

JUNE 12, 2024
SPECIAL BUDGET MEETING

The Waterloo Region District School Board held a **Special Budget** Meeting this evening at 7:00 p.m. in the Education Centre Boardroom, with the following members in attendance: J. Weston (Chairperson), B. Cody, S. Estoesta*, C. Johnson*, J. Meissner, S. Piatkowski, M. Radlein, M. Ramsay, C. Watson and K. Woodcock.

*Virtual Attendance

Trustee M. Waseem was unable to attend.

Student Trustees A. Awan and C. Dong were not in attendance.

The following senior administration members were in attendance: j. chanicka (Director of Education and Secretary), M. Armellini, N. Landry, B. Lemon and S. Miller.

Other staff in attendance: M. Mayer, S. Reidel and W. Zhou.

CALL TO ORDER

Chairperson J. Weston called the meeting to order at 7:00 p.m.

APPROVAL OF AGENDA

1. Moved by M. Radlein, seconded by J. Meissner:

That the agenda of the June 12, 2024, Special Budget Meeting be approved.

-Carried-

DECLARATIONS OF PECUNIARY INTEREST

There were no declarations of pecuniary interest.

REPORTS

2023-24 Q3 INTERIM FINANCIAL REPORT & FORECAST

This report was provided for information.

The Board of Trustees (Board) approved the 2023-24 operating budget on June 19, 2023, and at that time the expected in-year deficit was \$6.32M, or 0.75% of operating revenues. The planned deficit was less than 1% of the board's operating revenues, and therefore, the board was compliant with Ministry of Education (Ministry) requirements. The following are a list of risks and challenges that staff have been monitoring closely throughout the year.

- Supply costs (short-term sick leave)
- Enrolment fluctuations
- Utilities
- Ministry announcements

The information provided in this report was based on financial results up to May 31, 2024 (Q3). The forecast for the 2023-24 school year remains an in-year deficit of \$10.18M, which is higher than the deficit forecasted as part of the original budget. The projected Q3 deficit has decreased from the Q2 report due to an increase in the board's investment income and no material changes to the expense forecast. However, even with the decrease from Q2, the projected deficit is over 1% of the board's operating revenues and as such, the WRDSB will have to seek Ministry approval.

Trustees asked questions regarding ministry approval for the deficit, enrolment projections, asset retirement and accumulated surplus.

2024-2025 BUDGET REPORT

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 of Education (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).

The board is financially positioned to address short-term fiscal challenges while maintaining our focus on fiscal sustainability and ensuring our resources are aligned with the priorities set out in the strategic plan and the Board Improvement and Equity Plan (BIEP). The 2024-25 budget complies with provincial legislation and will support early literacy, math, human rights and equity. Following approval of the 2024-25 budget, the detailed estimates package will be completed and submitted to the Ministry by the reporting deadline of June 30, 2024.

Trustees were provided information on key budget risks, changes to Ministry funding and Responsive Education Programs.

Trustees asked questions regarding de-streaming funding, the Bill 124 remedy, support staff hours, salary benchmarks and enrolment.

Trustees were provided information on revenues and expenditures for 2024-2025.

Trustees asked questions regarding instruction expenditures, statutory benefits and salary benchmarks.

Trustees were provided information on budget pressures and balancing adjustments required for the 2024-2025 school year.

Trustees asked questions regarding the impact to the students and educational assistants.

Trustees were provided information on the net changes to staffing compliments and a summary of information shared on the balanced budget presented.

Trustees asked further questions regarding the reason behind the deficit this year, the costs associated with the carbon tax and supply cost shortfalls and mitigating strategies. Trustees moved and seconded the budget motion and discussed approval.

2. Moved by K. Woodcock, seconded by M. Radlein:

That the Waterloo Region District School Board (Board) approve the budget as presented in this report—with revenues of \$893,279,633 and expenses of \$899,546,616 with the difference of \$6,266,983 attributed as follows:

Excess of Revenues over Expenditures	\$(6,266,983)
---------------------------------------------	----------------------

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	\$120,414
---------------------------------------------	------------------

Sinking Fund Interest Earned	(\$24,045)
-------------------------------------	-------------------

Unsupported Capital Projects Adjustment	(\$554,972)
------------------------------------------------	--------------------

Revenues Recognized for Land	\$1,308,600
-------------------------------------	--------------------

Asset Retirement Obligation (ARO)	(\$7,116,980)
------------------------------------------	----------------------

In-Year Adjustment to Revenues	<u>\$(6,266,983)</u>
---------------------------------------	-----------------------------

TOTAL – Surplus/(Deficit) for Compliance	<u>\$0</u>
-------------------------------------------------	-------------------

-Carried-

Trustees discussed a motion to write a letter to the Minister of Education regarding funding shortfalls facing the WRDSB and referencing a recent statement made by the Council of Ontario Directors of Education on the matter.

3. Moved by K. Woodcock, seconded by S. Piatkowski:

That the WRDSB write a letter to the Minister of Education stating that the Board has passed the budget but that there are numerous funding shortfalls for consideration including short term supply costs, statutory benefits and inflationary costs; and

That the letter reference CODE’s Statement on the Funding Gap in the 2024-25 Core Education Funding; and

That copies of the letter be sent to OPSBA, all Ontario public school boards and local MPPs.

-Carried-

ADJOURNMENT

4. Moved by K. Woodcock, seconded by M. Radlein:

That the Special Budget Meeting of June 12, 2024, be adjourned and that the Board of Trustees move into a Special Board Meeting to ratify decisions of this meeting.

-Carried-

The meeting adjourned at 8:39 p.m. and the Board of Trustees moved into a Special Board Meeting.