the Major 2027/28 Capital Plan.			Complete

Memorandum to the Board of Education PUBLIC

FROM: Trish Smillie, Superintendent
DATE: September 8, 2026
SUBJECT: Temporary Superintendent Succession 2026-2027

For Information

[Policy 190: Temporary Superintendent Succession](#) states that the Superintendent/CEO shall annually designate a senior administrator to assume temporary superintendent responsibilities on an emergent basis if the Superintendent/CEO is suddenly unable to fulfil her responsibilities in the event of debilitating illness, accident, or sudden loss of life.

Assistant Superintendent Jason Tichauer is designated as temporary superintendent successor for the 2026-2027 school year to assume superintendent responsibilities on an emergency basis.



Memorandum to the Board of Education Public

FROM: Trish Smillie, Superintendent
DATE: September 8, 2026
SUBJECT: School Food Programs

For Information

Introduction

This memorandum provides an overview of Feeding Futures funding, the National School Food Program funding, and school food programs for vulnerable children and youth in School District No. 8 (Kootenay Lake) (SD8) for the 2026-2027 school year.

Background

In [BC Budget 2023](#), The Ministry of Education and Child Care announced a three-year investment of \$214 million through [Feeding Futures funding](#) for school districts to create or expand local food programs in schools throughout B.C. This investment was the largest to date for school food programs in the province's history. Feeding Futures funding is enrolment-based.

For the 2026-2027 school year, SD8 will receive \$589,425 in Feeding Futures special purpose funding (compared with \$597,706 for the 2025-2026 school year and \$615,090 in Feeding Futures funding for the 2024-2025 school year).

The Feeding Futures funding continues to help address the immediate need of feeding students and for the 2026-2027 school year, builds on progress made with the Feeding Futures funding in 2025-2026, 2024-2025 and 2023-2024 to help reduce the challenges of rising food costs for families who need it most.

In addition to [Feeding Futures](#) funding, the Ministry of Education and Child Care has worked with the Government of Canada to implement the [National School Food Program \(NSFP\)](#) in BC. This special purpose funding provides additional funding to districts and schools for food programs. In March 2025, an agreement between the BC Government and the Government of Canada was [announced](#), adding a further \$183,350 for 2026-2027 (compared with \$122,231 for 2025-2026) to expand school food programs.

Generally, the purpose of school meals and school nutrition programs in schools is to support the health and academic and social functioning of socioeconomically vulnerable students. Several different food programs in SD8 fall under the general title of school meals and school nutrition programs, including breakfast, lunch and snack programs. School food programs provide vulnerable students access to nutritious foods, and therefore contribute to:

- short-term and long-term cognitive ability;
- the growth and development of the body and mind;
- a healthy immune system;
- healthy energy levels;
- appropriate classroom behaviours; and,
- social inclusion among peers.



Both Feeding Futures funds and the National School Food Program funds are to be used for the 2026-2027 school year primarily to purchase food for students to support their ability to learn during the school day. The goals of both programs include:

- ensuring that no child attends school hungry, in order to improve overall learning outcomes;
- promoting health equity by supporting students facing food insecurity;
- establishing lifelong healthy eating habits and bolstering student well-being; and
- supporting sustainable food systems, through procurement of local, seasonal, and nutritious food.

Non-profit organizations, donors and parent advisory councils will continue to play an important role in 2026-2027 alongside schools to address student hunger, which reflects the larger issue of community-based food insecurity. This external support may include food donations, volunteering for school meal and snack distribution, and helping to facilitate food-related grants (such as volunteering to help with food distribution for the [Vancouver Sun Grant](#)).

Using BC Grown Food

The Ministry of Education and Child Care guidelines indicate that at least 30% of foods provided or sold to students in BC schools be BC grown. The Ministry of Education and Child Care will continue to work with the Ministry of Agriculture and Food in 2026-2027 to expand the [Feed BC program](#) in school food programs. Feed BC works with institutions, stakeholders and partners across the food service supply chain to increase the use of British Columbian foods in BC government supported institutions, facilities, programs and services. Feed BC will continue to support schools building strong community partnerships with local growers and food producers to include more BC food in schools and invest in local economic growth.

Why buy BC grown foods?

- Buying BC grown foods is good for the economy. Dollars spent are reinvested back into the community, which strengthens the growth of small businesses and generates local jobs;
- Buying BC grown foods supports local farmers. Purchasing food products from BC farms enhances the market for BC produced food products and contributes to the sustainability of BC rural communities;
- Buying BC grown foods is good for the environment. Local food distribution uses less fossil fuel for transportation and less packaging materials; and
- Buying BC grown foods is healthy. Locally grown foods are generally fresher and less processed than imported foods. Produce picked at its peak has the highest nutrient content.

Background Information for School Food Programs in BC Schools

There are several essential documents and pieces of legislation that underpin the development and implementation of school meal programs throughout BC schools. This



information both regulates and guides school meal programs. This information is continually being updated and expanded, as school food programs and guidelines evolve.

The [Canada Food Guide](#) was created to help Canadians understand and apply healthy eating recommendations. The Canada Food Guide includes information regarding recommended food groups and portion sizes, and food literacy guidelines regarding being mindful of eating habits, the environmental impact of food choices, and how to enjoy food by incorporating culture and food traditions and eating meals with others. All meals provided in the district must abide by the Canada Food Guide.

In May 2025, the Ministry of Education and Child Care introduced the [BC School Food Toolkit](#) (the Toolkit), developed to support schools in creating and maintaining healthy school food environments. The Toolkit includes guidance to support schools in their efforts to provide nutritious foods for students through their Feeding Futures and National School Food programs. The Toolkit promotes nutritional value of food served at school, and the ways in which schools create a culture of care and connection around how food is prepared, served, and eaten. The Toolkit also emphasizes the importance of having safe spaces for students to eat, as well as adequate time to eat and connect with friends. The Toolkit is currently being reviewed and will be updated once a review has been completed.

Schools in Canada are not permitted to use trans fats in school meal programs. In September 2018, [Health Canada banned the sale and use of partially hydrogenated oils](#) (PHOs) throughout Canada. Industrially produced trans fats are contained in hardened vegetable fats, such as margarine and ghee, and are often present in snack food, baked foods, and fried foods. Banning the use of PHOs in foods effectively reduces trans fats in the Canadian food supply to the lowest level possible and helps achieve the [World Health Organization's public health recommendation](#) to reduce the intake of trans fats by most of the population to less than 1% of total energy intake. Achieving this public health objective is expected to lead to an overall reduction in the risk of heart disease among the general population.

The [Food Premises Regulation](#) also applies to food services in schools. This regulation requires that at least one operator outlines public health requirements for any institution which supplies and serves food to the public. The *Food Premises Regulation* requires that at least the operator of the kitchen /food facility and one other person on site have a valid [FoodSafe Certificate](#).

Information

Starting in April 2023 when food equity programs were introduced by the Ministry of Education and Child Care, district and school staff have worked to effectively implement food equity programs throughout SD8.

SD8 staff initially conducted surveys with school principals to learn about their food and meal programs in 2023, as well as reviewed food provided to students to analyze the nutrition of the food and whether it followed the then-in-effect *Guidelines for Food and Beverage Sales in BC Schools*. SD8 district staff surveyed schools about grants they accessed, and who provided or served food in schools. District staff also surveyed schools about their facilities and equipment to determine school food service capability. This information informed initial district food equity programming and allocations. School principals have continued to



complete yearly surveys of both their food equity programming and how they allocate food to students, particularly to financially vulnerable students and Indigenous students.

In the 2024-2025 school year, the BC Ministry of Education and Child Care additionally surveyed schools across the province about their food programs and allocation of food to vulnerable students. The district was provided with the resulting report, which has assisted the district in planning for successive school years.

Since May 2023, district staff have regularly engaged with Indigenous education partners and parents of nominal roll students about how best to support Indigenous students regarding food security. The feedback has guided the district, and funds are equitably allocated to support Indigenous student food security at students' local schools. As of the 2025-2026 school year, the Director of Indigenous Education and Learning Services has engaged with the local Indigenous Education Council (IEC) to gain feedback about how food programming allocations should be distributed to Indigenous students, and what type of food equity programming and cultural food awareness should be implemented for Indigenous students.

Since February 2023, SD8 district staff have distributed information about healthy and nutritious food for children and families, Feeding Futures and National School Food Program funding, BC foods, and grant opportunities, through the SD8 Weekly and on the SD8 website. District staff also provide food equity and healthy eating information to school staff in weekly communications.

Since June 2023, district staff have presented at DPAC meetings about food equity programs in schools, as well as at some individual PAC meetings. District staff continue to both provide information about school food programs and other food-related topics, as well as answer questions about school food and meal programs in the district. Information from PAC groups has been invaluable and continues to provide guidance for district and school staff.

The district has worked closely since 2023 with [BC Agriculture in the Classroom](#) (BCAitC) to expand the BC Fruit and Vegetable Nutritional Program (BCFVNP) (now called [Fresh for Kids](#)) in all SD8 schools, for all students. Since 2023-2024, Feeding Futures funding has enabled the district to ensure that fresh fruit, vegetables, and milk/milk substitute products are delivered to schools bi-weekly, with mostly BC fruits and vegetables provided for all students, along with additional top-ups for students in more rural communities. Since 2023, the BCAitC has provided expanded services to six district rural schools (Salmo, Kaslo, Slocan, Crawford Bay, Redfish, and Blewett).

In 2025-2026 the district spent \$197,756 on the BCFVNP. In 2026-2027, the district has budgeted \$155,000 for the Fresh for Kids program. This amount reflects fewer students in the district, and the use of an increased amount of produce from local farms to supplement Fresh for Kids.

Since the inception of the Feeding Futures Program and the National School Food Program, funds have been provided to each school in the district, for the provision of nutritious food for financially vulnerable students across the district. Food equity programs in schools include breakfast or lunch plus snacks for financially vulnerable students. Food equity funding has been provided through special purpose funds across the district for several years. With the advent of Feeding Futures funding and the National School Food Program funding, food equity allocations and utilization have significantly increased from previous years.



In 2022-2023, before the implementation of Feeding Futures, 395 students were provided with food at school through special purpose funding. In the 2023-2024 school year, an additional 437 students had access to lunches during the school year, bringing the total to 823 students. In the 2024-2025 school year, approximately 3000 students across the district accessed food provided through food equity programs, including the BCFVNP, additional food equity supports in schools, and/or additional Indigenous food equity supports in schools. In the 2025-2026 school year, approximately 3800 students accessed food equity programs, representing approximately 85% of students across the district. It is expected that the percentage of students accessing food equity programs in 2026-2027 will increase slightly.

In 2023-2024, a district School Food Program Advisor (SFPA) was hired to coordinate food programs throughout the district. Since then, the SFPA has worked with principals and school staff to ensure that nutritious food is provided to financially vulnerable students throughout the year. The SFPA reviews the nutrition documents implemented by the Ministry, vets food purchases and/or ordering food, designs sample menus and shopping lists for schools to access, provides information about healthy eating to schools, connects schools with local farms for educational field trips and/or purchasing food, explores food procurement options throughout the Kootenays and with other school districts, provides information about healthy food options to support staff in schools, and supports the increased use of BC grown foods in school food programs.

Since 2023, community partnerships have been fostered with organizations, farms, and vendors across the Kootenays. A partnership has been fostered with the Nelson and Creston Save-On stores, with Nelson Save-On extending their delivery range to rural schools once a week to reduce the barriers to food accessibility. Other partnerships include the Nelson Community Food Centre, Elk Root Conservation Farm, Central Kootenay Food Policy Council Society, Creston Food Hub, and community grocery stores across the district. The district will work to increase local partnerships in the 2026-2027 school year, particularly with non-profit agencies that support food security for families.

In the 2025-2026 school year, the SFPA fostered partnerships amongst various food security, community development, and public health agencies across the Kootenays in the form of pilot projects, skill sharing, and networking. This has connected the district with a broad service delivery ecosystem across the Kootenays to collaboratively address food insecurity. Two regional procurement projects (a purchase project and a food delivery project) have been granted Ministry of Education and Child Care funding - the district is a partner in these projects which are in the development phase.

Feeding Futures funding has enabled the district to purchase new equipment to support the expansion of school food programs at each school. Since 2023, the district has purchased over 25 appliances (fridges, stoves, sanitizing dishwashers, and deep freezers) from local vendors, in addition to toasters, microwaves, plates and bowls, storage containers, grow towers for greens, commercial kettles, commercial blenders, food dehydrators, and other equipment to support food programs.

Additionally, through added Ministry of Education and Child Care funding for infrastructure, the district has renovated school food preparation areas or added new pieces of larger equipment at J.V. Humphries School, Kootenay River Secondary, Redfish Elementary, Rosemont Elementary, and Salmo Elementary. A significant project is underway at Kootenay



River Secondary, to upgrade the foods room to create a food storage and servery to better enable safe storage and distribution of food to students. Other projects are being planned for the 2026-2027 school year to update food preparation and service areas in schools.

Finally, summer food equity support was provided in the summer of 2026 to vulnerable students in the district through the provision of take-home food hampers. Approximately \$30,000 in hampers were distributed at the end of June to reduce food insecurity during the months when school is not in session.

School Food and Meal Programs for Vulnerable Students in 2026-2027

In the 2026-2027 school year, the BC Fresh for Kids Program will continue to provide fresh produce servings to every student in the district with 24 weeks of deliveries. The program will continue the expanded pilot programs at the existing schools with additional servings of dairy/dairy substitute products. Additional servings of vegetables and fruit will also continue to be provided for Salmo Secondary and Redfish Elementary.

The Feeding Futures program and the National School Food Program will continue to provide meals to students in need and will take a blended approach with the provision of breakfast or lunch in addition to the Fresh for Kids fruit and vegetable snacks. Schools submit their yearly food plans to the district SPFA, detailing how they will ensure that vulnerable students receive daily food support. Some schools choose to use groceries and prepare breakfasts or lunches for students, while others choose a “grab-and-go” approach for breakfast/lunch and snack items.

In 2026-2027, food equity programming will continue in addition to the above for Indigenous students, to ensure equity of access and the improvement of food security for Indigenous students. The Director of Indigenous Education and Learning Services will work with the Indigenous Education Council and school and district Indigenous Education staff, to ensure equity food supports are provided to Indigenous students throughout the district all year.

Throughout 2026-2027, the SFPA will help schools coordinate various programs as well as grants of food and food-based grants (such as the Vancouver Sun Grant and the United Way Grant), to ensure these are appropriately and equitably distributed.

In the 2026-2027 school year, the district will continue to ensure that the Canada Food Guide is followed, and that meals provided during the school day are in line with the dietary recommendations of the federal and provincial governments. Also, the SFPA will assist schools in learning more about the BC Food Toolkit, and in accessing the resources linked to the Toolkit.

As part of the Physical Health Education Curriculum, schools will continue to increase food literacy within the district through class field trips, student participation in meal programs, and educational lessons on food security and food literacy. The SFPA will assist classroom teachers in finding resources, to support teachers to teach students about eating nutritious foods and healthy eating as part of daily life.

Safeguarding Student Dignity and Confidentiality



Supporting success in school for vulnerable students significantly depends upon helping students to develop a sense of connection with their school and school community. When providing a school meal or school nutrition program, it is vital that the program be conducted in a manner that does not stigmatize already vulnerable students. It is equally vital that families participating in a school meal and/or school nutrition program have the assurance that their financial information and situation is confidential.

Every school principal in SD8 has processes in place to ensure that student dignity is maintained in school meal programs. As well, according to [Administrative Procedure 1300, Freedom of Information and Protection of Privacy](#), the confidentiality of student information is maintained.

PAC Involvement

In 2026-2027, the district continues to work with school and district parent advisory councils. School PACs may continue to volunteer with food preparation, food distribution and fundraising at schools. PAC involvement in school food programs will continue to be guided by the school principal, following district and Ministry of Education and Child Care procedures and expectations.

Conclusion

School District No. 8 (Kootenay Lake) is excited about the opportunities that both Feeding Futures and the National School Food Program funding provide for financially vulnerable students in district schools. SD8's goal is to ensure that vulnerable students have consistent access to nutritious foods in order to enhance their overall health. SD8 is confident that school food and school meal programs will continue to enhance and improve students' ability to learn and thrive.



Memorandum to the Board of Education Public

From: Trish Smillie, Superintendent

Date: September 8, 2026

Subject: Student Trustee Program and the District Student Voice Framework

For Information

Introduction

This memorandum outlines information about the Student Trustee Program and the District Student Voice Framework for School District No. 8 (Kootenay Lake).

Background

The inclusion of student voice at all levels of the school district encourages engagement and relevance in student learning. Encouraging students to participate in decisions that impact their schools also aligns with the goal of developing the Educated Citizen, enabling students to graduate with the knowledge, skills, and qualities necessary to contribute meaningfully to their communities and access a wide range of opportunities locally and globally. Educated citizens are aware of their responsibilities within their families, communities, Canada, and the world and are prepared to adapt to change and pursue their educational and career goals.

The district's strategic plan emphasizes schools where students feel a strong sense of equity, belonging and inclusion, and listening to student voices is crucial to achieving these goals.

Student leadership and voice are embedded in schools and district programs, and the framework shows significant student involvement at four interconnected levels:

- Board of Education - Student Trustees bring perspectives from their respective schools and provide input directly into Board discussions.
- District Leadership - The District Student Voice Council brings together student representatives from middle and secondary schools across SD8 to share perspectives, identify common priorities and provide input into district planning and initiatives.
- School Level - Student councils, focus groups, and leadership initiatives influence school learning plans, codes of conduct and cultural practices.
- Classroom Level - Teachers integrate student feedback, self-assessment, and inquiry-based learning to ensure daily practices reflect student voice.

SD8 Student Trustee Program

The Board supports a Student Trustee Program that has been in place since 2018. At the governance level, the Board ensures that student voice is formally included through the [Student Trustee Program](#). The [Student Trustee Guidelines](#) outline the program, which seeks to ensure students help to shape Board policy and impact decision-making at every level, as well as to prepare students to engage democratically for an ever-changing world and to foster leadership and civic responsibility at an early age. Student Trustees may serve up to a two-year term,



beginning in their grade 11 or grade 12 year. Two Student Trustees may represent each high school in SD8.

To be selected for the position of Student Trustee, the student must meet the following qualifications:

- Be a student in School District No. 8.
- Be in grade 11 or 12 of the school year in which they hold the position.
- Have parental/guardian consent (if under 19 years of age).

Student Trustees will be provided with an orientation session hosted by the Board Chair and district staff prior to their participation in a public meeting of the Board of Education.

The Student Trustee Program is outlined on the SD8 website. Biographies of the 2026-2027 Student Trustees, including their names and schools, are available on the [Student Trustees](#) webpage.

Student Trustees are involved in a wide range of events and activities that connect them to other student leaders across the district. These include:

- Orientation and monthly liaison meetings with the Director of Curriculum, Instruction and Assessment.
- Attendance and reporting at public Board of Education meetings, where they communicate student perspectives for consideration.
- Participation in the annual Student Leadership Conference, supporting planning and facilitation of sessions alongside district staff.
- Engagement in district forums, cultural events, and policy consultations, ensuring student voices are heard on issues such as equity, inclusion, technology and school climate.

Through these activities, Student Trustees provide a connection between their respective schools and the Board, bringing forward school-level student perspectives for consideration in Board discussions.

Student voice also shapes and informs policy and strategic plan development and implementation at the Board level. Examples include: student input into sustainability and climate action and anti-racism strategies. Student Trustees provide feedback that ensures equity, inclusion and relevance are embedded in district policy. This alignment connects directly to the implementation of the strategic plan and the lived experiences of learners.

District Student Voice Framework

The Student Trustee Program exists within an extensive and intention District Student Voice Framework that has been in place since 2021.

The District Student Voice Council is composed of students in Grades 8-12 representing SD8 middle and secondary schools. The Council provides a district-level forum for students to identify emerging priorities, share perspectives from their schools and provide input on matters affecting student learning and well-being. Membership includes students involved in school leadership or student councils as well as Student Trustees, creating an important liaison between school-level student voice and district governance.



The District Student Voice Council has attended Student Leadership Conferences organized with the support of Student Trustees. These conferences provide spaces for students to share their ideas, learn from others, voice their concerns, and contribute to district initiatives and policies, such as the Strategic Plan and the Sustainability and Climate Action Policy.

The District Student Voice Council and Student Leadership Conference are important forums for student participation in district decision-making. Through these opportunities, students can express their views, raise questions on educational issues, and contribute their perspectives to discussions and decisions that impact their learning and schools.

Further, district staff consult students through structured events and ongoing forums, ensuring feedback informs decisions. Key examples include:

- The October 2025 Student Leadership Conference held at Kootenay River Secondary, which was co-organized by Student Trustees to explore the theme "Mental Health Matters" through a keynote by Dr. Hayley Watson and a student-led panel.
- The Youth Career Advisory Group, convened with students from the Salmo, Nelson, Creston, and Slocan Families of Schools to ensure student voice informs district career programming and post-secondary transition planning.
- Climate Action & Sustainability School Leads, identified in each school for the 2025-2026 year to coordinate monthly sustainability themes and act as the vital link between school-level green teams and the District Climate Action & Sustainability Working Group (CASWG).
- The Anti-Racism Working Group, which has seen growth in membership and includes IBAPOC students and staff who provide a regular forum to share their school experiences and guide district actions toward racial equity.
- The Accessibility Committee, which includes student representation to provide critical input on the district's Accessibility Plan, focusing on accessible digital communication, physical spaces, and learning opportunities.
- The Equity Circle Winter Feast, an annual winter gathering where students provide feedback through the Equity Scan on their experiences in the Aboriginal Education Program to help make schools more welcoming.
- Wellness and Inclusive Practice consultations, where survey data on belonging and mental health, alongside student discussions at leadership forums, inform district initiatives to increase safe spaces and embed mental health literacy in schools

The District Leadership Council and student leadership opportunities at schools support Administrative Procedure 1001: School Learning Plans requires student input in School Learning Plans where appropriate. Principals gather feedback from student councils, focus groups, and leadership clubs to shape school goals and initiatives. Examples include Elementary and Secondary schools empowering students through student-led assemblies, Green Teams, and wellness initiatives that inform cultural and operational practices, School Student Wellness Councils, where students developed a school wellness plan with peer input, provided direct insight into district Wellness Communities of Practice and supported system-wide planning.

In classrooms, teachers encourage student voice through feedback, shared decisions and choice in learning. Students participate in setting classroom norms, co-creating learning projects, and reflecting on their growth through self-assessment. Classroom-level initiatives are supported through Communities of Practice, where educators bring student input into professional collaboration. A few examples include:



- The Eco Stewards field study at Adam Robertson Elementary, where grade 4/5 students investigated tree habitats at Sullivan Creek to deepen their environmental literacy and explore concepts of stewardship and reciprocity.
- The “Deep Diving into the People of Kaslo” project at J.V. Humphries, which involved students across grades 5-8 co-creating and publishing a community book featuring biographies of inspiring local residents.
- Student-led self-reflection through the Open Parachute program, which incorporates authentic peer voices to empower students to manage emotions and proactively solve their own peer or school-related challenges.
- Creative expression and fine arts initiatives, such as the thematic poetry units at Wildflower or the “Frozen” musical production at Adam Robertson Elementary, providing students with diverse platforms to share their learning.
- Collaboration through School Learning Plan Grants, such as the Salmo Family of Schools literacy transitions project, where shared assessment language and student-informed class profiles were used to strengthen the transition between elementary and secondary grades.

This framework demonstrates how SD8 involves students at every level of the system - board, district, school and classroom. It provides a clear approach to ensure student input informs decisions, policies and continuous improvement.

In 2026-2027, connections between the District Student Voice Council and Student Trustees will continue to be strengthened. The Council provides an opportunity for students from across SD8 to identify and discuss common priorities, while Student Trustees bring perspectives from their respective schools to the Board. Together, these opportunities help ensure student perspectives are heard and considered in district planning and decision-making. This framework is directly tied to the strategic plan, serving as a mechanism through which student perspectives shape continuous learning improvement across the district.



Memorandum to the Board of Education PUBLIC

FROM: Trish Smillie, Superintendent
DATE: September 8, 2026
SUBJECT: National Day for Truth and Reconciliation

For Information

Introduction

This memorandum provides an overview of the activities School District No.8 (Kootenay Lake) takes part in to acknowledge National Day for Truth and Reconciliation as well as the guiding principles that shape the learning.

Background

SD8 is committed to the shared journey of Truth and Reconciliation. The National Day for Truth and Reconciliation occurs on September 30th each year and honours the resilience, dignity and strength of survivors and intergenerational survivors and remembers the children who never came home. It's a chance to engage and educate the school community about BC's colonial history and how it has and continues to impact Aboriginal communities.

National Day for Truth and Reconciliation is a response to the Truth and Reconciliation Commission of Canada's call to action of creating a day to honour survivors and to ensure public commemoration of their history and the legacy of residential schools and is a vital part of the truth before reconciliation process. It was signed into law in Canada in 2021. On March 9, 2023, the Province of British Columbia passed legislation to make September 30 a statutory holiday. People across British Columbia wear orange shirts as a visual reminder that *Every Child Matters*.

To support the commitment above, School Act Section 87.001-87.005 outlines the requirement of boards to consult with Indigenous Education Councils. Ministerial Order M217/2024 Section 4 (1) (b) states that a board must consult with the IEC on activities and resources to honour the National Day for Truth and Reconciliation.

Information

Consultation with the School District No.8 (Kootenay Lake) Indigenous Education Council (Wuqanqankamik Education Council) on the National Day for Truth and Reconciliation took place on August 19, 2026. The IEC communicated the following as important for schools to remember and embed within the planned activities:

- Building safe relationships with Aboriginal people and community is key to reconciliation and schools should endeavor to include as many opportunities as possible to collaborate with and involve local Aboriginal peoples, including the Metis.
- There should be a focus on education as well as a celebration of relationships and connection to community.





- Residential school survivors should be honoured and there should be learning about the legacy of residential schools that impact Aboriginal people today. Truth before reconciliation must not be forgotten in the learning, and should occur throughout the year, not just during one week.
- Survival and resiliency should also be recognized. People are so much more than just survivors- how can they be celebrated for what they have gone through, and where they are going?
- Knowledge Keepers should be invited as much as possible. Remember to take good care of guests and offer hospitality, especially residential school survivors.
- Invite intergenerational guests, such as young adults, who can share the impact of residential schools on their family and community.
- Films and books can be shared with staff to support learning: *Sugarcane*, *Seven Fallen Feathers*, *Survivors of the Red Brick School*, etc.
- Student voice is important and students should have opportunities to provide input.
- It is important that activities and learning occur at all levels of the school system- within classrooms, within whole schools, and within the district.
- Participation of the school community in events organized by local Aboriginal peoples is important for building positive relationships.
- Truth and Reconciliation education of the broader school community, beyond students, should happen.
- The Truth and Reconciliation Calls to Action should be prominent, visible, and known in schools.
- Activities can involve Aboriginal students when students are interested and it is empowering, being mindful of placing too much on them.
- Activities that result in tangible and visible outcomes, such as language and art around the school, is important.
- Schools should continue to prioritize learning about Truth and Reconciliation throughout the year, moving beyond allyship into action: ensuring that everyone in Canada remembers, understands, and honours the significance of this day.

Throughout the last week of September each year in all schools there is an organization of activities, lessons, orange shirts, and resources so that students and members of the school community can all learn and remember what has taken place. Some activities that have taken



place in the district last year include assemblies in all schools; Elders and Knowledge Keepers in schools to share teachings; lessons in classrooms about residential school history and impact; and a variety of resources, music, videos, and stories shared with schools. Each school hosts a National Day for Truth and Reconciliation assembly during the final week of September. There was a Reconciliation Wall unveiling at L.V. Rogers Secondary, that the school community interacted with throughout the year; Adam Robertson Elementary had special guests from yaqan nu?kiy at their assembly, and students walked through the Reconciliation Archway and Indigenous Garden, into the community, and added their names to the Every Child Matters banner. The Children's Heartbeat Ceremony and Walk took place at Trafalgar Middle School, and Mt. Sentinel Secondary highlighted the "52 Ways to Reconcile" year long initiative. Winlaw and Brent Kennedy Elementary had a whole school braided garland activity, KRSS and Wildflower Creston had a Reconciliation Walk, and learning occurred across all schools and classrooms. These are only some of the activities that took place last year.

The school district will continue to share input from the IEC, as well as ideas, resources, and activities with all schools, to continue to move truth and reconciliation forward.



Memorandum to the Board of Education Public

FROM: Cathy MacArthur, Secretary-Treasurer
DATE: September 8, 2026
SUBJECT: 2025-2026 Audited Financial Statements

For Approval

Introduction

This memorandum provides information to the Board on the Audited Financial Statements for the 2025-2026 school year ending June 30, 2026 and the accompanying 2025-2026 Financial Discussion and Analysis.

