

For the Year Ended June 30, 2025

FINANCIAL STATEMENT DISCUSSION & ANALYSIS

Learning for a Lifetime



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INTRODUCTION

INTRODUCTION

This Financial Statement Discussion and Analysis document should be read in conjunction with the audited financial statements and accompanying notes for School District 43, Coquitlam for the year ended June 30, 2025.

The purpose of this report is to highlight information and provide explanations to enhance the reader's understanding of the school district's audited financial statements and the significant events and factors that influenced the financial results presented in these statements.

This report consists of the following sections:



INTRODUCTION

Background information about the school district and the Board's Strategic Plan, Directions 2025



HIGHLIGHTS

Summary of financial results and significant events



ENROLMENT & STAFFING

Overview and comparative analysis of enrolment and staffing trends



FINANCIALS

Summary of the district's financial performance and variance analysis of key performance indicators



RISK & UNCERTAINTY

Explanation of the district's enterprise risk management framework

A separate document, '*Guide to Financial Statements*', has been developed to assist users of school district financial statements with their understanding of the information provided.

SD43 COQUITLAM

2024/25 DISTRICT OVERVIEW

34,527 ENROLMENT (FULL-TIME EQUIVALENT)



32,593

SCHOOL AGE K-12



940

CONTINUING EDUCATION



730

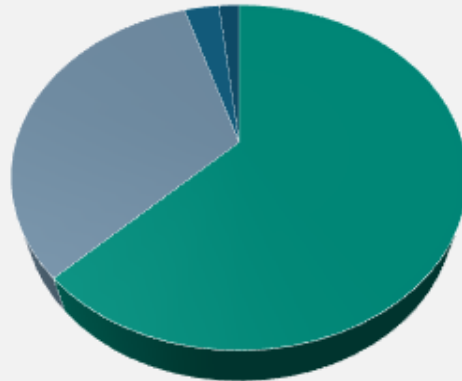
ONLINE LEARNING



264

ALTERNATE LEARNING

4,355 STAFF HEADCOUNT (FULL-TIME/PART-TIME/TEMPORARY)



2,654
TEACHERS

1,495
ED ASSISTANTS & SUPPORT STAFF

130
PRINCIPALS & VICE-PRINCIPALS

76
OTHER PROFESSIONALS

75 SCHOOLS



47

ELEMENTARY



14

MIDDLE



9

SECONDARY

(Includes iHUB)



5

ALTERNATE

(CABE, CLC, Encompass,
Suwa'lkh, Take a Hike)

3rd LARGEST DISTRICT in BC

ANMORE
BELCARRA
COQUITLAM
PORT COQUITLAM
PORT MOODY

SPECIALIZED EDUCATION PROGRAMS & SERVICES

ALTERNATE EDUCATION
CAREER & TRADE PROGRAMS
COMMUNITY HUBS & SCHOOLS
CONTINUING EDUCATION
ENGLISH FOR ADULT LEARNERS
FRENCH PROGRAMS

GIFTED PROGRAMS
HOSPITAL HOME BOUND
INDIGENOUS EDUCATION
INTERNATIONAL BACCALAUREATE
INTERNATIONAL EDUCATION
MANDARIN BILINGUAL

MONTESSORI
ONLINE LEARNING
READY SET LEARN
STEAM
STRONG START
SUMMER LEARNING



VISION

Increasing Success in Life for All

MISSION

Our mission is to ensure quality learning opportunities for all students of all ages.

PURPOSE

The Board of Education accepts its responsibility to provide a quality and equitable public education for the success of all learners, within the limits and resources available.

CORE BELIEFS AND PRINCIPLES

The Board of Education believes in:

- Public Education and the need to advocate on its behalf;
- Instilling a passion for learning;
- Learners as the most important focus;
- High quality and equitable learning opportunities;
- Innovation, creativity, problem solving, critical thinking and sustainability;
- The essential value of District/Community/Global Partnerships;
- Safe, inclusive and socially responsible learning communities.

The Board of Education is committed to:

- Creating a culture of care and shared responsibility where every learner matters;
- Engaging and empowering lifelong learners;
- Providing flexible, integrated, diverse, and active learning environments;
- Developing shared leadership through innovative, sustainable professional learning.

DIRECTIONS 2025

Strategic Goals and Objectives



For more information regarding the *Directions 2025* Strategic Plan, click [here](#).

Aligning Budget Planning & Resource Allocation with Directions 2025

The district is committed to a model of transparent budget planning and resource allocation that is directly aligned with our strategic vision and goals outlined in *Directions 2025*, as established by the Board.

This consultative model ensures that the budget process is inclusive, data informed, and responsive to stakeholder input. It integrates meaningful engagement with partner groups and staff throughout the process. Key components of the model include:

- Articulating the Board's strategic plan as outlined in *Directions 2025*
- Providing timely, accurate and accessible budget information
- Receiving budget input and feedback from all interested parties
- Evaluating and prioritizing budget requests against board and district priorities
- Allocating available resources to best support initiatives aligned with strategic priorities
- Communicating decisions and outcomes to ensure transparency and accountability

This model ensures that all budget decisions and resource allocations are directly connected to the *Directions 2025* framework and serve to guide the district's operational plan for the year.

BUDGET TIMELINES

The *School Act* (Sec 113) requires that school districts submit a balanced budget to the Ministry of Education and Child Care by June 30 each year. The district starts the budget process in early January with a formal consultation engagement and completes the process by the end of April with the approval of the preliminary budget. Finalizing the budget by the end of April is essential for two main reasons:

1. Staffing allocations: schools need to confirm staffing levels to ensure they are organized and staffed most effectively and efficiently for the upcoming school year
2. Collective Agreement Requirements: both the teacher and support staff collective agreements include specific timelines for certain staffing notifications to be met.

BUDGET IMPLEMENTATION, MONITORING, AND REPORTING

Once the preliminary budget is approved, it is regularly updated to reflect changes in enrolment and related grant funding, other revenues and changes in expenditures that may impact the district's financial operations. These updates are incorporated into the amended budget, which must be approved by the Board and submitted to the Ministry of Education and Child Care by February 28th of the fiscal year.

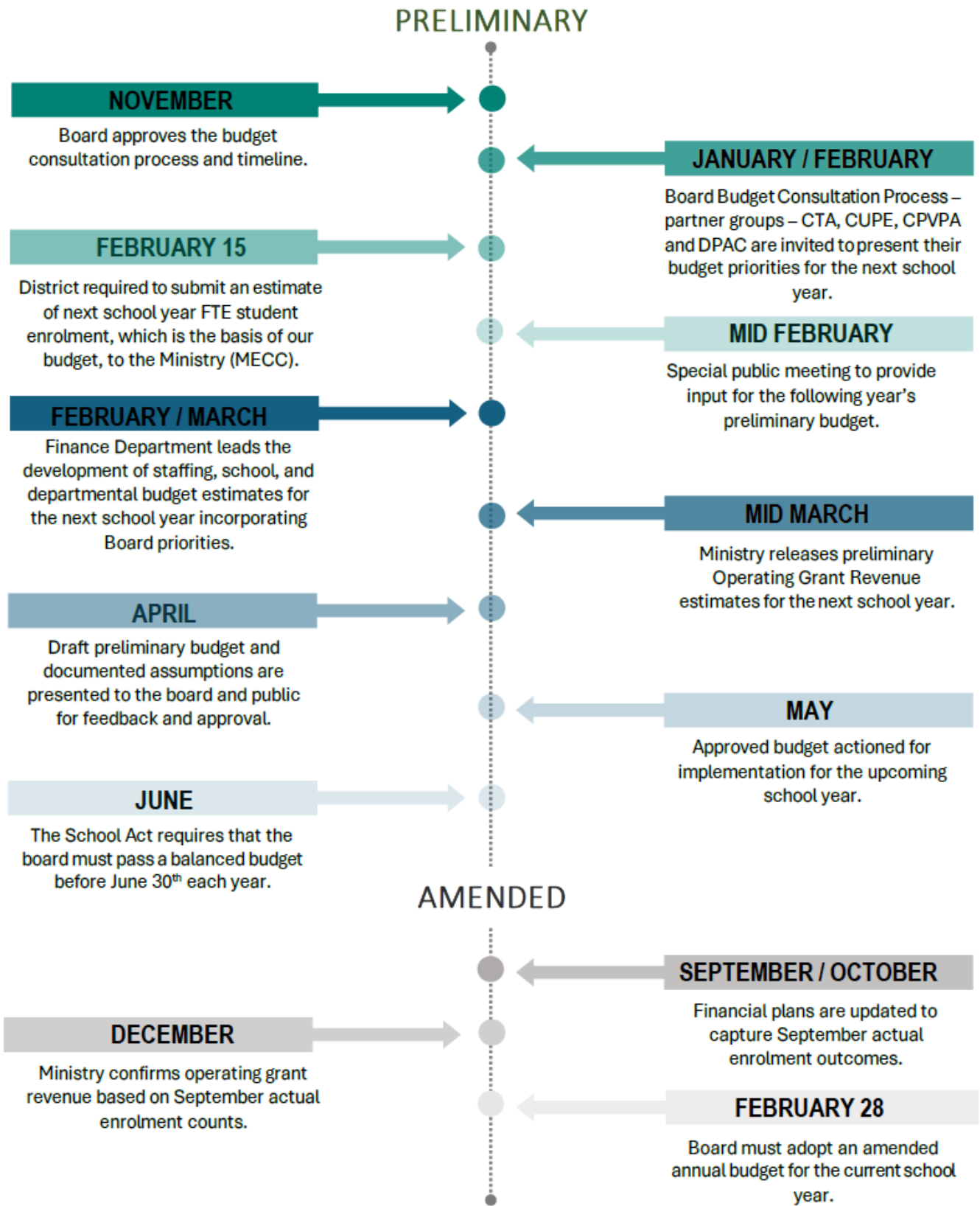
The district follows established administrative procedures and financial controls based on best practices to guide budget implementation and reporting. Within this framework the Board grants management the flexibility to make necessary financial adjustments to address unforeseen operational needs and to optimize the use of available resources.

To ensure transparency and accountability, financial updates are presented to the board at least quarterly. These updates include:

- A high-level summary of the budget and actuals-to-date, including significant financial variances,
- Staffing changes,
- Financial risk elements,
- Other relevant information to support the Board's governance responsibilities

At the end of the fiscal year (June 30), management prepares a Financial Statement Discussion and Analysis (FSD&A) report in conjunction to the annual financial statements. The FSD&A provides detailed explanations on variances between the approved budget and actual financial results.

Budget Planning Cycle



HIGHLIGHTS

2024/25 FINANCIAL HIGHLIGHTS

DISTRICT FUNDS OVERVIEW

DISTRICT OPERATIONS INCLUDE 3 FUNDS

OPERATING FUND

SUPPORTS THE
DAY-TO-DAY
OPERATIONS OF THE
SCHOOL DISTRICT



SPECIAL PURPOSE FUND

USED FOR SPECIFIC
PROGRAMS OR
ACTIVITIES WITH
RESTRICTED FUNDING



CAPITAL FUND

LONG-TERM
INVESTMENTS IN
BUILDINGS, VEHICLES
& MAJOR EQUIPMENT



MAJOR REVENUE SOURCES BY FUND

OPERATING
\$415.4M

SPECIAL
PURPOSE
\$84.8M

CAPITAL
\$20.5M

\$520.7M

Ministry Operating Grants
International Education
Investment Income
Rentals & Other Revenue

Ministry Provincial Grants
School Generated Funds
Federal Grants
Other Misc Funding

Ministry Bylaw Capital Recognized
Other Revenue & Rebates
Investment Income
Closed School Rentals

MAJOR EXPENDITURES BY FUND

OPERATING
\$393.8M

SPECIAL
PURPOSE
\$84.8M

CAPITAL
\$26.5M

\$505.1M

Staffing & Benefits
Services & Supplies
Transportation, Utilities & Leases
Pro D, Fees & Insurance

Classroom Supports
Vulnerable Students Supports
Specialty Programs
Early Education Programs

Amortization of Capital Assets
Capital Lease Interest
Minor Capital Expenditures

2024/25 FINANCIAL HIGHLIGHTS

ENROLMENT & STAFFING

MINISTRY OPERATING GRANT DRIVERS

FTE = FULL-TIME EQUIVALENT

ENROLMENT-BASED

Average Full Year
Funding per Student

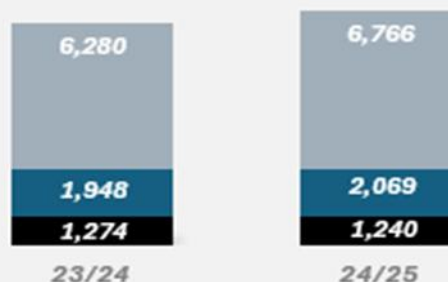
 \$8,915



SUPPLEMENTAL-BASED

UNIQUE LEARNERS

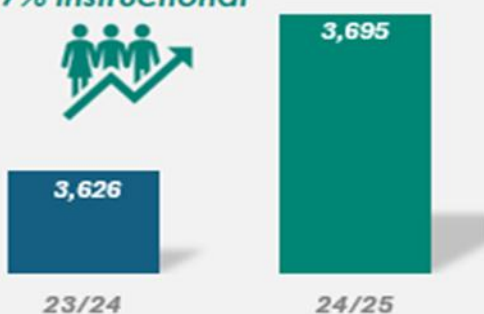
 English Language Learners
 Inclusive Learners Levels 1-3
 Indigenous Education Learners



MAJORITY OF EXPENDITURES ARE STAFFING RELATED

EMPLOYEE FTE COMPARABLES

Staffing Increase
97% Instructional



EMPLOYEE FTE BY CATEGORY



Teachers 2,145
 Ed Assistants 775
 Principals & VPs 130

INSTRUCTIONAL 82% 3,050



Support 569
 Other Professionals 76

NON-INSTRUCTIONAL 18% 645

TOTAL 3,695

ED ASSISTANTS CATEGORY

EAs

(Ed Assistants, Audiology Assistants, Transcribers, Visual Languages)

LEARNING INCLUSION SUPPORT WORKERS
 CAREER ADVISORS
 COORDINATORS
 LIBRARIANS
 SETTLEMENT WORKERS
 YOUTH WORKERS

SUPPORT STAFF CATEGORY

CLERICAL

(Accounting, HR, Payroll, Purchasing, Receptionists, Secretaries)

CARETAKING

INFORMATION TECHNOLOGY

MAINTENANCE

(Carpenters, Electricians, Grounds, HVAC, Painters)

