

Chilliwack School District (No. 33)

Multi-Year

Financial Plan

2025-2026 – 2027-2028

Syos:ys lets'e th'ale, lets'emo:t

*(One heart, one mind, working together
for a common purpose)*



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1. Readers' Guide

The purpose of this multi-year financial plan (“the Plan”) is to provide information on how the District plans to allocate resources to support the Board of Education, School District No. 33 (Chilliwack) (the “District”) 2025-29 strategic plan including meeting operational needs and educational outcomes for students as required by the *Schools Act*. The Plan is approved and operational for the current budget year and incorporates long-term thinking to ensure sustainability and to reflect the arc of the strategic plan. During the 2024-25 school year, the board engaged in a refresh of the strategic plan. The revision was completed June 2025.

This Plan document provides a profile of the District, describes the roles and responsibilities regarding financial governance, outlines the District strategic plan and how the financial plan delivers services and programs to students aligned with the Plan, and then outlines the elements of the current year and long-range budgets. The financial information for the operating fund outlines the key assumptions in putting the operating fund budget together, provides the board approved budget along with the projected budget, and underlying assumptions, for 2025-26 and 2027-28. Budgeted financial information for the special purpose and capital funds is also included.



Figure 1 Mount Slesse Red Shirt Day

2. Superintendent's Budget Message

We prepared the 2025-26 budget and the multi-year financial plan in an environment of stable revenues resources and increasing costs. Moreover, during the 2024-25 school year the District engaged in a refresh of the strategic plan that was originally published in 2020 and covered the period 2021-2025. As a result, the budget is conservative and reflects some reductions. The goal was to maintain the districts service level this year and closely review the budget considering the new strategic plan next budget cycle. All else being equal, we envisage additional reductions will be required to balance the budget in the next couple of years.

Several factors are likely to limit school district revenue and increase costs in the next couple of years. First, District revenues are likely to be constrained for the next couple of years. The Province of British Columbia budget projects deficits. These projections are before fiscal pressures such as potential trade tariffs imposed by the province's largest trading partner. They are the result of spending in excess of revenues, increasing debt repayment, and an overall weak provincial fiscal situation. The province is instituting cost saving measures and has committed to protect education, for the time being.

We budgeted this year on a revenue neutral basis. In other words, we assumed that the revenue per pupil was the same as last year, for the moment, with the only increases attributable to changes from factors like enrollment. We say "for the moment" as the revenue will likely be adjusted for labour settlement once the current open collective bargaining agreements are settled. We have assumed that the cost of collective bargaining (increased wages and associated mandatory benefits) will be met by increased revenue provided by the province.

Second, District costs continue to increase. In particular, extended health and dental costs increased by 15% for the 2025-26 school year. This reflects increasing charges by providers, increasing use by plan membership, some new services, and the end of applying fund surpluses that were used to ease the impact of increasing costs for several years. Additionally, inflationary costs continue to press on the cost of services and supplies, which include utilities, fuel, and insurance.

For 2025-26, we present a deficit operating budget that uses accumulated surplus to balance while remaining within the policy requirements for the accumulated surplus balance.

3. District Overview

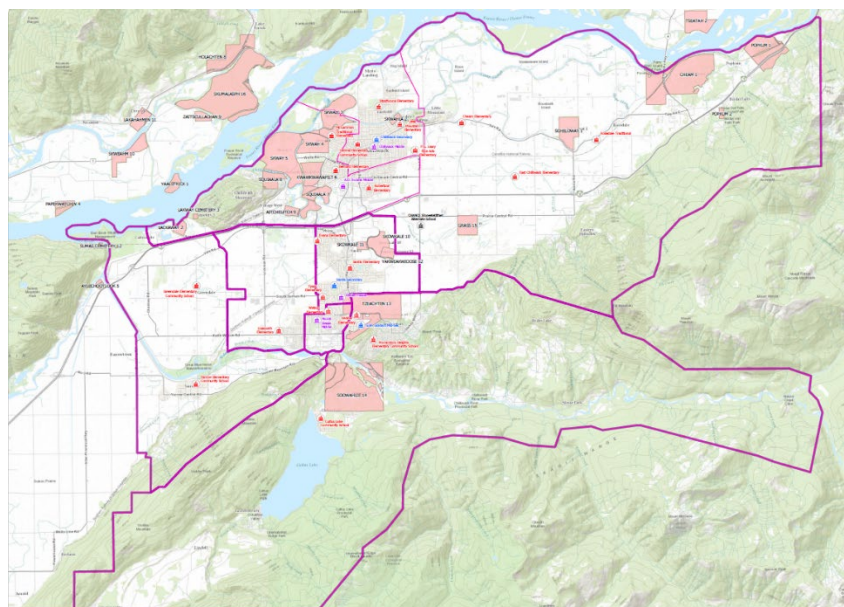
Chilliwack School District No.33 is in the heart of the Stó:lo territory, People of the River. Surrounded by the Ts'elxweyeqw, Pilalt, and Sema:th communities, the Stó:lo refer to this as S'ólh Téméxw (our world). We honour and acknowledge our history, live in the present and look to the future to guide all teaching and learning.

As one of the fastest growing school districts in the province, the Chilliwack School District covers approximately 1,825 square kilometers including Chilliwack, Sardis, Vedder, and the surrounding areas of Yarrow, Cultus Lake, Rosedale and Greendale.

The District has twenty elementary schools (Kindergarten to Grade 5), five middle schools (Grades 6 to 8), two elementary/middle (Kindergarten to Grade 8), and five secondary schools (Grades 9-12). In addition, we offer multiple programs including alternate education, trades and careers, sports academies, summer learning, distributed learning, French immersion, and continuing education.

Our facilities are attended by approximately 15,000 K-12 students and 1,100 pre-K students, supported by around 2,400 permanent and casual teachers and support staff.

Ts'elxwéyeqw is situated in the lower Fraser River watershed. It is a place where the fresh waters meet and flow into the Fraser River. Stó:lo elders share that this is the place where dug-out cedar canoes were “going back upstream” out of the Fraser River. The name Chilliwack is derived from the Halq'eméylem word Ts'elxwéyeqw.



4. Board of Education

The Board of Education has, as its primary role, the governance of the school district and the commitment to student achievement. The Board fulfills this role, in part, through the development and implementation of a strategic plan that establishes a vision, mission and goals to direct resources and align the work of staff.

The Board also has a foundational responsibility to competently protect the interests, image and credibility of the school district, to ensure its financial viability and to act in accordance with all applicable laws, regulations and policies.

The Board's authority is established within the School Act and its regulations. The rights, powers, duties, and liabilities of the Board rest only with the legally constituted Board, and not with committees of trustees or individual trustees.

The Board exercises its authority and responsibilities through the development of policy and the establishment of a balanced annual budget.

The District's work is governed by seven elected Trustees whose current four-year term is 2022-2026. The board members and positions for 2023 are as follows:

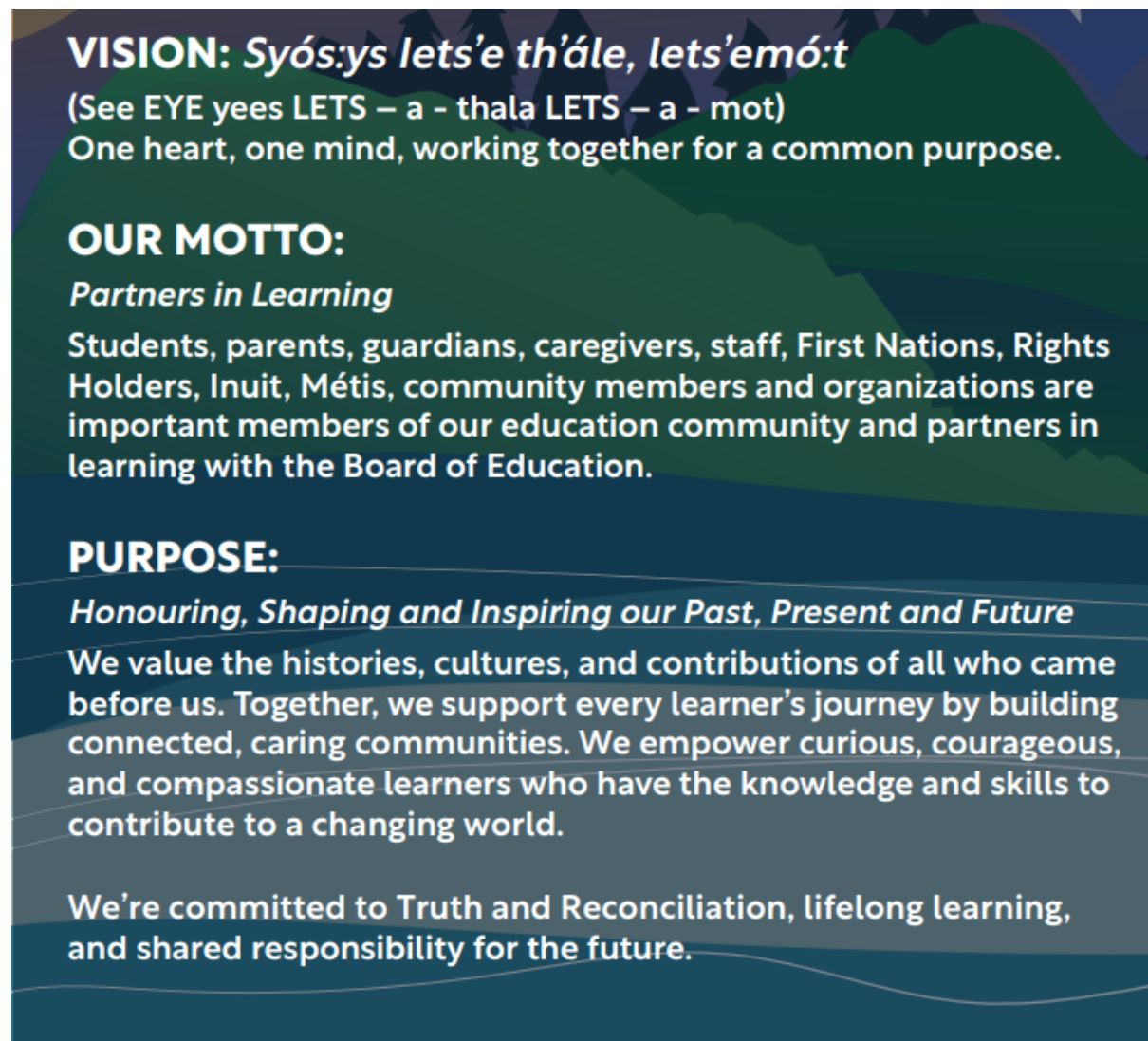
Member	Position	Joined Board
David Swankey	Chair	November 2018
Teri Westerby	Vice Chair	October 2022
Carin Bondar	Trustee	February 2021
Richard Procee	Trustee	October 2022
Willow Reichelt	Trustee	November 2018
Margaret Reid	Trustee	October 2022
Laurie Throness	Trustee	March 2025



5. Strategic Priorities

The budget is a moral document. It expresses the District Strategic plan and the initiatives undertaken to support that plan in financial terms. The district governance structure and processes for making decisions therefore underlie the financial plan.

June 30th, 2025 after a unanimous decision the Board adopted the new 2026-2029 Strategic Plan. The District's purpose, aspirations, and values are described below.



VISION: *Syós:ys lets'e th'ále, lets'emó:t*
(See EYE yeets LETS – a – thala LETS – a – mot)
One heart, one mind, working together for a common purpose.

OUR MOTTO:
Partners in Learning
Students, parents, guardians, caregivers, staff, First Nations, Rights Holders, Inuit, Métis, community members and organizations are important members of our education community and partners in learning with the Board of Education.

PURPOSE:
Honouring, Shaping and Inspiring our Past, Present and Future
We value the histories, cultures, and contributions of all who came before us. Together, we support every learner's journey by building connected, caring communities. We empower curious, courageous, and compassionate learners who have the knowledge and skills to contribute to a changing world.

