



Committee of the Whole Budget

Report 19-066
29 May 2019

2019-2020
Staff-Recommended Budget

A Community of Character

ACCEPTANCE: I reach out to include others. I accept others for who they are. I am gentle with myself and others when mistakes are made.

APPRECIATION: I am grateful for all that I have. I am thankful for the support that others give me. I am generous in recognizing the contributions of others.

COOPERATION: I work with others to make a peaceful community. I am willing to listen to others' ideas and suggestions. I compromise and negotiate to solve problems and differences of opinion.

EMPATHY: I am compassionate, caring, and kind. I am a true friend. I will walk in your shoes in order to understand you. I am slow to judge and quick to forgive.

FAIRNESS: I make decisions based upon the whole picture. I treat others the way I would like to be treated. I am just.



INTEGRITY: I behave ethically and honourably. I am honest, loyal, and trustworthy. I am truthful and courageous. I stand up for what is right even when it is hard. I am a person of my word and people who know me understand that.

OPTIMISM: I believe that challenges are opportunities. I choose to see goodness. I have hope for our future.

PERSEVERANCE: I will work hard and I will not give up. I will finish what I begin and I will not give up. I will care enough and I will not give up.

RESPECT: I honour myself and others through my words and actions. I support our diversity of beliefs. I treat our world and everything in it with dignity.

RESPONSIBILITY: I am accountable for the decisions I make. I realize that my decisions impact my community. I honour my commitments.

Educating for Success —
Inspiring Learning and Building Citizenship



2019-2020 Staff-Recommended Budget

Context for the District's budget:

- **Provincial funding and future uncertainty**
- **Input from trustees, schools and the public**
- **Consideration of:**
 - **strategic priorities**
 - **budget risk**
 - **underlying assumptions**



Strategic Priorities

- **Draft 2019-2023 Strategic Plan recognizes that learning, well-being and equity are the core of OCDSB work**
- **The new strategic plan has three key objectives, which are to create a:**
 - **Culture of Innovation**
 - **Culture of Caring**
 - **Culture of Social Responsibility**
- **The budgeting challenge is to align available resources to maximize the achievement of the three priorities**



Budget Risk

- **The element of risk is considered when developing budget estimates, including:**
 - **Enrolment variability**
 - **Fluctuations in revenues and expenses**
 - **In-year pressures to meet emerging needs**
 - **Political environment**
- **Past budget assumptions that have contributed to recent surpluses have been reviewed to tighten the estimates shown in the staff-recommended budget**



Budget Assumptions

- **Increased enrolment**
- **Reduced funded class sizes and other funding adjustments implemented by the Ministry of Education**
- **Implementation of approved academic staffing decisions**
- **Investments in the system to serve students (special education, health and safety, student-focused technology)**
- **Ministry-compliant budget with limited use of reserves**



Significant Revenue Items

- **Areas of reduced Ministry funding:**
 - **Funded class sizes**
 - **Funded kindergarten ECE staffing**
 - **Secondary programming**
 - **Local Priorities (LPF expires August 2019)**
 - **School operations (supplementary area factors)**
 - **Education worker cost adjustment and international student recovery amount**
 - **Priorities and Partnerships Funding (formerly Education Program-Other (EPO) grants)**



Significant Revenue Items

- **Increase in elementary and secondary enrolment relative to 2018-2019 Budget**
- **Areas of other funding increases:**
 - **Salary benchmarks increased to annualize approved 2018-2019 compensation increases**
 - **New grant entitled Attrition Protection for Teachers to partially offset changes to funded classroom teacher ratios**
 - **School Operations for supplies and services**
 - **Student Transportation services**



Significant Revenue Items

- **Grant reductions shown in the 2019-2020 staff-recommended budget net to \$23.2 million**
- **Attrition Protection for Teachers Grant:**
 - **Funding will be reduced over four years resulting in a total reduction of \$24.7 million**
- **School Operations Allocation:**
 - **Funding reductions are being phased-in over five years and will result in an annual reduction of \$6.4 million by 2023-2024**
- **Total reduction by 2023-2024 is \$53.0 million**



Recommended Investments

- **Academic staffing changes approved in March 2019**
- **Retention of education worker positions previously supported using LPF**
- **Additional staffing changes to provide:**
 - **Direct supports for students**
 - **Support for schools/school-based activities**
- **Increased operating budgets to support initiatives focused on students, staff and technology**



Changes in the Operating Budget

- The recommended budget shows an operating deficit funded with the use of reserves
- The use of reserves is compliant with Ministry directives

(\$ in millions)

	2019-2020 Recommended Budget \$	2018-2019 Approved Budget \$	Change \$
Revenues	971.8	974.3	(2.5)
Expenses	980.1	974.3	5.8
Surplus(Deficit)	(8.3)	-	(8.3)
Use of Reserves	8.3	-	8.3
Net Operating	-	-	-



