

WATERLOO REGION DISTRICT SCHOOL BOARD

NOTICE AND AGENDA

A Committee of the Whole meeting of the Waterloo Region District School Board will be held in the Board Room, Building 2, 1st Floor, 51 Ardelt Avenue, Kitchener, Ontario, on **Monday, November 14, 2016, at 7:00 p.m.**

AGENDA

Call to Order

O Canada

Approval of Agenda

Declarations of Pecuniary Interest

Celebrating Board Activities/Announcements

Delegations

Policy and Governance (30 minutes)

- 1** Review of Board Policy 1000 – Display of Flags
- 3** Review of Board Policy 4005 – Procurement
- 7** Review of Board Policy 4008 – Segregation of Duties and Cheque Signing Authority
- 14** Review of Board Policy 4015 – Procurement Cards

Reports (Human Resource Services and Student Achievement and Well-Being Services Focus)

- | | | |
|-----------|--|------------|
| 16 | Trustee Expenses September 1, 2015 to August 31, 2016 | M. Gerard |
| 18 | 2015-2016 Year End Financial Report | M. Gerard |
| 28 | 2015-2016 Audited Financial Statements | M. Gerard |
| 57 | Transportation Cost Implications | M. Gerard |
| 61 | Motion from Trustee C. Watson re Proposed Amendments to Board Policy 4009 – Student Transportation | |
| 62 | Annual School Councils' Report | N. Manning |
| 65 | Proposed Communication to Delegations | J. Hendry |

Staff and Board Reports

Question Period (10 minutes)

Future Agenda Items (Notices of Motion to be referred to Agenda Development Committee)

Adjournment

Questions relating to this agenda should be directed to
Jayne Herring, Manager of Corporate Services
519-570-0003, ext. 4336, or Jayne.Herring@wrdsb.on.ca



DISPLAY OF FLAGS

Legal References: *Education Act: Ontario Regulation 298 – Operation of Schools, General*

Related References:

Effective Date: *February 23, 1998*

Revisions:

Reviewed: September 21, 2015

1. Preamble

It is the policy of the Waterloo Region District School Board, in compliance with the legislative requirements contained in Ontario Regulation 298 (Operation of Schools--General), under the Education Act, to:

- 1.1 require that flags be treated with dignity and respect;
- 1.2 require that every school fly both the National Flag of Canada and the Provincial Flag of Ontario on such occasions as the board directs;
- 1.3 require that every school display in the school the National Flag of Canada and the Provincial Flag of Ontario;
- 1.4 require that, when directed by the Board or at the discretion of the Director of Education, or designate, the flag be flown at half mast as a sign of mourning.



DISPLAY OF FLAGS

Legal References: *Education Act: Ontario Regulation 298 – Operation of Schools, General*

Related References:

Effective Date: *February 23, 1998*

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1. Preamble

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Legal References:	<i>Public Sector Accountability Act (2010)</i>
Related References	<i>Broader Public Sector (BPS) Procurement Directive, Ministry of Finance, Board Policy 4008 - Signing Authority and Segregation of Duties, Administrative Procedure 4360 - Principals of Business Conduct For Board Employees, Administrative Procedure 4015 - Ethical Purchasing of Apparel, Administrative Procedure 4570 - Procurement; Administrative Procedure 4680 - Vendor Qualification</i>
Effective Date:	<i>March 30, 1998</i>
Revision:	<i>October 21, 2013, September 21, 2015</i>
Reviewed:	

1. Policy Statement

1.1. It is the policy of the Waterloo Region District School Board (WRDSB) to provide a procurement service that meets the needs of learners, educators, and staff, recognizing that:

- 1.1.1. Sound and ethical business practices shall be followed by all persons who acquire products and/or services on behalf of the Board, including all departments, schools, school funds, school councils and any other related organizations. These practices include:
 - Adherence to the WRDSB Supply Chain Code of Ethics as outlined in Appendix 1; and
 - Adherence to the Broader Public Sector (BPS) Procurement Directive as issued by the Ministry of Finance and outlined in the WRDSB Board Administrative Procedures to ensure fair and equal treatment of all qualified suppliers resulting in the best value being realized by the Board.
- 1.1.2. The Board will purchase products and services which take into account environmental, health and safety factors, and will not knowingly purchase goods and/or services from manufacturers who operate in contravention of local and international labour law and standards.
- 1.1.3. The Manager of Procurement and Risk Services is empowered to act as the Agent for all purchases of goods and services, and disposition/disposal of surplus supplies, furniture and equipment, in accordance with established guidelines for the WRDSB and is appointed as the signing authority by the Board for procurement commitments.

Waterloo Region District School Board
Supply Chain Code of Ethics

Goal: To ensure an ethical, professional and accountable Waterloo Region District School Board supply chain.

I. Personal Integrity and Professionalism

All individuals involved with purchasing or other supply chain-related activities must act, and be seen to act, with integrity and professionalism. Honesty, care and due diligence must be integral to all supply chain activities within and between the WRDSB, suppliers and other stakeholders. Respect must be demonstrated for each other and for the environment. Confidential information must be safeguarded. All participants must not engage in any activity that may create, or appear to create, a conflict of interest, such as accepting gifts or favours, providing preferential treatment, or publicly endorsing suppliers or products.

II. Accountability and Transparency

Supply chain activities must be open and accountable. In particular, contracting and purchasing activities must be fair, transparent and conducted with a view to obtaining the best value for public money. All participants must ensure that public sector resources are used in a responsible, efficient and effective manner.

III. Compliance and Continuous Improvement

All individuals involved in purchasing or other supply chain-related activities must comply with this Code of Ethics and the laws of Canada and Ontario. All individuals should continuously work to improve supply chain policies and procedures, to improve their supply chain knowledge and skill levels, and to share leading practices.¹

¹ Sources: Broader Public Sector (BPS) Procurement Directive . Purchasing Management Association of Canada Code of Ethics, Ontario Public Buyers Association, Plexxus and Toronto District School Board.



Board Policy 4005

PROCUREMENT

Legal References:	<i>Public Sector Accountability Act (2010)</i>
Related References	<i>Broader Public Sector (BPS) Procurement Directive, Ministry of Finance</i> <i>Board Policy 4008 - Signing Authority and Segregation of Duties</i> <i>Board Policy 4015 - Procurement Cards</i> <i>Board Policy 4018 - Fraud Management</i> <i>Administrative Procedure 4360 - Principals of Business Conduct For Board Employees</i> <i>Administrative Procedure 4015 - Ethical Purchasing of Apparel</i> <i>Administrative Procedure 4570 - Procurement</i> <i>Administrative Procedure 4680 - Vendor Qualification</i>
Effective Date:	<i>March 30, 1998</i>
Revision:	<i>September 21, 2015, November 14, 2016</i>
Reviewed:	

1. Policy Statement

- 1.1. It is the policy of the Waterloo Region District School Board (**Board**) to provide a procurement service that meets the needs of learners, educators, and staff, recognizing that:
- 1.1.1. Sound and ethical business practices shall be followed by all persons who acquire products and/or services on behalf of the Board, including all departments, schools, school funds, school councils and any other related organizations. These practices include:
 - Adherence to the **Board's** Supply Chain Code of Ethics as outlined in Appendix 1; and
 - Adherence to the Broader Public Sector (BPS) Procurement Directive as issued by the Ministry of Finance and outlined in the Board's Administrative Procedures to ensure fair and equal treatment of all qualified suppliers resulting in the best value being realized by the Board.
 - 1.1.2. The Board will purchase products and services which take into account environmental, health and safety factors, and will not knowingly purchase goods and/or services from manufacturers who operate in contravention of local and international labour law and standards.
 - 1.1.3. The Manager, Procurement & Risk Services is empowered to act as the Agent for all purchases of goods and services, and disposition/disposal of surplus supplies, furniture and equipment, in accordance with established guidelines for the **Board** and is appointed as the signing authority by the Board for procurement commitments.

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¹ Sources: Broader Public Sector (BPS) Procurement Directive . Purchasing Management Association of Canada Code of Ethics, Ontario Public Buyers Association, Plexxus and Toronto District School Board.



SEGREGATION OF DUTIES AND SIGNING AUTHORITY

Legal References:	<i>Public Sector Accountability Act (2010)</i>
Related References:	<i>Broader Public Sector (BPS) Procurement Directive, Ministry of Finance, Board Policy 4005 - Procurement; Administrative Procedure 4360 - Principles of Business Conduct For Board Employees, Administrative Procedure - 4570 Procurement</i>
Effective Date:	<i>November 29, 2010</i>
Revisions:	<i>October 21, 2013, September 21, 2015</i>

1. Preamble

1.1 Segregation of duties and the delegation of authority are essential controls within the purchase-to-pay process. Together, they ensure integrity of the process by reducing exposure to inappropriate, unauthorized or unlawful expenditures.¹

2. Segregation of Duties

2.1 Segregation of duties prevents any one person from controlling the entire purchasing process by segregating approvals for the key stages of the supply chain process.

2.2 The five procurement rules that require segregated approval listed below:

Roles	Explanation	Who
Requisition	Authorize the placement of an order to purchase	Customer requesting the product or service
Budget	Authorize that funding is available to cover the cost of the order	Departmental budget holder or Budget Services
Commitment	Authorize release of the order to the supplier under agreed-upon contract terms	Purchasing role within Procurement Services
Receipt	Authorize that the order was physically received, correct and complete	Individual receiving the goods
Payment	Authorize release of payment to the supplier	Accounts Payable role within the finance team

3. Approvals Authority

The following charts identify the approvals required for various levels of operating and capital procurement activity. These authority levels must be complied with for all items purchased within the WRDSB.

Approvals for all procurements must be based on the total estimated value including any agreed upon renewals.

Note: Technology equipment or facilities related items may require additional operational (non-monetary) approvals from the appropriate department (ITS, Facility Services) prior to procurement.

¹ Supply Chain Guideline, Version 1, April 2009, Ministry of Finance.

3.1. Requisition Approval Authority Schedule

Total Purchase Amount	Delegated Authority level
Less than or equal to \$50,000	Principal/Manager (Online requisition processing may be delegated to Administrative staff)
Less than \$100,000	Superintendent/Sr. Manager
Greater than or equal to \$100,000	Senior Superintendent, Superintendent, Business Services or Director
EXCEPTIONS:	
Less than or equal to \$1,000,000 Computer Hardware & Software	Chief Information Officer
Less than \$1,000,000 Facilities Maintenance & Construction Projects	Manager of Capital Projects
Greater than or equal to \$1,000,000 Facilities Maintenance & Construction Projects	Controller, Facility Services

3.2. Budget Approval Authority Schedule

Total Purchase Amount	Delegated Authority level
The budget is approved and authorized annually by the Board. Budget Services allocates the approved amounts to schools and departments. All employees are authorized for amounts up to their approved budget level only. If items exceed the allocated budgets in the respective areas, the following approvals are required.	
Lesser of 10% or less than \$10,000 over budget	Budget Services
Lesser of 10% or less than \$50,000 over budget	Controller, Financial Services

3.3. Commitment Approval Authority Schedule

Total Purchase Amount	Delegated Authority level
Less than or equal to \$1,000	Principal/Manager (May include purchases via Petty Cash, Request for Cheque or Procurement Cards)
Less than or equal to \$50,000	Senior Procurement Specialist/Procurement Specialist/Project Coordinator
Less than \$1,000,000	Manager of Procurement and Risk Services
Greater than or equal to \$1,000,000	Two signatures required: Manager of Procurement and/or Controller, Financial Services and/or Superintendent of Business Services

3.4. Receipt Approval Authority Schedule

Total Purchase Amount	Delegated Authority level
Less than \$10,000	The Board utilizes “positive receiving” for smaller value purchase orders. The Requisitioner/Budget Holder is accountable for ensuring all items ordered and charged to their budget have been received in good order. Any exceptions should be immediately reported to the Accounts Payable department.
Greater than or equal to \$10,000	Principal/Manager
EXCEPTIONS:	
Less than \$10,000 Construction Project	Facility Services Project Coordinators
Greater to or equal to \$10,000 and less than \$1,000,000 Facilities Maintenance & Construction Projects	Manager of Capital Projects
Greater than or equal to \$1,000,000 Facilities Maintenance & Construction Projects	Controller, Facility Services

3.5. Payment Approval Authority Schedule

Total Purchase Amount	Delegated Authority level
PAYMENTS WITH PURCHASE ORDER MATCHING	
Less than or equal to \$5,000	A/P Clerk
Less than or equal to \$25,000	Accounting Officer
Less than \$50,000	Manager of Accounting Services
Greater than or equal to \$50,000	Controller, Financial Services
PAYMENTS – NO PURCHASE ORDER	Must have Requisition Approval Signature <u>AND</u>
Less than or equal to \$5,000	Accounting Officer
Less than \$25,000	Manager of Accounting Services
Greater than or equal to \$25,000	Controller, Financial Services

3.6. Monthly Report to Board Chairperson

On a monthly basis, staff will prepare and submit a report to the Board Chairperson listing all issued payments over \$50,000.

4. Segregation of Approvals

In all cases, at least two of the authorization roles must be from different authorized positions.



SEGREGATION OF DUTIES AND SIGNING AUTHORITY

Legal References:	<i>Public Sector Accountability Act (2010)</i>
Related References:	<i>Broader Public Sector (BPS) Procurement Directive, Ministry of Finance</i> <i>Board Policy 4005 - Procurement</i> <i>Board Policy 4018 Fraud Management</i> <i>Administrative Procedure 4360 - Principles of Business Conduct For Board Employees</i> <i>Administrative Procedure 4315 - Fraud Management</i> <i>Administrative Procedure 4380 - Travel, Meals and Hospitality Expenditures</i> <i>Administrative Procedure 4400 - One-Over-One Approvals</i> <i>Administrative Procedure 4570 - Procurement</i>
Effective Date:	<i>November 29, 2010</i>
Revisions:	<i>September 21, 2015, November 14, 2016</i>

1. Preamble

1.1 Segregation of duties and the delegation of authority are essential controls within the purchase-to-pay process. Together, they ensure integrity of the process by reducing exposure to inappropriate, unauthorized or unlawful expenditures.