We're committed to Truth and Reconciliation, lifelong learning, and shared responsibility for the future.

Core Values

We provide a learning and working environment where these core values are central to all that we do

Values

				
Equity	Inclusion	Kindness	Collaboration	Innovation

Planning to operationalize these foundational statements starts with our Strategic Plan. The Strategic Plan is further described on the following pages.

Framework of the Strategic Plan

The framework is wrapped in First Peoples Principles of Learning (FPPL), using the colours of the cardinal directions of the medicine wheel: White, Yellow, Red and Black.



Literacy, a foundational skill that develops over time, begins the learning journey. Numeracy follows as another essential building block for young learners. Transition to adulthood represents a key phase as students grow and prepare for their future. Well-Being is where we

develop an understanding of ourselves, supporting our growth as healthy, balanced, and lifelong learners.

The layers of ‘Purpose, Vision and Motto’ are positioned at the outer edges of the framework, representing the important role of keeping our organization moving in the same direction as outlined by our Vision.

Aligning Financial Planning with Strategic Priorities

The District Strategic Plan and goals inform the strategic priorities. The budget reflects the costs of implementing these strategic priorities. We view the budget as a moral document that reflects the core values and goals of the District because it provides the resources to support the priorities. The priorities for developing an educated citizen are refined and adjusted on an ongoing basis and the resulting resource use is reflected in the District’s spending plan or budget.

As we develop the budget, we use the Strategic Plan framework as follows:

At the core is **Student Success**

We look to support all the goals which are:

			
Literacy	Numeracy	Well-being	Transitions

Through an ongoing process of evaluation and planning, we identify what is needed to achieve the goals (plan) and then we prioritize objectives and initiatives (set instructional priorities). This work spans across budget years, but we build in planning for changes as part of the budget process. The initiatives are the actions we are taking and programs we are implementing, and the budget implications are time, people and money that makes these actions happen. The budget process often provides a guide in prioritizing resources as we consider available resources and how current resources might be reallocated (pay for priorities).

We also incorporate ongoing feedback as we assess progress against the strategic plan and identify priorities. The engagement process is described in more detail in the Engagement Process section, below.

Engagement Process

We plan and develop the budget through continuous engagement with stakeholders throughout the school system. This engagement process is ongoing process. Such that once the board approves one budget and that year starts, completing that budget planning cycle, we are invariably already planning for the next budget cycle. This planning is exhibited by implementing and monitor the current year from a financial perspective, evaluating the programs that support the identified strategic initiatives, and examining data for other adjustments or system needs.

Future planning entails multiple formal and informal activities. These include research and evaluation of our current state and of current initiatives through data and school evaluation conducted by district administrative staff, encouragement and concerns we hear from stakeholders, and learnings and initiatives from within the education community, including the Ministry of Education and Child Care.

We engage with stakeholders through meetings with labour groups, feedback from students, families and parent advisory groups, the board, and community groups. Informal engagement occurs every day through the district leadership. We also engage directly with our local indigenous community through the Indigenous Education Council.

These activities and interactions with stakeholders are how we identify unmet goals, the needs within the district, and possible initiatives for addressing these needs. We then set priorities by engaging with stakeholders through leadership meetings, committee meetings, board liaison meetings, learning sessions and formal board meetings. Once we have developed a draft budget, we obtain community feedback through the budget committee, district surveys, and for the 2024-25 year through the 2025 to 2029 strategic plan refresh.

There are not enough resources to support all budget requests. As a result, depending on whether the items are considered a priority, some requests may be held for future years and some may be considered once the school year has started, enrollment finalized in September, and available resources known with greater certainty.

The table below shows the board's engagement in the planning process. Throughout the year, the board receives reports on current and potential initiatives through learning sessions. They are also engaged in budget development through these meetings.

Board Strategic Learning Sessions 2024-2025	
Date	Topic
September 10	• Early Learning and Child Care Update • IEC Update
October 15	• Early Learning Collaboration (ELC) Project Update • Competency Based IEP (CBIEP)
November 19	• Accessibility Act • Indigenous Education - Going Deeper
December 17	• Transportation Presentation
January 14	• Mental Health in School Strategy: District Data • Trauma Work: Angela Murphy Update
January 21	• Jackson Award • Feeding Futures
February 4	• Numeracy Update: SNAP River, Forrest
February 18	• 24/25 Amended Budget Overview • Jackson Award - Follow Up
April 15	• 25/26 Preliminary Budget Assumptions
April 29	• District PD Recap & Leyton Secondary Enrolling & Non-enrolling • Anti-racism work: IDEA & Student Engagement
May 13	• Middle School Pillars
May 27	• Strategic Plan Refresh
June 10	• Aboriginal How Are We Doing Report
June 24	• Strategic Plan Refresh

Guiding Principles for Developing the Budget

- Align with priorities identified under the Strategic Plan;
- Balance the budget;
- Develop the budget with partner, public and board input through communication, consultation and feedback;
- Comply with the *School Act*, collective agreements, other regulatory requirements, and board policies;
- Ensure sustainability of program and service deliver over multiple-years;
- Maintain an appropriate contingency balance in compliance with board policy; and
- Ensure sufficient resources for the district support system, including business operations, facilities, human resources and buses, supports leadership, student learning, and health and wellbeing of staff and students.



Figure 2 GWG Gym resurface July 2022

6. Operating Fund: Budget Development Overview

Budget Framework: Financial Structure and Policy

The financial structures established by the province, accounting bodies, and the District's financial policies provide guidance on the presentation and structure of the budget. We will briefly review these below.

6.1 Basis of Budgeting and Accounting

The District's budget is prepared in accordance with the following Provincial legislation and regulation that establish government's framework for financial reporting:

- Section 23.1 of the Budget Transparency and Accountability Act
- Regulations 257/2010 and 198/2011 issued by the Province of BC Treasury Board

Budgets are prepared in accordance with PSAB and are on an accruals basis. For more information on the basis of accounting please see:

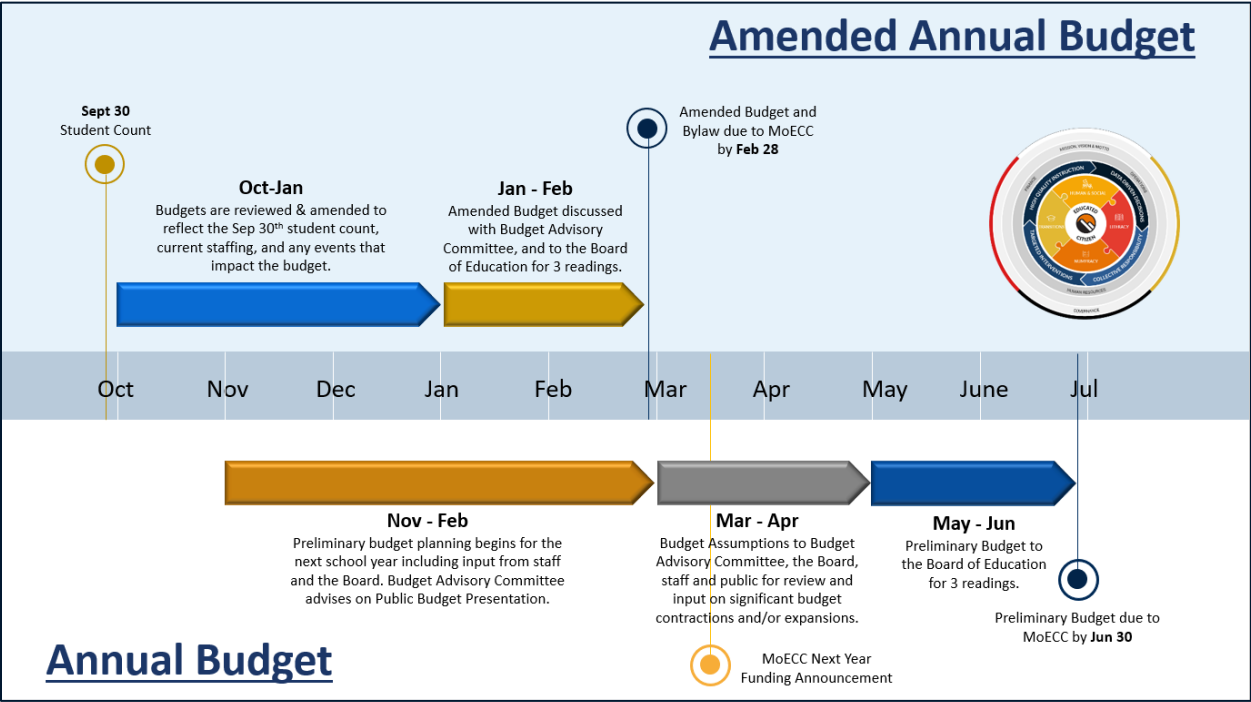
<https://www2.gov.bc.ca/gov/content/education-training/k-12/administration/financial-management/school-district-financial-reporting>

6.2 Budget timelines and requirements

School districts in British Columbia are required to submit a balanced school year budget starting on July 1 and ending on June 30 of the subsequent year, by June 30 each year, in accordance with section 113 of the *School Act*. The annual budget bylaw must be approved by the School District Board of Education.

Under the *School Act* the Board may amend the annual budget. Section 113(2) specifies that the Minister may order an amended budget be submitted if an operating grant is amended or a grant withheld. As a matter of practice, districts have typically submitted amended budgets to the Ministry by February 28 of each budget year. This amended budget bylaw must also be approved by the board. The amended budget reflects adjustments for the impact of actual enrolment on staffing costs and revenue and depending on timelines may be updated for the effect of any new or changed information such as settled labour negotiations. For the 2024-25 budget cycle the amended budget deadline was moved to March 28, 2025 as a one time adjustment to accommodate the later than normal release of interim operating grant information by the Ministry.

In essence, the District does continuous budgeting as the budget work is a year-round process. The most intensive preparation of the forthcoming year’s budget happens between February and May. This is illustrated in the chart below.



The annual budget timeline is crafted to ensure the Board’s consultation requirements are met with the Budget Advisory Committee, the school community, and the statutory requirements. With a minimum of 5 meetings per year, the Budget Advisory Committee provides valuable input for the Board’s annual Public Presentation before the Annual Budget is finalized, reviewed and approved by the Board, and sent to the Ministry of Education and Child Care by June 30th. The Amended Annual Budget undergoes the same engagement process, with the committee and the Board of Education reviewing the data and ensuring submission by the due date of the year, when required.

