

JUNE 14, 2023

WATERLOO REGION DISTRICT SCHOOL BOARD

NOTICE AND AGENDA

A **Special Budget meeting** of the Waterloo Region District School Board will be held in the Boardroom, Building 2, 51 Ardelt Avenue, Kitchener, Ontario, on **Wednesday, June 14, 2023, at 7:00 p.m.**

AGENDA

Call to Order

O Canada

Approval of Agenda

Declarations of Pecuniary Interest

Delegations

Reports

01 2023-2024 Budget Recommendations

N. Landry

Adjournment

Questions relating to this agenda should be directed to
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Report to Committee of the Whole

June 14, 2023

Subject: 2023-24 Budget Recommendations

Recommendation

That the Waterloo Region District School Board (Board) approve the budget as presented in this report—with revenues of \$855,718,565 and expenses of \$848,363,645 with the difference of \$7,354,920 attributed as follows:

Excess of Revenues over Expenditures *\$7,354,920*

LESS:

As required by Ministry of Education (Ministry) budget compliance regulations, this budget includes the following appropriations from accumulated surplus:

Increase/ (Decrease) in Unavailable for Compliance - Accumulated Surplus

- PSAB Adjustment for Interest Accrual* *\$111,481*
- Sinking Fund Interest Earned* *(\$24,045)*
- Unsupported Capital Projects Adjustment* *(\$322,939)*
- Revenues Recognized for Land* *\$17,475,000*
- Asset Retirement Obligation (ARO)* *(\$3,111,258)*

In-Year Adjustment to Revenues *(\$14,128,239)*

SUB-TOTAL – (Deficit) for Compliance before additional appropriations *(\$6,773,319)*

PLUS:

Transfer from Unappropriated to Internally Appropriated Accumulated Surplus

- In-Year Committed Capital Projects* *\$326,913*

TOTAL – Deficit for Compliance *(\$6,446,406)*

- In-Year draw from Unappropriated Accumulated Surplus* *\$6,446,406*

Difference *\$0*

Status

The development of the Waterloo Region District School Board's (board's) operating budget includes many underlying assumptions which, over the course of a school year, can change. The process used in the development of the annual operating budget for the board has evolved over the years but the underlying factors that influence its development continue to be:

- Ministry funding and directives;
- The board's underlying financial position (accumulated surplus/ deficit); and,
- The board's [strategic plan](#), as measured through the Board Improvement and Equity Plan (BIEP).

In addition to the above, our focus over the past couple years has been delivering the best educational experience for our students, while protecting schools against the spread of COVID-19. As operations continue to normalize post-pandemic, we can collectively acknowledge that the pandemic has had a lasting impact on the learning and mental health of students, staff, and families across our Region; and, that these impacts are disproportionately felt by equity seeking groups in our community.

On April 17, 2023, the Ministry of Education released memorandum 2023:B03, [Better Outcomes for Students](#), which outlines the government's focus for education in 2023-24. Informed by data, including results from recent Education Quality and Accountability Office (EQAO) assessments, credit accumulation, and graduation rates, the government is making targeted investments to support several key areas in 2023-24.

- **Early Reading-** Additional funding is being provided in 2023-24 to support a comprehensive reading strategy for students. This includes universal screening for students in senior kindergarten to grade 2, and additional supports for students who need them. Furthermore, the Ministry is providing funding to help train educators in kindergarten to grade 3 on new approaches to reading instruction.
- **Math-** Following three years of investment through the renewed math strategy, the Ministry is re-purposing its investments in Math to support students in meeting provincial math standards. This funding will continue to support in-school math facilitators to work directly with teachers, digital math tools for students in grades 3,6,7,8, and 9, as well as a board math lead to coordinate our student math improvement efforts.
- **De-streaming-** The Ministry is continuing to provide funding to support students as they transition into high school, and to be successful once they enter a de-streamed environment. The additional investments made in 2023-24 will allow teachers to work with grade 7 and 8 students and will provide additional training for staff on how to support all students in a de-streamed environment.
- **Student Transportation-** Since 1998, the student transportation grant has consisted of block funding (based on 1997 expenses) adjusted annually for enrolment and benchmark increases (typically 2%). After extensive consultation with various groups within the education sector, the Ministry is implementing a new funding model for transportation beginning in the 2023-2024 school year. This

formula provides funding to boards based on transportation data submitted by consortiums across the province, and is based on standardized eligibility criteria, costs for fuel, equipment (vehicles), driver wages, training programs, and other relevant cost drivers. While the new funding model has resulted in additional funding for the WRDSB (\$1.49M), it has also resulted in additional costs being downloaded from the province (fuel escalator) and the funding formula has not taken into consideration some of the efficient modes of transportation (minivans, taxis) that Student Transportation Services of Waterloo Region (STSWR) utilizes to get our students to school each day. The overall result is that these changes have increased our transportation shortfall in 2023-24 to \$2.9M. Additional information regarding the new transportation funding model is available in [memorandum 2023:B06](#).

- **Remote Learning Administration-** Recognizing the ongoing demand for a remote learning option, the Ministry has amended its funding benchmarks for in-school administration and other school-based allocations to exclude remote learning pupils from the grant calculation. In its place, the Ministry is providing a flat amount per pupil (average daily enrolment) of \$479.27 to support school administration (Principal, Vice-Principal) and other support staff (school office support, information technology) for remote learning.

In support of the above noted objectives, as well as others included in memorandum 2023:B03, [Better Outcomes for Students](#), the Ministry has enacted several changes within the Grants for Student Needs (GSN) that will impact the board's budget in 2023-24. These changes were outlined in the [2023-24 GSN](#) and [Priorities and Partnerships](#) announcements, which were made in April 2023. Details regarding these changes, and the impact on the board's 2023-24 budget, are [outlined below](#).

In summary, despite increasing costs and changes to GSN funding, the board is financially positioned to address these short-term fiscal challenges while taking a renewed focus on fiscal sustainability and ensuring our resources are aligned with the priorities set out in the [strategic plan](#). The 2023-24 budget complies with provincial legislation and will support a renewed focus on early literacy, math, de-streaming, human rights and equity.

Key Budget Risks

The 2023-24 budget has been developed using the most current information available. As is the case each year, a key component of the budget process is the identification, assessment and mitigation of risks that may prevent the WRDSB from achieving its strategic and operational objectives. The risks that have been identified have been categorized into four key areas:

- **Financial Risks:** In terms of the WRDSB, we define financial risk as the threat that operating expenses and liabilities of the Board will exceed revenue received (GSN, PPFs, Other Revenue) on a sustained basis.
- **Operational Risks:** Operational risks refer to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Examples of operational risks for a publicly funded education system could

include academic program development and implementation, privacy or cyber breaches, critical facility breakdowns and attendance support (fail-to-fill scenarios).

- **Compliance Risks:** Compliance risks are those that could increase the board's exposure to legal penalties, financial forfeiture (reduced grants) and material loss as a result of failing to act in accordance with provincial laws, regulations, contract terms (labour, supplier), internal policies or prescribed best practices.
- **Strategic (Reputational) Risks:** The risk that the WRDSB will lose the support of stakeholders (Ministry, community, staff etc.) because its character has been called into question.

The following key risks have been identified for the 2023-24 school year. Staff will continue to monitor and assess their impact, and will report back to the Board throughout the 2023-24 school year as part of our interim financial reporting.

- Financial Sustainability
 - Type(s) of Risk: Financial, Operational, Compliance, Strategic
 - Description: As conveyed to the Board throughout the 2022-23 school year, the WRDSB is entering a difficult fiscal environment that will require us to review our resource allocations across the entire system. A combination of underfunding on behalf of the Ministry (i.e. short-term supply costs, transportation), further enveloping of the GSN which restricts our ability to allocate resources to areas that may not align with Ministry priorities, and unfunded contractual obligations the board has through its local collective agreements, contribute to the difficult financial situation in which we find ourselves.
 - Impact: Financial sustainability refers to overall financial strength of the organization, and our ability to utilize the in-year operating revenues generated through the Grants for Student Needs (GSN) and other revenue sources to sustain the programs and services we provide to our students, staff and communities, without using our reserves. It also refers to our ability to weather financial and operational challenges that may arise in any given year, without negatively impacting the long-term operations of the organization.
- Enrolment Risk (Pupils of the Board)
 - Type(s) of Risk: Financial, Operational
 - Description: As conveyed to the Board each year, enrolment volatility continues to represent a financial and operational risk to the WRDSB because of its impact on revenues. Enrolment projections are based on factors such as births in the Region, movement into the region, and pupil yields from household unit types. As these factors became more volatile during the pandemic, the reliability of historical trend information decreased, increasing the risk that our enrolment forecast would not materialize. As we continue to normalize operations, staff will continue to monitor our enrolment and adjust our projections accordingly.