2. Segregation of Duties

2.1 Segregation of duties prevents any one person from controlling the entire purchasing process by segregating approvals for the key stages of the supply chain process.

2.2 The **Waterloo Region District School Board (Board)** will segregate a minimum of three (3) of the following five procurement roles below:

Roles	Explanation	Who
Requisition	Authorize the placement of an order to purchase	Customer requesting the product or service
Budget	Authorize that funding is available to cover the cost of the order	Cost Centre budget holder or Budget Services
Commitment	Authorize release of the order to the supplier under agreed-upon contract terms	Procurement role within Procurement Services
Receipt	Authorize that the order was physically received, correct and complete	Individual receiving the goods
Payment	Authorize release of payment to the supplier	Accounts Payable role within Financial Services

3. Approvals Authority

The following charts identify the approvals required for various levels of operating and capital Procurement activity. These authority levels must be complied with for all items purchased within the **Board**.

Approvals for all procurements must be based on the total estimated value including any agreed upon renewals.

3.1. Requisition Approval Authority Schedule

Note: Technology equipment or facilities related items may require additional operational (non-monetary) approvals from the appropriate department (Information Technology Services, Facility Services) prior to procurement.

Total Purchase Amount	Delegated Authority level
Less than or equal to \$50,000	Principal/Manager (Online requisition processing may be delegated to Administrative staff)
Less than \$100,000	Superintendent/Senior Manager
Greater than or equal to \$100,000	Senior Superintendent, Superintendent, Business Services & Treasurer of the Board or Director
EXCEPTIONS:	
Less than or equal to \$1,000,000 Computer Hardware & Software	Chief Information Officer
Less than \$1,000,000 Facilities Maintenance & Construction Projects	Manager of Capital Projects
Greater than or equal to \$1,000,000 Facilities Maintenance & Construction Projects	Controller, Facility Services

3.2. Budget Approval Authority Schedule

Total Purchase Amount	Delegated Authority level
The budget is approved and authorized annually by the Board. Budget Services allocates the approved amounts to schools and departments. Authorized employees may procure up to their budget approval only. If items exceed the allocated budget in the respective areas, the following approvals are required.	
Lesser of 10% or less than \$10,000 over budget	Budget Services
Between \$10,000 and less than \$50,000 over budget but not greater than 10% of Budget	Controller, Financial Services

3.3. Commitment Approval Authority Schedule

Total Purchase Amount	Delegated Authority level
Less than or equal to \$1,000	Principal/Manager (May include purchases Request for Cheque or Procurement Cards)
Greater than \$1,000 and less than or equal to \$50,000	Procurement Specialist/Project Coordinator
Greater than \$50,000 and less than or equal to \$100,000	Senior Procurement Specialist
Greater than \$100,000 and less than \$1,000,000	Manager of Procurement and Risk Services
Greater than or equal to \$1,000,000	Two signatures required: Manager of Procurement and/or Controller, Financial Services and/or Superintendent, Business Services & Treasurer of the Board

3.4. Receipt Approval Authority Schedule

Total Purchase Amount	Delegated Authority level
Less than \$10,000	The Board utilizes "positive receiving" for smaller value purchase orders. The Requisitioner/Budget Holder is accountable for ensuring all items ordered and charged to their budget have been received in good order. Any exceptions should be immediately reported to the Accounts Payable department.
Greater than or equal to \$10,000	Principal/Manager
EXCEPTIONS:	
Less than \$10,000 Construction Project	Facility Services Project Coordinators
Greater than or equal to \$10,000 and less than \$1,000,000 Facilities Maintenance & Construction Projects	Manager of Capital Projects
Greater than or equal to \$1,000,000 Facilities Maintenance & Construction Projects	Controller, Facility Services

3.5. Payment Approval Authority Schedule

Total Purchase Amount	Delegated Authority level
PAYMENTS WITH MATCHING PURCHASE ORDER	
Less than or equal to \$5,000	Accounts Payable Clerk
Greater than \$5,000 and less than or equal to \$25,000	Accounting Officer
Greater than \$25,000 and less than \$50,000	Manager of Accounting Services
Greater than or equal to \$50,000	Controller, Financial Services
PAYMENTS – NO PURCHASE ORDER	Must have Requisition Approval Signature
Less than or equal to \$5,000	Accounting Officer
Greater than \$5,000 and less than \$25,000	Manager of Accounting Services
Greater than or equal to \$25,000	Controller, Financial Services
EXPENSE REIMBURSEMENTS	
Less than \$1,000	Principal, Vice-Principal, Controller, Manager, Supervisor and Coordinator
Greater than or equal to \$1,000 and less than \$3,000	Superintendent, Business Services & Treasurer of the Board
Greater than or equal to \$3,000	Superintendent, Business Services & Treasurer of the Board or Director

Note: All Capital Payments require additional approval by the Budget Officer responsible prior to payment.

3.6. Monthly Report to Board Chairperson

On a monthly basis, the Superintendent, Business Services & Treasurer of the Board will prepare and submit a report to the Chairperson of the Board listing all issued payments over \$50,000.

4. Segregation of Approvals

In all cases, at least three of the authorization roles must be from different authorized positions.



PROCUREMENT CARDS

Legal References:	<i>Public Sector Accountability Act (2010) Part IV – Expense Claims: Allowable Expenses;</i> <i>Education Act 286(1)(i) Duties of Supervisory Officers;</i> <i>Business Section 171(1)17 Powers of Boards: Membership Fees and Traveling Expenses.</i>
Related References:	<i>Broader Public Sector (BPS) Procurement Directive – Ministry of Finance;</i> <i>Broader Public Sector (BPS) Expense Directive;</i> <i>Board Policy 1014 Freedom of Information and Records Management;</i> <i>Board Policy 4005 Procurement;</i> <i>Board Policy 4008 Signing Authority and Segregation of Duties;</i> <i>Administrative Procedure 1100 MFIPPA;</i> <i>Administrative Procedure 1110 Records Management;</i> <i>Administrative Procedure 4360 Principles of Business Conduct For Board Employees;</i> <i>Administrative Procedure 4460 Procurement Cards, WRDSB Procurement Card Agreement;</i> <i>Administrative Procedure 4570 Procurement.</i>
Effective Date:	<i>October 22, 2012</i>
Revisions:	<i>April 13, 2015, November 9, 2015</i>
Reviewed:	

1. General

- 1.1 It is the policy of the Waterloo Region District School Board that Procurement Cards (referred to as P-card(s)), be used solely for the purpose of Board business. The policy that follows outlines the role and responsibilities of staff and their supervisors for the use of Procurement Cards (P-cards).

2. Procurement Cards

- 2.1 Board approved budget funds may be accessed by Board authorized P-cards issued to authorized personnel.
- 2.2 The procurement of goods and services using P-cards will be subject to all applicable policies, procedures, directives, card agreements and limits as established by the Board.
- 2.3 P-cards are for the use of the authorized individuals (named) to whom the card is issued and may not be transferred or used by any other party. Control and custody of the P-card is the responsibility of the Board approved cardholder.
- 2.4 For a P-card balance to be paid, statements must have the appropriate authorization and approval(s) as per BP 4008 Signing Authority and Segregation of Duties and the WRDSB Procurement Card Agreement.
- 2.5 All expenditures procured through a P-card must be reasonable, relevant to the business activity of the Board, be within approved limits and be transparent.
- 2.6 The Board assumes no obligation to pay expense(s) incurred on the P-card that do not comply with aforementioned policies, procedures, directives, agreements.



PROCUREMENT CARDS

Legal References:	<i>Public Sector Accountability Act (2010) Part IV – Expense Claims: Allowable Expenses Education Act 286(1)(i) Duties of Supervisory Officers Business Section 171(1)17 Powers of Boards: Membership Fees and Traveling Expenses</i>
Related References:	<i>Broader Public Sector (BPS) Procurement Directive – Ministry of Finance Broader Public Sector (BPS) Expense Directive Board Policy 1014 - Freedom of Information and Records Management Board Policy - 4005 Procurement Board Policy - 4008 Signing Authority and Segregation of Duties Administrative Procedure 1100 – Municipal Freedom of Information and Protection of Privacy Act (MFIPPA) Administrative Procedure 1110 - Records Management Administrative Procedure 4360 - Principles of Business Conduct For Board Employees Administrative Procedure 4570 - Procurement Administrative Procedure 4460 - Procurement Cards</i>
Effective Date:	<i>October 22, 2012</i>
Revisions:	<i>November 9, 2015, November 14, 2016</i>
Reviewed:	

1. General

1.1 It is the policy of the Waterloo Region District School Board (**Board**) that Procurement Cards (referred to as P-card(s)), be used solely for the purpose of Board business. The policy that follows outlines the role and responsibilities of staff and their supervisors for the use of Procurement Cards (P-cards).

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2.4 For a P-card balance to be paid, statements must have the appropriate authorization and approval(s) as per **Board Policy** 4008 - Signing Authority and Segregation of Duties and the WRDSB Procurement Card Agreement.

2.5 All expenditures procured through a P-card must be reasonable, relevant to the business activity of the Board, be within approved limits and be transparent.

2.6 The Board assumes no obligation to pay expense(s) incurred on the P-card that do not comply with aforementioned policies, procedures, directives, agreements.

**Report to Committee of the Whole
November 14, 2016**



**Waterloo Region
District School Board**

Inspired Learners – Tomorrow's Leaders

SUBJECT: Trustee Expenses - September 1, 2015 to August 31, 2016

ORIGINATOR: This report was prepared by Matthew Gerard, Superintendent, Business Services & Treasurer of the Board; and Sharon Uttley, Manager of Accounting, in consultation with Coordinating Council.

PURPOSE/STRATEGIC PLAN:

To present the Schedule of Trustee Expenses, as required by Board Policy, for the period September 1, 2015 to August 31, 2016.

The three strategic priorities that are used to guide the work of the Board are:

- Our Students are First – Each and Every One
- Our Staff, Families and Caregivers are Partners in Every Student's Learning Journey
- Our Culture of Innovation Builds Students' Confidence and Success as They Face the Future

BACKGROUND:

Board Policy 3003 Trustee Professional Development directs staff to present a public report regarding trustee expenses for the fiscal year starting September 1 and ending August 31. Also, staff is directed to publish the report by the end of the month of November following the end of the fiscal year.

STATUS:

The attached Schedule of Trustee Expenses for the period September 1, 2015 to August 31, 2016, is being presented to trustees for information (Appendix A). Expenses have been reviewed by our external auditors, PricewaterhouseCoopers LLP.

COMMUNICATIONS:

As required by the Board's policies, the trustee expenses are reported publicly through the distribution of public agenda material to staff, federation and association representatives, public libraries, and the media.

FINANCIAL IMPLICATIONS:

Expenses are included in the 2015-2016 financial year's results.

RECOMMENDATION:

No recommendation. For information only.

 **Director of Education**

WATERLOO REGION DISTRICT SCHOOL BOARD

Trustee Expenses - September 1, 2015 to August 31, 2016

	Travel	Professional Development	Total Expenses
	\$	\$	\$
Colin Harrington	-	-	-
John Hendry	577.97	770.38	1,348.35
Ted Martin	509.08	1,081.84	1,590.92
Andrea Mitchell	-	1,438.89	1,438.89
Mike Ramsay	728.88	274.70	1,003.58
Kathi Smith	1,236.49	4,913.09	6,149.58
Cindy Watson	925.54	-	925.54
Carol Millar	621.50	549.00	1,170.50
Natalie Waddell	368.72	915.10	1,283.82
Student Trustees	1,166.04	569.40	1,735.44
Kathleen Woodcock	1,538.71	5,363.24	6,901.95
Scott McMillan	598.46	485.26	1,083.72
Grand Total			<u>24,632.29</u>

**Report to Committee of the Whole
November 14, 2016**



**Waterloo Region
District School Board**

Inspired Learners – Tomorrow's Leaders

SUBJECT: 2015-16 Year-End Financial Report

ORIGINATOR: This report was prepared by Matthew Gerard, Superintendent, Business Services & Treasurer of the Board; Sharon Uttley, Manager of Accounting Services; and Wendy Jocques, Manager of Budget Services, in consultation with Coordinating Council.

PURPOSE/STRATEGIC PLAN:

To provide the Final Financial Report for the year ended August 31, 2016 and to detail the change in the “Total Accumulated Operating Surplus – Unappropriated” (Accumulated Operating Surplus).

The three strategic priorities that are used to guide the work of the Board are:

- Our Students are First – Each and Every One
- Our Staff, Families and Caregivers are Partners in Every Student's Learning Journey
- Our Culture of Innovation Builds Students' Confidence and Success as They Face the Future

BACKGROUND:

Annually, the Board's external auditors provide an audit report on the Financial Statements prepared by the Board. This is required under Sections 252 and 253 of the Education Act. Administration provides an explanation of significant variations from budget which provides more detailed information to the board.

Surplus funds not otherwise designated by the Board are added to the Accumulated Operating Surplus. This Accumulated Operating Surplus is a portion of the Board's overall Accumulated Surplus reported on the Financial Statements and provides the Board with a contingency amount that may be used to cushion any unexpected or unforeseen circumstances or changes in government funding which may pose fiscal difficulties for the Board in the future.

STATUS:

A budget estimates the financial outcome of an approved plan at a future point in time. The Board of Trustees approved the 2015-16 operating budget on June 22, 2015 and at that the time the Board of Trustees approved a balanced budget.

The Financial Statements indicate the actual expenses and revenue for the 2015-2016 fiscal year. The 2015-16 actual year-end financial position is an in-year surplus of \$2,897,453. This represents less than 0.5% of the board's operating allocation. The 2015-2016 Final Financial Report, comparing the budget to the actual year-end position is attached as Appendix A. Table 1 below highlights the key variances from budget that contributed to the 2015-16 surplus.