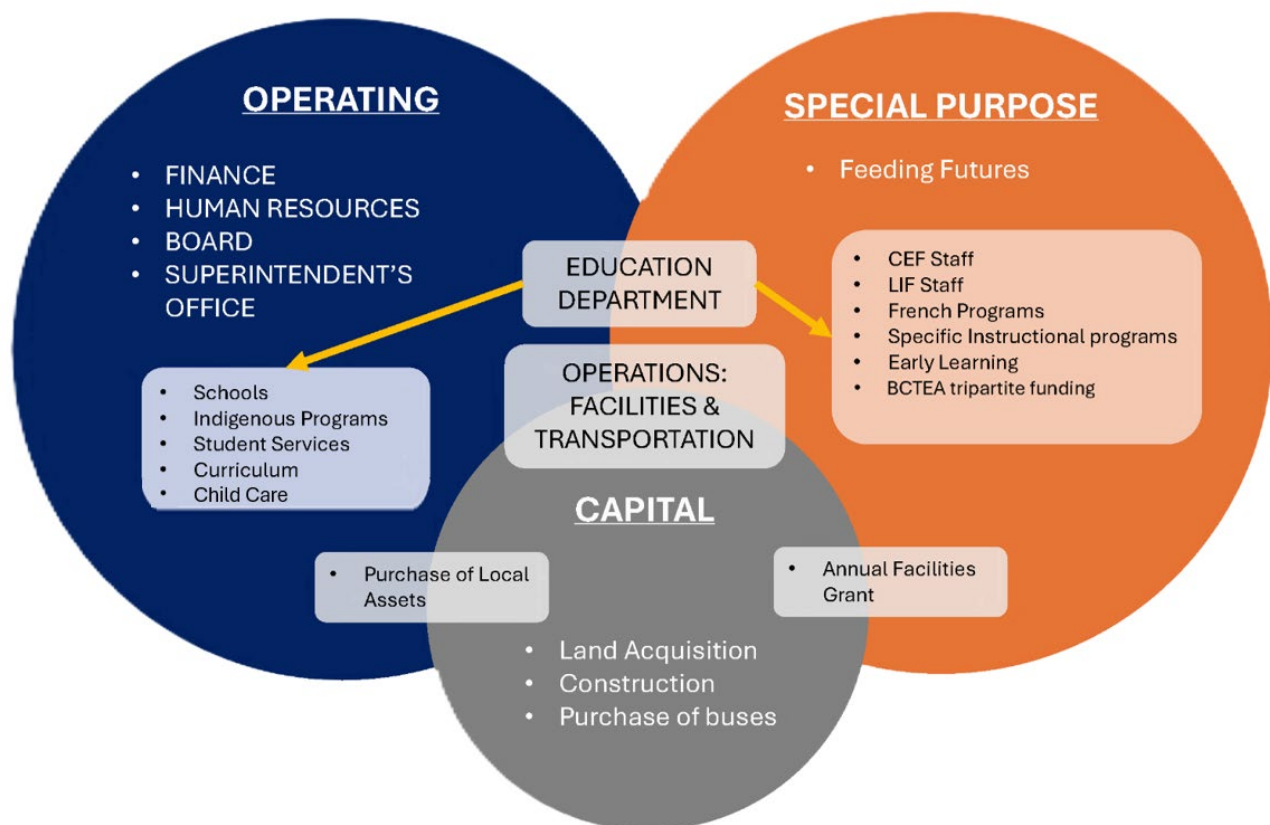
6.3 Fund Descriptions and Structures

As required by the Public Sector Accounting Standards Board (PSAB) and the Ministry of Education and Child Care, the School District reports revenue and expenses under three separate funds, namely:

Special Purpose Funds	Operating Budget	Capital Budget
		
Expenditure	Expenditure	Expenditure
Specific Time Frame (1-2 years) <i>Specific Function Examples:</i> School Trust Fund Annual Facilities Grant Community Link	Student Supports Instruction Administration Maintenance Transportation	Buildings Land Improvements Equipment Site Purchases
Revenue Sources	Revenue Sources	Revenue Sources
Separate, identifiable funds designated for a specific use or program	Ministry grants and other operating revenues	Ministry capital grants, locally generated funds, and school site acquisition charges from local municipalities

6.4 Departmental Fund Relationship

The daily work of the District and departments spans across the three different funds as described in the following graphic. In the graphic, the bullets are placed in the color circle representing their funding and reporting fund. So CEF and LIF are funded through the Special Purpose Fund; some portion of maintenance is funded through the Capital Fund. The work reflected by these three streams are part of district operations which are primarily funded through the Operating Fund.



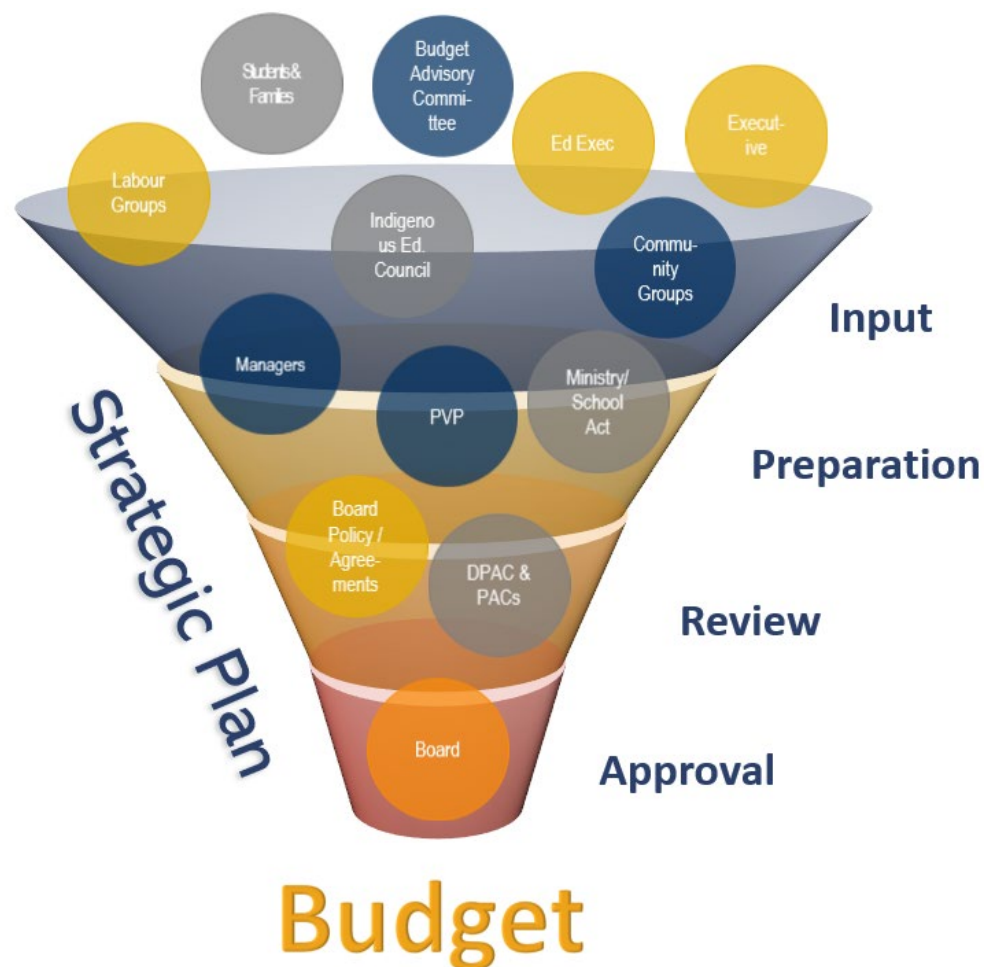
6.5 Budget Timeline - Engagement and Monitoring

The District prepares modified financial reports summarizing operating actual revenues and expenses on a quarterly basis, these are submitted to the province as Governmental Reporting Entity (GRE) Reports. The September, December and March quarterly reports provide a high-level summary of the budget and actuals to date, significant financial variances, changes from prior year and prior quarter, staffing changes, and any other information helpful in understanding the variances and differences. They are reviewed by the Budget Advisory Committee.

The District also prepares an Annual Audited Financial Statement and a Financial Statement Discussion and Analysis report (FSDA) as of June 30 each year. The FSDA describes the variances between the budget and actual financial results. These are presented to the Board at the September Board meeting and the Audit Working Committee meets with the auditor annually. Timelines and engagement opportunities for Financial Planning and Reporting Activities are typically as follows:

Month	Meeting	Description
September	Regular Board Meeting	Audited Financial Statements, Financial Statement Discussion and Analysis
November	Budget Advisory Committee	1 st Quarter Financial Report, Financial Statement Discussion and Analysis, Budget Timeline and Process
November	Regular Board Meeting	1 st Quarter Financial Report, Budget Timeline and Process Approval
January	Budget Advisory Committee	Amended Annual Budget Review
January	Regular Board Meeting	Amended Budget 1 st Reading
February	Budget Advisory Committee	2 nd Quarter Financial Report, Budget Timelines, Public Budget Presentation/Consultation Planning
February	Regular Board Meeting	Amended Budget 2 nd & 3 rd Reading and Adoption, 2 nd Quarter Financial Report
April	Budget Advisory Committee	Preliminary Budget Assumptions, Overview of Public Budget Presentation/Consultation
April	Regular Board Meeting	Public Budget Presentation & Consultation
May	Budget Advisory Committee	3 rd Quarter Financial Report, Preliminary Budget Review, 3-Year Plan Review
May	Regular Board Meeting	Preliminary Budget 1 st Reading, 3 rd Quarter Financial Report, 3-Year Plan Review
June	Regular Board Meeting	Preliminary Budget 2 nd & 3 rd Reading and Adoption, 3 rd Quarter Financial Report, 3-Year Plan

Consultation



The district's operating and service plans develop continuously throughout the year. Planning for larger changes often starts as early as October of the year preceding as ideas do not come at one point in time. This planning and these ideas all flow into ongoing budget discussions. Sometimes, budget changes happen mid-year and are presented through the amended budget process. Most often, however, larger changes happen at the start of a school year.

All of this is to say that continuous feedback received throughout the year informs the district's improvement plan and therefore the budget. This feedback and input comes through supervisor site visits and discussions, leadership meetings, learning sessions, surveys, board meetings, partner meetings, including with parent groups, and the indigenous education council to name a few venues. These inputs are reflected going into the cone, above. They are filtered and absorbed throughout the year through other groups and lastly through the district's executive and board ultimately resulting in approval of some ideas and a fiscal representation of the district's service level.

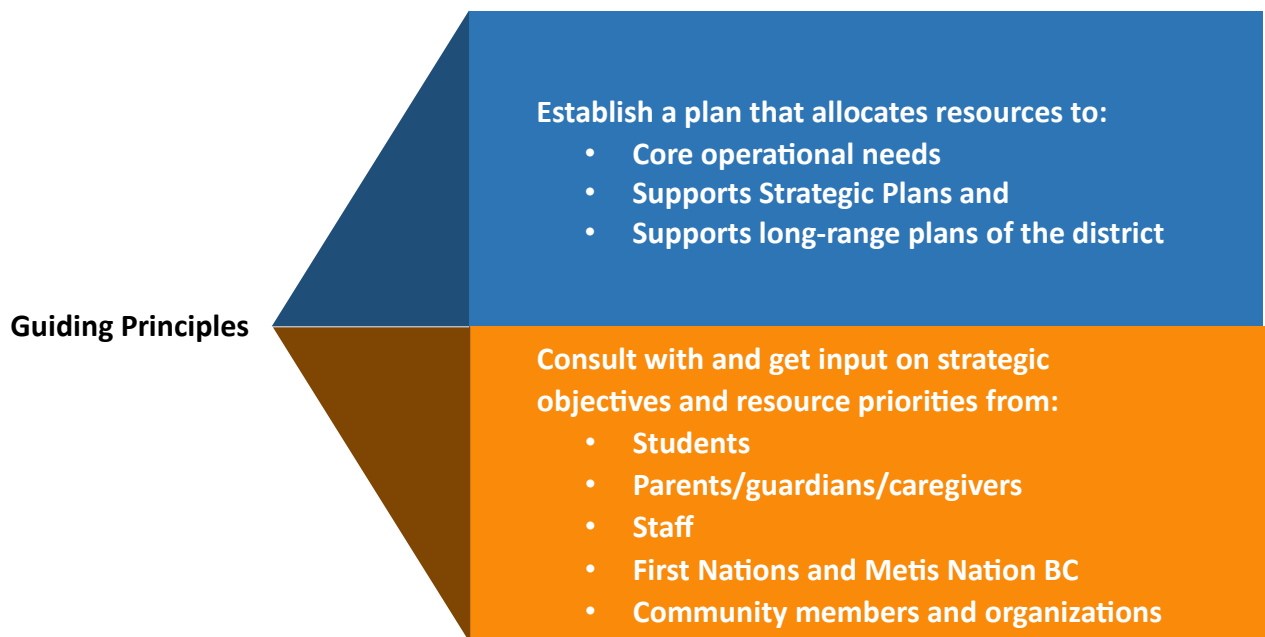
6.6 Financial Policies

600 – Financial Planning and Reporting

This policy provides the guiding principles for financial planning in the District. The Board acknowledges its fiduciary duty while supporting the priorities and strategies of the Strategic Plan.

