Sooke School District
3143 Jacklin Road, Victoria, BC V9B 5R1
(250) 474-9800
www.sd62.bc.ca

Public Notice – Resources Committee Public Meeting

A public meeting of the Resources Committee for School District 62 (Sooke) will be held on **March 10, 2026 at 6:00 p.m.**

Please note that all Public Board and Committee meetings are now held **in person** at the District School Board Office, located at 3143 Jacklin Road, Victoria.

To participate in the meeting, please click on this link**:** **Follow Link**

- Anyone who has the link can attend the online meeting online. Ensure you have the Microsoft Teams app downloaded on your device.
- Members of the public will have the opportunity to ask questions related to agenda items discussed at the meeting:
  - Select the **Q&A** function at the top of your Teams window.
  - Type in the **Ask a question** text box at the top of the Q&A panel. When asking a question, please identify yourself. **Anonymous questions will not be responded to.**
  - You will be notified that your question was received and will be published after a moderator approves it.
  - Members of the media can direct their questions to the Communications Manager at School District 62 for a response following the meeting.

If you have questions regarding the meeting or how to access it, please email info@sd62.bc.ca.
See link for upcoming and previous Board and Committee meetings Public Meetings | Sooke School District (sd62.bc.ca) materials.

SOOKE SCHOOLS 62
Shaping Tomorrow Today

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RESOURCES COMMITTEE
School Board Office
March 10, 2026 – 6:00 p.m.

AGENDA

1. ***CALL TO ORDER AND ACKNOWLEDGEMENT OF FIRST NATIONS TERRITORIES***
   With gratitude and respect, we acknowledge that we live, learn, and work on the traditional territories of the Coast Salish: T'Sou-ke Nation, SĆIȺNEW (Beecher Bay) Nation, and the Nuu-chah-nulth: Paaʔčiidʔatḥ (Pacheedaht) Nation. We also recognize that some of our schools are located on the traditional territories of the MÁLEXEȽ (Malahat) Nation, and the Ləkʷəŋən peoples of Songhees and Esquimalt Nations. (words gifted by the nations SD62 works with)

2. **REPORT** (page 3)
   The Board of Education of Sooke School District 62 (Sooke) received the Resources Committee Report dated February 10, 2026 at the Board Meeting dated February 24, 2026.

3. **PRESENTATIONS** (10 min.)

4. **BUSINESS**
   4.1 2026/27 Budget Development Process – David Lee Bonar (page 6)
   4.2 Q3/Q4 Minor Capital Update – Mhairi Bennett (page 32)

5. **ADJOURNMENT**

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RESOURCES COMMITTEE MEETING REPORT

School Board Office 3143 Jacklin Road
February 10, 2026 – 6:00 p.m.

Present: Christine Lervold, Trustee (Committee Chair)
Russ Chipps, Trustee (Committee Member) (online via MS Teams)
Trudy Spiller, Trustee (Acting Committee Member) (online via MS Teams)
Amanda Dowhy, Trustee
Paul Block, Superintendent (online via MS Teams)
Brian Jonker, Secretary-Treasurer
Monica Braniff, Deputy Superintendent
D'Arcy Deacon, Associate Superintendent
Lisa Leclerc, Associate Superintendent
Mhairi Bennett, Director, Facilities
Ceilidh Diechmann, SPVPA
Ed Berlando, STA
Tom Davis, SPEAC
Trudy Court, CUPE
Nicole Gestwa, Network Analyst, Digital Solutions

Regrets: Ebony Logins, Committee Member

1. *CALL TO ORDER AND ACKNOWLEDGEMENT OF FIRST NATIONS TERRITORIES*

The meeting was called to order at 6:00 p.m. by the Committee Chair. The Chair acknowledged the traditional territories of the First Nations.

The Chair provided virtual participation instructions to Trustees and attendees joining online.

2. COMMITTEE REPORT

The Board of Education of Sooke School District 62 (Sooke) received the Resources Committee Report dated January 13, 2026, at its Public Board Meeting dated January 27, 2026.

3. PRESENTATIONS

There were no presentations.

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4. BUSINESS

4.1 2025/26 - Amended Budget – David Lee-Bonar

The Assistant Secretary Treasurer outlined the process and reasons for the amended annual budget.

The Committee recommended the following motion go forward to the Board:

Recommended Motion: That the Board of Education of School District #62 (Sooke) give first, second, and third readings to the 2025/26 Amended Annual Budget Bylaw specifying a total budget of $247,882,254.

4.2 2025/26 - Q2 Forecast David Lee-Bonar

The Assistant Secretary Treasurer explained the forecast for the second quarter.

Recommended Motion: That the Board of Education of School District 62 (Sooke) receive the Quarter 2 Financial Forecast Report as presented at the Resources Committee meeting of February 10, 2026.

4.3 2026/27 Academy Fees – Mike Huck

The District Principal of Pathways and Choice provided rationale for the proposed Academy fee increases.

Recommended Motion: That the Board of Education of School District 62 (Sooke) approve the 2026/27 Academy Fees as presented at the Resources Committee Meeting of February 10, 2026

4.4 School Fees – D'Arcy Deacon

- 2026/27 - Middle School Fees
- 2026/27 - Secondary School Fees
- 2026/27 - SD62 ADULT Learning Fee Schedule

Recommended Motion: That the Board of Education of School District 62 (Sooke) approve the District School Fee Schedules for Middle, Secondary and Adult programs for the 2026/2027 school year as presented at the Resources Committee meeting of February 10, 2026.

4.5 International Student Program Fees – Paul Block

The Superintendent explained the proposed increases to the international student fees.

Recommended Motion: That the Board of Education of SD62 (Sooke) approve the International Student Program fee increases for the 2027/28 school year as presented to the Resources Committee of February 10, 2026.

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4.6 Transportation Fees and Fee Waivers – Mhairi Bennett
The Director of Facilities contrasted the revenues against expenses for student transportation. An analysis of the fee waiver process was presented.

Recommended Motion: That the Board of Education of School District 62 (Sooke) approve an increase to transportation ridership fees from $325 to $355 per rider - inclusive of the $25 safety fee for the 2026-27 school year to help address inflationary pressures.

Recommended Motion: That the Board of Education of School District 62 (Sooke) direct staff to explore a low barrier means assessment for families requesting fee waivers.

4.7 Board Operated Childcare 2026-27 – Frances Krusekopf
The District Principal of Early Learning and Child Care detailed funding provided by the Ministry of Education and Child Care and revenue from fees charged. The current fee structure is unsustainable, and the committee supported the following motions for consideration by the Board:

Recommended Motion: That the Board of Education of School District 62 (Sooke) approve submitting a request to the Child Care Fee Reduction Initiative program to implement the maximum allowable fees for board operated childcare for the 2026/27 school year of $204 for kindergarten and $399 for grade 1-3 participants.

Recommended Motion: That the Board of Education of School District 62 (Sooke) request staff review participation in the Child Care Fee Reduction Initiative program for 2027/28 and bring back options to the board for consideration in September 2026.

4.8 Resources Committee Annual Work Plan – Christine Lervold
The Committee Chair reviewed the Resources Committee Annual Work Plan.

A moment of silence was observed for the staff, students, emergency responders and community of Tumbler Ridge given the ongoing response to the incident.

5. ADJOURNMENT
The meeting was adjourned at 7:44p.m. The next meeting is March 10, 2026.

SOOKE SCHOOLS 62
Shaping Tomorrow Today

Committee Information Note
Resources Committee Meeting
March 10, 2026
Agenda Item 4.1 – 2026/27 Budget Development

BACKGROUND:

- The budget development process for the 2026/27 school year is underway.
- The 2026/27 budget is being developed in alignment with the 2025-2029 strategic plan and the Board approved principles and assertions (see attachment 1).
- An initial estimate of enrolment and potential pressures have been identified and incorporated into the budget model to inform the budget development process (see attachment 2)
- These estimates will continue to be refined leading up to the Education Committee of the Whole (ECOW) meeting planned for May 19, 2026, at which time staff will present a proposed budget to the Board for consideration.
- The BC Association of School Business Officials (BCASBO) has prepared a report released in February 2026, that provides further background and context within which most school districts in BC are facing the need to reduce expenses to manage budget deficits, see attachment 4 for the report.
- Budget 2025/26 introduced changing enrolment growth dynamics for the district resulting in a slowing of enrolment growth, this dynamic continues into 2026/27 and is forecast to continue over the fiscal plan. The resulting reduction in revenues exposes previously masked inflationary pressures and results in a structural deficit that is unsustainable.

ANALYSIS:

<u>Enrolment</u>

- Using the Baragar estimates, the long-range facilities planning estimates, local knowledge, Ministry projections, and statistical modelling, staff are estimating an additional 225 FTEs in K-12 standard enrolment starting in September 2026.
- This would bring our total K-12 standard enrolment to 13,879 FTE – an increase of 1.65% from the September 2025 amount of 13,654 FTE.
- Attachment 2 reflects September 2026 enrolment estimates provided to the Ministry as required in February and are the foundation of estimating revenues for the next fiscal year.

<u>2026/27 Budget Model Estimate - Point in Time</u>

- Although the budget instructions have yet to be provided by the Ministry, staff have started estimating the impacts on next year's budget based on forecasted enrolment and associated expenses.

