

## 2022-23 Interim Report No. 1

Interim Report No. 1 (IR1) provides a summary of the forecasted financial year-end position with comparison to the 2022-23 approved budget. IR1 demonstrates that the Bluewater District School Board (BWDSB) continues to operate from a strong position due to increasing enrolment, prudent financial management and proactive planning.

The forecasted year-end position is based on actual enrolment at October 31, 2022 and projected enrolment at March 31, 2023 and includes all new information gathered after the approved budget in June 2022. Notes have been provided for variances within each appendix. Significant changes include:

### Interim Report No. 1 Forecast

- an increase in elementary (225 ADE) and secondary enrolment (27 ADE) leading to nearly \$2.3M in additional Grants for Student Needs (GSN) funding and an increase of 18.4 FTE classroom teachers in response
- additional external funding through Priority and Partnership Funds (PPF) and pandemic investments, offset by expenses
- an increase in benefit projections consistent with current rates for WSIB, CPP and EI

As we move forward, additional risks to the current forecast have been identified by staff, and include:

1. The increasing complexity of student needs, and the priority to close possible gaps created by learning disruptions through learning recovery and re-engagement
2. Potential changes in replacement costs, which remain a significant driver to variances
3. Ongoing collective bargaining of all remaining employee groups

Staff will continue to monitor these areas closely and will provide updates as required.

### Change in Operating Position

Based on the changes above, the board's financial position remains strong for 2022-23 with a projected contribution to contingency reserves of approximately \$5.9M. As illustrated in the chart below, the forecasted overall net change in financial position remains balanced.

### 2022-23 Forecasted Net Change in Operating Position

	Estimates 2022-23	Interim Report 1 2022-23	Change
Operating revenue	\$ 241,114,663	\$ 247,064,203	\$ 5,949,540
Operating expenses	(236,965,727)	(241,165,719)	(4,199,992)
Change in carryforward for committed projects	(370,000)	(22,792)	347,208
(Increase) / decrease in reserves	(3,778,936)	(5,875,692)	(2,096,756)
<b>Net change in operating position</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

The following changes occurred from budget:

- revenue increased by \$5.9M, mainly due to enrolment increases, teacher qualification and experience grid placements, external funding changes and amortization

- expenses increased by \$4.2M from budget, reflecting the increase in staffing, benefits and offsetting costs of PPF investments and amortization
- at year-end 2021-22, there were committed projects designated to be completed in 2022-23, representing a change of \$350K
- transfers to reserves for contingencies increased by \$2.1M, with the change mainly related to enhanced funding opportunities while managing pressures of the pandemic through flexibility and the effective stewardship of resources

## **Next Steps**

Overall, the forecasted financial position at Interim Report No. 1 remains balanced by managing increased enrolment with compliance requirements and increased complexities of student needs. Interim Report No. 2 will be available after the March 31, 2023 enrolment count date.

Staff will continue to manage risk in a measured approach and promote flexibility to respond to investment opportunities in 2022-23. The board's focus to ensure the well-being and quality education for students and promote learning recovery and re-engagement remains of highest priority.

## **Appendices**

- Appendix A Summary of Forecasted Average Daily Enrolment
- Appendix B Summary of Forecasted Change in Operating Position
- Appendix C Summary of Financial Forecast
- Appendix D Revenue Forecast
- Appendix E Expenditure Forecast

## **Recommendation:**

That the Business Committee receive the '2022-23 Interim Report No. 1' for information.

Submitted to  
Bluewater District School Board  
Business Committee of the Whole  
January 10, 2023

For further information, please contact  
Rob Cummings, Superintendent of Business  
Services and Treasurer, or  
Andrew Low, Manager of Financial Services

# Bluewater District School Board

Appendix A

## Interim Report 1 2022-23

### Summary of Forecasted Average Daily Enrolment

	Year End 2021-22	Budget 2022-23	Interim Report 1 2022-23	Variance to Budget	% Change
<b>Elementary</b>					
Pupils of the Board	12,833.0	13,030.0	13,248.5	218.5	2%
Indigenous Tuition Paying Students	103.0	92.0	98.0	6.0	7%
International Tuition Paying Students	-	-	-	-	0%
Total	12,936.0	13,122.0	13,346.5	224.5	2%
<b>Secondary</b>					
Pupils of the Board	4,440.5	4,559.0	4,602.0	43.0	1%
Indigenous Tuition Paying Students	46.0	52.0	45.0	(7.0)	(13%)
International Tuition Paying Students	-	-	0.5	0.5	0%
High Credit Pupils	22.0	28.0	18.0	(10.0)	(36%)
Total	4,508.5	4,639.0	4,665.5	26.5	1%
<b>Grand Total</b>	<b>17,444.5</b>	<b>17,761.0</b>	<b>18,012.0</b>	<b>251.0</b>	<b>1%</b>