The guiding principals underlying the financial plan are as follows:

- Throughout the fiscal year, management will provide regular reporting which will compare actual and forecasted expenditures to the financial plan.
- The Board will amend the budget plan as conditions change and will formally approve an annual financial plan by June 30 and amended financial plan by February 28.
- The Board will review the financial planning process on an annual basis



601 – Accumulated Operating Surplus

This policy describes the District's procedures regarding the accumulation, spending, and reporting of operating surplus funds. The policy describes the purpose of the Operating Surplus and provides that the budget consultation process include engagement on the use of the Operating Surplus.

The detailed procedures regarding the Operating Surplus are outlined in Administrative Procedure 601, Accumulated Operating Surplus. These include a description of the categories of operating surplus and restrictions on these categories. Operating surplus comprises the following categories:

- (a) Restricted due to the nature of constraints on the funds
- (b) Restricted for anticipated unusual expenses identified by the Board
- (c) Restricted for operation spanning multiple school years
- (d) Restricted for transfer to Local Capital – limited for capital use and arising from proceeds from the disposition of capital assets or operating transfers earmarked for capital purchases
- (e) Restricted for future capital cost share
- (f) Unrestricted which is to support effective planning that includes risk mitigation. ***The target balance is established in the range of 2 to 4 percent of annual operating expenses as Approved in the Annual Budget.***

The Administrative procedure details the requirements for approval and reporting the Accumulated Operating Surplus. These include engagement with the Budget Committee and Board approval.

Other financial policies:

[620 – Signing Authorities](#)

[630 – Purchasing](#)

[650 – Acquisition and Disposal of Real Estate](#)

[660 – Consolidation or Closing of Schools](#)

[661 – Naming and Re-naming of Schools](#)

[662 – Child Care](#)

162 – Budget Advisory Committee

This policy describes the composition, purpose, and goals of the committee.

The Budget Advisory Committee is advisory in nature and reports directly to the Board through the chair of the committee.

The Budget Advisory Committee for the 2024-25 school year consisted of three (3) trustee representatives (*one to serve as Chair and one as Vice-Chair*) and one (1) representative from each of the following groups, in accordance with board policy. Any trustee may attend committee meetings as an observer.

- Chilliwack Principals' and Vice Principals' Association (CPVPA);
- Chilliwack Teachers' Association (CTA);
- Canadian Union of Public Employees Local 411 (CUPE);
- District Parent Advisory Committee (DPAC);
- Indigenous community;
- Management group; and
- Up to two (2) community representatives.

The Committee reviews and provides input on the budget, the amended budget, quarterly reports, and plans for public consultation on the budget planning process. For the 2025-26 budget the process was as follows:

- February 6, 2025 – Budget Advisory Committee: reviewed the 204-2025 amended budget
- February 27, 2025 - review budget timelines and goals for communication and consultation regarding the Budget Planning Process; in service learning on special purpose funds
- April 2025 – Worked with First Nations through the Indigenous Education department to update transportation plans for on-reserve students
- April and May 2025 – Communication: through social media, local newspaper ad and internal staff communication document (Connect 33), all staff, students, families, and community members were invited to learn about the 2025-2026 school District budget and to provide feedback before during and after the Public Budget Presentation
- April 10, 2025 – Presented budget assumptions, proposed changes, alignment with the strategic plan and accumulated surplus to Budget Committee
- April 3, 2025 – Presented budget assumptions and alignment of budget with Strategic Plan at an All-Leaders District meeting
- April 15, 2025 – Reviewed budget assumptions at a Board Learning Session
- April 22, 2025 – Presented Budget Presentation to Public during Public Board of Education Meeting

- May 6, 2025 – Budget Planning with the Board
- May 8, 2025 – Reviewed Annual Budget with Budget Advisory Committee
- May 20, 2025 – Reviewed Annual Budget with Board of Education at public meeting; Board of Education action on the budget - approved first reading
- June 17, 2025 - Board of Education action on the budget - approved second and third reading and adoption of the Annual Budget Bylaw

Following the Budget Advisory Committee recommendations on the engagement process for this year, the District did the following:

- Clarify renewal process and long-term outlook for new programs, such as Feeding Futures
- Address frequently asked questions from previous public budget presentations
- Ensure alignment between budget priorities and Board values
- Include detail on the portion of Indigenous Education funding managed by the IEC
- Add the ADR project to the Capital Projects summary
- Provide an explanation of how bus-fee revenues are applied within the budget
- Description of special purpose funds
- Share information on assumptions
- Identify what spending is driven by enrollment versus spending decisions that are made by the district
- Review of the operating surplus – what it means and what the balance should be

163 – Audit Working Committee

This policy establishes a committee of the whole, comprising all trustees, with one trustee serving as Chair and one as Vice-Chair, along with up to two community members who are financially literate. The committee is responsible for selecting the auditor, liaising with the auditor, attending the final audit presentation to review the Audit Findings Report and Audited Financial Statements, assessing risks facing the district, reviewing the effectiveness of internal controls, and reviewing audit findings from any regulatory agency.

7. Summary of the 2025-26 Financial Plan

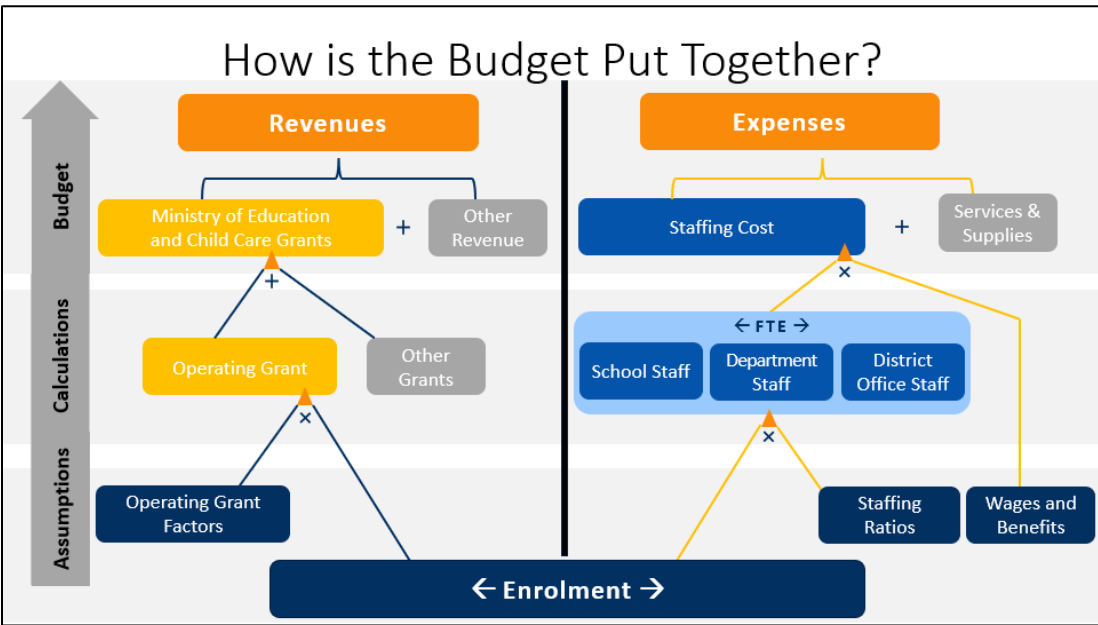
7.1 How we prepare the Operating Fund budget

The Operating Fund budget is built based on a set of assumptions and a series of calculations that are based on these assumptions. The graphic below shows the key assumptions and calculations.

The assumptions are reflected by the dark blue boxes. The key assumption is student FTE enrolment as this underlies our revenue and costs. Our revenue is calculated based on FTE enrolment and the amount of the grant per pupil. Our costs are calculated by applying staffing ratios to figure out how much staffing we need to serve those students.

We calculate expenditures by applying these assumptions as shown by the blue boxes. The operating grant factors applied to enrolment generate our operating revenue. Staffing ratios applied to enrolment generate the likely number of instructional and support staff. Finally, the cost of staffing is calculated by multiplying the wages and benefit costs for each of the staff categories by the number of staff in that category.

The above factors account for the majority of budgeted expenditures. Based on 2024-25 Actual costs, operating grants comprise 94.9% (total Provincial grants are 95.3%) of District operating revenues. Staffing costs are 89.6% of the District's expenditure budget. Other revenues are estimated based on analysis of prior year and known grants and expectations for items like interest, enrolment of international students, and facility rental. Other expenses are compiled from submissions from schools and departments.



7.2 Assumptions

7.2.1 Enrolment

Enrolment projections and forecasts are the foundation of the financial plan. The District receives the majority of operating funds from the province based on a series of formulae that are driven by student enrolment. District staffing levels are also directly driven by enrolment. As a result, the District prepares three-year detailed school and grade level enrolment forecasts every year. These are used for the multi-year financial plan. Forecasts for an additional seven-years, for a total outlook of ten-years, are prepared and used in our capital planning.

Enrolment is estimated through a multistep process. We use historic enrolment and knowledge of outside information to build the estimated enrolment by grade level. Historic enrolment establishes patterns of growth, highlights grades with unusually high or low enrolment, areas of Chilliwack where growth or declines may be happening. Historic enrolment data is also used in preparing a cohort survival model. Every year, the prior year's grade is rolled up with the application of a survival rate. So, for instance, 2024-25 first grade enrolment is the basis for estimating second grade enrolment in 2025-26. This is adjusted for the percentage of students that usually stay in the system from grade to grade. There may be a pattern of increase between first and second grade as students enter schools late or from Independent settings or there may be a pattern of decrease as the District experiences outmigration of families.

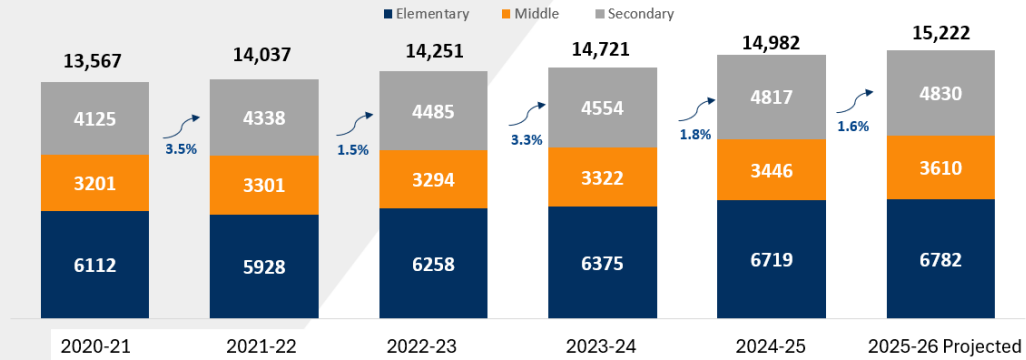
There are several pieces of outside information that are built into the enrolment estimate model. These currently include the following:

- Birth rates
- Housing starts in the City of Chilliwack and the portion of the Fraser Valley Regional District in which the district lies and student yield (generation) rates based on type of housing developed
- International In-migration
- In/out-migration Canada or BC
- Building and planning information from local first nations

The calculated estimate is then compared against the estimate generated by the Baragar system that provides enrolment estimates to districts across British Columbia, which does not include local knowledge.

Enrollment, Headcount

Enrollment Trends and Projection (Headcount excl. Flex. CLC, and WEX), 2020-21 to 2025-26, as of September count



As shown in the above chart, enrolment in Chilliwack schools has consistently increased for the last five years. The continued increase is a result of Canada's population growth and the trend we have seen of families leaving the Vancouver area, where housing costs are very high, for outlying or rural areas, where housing is lower cost. We are anticipating continued increases according to our estimates of future enrollment. However, we expect that the rate of increase will begin to moderate in future years.

Revenue

The operating grant is received monthly, and it is based on student enrolment compiled through data collection that takes place in September, February, May and July. See the graphic from the Ministry of Education and Child Care that is copied below. This shows the basis for calculating the core components of the operating grant amount.

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
18% allocated to recognize unique student enrolment	Online Learning	\$7,280 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	\$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
7% allocated to recognize unique district factors	Indigenous Education	\$1,790 per student
	Adult Education	\$5,755 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
0.2% 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.		

