



# **qathet School District Preliminary Budget Report**

**2025/2026**

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## Overview

The school district operates under the authority of the School Act of British Columbia as a corporation and receives over 90% of revenue from the B.C. provincial government through the Ministry of Education and Childcare. Any changes to provincial grants will consequently have a significant impact on the school district's budget. The school district is exempt from federal and provincial corporate income taxes.

In accordance with the School Act, school districts in the province must approve a balanced budget for the 2025/26 fiscal year (July 1, 2025 - June 30, 2026) and submit it to the Ministry of Education and Childcare by June 30, 2025. The qathet School District aims to develop a preliminary budget that supports its vision and considers its shared priorities and the needs of its community of learners.

This budget has been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board.

As required by the Ministry of Education and Childcare and Public Sector Accounting Standards (PSAB), The qathet School District tracks and reports revenue and expenditures under three separate funds: the operating fund, the special purpose fund, and the capital fund.



**OPERATING FUND:** The operating fund includes operating grants and other revenue used to fund instructional programs, school and district administration, facilities operations, custodial services, maintenance, and transportation.

**SPECIAL PURPOSE FUND:** The special purpose fund is comprised of separate funds established to track revenue and expenditures received from the Ministry of Education and Childcare and other sources that have restrictions on how they may be spent (e.g. Classroom Enhancement Fund, Annual Facilities Grant, Community LINK, Ready Set Learn and School Generated Funds).

**CAPITAL FUND:** The capital fund includes capital expenditures related to facilities and equipment that are funded by Ministry of Education capital grants, operating funds, and special purpose funds. An annual deficit in the capital fund that is a result of amortization expense and budgeted capital assets purchased from operating and special purpose funds exceeding the amortization of deferred capital revenue plus budgeted local capital revenue is permitted under the Accounting Practices Order of the Ministry of Education and Childcare.

## Introduction

The qathet School District has experienced a year of significant transition, beginning with the appointment of Vianne Kintzinger as Interim Superintendent and followed by the successful recruitment of Paul McKenzie as the new Superintendent of Schools. Ms. Kintzinger provided steady leadership during this transitional period, serving in the interim role for eight months until Mr. McKenzie assumed the role in April. Under her guidance, the organization introduced several important governing changes, including the implementation of routine program reviews to inform and strengthen future program planning.

In the spring of 2025, the Board of Education held a Trustee By-Election following the resignation of Mr. Rob Hill, resulting in the election of Trustee Gretchen Conti.

After several years of budgets that relied on accumulated surplus funds, the 2025/2026 budget was developed using a more conservative approach that does not assume the continued availability of those funds. While this shift influenced the discontinuation of several longstanding secondary programs that have faced persistent enrollment challenges, the district continues to offer a comprehensive range of programming, with all student course selections accommodated.

Despite a leaner financial landscape, all recent program enhancements have been maintained in next year's budget. These include the continuation of the newly established čepθ positions and the revised Education Assistant base hours, which remain increased to six hours per day. Additionally, average class sizes across the district are still anticipated to remain below contractual limits.



## District Profile

qathet School District serves approximately 3,200 students in four regular elementary schools, one dual track elementary school, one remote island elementary school, one online learning school, an alternate school and one secondary school.

The School District provides a number of additional programs including:

- Four Strong Start Programs and a Strong Start Go mobile program
- Before & After School Programs
- Seamless Day Kindergarten Program
- Elementary Reading Intervention Program
- Dual Credit Trades
- French Immersion Program
- International Student Program
- Summer Learning Programs
- Powell Lake Ecological and Outdoor Learning Centre
- Provincial Auditory Outreach Program

All decisions made by qathet School District are guided by its vision and core values and based on research and consultation. Similarly, the district's initiatives and resources are aligned to support its commitment to fostering a culture of care and belonging where the well-being and success of all learners is supported; providing intentional support for a growth mindset, collaboration, interdependence, and staff development; and being a forward-thinking, research-based, ethical, effective, efficient, sustainable, and connected organization.