Revenues

- Staff currently estimate that total additional revenues for 2026/27 will amount to $4.2 million:
- Of this amount, approximately $3.7 million is attributed to the projected enrolment increase, calculated using the existing funding formula, including;
  - $2.0 million from the forecasted increase in K-12 standard enrolment;
  - $1.3 million from Inclusive Education enrolment growth, and;
  - $0.4 million from increases in Continuing Education and Online Learning enrolment during February and May.
- The structural holdback risk mitigation measures in budget 2025/26 of $1.0 million is carried-forward.
- Due to changing school-age population density of communities within the District, it is anticipated there will be a reduction of approximately $0.5 million in the Operating Grant supplement for unique geographic factors.

K-12 Standard	$	2,000,000
Inclusive Education	$	1,300,000
Other - **Note 1**	$	400,000
2025/26 Carry Forward	$	1,000,000
Unique Geographic Factors	$	(500,000)
Total Revenues	**$**	**4,200,000**
NOTE 1		
Other enrolment categories include:		
English Language Learners, Alternate, Continuing Education,		
Online Learning, Newcomer Refugees,		
Indigenous Education, and Adult		

Expenditures

- Staff continue to assess both direct and indirect costs for the 2026/27 year, with current estimates indicating additional costs of approximately $6.6 million.
- Teacher staffing ($1.2 million)
  - For budget modelling, staff are using a 24:1 student-to-teacher ratio, consistent with prior years. This amount is maintained in the model until closer to the teacher staffing process and Release 1, when actual figures will be finalized. Based on the current ratio, the District anticipates adding roughly 9 teacher FTEs.
- Inclusive Education Supports ($1.3 million)
  - The additional $1.3 million in supplemental inclusive education revenue will support students with disabilities or diverse abilities within the District.
- Inflation ($2.8 million)
  - Consistent with prior years, districts across the province are anticipating unfunded inflationary pressures. Please see the attached BCASBO information report: Responsiveness of Provincial Funding to Cost Pressures in BC School Districts for more details.
  - Preliminary inflationary pressures identified by staff include:
    - $1.4 million – employee extended health and dental premium increases
    - $1.0 million – teacher salary increments

A	**Total Revenues**	$	**4,200,000**
	Expenses		
	Teacher / TTOC staffing	$	1,200,000
	Special needs supports	$	1,300,000
	Inflationary pressures	$	2,800,000
	Structural holdback - Risk mitigation	$	1,000,000
	Various other	$	300,000
B	**Total Expenses**	**$**	**6,600,000**
C = A-B	**Net pressure**	$	**(2,400,000)**

    - $0.3 million – excluded/exempt staff compensation increases
    - $0.1 million – non-discretionary cost increases associated with the increased enrolment such as school supplies and ministry services (for example: MyEdBC, legal, and insurance)
- Structural Holdback ($1.0 million)
    - The structural holdback is a mechanism to embed stability within the budget by preventing significant in-year budget reductions (to programs and staffing) if identified risks materialize. The strategy recognizes that in-year budget adjustments requiring program and/or staffing reductions ultimately impacts students.

Beginning balance (Enrolment and Unique geographic factor risks):	$1,000,000
Less: Risk Materialized – Unique geographic factors	-$500,000
Balance forward 2026/27 – Enrolment Risk	**$500,000**
Plus: Updated Risk Analysis – Audit Risk	$500,000
Total 2026/27 Structural Holdback	**$1,000,000**

- Various other ($0.3 million)
    - Approximately $0.3 million is allocated to various other costs, such as additional resources to support increased enrolment in Career Education programs, the installation of a Vice Principal at Port Renfrew, and extra custodial time for Hans Helgesen Child Care.

Pressure

- With estimated additional revenues of $4.2 million and additional expenses of $6.6 million, staff are currently projecting a pressure of $2.4 million for the 2026/27 budget.

A	Total Revenues	$ 4,200,000
B	Less: Total Expenses	$ (6,600,000)
C = A-B	**Net pressure**	**$ (2,400,000)**

NEXT STEPS:

- Staff are working through a deficit mitigation plan to inform budget development and consideration by the Board.
- Staff will continue to monitor and assess anticipated cost impacts for 2026/27 and will update the Resources Committee in April regarding any effects from the Ministry's grant release and budget instructions.
- The 2026/27 budget development timeline is illustrated in attachment 3.

Prepared by:
Brian Jonker, Secretary Treasurer and David Lee-Bonar, Assistant Secretary-Treasurer

Attachments:

1. 2026/27 Budget Principles and Assertions
2. 2026/27 Enrolment Estimates
3. 2026/27 Budget Development Timeline
4. BCASBO Information Report February 2026

Attachment 1: Board approved 2026/27 Budget Principles and Assertions

Principles and Assertions

APPROVED

Principles

1. Budget decisions will be based on the refreshed Strategic Plan for 2025-2029;
2. Input from the Indigenous Education Council, District partners, and Leadership Team will help shape budget 2026/27;
3. The annual budget process will be informed by the 3-year budget estimates;
4. The budget planning process will be informed by a budget risk assessment and include mitigation strategies.

Assertions

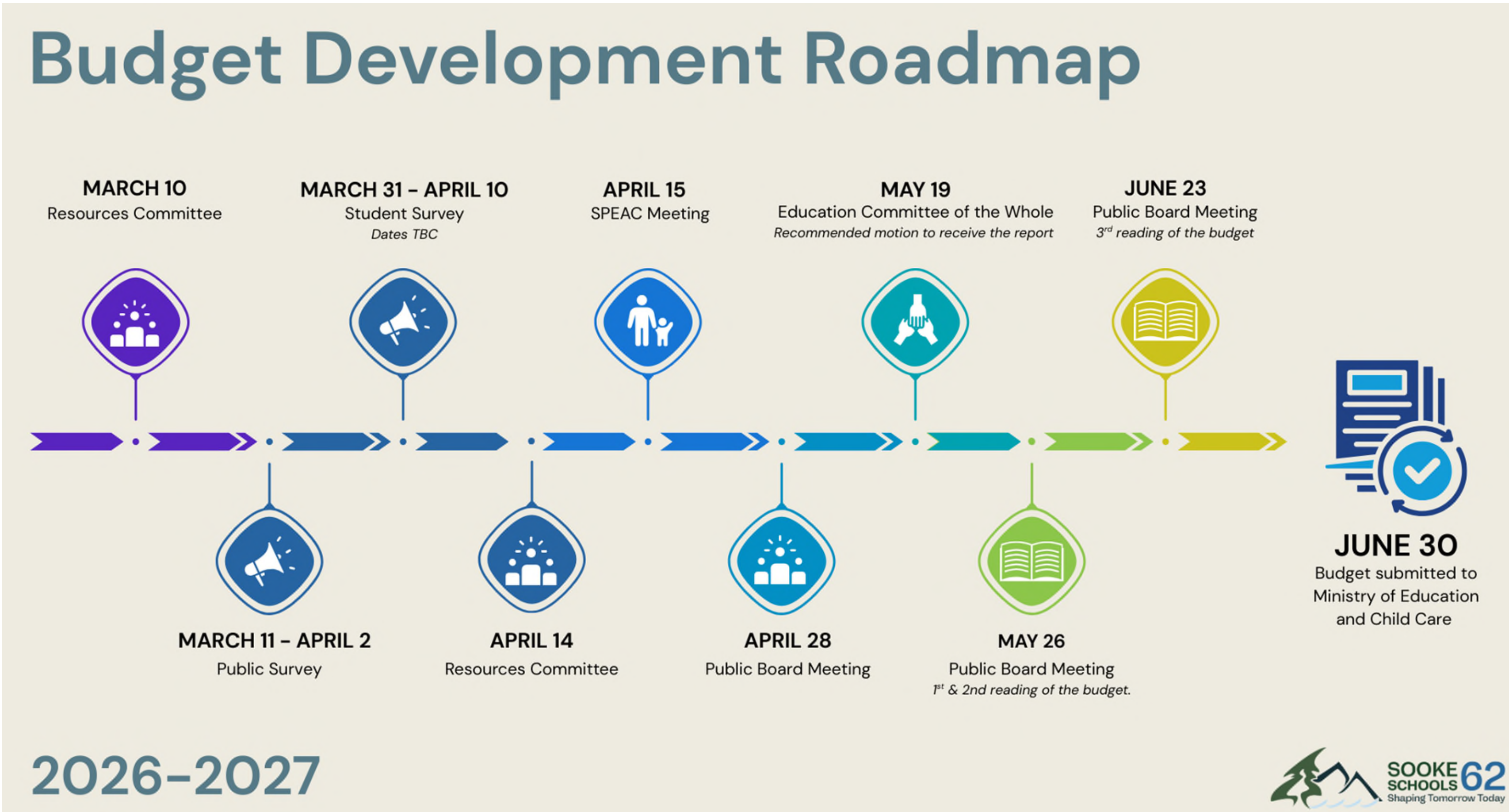
1. The provincial funding formula will remain the same and be based on per FTE funding;
2. Domestic enrolment will growth will begin to slow;
3. Staff will consider multiple data points when developing the domestic enrolment estimates to strengthen the process; and
4. All negotiated/approved salary increases will be funded.

Attachment 2: 2026/27 Enrolment Estimates

	E	F	G = F-E
	FTE	FTE	FTE
	AMENDED	PRELIMINARY	BUDGET
	BUDGET	BUDGET	INCR / (DECR)
	2025-26	2026-27	FROM PY
TOTAL Standard (Regular) Schools	**13,654.0000**	**13,879.0000**	**225.0000**
Continuing Education	52.7500	55.0000	2.2500
Alternate Schools	212.0000	212.0000	-
Online Learning	141.3750	142.0000	0.6250
Home Schooling	46.0000	46.0000	-
Course Challenges	4.0000	4.0000	-
TOTAL NON-STANDARD ENROLMENT	**456.1250**	**459.0000**	**2.8750**
Level 1 Inclusive Education	12.0000	11.0000	(1.0000)
Level 2 Inclusive Education	1,004.0000	1,060.0000	56.0000
Level 3 Inclusive Education	564.0000	570.0000	6.0000
TOTAL Inclusive Education	**1,580.0000**	**1,641.0000**	**61.0000**
English Language Learning	1,489.0000	1,430.0000	(59.0000)
Indigenous Education	1,302.0000	1,293.0000	(9.0000)
Adult Education	12.6250	16.0000	3.3750

*As submitted to the Ministry February 2026.