All funding information estimated for the 2025/26 School Year

The operating grant is made up of a basic allocation for every enrolled student and supplementary grants are provided for students who are identified as having unique needs or who have other demographic and unique demographic factors. All of these allocations are calculated by applying the enrolment to the fixed amount of funding per full-time equivalent student (FTE).

The Ministry typically announces grant estimates for the following fiscal year on or around March 15. For planning purposes, the Ministry held the 2025-26 budget year per pupil rates constant. We believe that this is due to the fact that the wage rates, which are collectively bargained or otherwise set by BCPSEA, have not yet been settled (see section 7.2.3 below). Once these are settled, we believe, based on past practice, that the Provincial Government will update district grants by providing additional funding. We expect that the additional funding should roughly cover the cost of increase in wages and mandatory benefits by district. Because the increase is calculated provincial-wide, the allocation across school districts is not always completely aligned with each district's staffing structure. Teachers salary scale recognizes experience and qualifications and the teaching force in every district differs.

7.2.2 Staffing Ratios

Chilliwack School District schools are staffed based on established student headcount ratios, type of school, and square footage of rooms. From time to time, staffing may be added to this base level due to targeted interventions or other strategic initiatives.

Teaching Staff

The allocation of teaching staff is influenced by the language of the Restored Language Agreement. This is described more fully in the Special Purpose Funds section for Classroom Enhancement funds, below.

For estimating the number of school-based teacher staffing each year, the overall districtwide average ratio of teachers (comprising classroom teachers, specialist teachers for RT, ELL, or LAT, librarians, and counselors) to regular K-12 students is calculated. This is based on the current year staffing and actual enrolment as of September 30. This ratio is then applied to the projected change in enrolment and the teacher staffing budget is adjusted accordingly.

Elementary Grade Schools (Kindergarten – Grade 5) Classroom Teachers

Reference: Section 76.1 of the BC School Act; Memorandum of Agreement, BCPSEA, Ministry of Education and Child Care, and BCTF; Re: LOU NO. 17: Education Fund and Impact of the Court Cases – Final Agreement

A classroom teacher is assigned to a group of students with the following class size limits:

Grade	Class Size Limit	Minimum
K	20	15
1-3	22	17
4-5	30	24

These class size limits are reduced by 2 for every student within the class who has a diverse needs Ministry categorization of A through G (low incidence). However, the class size limit can not be reduced below 5 less than the maximum (titled minimum in the above table).

Each classroom teacher is provided 120 minutes/week of preparation time (pro-rated for FTE). Additional staffing in the form of specialty teachers (e.g. Music, Library, PE) is provided to the school to instruct the students during this preparation time.

Middle School Classroom Teachers (Grades 6 through 8)

Reference: Section 76.1 of the BC School Act

Class size limits are 30 students. There is no class size adjustment for students with diverse needs as these students are not with an individual teacher more than 50% of the day. Middle school students receive core subject instruction in cohorts (2 classes) that are team taught by two teachers. Each teacher has two cohort classes of students, up to a maximum class size of 30.

Class size minimum, if the class size is reduced for the number of students with diverse needs, for middle and high school is 6 less than the maximum. The maximum is 30 students, so the minimum is 24 students.

Teacher preparation time is provided when students take exploratory subjects like Music, Art, Drama, Trades and Technology. Teachers provide face-to-face instruction for seven of every eight periods. Generally, middle schools offer 4 periods of instruction a day. Exploratory subjects are capped at a maximum class size of 24, which may mean additional exploratory staffing is required for the existing classes to accommodate the 30 student cohorts.

Secondary School Classroom Teachers (Grades 9 through 12)

Reference: Section 76.1 of the BC School Act

Class size limits are 30 students. There is no class size adjustment for students with diverse students as these students are not with an individual teacher more than 50% of the day.

Students take 8 courses a year and schools organize their course offerings so that the following are the maximum class size limits:

Course Type	Class Size Limit
Elective courses	24 students (e.g., food, shop)
Sciences	28 students
Other	30 students

In Chilliwack, secondary schools are staffed at a ratio of one teacher for every 22.5 students (1:22.5) approximately, with that staffing including core and elective instruction, counselors, librarians, learning assistance teachers and time for teacher preparation.

Secondary school enrollment is characterised by higher FTE than headcount, generally. This is because many students take more courses than is expected in a regular full day course load. This higher than headcount or FTE enrolment is factored into the revenue projections and overall staffing estimated for schools, as described above.

In practice, when preparing staffing estimates for schools, however, the headcount is used as a baseline and a separate contingency staff balance is held for the potential staff required to meet the anticipated additional course taking (FTE staffing over head count staffing). As staffing is assigned, secondary principals are involved in estimating the FTE at which they staff. Ideally, the principal staff is within the baseline plus contingency staffing. The staffing driven by actual enrollment is reconciled to staffing hired at the start of the school year. If the school has lower than anticipated enrolment and therefore is overstaffed, the school will pay for the staff out of their supplies and services budget. The district will provide the school extra funds to the extent enrolment is higher than anticipated.

Each school also receives 2.0 FTE for alternative teachers.

Non-Enrolling Teachers

Across the district, non-enrolling teachers provide support and instruction that supplements the general education setting. Non-enrolling comprises teachers referenced in the CTA restored language as described in the chart below. Staffing ratios for these positions are calculated on a district wide basis and staff is deployed to school levels based on the need of the school level and of students in those schools e.g., more counsellors are assigned to secondary schools whereas more librarians are assigned to elementary schools. The overall district staffing of these positions at least meets these minimums and in many cases exceeds these minimums.

Category	# of students per staff
Counselors	665: 1
Learning Assistant Teachers LAT	403: 1
Special Needs - Special Education Resource Teachers (prog: 1.16, 1.17. 1.18) RT/ SERT	342: 1
ESL and Learning Assistants	74: 1
Teacher Librarians	692.1: 1

Administrators

Every school is assigned one full-time principal. Additional administrators are assigned to schools based on school level (elementary, middle, or secondary), school size, and consideration of the level of student need in the respective building. At all levels, partial administration assignments are supplemented by teaching assignments.

Elementary assignments

- Less than 350 students – expected that the principal will cover some of the teaching assignments.
- Greater than 400 students - a vice-principal is added with a minimum of 0.2 FTE administration duties. The remainder of their assignment would usually be in the classroom.

Middle school assignments

- Greater than 275 students - a vice-principal is partially added with administration time given on a sliding scale.
- Greater than 700 students - a second vice-principal is partially added also with administration time given on a sliding scale.

Secondary school assignments

- Greater than 275 students - a vice-principal is added with administration time given on a sliding scale.
- Greater than 700 students - a second vice-principal is partially added with administration time added on a sliding scale
- Greater than 1400 students - a third vice-principal is partially added with administration time added on a sliding scale.

Business Managers

Due to the complexity of school budgets and the frequency of financial transactions, secondary schools are provided one full time Business Manager (exempt position) if the school exceeds 700 students. At a minimum, a secondary school would receive a half time Business Manager with the time increasing to 80% once the school reaches an enrolment of 500 students.

Clerical Staffing

Daily clerical hours are assigned to schools based on school level (elementary, middle, or secondary), and student enrolment. For the most part, these assignments are school year (10 month) employees except for secondary schools which are staffed with a 12-month head clerical (Clerical A) employee.

Hours per day allocated to each school, based on level and enrolment**				
Minimum Enrolment	Elementary	Elementary/ Middle	Middle	Secondary
0	6^	14	12	12
401	10			
501	13			
701		15	15	15
901			17.5	17.5
1201			25	25
			31.5	31.5

** A full-time clerical position equates to 7 hours per day.

^ Two schools have been granted 7 hours due to site specific circumstances

School Accounting Staff

Additional office support is provided to middle schools, with a focus on providing the school with support in budget and finance. Combined elementary/middle and middle schools are provided one full time Accounting Clerk.

Special Program Staffing – Special Education

The following ratios are guidelines but not necessarily what is ultimately allocated

Teacher	Elementary	Middle School	Secondary
1.0 Resource Teacher	24-26	26-28	28-30 (ratio 28:1)
Child and Youth Care Workers	1 x 6 hour/ day	1 x 7 hour/ day	1 x 7 hour/ day

Resource Teachers - Based on expected number of low incident Special Needs students

Education Assistants - Each school is given a percentage of the Special Education grant that their students generate expressed in daily hours. These hours are used to create EA positions using the following standard base for each position:

- Elementary & Middle Schools – 5.25 hours/day
- Secondary Schools – ranging from 6.00 to 6.25 hours/day

School-based EA hours have been increased for 2024-25 pursuant to a year-to-year agreement with the union. The increase has two components, one using special purpose funds is 0.33 hours using Learning Improvement Funds and the second is funded from the operating fund and is 0.13 hours meant to reflect hours not worked during the extended spring break.

Other School-Based Staffing

Supervision Assistants (SAs) – AP 540	Minimum of 1 Supervision Assistant up to 175 students. Sliding scale up to 8 SAs for greater than 1200 students.
Custodians	Each school is staffed with a head custodian working a minimum of 30 hours/week. Additional custodial time is given based on the square footage of the school as well as the grade level and room layout of the building.

Non-Enrolling, Non-Ratio Staff

Positions	FTE
Teacher Leaders & Release - Literacy	15.00
Teacher Leaders & Release - Numeracy	3.60
Teacher Leaders	3.40
IDEA teacher, integrated care, attendance, inclusive ed, coordinators	9.50
Vision and Hearing Teachers	3.60
Speech Pathologists	8.20
Psychologists	5.90
Summer School	1.55
Total FTE	50.75
Total cost at average teacher cost \$124,000	\$6.3 million

7.2.3 Wages and Benefits

Wages

British Columbia Public School Employers' Association (BCPSEA) is the accredited bargaining agent for the province's 60 K-12 public boards of education, for unionized teaching and support staff. BCPSEA also assists school districts in developing, implementing, and maintaining terms and conditions of employment, including compensation levels, for employees who are not covered by a collective agreement. Exempt staff includes superintendents, secretary treasurers, senior school district managers, principals, and vice-principals.

The current Provincial Collective Agreements for both CTA and CUPE expire on June 30, 2025. New collective bargained agreements have not been settled, as of the date of preparing the District's budget. As a result the wage rates in this budget have been held to the level provided in 2024-25. The key terms of the expiring agreements were as follows:

BCPSEA and the BC Teachers' Federation

- Term of July 1, 2022 to June 30, 2025

BCPSEA and the K-12 Presidents Council

(representative of support staff unions in the K-12 public education sector, including CUPE)

- Term of July 1, 2022 to June 30, 2025

Any changes in salaries for exempt staff, comprising Administrators in leadership roles (EN coded for Governmental purposes) and Non-educator exempt (EX), are subject to the approval of the BCPSEA and the PSEC Secretariat. These will not be approved until the collectively bargained agreements are settled.

From a revenue perspective, no increases have been included in budget. From an expense perspective, only increases for movement along wage grids has been included in the budget.

Benefits

Employee benefits primarily comprise extended health and pensions. Pensions are provided collectively through the Municipal or Teachers Pension Plans, which are managed provincially. Statutory benefits include the contribution towards the BC public health insurance Medical Services Plan (MSP), contributions to the Canada Pension Plan, Employment Insurance, and WorkSafe. Extended health covers dental, vision, pharmaceutical and therapeutic services. These are supplemental to the medically necessary services that are covered by the MSP

The District is essentially self-insured for employee extended benefits and the plans are administered by Pacific Blue Cross. Premiums are based on the costs of the plans, which reflect the services that are covered, cost of services and the uptake of available benefits. Higher cost

of services, greater usage, and broader coverage has resulted in a significant increase in benefit cost. Benefit costs for 2025-26 reflect the actual cost of premiums with the prior year increases in rates. These costs are partially passed onto the District's teachers and PVP, through payment from wages, with the majority of the cost borne directly by the district. The result is in an increase in benefit costs. The increases in extended health and dental benefits are in the range of 20% to 30% for all employee groups.

