

Financial Statement Discussion and Analysis

2024–2025



New
Westminster
Schools

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INTRODUCTION

The following Financial Statement Discussion and Analysis should be read in conjunction with the audited financial statements and accompanying notes of School District No. 40 (New Westminster) (the “District”) for the year ended June 30, 2025.

The purpose of the Financial Statement Discussion and Analysis is to summarize the financial performance of the District for the year ended June 30, 2025, and provide explanations that enhance the reader’s understanding of the District’s financial statements.

The financial statements represent the consolidation of three separate funds (operating, special purpose and capital). Financial performance of each fund is reported in the unaudited supplementary schedules that accompany the financial statements.

The financial statements have 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.

Significant accounting and reporting policies are summarized in Note 2(a) of the financial statements.

The preparation of the Financial Statement Discussion and Analysis is the responsibility of management.



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 was established on April 12, 1946, and operates under the School Act of British Columbia as a corporation under the name of “The Board of Education of School District No. 40 (New Westminster)”. The School District is governed by a board of education (the “Board”) that is made up of seven elected trustees for a four-year term.

A wide range of programs and services are delivered to approximately 7,800 students through:

- 8 Elementary Schools
- 3 Middle Schools
- 1 High School
- Youth Alternate Programs
- Home Learners
- International Education
- Adult Education

The District employs more than 1,400 teaching and support staff who are dedicated to supporting student success.



OUR VISION, MISSION AND VALUES

In 2025, the Board approved its five-year strategic plan, which serves as a roadmap for learning and engagement, that is grounded in the collective wisdom of our students, staff, parents and community.

The plan is built around three strategic focus areas: Student Experience, Systems of Care and Support and Organizational Capacity. It's a plan that reflects a shared vision rooted in community input, designed to drive meaningful and sustainable change.

VISION

An inspired learning community.

MISSION

To 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.

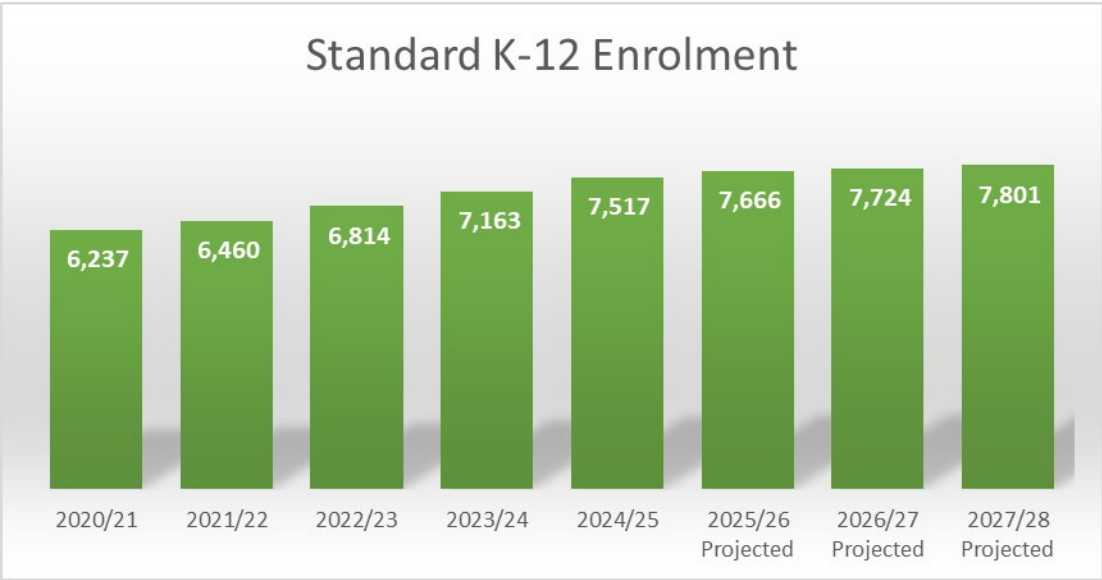


ENROLMENT

The District is funded primarily through an operating grant received from the Ministry of Education and Child Care (the “Ministry” or “MECC”). The 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.

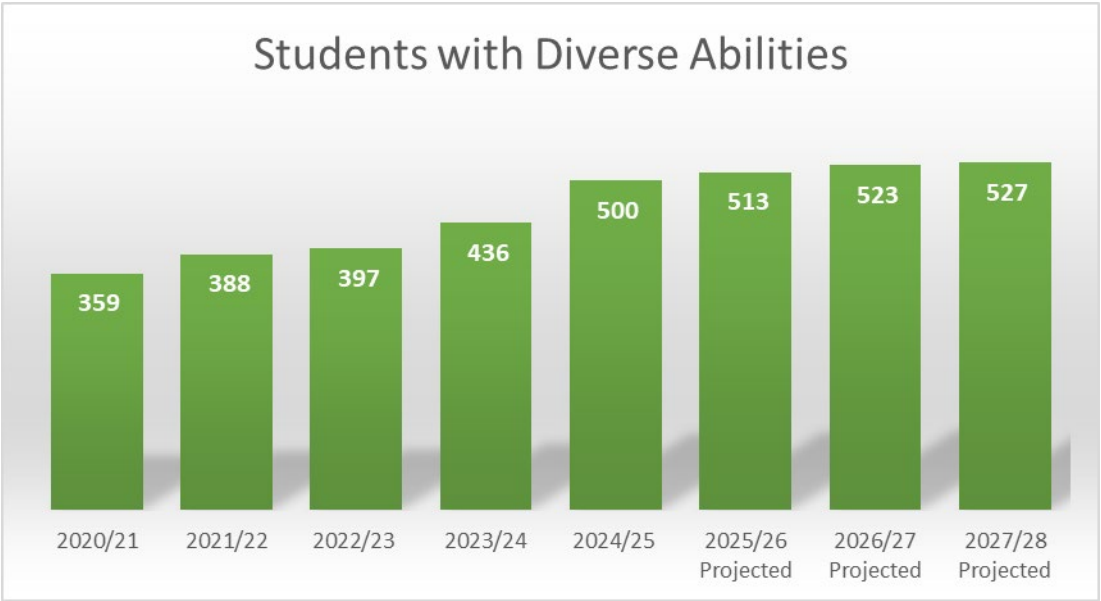
District staffing levels are driven directly by student enrolment. Since salaries and benefits make up approximately 92% of District operating expenses, reliable enrolment data is essential for financial planning. Each year the District completes an analysis of historical enrolment and student retention 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.