## Our Principles

- Many Ways of Knowing, Learning, and Being
- Diversity, Equity, and Human Dignity
- A Healthy Work and Learning Environment
- Innovation, Curiosity, and Creativity
- Openness, Transparency, and Accountability

## Our Mission

Learning and Growing, Together

## Our Vision

Creating Brighter Tomorrows for All

## Our Values

**Integrity:** We strive to be a living example of what we want to see in the education system through continued self and organizational reflection to ensure the confidence of those we serve

**Respect:** We honour others, value selflessness, and always strive to act considerately and honestly. We are intentional with our words and actively listen to others. We promote collaboration and power sharing to achieve positive change that benefits the entire learning community.

**Courage:** We practice courage by moving beyond our comfort zones, embracing obstacles, and taking responsibility for our errors, allowing us to better ourselves and serve our learning community with excellence.

**Curiosity:** We cultivate a safe environment to explore new ideas, take risks, and challenge the status quo. We understand curiosity as critical for transformative growth, change, and innovation

**Inclusivity:** We promote inclusivity by changing mindsets and behaviours, and cultivating welcoming and fair environments that actively oppose oppression. We strive to ensure everyone is seen, connected, supported, and proud.

**Good Relations:** We strive for balance in our relationship with ourselves, others, and the lands and waters that sustain us. We consider the impact of our actions on past, present, and future generations and strive to leave a positive legacy for them.

## Strategic Priorities

### Cultivating an Ethic of Learning (titlw̓x̣em taʔow)

Ensure early learners and students have the best possible learning experience.

- Focus on foundational learning in literacy and numeracy.
- Enhance early learning plans, opportunities, and partnerships.
- Foster deep learning so all students can flourish in a rapidly changing world.
- Increase student engagement and voice.
- Expand school food programs to ensure all students have access to nutritious meals and are ready to learn.

### Cultivating Curiosity (payot gagayɛłtən)

Transform our learning environments into places of innovation.

- Continue to support land based and place based learning.
- Strengthen personalized and flexible learning opportunities, including redesigning learning spaces.
- Create a culture of inquiry and innovation.
- Strengthen our competencies around environmental stewardship.

### Cultivating Connection (paʔa kʷɔms qʷayigən)

Prioritize mental health, community connections, and social-emotional learning.

- Enhance mental health opportunities and partnerships that support well-being.
- Engage, involve, and support connections within the school and community.
- Continue to create and promote safe, welcoming, and inclusive learning environments.
- Promote the development of social-emotional learning skills.



## Supporting Self-Determination (ʔaʔjɫɪxʷegəs)

Ensure holistic Indigenous student success.

- Ensure consistent access to enriching, innovative, identity affirming, and culturally relevant opportunities and supports.
- Ensure educational spaces are culturally safe by committing to system wide respect of this place and our shared history by prioritizing Indigenous languages, perspectives, values and cultures.
- Support students with setting goals for the future (ʔimot θ titiwšɛm, toχnegosəməčxʷɔm θoθo)

## Cultivating Truth and Reconciliation (gʷnaʔxʷuθs)

Honour Truth and reconciliation.

- Work to undo the legacies of colonialism through diverse pathways including supporting ʔayʔaʃuθəm language revitalization initiatives and education.
- Continue our commitment to the Truth and Reconciliation Commissions Calls to Action and the United Nation's Declaration on the Rights of Indigenous Peoples.

## Cultivating Integrity/Responsibility (hays qayumɪxʷ ʔayʔaytawθ)

Prioritize climate change, organizational health and sustainability.

- Provide climate action education and leadership opportunities grounded in Indigenous ways of knowing.
- Align planning, processes, policies, and procedures to improve the effectiveness of the system.



## Strategic Priorities and Goals

The strategic priorities and goals for qathet School District are established on a rolling five-year planning cycle and are summarized in departmental operational plans and school growth plans. The board-approved budget supports the specific strategic goals identified in operational plans and school growth plans.