Employee Benefit	2025-26 Annual	2024-25 Amended	Change 23-24 to 24-25
Pension Plan - Municipal	9.31%	9.31%	0.00%
Pension Plan - Teachers	11.30%	11.30%	0.00%
Canada Pension Plan (CPP)	5.95%	5.95%	0.00%
Employment Insurance (EI)	2.17%	2.15%	0.02%
Employer Health Tax (EHT)	1.95%	1.95%	0.00%
WorkSafeBC	1.67%	1.67%	0.00%
Extended Health	\$2,694	\$2,270	\$424
Dental	\$2,114	\$1,927	\$187

Source: Government website and budget calculations; teacher rates used where multiple groups were available

7.2.4 Other Costs

SERVICE & SUPPLIES BREAKDOWN: (in '\$000)		Budget 2025-26	Amended Budget 2024-25
Services		5,215	5,906
Student Transportation		40	55
Professional Development & Travel		1,316	1,391
Rentals & Leases		25	25
Dues & Fees		363	376
Insurance		416	416
Supplies		9,561	10,196
Utilities		2,505	2,655
Total Services & Supplies		19,441	21,020

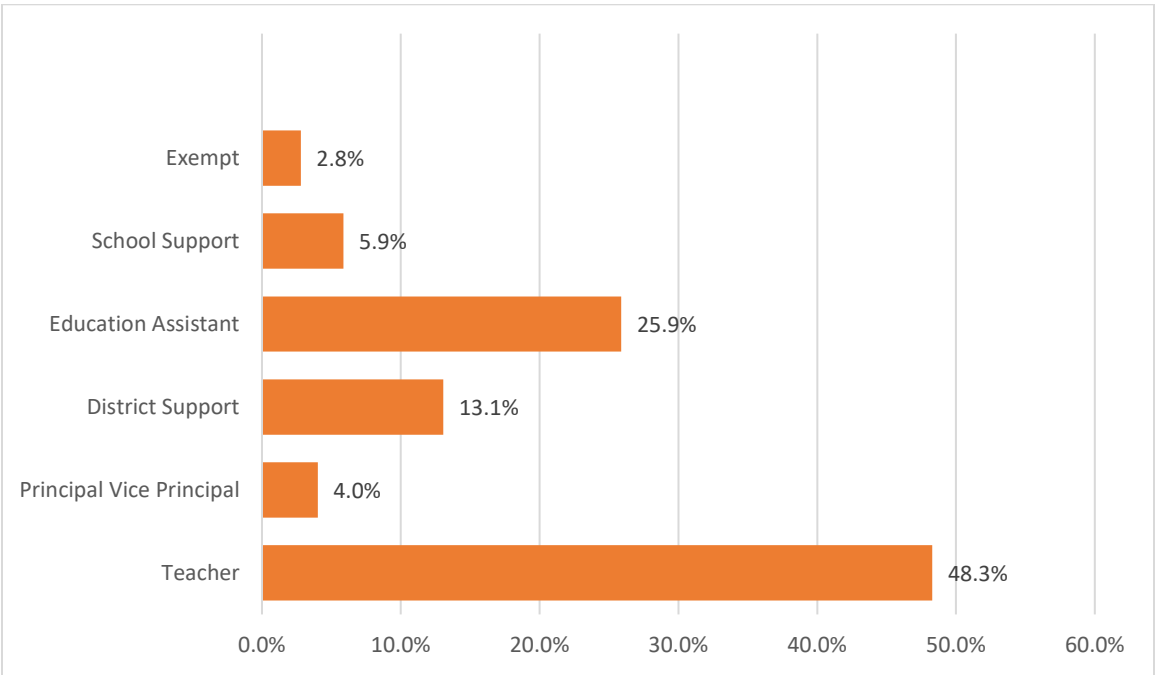
Other costs are comprised of supplies and services, which are all non-wage and benefit costs. These are separate for schools and departments. Schools are allocated an amount per pupil that is periodically reviewed by the senior leadership team. The rate differs between elementary, middle and high schools in recognition of the differences in support at each level. It is budgeted at the prior year actual level, with an adjustment for any known significant differences. The allocation is calculated annually in October based on the actual enrolment.

Department services and supply budgets are based on actual prior year costs increased by inflation and strategic initiatives. The budget is compiled by collecting requests from all departments. These requests are evaluated by the senior leadership team.

7.3 Staffing Summary and Changes

With over 90 percent of district costs reflected in staff salaries and benefits, staffing is the biggest and most critical investment of the budget. The chart below summarizes the District’s positions by type according for 2025-26 annual budget.

Percent of staff, by staff type, June 30, 2025 Amended Budget



The table below compares the staffing for the 2025-26 year with that according to the 2024-25 amended budget. In this table, staffing is measured by Full Time Equivalent (FTE) for the respective role. For teachers and most school-based clerical staff, this is a school year. For PVP, district support and other professionals, this means a regular full calendar year of work.

This table shows that overall staffing in the Operating fund increased by 10.117 FTE. This is primarily comprised of an increase in teaching staff of 3.2 FTE and an increase in EAs of 4.1 FTE. The majority of teacher increases is attributable to projected increases in enrolment (2.7). During the year, a Vice Principal position for Indigenous Education was created to increase support for the District's indigenous programs resulting in 1.0 FTE increase in Principals / Vice Principals. The increase in regular EAs is for increases in enrollment particular of students in inclusion programs. Adjustments to EAs for the indigenous program reflect ongoing program adjustments due to the evaluation. The increase of 1.0 FTE in district support staff reflects an temporary 18 month increase in Careers that is funded through grants.

Operating Fund Staffing (FTE); and some Special Purpose Funded Staff included (SPF)	Budget 2025-26	Amended Budget 2024-25	Change
Teachers			
Schools	729.113	726.459	2.654
School Purchased (High Schools)	11.771	11.771	-
Indigenous Education	13.800	13.030	0.770
District	50.750	51.050	(0.300)
<i>Schools (CEF funds; SPF)</i>	<i>88.145</i>	<i>88.145</i>	<i>-</i>
Total Teacher FTE	893.579	890.455	3.124
PVP			
School-Based	59.000	59.160	(0.160)
District	9.000	8.000	1.000
<i>Principal on Assignment to Early Childhood, (SPF)</i>	<i>1.000</i>	<i>1.000</i>	<i>-</i>
Total PVP FTE	69.000	68.160	0.840
Education Assistants			
Regular EAs	365.735	358.575	7.159
Indigenous Education EAs	32.845	35.866	(3.021)
CYCW	20.045	20.045	-
Total Education Assistants	418.625	414.486	4.138
Support Staff			
Supervision Assistants	19.723	19.866	(0.143)
School Clerical (10 and 12 month)	59.773	59.344	0.429
Careers	18.784	18.784	-
District	219.754	218.754	1.000
Total Support Staff	318.034	316.748	1.286
Other Professionals			
Trustees	7.0	7.0	-
Other Professionals	40.880	40.151	0.729
<i>Capital Project Managers (SPF)</i>	<i>2.000</i>	<i>2.000</i>	<i>-</i>

Operating Fund Staffing (FTE); and some Special Purpose Funded Staff included (SPF)	Budget 2025-26	Amended Budget 2024-25	Change
<i>Data (SPF)</i>	0.120	0.120	-
Total Other Professionals	50.000	49.271	0.729
NOTE: Substitutes (recorded as a cost not FTE in the budget building)			
TOTAL	1,749.238	1,739.121	10.117
TOTAL Operating	1,657.973	1,647.856	10.117

7.4 2025-26 Budget

OPERATING FUND (in '\$000)	Budget 2025-26	Amended Budget 2024-25
REVENUE		
Provincial Grants, Ministry of Education	189,623	187,700
LEA/Direct Funding from First Nations		
Provincial Grants, Other	200	200
International Student Tuition	2,956	2,905
Other Revenue	4,234	4,294
Rentals & Leases	350	250
Investment Income	1,015	1,122
Total Revenue	198,378	196,471
EXPENSE		
Salaries		
Teachers	80,153	79,421
Principals & Vice-Principals	10,165	9,980
Education Assistants	19,123	19,072
Support Staff	18,151	18,557
Other Professionals	5,154	5,048
Substitutes	8,756	8,692
Total Salaries	141,502	140,770
Employee Benefits	38,220	36,283
Total Salary & Benefits	179,722	177,053
Services & Supplies	19,440	21,020
Total Expense	199,162	198,073
Net Revenue (Expense)	(784)	(1,602)

Overall revenue is projected to increase 0.97 percent between the 2024-25 amended budget and the 2025-26 budget from \$196.5 million to \$198.4 million. This increase is purely due to the impact of projected changes in enrollment on the Province's operating grant. Tuition from international students is projected to remain constant as we settle the number of international students at a constant level. Investment income is projected to drop as a result of declining interest rates.

Overall expenditures are projected to increase from \$198.1 million in the 2024-25 amended budget to \$199.2 million, an increase of 0.55 percent. This increase is mostly attributable to increases in benefit costs and some increase in the number of staff. Supplies and services costs were higher in the 2024-25 amended budget due to one-time consulting work on projects such as the strategic plan; payables, human resource and payroll systems; AI initiatives; and the costs of a byelection.

7.5 2025-26 Summary of Accumulated Surplus

Below is a summary of balances in the accumulated surplus, including budgeted changes for 2025-26. This shows that the 2025-26 budget anticipates spending down some of the internally restricted reserves to balance the budget and purchasing \$555,000 of capital assets in the capital fund using local funds from operations.

In Thousands (\$'000)	2024-25 Projected	2025-26 Change		2025-26 Budgeted	2023-24 Actual
Operating Fund		Revenue (Expense)	Transfer		
Unrestricted	6,493 ^a	(784)	88	5,797	7,250
<i>Transfer from Internally Restricted</i>			643		
<i>Transfer from/(to) capital</i>			(555)		
Internally Restricted	1,170 ^b		(643)	527	1,812
Total Operating Fund Accumulated Surplus	7,663	(784)	(555)	6,324	9,062
Capital Fund					
Unrestricted	0				0
Restricted	0				725
Invested in Tangible Assets	56,943	2,512	555	60,010	53,812
Total Capital Fund Surplus	56,943	2,512	555	60,010	54,537

Notes:

a. Assuming projected surplus (deficit) for 2024-25 of (\$757,000); based on March quarterly financial report plus \$30,000 late expense

b. Comprise the following: School-based \$813,930, Indigenous included \$235,784; Early Learning \$119,826

The table below, shows the contribution or use of accumulated operating surplus. Based on our 2025-26 annual budget, we anticipate using \$1.3 million from the accumulated operating surplus to balance the budget. We estimate that \$0.6 million will comprise the use of school surplus, which is included in internally restricted funds; the remainder of the use will come from the unrestricted.

In Thousands ("000)	2025-26 Budget	2024-25 Projected	2023-24 Actual
Total Revenue	198,378	197,054	184,841
Total Expenditure	199,162	197,627	181,695
Net Revenue (Expense)	(784)	(573)	3,146
Transfer to Local Capital and Tangible Assets Purchased	(555)	(828)	(1,065)
Contribution (Use) of Appropriated Surplus	(1,339)	(1,401)	2,081

7.6 Contingency

The Board of Education is responsible for ensuring the District is protected financially from extraordinary circumstances that would negatively impact school District operations and the education of students. To discharge this responsibility, the Board has established a target range for the Unrestricted Accumulated Operating Surplus.

The target balance for the Unrestricted Accumulated Operating Surplus is established in the range of 2 to 4 percent of annual operating expenses as approved in the Annual Budget.

Should the Unrestricted Accumulated Operating Surplus decline below the target balance, a replenishment strategy will be developed and approved by the Board. Restoration of the balance may be implemented over a three-year period or an alternate approved timeline.

