2018-2019 BUDGET HIGHLIGHTS
PRESENTED TO THE BOARD OF TRUSTEES
JUNE 13, 2018 BUDGET MEETING
Agenda

2. WRDSB Budget 2018-2019
3. New Initiatives
4. Next Steps
Overview of 2018-19 GSN

- In 2018-2019, funding to school boards through the GSN is projected to be $24.53 billion ($23.8 billion 2017-18).

**What GSN funding supports**
- Classrooms ($13.57B)
- Schools ($3.96B)
- Specific priorities ($4.66B)
- Local management ($2.30B)

**The goals GSN funding helps achieve**
- Achieving Excellence
- Ensuring Equity
- Promoting Well-being
- Enhancing Public Confidence
What does the GSN Support?

**Funding for classrooms**
- Pupil Foundation Grant: $11,161.0M
- Continuing Education and Other Programs Grant: $141.2M
- Cost Adjustment & Qualifications and Experience Grant: $2,270.5M
- **Total**: $13,572.7M

**Funding for specific education priorities**
- Special Education Grant: $3,005.0M
- Language Grant: $795.1M
- Indigenous Education Grant: $71.3M
- Learning Opportunities Grant: $742.9M
- Safe & Accepting Schools Supplement: $49.1M
- **Total**: $4,663.4M

**Funding for a locally managed system**
- Geographic Circumstances Grant: $207.1M
- Declining Enrollment Adjustment: $12.3M
- School Board Administration and Governance Grant: $685.2M
- Debt Service: $430.1M
- Student Transportation Grant: $961.4M
- **Total**: $2,296.1M

**Funding for schools**
- School Foundation Grant: $1,491.9M
- School Facility Operations and Renewal Grant: $2,472.1M
- **Total**: $3,964.0M

*Note: School authorities funding ($37.2 million) are included in the total, but not in the pie chart. Figures may not add due to rounding.*
Key Changes for the 2018-2019 GSN

• Investments in special education to support students with extraordinarily high needs.

• Additional support to prepare Grade 7 and 8 students for high school and beyond.

• Additional funding for demographic and growth adjustments through the English as a Second Language/English Literacy Development Allocation.

• Enhancements to support the second year of the 2017-2019 labour agreements, which are effective Sept. 1, 2017 to Aug. 31, 2019.

• Capital investments to ensure that school boards can continue to address priority facility renewal needs associated with major building components and systems.

• New capital investments in child care and EarlyON child and family centres to meet government commitments.
Special Education

• Addressing Waitlists for Assessments and Increasing Services
  • Support to address waitlists over the next 3 years
  • Multi-disciplinary team to build capacity with educators

• Special Incidence Portion
  • Support students with extraordinary needs through staffing costs associated with health and safety needs of students
  • Increase from $27,000 to $38,016 per claim

• Behaviour Expertise Amount
  • New component: Applied Behaviour Analysis Training
  • Previously provided through an Education Program Other Grant
2017-2019 Central Labour Agreements

• Salary Increases – 1.5% salary benchmark
• Class Size Investment
  • FDK average class size of 25.57
  • Grade 4 – 8 average class size of 24.5
• Employee Health, Life & Dental Benefits
  • Additional funding to support transformation
• Local Priorities Funding
  • Continuation of funding to support additional positions identified in the Central Labour Agreements
Board Administration and Governance

• Early Years Lead
  • Moved from an Education Program Other grant to the Grant for Student Needs
• Trustee Honoraria
  • Increased from $5,900 to $6,300
Capital

• May 14, 2018 Reports to Committee of the Whole outlined the Board’s plan to utilize School Condition Improvement and Green House Gas funding

• School Condition Improvement
  • 2018-2019 funding is $14,421,650
  • 2017-2018 funding was $13,117,120

• Green House Gas
  • 2018-2019 funding is $1,602,400
  • 2017-2018 funding was $3,279,280

• School Renewal
  • 2018-2019 funding is $9,933,140
  • 2017-2018 funding was $9,779,318
Keeping up with Costs

