

2022-23 ESTIMATES: FINANCIAL POSITION

Regular Board Meeting

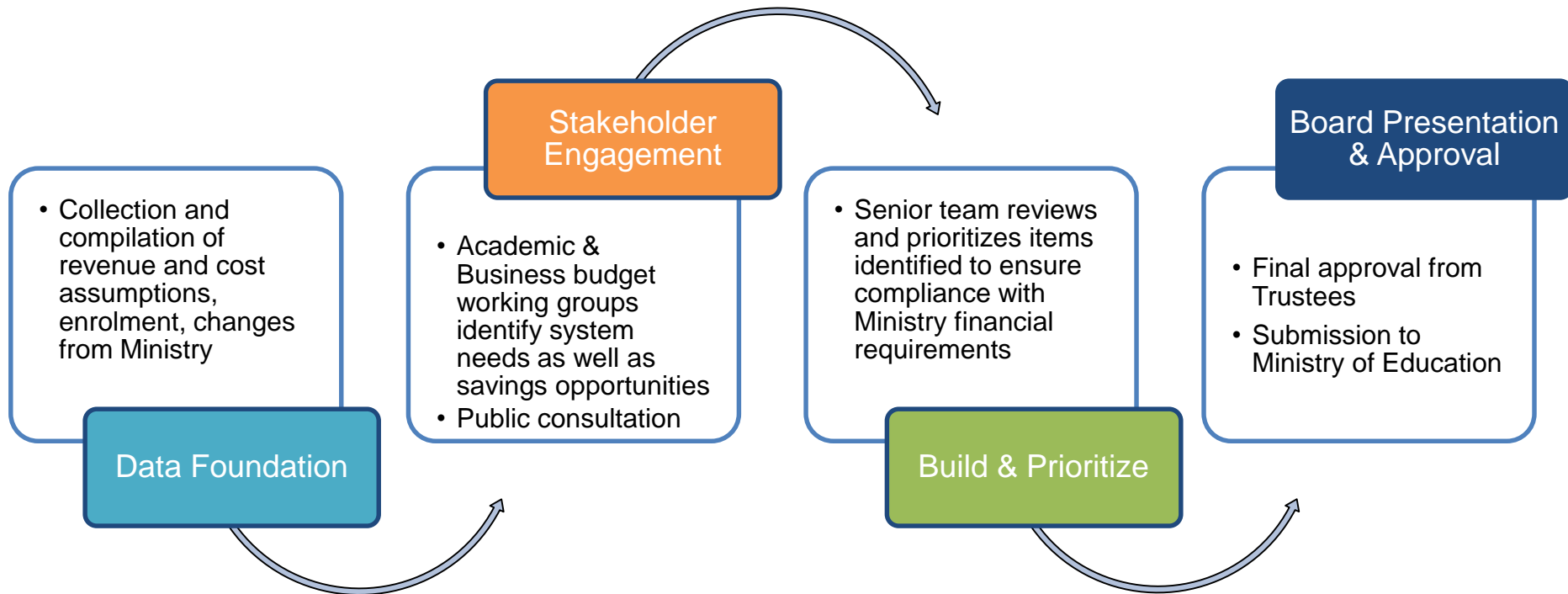
June 21, 2022

Presented by:

Calum McNeil, CFO & Treasurer of the Board



Budget Process Overview





Financial Overview

2021-22 Accumulated Surplus

2022-23 In-Year Financial Position

Beginning Balance	\$17.4M
2021-22 Forecast ¹	(\$0.4M)
Projected Ending Balance	\$17.0M

Deficit (\$5.6M) ²

- 1) Assumes Ministry approval to use \$4.1M of proceeds of disposition (POD) to fund covid expenses
2) Compliance deficit threshold is the lower of 1% of the Board's operating allocation or the board's accumulated surplus for the preceding fiscal year. For YCDSB, this is \$5.9M.



Operating Financial Position

(\$ millions)	2021-22 Revised Estimates	2022-23 Estimates	Change \$
<u>Operating Revenue</u>			
GSN Funding excluding Capital	577.1	586.9	9.8
PPF and Other Grants/Programs	15.7	5.9	(9.8)
<u>Other Revenue</u>			
Continuing Education	7.4	7.4	-
International Student Fees	2.1	2.1	-
Other Miscellaneous Revenue	5.9	5.7	(0.2)
Total Other Revenue	15.4	15.2	(0.2)
Total Operating Revenue (excl. POD)	608.2	608.0	(0.2)
<u>Operating Expenses</u>			
Salaries and Benefits	555.0	543.9	(11.1)
Other Expenses	65.8	69.7	3.9
Total Operating Expenses	620.8	613.6	(7.2)
Compliance In-Year Position before POD	(12.6)	(5.6)	7.0
Proceeds of Disposition	6.0	-	(6.0)
Compliance In-Year Position after POD	(6.6)	(5.6)	1.0



Accumulated Surplus

	Assuming 21/22 POD Approval (1)			To be Reported to Ministry	
(\$ millions)	2020-21 Actuals	2021-22 Forecast	2022-23 Estimates	2021-22 Revised Estimates	2022-23 Estimates
In-Year Surplus/(Deficit)	(0.5)	(0.4)	(5.6)	(6.6)	(5.6)
Operating Allocation (GSN Revenue)	577.9	578.4	587.9	578.4	587.9
Ending Accumulated Surplus	17.4	17.0	11.5	10.8	5.3
Accumulated Surplus as a % of Operating Allocation	3.0%	2.9%	2.0%	1.9%	0.9%

(1) Assumes approval of the January 2022 POD request for the balance of unfunded COVID-19 School Reopening Costs (\$4.1M).