For 2025/2026, resources have been allocated in support of:

Literacy and Numeracy	Early Learning
Food Security	Counselling and Mental Health
Family Support	Technology
Sexual Health	Outdoor Education
Indigenous History, Culture and Language	Applied Design, Skills and Technologies



## Budget Timeline

A review of the budget process took place in April at the Board's regular meeting as identified in the Annual Board Work Plan. Also in April, at the regular meeting the Board reviewed operating and other grant information for the upcoming school year. In June, draft budget information was reviewed at the committee of the whole prior to its anticipated formal adoption at the regular public meeting on June 25th.

## Budget Assumptions

### Provincial and Local Assumptions

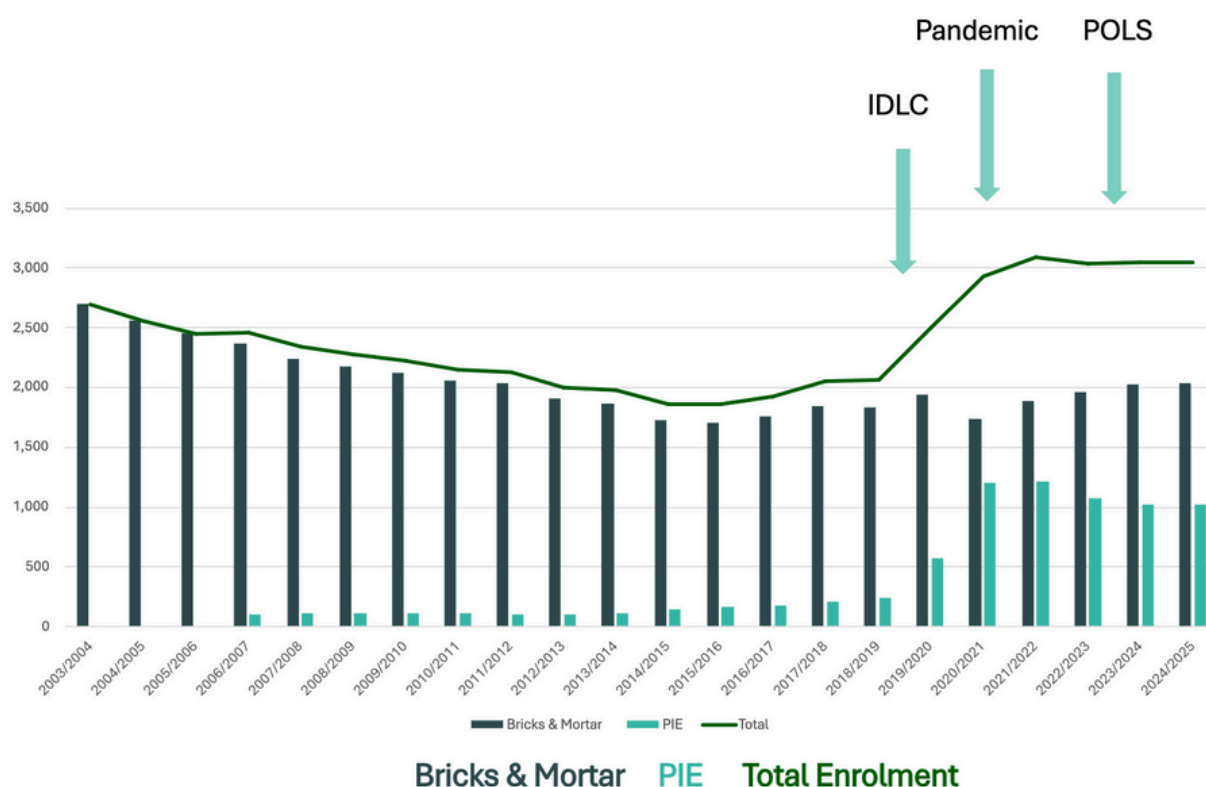
- Provincial government will fund total provincial enrolment including any growth
- Students Enrolment will remain relatively constant including those participating in on-line learning
- The multi-year strategic plan serves as a resource allocation guide
- Limited availability of operating reserves to be used to fund future operations
- Average salary costs do not yet assume any wage increases



## Enrolment

qathet School District is funded primarily through an operating grant received from the Ministry of Education. The operating grant is based on student enrolment which is compiled through a data collection process in September, February, May and July. The District receives a fixed amount per full-time equivalent student (FTE). The School District also receives supplementary grants for students who are identified as having unique needs and for other demographic and unique geographical factors. District staffing levels are driven directly by student enrolment. Since salaries and benefits make up almost 80 percent of District expenses, reliable enrolment data is essential for financial planning.