- Impact: Student enrolment is the primary driver of funding through the GSN. Any material change in our student enrolment has an impact on our funding through the Pupil Foundation Grant (primarily), as well as other supporting grants. Decreases in enrolment will also have operational impacts, as they put pressure on the board to realign classes to meet Ministry class size targets and funding. Staff have adjusted our enrolment forecast for 2023-24 based on our experience over the past two years, however, there remains a risk that anticipated enrolment may not materialize in the fall of 2023.
- Inflation
 - Type(s) of Risk: Financial
 - Description: In the [2023 Ontario Budget](#), released on March 23, 2023, the Government of Ontario projected Ontario's Consumer Price Index to be 3.6% in 2023 and 2.1% in 2024, before converging with the Bank of Canada's target rate of 2.0% in 2025 and 2026. On June 7, the [Bank of Canada](#) noted that inflation in April 2023 hit 4.4%, the first increase in 10 months. Persistent upward pressure on prices (for both goods and services) is being felt in a variety of areas across the WRDSB and is likely to have an adverse impact on budget lines in the upcoming year.
 - Impact: Some contractual obligations, such as school bus operator contracts, are tied to the rate of inflation. Others, such as construction tenders or contracts that come up for renewal on an annual basis (technology licenses), reflect the anticipation of sustained inflation, thus putting upward pressure on prices. The Ministry of Education has recognized the impact of inflation on school boards' operations but have not increased funding in all areas of the budget. In developing the 2023-24 budget, staff from Financial Services have worked with departments to identify contracts that are directly impacted by inflation (i.e., transportation), as well as those that are coming up for renewal. In all cases, we have anticipated a modest increase in the cost of goods and services purchased by the WRDSB in 2023-24, but also recognize that contract renewals and prices may exceed the additional funding that has been allocated.
- Labour Risks
 - Type(s) of Risk: Operational, Strategic
 - Description: Centrally bargained collective agreements expired on August 31, 2022. As such Labour Unions, the Crown, and Trustee Associations have begun the process of negotiating new collective agreements at the central bargaining table. With negotiations comes some operational and strategic risk to the WRDSB. Additionally, the ability of the WRDSB to attract and retain qualified staff (non-union, non-instructional) is foundational to our ability to support our strategic plan and the goals outlined in the Board Improvement and Equity Plan (BIEP).
 - Impact: Labour actions stemming from a breakdown in negotiations may impact the WRDSB's operations including staffs' ability to implement the strategic plan and make progress towards achieving the goals outlined in

our BIEP. Staff will work closely with the Ontario Public School Boards' Association to ensure Trustees are apprised of ongoing labour negotiations in the fall.

In addition, employee turnover creates risk for the organization—resources are diverted from core functions to support continuous recruitment and training, productivity and service lags with insufficient staffing, organizational knowledge and expertise can be lost. Staff are working on a strategy to address this risk in conjunction with the Board's strategic plan, which emphasizes support for student and staff well-being.

Revenues

Key Changes- Grants for Student Needs (GSN) Funding

As noted above, the Ministry has introduced several changes within the GSN for the 2023-24 school year. In particular, the following key changes will have a material impact on the board's funding envelope for 2023-24.

- Learning Recovery and Renewal
 - As part of the 2022-23 GSN, the Ministry announced \$304M in temporary GSN funding to allow school boards to continue to hire teachers, early childhood educators, educational assistants, and other education workers to address learning recovery, the implementation of the first year of a fully de-streamed Grade 9, the delivery of remote learning, supports for special education, and maintaining enhanced cleaning standards.
 - While this funding supported learning recovery and renewal during the 2022-23 school year, it was communicated as temporary funding and has not been extended into the 2023-24 school year.
 - Funding Estimate: The WRDSB received \$8.9M in funding through the Learning Recovery and Renewal Fund in 2022-23. For 2023-24, this funding has been discontinued; this was clearly communicated by the Ministry as part of the 2022-23 GSN, but nonetheless represents a significant change (reduction) in funding.
 - Impact: As we look ahead to the 2023-24 school year, staff have made efforts to try and sustain as many of the positions funded through this grant as possible, with the understanding that given our current fiscal challenges, not all positions could be continued in 2023-24.
- Recent Immigrant Supplement
 - This funding is intended to address the out-year financial implications of the extraordinary and temporary decline in recent immigrant enrolment as a result of the pandemic. The funding was announced as part of the 2021-22 GSN and has continued to flow to the WRDSB in 2022-23 and 2023-24.

- Funding Estimate: The WRDSB is forecast to receive \$2.99M in funding through the Recent Immigrant Supplement in 2023-24.
 - 2022-23 amount (\$3.31M)
 - 2021-22 amount (\$3.50M)
- Impact: This funding will allow the WRDSB to continue providing high quality supports to our multi-lingual learners, who were disproportionately impacted by the pandemic.
- Student Transportation Funding Model Changes
 - Since 1998, the student transportation grant has consisted of block funding (based on 1997 expenses) adjusted annually for enrolment and benchmark increases (typically 2%). The Ministry is implementing a new funding formula for 2023-24 that establishes common standards for funding (walk distances), and uses annually adjusted benchmarks for capital, fuel and other operating costs. As part of the phase-in of this new funding model, the Ministry is providing transition support funding so no school board receives less money than they did in 2022-23.
 - Funding Estimate: The WRDSB is forecast to receive \$20.17M in funding through the student transportation grant in 2023-24.
 - Impact: As will be discussed [later in this report](#), staff have identified several issues with the new funding model that are negatively impacting the board's overall financial position in 2023-24. Staff will continue to engage with the Ministry on the new funding model, with the objective being that the Ministry will address the identified gaps as part of the 2024-25 GSN.
- School Operations
 - In recognition of the ongoing impact inflation is having on all aspects of operations, the ministry is providing a 2.0% cost update to the non-staff portion of the School Operations Allocation benchmark, to assist school boards in managing the increases in commodity prices (i.e., electricity, natural gas, facility insurance, supplies, and other costs). However, it should be noted that as part of the 2022-23 GSN, the ministry provided a 5.45% increase to the non-staff portion of the School Operations allocation, which is far more reflective of the increases we are seeing in our contract and commodity prices as we head into the 2023-24 school year (i.e. supplies contracts are averaging 3-15% increases on a year-over-year basis).
 - Funding Estimate: The WRDSB is forecast to receive an additional \$2.88M in funding through the School Operations Allocation for 2023-24.
 - The increase in the total school operations allocation includes a 1.25% increase for education worker salary benchmarks, which is in line with the terms of the CUPE and OECW central agreements. As the labour group representing our school operations staff (custodial, maintenance) has not reached an agreement, this increase must be

set aside as a labour provision within our budget, reducing the amount available to support commodity and service contract increases. A breakdown of the year-over-year increase in school operations (estimate) is provided below.

<i>Increase for student enrolment (ADE)</i>	<i>\$820,000</i>
<i>Benchmark increase for salary provision</i>	<i>\$991,500</i>
<i>Benchmark increase to non-staff portion</i>	<i><u>\$1,066,865</u></i>
<i>Total</i>	<i>\$2,878,365</i>

The figures above illustrate that the inclusion of a labour provision in the overall total reduces the amount available to cover increases for supplies, services and utilities.

- Impact: This funding will help offset anticipated price increases for various supplies and maintenance services that are required to keep our schools in good condition; however, and as discussed above, this increase is insufficient given the ongoing impact of inflation on commodity and service contracts.
- GSN Updates- Compensation
 - Salary benchmarks and other funding elements within the GSN have been adjusted to reflect the ongoing labour negotiations. As directed by the Ministry, a provision for labour has been included in our expense summary for 2023-24; the net effect of the increase to salary benchmarks and the inclusion of a provision is neutral.
 - Funding: Our forecast of the provision is \$14.33M, and can be found under “Other” expenses on Appendix C.
 - Impact: No impact at this time.
- Support for Students Fund
 - With the ratification of collective agreements in 2019-20, the Ministry agreed to provide additional funding in 2020-21 and 2021-22 (in the form of the Supports for Students Fund (SSF)/ Investments in System Priorities (ISP)). This flexible funding is intended to support the learning needs of students, which may include special education, mental health and well-being, language instruction, Indigenous education and STEM programming.