In-Year Deficit Elimination Plan

(\$000's)		Compliance
22/23 Deficit		(5,568)
23/24 Revenue:	Declining Enrolment GSN	(7,900)
	Increase in International Students	1,600
23/24 Expense:	Staffing related to Enrolment Change	6,060
	Add back 22/23 General School Budget Reduction (one year only)	(340)
	Add back One time 22/23 Board Office HVAC System Partial Cost	500
	Add back One time 22/23 Board Office Leased Asset Acquisition Cost	310
	Net reduction in supply staffing costs	1,200
	Other Cost Reductions	500
23/24 Deficit		(3,638)
24/25 Revenue:	Declining Enrolment GSN	(7,300)
	Increase in International Students	2,400
	Phase out of ELHT Stabilization Adjustment (50%)	2,200
24/25 Expense:	Staffing related to Enrolment Change	5,040
	Net reduction in supply staffing costs	1,200
	Other Cost Reductions	500
24/25 Surplus		402



Operating and Non-Operating Summary

	2022-23 Operating	2022-23 Non-Operating	2022-23 Total
Revenues:			
GSN, PPF, Other Grants and Revenues	\$ 608,010,180	\$ 81,605,769	\$ 689,615,949
Compliance Adj-School Generated Funds	-	(13,000,000)	(13,000,000)
Compliance Adj-Revenues for Land	-	(18,000,000)	(18,000,000)
Compliance Revenues	\$ 608,010,180	\$ 50,605,769	\$ 658,615,949
Expenditures:			
Salaries and Benefits	543,853,662	-	543,853,662
Other Expenses	69,724,221	63,289,238	133,013,459
Expenditures before Compliance Adjustments	\$ 613,577,883	\$ 63,289,238	\$ 676,867,121
School Generated Funds	-	(13,000,000)	(13,000,000)
Interest Compliance Adjustment	-	316,531	316,531
Compliance Expenditures	\$ 613,577,883	\$ 50,605,769	\$ 664,183,652
Compliance In-Year (Deficit) / Surplus	\$ (5,567,703)	\$ -	\$ (5,567,703)

Recommendations
on following slides:

#1

#2

#3 & 4

#4

#4

#5



Approvals

RECOMMENDATIONS:

1. Revenue Estimates for 2022-23

THAT the Board approve the submission of the Revenue Financial Estimates to the Ministry of Education for the fiscal year September 1, 2022 to August 31, 2023, in the total amount of **\$658,615,949** (based on Operating \$608,010,180 and Non-Operating \$50,605,769) as presented in this budget presentation.

2. Salaries and Benefits Estimates for 2022-23

THAT the Board approve the submission of the Salary and Benefits Expenditure Estimates to the Ministry of Education for the fiscal year September 1, 2022 to August 31, 2023, in the total amount of **\$543,853,662** (Salaries \$465,513,405 and Benefits \$78,340,257) as presented in this budget presentation.

3. Legal Expenses for 2022-23

THAT the Board approve **\$425,056** of legal expenses for the fiscal year September 1, 2022 to August 31, 2023.



Approvals (continued)

4. Other Expenses Excluding Legal Costs for 2022-23:

THAT the Board approve the submission of the Support Costs Expenditures Estimates to the Ministry of Education for the fiscal year September 1, 2022 to August 31, 2023, in the total amount of **\$119,904,934** (based on \$66,685,805 Operating expenditures excluding legal, \$2,389,273 of PPF and Other Grants expenditures and \$50,829,856 of Non-Operating expenditures) as presented in this budget presentation.

5. In-Year Compliant Budget for 2022-23:

THAT the Board approve the submission of the **\$5,567,703** compliant deficit to the Ministry of Education for the fiscal year September 1, 2022 to August 31, 2023 as presented in the budget presentation.

6. Ministry In-Year Deficit Elimination Plan:

THAT the Board approve the submission of the Ministry In-Year Deficit Elimination Plan (EFIS form) which indicates the Board will return to a balanced in-year position by Year 2024-2025.



Appendix 1 - Enrolment Projection

Enrolment	2021-22 Revised Estimates	2022-23 Estimates
<u>Elementary</u>		
Pupils of the Board	32,184	30,793
International Students	23	36
Total - Elementary	32,207	30,829
<i>Elementary Change</i>		<i>(1,378)</i>
<u>Secondary</u>		
Pupils of the Board	18,139	18,481
International Students	104	84
Total - Secondary	18,243	18,565
<i>Secondary Change</i>		<i>322</i>
Total Enrolment	50,450	49,394
<i>Pupils of the Board Change</i>		<i>(1,049)</i>
<i>International Students Change</i>		<i>(7)</i>
<i>Total Change</i>		<i>(1,056)</i>

The Board continues to experience declining Elementary enrolment

Secondary enrolment has been updated since the June 15 preliminary position based on increase enrolment

International student enrolment continues to be impacted by the pandemic



Appendix 2 - Special Education Summary

(\$M's)	2021-22 Revised Estimates	2022-23 Estimates	Change
Revenue	79.9	78.6	1.3
Expenses	88.7	85.7	3.0
Deficit	(8.8)	(7.1)	1.7

(\$2.6M) Deficit reduced through Special Education Renewed Program Delivery
\$0.9M Budget assumption changes

(\$1.7M) Net deficit reduction compared to 2021-22 Revised Estimates

- After removing the increase in supply costs and under funded ELHT the 2022-23 net deficit is approximately \$5.6M