The below bar graph shows standard K-12 school enrolment as of September each year. It does not include continuing education, alternate schools, distributed learning, home schooling, international, adult or supplemental enrolment.



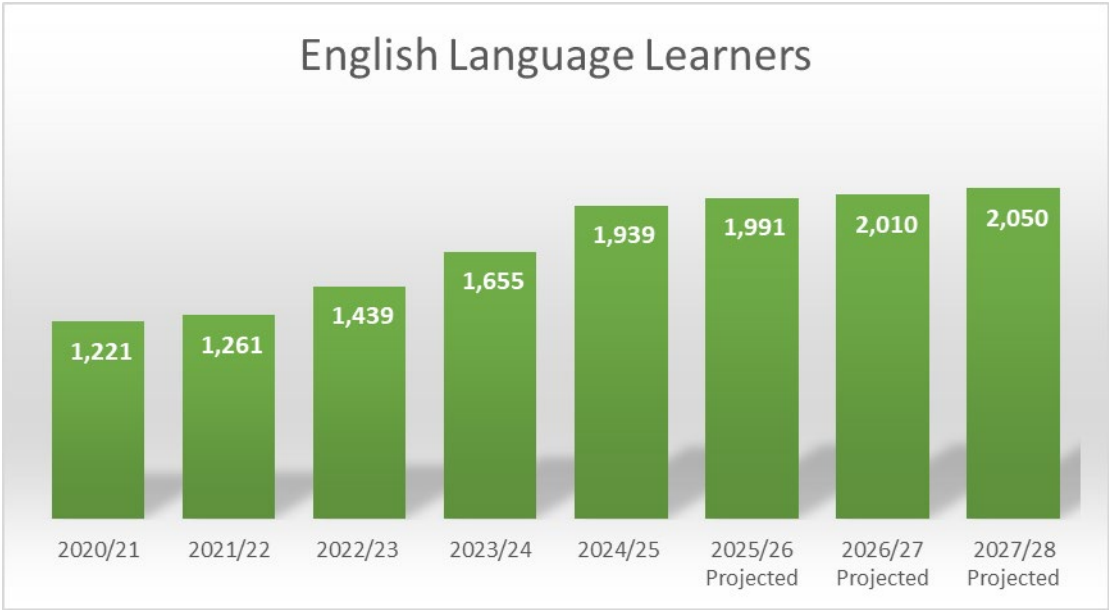
Standard K-12 enrolment has been increasing at a rapid rate over the past five years, with growth between 4 and 5% each year. Growth in the next three years is expected, although at a slower rate, with a 2% increase projected for 2025/26. The decrease in growth rate is consistent across the province of British Columbia and is largely driven by factors including birth rates, federal immigration policies and economics on a local and global scale.

The below bar graph shows the enrolment for those students with diverse abilities designated as Level 1, 2 and 3 as of September of each year.



Students with diverse abilities has steadily increased over the past five years, with the 2024/25 school year seeing a 15% increase. Decreased rates of growth are projected for the next 3 years with a 3% increase in students with diverse abilities projected for 2025/26.

As the below graph shows, there was a 17% increase in English Language Learner enrolment for 2024/25. This rate of growth is expected to decrease in the next three years, with a 3% increase in English Language Learners projected for 2025/26.



FINANCIAL REPORTING

To meet the financial reporting requirements, the following funds are utilized:

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

Special Purpose Fund: Special purpose funds consist of targeted funding provided to the District for a specific purpose. Pursuant to sections 156(4) and (5) of the School Act, each special purpose fund must be accounted for in accordance with the terms of that special purpose fund.

Capital Fund: Capital funds include capital expenditures related to equipment and facility purchases and enhancements. The funding source of these purchases and enhancements determines which capital fund the expenditures will be charged. Funding sources include MECC Bylaw Capital, MECC Restricted Capital, Other Provincial Capital, Land Capital, Other Capital as well as Local Capital.



OPERATING FUND

The operating fund ended the 2024/25 school year with a deficit of \$239,868, which decreased the accumulated operating surplus from \$2.310 million to \$2.070 million. Details on the revenue and expense accounts impacting the operating fund are included below.

Revenues

In 2024/25, 95% of revenue reported in the operating fund was received from MECC. District operating revenues for 2024/25 were \$876,045 greater than budget and \$7,172,048 greater than prior year. Below are the details of the revenue changes by category.