### Enrolment Trends:



## Accumulated Operating Surplus

**Accumulated operating surplus** represents the extent to which operating revenues from all previous years exceeds operating expenditures from all previous years and allows a School District to budget for expenditures in excess of revenues in a given year.

**Internally Restricted** funds are those set aside to augment current year revenues to help fund the annual budget or service plan.

**Unrestricted funds** are any of the accumulated operating surplus not internally restricted for the coming year. Unrestricted funds are also held as a contingency fund to assist with emergent situations.

The sum total of accumulated operating reserves should normally be 3 to 5% of operating expenses.

Year	Accumulated Surplus	Internally Restricted	Unrestricted	Operating Spend	Percentage
2003/2004	\$77,089	\$53,530	\$23,554	\$20,821,029	0.37%
2010/2011	\$551,134	\$356,604	\$198,530	\$23,028,896	2.39%
2018/2019	\$912,796	\$676,518	\$236,278	\$25,898,356	3.52%
2019/2020	\$2,023,163	\$1,052,648	\$970,515	\$28,836,788	7.02%
2020/2021	\$2,710,038	\$1,437,164	\$1,272,874	\$33,169,300	8.17%
2021/2022	\$3,164,955	\$1,367,635	\$1,797,320	\$35,946,415	8.80%
2022/2023	\$1,914,243	\$935,065	\$979,178	\$41,412,022	4.62%
2023/2024	\$1,230,776	\$723,175	\$507,601	\$44,485,672	2.77%



## Provincial Funding Model

## Operating Fund

Includes grants and other revenue used to fund:

Instructional Programs  
School and District Administration  
Facilities Operations

Custodial Services  
Maintenance  
Transportation



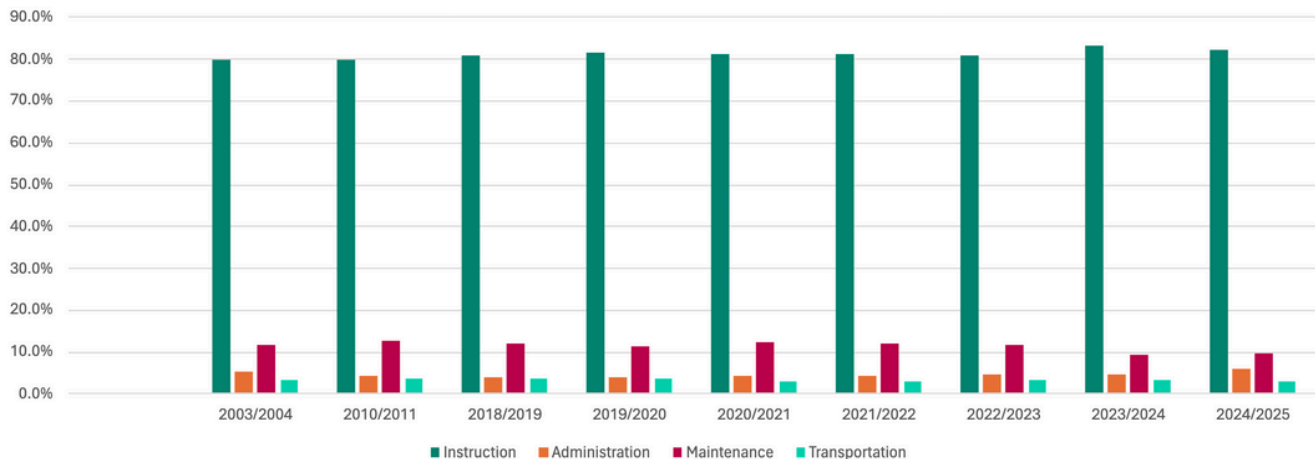
## Spending by Function

Instruction (80%)

Operations and Maintenance (12%)

