



25/26 Budget Development Process

Public Budget Meetings

April 16 and 17, 2025



Territorial Acknowledgment

We would like to acknowledge that we are on the traditional ancestral, unceded, territory of the Nl̓aʔka'pmxux Nation and Syilx Nation.



Tonight's Agenda

- 1) **Budget Background/Context**
- 2) **Budget Development Process**
- 3) **Strategic Priority Setting**
- 4) **Budget Pressures**
- 5) **Recommended Strategies**
- 6) **Next Steps**





Budget Background/Context



Budget Background/Context

With an annual budget of ~\$31 million, there are great things we can and have done:

- **Strong Start Facilitator Support in Kindergarten and Kindergarten/Grade 1 Classes**
- **Indigenous Language Courses and Programming**
- **Collaborative Support Meetings and Diploma Verification Reviews**
- **Counselling resources to support Mental Health**

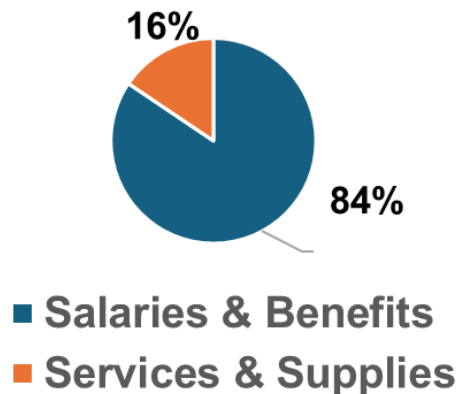


Budget Background/Context

Consistent with most Districts – we are a staff centred organization

How is our budget broken down?

SD58 - Split of Budget





Budget Background/Context

Student Enrolment Summary

School District Five Eight - 5 Year Summary of Enrolment Changes

Student FTE	21/22	22/23	23/24	24/25	25/26	% Change from 21/22 to 25/26
K-12 Standard	1,887	1,845	1,848	1,805	1,786	-5.35%
On-Line Learning	211	224	308	419	266	26.07%
Inclusive Education	132	135	137	151	152	15.15%

Notes:

On-Line Learning & Inclusive Education are full year counts (September, February and May)

25/26 enrolment are estimated amounts for budget planning purposes

Decrease in **K-12 Standard** Enrolment of 101 FTEs is equal to an annual reduction in revenue of approximately \$900,000



Budget Background/Context

Enrolment Forecast by School

School District Five Eight - Summary of School Enrolment				
School	Current	Projected 25/26	Change	
			#	%
Collettville	114	113	(1)	-0.88%
Diamond Vale	125	119	(6)	-4.80%
Merritt Bench	152	145	(7)	-4.61%
Merritt Central	224	209	(15)	-6.70%
Nicola-Canford	139	138	(1)	-0.72%
Merritt Secondary	582	588	6	1.03%
Subtotal - Merritt	1,336	1,312	(24)	-1.80%
John Allison	144	143	(1)	-0.69%
Vermilion Forks	148	138	(10)	-6.76%
Princeton Secondary	188	193	5	2.66%
Subtotal - Princeton	480	474	(6)	-1.25%
District Total	1,816	1,786	(30)	-1.65%



Budget Background/Context

Provincial Budget Totals

School District Five Eight - Funding by Function Comparison

Function	Provincial Amounts		SD 58 Amounts	
	\$	%	\$	%
1 - Instruction	6,303,723,042	83%	31,962,129	75%
4 - District Administration	297,989,205	4%	2,097,932	5%
5 - Operations	840,890,232	11%	6,945,963	16%
7 - Transportation	141,282,426	2%	1,517,447	4%
Total	7,583,884,905	100%	42,523,471	100%

Note:

Provincial comparison is difficult to rely on as there is significant District discretion on how to code expenditures (**example IT salaries & benefits are charged to Operations**)



Budget Background/Context

Provincial Comparison

School District Five Eight - Summary of Student/Educator Ratio

Student FTEs & Educators	21/22	22/23	23/24	24/25	25/26
K-12 Standard	1,887	1,845	1,848	1,805	1,786
# of Educators	113.62	111.01	113.83	114.73	111.33
Average Student/Educator Ratio	16.61	16.62	16.23	15.73	16.04
Provincial Student/Educator Ratio	17.46	17.52	17.55	17.50	16.99



Budget Background/Context

Reliance on Financial Reserves

School District Five Eight - Summary of Spending out of Financial Reserve			
School Year End Date	Unrestricted Reserve		Financial Reserve Amount Spent
	\$	%	
June 30, 2024	1,020,203	3.35%	701,455
June 30, 2023	1,721,658	5.85%	343,153
June 30, 2022	2,064,811	8.04%	165,821
June 30, 2021	2,230,632	8.86%	204,750
June 30, 2020	2,435,382	9.11%	
Note:			
From July 1, 2020 to June 30, 2024, a total of \$1,415,179 (average of \$353,795/year)			
was spent out of the Financial Reserve.			



