



# 2018-2019 BUDGET HIGHLIGHTS

PRESENTED TO THE BOARD OF TRUSTEES  
JUNE 13, 2018 BUDGET MEETING

# Agenda

1. Grants for Student Needs 2018-2019
2. WRDSB Budget 2018-2019
3. New Initiatives
4. Next Steps



# GRANTS FOR STUDENT NEEDS (GSN) 2018-2019

# 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)

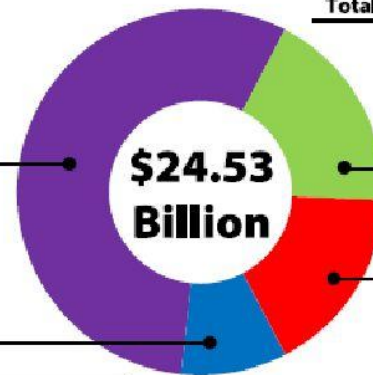
## The goals GSN funding helps achieve

- **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
<b>Total</b>	<b>\$13,572.7M</b>

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
<b>Total</b>	<b>\$4,663.4M</b>



Funding for a locally managed system	
Geographic Circumstances Grant	\$207.1M
Declining Enrolment Adjustment	\$12.3M
School Board Administration and Governance Grant	\$685.2M
Debt Service	\$430.1M
Student Transportation Grant	\$961.4M
<b>Total</b>	<b>\$2,296.1M</b>

Funding for schools	
School Foundation Grant	\$1,491.9M
School Facility Operations and Renewal Grant	\$2,472.1M
<b>Total</b>	<b>\$3,964.0M</b>

