



qathet School District
Preliminary Budget Report
2026/2027

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 2026/27 fiscal year (July 1, 2026 - June 30, 2027) and submit it to the Ministry of Education and Childcare by June 30, 2026. 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 completed its first full year under the leadership of Superintendent Paul McKenzie. In a relatively short time, Paul has had a very positive impact across the district. Staff consistently speak of his thoughtful, human-centred approach and the strong sense of care, professionalism, and collaboration he brings to his work. At the same time, he has brought a strong focus on operational effectiveness and process, helping to strengthen how we work together as a district, while always keeping students at the centre.

After several years of budgets that relied on accumulated surplus funds, the 2025/2026 budget was built using a more conservative approach that did not assume continued access to those funds. While this shift led to the discontinuation of several longstanding secondary programs that had faced persistent enrolment challenges, the district continued to offer a comprehensive range of programming, with all student course selections accommodated. These small adjustments supported balancing the budget and returning the district to a more sustainable financial position. Despite the leaner financial landscape, all recent program enhancements were maintained. These included the continuation of the čepθ positions and the additional time added to most Education Assistant positions. Additionally, average class sizes across the district remained well below contractual limits.

Looking ahead to 2026/2027, the forecast financial resources available to the district remain relatively stable, and the corresponding service plan reflects this continuity. That does not mean no changes are proposed; a routine review of literacy programming led to a proposal to implement new strategies intended to better support young learners. Program reviews of both childcare programming and online learning were also completed, with changes to the delivery models planned for the coming year.

Finally, in October, the organization will welcome a new group of publicly elected school trustees who will help guide the organization for the next four years.



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:

- Strong Start Programs and a Strong Start Go mobile program
- Before & After School Programs
- Dual Credit Trades
- French Immersion Program
- International Student Program
- 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 (titlwšem 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 gagayɛłən)

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, toχnegosəmčxʷɔm θoθo)

Cultivating Truth and Reconciliation (gʊnaʔxʷuθs)

Honour Truth and reconciliation.

- Work to undo the legacies of colonialism through diverse pathways including supporting ʔayʔajʊθɛm 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 2026/2027, resources have primarily been allocated in support of:

Literacy and Numeracy

Food Security

Family Support

Sexual Health

Indigenous History, Culture and Language

Early Learning

Counselling and Mental Health

Technology

Outdoor Education

Applied Design, Skills and Technologies



Budget Timeline

A review of the budget process took place in February at the Board's Committee of the Whole meeting, as identified in the Annual Board Work Plan. In April, at the committee meeting, the Board reviewed operating and other grant information for the upcoming school year. At the May committee meeting, a budget summary was provided that outlined the anticipated changes for the following school year. The complete budget and corresponding summary and presentation are to be delivered at the June committee meeting, with formal adoption expected at the following meeting scheduled for June 24th.