Attachment 3: 2026/27 Budget Development Timeline



February 2026

RESPONSIVENESS OF PROVINCIAL FUNDING TO COST PRESSURES IN BC SCHOOL DISTRICTS

BC Association of School Business Officials

Table of Contents

Executive Summary

BC school districts are facing growing financial pressures because the cost of delivering K–12 programs is rising faster than provincial funding. This report highlights the drivers of financial pressure, the implications for programs, and the need for proactive planning and communication.

The key financial challenges faced by school districts include:

- Unfunded Inflationary Costs: Funding rate adjustments do not cover all inflationary pressures, including rising costs for employee benefits, technology, facility maintenance, equipment, and services and supplies.

- Budget Rigidity: School districts have limited flexibility in their budgets to absorb unfunded inflationary costs without making budget reductions that negatively impact programs.

- Enrolment Trends: Historically, enrolment growth has helped offset inflationary pressures, but provincial enrolment is stabilizing and expected to decline, reducing this buffer.

- Targeted Funding Limitations: While targeted funding has grown significantly in recent years, it cannot be used to address core program cost pressures.

The implications of this growing financial pressure in school districts include:

- Most districts had to implement program spending reductions in 2025/26 due to unfunded inflationary pressures and expect further reductions will be necessary in the future.

- Legislative and collective agreement obligations limit options for reductions, often forcing Boards to reduce in priority areas that are responsive to local student needs.

- Budget reductions are impacting classroom and student supports. These include reductions in teacher positions, educational assistant positions, other student support positions, custodial services, technology budgets, educational resources, and professional development for staff.

- Fiscal constraints are impeding the ability of districts to address operational risks, such as addressing cybersecurity vulnerabilities and deferred facility maintenance

School districts cannot presume that current programs will remain sustainable in the future. Proactive planning, robust community consultation, and strategic use of contingency reserves are essential to managing and responding to financial risks. The intention of this report is to support School District Business Officials in effectively communicating the complexities and realities of provincial funding, helping to focus budget planning and consultation on the best solutions given the circumstances.

Introduction & Purpose

In recent years, a growing number of school districts have reported that the cost of delivering core K-12 programs is rising faster than provincial funding. As a result, many districts report they are unable to sustain existing programs and must plan for program reductions to balance future budgets. BC school district budgeting and funding is complex, making it challenging to fully understand and communicate the drivers of financial pressure school districts must plan for.

This information report is intended to support BCASBO members who are responsible for budget consultation and planning, by assisting members in understanding and communicating the key drivers of financial pressure. This report is also intended to inform and support the important work of members of the BC School Trustees' Association (BCSTA), the BC School Superintendents' Association (BCSSA), the BC Confederation of Parent Advisory Councils (BCCPAC), and all others who have an interest in the financial sustainability of K-12 education programs in BC.

The scope of this report includes:

- School District Budgeting and Financial Accountability
- Overview of the BC K-12 Operating Funding Model
- Trends in Provincial Funding
- Budget Scenario Analysis
- The impact of the funding model in different scenarios
- The Impact of Unfunded Inflationary Pressures
- Key Observations and Implications

The observations in this report are based on review and analysis of the operating funding model, as well as information collected from senior financial staff in school districts.

School District Budgeting & Financial Accountability

School district budgets are comprised of three separate funds: Operating Fund, Special Purpose Fund and Capital Fund. Each of these funds differ with respect to the programs funded, the methods of accounting used, and the legislative and other constraints on expenditures.

OPERATING FUND – Core annual program revenues and expenditures are reported in the operating fund. This includes revenues from provincial grants, local education agreements, tuition, and other sources. Operating fund expenditures include salaries, benefits, supplies, services, and other costs required to deliver K-12 educational programs. BC school districts reported $7.762 billion in operating fund revenues for the year ended June 30, 2025 with Provincial grants and per pupil funding received directly from First Nations accounting for 94.1% of total revenues. Salaries and benefits accounted for 89.7% of total expenditures for the year ended June 30, 2025. School districts are not permitted to budget for or incur an accumulated deficit position in the operating fund.[1]

SPECIAL PURPOSE FUND – The Special Purpose Fund includes annual program funding and other revenues that are restricted for a specific purpose. BC school districts reported $1.3 billion in special purpose fund revenues for the year ended June 30, 2025 with Provincial grants accounting for 83.4% of total special purpose fund revenues. If expenditures for a program within the special purpose fund exceeds available revenues, the resulting deficit is transferred to the operating fund reducing accumulated operating surplus.

CAPITAL FUND – The Capital Fund reports the acquisition, construction, and upgrade of capital assets such as land, buildings, vehicles and other major equipment. It includes funding from the Ministry of Education and Child Care and capital contributions from other sources including proceeds from the sale of capital assets. Expenditures from this fund are restricted for capital purposes. The capital budget is primarily determined through the Board of Education's approval of the annual capital plan and other funding applications, followed by subsequent approval from the Ministry.

This report focuses primarily on the Operating Fund because this is where the accountability for balancing the budget resides. School districts are unique in the BC public sector by adopting both a preliminary budget prior to the beginning of the fiscal year (July 1st to June 30th) and an amended budget partway through the school year. The preliminary budget is developed based on projected enrolment, while the amended budget reflects changes to funding and program costs resulting from the confirmation of actual fall enrolment.

[1]Annual surplus is the extent to which annual revenues exceed expenses. If annual expenses exceed revenues the result is referred to as an annual deficit. An accumulated surplus position is the extent to which revenues from all previous years have exceeded expenses from all previous years. An accumulated deficit position occurs when expenses from all previous years exceed revenues from all previous years. When an accumulated deficit occurs, it means future revenues are needed to pay for past expenditures.

Overview of the K-12 Operating Funding Model

Prior to 2002 the allocation of funding for K-12 public education in BC was primarily cost-based. A new funding model was developed in 2002 in response to concerns with the historical cost-based approach, which included inequities between school districts, the significant administrative effort required to maintain a cost-based model, and a lack of incentives to be efficient.[2]

In 2002 a new funding model was introduced, which allocated funding primarily based on full-time equivalent (FTE) student enrolment. While some modification to the funding formula have been made over the past few decades to address specific funding pressures or program priorities, the fundamental approach to allocating funding in 2002 remains the same today.

In addition to the operating funding model, there are several provincial funding programs where funding is targeted for specific priorities. These targeted grants and related expenditures are typically reported in the Special Purpose Fund and will be discussed further in the next section "Trends in Provincial Funding".

The operating grant allocation formula has the following four key components:

BASIC ALLOCATION – This is the common per student funding allocation for each school aged student Full Time Equivalent ("FTE"). For the 2025/26 school year, the funding rate is $9,015 per student FTE (or $7,280 per student FTE for online learning). Most operating funding is received through this basic allocation, which is estimated to comprise 74.5% of total operating funding in 2025/26.

UNIQUE STUDENT NEED ALLOCATIONS – These are additional funding allocations for students with identified unique needs. The vast majority of this funding (about 98%) is based on per student funding allocations for students with identified unique needs. Unique student need allocations are estimated to comprise about 18.4% of total operating funding in 2025/26.

UNIQUE DISTRICT ALLOCATIONS – These are additional funding allocations to address unique school district factors including geographic factors, low enrolment, and teacher salary differential (i.e. district differential from the provincial average). Unique district allocations are estimated to comprise 6.9% of total operating funding in 2025/26.

FUNDING PROTECTION/ENROLMENT DECLINE ALLOCATION – This funding is allocated to buffer the effects of declining enrolment. Funding for enrolment decline is received where enrolment decline exceeds 1% compared to the previous year. Funding protection ensures that no district experiences a decline in operating grants that is greater than 1.5% compared with the previous year. Allocations for funding protection/enrolment decline are estimated to comprise 0.2% of total operating funding in 2025/26.

More information on the funding rates within each of the above four key components can be found in Appendix 1.

