



**SUDBURY CATHOLIC
DISTRICT SCHOOL BOARD**

Budget Process Manual
2026-2027

BUDGET PROCESS

Summary Budget Analysis

The board budget is based on the Multi-Year Strategic Plan (MYSP) which is currently under review and will be renewed by the end of June. Until then, the existing plan continues to guide our work through three key commitments: fostering a faith-based, inclusive, and equitable community; promoting innovation; and advancing leadership and learning for all. Despite increasing financial pressures, these commitments will remain central to the Board's decisions on future investments and necessary cost reductions.

The guiding principles to be used by the board in the development of the 2026-2027 budget are as follows:

- To remain student focused guided by our multi-year strategic plan;
- Promote professional learning for educators.
- To review and assess all programming to ensure it is meeting the needs of the students;
- To increase efficiencies of operations;
- To ensure value for money and continue to take a conservative approach; and
- To ensure legislative compliance

Some of the current issues and/or trends that will be taken into consideration while developing the budget this year are as follows:

- Succession and leadership development;
- Changing demographic and diversity of our Sudbury Catholic community;
- Changing political landscape;
- Financial challenges resulting from the current funding model not adequately aligning with escalating inflation and underfunded operational pressures;
- Changes to elementary and secondary curriculum and Ministry and Board programming priorities;
- Changing landscape of artificial intelligence for students and staff;
- Escalating pressures of cyber security;
- Continued need to focus on mental health and well-being;
- Emphasis on closing the learning gaps;
- Reducing levels of absences;
- Labour shortage across the system;
- Uncertainty regarding Responsive Education Programs (REP);
- Recent certification of union and related implications.
- Central collective bargaining for teachers and education workers

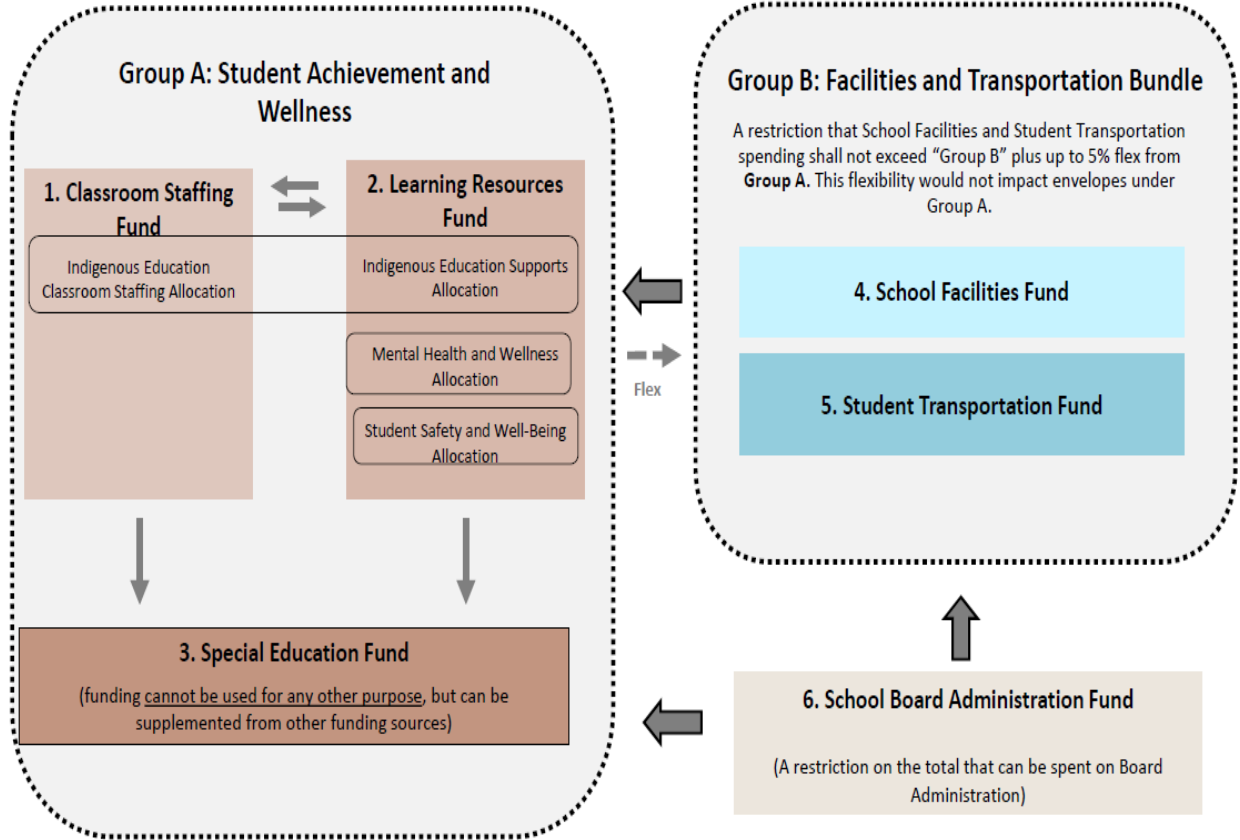
The purpose of a budget process is to provide, in a consolidated form, the necessary guidelines for its preparation. The prime objective of the budget guideline document is to serve as a framework to those involved in the budgetary process by providing instructions that are clear, concise, and easy to understand.