Information

The draft Audited Financial Statements for the 2025-2026 school year ending June 30, 2026 in the required format as per the Ministry of Education and Child Care and the accompanying 2025-2026 Financial Discussion and Analysis are attached. The audited financial statements and Discussion and Analysis contain information on the following funds:

- Operating Fund
- Special Purpose fund
- Capital Fund

The financial statements have been reviewed by the district's external auditors, KPMG LLP and are considered in final draft. When presented and approved by the Board of Education in the Public meeting later this evening, these statements will be filed with the Ministry of Education and Child Care who will consolidate our information with the other districts across the province to calculate the provincial totals.

Recommendation

THAT the appropriation of the accumulated surplus for the Operating Fund be increased by \$1,689,775 from \$4,398,277 to \$6,088,052 as stated in note 19 of the audited financial statements of the year ended June 30, 2026, BE APPROVED.

THAT the Audited Financial Statements and Financial Discussion & Analysis for the year ended June 30, 2026, BE APPROVED.





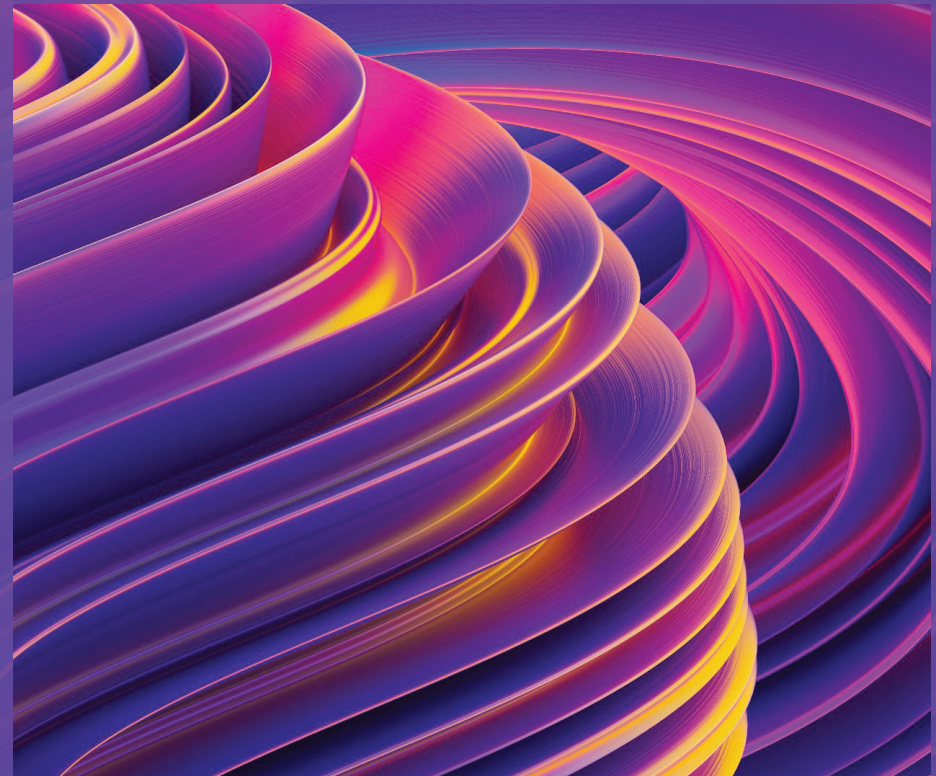
School District No. 8 (Kootenay Lake)

Audit Findings Report
for the year ended June 30, 2026

KPMG LLP

For presentation on September 8, 2026

kpmg.ca/audit



KPMG contacts

Key contacts in connection with this engagement



David Bond, CPA, CA, CBV

Lead Audit Engagement Partner

250-979-7154

dpbond@kpmg.ca



Aisha Myers, ACCA

Lead Audit Engagement Manager

250-503-5362

aishamyers@kpmg.ca



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Digital use information

This Audit Findings Report is also available as a “hyper-linked” PDF document.

If you are reading in electronic form (e.g. In “Adobe Reader” or “Board Books”), clicking on the home symbol on the top right corner will bring you back to this slide.



Click on any item in the table of contents to navigate to that section.



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Audit highlights



No matters to report



Matters to report – see link for details

Status

We have completed the audit of the financial statements, with the exception of certain remaining outstanding procedures, which are highlighted on the 'Status' slide of this report.



Significant changes

- ☐ Significant changes since our audit plan
- There were no significant changes to our audit plan which was originally communicated to you in our audit planning report on April 14, 2026.

Risks and results & Significant unusual transactions

- ☒ Significant risks
- No other risks were identified beyond those required by professional standards - presumed risk of management override of controls
- ☒ Other risks of material misstatement
- Tangible capital assets and deferred capital revenue
 - Revenue and deferred revenue
 - Salaries and benefits
 - Accounts payable and expenses

Misstatements - uncorrected

- ☒ Uncorrected misstatements
- Unadjusted amounts summarized on page 8.

Misstatements - Corrected

- ☒ Corrected misstatements
- In connection with the audit a corrected adjusted was recorded which is summarized on page 10. Other corrected items related to recommendations on financial statement presentation and disclosure.

Control deficiencies

- ☐ Significant deficiencies

Audit Quality

- ☒ Learn more about how we deliver audit quality.

Policies and practices & Specific topics

- ☐ Accounting policies and practices
- ☐ Other financial reporting matters
- ☐ Significant unusual transactions

The purpose of this report is to assist you, as a member of the Operations and Finance Committee, in your review of the results of our audit of the financial statements. This report is intended solely for the information and use of Management, the Operations and Finance Committee, and the Board of Education and should not be used for any other purpose or any other party. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.



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Status

As of September 8, 2026, we have completed the audit of June 30, 2026 financial statements of School District No.8 (Kootenay Lake) ("the School District"), with the exception of certain remaining procedures, which include amongst others:

- Completing our discussions with the Operations and Finance Committee
- Obtaining evidence of the Board's approval of the financial statements
- Obtaining a signed management representation letter
- Completing subsequent event review procedures up to the date of the Board's approval of the financial statements
- Reporting to the Office of the Auditor General for the purposes of reliance on our audit opinion in the audit of the summary financial statements of the Province.

We will update the Board, and not solely the Chair, on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures.





Auditor's Report on Compliance Framework



Auditor's Report on Compliance Framework

The financial statements are prepared under Canadian Public Sector Accounting standards ("PSAS"), supplemented by the requirements of Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board.

These regulations direct the School District to apply Public Sector Accounting Standards (PSAS), except in regard to accounting for restricted contributions. Under the regulations, capital contributions are deferred and amortized on the same basis as the amortization of the related tangible capital assets, not in accordance with the underlying stipulations on the funding, as required under PSAS.

As a result, the School District's revenue recognized in the statement of operations and certain related deferred capital revenue would have been recorded differently under Canadian Public Sector Accounting Standards.

Our Response

- The Office of the Auditor General ("OAG") has requested additional reporting, under the Group Auditor requirements, in order to perform the consolidation of the Provincial Accounts under the PSA standards.
- We have reviewed the reporting prepared for the OAG, including the reconciliation of deferred capital contributions and will report to OAG accordingly.

Results

- No issues were noted as a result of the procedures performed.
- The auditor's report has been modified from a standard report to include an Emphasis of Matter section related to the Special Purpose Financial Reporting Framework. Specifically, that the financial statements are required to be prepared under Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.





Significant risks and results



Fraud risk from management override of controls

This is a presumed fraud risk in accordance with Canadian Auditing Standards. Management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk nevertheless is present in all entities. We have not identified any specific additional risks of management override relating to this audit.

Our Response

Our procedures included:

- testing of journal entries and other adjustments
- performing a retrospective review of estimates
- evaluating the business rationale of significant unusual transactions.

Significant Findings

- No issues were noted as a result of the procedures performed.





Other risks of material misstatement and results



Tangible capital assets and deferred capital revenue

Our procedures and results

- We obtained an understanding of the process activities and controls over tangible capital assets and deferred capital revenue, including the approval and related review processes for capital expenditures to ensure they are consistent with approved budgets and board approvals.
- We selected a sample of additions, for testing and inspected the supporting invoices to determine if the amount recognized agreed, was capital in nature, and eligible per the funding sources.
- We performed a reasonability assessment of amortization expense based on estimated useful life of capital assets.
- We confirmed capital revenue received and recognized during the year to assess if amounts are appropriately restricted and accurately recorded.
- We performed a reasonability assessment of the amortized deferred capital contributions recorded during the year based on its correlation to amortization of tangible capital assets.
- We reviewed the information related to deferred capital revenue, which is used to support our additional reporting to the Office of the Auditor General ("OAG").

We noted no issues as a result of the procedures performed.

We noted, consistent with other BC School Districts, that the School District records an annual estimated deemed disposal of certain fully-amortized assets (furniture and equipment and vehicles) after a prescribed period of time. While recording deemed disposals is a useful way of updating the School District's accounting records, the best tool available to School District is a detailed capital asset register, that lists date acquired, active use and scheduled replacement date. Using a detailed capital asset register, a School District can track and record disposals in the year they occur and can use this tool for future capital budgeting.

The School District adopted the accounting standard for asset retirement obligations beginning with its year ended June 30, 2023. The School District, consistent with other BC School Districts, has recorded the balance using a current cost estimate but has not adjusted the balance from its initial estimate of \$2.2 million. In accordance with PSAS, the liability should be reconsidered each year and adjusted for changes in the estimate for timing or amount of costs or inflation. Considering inflation to June 30, 2026, we would expect asset retirement obligation estimate to change and that change could be a significant amount. Accordingly, we recommend that the School District conduct a formal cost estimate update of this balance for the June 30, 2027, financial statements.





Other risks of material misstatement and results



Revenue, deferred revenue and unearned revenue

Our procedures and results

- We obtained an understanding of the process activities and controls over revenue, deferred revenue and unearned revenue.
- We obtained a confirmation from the Ministry for the funding provided in the 2025 fiscal year and agreed the operating grants to the amount of revenue recognized.
- We agreed the special purpose funding received and recorded in deferred revenue to the confirmation received from the Ministry.

We noted no issues as a result of the procedures performed.



Accounts payable, accrued liabilities and expenses

Our procedures and results

- We obtained an understanding of the process activities and controls over expenses, payables and accrued liabilities.
- We obtained an understanding of the variances in expenses relative to prior year and the approved budget. We corroborated significant variances by reviewing supporting documentation.
- We performed substantive analytical procedures over services and supplies relative to prior year, obtained an understanding of the variances noted and corroborated significant variances by reviewing supporting documentation.
- We selected a sample of payments made, trade payables recorded, and invoices received subsequent to year-end to assess if they were recorded in the appropriate fiscal year.

We noted no issues as a result of the procedures performed.





Other risks of material misstatement and results



Salaries and benefits, employee future benefits obligations

Our procedures and results

- We obtained an understanding of the process activities and controls over employee salaries and benefits expense.
- We performed a test of details over the payroll expenses for the year and agreed them to timesheets and collective agreements.
- We obtained the valuation report for employee future benefits performed by Mercer as at March 31, 2026, and management's projection to June 30.
- We reviewed the assumptions used by management and agreed them to the Actuary's report.
- We reviewed financial statement presentation, including related note disclosure and confirm that it is in accordance with PSAB guidelines.

We noted, consistent with other BC School Districts, that CUPE labour settlements remained under negotiation and had not been fully ratified as of June 30, 2026. Based on information available at year-end, KPMG expects that a liability and corresponding expense of at least 3% should have been recognized in fiscal 2026 for estimated retroactive pay liability. We also understand that funding covering the period up to March 31, 2026 (nine months) has been provisionally agreed and communicated, however, approval for funding related to the remaining three months (April 1 to June 30, 2026) was still in progress as of year-end.

Accordingly, in connection with the financial statement audit findings above, the School District recorded an adjustment to accrue an expected retroactive pay liability and related government funding as at June 30, 2026. As a result of the adjustment, the School District increased its accrued salaries and benefits and related expenses by \$370,665 and recognized net government grant revenue of \$291,208. The net impact of the corrected adjustment was a reduction in annual surplus of \$79,457.

We noted no other issue as a result of the procedures performed.





Internal controls

Consideration of internal control over financial reporting (ICFR)



In planning and performing our audit, we considered ICFR relevant to the Entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on ICFR.

Our understanding of internal control over financial reporting was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies. The matters being reported are limited to those deficiencies that we have identified during the audit that we have concluded are of sufficient importance to merit being reported to those charged with governance.

Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors. Had we performed more extensive procedures on internal control over financial reporting, we might have identified more significant deficiencies to be reported or concluded that some of the reported significant deficiencies need not, in fact, have been reported.

A deficiency in internal control over financial reporting



A deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed, or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

Significant deficiencies in internal control over financial reporting



A deficiency, or a combination of deficiencies, in internal control over financial reporting that, in our judgment, is important enough to merit the attention of those charged with governance.

We did not identify any significant deficiencies in internal control over financial reporting.



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Our commitment to delivering audit quality

We define 'audit quality' as being the outcome when:

- audits are **executed consistently**, in line with the requirements and intent of **applicable professional standards** within a strong **system of quality management**; and
- all of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics and integrity**.

KPMG is committed to fulfilling our public interest role in providing robust assurance that can benefit investors and other stakeholders.

Businesses are integrating technology in ways once unimaginable. Geopolitical changes and inflationary pressures continue to drive uncertainty, and businesses need to take action to respond to societal threats like climate change.

The pace and scale of change only strengthens our resolve to ensure the quality, consistency and adaptability of our services are fit for this new future. Audit and assurance quality remains the highest priority at KPMG.

Through sustained innovation, we aim to consistently deliver superior audit quality. Across the global organization:

- KPMG firms have implemented a consistent risk-based approach to our system of quality management to drive audit and assurance quality, enabling us to meet the requirements of the International Standard on Quality Management 1 (ISQM 1).
- We are utilising powerful technologies on audit and assurance engagements, including artificial intelligence, and leveraging our alliances with technology leaders such as Microsoft to further enhance quality and provide even more value through deeper analysis of businesses, no matter their size.
- We believe the same level of rigour, quality, consistency and trust that is applied to financial statement information by companies should also apply to ESG reporting. Therefore, across the global organization we have deployed an assurance methodology, KPMG Clara workflow and learning tools to upskill and build teams to provide assurance on ESG reporting that helps our clients build a more sustainable future.

We encourage you to read our Transparency Report to learn more about our system of quality management and our firm's statement on the effectiveness of our SoQM:



[KPMG Canada Transparency Report](#)



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How do we deliver audit quality?

Quality essentially means doing the right thing and remains our highest priority. We have strengthened the consistency and robustness of our system of quality management to meet the requirements of ISQM 1 (CSQM 1), issued by the International Audit and Assurance Standards Board. Foundational for quality management, KPMG's globally consistent approach to ISQM 1 drives compliance with the standard and our efforts to strengthen trust and transparency with clients, the capital markets and the public we serve.

Aligned with ISQM 1 (CSQM 1), our SoQM meets the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting in Canada, which apply to professional services firms that perform audits of financial statements.

Our **Global Quality Framework** outlines how we deliver quality and how every KPMG professional contributes to its delivery.



'Perform quality engagements' sits at the core, along with our commitment to continually monitor and remediate to fulfil our quality drivers.



Our **quality value drivers** are the cornerstones to our approach underpinned by the **supporting drivers** and give clear direction to encourage the right behaviours in delivering audit quality.



Doing the right thing. Always.



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Appendices

A

Required
communications

B

Auditor's Report

C

Management
Representation Letter

D

New Accounting
Standards

E

Insights





Appendix A: Required communications



Engagement Letter

A copy of the engagement letter was included with our Audit Planning Report.



Independence

As required by professional standards, we have considered all relationships between KPMG and the District that may have a bearing on independence. We confirm that we are independent with respect to the School District within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any other standards or applicable legislation or regulation from July 1, 2025 up until the date of this report.



Auditor's report

Refer to the draft report attached to the financial statements.



Management representation letter

A copy of the management representation letter is attached.



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Appendix B: Auditor's report



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Appendix C: Management representation letter



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KPMG LLP
200-3200 Richter Street
Kelowna, BC V1W 5K9
Canada

September 8, 2026

We are writing at your request to confirm our understanding that your audit was for the purpose of expressing an opinion on the financial statements (hereinafter referred to as “financial statements”) of School District No. 8 (Kootenay Lake) (“the Entity”) as at and for the period ended June 30, 2026.

General:

We confirm that the representations we make in this letter are in accordance with the definitions as set out in [Attachment I](#) to this letter.

We also confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Responsibilities:

- 1) We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated April 1, 2026, including for:
 - a) the preparation of the financial statements and believe that these financial statements have been prepared in accordance with the relevant financial reporting framework.
 - b) providing you with all information of which we are aware that is relevant to the preparation of the financial statements (“relevant information”), such as financial records, documentation and other matters, including:
 - the names of all related parties and information regarding all relationships and transactions with related parties;
 - the complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of shareholders, board of directors and committees of the board of directors that may affect the financial statements. All significant actions are included in such summaries.
 - c) providing you with unrestricted access to such relevant information.
 - d) providing you with complete responses to all enquiries made by you during the engagement.



- e) providing you with additional information that you may request from us for the purpose of the engagement.
- f) providing you with unrestricted access to persons within the Entity from whom you determined it necessary to obtain audit evidence.
- g) such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We also acknowledge and understand that we are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.
- h) ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements.
- i) ensuring that internal auditors providing direct assistance to you, if any, were instructed to follow your instructions and that we, and others within the entity, did not intervene in the work the internal auditors performed for you.

Internal control over financial reporting:

- 2) We have communicated to you all deficiencies in the design and implementation or maintenance of internal control over financial reporting of which we are aware.

Fraud & non-compliance with laws and regulations:

- 3) We have disclosed to you:
 - a) the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
 - b) all information in relation to fraud or suspected fraud that we are aware of that involves:
 - management;
 - employees who have significant roles in internal control over financial reporting; or
 - others
 where such fraud or suspected fraud could have a material effect on the financial statements.
 - c) all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements, communicated by employees, former employees, analysts, regulators, or others.
 - d) all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements, whose effects should be considered when preparing financial statements.
 - e) all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.



Subsequent events:

- 4) All events subsequent to the date of the financial statements and for which the relevant financial reporting framework requires adjustment or disclosure in the financial statements have been adjusted or disclosed.

Related parties:

- 5) We have disclosed to you the identity of the Entity's related parties.
- 6) We have disclosed to you all the related party relationships and transactions/balances of which we are aware.
- 7) All related party relationships and transactions/balances have been appropriately accounted for and disclosed in accordance with the relevant financial reporting framework.

Employee future benefits:

- 8) The employee future benefits costs and obligations have been determined, accounted for and disclosed in accordance with the financial reporting framework.
- 9) All arrangements (contractual or otherwise) by which programs have been established to provide employee benefits have been disclosed to you and included in the determination of employee future benefits costs and obligations.
- 10) The assumptions included in the actuarial valuation are those that management instructed Mercer to use in computing amounts to be used by the Entity in determining non-pension post employment benefits costs and obligations and in making required disclosures in the above-named financial statements, in accordance with the relevant financial reporting framework.
- 11) The source data and plan provisions provided to the actuary for preparation of the actuarial valuation are accurate and complete.
- 12) The extrapolations are accurate and properly reflect the effects of changes and events that occurred subsequent to the most recent valuation and that had a material effect on the extrapolation.
- 13) All material events and changes to the plan subsequent to the most recent actuarial valuation have been properly reflected in the extrapolation.

Environmental matters:

- 14) The Entity has appropriately recognized, measured and disclosed liabilities for contaminated sites in the financial statements.

Estimates:

- 15) The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.



- 16) The Entity's asset retirement obligations liability as at June 30, 2026 is a reasonable approximation of the Entity's asset retirement obligation and no accretion expense was required for the 2026 fiscal year.

Going concern:

- 17) We have provided you with all information relevant to the use of the going concern assumption in the financial statements.
- 18) We confirm that we are not aware of material uncertainties related to events or conditions that may cast significant doubt upon the Entity's ability to continue as a going concern.

Accounting changes:

- 19) We believe that the change in policy related to the application of the half-year rule for disposals is reliable and more relevant than the previous accounting policy because it results in a more precise estimate of amortization that aligns with the period of use of the tangible capital asset.

Non-SEC registrants or non-reporting issuers:

- 20) We confirm that the Entity is not a Canadian reporting issuer (as defined under any applicable Canadian securities act) and is not a United States Securities and Exchange Commission ("SEC") Issuer (as defined by the Sarbanes-Oxley Act of 2002).
- 21) We also confirm that the financial statements of the Entity will not be included in the group financial statements of a Canadian reporting issuer audited by KPMG or an SEC Issuer audited by any member of the KPMG organization.

Other:

- 22) The amounts reported as differences between accounting for Non-Provincial restricted contributions in accordance with the Restricted Contributions Regulation as compared to Public Sector Accounting Standards for the purpose of reporting to the Office of the Auditor General are complete and accurate.

Yours very truly,

School District No. 8 (Kootenay Lake)

By: Cathy MacArthur, Secretary-Treasurer



Attachment I – Definitions

Materiality

Certain representations in this letter are described as being limited to matters that are material.

Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Judgments about materiality are made in light of surrounding circumstances, and are affected by perception of the needs of, or the characteristics of, the users of the financial statements and, the size or nature of a misstatement, or a combination of both while also considering the entity's own circumstances.

Fraud & error

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.



Summary of Audit Misstatements

Corrected adjustments for the year ending June 30, 2026

	Annual surplus effect	Financial Position		
Description	Surplus (Decrease) Increase	Assets (Decrease) Increase	Liabilities (Decrease) Increase	Accumulated Surplus (Decrease) Increase
CUPE salary and ministry grant accrual	(79,457)	282,393	361,850	(79,457)

Uncorrected misstatements for the year ending June 30, 2026

	Annual surplus effect	Financial Position		
Description	Surplus (Decrease) Increase	Assets (Decrease) Increase	Liabilities (Decrease) Increase	Accumulated Surplus (Decrease) Increase
Asset retirement obligation	(70,000)	-	170,000	(170,000)





Appendix D: New accounting standards

Conceptual Framework for Financial Reporting in the Public Sector

Effective for years commencing on or after April 1, 2026 with early adoption permitted.

- The framework provides the core concepts and objectives underlying Canadian public sector accounting standards.
- The ten chapter conceptual framework defines and elaborates on the characteristics of public sector entities and their financial reporting objectives. Additional information is provided about financial statement objectives, qualitative characteristics and elements. General recognition and measurement criteria, and presentation concepts are introduced.

Financial Statement Presentation

Effective for years commencing on or after April 1, 2026 with early adoption permitted.

- The proposed section PS 1202 *Financial statement presentation* will replace the current section PS 1201 *Financial statement presentation*.
- The proposed section includes the following:
 - Relocation of the net debt indicator to its own statement called the statement of net financial assets/liabilities, with the calculation of net debt refined to ensure its original meaning is retained.
 - Separating liabilities into financial liabilities and non-financial liabilities.
 - Restructuring the statement of financial position to present total assets followed by total liabilities.
 - Changes to common terminology used in the financial statements, including re-naming accumulated surplus (deficit) to net assets (liabilities).
 - Removal of the statement of remeasurement gains (losses) with the information instead included on a new statement called the statement of changes in net assets (liabilities). This new statement would present the changes in each component of net assets (liabilities), including a new component called "accumulated other".
 - A new provision whereby an entity can use an amended budget in certain circumstances.
 - Inclusion of disclosures related to risks and uncertainties that could affect the entity's financial position.

Example of a Typical Implementation Approach

Phase 1

- Understand the existing financial reporting processes.
- Examine chart of accounts and trial balance.
- Review accounting policy.
- Gap assessment and implementation plan.

Phase 2

- Data gathering and financial data analysis.
- Budget and performance reporting.
- System and software impacts.
- Implementation and compliance adjustments



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Appendix D: New accounting standards (continued)

Employee Benefits

Effective for years commencing on or after April 1, 2029 with early adoption permitted.

- The Public Sector Accounting Board has issued a new standard PS 3251 *Employee benefits* which will replace the current sections PS 3250 *Retirement benefits* and PS 3255 *Post-employment benefits, compensated absences and termination benefits*.
- The standard uses principles from International Public Sector Accounting Standard 39 *Employee benefits* as a basis for the Canadian standard.
- The standard results in public sector entities recognizing the impact of revaluations of the net defined benefit liability (asset) immediately on the statement of financial position.
- The standard also requires that fully funded post-employment benefit plans use a discount rate based on the expected market-based return of plan assets and underfunded plans use a discount rate based on the market yield of government bonds, high-quality corporate bonds or another appropriate financial instrument. A simplified approach to determining a plan's funding status is provided.
- The standard also requires that:
 - Deferral provisions – Remeasurement gains and losses are presented as part of accumulated remeasurement gains and losses.
 - Valuation of plan assets – Upon adoption, public sector entities may continue to recognize non-transferable financial instruments balances that meet the definition of plan assets under existing PS 3250 guidance. This transitional provision does not permit the recognition of additional amount after adoption that do not meet the revised definition of plan assets.
 - Joint defined benefit plans – Defined benefit accounting is used for measurement of the proportionate share of the plan, instead of previously proposed multi-employer plan accounting which permitted accounting based on defined contribution concepts where insufficient information exists to use defined benefit accounting.
 - Disclosure of other long-term employee benefits and termination benefits – The standard does not include prescriptive disclosure requirements for other long-term employee benefits and termination benefits.
- The standard's guidance will be applied retroactively, with or without prior period restatement.





Appendix E: Audit and assurance insights

KPMG Audit & Assurance Insights

Curated research and insights for audit committees and boards.

Board Leadership Centre

Leading insights to help board members maximize boardroom opportunities

Current Developments

Series of quarterly publications for Canadian businesses including Spotlight on IFRS, Canadian Assurance & Related Services, Canadian Securities Matters, and US Outlook reports.

Sustainability Reporting

Resource centre on implementing the new Canadian reporting standards

Accelerate - The key issues driving the audit committee agenda

Discover the most pressing risks and opportunities that face audit committees, boards and management teams.

Audit Committee Guide – Canadian Edition

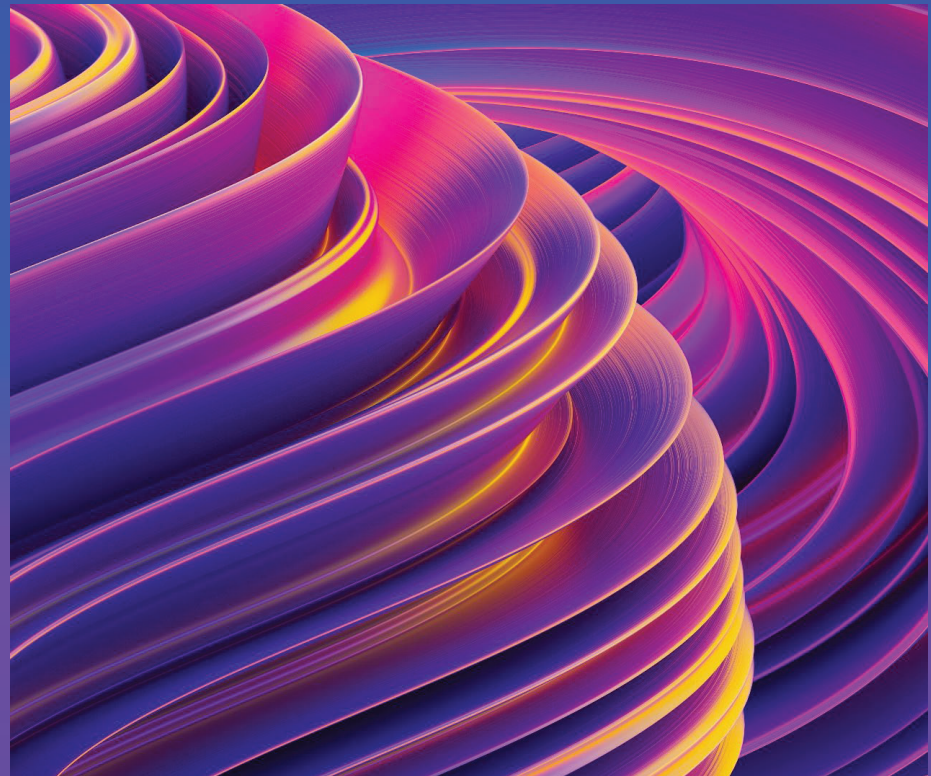
A practical guide providing insight into current challenges and leading practices shaping audit committee effectiveness in Canada.





<https://kpmg.com/ca/en/home.html>

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Audited Financial Statements of

School District No. 8 (Kootenay Lake)

And Independent Auditors' Report thereon

June 30, 2026



School District No. 8 (Kootenay Lake)

June 30, 2026

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School District No. 8 (Kootenay Lake)

MANAGEMENT REPORT

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Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 8 (Kootenay Lake) have been prepared by management in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and reliable financial information is produced.