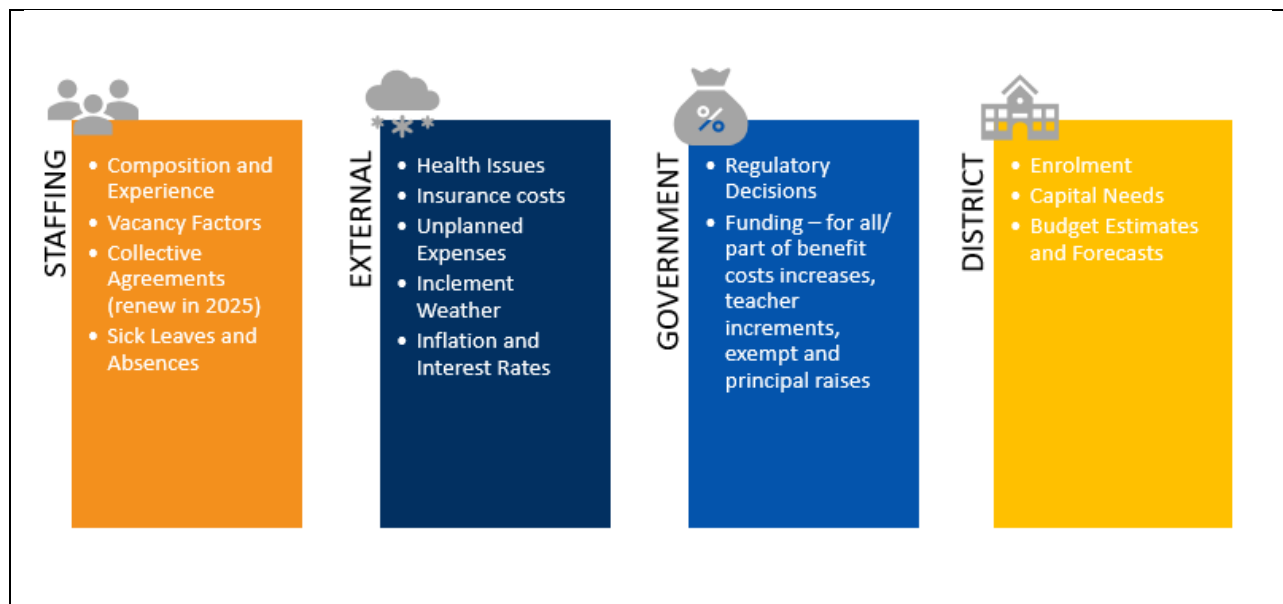
These funds would be used to mitigate any negative financial impact of extraordinary circumstances and ensure that the district has access to enough funds to continue to provide educational services and maintain regular operations without implementing one-time service cuts. The reserve also acts as a cash float for actual and potential timing differences in receiving funds.

Budgeted operating contingency reserve is projected to be 3.18% as of June 30, 2026, which is at the mid-level of the established range.

7.7 Risk Factors

The budget has been prepared based on many assumptions. These assumptions may change over time or exogenous shocks may cause unanticipated costs or unexpected revenues.

Changes may have a significant impact on budget. The key risks to the budget that we have identified, fall into four categories as shown in the following table.



In our current operating environment, we are seeing the following risks as heightened:

- Increases in benefit costs
- Challenges in recruiting and retaining staff
- Enrolment which is a variable experiencing significant change for many districts in British Columbia
- Uncertain macro-economic environment and possible recession due to weakness in BC economy, BC Provincial budget deficit, and US tariff changes
- Labour action due to outstanding collective bargaining agreements

8. Operating Fund: Multi-Year Financial Plan

8.1 Future Budget Issues

As we look to the future, we see the following key issues affecting the District's operations and service levels.

Enrolment Growth

The District's long-term student enrolment projections show ongoing, moderate growth across the city. We are continuing to monitor new developments and the student yield per new unit, as well as in migration of students, which is the main source of the district's enrolment growth.

Strategic Plan

The District's Strategic plan was refreshed during the 2024-25 school year. The updated plan will be finalized at the board's June 2025. The financial plan may be impacted by changes in the Strategic Plan or new initiatives that are implemented.

Space/Capacity

The district has an inventory of approximately 100 portables with about 75 currently used for classroom instruction. Portables are expensive to purchase and maintain. These costs come out of the funds that are earmarked for instructional program. We have been grateful to the Province for the approval of funding for additional classrooms, over the last couple of years. These additional spaces have been filled quickly.

We continue to need new building sites and additions to our existing buildings in order to keep pace with enrolment growth. Adding to space takes time, however, as suitable land is in short supply in the area, and the government capital approval process takes considerable time.

Cyber Security

The threat of cyber attacks, scams and fraudulent activity is ever present and is becoming more sophisticated. The District continues to review its risk mitigation strategy and put controls and safeguards in place to combat such activity.

Inflation and Supply Chain Issues

While inflation has been moderate in this last year, we remain vigilant for future increases in costs. Our benefit costs are one area we have experienced significant cost pressures with significant increases for 2025-26, as noted in the above assumptions. Notably, this is all funded from current operations as there has been no increase in funding for the Provincial operating

grant. This puts pressure on our operating budget as cost increases need to be funded through savings in other areas.

Recruitment and Retention

The unemployment rate is relatively low, which has resulted in a shortage of workers across wide ranges of occupations. Moreover, British Columbia has a recognized shortage of qualified teachers. Retention of staff is considered important due to the ongoing retirement of baby boomers, the importance of retaining institutional knowledge, and the costs of hiring and training staff.

Child Care

The Ministry of Education and Child Care is expanding its work in the area of childcare programs. The District has been one of the leading Districts in the Province in implementing early years programming. We anticipate these programs to grow in the coming years which will create challenges and opportunities on our facilities as well as new types of staffing positions and operational issues not common to K-12. The addition of these programs has added to the workload of our district support departments.



8.2 Multi-Year Budget Projection ** fixed a couple rounding errors -BRITT

OPERATING FUND ('\$000)	Annual Projections 2025-26 to 2027-28		
	2027-28	2026-27	2025-26
REVENUE			
Provincial Grants, Ministry of Education	196,895	193,139	189,623
LEA/Direct Funding from First Nations	3,232	3,232	3,232
Provincial Grants, Other	200	200	200
International Student Tuition	2,956	2,956	2,956
Other Revenue	1,002	1,002	1,002
Rentals & Leases	350	350	350
Investment Income	1,015	1,015	1,015
Total Revenue	205,650	201,894	198,378
EXPENSE			
Salaries			
Teachers	83,167	81,546	80,153
Principals & Vice-Principals	10,903	10,539	10,165
Education Assistants	19,868	19,478	19,123
Support Staff	19,128	18,769	18,151
Other Professionals	5,193	5,091	5,154
Substitutes	9,111	8,932	8,756
Total Salaries	147,370	144,355	141,502
Employee Benefits	40,390	40,300	38,220
Total Salary & Benefits	187,760	184,655	179,722
Services & Supplies	20,725	20,113	19,440
Total Expense	208,485	204,768	199,162
Net Revenue (Expense)	(2,835)	(2,874)	(784)

OPERATING FUND ('\$000)	Annual Projections 2025-26 to 2027-28		
	2027-28	2026-27	2025-26
School Surpluses Included	500	500	643
Indigenous Ed Surplus			
Other			
Capital Asset Purchases	(650)	(650)	(555)
Transfer to Capital Reserves			
Surplus (Deficit) for Year	(2,985)	(3,024)	(696)
SERVICE & SUPPLIES BREAKDOWN:			
Services	5,587	5,323	5,215
Student Transportation	41	40	40
Professional Development & Travel	1,369	1,343	1,316
Rentals & Leases	26	26	25
Dues & Fees	377	370	363
Insurance	433	424	416
Supplies	9,943	9,752	9,561
Utilities	2,657	2,555	2,505
Total Services & Supplies	20,433	19,833	19,441

The Multi-Year Financial Plan for the Operating Fund has been prepared to evaluate the impacts of the long-range plan and strategic initiatives on the current budget and on future years' budgets. The plan entails using reasonable assumptions, which are described below.

Enrolment

For the purposes of projecting a multi-year operating budget we have held enrolment constant at the 2025-26 projected level described above. For capital planning purposes and our capital plan, we use our ten-year enrolment estimates, which incorporates projected changes in enrollment from birthrates and in/ out migration, as well as incorporating information regarding local development and housing construction. We are expecting an increase in enrollment over the next ten years. Accordingly, holding our enrollment constant for our budget projections is conservative.

Holding enrolment constant allows us to retain the same service level. Essentially, we assume that distribution of students across schools and grades is consistent and therefore staffing allocated based on formulae do not change. This is a simplifying assumption for purposes of staffing. Constant enrolment levels also allows us to project revenues based on the Province's

operating grant model with adjustments for inflationary costs only; and wages and salaries increasing at the rate of inflationary increases. We describe each of these in more detail, below.

Revenue

We assume that per pupil revenue from Provincial operating grants will increase at a rate of 2.0 percent a year for each of 2025-26 and 2026-27. We have assumed that all other sources of revenue remain constant.

Staffing levels

OPERATING FUND	Annual Projections 2025-26 to 2027-28		
	2027-28	2026-27	2025-26
FTEs			
Teachers	803.43	803.43	805.43
Principals & Vice-Principals	70.00	69.00	68.00
Education Assistants	418.63	418.63	418.63
Support Staff	321.48	321.48	317.73
Other Professionals (including trustees)	46.88	45.88	47.88
TOTAL FTEs	1,660.42	1,658.42	1,657.67

Teachers in general school classrooms are held constant as enrollment has not changed, the change is due to district and inclusion staffing program changes. The increase in principal staff reflects the opening of a new elementary school and the return of a principal to operating funds from grant funding. The increase in other professionals reflects the transfer of a staff member from capital back to operations at the completion of construction and some planned reductions. All other groups have been held constant.

Salaries and Benefits

Salaries for all employee groups have been increased by 2 percent for each of 2026-27 and 2027-28. BCPSEA (BC Public School Employers' Association), the Provincial bargaining agent, is in bargaining as of the date of writing for the new agreement, which will be effective July 1, 2025. We have budgeted for a 2 percent increase in variable benefits (CPP, EI, WorkSafe, Pensions) and a 5 percent increase in fixed benefits (such as extended health care).

Services and Supplies

We have budgeted for a 2.0 percent increase in services and supplies each year.

9. Special Purpose Funds

The special purpose funds are made up of several distinct revenue sources that have restrictions over the spending. They are, for the most part, received from the Ministry of Education and Child Care. The following special purpose funds have been included in the 2025-26 budget:

- Classroom Enhancement Fund (CEF)
- School Generated Fund
- Feeding Futures Fund
- Community LINK
- Learning Improvement Fund (LIF)
- Annual Facility Grants (AFG) excluding amounts that are paid to the capital fund via certificates of approval (COA) as these are in the capital fund
- Early Learning Programs and Projects including: Strong Start BC; Ready, Set, Learn; Changing Results for Young Children; Strengthening Early Years to Kindergarten Transitions; Early Care and Learning
- Official Languages in Education (OLEP)
- First Nation Student Transportation
- Scholarships and Bursaries
- Earnings and disbursements of endowments
- Investment income earned on any of the above funds

Summary

Special Purpose Fund ('\$000)	Budgeted Amount
Classroom Enhancement Fund	22,836
School Generated Funds	4,330
Feeding Futures Fund	1,816
Community LINK	775
Learning Improvement Fund	660
Annual Facility Grant	457
Strong Start	224
Professional Learning Grant	221
Early Care and Learning	175
OLEP	196
First Nations Student Transportation	110
Scholarships and Bursaries	140
Seamless Day Kindergarten	55
Ready, Set, Learn	52
JUST B4	25
ESTIMATED BUDGETED EXPENDITURE	32,072

Classroom Enhancement Fund (CEF)

CEFs are provided separately by the Ministry of Education and Child Care to support the application of restored contract language on the operations of the District. Restored language reflects the language that was contained in individual school district collective bargaining agreements before the implementation of a provincewide collective bargaining agreement for teachers. On March 10, 2017, the Ministry of Education, the BC Public Schools Employers Association and the BC Teachers' Federation ratified a Memorandum of Agreement pursuant to Letter of Understanding (LoU) No. 17, to the 2013-2019 BCPSEA-BCTF Provincial Collective Agreement. The memorandum fully and finally resolved all matters related to the implementation of the Supreme Court of Canada decision from the fall of 2016.