Although collective agreements expired on August 31, 2022, the government has continued to provide this funding in both the 2022-23 and 2023-24 GSN, which has allowed staff to stabilize supports for students and support learning recovery and renewal. Any funding beyond 2023-24 is subject to the terms and conditions that will be ratified through the current round of central bargaining.
 - Funding: The WRDSB is forecast to receive \$6.41M in funding through the continuation of SFS funding.

- Impact: We will continue to fund positions previously supported by this allocation.

The impact of the changes noted above, as well as other changes not specifically identified, are reflected in the revenue amounts outlined in [Appendix B](#).

Targeted Ministry Investments

As the sole funding agent for education in Ontario, the Ministry of Education annually identifies and allocates funding for key priorities set out by the Government. These investments are made through the Priorities and Partnerships Funding (PPF) program and change from year-to-year based on Ministry priorities and the availability of financial resources. As outlined in [Ministry Memorandum 2023:B05](#), the following investments are being made to support a number of Ministry priorities in 2023-24.

The key Ministry investments for 2023-24 include:

- Math (*Continuing- Re-named and Re-purposed*)
 - As outlined in [Ministry Memorandum 2023:B03](#), Better Outcomes for Students, the Ministry is renewing its focus on Math in response to the latest EQAO results to support students in meeting provincial math standards. As part of the 2023-24 PPF announcement, the Ministry is repurposing funding that had been provided under the Math Strategy PPF for the previous three years. This funding will allow boards to hire central and school-based positions, support release time for teacher training, and utilize various math resources to enhance student math performance.
 - Math related transfers included in the 2023-24 PPF announcement include:
 - Math Recovery Plan- Board Math Lead: Funding is being provided to support a Board Math Lead who will inform, monitor and provide timely reporting of progress towards math achievement and improvement targets and lead board-wide actions to meet these targets.
 - Provincial allocation is \$13.5M; WRDSB allocation for 2023-24 is \$166,600
 - The WRDSB has identified a System Administrator (System Principal) currently leading our Math Strategy to act as the designated Math Lead for the 2023-24 school year.
 - Math Recovery Plan- Digital Math Tools: Funding is being provided to allow boards to provide digital math tools for all students in Grades 3, 6, 7, 8 and 9 to support student learning at home and in classrooms.
 - Provincial allocation is \$15.0M; WRDSB allocation for 2023-24 is \$474,800
 - This funding will support the acquisition of various digital math tools to support students in both elementary and secondary. This funding began to flow to school boards in

2022-23 (current school year), and as such digital math tools have already been acquired and are in use.

- Math Recovery Plan- School Math Facilitators: Funding is being provided to hire School Math Facilitators to work in Grades 3, 6 and 9 classrooms in priority schools. These positions are intended to work directly with students who require additional support as well as work with teachers, often directly in classrooms to strengthen math teacher knowledge and support consistent and intentional implementation of high-impact instructional practices and early intervention strategies.
 - Provincial allocation is \$33.3M; WRDSB allocation for 2023-24 is \$714,000
 - This funding will support 6.5 full-time equivalent math itinerant teachers who will work directly with students and teachers to improve instructional practices and provide additional support to students.
- Supporting Student Potential – De-Streaming (*New*)
 - In addition to the investments made to support Math, the Ministry is providing additional funding to assist boards in helping students be successful in a de-streamed environment and to support their transition to high school.
 - Staffing to support de-streaming and transition to secondary school: Funding is being provided to support teachers in Grades 7 through 10 who will work directly with students to provide early and ongoing supports for students to be successful in de-streamed classes.
 - Provincial allocation is \$100.0M; WRDSB allocation for 2023-24 is \$3,196,100
 - This funding will support 27.3 full-time equivalent staff positions (multi-lingual teachers, de-streaming learning support teachers, literacy intervention teachers, math itinerant teachers and consultants) to support both students and teachers in grades 7 through 10.
- Supporting Student Potential – Reading (*New*)
 - Ontario is introducing comprehensive early reading actions that include universal screening for students in Year 2 of kindergarten to Grade 2, with intensive supports for students who need them. All Kindergarten to Grade 3 educators will be trained in new approaches to reading instruction.
 - Supporting Student Potential- Reading Screening Tools: In response to the [Ontario Human Rights Commission's Right to Read report](#), the government is providing funding in 2023-24 to support reading assessments for students in year 2 of kindergarten to grade 2. This funding will allow school boards to procure ministry-approved

early reading screening tools for educators to conduct this screening.

- Provincial allocation is \$12.50M; WRDSB allocation in 2023-24 is \$410,000
- Supporting Student Potential- Licenses for Reading Intervention Supports: This funding will allow the WRDSB to purchase licenses, resources and provide professional learning to support the provision of systematic, evidence-based reading interventions, supports or programs for struggling readers, including but not limited to students with reading disabilities.
 - Provincial allocation is \$12.50M; WRDSB allocation in 2023-24 is \$266,600
- Supporting Student Potential- Education Staff to Support Reading Interventions: This funding will allow the WRDSB to identify teachers who can work one-on-one or in small groups with students in kindergarten to grade 3 who would benefit from more support in reading. These supports may include providing direct reading interventions and other supports required by the school on reading and literacy-related initiatives. Teachers hired in these positions have specialized expertise in scientific, evidence-based literacy instruction that emphasizes foundational knowledge and skills, as well as training in providing direct reading interventions.
 - Provincial allocation is \$65.00M; WRDSB allocation in 2023-24 is \$1,969,700
 - This funding will support 18.0 full-time equivalent positions (early intervention teachers- literacy focus), who will work directly with students to improve early literacy outcomes.
- Learn and Work Bursary Program (*Continuing*)
 - The Learn and Work Bursary Program provides a bursary to vulnerable and underserved students in 18 school boards who are enrolled in a cooperative education program and have financial and other barriers to completing the Ontario Secondary School Diploma (OSSD). Eligible students would be identified by guidance teams based on the selection criteria.
 - Provincial Allocation (\$440,000); WRDSB allocation in 2023-24 is \$22,000
- Summer Learning for Students with Special Education Needs (*Continuing*)
 - The funding is intended to support school boards in delivering transition programs and additional staffing during the summer for students with special education needs.
 - Provincial Allocation (\$10.0M); WRDSB allocation in 2023-24 is \$219,700

- Human Rights and Equity Advisors (*Continuing*)
 - This allocation enables school boards to retain the services of Human Rights and Equity Advisors (HREAs). It's the Ministry's expectation that HREAs will work with the Director and senior team to foster a culture of respect for human rights and equity, help identify and address systemic human rights and equity issues, and increase the board's compliance with human rights law. Although present for many years, this position continues to be funded on a temporary basis.
 - Provincial Allocation is \$3.24M; WRDSB allocation in 2023-24 is \$170,430

In all cases, the funding the board receives for these initiatives is enveloped, meaning that the Ministry has restricted what these funds can be used for. A year over year comparison of Priorities and Partnerships Funding is provided in [Appendix B](#).

Revenues

Although the 2023-24 GSN was announced on April 17, mid-year adjustments may be required in response to central labour negotiations, changes in government priorities or responses to other challenges which may arise. In addition to the changes noted above, which are determined by the Ministry, the key drivers of our revenue forecast for the 2023-24 school year are as follows:

- Student Enrolment (Pupils of the Board)
 - Year-over-Year Change: Total enrolment (pupils of the board) is projected to be higher than the 2022-23 budget forecast by 844 students, or 1.3% of total enrolment. As noted previously in this report, enrolment volatility continues to be a risk and staff will continue to monitor as we progress into the fall.
 - Impact: Student enrolment is the primary driver of funding through the Grants for Student Needs (GSN). Any material change in our student enrolment will impact our funding through the Pupil Foundation Grant (primarily), as well as other supporting grants.
 - Reference: Additional information related to student enrolment, including historical and multi-year forecasts, is provided in [Appendix A](#).
- Extended Day Revenue
 - Year-over-Year Change: Projected enrolment for the WRDSB's extended day program is expected to be approximately 2,425 full-time equivalent (FTE) students in 2023-24; this is an increase of approximately 500 FTE over 2022-23 and is forecast to increase revenues for the program by \$2.60M, or 23.8%.
 - Impact: The Extended Day rate for 2023-24 was approved on [May 8, 2023](#), and reflects forecasted enrolment in the program for next year. While there is a risk that enrolment could be lower than forecasted, the announcement of the [Canada-Ontario Early Years and Child Care Agreement](#) in April 2022, along with the efforts of staff to make WRDSB programs eligible for this

funding, is expected to have a positive impact on program enrolment in 2023-24.

