

Preliminary Budget 2025/26

With Three-Year Financial Plan

May 5, 2025



New
Westminster
Schools

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1.0 INTRODUCTION

The following preliminary budget companion guide should be read in conjunction with the 2025/26 Annual Budget of School District No. 40 (New Westminster) (the “District”).

The purpose of the budget companion guide is to provide context and explanations that enhance the reader’s understanding of the District’s annual budget.

The District operates under the authority of the School Act of British Columbia (the “School Act”). In accordance with the School Act, school districts in the province must approve a balanced budget for the upcoming fiscal year and submit it to the Ministry of Education and Child Care (the “Ministry”) by June 30th.

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 and Public Sector Accounting Standards (“PSAS”), the District tracks and reports revenue and expenditures under three separate funds (operating, special purpose, and capital). Budgets for each of the funds are presented in the schedules of the annual budget.

Operating Fund: The operating fund includes operating grants and other revenues used to fund day-to-day operations including instructional programs, school and district administration, facility operations, maintenance, and transportation.

Special Purpose Fund: Special purpose funds consist of targeted funding provided to the District by the Ministry and other sources for a specific purpose. Each special purpose fund must be accounted for in accordance with the terms of the funding.

Capital Fund: The capital fund includes capital expenditures related to equipment and facility purchases and enhancements. Capital expenditures are primarily funded by the Province of British Columbia, with additional funding provided through locally generated District capital funds, third-party contributors and operating and special purpose funds.

The preparation of the budget companion guide is the responsibility of management.



2.0 DISTRICT OVERVIEW

The District recognizes and acknowledges the Qayqayt First Nation, as well as all Coast Salish peoples, on whose traditional and unceded territories we live, we learn, we play and we do our work.

The District services the learning needs of over 7,900 students in the City of New Westminster and employs more than 1,000 teaching and support staff who are dedicated to supporting student success. The District provides K-12 educational services in 8 elementary schools, 3 middle schools and one secondary school and also provides a number of alternate education programs and programs of choice, including French Immersion, Montessori and an International Baccalaureate program.

Strategic Plan

All decisions made by the Board of Education of School District No. 40 (New Westminster) (the “Board”) are guided by our vision, mission and core values as determined through deep consultation with our partner groups and community. The District’s initiatives and resources are all aligned to our strategic plan which is built on our foundation to support our commitment of creating an inspired learning community by championing lifelong learning through enriching educational experiences.

In 2025, the Board approved its 5-year strategic plan which serves as a roadmap grounded in the collective wisdom of our students, staff, parents and community. Across the District, our shared priorities – along with our school-based and department-specific goals and actions – amplify and enhance each other. We are proud to have a consultative model that coordinates budget planning and resource allocation activities with inclusive partner group feedback based on the vision, goals and objectives.

Vision

An inspired learning community.

Mission

Champion lifelong learning through enriching educational experiences.

Values

- **Connection:** We foster meaningful relationships to achieve shared goals and a sense of belonging.
- **Empathy:** We care for and respect one another, and celebrate the unique experiences each of us brings.
- **Resiliency:** We equip people with the skills to navigate challenges, adapt to change, and turn obstacles into opportunities for growth.
- **Curiosity:** We inspire exploration and make space for play in learning.

Collectively, we, as a learning community are committed to following our strategic focus areas of *Student Experience, Systems of Care and Support and Organizational Capacity*.



3.0 BUDGET PROCESS AND CONSULTATION

We strive to ensure that budget input and resource allocations are connected to and aligned with our strategic plan. This model is an integral part of the District's operating culture. All budget decisions made by the District are guided by our vision, mission and core values and specifically guided by the following principles:

- **Alignment to our strategic plan** – priorities implemented must be aligned with the District's strategic directions;
- **Fiscally responsible** – proposed changes reflect prudent spending and balance new priorities with identified efficiencies;
- **Maximize returns** – priorities implemented must balance results and investments to maximize returns on student learning outcomes; and
- **Future oriented** – proposed changes are thoughtful and stand the test of time rather than being reactionary in nature.

In order to achieve these principles, we remain committed to the following as part of our budget process:

- providing timely and accurate budget information;
- receiving budget input and feedback;
- prioritizing budget requests for the upcoming budget year;
- allocating available resources to best meet requests that align with the strategic plan; and
- communicating the outcomes effectively for transparency and accountability.

The consultation process has been a two-way dialogue between the Board and its partner groups to define priorities for the future. It has allowed for valuable input into the District's direction and decision making. The following represents the various means the District employs to connect with our partner groups who include the New Westminster Teachers' Union ("NWTU"), CUPE 409, New Westminster Principals' and Vice Principals' Association, District Parent Advisory Council ("DPAC"), Student Voice and the Indigenous Education Council:

- Two-week budget survey
- Partner group submissions and presentation at the March Board meeting
- Consultation with partner groups through the Coordinating Committee
- Student symposium
- Email address for dedicated budget feedback
- President's council meeting
- DPAC meeting attendance
- School newsletter and social media notification to encourage participation in the budget process



The consultations and feedback we seek are based on the priorities that are identified by our leadership team, which are driven off the strategic plan but informed and prioritized through ongoing work throughout the year with partner groups. These lead to more focused consultations during our engagement process to further gather relevant input on how the suggested priorities resonate with partner groups. The feedback gathered is compiled and, as necessary, the proposed budget and strategies for the upcoming year are accepted or modified accordingly, prior to the Superintendent Recommendations presented to the Board regarding the upcoming year's budget.