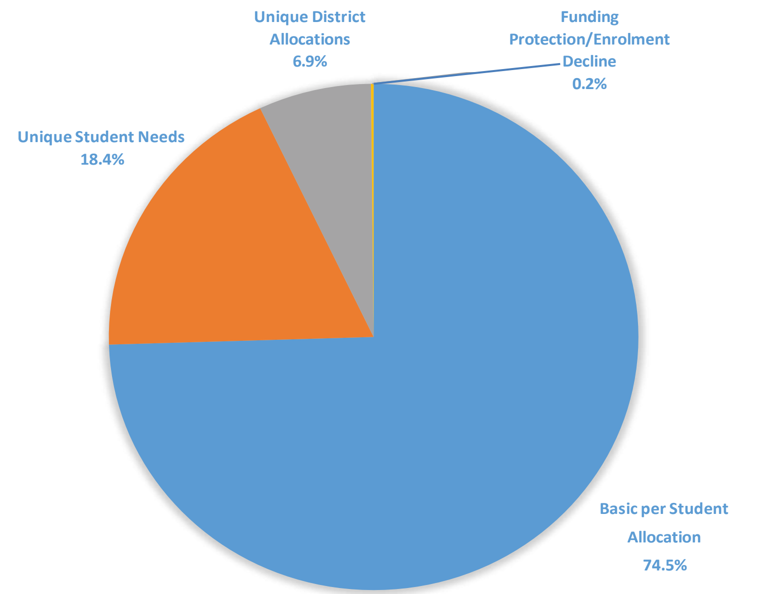


Exhibit 1: Operating Funding Components Estimated for 2025/26

[2]Source: Improving Equity and Accountability | Report of the Funding Model Review Panel (2018)

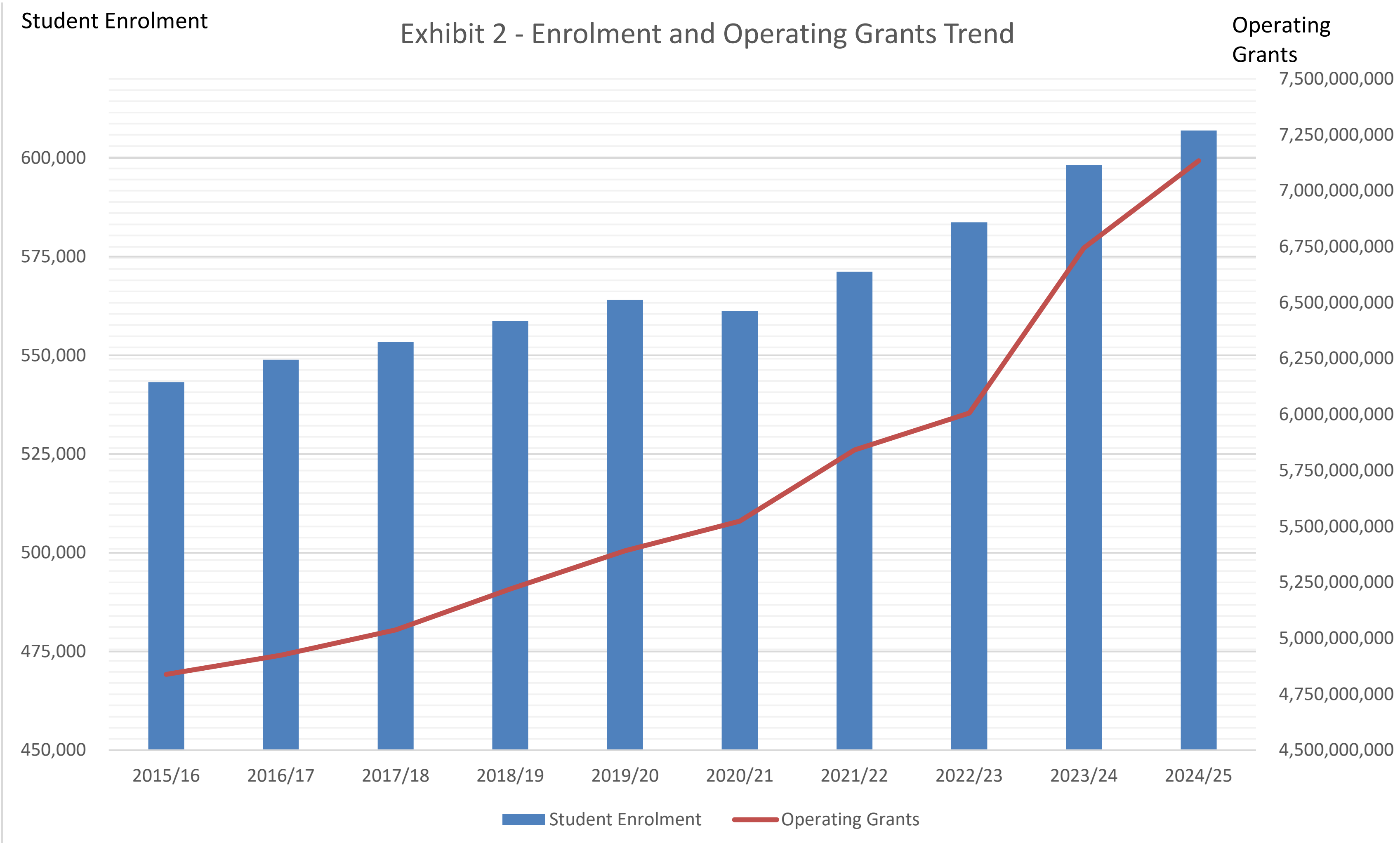
The basic allocation and the allocations for unique student needs are both driven by student enrolment, and together account for 92.9% of total estimated operating funding in 2025/26 (as shown Exhibit 1). This high proportion of funding determined by per pupil allocations means that the BC funding model is highly leveraged to student enrolment. The supplemental funding for Funding Protection/Enrolment decline is intended to buffer the impacts of significant enrolment decline providing districts more time to adjust expenditures to align with lower enrolment-based funding.

Historically, per pupil funding rates have been adjusted annually to reflect the cost of provincially negotiated collective agreements (wage and benefit enhancements). While it has not always been the case, in recent years funding rate adjustments have also reflected inflationary salary adjustments for non-unionized staff including Principals, Vice Principals and district management staff. However, funding rates are not adjusted annually to reflect all of the other inflationary costs that impact school districts, such as those relating to equipment, services, supplies, utilities/ fuel and employee benefit plans. This means annual funding rate adjustments do not fully fund all of the inflationary pressures school districts must plan for.

While funding rate adjustments do not fully reflect inflation, sufficient enrolment growth can provide school districts with the financial flexibility to more fully fund inflationary pressures. This is because the BC funding model is highly leveraged to enrolment and as enrolment grows, funding in some circumstances grows faster than direct program costs. This means a school district with sufficient enrolment growth may be able to reallocate funding from growth (in excess of program cost growth) to cover inflationary costs and potentially new program priorities. However, this is often not the case when a growing school district faces significant inflationary costs and/or needs to allocate operating funds to purchase portable classrooms (due to insufficient capacity to accommodate enrolment growth). In recent years, more districts are reporting that enrolment growth is resulting in financial pressure due to significant growth in the cost of portable classrooms. The Budget Scenario Analysis section further explores the impact of different enrolment change scenarios on the fiscal balance of school districts.

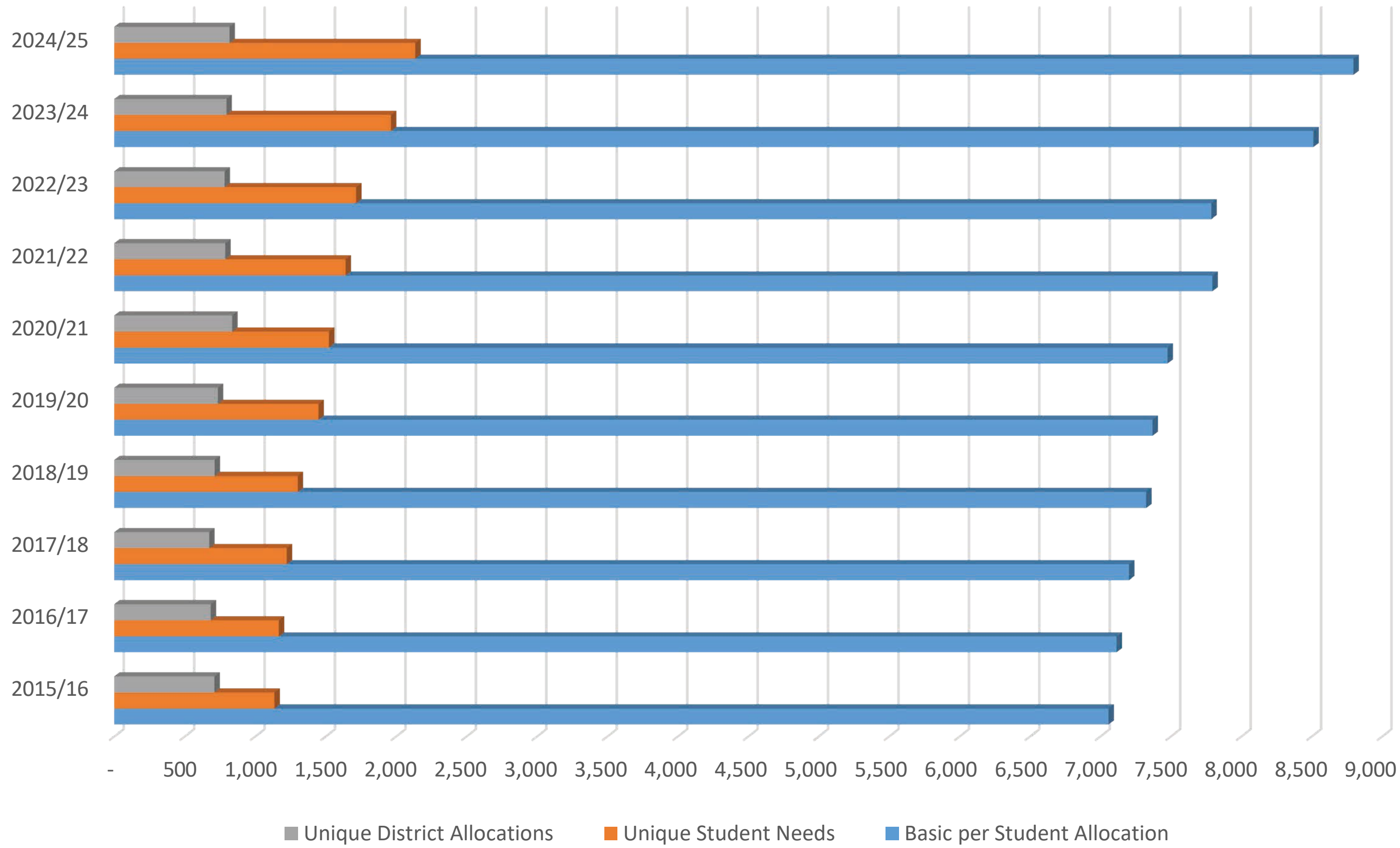
In 2018, the Province appointed an Independent Review Panel to undertake a comprehensive review of how public education is funded in BC. The report from the Panel titled “Improving Equity and Accountability” was released in December 2018 and included 22 recommendations organized under three key themes: equity, accountability, and financial management. Many of the recommendations in the report have since been implemented; however, most of the recommendations that relate to the funding model remain unimplemented. Many of these unimplemented recommendations and the related observations by the Panel align with the funding challenges identified in this information report.