- Reference: The impact of the changes noted above are reflected in the other revenue amounts identified in [Appendix B](#).

In summary, total operating revenues are forecast to be \$855,718,565 which is an increase of \$14,853,536 or 1.77%, compared to the 2022-23 budget. A year over year comparison of all revenue sources is provided in [Appendix C](#).

Expenditures

Our fiscal strategy continues to be one of stabilization through the matching of our expenses to available revenues on an annual basis. While the board continues to deal with the financial, operational, and learning impacts of the pandemic, we are clearly transitioning into the next phase of our response. Key components of our expenditure forecast for the 2023-24 school year include:

- Instruction: Classroom
 - Year-over-Year Change: Total classroom instruction expenditures (Classroom Teachers, Early Childhood Educators, Library and Guidance, Educational Assistants, Professionals and Paraprofessionals, classroom supplies and services) are forecast to increase by \$7.02M, or 1.20%.
 - Impact: The increase noted above is the result of a variety of factors including movement through the salary grid for all groups, the hiring of additional staff due to enrolment increases, the hiring of additional staff to support various ministry programs (discussed above), as well as anticipated increases for supplies and services.
 - Reference: Instructional salary and benefit costs are outlined in [Appendix C](#).
- Instruction: Administration
 - Year-over-Year Change: Total expenditures on instruction administration (Principals and Vice-Principals, School Secretaries, Coordinators and Consultants) are forecast to decrease by \$4.64M, or 7.31%.
 - Impact: Staff salaries and benefits represent the single largest expenditure item for the board. The decrease noted above is the net result of a variety of factors including movement through the salary grid for impacted staff groups, the elimination of temporary positions funded in 2022-23 to support remote learning, reductions in staffing (coordinators and consultants) and anticipated cost increases for supplies and services.
 - Reference: Instruction Administration costs are outlined in [Appendix C](#).
- Administration and Governance
 - Year-over-Year Change: Total expenditures on school board administration and governance are projected to decrease by \$1.51M, or 7.42%.

- Impact: The decrease in expenditures is the net effect of reductions to contracts, supplies and services budgets, as well as the transfer of the Regional Internal Audit Team (RIAT) to the Hamilton-Wentworth District School Board.
- Reference: The expense related to school board administration and governance can be found in [Appendix C](#).
- School Operations
 - Year-over-Year Change: School operations expenditures are forecast to increase by \$538,684, or 0.78%.
 - Impact: The decrease in school operations expenditures is the net effect of a reduction in positions (custodial) that were added during the pandemic to support enhanced cleaning in schools, the elimination of vacant positions (trades), a moderate increase in supplies and services, and an increase to our utilities budget to account for an escalation in prices. Staff will continue to try and mitigate against the upward pressure on utilities through building environmental controls and other efficiency measures; some of these initiatives were outlined in the [Energy and Greenhouse Gas Emissions Update](#) presented to the Board on June 7, 2023.
 - Reference: The expense related to school operations is outlined in [Appendix C](#).
- Continuing Education
 - Year-over-Year Change: Expenditures are projected to be \$432,708 lower than the 2022-23 budget forecast, a decrease of 13.44%.
 - Impact: The primary driver of the year-over-year change noted above is the elimination of three teaching positions which were accounted for elsewhere within the staffing process (re-engagement teachers). There has been no loss of full-time equivalent positions through this change.
 - Reference: The expense related to student transportation is outlined in [Appendix C](#).
- Student Transportation
 - Year-over-Year Change: Expenditures are projected to be \$3.16M higher than the 2022-23 budget forecast, an increase of 15.65%.
 - Impact: The primary driver of the year-over-year change is the contractual increases for school bus operators, as well as additional costs for fuel which have been downloaded to school boards through the new student transportation funding model. As previously noted in this report, contractual increases for operators are tied to the consumer price index (CPI), which will continue to put pressure on our transportation budget over the short to medium term.
 - Reference: The expense related to student transportation is outlined in [Appendix C](#).

Base Budget Pressures & Adjustments

The 2023-24 budget represents a significant challenge for the WRDSB and its stakeholders. While the board continues to benefit from increasing enrolment, increasing costs for supplies and services (a reflection of broader inflation within the economy), as well as a number of structural budget costs which continue to be underfunded by the Ministry, are limiting our ability to make new investments across our system, and in many cases, have forced staff to make some material budget cuts in various areas of operations.

Pressures

- **Commodities and Services**

- As noted previously in this report, inflation represents a material financial risk to the organization. Some contractual obligations, such as school bus operator contracts, are tied to the rate of inflation through the consumer price index (CPI). Others, such as construction tenders or contracts that come up for renewal on an annual basis (technology licenses, maintenance services and supplies), reflect the anticipation of sustained inflation, thus putting upward pressure on prices.

As an example, during the development of the 2023-24 budget, Financial Services staff worked with various departments to review their contracts for 2023-24, and to assess current pricing for commodities and services. In our facility services area, several contracts are renewing this summer for consumable supplies such as paper towels and cleaning supplies, and the anticipated increase in costs for 2023-24 is approximately 15% (commodity and contract specific). Similarly, contract pricing for various services (grounds & tree maintenance, trades services) are experiencing year over year increases that exceed the funding being provided by through the school operations allocation, and our utility costs are expected to rise significantly as global demand for various energy sources (natural gas) exceed current supply and the federal carbon tax increases.

In our technology services area, renewals for various software licenses are also impacted by price inflation, with year-over-year increase ranging from 5-7%. The computer hardware that the WRDSB uses to support both administration and classroom operations (laptops, Chromebooks, iPads) are increasing, requiring us to roll-back portions of our computer plan deployment to elementary schools in the 2023-24 school year.

While the examples above only represent two areas within the board, they are symbolic of the cost pressures we are seeing for commodities and services throughout the entire system.

- **Student Transportation**

- As noted above, the Ministry is introducing a new transportation funding model in 2023-24. While the new funding model represents a positive step forward in terms of allocating funding based on a common set of

standards and benchmarks, the model as presented in 2023-24 is creating some additional pressures for the WRDSB.

In summary, the following pressures have been identified for 2023-24, directly related to the new transportation funding model.

- Existing contracts with operators, which were competitively procured, have increases built-in that are tied directly to CPI (5.8%). The new funding model does not address this.
- Minivans and taxis, which STSWR primarily uses to transport special education students, were not recognized (funded) within the new funding formula.
- Under the previous funding model, when the price of fuel exceeded \$0.936 cents per litre (on average), the Ministry would automatically flow additional funding to boards to compensate for the average fuel price; this essentially mitigated the risk of fuel price fluctuations for school boards. Under the new model, the fuel peg price is set at \$1.50 and this has transferred a greater portion of the risk and cost to boards.
- The Ministry has established a target for total driver compensation of \$23 per hour (including benefits and retention bonuses). While the Ministry has provided some additional funding to support this target, the benefits benchmark included in the model (13%) does not reflect mandatory employer contributions of 4% vacation (Employment Standards Act) and additional time needed for safety checks/slack time within route.

In total, the funding pressures related to student transportation for the 2023-24 school year amount to \$2.92M.

- Statutory Benefit Increases (CPP)
 - The [Canada Pension Plan \(CPP\) enhancement](#) is designed to help increase retirement income for working Canadians and their families. The phase-in of the CPP enhancement began on January 1, 2019, as a gradual increase to the CPP contribution rate for both employees and employers. Increases have occurred every year for five years with the last being on January 1, 2023.