Table 1		
in (000's)		
2015/16 Approved Operating Surplus/Deficit		0
2015/16 Approved One-Time New Initiatives		(2,066)
2015/16 Approved Budget		(2,066)
Changes to Grants for Student Needs Based on Enrolment		
Net enrolment impact on Grant for Student Needs	(854)	
Net Transportation (enrolment, Provincial Schools, price escalator)	(342)	
Program Enrolments: French, English as a second language, First Nation, Metis, Inuit, and Safe Schools	309	
Other (New Teacher Induction Program, Debt Interest)	(123)	
Changes in Other Revenues		
Foreign Student Fees	201	
Net Extended Day Fees	(198)	
Net Investment Income	329	
Other (Proceeds of Sale, Rental)	393	
Expenditure Savings		
Classroom Teachers and Classroom Supports Salary and Benefits (net enrolment impact)	499	
Property and Liability Insurance	777	
School Operations Salary and Benefits	1,193	
School Secretarial and Office Support	595	
Staff Development	1,318	
Supply Teachers	866	
Actual 15/16 In Year Operating Surplus		2,897

Accumulated Operating Surplus:

The Accumulated Operating Surplus represents funds that are available on a one-time basis. It is prudent fiscal management to ensure that an organization has resources available to address potential financial issues. Without a balance in the Accumulated Operating Surplus, in the event of unforeseen or other extenuating circumstances the Board may not have sufficient funds to meet its fiscal obligations.

Examples of circumstances where the Board may need these funds include situations arising when an enrolment shortfall occurs; grant revenues are less than anticipated or when other emerging issues drive unforeseen costs. These funds also remain available to the Board to fund one-time strategic initiatives.

The “Annual Unappropriated Operating Surplus” for the year is \$2,897,453. This amount has been added to the Accumulated Operating Surplus resulting in a balance of \$26,583,842 at August 31, 2016. Given the current economic climate and the enrolment volatility, the accumulated operating surplus should be adequate to meet any unknown challenges in the future.

COMMUNICATIONS:

Information is provided to staff and members of the public as required.

FINANCIAL IMPLICATIONS:

No financial implications.

RECOMMENDATION:

No recommendation. For information only.

 **Director of Education**

2015-16 Final Financial Report

Summary of Financial Results

(000's)

	Budget	Actual	In-Year Change	
			\$	%
Revenue				
Provincial Grants-GSN	638,418	646,279	7,861	1.2%
Revenue transferred from/(to) deferred revenue	921	479	(443)	(48.1%)
Other Grants	4,499	4,616	118	2.6%
Other	15,177	19,991	4,813	31.7%
School Generated Funds	14,000	12,488	(1,512)	(10.8%)
Transferred from DCC**	29,723	29,755	32	0.1%
Transferred to DCC**	(12,417)	(12,296)	121	(1.0%)
Total Revenue	690,321	701,311	10,990	1.6%
Expenses				
Instruction	539,288	541,519	2,231	0.4%
Administration	15,059	15,484	424	2.8%
Transportation	15,655	15,527	(128)	(0.8%)
School Operations & Maintenance	58,496	57,118	(1,379)	(2.4%)
Pupil Accom/Renewal/Debt/Non-operating	38,958	40,702	1,744	4.5%
School Generated Funds	14,000	12,344	(1,656)	(11.8%)
Total Expenses	681,457	682,694	1,237	0.2%
Surplus/(Deficit)	8,864	18,617	9,753	110.0%

DETERMINATION OF ANNUAL OPERATING SURPLUS

PSAB Surplus/(Deficit) (from above)	8,864	18,617
LESS: Restricted Amounts		
Revenues Recognized for land	5,172	6,792
Transfer to/(from) Externally Appropriated	5,903	8,671
Transfer to/(from) Internally Appropriated	(2,211)	258
Sub-Total: In-Year Appropriations	8,864	15,720
ANNUAL Unappropriated Operating Surplus/(Deficit)	0	2,897

Changes in Revenue

- Provincial Grants-GSN increase to reflect funding allocated for provincial labour negotiations and enrolment adjustment for Newcomers
- Deferred Revenue transfer changes are related to additional enveloping requirements for Student Achievement Grant (Learning Opportunities)
- Other Grants are up due to additional EPO grant announcements
- Other Revenue increase due to increase in number of foreign students and increase in extended day care fees due to increased enrolment; increase in interest revenue

Change in Expenditures

- Instruction: reflects the adjustment for compensation changes from centrally ratified agreements and enrolment adjustment for Newcomers
- Administration: reflects the adjustment for compensation changes from centrally ratified agreements; PSAB adjustments
- Pupil Accom/Renewal/Debt/Non-Operating: Increase in extended day enrolment

Change in Surplus/Deficit

**DCC - Deferred Capital Contributions

2015-16 Final Financial Report

Summary of Capital to be Financed

(000's)

	Budget	Actual
Funding		
New Building and Additions	21,097	23,335
Retrofitting School space for child care	0	39
Child Care Capital		2,305
School Condition Improvement	9,354	8,864
Full Day Kindergarten	3,213	3,113
Renewal	6,554	6,393
Education Development Charge (EDC)	9,208	3,280
Proceeds of Disposition	605	34
Minor Tangible Capital Assets	5,863	5,864
Other	1,209	2,518
Total Capital by Funding Source	57,103	55,744
Expenditure		
Buildings (new, additions & renewal)	41,332	45,532
Land	9,208	3,313
Land Improvements	0	0
Moveable Assets	6,563	6,899
Total Capital Expenditure	57,103	55,744

2015-16 Final Financial Report

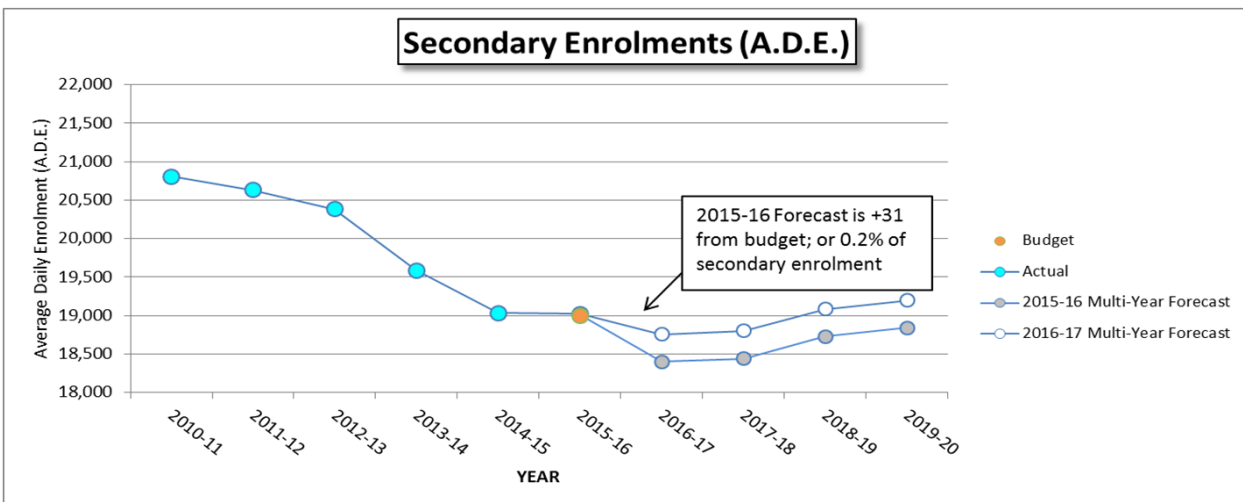
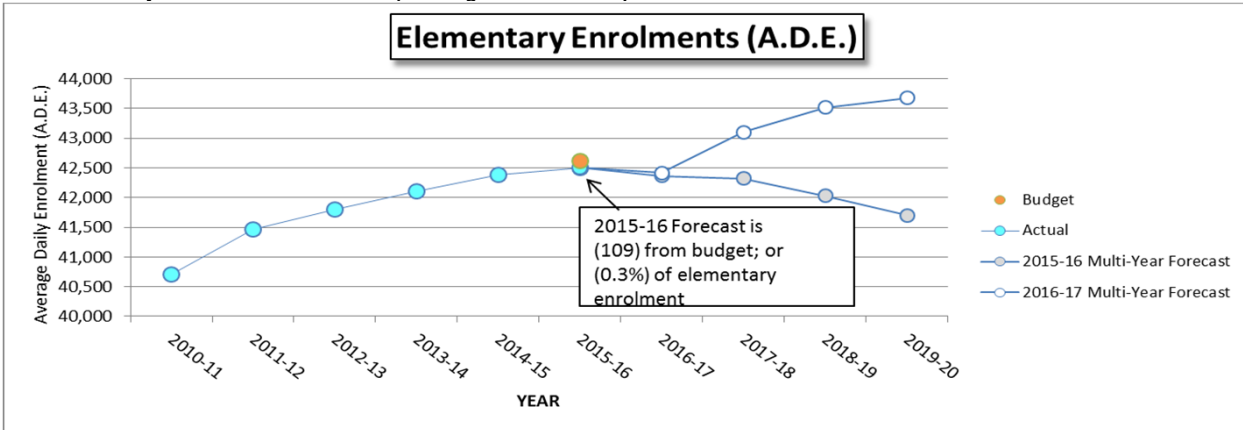
Summary of Enrolment

ADE	Budget	Actual	In-Year Change	
			#	%
Elementary				
JK	4,021.82	3,876.78	(145.04)	-3.6%
SK	4,296.08	4,311.54	15.46	0.4%
Grade 1-3	13,283.00	13,191.84	(91.16)	-0.7%
Grade 4-8	21,006.50	21,118.79	112.29	0.5%
Other Pupils	7.00	6.50	(0.50)	-7.1%
Total Elementary	42,614.40	42,505.45	(108.95)	-0.3%
Secondary				
Pupils of the Board <21	18,872.52	18,912.22	39.70	0.2%
High Credit Pupils	47.74	33.92	(13.82)	-28.9%
Pupils of the Board >21	9.38	3.00	(6.38)	-68.0%
Other Pupils	60.74	72.35	11.61	19.1%
Total Secondary	18,990.38	19,021.49	31.11	0.2%
Total	61,604.78	61,526.94	(77.84)	-0.1%

Highlights of Changes in Enrolment:

- The Board has enrolled 450 students as a result of the Government's Newcomer resettlement efforts and these students are reflected in the Average Daily Enrolment (ADE) reported for the year. These students offset anticipated declines in both the elementary and secondary panel.
- We have adjusted our multi-year forecast for both elementary and secondary schools. In previous forecasts we anticipated the secondary decline to continue into 2017-18; our adjusted forecasts indicate we are likely to "bottom out" in 2016-17 before showing a gradual increase moving forward. The multi-year forecast for elementary reflects a general trend we are seeing with migration from the GTA Region to Kitchener-Waterloo and Cambridge.

Historic and Projected Enrolments with 2015/16 Budget vs Actual Comparison



2015-16 Final Financial Report

Summary of Staffing

FTE	Budget	October 31st	In-Year Change	
			#	%
Instruction			-	
Classroom Teachers	3,719.20	3,710.83	(8.37)	-0.23%
Non-Classroom	1,913.20	1,878.76	(34.44)	-1.80%
Total Instruction	5,632.40	5,589.59	(42.81)	-0.76%
Non-Instruction	764.10	751.51	(12.59)	-1.65%
Total	6,396.50	6,341.10	(55.40)	-0.87%

Highlights of Changes in Staffing:

- Classroom Teachers: reflects reduction in enrolment
- Non-Classroom & Non-Instruction: reflects new Ministry reporting requirements related to Education Life and Health Benefit Trusts (ELHT), whereby actual staff FTE at October 31, are to be reported excluding vacant positions and hours of temporary assistance.