The Board of Education of School District No. 8 (Kootenay Lake) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, KPMG LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 8 (Kootenay Lake) and meet when required. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 8 (Kootenay Lake)

DRAFT

Signature of the Chairperson of the Board of Education _____ Date Signed _____

Signature of the Superintendent _____ Date Signed _____

Signature of the Secretary Treasurer

Date Signed





KPMG LLP
200 – 3200 Richter Street
Kelowna BC V1W 5K9
Canada
Telephone 250-979-7150
Fax 250-763-0044

INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 8 (Kootenay Lake), and
To the Minister of Education and Child Care, Province of British Columbia

Opinion

We have audited the financial statements of School District No. 8 (Kootenay Lake) (the School District), which comprise:

- the statement of financial position as at June 30, 2026
- the statement of operations for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of remeasurement gains and losses for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policy information (Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements as at and for the year ended June 30, 2026 of the School District are prepared, in all material respects in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “Auditors' Responsibilities for the Audit of the Financial Statements” section of our auditors' report.

We are independent of the School District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Financial Reporting Framework

We draw attention to note 2(a) to the financial statements which describes the applicable financial reporting framework and the significant differences between the financial reporting framework and Canadian public sector accounting standards.

Our opinion is not modified in respect of this matter.



Other Information

Management is responsible for the other information. Other information comprises information, other than the financial statements and the auditors' report thereon, included in unaudited schedules 1-4 attached to the audited financial statements and the financial statement discussion and analysis document.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. We obtained the Information, other than the financial statements and the auditors' report thereon, included in the unaudited schedules 1-4 attached to the audited financial statements and the management discussion and analysis document, at the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the School District's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.





As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the School District to cease to continue as a going concern.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Kelowna, Canada

September 8, 2026



School District No. 8 (Kootenay Lake)

Statement 1

Statement of Financial Position

As at June 30, 2026

	2026 Actual	2025 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents (Note 3)	23,162,505	19,358,901
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	416,367	925,721
Other (Note 4)	350,108	712,444
Portfolio Investments (Note 5)	483,149	415,304
Total Financial Assets	24,412,129	21,412,370
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education and Child Care	148,136	-
Other (Note 6)	7,587,895	7,765,813
Unearned Revenue (Note 7)	903,036	553,453
Deferred Revenue (Note 8)	4,121,886	3,139,139
Deferred Capital Revenue (Note 9)	55,704,522	54,026,881
Employee Future Benefits (Note 10)	1,958,203	1,885,457
Asset Retirement Obligation	2,240,535	2,240,535
Total Liabilities	72,664,213	69,611,278
Net Debt	(48,252,084)	(48,198,908)
Non-Financial Assets		
Tangible Capital Assets (Note 11)	77,313,303	75,949,213
Prepaid Expenses	343,071	333,460
Total Non-Financial Assets	77,656,374	76,282,673
Accumulated Surplus (Deficit) (Note 19)	29,404,290	28,083,765
Accumulated Surplus (Deficit) is comprised of:		
Accumulated Surplus (Deficit) from Operations	29,235,023	27,960,760
Accumulated Remeasurement Gains (Losses)	169,267	123,005
	29,404,290	28,083,765

Contractual Obligations (Note 15)

Contingent Liabilities (Note 16)

Approved by the Board

Signature of the Chairperson of the Board of Education September 8, 2026 Date Signed

Signature of the Superintendent September 8, 2026 Date Signed

Signature of the Secretary Treasurer Date Signed

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School District No. 8 (Kootenay Lake)

Statement 2

Statement of Operations

Year Ended June 30, 2026

	2026 Budget (Note 17)	2026 Actual	2025 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	78,133,867	79,319,379	77,092,214
Other	337,488	378,142	407,928
Federal Grants			188,365
Tuition	954,982	1,070,413	1,052,227
Other Revenue	2,696,597	2,723,996	2,812,672
Rentals and Leases	105,000	179,720	160,581
Investment Income	279,778	393,824	485,776
Gain (Loss) on Disposal of Tangible Capital Assets			9,086
Amortization of Deferred Capital Revenue	3,334,708	3,343,772	3,093,404
Total Revenue	85,842,420	87,409,246	85,302,253
Expenses (Note 18)			
Instruction	64,845,997	64,191,043	63,693,451
District Administration	4,824,116	4,532,498	4,792,147
Operations and Maintenance	13,858,091	14,076,264	13,414,545
Transportation and Housing	3,456,621	3,335,178	3,478,340
Total Expense	86,984,825	86,134,983	85,378,483
Surplus (Deficit) for the year	(1,142,405)	1,274,263	(76,230)
Accumulated Surplus (Deficit) from Operations, beginning of year		27,960,760	28,036,990
Accumulated Surplus (Deficit) from Operations, end of year		29,235,023	27,960,760



School District No. 8 (Kootenay Lake)

Statement 3

Statement of Remeasurement Gains and Losses

Year Ended June 30, 2026

	2026 Actual	2025 Actual
	\$	\$
Accumulated Remeasurement Gains (Losses) at beginning of year	123,005	91,871
Unrealized Gains (Losses) attributable to:		
Portfolio Investments	46,262	31,134
Net Remeasurement Gains (Losses) for the year	46,262	31,134
Accumulated Remeasurement Gains (Losses) at end of year	169,267	123,005



School District No. 8 (Kootenay Lake)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2026

	2026 Budget (Note 17)	2026 Actual	2025 Actual
	\$	\$	\$
Surplus (Deficit) for the year	(1,142,405)	1,274,263	(76,230)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(3,933,172)	(5,688,937)	(6,988,066)
Amortization of Tangible Capital Assets	4,310,904	4,324,847	4,072,455
Total Effect of change in Tangible Capital Assets	377,732	(1,364,090)	(2,915,611)
Acquisition of Prepaid Expenses		(642,321)	(502,534)
Use of Prepaid Expenses		632,710	520,932
Total Effect of change in Other Non-Financial Assets	-	(9,611)	18,398
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(764,673)</u>	<u>(99,438)</u>	<u>(2,973,443)</u>
Net Remeasurement Gains (Losses)		<u>46,262</u>	<u>31,134</u>
(Increase) Decrease in Net Debt		<u>(53,176)</u>	<u>(2,942,309)</u>
Net Debt, beginning of year		<u>(48,198,908)</u>	<u>(45,256,599)</u>
Net Debt, end of year		<u><u>(48,252,084)</u></u>	<u><u>(48,198,908)</u></u>



School District No. 8 (Kootenay Lake)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2026

	2026 Actual	2025 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	1,274,263	(76,230)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	871,690	65,822
Prepaid Expenses	(9,611)	18,398
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(29,782)	990,941
Unearned Revenue	349,583	10,982
Deferred Revenue	982,747	348,956
Employee Future Benefits	72,746	106,132
Loss (Gain) on Disposal of Tangible Capital Assets	-	(9,086)
Amortization of Tangible Capital Assets	4,324,847	4,072,455
Amortization of Deferred Capital Revenue	(3,343,772)	(3,093,404)
Total Operating Transactions	4,492,711	2,434,966
Capital Transactions		
Tangible Capital Assets Purchased	(5,688,937)	(6,988,066)
District Portion of Proceeds on Disposal	-	9,086
Total Capital Transactions	(5,688,937)	(6,978,980)
Financing Transactions		
Capital Revenue Received	5,021,413	5,964,066
Total Financing Transactions	5,021,413	5,964,066
Investing Transactions		
Investments in Portfolio Investments	(21,583)	(8,174)
Total Investing Transactions	(21,583)	(8,174)
Net Increase (Decrease) in Cash and Cash Equivalents	3,803,604	1,411,878
Cash and Cash Equivalents, beginning of year	19,358,901	17,947,023
Cash and Cash Equivalents, end of year	23,162,505	19,358,901
Cash and Cash Equivalents, end of year, is made up of:		
Cash	23,162,505	19,358,901
	23,162,505	19,358,901



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 1 AUTHORITY AND PURPOSE

The School District No. 8 (Kootenay Lake) (the “**School District**”), established on December 2, 1996, operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 8 (Kootenay Lake)", and operates as "School District No. 8 (Kootenay Lake)." A board of education (“**Board**”) elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district and is principally funded by the Province of British Columbia through the Ministry of Education and Child Care. School District No.8 (Kootenay Lake) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act of the Province of British Columbia*. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for certain government transfers as set out in notes 2(f) and 2(l).

In November 2011, Treasury Board provided a directive through Restricted Contributions Regulation 198/2011 providing direction for the reporting of restricted contributions whether they are received or receivable by the School District before or after this regulation was in effect.

As noted in notes 2(f) and 2(l), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of tangible capital assets into revenue on the same basis as the related amortization expense.

As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require that:

- government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met; and
- externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified.



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

b) Cash and Cash Equivalents

Cash and cash equivalents include cash balances and term deposits that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These cash equivalents generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

c) Accounts Receivable

Accounts receivable are measured at amortized cost and shown net of allowance for doubtful accounts.

d) Portfolio Investments

The School District has investments in equity instruments and mutual funds with no maturity date and bonds with a maturity date of greater than 3 months at the time of acquisition. Bonds not quoted in an active market are measured at cost or amortized cost. Portfolio investments in equity instruments and mutual funds that are quoted in an active market are measured at fair value and the associated transaction costs are expensed upon recognition. The change in fair value is recognized in the Statement of Remeasurement Gains and Losses as a remeasurement gain or loss until the portfolio investments are disposed. Upon disposal, any accumulated remeasurement gains or losses associated with the portfolio investments are reclassified to the Statement of Operations.

e) Unearned Revenue

Unearned revenue includes tuition fees received for courses to be delivered in future periods and receipt of proceeds for services or products to be delivered in a future period. Revenue is recognized in the period when the courses, services, or products are provided.

f) Deferred Revenue and Deferred Capital Revenue

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 in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 2 (l).



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

f) Deferred Revenue and Deferred Capital Revenue *(Continued)*

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the statement of operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished.

g) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements. The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime, and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2025 and projected to March 31, 2028. The next valuation will be performed at March 31, 2028. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

The School District and its employees make contributions to the Teachers' Pension Plan and Municipal Pension Plan. The plans are multi-employer plans where assets and obligations are not separated. The costs are expensed as incurred.

h) Asset Retirement Obligation

A liability is recognized when, as at the financial reporting date:

- there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- the past transaction or event giving rise to the liability has occurred;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

h) Asset Retirement Obligation *(Continued)*

A liability for the removal of asbestos and other hazardous material in several of the buildings owned by the School District was initially recognized using the modified retroactive method. The liability is measured at current cost as the timing and amounts of future cash flows cannot be estimated. The resulting costs are capitalized into the carrying amount of tangible capital assets and are amortized on the same basis as the related tangible capital asset (see note 2(i)). The liability is reviewed annually and adjusted prospectively to reflect current market conditions in estimated costs.

i) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement, or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written off.
- Works of art, historic assets, and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

Buildings	40 years
Furniture & Equipment	10 years
Vehicles	10 years
Computer Software	5 years
Computer Hardware	5 years



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

j) Prepaid Expenses

Prepaid software licenses, membership fees, insurance and annual utilities costs are included as prepaid expenses and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

k) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Note 13 – Interfund Transfers and Note 19 – Accumulated Surplus).

l) Revenue Recognition

Revenue is recorded on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenue, the amounts are considered to be collectible and can be reasonably estimated.

Contributions received or where eligibility criteria have been met are recognized as revenue except where the contribution meets the criteria for deferral as described below. Eligibility criteria are the criteria that the School District has to meet in order to receive the contributions including authorization by the transferring government.

For contributions subject to a legislative or contractual stipulation or restriction as to their use, revenue is recognized as follows:

- Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year related expenses are incurred,
- Contributions restricted for site acquisitions are recorded as revenue when the sites are purchased, and
- Contributions restricted for tangible capital assets acquisitions other than sites are recorded as deferred capital revenue and amortized over the useful life of the related assets.

Donated tangible capital assets other than sites are recorded, in deferred capital revenue, at fair market value and amortized to revenue over the useful life of the assets. Donated sites are recorded as revenue at fair market value when received or receivable.

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in which case the transfer is recognized as revenue over the period that the liability is extinguished.



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

1) Revenue Recognition *(Continued)*

Revenue from transactions with performance obligations, such as rental, leases and other revenue, is recognized when the performance obligation is satisfied through the provision of agreed goods or services. Revenue from transactions with no performance obligations is recognized when the School District has the authority to claim or retain an inflow of economic resources and identifies a past transaction or event that gives rise to an asset.

Investment income is reported in the period earned. When required by the funding party or related Act, investment income earned on deferred revenue is added to the deferred revenue balance.

m) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Categories of Salaries

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Assistant Superintendents, Secretary-Treasurers, Trustees and other employees excluded from union contracts are categorized as Other Professionals.

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and Indigenous education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

n) Financial Instruments

A contract establishing a financial instrument creates, at its inception, rights, and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The School District recognizes a financial instrument when it becomes a party to a financial instrument contract.

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, and accounts payable and accrued liabilities.

Except for portfolio investments in equity instruments and mutual funds quoted in an active market that are measured at fair value, all financial assets and liabilities are measured at cost or amortized cost and the associated transactions costs are added to the carrying value of these investments upon initial recognition and amortized using the effective interest rate method. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

Unrealized gains and losses from changes in fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

o) Measurement Uncertainty

Preparation of financial statements requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Areas requiring the use of management estimates relate to the potential impairment of assets, liabilities for contaminated sites and asset retirement obligations, rates for tangible capital asset and deferred capital revenue amortization and estimated employee future benefits. Actual results could differ from those estimates.



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 3 CASH AND CASH EQUIVALENTS

Included in cash and cash equivalents are funds in the amount of \$1,240,857 (2025 - \$1,210,739), which are restricted and paid out to teachers who contribute to and take part in the District's self-funded summer saving plan.

NOTE 4 ACCOUNTS RECEIVABLE – OTHER

	2026	2025
Goods and Services Tax recoverable	\$ 59,244	\$ 322,561
Other	290,864	389,883
Total Accounts Receivable – Other	\$ 350,108	\$ 712,444

NOTE 5 PORTFOLIO INVESTMENTS

Financial instruments which are recorded at fair value on the statement of financial position, are classified into one of three hierarchy levels. Each level is based upon the significance of the inputs used to measure the fair value. The hierarchy levels are as follows:

- Level 1 - inputs are unadjusted quoted prices of identical instruments in active markets
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - one or more significant inputs used in a valuation technique are unobservable in determining fair values of the instruments

	2026	2025
Cash	\$ 49,202	\$ 32,388
Canadian corporate bonds	35,779	48,580
Canadian equity instruments – Level 1	33,867	31,504
Canadian mutual funds – Level 1	364,301	302,832
Total Portfolio Investments	\$ 483,149	\$ 415,304

The fair value of portfolio investments exceeded its cost amount, as at June 30, 2026, by \$169,267 (2025 - \$123,005), which is presented in the statement of remeasurement gains and losses.



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	2026	2025
Trade	\$ 1,489,664	\$ 2,729,512
Salaries and benefits	4,264,758	3,224,173
Accrued vacation pay	592,616	601,389
Other – summer teachers’ savings plan	1,240,857	1,210,739
Total Accounts Payable and Accrued Liabilities - Other	\$ 7,587,895	\$ 7,765,813

NOTE 7 UNEARNED REVENUE

	2026	2025
Balance, beginning of year	\$ 553,453	\$ 542,471
Tuition fees collected	903,036	553,453
Tuition fees recognized in revenue	(553,453)	(542,471)
Total Unearned Revenue	\$ 903,036	\$ 553,453

NOTE 8 DEFERRED REVENUE

Deferred revenue includes unspent grants and contributions received that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board, i.e., the stipulations associated with those grants and contributions have not yet been fulfilled.

	2026	2025
Balance, beginning of year	\$ 3,139,139	\$ 2,790,183
Provincial grants received	13,979,463	12,552,537
Other revenue received	2,739,793	2,215,989
Investment income	46,472	56,107
Revenue recognized	(15,782,981)	(14,418,416)
Revenue recovered	-	(57,261)
Total Deferred Revenue	\$ 4,121,886	\$ 3,139,139



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 9 DEFERRED CAPITAL REVENUE

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired.

	2026	2025
<u>Deferred capital revenue subject to amortization</u>		
Balance, beginning of year	\$ 53,262,265	\$ 50,357,998
Transfers from deferred capital revenue – unspent portion	5,163,953	5,997,671
Amortization of deferred capital revenue	(3,343,772)	(3,093,404)
Balance, end of year	\$ 55,082,446	\$ 53,262,265
<u>Deferred capital revenue – unspent portion</u>		
Balance, beginning of year	\$ 764,616	\$ 798,221
Provincial grants – Ministry of Education and Child Care	5,001,659	5,910,473
Provincial grants - Other	19,754	26,334
MECC Restricted Portion of Proceeds on Disposal	-	27,259
Transfer to deferred capital revenue	(5,163,953)	(5,997,671)
Balance, end of year	\$ 622,076	\$ 764,616
Total Deferred Capital Revenue	\$ 55,704,522	\$ 54,026,881

NOTE 10 EMPLOYEE FUTURE BENEFITS

Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime, and death benefits. Funding is provided when the benefits are paid and accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District has provided for the payment of these benefits.

	2026	2025
<u>Reconciliation of Accrued Benefit Obligation</u>		
Accrued Benefit Obligation – April 1	\$ 1,404,004	\$ 1,390,832
Service Cost	104,583	125,237
Interest Cost	55,639	61,105
Benefit Payments	(48,887)	(43,014)
Actuarial (Gain) Loss	(228,192)	(130,156)
Accrued Benefit Obligation	\$ 1,287,147	\$ 1,404,004



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 10 EMPLOYEE FUTURE BENEFITS *(Continued)*

	2026	2025
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Liability – March 31	\$ 1,287,147	\$ 1,404,004
Benefits expense after measurement date	40,121	40,056
Unamortized net actuarial (gain) loss	630,935	441,397
Accrued Benefit Liability – June 30	\$ 1,958,203	\$ 1,885,457
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	\$ 1,885,457	\$ 1,779,325
Net expense for fiscal year	121,633	149,146
Employer contributions	(48,887)	(43,014)
Accrued Benefit Liability – June 30	\$ 1,958,203	\$ 1,885,457
Components of Net Benefit Expense		
Service cost	\$ 103,592	\$ 120,073
Interest cost	56,695	59,739
Amortization of net actuarial (gain) loss	(38,654)	(30,666)
Net benefit expense	\$ 121,633	\$ 149,146

The significant actuarial assumptions adopted for measuring the School District's accrued benefit obligations are:

	2026	2025
Discount rate – April 1	4.00%	4.25%
Discount rate – March 31	4.50%	4.00%
Long term salary growth – April 1	2.50% + seniority	2.50% + seniority
Long term salary growth – March 31	2.50% + seniority	2.50% + seniority
EARS� – March 31	11.0	11.0

NOTE 11 TANGIBLE CAPITAL ASSETS

Net Book Value:	2026	2025
Sites	\$ 8,958,823	\$ 8,958,823
Buildings	60,745,262	60,902,100
Vehicles	5,652,711	4,370,725
Furniture and Equipment	1,260,747	1,189,758
Computer Hardware	695,760	527,807
Total	\$ 77,313,303	\$ 75,949,213



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 11 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2026

	Opening Cost	Additions	Disposals	Closing Cost
Sites	\$ 8,958,823	\$ -	\$ -	\$ 8,958,823
Buildings	154,070,917	2,987,362	-	157,058,279
Vehicles	6,650,348	2,035,060	(274,276)	8,411,132
Furniture and equipment	1,965,979	278,533	(59,618)	2,184,894
Computer hardware	1,166,537	387,982	(520,752)	1,033,767
Total	\$ 172,812,604	\$ 5,688,937	\$ (854,646)	\$ 177,646,895

	Opening Accumulated Amortization	Additions	Disposals	Closing Accumulated Amortization
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	93,168,817	3,144,200	-	96,313,017
Vehicles	2,279,623	753,074	(274,276)	2,758,421
Furniture and equipment	776,221	207,544	(59,618)	924,147
Computer hardware	638,730	220,029	(520,752)	338,007
Total	\$ 96,863,391	\$ 4,324,847	\$ (854,646)	\$ 100,333,592

June 30, 2025

	Opening Cost	Additions	Disposals	Closing Cost
Sites	\$ 8,958,823	\$ -	\$ -	\$ 8,958,823
Buildings	150,140,120	3,930,797	-	154,070,917
Vehicles	4,741,922	2,528,009	(619,583)	6,650,348
Furniture and equipment	1,764,824	225,278	(24,123)	1,965,979
Computer hardware	1,252,503	303,982	(389,948)	1,166,537
Total	\$ 166,858,192	\$ 6,988,066	\$ (1,033,654)	\$ 172,812,604

	Opening Accumulated Amortization	Additions	Disposals	Closing Accumulated Amortization
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	90,094,419	3,074,398	-	93,168,817
Vehicles	2,329,592	569,614	(619,583)	2,279,623
Furniture and equipment	613,804	186,540	(24,123)	776,221
Computer hardware	786,775	241,903	(389,948)	638,730
Total	\$ 93,824,590	\$ 4,072,455	\$ (1,033,654)	\$ 96,863,391



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 12 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trusted pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2025, the Teachers' Pension Plan has about 52,000 active members and approximately 43,000 retired members. As of December 31, 2025, the Municipal Pension Plan has about 273,000 active members, including approximately 32,000 from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2023, indicated a \$4,572 million surplus for basic pension benefits on a going concern basis.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2024, indicated a \$2,675 million funding surplus for basic pension benefits on a going concern basis.

The School District paid \$5.683 million for employer contributions to the plans for the year ended June 30, 2026 (2025: \$5.633 million).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2026. The next valuation for the Municipal Pension Plan was December 31, 2027.

Employers participating in the plans record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plans record accrued liabilities and accrued assets for each plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plans.

NOTE 13 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2026, were as follows:

- Tangible capital assets purchased from operating funds - \$493,542 (2025 - \$769,047)
- Tangible capital assets purchased from special purpose funds - \$31,442 (2025 - \$68,482)



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 14 RELATED PARTY TRANSACTIONS

The School District is related through common ownership to all Province of British Columbia ministries, agencies, school districts, health authorities, colleges, universities, and crown corporations. Transactions with these entities, unless disclosed separately, are considered to be in the normal course of operations and are recorded at the exchange amount.

NOTE 15 CONTRACTUAL OBLIGATIONS

The School District has multiple-year contracts for the delivery of services and the construction of tangible capital assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

	2027	2028
Vehicle Leases	\$ 17,054	\$ 5,682

NOTE 16 CONTINGENT LIABILITIES

The School District is involved in certain legal actions. Some of these legal actions are managed and covered by the British Columbia Schools Protection Program. The outcome of these matters cannot be determined at this time. In the event that any claims are successful, it is management's opinion that the settlement of such claims would not have a material effect on the financial position of the Schools District. The resulting loss on the School District, if any, will be recorded in the period in which it is determinable.



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 17 BUDGET FIGURES

Budget figures included in the financial statements are the School District's amended annual budget adopted by the Board of Education on February 10, 2026, whereas the original budget was approved by the Board on May 13, 2025. Significant changes between the original and amended budget are as follows:

	Annual Budget	Change	Amended Annual Budget
Revenue			
Provincial Grants			
Ministry of Education and Child Care	\$ 76,419,346	\$ 1,714,521	\$ 78,133,867
Other	380,850	(43,362)	337,488
Federal Grants	238,641	(238,641)	-
Tuition	628,450	326,532	954,982
Other Revenue	2,266,797	429,800	2,696,597
Rentals and Leases	105,000	-	105,000
Investment Income	458,000	(178,222)	279,778
Amortization of Deferred Capital Revenue	3,212,034	122,674	3,334,708
Total Revenue	83,709,118	2,133,302	85,842,420
Expenses			
Instruction	62,132,231	2,713,766	64,845,997
District Administration	5,076,174	(252,058)	4,824,116
Operations and Maintenance	13,714,384	143,707	13,858,091
Transportation and Housing	3,614,040	(157,419)	3,456,621
Total Expenses	84,536,829	2,447,996	86,984,825
Budgeted Surplus (Deficit) for the year	(827,711)	(314,694)	(1,142,405)



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 18 EXPENSE BY OBJECT

The following are total expenses from operating, special and capital funds:

	2026	2025
Salaries and benefits	\$ 70,077,146	\$ 69,301,967
Services and supplies	11,732,990	12,004,061
Amortization of tangible capital assets	4,324,847	4,072,455
Total Expenses by Object	\$ 86,134,983	\$ 85,378,483

NOTE 19 ACCUMULATED SURPLUS

The operating fund accounts for the School District's operating grants and other operating revenues. Legislation requires that the School District present a balanced budget for the operating fund, whereby budgeted expenditures do not exceed the total of the budgeted revenue plus any surplus in the operating fund carried forward from the previous year.

	2026	2025
Operating Fund Accumulated Surplus		
Internally Restricted/Appropriated by the Board:		
Due to Nature of Constraints on the Fund	\$ 409,355	\$ 342,791
For Unanticipated Unusual Expenses	1,273,159	403,261
For Operations Spanning Multiple School Years	4,405,538	3,652,225
Total Internally Restricted Operating Surplus	6,088,052	4,398,277
Unrestricted Operating Surplus	3,143,944	3,106,985
Total Operating Fund Accumulated Surplus	9,231,996	7,505,262
Capital Fund Surplus		
Invested in tangible capital assets	19,990,321	20,446,412
Local capital	12,706	9,086
Total Capital Fund Accumulated Surplus	20,003,027	20,455,498
 Total Accumulated Surplus from Operations	 29,235,023	 27,960,760
Accumulated Remeasurement Gains	169,267	123,005
Accumulated Surplus	\$ 29,404,290	\$ 28,083,765



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 20 ECONOMIC DEPENDENCE

The operations of the School District are dependent on continued funding from the Ministry of Education and Child Care and various governmental agencies to carry out its programs. These financial statements have been prepared on a going concern basis.

NOTE 21 RISK MANAGEMENT

The School District has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk.

The Board ensures that the School District has identified its risks and ensures that management monitors and controls them.

a) Credit risk:

Credit risk is the risk of financial loss to an institution if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held consisting of cash and cash equivalents, accounts receivable and portfolio investments.

The School District is exposed to credit risk in the event of non-performance by a debtor. This risk is mitigated as most accounts receivable are due from the Province and are collectible.

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and portfolio investments as they are placed in recognized British Columbia institutions and the School District invests solely in term deposits and mutual funds.

b) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. It is management's opinion that the School District is not exposed to significant currency risk, as amounts held and purchases made in foreign currency are insignificant.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its portfolio investments (note 5). It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in term deposits that have a maturity date of no more than 3 years, and mutual funds.



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 21 RISK MANAGEMENT *(Continued)*

c) Liquidity risk:

Liquidity risk is the risk that the School District will not be able to meet its financial obligations as they become due.

The School District manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the School District's reputation.

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance. There have been no changes to risk exposure from 2025 related to credit, market, or liquidity risks.