CPP Enhancement Contribution Rate Increase per Year

Year	Contribution rate Employee	Contribution rate Employer	Total Year-Over- Year Increase
2018	4.95%	4.95%	
2019	5.10%	5.10%	3.03%
2020	5.25%	5.25%	2.94%
2021	5.45%	5.45%	3.81%
2022	5.70%	5.70%	4.59%
2023	5.95%	5.95%	4.39%

Under the terms of the CPP, employers are responsible for deducting an employee's share of CPP contributions from their paycheque each pay period, until the maximum amount of contributions for that year is reached, and remitting those deductions to the CPP. Employers contribute an equal amount, and these costs are funded through the salary and benefits benchmarks provided by the Ministry of Education.

As the CPP enhancement has been phased-in over the past number of years, there is no evidence that Ministry funding benchmarks have increased to reflect the higher employer contributions that are required. For the 2023-24 school year, staff estimate the incremental cost to the WRDSB is approximately \$1.26M.

- Short-term Supply Costs
 - Prior to the onset of the pandemic in March 2020, there had been a consistent upward trend in short-term supply staff costs. As part of the 2018-19 budget, the expenditure budget for this area was increased by \$2.5M, or 13.3%. The rationale for this increase was the consistent upward trend in supply costs which had been identified over the previous number of years, which was supported by the findings in the [Auditor General's 2017 Annual Report](#) where supply staff costs were identified as a pressure across the province. The onset of the pandemic disrupted this trend and staff noted a significant decline in utilization of short-term sick leave across all employee groups in the latter part of the 2019-20 school year and the entire 2020-21 school year. This disruption continued in the early part of 2021-22, since then, we have witnessed a return to pre-pandemic utilization and the financial and operational pressures associated with short-term sick leave.

In addition to the operational pressures that high levels of absenteeism create, there are significant funding pressures that are also attributable to short-term supply costs. Through the Grants for Student Needs (GSN), the board is projected to receive approximately \$11.1M in funding to cover short-term supply costs (Teachers and DECEs); for 2023-24, this means that our budget for these expenditures exceeds our funding by approximately \$10.89M (see table below).

GSN Funding for Supply Staff 2023-24				
Grade Cohort	Average Daily Enrolment	Supply Teacher Benchmark	Supply DECE Benchmark	GSN Funding
JK-SK	8,711.27	\$171.41	\$98.36	\$2,350,039
Gr 1 to 3	13,502.21	\$171.41		\$2,314,414
Gr 4 to 8	22,788.26	\$171.41		\$3,906,136
Gr 9-12	20,238.04	\$125.38		\$2,537,445
2023-24 Funding for Supply Staff (Teachers and DECEs)				\$11,108,034
2023-24 Expense Forecast (Teachers and DECEs only)				\$21,995,800
Funding Shortfall				(\$10,887,766)

Given the continued operational and financial pressures that supply staff costs represent for the organization, staff will be looking to re-allocate funds from within the 2023-24 budget to better support employee wellness; this will include enhanced efforts to monitor and support staff in areas where short-term sick leave utilization exceed board and industry averages. These resources will also help to support a culture of well-being that promotes regular attendance at work by developing innovative strategies to address absenteeism and impact positive attendance. These resources will be identified over the coming months.

Balancing Adjustments for 2023-24

In order to meet Ministry budget compliance requirements and given the variety of factors noted within this report which are contributing to the difficult financial position in which we find ourselves, a number of adjustments have been made to the 2023-24 budget in order to reduce our deficit below the \$7.58M threshold (compliance figure). Throughout this process, staff have made great efforts to avoid any reductions to frontline services (classrooms and schools), but we also acknowledge that as we begin discussing the system fiscal review that will occur in the fall of 2023, additional savings will need to be found within the budget in order to balance in 2024-25.

The following items (areas) represent reductions that have been enacted for the 2023-24 budget year in order to reduce our in-year deficit.

FTE ADJUSTMENTS	FTE Reduction	Incremental Savings	Total
Learning Support Services (Coordinators and Consultants)	(10.00)	(\$1,269,200)	
Itinerant Teaching Staff	(22.60)	(\$2,497,200)	
Non-teaching	(4.00)	(\$387,800)	
			(\$4,154,200)
NON-FTE ADJUSTMENTS			
Facility Services (Supplies & Services)		(\$603,900)	
Information Technology (Hardware, Software)		(\$1,273,000)	
Transportation		(\$400,000)	
			(\$2,276,900)
TOTAL			(\$6,431,100)

Recognizing the impact of the adjustments noted above, the staff and supplies being funded through Priorities and Partnerships Funding (discussed above) will help to sustain the high levels of service and support we have always provided to our students, staff, families, and community.

In summary, total expenditures are forecast to be \$848,363,645 which is an increase of \$16,059,424, or 1.93%, compared to the 2022-23 budget. A year over year comparison of expenditures, by Ministry reporting category, is provided in [Appendix C](#).

Capital Budget

The Ministry of Education provides capital funding to the board through a variety of programs, including the School Renewal Allocation (SRA) and the School Condition Improvement Grant (SCI) and the Capital Priorities Program. A summary of the capital

budget allocations and expenditures is provided in [Appendix E](#). Plans to expend these funds were presented in separate reports during the [Committee of the Whole meeting on June 7, 2023](#).

- School Renewal Allocation (SRA)
 - The school renewal allocation addresses the costs of repairing and renovating schools. The largest component is based on a benchmark renewal cost associated with a standard floor area for each elementary and secondary pupil. Funding is also adjusted to reflect the renewal needs of older schools and regional variations in construction costs.
 - The school renewal allocation for the 2023-24 school year is \$10.43M; this is an increase of \$105,644, or 1.02%, compared to the prior year. The report to the Board on June 7, 2023, entitled “[2023-2024 Pupil Accommodation Grant- School Renewal Allocation](#)”, identified the types of projects that will be undertaken in 2023-24 to utilize this funding.
- School Condition Improvement Grant (SCI)
 - The SCI grant is a capital renewal program intended to help boards revitalize and renew aged building components that have exceeded or will exceed their useful life cycle.
 - As per Ministry requirements, 70% of this funding must be directed to building components and systems (roofs, HVAC, building foundations), while remaining 30% can be used to address locally identified needs.
 - For the 2023-24 school year, SCI funding is estimated to be \$32.94M, which is an increase of \$376,275, or 1.16%, compared to the 2022-23 budget. The report to the Board on June 7, 2023, entitled “[2022-2023 School Condition Improvement Grant](#)”, identified the types of projects that will be undertaken in 2023-24 to utilize this funding.
 - While the age and condition of our schools likely has an impact on this allocation, details regarding the calculation are not provided by the Ministry.

Additional information related to the capital programs highlighted above are provided in [Ministry Memorandum 2023:B07](#).

Balanced Budget Compliance

In accordance with [Ontario Regulation 280/19](#), and as outlined in [Ministry Memorandum 2023:SB04](#), school boards must seek the Minister’s approval for any in-year deficit that exceeds the lesser of:

- 1) the accumulated surplus available for compliance from the preceding year or
- 2) one percent of a board’s operating allocation

The approval from the Ministry must be obtained at any point during the fiscal year when it becomes known to the board that its projected in-year deficit will exceed the threshold set out in Ontario Regulation 280/19.

In addition to the compliance requirements noted above,

- 1) The board must submit to the Ministry, in respect of the applicable fiscal year, an In-year Deficit Elimination Plan indicating the measures it will take to balance its budget and eliminate the in-year deficit by the timelines outlined in the regulation.

2023-24 Deficit Elimination Plan

During the course of the 2023-24 school year, staff will undertake a system fiscal review to assess our resource allocations and identify opportunities to achieve the necessary savings, while remaining focused on the priorities set out in our multi-year strategic plan.

While details regarding the system fiscal review are yet to be determined, it will involve a review of all services and programs across the WRDSB. Some of the key questions to be considered within the review, as it pertains to the programs, services and resources allocated, may include but are not limited to:

- Is this program/service/resource directly connected to the strategic plan (BIEP)?
- Is this program/service/resource contractually required?
- Is this program/service/resource legislatively required?
- Can we offer this program/service, or utilize the resource, differently?

In broad terms, the elimination of the deficit will be achieved through a combination of increases to revenue (student enrolment, Ministry grant changes), and a reduction in expenses. In terms of the deficit elimination plan to be submitted to the Ministry as part of the 2023-24 budget, the following represent the amounts identified by staff:

Target	(\$6,446,406)
Revenue	
<ul style="list-style-type: none"> • Forecasted increases in student enrolment • Other revenue sources (Community Use, International student fees) 	\$1,488,500
Expenses	
<ul style="list-style-type: none"> • Programs/services/resources 	<u>\$4,957,906</u>
Balance	\$0

The 2023-24 budget, as presented, complies with all applicable provincial legislation.