The table below provides the budget process for the 2025/26 year and the various opportunities for partner group engagement. There are multiple avenues to interact and share feedback in advance of the Board's approval of the preliminary budget.

January 28, 2025	Approval of the 2025/26 budget process
February 10 – 21, 2025	Budget survey
February 14, 2025	Submission of three-year enrolments to Ministry
February 25, 2025	Approval of the 2024/25 amended budget
March 11, 2025	Presentation of survey results and partner group presentations
March 13, 2025	Ministry funding announcement for 2025/26
April 23, 2025	Coordinating Committee meeting on budget (Trustees, NWTU President, CUPE 409 President, DPAC Chair, principal representatives, Indigenous Education Council Chair)
April 29, 2025	Superintendent budget recommendations for 2025/26 and complete 1 st and 2 nd reading of budget bylaw
May 5, 2025	Complete 3 rd and final reading of budget bylaw

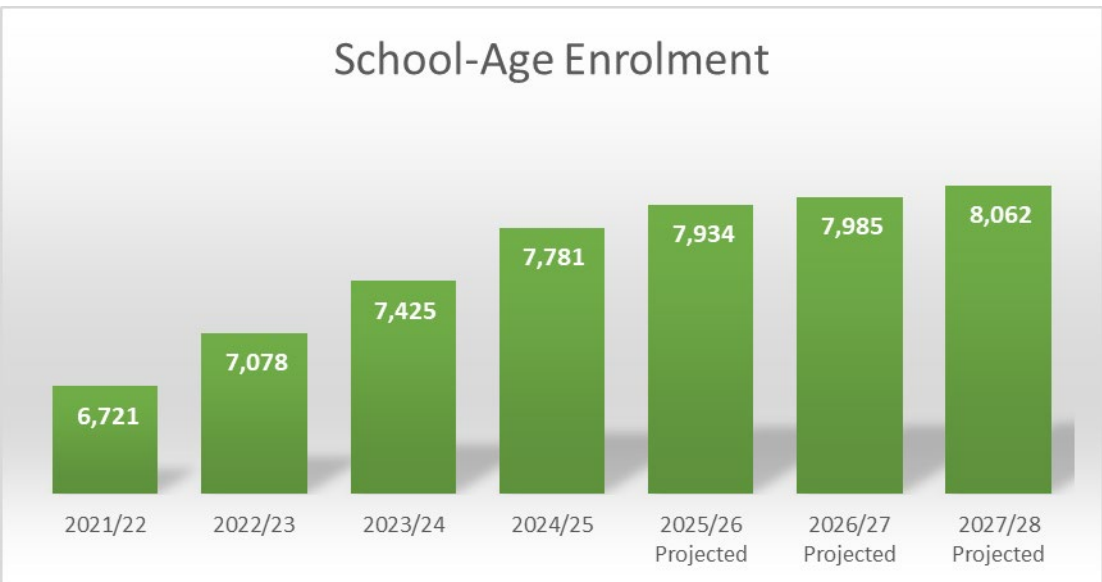
4.0 STUDENT ENROLMENT

The District is funded primarily through an operating grant received from the Ministry. The operating grant is based on student enrolment which is compiled through a data collection process called 1701 in September, February, May and July. The District receives a fixed amount per full-time equivalent (“FTE”) student. The District also receives supplementary grants for students who are identified as having unique needs and for other demographic and geographic factors.

District staffing levels are driven directly by student enrolment. Since salaries and benefits make up approximately 92 percent of the District’s operating expenses, reliable enrolment data is essential for financial planning. Each year the District completes an analysis of historical enrolment and student retention trends and reviews population data and new municipal development approvals to develop an estimate of elementary, middle and secondary student FTE for the ensuing three budget years.

Enrolment has been increasing at a steady rate over the past five years and the trend is expected to continue, although at a slower rate. An increase of 153 FTE (2%) is projected for 2025/26.

The enrolment information presented below is school-age enrolment as of September each year and includes standard K-12 enrolment, continuing education, alternate schools and online learning.



Capacity

Tied to enrolment is the capacity constraints on our facilities to accommodate enrolment growth. Our District is currently experiencing significant capacity pressures brought on by a growing student population and a severe lack of space at our existing schools. Short-term challenges and bridging solutions needed to address the pressures will have an impact on the District's operating budget.

The 2025/26 school year will see the following strategies implemented to address short-term capacity.