**Bluewater District School Board**  
**Interim Report 1 2022-23**

**Appendix B**

<b>Summary of Forecasted Change in Operating Position</b>	<b>Budget 2022-23</b>	<b>Interim Report 1 2022-23</b>	<b>Change</b>
Operating revenue	\$ 241,114,663	\$ 247,064,203	\$ 5,949,540
Operating expenses	(236,965,727)	(241,165,719)	(4,199,992)
Net change in carry-forward for committed projects	(370,000)	(22,792)	347,208
(Increase) / decrease in reserves	(3,778,936)	(5,875,692)	(2,096,756)
<b>Net Change in Operating Position</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Bluewater District School Board**  
Interim Report 1 2022-23

**Appendix C**

**Summary of Financial Forecast 2022-23**

	Budget 2022-23	Interim Report 1 2022-23	Variance	
			\$	%
<b>Revenue</b>				
Grants	235,094,687	240,073,382	4,978,695	2%
Priority and Partnership Funds (PPF)	2,259,851	3,395,045	1,135,194	50%
Other	3,760,125	3,595,776	(164,349)	(4%)
Non-budgeted external funds	-	-	-	0%
Less: revenue recognized for land	-	-	-	0%
<b>(A) Revenues for Budget Comparison</b>	<b>\$ 241,114,663</b>	<b>\$ 247,064,203</b>	<b>\$ 5,949,540</b>	<b>2%</b>
Add: School Generated Funds	5,000,000	5,000,000	-	0%
<b>Total Revenues (Financial Statements)</b>	<b>\$ 246,114,663</b>	<b>\$ 252,064,203</b>	<b>\$ 5,949,540</b>	<b>2%</b>

<b>Expenditures</b>				
Classroom and non-classroom	178,001,729	180,674,573	2,672,844	2%
Other operating	55,318,756	56,869,404	1,550,648	3%
Operating portion of capital	2,856,712	2,856,712	-	0%
Adjust for Sinking Fund Interest	-	(23,500)	(23,500)	(100%)
55 board trust	788,530	788,530	-	0%
<b>(B) Expenses for Budget Comparison</b>	<b>\$ 236,965,727</b>	<b>\$ 241,165,719</b>	<b>\$ 4,199,992</b>	<b>2%</b>
Add: School Generated Funds	5,000,000	5,000,000	-	0%
Add: Adjustment for Sinking Fund Interest	-	23,500	23,500	0%
Less: adjustments for future benefits	-	-	-	0%
<b>Total Expenses (Financial Statements)</b>	<b>\$ 241,965,727</b>	<b>\$ 246,189,219</b>	<b>\$ 4,223,492</b>	<b>2%</b>

<b>Operating Position for Financial Statements</b>	<b>4,148,936</b>	<b>5,874,984</b>	<b>1,726,048</b>	<b>42%</b>
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<b>(A-B) Operating Position before use of reserves</b>	<b>\$ 4,148,936</b>	<b>\$ 5,898,484</b>	<b>\$ 1,749,548</b>	<b>42%</b>
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<b>Change in Accumulated Surplus</b>			
Change in use of carry-forward for committed projects	(370,000)	(22,792)	347,208
(Increase)/decrease in reserves	(3,778,936)	(5,875,692)	(2,096,756)
<b>Total Change in Reserves</b>	<b>(4,148,936)</b>	<b>(5,898,484)</b>	<b>(1,749,548)</b>

<b>Net Change in Operating Position</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
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**Bluewater District School Board**  
Interim Report 1 2022-23