MEAL COORDINATORS & COOKS

NOON HOUR

2024/25 FINANCIAL HIGHLIGHTS

OPERATING FUND

REVENUE SOURCES



$$\begin{array}{rclcl} \$379.9\text{M} & + & \$24.6\text{M} & + & \$10.9\text{M} & = & \$415.4\text{M} \\ \text{Ministry \& Other Grants} & & \text{International \& CE Tuition} & & \text{Investments, Rentals \& Other} & & \end{array}$$

EXPENDITURES



$$\begin{array}{rclcl} \$283.5\text{M} & + & \$78.9\text{M} & + & \$31.4\text{M} & = & \$393.8\text{M} \\ \text{Salaries} & & \text{Benefits} & & \text{Services \& Supplies} & & \end{array}$$

SURPLUS FOR THE YEAR



$$\begin{array}{rclcl} \$415.4\text{M} & - & \$393.8\text{M} & - & \$8.5\text{M} & = & \$13.1\text{M} \\ \text{Total Revenues} & & \text{Total Expenditures} & & \text{Transfers from Operating to Capital} & & \end{array}$$

OPERATING SURPLUS ALLOCATION



\$5.0M

Staffing
Contingency



\$4.4M

School Capital
Initiatives



\$3.0M

Benefits
Contingency

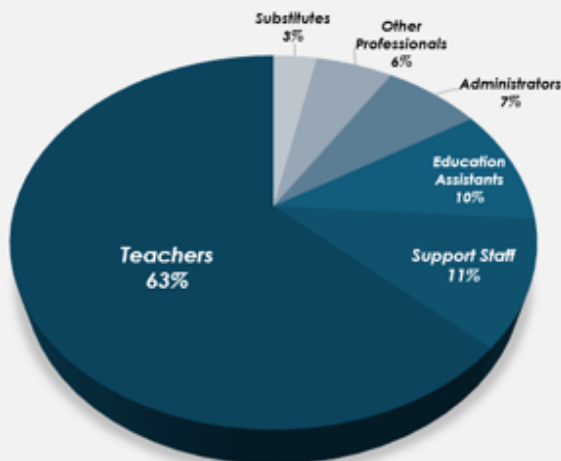


\$0.7M

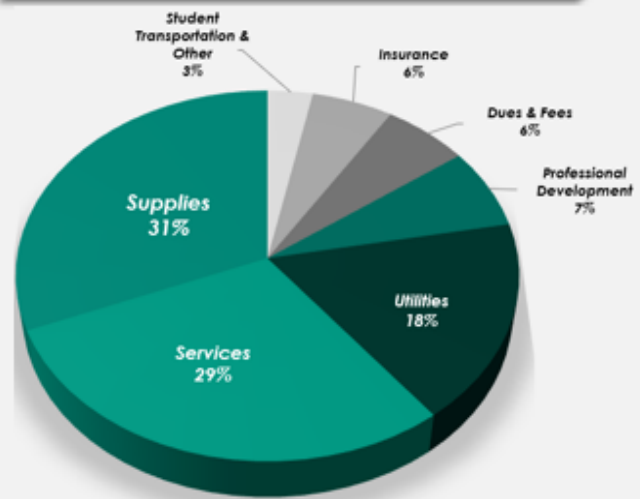
School Budget
Carryforwards & Other

= \$13.1M

SALARIES \$283.5M



SERVICES & SUPPLIES \$31.4M



2024/25 FINANCIAL HIGHLIGHTS

SPECIAL PURPOSE FUNDS

MAJOR REVENUE CATEGORIES \$84.8M

\$65.0M	+	\$14.3M	+	\$4.2M	+	\$1.3M
MINISTRY & OTHER PROVINCIAL GRANTS		SCHOOL GENERATED FUNDS		FEDERAL GRANTS		OTHER MISCELLANEOUS

MAJOR EXPENSE CATEGORIES \$84.8M

CLASSROOM, EDUCATION & OTHER \$71.8M

- School Generated Funds \$14.3M
- Official Languages Education in French \$796k
- Learning Improvement Fund \$1.31M
- Staff Dev, ProD & Other \$967k

▪ CLASSROOM ENHANCEMENT FUND \$54.4M



TEACHERS
\$47.5M

ED ASSISTANTS
\$2.0M

REMEDY COSTS
\$4.4M

OTHER COSTS
\$0.5M

VULNERABLE LEARNERS \$6.7M

- Community LINK \$1.76M
- Provincial Resource Program \$183k
- Student & Family Affordability Fund \$849k
- Mental Health in Schools \$58k

▪ FEEDING FUTURES FOOD PROGRAM \$3.8M



LUNCH
PROGRAM
\$1.6M

SCHOOL
ALLOCATIONS
\$1.2M

FOOD PARTNERS
\$0.8M

OTHER COSTS
\$0.2M

SPECIALIZED PROGRAMS \$5.7M

- Language Instruction for Newcomers \$3.34M
- Annual Facilities Grant \$1.14M
- Settlement Workers in Schools \$845k
- Apprenticeship Program \$360k
- First Nations Student Transportation Fund \$69k

EARLY EDUCATION \$0.6M

- Strong Start \$320k
- Early Care and Learning \$169k
- Ready Set Learn \$109k
- Strengthening Early Years to K Transitions \$7k
- Changing Results for Young Children \$7k

2024/25 FINANCIAL HIGHLIGHTS

CAPITAL UPDATE

CAPITAL PROJECT ACTIVITY

MAJOR PROJECTS COMPLETED, ONGOING, OR ACTIVE PLANNING

CHILDCARE SPACES	CLASSROOM ADDITIONS	ENVELOPE REPLACEMENTS
• Alderson Elementary • Blakeburn Elementary • Glen Elementary • Kilmer Elementary	• Scott Creek Middle (10 classrooms) • Charles Best Secondary (12 classrooms)	• Bramblewood Elementary • Mountain Meadows Elementary • Pinetree Way Elementary • Roy Stibbs Elementary
NEW SCHOOL	SEISMIC REPLACEMENTS	OTHER
• Burke Mountain Middle/Secondary	• Montgomery Middle • Moody Elementary	• Annual Facility Grant Projects • Coast Salish Elementary (NLC Space) • Hazel Trembath Elementary (Fire Loss Claim)

TANGIBLE CAPITAL ASSETS \$777.0M (NET OF DEPRECIATION)



OTHER CAPITAL INVESTMENTS

TRANSFERS FROM OPERATING TO LOCAL CAPITAL \$8.5M



ENROLMENT & STAFFING

ENROLMENT AND STAFFING

School district operations are primarily funded through the Operating Grant provided by the Ministry of Education and Child Care. This grant is based on student enrolment and includes additional funding for areas such as Unique Student needs, English language learning, Indigenous education, newcomer refugees, and other demographic and geographic considerations.

Enrolment projections are initially submitted to the Ministry in February, which serve as the foundation for the Preliminary Budget and guides initial staffing decisions for the upcoming school year. The official enrolment count is conducted in September, and once confirmed by the Ministry, usually in December, the operating grant is adjusted accordingly. This updated funding forms the Amended Budget, which reflects the district's revised financial plan for the school year. Additional enrolment counts in February and May are used to update funding for online learning, continuing education, students with special needs, and newcomer refugees.

Enrolment

The table below outlines actual enrolment figures compared to the prior year and the Amended Budget, with further analysis provided in the sections that follow.

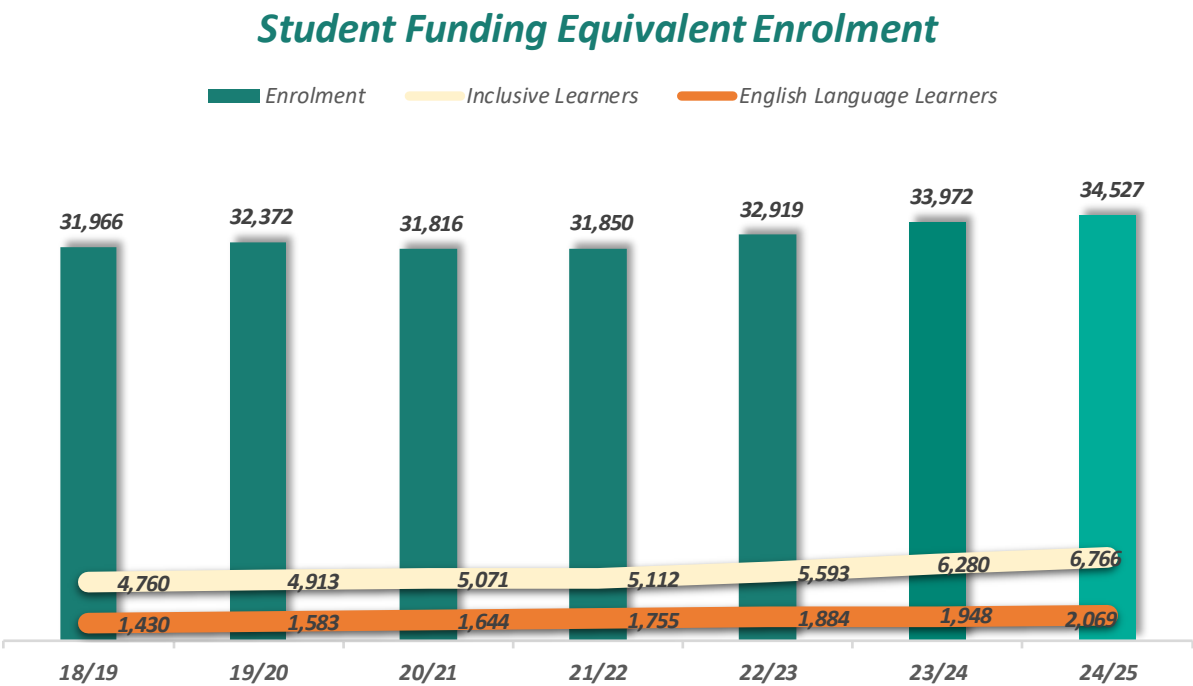
ENROLMENT COUNT	Prior Year	Amended	Actual	Actual to Prior Year	Actual to Amended
				Higher/(Lower)	
September Enrolment Count:					
K-12 Standard Reg Schools (School-Age)	32,035	32,592	32,592	557	0
Continuing Education (School-Age)	5	3	3	(2)	0
Alternate Schools (School-Age)	288	264	264	(24)	0
Online Learning (School-Age)	228	265	265	37	0
Adult Education (Non-Graduates only)	66	66	66	0	0
Total September School-Age & Adult	32,622	33,190	33,190	568	0
July Summer Learning	661	684	684	23	(0)
February School-Age & Adult	569	438	532	(37)	94
May School-Age & Adult	120	107	121	1	14
Total School-Age & Adult	33,972	34,419	34,527	555	108

Unique Students					
Level 1 Inclusive Education	23	19	21	(2)	2
Level 2 Inclusive Education	1,594	1,681	1,706	112	25
Level 3 Inclusive Education	331	323	342	11	19
Sub-total Inclusive Education	1,948	2,023	2,069	121	46
English Language Learning	6,280	6,744	6,766	486	22
Indigenous Education	1,274	1,240	1,240	(34)	0

Enrolment for the 2024/25 school year increased by a total of 555 full-time equivalents (FTE) compared to the previous year. This was the third consecutive year where the district saw higher-than-average increases, with much of this growth attributed to elevated immigration levels and a rise in international students who qualify for funding. However, this trend is expected to taper off in the coming years as the Federal government introduces limits on study permit issuance and caps on immigration levels.

The number of inclusive learners increased by 121 FTE compared to the prior year, largely driven by an increase in students with Level 2 designations. The number of English language learners also increased significantly, by 486 FTE, mirroring the rise in international students who qualify for education funding. In contrast, enrolment levels for Indigenous Education declined by 34 FTE.

Further details on student enrolment and associated Ministry of Education and Child Care (MECC) funding can be found in [Appendix B](#). The accompanying chart illustrates the district’s annual full-time equivalent enrolment from the 2018/19 to 2024/25 fiscal years.



Staffing

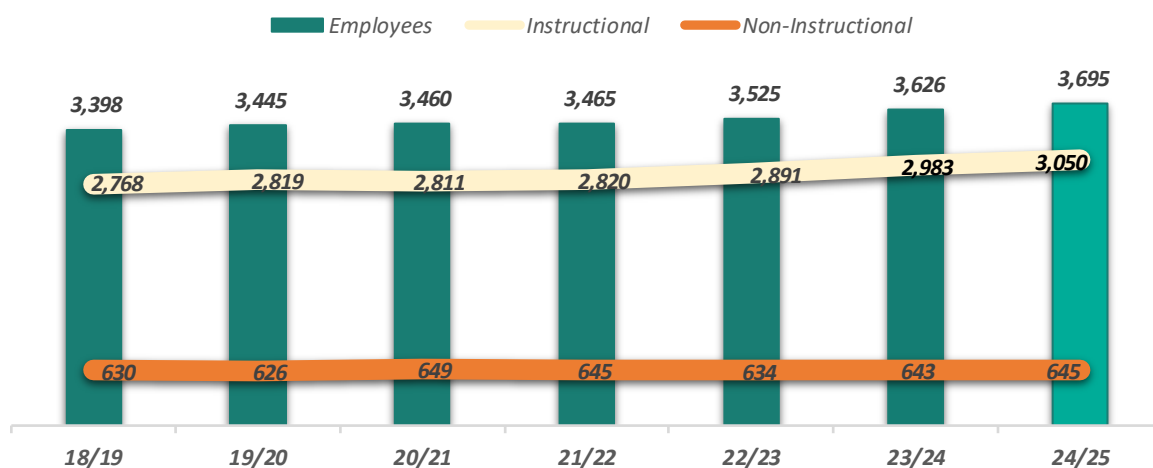
Student enrolment is not only the key factor in determining grant funding, but it also plays a central role in driving staffing levels for teachers and educational assistants. Staffing represents the largest portion of the school district's operating expenses. The district currently has 3,695 full-time equivalent (FTE) employment positions, although actual headcount is higher at 4,355 employees, reflecting the inclusion of part-time roles that account for less than 1.0 FTE each.