District Administration (5%)

Transportation and Housing (3%)



**Spending % split consistent over 20 years.**

## Funding Model

The funding formula is a per pupil-based model with additional supplements added based on select criteria, these include:

Enrolment Based Funding

Supplement for Enrolment Decline

Supplement for Unique Student Needs

Supplement for Salary Differential

Supplement for Unique Geographic Factors

Funding Protection

Curriculum and Learning Support Fund

Summer Learning

February & May Enrolment Counts for Online

Indigenous Education Councils



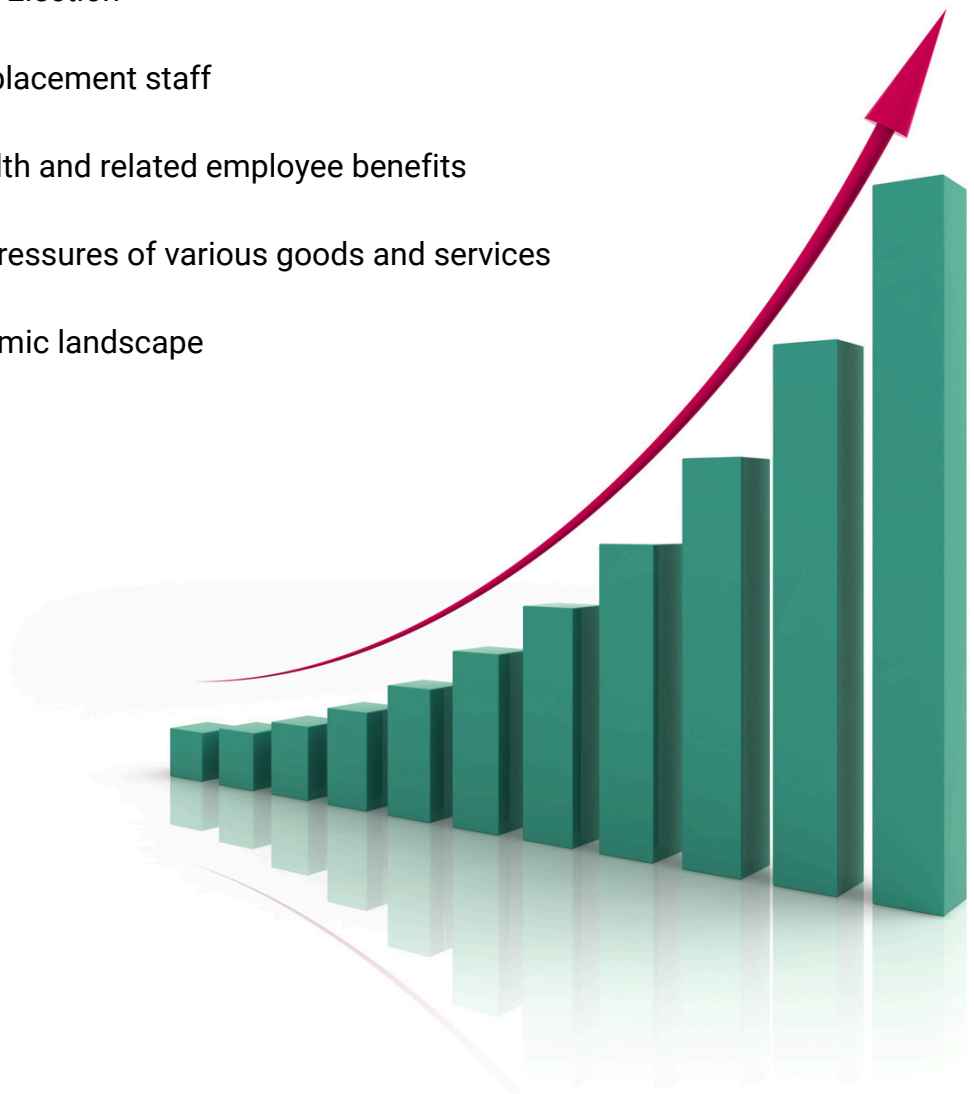
## 2025/2026 Operating Grant Allocation Formula Overview

Public school districts in BC are primarily funded through an operating grant provided by the Ministry of Education and Childcare. The formula for the grant is based on student counts across various areas and other district factors as outlined below.