**Appendix D**

						Adjustments	
Budget 2022-23	Interim Report 1 2022-23	Change from Budget		Material Variance Note		Additional Revenues	Total Revenue Projections (Financial Statements)
		\$	%				
		Increase (Decrease)	Increase (Decrease)				
<b>Revenues</b>							
<b>Operating Grants</b>							
Pupil Foundation	100,593,608	102,328,475	1,734,867	2%	1	-	102,328,475
School Foundation	14,988,511	15,087,052	98,541	1%	1	-	15,087,052
Special Education	27,775,452	28,130,034	354,582	1%	1	-	28,130,034
Language	3,424,162	3,565,311	141,149	4%	2	-	3,565,311
Supported School Allocation	185,269	211,933	26,664	14%		-	211,933
Remote and Rural	849,448	861,306	11,858	1%		-	861,306
Rural and Northern Education Fund	1,256,929	1,276,929	20,000	2%		-	1,276,929
Learning Opportunity	3,597,119	3,572,189	(24,930)	(1%)		-	3,572,189
Continuing Education	474,222	243,869	(230,353)	(49%)	3	-	243,869
Qualification and Experience	14,325,942	16,297,270	1,971,328	14%	4	-	16,297,270
ECE Q&E	1,281,407	1,314,760	33,353	3%		-	1,314,760
New Teacher Induction	146,793	162,376	15,583	11%		-	162,376
Restraint Savings	(83,747)	(83,747)	-	0%		-	(83,747)
Transportation	16,010,025	16,299,322	289,297	2%	1	-	16,299,322
Administration & Governance	6,093,227	6,141,629	48,402	1%		-	6,141,629
Central Bargaining Fee	58,084	58,084	-	0%		-	58,084
School Operations	20,541,247	20,565,657	24,410	0%		-	20,565,657
Community Use of Schools	266,142	266,142	-	0%		-	266,142
Declining Enrolment Adjustment	-	-	-	0%		-	-
Support For Students Fund	1,877,786	1,871,181	(6,605)	(0%)		-	1,871,181
Indigenous Education	1,801,079	1,748,342	(52,737)	(3%)		-	1,748,342
Mental Health and Well-Being	1,243,635	1,156,349	(87,286)	(7%)		-	1,156,349
Program Leadership	1,000,496	1,000,496	-	0%		-	1,000,496
COVID-19 Learning Recovery	2,727,387	2,416,282	(311,105)	(11%)	5	-	2,416,282
minor TCA Allocation	(1,695,316)	(1,861,000)	(165,684)	10%	6	-	(1,861,000)
Total	\$ 218,738,907	\$ 222,630,241	\$ 3,891,334	2%		\$ -	\$ 222,630,241
<b>Other Grants</b>							
Priority and Partnership Funds (PPF)	1,964,535	2,548,159	583,624	30%	7	-	2,548,159
COVID Response Funding (PPF)	295,316	846,886	551,570	187%	8	-	846,886
COVID Response Funding (In Kind)	-	-	-	0%		-	-
Federal Grants	-	127,323	127,323	100%	9	-	127,323
OYAP - Ontario Youth Apprenticeship	312,918	312,918	-	0%		-	312,918
Total	\$ 2,572,769	\$ 3,835,286	\$ 1,262,517	49%		\$ -	\$ 3,835,286
<b>Capital Grants - Operating Component</b>							
School Renewal	441,676	441,676	-	0%		-	441,676
Interest on Capital	2,415,061	2,415,061	-	0%		-	2,415,061
55 Board Trust	788,530	788,530	-	0%		-	788,530
Revenue Recognized for Land	-	-	-	0%		-	-
Amortization of DCC	12,710,513	13,797,874	1,087,361	9%	10	-	13,797,874
Total	\$ 16,355,780	\$ 17,443,141	\$ 1,087,361	7%		\$ -	\$ 17,443,141
Total Grant Revenue	\$ 237,667,456	\$ 243,908,668	\$ 6,241,212	3%		\$ -	\$ 243,908,668

**Bluewater District School Board**  
**Interim Report 1 2022-23**

**Appendix D**

						Adjustments	
	Budget 2022-23	Interim Report 1 2022-23	Change from Budget		Material Variance Note		
			\$	%			
			Increase (Decrease)	Increase (Decrease)			
<b>Non Grant Revenue</b>							
Indigenous Tuition	1,693,848	1,660,629	(33,219)	(2%)	11	-	1,660,629
International Students Tuition	-	6,082	6,082	100%		-	6,082
Continuing Education	449,000	159,000	(290,000)	(65%)		-	159,000
Consortia Revenue	279,542	279,542	-	0%		-	279,542
Community Use Rent	300,000	300,000	-	0%		-	300,000
Proceeds of Disposition for Land	-	-	-	0%		-	-
Other (Bank Interest, Recoveries)	724,817	750,282	25,465	4%		-	750,282
<b>Total Non Grant Revenue</b>	<b>\$ 3,447,207</b>	<b>\$ 3,155,535</b>	<b>\$ (291,672)</b>	<b>(8%)</b>		<b>\$ -</b>	<b>\$ 3,155,535</b>
<b>Non-budgeted External Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>		<b>\$ -</b>	<b>\$ -</b>
<b>School Generated Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>		<b>\$ 5,000,000</b>	<b>\$ 5,000,000</b>
<b>Total Funds</b>	<b>\$ 241,114,663</b>	<b>\$ 247,064,203</b>	<b>\$ 5,949,540</b>	<b>2%</b>		<b>\$ 5,000,000</b>	<b>\$ 252,064,203</b>

Notes:

1. changes in funding due to increased enrolment
2. increased enrolment in English as a Second Language (ESL) programming
3. adult education registration lower than projections
4. qualification and experience grid adjusted for position of staffing complement at October 31
5. revenue decreased to reflect projected expenses
6. change reflects projected investment at OSCVI auditorium
7. Priority and Partnership Funds (PPF) announced after budget development process
8. carry forward of COVID-19 Resilience Infrastructure Stream (CVRIS) projects (offset by expenses)
9. federal funding for Indigenous EAs
10. COVID PPFs replaced with COVID-19 Learning Recovery through GSN, loss of Connectivity funding
11. driver's education program discontinued