**Waterloo District School Board
2015-16 Year End Financial Report**

Detail of PSAB Accumulated Surplus/(Deficit)

	Sept 1, 2015 Balance	2015-16 In Year Change	Aug. 31, 2016 Balance
Available for Compliance - Unappropriated			
OPERATING SURPLUS/(DEFICIT)	23,686,389	2,897,453	26,583,842
Available for Compliance - Internally Appropriated			
One-time Initiatives	309,776	(96,619)	213,157
Carryover Accounts	1,912,486	103,585	2,016,071
CHIRP (Infrastructure Replacement)	-	97,276	97,276
WREPNET	293,784	24,959	318,743
Director's Emergency Fund	300,000	-	300,000
Committed Sinking Fund Interest	(120,225)	(24,045)	(144,270)
Committed Capital Projects	6,162,216	152,564	6,314,780
Equity in Transportation Consortium	4,100	-	4,100
TOTAL INTERNALLY APPROPRIATED	8,862,137	257,720	9,119,857
Unavailable for Compliance			
School Generated Fund Balances	6,274,002	143,330	6,417,332
Employee Future Benefits - Retirement Gratuity Liability	(19,584,850)	7,512,552	(12,072,298)
Employee Future Benefits - Other	(2,408,918)	860,328	(1,548,590)
Interest Accruals	(2,428,084)	154,456	(2,273,628)
Revenues recognized for land	43,687,020	6,791,598	50,478,618
TOTAL EXTERNALLY APPROPRIATED	25,539,170	15,462,264	41,001,434
Total PSAB Accumulated Surplus/(Deficit)	58,087,696	18,617,437	76,705,133

Waterloo Region District School Board
Final Financial Report
PSAB Revenues for the Period Ending August 31, 2016

Budget Assessment					
2015-16					
Budget (Estimates)	% Change from Prior Year Actuals	Actual	Change		Material Variance Note
			\$ Increase (Decrease)	% Increase (Decrease)	
Provincial Grants for Student Needs					
1 Pupil Foundation-Elementary	0.4%	219,301,515	(769,210)	(0.35%)	
2 Pupil Foundation-Secondary	(0.3%)	108,421,110	227,595	0.21%	
3 School Foundation	0.1%	40,618,605	(65,932)	(0.16%)	
4 Special Education	1.3%	81,817,656	(10,897)	(0.01%)	
5 French as a Second Language	1.5%	7,997,453	(13,091)	(0.16%)	
6 English as a Second Language	1.3%	5,806,339	188,908	3.36%	
7 Learning Opportunities	(0.2%)	6,798,774	(15,278)	(0.22%)	
8 Continuing Education	3.3%	1,628,598	(249,445)	(13.28%)	1
9 High Credit	(1.0%)	113,157	(46,104)	(28.95%)	2
10 Teacher Q&E	4.0%	53,485,077	2,929,119	5.79%	3
11 New Teacher Induction Program (NTIP)	(0.8%)	369,248	(24,165)	(6.14%)	4
12 ECE Q&E	18.3%	3,680,462	130,076	3.66%	
13 Transportation	3.9%	15,380,289	(470,148)	(2.97%)	
14 Admin and Governance	(0.6%)	16,023,246	22,085	0.14%	
15 Trustees' Association Fee		43,316	-	0.00%	
16 School Operations	1.0%	57,094,836	(139,768)	(0.24%)	
17 Community Use of Schools	1.6%	784,719	-	0.00%	
18 Declining Enrolment	(80.1%)	150,724	(56,919)	(27.41%)	
19 Temporary accommodation - relocation and leasing	(2.2%)	1,724,786	46,118	2.75%	
20 First Nation, Metis and Inuit	(13.8%)	906,498	134,308	17.39%	5
21 Safe Schools	(0.0%)	1,230,876	(728)	(0.06%)	
22 School Renewal	(0.2%)	9,729,365	1,057,409	12.19%	6
23 Approved Debt	0.0%	104,872	-	0.00%	
24 Debt Charges-Interest Portion	(3.8%)	8,131,106	(78,593)	(0.96%)	
25 1% Lump Sum		5,065,870	5,065,870		7
26 Capital Grant for Land		-	-		
27 Restraint Savings	(461.4%)	(129,030)	-	0.00%	
30 Total Provincial Grants for Student Needs (GSN)	0.6%	646,279,467	7,861,210	1.23%	
31 Amortization of Deferred Capital Contributions	100.0%	29,754,512	31,955	0.11%	
32 Legislative Grants transferred from/(to) Deferred Revenue	243.2%	478,591	(442,900)	(48.06%)	8
33 Other Grants	(10.2%)	4,616,305	117,719	2.62%	
Non Grant Revenue					
34 Fees	(19.3%)	1,386,488	200,688	16.92%	9
35 Transportation Recoveries	0.0%	-	-	0.00%	
36 Rental Revenue	(15.3%)	1,497,361	39,561	2.71%	
37 Education Development Charge		7,358,010	1,596,044	27.70%	
38 Other Revenue	(24.5%)	9,748,931	2,977,005	43.96%	10
39 Non Grant Revenue	(5.8%)	19,990,790	4,813,298	31.71%	
40 School Generated Funds Revenue	1.4%	12,487,567	(1,512,433)	(10.80%)	
41 Grants Transferred to Deferred Capital Contributions	(24.3%)	(12,296,190)	121,110	(0.98%)	
42 Total PSAB Revenues	1.1%	701,311,042	10,989,959	1.59%	

EXPLANATIONS OF MATERIAL GRANT VARIANCES

- 1 Actual number of summer/night school students lower than originally budgeted
- 2 Actual number of high credit students lower than originally budgeted
- 3 Change in grid placement of new teachers compared to budget
- 4 Fewer first and second year teachers on grid
- 5 Increase in enrolment
- 6 Additional funds announced
- 7 Reflects the funding adjustment for central labour negotiations
- 8 Reflects enveloping effect of Student Achievement Grant (Learning Opportunities Grant)
- 9 Increase in number of foreign students
- 10 Extended day, interest revenue, recoverable costs higher than budgeted

Waterloo Region District School Board
Final Financial Report
PSAB Expenses for the Period Ending August 31, 2016

A. Budget Assessment					
	2015-16				Material Variance Note
	Budget (Estimates)	Actual	Change		
			\$ Increase (Decrease)	% Increase (Decrease)	
OPERATING					
Classroom					
1 Classroom Teachers	363,152,788	367,969,245	4,816,457	1.3%	
2 Supply Teachers	15,471,059	14,726,297	(744,762)	(4.8%)	
3 Teacher Assistants	30,886,389	31,697,157	810,768	2.6%	
4 Early Childhood Educator	15,772,900	16,415,224	642,324	4.1%	
5 Textbooks and Classroom Supplies	14,485,333	13,307,826	(1,177,507)	(8.1%)	1
6 Computers	6,697,501	6,421,214	(276,287)	(4.1%)	
7 Professionals & Paraprofessionals	24,542,658	24,740,997	198,339	0.8%	
8 Library & Guidance	11,171,325	11,460,276	288,951	2.6%	
9 Staff Development	4,602,677	3,285,828	(1,316,849)	(28.6%)	2
10 Department Heads	1,383,300	1,358,714	(24,586)	(1.8%)	
11 Principal and Vice-Principals	26,300,300	26,346,199	45,899	0.2%	
12 School Secretaries & Office Supplies	14,925,656	14,493,497	(432,159)	(2.9%)	
13 Teacher Consultants	6,671,835	6,638,219	(33,616)	(0.5%)	
14 Continuing Education	2,285,014	2,071,136	(213,878)	(9.4%)	3
15 Instruction-Amortization	5,858,413	5,895,216	36,803	0.6%	
16 Less: GSN Funded Tangible Capital Assets	(4,918,801)	(5,307,739)	(388,938)	7.9%	
17 Sub-Total Instruction Expenses	539,288,347	541,519,306	2,230,959	0.4%	
Other Expenses					
18 Board Administration	15,199,209	15,795,339	596,130	3.9%	
19 School Operations	58,750,844	57,388,585	(1,362,259)	(2.3%)	
20 Transportation	15,653,869	15,525,404	(128,465)	(0.8%)	
21 Amortization	551,332	440,305	(111,027)	(20.1%)	
22 Less: GSN Funded Tangible Capital Assets	(944,499)	(1,021,827)	(77,328)	8.2%	
23 Sub-Total Other Expenses	89,210,755	88,127,806	(1,082,949)	(1.2%)	
24 TOTAL OPERATING EXPENSE	628,499,102	629,647,112	1,148,010	0.2%	
NON-OPERATING					
Pupil Accommodation/Renewal/Debt					
25 School Renewal	8,671,956	8,489,609	(182,347)	(2.1%)	
26 Debt Charges	7,859,095	7,845,893	(13,202)	(0.2%)	
27 Recoverable Costs	5,175,500	6,810,822	1,635,322	31.6%	4
28 Other Non-Operating Expenses	104,872	104,872	-	0.0%	
29 Loss on Disposal of TCA and Assets		53,772	53,772	-	
30 Amortization	23,700,434	23,789,482	89,048	0.4%	
31 Less: GSN Funded Tangible Capital Assets	(6,554,000)	(6,392,194)	161,806	(2.5%)	
32 Total Pupil Accommodation Expense	38,957,857	40,702,256	1,744,399	4.5%	
33 School Generated Funds Expense	14,000,000	12,344,237	(1,655,763)	(11.8%)	
34 TOTAL EXPENSES	681,456,959	682,693,605	1,236,646	0.2%	

EXPLANATIONS OF MATERIAL BUDGET VARIANCES

- 1 Year-end adjustment for computer store inventory actual count
- 2 Staff development expenditures below budget due to enveloping requirement of Student Achievement Grant (Learning Opportunities Grant) and labour situation.
- 3 Actual number of summer/night school students lower than originally budgeted
- 4 Extended Day Care enrolment increase offset by corresponding revenue

**Report to Committee of the Whole
November 14, 2016**



**Waterloo Region
District School Board**

Inspired Learners – Tomorrow's Leaders

SUBJECT: 2015-2016 Audited Financial Statements

ORIGINATOR: This report was prepared by Matthew Gerard, Superintendent, Business Services & Treasurer of the Board on behalf of Chairperson Kathleen Woodcock and Trustee Kathi Smith, Chair of the Board Audit Committee and in consultation with Coordinating Council.

PURPOSE/STRATEGIC PLAN:

To provide the draft audited Financial Statements for approval as recommended by the Board Audit Committee.

The three strategic priorities that are used to guide the work of the Board are:

- Our Students are First – Each and Every One
- Our Staff, Families and Caregivers are Partners in Every Student's Learning Journey
- Our Culture of Innovation Builds Students' Confidence and Success as They Face the Future

BACKGROUND:

Annually, the draft audited Financial Statements are reviewed by the Board Audit Committee before being presented to the Board of Trustees. The Board Audit Committee consists of three trustees and two external members with financial expertise. Pursuant to Regulation 361/10 of the Education Act, one of the duties of the Audit Committee after reviewing the Financial Statements is, *"To recommend, if the audit committee considers it appropriate to do so, that the board approve the annual audited financial statements."*

The draft 2015-2016 audited Financial Statements were presented at the Board Audit Committee meeting on November 9, 2016. After reviewing the statements, the Board Audit Committee passed a motion recommending that the Board approve the audited Financial Statements.

STATUS:

The draft 2015-2016 Waterloo Region District School Board Consolidated Financial Statements are attached as Appendix A. Jacinda Reitsma, Audit Partner from our external auditor, PricewaterhouseCoopers LLP, Chartered Accountants, will be present during the meeting to elaborate on the audited statements.

COMMUNICATIONS:

After approval of the Financial Statements by the Board of Trustees, the Financial Statements will be published as per Section 252(2) of the Education Act by posting them on the Board's website and copies will be available for the public at the Board office.

FINANCIAL IMPLICATIONS:

No financial implications

RECOMMENDATION:

It is recommended:

That the Waterloo Region District School Board approve the audited Financial Statements for the year ended August 31, 2016, as recommended by the Board Audit Committee.

 **Director of Education**

**Waterloo Region District
School Board**

**Consolidated Financial Statements
August 31, 2016**

DRAFT

MANAGEMENT REPORT**Management's Responsibility for the Consolidated Financial Statements**

The accompanying consolidated financial statements of the Waterloo Region District School Board are the responsibility of the Board management and have been prepared in accordance with the Financial Administration Act, supplemented by Ontario Ministry of Education memorandum 2004:B2 and Ontario Regulation 395/11 of the Financial Administration Act, as described in note 1 to the consolidated financial statements.

The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Board management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management (and by the Board's internal auditor).

The Audit Committee of the Board meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to the Board's approval of the consolidated financial statements.

The consolidated financial statements have been audited by PricewaterhouseCoopers LLP, independent external auditors appointed by the Board. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Board's consolidated financial statements.

John Bryant
Director of Education

Matthew Gerard
Superintendent of Financial Services and Treasurer

November 30, 2016

November 28, 2016

Independent Auditor's Report

To the Board of Trustees of Waterloo Region District School Board

We have audited the accompanying consolidated financial statements of Waterloo Region District School Board, which comprise the consolidated statement of financial position as at August 31, 2016 and the consolidated statement of operations, changes in net debt and cash flows for the year then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the basis of accounting described in Note 1 to the consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Waterloo Region District School Board as at August 31, 2016 and the results of its operations, change in net debt and its cash flows for the year then ended in accordance with the basis of accounting described in Note 1 to the consolidated financial statements.

Emphasis of matter or other matter

Without modifying our opinion, we draw attention to Note 1 to the consolidated financial statements which describes the basis of accounting used in the preparation of these consolidated financial statements and the significant differences between such basis of accounting and Canadian public sector accounting standards.

Chartered Professional Accountants, Licensed Public Accountants

Waterloo Region District School Board**Consolidated Statement of Financial Position****As at August 31, 2016**

	2016 \$	2015 \$
Financial assets		
Cash and short term investments	34,139,852	28,615,511
Accounts receivable - Other	32,710,864	27,431,991
Accounts receivable - Government of Ontario - Approved Capital (note 2)	189,563,584	176,005,565
Assets held for sale (note 2)	3,933,000	3,933,000
	<u>260,347,300</u>	<u>235,986,067</u>
Financial liabilities		
Accounts payable and accrued liabilities	36,419,561	31,018,137
Net debenture debt and capital loans (notes 6 and 7)	162,882,220	171,660,191
Deferred revenue (note 3)	18,883,273	12,599,202
Employee benefits payable (note 5)	41,525,760	47,900,160
Deferred capital contributions (note 7)	516,286,661	494,871,895
	<u>775,997,475</u>	<u>758,049,585</u>
Net debt	<u>(515,650,175)</u>	<u>(522,063,518)</u>
Non-financial assets		
Prepaid expenses	1,601,540	14,097,432
Tangible capital assets (note 9)	590,753,768	566,053,782
	<u>592,355,308</u>	<u>580,151,214</u>
Accumulated surplus	<u>76,705,133</u>	<u>58,087,696</u>

Signed on Behalf of the Board_____
Director of Education_____
Chair of the Board

The accompanying notes are an integral part of these consolidated financial statements.