Budget Assumptions

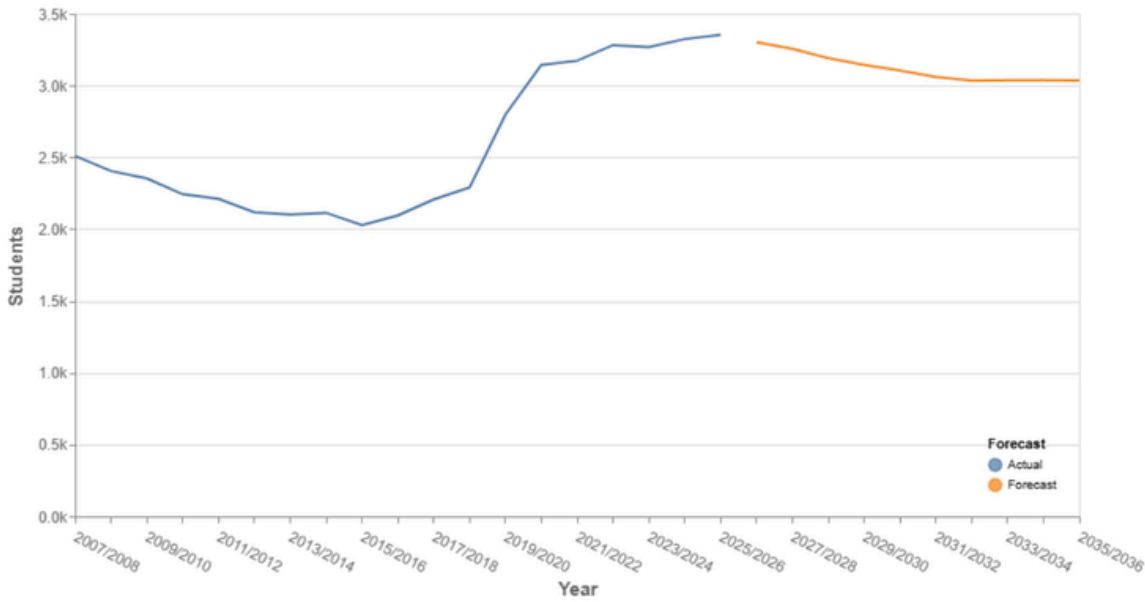
Provincial and Local Assumptions

- 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

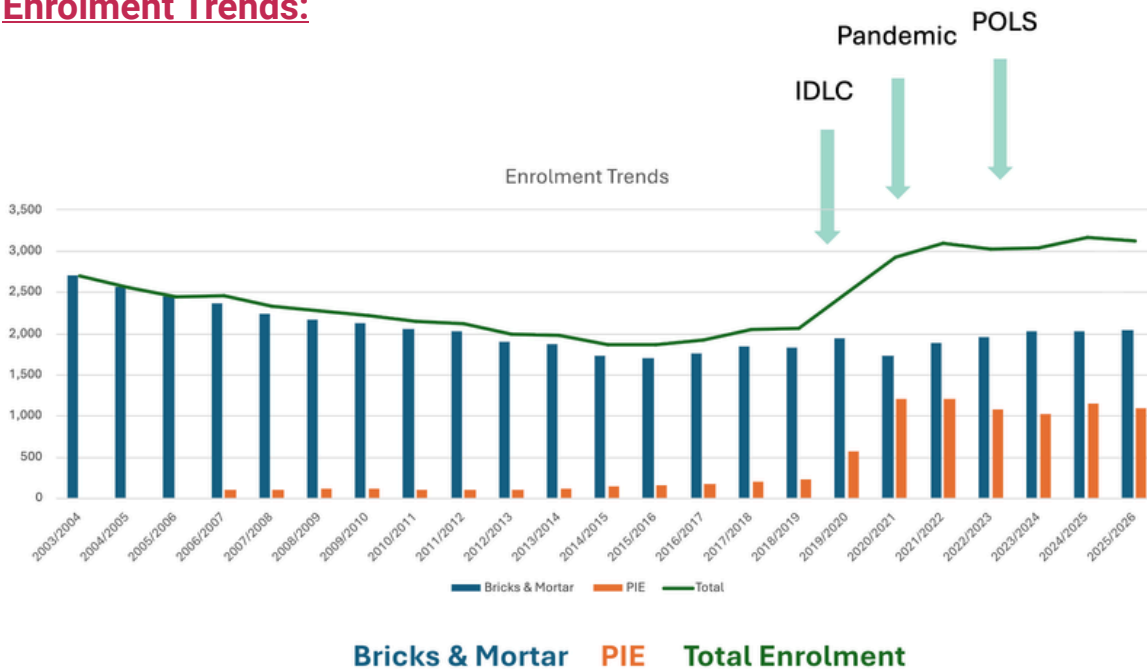
Enrolment

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.