- Additional school portables;
- Sharing of spaces, such as before/after school care and early learning programs, such as Strong Start;
- Implementation of a five-block model at New Westminster Secondary School ("NWSS"); and
- Continuation of online course delivery of Career Life Education at NWSS

The District's Long Range Facilities Plan is a strategy aimed at addressing the current school capacity pressures. One of the plan's major goals is to create recommendations to expand school infrastructure so the District can accommodate more students long-term. These recommendations are used in District requests to the Ministry for support.

The District's long-term strategy to address the capacity crisis includes the following capital projects.

- The Ministry announced the approval of an expansion to Queen Elizabeth Elementary in Queensborough, which will provide space for 21 classrooms.
- The District received notice from the Ministry acknowledging the needs for a 600-student capacity elementary school in the Fraser River Zone.
- The Ministry acknowledged the need for a new middle school site acquisition in the west end of New Westminster.

Refer to section 7.0 for more details on current capital projects supported by the Provincial government.

5.0 OPERATING FUND BUDGET

The three-year financial plan for the operating fund budget is included in section 5.7.

For the 2025/26 school year, the operating fund base budget is estimated to be in a deficit of \$2.318 million. This structural deficit is in large part caused by unfunded costs such as inflation, increasing staff benefit premiums, salaries not covered by collective agreements, as well as the District's capacity pressures and the need to use operating funds for portables. These unfunded costs and cost pressures are discussed further in section 5.3. Significant actions have been taken for the 2025/26 school year in order to eliminate the structural deficit and achieve a balanced budget.

The base budget makes the following assumptions/adjustments:

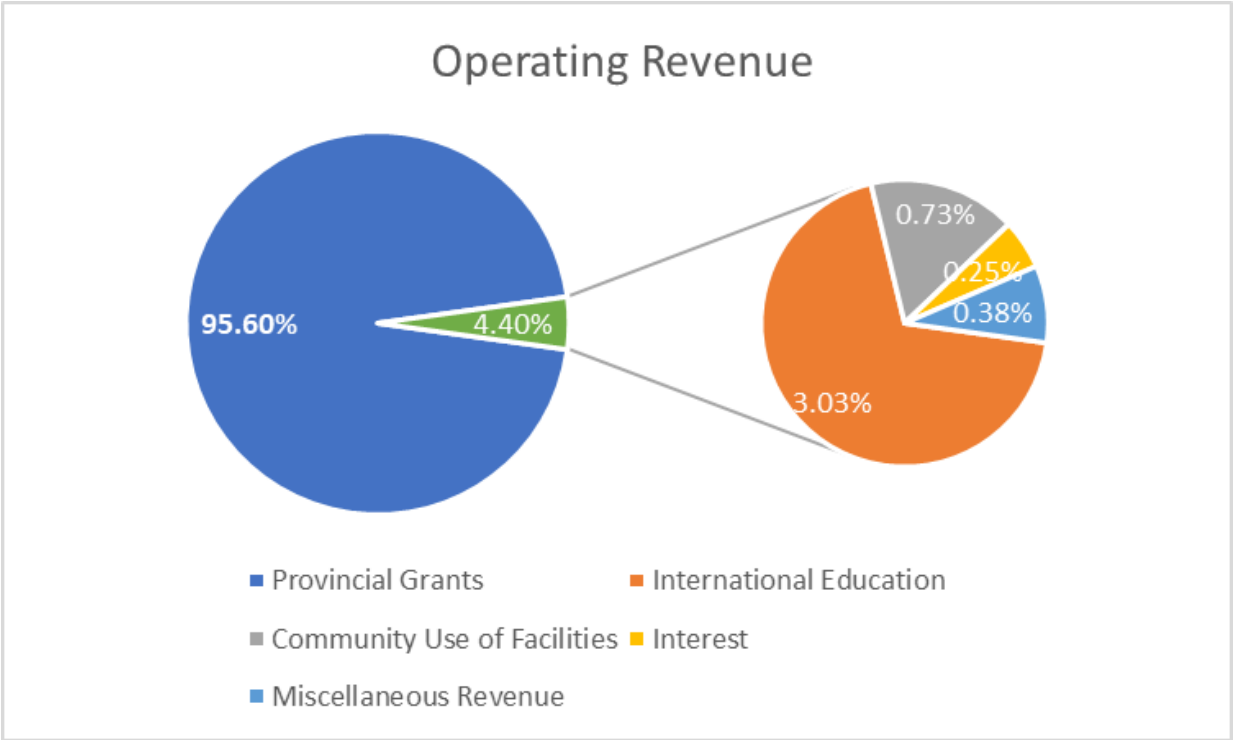
- Grant revenue is adjusted to align with enrolment projections in each year;
- Per-student funding rates and supplemental funding for diverse students needs and unique factors is adjusted for 2025/26 rates and assumed to stay consistent in future years;
- International enrolment changes and resulting impact on revenue;
- Staffing (support and teaching) adjustments needed to satisfy confirmed enrolment based on registration to date;
- Known collective agreement wage increases and related funding for teachers and support staff are incorporated each year. Note that at the time of budget approval, collective agreements for 2025/26 school year are not in place, therefore no wage increases or related funding has been included in the 2025/26 base budget or three-year financial plan;
- Classroom enhancement funding is assumed to be consistent with the previous school year and any adjustments will be made once the 2025/26 funding is approved in January 2026;
- Wage increases for principals, vice principals and exempt staff are included, consistent with prior year increases, and are at this point unfunded by government;
- Expected increases to the District's share of benefit plan premiums are factored in each year;
- Portables funded from operating funds to accommodate enrolment growth are estimated based on the projected student enrolment in each year;
- One-time savings and surplus asks from the previous year are reversed;
- Mid-year priorities approved by the Board in the previous school year have been annualized; and
- Costs associated with the implementation of the five-block model at NWSS have been estimated and included.