School District No. 8 (Kootenay Lake)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2026

	Operating Fund	Special Purpose Fund	Capital Fund	2026 Actual	2025 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	7,505,262		20,455,498	27,960,760	28,036,990
Changes for the year					
Surplus (Deficit) for the year	2,220,276	31,442	(977,455)	1,274,263	(76,230)
Interfund Transfers					
Tangible Capital Assets Purchased	(493,542)	(31,442)	524,984	-	
Net Changes for the year	1,726,734	-	(452,471)	1,274,263	(76,230)
Accumulated Surplus (Deficit), end of year - Statement 2	9,231,996	-	20,003,027	29,235,023	27,960,760
Accumulated Remeasurement Gains (Losses) - Statement 3		169,267		169,267	123,005
	9,231,996	169,267	20,003,027	29,404,290	28,083,765



School District No. 8 (Kootenay Lake)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2026

	2026 Budget (Note 17)	2026 Actual	2025 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	63,875,377	65,688,531	64,955,316
Other	283,603	294,434	321,456
Federal Grants			188,365
Tuition	954,982	1,070,413	1,052,227
Other Revenue	641,597	702,043	673,733
Rentals and Leases	105,000	179,720	160,581
Investment Income	261,778	343,732	424,471
Total Revenue	<u>66,122,337</u>	<u>68,278,873</u>	<u>67,776,149</u>
Expenses			
Instruction	48,774,113	48,718,555	49,581,438
District Administration	4,824,116	4,532,498	4,792,147
Operations and Maintenance	9,417,547	9,503,217	9,130,932
Transportation and Housing	3,425,770	3,304,327	3,451,577
Total Expense	<u>66,441,546</u>	<u>66,058,597</u>	<u>66,956,094</u>
Operating Surplus (Deficit) for the year	<u>(319,209)</u>	<u>2,220,276</u>	<u>820,055</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>774,209</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(455,000)	(493,542)	(769,047)
Total Net Transfers	<u>(455,000)</u>	<u>(493,542)</u>	<u>(769,047)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>1,726,734</u>	<u>51,008</u>
Operating Surplus (Deficit), beginning of year		7,505,262	7,454,254
Operating Surplus (Deficit), end of year		<u>9,231,996</u>	<u>7,505,262</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		6,088,052	4,398,277
Unrestricted		3,143,944	3,106,985
Total Operating Surplus (Deficit), end of year		<u>9,231,996</u>	<u>7,505,262</u>



School District No. 8 (Kootenay Lake)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2026

	2026 Budget (Note 17)	2026 Actual	2025 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	63,186,669	63,745,539	63,738,292
ISC/LEA Recovery	(135,431)	(247,974)	(231,963)
Other Ministry of Education and Child Care Grants			
Pay Equity	300,996	300,996	300,996
Funding for Graduated Adults	1,422	29,482	18,137
Student Transportation Fund	419,602	419,602	419,602
Foundation Skills Assessment (FSA) Scorer Grant	8,187	8,187	8,187
Child Care Funding	-	5,321	16,495
Labour Settlement Funding	-	1,332,543	577,387
NGN Self-Provisioned Site Grants	93,932	94,835	93,932
Literacy Support	-	-	14,251
Total Provincial Grants - Ministry of Education and Child Care	63,875,377	65,688,531	64,955,316
Provincial Grants - Other	283,603	294,434	321,456
Federal Grants	-	-	188,365
Tuition			
International and Out of Province Students	903,982	939,663	985,977
Distance Education/Correspondence Course Fees	51,000	130,750	66,250
Total Tuition	954,982	1,070,413	1,052,227
Other Revenues			
Other School District/Education Authorities	426,018	384,294	363,326
Funding from First Nations	135,431	247,974	231,963
Miscellaneous			
Private School Bussing	51,348	18,369	40,992
Cultural Grants		-	-
Miscellaneous	14,800	32,219	26,169
After School Program Fees	14,000	19,187	11,283
Total Other Revenue	641,597	702,043	673,733
Rentals and Leases	105,000	179,720	160,581
Investment Income	261,778	343,732	424,471
Total Operating Revenue	66,122,337	68,278,873	67,776,149



School District No. 8 (Kootenay Lake)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2026

	2026 Budget (Note 17)	2026 Actual	2025 Actual
	\$	\$	\$
Salaries			
Teachers	22,909,014	23,439,403	24,193,704
Principals and Vice Principals	4,490,707	4,534,620	4,430,008
Educational Assistants	3,960,775	3,904,177	3,677,422
Support Staff	8,090,643	8,102,058	7,801,537
Other Professionals	2,542,039	2,611,999	2,670,464
Substitutes	3,457,716	2,981,190	3,421,071
Total Salaries	45,450,894	45,573,447	46,194,206
Employee Benefits	11,731,154	12,229,274	12,329,423
Total Salaries and Benefits	57,182,048	57,802,721	58,523,629
Services and Supplies			
Services	2,282,180	2,098,631	2,377,515
Student Transportation	331,660	321,940	341,740
Professional Development and Travel	730,634	641,148	595,774
Rentals and Leases	122,644	120,877	121,685
Dues and Fees	117,588	108,938	105,032
Insurance	212,800	206,935	189,593
Supplies	3,751,476	3,039,739	2,913,483
Utilities	1,710,516	1,717,668	1,787,643
Total Services and Supplies	9,259,498	8,255,876	8,432,465
Total Operating Expense	66,441,546	66,058,597	66,956,094



School District No. 8 (Kootenay Lake)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2026

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	20,578,926					2,256,713	22,835,639
1.03 Career Programs							-
1.07 Library Services	39,348			101,030		203	140,581
1.08 Counselling	295,905						295,905
1.10 Special Education	1,679,277		3,751,469	48,695		192,744	5,672,185
1.30 English Language Learning	4,270						4,270
1.31 Indigenous Education	841,677		152,708		20,997	5,944	1,021,326
1.41 School Administration		4,028,317		1,393,653	250,186	92,149	5,764,305
1.62 International and Out of Province Students		65,061		93,367			158,428
Total Function 1	23,439,403	4,093,378	3,904,177	1,636,745	271,183	2,547,753	35,892,639
4 District Administration							
4.11 Educational Administration		283,770			786,648		1,070,418
4.40 School District Governance					200,083		200,083
4.41 Business Administration		157,472		322,964	863,701	225	1,344,362
Total Function 4	-	441,242	-	322,964	1,850,432	225	2,614,863
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				30,914	371,666	3,157	405,737
5.50 Maintenance Operations				4,025,002		291,821	4,316,823
5.52 Maintenance of Grounds				128,676		266	128,942
5.56 Utilities							-
Total Function 5	-	-	-	4,184,592	371,666	295,244	4,851,502
7 Transportation and Housing							
7.41 Transportation and Housing Administration				60,893	118,718		179,611
7.70 Student Transportation				1,896,864		137,968	2,034,832
Total Function 7	-	-	-	1,957,757	118,718	137,968	2,214,443
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	23,439,403	4,534,620	3,904,177	8,102,058	2,611,999	2,981,190	45,573,447



School District No. 8 (Kootenay Lake)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2026

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2026 Actual	2026 Budget (Note 17)	2025 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	22,835,639	5,955,620	28,791,259	1,862,384	30,653,643	30,090,048	30,774,833
1.03 Career Programs	-	-	-	2,478	2,478	-	1,173
1.07 Library Services	140,581	29,361	169,942	41,535	211,477	196,650	234,767
1.08 Counselling	295,905	125,089	420,994	199	421,193	483,911	437,790
1.10 Special Education	5,672,185	1,838,388	7,510,573	294,354	7,804,927	8,011,875	8,166,800
1.30 English Language Learning	4,270	754	5,024	-	5,024	6,603	
1.31 Indigenous Education	1,021,326	281,921	1,303,247	162,552	1,465,799	1,721,219	1,440,005
1.41 School Administration	5,764,305	1,449,807	7,214,112	158,915	7,373,027	7,527,157	7,655,916
1.62 International and Out of Province Students	158,428	38,754	197,182	583,805	780,987	736,650	870,154
Total Function 1	35,892,639	9,719,694	45,612,333	3,106,222	48,718,555	48,774,113	49,581,438
4 District Administration							
4.11 Educational Administration	1,070,418	223,800	1,294,218	297,519	1,591,737	1,581,691	1,567,969
4.40 School District Governance	200,083	10,606	210,689	137,198	347,887	451,664	410,499
4.41 Business Administration	1,344,362	332,865	1,677,227	915,647	2,592,874	2,790,761	2,813,679
Total Function 4	2,614,863	567,271	3,182,134	1,350,364	4,532,498	4,824,116	4,792,147
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	405,737	95,925	501,662	364,199	865,861	878,460	821,038
5.50 Maintenance Operations	4,316,823	1,190,394	5,507,217	854,428	6,361,645	6,332,646	5,939,060
5.52 Maintenance of Grounds	128,942	50,723	179,665	113,225	292,890	395,925	309,313
5.56 Utilities	-	-	-	1,982,821	1,982,821	1,810,516	2,061,521
Total Function 5	4,851,502	1,337,042	6,188,544	3,314,673	9,503,217	9,417,547	9,130,932
7 Transportation and Housing							
7.41 Transportation and Housing Administration	179,611	50,392	230,003	21,516	251,519	235,407	236,255
7.70 Student Transportation	2,034,832	554,875	2,589,707	463,101	3,052,808	3,190,363	3,215,322
Total Function 7	2,214,443	605,267	2,819,710	484,617	3,304,327	3,425,770	3,451,577
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	45,573,447	12,229,274	57,802,721	8,255,876	66,058,597	66,441,546	66,956,094



School District No. 8 (Kootenay Lake)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2026

	2026 Budget (Note 17)	2026 Actual	2025 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	14,258,490	13,630,848	12,136,898
Other	53,885	83,708	86,472
Other Revenue	2,055,000	2,021,953	2,138,939
Investment Income	15,000	46,472	56,107
Total Revenue	16,382,375	15,782,981	14,418,416
Expenses			
Instruction	16,071,884	15,472,488	14,112,013
Operations and Maintenance	129,640	248,200	211,158
Transportation and Housing	30,851	30,851	26,763
Total Expense	16,232,375	15,751,539	14,349,934
Special Purpose Surplus (Deficit) for the year	150,000	31,442	68,482
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(150,000)	(31,442)	(68,482)
Total Net Transfers	(150,000)	(31,442)	(68,482)
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		-	-



School District No. 8 (Kootenay Lake)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2026

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	-	667,135	1,513,328	40,113	13,956	7,577	271,512	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	279,640	218,308			170,000	44,100	149,758	759,048	247,692
Provincial Grants - Other									
Other			634,973	2,104,820					
Investment Income			18,011	28,461					
	279,640	218,308	652,984	2,133,281	170,000	44,100	149,758	759,048	247,692
Less: Allocated to Revenue	279,640	218,308	57,660	2,010,765	186,187	40,315	147,129	430,119	247,692
Deferred Revenue, end of year	-	-	1,262,459	1,635,844	23,926	17,741	10,206	600,441	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	279,640	218,308			186,187	40,315	147,129	430,119	247,692
Provincial Grants - Other									
Other Revenue			39,649	1,982,304					
Investment Income			18,011	28,461					
	279,640	218,308	57,660	2,010,765	186,187	40,315	147,129	430,119	247,692
Expenses									
Salaries									
Teachers							24,983	52,204	
Principals and Vice Principals									
Educational Assistants		167,324					56,629	222,078	
Support Staff									150,862
Other Professionals									29,942
Substitutes						13,707			
	-	167,324	-	-	-	13,707	81,612	274,282	180,804
Employee Benefits		50,984					13,268	77,823	51,438
Services and Supplies	248,198		57,660	2,010,765	186,187	26,608	52,249	78,014	15,450
	248,198	218,308	57,660	2,010,765	186,187	40,315	147,129	430,119	247,692
Net Revenue (Expense) before Interfund Transfers	31,442	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	(31,442)								
	(31,442)	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-



School District No. 8 (Kootenay Lake)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2026

Schedule 3A (Unaudited)

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Seamless Day Kindergarten	Student & Family Affordability (SFAF)	Strengthening Early Years to Kindergarten (SEY2KT)	Early Care & Learning (ECL)	Feeding Futures Fund
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	-	100	-	-	36,681	9,919	-	152,009
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	10,501,728	80,946	30,751	55,000	55,400	-	-	525,509	597,706
Provincial Grants - Other									
Other									
Investment Income									
	10,501,728	80,946	30,751	55,000	55,400	-	-	525,509	597,706
Less: Allocated to Revenue	10,501,728	80,946	30,851	55,000	55,400	3,197	5,367	175,000	695,974
Deferred Revenue, end of year	-	-	-	-	-	33,484	4,552	350,509	53,741
Revenues									
Provincial Grants - Ministry of Education and Child Care	10,501,728	80,946	30,851	55,000	55,400	3,197	5,367	175,000	695,974
Provincial Grants - Other									
Other Revenue									
Investment Income									
	10,501,728	80,946	30,851	55,000	55,400	3,197	5,367	175,000	695,974
Expenses									
Salaries									
Teachers	8,330,232	68,420		43,650					
Principals and Vice Principals									
Educational Assistants					42,457				80,578
Support Staff									
Other Professionals								143,467	87,377
Substitutes									
	8,330,232	68,420	-	43,650	42,457	-	-	143,467	167,955
Employee Benefits	2,171,496	12,526		11,350	12,652			31,533	49,743
Services and Supplies			30,851	-	291	3,197	5,367		478,276
	10,501,728	80,946	30,851	55,000	55,400	3,197	5,367	175,000	695,974
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-



School District No. 8 (Kootenay Lake)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2026

Schedule 3A (Unaudited)

	Health Career Grants	Professional Learning Grant	National School Food Program	Work Experience Enhancement	After School Sports and Arts Grant	Health Promoting Schools	Donations	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	1,300	238,867	122,231	35,296	3,885	-	25,230	3,139,139
Add: Restricted Grants								
Provincial Grants - Ministry of Education and Child Care			183,350					13,898,936
Provincial Grants - Other					50,000	30,527		80,527
Other								2,739,793
Investment Income								46,472
	-	-	183,350	-	50,000	30,527	-	16,765,728
Less: Allocated to Revenue	-	238,867	221,120	18,008	53,181	30,527	-	15,782,981
Deferred Revenue, end of year	1,300	-	84,461	17,288	704	-	25,230	4,121,886
Revenues								
Provincial Grants - Ministry of Education and Child Care		238,867	221,120	18,008				13,630,848
Provincial Grants - Other					53,181	30,527		83,708
Other Revenue								2,021,953
Investment Income								46,472
	-	238,867	221,120	18,008	53,181	30,527	-	15,782,981
Expenses								
Salaries								
Teachers		120,750				24,142		8,664,381
Principals and Vice Principals				14,550				14,550
Educational Assistants								569,066
Support Staff								150,862
Other Professionals								260,786
Substitutes		64,225						77,932
	-	184,975	-	14,550	-	24,142	-	9,737,577
Employee Benefits		44,283		3,367		6,385		2,536,848
Services and Supplies		9,609	221,120	91	53,181			3,477,114
	-	238,867	221,120	18,008	53,181	30,527	-	15,751,539
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	31,442
Interfund Transfers								
Tangible Capital Assets Purchased								(31,442)
	-	-	-	-	-	-	-	(31,442)
Net Revenue (Expense)	-	-	-	-	-	-	-	-



School District No. 8 (Kootenay Lake)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2026

	2026 Budget (Note 17)	2026 Actual			2025 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Investment Income	3,000		3,620	3,620	5,198
Gain (Loss) on Disposal of Tangible Capital Assets	-	-		-	9,086
Amortization of Deferred Capital Revenue	3,334,708	3,343,772		3,343,772	3,093,404
Total Revenue	<u>3,337,708</u>	<u>3,343,772</u>	<u>3,620</u>	<u>3,347,392</u>	<u>3,107,688</u>
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	4,310,904	4,324,847		4,324,847	4,072,455
Total Expense	<u>4,310,904</u>	<u>4,324,847</u>	<u>-</u>	<u>4,324,847</u>	<u>4,072,455</u>
Capital Surplus (Deficit) for the year	<u>(973,196)</u>	<u>(981,075)</u>	<u>3,620</u>	<u>(977,455)</u>	<u>(964,767)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	605,000	524,984		524,984	837,529
Total Net Transfers	<u>605,000</u>	<u>524,984</u>	<u>-</u>	<u>524,984</u>	<u>837,529</u>
Total Capital Surplus (Deficit) for the year	<u><u>(368,196)</u></u>	<u><u>(456,091)</u></u>	<u><u>3,620</u></u>	<u><u>(452,471)</u></u>	<u><u>(127,238)</u></u>
Capital Surplus (Deficit), beginning of year		20,446,412	9,086	20,455,498	20,582,736
Capital Surplus (Deficit), end of year		<u><u>19,990,321</u></u>	<u><u>12,706</u></u>	<u><u>20,003,027</u></u>	<u><u>20,455,498</u></u>



School District No. 8 (Kootenay Lake)

Tangible Capital Assets
Year Ended June 30, 2026

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	8,958,823	154,070,917	1,965,979	6,650,348	-	1,166,537	172,812,604
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	-	2,793,626	237,500	1,970,533	-	-	5,001,659
Deferred Capital Revenue - Other	-	162,294	-	-	-	-	162,294
Operating Fund	-	-	41,033	64,527	-	387,982	493,542
Special Purpose Funds	-	31,442	-	-	-	-	31,442
	-	2,987,362	278,533	2,035,060	-	387,982	5,688,937
Decrease:							
Deemed Disposals			59,618	274,276	-	520,752	854,646
	-	-	59,618	274,276	-	520,752	854,646
Cost, end of year	8,958,823	157,058,279	2,184,894	8,411,132	-	1,033,767	177,646,895
Work in Progress, end of year							-
Cost and Work in Progress, end of year	8,958,823	157,058,279	2,184,894	8,411,132	-	1,033,767	177,646,895
Accumulated Amortization, beginning of year		93,168,817	776,221	2,279,623	-	638,730	96,863,391
Changes for the Year							
Amortization for the Year		3,144,200	207,544	753,074	-	220,029	4,324,847
		3,144,200	207,544	753,074	-	220,029	4,324,847
Deemed Disposals			59,618	274,276	-	520,752	854,646
Written-off During Year							-
District Entered							-
		-	59,618	274,276	-	520,752	854,646
Accumulated Amortization, end of year		96,313,017	924,147	2,758,421	-	338,007	100,333,592
Tangible Capital Assets - Net	8,958,823	60,745,262	1,260,747	5,652,711	-	695,760	77,313,303



School District No. 8 (Kootenay Lake)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2026

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	51,261,062	1,781,629	219,574	53,262,265
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	5,001,659	162,294	-	5,163,953
	5,001,659	162,294	-	5,163,953
Decrease:				
Amortization of Deferred Capital Revenue	3,233,132	101,296	9,344	3,343,772
	3,233,132	101,296	9,344	3,343,772
Net Changes for the Year	1,768,527	60,998	(9,344)	1,820,181
Deferred Capital Revenue, end of year	53,029,589	1,842,627	210,230	55,082,446
Work in Progress, beginning of year				-
Changes for the Year				
Net Changes for the Year	-	-	-	-
Work in Progress, end of year	-	-	-	-
Total Deferred Capital Revenue, end of year	53,029,589	1,842,627	210,230	55,082,446



School District No. 8 (Kootenay Lake)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2026

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	-	764,616	-	-	-	764,616
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	5,001,659		-			5,001,659
Investment Income	-	19,754	-	-	-	19,754
	5,001,659	19,754	-	-	-	5,021,413
Decrease:						
Transferred to DCR - Capital Additions	5,001,659	162,294	-		-	5,163,953
	5,001,659	162,294	-	-	-	5,163,953
Net Changes for the Year	-	(142,540)	-	-	-	(142,540)
Balance, end of year	-	622,076	-	-	-	622,076





School District 8
Kootenay Lake

Financial Discussion & Analysis For the Year Ended June 30, 2026



ACKNOWLEDGMENT

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.



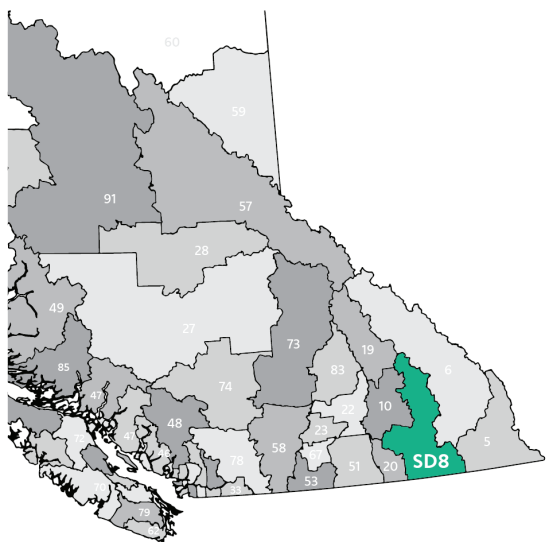
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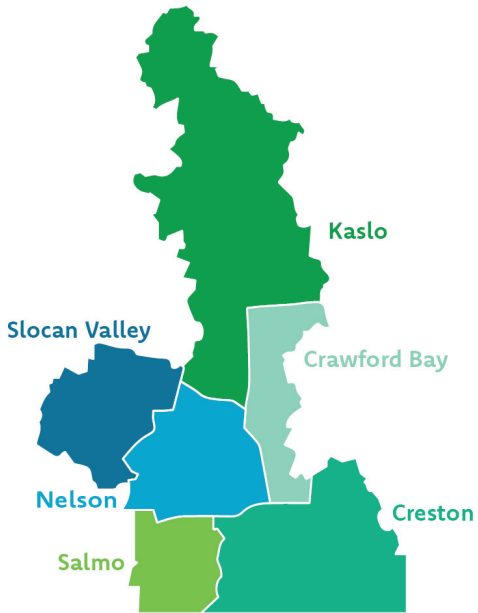
ABOUT THE DISTRICT

Located in the Kootenays in B.C., School District No. 8 (SD8) operates six families of schools serving the Lower Kootenay Band and the communities of Nelson, Salmo, Creston, Crawford Bay, Kaslo, the Slocan Valley and surrounding rural areas.

While most students live in Nelson and Creston, the district serves more than 15 rural communities. SD8 employs approximately 800 staff and the 2025-2026 operating budget was \$86-million.



British Columbia School Districts
SD8 is one of 60 public school districts in B.C.



School District 8 Kootenay Lake
Families of Schools

4,500
students

21
schools

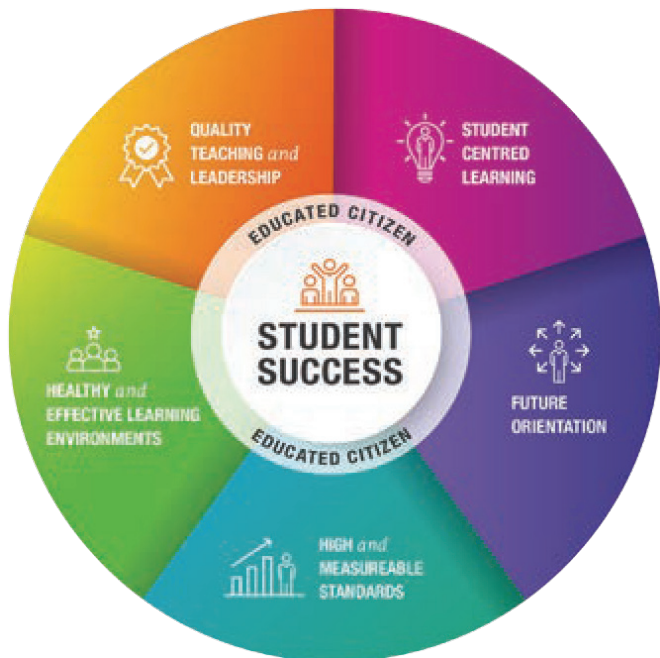
800
staff

STRATEGIC PLAN PRIORITIES

SD8's financial planning and results focus on meeting its strategic priorities outlined in the Strategic Plan. All SD8 financial decisions are guided by the district's mission, vision and values and are based on evidence and extensive consultation.

Strategies and structures support the learning success of individual Indigenous students, students with diverse abilities, and children and youth in care within each school. Together these district processes work to support the goals and vision of the Ministry of Education and Child Care Service Plan.

Aboriginal education (ABED) is core focus in the district, articulated through the Aboriginal Focus Area of belonging, success, truth before reconciliation, and history and culture. These plans are tied to SD8's strategic plan and the ministry service plan.



Mission

We inspire and support each learner to thrive in a caring learning environment.

Vision

Our learners grow as global citizens in an innovative and inclusive community.

Values

Our values help shape the culture of our schools and workplaces. By upholding these beliefs and attitudes, we can build learning communities that will lead to the fulfilment of our mission.

Strategic Priorities

Lifelong Learners

We improve student learning through interest-based, competency-based, flexible and innovative approaches.



Connected Learners

We inspire learners to become curious, critical, and creative stewards of the natural world and the local and global community.



Caring and Inclusive Learning Culture

We promote physical and mental well-being through social-emotional learning to foster compassionate learners.



Cultural and Identity Development

We promote a positive sense of identity in culturally safe and responsive communities of learning.



Career Development

We prepare students to graduate with options for their future life and career goals.



FINANCIAL DISCUSSION AND ANALYSIS

Introduction

This document will discuss and analyze the financial performance of School District No. 8 (Kootenay Lake) for the fiscal year that ended on June 30, 2026 and will provide information in relation to the prior year and the amended annual budget. The district's financial statements represent the consolidation of three separate funds: operating, special purpose and capital. This is only an introduction and should be read in conjunction with the district's audited financial statements and accompanying notes.

District Funding and Enrolment

SD8 is funded through the Operating Grant received from the B.C. Ministry of Education and Child Care. The Operating Grant is based on student enrolment confirmed by each school district through completion of [Form 1701 - Student Data Collection](#) in September, February, and May. The district receives a fixed amount per full-time equivalent enrolled student (FTE). For each student identified with unique needs, the district receives a supplementary grant on top of the basic per-pupil grant which provides additional financial resources required to ensure schools respond to the needs of diverse learners, unique geographical features that affect students and schools, and other demographic factors. In grades kindergarten through nine, one student equates to one FTE. At the secondary level, in grades ten through twelve, students are funded based on the percentage of full-time enrolment. As a result, there is variation in funding for secondary students, as students may enrol in more or less than a full course load or seek learning opportunities and experiences outside of school to meet their credit requirements. Online learners are funded based on the percentage of full-time enrolment and are funded at a lower rate per student FTE than non-online learners.

Student Enrolment

The following table compares the student FTE enrolment compared to the previous year based on the September enrolment figures:

	September 2025 Enrolments	September 2024 Enrolments	Change	
	FTE	FTE	FTE	%
Standard, continuing education and alternate schools	4,323.3125	4,414.1875	(90.8750)	2.1%
Online Learning	294.6875	261.6875	33.0000	12.6%
Adult	4.2500	3.2500	1.0000	30.8%
Total FTEs	4,622.2500	4,679.1250	(56.875)	(1.2%)

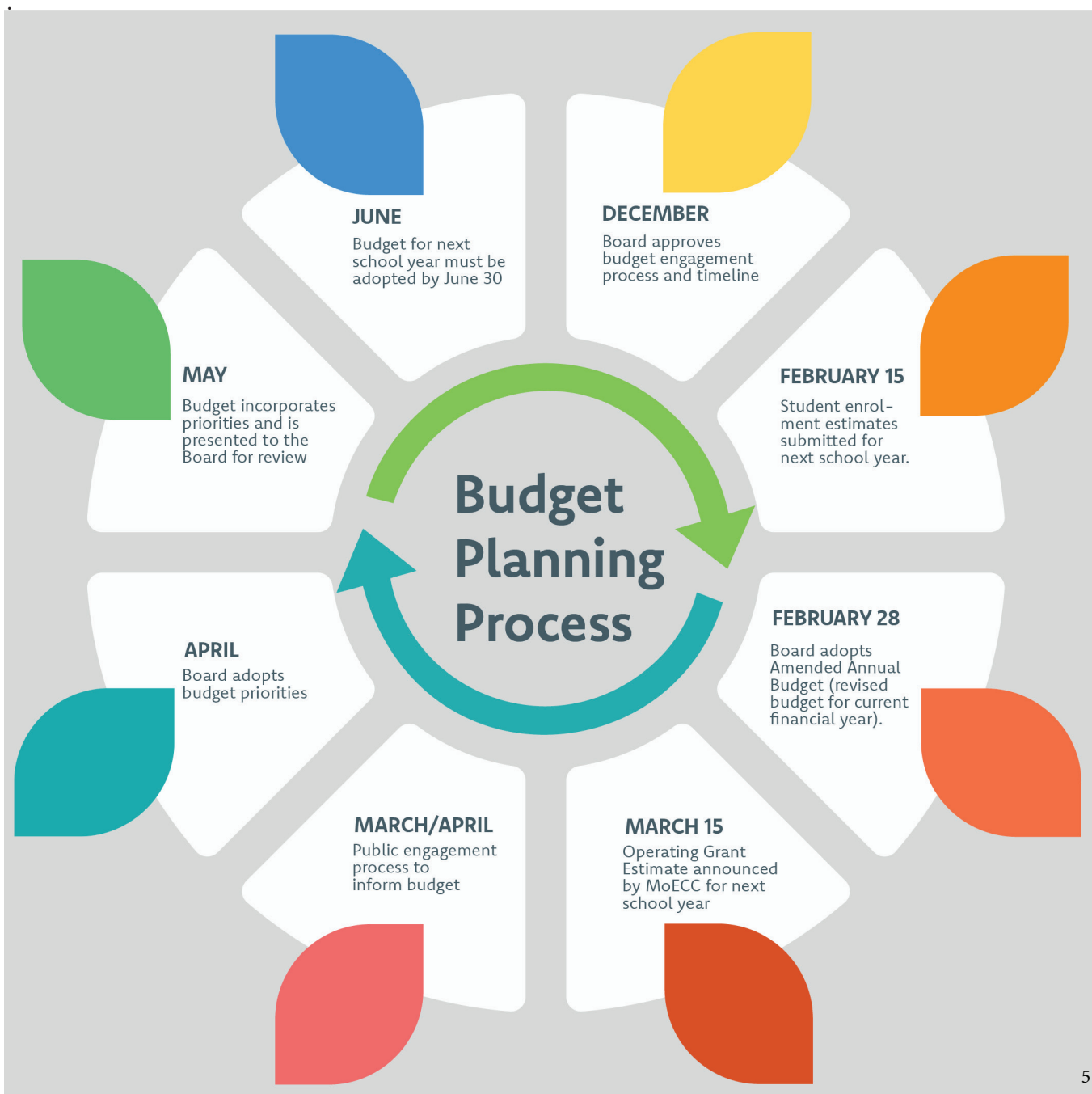
As shown in this table, September enrolment decreased by 56.875 student FTE (1.2%) in 2025-2026 when compared to the prior year with increases in online learners partially offsetting the decrease in standard and alternate school learners. For online learners, the February and May 2026 enrolment counts showed a similar trend with 154.9529 student FTEs, surpassing the actual February and May 2025 enrolments of 135.7500 student FTEs.