	Actual		Budget	Actual to Budget		Actual to Prior Year	
	2024/25	2023/24	2024/25	\$	%	\$	%
MECC Grants	92,377,115	84,804,811	91,750,538	626,577	0.7%	7,572,304	8.9%
Other Provincial Grants	82,142	169,870	81,377	765	0.9%	-87,728	-51.6%
Tuition	2,721,000	2,927,554	2,651,900	69,100	2.6%	-206,554	-7.1%
Other Revenue	455,630	417,267	374,123	81,507	21.8%	38,363	9.2%
Rentals	820,701	707,298	715,237	105,464	14.7%	113,403	16.0%
Investment Income	392,632	650,372	400,000	-7,368	-1.8%	-257,740	-39.6%
Total Operating Revenues	96,849,220	89,677,172	95,973,175	876,045	0.9%	7,172,048	8.0%

Ministry of Education and Child Care Grants

The increase in MECC grants over budget is mainly attributed to higher enrolment than expected for the February and May 2025 continuing education and online learning enrolment count as well as higher enrolment than expected for graduated adults throughout the 2024/25 school year.

The increase in MECC grants of \$7.6 million from prior year is attributable to:

- Operating grant funding, which increased due to the following factors:
 - There were significant increases in enrolment in 2024/25 compared to 2023/24. As shown in the graph on page 6, September standard K-12 enrolment grew by 5% from the prior year and increases were also seen in Level 2 designated students and English Language Learners.
 - Per student funding rates were increased in 2024/25 to fund the wage increases for teachers and support staff, effective July 1, 2024, based on current collective agreements.
 - Increased enrolment in summer learning programs.
- Funding for graduated adults due to increased enrolment and funding rates.
- Child Care funding received from MECC in the current year. In the prior year, these funds were received from the Ministry of Children and Family Development ("MCFD") and included in other provincial grant revenue.

Below is a table detailing the per-student funding rates and supplemental funding for unique students and unique factors, affecting some districts, for 2024/25.

75% allocated through the Basic Allocation	Basic Allocation	
	Common per student amount for every FTE student enrolled by school type.	
	Standard School	\$8,915 per school age FTE
	Alternate School	\$8,915 per school age FTE
	Continuing Education	\$8,915 per school age FTE
18% allocated to recognize unique student enrolment	Online Learning	\$7,200 per school age FTE
	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	\$50,730 per student
	Level 2 Inclusive Education	\$24,070 per student
	Level 3 Inclusive Education	\$12,160 per student
	English/French Language Learning	\$1,795 per student
7% allocated to recognize unique district factors	Indigenous Education	\$1,770 per student
	Adult Education	\$5,690 per FTE
	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
0.1% allocated to buffer the effects of declining enrolment	Supplemental Student Location Factor	Level 1 and 2 inclusive education enrolment
	Salary Differential	Funding to districts that have higher average educator salaries
	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.		

Other Provincial Grants

Other provincial grant revenue is consistent with budget.

In 2023/24, other provincial grants included \$80K of child care funding received from MCFD. In February 2024, the funding source was transitioned to MECC therefore in 2024/25 these amounts are included with MECC Grants, accounting for the decrease in other provincial grants.

Tuition

Tuition revenue consists of fees for continuing and international education. Enrolment in the international education program decreased by approximately 15 FTE in 2024/25 because of capacity constraints at the secondary school, where most international students attend. This decrease was budgeted for in 2024/25 and resulted in decreased international tuition revenue of \$224K from prior year. It is anticipated that in future years, there will be a decreasing trend as capacity becomes further limited by local student enrolment growth. This will have a large impact to discretionary revenue balances.

Other Revenue

Other revenue consists of miscellaneous revenue (i.e. unrestricted grants and donations) and instructional cafeteria revenue. The District exceeded the budgeted amount by \$82K mainly due to instructional cafeteria revenue. The increase to cafeteria revenue can be attributed to having to recover the higher costs of food supplies.

Other revenue is consistent with prior year.

Rentals

Rental revenue is generated from short-term rentals of sites and facilities to individuals and community groups. Higher than projected rental bookings were realized in the 2024/25 school year leading to actual revenues exceeding budget and prior year amounts. Also contributing to the increase in rental revenue was an increase to booking rates for user groups.

Investment Income

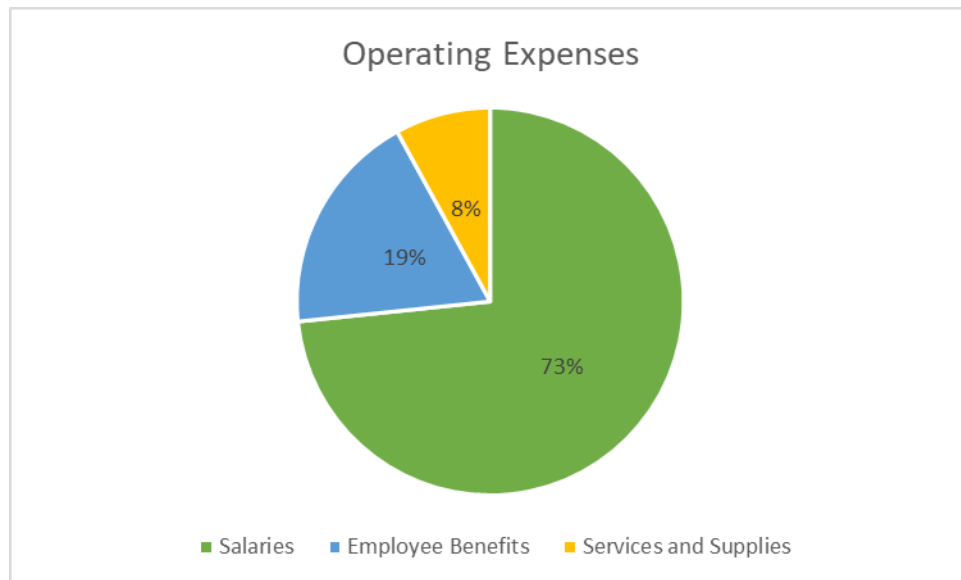
Investment income consists of interest accrued on the District's bank account balances and short-term investments in the Central Deposit Program. Investment income is consistent with budget.