Trends in Provincial Funding



As shown in Exhibit 2, provincial operating grants (orange line) have increased from $4.84 billion in 2015/16 to $7.13 billion in 2024/25, representing an average annual growth rate of approximately 4.45% over this period. Student enrolment (blue bars) has grown from 543,166 in 2015/16 to 606,930 in 2024/25, which represents an average annual growth rate of 1.24% over this same period.

Exhibit 3 - Operating Funding per Student FTE



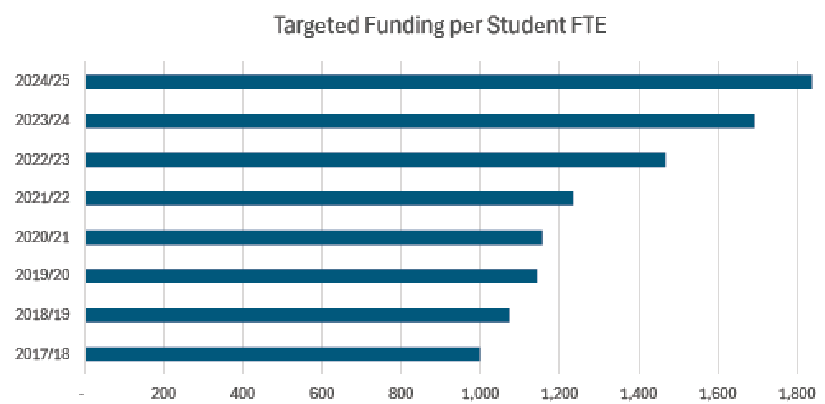
In Exhibit 3, operating grants are shown as a ratio to student enrolment and are reported separately for each of the three operating grant categories: unique district allocations, unique student needs, and basic per student allocation. From 2015/16 to 2024/25, the basic per student allocation (per student FTE) grew by 2.51% annually on average. Because the basic per student allocation varies directly with student enrolment, the growth in this amount is reflective of annual funding rate adjustments over this period. Over the same period, unique district allocations (per student FTE) grew on average by 1.71% annually.

From 2015/16 to 2024/25, provincial unique student allocations (per student) grew by 7.31% annually on average. This higher rate of growth is attributed to an increase in the proportion of students designated with a funded unique need. In 2015/16 funding for unique student needs represented 12.8% of total operating grants; and by 2024/25, this had increased to 18.2%. As funding for unique student needs has increased with growth in designations, so have the expectations and the need for districts to provide enhanced program support for these students.

Exhibit 4 - Targeted Funding Programs

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Classroom Enhancement Fund	380,463,838	428,675,373	463,567,594	461,109,670	522,916,310	593,242,537	695,446,340	794,603,679
Feeding Futures	-	-	-	-	-	-	71,500,000	71,500,000
Student and Family Affordability Fund	-	-	-	-	-	60,000,000	18,893,000	-
Community Link	52,388,216	52,767,537	53,166,721	54,276,659	55,160,728	56,552,025	59,156,964	60,392,862
Provincial Resource Programs	31,019,058	30,222,506	32,293,091	29,091,237	32,592,677	32,513,378	38,070,411	42,146,767
Annual Facilities Grant	21,495,587	21,495,587	21,995,588	21,745,587	21,000,000	21,500,000	21,500,000	21,500,000
Learning Improvement Fund	19,999,998	20,000,004	19,999,999	20,000,000	19,999,999	20,747,996	24,999,999	25,000,000
Student Transportation Fund	15,403,131	15,403,131	15,403,131	15,403,131	15,403,131	15,403,131	15,403,131	15,403,131
Official Languages in Education French Programs	12,291,640	12,382,979	13,161,958	14,374,522	13,752,956	19,535,176	24,838,132	17,519,542
Strong Start Programs	10,359,200	10,624,800	10,519,988	10,491,560	10,452,000	10,516,000	10,516,000	10,324,000
Early Care and Learning	-	-	-	-	-	9,960,000	10,325,000	10,325,000
Professional Learning Grant	-	-	-	-	-	-	-	13,863,016
Other Targeted Funding Programs	8,612,554	7,972,068	14,645,651	22,925,446	13,549,966	16,185,808	21,454,733	33,204,426
Total	**552,033,222**	**599,543,985**	**644,753,721**	**649,417,812**	**704,827,767**	**856,156,051**	**1,012,103,710**	**1,115,782,423**
Targeted Funding per Student FTE	**998**	**1,073**	**1,143**	**1,157**	**1,234**	**1,467**	**1,692**	**1,838**

In addition to operating funding, school districts receive provincial funding through a number of targeted funding programs. Most of these programs are reported by school districts in the Special Purpose Fund. Exhibit 4 presents the trend in targeted funding for significant funding programs, as well as total targeted funding per student FTE. Note the figures in Exhibit 4 exclude event specific targeted funding provided in response to the COVID-19 pandemic. Descriptions of the significant targeted funding programs shown in Exhibit 4 are included in Appendix 2.



From 2017/18 to 2024/25, the average annual increase in targeted funding per student FTE increased at an annual rate of approximately 9.3%. Targeted funding per student FTE has increased significantly in recent years with an average annual increase per student of 14.3% between 2021/22 to 2024/25.

Over the past 7 years and particularly in recent years, targeted funding per student FTE has grown faster than operating funding. This growth in targeted funding has enabled districts to enhance programs and implement new initiatives where the funding has been targeted. However, growth in targeted funding typically cannot be used to address financial pressures in core programs funded by the operating fund.

Budget Scenario Analysis

In this section four different scenarios are analyzed to explore the impact of enrolment change and inflationary costs on budgetary balance in the Operating Fund. The intention of this section is to demonstrate how the funding model responds to several scenarios which are common in the sector. While the inflation assumptions reflect what school districts have experienced in recent years, the four scenarios do not capture all the many different budgetary realities faced by school districts.

The base scenario is a school district that has a balanced budget in 2024/25 with $100 million in both revenues and expenditures. Each of the four scenarios presented in Exhibit 5 calculates the change in budgetary balance for the next fiscal year (2025/26) based on the assumptions outlined below.

SCENARIO 1

- Enrolment remains unchanged.
- Salaries for all employee groups increase by 3% and employee benefit costs increase by 2% for benefit costs that vary directly with salary.
- Provincial Operating Grant rates increase such that the cost of the 3% salary increase and related benefit costs that vary directly with salaries are fully funded. An exception is that salary increases in the international program salary and benefits budget ($1,560,000 in 2024/25) are not funded.
- Other revenues, including international program tuition, increase by 3%.
- Employee benefit costs increase by a further 3% due to escalation in premiums for medical and dental plans, CPP, and WorkSafe BC.
- As a result of increase in the average placement of teachers on the salary scale, teacher salaries increase by an additional 0.75% and teacher benefit costs increase by an additional 0.5%.
- Service and Supplies Expense increases by 2% due to inflation
- Service and Supplies Expense increases by a further 2% due to additional escalation in the cost of technology for learning/operational requirements and to mitigate risks related to cybersecurity.

SCENARIO 2

The same assumptions as Scenario 1 apply, except for the following:
- Student enrolment grows by 250 FTE (approximately a 3% increase) resulting in an additional $2,253,750 in funding (250 times $9,015/student). The associated program cost increases are an additional 11.0 FTE teacher assignment ($1,375,000 in salaries and benefits) and $100,000 for other program costs. The district has existing space that can accommodate this growth and is able to allocate $778,750 of this funding growth to offset inflationary pressures.
- The number of students with inclusive education designations increases by 20 for Level 2 and 25 for Level 3, increasing funding by $794,300 (20 times $24,340/student plus 25 times $12,300/student). To balance the budget, $352,320 of this funding is allocated to offset inflationary pressures. The remaining funding of $441,980 (56% of funding growth) is allocated to increase inclusive education support (Education Assistant positions).

SCENARIO 3

The same assumptions as Scenario 2 apply, except for the following:

- The district does not have sufficient existing space to accommodate enrolment growth and invests $1.2 million from the operating budget to purchase three portable classrooms.

SCENARIO 4

The same assumptions as Scenario 1 apply, except for the following:
- Student enrolment declines by 250 FTE (approximately a 3% decrease) resulting in a funding reduction of $1,126,875 (supplemental funding for Funding Protection and Enrolment Decline limits the decrease in funding to be equivalent to a 1.5% decline in enrolment).
- The associated program cost decreases are an 11.0 FTE Teacher staffing reduction ($1,375,000 salaries and benefits) and a $100,000 reduction in service and supplies.