Additional Information

Information regarding the 2023-24 budget is attached as follows:

- [Appendix A](#) Enrolment Projections
- [Appendix B](#) Analysis of Provincial Grant Allocations and Other Revenues
- [Appendix C](#) 2023-24 Budget Detail
- [Appendix D](#) 2023-24 Staffing
- [Appendix E](#) 2023-24 Capital Budget

Background

On April 17, 2023, the Ministry of Education issued [Memorandum 2022:B04](#), entitled “2023-24 Grants for Student Needs Funding”. Total funding to be allocated through the GSN for the 2023-24 school year is estimated at \$27.1B. The main changes being introduced in 2023-24 include:

- A new funding formula for student transportation;
- Expiration of the Covid-19 Learning Recovery Fund;
- Benchmark changes to reflect central bargaining (negotiations are ongoing and boards have been directed to setup a provision for the increase provided through changes to funding benchmarks);
- Funding to support various Ministry priorities, including early literacy, math, the transition to high school and de-streaming;
- Transfers of various PPF allocations into the GSN; and,
- Investments to assist school boards in keeping up with costs.

It is the sole responsibility of the Board to approve the annual operating budget and it is the responsibility of staff to oversee and monitor day-to-day spending within the budget framework. The Trustees play a key role in the budget process, ensuring that funding is aligned with the Board’s strategic priorities and legislative requirements.

Financial Implications

As outlined in the recommendation and supporting budget documentation.

Communications

Following approval of the 2023-24 budget, the detailed estimates package will be completed and submitted to the Ministry by the reporting deadline (June 30).

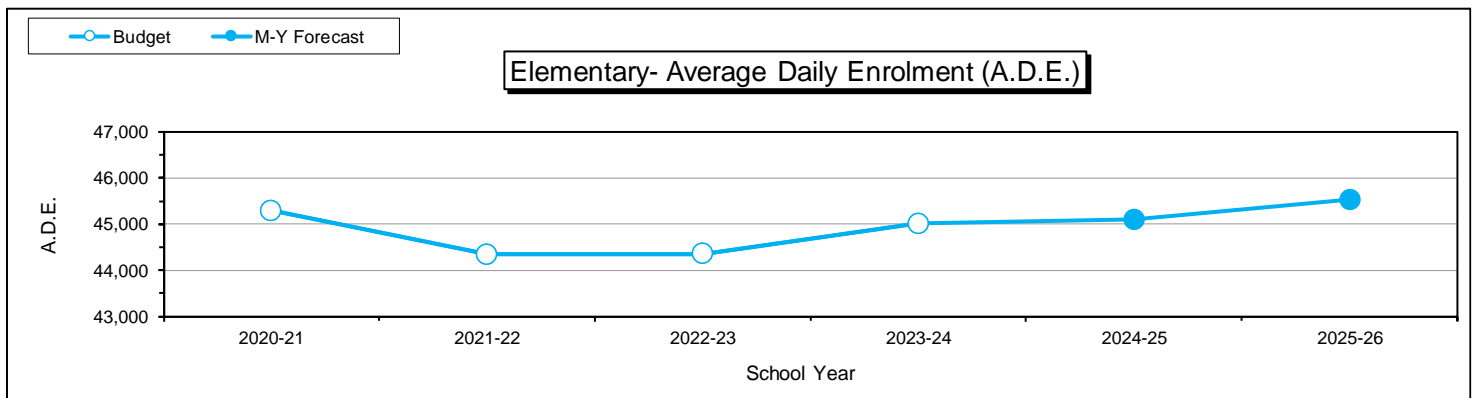
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 Nick Landry, Superintendent of Business Services & Treasurer of the Board,
 in consultation with Leadership Council.

APPENDIX A- Enrolment Projections

Historical Change in Enrolment- Budget

ELEMENTARY SCHOOLS

GRADE	2020-21 ADE (Budget)	2021-22 ADE (Budget)	2022-23 ADE (Budget)	2023-24 ADE (Budget)	2024-25 ADE (M-Y Forecast)	2025-26 ADE (M-Y Forecast)
Junior Kindergarten (JK)	4,029	3,940	3,837	4,196	-	-
Kindergarten (SK)	4,555	4,317	4,345	4,515	-	-
Grades 1 to 3	13,439	13,309	13,465	13,502	-	-
Grades 4 to 6	13,791	13,541	13,487	13,617	-	-
Grades 7 to 8	9,464	9,237	9,214	9,171	-	-
Other	11	0	9	12	-	-
Total Elementary	45,290	44,343	44,357	45,014	45,101	45,540
Change (Budget to Budget)	51	(947)	14	657	87	439

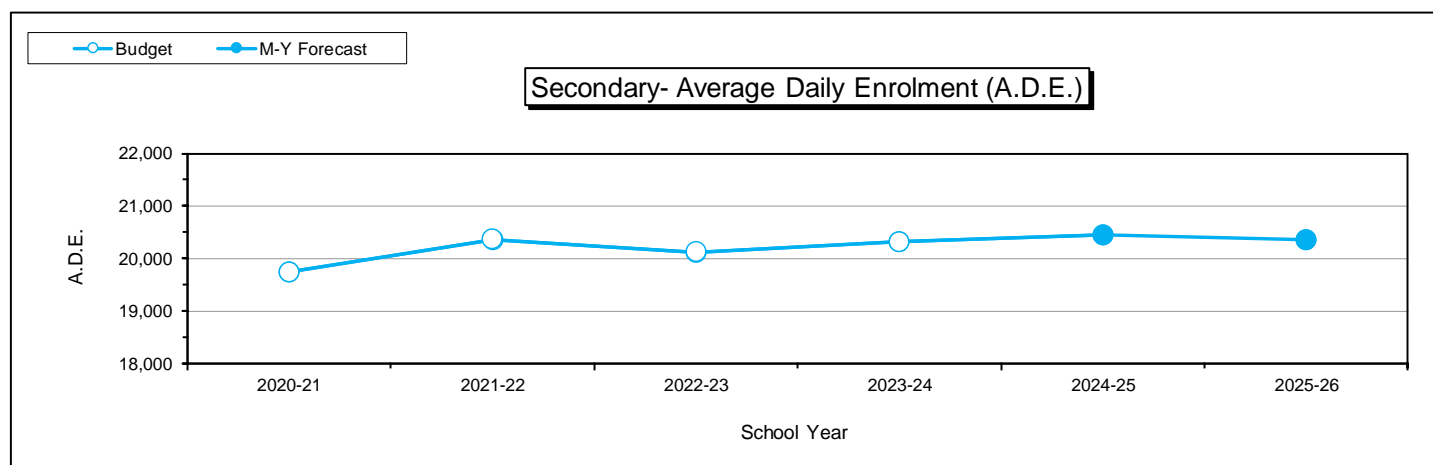


Historical Change in Enrolment- Budget

SECONDARY SCHOOLS

GRADE	2020-21 ADE (Budget)	2021-22 ADE (Budget)	2022-23 ADE (Budget)	2023-24 ADE (Budget)	2024-25 ADE (M-Y Forecast)	2025-26 ADE (M-Y Forecast)
Grades 9 to 12 < 21 years	19,641	20,308	20,047	20,238	-	-
High Credit	26	19	13	19	-	-
Grades 9 to 12 >21 years	8	8	10	9	-	-
Other Pupils	68	35	59	50	-	-
Total Secondary	19,743	20,370	20,129	20,316	20,457	20,353
Change (Budget to Budget)	199	627	(241)	187	141	(105)

TOTAL ADE	65,033	64,712	64,486	65,330	65,558	65,893
Change from Previous Year (Budget)	250	(320)	(227)	844	229	335