The variance in actual versus prior year is due to decreasing annual weighted average interest rates from approximately 5.5% in 2023/24 to 3.7% in 2024/25.



Expenses

The District's operating expenses for 2024/25 are presented by object as below.



Details and explanations of District operating expenses have been grouped by staffing and services and supplies.

Staffing

Employee salaries and benefits account for 92% of operating expenses, which is consistent with the prior year. District staffing expenses for 2024/25 were \$569,825 less than budget and \$6,758,371 greater than prior year. Below are the details of variances by category.

	Actual		Budget	Actual to Budget		Actual to Prior Year	
	2024/25	2023/24	2024/25	\$	%	\$	%
Teachers	42,838,981	39,316,387	42,980,034	-141,053	-0.3%	3,522,594	9.0%
Principals and Vice Principals	4,811,264	4,614,918	4,813,128	-1,864	0.0%	196,346	4.3%
Educational Assistants	10,068,954	9,165,096	10,106,604	-37,650	-0.4%	903,858	9.9%
Support Staff	6,720,948	6,158,634	6,617,800	103,148	1.6%	562,314	9.1%
Other Professionals	3,123,572	2,833,783	3,068,570	55,002	1.8%	289,789	10.2%
Substitutes	2,748,521	3,272,961	3,279,096	-530,575	-16.2%	-524,440	-16.0%
Total Salaries	70,312,240	65,361,779	70,865,232	-552,992	-0.8%	4,950,461	7.6%
Employee Benefits	17,884,022	16,076,112	17,900,855	-16,833	-0.1%	1,807,910	11.2%
Total Salaries and Benefits	88,196,262	81,437,891	88,766,087	-569,825	-0.6%	6,758,371	8.3%

Teachers

This line item consists of salaries paid to the District's certified teachers. The variance between budget and actual is not significant at -0.3%.

Teachers received a wage increase of 3.0%, effective July 1, 2024, as negotiated in the provincial collective agreement, contributing to a portion of the increased salaries over prior year. Additionally, there was an increase in teacher FTE due to the following:

- Increased student enrolment, as shown on page 6
- Budget priorities approved by the Board in 2024/25, including:
 - Increase in vice principal administration time at schools, resulting in teacher backfill staffing
 - 0.5 FTE sexual health position
 - 0.2 FTE increase to Sexual Orientation and Gender Identity staffing

Principals and Vice Principals

This account includes salaries paid to principals and vice principals across the District. The current year variance from budget is insignificant.

The increase from the prior year is a result of wage increases, consistent with teacher and support staff collective agreements, and the addition of a vice principal position at New Westminster Secondary School ("NWSS") in the later half of the school year.

Education Assistants ("EAs")

EAs provide support for students with diverse abilities in the District. The variance from budgeted salaries is not significant at -0.4%.

Contributing to the increase from prior year is a 3.0% wage increase effective July 1, 2024, as per the collective agreement, and an increase of approximately 15 FTE to support the District's growing enrolment and maintain contingency EA staffing. Contingency EAs, a 2024/25 supported budget priority, were fully deployed early in the school year, ensuring consistency and support in the classrooms for students with diverse abilities.

Support Staff

This account is made up of the salaries paid to administrative staff (other than principals and vice principals) including secretaries, clerks, accountants, technicians, maintenance staff, trades people, custodians, noon hour supervisors and crossing guards. The variance to budget was not significant at 1.6%.

The increase from prior year resulted from a wage increase of 3.0%, effective July 1, 2024, as per the collective agreement. Also, in the prior year there were more capital projects in progress where internal maintenance staff were utilized and therefore a larger allocation of salaries to these capital projects than the current year. In addition, the District's 2024/25 priorities supported additional clerical time to support school environments.

Other Professionals

Other professionals are District staff who are excluded from any union agreement including positions such as the Superintendent, Associate Superintendent, Secretary-Treasurer, Executive Director of Human Resources, other managers and trustees. The current year variance from budget is minimal at 1.8%.



Comparing current and prior year results, the wage increase for excluded staff, which is consistent with teacher and support staff collective agreements, contributed to the increase. In addition, the Board approved a new HR manager position in 2024/25 to focus on recruitment of staff.

Substitutes

This account includes TTOCs and replacements for support staff. The variance to budget was due to absences being projected at a higher rate than what transpired for the later months of the year.

The decrease in replacement costs from prior year is attributed to more priority TTOCs being utilized to cover unfilled positions and/or temporary absences in the current year and therefore reflected within teacher salaries for the current year.

Employee Benefits

Employee benefits include the amounts paid by the District on behalf of its employees for benefits such as Employment Insurance (“EI”), Canada Pension Plan (“CPP”), municipal or teacher pensions, and employee health and dental benefits. The variance to budget is not significant at -0.1%.

The increase in employee benefits from prior year results from a few different factors. Wage-related benefit costs, such as EI, CPP and pension increased due to increased FTE and salary increases, as explained above. Increases to the Canada Pension Plan maximum contributions and monthly benefit premiums for extended health and dental plans contributed to the increase from the prior year as well.