Exhibit 5: Budget Scenario Analysis Results

	24/25 Budget Base Scenario	25/26 Budget Scenario 1	25/26 Budget Scenario 2	25/26 Budget Scenario 3	25/26 Budget Scenario 4
Student FTE Change		**0**	**+250**	**+250**	**-250**
Provincial Grants	92,000,000	94,464,500	97,512,550	97,512,550	93,337,625
Other Revenues	8,000,000	8,240,000	8,240,000	8,240,000	8,240,000
Total Revenues	**100,000,000**	**102,704,500**	**105,752,550**	**105,752,550**	**101,577,625**
				-	-
Teacher Salaries	41,800,000	43,367,500	44,467,500	44,467,500	42,267,500
PVP Salaries	5,600,000	5,768,000	5,768,000	5,768,000	5,768,000
EA Salaries	8,600,000	8,858,000	9,211,584	9,211,584	8,858,000
Support Staff Salaries	8,800,000	9,064,000	9,064,000	9,064,000	9,064,000
Other Professional Salaries	3,000,000	3,090,000	3,090,000	3,090,000	3,090,000
Substitute Salaries	3,600,000	3,708,000	3,708,000	3,708,000	3,708,000
Total Salaries	71,400,000	73,855,500	75,309,084	75,309,084	72,755,500
Employee Benefits	18,300,000	19,268,070	19,631,466	19,631,466	18,993,070
Total Salaries and Benefits	89,700,000	93,123,570	94,940,550	94,940,550	91,748,570
Services, Supplies, Capital	10,300,000	10,712,000	10,812,000	12,012,000	10,612,000
Total Expenditures	**100,000,000**	**103,835,570**	**105,752,550**	**106,952,550**	**102,360,570**
Surplus\(Deficit)	**-**	**(1,131,070)**	**-**	**(1,200,000)**	**(782,945)**

As shown in Exhibit 5, a school district that is not experiencing enrolment growth (Scenario 1) will face increasing financial pressure in the following fiscal year. This is because annual funding rate adjustments do not fully cover all of the inflationary costs impacting the school district.

In Scenario 2 a school district experiencing enrolment growth, with existing physical space to accommodate this growth, is able to balance its budget. In order to balance, a portion of the funding from enrolment and unique needs designation growth is allocated to offset inflationary pressures. In this scenario, the district allocates only 56% of the funding received for additional students with inclusive education needs to increase inclusive education support for students.

As shown in Scenario 3, if a growing district needs to invest operating funds to expand physical space, it can face significant financial pressure.

A district with declining enrolment (Scenario 4) will experience financial pressure; however, supplemental funding for Funding Protection and Enrolment Decline helps to mitigate the negative financial impact compared to a district with stable enrolment (Scenario 1).

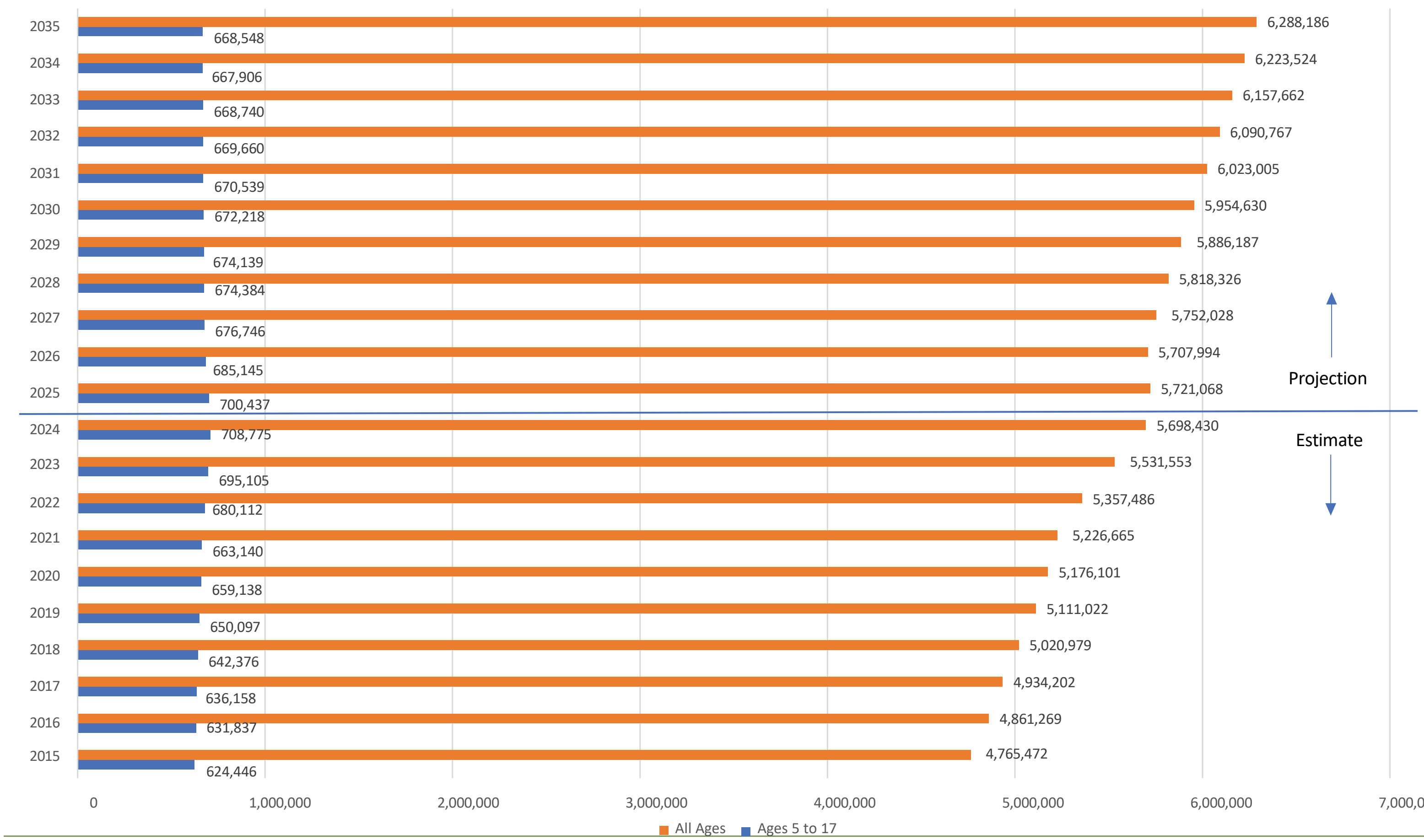
While these four scenarios do not capture all the budgetary realities faced by school districts, they demonstrate how funding changes often do not align with the actual drivers of cost pressure. As a result, the balance between revenues and expenditures can change significantly from one year to the next depending on a district's circumstances. The key factor driving this disconnect is that funding rates are not adjusted annually to fully reflect all inflationary pressures.

While enrolment growth does not guarantee funding will be sufficient to fund growth in program costs, historically it has been the only mechanism enabling districts to address non-wage inflation. With provincial enrolment growth slowing in recent years and significant inflationary pressures, more districts are reporting growing financial challenges that necessitate planned budget reductions.

As shown in Exhibit 6, between 2015 to 2024 the school aged population (ages 5 to 17) in BC grew from 624,446 to 708,775. Looking ahead, while the overall BC population is projected to continue growing over the next decade, the school-aged population is projected to slowly decline. Because of how the funding model works, this anticipated decline in provincial enrolment will further widen the gap between funding and the actual cost of delivering service.

A growing issue significantly impacting programs and operations in some districts, particularly those in rural and remote locations, is the inability to recruit the staff needed to fill all positions. Beyond the program and operational impacts, this inability to fill all positions results in expenditure savings relative to budget. These savings generate accumulated surplus that is often used to fund future inflationary pressures out of necessity. While this can allow districts to avoid some or all budget reductions in the short term, it masks a growing structural deficit where the gap between budgeted expenditures and available revenues continues to widen.

Exhibit 6: British Columbia Population Estimates and Projections (BC Stats)



Implications of Unfunded Inflationary Cost Pressures

To better understand the impact of unfunded cost pressures on the 60 school districts in BC, Secretary Treasurers were surveyed in June 2025 (45% response rate) and again in November 2025 (82% response rate).

The November 2025 survey included three closed-ended questions related to the necessity of budget reductions. These questions and the survey results are summarized in the table below.

Survey Question (November 2025)	Survey Results (49 Responses)
1. Did your district have to make budget reductions for the 2025/26 school year as a result of unfunded inflationary pressures? (Yes/No)	78% of respondents answered "Yes" (38 out of 49) and 22% of respondents answered "No" (11 out of 49).
2. Do you expect that budget reductions will be required in future years as a result of unfunded inflationary pressures? (Yes/No/Unsure)	90% of respondents answered "Yes" (44 out of 49) and 10% of respondents answered "Unsure" (5 out of 49).
3. Have savings resulting from an inability to fill all staff positions enabled your district to avoid budget reductions that otherwise would have been necessary for 2025-26 due to unfunded inflationary pressures? (Yes/No)	39% of respondents answered "Yes"(19 out of 49) and 61% of respondents answered "No" (30 out of 49).

The survey results show that in 2025/26 budget reductions were necessary in most (78%) school districts because of unfunded inflationary pressures. And that a greater majority (90%) of school districts expect that budget reductions will be required in future years because of unfunded inflationary pressures.

The third question in the above table was included in the survey to better understand the impact of staff recruitment challenges on budgets in the sector. Many districts (39% of respondents) reported that an inability to fill all staff positions enabled their district to avoid budget reductions that otherwise would have been necessary in 2025/26. This result reflects that the issue does not affect all districts equally with the greatest impacts generally being on districts in rural and remote locations. In the detailed survey results, it was noted that of the 11 districts that did not make budget reductions in 2025/26 (i.e. answered "No" to question 1), 6 districts reported that an inability to fill all staff positions enabled their district to avoid program budget reductions that would have otherwise been necessary (i.e. answered yes to question 3). This means 6 districts reported being able avoid budget reductions in 2025/26 due to savings resulting from their inability to fill all staff positions.