APPENDIX B- Analysis of Provincial Grant Allocations and Other Revenues

<u>Grants for Student Needs (GSN)</u>	2022-23 Budget	2023-24 Budget	Variance
Pupil Foundation Allocation	\$369,064,972	\$380,278,304	11,213,332
Cost Adjustment and Teacher Qualification and Experience Allocation	73,279,259	73,041,801	(237,458)
Designated Early Childhood Educator Qualifications and Experience Allocation	3,931,151	4,431,859	500,708
Adult, Continuing Education & Summer School	1,522,854	1,570,009	47,155
New Teacher Induction Program	258,281	294,737	36,456
High Credit	45,535	70,328	24,793
COVID-19 Learning Recovery Fund	8,922,865	0	(8,922,865)
Special Education Allocation	94,390,185	97,677,456	3,287,271
English as a Second Language Allocation	12,882,540	13,080,633	198,093
French Language Allocation	9,675,122	9,327,420	(347,702)
Learning Opportunities	8,653,345	9,580,109	926,764
Support for Students Fund	6,217,109	6,410,813	193,704
Mental Health and Well-Being	3,021,794	3,141,362	119,568
Indigenous Education	2,321,669	3,306,589	984,920
Transportation	18,680,730	20,171,085	1,490,355
Administration & Governance	18,127,635	18,085,444	(42,191)
Debt Charges - Interest Portion	4,620,378	4,280,163	(340,215)
Program Leadership	1,000,496	1,008,213	7,717
Declining Enrolment Adjustment	0	0	0
Rural and Northern Education	62,653	66,555	3,902
Restraint Savings Allocation	(129,030)	(129,030)	0
Trustee's Association Fee	58,084	58,745	661
School Operations	65,021,308	67,899,673	2,878,365
School Foundation Amount	46,706,128	48,039,151	1,333,023
School Renewal	10,322,947	10,415,839	92,892
Temporary Accommodation	1,804,547	1,513,233	(291,314)
Community Use of Schools	856,197	854,429	(1,768)
Other Capital (Financing)	104,872	104,872	0
Sub-total GSN	\$761,423,626	\$774,579,792	\$13,156,166
Less:			
Amount Transferred to Deferred Capital Contributions (DCC)	(16,986,659)	(16,408,555)	578,104
Day School Fees - Ont. Residents	(10,000)	(10,000)	0
Transfers from Deferred Revenue	1,130,656	(1,974,158)	(3,104,814)
Total Grants for Student Needs	\$745,557,623	\$756,187,079	\$10,629,456

<u>Other Grants</u>	2022-23 Budget	2023-24 Budget	Variance
<u>I. Priorities and Partnerships Fund</u>			
Destreaming (Single Stream) Implementation Supports	\$69,300	\$90,400	\$21,100
Early Intervention in Math for Students with Special Education Needs **	114,000	-	(114,000)
Early Reading Enhancements: Early Reading Screening Tools	-	410,000	410,000
Education Staff to Support Reading Interventions K-3	-	1,969,700	1,969,700
Entrepreneurship Education Pilot Projects	30,000	30,000	-
Experiential Learning-Guidance Teacher Counsellors	-	78,600	78,600
Graduation Coach for Black Students	-	114,257	114,257
Health Resources, Training and Supports	32,200	34,600	2,400
Human Rights and Equity Advisors	170,430	170,400	(30)
Keeping Students In School	58,300	-	(58,300)
Learn and Work Bursary	22,000	22,000	-
Licenses for Reading Intervention Supports	-	266,600	266,600
Math Recovery Plan: Board Math Lead	-	166,600	166,600
Math Recovery Plan: Digital Math Tools	-	474,800	474,800
Math Recovery Plan: School Math Facilitator	-	714,000	714,000
Math Strategy	1,196,000	-	(1,196,000)
Professional Assessments & Evidence-Based Reading	-	234,600	234,600
Skilled Trades Bursary	19,000	19,000	-
Special Education AQ Subsidy for Educators	23,400	23,400	-
Specialist High Skills Major **	398,000	-	(398,000)
Staffing to Support De-Streaming and Transition to High School	-	3,196,100	3,196,100
Summer Learning for Students with Special Education Needs	220,100	219,700	(400)
Summer Mental Health Supports	-	277,000	277,000
Tutoring Supports	2,800,550	-	(2,800,550)
Total PPF Grants	\$5,153,280	\$8,511,757	\$3,358,477
<u>II. Other Grants</u>			
Ontario Youth Apprenticeship Program (OYAP)	\$316,191	\$395,023	\$78,832
Literacy and Basic Skills	370,900	370,900	-
Official Languages in Education Program: French as a Second Language**	-	-	-
Other EDU Grants - Amounts from Deferred Revenue	1,059,305	115,235	(944,070)
Total Other Grants (including PPF Grants)	\$6,899,676	\$9,392,915	\$2,493,239
<u>Other Revenue</u>			
Investment Income	\$610,600	\$660,500	\$49,900
Fees (Ontario Residents, Foreign Students)	1,212,700	1,138,000	(74,700)
Rental Revenue	1,423,450	2,107,300	683,850
Amounts from Deferred Revenue - Education Development Charges	16,400,000	17,475,000	1,075,000
Extended Day Program Revenue	10,952,300	13,553,900	2,601,600
Other (insurance proceeds, recoverable)	3,004,400	3,430,040	425,640
Total Other Revenue	\$33,603,450	\$38,364,740	\$4,761,290
<u>Reconciliation of Total Revenues</u>			
Grants for Student Needs (GSN)	\$745,557,624	\$756,187,079	\$10,629,455
Other Grants- Priorities and Partnerships Fund (PPF)	6,899,676	9,392,915	2,493,239
School Generated Funds	7,145,000	8,780,000	1,635,000
Other Revenue	33,603,450	38,364,740	4,761,290
Amortization of Deferred Capital Contributions	47,659,279	42,993,831	(4,665,448)
Total Revenue	\$840,865,029	\$855,718,565	\$14,853,536
Note: ** Grants have been moved into the GSN starting in 2023-24.			

APPENDIX C- 2022-23 Budget Detail

WATERLOO REGION DISTRICT SCHOOL BOARD 2023-24 BUDGET REVENUE & EXPENSE SUMMARY

	2022-23 Budget	2023-24 Budget	Variance	% Change
REVENUE CATEGORIES				
A. Provincial Grant Allocation	\$745,557,624	\$756,187,079	\$10,629,455	1.43%
B. Provincial Grants - Other	6,899,676	9,392,915	2,493,239	36.14%
C. School Generated Funds	7,145,000	8,780,000	1,635,000	22.88%
D. Investment Income	610,600	660,500	49,900	8.17%
E. Other Fees & Revenues	32,992,850	37,704,240	4,711,390	14.28%
F. Amortization of Deferred Capital Contributions	47,659,279	42,993,831	(4,665,448)	-9.79%
TOTAL REVENUES	\$840,865,029	\$855,718,565	\$14,853,536	1.77%
EXPENSE CATEGORIES				
A. Instruction - Classroom	\$582,477,577	\$589,493,640	7,016,063	1.20%
B. Instruction - Administration	63,412,271	58,775,404	(4,636,867)	-7.31%
C. Administration & Governance	20,294,751	18,788,243	(1,506,508)	-7.42%
D. School Operations	68,647,345	69,186,029	538,684	0.78%
E. Continuing Education	3,218,758	2,786,050	(432,708)	-13.44%
F. Transportation	20,169,788	23,325,700	3,155,912	15.65%
G. Pupil Accommodation (Operating)	48,281,699	47,211,087	(1,070,612)	-2.22%
H. Other	25,802,032	38,797,492	12,995,460	50.37%
TOTAL EXPENSES	\$832,304,221	\$848,363,645	\$16,059,424	1.93%
PSAB Annual Surplus/(Deficit) before transfers	\$8,560,808	\$7,354,920		
Less: Externally Appropriated Surplus	(15,780,039)	(14,128,239)		
Less: Internally Appropriated Surplus	(210,000)	326,913		
Plus: In-year transfers from Accumulated Surplus	7,429,231	6,446,406		
Net Budget Balance	\$0	\$0		