Services and Supplies

Services and supplies expense accounts for 8% of operating expenses, which is consistent with the prior year.

	Actual		Budget	Actual to Budget		Actual to Prior Year	
	2024/25	2023/24	2024/25	\$	%	\$	%
Services	3,193,271	2,463,752	2,927,027	266,244	9.1%	729,519	29.6%
Student Transportation	176,392	90,703	170,511	5,881	3.4%	85,689	94.5%
Professional Development and Travel	592,398	526,816	551,056	41,342	7.5%	65,582	12.4%
Rentals and Leases	294,669	271,100	295,373	-704	-0.2%	23,569	8.7%
Dues and Fees	132,366	87,951	107,214	25,152	23.5%	44,415	50.5%
Insurance	173,966	150,780	178,830	-4,864	-2.7%	23,186	15.4%
Supplies	1,863,625	2,162,924	1,874,854	-11,229	-0.6%	-299,299	-13.8%
Utilities	1,234,133	1,080,182	1,248,657	-14,524	-1.2%	153,951	14.3%
Bad Debt	1,393	1,300	-	1,393	-	93	7.2%
Total Services and Supplies	7,662,213	6,835,508	7,353,522	308,691	4.2%	826,705	12.1%
Tangible Capital Assets Purchased from Operating	1,230,613	1,563,240	1,325,000	-94,387	-7.1%	-332,627	-21.3%
Total	8,892,826	8,398,748	8,678,522	214,304	2.5%	494,078	5.9%

Services

This account includes computer licenses, costs for contracted professional and technical services, repairs and maintenance, telephones, and copier related services. Higher than expected costs for professional services during the year resulted in actual costs being more than budget.

The increase from prior year is primarily due to technology budgets being reprioritized to address technology related service requirements and licencing costs compared to hardware purchases in the prior year. Further, the District experienced a cyber incident in the current year and the response costs are also reflected in these balances. An increase in the use of contracted professional services and copier related costs to service the growing district also contributed to the increase over prior year.



Student Transportation

This account includes payments to the those who provide transportation to District students for curricular and extracurricular activities on a contract basis. The variance from budget was not significant.

The increase from prior year is due to an additional bus route added for students with diverse abilities.

Professional Development and Travel

This account includes amounts paid to professional development committees as well as registration fees, transportation, mileage allowances, meals, accommodation and per diem payments for District staff attending conferences and training opportunities. There were non-significant changes from budget.

The increase from prior year reflects an increase in amounts paid to schools' professional development committees and other district staff for training opportunities. As these amounts are directly impacted by FTE, amounts will increase as the District continues to grow.

Rentals and Leases

This account includes amounts for the long-term lease of buildings by the District. There were non-significant changes from budget and prior year.

Dues and Fees

This account includes membership fees and dues in professional organizations as well as educational licenses. There were non-significant changes from budget and prior year.

Insurance

This account includes the expenditures for all insurance coverage, premiums, and deductibles. The current year expense was on budget and consistent with prior year.

Supplies

Included in this amount is expenditures for supplies and materials of a consumable and/or non-capital nature. This includes learning resources, general supplies and non-capitalized furniture, equipment and computer equipment under \$5,000. The variance from budget was not significant at -0.6%.

The decrease from prior year primarily relates to the trustee by-election in the prior year.

Utilities

This account includes expenditures for utility costs such as electricity, heating, water and sewage, garbage and recycling. The variance from budget was not significant at -1.2%.

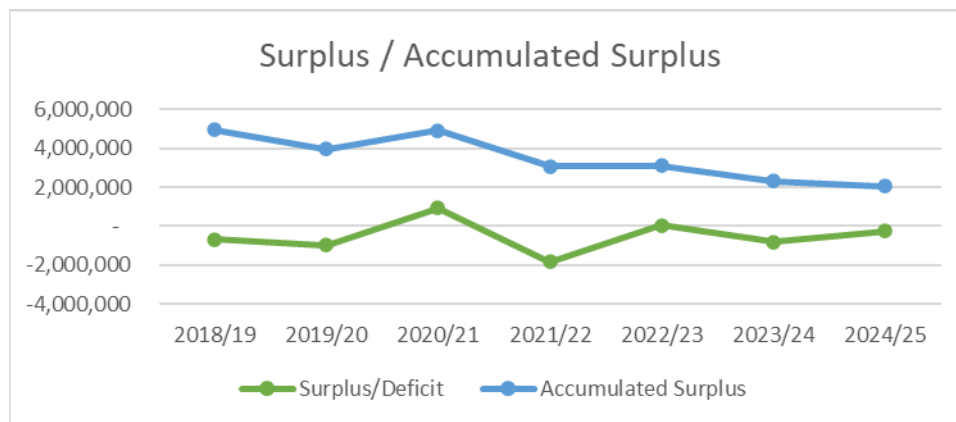
The increase in utility costs from prior year results from increased utility rates and additional portables added to school sites.



ACCUMULATED OPERATING SURPLUS ANALYSIS

Accumulated operating surpluses and reserves are an important factor in determining the financial health of the District. These resources are designed to help plan for future expenditures and protect the District from unforeseen financial and operating events to mitigate any negative impact such circumstances might cause. By Board policy, an unrestricted operating reserve of at least 2% of operating expenses shall be maintained. The Board will incorporate strategies to re-establish the reserve in its future budget planning processes, should it fall below this level.

