

Invitation and Background Document 2026/27 Budget Consultation



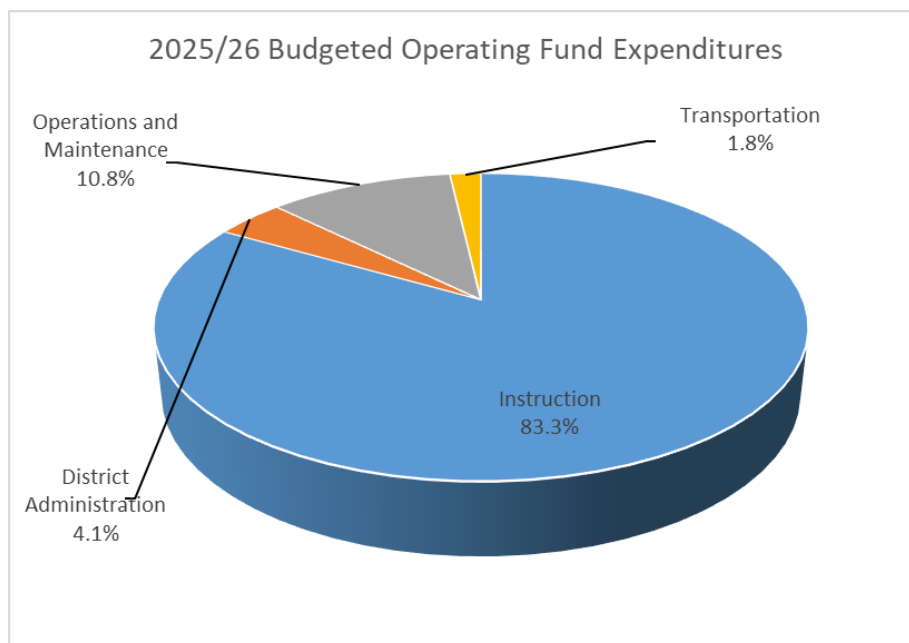
The Board of Education is seeking your input to inform development of the 2026/27 Budget (July 1, 2026 to June 30, 2027) and beyond, through completion of a survey and participation in a Community Budget Meeting on Wednesday, April 15th at 7pm at Bayside Middle School, 1101 Newton Place, Brentwood Bay. Public participation in this process is important for the Board's adoption of a budget that reflects the values, beliefs and priorities of the community. To inform completion of the survey, this document provides further background on the Saanich School District, the budget consultation process, and the budget context for 2026/27.

About the Saanich School District

The Saanich School District enrolls close to 8,000 students in fourteen neighbourhood and a number of special program schools. Neighbourhood schools include eight elementary schools, three middle schools, and three secondary schools. The district also provides educational programming at the Children's Development Centre, two Individual Learning Centres, a Kindergarten to Grade 12 online learning school called SIDES (South Island Distance Education School), and at SISP (Saanich International Student Program).

In 2025/26 (current year), the district budgeted for revenues of \$102.9 million in the operating fund¹. These revenues were comprised of provincial grants (\$90.2 million); direct funding from First Nations (\$3.6 million); international student tuition (\$4.5 million); international student homestay fees (\$3.3 million); and other revenues (\$1.3 million). In 2025/26, the district also appropriated \$1.9 million from accumulated surplus (one-time reserves) to fund continuing expenditures.

As shown below, in the 2025/26 budget the Saanich School District invested 83.3% of the operating fund budget into instructional programs.



¹ Additional targeted program funding/revenues are reported in the special purpose fund (\$20.7 million in the 2025/26 budget). Most special purpose funding is targeted for specific instructional program initiatives.

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Operations and Maintenance was 10.8% of 2025/26 budgeted expenditures and includes facilities/grounds maintenance, custodial, information technology, health and safety, and utilities. The district operates 20 facilities and approximately 960,000 square feet of space.

District administration was 4.1% of 2025/26 budgeted expenditures and includes Board governance, educational leadership, finance and payroll, human resources, and communications.

Transportation costs, including the operations of the school bus fleet, was 1.8% of 2025/26 budgeted expenditures.