• Transportation
  • Increased to 4% from 2% in 2017-2018

• Utilities
  • 2% increase in cost benchmark for non-staff expenditures
Other Changes

• Preparing for Success in High School
  • Investment to support Grade 7 and 8 students transition to high school
  • Engage students in experiential learning and encourage the exploration of a variety of pathways

• Cash Management Strategy
  • New Ministry strategy to limit the Province’s borrowing costs
  • School Boards’ monthly cash flows will be refined based on each board’s cash requirement
Education Program Other Grants

- Community Use of Schools: Outreach Coordinators ($128K)
- Community Use of Schools: Priority Schools ($102K)
  - Continued funding to hire Outreach Coordinators and subsidize non-for-profit user groups
- Highly Skilled Workforce Strategy K-12: Experiential Learning ($222K)
  - Additional support for experiential learning by providing funding to support a dedicated leader and professional development for educators
- Indigenous Support and Engagement Initiative ($100K)
  - Continued funding to support a full time staff member to support Indigenous students
Education Program Other Grants

• Innovation in Learning Fund ($108K)
  • Funding to support innovations in learning and teaching to support student learning with a focus on transferable skills

• Mental Health Workers in Schools ($477K)
  • Funding to hire regulated health professionals with specialized training in mental health to support secondary students

• Renewed Mathematics Strategy ($1.478 M)
  • Second of three years in a strategy to improve mathematics learning and achievement

• Well-Being: Safe Accepting and Healthy Schools and Mental Health ($274K)
  • Funding to for local strategies designed to support student mental health, promoting positive learning environments, promoting student voice, collaborative professionalism, staffing well-being and equity
WRDSB BUDGET
2018-2019
Guiding Principles – Strategic Priorities

• 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
Guiding Principles – Operational Goals
Budget Process

• Preliminary Planning began in January
  • Budget forms distributed to departments
• Public Engagement
  • January 2018 to March 2018
• Budget Review & Analysis
  • March 2018 to May 2018
• Grants for Student Needs
  • Provided April 27, 2018
• Board budget discussions commence June 11, 2018
Public Engagement

- January 2018 to March 2018
- Budget survey developed by the Fiscal Task Force
  - Internal and external stakeholders
- Results reported to Trustees under the Fiscal Task Force Update on June 11, 2018
REVENUES

(See pages 2-4 in Budget Report; Appendix B pages 18-19)
Revenues

- Key drivers of our revenue forecast for 2018-19 include:
  - Enrolment
  - Geographic, socio-economic and demographic factors
  - The number, size, age and condition of schools in the board.

- Total revenues are forecast to be $774.6M; an increase of $22.8M, or 3.04%, compared to the 2017-18 budget.
Enrolment Projections - Elementary

Elementary - Average Daily Enrolment (A.D.E.)

- Forecast
- Budget

School Year:
- 2015-16
- 2016-17
- 2017-18
- 2018-19
- 2019-20
- 2020-21
Enrolment Projections - Secondary

Secondary- Average Daily Enrolment (A.D.E.)

- Forecast
- Budget

School Year

A.D.E.


17,000 18,000 19,000 20,000 21,000
Key Changes - Revenues

- Salary Benchmarks
  - Centrally Negotiated
  - Increasing by 1.5%
  - ~$9.3M in additional funding

- Labour agreements set to expire August 31, 2019
Key Changes - Revenues

- Non-Salary Benchmark Increases
  - Student Transportation $0.9M; 5.7%
- School Operations $1.9M; 3.3%
Key Changes - Revenues

- Special Education Funding
  - $2.7M increase; 3.2%

- Key Changes:
  - Funding for multi-disciplinary teams
  - ABA Training amount moved into GSN
  - Special Incidence Portion (SIP) claims amount has increased
Key Changes - Revenues

• School Board Administration and Governance Grant
  • $1.3M increase; 7.84%

• Key Changes:
  • Program Leadership Allocation
  • Benchmark increases
  • Trustee honorariums
Summary - GSN Revenues