Waterloo Region District School Board

Consolidated Statement of Operations

For the year ended August 31, 2016

	2016 Budget \$ (unaudited) (note 14)	2016 Actual \$	2015 Actual \$
Revenues			
Local taxation	186,981,047	186,386,007	186,035,177
Provincial grants - Grants for Student Needs	439,931,400	448,066,661	438,332,267
Provincial grants - Other	4,498,586	4,616,305	5,007,656
Other fees and revenues	14,984,517	19,635,668	15,725,148
Investment income	202,975	364,322	398,803
School funds	14,000,000	12,487,567	13,808,470
Amortization of deferred capital contributions	29,722,557	29,754,512	29,274,250
	<u>690,321,082</u>	<u>701,311,042</u>	<u>688,581,771</u>
Expenses (note 8)			
Instruction	539,288,347	541,519,306	529,370,522
Administration	15,059,282	15,483,642	14,148,289
Transportation	15,655,128	15,526,637	15,414,989
School operations and maintenance	58,613,076	56,190,496	56,910,373
Pupil accommodation	33,560,754	34,713,593	33,747,913
Other	5,280,372	6,915,694	5,335,823
School funded activities	14,000,000	12,344,237	13,291,991
	<u>681,456,959</u>	<u>682,693,605</u>	<u>668,219,900</u>
Annual surplus (note 10)	8,864,123	18,617,437	20,361,871
Opening accumulated surplus	<u>58,087,696</u>	<u>58,087,696</u>	<u>37,725,825</u>
Closing accumulated surplus	<u>66,951,819</u>	<u>76,705,133</u>	<u>58,087,696</u>

The accompanying notes are an integral part of these consolidated financial statements.

Waterloo Region District School Board**Consolidated Statement of Cash Flows****For the year ended August 31, 2016**

	2016 \$	2015 \$
Sources and uses of cash		
Operating transactions		
Annual surplus	18,617,437	20,361,871
Non-cash amortization of tangible capital assets	30,178,774	28,917,714
Non-cash loss on disposal of tangible assets	-	691,997
Non-cash amortization of deferred capital contributions	(29,754,511)	(29,274,250)
Non-cash gain on sale of tangible capital assets	(5,226,885)	(1,742,248)
(Increase) decrease in accounts receivable	(18,836,892)	23,085,911
Increase (decrease) in accounts payable and accrued liabilities	5,401,424	(21,979,236)
Increase (decrease) in deferred revenue	6,284,071	(5,494,070)
(Decrease) in employee benefits payable	(6,374,400)	(4,028,569)
Decrease in prepaid expenses	12,495,892	757,750
Increase in deferred capital contributions	51,169,277	30,578,524
	<u>63,954,187</u>	<u>41,875,394</u>
Capital transactions		
Proceeds on sale of tangible capital assets	6,092,005	1,757,700
Cash used to acquire tangible capital assets	(55,743,880)	(39,925,264)
	<u>(49,651,875)</u>	<u>(38,167,564)</u>
Financing transactions		
Debt repayments	(8,777,971)	(8,353,827)
	<u>(8,777,971)</u>	<u>(8,353,827)</u>
Change in cash, short-term investments, and bank indebtedness	5,524,341	(4,645,997)
Opening cash, short-term investments	28,615,511	33,261,508
Closing cash and short-term investments	<u>34,139,852</u>	<u>28,615,511</u>

The accompanying notes are an integral part of these consolidated financial statements.

Waterloo Region District School Board**Consolidated Statement of Changes in Net Debt****For the year ended August 31, 2016**

	2016 \$	2015 \$
Annual surplus	<u>18,617,437</u>	<u>20,361,871</u>
Tangible capital asset activities		
Acquisition of tangible capital assets	(55,743,880)	(39,909,812)
Net loss on disposal of tangible assets	53,771	691,997
Net proceeds on sale of tangible capital assets	865,120	-
Amortization of tangible capital assets	<u>30,125,003</u>	<u>28,917,714</u>
	<u>(24,699,986)</u>	<u>(10,300,101)</u>
Other non-financial asset activities		
Acquisition of prepaid expenses	(1,601,540)	(14,097,432)
Use of prepaid expenses	<u>14,097,432</u>	<u>14,855,182</u>
	<u>12,495,892</u>	<u>757,750</u>
Decrease in net debt	6,413,343	10,819,520
Net debt - Beginning of year	<u>(522,063,518)</u>	<u>(532,883,038)</u>
Net debt - End of year	<u>(515,650,175)</u>	<u>(522,063,518)</u>

The accompanying notes are an integral part of these consolidated financial statements.

Waterloo Region District School Board

Notes to Consolidated Financial Statements

August 31, 2016

1 Significant accounting policies

The consolidated financial statements of the Waterloo Region District School Board (the "Board") are prepared by management in accordance with the basis of accounting described below.

Basis of accounting

These consolidated financial statements have been prepared in accordance with the Financial Administration Act supplemented by Ontario of Education memorandum 2004:B2 and Ontario Regulations 395/11 of the Financial Administration Act.

The Financial Administration Act requires that the consolidated financial statements be prepared in accordance with the accounting principles determined by the relevant Ministry of the Province of Ontario. A directive was provided by the Ontario Ministry of Education within memorandum 2004:B2 requiring schools boards to adopt Canadian public sector accounting standards commencing with their year ended August 31, 2004 and that changes may be required to the application of these standards as a result of regulation.

In 2011, the government passed Ontario Regulation 395/11 of the Financial Administration Act. The Regulation requires that contributions received or receivable for the acquisition or development of depreciable tangible capital assets and contributions of depreciable tangible capital assets for use in providing services, be recorded as deferred capital contributions and be recognized as revenue in the statement of operations over the periods during which the asset is used to provide service at the same rate that amortization is recognized in respect of the related asset. The regulation further requires that if the net book value of the depreciable tangible capital asset is reduced for any reason other than depreciation, a proportionate reduction of the deferred capital contribution along with a proportionate increase in the revenue is recognized. For Ontario school boards, these contributions include government transfers, externally restricted contributions and, historically, property tax revenue.

The accounting policy requirements under Regulation 395/11 are significantly different from the requirements of Canadian public sector accounting standards which requires that:

- government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standards PS3410;
- externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standards PS3100, and
- property taxation revenue be reported as revenue when received or receivable in accordance with public sector accounting standard PS3510.

Waterloo Region District School Board**Notes to Consolidated Financial Statements****August 31, 2016**

As a result, revenue recognized in the statement of operations and certain related deferred revenues and deferred capital contributions would be recorded differently under Canadian Public Sector Accounting Standards.

Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, and expenses of the reporting entity. The reporting entity is comprised of all organizations accountable for the administration of their financial affairs and resources to the Board and which are controlled by the Board.

School generated funds, which include the assets, liabilities, revenues, and expenses of various organizations that exist at the school level, as well as including Waterloo Education Foundation Inc., that are controlled by the Board, are reflected in the consolidated financial statements.

The consolidated financial statements also reflect the Board's pro-rata share of assets, liabilities, revenues and expenses of the Student Transportation Services of Waterloo Region Inc. ("STSWR") which is a partnership that was formed with Waterloo Catholic District School Board. Inter-departmental and inter-organizational transactions and balances between these organizations have been eliminated.

Trust funds

Trust funds and their related operations administered by the Board are not included in the consolidated financial statements as they are not controlled by the Board.

Cash and short-term investments

Cash and short-term investments comprise of cash on hand, demand deposits and short-term investments. Short-term investments are highly liquid, subject to insignificant risk of changes in value and have a short maturity term. Short-term investments are recorded at the lower of cost or market value.

Deferred revenue

Certain amounts are received pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs or in the delivery of specific services and transactions. These amounts are recognized as revenue in the fiscal year the related expenditures are incurred or services performed.

Waterloo Region District School Board

Notes to Consolidated Financial Statements

August 31, 2016

Deferred capital contributions

Contributions received or receivable for the purpose of acquiring or developing a depreciable tangible capital asset for use in providing services, or any contributions in the form of depreciable tangible assets received or receivable for use in providing services, shall be recognized as deferred capital contribution as defined in Ontario Regulation 395/11 of the Financial Administration Act. These amounts are recognized as revenue at the same rate as the related tangible capital asset is amortized. The following items fall under this category:

- government transfers received or receivable for capital purpose
- other restricted contributions received or receivable for capital purpose
- property taxation revenues which were historically used to fund capital assets.

Retirement and other employee future benefits

The Board provides defined retirement and other future benefits to specified employee groups. These benefits include pension, life insurance, and health care benefits, dental benefits, retirement gratuity, worker's compensation and long-term disability benefits. In 2012, changes were made to the Board's retirement gratuity plan, sick leave plan and retiree health, life and dental plan. The Board has adopted the following policies with respect to accounting for these employee benefits:

- (i) In prior years, the cost of retirement gratuities that vested or accumulated over the periods of service provided by the employee were actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement and discount rates. As a result of the plan change, the cost of retirement gratuities are actuarially determined using the employee's salary, banked sick days and years of service as at August 31, 2012 and management's best estimate of discount rates. The changes resulted in a plan curtailment and any unamortized actuarial gains or losses are recognized as at August 31, 2012. Any actuarial gains and losses arising from changes to the discount rate are amortized over the expected average remaining service life of the employee group.

For self-insured retirement and other employee future benefits that vest or accumulated over the periods of service provided by employees, such as life insurance and health care benefits for retirees, the cost is actuarially determined using the projected benefits method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group. The changes to the retiree health, life and dental plans resulted in a plan curtailment and any unamortized actuarial gains and losses associated with the employees impacted by the change are recognized as at August 31, 2012.

For those self-insured benefit obligations that arise from specific events that occur from time to time, such as obligations for work's compensation, long-term disability and life insurance and health care benefits for those on disability leave, the cost is recognized immediately in the period the events occur. Any actuarial gains and losses that are related to these benefits are recognized immediately in the period they arise.

- (ii) Employer contributions to multi-employer defined pension plans, such as the Ontario Municipal Employees Retirement System pensions, are expensed in the period incurred.

Waterloo Region District School Board

Notes to Consolidated Financial Statements

August 31, 2016

(iii) The cost of life insurance benefits is actuarially determined on the projected benefit method prorated on services for current employees who are eligible for this benefit upon retirement. For retirees, the liability is calculated as the present value of the expected future premium subsidy from the valuation date to the date that the retiree turns 65, or for the remaining lifetime, depending on the date of retirement.

Tangible capital assets

Tangible capital assets are recorded at historical cost less accumulated amortization. Historical cost includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset, as well as interest related to financing during construction. When historical cost records were not available, other methods were used to estimate the costs and accumulated amortization.

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

Tangible capital assets, except land, are amortized on a straight line basis over their estimated useful lives as follows:

Assets	Estimated Useful Life in Year
Land improvements with finite lives	15
Building and building improvements	40
Portable structures	20
Other buildings	20
Furniture and equipment	5 - 15
Computer hardware and software	5
Vehicles	5 - 10
Leasehold improvements	Over the life of the lease

Assets under construction and assets that relate to pre-acquisition and pre-construction costs are not amortized until the asset is available for productive use.

Land permanently removed from service and held for resale is recorded at the lower of cost and estimated net realizable value. Cost includes amounts for improvements to prepare the land for sale or servicing. Building permanently removed from service and held for resale cease to be amortized and are recorded at the lower of carrying value and estimated net realizable value. Tangible capital assets which meet the criteria for financial assets are reclassified as "assets held for sale" on the consolidated statement of financial position.

Works of art and cultural and historic assets are not recorded as assets in these consolidated financial statements.

Waterloo Region District School Board

Notes to Consolidated Financial Statements

August 31, 2016

Government transfers

Government transfers, which include legislative grants, are recognized in the consolidated financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amount can be made.

Government transfers for capital that meet the definition of a liability are referred to as deferred capital contributions (DCC). Amounts are recognized into revenue as the liability is extinguished over the useful life of the related asset.

Investment income

Investment income is reported as revenue in the period earned.

When required by the funding government or related Act, investment income earned on externally restricted funds such as pupil accommodation, education development charges and special education forms part of the respective deferred revenue balances.

Long-term debt

Long-term debt is recorded net of related sinking fund asset balances.

Budget figures

Budget figures have been provided for comparison purposes and have been derived from the budget approved by the Trustees of the Board. The budget approved by the Trustees is developed in accordance with the provincially mandated funding model for school boards and is used to manage program spending within the guidelines of the funding model. Given differences between the funding model and the basis of accounting used by the school board in preparation of the financial statements, the budget figures presented have been adjusted to conform with this basis of accounting as it is used to prepare the consolidated financial statements. The budget figures are unaudited.

Use of estimates

The preparation of consolidated financial statements in conformity with the basis of accounting described in note 1 requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from these estimates.

Waterloo Region District School Board

Notes to Consolidated Financial Statements

August 31, 2016

2 Accounts receivable - Government of Ontario

The Province of Ontario replaced variable capital funding with a one-time debt support grant in 2009-10. Waterloo Region District School Board received a one-time grant that recognizes capital debt as of August 31, 2010 that is supported by the existing capital programs. The Board receives this grant in cash over the remaining term of the existing capital debt instruments. The Board may also receive yearly capital grants to support capital programs which would be reflected in the account receivable balance.

The Board has an account receivable from the Province of Ontario of \$189,563,584 with respect to capital grants (2015 - \$176,005,565).

Assets held for sale

As at August 31, 2016, \$3,933,000 (2015 - \$3,933,000) related to land is classified as assets held for sale.

3 Deferred revenue

Revenues received and that have been set aside for specific purposes by legislation, regulation or agreement are included in deferred revenue and reported on the consolidated statement of financial position.

Deferred revenue set-aside for specific purposes by legislation, regulation or agreement as at August 31, 2016 is comprised of:

	Balance at August 31 2015 \$	Externally restricted revenue and investment income 2016 \$	Revenue recognized in the period \$	Transfers to deferred capital contributions \$	Balance at August 31 2016 \$
Pupil accommodation	2,454,489	35,251,529	21,580,932	12,296,190	3,828,896
Education development charges	-	7,358,010	7,358,010	-	-
Proceeds of disposition	2,081,866	6,397,376	33,746	-	8,445,496
Special education	4,705,118	81,817,656	84,484,888	-	2,037,886
Restricted grants	1,885,909	7,169,254	4,090,445	2,051,725	2,912,993
Other	1,471,820	1,580,137	1,393,955	-	1,658,002
Total deferred revenue	12,599,202	139,573,962	118,941,976	14,347,915	18,883,273

Waterloo Region District School Board

Notes to Consolidated Financial Statements

August 31, 2016

4 Deferred capital contributions

Deferred capital contributions include grants and contributions received that are used for the acquisition of tangible capital assets in accordance with Regulation 395/11 that have been expended by year-end. The contributions are amortized into revenue over the life of the asset acquired.