The District ended the 2024/25 year with a \$2,069,644 accumulated operating surplus of which \$1,191,444 is internally restricted for specific purposes and \$878,200 is unrestricted. The 2024/25 accumulated operating surplus decreased by the current year's operating deficit of \$239,868. The below graph shows the relationship between the accumulated surplus and annual surplus/deficit.



Details of the accumulated operating surplus are as follows:

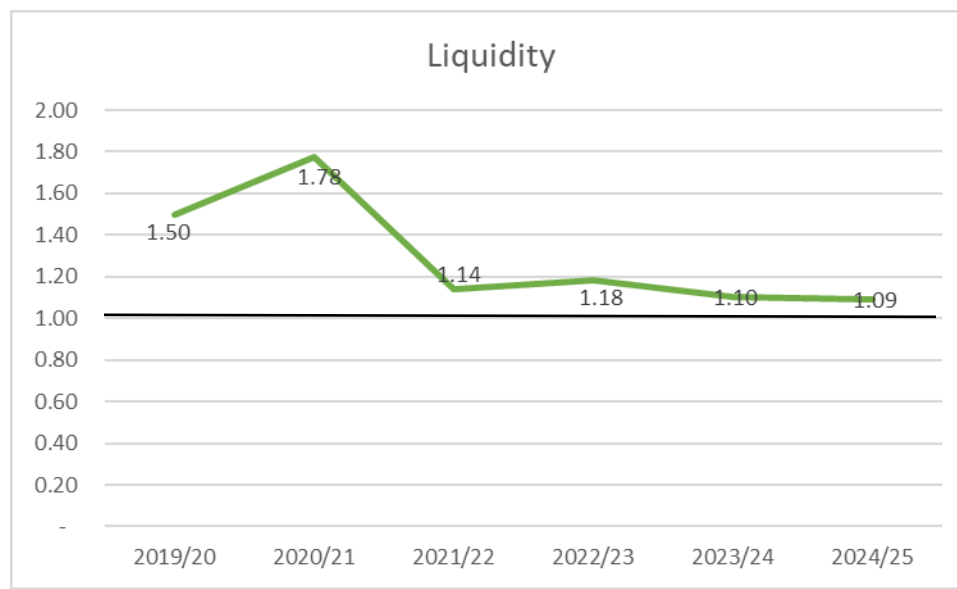
Accumulated Operating Surplus	2024/25	2023/24
Internally Restricted:		
<i>Constraints on Funds:</i>		
Alternate Education Local Grants	18,045	13,047
Contractual Obligations	36,828	-
Department Carryforward	-	40,790
Externally Targeted Funds	7,000	7,000
Indigenous Education Council	25,795	-
Teacher Mentorship Funds	5,240	9,780
<i>Anticipated Unusual Expense:</i>		
Staffing Contingency	200,000	-
<i>Operations Spanning Multiple Years:</i>		
Commitments Outstanding	117,496	7,003
Future Years' Operating Budget Requirements	773,000	196,000
School Surplus	8,040	5,180
Surplus Applied to 2024-25 Budget	-	558,911
Total Internally Restricted	1,191,444	837,711
Unrestricted	878,200	1,471,801
Total Accumulated Operating Surplus	2,069,644	2,309,512

FINANCIAL HEALTH RATIOS

Liquidity

Liquidity is measured by taking financial assets over liabilities, excluding deferred capital revenue. A liquidity ratio of greater than one is desirable as this means that the District can meet its short-term obligations and can better respond to changing circumstances.

As of June 30, 2025, the District's liquidity ratio is 1.09.



Accumulated Surplus from Operations to Operating Revenue

The chart below shows the District's accumulated operating surplus as a percentage of operating revenue over a five-year period. This is an indicator of the District's ability to react to emergent situations and the ability to fund special initiatives.

	2020/21	2021/22	2022/23	2023/24	2024/25
Unrestricted Surplus	1,536,991	734,336	1,925,545	1,471,801	878,200
Internally Restricted Surplus	3,386,936	2,347,826	1,193,434	837,711	1,191,444
Total	4,923,927	3,082,162	3,118,979	2,309,512	2,069,644
Revenue	69,053,395	72,008,419	79,423,695	89,677,172	96,849,220
Percentage	7.1%	4.3%	3.9%	2.6%	2.1%

The historic trend shows a decrease in the accumulated operating surplus as a percentage of revenue. This is the result of purposeful investments in the District's strategic priorities to enhance learning opportunities for today's students.

Accumulated Amortization to Assets

The accumulated amortization to assets ratio is a financial measurement tool that calculates the age, value and remaining useful life of a fixed asset. A low ratio may indicate that assets have plenty of life left while a high ratio could indicate that assets will need replacement soon.

Buildings	2020/21	2021/22	2022/23	2023/24	2024/25
Gross Assets	209,561,833	241,057,544	251,305,267	264,043,694	266,881,425
Accumulated Amortization	43,955,095	48,810,415	54,750,010	61,247,972	67,623,158
Ratio	0.21	0.20	0.22	0.23	0.25

Furniture, Equipment and Vehicles	2020/21	2021/22	2022/23	2023/24	2024/25
Gross Assets	4,343,684	5,192,355	5,522,576	6,276,483	6,811,243
Accumulated Amortization	886,459	1,292,809	1,739,279	2,329,232	2,972,866
Ratio	0.20	0.25	0.31	0.37	0.44

Computer Hardware	2020/21	2021/22	2022/23	2023/24	2024/25
Gross Assets	3,810,140	3,491,383	3,076,380	3,086,094	2,646,071
Accumulated Amortization	2,033,526	1,868,094	1,754,271	1,513,192	1,432,665
Ratio	0.53	0.54	0.57	0.49	0.54