The Executive Superintendent of Business has the responsibility of coordinating the overall budget material into a consistent and readable format. The Superintendents and Director of Education have the responsibility for developing and coordinating the budgets within their areas of responsibility. Principals and Managers have similar responsibilities with respect to their individual schools and departments. The whole team is responsible for ensuring that all the individual parts of the budgets align with the MYSP and overall objectives of the board.

Funding Issues

Core Education Funding (CoreEd) provided by the province is the primary source of revenue for a school board to operate. Calculation of these provincial grants are mainly driven by student enrolment numbers, however there are other elements that factor into the calculation such as special education needs, level, and nature of second language instruction, the age and type of schools, and unique geographic needs. Some grants are special purpose in nature and their use is restricted.

Core Education Funding consists of 6 funding pillars. The following diagram shows the pillars and the relationships that exist between them. These relationships are non-negotiable.



While the budget process begins annually in February, discussions on budget are constrained by uncertainty as to the exact amount and nature of provincial funding. Specific information about CoreEd funding is normally not available until the release of the provincial budget, which may be delayed this year depending on election outcomes. Last year a significant part of the information needed to prepare the budget was available May 23, 2025. Budget forecasts for the

2026-27 school year have begun based on anticipated cost pressures, funding reductions and identified priorities for the upcoming year.

To meet collective agreement timelines for staffing and to assist with effective planning for September, decisions regarding teacher staffing need to be made in early April. This presents a risk for the board due to the extent of the unknown for next year and the fact that the board is unable to reduce should an overstaffing situation occur therefore a very conservative approach will be adopted, and staffing will be set at the minimum positions required until further information is provided by the Ministry of Education.

SCDSB Budget Situation

The Board is entering the 2026-2027 budget process in a strong position having budgeted the year ending August 31, 2025, with an accumulated operating surplus available for compliance of approximately \$6.9 million.

The board will endeavour to achieve an annual balanced budget, permitting us to continue to have some flexibility to explore new opportunities for the board as identified in our priority setting exercises. It is important to recognize that in planning the 2026-2027 budget, we must keep in mind the funding and political risks that the board is facing.

Specific Budget Considerations and Risks

A significant part of the budget-setting process will be completed based on academic staffing decisions which are made in April. These decisions are made based on enrolment projections for the coming year which is a major area of risk in the budget preparation. On a system level, enrolment projections may be reasonable; however, there can be larger school by school or grade by grade variances that can create staffing pressures. Enrolment projections are derived from a combination of statistical trends from our student information session, the provincial birth registry, the CRA Canada Child Benefit database providing the annual number of children aged 1-17 and from this data the net impact of migration can be calculated, staff experience and local area knowledge.