Financial Planning Process

The annual budget cycle begins with the Board's endorsement of a process and timeline for budget adoption in the Board's Governance Framework and Learning Plan. By February 15th each year, the district must submit the expected student enrolment for the upcoming school year to the Ministry of Education and Child Care.

Provincial operating grant funding estimates are based on these initial student enrolment projections, which are released each March. The Board is required to approve an amended budget in February based on the preliminary Operating Grant and actual confirmed enrolment counts. Throughout the spring, SD8 carries out an internal and public consultation process to identify budget priorities that meet ministry guidelines and follow the Board of Education's strategic plan. The district incorporates those priorities into the preliminary operating budget as directed by the Board. Each year by June 30, the Board must adopt a final budget for the upcoming school year.



Financial Statements – Accounting Policies and Funds

The financial statements of School District No. 8 (Kootenay Lake) have been prepared in accordance with the 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 British Columbia Treasury Board. Significant accounting and reporting practices are summarized in Note 2 of the financial statements. These include the following:

- Operating expenses are recorded in the year the good or service is received.
- Operating grants are not restricted in use and are recorded as revenue when received or receivable.
- Restricted contributions are recorded as deferred contributions until the funds are expended.
- Contributions for capital projects are recorded as deferred capital contributions once they are invested in capital assets.
- Capital assets and deferred capital contributions are amortized over the estimated useful life of the assets.

To meet reporting requirements, the following funds are utilized:

Operating Fund	• Transactions include operating grants and other revenues used to fund instructional programs, school and district administration, facilities operations, maintenance, and transportation. • Boards of Education are required by the School Act to prepare a balanced budget for the Operating Fund (i.e. no deficit).
Special Purpose Funds	• Special Purpose Funds consist of targeted funding and related funding provided to the school district for a specific purpose and related expenditures. • 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. • Unspent special purpose funds are carried forward to be used in future year(s) for their specified purpose.
Capital Fund	• Transactions include capital expenditures related to equipment and facility purchases as well as equipment and facility enhancements. • The funding source of these purchases and enhancements determines to which capital fund the expenditures will be charged. • Funding sources include Ministry of Education and Child Care Bylaw Capital, Ministry of Education and Child Care Restricted Capital, Other Provincially Restricted Capital, Land Capital as well as Local Capital. • The Capital Fund is not part of a Board's operating balanced budget and may be in deficit. As such a board may incur an annual deficit for the portion of amortization expense that exceeds amortization of deferred capital contributions.



Statement of Operations – By Fund

The following table breaks out district operations for the year ended June 30, 2026 by Operating, Special Purpose and Capital funds, as well showing fund surpluses and transfers between funds.

Year Ended June 30, 2026	Operating Fund	Special Purpose Funds	Capital Funds	Totals
Revenues				
Provincial Grants				
Ministry of Education & Child Care	65,688,531	13,630,848	-	79,319,379
Other	294,434	83,708	-	378,142
Tuition	1,070,413	-	-	1,070,413
Other Revenue	702,043	2,021,953	-	2,723,996
Rentals & Leases	179,720	-	-	179,720
Investment Income	343,732	46,472	3,620	393,824
Amortization of Deferred Capital Revenue	-	-	3,343,772	3,343,772
Total Revenue	68,278,873	15,782,981	3,347,392	87,409,246
Expenses				
Instruction	48,718,555	15,472,488		64,191,043
District Administration	4,532,498	-		4,532,498
Operations & Maintenance	9,503,217	248,200	4,324,847	14,076,264
Transportation & Housing	3,304,327	30,851	-	3,335,178
Total Expense	66,058,597	15,751,539	4,324,847	86,134,983
Surplus (Deficit)	2,220,276	31,442	(977,455)	1,274,263
Net Transfers from/(to) Other Funds				
Transfers for Tangible Capital Asset Purchases	(493,542)	(31,442)	524,984	-
Total Net Transfers	(493,542)	(31,442)	524,984	-
Total Surplus (Deficit) for the year	1,726,734	-	(452,471)	1,274,263
Accumulated Surplus, beginning of year	7,505,262	-	20,455,498	27,960,760
Accumulated Surplus, end of year	9,231,996	-	20,003,027	29,235,023

SD8 generated total revenues of \$87.4 million in 2025-2026, consisting of \$68.3 million in the Operating Fund, \$15.8 million in Special Purpose Funds, and \$3.3 million in the Capital Fund.

Total expenses were \$86.1 million, with \$64.2 million (75%) allocated to instruction, \$4.5 million (5%) to district administration, \$14.1 million (16%) to operations and maintenance, and \$3.3 million (4%) to transportation and housing. The distribution of expenditures among these functional areas remained consistent with 2024-2025.

During the year, \$0.5 million in Operating Fund revenues and \$31,000 in Special Purpose Fund revenues were invested in tangible capital assets. These amounts are reflected in net transfers from the respective funds to the Capital Fund for tangible capital asset purchases.

As a result, SD8 reported Accumulated Surpluses of \$9.2 million in the Operating Fund and \$20.0 million in the Capital Fund as of June 30, 2026.

Statement of Operations – All Funds

The following table compares the year ended June 30, 2026 to the prior year and to the amended budget for the Operating Fund, Special Purpose Fund and Capital Fund combined, summarizing key information in Statement 2 of the financial statements.

Year Ended June 30, 2026	2025-2026 Actual	2024-2025 Actual	Increase (Decrease)	2025-2026 Amended Budget	Variance to Amended Budget
Revenues					
Provincial Grants					
Ministry of Education & Child Care	79,319,379	77,092,214	2,227,165	78,133,867	1,185,512
Other	378,142	407,928	(29,786)	337,488	40,654
Federal Grants	-	188,365	(188,365)	-	-
Tuition	1,070,413	1,052,227	18,186	954,982	115,431
Other Revenue	2,723,996	2,812,672	(88,676)	2,696,597	27,399
Rentals & Leases	179,720	160,581	19,139	105,000	74,720
Investment Income	393,824	485,776	(91,952)	279,778	114,046
Gain (Loss) on Disposal of Tangible Capital Assets	-	9,086	(9,086)	-	-
Amortization of Deferred Capital Revenue	3,343,772	3,093,404	250,368	3,334,708	9,064
Total Revenue	87,409,246	85,302,253	2,106,993	85,842,420	1,566,826
Expenses					
Salaries	55,311,024	54,806,029	504,995	55,236,451	(74,573)
Employee Benefits	14,766,122	14,495,938	270,184	14,284,416	(481,706)
Total Salaries and Benefits	70,077,146	69,301,967	775,179	69,520,867	(556,279)
Supplies and Services	11,732,990	12,004,061	(271,071)	13,153,054	1,420,064
Amortization of Tangible Capital Assets	4,324,847	4,072,455	252,392	4,310,904	(13,943)
Total Expense	86,134,983	85,378,483	756,500	86,984,825	849,842
Surplus for the Year	1,274,263	(76,230)	1,350,493	(1,142,405)	2,416,668

Operating Revenues and Expenses Compared to Prior Year

Total revenues from all funds increased by \$2.1 million (2.5%) to \$87.4 million in 2025–2026. Ministry of Education and Child Care grants increased primarily due to an additional \$0.6 million in labour settlement funding and \$1.5 million in Special Purpose Fund revenues. Federal grants decreased by \$0.2 million. Lower investment balances resulted in reduced investment income. Amortization of Deferred Capital Revenue increased by \$0.3 million, reflecting additional revenue recognized from provincially funded tangible capital assets.

Total expenses for all funds increased by \$0.8 million (0.9%) to \$86.1 million in 2025–2026. Salaries increased by \$0.5 million (0.9%) due to labour settlements and approved salary increases, partially offset by lower relief salary expenditures across all employee groups. Employee benefits increased by \$0.3 million (1.9%), driven by higher salary cost and health benefit costs. As a result, benefits as a percentage of salaries increased from 26.4% in 2024–2025 to 26.7% in 2025–2026. Additional analysis of salaries and benefits is provided in the Operating Fund Results and Special Purpose Fund Results sections of this report.

Services and supplies expenses include services, student transportation, professional development, travel, rental and leases, dues and fees, insurance, supplies and utilities. In the Operating Fund, lower spending on services (\$0.3 million) and utilities (\$70,000) were partially offset by higher spending on professional development and travel (\$46,000) and higher supplies costs (\$1.0 million). In the Special Purpose Funds, supplies and services decreased by \$0.1 million.

Amortization of Tangible Capital Assets increased by \$0.3 million (6.1%) related to additional tangible capital assets purchased/constructed.

Operating Revenue and Expenses Compared to Budget

Total revenues from all funds exceeded the amended budget by \$1.6 million (1.8%), reflecting additional revenue of \$2.2 million in the Operating Fund, partially offset by revenue that was \$0.6 million below budget in the Special Purpose Funds. The Ministry of Education and Child Care provided an additional \$1.8 million in Operating Fund revenue, consisting of \$0.4 million through the operating grant and \$1.4 million in labour settlement funding. The additional operating grant funding was generated by higher-than-budgeted February and May enrolment counts for online learners. Labour settlement funding supported compensation increases for all employee groups. Other revenue variances included higher tuition revenue from the International Program as a result of enrolments exceeding budget projections. The revenue shortfall in the Special Purpose Funds relates primarily to CommunityLINK funding that will be carried forward to future years.

Total expenses for 2025–2026 were \$0.8 million (1.0%) below the amended budget. Salaries and benefits exceeded budget by \$0.6 million (0.8%), primarily due to higher-than-budgeted benefit costs. These additional costs were more than offset by savings of approximately \$1.4 million in supplies and services across the Operating Fund and Special Purpose Funds. In the Operating Fund, savings of approximately \$0.8 million were realized through lower expenditure on contracted services, software licensees, professional development, travel, telephone, vehicle repairs, and utilities. A further \$0.2 million in savings resulted from unspent Indigenous targeted funding, which will be carried forward and used in future years. In the Special Purpose Funds, savings of approximately \$0.4 million were attributable to lower spending that will result in higher spending in subsequent years.

Operating Fund Results

The following table compares the year ended June 30, 2026 to the prior year and to the amended budget for the Operating Fund, summarizing key information from Schedules 2, 2A, 2B and 2C in the financial statements.

Year Ended June 30, 2026	2025-2026 Actual	2024-2025 Actual	Increase (Decrease)	2025-2026 Amended Budget	Variance to Amended Budget
Revenues					
Provincial Grants					
Ministry of Education & Child Care	65,688,531	64,955,316	733,215	63,875,377	1,813,154
Other	294,434	321,456	(27,022)	283,603	10,831
Federal Grants	-	188,365	(188,365)	-	-
Tuition	1,070,413	1,052,227	18,186	954,982	115,431
Other Revenue	702,043	673,733	28,310	641,597	60,446
Rentals & Leases	179,720	160,581	19,139	105,000	74,720
Investment Income	343,732	424,471	(80,739)	261,778	81,954
Total Revenue	68,278,873	67,776,149	502,724	66,122,337	2,156,536
Expenses					
Salaries	45,573,447	46,194,206	(620,759)	45,450,894	(122,553)
Employee Benefits	12,229,274	12,329,423	(100,149)	11,731,154	(498,120)
Total Salaries and Benefits	57,802,721	58,523,629	(720,908)	57,182,048	(620,673)
Supplies and Services	8,255,876	8,432,465	(176,589)	9,259,498	1,003,622
Total Expense	66,058,597	66,956,094	(897,497)	66,441,546	382,949
Surplus (Deficit) for the Year	2,220,276	820,055	1,400,221	(319,209)	2,539,485
Transfers for Tangible Capital Asset Purchases	(493,542)	(769,047)	275,505	(455,000)	(38,542)
Net Surplus (Deficit) for the Year	1,726,734	51,008	1,675,726	(774,209)	2,500,943

Operating Revenues and Expenses Compared to Prior Year

Operating Fund revenues increased \$0.5 million (0.7%) from 2024–2025 to \$68.3 million in 2025–2026. Operating grant rates per student increased by 1.1% for the basic allocation and students with unique needs; however, the grant revenue remained unchanged due to lower enrolments. Additional labour settlement funding of \$0.7 million accounted for the increase in provincial grants received from the Ministry of Education and Child Care. Federal grants decreased by \$0.2 million. Tuition revenue in the International Education programs remained relatively unchanged with similar enrolment levels. Lower investment balances contributed to lower investment income.

Operating fund expenses decreased by \$0.9 million (1.3%) from 2024–2025 to \$66.1 million in 2025–2026. Salaries and benefits decreased by \$0.7 million (1.2%) while supplies and services decreased by \$0.2 million (2.1%).

Changes in salaries by employee group included:

- Teachers – While contractual wage settlements resulted in additional salary costs, these increases were more than offset by changes in staffing levels and a shift in salary expenditures between the Operating Fund and Special Purpose Funds. As a result, overall teacher salary expenses were \$0.7 million (3.1%) lower than in the previous year in the Operating Fund.
- Principal and vice-principal – Salaries increased by \$0.1 million (2.3%) due to approved salary increases.
- Educational Assistants – Salaries increased by \$0.2 million (6.2%), reflecting additional staffing and the impact of contractual wage settlements.
- Support Staff – Salaries increased by \$0.3 million (3.9%) due to the filling of regular positions and contractual wage settlements.
- Other Professionals – Salaries decreased by \$0.1 million (2.2%) as a result of staffing changes.
- Substitutes/Relief costs – Costs decreased by \$0.4 million (12.9%), primarily due to lower relief costs for principals, educational assistants, and support staff, partially offset by higher teacher relief costs.

Benefits decreased by \$0.1 million (0.8%) due to lower salary costs offset by higher health benefit costs. Benefits as a percentage of salaries were 26.8% in 2025–2026 compared to 26.7% in 2024–2025.

Services and supplies expenses include services, student transportation, professional development and travel, rental and leases, dues and fees, insurance, supplies and utilities. Lower spending on services (\$0.3 million) and utilities (\$70,000) was partially offset by higher spending on professional development and travel (\$46,000) and higher supplies (\$1.0 million), resulting in a net increase of \$177,000 compared to 2024–2025.



Operating Revenue and Expenses Compared to Budget

Total operating fund revenues for 2025–2026 were \$2.2 million (3.3%) above the amended budget. The Ministry of Education and Child Care provided an additional \$1.8 million in funding, consisting of \$0.5 million through the operating grant and \$1.3 million in labour settlement funding. Higher February and May enrolment counts for online learners generated the additional operating grant. The labour settlement funding supported compensation increases for all employee groups.

Salaries were \$0.1 million (0.3%) above the amended budget. Salaries for teachers, principals/vice principals, support staff, and other professionals were \$0.7 million (1.7%) higher than budgeted due to labour settlements and approved salary increases. Salaries for educational assistants contributed approximately \$0.1 million in savings, resulting from vacancies. Substitutes salaries also contributed approximately \$0.5 million in savings, reflecting lower-than-expected relief costs across all employee groups.

Benefits were \$0.5 million (4.2%) above the amended budget and were 26.8% of salaries compared to 25.8% in the amended budget. The increase as a percentage of salaries relates primarily to higher health benefit costs.

Supplies and services were \$1.0 million (10.8%) below the amended budget. Savings of \$0.8 million resulted from lower spending on contracted services, software licenses, professional development, travel, telephone, vehicle repairs, and utility costs. An additional \$0.2 million in savings was attributable to lower expenditures from Indigenous targeted funds. These unspent Indigenous targeted funds will be carried forward and spent in future years.

Net Surplus

The net surplus before transfers for tangible capital asset purchases was \$2.2 million. The transfers for tangible capital asset purchases totalled \$0.5 million, consistent with the amended budget.



Special Purpose Fund Results

The following table compares the year ended June 30, 2026 to the prior year and to the amended budget for the Special Purpose Fund, summarizing key information from Schedule 3 of the financial statements.

Year Ended June 30, 2026	2025-2026 Actual	2024-2025 Actual	Increase (Decrease)	2025-2026 Amended Budget	Variance to Amended Budget
Revenues					
Provincial Grants					
Ministry of Education and Child Care	13,630,848	12,136,898	1,493,950	14,258,490	(627,642)
Other	83,708	86,472	(2,764)	53,885	29,823
Other Revenue	2,021,953	2,138,939	(116,986)	2,055,000	(33,047)
Investment Income	46,472	56,107	(9,635)	15,000	31,472
Total Revenue	15,782,981	14,418,416	1,364,565	16,382,375	(599,394)
Expenses					
Salaries	9,737,577	8,611,823	1,125,754	9,785,557	47,980
Employee Benefits	2,536,848	2,166,515	370,333	2,553,262	16,414
Total Salaries and Benefits	12,274,425	10,778,338	1,496,087	12,338,819	64,394
Supplies and Services	3,477,114	3,571,596	(94,482)	3,893,556	416,442
Total Expense	15,751,539	14,349,934	1,401,605	16,232,375	480,836
Surplus (Deficit) for the Year	31,442	68,482	(37,040)	150,000	(118,558)
Transfers for Tangible Capital Asset Purchases	(31,442)	(68,482)	37,040	(150,000)	118,558
Net Surplus (Deficit) for the Year	-	-	-	-	-



Special Purpose Revenues and Expenses Compared to Prior Year

Special Purpose Fund revenues for 2025–2026 were \$1.4 million (9.5%) higher than 2024–2025. Higher revenues from the Classroom Enhancement Fund (\$1.2 million), Feeding Futures (\$0.1 million), Professional Learning Grant (\$0.2 million) and National School Food Program (\$0.2 million) were partially offset by lower revenues in the CommunityLink (\$0.1 million), and Student & Family Affordability (\$0.2 million).

The salaries and benefits increased by \$1.5 million (13.9%) in the Special Purpose Funds due to the increased spending in the Classroom Enhancement Fund (\$1.2 million), Feeding Futures (\$0.1 million), and the Professional Learning Grant (\$0.2 million). The Classroom Enhancement Fund which provides targeted funding to support teacher staff levels, increased as a result of the labour settlement costs and changes in staffing levels. The supplies and services decreased by \$0.1 million (2.6%) with lower spending for the Student & Family Affordability Fund.

Special Purpose Revenue and Expenses Compared to Budget

Special Purpose Fund revenues for 2025–2026 were \$0.6 million (3.7%) below the amended budget, while expenses were \$0.5 million (3.0%) below the amended budget. As a result, a lower amount was transferred for tangible capital asset purchases than originally budgeted. The revenue and expenditure shortfalls were primarily attributable to CommunityLINK and will result in higher revenue and spending for CommunityLINK in future years.



Special Purpose Results by Program

The following table shows variances to the prior year and to the amended budget for the special purpose programs, summarizing key information from Schedule 3A of the financial statements.

Year Ended June 30, 2026	2025- 2026 Actual	2024- 2025 Actual	Increase (Decrease)	2025- 2026 Amended Budget	Variance to Amended Budget
Provincial Grants – Ministry of Education & Child Care Funding					
Annual Facility Grant	279,640	279,640	-	279,640	-
Learning Improvement Fund	218,308	223,014	(4,706)	218,308	-
Strong Start	186,187	176,240	9,947	210,113	(23,926)
Ready, Set, Learn	40,315	27,694	12,621	58,056	(17,741)
OLEP	147,129	108,258	38,871	129,758	17,371
CommunityLink	430,119	523,510	(93,391)	1,030,560	(600,441)
Classroom Enhancement Fund (CEF)	10,830,366	9,605,390	1,224,976	10,630,033	200,333
First Nation Student Transportation	30,851	26,763	4,088	30,851	-
Mental Health in Schools	55,000	55,000	-	55,000	-
Changing Results for Young Children	-	8,303	(8,303)	-	-
Seamless Day Kindergarten	55,400	71,334	(15,934)	55,400	-
Early Childhood Education Dual Credit Program	-	45,975	(45,975)	-	-
Student & Family Affordability	3,197	167,223	(164,026)	36,681	(33,484)
Early Years to Kindergarten (SEY2KT)	5,367	17,510	(12,143)	9,919	(4,552)
Early Care and Learning (ECL)	175,000	175,000	-	175,000	-
Feeding Futures Fund	695,974	607,640	88,334	749,715	(53,741)
After School Sports & Arts Grant	53,181	55,463	(2,282)	53,885	(704)
Health Promoting Schools	30,527	31,009	(482)	27,000	3,527
Health Career Grants	-	3,700	(3,700)	-	-
Work Experience Enhancement Initiative	18,008	14,704	3,304	18,008	-
Professional Learning Grant	238,867	-	238,867	238,867	-
National School Food Program	221,120	-	221,120	305,581	(84,461)
Other Internally Restricted Funding Revenue					
Scholarships and Bursaries	57,660	42,785	14,875	30,000	27,660
School Generated Funds	2,010,765	2,090,314	(79,549)	2,015,000	(4,235)
Donations	-	61,947	(61,947)	25,000	(25,000)
Total Revenue	15,782,981	14,418,416	1,364,565	16,382,375	(599,394)



Capital Fund Results

The following table compares the year ended June 30, 2026 to the prior year and to the amended budget for the Capital Fund, summarizing key information from Schedule 4 in the financial statements.

Year Ended June 30, 2026	2025-2026 Actual	2024-2025 Actual	Increase (Decrease)	2025-2026 Amended Budget	Variance to Amended Budget
Revenues					
Investment Income	3,620	5,198	(1,578)	3,000	620
Gain (Loss) on Disposal of Tangible Capital Assets	-	9,086	(9,086)	-	-
Amortization of Deferred Capital Revenue	3,343,772	3,093,404	250,368	3,334,708	9,064
Total Revenue	3,347,392	3,107,688	239,704	3,337,708	9,684
Expenses					
Amortization of Tangible Capital Assets	4,324,847	4,072,455	252,392	4,310,904	(13,943)
Total Expense	4,324,847	4,072,455	252,392	4,310,904	(13,943)
Surplus (Deficit) for the Year	(977,455)	(964,767)	(12,688)	(973,196)	(4,259)
Transfers for Tangible Capital Asset Purchases	524,984	837,529	(312,545)	605,000	(80,016)
Net Surplus (Deficit) for the Year	(452,471)	(127,238)	(325,233)	(368,196)	(84,275)

Unlike the Operating Fund which cannot have a deficit, the Capital Fund will generally have a deficit each year which relates to amortization expense exceeding amortization revenue. The net deficit before transfers is \$1.0 million, which is consistent with the prior year. Transfers from the Operating Fund and Special Purpose Funds of \$0.5 million were lower than budgeted and resulted in a net deficit of \$0.5 million in the Capital Fund after transfers from the Operating Fund and Special Purpose Funds.

Unspent Deferred Capital Revenue

Unspent Deferred Capital Revenue and Local Capital balances in the Capital Fund are available for spending on tangible capital assets in the future, subject to approval for the restricted capital balances. The balances increase when grants are received, investment income is earned and decreases when amounts are spent on tangible capital assets.

	June 30, 2025 Balance	Increases	Decreases	June 30, 2026 Balance
Bylaw Capital	-	5,001,659	(5,001,659)	-
Restricted Capital – Ministry of Education and Child Care	764,616	19,754	(162,294)	622,076
Total	764,616	5,021,413	(5,163,953)	622,076



Bylaw Capital

Bylaw Capital represents Ministry of Education and Child Care capital grants drawn on Certificates of Approval (COA) for capital projects and includes amounts for specific capital projects funded by the Ministry of Education and Child Care, 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 (COA). During the year, the school district received \$5.0 million in bylaw capital funding which was used to upgrade buildings (\$2.8 million), purchase buses (\$2.0 million) and construct a school playground (\$0.2 million).

Restricted Capital

The Ministry of Education and Child Care restricted capital represents the ministry's portion (usually 75%) of the proceeds on disposal of land and buildings, and any bylaw project surpluses on completed projects. The ministry's permission must be received to spend these funds. Increases from investment income earned offset amounts spent on tangible capital assets of \$0.2 million. The ending accumulated surplus balance for the Ministry of Education and Child Care restricted decreased to \$0.6 million as at June 30, 2026.



Statement of Financial Position

The following table shows the district's financial position as of June 30, 2026 compared to the prior year.

As at	June 30, 2026 Actual	June 30, 2025 Actual	Increase (Decrease)	Increase (Decrease)
Financial Assets				
Cash	23,162,505	19,358,901	3,803,604	20%
Accounts Receivable				
Due from Province - MoECC	416,367	925,721	(509,354)	(55%)
Other	350,108	712,444	(362,336)	(51%)
Portfolio Investments	483,149	415,304	67,845	16%
Total Financial Assets	24,412,129	21,412,370	2,999,759	14%
Liabilities				
Accounts Payable & Accrued Liabilities				
Due to Province	148,136	-	148,136	0%
Other	7,587,895	7,765,813	(177,918)	(2%)
Unearned Revenue	903,036	553,453	349,583	63%
Deferred Revenue	4,121,886	3,139,139	982,747	31%
Deferred Capital Revenue	55,704,522	54,026,881	1,677,641	3%
Employee Future Benefits	1,958,203	1,885,457	72,746	4%
Asset Retirement Obligation	2,240,535	2,240,535	-	0%
Total Liabilities	72,664,213	69,611,278	3,052,935	4%
Net Debt	(48,252,084)	(48,198,908)	(53,176)	0%
Non-Financial Assets				
Tangible Capital Assets	77,313,303	75,949,213	1,364,090	2%
Prepaid Expenses	343,071	333,460	9,611	3%
Total Non-Financial Assets	77,656,374	76,282,673	1,373,701	2%
Accumulated Surplus and Remeasurement Gains	29,404,290	28,083,765	1,320,525	5%

SD8's financial position remained strong in 2025-2026. Liabilities increased by \$3.0 million; however, this increase was offset by a corresponding increase in financial assets, leaving net debt relatively unchanged. SD8's current ratio, a measure of its ability to pay short-term obligations, increased from 2.7 as of June 30, 2025 to 3.0 as of June 30, 2026. SD8 continues to hold its excess cash in in the Province of British Columbia's Central Deposit Program, where funds earn a secure return.



Financial Assets

Total financial assets increased by \$3.0 million compared to the prior year, primarily due to higher cash and cash equivalents. Accounts receivable from the Ministry of Education and Child Care decreased, as the prior year included additional amounts receivable for capital project funding. Other receivables, which consist of amounts due from other school districts and third parties, decreased due to higher collections before year-end.

Liabilities

Total liabilities increased by \$3.1 million compared to the prior year. Increases were reported in unearned revenue (\$0.3 million), deferred revenue (\$1.0 million), deferred capital revenue (\$1.7 million), and employee future benefits (\$0.1 million). The increase in unearned revenue was primarily attributable to higher enrolment in the International Student Program. Deferred revenue increased due to higher carryforward balances in Special Purpose Funds.

Deferred capital revenue increased because provincial funding received for capital projects of \$5.0 million exceeded the recognition of \$3.3 million in amortized deferred capital revenue during the year. Employee future benefits increased primarily because of service and interest costs. Accounts payable decreased by \$0.2 million, reflecting a lower level of capital spending at year-end.

Non-Financial Assets

Non-financial assets increased by \$1.4 million compared to the prior year. During the year, SD8 invested \$5.7 million in tangible capital assets, including facility improvements (\$3.0 million), vehicles (\$2.0 million), furniture and equipment (\$0.3 million), and computer hardware (\$0.4 million). These additions were partially offset by amortization expense of \$4.3 million.



Accumulated Surplus Discussion

The changes to and balances in the accumulated surplus accounts for the year are shown in the following table:

	June 30, 2026	June 30, 2025	Increase (Decrease)
Operating Fund	9,231,996	7,505,262	1,726,734
Special Purpose Funds	-	-	
Capital Fund	20,003,027	20,455,498	(452,471)
Accumulated Surplus Excluding Remeasurement Gains	29,235,023	27,960,760	1,274,263

The school district has \$29.2 million in Accumulated Surplus excluding Remeasurement Gains as of June 30, 2026, of which \$9.2 million is related to the Operating Fund and \$20.0 million is related to the Capital Fund.

Operating Fund Accumulated Surplus

An accumulated surplus balance in the Operating Fund indicates that a school district has net resources that can be used to provide future services or acquire assets.

The school district's Policy 621: Accumulated Operating Surplus states that:

- The accumulated operating surplus will service as a contingency reserve for the risks associated with unexpected increases in expenses and/or decreases in revenues; one-time costs not included in the annual operating budget; and intermittent projects and initiatives.
- Achieving targeted surplus levels of 3% to 5% is important for achieving educational goals and addressing financial health, stability, and risk.
- Allocating surplus funds (i.e. internally restricting funds) supports long-term planning by mitigating changes in revenue and making provisions for unexpected events.

The Ministry of Education and Child Care also has policy related to operating surplus. It implemented the K-12 Public Education Accumulated Operating Policy on July 2021 to ensure consistency, transparency, and accountability for the use of educational operating funding that is not used in the year in which it was provided.