STAFFING GROUPS (in Staff Full-Time Equivalent-FTE)	Prior Year	Prelim	Actual	Actual to Prior Year	Actual to Prelim
				Higher/(Lower)	
Teachers	2,102	2,127	2,130	28	3
Educational Assistants	736	754	775	39	21
Administrators	130	130	130	0	0
Substitutes	15	15	15	0	0
Total Instructional Staff	2,983	3,025	3,050	67	24
Support	567	568	569	2	1
Other Professionals	76	76	76	0	0
Total Non-Instructional Staff	643	644	645	2	1
Total Staff	3,626	3,670	3,695	69	25

The district's workforce is classified into 6 distinct staffing groups. Each group plays an essential role to support student success and maintain effective operations. Instructional roles, including Teachers, Educational Assistants, Administrators and Substitutes make up 82% of the district's overall staff. These positions have the most direct interaction and impact on student learning and achievement, and the district places strong emphasis on staffing these in an adequate and effective manner. The remaining 18% of staff fall into the non-instructional roles, including Support and Other Professionals. These positions also provide essential services that keep schools and district facilities running smoothly, enabling a safe and productive learning environment for students and staff. The district is committed to staffing all employee groups appropriately to advance its strategic priorities: promoting student achievement, supporting success for all learners, and maintaining long-term financial sustainability.

As shown in the chart below, staffing levels have steadily increased since the 2018/19 fiscal year. This upward trend closely mirrors the growth in full-time equivalent (FTE) student enrolment over the same period.

Number of Full-Time Equivalent Employees

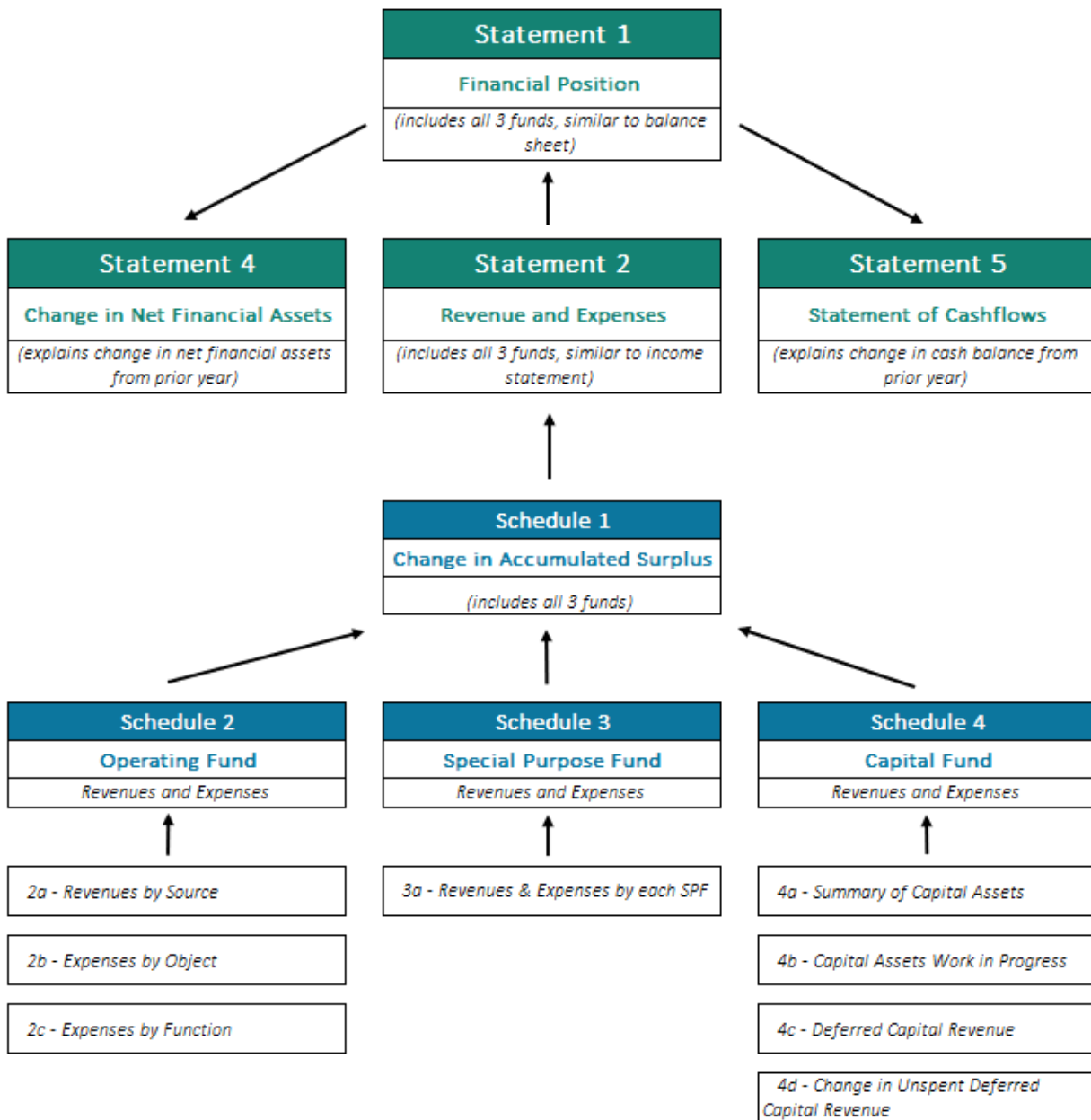


FINANCIALS

FINANCIAL STATEMENT REPORTING

As a government organization, school districts across the province must prepare their financial statements under the Canadian Public Sector Accounting Standards (PSAS) framework. The financial statements have been prepared by management in accordance with Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board.

The financial statements are comprised of multiple statements and notes to the financial statements (including a summary of significant accounting policies) which are audited each year. It also includes several unaudited schedules which support the information presented in the audited statements. The diagram below provides an overview of how the schedules flow into the statements that comprise the annual audited financial statements.



Note: Statement 3 "Remeasurement Gains and Losses" shows the unrealized change in the value of financial instruments. This statement is not applicable to the District at this time.

The school district's financial statements include current year results along with comparatives to budget and prior year amounts. This document, referred to as the Financial Statement Discussion and Analysis (FSD&A) is intended to provide additional context to the information contained in the financial statements. It explains key financial outcomes and highlights of significant variances from the budget and previous year. This report is submitted to the Ministry along with our financial statements. Given the magnitude of information included within the financial statements, the FSD&A focuses on the most significant and noteworthy variances.

Readers are encouraged to review this report in conjunction with the Audited Financial Statements for the year ended June 30, 2025 to gain a comprehensive view of the district's financial performance.

STATEMENT OF FINANCIAL POSITION: STATEMENT 1

The following table compares the school district's net financial position for the fiscal years ended June 30, 2025, and June 30, 2024, with the more significant year over year changes discussed below.

Statement 1	June 30, 2024 Balance	June 30, 2025 Balance	\$ Variance	% Variance
	(in thousands of dollars)		Higher/ (Lower)	
Financial Assets				
Cash and Cash Equivalents	\$139,078	\$169,267	\$30,188	21.7%
Accounts Receivable due from Ministry	\$7,903	\$12,265	\$4,362	55.2%
Accounts Receivable Other	\$18,870	\$11,747	(\$7,123)	(37.7%)
Portfolio Investments	\$85,000	\$70,000	(\$15,000)	(17.6%)
Total Financial Assets	\$250,851	\$263,278	\$12,427	5.0%
Liabilities				
Accounts Payable & Accrued Liabilities	\$55,975	\$62,089	\$6,115	10.9%
Unearned Revenue	\$21,858	\$18,828	(\$3,029)	(13.9%)
Deferred Revenue	\$11,611	\$9,287	(\$2,323)	(20.0%)
Deferred Capital Revenue	\$542,974	\$605,223	\$62,249	11.5%
Employee Future Benefits (EFB)	\$47,569	\$46,198	(\$1,371)	(2.9%)
Asset Retirement Obligations	\$10,124	\$9,968	(\$156)	(1.5%)
Capital Lease Obligations	\$199	\$167	(\$33)	(16.6%)
Other Liabilities	\$8,125	\$8,966	\$841	10.4%
Total Liabilities	\$698,434	\$760,726	\$62,293	8.9%
Net Financial Assets (Debt)	(\$447,583)	(\$497,448)	(\$49,865)	(11.1%)
Non-Financial Assets				
Tangible Capital Assets	\$711,552	\$777,020	\$65,468	9.2%
Prepaid Expenses	\$590	\$562	(\$28)	(4.7%)
Total Non-Financial Assets	\$712,143	\$777,583	\$65,440	9.2%
Accumulated Surplus - Capital	\$223,898	\$226,430	\$2,532	1.1%
Accumulated Surplus - Operations	\$40,662	\$53,705	\$13,043	32.1%
Total Accumulated Surplus (Deficit)	\$264,560	\$280,135	\$15,575	5.9%

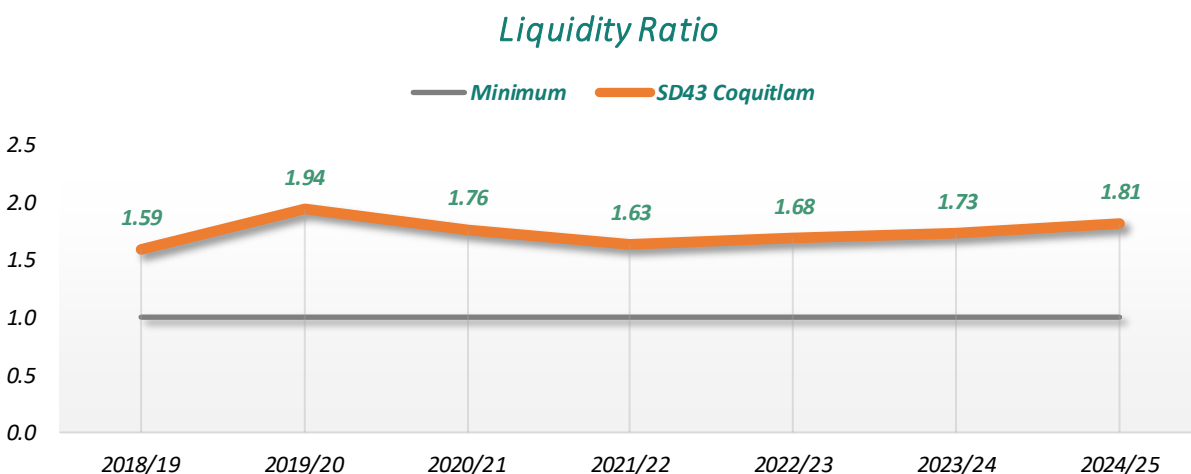
Cash which includes cash held in Bank Deposits and the Central Deposit Program (CDP) increased by a net of \$30.2 million compared to prior year. The increase was primarily due to short-term investments maturing and returned into cash investments and as well as cash generated from collecting larger outstanding accounts receivable balances. The district holds cash balances within its operating and high-interest savings accounts and earns interest at tiered rates based on cash balances and also holds funds within the Central Deposit Program; managed by the Ministry of Finance and earns an interest of bank prime rate minus 2.0%.

Portfolio Investments which include investments in secure, low risk interest earning financial instruments such as GIC's, decreased by a total of \$15.0 million as some investments matured and were converted to cash investments. The district has built a conservative portfolio of investments to increase investment revenues. The annual rate of return for 2024/25 was 5.25% to 6.00% for short term and 5.00% to 7.00% for long term financial instruments respectively.

Total Cash and portfolio investments held by the district totaled \$239.3 million as at June 30, 2025, which is an increase of \$15.2 million from prior year. The table below shows a breakdown of the district's cash assets between the various categories.

Cash Assets	June 30, 2024 Balance	June 30, 2025 Balance	\$ Variance	% Variance
	<i>(in thousands of dollars)</i>		Higher/ (Lower)	
Cash: Bank Deposits	\$65,000	\$109,166	\$44,166	67.9%
Cash Equivalents: CDP Investments	\$74,078	\$60,100	(\$13,978)	(18.9%)
Portfolio Investments: Short Term	\$55,000	\$25,000	(\$30,000)	(54.5%)
Portfolio Investments: Long Term	\$30,000	\$45,000	\$15,000	50.0%
Total Cash Assets	\$224,078	\$239,266	\$15,188	6.8%

Cash assets are essential for managing payment obligations and maintaining fiscal stability and its strength is measured by the district's liquidity ratio, calculated by taking financial assets over liabilities, excluding deferred capital revenue, capital lease obligations, and asset retirement obligations. This ratio measures the ability to pay off its short-term liabilities when they become due. A liquidity ratio of 1.0, means that the district has the ability to pay its current liabilities. A liquidity ratio higher than 1.0, means the district has the ability to pay its current liabilities and can better respond to changing circumstances. For the fiscal year ended June 30, 2025, the district had a liquidity ratio of 1.81. The graph below provides the historical trend since 2018/19.



Accounts Receivable - due from MECC are funds receivable from the Ministry of Education and Child Care (MECC). The receivable increased by \$4.4 million from prior year due to an increase in Certificate of Approval (COA) draws relating to capital projects such as the 12-classroom addition at Charles Best Secondary, seismic replacement of Moody Elementary, and for the new Middle/Secondary school under construction on Burke Mountain.

Accounts Receivable - Other are funds receivable from accrued interest income earned on cash and investment holdings and other outstanding receivables to be collected. Accounts receivable - other decreased by a total of \$7.1 million from last year. \$1.2 million of this was due to lower interest receivable as some GIC's matured during the year and were paid out and converted to cash deposit investments held with the bank. Another \$2.7 million decrease was from collecting a deposit fee with the municipality designated for capital projects. The remaining decrease includes \$0.6 million related to GST input tax credits, and \$2.6 million collected from the City of Coquitlam, primarily for a joint "Earthworks" initiative undertaken at Burke Mountain Middle/Secondary School.

Accounts Payable and Accrued Liabilities represents amounts the district owes to suppliers and employees, and this increased by \$6.1 million compared to the previous year. This increase includes \$3.2 million related to salary accruals to June 30th, timing of benefits payments accrued, and increase in teacher salary accrual for those on a twelve-month pay cycle. The remaining increase of \$2.9 million relates primarily to additional construction-related invoices and holdbacks for projects such as Burke Mountain Middle/Secondary, Charles Best Secondary, and Moody Elementary schools that are well under way.

Unearned Revenue represents International Education Tuition Fees collected in advance for the 2025/26 school year. This will be recognized and recorded as revenue over the course of the next fiscal year. As of June 30, 2025, the unearned revenue declined by \$3.0 million from prior year, primarily due to lower enrolment of international students compared to the same time period last year, largely due to changes in Canadian immigration policies.

Deferred Revenue represents unspent special purpose fund balances remaining at the end of the year, including unspent school generated funds that are held by each individual school. Deferred revenue is recognized as revenue as expenses are incurred. The deferred revenue balance decreased by \$2.3 million from prior year primarily due to a decrease in Contractual reserves balance of \$3.1 million (these funds were transferred to the operating fund and reclassified as restricted surplus), other various combined decreases of \$0.4 million, and offset by an increase in school generated funds of \$1.2 million.