- Funding for Classrooms ($427.0M)
- Funding for Specific Education Priorities ($123.6M)
- Funding for a Locally Managed System ($27.7M)
- Funding for Schools ($117.4M)

Total: $695.7M

- 61%
- 18%
- 17%
- 4%
## Summary - Revenues

<table>
<thead>
<tr>
<th>Revenue Categories</th>
<th>2017/2018 Budget</th>
<th>2018/2019 Budget</th>
<th>Budget Variance</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Provincial Grant Allocation</td>
<td>$674,484,142</td>
<td>$695,707,042</td>
<td>$21,222,900</td>
<td>3.15%</td>
</tr>
<tr>
<td>B. Provincial Grants - Other</td>
<td>3,422,397</td>
<td>3,741,569</td>
<td>319,172</td>
<td>9.33%</td>
</tr>
<tr>
<td>C. School Generated Funds</td>
<td>14,000,000</td>
<td>14,000,000</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>D. Investment Income</td>
<td>407,308</td>
<td>475,264</td>
<td>67,956</td>
<td>16.68%</td>
</tr>
<tr>
<td>E. Other Fees &amp; Revenues</td>
<td>25,311,289</td>
<td>25,471,813</td>
<td>160,524</td>
<td>0.63%</td>
</tr>
<tr>
<td>F. Amortization of Deferred Capital Contributions</td>
<td>34,143,703</td>
<td>35,197,975</td>
<td>1,054,272</td>
<td>3.09%</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$751,768,839</td>
<td>$774,593,663</td>
<td>$22,824,824</td>
<td>3.04%</td>
</tr>
</tbody>
</table>
EXPENDITURES

(See pages 4-6 in Budget Report; Appendix C pages 20-22)
Expenditures

• Fiscal Strategy = Matching of our expenses to the available revenue on an annual basis.

• When a change to funding is announced, offsetting expense adjustments are made whenever possible.
Key Changes - Expenditures

- Instructional Salaries and Benefits
  - $20.4M increase; 3.7%

- Rationale:
  - 1.5% salary benchmark increase
  - Additional staff to accommodate growth
  - Movement through the salary grid
Key Changes- Expenditures

- Administration and Governance
  - $1.2M increase; 6.83%

- Rationale:
  - 1.5% salary increase (central labour framework)
  - Fees and contracts (software licenses, maintenance)
  - Travel and professional development (changes to per kilometre rates to align with CRA requirements)
  - New positions
Key Changes - Expenditures

- Supply Costs
  - $2.5M increase; 13.3%

- Rationale:
  - Addresses the upward trend in supply costs
  - 1.5% salary benchmark increase
Key Changes - Expenditures

- Student Transportation
  - $1.0M increase; 6.0%

- Rationale:
  - Inflationary increases for operators
  - Additional routes required to support our student population (enrolment growth)
  - Increase in special education transportation costs ($0.5M)
  - Enhancements to base salaries for school bus drivers
• The Ministry of Education provides capital funding to the Board through a variety of programs.
  • School Renewal Allocation (SRA), the School Condition Improvement Grant (SCI) and the Greenhouse Gas Reduction Fund (GGRF)
  • Total capital budget for 2018/19 is $64.7M
• Plans to expend these funds were presented during the Committee of the Whole meeting on May 14, 2018
TARGETED MINISTRY INVESTMENTS

(See pages 6-7 in Budget Report)
Targeted Ministry Investments

- Multi-Disciplinary Team (Special Education)
  - $1.0M; 13.5 FTE
- Mental Health Workers in Secondary Schools
  - $0.5M; 4 FTE
- Guidance Teachers (Grade 7-8)
  - $1.9M; 15 FTE
- Class Size Investments (Kindergarten and Gr 4-8)
  - An additional 17 FTE to meet requirements
- Local Priorities Funding
  - $6.5M; additional staff and professional development
BASE BUDGET ENHANCEMENTS

(See pages 7-10 in Budget Report)
Base Budget Enhancements for 2018-19

- Vice Principals
  - $0.6M; 5.0 FTE
  - Enrolment increase
  - Workload intensification