The teacher and education worker collective agreements are expiring August 31, 2025 and as such it brings into question whether certain funding (such as Supports for Students and Early Reader Screener positions) will continue however, without specific confirmation from the ministry this board will not be staffing those positions. As well with the expiration of the math REP, the board will not be staffing the math lead and facilitator positions either. Through the budget process the board has to find the additional funds through its existing core education budget to support other areas of risk that are underfunded such as:

1. Supply Costs – The difference between the amount that we are funded and the amount that is expected to cost the board even with the attendance management program in place.
2. Statutory Benefits – The ministry has not flowed through funding to offset the recent increases in employer CPP costs.

3. Information Technology – There are significant cost pressures in three main areas:
 - a) The cost of devices and related IT support and the sustainability of being able to replace them on a regular schedule to ensure that they're capable of running all the latest software and applications required by our educators today. As a result of a one-time increase in funding during Covid to increase our device to student ratio from 5:1 to 2:1 (not including SEA devices, computer labs, or special project devices) the challenge becomes sustaining this without any additional ongoing core funding.
 - b) The costs of protecting the board from cyber attacks is unfunded, however essential to protection of board data, operations and our staff and students' privacy. The cost related to catching and isolating malicious activity is significant and these are not one time set up costs, these are ongoing annual costs that boards are not funded, and these costs have not been built into the original funding model as they did not exist at that time.
 - c) With the introduction of the use of AI on a regular basis, there is a cost to implementing AI correctly and a cost to mitigate the risk of the use of AI.
4. Special Education - We are experiencing increased pressures in special education, driven by a surge in student needs, particularly in the areas of complex behaviour, mental health and well-being following the pandemic. The complexity of these needs has required boards to expand services and add regulated professionals, such as social workers and a clinical coordinator, to comply with the mandate to provide regulated services as outlined in PPM 169. The board needed to hire a clinical coordinator to provide supervision for the regulated professionals. We have also had to create more specialized programming to meet the needs of students with complex needs who present with violent and/or aggression towards staff and students. The students would otherwise not be able to attend school. These measures are essential not only for supporting students effectively but also for ensuring the safety and well-being of both students and staff in increasingly complex learning environments. While these additions are critical, they have significantly increased costs. For several years, the SCDSB managed these pressures through carry-over funds, but those reserves have now been exhausted. This loss of financial flexibility threatens the sustainability of current service levels and places the board in a difficult position as we strive to meet ongoing and growing demand for specialized supports for students.
5. Inflationary Costs – Several budget lines include an assumed inflation rate of 2%, which does not reflect actual inflation that is impacting some goods and services at a higher rate. The board anticipates a rise of nearly 2-4% in facilities operating costs, creating a significant funding shortfall that must be addressed with other resources. There are several areas where cost increases are expected:
 - A) Utility costs -Energy costs continue to trend upwards with volatile swings occurring on a regular basis making budgeting difficult, especially with extreme weather such as we are experiencing this winter. Increases are often higher than the rate of inflation.
 - Electricity Prices: The projected baseload electricity rates for the 2026/27 school year are expected to continue escalating. This increase is due to above-average consumption (cold weather and overall demand) and elevated natural gas prices. Since

nuclear generation has declined and natural gas generation has increased, these factors have significantly impacted electricity costs.

- Natural Gas Prices: Demand for natural gas continues to increase as a result of higher demand, increased export of liquefied natural gas to Asia and Europe and the continued growth of AI data centers. These demands are having a significant impact on the cost of natural gas for traditional markets.

B) Service Contracts – We are in the process of procuring service contracts for 6 different services (snow removal, HVAC services, grass cutting, security, custodial replacement services and pest management) whose contracts are expiring. These six contracts represented an annual budgeted commitment of \$1,285,000 in 2025/26 and are expected to see a cumulative increase greater than 5% for the 2026/27 budget year.