Student Enrolment Over Time:



Enrolment Trends:



Bricks & Mortar PIE Total Enrolment

Accumulated Operating Surplus

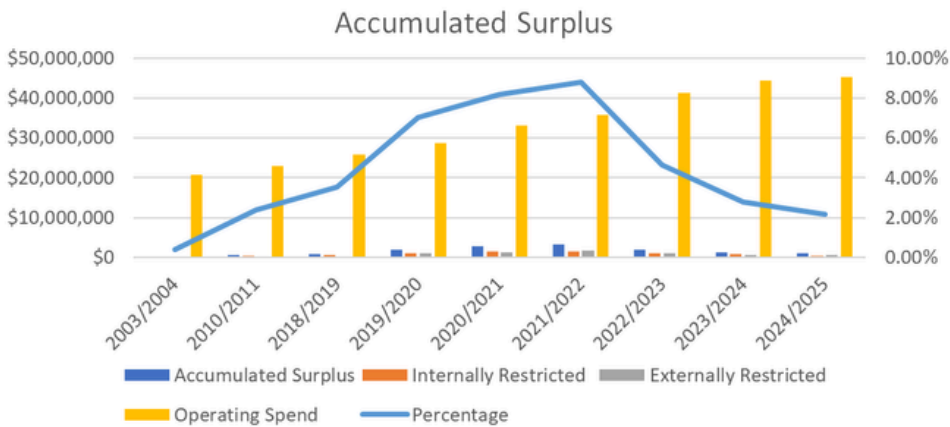
Accumulated operating surplus represents the extent to which operating revenues from all previous years exceeds operating expenditures from all previous years and allows a School District to budget for expenditures in excess of revenues in a given year.

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 of Accumulated Operating Surplus
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%
2024/2025	\$974,463	\$353,890	\$620,573	\$45,453,691	2.14%



Provincial Funding Model

Operating Fund

Includes grants and other revenue used to fund:

Instructional Programs

School and District Administration

Facilities Operations

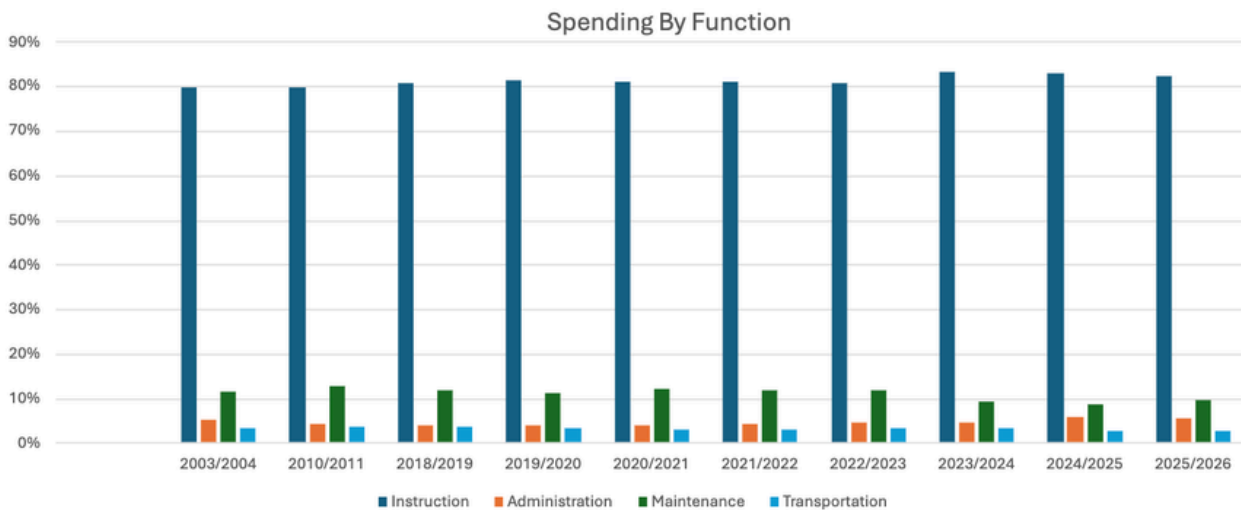
Custodial Services

Maintenance

Transportation

Spending by Function

Spending by function has historically been approximately 20% Instruction, 12% Maintenance, 5% Administration and 3% Transportation.



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



2026/2027 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.