5.1 Operating Fund Revenue

The District receives the majority of its revenue from the B.C. provincial government, through the Ministry. Any changes to provincial grants will consequently have a significant impact on the District’s budget.

The District’s budgeted operating revenue for 2025/26 is presented as below.



Provincial Grants

Operating grant revenue is based on the preliminary operating grants announced by the Ministry on March 13, 2025. The District anticipates receiving a lift in operating grant revenue of \$2.72 million for 2025/26. Of this amount, \$1.68 million relates to enrolment growth and \$1.04 million is due to an increase in the per student funding rates as determined by the Ministry. The per student funding rate increase includes amounts for labour settlement funding.

International Education

Planned FTE levels for the 2025/26 school year are expected to return to 180 FTE (increase of 20 FTE) because of the implementation of a five-block model at NWSS, where the majority of international students attend, and the resulting short-term increase in capacity (see section 4.0). The revenue impact of this is approximately \$310,000 for 2025/26. International enrolment levels for 2026/27 and 2027/28 are expected to remain constant, at approximately 180 FTE.

5.2 Operating Fund Expenses

The most significant portion of the District's expenses is salaries and benefits, which comprise 92% of the District's operating budget. The remaining 8% goes to services and supplies, tangible capital asset purchases and local capital transfers.

Salaries and Benefits

	2024/25 Amended Budget	2025/26 Preliminary Budget	Increase (Decrease)
Teachers	42,980,034	43,196,656	216,622
Principals and Vice Principals	4,813,128	4,913,130	100,002
Educational Assistants	10,106,604	9,438,604	(668,000)
Support Staff	6,617,800	6,808,016	190,216
Other Professionals	3,068,570	3,144,429	75,859
Substitutes	3,279,096	3,586,235	307,139
Total Salaries	70,865,232	71,087,070	221,838
Employee Benefits	17,900,855	18,591,642	690,787
Total Salaries and Benefits	88,766,087	89,678,712	912,625

In the 2025/26 school year, salaries and benefits are estimated to increase by \$912,625. Increases relating to enrolment growth, benefit costs, wage increases for non-unionized employees and priorities annualized or supported in the 2025/26 school year (see section 5.4) are offset by identified staffing reductions (see section 5.5).

The increase in salaries and benefits is summarized by function below.

	2024/25 Amended Budget	2025/26 Preliminary Budget	Increase (Decrease)
Instruction	80,307,284	80,794,312	487,028
Administration	3,526,780	3,641,328	114,548
Operations and Maintenance	4,694,366	5,014,677	320,311
Transportation	237,657	228,395	(9,262)
Total Salaries and Benefits	88,766,087	89,678,712	912,625

The change in FTE is summarized by function below.

	2024/25 FTE	2025/26 FTE	Increase (Decrease)
<i>Instruction</i>			
Teachers	491	491	-
Educational Assistants	233	213	(20)
Support Staff	67	67	-
Principals and Vice-Principals	30	30	-
Other Professionals	9	8	(1)
	830	809	(21)
<i>Administration</i>			
Support Staff	12	12	-
Other Professionals	14	13	(1)
	26	25	(1)
<i>Operations and Maintenance</i>			
Support Staff	50	51	1
Other Professionals	4	4	-
	54	55	1
<i>Transportation</i>			
Support Staff	18	18	-
Total FTE	928	907	(21)

Salaries and benefits expense in 2026/27 and 2027/28 are estimated based on the following assumptions:

- Increases to FTE for teachers, EAs and TTOCs for enrolment growth is based off of the three-year enrolment submission to the Ministry on February 14, 2025 and current ratio allocations;
- Wage increases for teachers and support staff will be fully funded by the Province. No increase has been considered for 2026/27 and 2027/28 as new collective agreements have not yet been approved;
- Wage increases for non-unionized staff are assumed to be consistent with prior year increases and it is assumed that they will not be funded by the Province, therefore no corresponding revenue has been included for 2026/27 and 2027/28; and
- Cost increases for employee benefit plan rates will not be provincially funded.