6. The political instability both provincially and federally, not to mention the trade tariffs that may drive costs up significantly.

We are therefore entering into a preliminary budget that is surrounded by a significant amount of uncertainty.

[Approach to the 2026-2027 Budget](#)

The MYSP, as established by the Board of Trustees, will provide the framework for the allocation of budget resources for 2026-2027 and staff intends to continue to improve the alignment of resources in support of these priorities.

Expenditure management strategies are going to be key in the development of the budget with emphasis on supporting directions that can show their success through evidence-based results on which we can make decisions while undergoing continuing review during the budget process. To ensure that we are able to report on and provide evidence to support the decisions that we made, we have to find ways to continue to support those decisions with data and invest in the human resources and tools required to collect and analyze that data. Effective planning must be a prerequisite for all decisions and direction in which we want to take the board, followed by a process of continuous improvement.

[Provincial Guidelines](#)

We will budget under the assumption that the guidance by the ministry will be that boards will not have an in-year deficit for a fiscal year that is greater than the amount determined by the lesser of the board's accumulated surplus for the preceding fiscal year and 1 per cent of the board's operating revenue for the fiscal year.

Boards shall not adopt estimates that indicate the board would have an in-year deficit for the fiscal year unless the estimated in-year deficit would be equal to or less than the amount determined as noted above.

The Board should finalize the Budget (assuming final revenue information has been released in a timely fashion) no later than June 30 for submission to the province at that time.

Strategic Planning and Consultation

Prior to any budget discussion the board undertakes a consultation process with all its stakeholders through ThoughtExchange, this year it will be part of the MYSP consultation. The information and perspectives gained through this consultation are used to guide discussions both for senior administration and the trustees as they move through the budget process. This consultation is highly publicized to our stakeholders through our website and social media whereby we ask for participation. The top thoughts are also shared as part of our budget presentation to show how we plan to achieve the goals that are most important to our stakeholders.

When planning, supervisory officers, principals and managers should keep the following in mind:

- Assess the long-term operational sustainability and effectiveness of these programs or services;
- Assess the impact of the removal of the program or services on students, the system and the community;
- Assess alternative methods of service delivery that could reduce spending without impacting students, the system and/or community; and
- A review of data to assess the impact and viability of the programs and/or services.

This proposed budget information will then be shared and discussed with Trustees, at scheduled budget strategy sessions, prior to recommending the draft estimates budget. Once established, the draft estimates budget will be shared on the website for public consultation.

Revenue Estimates

The Ministry of Education has not yet released any technical documents that pertain to the 2026-2027 budget year. Administration will use the 2025-2026 technical information to calculate initial revenue estimates. It is unknown at this time when the actual regulations, forms and computer files may be available, and ultimately, these will have to be completed and filed with the Ministry to determine the Board's revenue. It may be that when such official forms are completed, the initial estimates will have to be revised. It should also be noted that we will continue with our past practice of only including REPs in the estimates revenue that have been confirmed at the time the budget is prepared. Should there be REPs that are not confirmed that we determine are priorities we will build that capacity into our budgets and identify funding from another source and re-prioritize other investments.

Expenditure Budget Estimates

Salaries and Benefits Budgets:

- The number of corporate departmental staff will be evaluated and assessed to ensure that we have the appropriate resources to meet the ever-changing demands of all departments. Should a change be requested it must be accompanied by a strong rationale and explanation as to how it will be funded, while keeping within the administration compliance envelope.
- The number of school and instructional staff are determined based on enrolment projections, funding formulas, meeting primary class size requirements and collective

agreements. There will be no additional positions staffed at this time to ensure we remain within the budget allocation.

- Salary costs will be projected based on the rates negotiated in the collective agreements. We will also follow any ministry direction to include estimated increases for which they are providing funding.