73% allocated through the Basic Allocation	Basic Allocation Common per student amount for every FTE student enrolled by school type.	
	Standard School	\$9,015 per school age FTE
	Alternate School	\$9,015 per school age FTE
	Continuing Education	\$9,015 per school age FTE
	Online Learning	\$7,280 per school age FTE
19% allocated to recognize unique student enrolment	Unique Student 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.	
	Level 1 Inclusive Education	\$51,300 per student
	Level 2 Inclusive Education	\$24,340 per student
	Level 3 Inclusive Education	\$12,300 per student
	English/French Language Learning	\$1,815 per student
	Indigenous Education	\$1,790 per student
	Adult Education	\$5,755 per FTE
7% allocated to recognize unique district factors	Unique District Additional funding to address uniqueness of district factors.	
	Small Community	For small schools located a distance away from the next nearest school
	Low Enrolment	For districts with low total enrolment
	Rural Factor	Located some distance from Vancouver and the nearest large regional population centre
	Climate Factor	Operate schools in colder/warmer climates; additional heating or cooling requirements
	Sparseness Factor	Operate schools that are spread over a wide geographic area
	Student Location Factor	Based on population density of school communities
	Supplemental Student Location Factor	Level 1 and 2 inclusive education enrolment
	Salary Differential	Funding to districts that have higher average educator salaries
0.4% allocated to buffer the effects of declining enrolment	Funding Protection / Enrolment Decline	
	Funding Protection	Funding to ensure that no district experiences a decline in operating grants greater than 1.5% when compared to the previous September
	Enrolment Decline	Funding to districts experiencing enrolment decline of at least 1% when compared to the previous year
CSF Supplement District receives a 15% funding premium on allocated funding.		

All funding information estimated for the 2026/27 School Year

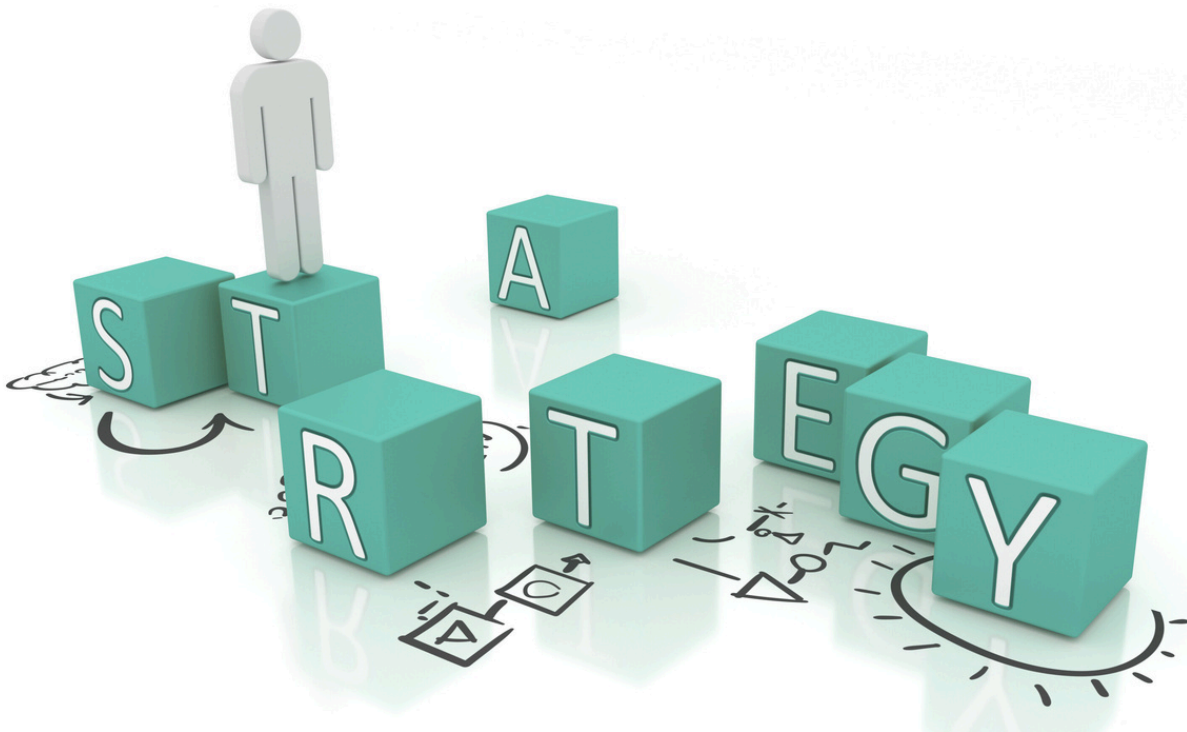
Budget Pressures (factors that increase the strain on a budget by driving up costs, reducing revenue or limiting flexibility)