For many districts, Chilliwack included, the restored language requires that the district employ a higher level of staffing than is specified under the Provincial collective bargaining agreement and/ or provide remedies to teachers where this is not implemented. Because this varies by district, districts are required to submit requests to the province for funding annually and is subject to Ministry approval.

For 2025-26, the District has budgeted a CEF allocation of \$22,835,526, which is the estimated allocation provided by the Ministry for budgeting purposes. This estimate is based on the prior year allocation. With likely increases in costs per staff member and a projected increase in the number of students, we expect that this funding allocation will be higher. We will update the CEF revenue and costs during the amended budget process once enrollment and staffing for fall 2025 is known and/ or after the 2025-26 school year.

Restored staffing levels are calculated in the manner described below.

District Staffing Ratios for Non-Enrolling Staffing under restored language

Staff Category	Ratio
Teacher-Librarians	692.1
Counsellors	665
SERT which may be combined to reach a systemwide ratio	
Learning Assistance Teachers	403
Special Education Resources	342
English Language Learners	74

Restored class sizes – Enrolling

Grade	Ratio	Ratio with Remedy
Kindergarten	20	21
Grade 1	22	25
Grades 2-3	22	27
Grades 4-12		30
Special class		15
Industrial Eng, sop, home ec.		24
Secondary science		28

CEF divisions are calculated using the following factors:

- Number of students in primary/intermediate, as above
- class size limits and
- A-G Category Designations

School Generated Funds

These funds comprise accumulated funds held by individual schools in the District. These funds come from school activities like fundraising, cafeteria revenue, school store revenue, and various other activities. They are meant to be used to fund activities that directly benefit the students in that particular school.

Feeding Futures Fund

The Feeding Futures Fund is a new allocation from the Ministry that provides funding for breakfast and lunch services to support student health and academic functioning. This funding has been guaranteed for 3 years, during which time the District will build a program that provides meals to identified students, approximately 20%, with the greatest need for food in all schools throughout the district. For the first year of operation, the District has hired a coordinator and solicited an outside provider to support lunch services. We will assist with transportation of meals, and ensure that all schools offer an established and reliable lunch and a breakfast program. Total funding of \$1,816,425 has been allocated for 2025-26.

National School Food Program (NSFP) is a new program arising from an agreement between the BC Government and the Government of Canada. The first year of funding for the district is \$339,891 and commences on April 1, 2025, but has not yet been included in budget.

Community LINK

Community LINK (Learning Includes Nutrition and Knowledge) funding from the Ministry of Education and Child Care is designed to support the academic achievement and social

functioning of vulnerable students. Programs and services include breakfast, lunch, and snack programs, academic supports, counselling, child youth care workers, and after-school programs.

Learning Improvement Funds (LIF)

LIFs were established by the province for the purpose of providing additional targeted support staff resources to complex classes that present challenging learning conditions. The District uses this funding to increase the hours for the education assistant staff members.

AFG

For 2025-26, the Ministry of Education and Child Care awarded the District an annual facility grant of \$3,205,092 (starting April 1, 2025). This comprised of two allocations. A capital AFG of \$2,747,475 and a special purpose AFG of \$456,617 and including an amount of \$38,861 that is earmarked as a district contribution towards the Ministry reporting infrastructure. AFG funds may be used for the purposes of:

- Upgrading or replacing facility components throughout the expected economic life of an existing capital asset;
- Enhancing the service potential of an existing capital asset or a component of an existing capital asset by correcting deficiencies in design or construction and unsafe conditions;
- Significantly lower the associated operating costs of an existing capital asset; or
- Extending the life of an existing capital asset or a component of an existing capital asset beyond its original life expectancy.

AFG plans are submitted annually, on or before May 16th, 2025, to the province for approval. The Board approved AFG spending plan is presented in the following table, and work is to be done over the following year:

Facility/Site	Project Type	Project Description	Total Project Cost
Board Office Core Facility	Accessibility Upgrades	Sidewalk Upgrade	\$20,000
Board Office Core Facility	Interior Construction (AFG)	Flooring Upgrade	\$75,000
Cheam Elementary	Electrical (AFG)	Fire Alarm Upgrade	\$55,000
Chilliwack Central Elementary Community	Accessibility Upgrades	ADO Upgrades	\$20,000
Chilliwack Secondary	Interior Construction (AFG)	Interior Upgrade	\$89,318

Facility/Site	Project Type	Project Description	Total Project Cost
Chilliwack Secondary	Site Upgrades	Parking Lot Upgrade	\$20,000
Chilliwack Secondary	Electrical (AFG)	Technology Infrastructure Upgrade	\$350,000
Chilliwack Secondary	Site Upgrades	Storm Water Upgrade	\$55,000
Cultus Lake Community School	Site Upgrades	Field Upgrade	\$21,000
East Chilliwack Elementary	Roofing (AFG)	Roof Replacement	\$45,000
Facilities Core Building	Site Upgrades	Air Compressor Upgrade	\$25,000
G W Graham Secondary	Interior Construction (AFG)	Flooring Upgrade	\$35,000
G W Graham Secondary	Interior Construction (AFG)	Interior Painting	\$50,000
Greendale Elementary	Electrical (AFG)	Fire Alarm Upgrade	\$35,000
Greendale Elementary	Plumbing (AFG)	Septic Pump Upgrade	\$30,000
Imagine High Arts and Technology	Interior Construction (AFG)	Interior wall repair.	\$15,000
Imagine High Arts and Technology	Accessibility Upgrades	Washroom Accessibility Upgrade	\$10,000
Leary Integrated Arts & Technology Elementary	Roofing (AFG)	Roof Replacement	\$218,442
Leary Integrated Arts & Technology Elementary	Site Upgrades	Drainage Upgrade Phase 2	\$53,471
Little Mountain Elementary	Site Upgrades	Storm Upgrade	\$40,000
Little Mountain Elementary	Electrical (AFG)	Fire Alarm Upgrade	\$55,000
McCammon Elementary	Accessibility Upgrades	Sidewalk Upgrade	\$30,000
McCammon Elementary	Exterior Wall Systems (AFG)	Exterior Window Upgrade	\$120,000

Facility/Site	Project Type	Project Description	Total Project Cost
Mount Slesse Middle	Roofing (AFG)	Roof Replacement	\$400,000
Mount Slesse Middle	Roofing (AFG)	Roof Replacement	\$10,000
Robertson Elementary	Site Upgrades	Sidewalk Upgrade	\$13,000
Rosedale Traditional Community	HVAC (AFG)	HVAC Upgrade	\$950,000
Rosedale Traditional Community	Site Upgrades	Sidewalk Upgrade	\$15,000
Sardis Secondary	Electrical (AFG)	Lighting Upgrade	\$30,000
Stitos Elementary	Site Upgrades	Sidewalk Upgrade	\$20,000
Transportation Core Building	Site Upgrades	Storm/ Sewer Upgrade	\$100,000
Vedder Elementary	Interior Construction (AFG)	Interior Railing Upgrade	\$10,000
Vedder Middle School	Asbestos Abatement (AFG)	Asbestos Abatement	\$50,000
Watson Elementary	Interior Construction (AFG)	Interior Painting	\$100,000
		AFG Total:	\$3,165,231

Official Language Education Program (OLEP)

Under the Protocol for Agreements for Minority Language Education and Second Language Instruction, the [Ministry of Education and Child Care](#) administers federal funding intended to support incremental costs of offering French as a second official-language. Funding for 2025-26 is advised as \$196,203, which is the same as for 2024-25. Under the last “Canada-British Columbia Agreement on Minority Language Education and Second Official Language Instruction 2020-2023,” funding for school districts was based on 2019-20 enrolment. Funding will continue at this level until a new agreement is reached.

Child Care Programs

The Ministry of Education and Child Care provides funding for Child Care programs through several different streams. These funding streams will provide a coherent menu of services for families under the leadership of a District Principal of Early Learning.

As of the 2023/2024 school year Child Care programs were split between operating and special purpose funds. The split is as follows:

Operating

- Before and After School Care

Special Purpose Funds

- Strong Start – allows parents to participate with their young child (aged birth to five) in play-based early learning activities including sorties, music, and art. This program is provided at no cost to families and is designed to help prepare children for success in kindergarten. It is offered at the following elementary schools: Strathcona, Chilliwack Central Community, Cultus Lake Community, Little Mountain, Watson, Bernard, McCammon, and Unsworth
- Early Care & Learning – capacity building to grow early learning programs
- Ready, Set, Learn – allows the District to facilitate community events targeted at three-year-old children. The goal of the events is to provide good information on how to support a young child's early learning and development, and how to help develop positive connections between families, the school system, and local community agencies. The funding has not been announced, however, we do not anticipate a change
- Just B4 Preschool – an emergent/play-based program catering to 4-year-olds heading into kindergarten the following year.
- Other supplementary funding – Early Years to Kindergarten and Changing Results for Young Children.

10. Capital Fund Budget

The capital fund includes expenditures related to facility additions and enhancements and equipment purchases. These expenditures are principally funded by capital grants from the Ministry of Education and Child Care. Other spending is funded by transfers from the operating funds, and there are some AFG expenditures in the special purpose fund.

Spending on capital items is accounted and budgeted for following the accruals basis of accounting. This means that spending resulting in work in progress or completed capital items is recorded as an asset, and revenues received by the District towards these spending items is recorded as deferred capital revenue. The budget reflects depreciation on assets and amortization over the life of the assets. The surplus (deficit) of the fund for the year is the result of the excess of depreciation over the amortization – due to the purchase of depreciable assets from local capital – and the expensing of equipment purchases.

Capital \$'000	2025-26 Budget	2024-25 Amended Budget
Capital Surplus (Deficit), beginning of the year	56,942	54,537
Revenues		
Provincial Grant	2,747	2,462
Municipal Grants Spent on Sites	3,000	3,000
Amortization of Deferred Capital Revenue	11,426	10,276
Total Revenue	17,173	15,738
Expenses		
Operations and Maintenance	2,748	2,462
Amortization of Tangible Capital Assets	11,914	11,698
Total Expenses	14,662	14,160
Net Revenue (Expense)	2,511	1,578
Net transfers (to) from other funds		
Local Capital	555	827
Total Net Transfers	555	827
Tangible Capital Assets Purchased from Local Capital		
Total Capital Surplus (Deficit) for the year	3,066	2,405
Capital Surplus (Deficit), end of the year	60,008	56,942

The following table presents major capital projects supported by the provincial government and the estimated capital spending associated with these projects.

Facility Name	Project Description	Approved Funding (excl. reserve)
Sardis Secondary School Addition	Add a 400 student wing and some adjustments to gymnasium at Sardis Secondary School	23,962,000
New East Side Elementary	New 500 student elementary school on old Rosedale site	44,889,000
AD Rundle	Add capacity for 100 6 th grade and 200 grade 7 and 8 students	12,000,000 ^a

Note: a. The budget for AD Rundle is currently under review

The province also awards funding for specific ongoing facility work. These requests are typically submitted in September and awarded in the spring for spending for the following Provincial budget year (April to March). This might include funding for the Building Envelope Program, School Enhancement Program, Carbon Neutral Capital Program, Playground Equipment Program, and Bus purchase program. We have also received funding for the Feeding Futures Capital improvements Program for 2025-26 and the New Spaces Program which is a program targeted at expanding spaces available for early learning programs, which is being gradually phased out as the early learning funding moves to the capital branch.

Existing school district budgets, which are provided for operations, are insufficient to support the timely replacement and ongoing maintenance of school district assets. So these additional targeted grants are important to maintain our capital assets. Major deferred maintenance and equipment failures might include, for instance, roof replacement, boiler replacement, server replacement, and shop equipment replacement. We allocate a portion of local funds to local capital to purchase assets not otherwise funded or to supplement amounts funded, typically funded by the province.