Districts that answered yes to question 3 above (confirming that the inability to fill all staff positions enabled their district to avoid budget reductions in 2025/26), were asked to comment on how unfunded inflationary pressures have impacted their structural budget balance. Most districts reported that while savings from an inability to fill all staff positions allowed their district to avoid some or all budget reductions in 2025/26, they expected that future budget reductions will be necessary. This is attributed to the cumulative impact of absorbing unfunded inflationary costs year after year, which results in a growing structural deficit (i.e. a growing gap between budgeted expenditures and revenues) that inevitably surpasses the generation of annual budget savings.

In both the June 2025 and November 2025 surveys, districts commented on unfunded inflationary pressures, the necessity of budget reductions, and the impacts of budget reductions. The next section reports on the review and analysis of these comments.

Unfunded Inflationary Pressures

In the surveys, school districts identified the following sources of budget pressure:

- Escalation in employee benefit plan premiums
    - Most districts reported particularly significant increases in medical and dental plan premiums in recent years, as well as rising costs for other benefit plans, including CPP and WorkSafeBC. Many also expressed concern that funding has not been provided to fund the actual and growing cost of benefit enhancements that were bargained provincially (as provincially bargained benefit enhancements are normally funded).
- Escalation in employee leave costs following the COVID-19 pandemic.
    - Most districts report that escalation in employee leaves has created significant budgetary pressure in recent years.
    - A component of this increase relates to additional leave entitlements for temporary employees resulting from amendments to the Employment Standards Act (the cost associated with this legislative change was not funded).
- Escalation in the cost of Information Technology.
    - This includes significant escalation in the cost of equipment, software licenses and other services, but also the growing cost of preparing students for a rapidly evolving world (by integrating technology into learning) and addressing growing risks related to cybersecurity and data security (including increased expectations regarding the protection of student data).
    - Many districts report they are no longer able to sustain their planned deployment of technology for education programs.
    - Several districts reported being unable to allocate sufficient budget to appropriately manage growing cybersecurity risks.
- Escalation in teacher salaries due to increasing average placement of teachers in the salary scale. This is partly attributed by some districts to more teachers completing master's degrees.
- Unfunded inflation in the cost of all services, supplies and equipment.
- Unfunded facility needs resulting from the rising costs to maintain aging facilities.
- Some districts reported having to allocate operating funding intended for educational programs to purchase portable classrooms to accommodate enrolment growth, as needed expansion was not funded through capital funding programs.
- Districts commented on cost pressures resulting from increasing regulatory expectations including those related to Occupational Health and Safety (OHS) and protection of data.
- A number of districts reported on the negative budgetary impact of stable or declining enrolment.

"We worked hard to cut $1.6m in operating expenditures in 2023/24 and hoped to move forward with balanced budgets into the future. However, the combined pressures of declining enrolment (new for us in 25/26), inflation, salary increments, ballooning benefits and TTOC costs, technology and cyber-security costs have landed us right back in a structural deficit position again."

"The district's multi-year financial plan projects that funding growth will continue to fall short of expenditure growth (due to unfunded inflationary pressures) in each of the next three years. This continually growing structural deficit will necessitate significant program reductions in the years ahead."

"Cybersecurity is one of our greatest business risks however, fiscal constraints are a key limitation to our ability to put appropriate safeguards in place."

Budget Reductions & their Impact

The budget reductions that districts reported implementing in 2025/26 include:

- Reductions to administration, teacher positions, education assistants and other student supports in schools. Many districts specifically reported reductions to specialist teacher positions such as teacher librarians, counsellors, and inclusion support teachers.
- Reduced custodial services in schools.
- Reduced services and supply allocations to schools.
- Reduced funding of classroom technology.
- Reductions to transportation services.
- Reduced professional development and collaboration time.
- Reduced school supervision time.

Several districts reported not increasing student supports in line with growth in unique needs funding, in order to redirect funding from designation growth to cover inflationary costs.

Several districts noted that they had not been able to adjust service and supply budgets to reflect inflation for many years, and this was having an increasingly negative impact on school and district programs.

Several responses highlighted the limited flexibility school districts have to find budget savings that do not negatively impact education programs or increase operational risks. One factor is that, after years of financial pressure, lower-impact options for budget savings have largely been exhausted. Another limiting factor is that legislative and collective agreement obligations account for the majority of operating fund expenditures, including class size and composition language in the teacher's collective agreement, which sets minimum staffing ratios for teachers.

As a result of this limited discretion, often the areas where reductions are technically possible are the areas where investments have been made by Boards (beyond what is required by legislative or collective agreement) to support priorities addressing specifically identified gaps in student achievement. Several respondents expressed frustration that, while targeted funding for government priorities has increased, Boards are not able to maintain local program priorities established to meet the specific learning needs of their students.

"We are having to reduce staffing across all departments. Predominantly reductions in enrolling and non-enrolling teaching positions, custodial, operations, educational assistants, clerical/ library assistants and administration."

"We set a plan and have put it into action, and have reduced our expenditures next year by $1.5M. The reductions are from all areas of the organization - teachers, EA's, maintenance, administration, custodial and transportation."

"We had to eliminate our only two teacher coordinator positions (instructional support), an inclusive tech mentor, eliminate class review release time and IEP release time, reduce custodial time, and more. We are looking at implementing bussing fees to help recover the costs associated with providing that service."

"Teaching staff has been reduced as have some programs offered to students. School supply allocations were not increased this year. Technology ever greening budget has been reduced to about 50% of what is required to maintain the current technology."

"With 89% of our budget basically out of our control because it goes to salaries & benefits, and years of whittling away at services & supplies to find savings wherever possible, we will have no choice but to make cuts that impact the classroom and defer necessary maintenance and investments down the road."

"It's very frustrating to see the continuing increase in special purpose funds that push government agendas without regard for actual district needs"

"Within function 1 (instruction), the teachers' collective agreement (class size and composition) limits the discretion of the Board to only certain areas. If not for class size requirements, increasing class size would be the least impactful option. However, the options that are available are those discretionary areas where historically investments had been made strategically to enhance student learning. This means the Board will have no choice but to reduce in areas that directly support inclusive education and the improvement of student achievement."

Summary of Key Observations & Implications

Operating funding changes from one year to the next often does not align with the change in the cost of delivering programs. The most significant factor contributing to the disconnect between funding and program cost is that funding rates are not adjusted annually to fund all of the inflationary costs impacting school districts. Continuing to absorb unfunded inflationary costs is becoming increasingly difficult because historical budget reductions have significantly reduced flexibility in school district budgets. Most budgeted expenditures are allocated to meet legislative and contractual requirements and where budgetary discretion exists it is often budget allocated to support local student learning needs.

Enrolment growth has been the only mechanism historically enabling school districts to more fully fund inflation. However, with stable or declining enrolment forecasted provincially and the increased cost of managing growth for those districts growing, it is likely that more school districts will face significant budgetary challenges in the years ahead. School districts simply cannot presume that current programs will remain sustainable into the future.

School District Business Officials must be proactive in planning for and communicating the implications of growing fiscal imbalance and potential volatility in future budgets. A multi-year financial plan can be an important tool for communicating and building understanding regarding financial risks and the projected future trajectory of fiscal balance.

It is important that school districts maintain an appropriate accumulated surplus balance that is designated as contingency reserve. Sufficient contingency reserve reduces short-term financial risks by allowing a district to absorb the impacts of enrolment volatility or other changes that impact fiscal balance. And because school districts cannot presume existing programs can be sustained into the future, having sufficient contingency reserve allows a district to implement budget reductions in a future year following thoughtful analysis and consultation (instead of making immediate and reactive adjustments to program budgets).

The following factors put Boards of Education in a challenging position when planning for and communicating the need for budget reductions:

- When enrolment is stable, communities expect funding to at least keep pace with the cost of delivering core services; however, this is not the case.
- Legislation and collective agreement restrictions means that budget reductions are often limited to areas where discretionary funding has previously been allocated to support strategic priorities that address local gaps in student achievement.
- The community may question why a Board is reducing budgets supporting local strategic priorities while at the same time other programs are being implemented (using targeted funding) that do not appear to address local priorities.
- There are limited or no remaining opportunities to find budget savings that will not result in either negative impacts to student achievement or increase operational risks (such as cybersecurity risk).

Addressing these challenges requires robust planning and consultation with rightsholders, stakeholders and the community. The intention of this report is to support School District Business Officials in effectively communicating the complexities and realities of provincial funding, helping to focus budget planning and consultation on the best solutions given the circumstances.

Appendix 1

Overview of the 2025/26 Operating Grant Allocation Formula

74% 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
18% 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
0.2% 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 2025/26 School Year

Source: Ministry of Education and Child Care (March 2025)

Appendix 2

Targeted Funding Programs presented in Exhibit 4

CLASSROOM ENHANCEMENT FUND (CEF)

A Memorandum of Agreement (MoA) between the Ministry of Education, BC Public School Employers' Association (BCPSEA) and the BC Teachers' Federation (BCTF) was signed in 2017 to restore class size and composition language to local collective agreements. CEF was created to fund the implementation of the MoA at the district level. CEF is a complex, cost-based funding process for the restored language that is unique to each school district which is determined by class size and composition limits as well as specialist teacher ratios.