- Accumulated operating surplus currently available for future operations is minimal
- A forecasted decline in student enrolment at elementary
- Increased expectations and demands within Inclusive Education
- Rising cost of technology
- Rising costs of replacement staff
- Rising cost of health & welfare benefits
- Inflationary cost pressure of various good and services
- Volatility of economic landscape
- A surplus of continuing teachers
- Local approach to remedy supports no longer meeting the needs of all teachers



Mitigation Strategies

- ◆ Continue leaving the Director of Finance role unfilled for now and re-visit again in the fall
- ◆ Maintain 0.5 FTE reduction of other business-related staff
- ◆ Maintain an efficient staffing timetable at secondary
- ◆ Ongoing implementation of routine program reviews
 - Continue to assess programs with enrolment below a minimum threshold
 - Re-direct resources associated with collapsed programs
- ◆ Utilize district staff in the delivery of capital projects
- ◆ Continue to capitalize on opportunities as they present themselves



Shifts for Next Year

◆ Adjustment to remedy supports at elementary to be more responsive to individual teacher needs based on complexity of classroom

- Teachers are eligible to receive additional support (remedies) if they teach a class that does not comply with the class size and composition limitations set out in the collective agreement.
 - For each instance of remedy, a teacher is entitled to 3 hours of time per month
 - This quantum of time can also be converted to cash and used to acquire other resources
- For **the past 9 years**, our district, with support from the qTA, has utilized a localized pooled approach to the allocation of these remedy-based resources.
 - Remedy resources were forecasted to be equivalent to approximately 2 FTE teachers in any given year
 - These positions were added to the existing literacy intervention supports in schools
 - The model has not been thoroughly reviewed since its implementation
- Some **identified issues** with this approach include:
 - Affected teachers are not offered an alternative, there is only the single pre-determined option
 - Support was mostly primary-focused; which led to a gap in support at intermediate grades
 - Lack of clarity for teachers around what support they can/cannot access
 - Student success data indicates this model does not support students in the most effective way
- **Moving forward**, remedy supports will shift to be implemented at the beginning of October following consultation throughout the month of September with each affected classroom teacher.
 - Consultation will result in an amount of "time" that a district can then convert to a particular remedy such as:
 - additional prep time for the affected teacher
 - additional non-enrolling staff added to the school to work with the affected teacher
 - additional enrolling staff to co-teach with the affected teacher
 - pooling time to create school resources
 - converting remedy minutes to cash to acquire relevant resources
 - other remedies as agreed by the local parties
 - This approach aligns with MOU 17, the three-party agreement between the Provincial Government, BCPSEA and the BCTF

Shifts for Next Year continued...

◆ Adjustment to literacy intervention at elementary to be more responsive to individual student needs based on assessment data

- Three non-enrolling instructional coaches will support Tier 1 instruction.
 - Research has demonstrated that the learning needs of 85% of students can be met with quality tier 1 instruction.
 - As the needs of our learners continue to grow in complexity, the role of the classroom teacher calls for ongoing reflection and refinement using research-informed strategies.
 - Tier 1 coaching is non-evaluative and collaborative supporting teacher confidence and efficacy.
- Learning assistance will be delivered by a district learning success team, rather than through school-based assignments.
 - Based on assessment data, in consultation with District staff, school administrators, and teachers, this district team will be deployed early in the school year to address elementary student needs once each school's requirements have been identified.
 - These needs will be reassessed at least three times per year, with a revised schedule of services developed at each interval.
 - Aligning with Tier 1 instruction, the target of the team's focus will be on foundational skills.