	2016 \$	2015 \$
Opening balance	494,871,895	493,567,621
Additions to deferred capital contributions	51,964,442	30,578,524
Revenue recognized in the period	(30,549,676)	(29,274,250)
Closing balance	<u>516,286,661</u>	<u>494,871,895</u>

5 Retirement and other future benefits

	Retirement Gratuities \$	WSIB Benefits \$	Sick Leave Benefits \$	Life Insurance Benefits \$	2016 Total Employee Future Benefits \$	2015 Total Employee Future Benefits \$
Opening balance accrued employee future benefit obligations at August 31	43,021,019	2,861,656	414,109	1,603,376	47,900,160	51,928,729
Current period benefit cost	5,073	1,242,475	398,961	445,187	2,091,696	1,308,398
Interest accrued	1,058,493	76,985	1,003	38,547	1,175,028	1,432,636
Less: Benefit payments	(8,390,835)	(681,285)	(334,217)	(79,934)	(9,486,271)	(6,544,405)
Change in ABO due to plan amendment	(521,382)	-	(43,010)	-	(564,392)	-
Amortization of actuarial loss (gain)	333,483	-	(39,942)	115,998	409,539	(225,198)
Employee future benefit liability at August 31	<u>35,505,851</u>	<u>3,499,831</u>	<u>396,904</u>	<u>2,123,174</u>	<u>41,525,760</u>	<u>47,900,160</u>

Waterloo Region District School Board

Notes to Consolidated Financial Statements

August 31, 2016

	Retirement Gratuities \$	WSIB Benefits \$	Sick Leave Benefits \$	Life Insurance Benefits \$	2016 Total Employee Future Benefits \$	2015 Total Employee Future Benefits \$
Current period benefit cost	5,073	1,242,475	398,961	445,187	2,091,696	1,308,398
Interest on accrued benefit obligation	1,058,493	76,985	1,003	38,547	1,175,028	1,432,636
Recognized actuarial loss (gain)	333,483	-	(39,942)	115,998	409,539	(225,198)
Change in ABO due to plan amendment	(521,382)	-	(43,010)	-	(564,392)	-
Employee future benefits expenses ¹	875,667	1,319,460	317,012	599,732	3,111,871	2,515,836

Plan changes

In 2012, changes were made to the Board's retirement gratuity plan, sick leave plan and retirees health, life and dental plan. As a result employees eligible for a retirement gratuity will receive payout upon retirement based on their accumulated vested sick days under the plan, years of service and salary as of August 31, 2012. All accumulated non-vested sick days were eliminated as of September 1, 2012, and were replaced with a new short-term leave and disability plan. In 2013, further changes were made to the short-term leave and disability plan. Under the new short term leave and disability plan, 11 unused sick leave days may be carried forward into the following year only, to be used to top-up benefits received under the short-term leave and disability plan in that year. A new provision was established as of August 31, 2013 representing the expected usage of sick days that have been carried forward for benefit top-up in the following year.

Retirement life insurance and health care benefits have been grandfathered to qualifying existing retirees and employees who will retire in 2012-13. Effective September 1, 2013, all new retiree accessing Retirement Life Insurance and Health Care Benefits will pay the full premiums for such benefits and will be included in a separate experience pool that is self-funded.

¹ Excluding pension contributions to the Ontario Municipal Employees Retirement System, a multi-employer pension plan, described below.

Waterloo Region District School Board
Notes to Consolidated Financial Statements
August 31, 2016

Retirement benefits

(i) Ontario Teacher's Pension Plan

Teachers and employees in related groups are eligible to be members of Ontario Teacher's Pension Plan. Employer contributions for these employees are provided directly by the Province of Ontario. The pension costs and obligations related to this plan are a direct responsibility of the Province. Accordingly, no costs or liabilities related to this plan are included in the Board's consolidated financial statements.

(ii) Ontario Municipal Employees Retirement System

All non-teaching employees of the Board are eligible to be members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan. The plan provides defined pension benefits to employees based on their length of service and rates of pay. The Board contributions equal the employee contributions to the plan. During the year ended August 31, 2016, the Board contributed \$8,682,381 (2015 - \$8,359,089) to the plan. As this is a multi-employer pension plan, these contributions are the Board's pension benefit expenses. No pension liability for this type of plan is included in the Board's consolidated financial statements.

(iii) Retirement Gratuities

The Board provides retirement gratuities to certain groups of employees hired prior to specified dates. The Board provides these benefits through an unfunded defined benefit plan. The benefit costs and liabilities related to this plan are included in the Board's consolidated financial statements. The amount of the gratuities payable to eligible employees at retirement is based on their salary, accumulated sick days, and years of service at August 31, 2012.

Voluntary Retirement Gratuity Early Payout Provision

During 2015-16, OSSTF, OSSTF-EW ETFO, ETFO-EW, EWAO ratified agreements at the local and central level, which included a voluntary retirement gratuity early payout provision. The provision provided union members the option of receiving a discounted frozen retirement gratuity benefit payment by August 31, 2016.

This provision was also made available to all non-unionized school board employees, including principals and vice-principals. These payments were made by August 31, 2016.

Some employees took the early payouts, which were discounted from the current financial statement carrying values. As a result, the reduction in the liability for those members who took the voluntary retirement gratuity early payout option was accompanied by actuarial gain in the board's 2015-16 year financial statements. This resulted in the board's employee future benefit liability decreasing by \$519,711.

(iv) Retirement Life Insurance and Health Care Benefits

The Board provides life insurance, dental and health care benefits to certain employee groups after retirement until the members reach 65 years of age.

Waterloo Region District School Board

Notes to Consolidated Financial Statements

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The premiums are based on the Board experience and retirees' premiums may be subsidized by the Board. The benefit costs and liabilities related to the plan are provided through an unfunded defined benefit plan and are included in the Board's consolidated financial statements. Effective September 1, 2013, employees retiring on or after this date, do not qualify for board subsidized premiums or contributions.

Actuarial assumptions

The accrued benefit obligations for retirement gratuities as at August 31, 2016 are based on the most recent actuarial valuations completed for accounting purposes as at August 31, 2016. These valuations take into account the plan changes outlined above and the economic assumptions used in these valuations are the Board's best estimates of expected rates of:

	2016 %	2015 %
Inflation	1.5	1.5
Discount on accrued benefit obligations	2.05	2.45

Workplace Safety and Insurance Board (WSIB) Benefits

The Board is a Schedule 2 employer under the Workplace Safety and Insurance Act and, as such, assumes responsibility for the payment of all claims to its injured workers under the Act. The Board does not fund these obligations in advance of payments made under the Act. The benefit costs and liabilities related to this plan are included in the Board's consolidated financial statements. The Putting Students First Act, 2012 requires school boards to provide salary top-up for employees receiving payments from the Workplace Safety and Insurance Board, where previously negotiated collective agreement included such provision. This resulted in a one-time increase to the Board's obligation of \$487,539 as at August 31, 2012.

The Workplace Safety and Insurance Board obligations for employee future benefit plans as at August 31, 2016 are based on actuarial valuations for accounting purposes as at August 31, 2016. These actuarial valuations are based on assumptions about future events. For purposes of these calculations, the economic assumptions used in these valuations are the Board's best estimates of expected rates of:

	2016 %	2015 %
Inflation	2.0	2.0
Discount on accrued benefit obligations	2.05	2.45

Waterloo Region District School Board

Notes to Consolidated Financial Statements

August 31, 2016

Sick leave top-up benefits

As a result of new changes made in 2013 to the short-term sick leave and disability plan, a maximum of 11 unused sick leave days from the current year may be carried into the following year only, to be used to top-up salary for illnesses paid through the short-term leave and disability plan in that year. The benefit costs expensed in the financial statements are \$316,143 (2015- \$269,931).

The accrued benefit obligation for the sick leave top-up is based on an actuarial valuation for accounting purposes as of August 31, 2016. This actuarial valuation is based on assumptions about future events.

Life insurance benefits

The Board sponsors a separate life insurance benefits plan for certain retirees. The premiums are based on the Board experience and employees are required to pay 100% of the premium costs. The benefit costs and liabilities related to the subsidization of these retirees under this group plan are included in the Board's consolidated financial statements.

The accrued benefit obligations for life insurance benefits as at August 31, 2016 are based on actuarial valuations for accounting purposes as at August 31, 2016. These actuarial valuations are based on assumptions about future events. For purposes of these calculations, the economic assumptions used in these valuations are the Board's best estimates of expected rates of:

	2016 %	2015 %
Inflation	1.5	1.5
Discount on accrued benefit obligations	2.05	2.45

Health care and dental benefits

The Board sponsors a separate plan for retirees to provide group health care and dental benefits. The premiums are based on the experience or demographics of the group and retirees are required to pay 100% of the premium costs.

Benefit Plan Future Changes

Currently, the Board provides health, dental and life insurance benefits for certain employees and retired individuals from school boards and has assumed liability for payment of benefits under these plans. As part of ratified labour collective agreements for unionized employees that bargain centrally and ratified central discussions with the principals and vice-principals associations, Employee Life and Health Trusts (ELHTs) will be established in 2016-17 for the following employee groups: vice-principals and principals including non-unionized employees EWAO, OSSTF-EW, OSSTF, ETFO and ETFO-EW. The ELHTs will provide health, life and dental benefits to teachers (excluding daily occasional teachers), education workers (excluding casual and temporary staff), other school board staff and retired individuals up to a schoolboard's participation date into

Waterloo Region District School Board

Notes to Consolidated Financial Statements

August 31, 2016

the ELHT. These benefits will be provided through a joint governance structure between the bargaining/employee groups, school board trustees associations and the Government of Ontario. Starting November 1, 2016, the Board will no longer be responsible to provide benefits to OSSTF, OSSTF-EW, ETFO and ETFO-EW. The remainder of the aforementioned groups will transfer by August 31, 2017. The Board will transfer to the ELHTs an amount per full-time equivalency based on the 2014-15 actual benefit costs + 8.16% representing inflationary increases for 2015-16 and 2016-17. In addition, the Ministry of Education will provide an additional \$300 per FTE for active employees to the school board. These amounts will then be transferred to the Trust for the provision of employee and retiree benefits.

6 Net long-term debt

Net debenture debt, and capital loans reported on the consolidated statement of financial position is comprised of the following:

	2016 \$	2015 \$
Debenture #CDS 00-42 due November 17, 2020. Interest payments semi-annually at 6.67%	5,131,210	5,989,421
Debenture #CDS 02-45 due November 21, 2022. Interest payments semi-annually at 5.642%	15,815,000	17,621,000
Debenture #CDS 04-49 due November 29, 2024. Interest payments semi-annually at 5.257%	15,510,972	16,932,522
Debenture #CDS 06-53 due October 30, 2026. Interest payments semi-annually at 4.841%	11,629,548	12,466,886
Ontario Financing Authority Loan (OFA#1) due November 17, 2031. Interest payments semi-annually at 4.56%.	18,395,587	19,197,393
Ontario Financing Authority Loan (OFA#2) due March 3, 2033. Interest payments semi-annually at 4.90%.	12,423,777	12,891,648
Ontario Financing Authority Loan due (OFA#3) November 15, 2033. Interest payments semi-annually at 5.347%.	10,522,408	10,878,587
Ontario Financing Authority Loan (OFA#4) due March 13, 2034. Interest payments semi-annually at 5.062%.	4,694,909	4,854,160
Ontario Financing Authority Loan (OFA#5) due November 15, 2034. Interest payments semi-annually at 5.047%	1,358,167	1,401,768
Ontario Financing Authority Loan (OFA#6) due April 13, 2035. Interest payments semi-annually at 5.232%.	7,779,400	8,015,964
Ontario Financing Authority Loan (OFA#7) due April 13, 2036. Interest payments semi-annually at 4.833%.	10,555,932	10,868,124
Ontario Financing Authority Loan (OFA#8) due November 15, 2036. Interest payments semi-annually at 3.97%.	6,617,169	6,823,102
Ontario Financing Authority Loan (OFA#9) due March 9, 2037. Interest payments semi-annually at 3.564%	14,547,473	15,012,448
Ontario Financing Authority Loan (OFA#10) due March 19, 2038. Interest payments semi-annually at 3.799%	27,180,560	27,968,028
Ontario Financing Authority Loan (OFA#11) due November 11, 2039. Interest payments semi-annually at 4.003%	720,108	739,140
	<u>162,882,220</u>	<u>171,660,191</u>

Waterloo Region District School Board

Notes to Consolidated Financial Statements

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Principal and interest payments relating to net long-term debt of \$230,816,684 outstanding as at August 31, 2016 are due as follows:

	Principal Payments \$	Interest \$	Total \$
2015/16	8,308,915	7,578,742	15,887,657
2016/17	8,717,855	7,164,551	15,882,406
2017/18	9,147,246	6,728,575	15,875,821
2018/19	9,597,789	6,278,383	15,876,172
2019/20	15,202,428	5,632,607	20,835,035
Thereafter	111,907,987	34,551,606	146,459,593
Net long-term liabilities	<u>162,882,220</u>	<u>67,934,464</u>	<u>230,816,684</u>

Interest on long-term debt amounted to \$8,000,351 (2015 - \$8,428,483).