**Bluewater District School Board**  
Interim Report 1 2022-23

Appendix E

Budget 2022-23	Interim Report 1 2022-23	Change from Budget		Material Variance Note	PSAB (accounting) Adjustments	Total Forecasted Expenses (Financial Statements)
		\$	%			
		Increase (Decrease)	Increase (Decrease)			

**OPERATING**

**Classroom Instruction**

Classroom Teachers	116,640,473	118,353,777	1,713,304	1%	1	-	118,353,777
Supply Teachers	5,434,145	5,434,145	-	0%		-	5,434,145
Educational Assistants	14,974,313	15,222,058	247,745	2%	2	-	15,222,058
Supply EA	1,117,484	1,117,484	-	0%		-	1,117,484
ECE	5,438,631	5,461,742	23,111	0%		-	5,461,742
Classroom Computers	1,565,516	1,725,030	159,514	10%	3	-	1,725,030
Textbooks and Supplies	4,243,647	4,511,729	268,082	6%	4	-	4,511,729
Professionals and Paraprofessionals	7,043,158	7,112,258	69,100	1%		-	7,112,258
Staff Development	723,370	812,866	89,496	12%		-	812,866
Amortization and Gain or Loss	1,480,939	1,480,939	-	0%		-	1,480,939
Total Classroom	<b>\$ 158,661,676</b>	<b>\$ 161,232,028</b>	<b>\$ 2,570,352</b>	<b>2%</b>		-	<b>161,232,028</b>

**Non-Classroom**

Co-ordinators and Consultants	4,001,976	4,012,499	10,523	0%		-	4,012,499
Principal and Vice-Principals	9,220,379	9,242,209	21,830	0%		-	9,242,209
School Office	6,117,698	6,187,837	70,139	1%		-	6,187,837
Total Non-Classroom	<b>\$ 19,340,053</b>	<b>\$ 19,442,545</b>	<b>\$ 102,492</b>	<b>1%</b>		-	<b>19,442,545</b>

**Transportation**

	<b>\$ 16,010,025</b>	<b>\$ 16,073,575</b>	<b>\$ 63,550</b>	<b>0%</b>		-	<b>16,073,575</b>
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**School Operations and Maintenance**

Amortization and Gain or Loss	20,349,734	20,516,581	166,847	1%	5	-	20,516,581
	11,318,812	12,429,738	1,110,926	10%	6	-	12,429,738
	<b>\$ 31,668,546</b>	<b>\$ 32,946,319</b>	<b>\$ 1,277,773</b>	<b>4%</b>		-	<b>32,946,319</b>

**Continuing Education**

	<b>\$ 508,701</b>	<b>\$ 508,701</b>	<b>\$ -</b>	<b>0%</b>		-	<b>508,701</b>
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**Administration**

Trustees	144,835	144,916	81	0%		-	144,916
Director/Supervisory Officers	778,095	779,273	1,178	0%		-	779,273
Other Administration	6,095,815	6,303,881	208,066	3%	7	-	6,303,881
Amortization and Gain or Loss	112,739	112,739	-	0%		-	112,739
Total Administration	<b>\$ 7,131,484</b>	<b>\$ 7,340,809</b>	<b>\$ 209,325</b>	<b>3%</b>		-	<b>7,340,809</b>



Budget 2022-23	Interim Report 1 2022-23	Change from Budget		Material Variance Note	PSAB (accounting) Adjustments	Total Forecasted Expenses (Financial Statements)
		\$	%			
		Increase (Decrease)	Increase (Decrease)			
Operating portion of Capital	\$ 2,856,712	\$ 2,856,712	\$ -	0%	-	2,856,712
Other Non-Operating (55 Board Trust)	\$ 788,530	\$ 788,530	\$ -	0%	-	788,530
Expenses related to Non-Budgeted Funds	\$ -	\$ -	\$ -	0%	-	-
School Generated Funds	\$ -	\$ -	\$ -	0%	5,000,000	
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 236,965,727</b>	<b>\$ 241,189,219</b>	<b>\$ 4,223,492</b>	<b>2%</b>	<b>5,000,000</b>	<b>246,189,219</b>

1. increase in classroom teachers due to enrolment changes; benefit increases for WSIB, CPP and EI
2. recognition of temporary Educational Assistant (EA) staff; benefit increases
3. projects carried forward from prior year
4. additional Priority and Partnership Fund (PPF) projects and carry forwards from prior year
5. increase in snow removal contract and CVRIS project carry forward, partially offset by custodial vacancies
6. increase in amortization reflects current asset portfolio (offset by increase in revenue)
7. reallocation of Capital Planning Capacity (CPC) portfolio from operations; project carryforwards