Total	2020/21	2021/22	2022/23	2023/24	2024/25
Gross Assets	217,715,657	249,741,282	259,904,223	273,406,271	276,338,739
Accumulated Amortization	46,875,080	51,971,318	58,243,560	65,090,396	72,028,689
Ratio	0.22	0.21	0.22	0.24	0.26

The ratio for buildings decreased significantly in 2020/21 from 0.35 to 0.21, reflective of the significant capital investments made at schools such as New Westminster Secondary School (completed in 2020/21 fiscal year) and Skwo:wech Elementary (completed in 2021/22 fiscal year). The ratio has been slowly increasing since 2021/22. The District regularly assesses its buildings through five-year major and minor capital plan processes. Annual facilities grant funds are used to address ongoing maintenance and improvements at schools.

The increasing ratio for furniture, equipment and vehicles and for computer hardware suggests that investments will be important in future years.

SPECIAL PURPOSE FUND

The Special Purpose Fund consists of funds received from MECC or other sources that have been designated for a specific purpose. These funds are deferred until the corresponding expenditures are incurred.

During 2024/25, \$16.69 million in special purpose fund contributions was received and \$16.46 million was spent. There was \$191,640 of additional expenses, over and above funding received, relating to special purpose programs that was funded and reported in the operating fund. As at June 30, 2025, \$1.88 million in special purpose funds remain available for designated purposes in future years.

The District incurred the following expenditures in 2024/25, as related to significant special purpose funds.

Program	Funding Source	2024/25 Grant	2024/25 Expense	Purpose
Annual Facility Grant	MECC	\$235,916	\$235,916	Planned maintenance of facilities.
Learning Improvement Fund	MECC	\$314,459	\$361,076	Augment EA hours, providing additional support to complex learners.
Scholarships and Bursary	Other	\$111,553	\$145,887	Provide financial support for post-secondary education to graduating grade 12 students.
School Generated Funds	Other	\$2,374,822	\$2,257,434	Funds that are collected and paid out through school accounts in support of school-based programs.
Strong Start	MECC	\$96,000	\$114,717	Provide early learning centers that offer school-based, drop-in programs for children from birth to age five and their parents or caregivers.
Ready, Set, Learn	MECC	\$22,050	\$22,050	Support early learning for children aged 3 to 5 and their parents and facilitate a smooth transition to Kindergarten.
Official Languages in Education French Programs ("OLEP")	MECC	\$172,452	\$169,238	Deliver and enhance Core French language programs and curriculum resources.
Community LINK	MECC and Other	\$1,741,241	\$1,741,241	Provide programs and initiatives to improve the educational outcomes of vulnerable students, including academic achievement and social functioning.
Classroom Enhancement Fund (Overhead, Staffing and Remedies)	MECC	\$9,475,226	\$9,475,226	Address additional teacher staffing, overhead and remedy costs resulting from restoration of class size and composition language.
Mental Health in Schools	MECC	\$52,000	\$58,972	Support mental health for children and youth in schools.
Seamless Day Kindergarten	MECC and Other	\$172,105	\$270,190	Provide before and after school care in kindergarten classrooms and support learning alongside the classroom teacher
Student & Family Affordability	MECC	\$-	\$181,307	Help families struggling with rising costs of living due to global inflation.

Just B4	MECC and Other	\$44,261	\$63,811	Provide a play-based program to support young learners in the years leading into Kindergarten.
Strengthening Early Years to Kindergarten Transitions ("SEY2KT")	MECC	\$19,000	\$19,000	Provides opportunities to work together with communities and support young children in a smooth transition to school.
ECL (Early Care & Learning)	MECC	\$175,000	\$179,300	Expand access to affordable, quality child care on school grounds and grow relationships with partner groups.
Feeding Futures	MECC	\$869,945	\$793,183	Create and expand local school food programs so that more students have access to healthy meals and snacks at school.
Professional Learning Grant	MECC	\$225,839	\$-	Support students' literacy development in the K-12 school system.
Apprentice Program	Industry Training Authority	\$136,500	\$136,500	Enable students to apply trade-specific training and explore career options in the trades.
Queensborough Bus (3-year Pilot)	MECC and Other	\$419,999	\$375,879	Provide a dedicated bus service for New Westminster Secondary School students living in Queensborough.
Work Experience Enhancement	MECC	\$-	\$41,381	Build and strengthen relationships with employers to increase student participation in work experience courses.

CAPITAL FUND

The net book value of tangible capital assets is \$242.6 million as at June 30, 2025 (see Schedule 4A of the audited financial statements). These net costs represent the historical cost net of accumulated amortization of all District tangible capital assets, which is not the current market value.

Major Capital Projects

The District had 2 major capital projects at various stages of progress during the 2024/25 school year, as detailed in the below table. Capital expenditures are primarily funded by the Province of British Columbia, with additional funding provided through locally generated District capital funds and third-party contributors.

Project	Scope	Commencement Date	Completion Date
Queen Elizabeth Elementary	Expansion	June 2021	Targeted for completion in the 2026/27 school year
New Westminster Secondary	School Replacement	Spring 2017	January 2021; demolition of old school site completed in June 2024; Memorial Park expected to complete in 2025/26 school year

New Fraser River Elementary School

In the Spring of 2022, the District received notice from the Ministry acknowledging the need for a 600-student capacity elementary school in the Fraser River Zone. At present, the project is awaiting funding approval from the Ministry.