7 Debt charges and capital loans interest

Expenditures for debt charges, capital loans and interest include principal and interest expense as follows:

	2016 \$	2015 \$
Principal payments on long-term liabilities	8,777,971	8,353,827
Interest expense on long-term liabilities	<u>8,000,351</u>	<u>8,428,483</u>
	<u>16,778,322</u>	<u>16,782,310</u>

Waterloo Region District School Board

Notes to Consolidated Financial Statements

August 31, 2016

8 Expenses by object

The following is a summary of the expenses reported on the consolidated statement of operations by object:

	2016 Budget \$ (unaudited)	2016 Actual \$	2015 Actual \$
Expenses			
Salary and wages	489,800,789	492,545,604	480,793,460
Employee benefits	72,171,505	73,539,455	69,615,003
Staff development	1,564,612	1,826,913	1,661,117
Supplies and services	38,172,700	37,374,388	37,666,953
Interest charges on capital	7,859,095	7,845,893	8,388,619
Rental expenses	950,993	985,552	1,040,271
Fees and contract services	26,325,121	25,696,353	25,366,851
Other	501,965	356,434	785,925
Amortization of tangible capital assets and loss on disposal of assets	30,110,179	30,178,775	29,609,711
School funded activities	14,000,000	12,344,237	13,291,990
	<u>681,456,959</u>	<u>682,693,604</u>	<u>668,219,900</u>

Waterloo Region District School Board
 Notes to Consolidated Financial Statements
 August 31, 2016

9 Tangible capital assets

	Balance at August 31		Additions and (transfers)		Disposals		Cost		Accumulated amortization			Net book value		
	2015	2016	2015	2016	2015	2016	Balance at August 31 2015	Balance at August 31 2016	Disposals, write-offs and adjustments 2010	Balance at August 31 2016	Amortization 2015	Balance at August 31 2016	August 31 2015	August 31 2016
Land	64,092,522	64,092,511	3,303,717	67,272,511	(123,728)	67,272,511	-	-	-	-	-	67,272,511	64,092,522	64,092,522
Land improvements	7,096,230	8,320,630	1,224,400	2,212,357	-	8,320,630	594,337	594,337	-	2,806,694	-	5,513,936	4,883,873	4,883,873
Buildings	676,979,247	718,167,701	43,311,740	212,063,292	(2,093,286)	718,167,701	21,105,244	21,105,244	(1,298,123)	231,875,693	(1,298,123)	486,322,008	484,915,955	484,915,955
Portable structures	19,044,029	17,869,129	-	3,696,622	(1,174,900)	17,869,129	922,829	922,829	(1,174,900)	13,444,551	-	4,424,578	5,347,407	5,347,407
Construction in progress	5,041,370	6,035,775	994,405	6,035,775	-	6,035,775	-	-	-	-	-	6,035,775	5,041,370	5,041,370
Pre-acquisition and construction cost	55,108	64,770	9,662	64,770	-	64,770	-	-	-	-	-	64,770	55,108	55,108
Furniture and equipment	12,433,016	12,635,149	1,132,055	5,490,159	(929,922)	12,635,149	1,277,610	1,277,610	(929,922)	5,637,847	-	6,797,302	6,942,857	6,942,857
Computer hardware and software	28,561,172	29,134,979	5,627,551	14,781,569	(5,053,744)	29,134,979	5,769,616	5,769,616	(5,053,744)	15,497,441	-	13,637,538	13,779,603	13,779,603
Vehicles	1,660,778	1,685,244	139,323	1,248,633	(114,857)	1,685,244	160,691	160,691	(114,857)	1,294,467	-	390,777	412,145	412,145
Leasehold improvements	1,896,162	1,897,189	1,027	1,313,220	-	1,897,189	289,396	289,396	-	1,602,516	-	294,573	582,942	582,942
Total	816,859,534	863,113,077	55,743,880	250,805,852	(9,490,437)	863,113,077	30,125,003	30,125,003	(8,571,546)	272,359,309	-	590,753,768	566,053,782	566,053,782

Asset under construction

Assets under construction (which include construction in progress and pre-acquisition and construction cost) having a value of \$6,100,545 (2015 - \$5,096,478) have not been amortized. Amortization of these assets will commence when the asset is put into service.

Write-down of tangible capital assets

The write-down of tangible capital assets during the year was \$nil (2015 - \$nil).

Asset inventories for resale (assets permanently removed from service)

The Board has identified no land and no building properties that qualify as "assets permanently removed from service."

Waterloo Region District School Board

Notes to Consolidated Financial Statements

August 31, 2016

10 Accumulated surplus (deficit)

Accumulated surplus (deficit) consists of the following:

	2016 \$	2015 \$
Accumulated surplus - unappropriated	26,583,842	23,686,389
Invested in non-depreciable tangible capital assets (land)	50,478,618	43,687,020
Amounts restricted for future use by Board motion	9,119,857	9,031,741
Employee benefits payable to be funded	(13,620,888)	(22,163,372)
Other	4,143,704	3,845,918
	<u>76,705,133</u>	<u>58,087,696</u>
Total accumulated surplus (deficit)	76,705,133	58,087,696

The annual surplus of \$18,617,437 (2015 - \$20,361,871) includes revenues recognized for land of \$6,791,598 (2015 - \$4,505,482), transfers to internally appropriated of \$257,720 (2015 - \$1,104,590) transfers to externally appropriated of \$8,562,242 (2015 - \$12,416,076), a change in ABO due to plan amendment of \$517,963 (2015 - \$nil) and recognized actuarial gains of \$409,539 (2015 - \$225,198). The impact of these adjustments is summarized below:

	2016 \$	2015 \$
Annual surplus (deficit) before the following items:	2,897,453	2,110,525
Revenues recognized for land	6,791,598	4,505,482
Transfer to internally appropriated	257,720	1,104,590
Transfer to externally appropriated	8,562,242	12,416,076
Change in ABO due to plan amendment	517,963	-
Recognized actuarial gain	(409,539)	225,198
	<u>18,617,437</u>	<u>20,361,871</u>
Annual surplus	18,617,437	20,361,871

11 Trust funds

Trust funds administered by the Board amounting to \$1,817,386 (2015 - \$1,799,594) have not been included in the consolidated statement of financial position nor have their operations been included in the consolidated statement of operations.

Waterloo Region District School Board

Notes to Consolidated Financial Statements

August 31, 2016

12 Ontario School Board Insurance Exchange (OSBIE)

The Board is a member of the Ontario School Board Insurance Exchange (OSBIE), a reciprocal insurance company licensed under the Insurance Act. OSBIE insures general public liability, property damage and certain other risks. Liability insurance is available to a maximum of \$20 million per occurrence.

The premiums over a five year period are based on the reciprocal's and the Board's actual claims experience. Periodically, the Board may receive a refund or be asked to pay an additional premium based on its pro rata share of claims experience. The current five year term expires January 1, 2017.

13 Contractual obligations and contingent liabilities**Contractual obligations**

The cost to complete construction contracts in progress at August 31, 2016 is estimated to be \$23,864,430 (2015 - \$27,280,576).

Contingent liabilities

The Board has various labour related and legal issues that are outstanding. Although the outcome of these matters is not known, management has made an estimate of what it believes represents the minimum amount that will become payable and this estimate has been recorded in these financial statements. The amount of the estimate has not been disclosed, as proceedings relating to these matters are ongoing. Based on the nature of the matters and existing knowledge, it is reasonably possible that changes in future conditions in the near term could require a material change in the recognized amounts. The difference between the recognized amount and the actual amount will be recorded in the period that the settlement of this matter is reached.

Operating lease commitments

The following is a schedule of minimum lease payments under significant operating leases required in each of the following years.

	\$
Year ending August 31, 2017	1,637,043
2018	1,173,633
2019	1,174,184
2020	776,421
Thereafter	776,421

Waterloo Region District School Board

Notes to Consolidated Financial Statements

August 31, 2016

14 Budget data

The unaudited budget data presented in these consolidated financial statements is based upon the 2016 budgets approved by the Board on June 22, 2015.

As boards only budget the statement of operations, the budget figures in the consolidated statement of change in net debt have not been provided.

15 Partnership in the Student Transportation Services of Waterloo Region Inc.

Transportation Consortium

On September 1, 2007 the Student Transportation Services of Waterloo Region Inc. ("STSWR") was incorporated. On February 27, 2008, the Board entered into an agreement with Waterloo Catholic District School Board in order to provide common administration of student transportation in the Region. This agreement was executed in an effort to increase delivery efficiency and cost effectiveness of student transportation for each of the Boards. Under the agreement created at the time STSWR was established, decisions related to the financial and operating activities of STSWR are shared. No partner is in a position to exercise unilateral control.

This entity is proportionately consolidated in the Board's consolidated financial statements whereby the Board's pro-rata share of assets, liabilities, revenues and expenses of the consortium are included in the Board's consolidated financial statements. Inter-organizational transactions and balances between these organizations have been eliminated.

The following provides condensed financial information.

	Total \$	2016 Board Portion \$	Total \$	2015 Board Portion \$
Financial position:				
Financial assets	590,005	405,173	367,443	228,049
Liabilities	596,233	403,875	375,500	227,975
Non-financial assets	6,228	2,802	8,057	4,026
Accumulated deficit	-	4,100	-	4,100
Operations:				
Revenues	19,672,868	14,895,444	19,616,890	14,803,468
Expenses	19,672,868	14,895,444	19,616,890	14,803,468
Annual surplus	-	-	-	-

Waterloo Region District School Board

Notes to Consolidated Financial Statements

August 31, 2016

16 Repayment of the “55 School Board Trust” funding

On June 1, 2003, the Board received \$1,407,664 from the 55 School Board Trust for its capital related debt eligible for provincial funding support pursuant to a 30-year agreement it entered into with the trust. The 55 School Board Trust was created to refinance the outstanding not permanently financed (NPF) debt of participating boards who are beneficiaries of the trust. Under the terms of the agreement, The 55 School Board Trust repaid the Board's debt in consideration for the assignment by the Board to the trust of future provincial grants payable to the Board in respect of the NPF debt.

As a result of the above agreement, the liability in respect of the NPF debt is no longer reflected in the Board's financial position.

DRAFT

**Report to Committee of the Whole
November 14, 2016**



**Waterloo Region
District School Board**

Inspired Learners – Tomorrow's Leaders

SUBJECT: Transportation Cost Implications

ORIGINATOR: This report was prepared by Matthew Gerard, Superintendent, Business Services & Treasurer of the Board; Benoit Bourgault, General Manager, Student Transportation Services of Waterloo Region; and, Nick Landry, Manager of Business Services, in consultation with Coordinating Council.

PURPOSE/STRATEGIC PLAN:

To outline the financial and operational risks associated with the Notice of Motion put forward at the September 26, 2016 Board Meeting.

The three strategic priorities that are used to guide the work of the Board are

- Our Students are First – Each and Every One
- Our Staff, Families and Caregivers are Partners in Every Student's Learning Journey
- Our Culture of Innovation Builds Students' Confidence and Success as They Face the Future

Our Students are First – Each and Every One

The Waterloo Region District School Board (Board) provides transportation for eligible students to travel to and from school. The Board also works to ensure all students have safe routes to our schools through other means when transportation is not available. By ensuring students have safe routes to schools the Board fosters a caring environment that addresses student well-being.

Our Staff, Families and Caregivers are Partners in Every Student's Learning Journey

The Board works together with parents to provide students with safe routes to school through a variety of means. By working with our parents, the Board supports them in the creation of the best possible outcomes for their students.

Our Culture of Innovation Builds Students' Confidence and Success as They Face the Future

School and Board staff work together to find innovative solutions to support students and families in getting to and from school.

BACKGROUND:

On September 26, 2016, the following motion was put forward:

Therefore be it resolved that the WRDSB amend Policy 4009 Student Transportation to include a provision that would help provide alternative solutions or transportation for younger children of parents who have a disability and are without transportation.

Staff have undertaken further review of the motion and its implications for the system, and have compiled information to help support further discussion of the motion.

STATUS:

The motion itself uses broad language to identify elementary students that do not receive transportation from Student Transportation Services of Waterloo Region, Inc. (STSWR). As of September 27, 2016, 42,484 students were enrolled in the Board's elementary schools. Of those students, STSWR provided transportation to 12,221; the remaining 30,263 students did not qualify for, or receive, transportation from STSWR.

Section 190 of the Education Act (see Appendix A) outlines the permissive legislation that allows the Board to provide transportation to students. The Education Act does not infer a right to transportation and as such, the

absence of transportation does not equate to an infringement of a person's rights. To this end, the Board has established guidelines, through Board Policy 4009 - Student Transportation, that support the provision of transportation to qualifying students based on a common and consistent set of criteria. Section 10 of the Ontario Human Rights Code (see Appendix A) broadly defines disability to include physical disabilities, conditions of mental impairment or developmental disability, learning disabilities, mental disorders, and injuries or disabilities covered by the Workplace Safety and Insurance Act. The motion contemplates providing transportation to children who may not qualify for transportation under the existing Board Policy based on the presence of a disability of the parent.

Administrative Procedure 4260 – Student Transportation outlines the process for providing transportation to students with special needs, short-term medical conditions, and other special circumstances. Under these circumstances it is the student's abilities that determine their eligibility for transportation. In those instances that the parent of a student has a disability, Board staff works together with the family to identify alternatives and provide support when it is difficult for the student to travel to and from school due to the parent's disability.

Providing transportation to students in accordance with the motion may significantly increase demand for transportation in the Region, requiring additional buses, drivers and administrative personnel who would be required to administer a program of assessing and tracking parent disabilities. Given the population of parents with disabilities has not been previously tracked by the Board, this represents both a financial and reputational risk to the Board because we are unable to accurately assess the number of parents whose students will become eligible under the amendment proposed in the motion.

COMMUNICATIONS:

None.

FINANCIAL IMPLICATIONS:

At its meeting on June 27, 2016, the Board of Trustees ratified its approval of a balanced budget for the 2016/2017 school year. The balanced budget included transportation expenditures of \$16,370,844 and provincial grants for transportation of \$15,939,553. As such, the balanced budget that was approved for 2016/2017 already reflects a transportation deficit of (\$431,291). Staff continues to work within the existing scope of Board Policy 4009 - Student Transportation, to provide safe and equitable transportation while striving to maximize efficiencies and contain costs.