Services and Supplies

In 2025/26, services and supplies budgets have been increased to reflect non-discretionary cost increases for contracted services and supplies and for new priorities supported in the 2025/26 school year (see section 5.4). Where departmental efficiencies have been identified, services and supplies budgets have been reduced (see section 5.5).

Projections for 2026/27 and 2027/28 assume there will be CPI inflation for services and supplies of 2%. No changes to service levels and existing budget allocations are contemplated in these projections.



5.3 Base Budget Unfunded Costs and Cost Pressures

The Ministry does not fund all costs related to our education system. These costs which are downloaded to Districts must be absorbed within operating budgets. The following highlights some unfunded pressures the District faces for the upcoming year, which are reflected in the base budget.

Portables

We continue to see significant enrolment growth across the District. Nearly all schools are at or over their capacity limits. Until a new school is built to create capacity, the District must fund the purchase of portables through its operational dollars. This represents costs of approx. \$320,000 for the 2025/26 school year (2024/25 - \$840,000). The estimated cost for portables to accommodate the District's anticipated requirements for additional capacity in each of 2026/27 and 2027/28 is \$412,000 and has been included in the multi-year financial plan.

Benefits

The past two years have seen significant increases to the cost of extended health and dental benefit premiums for employees. The District funds between 80% and 100% of these benefit premiums for eligible employees, depending on the employee group. Claims utilization, inflation and plan enhancements have all contributed to the rate increases. In addition, enhancements to the Canada Pension Plan have increased benefit costs for employers. Acknowledgement of these increased costs has not been reflected in operating grants. The District's estimated unfunded cost increase for 2025/26 is \$699,100.

Inflation

Early in the 2025 calendar year, Canada's annual inflation rate was around 2.6% (2024/25 - 3%), which continues the trend over the past few years of being above the historic rate seen for inflation over the last decade of about 2%. This increased inflation is reducing the purchasing power of Districts, specifically schools and departments, in carrying out their work when purchasing services and supplies. In the past few years, management has adjusted service and supply budgets by 2-3% to help offset the decrease to purchasing power. These adjustments are not sustainable without additional funding from the Ministry to address this pressure.

Exempt Staff Wages

BC Public School Employers' Association ("BCPSEA") has provided salary grids to school districts across the province that are utilized to establish rates of pay across the education sector. Exempt staff (managers, principals and vice-principals) wage increases were funded by the Province for the past three years. There is no confirmation of funding for the 2025/26 school year and therefore no amounts have been included in revenue.

5.4 Priorities Supported in the 2025/26 School Year

The 2025/26 budget's overarching theme is recalibration to create a fiscally sustainable budget that supports the District's mission. This budget also addresses how to support a growing student body in addition to managing short-term capacity challenges at our schools. Feedback received from multiple methods of budget consultation confirms the priorities of curriculum and education approach, supporting students with diverse needs, safety and well-being and staffing.

The following table details the priorities supported in the 2025/26 preliminary budget.

Priority	One Time (\$)	On-going (\$)	Total (\$)
EdPlan Insight	\$ -	\$30,000	\$30,000
Curriculum Facilitator	-	56,500	56,500
CPI Training	12,000	10,000	22,000
VTRA Training	20,000	20,000	40,000
HR Teacher Evaluation	32,000	-	32,000
Increase to Replacement Costs	-	345,601	345,601
Increase to Maintenance Costs	-	109,440	109,440
Total	\$64,000	\$571,541	\$635,541

Curriculum and Education Approach and Supporting Students with Diverse Needs

To ensure instruction, assessment and reporting practices align with the curriculum and meet the diverse needs of students, the District has invested \$30,000 in EdPlan Insight. This program tracks student progress and outcomes which allows for timely interventions, personalized support and continuous improvement which ultimately enables educators and administrators to make informed, targeted decisions that directly impact student achievement. Emphasizing student data ensures that every decision made is tailored to meet the unique needs of each learner.

A 0.4 FTE curriculum facilitator has been added to address literacy and numeracy initiatives at a cost of \$56,500. Further, a plan to improve literacy outcomes has been put in place where educators will come together to share ideas, examine best practice and discuss research-based methods to inform literacy instruction. As part of this, professional learning opportunities will be provided to teachers.

Crisis Prevention Institute ("CPI") training is a supported priority that will ensure continued improvement in the delivery of educational services, with an investment of \$22,000. This training equips individuals with evidence-based strategies to prevent, de-escalate and safely intervene in crisis situations, focusing on non-violent techniques and person-centered approaches. The training model will target EAs, administrators and other relevant staff.



Safety and Well-being

Violence Threat Risk Assessment (“VTRA”) training is a trauma-informed approach to threat assessment and violence prevention, focusing on identifying early risk indicators and developing data-driven interventions. An investment of \$40,000 for intensive training to the district critical incident response team and school administrators will be made, ultimately creating a safer environment for students, staff and the community.

Other tools that will be leveraged in the 2025/26 school year to address student safety and well-being include ensuring high quality learning environments, fully supporting codes of conduct and pursuing system of care partnerships. Part of ensuring a high quality learning environment is a teacher evaluation program where the District has made a one-time investment of \$32,000.