The Policy establishes three categories of Internally Restricted Operating Surplus:

- Restricted Due to the Nature of Constraints on the Funds – includes categories such as contractual obligations; funding required to meet the education spending targets; and school generated funds (not externally restricted).
- Restricted for Anticipated Unusual Expenses Identified by the Board – includes short-term, variable needs; new initiatives; emerging events; and self-insurance on assets.
- Restricted for Operations Spanning Multiple School Years – future years' operations/budget; school and department surplus/carry-forwards; operating projects in progress; technology, utilities, equipment and capital projects; purchase order commitments; and educational pilots spanning multiple years.

The following table provides the details on the portion of the district's Accumulated Operating Surplus that is internally restricted and unrestricted (subject to a motion being passed by the Board to appropriate additional amounts). The information is also contained in Note 19 of the financial statements.



	June 30, 2026 Balances	June 30, 2025 Balances	Change
Due to Nature of Constraints on Funds	409,355	342,791	66,564
For Unanticipated Unusual Expenses	1,273,159	403,261	869,898
For Operations Spanning Multiple School Years	4,405,538	3,652,225	753,313
Total Internally Restricted Operating Surplus	6,088,052	4,398,277	1,689,775
Unrestricted Operating Surplus	3,143,944	3,106,985	36,959
Total Accumulated Operating Surplus	9,231,996	7,505,262	1,726,734

The total internally restricted operating surplus is \$6.1 million, subject to Board approval of a motion to appropriate an additional \$1.7 million. Most of the internally restricted balance has been designated for Operations Spanning Multiple School Years and will be used to support classroom furniture and equipment purchases, vehicle replacements, technology upgrades, school surplus carryforwards, and operating projects in progress. These planned investments will help maintain a continued focus on staffing resources within the Operating Fund in future years.

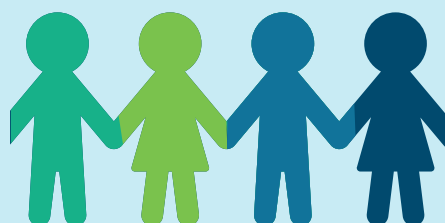
Amounts restricted Due to the Nature of Constraints on Funds relate primarily to professional development contractual obligations and carryforward balances associated with Indigenous targeted and capacity funding. Amounts restricted For Unanticipated Unusual Expenses are intended to support student- and staff-focused initiatives, as well as process improvement and development activities.

Capital Fund Accumulated Surplus

There are two categories of accumulated surplus in the Capital Fund – Invested in Tangible Capital Assets and Local Capital, totalling \$20.0 million. The accumulated surplus for Invested in Tangible Capital Assets is \$19,990,321 and the accumulated surplus for Local Capital is \$12,706. Only the portion pertaining to the Local Capital is available for internal restriction by the Board. The remainder of the accumulated surplus relating to Invested in Tangible Capital Assets must be left unrestricted.



Meeting of the Board Held in Pulpit



Memorandum to the Board of Education PUBLIC

From: Cathy MacArthur, Secretary-Treasurer
Date: September 8, 2026
Subject: 2025-2026 Statement of Financial Information

For Information

Introduction

This memorandum provides information to the Board on the 2025-2026 Statement of Financial Information (SOFI).

Information

In order to comply with *Financial Information Act*, all school districts in British Columbia must submit a SOFI report by December 31, 2026 which contains the following information for the year ended June 30, 2026:

1. Approval of Statement of Financial Information - signed by the Secretary-Treasurer, Superintendent and Chairperson of the Board of Education;
2. Financial Information Act Submission Checklist;
3. Management Report outlining responsibilities of the District and the auditors;
4. Audited Financial Statements for the year ended June 30, 2026;
5. Schedule of Debt;
6. Schedule of Guarantee and Indemnity Agreements;
7. Schedule of Remuneration and Expenses which includes a listing of salaries and expenditures paid to trustees as well as employees earning in excess of \$75,000; and
8. Schedule of Payments for Provision of Goods and Services which includes a listing of all amounts paid to vendors for goods and services exceeding \$25,000 for the year.

The report will be posted to the SD8 website Statement of Financial Information 2025-2026.

This update is for the Board's information and requires no further action at this time.



**STATEMENT OF FINANCIAL INFORMATION (SOFI)
THE BOARD OF EDUCATION OF SCHOOL DISTRICT NO. 8 (KOOTENAY LAKE)
FOR THE FISCAL YEAR ENDED JUNE 30, 2026**

Prepared: August 28, 2026

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Documents are arranged in the following order:

1. Approval of Statement of Financial Information
2. Financial Information Act Submission Checklist
3. Management Report
4. Audited Financial Information
5. Schedule of Debt
6. Schedule of Guarantee and Indemnity Agreements
7. Schedule of Remuneration and Expenses
8. Statement of Severance Agreements
9. Schedule of Payments for Provision of Goods and Services
10. Reconciliation to Audited Financial Statements



1. APPROVAL OF STATEMENT OF FINANCIAL INFORMATION



Ministry
of Education

SCHOOL DISTRICT STATEMENT OF FINANCIAL INFORMATION (SOFI)

6049

SCHOOL DISTRICT NUMBER	NAME OF SCHOOL DISTRICT	YEAR
8	Kootenay Lake	2025-2026
OFFICE LOCATION(S)	TELEPHONE NUMBER	
811 Stanley Street	250-352-6681	
MAILING ADDRESS		
811 Stanley Street		
CITY	PROVINCE	POSTAL CODE
Nelson	B.C.	V1L 1N8
NAME OF SUPERINTENDENT		TELEPHONE NUMBER
Trish Smillie		250-352-6681
NAME OF SECRETARY TREASURER		TELEPHONE NUMBER
Cathy MacArthur		250-352-6681

DECLARATION AND SIGNATURES

We, the undersigned, certify that the attached is a correct and true copy of the Statement of Financial Information for the year ended
June 30, 2026
for School District No. 8 as required under Section 2 of the Financial Information Act.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION	DATE SIGNED
SIGNATURE OF SUPERINTENDENT	DATE SIGNED
SIGNATURE OF SECRETARY TREASURER	DATE SIGNED

EDUC. 6049 (REV. 2008/09)



2. FINANCIAL INFORMATION ACT SUBMISSION CHECKLIST

	Due Date
a) ☒ A statement of assets and liabilities (audited financial statements).	September 30
b) ☒ An operational statement including, i) a Statement of Income and ii) a Statement of Changes in Financial Position, or, if omitted, an explanation in the Notes to Financial Statements (audited financial statements)	September 30
c) ☒ A schedule of debts (audited financial statements).	September 30
d) ☒ A schedule of guarantee and indemnity agreements including the names of the entities involved and the amount of money involved. (Note: Nil schedules can be submitted December 31).	September 30
e) A schedule of remuneration and expenses, including:	December 31
☒ i) an alphabetical list of employees earning over \$75,000, the total amount of expenses paid to or on behalf of each employee for the year reported and a consolidated total for employees earning under \$75,000. If the total wages and expenses differs from the audited financial statements, an explanation is required.	
☒ ii) a list by name and position of Board Members with the amount of any salary and expenses paid to or on behalf of the member	
☒ iii) the number of severance agreements started during the fiscal year and the range of months' pay covered by the agreement, in respect of excluded employees. If there are no agreements to report, an explanation is required	
f) ☒ An alphabetical list of suppliers receiving over \$25,000 and a consolidated total for those suppliers receiving less than \$25,000. If the total differs from the Audited Financial Statements, an explanation is required.	December 31
g) ☒ Approval of Statement of Financial Information.	December 31
h) ☒ A management report approved by the Chief Financial Officer	December 31



3. MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information under the Financial Information Act have been prepared by management in accordance with Canadian generally accepted accounting principles and the integrity and objectivity of these statements are management's responsibility.

Management is also responsible for all other schedules of financial information and for ensuring this information is consistent, where appropriate, with the information contained in the financial statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of Education is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and for approving the financial information included in the Statement of Financial Information.

The external auditors, KPMG LLP, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements as required by the School Act. Their examination does not relate to the other schedules of financial information required by the Financial Information Act. Their examination includes a review and evaluation of the board's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly.

On behalf of School District No. 8 (Kootenay Lake)

Trish Smillie, Superintendent
Date: August 28, 2026

Cathy MacArthur, Secretary-Treasurer
Date: August 28, 2026

Prepared as required by Financial Information Regulation, Schedule 1, section 9



4. AUDITED FINANCIAL STATEMENTS

Audited Financial Statements of

School District No. 8 (Kootenay Lake)

And Independent Auditors' Report thereon

June 30, 2026



School District No. 8 (Kootenay Lake)

June 30, 2026

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School District No. 8 (Kootenay Lake)

MANAGEMENT REPORT

DRAFT

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 8 (Kootenay Lake) have been prepared by management in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and reliable financial information is produced.

The Board of Education of School District No. 8 (Kootenay Lake) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, KPMG LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 8 (Kootenay Lake) and meet when required. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 8 (Kootenay Lake)

DRAFT

Signature of the Chairperson of the Board of Education _____ Date Signed _____

Signature of the Superintendent _____ Date Signed _____

Signature of the Secretary Treasurer

Date Signed





KPMG LLP
200 – 3200 Richter Street
Kelowna BC V1W 5K9
Canada
Telephone 250-979-7150
Fax 250-763-0044

INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 8 (Kootenay Lake), and
To the Minister of Education and Child Care, Province of British Columbia

Opinion

We have audited the financial statements of School District No. 8 (Kootenay Lake) (the School District), which comprise:

- the statement of financial position as at June 30, 2026
- the statement of operations for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of remeasurement gains and losses for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policy information (Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements as at and for the year ended June 30, 2026 of the School District are prepared, in all material respects in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “Auditors' Responsibilities for the Audit of the Financial Statements” section of our auditors' report.

We are independent of the School District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Financial Reporting Framework

We draw attention to note 2(a) to the financial statements which describes the applicable financial reporting framework and the significant differences between the financial reporting framework and Canadian public sector accounting standards.

Our opinion is not modified in respect of this matter.



Other Information

Management is responsible for the other information. Other information comprises information, other than the financial statements and the auditors' report thereon, included in unaudited schedules 1-4 attached to the audited financial statements and the financial statement discussion and analysis document.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. We obtained the Information, other than the financial statements and the auditors' report thereon, included in the unaudited schedules 1-4 attached to the audited financial statements and the management discussion and analysis document, at the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the School District's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.





As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the School District to cease to continue as a going concern.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Kelowna, Canada

September 8, 2026



School District No. 8 (Kootenay Lake)

Statement 1

Statement of Financial Position

As at June 30, 2026

	2026 Actual	2025 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents (Note 3)	23,162,505	19,358,901
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	416,367	925,721
Other (Note 4)	350,108	712,444
Portfolio Investments (Note 5)	483,149	415,304
Total Financial Assets	24,412,129	21,412,370
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education and Child Care	148,136	-
Other (Note 6)	7,587,895	7,765,813
Unearned Revenue (Note 7)	903,036	553,453
Deferred Revenue (Note 8)	4,121,886	3,139,139
Deferred Capital Revenue (Note 9)	55,704,522	54,026,881
Employee Future Benefits (Note 10)	1,958,203	1,885,457
Asset Retirement Obligation	2,240,535	2,240,535
Total Liabilities	72,664,213	69,611,278
Net Debt	(48,252,084)	(48,198,908)
Non-Financial Assets		
Tangible Capital Assets (Note 11)	77,313,303	75,949,213
Prepaid Expenses	343,071	333,460
Total Non-Financial Assets	77,656,374	76,282,673
Accumulated Surplus (Deficit) (Note 19)	29,404,290	28,083,765
Accumulated Surplus (Deficit) is comprised of:		
Accumulated Surplus (Deficit) from Operations	29,235,023	27,960,760
Accumulated Remeasurement Gains (Losses)	169,267	123,005
	29,404,290	28,083,765

Contractual Obligations (Note 15)

Contingent Liabilities (Note 16)

Approved by the Board

Signature of the Chairperson of the Board of Education September 8, 2026 Date Signed

Signature of the Superintendent September 8, 2026 Date Signed

Signature of the Secretary Treasurer Date Signed

DRAFT



School District No. 8 (Kootenay Lake)

Statement 2

Statement of Operations

Year Ended June 30, 2026

	2026 Budget (Note 17)	2026 Actual	2025 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	78,133,867	79,319,379	77,092,214
Other	337,488	378,142	407,928
Federal Grants			188,365
Tuition	954,982	1,070,413	1,052,227
Other Revenue	2,696,597	2,723,996	2,812,672
Rentals and Leases	105,000	179,720	160,581
Investment Income	279,778	393,824	485,776
Gain (Loss) on Disposal of Tangible Capital Assets			9,086
Amortization of Deferred Capital Revenue	3,334,708	3,343,772	3,093,404
Total Revenue	85,842,420	87,409,246	85,302,253
Expenses (Note 18)			
Instruction	64,845,997	64,191,043	63,693,451
District Administration	4,824,116	4,532,498	4,792,147
Operations and Maintenance	13,858,091	14,076,264	13,414,545
Transportation and Housing	3,456,621	3,335,178	3,478,340
Total Expense	86,984,825	86,134,983	85,378,483
Surplus (Deficit) for the year	(1,142,405)	1,274,263	(76,230)
Accumulated Surplus (Deficit) from Operations, beginning of year		27,960,760	28,036,990
Accumulated Surplus (Deficit) from Operations, end of year		29,235,023	27,960,760



School District No. 8 (Kootenay Lake)

Statement 3

Statement of Remeasurement Gains and Losses

Year Ended June 30, 2026

	2026 Actual	2025 Actual
	\$	\$
Accumulated Remeasurement Gains (Losses) at beginning of year	123,005	91,871
Unrealized Gains (Losses) attributable to:		
Portfolio Investments	46,262	31,134
Net Remeasurement Gains (Losses) for the year	46,262	31,134
Accumulated Remeasurement Gains (Losses) at end of year	169,267	123,005



School District No. 8 (Kootenay Lake)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2026

	2026 Budget (Note 17)	2026 Actual	2025 Actual
	\$	\$	\$
Surplus (Deficit) for the year	(1,142,405)	1,274,263	(76,230)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(3,933,172)	(5,688,937)	(6,988,066)
Amortization of Tangible Capital Assets	4,310,904	4,324,847	4,072,455
Total Effect of change in Tangible Capital Assets	377,732	(1,364,090)	(2,915,611)
Acquisition of Prepaid Expenses		(642,321)	(502,534)
Use of Prepaid Expenses		632,710	520,932
Total Effect of change in Other Non-Financial Assets	-	(9,611)	18,398
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	(764,673)	(99,438)	(2,973,443)
Net Remeasurement Gains (Losses)		46,262	31,134
(Increase) Decrease in Net Debt		(53,176)	(2,942,309)
Net Debt, beginning of year		(48,198,908)	(45,256,599)
Net Debt, end of year		(48,252,084)	(48,198,908)



School District No. 8 (Kootenay Lake)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2026

	2026 Actual	2025 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	1,274,263	(76,230)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	871,690	65,822
Prepaid Expenses	(9,611)	18,398
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(29,782)	990,941
Unearned Revenue	349,583	10,982
Deferred Revenue	982,747	348,956
Employee Future Benefits	72,746	106,132
Loss (Gain) on Disposal of Tangible Capital Assets	-	(9,086)
Amortization of Tangible Capital Assets	4,324,847	4,072,455
Amortization of Deferred Capital Revenue	(3,343,772)	(3,093,404)
Total Operating Transactions	4,492,711	2,434,966
Capital Transactions		
Tangible Capital Assets Purchased	(5,688,937)	(6,988,066)
District Portion of Proceeds on Disposal	-	9,086
Total Capital Transactions	(5,688,937)	(6,978,980)
Financing Transactions		
Capital Revenue Received	5,021,413	5,964,066
Total Financing Transactions	5,021,413	5,964,066
Investing Transactions		
Investments in Portfolio Investments	(21,583)	(8,174)
Total Investing Transactions	(21,583)	(8,174)
Net Increase (Decrease) in Cash and Cash Equivalents	3,803,604	1,411,878
Cash and Cash Equivalents, beginning of year	19,358,901	17,947,023
Cash and Cash Equivalents, end of year	23,162,505	19,358,901
Cash and Cash Equivalents, end of year, is made up of:		
Cash	23,162,505	19,358,901
	23,162,505	19,358,901



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 1 AUTHORITY AND PURPOSE

The School District No. 8 (Kootenay Lake) (the “**School District**”), established on December 2, 1996, operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 8 (Kootenay Lake)", and operates as "School District No. 8 (Kootenay Lake)." A board of education (“**Board**”) elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district and is principally funded by the Province of British Columbia through the Ministry of Education and Child Care. School District No.8 (Kootenay Lake) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act of the Province of British Columbia*. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for certain government transfers as set out in notes 2(f) and 2(l).

In November 2011, Treasury Board provided a directive through Restricted Contributions Regulation 198/2011 providing direction for the reporting of restricted contributions whether they are received or receivable by the School District before or after this regulation was in effect.

As noted in notes 2(f) and 2(l), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of tangible capital assets into revenue on the same basis as the related amortization expense.

As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require that:

- government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met; and
- externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified.



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

b) Cash and Cash Equivalents

Cash and cash equivalents include cash balances and term deposits that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These cash equivalents generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

c) Accounts Receivable

Accounts receivable are measured at amortized cost and shown net of allowance for doubtful accounts.

d) Portfolio Investments

The School District has investments in equity instruments and mutual funds with no maturity date and bonds with a maturity date of greater than 3 months at the time of acquisition. Bonds not quoted in an active market are measured at cost or amortized cost. Portfolio investments in equity instruments and mutual funds that are quoted in an active market are measured at fair value and the associated transaction costs are expensed upon recognition. The change in fair value is recognized in the Statement of Remeasurement Gains and Losses as a remeasurement gain or loss until the portfolio investments are disposed. Upon disposal, any accumulated remeasurement gains or losses associated with the portfolio investments are reclassified to the Statement of Operations.

e) Unearned Revenue

Unearned revenue includes tuition fees received for courses to be delivered in future periods and receipt of proceeds for services or products to be delivered in a future period. Revenue is recognized in the period when the courses, services, or products are provided.

f) Deferred Revenue and Deferred Capital Revenue

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 in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 2 (l).



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

f) Deferred Revenue and Deferred Capital Revenue *(Continued)*

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the statement of operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished.

g) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements. The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime, and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2025 and projected to March 31, 2028. The next valuation will be performed at March 31, 2028. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

The School District and its employees make contributions to the Teachers' Pension Plan and Municipal Pension Plan. The plans are multi-employer plans where assets and obligations are not separated. The costs are expensed as incurred.

h) Asset Retirement Obligation

A liability is recognized when, as at the financial reporting date:

- there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- the past transaction or event giving rise to the liability has occurred;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

h) Asset Retirement Obligation *(Continued)*

A liability for the removal of asbestos and other hazardous material in several of the buildings owned by the School District was initially recognized using the modified retroactive method. The liability is measured at current cost as the timing and amounts of future cash flows cannot be estimated. The resulting costs are capitalized into the carrying amount of tangible capital assets and are amortized on the same basis as the related tangible capital asset (see note 2(i)). The liability is reviewed annually and adjusted prospectively to reflect current market conditions in estimated costs.

i) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement, or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written off.
- Works of art, historic assets, and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

Buildings	40 years
Furniture & Equipment	10 years
Vehicles	10 years
Computer Software	5 years
Computer Hardware	5 years



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

j) Prepaid Expenses

Prepaid software licenses, membership fees, insurance and annual utilities costs are included as prepaid expenses and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

k) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Note 13 – Interfund Transfers and Note 19 – Accumulated Surplus).

l) Revenue Recognition

Revenue is recorded on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenue, the amounts are considered to be collectible and can be reasonably estimated.

Contributions received or where eligibility criteria have been met are recognized as revenue except where the contribution meets the criteria for deferral as described below. Eligibility criteria are the criteria that the School District has to meet in order to receive the contributions including authorization by the transferring government.

For contributions subject to a legislative or contractual stipulation or restriction as to their use, revenue is recognized as follows:

- Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year related expenses are incurred,
- Contributions restricted for site acquisitions are recorded as revenue when the sites are purchased, and
- Contributions restricted for tangible capital assets acquisitions other than sites are recorded as deferred capital revenue and amortized over the useful life of the related assets.

Donated tangible capital assets other than sites are recorded, in deferred capital revenue, at fair market value and amortized to revenue over the useful life of the assets. Donated sites are recorded as revenue at fair market value when received or receivable.

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in which case the transfer is recognized as revenue over the period that the liability is extinguished.



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

1) Revenue Recognition *(Continued)*

Revenue from transactions with performance obligations, such as rental, leases and other revenue, is recognized when the performance obligation is satisfied through the provision of agreed goods or services. Revenue from transactions with no performance obligations is recognized when the School District has the authority to claim or retain an inflow of economic resources and identifies a past transaction or event that gives rise to an asset.

Investment income is reported in the period earned. When required by the funding party or related Act, investment income earned on deferred revenue is added to the deferred revenue balance.

m) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Categories of Salaries

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Assistant Superintendents, Secretary-Treasurers, Trustees and other employees excluded from union contracts are categorized as Other Professionals.

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and Indigenous education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

n) Financial Instruments

A contract establishing a financial instrument creates, at its inception, rights, and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The School District recognizes a financial instrument when it becomes a party to a financial instrument contract.

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, and accounts payable and accrued liabilities.

Except for portfolio investments in equity instruments and mutual funds quoted in an active market that are measured at fair value, all financial assets and liabilities are measured at cost or amortized cost and the associated transactions costs are added to the carrying value of these investments upon initial recognition and amortized using the effective interest rate method. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

Unrealized gains and losses from changes in fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

o) Measurement Uncertainty

Preparation of financial statements requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Areas requiring the use of management estimates relate to the potential impairment of assets, liabilities for contaminated sites and asset retirement obligations, rates for tangible capital asset and deferred capital revenue amortization and estimated employee future benefits. Actual results could differ from those estimates.



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 3 CASH AND CASH EQUIVALENTS

Included in cash and cash equivalents are funds in the amount of \$1,240,857 (2025 - \$1,210,739), which are restricted and paid out to teachers who contribute to and take part in the District's self-funded summer saving plan.

NOTE 4 ACCOUNTS RECEIVABLE – OTHER

	2026	2025
Goods and Services Tax recoverable	\$ 59,244	\$ 322,561
Other	290,864	389,883
Total Accounts Receivable – Other	\$ 350,108	\$ 712,444

NOTE 5 PORTFOLIO INVESTMENTS

Financial instruments which are recorded at fair value on the statement of financial position, are classified into one of three hierarchy levels. Each level is based upon the significance of the inputs used to measure the fair value. The hierarchy levels are as follows:

- Level 1 - inputs are unadjusted quoted prices of identical instruments in active markets
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - one or more significant inputs used in a valuation technique are unobservable in determining fair values of the instruments

	2026	2025
Cash	\$ 49,202	\$ 32,388
Canadian corporate bonds	35,779	48,580
Canadian equity instruments – Level 1	33,867	31,504
Canadian mutual funds – Level 1	364,301	302,832
Total Portfolio Investments	\$ 483,149	\$ 415,304

The fair value of portfolio investments exceeded its cost amount, as at June 30, 2026, by \$169,267 (2025 - \$123,005), which is presented in the statement of remeasurement gains and losses.



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	2026	2025
Trade	\$ 1,489,664	\$ 2,729,512
Salaries and benefits	4,264,758	3,224,173
Accrued vacation pay	592,616	601,389
Other – summer teachers’ savings plan	1,240,857	1,210,739
Total Accounts Payable and Accrued Liabilities - Other	\$ 7,587,895	\$ 7,765,813

NOTE 7 UNEARNED REVENUE

	2026	2025
Balance, beginning of year	\$ 553,453	\$ 542,471
Tuition fees collected	903,036	553,453
Tuition fees recognized in revenue	(553,453)	(542,471)
Total Unearned Revenue	\$ 903,036	\$ 553,453

NOTE 8 DEFERRED REVENUE

Deferred revenue includes unspent grants and contributions received that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board, i.e., the stipulations associated with those grants and contributions have not yet been fulfilled.

	2026	2025
Balance, beginning of year	\$ 3,139,139	\$ 2,790,183
Provincial grants received	13,979,463	12,552,537
Other revenue received	2,739,793	2,215,989
Investment income	46,472	56,107
Revenue recognized	(15,782,981)	(14,418,416)
Revenue recovered	-	(57,261)
Total Deferred Revenue	\$ 4,121,886	\$ 3,139,139



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 9 DEFERRED CAPITAL REVENUE

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired.

	2026	2025
<u>Deferred capital revenue subject to amortization</u>		
Balance, beginning of year	\$ 53,262,265	\$ 50,357,998
Transfers from deferred capital revenue – unspent portion	5,163,953	5,997,671
Amortization of deferred capital revenue	(3,343,772)	(3,093,404)
Balance, end of year	\$ 55,082,446	\$ 53,262,265
<u>Deferred capital revenue – unspent portion</u>		
Balance, beginning of year	\$ 764,616	\$ 798,221
Provincial grants – Ministry of Education and Child Care	5,001,659	5,910,473
Provincial grants - Other	19,754	26,334
MECC Restricted Portion of Proceeds on Disposal	-	27,259
Transfer to deferred capital revenue	(5,163,953)	(5,997,671)
Balance, end of year	\$ 622,076	\$ 764,616
Total Deferred Capital Revenue	\$ 55,704,522	\$ 54,026,881

NOTE 10 EMPLOYEE FUTURE BENEFITS

Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime, and death benefits. Funding is provided when the benefits are paid and accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District has provided for the payment of these benefits.

	2026	2025
<u>Reconciliation of Accrued Benefit Obligation</u>		
Accrued Benefit Obligation – April 1	\$ 1,404,004	\$ 1,390,832
Service Cost	104,583	125,237
Interest Cost	55,639	61,105
Benefit Payments	(48,887)	(43,014)
Actuarial (Gain) Loss	(228,192)	(130,156)
Accrued Benefit Obligation	\$ 1,287,147	\$ 1,404,004



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 10 EMPLOYEE FUTURE BENEFITS *(Continued)*

	2026	2025
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Liability – March 31	\$ 1,287,147	\$ 1,404,004
Benefits expense after measurement date	40,121	40,056
Unamortized net actuarial (gain) loss	630,935	441,397
Accrued Benefit Liability – June 30	\$ 1,958,203	\$ 1,885,457
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	\$ 1,885,457	\$ 1,779,325
Net expense for fiscal year	121,633	149,146
Employer contributions	(48,887)	(43,014)
Accrued Benefit Liability – June 30	\$ 1,958,203	\$ 1,885,457
Components of Net Benefit Expense		
Service cost	\$ 103,592	\$ 120,073
Interest cost	56,695	59,739
Amortization of net actuarial (gain) loss	(38,654)	(30,666)
Net benefit expense	\$ 121,633	\$ 149,146

The significant actuarial assumptions adopted for measuring the School District's accrued benefit obligations are:

	2026	2025
Discount rate – April 1	4.00%	4.25%
Discount rate – March 31	4.50%	4.00%
Long term salary growth – April 1	2.50% + seniority	2.50% + seniority
Long term salary growth – March 31	2.50% + seniority	2.50% + seniority
EARS� – March 31	11.0	11.0

NOTE 11 TANGIBLE CAPITAL ASSETS

Net Book Value:	2026	2025
Sites	\$ 8,958,823	\$ 8,958,823
Buildings	60,745,262	60,902,100
Vehicles	5,652,711	4,370,725
Furniture and Equipment	1,260,747	1,189,758
Computer Hardware	695,760	527,807
Total	\$ 77,313,303	\$ 75,949,213



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 11 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2026

	Opening Cost	Additions	Disposals	Closing Cost
Sites	\$ 8,958,823	\$ -	\$ -	\$ 8,958,823
Buildings	154,070,917	2,987,362	-	157,058,279
Vehicles	6,650,348	2,035,060	(274,276)	8,411,132
Furniture and equipment	1,965,979	278,533	(59,618)	2,184,894
Computer hardware	1,166,537	387,982	(520,752)	1,033,767
Total	\$ 172,812,604	\$ 5,688,937	\$ (854,646)	\$ 177,646,895

	Opening Accumulated Amortization	Additions	Disposals	Closing Accumulated Amortization
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	93,168,817	3,144,200	-	96,313,017
Vehicles	2,279,623	753,074	(274,276)	2,758,421
Furniture and equipment	776,221	207,544	(59,618)	924,147
Computer hardware	638,730	220,029	(520,752)	338,007
Total	\$ 96,863,391	\$ 4,324,847	\$ (854,646)	\$ 100,333,592

June 30, 2025

	Opening Cost	Additions	Disposals	Closing Cost
Sites	\$ 8,958,823	\$ -	\$ -	\$ 8,958,823
Buildings	150,140,120	3,930,797	-	154,070,917
Vehicles	4,741,922	2,528,009	(619,583)	6,650,348
Furniture and equipment	1,764,824	225,278	(24,123)	1,965,979
Computer hardware	1,252,503	303,982	(389,948)	1,166,537
Total	\$ 166,858,192	\$ 6,988,066	\$ (1,033,654)	\$ 172,812,604

	Opening Accumulated Amortization	Additions	Disposals	Closing Accumulated Amortization
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	90,094,419	3,074,398	-	93,168,817
Vehicles	2,329,592	569,614	(619,583)	2,279,623
Furniture and equipment	613,804	186,540	(24,123)	776,221
Computer hardware	786,775	241,903	(389,948)	638,730
Total	\$ 93,824,590	\$ 4,072,455	\$ (1,033,654)	\$ 96,863,391



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 12 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2025, the Teachers' Pension Plan has about 52,000 active members and approximately 43,000 retired members. As of December 31, 2025, the Municipal Pension Plan has about 273,000 active members, including approximately 32,000 from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2023, indicated a \$4,572 million surplus for basic pension benefits on a going concern basis.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2024, indicated a \$2,675 million funding surplus for basic pension benefits on a going concern basis.