<b>74%</b> allocated through the Basic Allocation	<b>Basic Allocation</b>	
	Common per student amount for every FTE student enrolled by school type.	
	<b>Standard School</b>	\$9,015 per school age FTE
	<b>Alternate School</b>	\$9,015 per school age FTE
	<b>Continuing Education</b>	\$9,015 per school age FTE
<b>18%</b> allocated to recognize unique student enrolment	<b>Online Learning</b>	\$7,280 per school age FTE
	<b>Unique Student</b>	
	Additional per student funding to address uniqueness of district enrolment and support additional programming. Includes Equity of Opportunity Supplement for children and youth in care and students with mental health challenges.	
	<b>Level 1 Inclusive Education</b>	\$51,300 per student
	<b>Level 2 Inclusive Education</b>	\$24,340 per student
	<b>Level 3 Inclusive Education</b>	\$12,300 per student
	<b>English/French Language Learning</b>	\$1,815 per student
<b>7%</b> allocated to recognize unique district factors	<b>Indigenous Education</b>	\$1,790 per student
	<b>Adult Education</b>	\$5,755 per FTE
	<b>Unique District</b>	
	Additional funding to address uniqueness of district factors.	
	<b>Small Community</b>	For small schools located a distance away from the next nearest school
	<b>Low Enrolment</b>	For districts with low total enrolment
	<b>Rural Factor</b>	Located some distance from Vancouver and the nearest large regional population centre
	<b>Climate Factor</b>	Operate schools in colder/warmer climates; additional heating or cooling requirements
	<b>Sparseness Factor</b>	Operate schools that are spread over a wide geographic area
	<b>Student Location Factor</b>	Based on population density of school communities
<b>0.2%</b> allocated to buffer the effects of declining enrolment	<b>Supplemental Student Location Factor</b>	Level 1 and 2 inclusive education enrolment
	<b>Salary Differential</b>	Funding to districts that have higher average educator salaries
	<b>Funding Protection / Enrolment Decline</b>	
	<b>Funding Protection</b>	Funding to ensure that no district experiences a decline in operating grants greater than 1.5% when compared to the previous September
	<b>Enrolment Decline</b>	Funding to districts experiencing enrolment decline of at least 1% when compared to the previous year
<b>CSF Supplement</b>		
District receives a 15% funding premium on allocated funding.		

**Budget Pressures** (factors that increase the strain on a budget by driving up costs, reducing revenue or limiting flexibility)