Staffing

Staffing has presented a challenge not only in the historically difficult specialty positions but now in more broad-based positions, with vacancies taking longer to fill. A 2024/25 mid-year priority approved by the Board, which has been annualized for 2025/26, was a new HR staffing position to focus efforts on recruitment. Options such as broader based recruitment, non-certified educators and District based training for specialized skills will be utilized to address past staffing challenges. These options will also be used to address employee absences which continue to be at historical highs while availability of replacements for teachers and support staff is a constraining factor. The District is planning for increased replacement costs of \$345,601 due to an increase in the ability to fill daily absences.

Operations and Maintenance

Increasing levels of enrolment growth seen in the District over the past few years and rising costs have put pressure on the operations and maintenance budget. In order to protect the current level and quality of service in our District, an additional investment of \$109,440 has been made.



Priorities Maintained in Base Budget

The District is proud to maintain within its base budget, funding for extra and co-curricular programs including arts, music and athletics. There have been no program cuts and non-classroom spaces will be preserved as no conversions are planned for 2025/26. The following investments made in past years will also continue in 2025/26.

Teaching, Learning, Safety and Well-being

Physical safety and emotional well-being for students and staff is always a top priority for the District. The District has done a lot of work to grow our team of counsellors and child youth care workers and will maintain above-ratio counsellor staffing for the 2025/26 school year.

Additionally, the District's past investments in Sexual Orientation and Gender Identity ("SOGI") and sexual health facilitators will continue for 2025/26 as access to sexual health and consent education continues to be a priority for the District.

Contingency EA Staffing

In the 2022/23 school year, a considerable investment of \$150,000 was made into the base budget for contingency EA staffing which proved to be very effective. This was to address students with complex needs that come to our District throughout the school year, many who come without a designation and as a result, no funding. To ensure we create consistency and support for these students in the classroom, we budgeted for additional EAs to deploy as needed throughout the school year. The District continues to support this contingency EA staffing in the 2025/26 base budget.

Priority TTOC Staffing Model

In past years, the District has invested considerable amounts into priority TTOCs to have the ability to deploy staff to ensure more consistent coverage when higher rates of absences are experienced. The strategy will be maintained for the 2025/26 school year with staffing of 10 priority TTOCs to help address the consistently high level of absences observed.

Walking School Bus

The District will continue to partner with the City to provide the walking school bus program for routes that currently exist in the 2024/25 school year.



Indigenous Education

For the 2025/26 school year, the District anticipates enrolment of 270 FTE Indigenous students. The targeted funding provided to the District by the Ministry is \$483,300. The preliminary budget allocates \$690,051 which is over and above the targeted funding by \$206,751. This budget continues to support priorities operationalized in prior years, including an indigenous curriculum coordinator position and the indigenizing of spaces, which is of great importance to our schools and a sentiment echoed by our Indigenous Education Council.

Child Care

In April 2022, responsibility for child care transitioned to the Ministry. The District is committed to providing quality, affordable child care in our schools that is grounded in the BC Early Learning Framework. The 2023/24 preliminary budget supported 24 additional after school care spaces on school grounds. The 2025/26 budget maintains the District's support towards providing this child care option for families. Strong Start and early learning programs will continue to be supported as well.



5.5 Budget Reductions in the 2025/26 School Year

The Board can no longer rely on balancing budgets solely through the use of reserves. The District's accumulated surplus balance at June 30, 2025, is expected to be below that established by Board Policy 19 around contingency reserves (see section 5.6), and therefore the Board must take action and identify areas for ongoing reductions. To that end, the following reductions have been identified for 2025/26.

Staffing Related Reductions

Budget Reduction	FTE	Total (\$)
EA Support Staff	20.0	\$1,100,000
Noon-Hour Supervision	1.0	75,500
Priority EA Staffing	N/A	50,000
Non-enrolling, non-ratio staffing	2.843	374,338
Library Collab Restructure	2.5	287,875
District Staff Restructure	2.0	191,406
Total Staffing Budget Reductions		\$2,079,119

Non-Staffing Related Reductions

Budget Reduction	Total (\$)
Reduction to Tech Spending	\$100,000
Reduction to School Budgets	89,146
Retooling of Mental Health Grant	50,000
Total Non-Staffing Budget Reductions	\$239,146

5.6 Contingency Reserve

The Board is responsible for protecting the District from extraordinary financial items which would negatively disrupt District operations and the continuity of learning for students. To mitigate these risk areas, the Board maintains a contingency reserve from its available accumulated operating surplus.

Per Board Policy 19, the contingency reserve shall be at least 2% of operating expenses. The District's level of contingency reserve for planning purposes is \$2 million. It is anticipated by the end of the 2024/25 school year that the accumulated operating surplus will be \$838,000. As such, the Board will incorporate strategies into its future budget planning processes to re-establish the contingency reserve to the appropriate level.