Deferred Capital Revenue relates to funding received and spent on capital projects. As required by Treasury Board regulations, funding for capital projects is recognized as revenues over the expected useful life (amortization) of the asset purchased. Deferred capital revenue increases by grant funding received and is reduced by the annual recognition of capital revenue over the life of the capital project. Deferred Capital revenue increased by \$62.2 million because of many new and ongoing capital projects (primarily related to schools that are under construction).

Employee Future Benefits Liability represents estimated future cost to the district to provide employees benefits such as vested sick leave, retirement/severance, vacation, overtime, death benefits, and remaining NTPP post-retirement health and dental benefits. Employee Future Benefits decreased by total of \$1.4 million primarily due to higher cash cost recognized for post employment retirement obligations. Employee future benefit liability decreased by a net of \$0.94 million and the Post Retirement Group Benefit plan obligation for NTPP retirees decreased by \$0.43 million.

Asset Retirement Obligations (ARO) represents the liability for the legal obligation associated with the retirement of a tangible capital asset primarily associated with the removal and disposal of deemed hazardous materials, such as asbestos and lead containing paints. The ARO obligation decreased by \$0.2 million based on removal of these materials when conducting minor capital work in buildings containing these hazardous materials.

Capital Lease Obligations correspond to assets purchased under a lease that depreciate and incur interest over their useful life. At the end of the lease term, the district will have the option to purchase these assets for below fair market value (a “bargain” purchase). The capital lease obligation balance decreased by \$33k representing interest charged at an average implicit interest rate of 8.5%.

Other Liabilities is comprised of vacation liability obligation of \$8.3 million and \$0.7 million of various other liabilities. Other liabilities increased by \$0.84 million due to an increase in the accrued vacation payable related to higher unused vacation days held by employees as of June 30th and slightly higher wages.

Tangible Capital Assets represents the net balance of tangible capital assets less accumulated amortization. The district carries out various capital projects and purchases capital assets throughout the year including upgrades, additions, building of new schools and replacing old schools. Current year additions include the preliminary capitalization of the Roy Stibbs Elementary school building envelope replacement, Scott Creek Middle 10-classroom addition, and the final capitalization of Centennial NLC space and Education Learning Centre (ELC). Also included in the additions are computer hardware, furniture and equipment, vehicles and other minor capital projects and purchases. Funds spent on these are capitalized as Tangible Capital Assets.

Net Tangible Capital Assets increased by \$65.5 million which is reflected in the deferred capital revenue balance. The cost of these assets is recognized over their expected useful lives through the recording of amortization expense.

The Net Tangible Capital assets amount of \$777 million, as reported on *Statement 1* of the financial statements, is made up of six different asset classes as summarized below. The largest tangible capital asset category is buildings, including work in progress (WIP), totalling \$642.16 million or 82.6%. The balance of the tangible capital assets includes sites, computer hardware, furniture and equipment, and vehicles.

Tangible Capital Assets	Sites	Building	Building WIP	Furniture & Equipment	Vehicles	Computer Hardware	Total
	(in millions of dollars)						
Cost:							
Beginning of Year	\$112.50	\$855.33	\$65.56	\$13.54	\$2.82	\$20.47	\$1,070.22
Additions	\$0.00	\$6.12	\$79.31	\$1.11	\$0.36	\$4.43	\$91.32
Disposals	\$0.00	\$0.00	\$0.00	(\$0.95)	(\$0.23)	(\$3.87)	(\$5.05)
Transfer from/(to) WIP	\$0.00	\$24.23	(\$24.73)	\$0.51	\$0.00	\$0.00	(\$0.00)
Cost, Ending	\$112.50	\$885.68	\$120.13	\$14.22	\$2.94	\$21.03	\$1,156.49
Accumulated Amortization:							
Beginning of Year	\$0.00	\$343.62	\$0.00	\$4.67	\$0.82	\$9.56	\$358.67
Additions	\$0.00	\$20.02	\$0.00	\$1.39	\$0.29	\$4.15	\$25.85
Disposals	\$0.00	\$0.00	\$0.00	(\$0.95)	(\$0.23)	(\$3.87)	(\$5.05)
Accumulated Amort, Ending	\$0.00	\$363.65	\$0.00	\$5.11	\$0.87	\$9.85	\$379.47
24/25 Net Tangible Capital Assets	\$112.50	\$522.03	\$120.13	\$9.11	\$2.07	\$11.18	\$777.02
23/24 Net Tangible Capital Assets	\$112.50	\$511.71	\$65.56	\$8.87	\$2.00	\$10.91	\$711.56
Variance from Prior Year	\$0.00	\$10.32	\$54.57	\$0.24	\$0.07	\$0.26	\$65.47

STATEMENT OF OPERATIONS: STATEMENT 2

As required by Public Sector Accounting Standards (PSAS) and the Ministry of Education and Child Care, the school district reports revenues and expenses under three separate funds: the **operating fund**, the **special purpose fund**, and the **capital fund**. The consolidated revenues and expenses from these three funds are captured in Statement 2 (Statement of Operations), of the audited financial statements. As an outcome, the districts financial performance can only be fully understood by reviewing each fund separately. An overview of each fund is provided in the subsequent pages along with significant events and factors that influence each fund's financial results.

The table below summarizes the financial results of each of these three funds along with the combined total.

Statement 2	Operating	Special Purpose	Capital	Total
<i>(in thousands of dollars)</i>				
Revenue:				
Provincial Grants	\$379,895	\$64,957	\$0	\$444,852
Federal Grants	\$0	\$4,187	\$0	\$4,187
Tuition	\$24,600	\$0	\$0	\$24,600
Other Revenue	\$889	\$15,623	\$1,078	\$17,590
Rentals and Leases	\$2,804	\$0	\$400	\$3,204
Investment Income	\$7,223	\$0	\$1,199	\$8,422
Amortization of Deferred Capital	\$0	\$0	\$17,792	\$17,792
Total Revenue	\$415,412	\$84,767	\$20,469	\$520,647
Expenses:				
Instruction	\$333,868	\$83,558	\$0	\$417,426
District Administration	\$17,375	\$0	\$0	\$17,375
Operations and Maintenance	\$42,001	\$1,140	\$594	\$43,735
Amortization Tangible Capital Assets	\$0	\$0	\$25,849	\$25,849
Transportation and Housing	\$603	\$69	\$0	\$672
Debt Services	\$0	\$0	\$16	\$16
Total Expenses	\$393,847	\$84,767	\$26,459	\$505,073
Surplus/(Deficit) for the Year	\$21,565	\$0	(\$5,990)	\$15,575
Fund Transfers to/(from)	(\$8,522)	\$0	\$8,522	\$0
Surplus/(Deficit), Net of Transfers	\$13,043	\$0	\$2,532	\$15,575

All school districts operate under the provincial government, and as such, the largest portion of the school district's revenues comes through provincial grants from the Ministry of Education and Child Care (MECC). For the 2024/25 fiscal year, the district received \$444.9 million in provincial grant funding making up 85% of its total revenue. Conversely, the largest expense category is Instruction of Students totaling \$417.4 million or 83% of the overall expenses.

OPERATING FUND: SCHEDULE 2

This schedule represents the Operating Fund and reflects the day-to-day operations of the district. The operating fund includes Ministry grants and other revenues used to fund instructional programs, school and district administration, facilities operations, maintenance, and transportation. For the 2024/25 fiscal year, the Operating fund had a surplus of \$13.0 million. The following schedule compares the results for the period ending June 30, 2025, to the amended budget and the prior year results.

Schedule 2	Prior Year	Amended	Actual	Actual vs Prior Year	Actual vs Amended
	(in thousands of dollars)			Higher/(Lower)	
REVENUE:					
Ministry & Other Grants	\$361,704	\$377,799	\$379,895	\$18,191	\$2,096
Other Revenue	\$34,170	\$29,477	\$35,517	\$1,347	\$6,040
Total Operating Revenue	\$395,873	\$407,276	\$415,412	\$19,538	\$8,136
EXPENSES:					
Salaries	\$270,925	\$289,063	\$283,452	\$12,527	(\$5,612)
Benefits	\$73,377	\$80,866	\$78,958	\$5,581	(\$1,908)
Services & Supplies	\$32,745	\$37,947	\$31,437	(\$1,308)	(\$6,510)
Total Operating Expenses	\$377,047	\$407,876	\$393,847	\$16,800	(\$14,029)
NET REVENUE (EXPENSE)	\$18,827	(\$600)	\$21,565	\$2,738	\$22,165
Budgeted Surplus Usage	\$0	\$3,750	\$0	\$0	(\$3,750)
Net Transfers (to)/from other funds:					
Capital Assets Purchased	(\$6,139)	(\$2,500)	(\$5,070)	\$1,069	(\$2,570)
Local Capital	(\$3,022)	(\$650)	(\$3,452)	(\$429)	(\$2,802)
Net Transfers to/(from) other funds	(\$9,161)	(\$3,150)	(\$8,522)	\$639	(\$5,372)
Surplus (Deficit) Including Net Transfers	\$9,665	\$0	\$13,043	\$3,378	\$13,043

Factors that contributed to the surplus are as follows:

- *Higher Grant Funding:* Due to higher February enrolment count, graduated adult course enrolment funding, and additional targeted funding received for teachers' professional development mandated by Article F.1 of the collective agreement
- *Strong International Education Revenues:* Resulting from higher second semester enrolment and increased enrolment in summer school program
- *Growth in Rental Revenue:* Generated through increase in community group bookings, growth in facility rentals for new before and after school programs, combined with rental rates increases necessary to offset inflationary factors
- *Higher Investment Returns:* Earned by optimizing available cash to low risk, value driven investments such as multi-year Guaranteed Investment Certificates (GICs), while continuing to deposit surplus funds into the Ministry's centralized cash pooling
- *Lower Staffing Costs:* Resulting from typical staff turnover, time lag in filling vacancies, specialty positions taking longer to fill and savings resulting from unpaid leaves primarily in the Support Staff, Education Assistants, and specialized Teachers categories
- *Lower Operational Expenses:* Spending on services and supplies by schools and departments was below anticipated levels

Revenues – Schedule 2A

The Operating Revenues are reflected in Schedule 2A of the financial statements and are comprised of several revenue streams including Provincial Ministry Grants, Tuition based revenue, Rentals revenue, Investment Income and other miscellaneous revenues.

Provincial Grant Revenues

Provincial Ministry grants is the largest revenue stream for the district and forms 91.5% of the total operating revenues. The following table provides a summary of the various categories of Ministry Grants for the prior year, amended budget and current year. Details of these grant revenues are discussed below.

GRANT REVENUES	Prior Year	Amended	Actual	Actual vs Prior Year	Actual vs Amended
	(in thousands of dollars)			Higher/(Lower)	
REVENUE:					
Ministry Operating Grant	\$352,610	\$371,511	\$372,625	\$20,015	\$1,114
Labour Settlement Funding	\$5,994	\$3,711	\$4,148	(\$1,846)	\$437
Net Operating Grant	\$358,604	\$375,222	\$376,772	\$18,169	\$1,551
Other Ministry Grants:					
Graduated Adult Funding	\$2,072	\$1,577	\$2,150	\$77	\$572
Pay Equity	\$706	\$706	\$706	\$0	\$0
Other Ministry & Provincial	\$321	\$294	\$267	(\$55)	(\$27)
Total Other Ministry Grants	\$3,100	\$2,577	\$3,123	\$23	\$545
Total Ministry & Other Grants	\$361,704	\$377,799	\$379,895	\$18,191	\$2,096

Grant revenues were \$20.0 million higher than last year. \$12.0 million of this was due to the increase in base per student funding to include the COLA adjustments from the prior year and negotiated wage increments applicable for the current year. The remaining \$8.0 million increase was due to an increase in enrolment from the prior year. Labour Settlement Funding decreased by \$1.8 million due to a lower COLA adjustment than the prior year. Graduated adult funding increased by \$77k over prior year due to higher enrolment while other grants decreased by \$55k related to the DELF grant funding which the district is no longer running.

Grant revenues were \$1.1 million higher than amended budget due to higher February enrolment count of \$1.06 million and May enrolment-based funding of \$51k. Labour Settlement Funding was \$437k higher than amended budget due funding received for article F.1 Teachers Professional Development. Graduated adult course funding came in \$572k higher than budgeted due to higher enrolment. See [Appendix B](#) for complete enrolment and operating grant details.

Other Revenues

The district has five other revenue sources in addition to Ministry Grant Revenues: Continuing Education, International Tuition Fees, Miscellaneous, Rentals and Leases, and Investment Income. The following table provides a summary of Other Revenue with each revenue source is discussed in more detail below.

OTHER REVENUE	Prior Year	Amended	Actual	Actual vs Prior Year	Actual vs Amended
	(in thousands of dollars)			Higher/(Lower)	
REVENUE:					
Continuing Education	\$434	\$266	\$474	\$40	\$207
International Tuition Fees	\$24,405	\$22,118	\$24,126	(\$278)	\$2,009
Miscellaneous	\$525	\$776	\$889	\$365	\$113
Rentals and Leases	\$2,540	\$2,201	\$2,804	\$264	\$603
Investment Income	\$6,266	\$4,116	\$7,223	\$957	\$3,107
Total Other Revenue	\$34,170	\$29,477	\$35,517	\$1,347	\$6,040

Continuing Education

Continuing Education revenues were \$40k higher than prior year and \$207k above amended budget resulting from increased enrolment in the business careers and job skills program and summer tuition-based credit programs from international students.

International Education Revenues

International Education revenues declined by \$278K compared to the previous year, driven primarily by a decline in enrolment of 85 FTE students. This decrease in enrolment stems from recent shifts in Canadian immigration policies, with the decline in student numbers resulting in lower tuition revenue, along with associated processing and application fees. However, these impacts were partially offset by an increase in the tuition fee rate, which rose from \$16,500 to \$17,500 per student in the current year.

International Education revenues exceeded the budget by \$2.01 million, largely due to conservative forecasting of second semester enrolment, which typically remains unconfirmed until February, after the amended budget is finalized. Final enrolment in the regular program reached 1,206 FTE students, surpassing the budgeted projection of 1,150 FTE. Additional contributors to the revenue increase included higher summer school enrolment, elevated activity fees, and increased income from cancellation and course deferral fees, as well as administrative and processing charges.