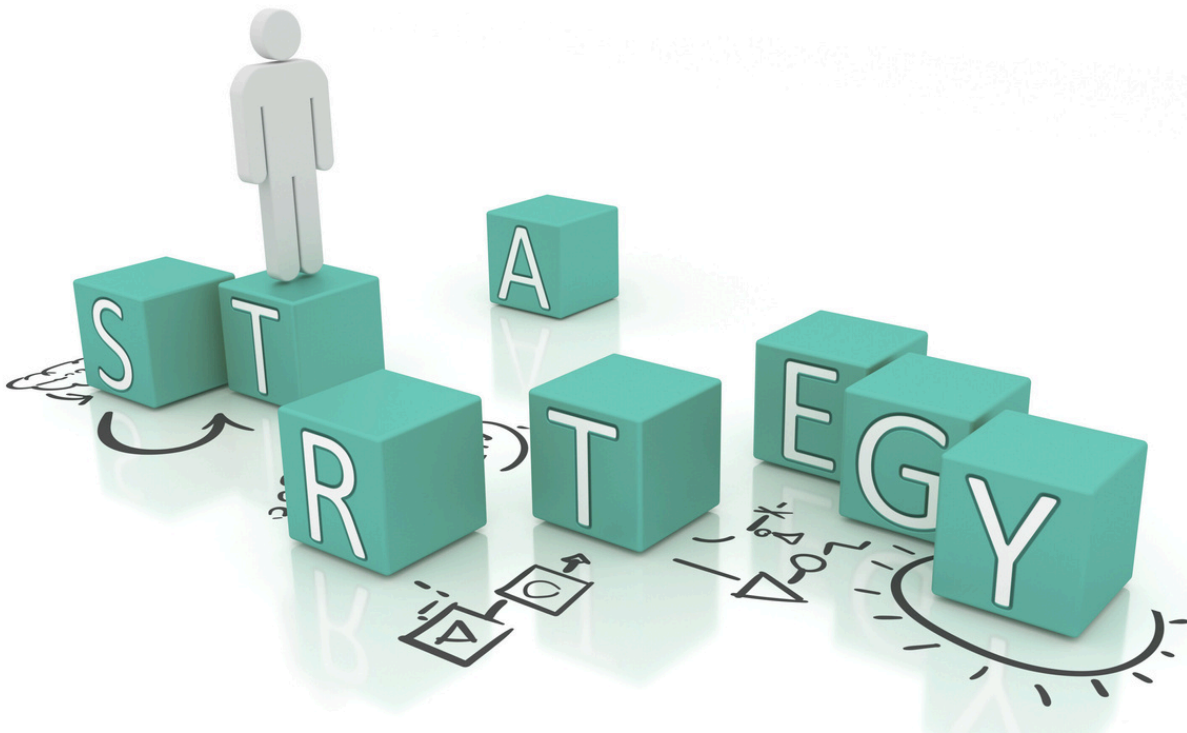
- Accumulated operating surplus currently available for future operations is minimal
- The approach to remedy at secondary school has changed in recent years, the current model is deemed to not be sustainable
- Some secondary programs have continued to run despite low enrolment numbers
- A surplus of continuing teachers
- Last year ended with more staff in place than what was budgeted
- Transition costs to the onboarding of new leadership
- School Trustee By-Election
- Rising costs of replacement staff
- Rising cost of health and related employee benefits
- Inflationary cost pressures of various goods and services
- Volatility of economic landscape





## Mitigation Strategies

- ◆ Re-allocating funds from Local Capital Reserves to Operating Reserves
- ◆ Leave Director of Finance role unfilled
- ◆ Maintain temporary reduction of 0.6 FTE business-related staff
- ◆ Adopt an efficient staffing timetable at secondary
- ◆ Ongoing implementation of routine program reviews
  - Curtail programs with enrolment below a minimum threshold
  - Right sizing of summer programming
  - Re-direct resources associated with collapsed programs
- ◆ Utilize own forces in delivery of capital projects
- ◆ Implement a five percent increase to school operating budgets
- ◆ Continue to capitalize on opportunities as they present themselves



## Revenues

The table below summarizes projected revenue in the 2025/2026 preliminary budget as compared to the 2024/2025 amended budget:

	<b>25/26 Preliminary</b>	<b>24/25 Amended</b>	<b>Variance</b>
Operating Grant, Ministry of Education	\$41,046,553	\$ 41,026,615	\$19,938
Other MOE Grants	669,558	905,269	(235,711)
Provincial Grants - Other	75,000	75,000	0
International & Summer Tuition	720,000	726,540	(6,540)
Other Education Authorities	110,000	110,000	0
First Nations (TEA)	1,104,133	1,104,133	0
Miscellaneous Revenues	225,000	230,000	(5,000)
Rentals	75,400	85,400	(10,000)
Interest	75,000	100,000	(25,000)
<b>Total Operating Revenue</b>	<b>\$44,100,644</b>	<b>\$ 44,362,957</b>	<b>(\$262,313)</b>

## Expenses

The following table summarizes projected expenses in the 2025/2026 preliminary budget compared to the 2024/2025 amended budget:

	<b>25/26 Preliminary</b>	<b>24/25 Amended</b>	<b>Variance</b>
<b>Salaries</b>			
Teachers	\$14,115,888	\$ 14,413,363	(\$297,475)
Principals & Vice-Principals	2,855,160	2,966,400	(111,240)
Education Assistants	4,398,404	4,487,147	(88,743)
Support Staff	3,862,426	4,009,548	(147,122)
Other Professionals	2,257,188	2,385,684	(128,496)
Substitutes	1,536,936	1,594,908	(57,972)
<b>Total Salaries</b>	<b>29,026,002</b>	<b>29,857,050</b>	<b>(831,048)</b>
Employees Benefits	6,725,013	6,722,102	2,911
<b>Total Salary and Benefits</b>	<b>35,751,015</b>	<b>36,579,152</b>	<b>(828,137)</b>
Services and Supplies	7,797,129	7,585,449	211,680
Utilities	607,500	557,500	50,000
<b>Total Services and Supplies</b>	<b>8,404,629</b>	<b>8,142,949</b>	<b>261,680</b>
<b>Total Operating Expense</b>	<b>\$44,155,644</b>	<b>\$ 44,722,101</b>	<b>(\$566,457)</b>

<b>Appropriation of Surplus Funds</b>	<b>\$55,000</b>	<b>\$ 359,144</b>	<b>(\$304,144)</b>
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## Special Purpose Fund Summary

The special purpose fund is comprised of separate funds established to track revenue and expenditures received from the Ministry of Education and other sources that have restrictions on how the funds are spent. The following special purpose funds have been included in the 2025/26 preliminary budget:

Annual Facility Grant (AFG)	\$122,953	These funds are used throughout District schools to address ongoing maintenance and improvement needs.
Learning Improvement Fund (LIF)	\$145,707	Funding used specifically to augment Educational Assistants' hours providing additional support to complex learners.
School Generated Funds & Bursaries	\$1,950,000	Funds that are generated locally at the school level and used for school operations and in support of students.
Strong Start	\$128,000	Strong Start early learning centres provide school-based, drop-in programs for children aged birth to five and their parents or caregivers.
Ready, Set, Learn	\$14,700	Eligible RSL events for 3 to 5 year old's and their parents are hosted to support early learning and facilitate a smooth transition to Kindergarten.
Official Languages in Education French Programs (OLEP)	\$78,244	Funding for core French-language and Immersion programs and curriculum resources.
Community Link	\$230,412	Funding for programs and initiatives to improve the education performance of vulnerable students, including both academic achievement and social functioning.
Classroom Enhancement Fund (CEF)	\$2,307,530	Eligible expenses includes teacher staffing, overhead staffing and equipment costs resulting from restoration of class size and composition language.

Auditory Outreach Program	\$1,455,000	Auditory Outreach, in collaboration with provincial centres, local audiologists and other service providers, assists public and group 1 and 2 independent schools throughout the province address the needs of school-aged students through loans of assistive listening devices for individual students with hearing loss identified as needing this technology for school use.
Mental Health in Schools	\$55,000	To build capacity in mental health and well being.
Seamless Day Kindergarten	\$55,400	Licensed Before and After School Program for Kindergarten students.
JUST B4	\$25,000	Multi year pre-school pilot program.
ECL Early Care & Learning	\$175,000	Capacity building support for current and future early learning programming.
Feeding Futures Fund	\$397,844	An initiative to ensure students are fed and ready to learn.

## Capital Funds

The **Strategic Facilities Plan** adopted by the Board in January 2021 identifies long term capital needs and acts as a guide when making applications to government in support of capital planning.

The District is required to submit a five-year capital plan to the Ministry of Education for additional funding for capital projects as described below.

**Annual Facilities Grant (AFG)** funds are used throughout District schools to address ongoing maintenance and improvement needs.

**School Enhancement Program (SEP)** projects are investments that contribute to the safety and function of the school while extending the life of the asset.

**Carbon Neutral Capital Program (CNCP)** projects are investments that contribute to measurable emission reductions and operational costs savings expected as a result of completed projects.

**Food Infrastructure Program (FIP)** is an annual program intended to assist with expanding infrastructure in support of food programming.

**Bus Acquisition Program (BUS)** covers the capital cost of replacing units that are at the end of their useful life.

	2025/2026 Planned Spending
AFG (Capital Portion)	\$785,853
SEP	\$1,125,000
CNCP	\$255,000
FIP	\$157,709
BUS (Estimated)	\$135,000