5.7 Operating Budget - Three-Year Financial Plan

Below is a three-year financial plan for the operating fund revenue and expenses by object. This projection is based on factors known to the District at the time and contains assumptions that the District will maintain current service levels and programs. Assumptions made in building the three-year financial plan are included in the respective areas of section 5.0 and also include the following:

- Projected changes to revenue and staffing due to changes in enrolment;
- International enrolment levels for 2026/27 and 2027/28 remain consistent with the 2025/26 enrolment of approximately 180 FTE;
- Estimated changes to employee salaries and benefits based on information known at the time;
- Estimated changes to services and supplies due to inflation; and
- Adjustments for ongoing and/or one-time revenue or expense items included in the prior year budget.

After factoring efficiencies and priorities into the base budget, the District has achieved a balanced budget for 2025/26. Projections show that this will be followed by a budget deficit of approximately \$772,000 for 2026/27, and a budget deficit of \$1,555,000 for 2027/28.

(in thousands)	2023/24 Actual	2024/25 Amended Budget	2025/26 Preliminary Budget	2026/27 Projection	2027/28 Projection
Provincial Grants - Ministry of Education and Child Care					
Operating Grant, Ministry of Education and Child Care	82,273	89,455	92,176	92,914	93,771
Other Ministry of Education and Child Care Grants	2,532	2,296	988	988	988
Provincial Grants - Other	170	81	81	81	81
Other Revenue					
Continuing Education and Summer School Fees	1	2	2	2	2
International and Out of Province Students	2,927	2,650	2,960	2,960	2,960
Instructional Cafeteria Revenue	294	224	224	224	224
Miscellaneous	123	150	147	72	72
Rentals and Leases	707	715	715	715	715
Investment Income	650	400	240	240	240
TOTAL OPERATING REVENUE	89,677	95,973	97,533	98,196	99,053
Operating Expenses					
Salaries and Benefits	81,438	88,766	91,808	93,162	94,661
Services and Supplies	6,836	7,354	7,013	7,153	7,294
TOTAL OPERATING EXPENSES	88,274	96,120	98,821	100,315	101,955
Capital Purchases and Other	-2,213	-1,325	-1,030	-1,122	-1,122
Surplus (Deficit), for the year	-810	-1,472	-2,318	-3,241	-4,024
Efficiencies					
One-time Efficiencies			100		
Ongoing Efficiencies			2,218	2,469	2,469
	-810	-1,472	-	-772	-1,555
Requests					
Ongoing Priorities					
One-Time Priorities					
Use of Prior Year Appropriated Surplus to balance budget	810	1,472	-	772	1,555
Total Operating Surplus (Deficit), for the year	0	0	0	0	0
Operating Surplus (Deficit), beginning of year	3,119	2,309	837	837	65
Use of Prior Year Appropriated Surplus to balance budget	-810	-1,472	0	-772	-1,555
Operating Surplus (Deficit), end of year	2,309	837	837	65	-1,490

6.0 SPECIAL PURPOSE FUND

The special purpose fund is comprised of separate funds established to track revenue and expenditures received from the Ministry and other sources that have restrictions on how they may be spent and are therefore not available for use in the operating fund. Amounts are deferred when received and recognized as revenue when the related expenditures are incurred. The District has budgeted special purpose funding for 2025/26 relating to the following funds:

- Annual Facility Grant
- Apprentice Program
- Classroom Enhancement Fund (“CEF”)
- Community LINK
- Early Care and Learning (“ECL”)
- Feeding Futures Fund
- Just B4
- Learning Improvement Fund (“LIF”)
- Official Languages in Education Programs
- Mental Health in Schools
- Professional Learning Grant
- Queensborough Bus Pilot
- Ready, Set, Learn
- Seamless Day Kindergarten
- Scholarships and Bursaries
- School Generated Funds
- Strong Start

The following represents a few highlights of the work that is funded from these special purpose programs.

Classroom Enhancement Fund

This funding relates to the ratification of the Memorandum of Agreement pursuant to the Letter of Understanding No.17, to the 2013-2019 BCPSEA-BCTF Provincial Collective Agreement that resolves all matters related to the implementation of the Supreme Court of Canada decision from the fall of 2016. This fund was established to address the additional teacher and corresponding overhead costs throughout the Province associated with the memorandum.

For 2025/26, the District has been provided a preliminary CEF allocation of \$8,753,887 to fund 66.6 FTE teachers and \$425,529 in overhead funding. Adjustments to the District’s allocations may be made once the final fall 2025 staffing is known.



Community LINK

This funding is intended to support the academic achievement and social functioning of vulnerable students. Total Ministry funding for the 2025/26 year is \$1,738,062. The District will continue to invest in social-emotional supports for vulnerable learners with 15 FTE Youth Care Workers and 5.2 FTE of learning resource staffing. Approximately \$98,000 is also budgeted for community schools programming.