- Educational Assistants (ESL/ ELD Program)
  - $0.3M; 4.5 FTE
  - Enrolment increase in ESL/ELD program
Base Budget Enhancements for 2018-19

- Social Work Support (Alternative Education)
  - $0.2M; 2.0 FTE
  - Supporting students who demonstrate elevated risks (disengagement, mental illness, addictions)
- Behaviour Management System Training
  - $0.3M
  - Training for staff working in situations where escalated student behavior may occur.
  - Violence in the workplace
Base Budget Enhancements for 2018-19

- Central Administration
  - $0.6M (net of HR supplement); 7.0 FTE

<table>
<thead>
<tr>
<th>Department</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communications</td>
<td>Communications Officer</td>
</tr>
<tr>
<td>Financial Services</td>
<td>Accounting Officer</td>
</tr>
<tr>
<td>Human Resource Services</td>
<td>Equity Officer</td>
</tr>
<tr>
<td>Human Resource Services</td>
<td>Manager</td>
</tr>
<tr>
<td>Human Resource Services</td>
<td>Employee and Labour Relations Officer</td>
</tr>
<tr>
<td>Human Resource Services</td>
<td>Seconded Administrators (2)</td>
</tr>
</tbody>
</table>
Base Budget Enhancements for 2018-19

- Disaster Recovery (DR) Plan
  - $0.2M
  - Supplements $140 thousand being invested in 2017-18 to expedite work on the DR plan

- Human Resources Information System (HRIS)
  - $0.2M
  - Comprehensive needs assessment, scope of work and project plan development
Risks to the 2018-2019 Budget

- Changing Ministry directives
- Provincial environment and economy
- Enrolment volatility
NEW INITIATIVES

(See pages 10-13 in Budget Report; Appendix E)
New Initiatives

• All requests were reviewed by Coordinating Council and the Senior Strategy Team
• Coordinating Council and the Senior Strategy Team recommend the Trustees’ approval of all 7 New Initiatives submitted
• Accumulated Surplus – Unappropriated is sufficient to cover the New Initiatives
## Accumulated Surplus - Unappropriated

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accumulated surplus – unappropriated</td>
<td>$27,591,247</td>
<td>$27,084,817</td>
</tr>
<tr>
<td>Invested in non-depreciable tangible capital assets</td>
<td>59,071,923</td>
<td>49,977,643</td>
</tr>
<tr>
<td>Amounts restricted for future use by Board motion</td>
<td>10,016,900</td>
<td>9,119,857</td>
</tr>
<tr>
<td>Employee benefits payable to be funded</td>
<td>(4,711,845)</td>
<td>(13,620,888)</td>
</tr>
<tr>
<td>Other</td>
<td>4,300,703</td>
<td>4,143,704</td>
</tr>
<tr>
<td><strong>Total accumulated surplus (deficit)</strong></td>
<td><strong>$96,268,928</strong></td>
<td><strong>$76,705,133</strong></td>
</tr>
</tbody>
</table>
# 2018/2019 New Initiatives

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Improvements for and Student Well-being</td>
<td>$4,120,000</td>
</tr>
<tr>
<td>Collaborative Furniture for Secondary Schools</td>
<td>1,120,000</td>
</tr>
<tr>
<td>Human Resources Information System</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Early Intervention to Increase Graduation Rates</td>
<td>479,600</td>
</tr>
<tr>
<td>Specialist High Skills Major – Aviation</td>
<td>337,000</td>
</tr>
<tr>
<td>Math Resources to Support Elementary Math Instruction</td>
<td>319,500</td>
</tr>
<tr>
<td>Laserfiche Enhancements</td>
<td>121,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$7,497,100</strong></td>
</tr>
</tbody>
</table>
Capital Improvements for Staff and Student Well-being

• Project will improve learning conditions for students in some of our schools in need through Heating Ventilation and Air Conditioning improvements and other infrastructure improvements.

• This initiative will support Howard Robertson, Forest Hill, Rockway, Wilson Avenue, Queen Elizabeth, J.F. Carmichael and Manchester.