2026/27 Budget Consultation Process

In November 2025, the Board approved the 2026/27 Budget Guiding Principles to guide the budget consultation process. These principles include that the Saanich Board of Education will keep support for students at the forefront of its decisions. As the Board recognizes public education is the responsibility of the whole community, community engagement is key to the decision making process.

School Boards adopt two budgets in each fiscal year:

- A preliminary budget is adopted before the end of June for the following fiscal year based on forecasted enrolment and revenues; and,
- An amended budget is adopted before February during the fiscal year reflecting actual fall enrolment and funding.

This budget consultation will inform decisions regarding the preliminary and amended budgets for 2026/27, and planning for future budgets. The consultation process is overseen by the Budget Advisory Committee (BAC), which provides advice to the Board of Education. The budget guiding principles and other documents outlining in greater detail the 2026/27 budget context (as outlined in this background document) have been posted to the [budget planning site](#).

Context for Budget 2026/27

Unfunded Inflationary Cost Pressures

Funding rates in 2026/27 and historically have not been adjusted to reflect inflationary cost pressures except for wage inflation and other collective agreement costs. These unfunded inflationary pressures include annual escalation in the cost of employee benefit plans, equipment, utilities, supplies and services. In BC, the K-12 funding formula is disproportionately leveraged to enrolment change and school districts growing fast enough may be able to allocate “net funding” from enrolment growth (in excess of enrolment based program cost growth) to fund inflationary costs. This means the funding model effectively penalizes school districts that are not growing or are not growing fast enough.

For most school districts including Saanich, this issue has been compounded in recent years by slowing enrolment growth and greater than historical annual inflation. You can learn more about the responsiveness of provincial funding to cost pressures in BC school districts by reading this [information report](#), which was recently published by the BC Association of School Business Officials.

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The current year (2025/26) budget includes appropriation of accumulated surplus of \$1.9 million to fund continuing expenditures. This means budgeted expenditures exceed budgeted revenues by this amount. This appropriation has increased significantly in recent years as expenditure growth has continued to outpace funding growth. In 2024/25 this appropriation was \$1.6 million, in 2023/24 it was \$0.6 million, and in 2022/23 it was \$0.

Appropriation of accumulated surplus to fund continuing expenditures is only sustainable if balanced by the generation of annual savings relative to budget. Based on the average underspend relative to budget in recent years (approximately \$2.0 million), the district cannot sustain further growth in the appropriation of accumulated surplus. This means the district must plan for budget reductions to offset unfunded inflationary pressures in 2026/27 and in future budget years.

Projected additional inflationary pressure in the 2026/27 Operating Budget (relative to the 2025/26 budget) is approximately \$1.4 million. The key components driving this inflationary pressure are outlined in the table below:

Net revenue increase	(316,188)
Employee benefit plan premium increases	907,040
Enrolment based staffing changes	402,499
Technology plan inflation - to maintain school device ratios	280,000
Other service and supply inflation (unavoidable)	113,000
Unfunded Inflationary Pressure	1,386,351

Strategic Budget Priorities

The Saanich Board of Education's [Strategic Plan](#) focuses on the following four priority areas:

- Literacy
- Indigenous Learner Success
- Mental Health and Wellness
- Global Citizenship

Implementation of these priorities is driving change to operational plans and the deployment of existing resources. This includes the deployment of district and teacher leadership capacity, curriculum and professional development, and the deployment of instructional program resources. In February 2026, the Budget Advisory Committee reviewed how the budget has aligned to support strategic priorities (see section 5 of the February 2026 Budget Facts Package included in the February 2026 Budget Advisory Meeting Package posted on the [budget planning site](#)).

In February 2026, the Budget Advisory Committee also reviewed the [2026 Risk Report](#) outlining assessments of key operational risks and the existing and planned mitigations to reduce risk.

Given the significant inflationary costs facing the school district in 2026/27, increases to program budgets are likely not possible at this time. However, your feedback on how the budget should support

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strategic priorities will inform how existing resources are being deployed, and will inform future budget decisions.