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

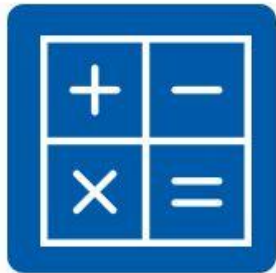


# Guiding Principles – Strategic Priorities

- 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



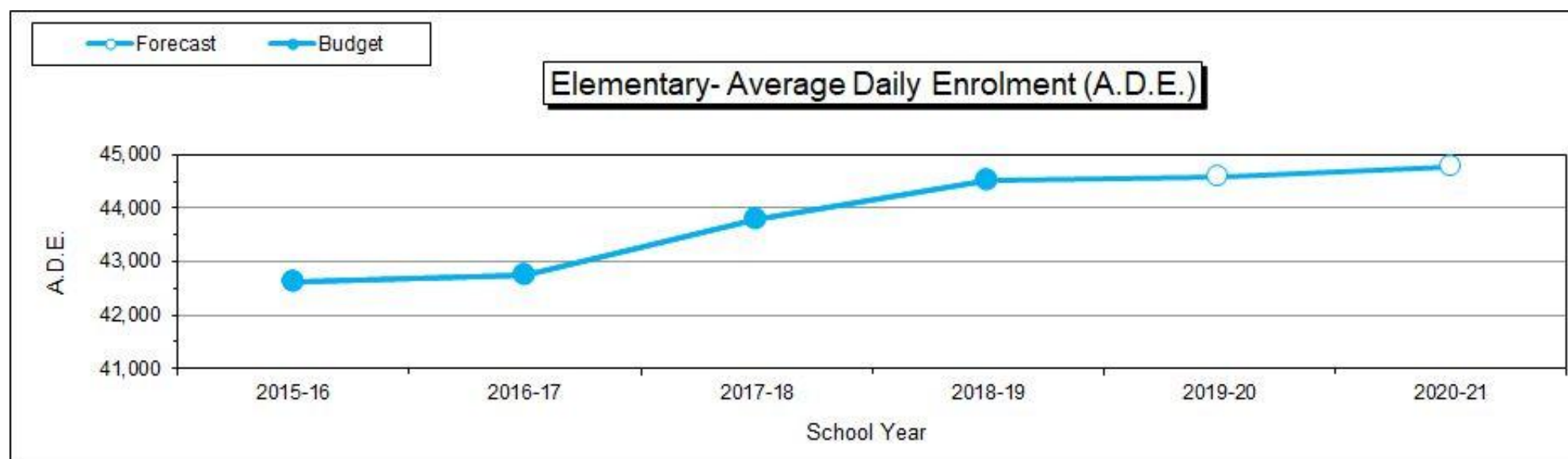
# REVENUES

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

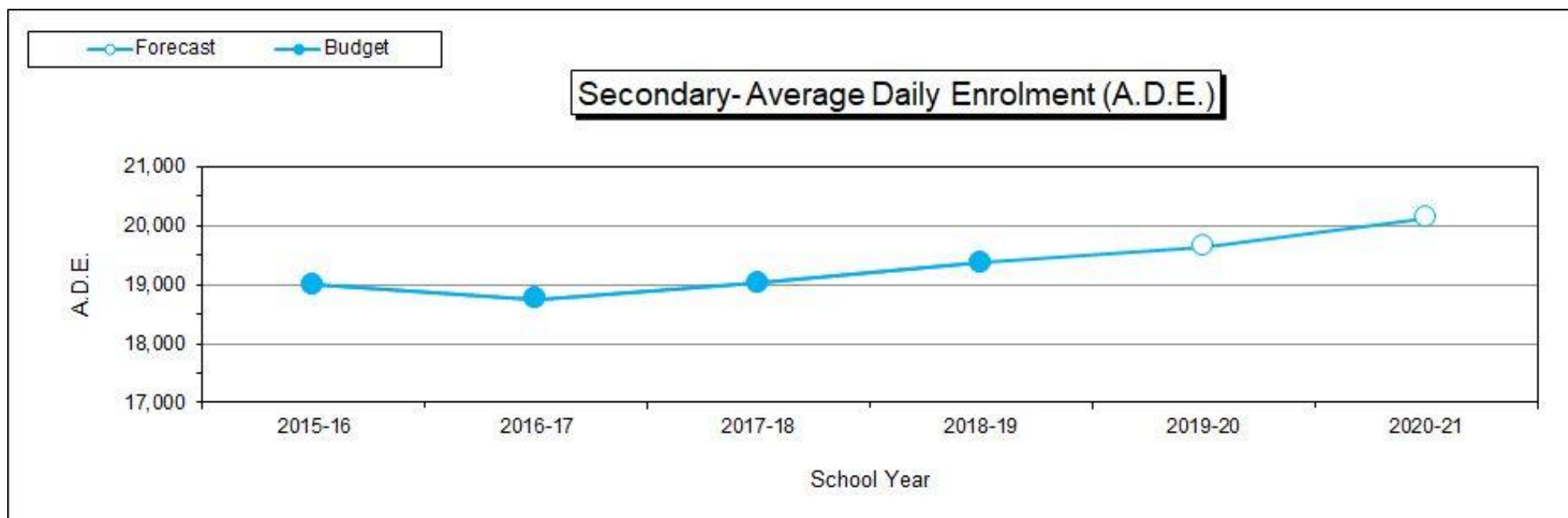
# Revenues

- 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



# Enrolment Projections - Secondary



# 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)



# Summary- Revenues

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



# 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

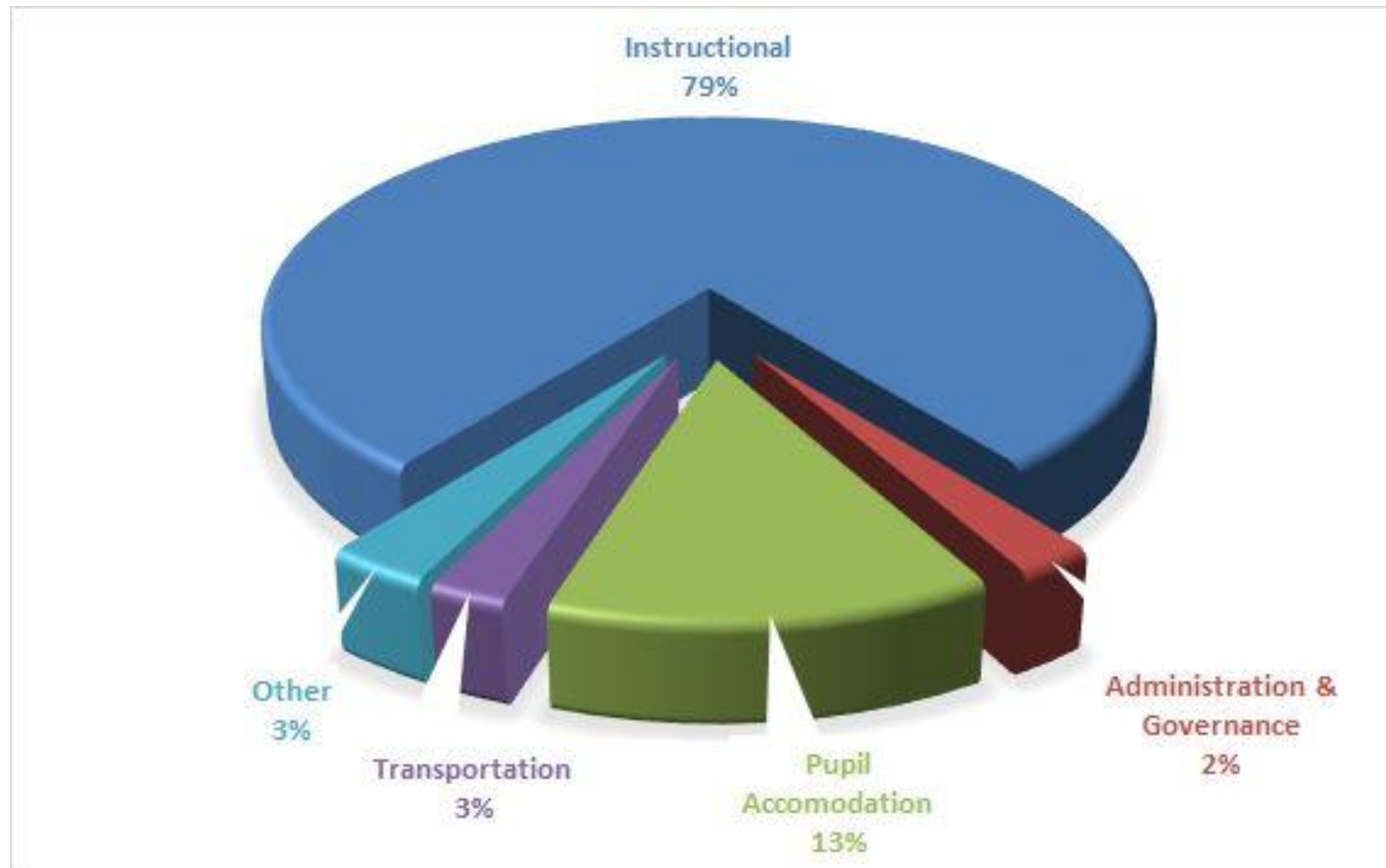
- Supply Costs
  - \$2.5M increase; 13.3%
- Rationale:
  - Addresses the upward trend in supply costs
  - 1.5% salary benchmark increase



# 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

# Summary- Expenditures



# Capital

- 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

Department	Position
Communications	Communications Officer
Financial Services	Accounting Officer
Human Resource Services	Equity Officer
Human Resource Services	Manager
Human Resource Services	Employee and Labour Relations Officer
Human Resource Services	Seconded Administrators (2)

# 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

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



# 2018/2019 New Initiatives

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

# 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

51 Ardelt Avenue  
Kitchener, ON N2C 2R5  
tel: 519.570.0003  
WEB: WRDSB.CA



[FACEBOOK.COM/WRDSB](https://www.facebook.com/WRDSB)



[TWITTER.COM/WRDSB](https://twitter.com/WRDSB)



[INSTAGRAM.COM/WR\\_DSB](https://www.instagram.com/WR_DSB)



[YOUTUBE.COM/WRDSBVIDEO](https://www.youtube.com/WRDSBVIDEO)