FEEDING FUTURES SCHOOL FOOD PROGRAMS (FFSFP)

Feeding Futures provides dedicated funding to all BC school districts to create or expand school food programs. Launched in 2023, the BC Government committed $214 million over three years for Feeding Futures, the largest investment in school food programs in the province's history. Funding is used primarily to buy food for students, but may also support equipment, supplies, and staffing costs. Programs are designed to be equitable, accessible, and non-stigmatizing, and districts have flexibility to meet local needs.

STUDENT AND FAMILY AFFORDABILITY FUND (SFAF)

The Student and Family Affordability Fund provides temporary financial assistance to families facing challenges with the costs of school supplies, education-related fees, and food security. The fund is administered by school districts to directly offset costs for parents, guardians, and students, and is intended to be flexible, private, and stigma-free. Funding can be used for supplies, fees, clothing/footwear for school activities, and meal programs.

COMMUNITYLINK

CommunityLINK (Learning Includes Nutrition and Knowledge) is a special grant that supports the academic achievement and social functioning of vulnerable students. Programs and services can include breakfast, lunch and snack programs, academic supports, counselling, youth workers and after-school programs.

CommunityLINK provides funding to all school districts. Decisions about specific programs and services that districts provide are best left to Boards of Education so that the needs of individual students and local communities are met. Boards of Education are required to provide outcome reporting on CommunityLINK to the Ministry on an annual basis.

PROVINCIAL RESOURCE PROGRAMS (PRPS)

The BC Ministry of Education and Child Care funds PRPs, that are operated through the administrative oversight of school districts, independent school authorities and First Nations schools to meet the needs of a diverse student population. PRPs are grouped into Provincial Outreach Programs (POPs) and Provincial Inter-ministerial Programs (PIPs):

- POPs: Provide outreach services to support educators, students and families with disabilities and diverse abilities in public, independent, and First Nations schools, as well as distributed learning and homeschool settings. Staff are subject matter experts who work to ensure the academic, physical, social and emotional needs of students are met.

- PIPs: Provide an education program for school-age children and youth attending inter-ministerial programs (e.g. hospital, mental health, substance use, or custody programs) or full-time programs in provincial centres (e.g. BC School for the Deaf).

ANNUAL FACILITY GRANT

The Annual Facility Grant is intended for annual facility projects required to maintain facility assets through their anticipated economic life and to prevent premature deterioration of these assets. The grant amount is calculated using a formula based on student enrolment and average age of facilities, with an adjustment made for unique geographic factors.

LEARNING IMPROVEMENT FUND (LIF)

Introduced in 2012, the LIF provides ongoing funding to school districts for the hiring of additional Educational Assistants to support students with diverse needs.

The LIF is a fixed amount ($25 million, increased by $5 million in 2023/24), divided among districts based on their proportion of their estimated operating grant for that school year. It is determined in the March before the school year begins, based on estimated operating grants but is not updated when those grants are finalized later in the school year.

STUDENT TRANSPORTATION FUND

The Student Transportation Fund (STF) is a special grant provided to school districts to assist with improving transportation services for students. Implemented in 2016, school districts can use the STF to eliminate bus fees, add new bus routes, make safety improvements, and increase bus service for students to use for field trips and extracurricular activities.

OFFICIAL LANGUAGES IN EDUCATION FRENCH PROGRAMS (OLEP)

OLEP provides additional funding to school districts and independent schools that offer French language programs, including Francophone, French Immersion, Intensive French, and Core French. Funding is intended to cover incremental costs associated with operating French language programs under the federal-provincial Protocol for Agreements for Minority Language Education and Second Language Instruction.

STRONGSTART PROGRAMS

StrongStart BC programs are free, drop-in early learning programs for children aged birth to five and their parents or caregivers. Led by qualified early childhood educators, StrongStart provides play-based activities that support language, physical, cognitive, social, and emotional development, helping prepare children for success in Kindergarten.

EARLY CARE AND LEARNING

Early Care and Learning in BC refers to programs and services that support the development and learning of young children from birth to age eight. This includes StrongStart BC, child care settings, preschools, and other early childhood development programs. The Early Learning Framework guides these programs, emphasizing respectful, inclusive, and holistic approaches to early childhood education.

PROFESSIONAL LEARNING GRANT

The Professional Learning Grant is provided to school districts to build the capacity of classroom teachers and support staff to deliver evidence-based literacy instruction, literacy screening for K-3 students and interventions for K-12 students, and to provide information and resources to parents and caregivers to support their child’s literacy development.

Committee Information Note
Resources Committee Meeting

March 10, 2026

Agenda Item 4.2 Quarter 3/4 Minor Capital Update

PURPOSE: Q3/Q4 Minor Capital Update

BACKGROUND:

- As reminder, the minor capital program is based on the Province of BC fiscal year which runs April 1 – March 31 making this the Q3 and partial Q4 update for the period of October 2025 to February 2026.
- Ministry Minor Capital Annual Programs are outlined below:

Program	Description
School Enhancement Program (SEP)	Intended to help school districts extend the life of their facilities through a wide range of improvement projects
Carbon Neutral Capital Program (CNCP)	Provides specific funding to energy-efficiency projects that lower the school districts carbon emissions.
Bus Acquisition Program (BUS)	Provides specific funding for new buses (growth) and replacement buses (end of life)
Playground Equipment Program (PEP)	Provides specific funding to purchase and install new or replacement playground equipment that is universal in design
Food Infrastructure Program (FIP)	Provides specific funding to support minor upgrades to support the delivery of prepared meals from centralized kitchen facilities to schools
Childcare Conversion/Minor (CC Minor/Equipment)	Provides dedicated funding to support small-scale projects to convert (renovate) an existing K-12 space to create childcare spaces as well as the purchase and installation of fixtures, furniture and equipment required to obtain a license.
Annual Facility Grant (AFG)	Provides funding for facility projects aimed at maintaining and extending the useful life of school buildings and preventing premature deterioration of facility assets.

- In addition to the Ministry annual programs, there are several capital projects that are supported and executed at the district level.

ANALYSIS:

- Attachment 1 provides the Q3/Q4 financial update for minor capital projects to February 28, 2026. It's important to note that the % complete provides the financial % and does not reflect the % of construction.

- All projects are expected to draw the maximum funding needed for completion.
- Projects that require extension past March 31, 2026 include: Middle school EV chargers (CNCP), EMCS LED Lighting (CNCP) and School Kitchens (FIP)
    - Staff will be working to extend the Certificates of Approval (CoA's) on these projects with the Ministry with initial conversations and verbal support from the Ministry on February 24, 2026.

NEXT STEPS:

- Staff will continue to monitor projects to completion and maximise funding from the 2025/26 program.

Prepared by: Mhairi Bennett, Director of Facilities

Attachments:

- Attachment 1: Q3/Q4 Minor Capital Financial Report

Attachment 1

Q3/4 Minor Capital Financial Report

Resources Committee Mar 10, 2026

Project	Ministry Minor Capital Program	Minor Capital Project Funding	AFG 25/26	Expended	% Complete
EMCS Inclusive Washroom	SEP	$ 750,000		$ 650,000	97%
Dunsmuir, Spencer, John Stubbs EV Chargers	CNCP	$ 100,000		$ 15,000	15%
EMCS LED Lighting Upgrade	CNCP	$ 125,000		$ 15,000	12%
Kitchens	FIP	$ 125,000		$ 115,000	92%
Belmont Heat Pump Replacement	SEP	$ 500,000		$ 500,000	100%
John Muir HVAC and Electrification	CNCP	$ 500,000		$ 500,000	100%
	SUBTOTAL	$ 2,100,000			
*Belmont Heat Pump Replacement**	AFG		$ 115,000	$ 115,000	100%
*John Muir HVAC and Electrification**	AFG		$ 12,000	$ 12,000	100%
John Muir Parking Lot Expansion	AFG		$ 675,000	$ 675,000	100%
Millstream Site Upgrades - Phase 1	AFG		$ 300,000	$ 300,000	100%
Transportation Ext. Wifi/ Bus Maint. Software	AFG		$ 6,663	$ 6,663	100%
Saseenos Re-Roofing	AFG		$ 430,000	$ 430,000	100%
Savory Interior Painting	AFG		$ 85,000	$ 85,000	100%
Poirier Exterior Painting	AFG		$ 61,584	$ 61,584	100%
Consulting and Feasibility	AFG		$ 25,000	$ 20,000	80%
Emergent System Replacements - Spencer skylight replacement - Sooke El. portable roof replacement - Belmont boiler parts replacement - Septic pump replacements	AFG		$ 150,000	$ 110,000	73%
Saseenos Roof Drain/Rock Pits	AFG		$ 15,000	$ 15,000	100%
Energy Optimization	AFG		$ 30,000	$ 25,000	83%
Millstream Bottle Filling	AFG		$ 10,000	$ 10,000	100%
Westshore Bottle Filling	AFG		$ 10,000	$ 10,000	100%
SABER	AFG		$ 96,000	$ 35,000	36%

Total Allocated	$ 2,021,247	$ 1,910,247	95%
Variance (Pressure)	$ 5,751		

AFG Project Funding	$ 2,026,998
AFG Operating Funding	$ 301,507
AFG CAMS	$ 28,670
Capital WO System	$ 6,700
Total AFG	$ 2,363,875

Project	Funding	Project Budget	Expended	% Complete
Transportation EV Bus Charging Infrastructure	District/Grant	$ 1,370,000	$ 1,100,000	80%
EMCS Gym Floor Refinishing	District	$ 85,000	$ 85,000	100%
EMCS Bleacher Replacement	District	$ 75,000	$ 75,000	100%