Miscellaneous Revenues

Other miscellaneous revenues exceeded the prior year by \$365k, primarily due to contractual reserve contributions of \$265k that were previously reported under special purpose funds. Other revenues also surpassed the amended budget by \$113k. These variances stem from the distinct nature of the transactions involved. Included in this category are energy grants from BC Hydro and Fortis, as well as administrative recoveries from federally funded programs.

Rentals and Leases

Facility rentals, including childcare space rentals and other related revenues exceeded expectations and finished \$264k above prior year and \$603k above the amended budget. This growth is primarily attributed to increased bookings from community users, expanded usage of school facilities for before- and after-school programs and one-time revenues generated from the Provincial election in the fall and the Federal election in late spring. Additionally, rental rate adjustments implemented during the fiscal year helped mitigate the impact of inflationary pressures.

Investment Income

Investment income increased by \$957k compared to the previous year, largely driven by a greater amount of available cash and higher interest earned on investments, despite a decline in the bank prime rate from 6.70% at the beginning of the fiscal year to 4.95% by the end of the fiscal year. To optimize returns, funds were strategically allocated across high-interest bank accounts leveraging tiered interest rate structures, the Central Deposit Portal (CDP), and GIC investments. Notably, the CDP rate also experienced a downward trend during the year, decreasing from 4.95% on July 1, 2024, to 2.95% by June 30, 2025.

Furthermore, actual investment income surpassed the amended budget by \$3.1 million, reflecting both a conservative budgeting approach and a revised investment strategy, shifting a portion of the funds from the CDP to higher-yielding GIC investments.

Salaries and Benefits Expenses – Schedule 2B

The largest component of the district's operating expenses is associated with salaries and benefits. This makes up 92.0% of total operating expenses. The table below provides a summary of salary expense by each salary group for the prior year, amended budget and current year. This information is derived from [Schedule 2B](#) of the financial statements. Overall, the district spent \$12.5 million more on salaries this year than the prior year, and \$5.6 million less than was budgeted. Each salary category is discussed in more detail below.

SALARIES	Prior Year	Amended	Actual	Actual vs Prior Year	Actual vs Amended
	(in thousands of dollars)			Higher/(Lower)	
Salaries:					
Teachers	\$170,517	\$179,180	\$178,034	\$7,517	(\$1,146)
Administrators	\$19,246	\$20,527	\$20,172	\$926	(\$355)
Educational Assistants	\$26,295	\$29,573	\$28,755	\$2,461	(\$817)
Support Staff	\$29,369	\$33,178	\$30,611	\$1,242	(\$2,566)
Other Professionals	\$8,995	\$9,013	\$8,994	(\$1)	(\$18)
Substitutes	\$16,504	\$17,594	\$16,885	\$381	(\$709)
Total Salaries	\$270,925	\$289,063	\$283,452	\$12,527	(\$5,612)

Teachers

Teacher salary expenses were \$7.5 million higher than last year due to a combination of contractual wage increase of 2.0% and cost of living allowance (COLA) of 1.0% effective July 1, 2024, combined with the following FTE additions:

- 17.4 Teachers related to increased enrolment levels
- 1.0 Teacher related to "Take A Hike" alternate education program

Teacher salary expense was \$1.1 million below budget due to timing of hiring teachers required at the beginning of the school year, unpaid leaves taken by staff during the year, and challenges in hiring for specialized teacher positions within student services such as Psychologist, Vision, and Speech Language Pathologists.

Principals and Vice Principals

Principal and Vice Principal salaries were \$926k higher than last year primarily due to budgeted wage and step increases, along with the following FTE addition that was transferred from the capital budget to operating budget:

- 1.0 District Principal of Facilities & Initiatives

Actual expenses were \$355k lower than budget due to the timing of filling positions, unexpected unpaid leaves, and lower step movements within the grid than budgeted.

Education Assistants

Actual expenses were \$2.5 million higher than last year due to a 2.0% contractual wage increase and 1.0% cost of living allowance (COLA) adjustment effective July 1, 2024, and the following FTE additions:

- 38.5 Education Assistant permanent positions
- 1.0 Youth Worker permanent position for Hazel Trembath Elementary
- 1.0 Indigenous Ed Cultural Facilitator and 2.0 Indigenous Ed Youth Worker temporary positions
- 14.0 Education Assistant temporary positions funded through in-year salary savings

Salaries came in \$0.82 million under budget primarily due to slippage created by unpaid leave days taken, unpaid sick days, and lag time between assignments.

Support Staff

Actual expenses were \$1.2 million higher than last year due to a 2.0% contractual wage increase and 1.0% cost of living allowance (COLA) adjustment effective July 1, 2024, and the following FTE additions:

- 1.0 Secretary permanent position split between Lord Baden-Powel and Pinetree Way Elementary
- 0.25 Caretaker permanent position for Lord Baden-Powel Elementary additional portables
- 2.0 Caretaker temporary positions and 0.43 Noon Hours funded through in-year salary savings

Support Staff salaries finished \$2.6 million under budget primarily due to unfilled vacancies (mainly in maintenance positions, HVAC, carpentry, IT), temporary vacancies occurring from staffing changes and turnover, and unpaid leaves. Additionally, wage recoveries exceeded the budget, driven by increased custodial wage recoveries from facility rentals and higher maintenance wage recoveries from AFG projects.

Other Professionals

Actual expenses remained consistent with the prior year, with salary increases and step increments offset by a decrease in the allocation of capital project manager salaries.

Overall, actual costs were \$18k under budget, primarily due to vacancy related savings in the Finance and HR departments. These savings were partially offset by the reallocation of capital project manager salaries to the operating fund that were not budgeted for but were required due to insufficient funding in the capital budget.

Substitutes

Actual expenses were \$381k higher than the prior year due to increased staff absenteeism for illness, unpaid leave coverage, temporary coverage during staff turnover, and contractual wage increments applicable for TTOCs and support staff.

Substitute salaries came in \$709k lower than budget due to savings from permanent TTOC positions that were temporarily assigned to fill vacant teacher positions, some unintended savings resulting from unfilled absences in the Teacher and Support categories, offset by higher illness related absences compared to previous years.

Benefits

Benefit costs are comprised of statutory and contractual (collective agreement) costs. Statutory benefits include costs such as CPP, EI, Employer Health Tax, and WorkSafeBC which are variable based on earnings and specific rates. Non-statutory benefit costs that are contractual in nature include pension and employer paid premiums for extended health, dental, Employee Assistance Program (EAP) and post-employment benefits that are based on number of employees enrolled in the group plans or years of service.

Benefit costs are the second largest expense category after salaries and account for over 20% of total operating expenditures. Overall, the district spent \$5.6 million more on benefits this year than prior year, and \$1.9 million less than was budgeted. The table below provides a further breakdown of the benefit expenses.

BENEFITS	Prior Year	Amended	Actual	Actual vs Prior Year	Actual vs Amended
	(in thousands of dollars)			Higher/(Lower)	
Statutory:					
Canada Pension Plan	\$11,004	\$11,723	\$11,759	\$755	\$36
Employment Insurance	\$3,939	\$4,215	\$4,182	\$243	(\$33)
Employer Health Tax	\$4,953	\$5,235	\$5,231	\$278	(\$4)
WorkSafeBC	\$3,535	\$4,227	\$3,729	\$194	(\$498)
Total Statutory	\$23,431	\$25,400	\$24,901	\$1,470	(\$499)
Extended Health & Dental:					
Extended Heath	\$9,956	\$12,225	\$11,913	\$1,957	(\$312)
Dental	\$7,844	\$8,668	\$8,348	\$504	(\$320)
Total Extended Health & Dental	\$17,800	\$20,893	\$20,261	\$2,461	(\$632)
Pension:					
Teacher Pension Plan	\$19,747	\$20,783	\$20,821	\$1,074	\$38
Municipal Pension Plan	\$6,921	\$7,528	\$7,282	\$361	(\$246)
Total Pension	\$26,668	\$28,311	\$28,103	\$1,435	(\$208)
Other - Benefit Service & Interest Costs	\$3,200	\$3,358	\$2,771	(\$429)	(\$587)
Other - Various	\$2,278	\$2,904	\$2,922	\$644	\$18
Total Other	\$5,478	\$6,262	\$5,693	\$215	(\$569)
Total Benefits	\$73,377	\$80,866	\$78,958	\$5,581	(\$1,908)

Benefits costs increased by \$5.6 million from prior year primarily driven by rising extended health and dental premiums, which accounted for \$2.5 million of the increase. Pension contributions rose by \$1.4 million, while higher CPP and EI contributions added another \$1.0 million. Additional increases included \$0.5 million in WorkSafe premiums and employer health taxes, and \$0.2 million in other benefit related costs. Many of these increases were a direct result of contractual wage adjustments, premium rate increases and higher staffing levels.

Despite these year-over-year increases, actual benefit costs came in \$1.9 million below budget. This variance was mainly attributable to lower than budgeted extended health and dental premiums of \$0.6 million, lower than expected WorkSafe premiums of \$0.5 million, and lower benefit service and interest costs related to employee future benefits of \$0.6 million. Minor savings across other benefit categories netted additional savings of \$0.2 million.

Services and Supplies – Schedule 2B

The remaining balance of 8.0% of the districts operating expenditures is spent on supplies and services. The table below provides a summary of the services and supplies costs by each expense category for the prior year, amended budget and current year. This information is derived from *Schedule 2B* of the financial statements. Overall, the district spent \$1.3 million less this year than the prior year and \$6.5 million less than budget.

Each expense category is discussed in more detail below.

SERVICES & SUPPLIES	Prior Year	Amended	Actual	Actual vs Prior Year	Actual vs Amended
	(in thousands of dollars)			Higher/(Lower)	
Services & Supplies					
Services	\$9,019	\$10,340	\$9,194	\$174	(\$1,146)
Student Transportation	\$682	\$694	\$544	(\$138)	(\$150)
Professional Development	\$2,154	\$2,464	\$2,232	\$78	(\$232)
Rentals & Leases	\$255	\$532	\$435	\$180	(\$97)
Dues & Fees	\$1,734	\$1,746	\$1,888	\$155	\$142
Insurance	\$1,755	\$1,900	\$1,820	\$65	(\$81)
Supplies	\$11,360	\$13,535	\$9,835	(\$1,526)	(\$3,700)
Utilities	\$5,785	\$6,736	\$5,489	(\$296)	(\$1,246)
Total Services & Supplies	\$32,745	\$37,947	\$31,437	(\$1,308)	(\$6,510)

Services

Service-related expenses increased by \$174k compared to the previous year, driven by inflationary pressures in professional and contracting services within the Information Services and Maintenance departments. These increases were partially offset by lower snow removal expenses due to less snowfall amounts.

Despite the year-over-year increase, actual expenditure for services was \$1.15 million lower than budget. This was primarily due to cost savings in specialized professional services, including occupational therapy, physiotherapy, and student assessments, stemming from staffing challenges. Other professional services such as legal, professional consulting, advertising and snow removal were also lower than expected.

Student transportation

Student transportation expenses came in \$138k lower than previous year and \$150k below budget. This was primarily due to a \$132k cost recovery from the capital budget, related to Coast Salish school's delayed opening. While awaiting completion of the new school, students were temporarily transported to another location and these interim transportation costs were offset by capital funding.

Professional development

Professional development expenses increased by \$78K compared to the prior year, primarily due to a \$332K payment to the Coquitlam Teachers Association for professional development costs per Article F.1 of the collective agreement. This was funded through the labour settlement funding recorded under Ministry grant revenues. These costs were offset by lower travel and training, implementation, and other professional development costs.

Despite the unbudgeted increase in teacher professional development costs, actual expenditures were \$232K below budget, due to greater than anticipated savings in travel and training, school based implementation budgets, and other professional development initiatives.

Rentals and Leases

Rental and lease expenses increased by \$180k compared to the previous year, primarily due to the reclassification of \$219k in rent for the Coquitlam Learning Opportunity Centre (CLOC) which had previously been recorded under the services category. This increase was partially offset by \$39k in savings, largely attributed to a reduction in the number of leased vehicles in the district's fleet.

Actual rentals and lease expenses came in \$97k below budget due to a reduction in the number of leased vehicles in the district's fleet as replacement vehicles were facilitated using local capital resources and minimizing leasing requirements. These savings were partially offset by the annual lease rate increase for the building rentals for the CLOC program.

Dues and Fees

Expenses for dues and fees exceeded prior year by \$155K and budget by \$142K. This was primarily driven by increased homestay fees for the summer international education program and offset by lower commission payments to agencies responsible for enrolling international students in our district. These commissions typically represent 10–15% of a student's tuition and are issued only after the student has attended for a minimum of 30 days.

Insurance

Insurance expenses increased by \$65k from last year primarily driven by higher property premiums under the School Protection Program of \$122k. This increase was partially offset by a reduction in Medical Services Premiums for students in the international education program and vehicle fleet insurance totaling \$57k.

Despite higher property premiums, total insurance costs came in \$81k below budget, largely due to lower international student insurance expenses and lower vehicle insurance costs.

Supplies

Supplies expense was \$1.5 million lower than the previous year. This was due to combination of \$0.3 million lower spending by schools on general supplies, furniture and fixtures, and computer replacements and \$0.9 million in one time allocation provided to schools last year to address school level initiatives. The remaining \$0.3 million was a result of reduced spending on maintenance and custodial purchases and offset by lower interfund transfers from operating to capital for tangible capital assets acquired through supplies.

Supplies expense was \$3.7 million lower than budget due to a combination of \$292k of unused board contingency budget, \$625k of unused facilities capital maintenance budget and \$2.5 million in additional interfund transfers from operating to capital for tangible capital assets purchased through supplies. Further contributing to the savings were reduced expenditures by schools and other departments on items such as general school supplies, building maintenance materials, and custodial supplies.

Utilities

Utilities expenses decreased by \$296k compared to last year, mainly driven by reduced electricity consumption and lower carbon tax charges. Spending was also \$1.25 million below budget, largely due to savings in both electricity and gas usage resulting from a milder winter than originally projected, and lower carbon tax charges.

ACCUMULATED SURPLUS – OPERATING FUND

The school board established an Accumulated Operating Surplus policy (*Policy #23 – Accumulated Operating Surplus*) as part of its multi-year financial approach to create and maintain a stable and sustainable organization. This policy is reviewed by the Board on an annual basis and is designed to provide financial stability for future years while reducing volatility by smoothing peak surplus years. The policy also provides reserves to cover any unusual or unexpected expenses in a given fiscal year, support for one-time initiatives, and a source of capital funding primarily associated with technology, educational initiatives, deferred maintenance of facilities and other unfunded capital needs. The surplus is also restricted for any unspent targeted funds and unspent school allocated budgets to allow for expenses spanning multiple years. The current year operating surplus summary is shown below including the budgeted usage of prior year reserves.