WATERLOO REGION DISTRICT SCHOOL BOARD
2023-24 BUDGET
EXPENSE FUNCTIONS

	2022-23 Budget	2023-24 Budget	Variance	% Change
A. INSTRUCTION: CLASSROOM				
Salaries & Benefits	\$551,823,558	\$559,899,231	\$8,075,673	1.46%
Supplies & Services	23,949,785	22,863,599	(1,086,186)	-4.54%
Contracts for Services	7,274,035	7,842,935	568,900	7.82%
Amortization Expense	7,253,522	6,024,375	(1,229,147)	-16.95%
Less Minor Tangible Capital Assets	(7,823,323)	(7,136,500)	686,823	-8.78%
Total	\$582,477,577	\$589,493,640	\$7,016,063	1.20%
B. INSTRUCTION: ADMINISTRATION				
Salaries & Benefits	\$61,506,997	\$56,917,892	(\$4,589,105)	-7.46%
Supplies & Services	1,904,176	1,726,468	(177,708)	-9.33%
Contracts for Services	256,288	405,344	149,056	58.16%
Transfers to Other Boards (e-Learning)	41,000	41,000	0	0.00%
Less Minor Tangible Capital Assets	(296,190)	(315,300)	(19,110)	6.45%
Total	\$63,412,271	\$58,775,404	(\$4,636,867)	-7.31%
C. ADMINISTRATION & GOVERNANCE				
Salaries & Benefits	\$13,956,443	\$13,246,460	(\$709,983)	-5.09%
Supplies & Services	2,227,315	2,168,377	(58,938)	-2.65%
Utilities	301,500	374,000	72,500	24.05%
Contracts for Service	3,182,785	2,471,815	(710,970)	-22.34%
Other	36,269	0	(36,269)	-100.00%
Capital - Ed. Centre Building Repairs	210,000	210,000	0	0.00%
Amortization Expense	909,526	658,691	(250,835)	-27.58%
Less Tangible Capital Assets-Building	(210,000)	(210,000)	0	0.00%
Less Minor Tangible Capital Assets	(319,087)	(131,100)	187,987	-58.91%
Total	\$20,294,751	\$18,788,243	(\$1,506,508)	-7.42%
D. SCHOOL OPERATIONS				
Salaries & Benefits	\$41,056,808	\$39,959,910	(\$1,096,898)	-2.67%
Supplies & Services	9,821,636	9,956,664	135,028	1.37%
Utilities	12,212,000	13,239,500	1,027,500	8.41%
Contracts for Service	5,750,200	6,141,550	391,350	6.81%
Amortization Expense	125,801	147,505	21,704	17.25%
Less Minor Tangible Capital Assets	(319,100)	(259,100)	60,000	-18.80%
Total	\$68,647,345	\$69,186,029	\$538,684	0.78%

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**WATERLOO REGION DISTRICT SCHOOL BOARD
2023-24 BUDGET
EXPENSE FUNCTIONS**

E. CONTINUING EDUCATION				
Salaries & Benefits	\$3,109,081	\$2,677,350	(\$431,731)	-13.89%
Supplies & Services	34,624	28,100	(6,524)	-18.84%
Contracts for Service	75,053	80,600	5,547	7.39%
Total	\$3,218,758	\$2,786,050	(\$432,708)	-13.44%
F. TRANSPORTATION				
Salaries & Benefits	\$884,600	\$922,200	\$37,600	4.25%
Supplies & Services	203,300	207,600	4,300	2.12%
Contracts for Service	19,077,300	22,195,900	3,118,600	16.35%
Amortization Expense	4,588	0	(4,588)	-100.00%
Total	\$20,169,788	\$23,325,700	\$3,155,912	15.65%
G. PUPIL ACCOMMODATION (OPERATING)				
School Renewal	\$2,156,641	\$1,915,839	(\$240,802)	-11.17%
Instructional Facility Rentals	1,804,547	1,513,233	(291,314)	-16.14%
Debt Charges - Interest	4,275,870	3,800,649	(475,221)	-11.11%
Amortization Expense	40,044,641	36,870,108	(3,174,533)	-7.93%
ARO Amortization Expense		3,111,258	3,111,258	100.00%
Total	\$48,281,699	\$47,211,087	(\$1,070,612)	-2.22%
H. OTHER				
School Generated Funds	\$7,145,000	\$8,780,000	\$1,635,000	22.88%
Non-Operating:	12,995,072	15,683,772	2,688,700	20.69%
Labour Provision	5,661,960	14,333,720	8,671,760	100.00%
Total	\$25,802,032	\$38,797,492	\$12,995,460	50.37%
TOTAL EXPENSE BUDGET	832,304,221	848,363,645	16,059,424	1.93%

APPENDIX D- 2022-23 Staffing

WATERLOO REGION DISTRICT SCHOOL BOARD 2023-24 BUDGET STAFFING COMPARISON							
<u>MINISTRY CATEGORIES</u>	<u>REGULAR PROGRAM</u>	<u>2022-23 Budget SPECIAL EDUCATION</u>	<u>TOTAL</u>	<u>REGULAR PROGRAM</u>	<u>2023-24 Budget SPECIAL EDUCATION</u>	<u>TOTAL</u>	<u>Budget Variance</u>
Classroom Teachers -Elementary	2,351	319	2,669	2,380	308	2,688	18
Classroom Teachers -Secondary	1,109	107	1,216	1,158	108	1,266	50
Total Classroom Teachers	3,460	425	3,885	3,538	416	3,954	69
Teacher Assistants - Elementary	8	466	474	8	462	470	(5)
Teacher Assistants - Secondary	26	108	134	30	108	139	5
Total Teacher Assistants (Educational Assistants)	34	574	608	38	570	608	0
Early Childhood Educators - Elementary	360	0	360	391	0	391	31
Student Support - Professionals, Para-Professionals & Technicians (e.g. Child & Youth Workers and Professional Student Services Personnel (PSSP))	187	164	350	185	166	351	1
Library & Guidance Staff (Teachers & Library Clerks)	171	0	171	171	0	171	0
School Administration (Principals, VPs, Administrative Support Staff)	475	3	478	474	3	477	(1)
Coordinators and Consultants (Program coordinators & consultants and administrative support staff)	84	27	111	66	25	91	(21)
Continuing Education	33	0	33	28	0	28	(5)
Total Instructional Staff	4,804	1,193	5,997	4,891	1,179	6,071	73
Administration & Governance	140	0	140	133	0	133	(8)
Pupil Transportation**	0	0	0	0	0	0	0
School Operations	581	0	581	565	0	565	(17)
Non-Operating (Extended Day Program)	115	9	124	162	8	170	46
Total Non-instructional Staff	837	9	846	859	8	867	21
Grand Total Staff	5,641	1,202	6,843	5,751	1,187	6,938	95
** As a result of changes that have been made for Employee Life and Health Trusts (ELHT), the Ministry requires that the Board who issues the payroll remittances to employees report them in EFIS. Under our agreement with the Waterloo Catholic District School Board, they fulfill this function and have reported STSWR employees.							

Note: All staffing figures are reported as full-time equivalent (FTE). The number of persons working in each category may be different.

APPENDIX E- 2022-23 Capital Budget

Waterloo Region District School Board 2023-24 Capital Budget				
Funding Source	2022-23 Budget	2023-24 Budget	Variance	% Change
New Schools and Additions	\$3,449,852	\$25,357,875	\$21,908,023	635.04%
Committed Capital Projects	\$1,435,721	\$210,000	(\$1,225,721)	(85.37%)
School Condition Improvement	\$32,561,332	\$31,500,000	(\$1,061,332)	(3.26%)
Full Day Kindergarten	\$128,563	\$835,662	\$707,099	550.00%
School Renewal	\$8,166,306	\$8,500,000	\$333,694	4.09%
Education Development Charges	\$16,400,000	\$17,475,000	\$1,075,000	6.55%
Proceeds of Disposition	\$2,500,000	\$400,000	(\$2,100,000)	(84.00%)
Child Care Capital	\$337,351	\$2,528,287	\$2,190,936	649.45%
Rural and Northern Education Fund	\$62,653	\$66,555	\$3,902	6.23%
COVID-19 Resilience Infrastructure Stream (CVRIS)	\$1,510,000	\$900,000	(\$610,000)	(40.40%)
Minor Tangible Capital Assets	\$8,757,700	\$7,842,000	(\$915,700)	(10.46%)
TOTAL	\$75,309,478	\$95,615,379	\$20,305,901	26.96%
Expenditure				
Buildings (new, additions, & renewal)	\$46,489,125	\$64,941,824	\$18,452,699	39.69%
Land	\$16,400,000	\$17,475,000	\$1,075,000	6.55%
Land Improvements	\$3,500,000	\$4,200,000	\$700,000	20.00%
Leasehold Improvements	\$0	\$0	\$0	0.00%
Moveable Assets	\$8,920,353	\$8,998,555	\$78,202	0.88%
TOTAL	\$75,309,478	\$95,615,379	\$20,305,901	26.96%