Non-Salary Budgets:

Accordingly, to meet the overall budget targets, it will be necessary to adhere to the following guidelines:

- Budgets are determined through a combination of alignment of priorities within our multi-year strategic plan and the availability of funding.
- That the cost of any proposed new programs or changes in current programs or services be accompanied by documentation supporting the proposal that shows the alignment to board priorities and considers potential sources of funding.
- That each school give priority to educational programs in developing school budget estimates. Co-curricular and extra-curricular activities shall be closely examined to ensure that priorities are appropriate and support the curriculum expectations.
- Assessment of historical trends and anticipated future directions be undertaken and used to drive forward and identify budget requirements for the upcoming year.

Transportation Budget:

Fees should be based on budgets provided by the consortium. The Board should perform a thorough review of the budget and request the consortium to provide an explanation and analysis of calculations and variances from the previous year.

Pupil Accommodation Budget:

This budget incorporates all costs related to running our buildings and keeping them clean, providing an inviting, positive and safe environment for our staff and students to gather and learn. These costs consist of:

- custodial workload assessment which is calculated based on square footage and then assessed based on additional needs as determined by management review;
- cleaning supplies and grounds upkeep costs, driven by historical trending and current market pressures;
- consideration should also be given to maintaining PPE levels;
- utility budgets are driven by market rates and trends, while considering both improvements to HVAC systems and increased demand to ensure optimal air quality in our buildings as well as the costs related to running a HEPA unit in every classroom and replacement filter for each; and
- maintenance budgets are based on existing contracts and needs identified as part of a multi-year plan as well as a contingency for unknown repairs that may occur.

Major Maintenance/Capital Expenditures:

Budgets are based on identified needs as determined through project selection criteria as follows:

1. VFA Assessments – These are facility condition assessments for each site identifying the life cycle of building components and assets and prioritizing each event by recommended date of completion. This database is operated by the Ministry of Education and each assessment is updated at identified intervals.
2. Budget – The Capital Budget consists of School Renewal funding and School Condition Improvement funding which may change year over year. Projects are selected in adherence to confirmed financial resources. Occasionally the Ministry of Education may provide additional one time or targeted funding such as the Greenhouse Gas Reduction Fund that supports energy saving projects.
3. Operational Impact – Project evaluation includes potential impact to operational costs and utility budgets. Projects with a better pay back period may be given preference.
4. School Needs and System Direction – Discussions as a Senior Team along with school administration on identifying facility and/or program needs are ongoing throughout the year and this information is included as part of final project evaluation.

The total is not to exceed the estimated School Renewal Grant and the School Condition Improvement Grant or any additional grants that are specifically applied for and funded through Ministry initiatives and that are in line with the Long-Term Capital Plan.

Role of Administrative Council

Based on the submissions from all departments and schools, Administrative Council will review and analyze the Preliminary Expenditures Estimates. Administrative Council will determine what action(s) might be necessary to comply with the Board's directions and guidelines as well as any legislative compliance that is necessary. Any recommendations are to be prioritized by Administrative Council and will include information as complete as is reasonably possible regarding their effect on schools and programs, where applicable.

Role of the Community

Public participation in the Budget Process is encouraged. Students and their families, the school community and Catholic School Councils are provided the opportunity to identify priorities that they are recommending be included in the upcoming budget. The draft budget information will then be made available on the Board's website and comments can be provided by email. Delegations by the public can also be made as per the Board policy.

Role of the Board of Trustees

The primary role of the Board of Trustees is to establish the goals and objectives for the year and to approve the final budget. It is the Board of Trustees' prerogative to determine the extent to which it wishes to become involved in the budget preparation process and how it wishes to conduct a review of the various stages of the process. The Board may, at any time, request detailed, specific information from administration to assist in this review.

In addition the policy *EL90 – Budgeting and Forecasting*, the Board may also wish to establish, in advance, overall targets or goals that are to be met or to establish other guidelines that could be used in the preparation of the annual budget estimates. The Board can determine the extent to which it involves ratepayers and other system stakeholders, however, the budget process must be open, except as provided under the Education Act or other applicable legislation.