Current Year Surplus Summary	Amount
	(in thousands of dollars)
Total Operating Surplus (Deficit), for the year - per Schedule 2	\$13,043
Adjust for Budgeted Reserve Usage	\$3,750
Adjust for Other Surplus Usage	\$110
2024/25 Adjusted Surplus	\$16,903

Surplus Continuity Summary

The table below details the net increase in the accumulated surplus balance by showing the changes between the beginning and ending balances as reflected in Schedule 2. The closing balance shows the intended future use of the operating surplus and will be approved by the Board through the approval of the financial statements.

Schedule of Accumulated Surplus	2023-24	2024-25		
	Opening	Prior Year (Usage)	Reserved / (Usage)	Closing
	(in thousands of dollars)			
Internally Restricted Due to the Nature of Constraints on the Funds:				
Carryforward Surpluses	\$2,814	\$0	\$394	\$3,208
ESA Contingency Reserve	\$1,000	\$0	\$0	\$1,000
Facility & Maintenance Initiatives	\$2,056	\$0	\$0	\$2,056
Technology Initiatives	\$1,225	\$0	\$0	\$1,225
Education Sustainability Reserve	\$4,000	\$0	\$0	\$4,000
Teacher Mentorship Funds	\$635	(\$14)	\$0	\$621
Business Systems Initiative	\$4,165	\$0	\$0	\$4,165
Staffing Stabilization Reserve	\$1,000	\$0	\$5,000	\$6,000
Contingency for Benefits	\$2,000	\$0	\$3,000	\$5,000
School Based Capital Initiatives	\$7,317	(\$95)	\$4,461	\$11,683
Contractual Reserves (Prior Year Adjustment)	\$3,200	\$0	\$298	\$3,497
Subtotal Balance	\$29,412	(\$110)	\$13,153	\$42,455
Internally Restricted for Operations Spanning Multiple School Years:				
2024/25 - Staffing Stabilization Provision	\$3,750	(\$3,750)	\$0	\$0
2025/26 - Staffing Stabilization Provision	\$3,750	\$0	\$0	\$3,750
2026/27 - Staffing Stabilization Provision	\$2,500	\$0	\$1,250	\$3,750
2027/28 - Staffing Stabilization Provision	\$1,250	\$0	\$1,250	\$2,500
2028/29 - Staffing Stabilization Provision	\$0	\$0	\$1,250	\$1,250
Subtotal Balance	\$11,250	(\$3,750)	\$3,750	\$11,250
Total Internally Restricted Operating Fund Surplus	\$40,662	(\$3,860)	\$16,903	\$53,705

SPECIAL PURPOSE FUND (SPF): SCHEDULE 3

Special Purpose Funds consist of targeted funding allocated to school districts for a specific purpose. The annual funding received varies from year to year and is confirmed throughout the year. SPF revenues are recognized in conjunction with expenses incurred. SPF's account for approximately 16.78% of the district's total expenses and are made up approximately 25 different funds as summarized below. A full description of each of the Special Purpose Funds has been provided in [Appendix A](#).

Special Purpose Funds	Prior Year	Amended	Actual
	(in thousands of dollars)		
Deferred Revenue, beginning of year	\$13,274	\$11,611	\$11,611
Add: Contributions Received	\$80,632	\$79,822	\$82,443
Less: Expenses	(\$79,096)	(\$82,991)	(\$84,767)
Less: Prior Year Adjustment Contractual Reserves	(\$3,200)	\$0	\$0
Deferred Revenue, end of year	\$11,611	\$8,442	\$9,287

Pursuant to Sections 156(4) and (5) of the School Act, each special purpose fund must be accounted for in accordance with the terms of that special purpose fund. The table below captures the expenses incurred in fiscal 2024/25 for each of the special purpose funds.

Special Purpose Funds	Prior Year		Actual	
	FTE	in \$000's	FTE	in \$000's
Provincial Grant Funded:				
Annual Facilities Operating Grant	-	\$1,250	-	\$1,140
Changing Results for Young Children	-	\$6	-	\$7
Classroom Enhancement Fund	373.5	\$51,085	383.2	\$54,364
Community LINK	17.0	\$1,487	18.0	\$1,758
Early Care and Learning	1.1	\$163	1.1	\$169
Feeding Futures School Food Program	9.1	\$3,263	10.1	\$3,790
First Nation Student Transportation Fund	-	\$66	-	\$69
Learning Improvement Fund	24.2	\$1,295	24.2	\$1,310
Mental Health in Schools	-	\$44	-	\$58
Official Languages Education in French Programs	0.8	\$578	0.8	\$796
Provincial Resource Program (Day Treatment)	1.5	\$177	1.5	\$183
Ready Set Learn	0.5	\$117	0.5	\$109
Strengthening Early Years to K Transitions	-	\$7	-	\$7
Strong Start	6.5	\$428	5.0	\$320
Student and Family Affordability Fund	-	\$706	-	\$849
Sub-total	434.2	\$60,671	444.4	\$64,928
School Generated Funds:				
School Generated Funds	-	\$13,479	-	\$14,325
Sub-total	-	\$13,479	-	\$14,325
Federal Grant Funded:				
Language Instruction for Newcomers	13.5	\$2,818	13.5	\$3,342
Settlement Workers in Schools	10.5	\$938	10.5	\$845
Sub-total	24.0	\$3,756	24.0	\$4,187
Other:				
Apprenticeship Program	1.6	\$312	1.7	\$360
Others (Staff Dev, Community Connections, etc.)	-	\$878	-	\$967
Sub-total	1.6	\$1,190	1.7	\$1,327
Total	459.7	\$79,096	470.2	\$84,767

Classroom Enhancement Fund

The Classroom Enhancement Fund was established in 2017 following a Memorandum of Agreement, between the Ministry of Education and Child Care, The BC Teachers Federation (BCTF) and BC Public School Employers' Association, resolving all matters related to the implementation of the 2016 Supreme Court of Canada decision on class size and composition. The fund supports school districts in hiring additional teachers and covering related overhead costs to meet restored collective agreement provisions.

CEF funding is made of three separate components: Teacher Staffing, Overhead Costs and Remedy. The diagram below provides comparative figures from prior year.

Classroom Enhancement Fund	Prior Year		Actual		Higher/(Lower)	
	FTE	in \$000's	FTE	in \$000's	FTE	in \$000's
Staffing:						
Teachers	339.5	\$42,495	349.2	\$45,594	9.8	\$3,099
TTOC's		\$1,800		\$1,902	-	\$102
Total Staffing	339.5	\$44,295	349.2	\$47,496	9.8	\$3,201
Overhead:						
Educational Assistants	33.0	\$1,880	33.0	\$1,955	-	\$75
Administrators	1.0	\$412	1.0	\$438	-	\$27
Other Expenses		\$110		\$110		\$0
Total Overhead	34.0	\$2,402	34.0	\$2,503	0.0	\$101
Remedy Costs		\$4,388		\$4,365		(\$23)
Total	373.5	\$51,085	383.2	\$54,364	9.8	\$3,279

The school district received \$47.5 million in teacher staffing funding which provided staffing of 349.2 FTE teachers. Staffing increased over the prior year because of planned classroom additions, non-enrolling student to staffing ratio requirements and the usage of the flex factor.

The district received \$2.5 million in overhead funding which provided staffing of 33.0 Educational Assistants, 1.0 District Principal, mentoring cost of new teachers, some administrative cost of remedy tracking and costs related to relief time for teachers to do Individual Education Plans (IEP's).

Initial remedy funding was based on extrapolation of actual October 2024 remedies incurred. Actual Remedy costs came in higher than the prior year and slightly below amended budget. Since funding for remedy was based on estimates, the difference has been set up as a payable and will be settled with the Ministry in the following year.

School Generated Funds

School Generate Funds is the second largest component of the Special Purpose funds and represents the total accumulated funds held at the school level. These funds are held within each school's own bank account and is comprised of monies raised through fundraising, fees, cafeteria revenue, school store revenue, donations from Parent Advisory Councils, and various other activities.

Feeding Futures School Food Program

In April 2023, the Ministry of Education and Child Care announced a multi-year (2023/24 – 2025/26) Feeding Futures School Food Program, targeted to help school districts increase food security for students by expanding or creating food programs.

For the 2024/25 fiscal year, our district received an allocation of \$3.58 million, along with a carryforward of \$270k from 2023/24. A portion of these funds was distributed directly to schools and food support partners, including Share Society, BC Agriculture in the Classroom, Starfish, Access Youth, and Fresh Roots. The balance of the funds were held at the district level to support and expand existing lunch programs, provide staffing and other supplies required to run programs and address overall community needs. The majority of the funding was utilized, with a remaining balance of \$57k to be carried forward into the 2025/26 fiscal year.

Feeding Futures Food Program	Prior Year		Actual		Higher/(Lower)	
	FTE	in \$000's	FTE	in \$000's	FTE	in \$000's
Funds Allocated:						
Direct to Schools		\$1,038		\$1,123		\$84
Direct to Food Partners		\$651		\$749		\$97
Total Funds Allocated	0.0	\$1,690	0.0	\$1,871	0.0	\$182
Funds Held at Board Level:						
Lunch Program Food		\$585		\$764		\$179
Staffing	9.1	\$694	10.1	\$806	1.0	\$112
Teacher DH Allowances		\$260		\$265		\$5
Other: Equip, Supplies, Mileage		\$35		\$84		\$49
Total Funds Held at Board Level	9.1	\$1,574	10.1	\$1,919	1.0	\$345
Total	9.1	\$3,263	10.1	\$3,790	1.0	\$527

**Note - 2024/25 Actuals include usage of 2023/24 Carryforward Balance of \$270k*

Student Family and Affordability Fund

The Student & Family Affordability Fund, introduced in August 2022 by the Ministry of Education and Child Care, was designed as a one-time initiative to support families by improving students' access to nutritious food and reducing financial barriers to full participation in school life. The fund aimed to help offset costs associated with field trips, school fees, extracurricular activities, and essential school supplies, ensuring that all K–12 students could engage meaningfully in their education regardless of financial circumstances.

In March 2024, the Ministry announced a one-year extension of the program, providing an additional \$861k to our school district. Due to the timing of the funding, \$849k was carried forward for use in the 2024/25 fiscal year. These funds were directly allocated to schools, allowing them to assist families with school-related expenses in a way that was responsive to local needs. The funding was fully utilized, reflecting the ongoing demand and importance of affordability supports for students and families.

It is important to note that no further funding will be provided under the Student & Family Affordability Fund beyond this extension. However, the Ministry has since introduced a new initiative, Feeding Futures, which now serves as the replacement for the fund's food support component.

CAPITAL FUND: SCHEDULE 4

Capital fund revenues and expenses reflect the capital activities of the school district. Capital activities include such things as construction of schools, facility upgrades, purchase of vehicles, furniture and equipment, purchase and placement of portables as well as various other infrastructure related activities. The capital operations are captured under Investments in Tangible Capital Assets or Local Capital transactions depending on the source and nature of the transaction.

The table below is a summary of the Schedule of Capital operations – see [Schedule 4](#) of the financials.

Capital Operations	Previous Year	Invested in Tangible Capital Assets	Local Capital	Total Actual
<i>(in thousands of dollars)</i>				
Revenues	\$23,538	\$18,108	\$2,361	\$20,469
Expenses	\$21,180	\$26,165	\$294	\$26,459
Capital Surplus (Deficit) for the year	\$2,358	(\$8,057)	\$2,067	(\$5,990)
Fund Transfers	\$9,161	\$5,022	\$3,500	\$8,522
Other Adjustments	\$0	\$7,115	(\$7,115)	\$0
Total Capital Surplus (Deficit) for the year	\$11,519	\$4,079	(\$1,548)	\$2,532
Opening Accumulated Surplus	\$212,379	\$189,026	\$34,872	\$223,898
Closing Accumulated Surplus	\$223,898	\$193,105	\$33,325	\$226,430

Revenues are comprised of funding received from the Ministry for larger projects such as school buildings and District generated revenues such as lease income from closed school sites, investment income and other miscellaneous revenues. Ministry funded projects are generally recorded as revenue over the life of the asset, at the same rate as the amortization of the asset, and this is recorded under Investments in Tangible Capital Assets. District generated revenues on the other hand are recorded revenues in the year received under local capital. For the current year, the district recognized a total of \$20.5 million in revenues including \$18.1 million in deferred capital revenues from the Ministry and \$2.4 million in district generated capital revenues.

Expenses are comprised of amortization of tangible capital assets, interest on capital leases and expenses for minor capital repairs and maintenance that are too small to capitalize. For the current year, the district recorded \$26.2 million in amortization of assets and renovations at four elementary schools to support before and after school care and an additional \$0.3 million in minor capital initiatives funded by the district through local capital funds.

Fund Transfers are comprised of funds transferred from the Operating Fund required to capitalize the purchase of assets such as computers, vehicles, furniture and equipment and to support other capital infrastructure-related initiatives. During the year, \$5.0 million was transferred from the Operating Fund for capital items purchased during the year and an additional \$3.5 million was transferred to local capital for asset purchases in progress, funds required for portables, and costs related to the startup of Burke Mountain Middle/Secondary.

Note: Funds designated for portables have been allocated to support the acquisition of three used portables including associated transportation and refurbishment costs, relocate five portables from Scott Creek Middle, including one at the former Moody Elementary site to serve interim needs until the new school facility is completed and four portables to Minnehada Middle in preparation for the start of the 2025/26 school year.

Other Adjustments are comprised of transfers from local capital to tangible capital assets to reflect the purchases of capital assets funded from local capital including the annual \$5.0 million (of the \$25.0 million total) required contribution toward the construction of the new Burke Mountain Middle Secondary.

The table below summarizes the school district's various capital fund balances, which have specific restrictions or have been set aside for specific use.

Capital Funds	June 30, 2024	June 30, 2025	Variance
	<i>(in thousands of dollars)</i>		
MECC Restricted Capital	\$3,606	\$3,855	\$249
SSAC Capital	\$16,009	\$18,939	\$2,930
Other Provincial Capital	\$2,161	\$6,285	\$4,124
Other Capital	\$840	\$756	(\$84)
Bylaw Capital	\$6,548	\$0	(\$6,548)
Total Deferred Capital Revenue	\$29,164	\$29,836	\$672

Ministry of Education and Child Care (MECC) Restricted Capital: These are funds held on behalf of the Ministry of Education and Child Care and may include their portion of proceeds on the disposal of land and buildings, and any surpluses from completed MECC funded capital projects. The balance in this fund increased by \$249k of which \$138k is from interest earned; \$111k were transfers from completed COA funded capital projects that came under budget (Centennial NLC space).