• This initiative supports the Board’s operational goals of Student and Staff Well-being.

• Respondents to the budget survey identified the importance of the maintaining and improving the infrastructure of our buildings.

• The project is a one-time expenditure of $4,120,000.
Collaborative Furniture for Secondary Schools

• This project identifies the need to update existing furniture to support mathematics achievement and learning in our secondary math classrooms and to support the improvement of mathematics instruction from K to 12.

• Through this funding the board will be able to support approximately 10 classrooms at each secondary school.

• This initiative supports the Board’s operational goal of improving Mathematics achievement and learning.

• Respondents to the Budget Survey identified the importance of collaborative classroom furniture and collaborative spaces in the improvement of mathematics achievement and learning.

• The project is a one-time expenditure of $1,120,000.
Human Resource Information System

• The Board has identified a need to replace its current Human Resources Information System (HRIS).
• For planning purposes, this request is to support the software and implementation supports required to successfully implement a new software package.
• Staff will further develop its plan and return to Trustees in the 2018/2019 school year to present it.
• Implementing an improved HRIS will support the board’s operational goal of Staff Well-Being and further support legislative and regulatory requirements.
• The project is a one-time expenditure of $1,000,000. This amount will be refined when staff return to present its formal plan.
Early Intervention to Increase Graduation Rates

• This initiative will support the creation of a Multidisciplinary team (MDT) to support identified schools to develop, implement, and monitor a coherent school improvement plan for their primary division.

• Students at the identified schools will receive support with self-regulation, oral language, literacy and numeracy skills critical to student success.

• This initiative supports the Board’s operational goal of improving Graduation Rates.

• Respondents to the budget survey highly ranked the importance of early identification and intervention with students at risk of graduating.

• The project is a multi-year expenditure of $479,600 in each of the 2018/19 and 2019/20 school years. Another request will come forward for the 2019/20 expenditures.
Program Enhancement Partnership - Aviation

• A decline in qualified professionals in the aviation industry and opportunities with local partners has presented an opportunity to the Board.
• This investment will fund the purchase of equipment and materials to support the introduction of an Aviation Program.
• Partnering with Waterloo Regional Airport, the University of Waterloo and Conestoga College, the WRDSB will a program that will support students exploring the many aspects of this exciting industry.
• The funds will support the purchase of four mid-sized flight simulators and two full-size flight simulators.
• Our culture of innovation will build students’ confidence and success as they face the future.
• The project is a one-time expenditure of $337,000.
Math Resources to Support Elementary Math Instruction

• This investment will enhance the comprehensive resources available to support Ontario’s Math Curriculum and the board’s comprehensive mathematics approach.
• Staff is looking to expand the pilot based on the positive results from 40 grade 4 classrooms in the 2017-18 school year.
• This funding will support the purchase of 2 to 4 licences per school to augment the same number of licences to be purchased by schools.
• This initiative supports the board’s operational goal of improving Mathematics achievement and learning.
• Respondents to the budget survey identified the importance of classroom resources and online resources.
• The project is a one-time expenditure of $319,500.
Laserfiche Enhancements

- This initiative will enhance the accuracy, timeliness and overall service provided to International Students and staff when it relates to expense reimbursements and the identification of registered vendors.
- The board has experienced significant increases in the number of International Students enrolling with the WRDSB.
- Enhancing Laserfiche will provide additional controls to ensure compliance with Board policies and procedures.
- This initiative supports the board’s operational goal of Student and Staff Well-Being.
- The project is a one-time expenditure of $121,000.
Summary

• Through one time expenditures, the recommended New Initiatives will support the Board’s operational goals of:
  • Improving Graduation Rates
  • Increasing Mathematics Achievement and Learning
  • Supporting Student and Staff Well-Being
NEXT STEPS
Recommendation

“That the Waterloo Region District School Board (Board) approve the budget as presented in this report - with revenues of $774,593,663 and expenses of $768,132,193 with the difference of $6,461,470 attributed as follows…”
INNOVATING TOMORROW
BY EDUCATING TODAY

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