The School District paid \$5.683 million for employer contributions to the plans for the year ended June 30, 2026 (2025: \$5.633 million).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2026. The next valuation for the Municipal Pension Plan was December 31, 2027.

Employers participating in the plans record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plans record accrued liabilities and accrued assets for each plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plans.

NOTE 13 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2026, were as follows:

- Tangible capital assets purchased from operating funds - \$493,542 (2025 - \$769,047)
- Tangible capital assets purchased from special purpose funds - \$31,442 (2025 - \$68,482)



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 14 RELATED PARTY TRANSACTIONS

The School District is related through common ownership to all Province of British Columbia ministries, agencies, school districts, health authorities, colleges, universities, and crown corporations. Transactions with these entities, unless disclosed separately, are considered to be in the normal course of operations and are recorded at the exchange amount.

NOTE 15 CONTRACTUAL OBLIGATIONS

The School District has multiple-year contracts for the delivery of services and the construction of tangible capital assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

	2027	2028
Vehicle Leases	\$ 17,054	\$ 5,682

NOTE 16 CONTINGENT LIABILITIES

The School District is involved in certain legal actions. Some of these legal actions are managed and covered by the British Columbia Schools Protection Program. The outcome of these matters cannot be determined at this time. In the event that any claims are successful, it is management's opinion that the settlement of such claims would not have a material effect on the financial position of the Schools District. The resulting loss on the School District, if any, will be recorded in the period in which it is determinable.



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 17 BUDGET FIGURES

Budget figures included in the financial statements are the School District's amended annual budget adopted by the Board of Education on February 10, 2026, whereas the original budget was approved by the Board on May 13, 2025. Significant changes between the original and amended budget are as follows:

	Annual Budget	Change	Amended Annual Budget
Revenue			
Provincial Grants			
Ministry of Education and Child Care	\$ 76,419,346	\$ 1,714,521	\$ 78,133,867
Other	380,850	(43,362)	337,488
Federal Grants	238,641	(238,641)	-
Tuition	628,450	326,532	954,982
Other Revenue	2,266,797	429,800	2,696,597
Rentals and Leases	105,000	-	105,000
Investment Income	458,000	(178,222)	279,778
Amortization of Deferred Capital Revenue	3,212,034	122,674	3,334,708
Total Revenue	83,709,118	2,133,302	85,842,420
Expenses			
Instruction	62,132,231	2,713,766	64,845,997
District Administration	5,076,174	(252,058)	4,824,116
Operations and Maintenance	13,714,384	143,707	13,858,091
Transportation and Housing	3,614,040	(157,419)	3,456,621
Total Expenses	84,536,829	2,447,996	86,984,825
Budgeted Surplus (Deficit) for the year	(827,711)	(314,694)	(1,142,405)



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 18 EXPENSE BY OBJECT

The following are total expenses from operating, special and capital funds:

	2026	2025
Salaries and benefits	\$ 70,077,146	\$ 69,301,967
Services and supplies	11,732,990	12,004,061
Amortization of tangible capital assets	4,324,847	4,072,455
Total Expenses by Object	\$ 86,134,983	\$ 85,378,483

NOTE 19 ACCUMULATED SURPLUS

The operating fund accounts for the School District's operating grants and other operating revenues. Legislation requires that the School District present a balanced budget for the operating fund, whereby budgeted expenditures do not exceed the total of the budgeted revenue plus any surplus in the operating fund carried forward from the previous year.

	2026	2025
Operating Fund Accumulated Surplus		
Internally Restricted/Appropriated by the Board:		
Due to Nature of Constraints on the Fund	\$ 409,355	\$ 342,791
For Unanticipated Unusual Expenses	1,273,159	403,261
For Operations Spanning Multiple School Years	4,405,538	3,652,225
Total Internally Restricted Operating Surplus	6,088,052	4,398,277
Unrestricted Operating Surplus	3,143,944	3,106,985
Total Operating Fund Accumulated Surplus	9,231,996	7,505,262
Capital Fund Surplus		
Invested in tangible capital assets	19,990,321	20,446,412
Local capital	12,706	9,086
Total Capital Fund Accumulated Surplus	20,003,027	20,455,498
 Total Accumulated Surplus from Operations	 29,235,023	 27,960,760
Accumulated Remeasurement Gains	169,267	123,005
Accumulated Surplus	\$ 29,404,290	\$ 28,083,765



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 20 ECONOMIC DEPENDENCE

The operations of the School District are dependent on continued funding from the Ministry of Education and Child Care and various governmental agencies to carry out its programs. These financial statements have been prepared on a going concern basis.

NOTE 21 RISK MANAGEMENT

The School District has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk.

The Board ensures that the School District has identified its risks and ensures that management monitors and controls them.

a) Credit risk:

Credit risk is the risk of financial loss to an institution if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held consisting of cash and cash equivalents, accounts receivable and portfolio investments.

The School District is exposed to credit risk in the event of non-performance by a debtor. This risk is mitigated as most accounts receivable are due from the Province and are collectible.

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and portfolio investments as they are placed in recognized British Columbia institutions and the School District invests solely in term deposits and mutual funds.

b) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. It is management's opinion that the School District is not exposed to significant currency risk, as amounts held and purchases made in foreign currency are insignificant.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its portfolio investments (note 5). It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in term deposits that have a maturity date of no more than 3 years, and mutual funds.



School District No. 8 (Kootenay Lake)
Notes to Financial Statements
Year Ended June 30, 2026

NOTE 21 RISK MANAGEMENT *(Continued)*

c) Liquidity risk:

Liquidity risk is the risk that the School District will not be able to meet its financial obligations as they become due.

The School District manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the School District's reputation.

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance. There have been no changes to risk exposure from 2025 related to credit, market, or liquidity risks.



School District No. 8 (Kootenay Lake)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2026

	Operating Fund	Special Purpose Fund	Capital Fund	2026 Actual	2025 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	7,505,262		20,455,498	27,960,760	28,036,990
Changes for the year					
Surplus (Deficit) for the year	2,220,276	31,442	(977,455)	1,274,263	(76,230)
Interfund Transfers					
Tangible Capital Assets Purchased	(493,542)	(31,442)	524,984	-	
Net Changes for the year	1,726,734	-	(452,471)	1,274,263	(76,230)
Accumulated Surplus (Deficit), end of year - Statement 2	9,231,996	-	20,003,027	29,235,023	27,960,760
Accumulated Remeasurement Gains (Losses) - Statement 3		169,267		169,267	123,005
	9,231,996	169,267	20,003,027	29,404,290	28,083,765



School District No. 8 (Kootenay Lake)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2026

	2026 Budget (Note 17)	2026 Actual	2025 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	63,875,377	65,688,531	64,955,316
Other	283,603	294,434	321,456
Federal Grants			188,365
Tuition	954,982	1,070,413	1,052,227
Other Revenue	641,597	702,043	673,733
Rentals and Leases	105,000	179,720	160,581
Investment Income	261,778	343,732	424,471
Total Revenue	<u>66,122,337</u>	<u>68,278,873</u>	<u>67,776,149</u>
Expenses			
Instruction	48,774,113	48,718,555	49,581,438
District Administration	4,824,116	4,532,498	4,792,147
Operations and Maintenance	9,417,547	9,503,217	9,130,932
Transportation and Housing	3,425,770	3,304,327	3,451,577
Total Expense	<u>66,441,546</u>	<u>66,058,597</u>	<u>66,956,094</u>
Operating Surplus (Deficit) for the year	<u>(319,209)</u>	<u>2,220,276</u>	<u>820,055</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>774,209</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(455,000)	(493,542)	(769,047)
Total Net Transfers	<u>(455,000)</u>	<u>(493,542)</u>	<u>(769,047)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>1,726,734</u>	<u>51,008</u>
Operating Surplus (Deficit), beginning of year		7,505,262	7,454,254
Operating Surplus (Deficit), end of year		<u>9,231,996</u>	<u>7,505,262</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		6,088,052	4,398,277
Unrestricted		3,143,944	3,106,985
Total Operating Surplus (Deficit), end of year		<u>9,231,996</u>	<u>7,505,262</u>



School District No. 8 (Kootenay Lake)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2026

	2026 Budget (Note 17)	2026 Actual	2025 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	63,186,669	63,745,539	63,738,292
ISC/LEA Recovery	(135,431)	(247,974)	(231,963)
Other Ministry of Education and Child Care Grants			
Pay Equity	300,996	300,996	300,996
Funding for Graduated Adults	1,422	29,482	18,137
Student Transportation Fund	419,602	419,602	419,602
Foundation Skills Assessment (FSA) Scorer Grant	8,187	8,187	8,187
Child Care Funding	-	5,321	16,495
Labour Settlement Funding	-	1,332,543	577,387
NGN Self-Provisioned Site Grants	93,932	94,835	93,932
Literacy Support	-	-	14,251
Total Provincial Grants - Ministry of Education and Child Care	63,875,377	65,688,531	64,955,316
Provincial Grants - Other	283,603	294,434	321,456
Federal Grants	-	-	188,365
Tuition			
International and Out of Province Students	903,982	939,663	985,977
Distance Education/Correspondence Course Fees	51,000	130,750	66,250
Total Tuition	954,982	1,070,413	1,052,227
Other Revenues			
Other School District/Education Authorities	426,018	384,294	363,326
Funding from First Nations	135,431	247,974	231,963
Miscellaneous			
Private School Bussing	51,348	18,369	40,992
Cultural Grants		-	-
Miscellaneous	14,800	32,219	26,169
After School Program Fees	14,000	19,187	11,283
Total Other Revenue	641,597	702,043	673,733
Rentals and Leases	105,000	179,720	160,581
Investment Income	261,778	343,732	424,471
Total Operating Revenue	66,122,337	68,278,873	67,776,149



School District No. 8 (Kootenay Lake)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2026

	2026 Budget (Note 17)	2026 Actual	2025 Actual
	\$	\$	\$
Salaries			
Teachers	22,909,014	23,439,403	24,193,704
Principals and Vice Principals	4,490,707	4,534,620	4,430,008
Educational Assistants	3,960,775	3,904,177	3,677,422
Support Staff	8,090,643	8,102,058	7,801,537
Other Professionals	2,542,039	2,611,999	2,670,464
Substitutes	3,457,716	2,981,190	3,421,071
Total Salaries	45,450,894	45,573,447	46,194,206
Employee Benefits	11,731,154	12,229,274	12,329,423
Total Salaries and Benefits	57,182,048	57,802,721	58,523,629
Services and Supplies			
Services	2,282,180	2,098,631	2,377,515
Student Transportation	331,660	321,940	341,740
Professional Development and Travel	730,634	641,148	595,774
Rentals and Leases	122,644	120,877	121,685
Dues and Fees	117,588	108,938	105,032
Insurance	212,800	206,935	189,593
Supplies	3,751,476	3,039,739	2,913,483
Utilities	1,710,516	1,717,668	1,787,643
Total Services and Supplies	9,259,498	8,255,876	8,432,465
Total Operating Expense	66,441,546	66,058,597	66,956,094



School District No. 8 (Kootenay Lake)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2026

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	20,578,926					2,256,713	22,835,639
1.03 Career Programs							-
1.07 Library Services	39,348			101,030		203	140,581
1.08 Counselling	295,905						295,905
1.10 Special Education	1,679,277		3,751,469	48,695		192,744	5,672,185
1.30 English Language Learning	4,270						4,270
1.31 Indigenous Education	841,677		152,708		20,997	5,944	1,021,326
1.41 School Administration		4,028,317		1,393,653	250,186	92,149	5,764,305
1.62 International and Out of Province Students		65,061		93,367			158,428
Total Function 1	23,439,403	4,093,378	3,904,177	1,636,745	271,183	2,547,753	35,892,639
4 District Administration							
4.11 Educational Administration		283,770			786,648		1,070,418
4.40 School District Governance					200,083		200,083
4.41 Business Administration		157,472		322,964	863,701	225	1,344,362
Total Function 4	-	441,242	-	322,964	1,850,432	225	2,614,863
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				30,914	371,666	3,157	405,737
5.50 Maintenance Operations				4,025,002		291,821	4,316,823
5.52 Maintenance of Grounds				128,676		266	128,942
5.56 Utilities							-
Total Function 5	-	-	-	4,184,592	371,666	295,244	4,851,502
7 Transportation and Housing							
7.41 Transportation and Housing Administration				60,893	118,718		179,611
7.70 Student Transportation				1,896,864		137,968	2,034,832
Total Function 7	-	-	-	1,957,757	118,718	137,968	2,214,443
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	23,439,403	4,534,620	3,904,177	8,102,058	2,611,999	2,981,190	45,573,447



School District No. 8 (Kootenay Lake)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2026

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2026 Actual	2026 Budget (Note 17)	2025 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	22,835,639	5,955,620	28,791,259	1,862,384	30,653,643	30,090,048	30,774,833
1.03 Career Programs	-	-	-	2,478	2,478	-	1,173
1.07 Library Services	140,581	29,361	169,942	41,535	211,477	196,650	234,767
1.08 Counselling	295,905	125,089	420,994	199	421,193	483,911	437,790
1.10 Special Education	5,672,185	1,838,388	7,510,573	294,354	7,804,927	8,011,875	8,166,800
1.30 English Language Learning	4,270	754	5,024	-	5,024	6,603	
1.31 Indigenous Education	1,021,326	281,921	1,303,247	162,552	1,465,799	1,721,219	1,440,005
1.41 School Administration	5,764,305	1,449,807	7,214,112	158,915	7,373,027	7,527,157	7,655,916
1.62 International and Out of Province Students	158,428	38,754	197,182	583,805	780,987	736,650	870,154
Total Function 1	35,892,639	9,719,694	45,612,333	3,106,222	48,718,555	48,774,113	49,581,438
4 District Administration							
4.11 Educational Administration	1,070,418	223,800	1,294,218	297,519	1,591,737	1,581,691	1,567,969
4.40 School District Governance	200,083	10,606	210,689	137,198	347,887	451,664	410,499
4.41 Business Administration	1,344,362	332,865	1,677,227	915,647	2,592,874	2,790,761	2,813,679
Total Function 4	2,614,863	567,271	3,182,134	1,350,364	4,532,498	4,824,116	4,792,147
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	405,737	95,925	501,662	364,199	865,861	878,460	821,038
5.50 Maintenance Operations	4,316,823	1,190,394	5,507,217	854,428	6,361,645	6,332,646	5,939,060
5.52 Maintenance of Grounds	128,942	50,723	179,665	113,225	292,890	395,925	309,313
5.56 Utilities	-	-	-	1,982,821	1,982,821	1,810,516	2,061,521
Total Function 5	4,851,502	1,337,042	6,188,544	3,314,673	9,503,217	9,417,547	9,130,932
7 Transportation and Housing							
7.41 Transportation and Housing Administration	179,611	50,392	230,003	21,516	251,519	235,407	236,255
7.70 Student Transportation	2,034,832	554,875	2,589,707	463,101	3,052,808	3,190,363	3,215,322
Total Function 7	2,214,443	605,267	2,819,710	484,617	3,304,327	3,425,770	3,451,577
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	45,573,447	12,229,274	57,802,721	8,255,876	66,058,597	66,441,546	66,956,094



School District No. 8 (Kootenay Lake)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2026

	2026 Budget (Note 17)	2026 Actual	2025 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	14,258,490	13,630,848	12,136,898
Other	53,885	83,708	86,472
Other Revenue	2,055,000	2,021,953	2,138,939
Investment Income	15,000	46,472	56,107
Total Revenue	16,382,375	15,782,981	14,418,416
Expenses			
Instruction	16,071,884	15,472,488	14,112,013
Operations and Maintenance	129,640	248,200	211,158
Transportation and Housing	30,851	30,851	26,763
Total Expense	16,232,375	15,751,539	14,349,934
Special Purpose Surplus (Deficit) for the year	150,000	31,442	68,482
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(150,000)	(31,442)	(68,482)
Total Net Transfers	(150,000)	(31,442)	(68,482)
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		-	-



School District No. 8 (Kootenay Lake)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2026

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	-	667,135	1,513,328	40,113	13,956	7,577	271,512	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	279,640	218,308			170,000	44,100	149,758	759,048	247,692
Provincial Grants - Other									
Other			634,973	2,104,820					
Investment Income			18,011	28,461					
	279,640	218,308	652,984	2,133,281	170,000	44,100	149,758	759,048	247,692
Less: Allocated to Revenue	279,640	218,308	57,660	2,010,765	186,187	40,315	147,129	430,119	247,692
Deferred Revenue, end of year	-	-	1,262,459	1,635,844	23,926	17,741	10,206	600,441	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	279,640	218,308			186,187	40,315	147,129	430,119	247,692
Provincial Grants - Other									
Other Revenue			39,649	1,982,304					
Investment Income			18,011	28,461					
	279,640	218,308	57,660	2,010,765	186,187	40,315	147,129	430,119	247,692
Expenses									
Salaries									
Teachers							24,983	52,204	
Principals and Vice Principals									
Educational Assistants		167,324					56,629	222,078	
Support Staff									150,862
Other Professionals									29,942
Substitutes						13,707			
	-	167,324	-	-	-	13,707	81,612	274,282	180,804
Employee Benefits		50,984					13,268	77,823	51,438
Services and Supplies	248,198		57,660	2,010,765	186,187	26,608	52,249	78,014	15,450
	248,198	218,308	57,660	2,010,765	186,187	40,315	147,129	430,119	247,692
Net Revenue (Expense) before Interfund Transfers	31,442	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	(31,442)								
	(31,442)	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-



School District No. 8 (Kootenay Lake)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2026

Schedule 3A (Unaudited)

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Seamless Day Kindergarten	Student & Family Affordability (SFAF)	Strengthening Early Years to Kindergarten (SEY2KT)	Early Care & Learning (ECL)	Feeding Futures Fund
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	-	100	-	-	36,681	9,919	-	152,009
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	10,501,728	80,946	30,751	55,000	55,400	-	-	525,509	597,706
Provincial Grants - Other									
Other									
Investment Income									
	10,501,728	80,946	30,751	55,000	55,400	-	-	525,509	597,706
Less: Allocated to Revenue	10,501,728	80,946	30,851	55,000	55,400	3,197	5,367	175,000	695,974
Deferred Revenue, end of year	-	-	-	-	-	33,484	4,552	350,509	53,741
Revenues									
Provincial Grants - Ministry of Education and Child Care	10,501,728	80,946	30,851	55,000	55,400	3,197	5,367	175,000	695,974
Provincial Grants - Other									
Other Revenue									
Investment Income									
	10,501,728	80,946	30,851	55,000	55,400	3,197	5,367	175,000	695,974
Expenses									
Salaries									
Teachers	8,330,232	68,420		43,650					
Principals and Vice Principals									
Educational Assistants					42,457				80,578
Support Staff									
Other Professionals								143,467	87,377
Substitutes									
	8,330,232	68,420	-	43,650	42,457	-	-	143,467	167,955
Employee Benefits	2,171,496	12,526		11,350	12,652			31,533	49,743
Services and Supplies			30,851	-	291	3,197	5,367		478,276
	10,501,728	80,946	30,851	55,000	55,400	3,197	5,367	175,000	695,974
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-



School District No. 8 (Kootenay Lake)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2026

Schedule 3A (Unaudited)

	Health Career Grants	Professional Learning Grant	National School Food Program	Work Experience Enhancement	After School Sports and Arts Grant	Health Promoting Schools	Donations	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	1,300	238,867	122,231	35,296	3,885	-	25,230	3,139,139
Add: Restricted Grants								
Provincial Grants - Ministry of Education and Child Care			183,350					13,898,936
Provincial Grants - Other					50,000	30,527		80,527
Other								2,739,793
Investment Income								46,472
	-	-	183,350	-	50,000	30,527	-	16,765,728
Less: Allocated to Revenue	-	238,867	221,120	18,008	53,181	30,527	-	15,782,981
Deferred Revenue, end of year	1,300	-	84,461	17,288	704	-	25,230	4,121,886
Revenues								
Provincial Grants - Ministry of Education and Child Care		238,867	221,120	18,008				13,630,848
Provincial Grants - Other					53,181	30,527		83,708
Other Revenue								2,021,953
Investment Income								46,472
	-	238,867	221,120	18,008	53,181	30,527	-	15,782,981
Expenses								
Salaries								
Teachers		120,750				24,142		8,664,381
Principals and Vice Principals				14,550				14,550
Educational Assistants								569,066
Support Staff								150,862
Other Professionals								260,786
Substitutes		64,225						77,932
	-	184,975	-	14,550	-	24,142	-	9,737,577
Employee Benefits		44,283		3,367		6,385		2,536,848
Services and Supplies		9,609	221,120	91	53,181			3,477,114
	-	238,867	221,120	18,008	53,181	30,527	-	15,751,539
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	31,442
Interfund Transfers								
Tangible Capital Assets Purchased								(31,442)
	-	-	-	-	-	-	-	(31,442)
Net Revenue (Expense)	-	-	-	-	-	-	-	-



School District No. 8 (Kootenay Lake)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2026

	2026 Budget (Note 17)	2026 Actual			2025 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Investment Income	3,000		3,620	3,620	5,198
Gain (Loss) on Disposal of Tangible Capital Assets	-	-		-	9,086
Amortization of Deferred Capital Revenue	3,334,708	3,343,772		3,343,772	3,093,404
Total Revenue	<u>3,337,708</u>	<u>3,343,772</u>	<u>3,620</u>	<u>3,347,392</u>	<u>3,107,688</u>
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	4,310,904	4,324,847		4,324,847	4,072,455
Total Expense	<u>4,310,904</u>	<u>4,324,847</u>	<u>-</u>	<u>4,324,847</u>	<u>4,072,455</u>
Capital Surplus (Deficit) for the year	<u>(973,196)</u>	<u>(981,075)</u>	<u>3,620</u>	<u>(977,455)</u>	<u>(964,767)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	605,000	524,984		524,984	837,529
Total Net Transfers	<u>605,000</u>	<u>524,984</u>	<u>-</u>	<u>524,984</u>	<u>837,529</u>
Total Capital Surplus (Deficit) for the year	<u><u>(368,196)</u></u>	<u><u>(456,091)</u></u>	<u><u>3,620</u></u>	<u><u>(452,471)</u></u>	<u><u>(127,238)</u></u>
Capital Surplus (Deficit), beginning of year		20,446,412	9,086	20,455,498	20,582,736
Capital Surplus (Deficit), end of year		<u><u>19,990,321</u></u>	<u><u>12,706</u></u>	<u><u>20,003,027</u></u>	<u><u>20,455,498</u></u>



School District No. 8 (Kootenay Lake)

Tangible Capital Assets
Year Ended June 30, 2026

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	8,958,823	154,070,917	1,965,979	6,650,348	-	1,166,537	172,812,604
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	-	2,793,626	237,500	1,970,533	-	-	5,001,659
Deferred Capital Revenue - Other	-	162,294	-	-	-	-	162,294
Operating Fund	-	-	41,033	64,527	-	387,982	493,542
Special Purpose Funds	-	31,442	-	-	-	-	31,442
	-	2,987,362	278,533	2,035,060	-	387,982	5,688,937
Decrease:							
Deemed Disposals			59,618	274,276	-	520,752	854,646
	-	-	59,618	274,276	-	520,752	854,646
Cost, end of year	8,958,823	157,058,279	2,184,894	8,411,132	-	1,033,767	177,646,895
Work in Progress, end of year							-
Cost and Work in Progress, end of year	8,958,823	157,058,279	2,184,894	8,411,132	-	1,033,767	177,646,895
Accumulated Amortization, beginning of year		93,168,817	776,221	2,279,623	-	638,730	96,863,391
Changes for the Year							
Amortization for the Year		3,144,200	207,544	753,074	-	220,029	4,324,847
		3,144,200	207,544	753,074	-	220,029	4,324,847
Deemed Disposals			59,618	274,276	-	520,752	854,646
Written-off During Year							-
District Entered							-
		-	59,618	274,276	-	520,752	854,646
Accumulated Amortization, end of year		96,313,017	924,147	2,758,421	-	338,007	100,333,592
Tangible Capital Assets - Net	8,958,823	60,745,262	1,260,747	5,652,711	-	695,760	77,313,303



School District No. 8 (Kootenay Lake)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2026

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	51,261,062	1,781,629	219,574	53,262,265
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	5,001,659	162,294	-	5,163,953
	5,001,659	162,294	-	5,163,953
Decrease:				
Amortization of Deferred Capital Revenue	3,233,132	101,296	9,344	3,343,772
	3,233,132	101,296	9,344	3,343,772
Net Changes for the Year	1,768,527	60,998	(9,344)	1,820,181
Deferred Capital Revenue, end of year	53,029,589	1,842,627	210,230	55,082,446
Work in Progress, beginning of year				-
Changes for the Year				
Net Changes for the Year	-	-	-	-
Work in Progress, end of year	-	-	-	-
Total Deferred Capital Revenue, end of year	53,029,589	1,842,627	210,230	55,082,446



School District No. 8 (Kootenay Lake)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2026

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	-	764,616	-	-	-	764,616
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	5,001,659		-			5,001,659
Investment Income	-	19,754	-	-	-	19,754
	5,001,659	19,754	-	-	-	5,021,413
Decrease:						
Transferred to DCR - Capital Additions	5,001,659	162,294	-		-	5,163,953
	5,001,659	162,294	-	-	-	5,163,953
Net Changes for the Year	-	(142,540)	-	-	-	(142,540)
Balance, end of year	-	622,076	-	-	-	622,076



5. SCHEDULE OF DEBT

School District No. 8 (Kootenay Lake) did not have any long-term debt agreements as at June 30, 2025.

Prepared as required by *Financial Information Regulation*, Schedule 1, section 4

6. SCHEDULE OF GUARANTEES AND INDEMNITY AGREEMENTS

School District No. 8 (Kootenay Lake) has not given any guarantees or indemnity under the Guarantees and Indemnities Regulations as at June 30, 2025.