School Site Acquisition Charge (SSAC) Capital: These funds represent amounts collected by the district from the municipalities and villages (as part of the school site acquisition charge) which will be used for future school site land purchases identified in the capital plan. This fund increased by \$2.9 million which includes \$647k in interest earned and school site acquisition charges remitted to the district of \$2.3 million. The current available balance as of June 30, 2025, is \$18.9 million.

Other Provincial Capital: These funds represent amounts received from the Ministry of Children and Family Development under their Childcare BC New Spaces initiative. The district received \$6.9 million in funding under this initiative to add childcare spaces at the new Coast Salish Elementary school, the new Moody Elementary school, and for before and after school spaces at Alderson, Blakeburn, Kilmer and Glen Elementary sites. This was offset by \$2.6 million in corresponding construction costs related to the above noted sites.

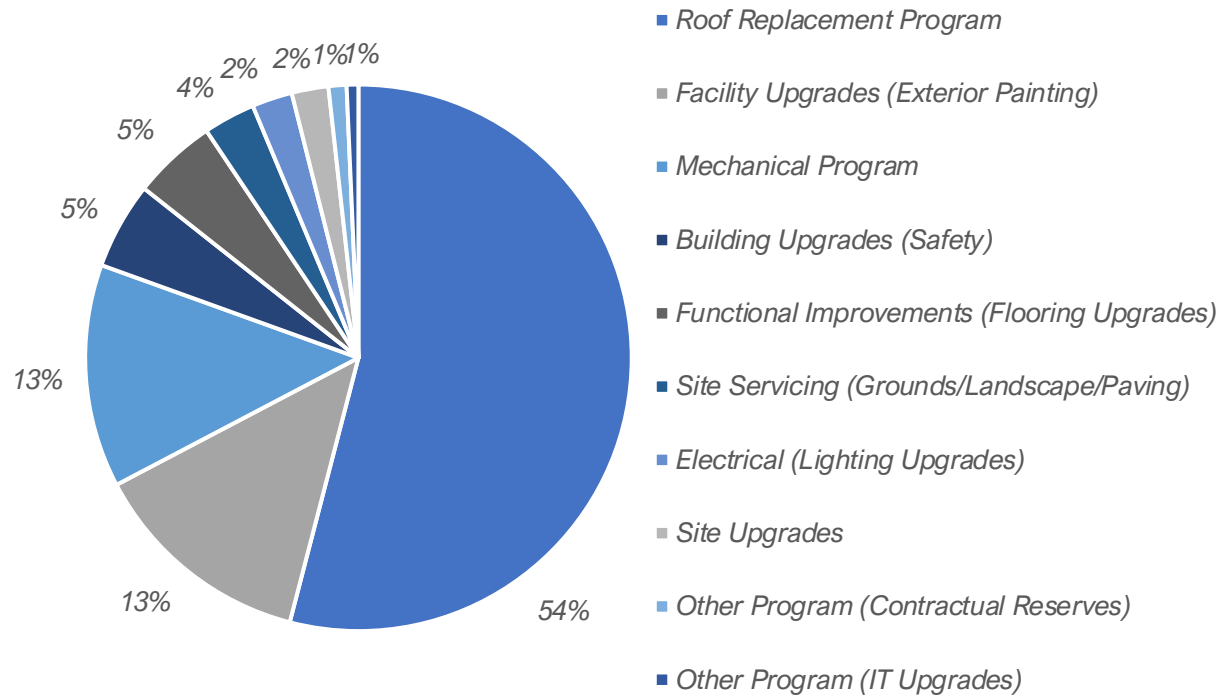
Other Capital: These funds represent proceeds held back from the Glen Elementary land sale with the City of Coquitlam to provide annual maintenance to the artificial turf fields at Centennial Secondary. The decrease in this fund is due to recognizing the current fiscal's maintenance costs. The remaining balance represents the value of the maintenance costs for future years along with other miscellaneous contributions received.

Bylaw Capital: The prior year balance represents funds received from the Ministry for the installation of prefabricated classrooms for Scott Creek Middle school. The district received a total of \$10 million dollars of which \$3.5 million was spent in the prior year and the remaining \$6.5 million was spent in the current year and transferred to deferred capital revenue for amortization.

Annual Facility Grant (AFG)

The Annual Facility Grant is provided by the Ministry for designated school capital or maintenance upgrades. \$7.16 million was provided by the Ministry for the 2024/25 school year and was expensed on the following projects as illustrated below:

2024/25 Project Funding by Type



The district completed 75 AFG funded projects last year, detailed in the table below. These projects are in addition to work financed by SD43 operating funds.

Project Type	Number of Projects	Spend on Projects
	#	(in thousands of dollars)
Roof Replacement Program	6	\$3,871.06
Facility Upgrades (Exterior Painting)	9	\$949.66
Mechanical Program	14	\$945.82
Building Upgrades (Safety)	12	\$367.89
Functional Improvements (Flooring Upgrades)	23	\$355.73
Site Servicing (Grounds/Landscape/Paving)	4	\$219.70
Electrical (Lighting Upgrades)	3	\$171.21
Site Upgrades	2	\$155.53
Other Program (Contractual Reserves)	1	\$76.16
Other Program (IT Upgrades)	1	\$49.70
Total	75	\$7,162.45

Capital Projects

The district has been working on various capital projects throughout the year. The following is a summary of some of the projects that were completed during the year, in-progress or being actively planned.

Irvine Elementary (seismic replacement)

The final stages of Irvine Elementary construction including landscaping and field completion occurred during the summer of 2024. This replacement school, increased capacity from 390 to 505 students including a Neighborhood Learning Centre to support school and community needs.

Centennial Secondary (NLC Building Space Phase 2)

The final stages of construction on the NLC building were completed and ready for occupancy in fall of 2024. The new NLC space includes a GYM and classrooms for Centennial students and a welcome center for the Settlement Workers in School program.

Scott Creek Middle (10 classroom addition)

This 10-classroom prefabricated addition was completed and ready for occupancy in February 2025. The addition increased capacity of the existing school by an additional 250 students.

Burke Mountain School Middle/Secondary (new school)

This new school located in the growing community of Burke Mountain will provide space for 1000 students. The facility will open initially as both a middle school and a secondary school and as enrolment increases, will transform to on a secondary school. This project is expected to cost \$160 million with the Ministry contributing \$135 million and the school district contributing the balance of \$25 million. The construction is well underway with occupancy targeted for fall of 2026.

Moody Elementary (seismic replacement)

This new school is being built on the same site as Moody Middle and will include space for an additional 115 students to meet expected growth in the neighborhood. Construction is well under way with occupancy targeted for late fall of 2025.

Charles Best Secondary (12 classroom addition)

This 12 classrooms addition, being built as a prefabricated addition, will increase capacity for an additional 300 students and is expected to be ready for occupancy by spring of 2026.

Hazel Trembath Elementary (replacement)

This school was destroyed as a result of a fire in October of 2023. Since that time the students have been relocated to the Winslow site, located adjacent to Como Lake Middle School. In the most recent Capital plan response letter, the Ministry identified Hazel Trembath as a replacement project. The district staff are working with the ministry on next steps including design plans.

Major Capital Projects Summary:



Capital Plan Funding Requests

SD43's capital plan requests, submitted to the Ministry of Education and Child Care annually in June, consists of the following highest priority projects.

New School Expansion Projects	• <i>NE Coquitlam Middle</i> • <i>Marigold Elementary</i>
School Additions	• <i>Ecole Banting Middle</i> • <i>Maple Creek Middle</i>
School Replacements	• <i>Maple Creek Middle</i> • <i>Nestor Elementary</i>
Seismic Mitigation	• <i>Dr. Charles Best Secondary</i> • <i>Cedar Drive Elementary</i>
Site Acquisition	• <i>Fraser Mills Elementary</i>

RISK & UNCERTAINTY

FINANCIAL STABILITY, RISKS, AND OTHER SIGNIFICANT ITEMS

In 2017 an enterprise risk assessment was completed which identified 29 areas of risk. The Risk Registry is updated on an annual basis and presented to the Board. While the operationalization of the accumulated surplus policy helps to soften or reduce some of these risk exposures, the following risks have been identified to have the greatest impact on school district operations.

Cyber Security and Infrastructure

In today's digital world, the threat of cyber-attacks is a constant and evolving risk. As the district's technology systems and infrastructure age, vulnerabilities increase, making it essential to maintain up-to-date systems to safeguard against cyber threats and ensure operational efficiency. Proactive monitoring, ongoing staff and student education, and responsible use of emerging technologies such as artificial intelligence are critical to protecting sensitive data and maintaining system integrity.

Additionally, the district's legacy Enterprise Resource Planning (ERP) system is also aging and lacks the modern functionality and robust security features required to support current operational demands. Its limitations pose a risk of service disruptions and hinder effective decision making. Replacing the legacy ERP system and keeping pace with rapid technological advancements will require significant investment in technical expertise and financial resources that will increase budgetary pressures.

Grant Revenue - Underfunding of Wage Settlement, Benefits, and Inflation

The operating grant is the single largest source of funding for the school district's operating expenses. The Ministry of Education and Child Care provides funding based on student enrolment, unique student needs as well as some other supplemental funds. While the funding increases mostly covers the negotiated salary and wage increases, it does not adequately cover teacher step increments or wage increases for administrators (principals and vice-principals) or other professionals.

Funding has also not kept up with the increasing costs of statutory and contractual benefits. Canada Pension Plan contributions have increased sharply over the past five years and the new second tier costs that began in 2024 adds a further 4% to CPP costs on a larger salary base. WorkSafe premiums have also substantially increased as the mandate scope has been expanded. The provision to provide sick leave days for substitute staff without a funding source also detracts from educational resources.

Inflation is also not funded by the Ministry resulting in reduced services to schools in all facets of school district operations and having to do more with less financial resources. This risk is even more prevalent in recent years due to elevated inflation levels.

This level of underfunding is not sustainable and cannot be absorbed by the district without reductions elsewhere. The district already spends less than 10% of its operating expenses on services and supplies and has little ability for further reductions in this area. This potentially translates into reduced staffing levels.

Facilities – Maintenance

Many of the schools in the district are aging and need to be replaced or require major maintenance. However, due to limited provincial capital funding, the district is often forced to invest in costly repairs and maintenance. While the Ministry provides allocations under the Annual Facilities Grant to address maintenance related costs, rising inflation and escalating costs are outpacing available funding. The funding gap is leading to further deterioration of school buildings, creating sub-optimal learning environments for students and staff, and compounding future capital costs. School districts are often having to find other sources to pay for replacement and maintenance of school equipment and facilities; thus, unintentionally taking funds away from classroom needs.

Capital Requirements and Interfund Transfer Requirements

For the past few years, the district has gone through a growth phase creating pressures for increased classroom space, especially in the northeast sector of the district and municipal urban core. Additionally, the requirement to comply with collective agreement restored language related to class size and composition has placed an added burden and demand for classroom space. The district has addressed this need by placing portables on school sites or by converting extra space in schools into classrooms. These additions and conversions are generally not funded by the ministry and often requires transfers out of the operating fund and into local capital to pay, thus effectively redirecting funds out of the classroom to meet capital needs.

The Facilities department completes an intensive forward-looking capital plan based on the district's capital needs for new schools, additions and replacements through its 5-year capital plan. This plan is submitted to the Ministry for approval as required by the *School Act* and Ministry policy; the most recent plan can be found on SD43's website [here](#).

Staff Recruitment

Staffing recruitment challenges resulting from the cost of living in the lower mainland and unprecedented increases in student enrolment for all Metro Vancouver school districts makes hiring staff even more competitive in an already tight market. Additional operational challenges are highlighted by Provincial funding inadequacies and greater demand for staffing in specialized positions. While this is certainly critical in speciality subject matter (STEAM), language arts, and supporting students with unique needs, including education assistants, it is also difficult to recruit professionals in the finance, human resources, payroll, procurement, facilities project management, and qualified trades staffing in our information technology, and maintenance departments.

Federal Immigration Policy Changes

Recent changes in federal immigration policy have introduced significant uncertainty in student enrolment projections, making it increasingly difficult for the district to plan effectively for staffing and resource allocation. Fluctuations in newcomer populations can lead to sudden shifts in enrolment, which directly impact operating grant funding that is tied to student headcount. This unpredictability poses a risk to the district's financial stability and its ability to staff classrooms in the most efficient and effective manner.

Classroom Enhancement Fund (CEF)

Classroom Enhancement Funding resulted from the restoration of collective agreement language associated with class size and class composition. In 2024/25 the total CEF budget, totaled \$54.5M including \$4.5M in remedy costs. At the March grant funding announcement, the Ministry confirmed it will provide 100% of this amount for budget planning purposes. However, additional funding requirements for staffing and remedies will not be confirmed until December 2025, well after staffing contracts have been confirmed and classroom organization completed which can pose a challenge to the district. This poses a significant financial risk to the school district

APPENDIX A - Special Purpose Funds Descriptions

Annual Facility Grant (AFG)

The Annual Facility Grant was established to account for Ministry of Education and Child Care grants and expenditures relating to annual facility maintenance projects. The AFG allocation is comprised of both a special purpose fund allocation and a bylaw capital allocation.

AFG funds may be spent for the purpose of:

- Upgrading or replacing existing 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 lowering the associated operating costs of an existing capital asset
- Extending the life of an existing capital asset or a component of an existing capital asset beyond its original life expectancy

SD43 must provide the Ministry with the AFG project spending plan prior to April 30th of each year. The plan includes a list of the AFG projects and expenditures the district will undertake between April 1st and March 31st.

Apprenticeship Programs

Work in Trades program provides students with an opportunity to begin an apprenticeship in various trades while still in school. The program combines paid work-based training and a provincial curriculum that allows students to earn up to 16 graduation credits and 480 work-based training hours required for provincially and nationally recognized industry trades credentials. The school district works closely with Post Secondary Institutions and receives funding from the Industrial Training Authority to support these programs.

Changing Results for Young Children (CR4YC)

This fund is a partnership with approximately 47 school districts and the United Way of the Lower Mainland to implement on-going collaborative professional learning among early learning educators across school and communities to support social, emotional, and learning outcomes for children in the early learning years (birth through age eight).