Balancing Budget 2026/27

The district has completed a budget reduction review informed by detailed comparative budget analysis. The objective of this review was to identify potential budget reductions, focusing on those reductions that would be the least impactful on strategic plan priorities and supports for vulnerable students. This review is found in section 3 of the April 2026 Facts Package included in the April 2026 Budget Advisory Meeting Package posted on the [budget planning site](#)). Informed by this review, the following budget reductions are proposed for 2026/27:

- **Online Learning Enrolling Staffing (\$394,425)** – a review of online learning enrolling staffing revealed that Saanich allocates enrolling teacher staffing at a lower ratio of Funded Student FTE per Enrolling Teacher FTE relative to other large online learning schools in BC. This budget reduction results from increasing the student/staff ratio to align with other large online learning schools in BC. As online learning enrolment continues to grow in Saanich, this change will not result in a net reduction to enrolling teacher staffing.
- **Custodial Department Staffing (\$273,680)** - A detailed review of custodial runs in each building has identified the opportunity to reduce the number of permanent positions by 4 FTE by aligning more closely with the collective agreement (which specifies a maximum square footage cleaned). Following this position reduction, the ratio of square feet to custodian will still be lower in Saanich in relation to neighbouring school districts. This reduction can be implemented through expected attrition without the need to layoff permanent staff.
- **Implementation of Bus Fees (\$217,500)** - In March 2026, the Board approved the implementation of transportation fees beginning in 2026/27. In 2026/27, the fee for each of the first and second child in a family will be \$200, and the fee for the third child will be \$100 (maximum fee per family is \$500). Beginning in 2027/28, the fee for each of the first and second child in a family will be \$400, and the fee for the third child will be \$200 (maximum fee per family is \$1,000).

The development of the budget reduction plan began last spring, and some reductions identified earlier were implemented in the current fiscal year (2025/26). These 2025/26 reductions and the reductions proposed for 2026/27 (outlined above) are summarized in the table below. This table shows that a greater proportion of reductions (in relation to overall budget composition) have been focused outside of instructional program areas.

Program Area	Percent of 25/26 Budget	Budget Reductions in			
		2025/26	2026/27	Total	%
Instruction	83.3%	100,000	394,425	494,425	44.5%
Administration	4.1%	44,665	-	44,665	4.0%
Operations and Maintenance	10.8%	79,710	273,680	353,390	31.8%
Transportation	1.8%	-	217,500	217,500	19.6%
Total	100.0%	224,375	885,605	1,109,980	100.0%

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Additional measures to achieve the budget reduction target of \$1,386,351 include:

- **Allocate contingency reserve to year 1 bus fee reduction (\$217,500)** – As bus fees will increase in 2027/28, the discount in the first year of implementation can be funded from contingency reserve without impacting longer term budget sustainability.
- **Reallocate Teacher and VP costs to targeted funding (\$107,500)** – Consulting with other districts we've identified additional opportunities to reallocate Teacher and Vice Principal (VP) staffing budget to targeted funding.

As shown in the table below, further budget reductions of \$175,746 are required to meet the budget reduction target. The district will review service and supply budgets to determine if additional budget reductions in 2026/27 are possible. Your feedback will also inform further areas where budget reductions may be possible.

Bus fee implementation	217,500
Allocation contingency to fund year 1 bus fee reduction	217,500
Custodial services reorganization	273,680
Online learning enrolling staffing reduction	394,425
Reallocate VP and Teacher staffing budget to targeted grants	107,500
<i>Other budget reductions to be determined</i>	<i>175,746</i>
Budget Reduction Target	1,386,351

Next Steps in Budget Process

The Board of Education is seeking your input in the development of Budget 2026/27, through completion of a survey and participation in an in-person Community Budget Meeting on Wednesday, April 15, 2026 at 7:00pm at Bayside Middle School.

More information on the budget consultation process, including detailed documents supporting 2026/27 budget planning, are available on the district's [budget planning site](#). If you have questions about the budget consultation process, please contact the Office of the Secretary Treasurer at 250-652-7300.