New Fraser River Zone Site Acquisition

In the Spring of 2023, the District received notice from the Ministry acknowledging the need for a new middle school in the Fraser River Zone through a future site acquisition. The District is actively working with the Ministry and City of New Westminster on site identification.



Other Capital Funded Projects

In addition, MECC provided the District funding for the following capital programs in 2024/25:

Capital Program	2024/25 Funding	2024/25 Expenses	Description
Annual Facility Grant	\$1,271,941	\$1,271,941	Funding is provided to address repair and maintenance priorities at schools to ensure facilities are safe and functioning well. Projects for 2024/25 included electrical, mechanical, facility and site upgrades across the District.
School Enhancement Program	\$3,000,000	\$3,000,000	Funding is provided to help the District extend the life of their facilities through a wide range of improvement projects. Work was done on a HVAC retrofit at NWSS to provide cooling on the second and third floors. The District contributed \$500K from its local capital fund alongside MECC's funding.
Playground Equipment Program	\$195,000	\$195,000	Funding is provided to purchase and install replacement playground equipment that is universal in design and in compliance with accessibility measures. Lord Kelvin Elementary received a universally accessible playground in 2024/25.



Capital Fund Balances

Capital Fund	Description	As at June 30, 2025	As at June 30, 2024	Change (\$)
Bylaw Capital	Represents funds drawn on Certificates of Approval ("COA") for capital projects.	-	-	-
MECC Restricted Capital	Represents MECC's portion of proceeds on disposal of land and buildings and any bylaw project surplus on capital projects.	-	-	-
Other Provincial Capital	Capital funding received from the Province which is not included in a COA (eg. New Spaces Fund for childcare centres).	-	-	-
Land Capital	Funds received from the City of New Westminster for school site acquisition charges, plus accrued interest.	\$975,688	\$372,572	\$603,116
Other Capital	Includes capital grants received from and restricted by any entity not included in the Government Reporting Entity.	-	-	-
Local Capital	Funds generated by the District to be utilized for capital expenditures as determined by the District.	\$183,494	\$661,633	\$(478,139)

Changes in the local capital balance are summarized below.

Local Capital Balance, June 30, 2024	\$ 661,633
Board approved transfers to local capital:	
None approved in 2024/25	-
Board approved uses of local capital:	
NWSS cooling project	(500,000)
Interest Allocation	21,861
Local Capital Balance, June 30, 2025	\$183,494

The Board approved the transfer of \$650,000 to local capital as part of the 2023/24 amended budget. The District's \$500,000 cost sharing contribution to the New Westminster Secondary School cooling project was used in 2024/25. The remaining balance in the local capital fund is to address long-term capacity needs.

LONG TERM OUTLOOK

There are several potential risks and other unknown factors that may have a financial impact on the District as discussed below.

Enrolment Growth and Capacity Constraints

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 capacity challenges and bridging solutions needed to address them create a financial risk in how to provide these additional resources under the current Ministry funding envelope. Until new schools are built to create capacity, the District must fund the purchase of portables and related furniture as well as any other operational measures to create capacity (such as program relocations, timetable changes, etc.) through its operating dollars.

International Education Program

The District relies on the International Education Program to provide an additional source of revenue to reduce the gap on operating grant funding shortfalls. Capacity constraints have impacted the ability to recruit more international students to the District. Enrolment variances will need to be closely monitored throughout the year to ensure the District is on track with projections. Any variations will significantly impact the budget. It is anticipated that the International Program may have to decrease in the short term to make space for local enrolment growth. As the program generates more revenues than it has costs, it is anticipated that pressures may be felt district-wide as reductions will need to be made across the system.

Inflationary Cost Pressures

While the Ministry funds districts for contractually negotiated wage increases, it does not generally provide funding for inflationary or statutory cost increases. The District's share of benefit premiums, relating to the Canada Pension Plan, WorkSafe and extended health and dental plans, for all employee groups has significantly increased in the past couple of years. Continued increases in these costs are not sustainable and will add financial pressure to the District's budget.

Of particular note is the uncertainty of tariffs as applied to various goods that cross our border. The costs of everyday classroom items are increasing and no funding has been provided to relieve these pressures.

Capital Projects

Due to their magnitude, capital projects have the potential to significantly impact the financial position of the District. Individual project risk assessments must be done on a continuous basis. Project agreements with the Ministry contain contingency requirements to mitigate financial risk. Smaller projects consider contingency requirements when building the overall project budget and are managed internally.

Further, the District must pay for feasibility studies of various projects and these do not get reimbursed until funding approval is received. This could take a number of years, leaving the District to manage its cash flows and resources wisely and assume the risk of the expense if no project is approved.



Technology

The demand for technology continues at a rapid pace. The District recognizes the importance of providing the required services and building effective security controls to ensure that District information and financial assets are secure and protected. The District assesses the need for ongoing improvements in the District's technology and security posture and has completed work on network isolation and segmentation of sensitive information as well as expanding multi-factor authentication. The District continues to review and make enhancements to systems for creating and maintaining backups and policies related to privacy management, including data retention. This work will require additional financial resources.

Other assets

Existing District budget allocations are not enough to support the procurement, maintenance or timely replacement of District assets. This means that vehicles and IT hardware are not refreshed on a regular basis and the deferred maintenance for facilities continues to grow. Any major equipment failures must be funded from existing budgets.

Strategic Plan

The District is guided, as we always have been, by our strategic plan which covers 2025–2030. More details of the strategic plan and highlights of accomplishments can be found on the website at www.newwestschools.ca.