Budget Background/Context

With revenues decreasing and expenditures increasing, structural changes are required:

- Right size the District based on steady/declining enrolment
- Lean on Strategic Plan priorities to assess Mitigation Strategies
- Maintain classroom resources as much as possible
- Balanced approach between employee groups
- Staggered approach to building Accumulated Surplus back up to 2%-4%



Budget Development Process



Development Process



How did we build the 25/26 budget for BoE consideration?

- 1) Confirmed the 25/26 strategic **priorities**
- 2) Identified the budget **pressures** we are facing
- 3) Created and assessed **mitigation strategies** to address pressures
- 4) Developed a **budget plan** for the Board to consider



Process

School District #58 (Nicola-Similkameen) 25/26 Budget Development Timelines

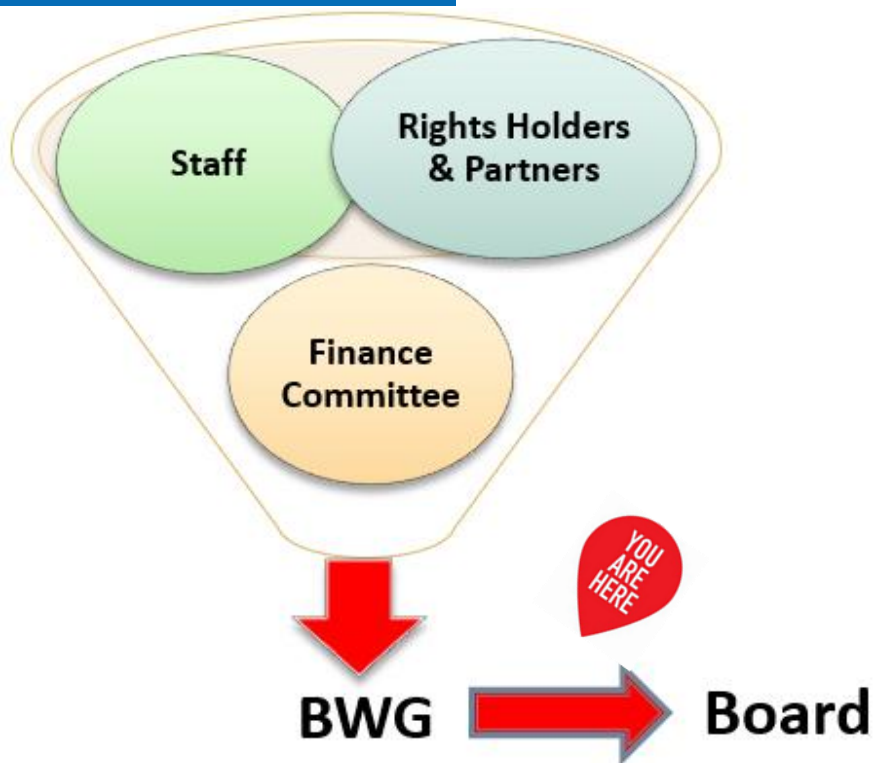
Phase	Budget Working Group (Develop & Revise)	Finance Committee (Review & Input)	BoE (Review, Input & Approve)	Rights Holders (Review & Input)	Partner Presidents (Review & Input)	Staff (Review)	Public (Review & Input)
Budget Priorities	Feb 19 1:00 to 4:00	Mar 6	Mar 12 (open)	Budget Model, Priorities & Pressures Feb 18 2:00	Budget Model, Priorities & Pressures Feb 20 8:00	Budget Model & Pressures prior to Mar 4 by Teams	
Budget Pressures	Feb 19 1:00 to 4:00	Mar 6	Mar 12 (open)				
Mitigation Strategies	Feb 20 1:00 to 4:00 Feb 21 9:00 to 12:00	Mar 6	Mar 12 (closed)	Mar 19	Mar 13		
Budget Plan	Apr 1 (draft) Apr 17 (revise after feedback rec'd)	Apr 2 May 7	Apr 9 – draft Budget Plan (closed) May 14 – 1 st reading	Apr 10-14	Apr 10-14		April 16 – Merritt (TBC) April 17 – Princeton (TBC)

UPDATE: Bylaw Readings on May 7&14



Development Process

BWG = Budget Working Group





Development Process

How did we get different perspectives on budget?

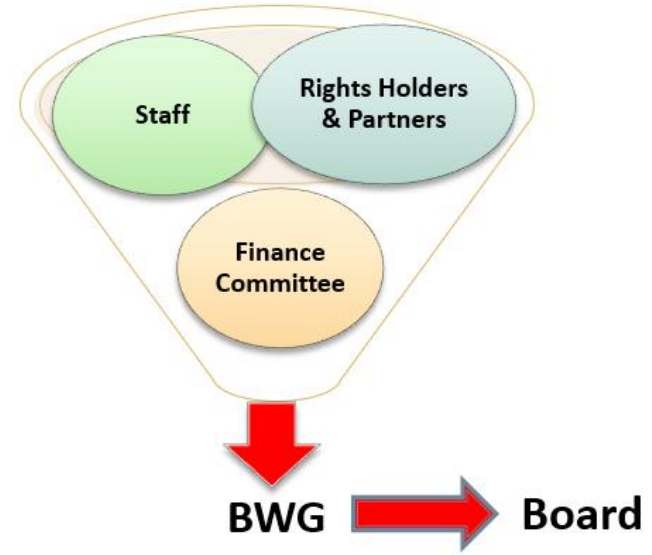
Created a Budget Working Group (BWG) of:

- Finance Committee trustees
- School based administrators
- Senior Board Office staff



The role of the BWG:

- ✓ Provided input on 25/26 priorities to BoE
- ✓ Identified additional budget pressures
- ✓ Developed mitigation strategies to address pressures
- ✓ Created financial plan, based on feedback, to BoE for consideration





Development Process



The simple formula:

24/25 Amended Budget

+/- Enrolment & Other Revenues

+ Budget Pressures

- Mitigation Strategies



BWG has identified 4 revenue & 28 expenditure options totaling \$3.6 million

= 25/26 Preliminary Budget



Development Process

Created a model for an objective assessment.....

The BWG used the following lenses to assess each of the 32 strategies:

- ✓ Strategic Plan
- ✓ Students
- ✓ Staff
- ✓ Rights Holders/Partners
- ✓ Political

Scale of 1 (low) to 5 (high)



Development Process

These assessments provided an objective view of each strategy to help inform the recommendations that are provided to the BoE



Strategic Priority Setting



Strategic Priority Setting

What we heard.....

Based on our 3 Strategic Plan Goals....

- 1) Meaning/Purpose – **wholistic student support**
- 2) Appreciation/Respect – **safety in schools/community**
- 3) Connection – **comprehensive mental health supports**

Success for ALL Learners ~ Today and Tomorrow



Feedback on Priorities



Themes of what we heard:

- Literacy & Numeracy supports
- Diversity, Equity & Inclusion work
- Continued Mental Health Support



Budget Pressures



25/26 Budget Pressures

Estimated budget pressures identified:

Structural shortfall from 24/25 forecast	\$325,000
Decrease in Enrolment	\$500,000
Teacher Increments	\$100,000
Increased Benefits (5%)	\$240,000
Increased Replacement Costs (10%)	\$120,000
Inflationary Costs (legal, insurance, digital)	<u>\$215,000</u>

Total Budget Pressures

\$1.5 million/4.7%



Recommended Strategies District Wide



Strategies - Teachers



What strategies are recommended for consideration?

Increases to the following ratios/teachers:

AREA	FTEs	\$
Learning Assistance Teachers	5.43	\$652,000
Counsellors	2.50	\$300,000
English Language Learning Teachers	1.30	\$155,000
Total	9.23	\$1,107,000



Strategies - Teachers



Decreases to the following ratios/teachers:

AREA	FTEs	\$
Enrolling Teachers	7.50	\$901,000
On-Line (SCIDES)	4.00	\$392,000
Enhancing Learning Teachers (ELT)	1.37	\$164,000
Librarians	.78	\$93,000
Grade 7 Band Program	.50	\$60,000
Summer Reading Program	.40	\$44,000
French Immersion @ Merritt Secondary	.30	\$30,000
Teacher Mentorship Program		\$11,000
Total	14.85	\$1,695,000



Strategies - Teachers



What strategies are recommended for consideration?

Total impact to teachers:

Total Strategies = 5.62 FTEs and \$588,000



Strategies - CUPE



Decreases to the following positions:

AREA	FTEs	\$
Shift Custodians from 12 to 10 months	3.50	\$250,000
Educational Assistants	8.00	\$225,000
Tradesperson	1.00	\$101,000
Clerical (SCIDES & District Admin from 24/25)	1.50	\$103,000
Transportation - FRIMM	.30	\$20,000
Custodial by closing rooms @ DVE/PSS	.20	\$15,000
Total	14.50	\$714,000



Strategies – Exempt/Support



What strategies are recommended for consideration?

- Shift 1 Director to a District Principal (24/25)
- Reduce 1 Elementary School Vice Principal (24/25)
- Noon Hour Supervisors - \$110,000

Total Strategies = ~2 FTEs and \$159,000



Strategies - Other



What strategies are recommended for consideration?

- Use Mental Health Grant to fund counselling services
- Eliminate District funding for Food Program Coordination

Total Strategies = \$64,000



Mitigation Strategies

Share of Proposed Reduction Strategies Compared to HR Budget

Group	Budget	% of Budget	Proposed Strategies	% of Proposed Strategies	Variance
Exempt/Support	3,814,494	18.75%	159,000	10.88%	7.87%
Teachers	9,647,647	47.43%	588,235	40.25%	7.18%
CUPE	6,878,318	33.82%	714,091	48.87%	-15.05%
Total	20,340,459	100.00%	1,461,326	100.00%	0.00%
Other			64,000		
Total			1,525,326		



Year End Reserve

If the BoE approves the budget as recommended:

The June 30, 2026 unrestricted financial reserve is estimated to be:

~\$700,000 or 2.2%



Next Steps



Next Steps



The next steps in the process:

- Invite any final feedback on recommendations
- Incorporate any changes, if supported, to final recommendations
- BoE considers recommendations during budget deliberations on May 7th and 14th



25/26 Budget Development

Questions?