[Role of the Audit Committee](#)

The audit committee's role is to be involved in ensuring the integrity of the financial reporting process and ensuring the reliability of the financial information disseminated by the Board of Trustees. The committee should review all budgets and financial statements, whether interim or annual, and provide a recommendation before they are presented to the Board of Trustees for approval. As well the committee should review all existing accounting policies and concentrate on the impact to the financial statements of any changes in accounting policies including the likely impact on any contemplated changes.

[See Appendix A](#)

Appendix A
2026-2027 Budget Timetable

Date	Responsibility	Procedure
January 12 to February 27	Sr. Admin	Review draft budget timetable with Sr. Admin and identification of risks and discussions around what we would like to continue to invest in, what may need to be reduced or eliminated and what new initiatives we would like to undertake. Review enrolment projections, registration data and staffing requirements.
TDB	Director & Business SO	Thought Exchange consultation to go out to our stakeholders
February 17	Director & Business SO	Regular Board Meeting – Present Budget Process
February 25	Business SO	Preliminary Elementary Enrolment Projections shared with Principals for feedback
February 27	Business SO	Budget templates due from corporate managers. Budget templates to Superintendents (Due March 27)
February 25 to 27	Principals	Provide Feedback on Elementary Projections
March 2	Business SO	Run Elementary Class Organizations
March 12	Principals	Provide Feedback on Elementary Class Organizations
March 25	Sr. Admin	Review Proposed Class Organizations and Finalize
March 27	Superintendents, Managers	Draft Expenditure Budgets to Business SO (excl. staffing)
March 27	Principals	Submit Secondary Enrolment Projections
March 30	Business SO and HR	Calculate Secondary Staffing
April 1	Sr. Admin	Review Secondary Staffing
April 8	Business SO	Provide elementary enrolment and class orgs to HR
April 15	Business SO	Elementary Class Orgs and related stats sent to OECTA
April 19	Education SO, Business SO and HR	Secondary enrolment data shared with OECTA

TBD	Business SO	Present Provincial Grant Update to the Board (when released)
TBD – Late April/Early May	Senior Administration	Portfolio/Budget Presentations to Board of Trustees
TBD – Depends on release date of EFIS	Manager of Finance	Complete Revenue Estimates (EFIS) Complete Expenditure Budget (EFIS)
May 27	Business SO	Present Draft Budget (Staffing) to Senior Administrative Council
June 3	Business SO	Present Draft Budget to Audit Committee
June 4 – 12	Business SO	Post on website for public consultation
June 16	Business SO	Draft Budget to Special Board Meeting for Approval
September 1 – October 31	Finance Department and Business SO	2025-2026 Year-end procedures and working paper preparation
September 11	Schools Business SO	Preliminary Elementary Enrolment Count – any significant issues to be dealt with immediately by SOs
September 11	Schools - Secondary Business SO	Final Secondary Enrolment Count – used to make final staffing decisions for the current year
TBD	Education SO and Business SO	Joint Staffing Committee (Elementary and Secondary) meeting to present final staffing numbers
September 30	Schools – Elementary Business SO	Final class organizations to ensure Primary Class Size adhered to, based on September 11 enrolment
October 30	Schools IMS	Ontario School Information System (OnSIS) official fall count date, due to Ministry by December 31
November 2	Manager of Finance	Budget Templates to Superintendents and Managers to review 2026-2027 for Revised Estimates
November 12	Business SO	Audit Committee Meeting to review draft 2025-2026 Financials

November 17	Business SO	Presentation of 2025-2026 Financial Statements to Board for approval and submission of EFIS to Ministry
November 23	Superintendents, Managers	Submission of Budget Templates to Superintendent of Business
November 23	Financial Analyst	Submission of 2024-2025 Capital Analysis Planning report to Ministry
December 10	Business SO	Present Revised Estimates to Audit Committee
December 15	Business SO	Present to Board Revised Estimates for approval
December 15	Business SO	Submit Revised Estimates to Ministry

Note: These timelines are proposed and may need to be adjusted.