Non-Enrolling Services @ Elementary

Resource	26/27	25/26	Variance
Library	2.2	2.2	
Counselling	2.1	2.1	
Resource Teachers	4.8	4.4	+ 0.4
Learning Assistance	3.2	1.5	+ 1.7
Initiatives:			
District	3.0	1.6	+ 1.4
School		2.4	- 2.4
*Remedy		2.2	- 2.2
Total services as of June 30th			- 1.1
<i>*Estimated remedy supports added in October after consultation with individual teachers</i>	2.2		+ 2.2
Net services as of October 1st, 2026			+ 1.1



Shifts for Next Year continued...

- ◆ **Two teachers at Brooks will have dedicated time to support Tier 1 literacy and numeracy for Grades 8 and 9, and technology literacy development for staff and students in Grades 8-12.**
- ◆ **Excluded staff position supporting the Max Cameron Theatre will be eliminated and the support staff adjusted to align with theatre operational changes and other school-based support.**
- ◆ **A VP will be added back to Brooks in order to have two VPs support the school. Current VP responsible for international programming will focus solely on international, in addition to courses.**
- ◆ **Three-week elementary summer learning program is being replaced with a four-week licensed childcare program.**
- ◆ **Childcare programming during the school year is being expanded; increased hours of service for before and after school care.**
- ◆ **Feeding Futures will be fully implemented; meals will be made centrally in the evenings at Brooks and delivered to elementary schools the following morning.**

Revenues

The table below summarizes projected revenue in the 2026/2027 preliminary budget as compared to the 2025/2026 amended budget:

	26/27 Preliminary	25/26 Amended	Variance
Operating Grant, Ministry of Education	\$42,199,607	\$ 41,798,658	\$400,949
Other MOE Grants	616,631	674,829	(58,198)
Provincial Grants - Other	50,000	50,000	0
International & Summer Tuition	720,000	720,000	0
Other Education Authorities	85,000	110,000	(25,000)
First Nations (TEA)	1,411,479	1,411,479	0
Miscellaneous Revenues	250,000	290,000	(40,000)
Rentals	133,000	97,000	36,000
Interest	35,000	50,000	(15,000)
Total Operating Revenue	\$45,500,717	\$ 45,201,966	\$298,751

Expenses

The following table summarizes projected expenses in the 2026/2027 preliminary budget compared to the 2025/2026 amended budget:

	26/27 Preliminary	25/26 Amended	Variance
Salaries			
Teachers	\$14,781,613	\$14,697,255	\$84,358
Principals & Vice-Principals	2,907,072	2,788,416	118,656
Education Assistants	4,414,801	4,400,491	14,310
Support Staff	3,774,734	3,876,165	(101,431)
Other Professionals	2,023,532	2,135,574	(112,042)
Substitutes	1,439,900	1,354,892	85,008
Total Salaries	\$29,341,652	\$29,252,793	\$88,859
Employees Benefits	7,312,664	7,189,972	122,692
Total Salary and Benefits	\$36,654,316	\$36,442,765	\$211,551
Services and Supplies	8,393,901	8,270,162	123,739
Utilities	592,500	596,000	(3,500)
Total Services and Supplies	\$8,986,401	\$8,866,162	\$120,239
Total Operating Expense	\$45,640,717	\$ 45,308,927	\$331,790

Appropriation of Surplus Funds	\$140,000	\$ 106,961	\$33,039
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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 2026/27 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)	\$150,960	Funding used specifically to augment Educational Assistants' hours providing additional support to complex learners.
School Generated Funds & Bursaries	\$1,650,000	Funds that are generated locally at the school level and used for school operations and in support of students.
Strong Start	\$136,000	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	\$17,150	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)	\$79,724	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)	\$2,526,507	Eligible expenses includes teacher staffing, overhead staffing and equipment costs resulting from restoration of class size and composition language.

Auditory Outreach Program	\$1,474,407	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.
Childcare Pilot Transition	\$53,300	Licensed Before and After School Program for Kindergarten students.
Professional Learning Grant	\$132,367	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 & National Food Program Funds	\$523,779	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.

	2026/2027 Planned Spending
AFG (Capital Portion)	\$862,764
SEP	\$1,200,000
CNCP	\$268,775
FIP	\$46,426
BUS (Estimated)	\$TBD