Classroom Enhancement Fund (CEF)

This fund was originally established in 2017 as an outcome of the restored teacher collective agreement pertaining to the class size and composition language. The funding is provided through a Ministry of Education and Child Care grant to cover related staffing, overhead and remedy costs.

CommunityLINK (CLINK)

Learning Includes Nutrition and Knowledge (Community LINK) 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 can include breakfast, lunch and snack programs, academic supports, counseling, youth workers and after-school programs. Additional funding is provided through public donations.

Early Care and Learning (ELCC)

This project-based funding is to help districts gather information about existing early learning and childcare offered on school grounds and use this information to support a planned, integrated approach to increase access to affordable, quality childcare by strengthening relationships with the community and existing providers.

Feeding Futures School Fund Program (FFSFP)

In April 2023, the Ministry of Education and Child Care announced a multi-year Feeding Futures School Food Program, targeted to help school districts increase food security for students by expanding or creating food programs. The funding is a commitment to ensure students are properly fed for learning to enhance positive academic and healthy outcomes.

First Nation Student Transportation

This grant is provided as part of the BC Tripartite Education Agreement (BCTEA) supporting First Nation Student Success, to assist with the cost of transportation for on-reserve students attending public schools.

Language Instruction for Newcomers to Canada (LINC)

This program is designed to assist parents of newcomers and refugee children to improve their English skills; learn about Canadian society; laws and health care; the job market; and other valuable information to support successful life in Canada. LINC enables our district to help parents connect with the local community, find volunteer work and network with other new Canadians. The program provides three free childminding centres for two to five-year old's to be cared for while their parents are participating in LINC classes.

Learning Improvement Fund (LIF)

The Learning Improvement Fund was established by the province for the purpose of providing additional resources, specifically targeted to support complex classes that present challenging learning conditions. Districts are required to submit a spending plan to the Ministry of Education and Child Care by October of each year for approval. To develop the spending plans, district staff work collaboratively with CUPE. In the past these funds have been utilized to create additional education assistant (EA) positions and provide additional hours of support to all EA's.

Mental Health in Schools

This fund is to support the development of new/enhanced evidence-based inclusive mental health and well-being activities, either universal or targeted in support of students, families and/or educators. It also enables our district to design action plans to capture how funding is spent and what outcomes are achieved.

National School Food Program

In March 2025, an agreement between the B.C. Government and the Government of Canada was announced, enabling B.C. to access National School Food Program Funds. This funding will complement Feeding Futures and will provide an additional \$39.4 million over three years for B.C. schools and districts to expand and enhance school food programs.

Official Language Education Program (OLEP)

The Ministry of Education and Child Care administers federal funding intended to support incremental costs resulting from offering French as a second official-language instruction in BC. All French funding is to be spent by June 30th of each year. An annual report outlining how the funds were spent and what benefits were derived is required at the end of the fiscal year.

Professional Learning Grant

The Ministry of Education and Child Care provided funds to support professional learning for teachers and support staff in the area of evidence-based approaches to literacy development, and literacy information/resources for parents and caregivers.

Provincial Resource Program - Day Treatment (PRP)

This fund represents educational programming services offered to youth receiving intensive structured psychiatric care through the Fraser Health Authority.

Ready Set Learn (RSL)

The Ready Set Learn funding is provided by the Ministry of Education and Child Care that allows the district to facilitate community events targeted towards 3-year-old children. The events are about providing 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.

Retiree Extended Health Fund

The Retiree Extended Health Fund is a Benefit Premium Stabilization account for retirees of the Non-Teaching Pension Plan or NTPP, who are in receipt of the benefits under the Post Retirement Group Benefit Plan. In F'2025, these funds were transferred to the Extended Health Provider to keep on deposit under the Retiree group policy.

School Generated Funds (SGF)

This fund represents the accumulated funds held by individual schools. Each school has its own bank account and records the funds received and disbursed throughout the year. These funds are raised at the school level through fundraising, cafeteria revenue, school store revenue, and various other activities. The school generated funds are intended to be used to fund activities that directly benefit the students in the school.

Settlement Workers (SWIS)

The SWIS program is a school-based service for new immigrant families to meet their immediate and ongoing settlement needs. Families who have children in the district are connected to schools and community and government organizations. SWIS services include settlement support, culturally sensitive services, workshops, and links to various resources.

Sick Leave Benefit Plan (SLBP)

This fund represents contributions received from support staff workers and matched by the board, to provide short term disability benefits to CUPE members who are disabled from employment resulting from illness or injury. The Trust pays for health and dental benefits and NTPP pension payments for these individuals. This plan has ceased effective February 2022. The purpose of the remaining balance is to support pre-existing obligations that have already been approved prior to the agreement's date of execution.

Strengthening Early Years to Kindergarten Transitions (SEY2KT)

This project partners with districts/community sites and is focused on developing guidelines, models, and district/site partnerships to ensure children and their families experience coherent transitions from community based early learning experience to kindergarten in schools/districts.

StrongStart (SS)

The Ministry of Education and Child Care funded StrongStart program allows parents to participate with their young children (aged birth to five) in play-based early learning activities, including story time, music, and art. This early learning drop-in program helps prepare children for success in kindergarten and is provided at no cost to the families.

Student Family and Affordability Funds (SFAF)

The Student & Family Affordability Funding was introduced in August 2022 as a one-time fund to improve students' access to nutritional food/meals before, during and after the school day and help to offset costs to parents, guardians, and students for the cost of field trips, fees, extracurricular fees, and school supplies. In March 2024, the Ministry of Education and Child Care announced a one-year extension and additional funding for the program through to 2023/24 fiscal year.

Other - Scholarships and Bursaries

Scholarships and bursaries are established and awarded through the generosity of individuals and corporations in our community. The scholarships and bursaries administered by the school district range from memorials to honour the passing of a loved one, to corporations and individuals wanting to give back to the community. The school district administers over 55 different scholarships and bursaries. A significant amount of the scholarships and bursaries have been moved to the SD43 Education Foundation, however there are still funds that remain under this program.

Other - Staff Development

This grouping of funds consists of a variety of smaller grants to enhance teaching staff development. This includes the ART Starts grant, (resources for teachers and art leadership) and Decoda Literacy programs (resources, training to support community-based literacy and learning).

APPENDIX B – Ministry Operating Grant

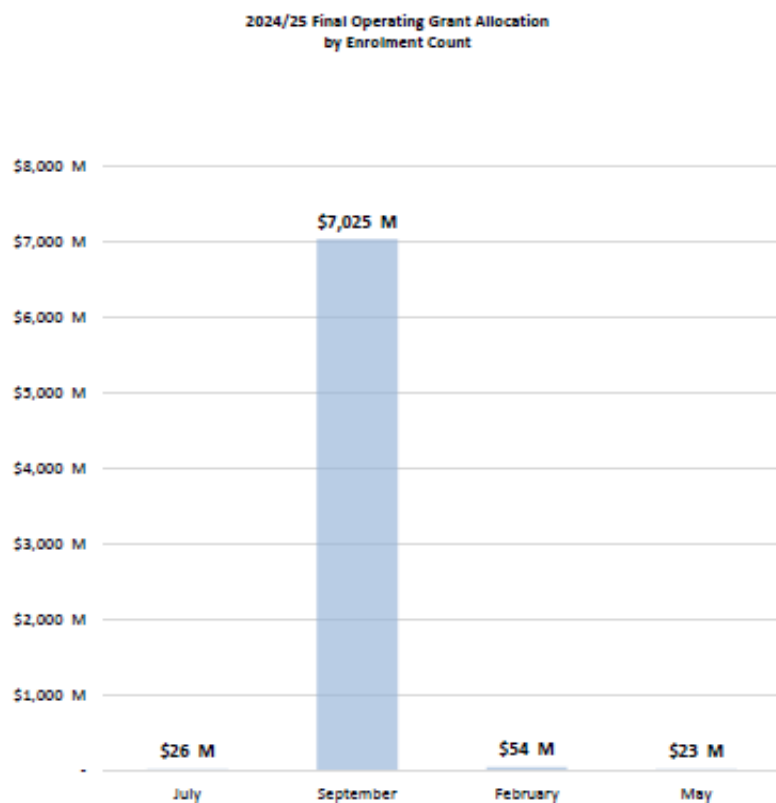
Final Operating Grants Overview - 2024/25 School Year

School District 43 (Coquitlam)

September 2024 Enrolment Count				
	School-Age Enrolment	Funding Level	Funding	Total Supplement
Standard (Regular) Schools	32,592.5000	\$8,915	\$290,562,138	
Continuing Education	2.9375	\$8,915	\$26,188	
Alternate Schools	264.0000	\$8,915	\$2,353,560	
Online Learning	264.7500	\$7,200	\$1,906,200	
Home Schooling	52	\$250	\$13,000	
Course Challenges	210	\$279	\$58,590	
Total Enrolment-Based Funding (September)	33,124.1875			\$294,919,676
	Total Enrol. Change	Funding Level	Funding	Total Supplement
1% to 4% Enrolment Decline	568.3750	\$4,458	\$0	
4%+ Enrolment Decline		\$6,886	\$0	
Significant Cumulative Decline (7%+)	1,408.4375	\$4,458	\$0	
Supplement for Enrolment Decline				\$0
	Enrolment	Funding Level	Funding	Total Supplement
Level 1 Inclusive Education	19	\$50,730	\$963,870	
Level 2 Inclusive Education	1,671	\$24,070	\$40,220,970	
Level 3 Inclusive Education	323	\$12,160	\$3,927,680	
English Language Learning	6,734	\$1,795	\$12,087,530	
Indigenous Education	1,240	\$1,770	\$2,194,800	
Adult Education	66.0625	\$5,690	\$375,896	
Equity of Opportunity Supplement			\$1,096,340	
Supplement for Unique Student Needs				\$60,867,086
		Funding		
Variance from Provincial Average	\$282			
Estimated Number of Educators	1,843.903		\$519,981	
	Enrolment	Funding Level	Funding	Total Supplement
FTE Distribution	33,190.2500	\$180.33	\$5,985,198	
Supplement for Salary Differential				\$6,505,179
Supplement for Unique Geographic Factors				\$2,789,309
Funding Protection				\$0
Curriculum and Learning Support Fund				\$293,002
September 2024 Enrolment Count, Total				\$365,374,252

July 2024 Enrolment Count				
	Enrolment	Funding Level	Funding	Total Supplement
Summer Learning Grade 1-7	3,483	\$255	\$888,165	
Summer Learning Grade 8-9	607	\$255	\$154,785	
Summer Learning Grade 10-12	1,385	\$505	\$699,425	
Supplemental Summer Learning Funding			\$403,886	
Cross-Enrolment, Grade 8 and 9	0	\$505	\$0	
Summer Learning, Total				\$2,146,261
February 2025 Enrolment Count				
	Enrolment	Funding Level	Funding	Total Supplement
School-Age FTE - Continuing Education	3.0000	\$8,915	\$26,745	
Adult FTE - Continuing Education	80.2512	\$5,690	\$456,629	
K-Gr 9 School-Age FTE - Online Learning	6.0000	\$3,600	\$21,600	
Gr 10-12 School-Age FTE - Online Learning	399.4375	\$7,200	\$2,875,950	
Adult FTE - Online Learning	0.6250	\$5,690	\$3,556	
Level 1 Inclusive Education Enrolment Growth	2	\$25,365	\$50,730	
Level 2 Inclusive Education Enrolment Growth	35	\$12,035	\$421,225	
Level 3 Inclusive Education Enrolment Growth	19	\$6,080	\$115,520	
Newcomer Refugees	35.7500	\$4,458	\$159,374	
ELL Supplement - Newcomer Refugees	32	\$898	\$28,736	
Youth Train in Trades	6.8750	\$8,915	\$61,291	
Health Careers Dual Credit	0.0000	\$8,915	\$0	
February 2025 Enrolment Count, Total				\$4,221,356
May 2025 Enrolment Count				
	Enrolment	Funding Level	Funding	Total Supplement
School-Age FTE - Continuing Education	1.7500	\$8,915	\$15,601	
Adult FTE - Continuing Education	59.5627	\$5,690	\$338,912	
K-Gr 9 School-Age FTE - Online Learning	3.0000	\$2,400	\$7,200	
Gr 10-12 School-Age FTE - Online Learning	56.4375	\$7,200	\$406,350	
Adult FTE - Online Learning	0.0000	\$5,690	\$0	
May 2025 Enrolment Count, Total				\$768,063
Indigenous Education Councils				\$114,760
2024/25 Full-Year Final Total				\$372,624,682
Estimated 2024/25 Operating Grant from Indigenous Services Canada				\$0
Estimated 2024/25 Operating Grant from Ministry of Education and Child Care				\$372,624,682

Overview of the 2024/25 Operating Grant Allocation Formula



75% allocated through the Basic Allocation	Basic Allocation	
	Common per student amount for every FTE student enrolled by school type.	
	Standard School	\$8,915 per school age FTE
	Alternate School	\$8,915 per school age FTE
	Continuing Education	\$8,915 per school age FTE
18% allocated to recognize unique student enrolment	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	\$30,730 per student
	Level 2 Inclusive Education	\$24,070 per student
	Level 3 Inclusive Education	\$12,160 per student
7% allocated to recognize unique district factors	English/French Language Learning	\$1,795 per student
	Indigenous Education	\$1,770 per student
	Adult Education	\$5,690 per FTE
	Unique District	
	Additional funding to address uniqueness of district factors.	
0.1% allocated to buffer the effects of declining enrolment	Small Community	For small schools located a distance away from the next nearest school
	Low Enrolment	For districts with low total enrolment
	Rural Factor	Located some distance from Vancouver and the nearest large regional population centre
	Climate Factor	Operate schools in colder/warmer climates; additional heating or cooling requirements
	Sparseness Factor	Operate schools that are spread over a wide geographic area
	Student Location Factor	Based on population density of school communities
	Supplemental Student Location Factor	Level 1 and 2 inclusive education enrolment
	Salary Differential	Funding to districts that have higher average educator salaries
	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 updated following the February 2025 enrolment count for the 2024/25 School Year



Contacting Management

This financial report is designed to provide the school district's stakeholders with a general but more detailed overview of the school district's finances and to demonstrate increased accountability for the public funds received by the school district.

If you have questions about this financial report, please contact the Office of the Secretary–Treasurer/Chief Financial Officer at 604-939-9201.

You are encouraged to also review the Board's strategic vision and plan [Directions 2025](#).

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