Prepared as required by *Financial Information Regulation*, Schedule 1, section 5

7. SCHEDULE OF REMUNERATION AND EXPENSES

	Total Remuneration	Total Expenses
<u>Elected Officials</u>		
Blackmore, Mary	21,728	8,268
Bremner, Julie	22,713	10,112
Chew, Susan	24,053	6,137
Etheridge, Kathy	21,728	1,972
Gribbin, Allan E.	21,728	7,181
Lang, Shelly	22,950	2,360
Nazaroff, Sharon	21,728	6,665
Shunter, David	21,728	8,034
Trenaman, Lenora	21,728	6,776
	<u>\$ 200,084</u>	<u>\$ 57,505</u>

Detailed Employees > \$ 75,000.00

Adam, Jessie	93,607	310
Adams, Darryl	170,325	3,911
Adams, Jennifer	157,372	3,265
Allard, Alaina	110,446	-
Anast, Jesse	121,169	-
Anast, Kelly Anne	111,161	-
Anderson, Shelby	92,961	-
Angus, Keira	92,942	4,136
Arabia, Jacqueline M.	123,713	-
Asbell, Laurryn	109,229	-
Auger, Danielle	110,987	40
Auringer, Cole	121,402	-
Avis, Martina	81,519	-
Bailey, Jennifer	97,456	-
Bala, Nadine	92,588	129
Ball, Baylie	82,093	386
Banman, Jeff	80,307	-
Barre, Adrian	75,618	4,000
Benoit-Labelle, Etienne	80,699	-
Berk, Casey	110,756	-
Berk, Lisa	125,210	2,187
Berridge, Stefan	83,544	21
Betker, Amanda	110,316	-
Bidwell, Steve	79,845	1,555
Birch, Nashira	79,941	-
Blick, Matt	118,113	215
Bonikowsky, Jodi	117,272	-



	Total Remuneration	Total Expenses
Bonikowsky, Mark	157,045	110
Boomer, Hannah	98,244	619
Bouliane, Nadine	120,805	-
Boyer, Lucas	90,440	624
Boyes, Christine	120,145	634
Brady, Christine	84,343	-
Brooks, James	82,257	315
Brooks, Jonathan	93,845	891
Browning, Emily	94,415	-
Bruskowski, Simon	77,771	1,583
Bysouth, Darci	110,673	-
Cabunoc-Boettcher, Robyn	90,125	-
Carpendale, Phillip	84,674	-
Carriere, Laury	185,379	14,137 **
Carter, Rae Ellen	97,157	-
Caulford, Edward	110,468	-
Chambers, Christopher	88,271	-
Chirico, Les	110,446	-
Chouinard, Serena	102,651	-
Christenson, Tanya	153,055	1,881
Christie, Susan	120,074	-
Christy, Carly	112,510	-
Comfort, Brooke	106,730	-
Connoly, William	87,351	81
Cooper, Andrea	135,634	3,505 **
Cooper, Gillian	97,434	-
Cooper, Ian	156,448	424
Cote, Linda	120,802	-
Crevier, Calina	85,072	192
Cucek, Natasha	101,709	4,000
Dando, David	105,662	-
Danforth, Dawn	110,447	-
Davina, Hans	120,805	-
Davina, Stephanie	121,687	2,299
De Sousa, Jen	120,658	-
DeBiasio, Carla	115,665	-
DeBoon, Jessica	120,905	-
DeBoon, Matthew	110,080	63
Dehnel, Jennifer	120,480	-
Delcaro, Blakeny	97,170	-
Delport, Sarah	100,245	2,272



	Total Remuneration	Total Expenses
Derow, Sandra	118,391	-
Deuling, Brittany	86,093	1,273
Devji, Sofeya	119,532	6,676 **
Dexter, Jaclyn	96,665	-
Dimopoulos, Shannon	97,068	-
Douglas, Leanne	119,926	-
Draper, Lara	114,154	108
Dryden, Charlotte	99,506	-
Duffy, Bianca	95,599	-
Dunham, Clayton	118,130	302
Durocher, Mark	83,436	134
Eaton, Benjamin	200,597	13,408 **
Eaton, Meredith	94,511	-
Edwards, Kathleen	136,588	176
Ellert, Kelly	96,946	39
Ellis, Koan	110,555	-
Ellis, Shannon	84,282	264
Epp, Holly	120,805	3,450
Evans, Elizabeth	109,569	-
Ewashen, Brian	120,105	-
Falck, Annette	120,805	422
Fauteux-Goulet, Loic	96,425	174
Feragotti, Melissa	110,446	-
Fertey, Philippe	123,775	8
Fiess, Daniela	120,945	-
Fischer, Michael	120,805	801
Fisher, Jason	120,698	560
Foster, Jessica	137,466	2,688
Francis, Jon	170,145	4,153
Fredrickson, Signy	117,697	67
Gagnon, Marie-Michele	110,510	-
Gamache, Amber	94,512	6,679 **
Gardner, Jennifer	110,080	-
Gardner, Raina	88,116	488
Geddis, Elias	90,126	-
Gerritsen, Theresa	87,911	-
Giles, Rod	154,530	8,076 **
Gingras, Matthew	82,860	-
Goggins, Sarah	110,237	-
Goldie, Leah	86,102	139
Gonzalez Montoya, Ivan	92,153	-



	Total Remuneration	Total Expenses
Gow, Raeanne	82,233	10,147 **
Gozna, Alison	105,441	3,266
Graham, James	82,248	98
Graves, Nicholas	166,006	1,763
Gresley-Jones, Kelsey	100,947	-
Griffiths, Robyn	90,805	-
Halton, Jesse	114,046	4,847
Hamm, Brian	161,689	3,740
Hamm, Kyla	97,439	-
Hammerich, Kim	118,113	-
Hammerich, Ryan	118,113	10
Hammond, David	107,667	-
Hargreaves, Barbara	97,434	-
Hatt, Kari-Lynn	110,472	-
Haughian, Holly	85,337	-
Hawkins, Karin	118,113	-
Hearn, David	92,530	50
Hedges, Emily	119,603	-
Hodgson, Margaret	89,804	-
Hodgson, Patrick	81,898	-
Holitzki, Deanna	211,928	4,539 **
Holt, Tara	156,448	29
Houshmandishoja, Amir	110,375	12,266 **
Inkpen, Sharon	118,113	-
Ius, Alix	90,912	-
Ivanco, Candace	77,495	-
Jackson, Karie	126,387	114
Jamin, Fresia	94,984	37
Johnson, Emelia	100,936	84
Johnson, Kirsten	103,956	-
Johnson, Tamara	121,383	-
Jones, Andrew	124,514	-
Jones, Brooke	107,271	2,529
Jordan, Victoria	119,235	-
Julien, Caroline	97,077	11,248 **
Kalabis, Alexander	161,572	1,639
Kalabis, Leanne	88,766	-
Keenan, Teresa	120,805	-
Kelly, Renee	96,266	28
Kennedy, Heather J.	91,326	-
Keraiff, Alison	79,349	-



	Total Remuneration	Total Expenses
Kerr, Christopher	144,886	2,212
King, Jessica	107,824	68
Kitch, Julie	77,266	-
Klan, Mark	132,521	-
Klassen, Danielle	153,055	348
Klassen, William	138,110	2,199
Konken, Jordon	160,737	3,325
Koorbatoff, Erin	121,013	-
Kooznetsoff, Jennifer	166,006	-
Korbacher, Aaron	94,745	19
Kosheiff, Lindsay	94,674	-
Kroker, Kari	120,805	-
Kunzelman, Doug	115,667	36
Lacroix, Rachel	109,170	-
Laframboise, Ashley	92,049	-
Lakeman, Tyler	85,143	-
Lavallee, Noelle	84,341	232
Lavallee, Stephanie	110,080	20
Lawrence, Ailis	118,113	-
Leeming, Daniel	111,751	347
Leeming, Nicole	117,747	-
Legg, Naomi	87,160	866
Lehnert, Julia	120,755	-
Letourneau, Michelle	123,864	-
Liddell, Simon	120,805	-
Lidstone, Kristina	80,467	-
Lippert, Tony	79,398	4,328
Lunn, Hannah	97,244	223
Lynch, Krista	94,539	-
MacArthur, Catherine	206,913	13,126
MacDonald, Sherry	110,498	-
MacInnis, Shellene	108,702	-
MacKay, Lindsay	161,689	13,199
MacKinnon, Ryan	119,472	-
MacMillan, Jennifer	120,805	-
MacPhee, Alison	110,446	-
Machado, Wanda	120,440	11
Maida, Melissa	96,084	4,388
Maika, Frances	108,522	4,189
Makeiv, Cheryl-Ann	126,024	3,112
Malloff, Tamara	170,670	1,597



	Total Remuneration	Total Expenses
Maloff-Farynuk, Shellie	170,325	-
Mann, Andrea	75,203	-
Marechal, Sean	110,796	1,020
Marken, Therese	96,360	-
Marsh, Darren	110,372	-
Marshall, Graeme	120,805	1,671
Martin, Tamara Lynn	120,807	-
Marzke, Trevor	110,446	1,063
Maslechko, Wendy Lynn	110,446	-
Mather, Emily	103,568	1,420
Matosevic, Jennifer	89,891	-
McAllister, Victoria	172,325	5,116
McCarthy, Madeleine	102,808	689
McComb, Jeremy	124,514	-
McCool, Helen	95,930	-
McCowan, Daniel	119,993	-
McDowell, Andre	157,372	232
McEwen, Megan	97,853	-
McGregor, Sherry Lynn	121,821	71
McIntyre, Tiernan	110,446	-
McKay, Alastair	91,901	-
McRann, Justin	111,068	-
McTague, Angela	120,988	-
Mercer, Troy	82,076	-
Messinger, Charles	88,710	-
Methuen, Tawny	85,120	-
Meyer, Erich	113,324	2,029
Meyer, Jessie	98,537	-
Middleditch, S. Jake	85,529	-
Mieske, Christopher	112,518	-
Miller, Lindsay	83,561	-
Milne, Joanne	97,434	-
Mobbs, Melanie	126,230	4,000
Montgomery, Steve	97,434	-
Moon, Chandra	88,079	1,571
Moreira, Jose	94,682	-
Morton, Caleb	120,105	30
Morton, Carol	83,981	3,744
Munby, Gregory	120,805	-
Murphy, Carmen	110,446	-
Mushumanski, Janet	117,162	-



	Total Remuneration	Total Expenses
Mushumanski, Tim	166,006	2,255
Nadler, Karen	110,446	-
Nansel, Talon	94,677	-
Nazaroff, Patricia	94,028	-
Nelson, Michael	149,470	4,236
Nicholson, Hayley	110,446	-
Nicol, Joshua	95,947	-
Nowoselski, Devin	113,829	-
Nugent-Smith, Trevor	87,590	-
Okros, Kathleen	110,080	-
Out, Linda	108,083	-
Page, Lisa	110,080	-
Palmer, Aloha	98,889	-
Palmer, Chance	110,080	-
Parks, Andrew	75,836	257
Parnell, Dawson	96,310	-
Peel, Susan	89,145	-
Percival, Max	107,206	-
Phillips, Lisa	118,829	8,378
Pierson, Stephen	120,204	20,721 **
Pietowski, Julie	110,461	1,083
Pinette, Zachary	103,737	-
Piro, Marcello	120,805	-
Placsko, Shaun	83,614	131
Podovelnikoff, Jessica	110,446	-
Poohachoff, Stacey	118,916	-
Porteous, Benjamin	98,729	-
Portman, Sarah	110,542	2,260
Poznikoff, Tesse	83,929	-
Proctor, Staci	110,446	573
Radridge, Laura	120,805	-
Ratzburg, Justin	98,728	-
Redden, Carl	92,041	5,609
Rennick, Josee	96,328	428
Rexin, Kathryn M.	110,635	36
Richards, Devon	90,721	-
Riehl, Laurie	78,537	-
Robertson, Nathan	81,586	3,699
Robinson, Crystal	96,253	-
Rosendale, Chris	106,850	15,122 **
Rothermel, Scott	116,649	7,310



	Total Remuneration	Total Expenses
Ryan, Sheila	110,446	-
Salisbury-Rowswell, David	117,406	-
Sandquist, Shelley	120,675	-
Scotton, Walter	89,007	294
Shaji, Ancilin	88,854	367
Sherman, Ronald	170,325	7,223
Sherstobitoff, Travis	109,755	59
Shippit, Heather	124,095	-
Shukin, Betsy-Jean	109,713	-
Shunter, Trestan	101,250	-
Silzer, Terry	77,026	-
Simard, Robyn	120,805	-
Singh, Chandra	200,597	2,975
Skopac, Robyn	97,092	6,387
Smillie, Patricia	229,779	15,791
Smith, Kristin	77,617	-
Smith, Lauren	120,819	-
Smith, Nathaniel	88,202	-
Snell, Dawn	161,689	209
Solomon, Stacey	110,446	-
Sonntag, Danielle	95,889	-
Sparks, Kimberly	96,410	-
St. Pierre, Michel	81,898	-
Stainer, Brian	110,446	4,000
Stang, Allen	89,647	109
Stapleton, Korleen	81,412	-
Staten, Chad	81,798	880
Takeda, Kathleen	120,805	33
Tamblyn, Kent	170,670	22,172 **
Terlingen, Meleana	124,565	-
Terlingen, Miranda	120,499	-
Thayer, Tanya	120,805	-
Thomas, Marin	106,688	-
Tremblay, Lisa	120,805	11,043 **
Turner, Brandy	111,931	-
Ustianov, Stephanie	89,804	113
Van Dishoeck, Sarah	101,369	-
Vandenberghe, Caroline	120,805	-
Vanlerberg, Amanda	94,928	-
Vanlerberg, Martin	110,446	-
Vardy, Heather	95,477	-



	Total Remuneration	Total Expenses
Verigin, Lindsay D	120,696	-
Vigna, Heather	110,148	-
Visser, Michael	94,353	-
Vogel, Rachelle	88,367	4,514
Walker, Amy	120,085	-
Walker, Tracy	120,856	-
Weber, Matt	97,353	-
Webster, Aaron	98,799	-
Wheeler, Fay	121,155	-
Wheeler, James	120,243	-
White, Emma	120,805	-
Wiens, Kenneth	170,670	8,545 *
Wierenga, Erna	94,678	-
Wilkin, Arran	115,670	204
Wilson, Carla	120,805	26
Winger, Matthew	110,446	-
Wood, Sarah	87,490	26
Wooldridge, Timothy	119,301	5,650
Wraith, Phoenix	79,646	-
Wyllie, Roman	145,684	4,132
Yasinchuk, Jeffery	133,788	-
Young, Heather	91,582	9,714 **
Ziefflie, Carolyn	121,008	-
Zimmer, Sonya	110,446	941
Ziprick, D'Arcy	142,050	-
Zuk, Cameron	116,874	196
Total for Employees > \$75,000	37,683,809	414,506
Total for Employees <\$75,000	18,547,303	122,426
Total for all Employees	\$ 56,231,112	\$ 536,932
Consolidated Total Employees and Elected Officials	56,431,196	594,437

Total Employer Premium For CPP/EI: \$ 3,360,839

Notes - * These staff positions are related to the International Program and required international travel

** These staff positions are required to travel to various schools and require district travel

Prepared as required by the *Financial Information Regulation*, Schedule 1, subsection 6



8. STATEMENT OF SEVERANCE AGREEMENTS

There were no severance agreement made between School District No. 8 (Kootenay Lake) and its non-unionized employees during the fiscal year ended June, 2026.

Prepared as required by *Financial Information Regulation*, Schedule 1, subsection 6(7)

9. STATEMENT OF PAYMENTS MADE FOR THE PROVISION OF GOODS AND SERVICES

Vendor Name	Expense
1432256 LTD. KATIE STRONG	48,703
AIRPLUS INDUSTRIAL CORP.	113,791
AMAZON.COM.CA ULC	322,665
ARI FINANCIAL SERVICES T46163	52,899
BC AGRICULTURE CLASSROOM FOUNDATION	192,756
BC SCHOOL TRUSTEES ASSOCIATION	49,626
BC TEACHERS FEDERATION	58,541
BEST BUY LTD	181,381
BILL'S HEAVY DUTY ENTERPRISES LTD.	62,540
BMO MASTERCARD	703,315
BRITISH COLUMBIA TEACHER FEDERATION	100,792
BUNZL CLEANING & HYGINE	55,309
CDW CANADA INC.	144,286
CITY OF NELSON	365,779
CITY OF NELSON-MISC PAYMENTS	108,845
CMP SOLUTIONS	26,605
COLLEGE OF THE ROCKIES	40,535
COLUMBIA BASIN BROADBAND CORP.	88,816
COMFORT WELDING	28,582
CORNERSTONE GENERAL CONTRACTING LTD	621,592
COVER ARCHITECTURAL COLLABORATIVE	53,732
DELL FINANCIAL SERVICES	30,625
EECOL ELECTRIC CORP	50,251
ELEMENTS BUS REPAIR AND PARTS	25,580
FALCON ENGINEERING LTD	192,546
FORTISBC INC.	440,328
FORTISBC-NATURAL GAS	490,208
GOODYEAR CANADA INC.	55,032
GRAND & TOY LTD	69,674
GREEN ROOTS PLAY EQUIPMENT INC.	230,552
HARRIS & COMPANY	169,370
HP CANADA CO.	97,120
INLAND ALLCARE	71,401
INLAND TRUCK & EQUIPMENT LTD.	30,194
JUICE PLUS COMPANY (CANADA) INC.	35,777
KASLO COMMUNITY SERVICES	29,400
KATHY STOWELL	37,233
KOOTENAY KIDS SOCIETY	45,900
KOOTENAY LAKE PAINTING	58,905



Vendor Name	Expense
KOOTENAY LAKE TEACHERS FEDERATION	104,015
KPMG LLP, T4348	43,464
LIFE ESSENTIALS FIRST AID	30,234
LOWER KOOTENAY BAND	31,884
MARTECH ELECTRICAL CASTLEGAR	97,242
MARTECH MOTOR WINDING	32,492
MUNICIPAL PENSION FUND	1,193,928
MUNICIPAL PENSION FUND	181,096
N. HARRIS COMPUTER CORP	132,783
NELSON BUILDING CENTRE LTD.	57,562
NELSON FORD	66,686
NORTH MOUNTAIN CONSTRUCTION LTD	1,234,661
PACIFIC BLUE CROSS	1,662,053
PANTHEON SYSTEMS INC.	27,738
PEBT IN TRUST C/O MORNEAU SHEPELL	1,391,251
POINTS WEST AUDIO VISUAL INC.	38,353
POWERSCHOOL CANADA ULC	45,938
PROVINCE OF BRITISH COLUMBIA	1,111,720
REGIONAL DIST. OF CENTRAL KOOTENAY	30,375
RICOH CANADA INC.	214,758
ROCKY MOUNTAIN ENERGY	374,795
ROPER GREYELL LLP	122,924
SCHOOL DISTRICT #10 (ARROW LAKES)	35,326
SCHOOL DISTRICT 22 (VERNON)	28,000
SCHOOL START	27,764
SELKIRK COLLEGE	168,038
SOFTCHOICE	104,671
STAPLES PROFESSIONAL INC	79,348
SUNCOR ENERGY PRODUCTS PARTNERSHIP	31,919
SUPERIOR PROPANE INC	119,552
TEACHERS' PENSION FUND	4,452,040
TELUS COMM - SD 8 DISTRICT BILL	117,222
TELUS HEALTH (CANADA) LTD.	74,373
TELUS MOBILITY (BC)	51,396
THE MANUFACTURERS LIFE INS CO	97,367
TOWN OF CRESTON	70,528
TRAINOR MECHANICAL CONTRACTORS LTD	482,297
TROY LIFE & FIRE SAFETY LTD.	54,680
TWIN RIVERS CONTROLS LTD.	237,837
UNIVERSITY OF BRITISH COLUMBIA	29,925
UNIVERUS SOFTWARE CANADA INC.	31,497



Vendor Name	Expense
VALET RESTORATIONS (KOOTENAYS) LTD.	161,985
VALLEY COMMUNITY SERVICES	62,396
W E GRAHAM COMMUNITY SERVICE	32,100
WASTE MANAGEMENT	143,457
WESCO DISTRIBUTION INC.	167,755
WESTERN CANADA BUS	2,054,190
WEX CANADA LTD.	50,767
WORKSAFE BC	1,027,691
ZONAR SYSTEMS INC.	41,537
Total for Vendors > 25,000	\$ 23,842,795
Total for Vendors < 25,000	2,874,877
Consolidated Total	\$ 26,717,672

Prepared as required by *Financial Information Regulation*, Schedule 1, subsection 6

10. RECONCILIATION TO AUDITED FINANCIAL STATEMENTS

EXPENDITURES PER SOFI

Schedule of Remuneration and Expenses		
Remuneration	\$ 56,431,182	
Employee Expenses	594,827	
Employer Portion of CPP and EI Contributions	3,360,839	
<i>Total – Schedule of Remuneration and Expenses</i>	<u>\$60,386,848</u>	
<i>Total – Schedule of Payments for the Provision of Goods and Services</i>		<u>\$26,717,672</u>

CONSOLIDATED TOTAL OF EXPENDITURES PER SOFI \$87,104,520

FINANCIAL STATEMENT EXPENDITURES

Operating Fund Expenditures	\$ 66,058,597
Special Purpose Fund Expenditures	15,751,539
Capital Fund Expenditures – Purchase of Capital Assets	<u>5,688,937</u>

CONSOLIDATED TOTAL OF FINANCIAL STATEMENT EXPENDITURES 87,499,073

**DIFFERENCE BETWEEN SCHEDULED PAYMENTS AND FINANCIAL
FINANCIAL STATEMENT EXPENDITURES** \$ 394,553

EXPLANATION OF DIFFERENCE

The consolidated total of expenditures per the SOFI reports differ from the audited financial statement expenditures in the following ways:

- The financial statements are prepared on an accrual basis, whereas the remuneration and expenses included in the SOFI report are reported on a cash basis.
- Salary amounts recovered from third parties are included in remuneration for SOFI purposes but are reported net of the recovered amounts in the financial statements.
- The list of payments to suppliers includes the full amount of GST/HST paid, whereas the expenditures reported in the financial statements are shown net of eligible rebates.
- Amounts paid by recovery for School Protection Plan insurance, MyEdBC, and NGN to the Ministry of Education which are deducted by the Ministry from the operating grants are included in Services and

Supplies expenditures in the financial statements, whereas they are not included in the vendor listing in the SOFI report.

Memorandum to the Board of Education PUBLIC

FROM: Cathy MacArthur, Secretary-Treasurer
DATE: September 8, 2026
SUBJECT: Quarterly Capital Plans Update

For Information

Introduction

This memorandum outlines progress on capital projects under the Board's Capital Operations Plan.

Information

This is a quarterly report providing an update regarding the SD8 projects. These projects fall within the Minor Capital Operations program, the Annual Facility Grant, and the Food Infrastructure Program. Below are some highlights of this work.

- Brent Kennedy - Well Pump Replacement
The well pump at Brent Kennedy Elementary was no longer able to adequately supply the school's water needs. A second pump was purchased and installed while the original pump underwent servicing, ensuring a reliable water supply.
- Ecole Des St Alpins - Accessibility Project
The existing concrete accessibility ramp at the front of the school was completely replaced. The main entrance ramp was repaired and expanded, and automatic door openers were installed to improve accessibility for students, staff, and visitors.
- Ecole Des St Alpins - Water Main Replacement
In late June, the District discovered a leak in the school's water main. To address the issue, a new water line was installed between the well and the school, providing a long-term solution.
- Erickson Elementary - Gazebo Refinish
The gazebo located on the front grounds of the school was repaired and repainted. Ground improvements were also completed in the surrounding area to enhance the site's appearance and usability.
- Crawford Bay - Water Pump and Filtration Upgrade
The school's two water pumps are nearing the end of their service life. One pump has been replaced, while the second pump was removed for servicing and will be reinstalled once replacement check valves have arrived. The district is also working with Interior Health to evaluate options for upgrading the water filtration system.



- Crawford Bay - Lighting Controls
The school's lighting control system has exceeded its lifecycle and is now obsolete. Operations staff are currently researching replacement options. In the interim, some areas of the school are being operated manually until a new system can be installed.
- Crawford Bay - King Road Property Fuel Tank Removal
Two underground fuel tanks, one diesel and one heating oil, were removed from the vacant King Road property in Crawford Bay. The removal was completed successfully, and no soil remediation was required.
- District - Window Film Pilot
The window film pilot project is currently underway. The district is monitoring building temperatures and reviewing performance data to assess the effectiveness of the product.
- District - Bus Driver Signage
Two recruitment banners were created to support the district's ongoing bus driver recruitment efforts. Custom frames were built, and the banners are currently installed at Salmo Elementary School and Salmo Secondary School.
- Hume Elementary - HVAC Upgrade
The school's HVAC system has exceeded its expected lifecycle. Phase I of the replacement project commenced in early July and is nearing completion. Phase II of the project will be included in the forthcoming Minor Capital submission.
- Hume Elementary - Playground and field upgrade
This project originated with the Hume Outdoor Committee and received support from the Parent Advisory Council (PAC). Through the generous contributions of Kays Road Contracting Ltd., a new play hill with a slide and a gathering area was installed. Field rejuvenation work remains ongoing.
- Jewett Elementary - Firesmart
With continued support from the Columbia Basin Trust, a Wildfire Advisor was engaged to assist with project completion. Loki Tree Service crews worked alongside 15 BC Wildfire Service staff from the Kootenay Lake Zone, creating a valuable training opportunity.

To date, the forested area has been cleaned and made safer. Where possible, harvested timber was sold, with proceeds reinvested into the project. Approximately 92 cords of firewood were distributed within the community, and 32 loads of wood chips were donated for community use.



The final phase of the project will focus on invasive weed removal, trail restoration, and the dispersal of grass seed on exposed soil to minimize future weed growth.

- L.V. Rogers - Athletic Field Rejuvenation
The upper athletic field underwent a comprehensive rejuvenation. Specialized equipment was used to till and mulch the upper soil layer, creating healthy organic matter, improving soil conditions, and leveling the playing surface. New grass seed and fertilizer were applied, and the field is prepared for the start of the school year.
- Mount Sentinel Secondary School - Dust Collector Upgrade
The new dust collection system has been successfully installed and is now operational.
- Salmo Elementary School - HVAC Upgrade
The school's HVAC system experienced an unexpected failure in the spring, necessitating an emergency replacement. A new system was designed and installed over the summer. Funding for the project was supplemented through emergency funding provided by the Ministry of Infrastructure, Education and Child Care.
- Trafalgar Middle School - Ongoing Sprinkler System Installation
Installation of the new sprinkler system continues to progress. Of the six project zones, Zones 1 through 4 have been completed, and substantial work has been completed on Zone 5. Future phases of the project are outlined in the Minor Capital Submission memorandum.
- Winlaw Elementary School - Irrigation replacement
The new irrigation system was completed in early August. New grass seed and fertilizer were applied to support the continued revitalization of the field.
- Winlaw Elementary School - Fencing Project
Three new sections of fencing were installed to improve student safety and site security.



Memorandum to the Board of Education PUBLIC

FROM: Cathy MacArthur, Secretary-Treasurer
DATE: September 8, 2026
SUBJECT: 2027-2028 Minor Capital Plans Submission

For Approval

Introduction

This memorandum provides information to the Board on the school district's 2027/28 Minor Capital Submission.

Background

Every year by September 30th, the Ministry of Infrastructure Education and Child Care Branch requires school districts to submit their Minor Capital requests for the next school year. If approved, the Ministry of Education and Child Care (MoECC) issues a Capital Bylaw and which requires approval by the Board at a future meeting.

Information

The MoECC provides funding for minor capital projects under the Food Infrastructure Program (FIP), School Enhancement Program (SEP), the Carbon Neutral Capital Program (CNCP), and Bus Acquisition Program (BUS). The following minor capital projects are proposed for the 2027/28 Minor Capital project submission:

School	Funding Source	Description	Amount
Central Wildflower, South Nelson, Trafalgar, W.E. Graham, Winlaw	FIP	Kitchen upgrades	50,250
Trafalgar Middle School	SEP	Sprinkler project (continuing)	1,000,000
Hume Elementary	SEP	HVAC Upgrade (continuing)	402,000
Winlaw Elementary	CNCP	HVAC Upgrade	412,000
District	BUS	8 Replacement Buses	TBD
			\$ 1,864,250

FIP requests include:

- Central Wildflower - Kitchen upgrade including new millwork, paint, and commercial fridge (\$11,700)
- South Nelson - Kitchen upgrade including removing old gas stove and installing electric, repairing the fume hood. (\$4,600)
- Trafalgar - Kitchen upgrade including new service counter, prep tables, sink, and sanitizing dishwasher (\$11,200)
- W.E.Graham - Kitchen upgrade including millwork, paint, and a sanitizing dishwasher (\$16,450)
- Winlaw - kitchen upgrade including millwork and paint (\$6,300)

SEP requests include:

- Phase VI Sprinkler installation at Trafalgar Middle School. Out of the 6 zones, zones 1, 2, 3 and 4 are complete. Continuation of zone 5 and the commencement of zone 6 is included in the submission.
- Final Phase of the Hume HVAC project.

CNCP requests include:

- Phase I of the Winlaw HVAC upgrade. This phase will include the design and equipment procurement to support phase II.

BUS requests include:

- 2 electric and 6 diesel buses. The bus allocation amounts are set by the MoECC and will be communicated upon approval of the submission.

Recommendation

THAT the 2027/28 funding request of \$50,250 for kitchen equipment under the Food Infrastructure Program be approved. READ A FIRST TIME THE 8th DAY OF September 2026; READ A SECOND TIME THE 8th DAY OF September 2026; READ A THIRD TIME, PASSED THE 8th DAY OF September 2026.

THAT the 2027/28 funding request of \$1,000,000 for sprinkler upgrades under the School Enhancement Program be approved. READ A FIRST TIME THE 8th DAY OF September 2026; READ A SECOND TIME THE 8th DAY OF September 2026; READ A THIRD TIME, PASSED THE 8th DAY OF September 2026.

THAT the 2027/28 funding request of \$402,000 for HVAC upgrades under the School Enhancement Program be approved. READ A FIRST TIME THE 8th DAY OF September 2026; READ A SECOND TIME THE 8th DAY OF September 2026; READ A THIRD TIME, PASSED THE 8th DAY OF September 2026.

THAT the 2027/28 funding request of \$412,000 for the HVAC upgrades under the Carbon Neutral Capital Program be approved. READ A FIRST TIME THE 8th DAY OF September 2026; READ A SECOND TIME THE 8th DAY OF September 2026; READ A THIRD TIME, PASSED THE 8th DAY OF September 2026.

THAT the 2027/28 funding request for 8 buses be approved. READ A FIRST TIME THE 8th DAY OF September 2026; READ A SECOND TIME THE 8th DAY OF September 2026; READ A THIRD TIME, PASSED THE 8th DAY OF September 2026.