Early Learning and Child Care

Responsibility for child care transitioned to the Ministry in April 2022 and as part of creating an integrated early learning and child care (“ELCC”) system, the Province will provide \$175,000 of annual funding to the District to engage more deeply in ELCC work. A 1.0 FTE Manager of Early Learning and Child Care position was previously created in to engage in this work. This special purpose funding will also support a priority Early Childhood Educator (“ECE”) position for District daycares and early learning centres to help cover absences and provide continuity of care.

Feeding Futures Fund

Announced by the Ministry in early 2023, the Feeding Futures Fund has expanded local school food programs so that more children and youth have access to healthy meals and snacks at school.

The 2025/26 school year is the third year of funding under this three-year Ministry commitment. The District will receive \$868,914 and will build on the progress made in 2024/25, allocating a significant portion of this funding to meal subsidies to ensure students that require it, have access to stigma-free lunches.

Learning Improvement Fund

This fund was established by the Province for the purpose of providing additional resources, specifically targeted to support complex classes that present challenging learning conditions. The 2025/26 funding of \$318,635 is used for increased hours of work for EAs and Youth Care Workers, as has consistently been done over the past number of years.

As the LIF has not increased in line with the increases to collective agreement wage increase or enrolment growth in past years, this special purpose fund continues to face pressure, whereby in order to continue to support the additional time for our staff, the District supplements amounts of approximately \$40,000 in its operating fund.

Professional Learning Grant

The Province is investing \$30 million over three years to better support students' literacy development in the K-12 school system. As part of this, over \$15 million will be distributed to school districts to provide professional learning opportunities for teachers and support staff on evidence-based approaches to literacy instruction and supporting students with learning disabilities. Funding of \$225,839 was received by the District in Spring 2025 and will be used in 2025/26 to support this initiative.

Queensborough Bus Pilot

A dedicated bus service for NWSS students living in Queensborough was announced by the Province in the fall of 2023. Bus service started in January 2024 and will continue for three years as a pilot project. Funding for 2025/26, the final year of the pilot project, is \$554,000 and will cover the costs relating to the contracted bus company.



7.0 CAPITAL FUND

The capital fund includes capital expenditures related to facilities (purchases and enhancements) and equipment that are funded by Ministry capital grants, land capital, local capital, operating funds and special purpose funds.

On an annual basis, the District prepares a Five-Year Capital Plan and submits it for funding consideration to the Ministry. The plan identifies capital funding needs for existing and new facilities.

The following are current capital projects supported by the provincial government.

Queen Elizabeth Elementary School Expansion

In October 2023, the Ministry announced the approval of an additional floor to the Queen Elizabeth Elementary expansion project in the fast-growing community of Queensborough. The additional floor will transform the building from the originally approved two-storey structure to a three-storey school that provides an additional 525 seats and a Neighbourhood Learning Centre. This project will allow grade 5 students, who were previously moved to Queensborough Middle School in order to alleviate capacity pressures, to return.

Work commenced in the fall of 2024 and is scheduled to be completed by the fall of 2026. The estimated project value is \$34.3 million.

New Fraser River Elementary School

In March of 2022, the District received notice from the Ministry acknowledging the need for a new elementary school in the Fraser River Zone. At present, the project is awaiting a funding announcement based on the District's recommendation for a 600-capacity school.

New Fraser River Zone Site Acquisition

In March of 2023, the District received notice from the Ministry acknowledging the need for a new middle school in the Fraser River Zone of New Westminster through approval of a future site acquisition. The District is awaiting a funding announcement for a school site based on options submitted.

Other Capital Funded Projects

Annual facilities grant funds are used throughout the District to address ongoing maintenance and improvement needs at schools. Planned spending for the capital component of this grant in 2025/26 is \$1,419,514.



Additional funding for capital projects in 2025/26 is detailed below.

Facility Name	Project Description	Bylaw Funding
Herbert Spencer Elementary	Carbon Neutral Capital Program – HVAC Upgrades	\$470,000
Lord Tweedsmuir Elementary	School Enhancement Program – Electrical Upgrades	\$1,000,000

Local Capital

The local capital fund includes funds generated by the District to be utilized for capital expenditures as determined by the District.

The Board approved the transfer of \$650,000 to local capital as part of the 2023/24 amended budget. This was comprised of:

- The District's \$500,000 cost sharing contribution to the NWSS HVAC retrofit project which will provide cooling on the second and third floors. The District anticipates cooling systems to be in place and functioning by summer 2025 and the relating local capital funds to be fully spent by June 30, 2025.
- As part of the 2023/24 budget priorities, the Board approved the transfer of \$150,000 to local capital to address long-term capacity needs.

Expected changes in the local capital balance are summarized below. The balance at June 30, 2025 includes \$11,633 of interest earned on the fund.

Local Capital Balance, June 30, 2024	\$661,633
Board approved uses of local capital:	
NWSS cooling project	(500,000)
Local Capital Balance, June 30, 2025	\$161,633
Board approved transfers to local capital:	
None budgeted for 2025/26	-
Board approved uses of local capital:	
None budgeted for 2025/26	-
Local Capital Balance, June 30, 2026	\$161,633