The Board has no means to accurately identify the number of parents affected by the motion. The broad language contained within the definition of disability may affect many of the parents of all 30,263 elementary students enrolled with the Board not currently receiving transportation from STSWR. However, for the purpose of providing some analysis of the potential financial implication of the motion, we have used Statistics Canada's figure that *1 in 7 Canadians over the age of 15*¹ have reported a disability. Furthermore, the 2011 Census identified an average of 1.9² children per family. Therefore, staff has estimated that approximately 4,500 students **may** have a parent with a disability. The table below quantifies the potential financial impact of the motion.

Table 1. Estimated bussing cost of additional students entitled to transportation

		Scenario 1	Scenario 2	Scenario 3	Scenario 4
(a)	Additional students requiring transportation	4,500	4,500	4,500	4,500
(b)	Students per bus per route	72	72	36	36
(c)	Routes per bus per day	3	2	3	2
(d)	Students per bus per day [b*c]	216	144	108	72
(e)	Buses required [a/d]	21	32	42	63
(f)	Cost per bus	\$40,000	\$40,000	\$40,000	\$40,000
(g)	Total estimated bussing cost*	\$840,000	\$1,280,000	\$1,680,000	\$2,520,000

***The total estimated bussing cost does not include overhead costs such as additional route planners and the cost of processing and tracking parent applications.**

¹ <http://www.statcan.gc.ca/pub/89-654-x/89-654-x2015001-eng.htm>

² https://www12.statcan.gc.ca/census-recensement/2011/as-sa/98-312-x/98-312-x2011003_1-eng.cfm

As the Board is compelled by the Education Act to balance its budget, the Board of Trustees will need to make decisions regarding cost reductions in all areas of the Board's operating budget, including but not limited to transportation, in order to pay for the additional costs one might anticipate with this motion. Based on the efficiency measures taken by the Board and STSWR over the past number of years, there are limited areas in which cost reductions can be further realized within the Board's transportation budget. In the absence of other changes, adjustments to bell times may yield minimal savings as the Board has already completed a great deal of work to optimize bell times. Further cost reductions could be realized through an adjustment to walking distances, although walking distances would need to increase substantially to achieve any such savings and these increases would take transportation away from a significant number of students. Table 2 below outlines the estimated changes to walking distances required to offset the costs applicable to Scenario 4 outlined in Table 1 above. In the event walking distances were increased, a significant bell time review will be required to optimize the transportation network and ensure cost savings are realized.

Table 2. Estimated revisions to walking distances to support additional students entitled to transportation

Grade	Walking Distance		Difference	Number of Students Effected
	Current	Revised		
Junior and Senior Kindergarten	0.8 km	1.6 km	0.8 km	2,302
1 – 6	1.6 km	1.6 km	0.0 km	
7 – 8	1.6 km	3.5 km	1.9 km	2,362
9 - 12	3.2 km	4.8 km	1.6 km	1,997
	Total			6,661

In the absence of realized cost savings within the existing transportation budget, the Board would need to consider reductions in areas that directly affect the classroom environment, such as staffing and resources, in order to cover the additional costs associated with the motion.

Additional Risks

- If STSWR is unable to place 72 students on each of the additional buses and utilize the buses for three runs each morning and afternoon then the total estimated bussing cost will increase.
- Bus operators are currently experiencing a shortage of bus drivers which will limit their ability to take on additional routes.
- The process of assessing parental disabilities will be difficult as neither the Board nor STSWR currently monitor or assess the disabilities of parents.

In Summary

There are significant complexities and financial implications associated with the provision of transportation to students solely on the basis of parental disabilities. Additionally, staff continues to work together with parents to identify alternative solutions for parents with disabilities when transportation is not provided to their children. If Board Policy 4009 Student Transportation is broadened to provide transportation as contemplated in the motion, the Board's first option must be the consideration of an increase in walking distances as indicated in Table 2 to meet the needs of students requiring transportation as identified in Table 1 and subsequently perform a review of bell times.

RECOMMENDATION:

No recommendation. For information only.

 **Director of Education**

Appendix A – Applicable Legislation

1. Subsection 190(1) of the Education Act:

190. (1) A board may provide for,

- (a) a pupil who is enrolled in a school that the board operates;
- (a.1) a resident pupil of the board who is enrolled in a school operated by another board under an agreement between the boards;
- (b) a pupil in respect of whom the Minister pays the cost of education under the regulations; and
- (c) a child over two years of age who may, under the regulations, be admitted to a program for children who are deaf or hard of hearing,

Transportation to and from the school that the pupil attends.

2. Section 10 of the Ontario Human Rights Code defines disability.

“disability” means,

- (a) any degree of physical disability, infirmity, malformation or disfigurement that is caused by bodily injury, birth defect or illness and, without limiting the generality of the foregoing, includes diabetes mellitus, epilepsy, a brain injury, any degree of paralysis, amputation, lack of physical co-ordination, blindness or visual impediment, deafness or hearing impediment, muteness or speech impediment, or physical reliance on a guide dog or other animal or on a wheelchair or other remedial appliance or device,
- (b) a condition of mental impairment or a developmental disability,
- (c) a learning disability, or a dysfunction in one or more of the processes involved in understanding or using symbols or spoken language,
- (d) a mental disorder, or
- (e) an injury or disability for which benefits were claimed or received under the insurance plan established under the Workplace Safety and Insurance Act, 1997; (“handicap”)

**Report to Committee of the Whole
November 14, 2016**



**Waterloo Region
District School Board**

Inspired Learners – Tomorrow's Leaders

SUBJECT: Motion from Trustee C. Watson re Proposed Amendments to Board Policy 4009 – Student Transportation

ORIGINATOR: This report was prepared by Jayne Herring, Manager of Corporate Services, on behalf of Trustee C. Watson and in consultation with Coordinating Council.

PURPOSE/STRATEGIC PLAN:

The purpose of the report is to provide the wording of a motion that Trustee C. Watson intends to introduce at the November 14, 2016, Committee of the Whole Meeting.

This motion, if approved by the Board, would relate specifically to the Waterloo Region District School Board's strategic priorities, particularly: Our Students are First – Each and Every One and Our Staff, Families and Caregivers are Partners in Every Student's Learning Journey.

BACKGROUND:

At the Board Meeting of September 26, 2016, Trustee C. Watson presented a motion, supported by Trustees C. Harrington, T. Martin, S. McMillan and N. Waddell, recommending that the Waterloo Region District School Board of Trustees amend Board Policy 4009 – Student Transportation.

STATUS:

Members of the Agenda Development Committee determined the motion would be scheduled for consideration at the November 14, 2016, Committee of the Whole Meeting.

FINANCIAL IMPLICATIONS:

There are significant financial implications associated with the approval of amendments to Board Policy 4009 – Student Transportation. Additional information on the financial implications will be provided to trustees in a staff report to be presented on November 14, 2016.

RECOMMENDATION:

Whereas as Board Policy 1010, Accessibility for Ontarians with Disabilities states, "It is the policy of the Waterloo Region District School Board to provide an environment that builds independence, dignity, inclusiveness, equity and respect for all of our students, parents/guardians, staff, trustees and the public."

Whereas Board Policy 1010 also states "ensures that people with disabilities will have access to our sites and services."

Whereas Board Policy 1008 Equity and Inclusion states "Serve staff, students and families in diverse communities by incorporating the principles of equity and inclusive education into all aspects of its operations, structures and policies."

That the Waterloo Region District School Board amend Board Policy 4009 – Student Transportation to include a provision that would help provide alternative solutions or transportation for younger children of parents who have a disability and are without transportation.

Report to Committee of the Whole
November 14, 2016



**Waterloo Region
 District School Board**

Inspired Learners – Tomorrow's Leaders

SUBJECT: **2015-2016 Annual School Councils' Report**

ORIGINATOR: This report was prepared by Nick Manning, Chief Communications Officer in consultation with Coordinating Council.

PURPOSE/STRATEGIC PLAN:

To present the 2015-16 Annual School Councils' Report in compliance with Ontario Regulation 612/00.

This report relates directly to all three of our Strategic Priorities and their related outcomes, but aligns most strongly with the second priority: Our Staff, Families and Caregivers are Partners in Every Student's Learning Journey. Parent and caregiver involvement in the school community is the main driver underpinning all School Council activity.

Many items also reflect the other two priorities, highlighting a focus on our board's culture of innovation (providing new skills and supplies to students, teachers and parents for long term success) and the focus on each, individual student (by encouraging community involvement and giving, and by supplying schools with funding to support individual students' needs and the ability to engage in their learning environment).

BACKGROUND:

School Councils serve as a tool to provide feedback and input into our schools' surrounding communities. They provide a forum in which parents/caregivers can interact, along with community partners, to improve school environments and students' achievement.

Ontario Regulation 612/00 (24.1) requires that "Every school council shall annually submit a written report on its activities to the principal of the school and to the board that established the council." This report summarizes each council's accomplishments over the past school year.

STATUS:

Each school council, with the support of the principal, submitted a report to the Waterloo Region District School Board. School councils engage primarily with the needs and desires of their own school community. Some of these specific undertakings are outlined below as highlighted examples, along with a summary of common themes and projects that were identified while compiling this report.

Fundraising

- School councils used a variety of approaches for fundraising, including in-school meal initiatives (pizza, milk, etc.), product sales (school spirit wear, book fairs, etc.) and school events.
 - School Council led fundraising events often also focused on community building (e.g. fun fairs, community barbecues) and increasing student activity (e.g. dance-a-thons, Canoeing the Grand).

- School councils applied for a variety of grants for fundraising including Parents Reaching Out, TD Friends of the Forest and Toyota Evergreen awards.
- Fundraising initiatives provided a variety of technology based items, including over 65 Chromebooks and over 35 iPads at the elementary level and supported educational visits to schools from a variety of groups and individuals. (i.e. author and artist visits, theatre groups, science activity groups, etc.)
- Funding was provided to help subsidize student participation in curriculum based field trips and graduation trips.
- Money was spent toward curriculum supporting classroom supplies and home reading programs, as well as supports for dual language families, such as Abraham Erb P.S. English as a Second Language book club which allows students to write, translate and print books in many languages.
- Additional subsidies were used to help fund student planners, yearbooks and clubs (chess, drama, Green Team, etc.).
- Councils led/funded community caring initiatives. Examples: Friendship/Buddy Benches, refugee welcome events/supplies, Angel Tree Toy Drive, Week of Giving events and interschool donations.

Event focus

- School councils supported a range of athletics activities included curling instruction, bike rodeo and safety events, and new physical education material, such as yoga and gym mats and volleyball equipment.
- Councils provided both financial and volunteer support to school events such as Kindergarten and Grade 9 information nights, Meet the Teacher events, sporting events, science, arts and math nights, graduation ceremonies/gifts. For example:
 - Inquiring Minds Exhibition at MacKenzie King P.S.
 - “Students, along with their parents, created poster boards that were created with a student’s interest and initiated inquiry. Poster boards were displayed in the gym for a walk through exhibition for students during the day and for families in the evening.”
 - Human Library Event at Eastwood S.S.
 - The second annual Human Library event included “18 Human Books and attended by approx. 100 parents, students and community members.”
- A large focus for many councils was school improvement, clean-up and greening initiatives, as well as outdoor play and learning resources. For example:
 - Empire P.S. obtained their three-year goal of \$65 000, for which their “main focus has been fundraising for a new, natural playground. The purpose of this playground was to provide a play space that all students could utilize year-round. This type of playground also promotes imaginative play and provides an outdoor learning space for teachers to bring their students.”
- Community fostering events were a large focus; inviting guest speakers from within the board and partner organizations to speak about their roles, and programs applicable to students and their families. At the secondary school level student council involvement was encouraged within school council initiatives, fostering a sense of community and partnership. For example:
 - Courtland 125th Anniversary Committee and Courtland students working with Waterloo Historical Society to update history pages of the Courtland website.

- Student and family wellness were a major points of interest. Examples of events hosted by school councils include anxiety, resiliency and mental health speakers, internet and cell phone safety seminars, cyber bullying awareness, nutrition workshops, walk to school programs, family fitness nights, sexual health awareness speakers, and the financial support of breakfast/healthy snack programs. For example:
 - Both Pioneer Park and Saginaw Public Schools purchased stationary/spin bikes to be used in classes, to help students focus at their desks by relieving anxiety and refocusing energy.
 - Grand River Collegiate made “a concentrated effort at providing resources for Students around Stress Management and Exams. Activities [included]: Bracelet Making; Colouring; Connect the Dots; Volleyball; Therapy Dogs; Bubble Wrap Stations around the school; Study Tips Video; greater access to Computer Labs after school; Workshops hosted by Guidance and Spec. Ed on Study Skills and Stress Busting workshops”.

COMMUNICATIONS:

Principals provide parents from their school community with a copy of their School Council Report, which highlights the activities of each respective council for that school year. The collated submissions of these reports are available and may be viewed in the Communications Department.

FINANCIAL IMPLICATIONS:

No financial implications.

RECOMMENDATION:

No recommendation. For information only.

 **Director of Education**



**Waterloo Region
District School Board**

51 Ardelt Avenue Kitchener ON N2C 2R5
(o) 519 570 0003 (f) 519 570 9007 www.wrdsb.ca

November 14, 2016

Ms. Public Delegation
Address

Dear Ms. Delegation:

On behalf of the Board of Trustees, I would like to thank you for taking the time to appear as a Delegation at the (Committee of the Whole/Board Meeting of insert date).

The Board of Trustees value input from members of the community on all issues related to public education and we appreciate the amount of time and effort that went into your presentation.

Thank you again for your support of public education and your help in ensuring that we are providing the highest quality of programs and services for the students of the Waterloo Region District School Board.

[Note: If the issue was discussed at the meeting a link to the meeting minutes and information regarding the date they will be posted will also be provided]

If you have any further questions or concerns, please do not hesitate to contact me.

Sincerely,

Name of Chairperson
Chairperson of the Board