Compliance Results

Net Results and Accumulated Surplus

(\$ in millions)

School Year	Net Actual \$	Net Budget \$	Change \$	Accumulated Surplus (YE) \$
2012-13	(0.2)	(6.7)	6.5	45.8
2013-14	(11.8)	(14.3)	2.5	34.0
2014-15	(17.2)	(17.2)	-	16.8
2015-16	(12.3)	(11.9)	(0.4)	4.5
2016-17	15.2	-	15.2	19.7
2017-18	15.2	-	15.2	34.9
2018-19 *	7.8	-	7.8	42.7

* Projected results. \$430,000 of the accumulated surplus balance is restricted (cannot be used for other purposes)



Average Daily Enrolment

	2015-2016 Actual	2016-2017 Actual	2017-2018 Actual	2018-2019 Revised	2019-2020 Projection
Elementary Students					
Junior Kindergarten	4,365.77	4,372.93	4,502.59	4,517.00	4,430.50
Senior Kindergarten	4,653.20	4,719.69	4,697.70	4,767.00	4,796.00
Grades 1 to 3	14,412.00	14,659.90	14,796.35	14,901.50	15,020.00
Grades 4 to 8	24,227.61	24,520.57	25,094.04	25,499.00	25,999.50
Sub-Total	47,658.58	48,273.09	49,090.68	49,684.50	50,246.00
Tuition Paying	54.00	56.50	59.00	60.00	60.00
Total Elementary Students	47,712.58	48,329.59	49,149.68	49,744.50	50,306.00
Secondary Students					
Under age 21	21,956.06	22,057.93	22,350.70	23,054.15	23,372.65
Age 21 and over	820.29	834.63	827.02	1,002.22	931.47
Sub-Total	22,776.35	22,892.56	23,177.72	24,056.37	24,304.12
Tuition Paying	548.82	664.34	745.25	786.00	786.00
Total Secondary Students	23,325.17	23,556.90	23,922.97	24,842.37	25,090.12
Grand Total	71,037.75	71,886.49	73,072.65	74,586.87	75,396.12

Numbers may not add due to rounding



Contractual and Cost Changes

Changes in Costs and Grant Capacity

(\$ millions)

	FTE	\$
Net Change in Contractual Estimates	-	(9.2)
Net Change in Costs ¹	-	3.4
Net Change in Grant Capacity ²	-	0.1
	-	(5.7)

¹ Budget Binder Appendix A

Includes student transportation costs, externally supported Continuing Education programs, inflationary adjustment to support facilities maintenance costs, changes to staff on loan assignments, salary differential and reduced interest on capital debt

² Budget Binder Appendix B

Includes changes resulting from enveloped GSN amounts, reduced costs relating to PPF grants and positions funded by Local Priorities funds and increased amortization expense



Previously Approved Changes

Academic Staffing (\$ millions)

	FTE	\$
Elementary Teachers	25.01	2.6
Secondary Teachers	2.98	0.3
School Administration	3.00	0.4
	30.99	3.3

Budget Binder Appendix C



Recommended Initiatives

Recommended Changes to Staffing and Operating Budgets (\$ millions)

	Maintain FTE	New FTE	Total FTE	Total \$
School Administration	9.0	1.0	10.0	0.6
Learning Support Staff	30.0	37.0	67.0	4.1
School Custodians	13.0	-	13.0	0.8
Central/CE Departments	3.0	2.0	5.0	0.4
Enrolment-Based	-	22.5	22.5	0.8
Other Investments	-	-	-	1.5
	55.0	62.5	117.5	8.2

Budget Binder Appendices D and E



Changes by Affiliation

	2018-2019 Staffing	Change from Prior Year	Change from Prior Year
	FTE	FTE	%
Teachers	4,877.31	28.99	0.6
Professional Services Staff	94.60	5.00	5.6
Plant Support Staff	708.62	(1.00)	(0.1)
Education Support Staff	627.05	4.40	0.7
Educational Assistants	750.00	30.00	4.2
Early Childhood Educators *	602.34	7.71	1.3
Principals/Vice-Principals	251.75	3.00	1.2
Union-Exempt Staff *	239.56	15.34	6.8
	8,151.23	93.44	1.2

* Includes Extended Day and Child Care Programs



Capital Budget

(\$ millions)

	\$
Capital Priorities and Child Care	4.8
School Renewal	8.4
School Condition Improvement	48.3
Portables (use of reserves)	1.3
	62.8
Furniture, Equipment, Computers	11.8
Wi-Fi Network	8.2
	82.8



Key Dates

22 Jan	Budget Process and Overview
26 Mar	Academic Staffing Approval
16 Apr	Budget development update (GSNs)
10 May	EFIS Estimates Forms Released
29 May	Presentation of Staff-Recommended Budget
03 Jun	Delegations, debate (Special Board, if required)
10 Jun	Delegations, debate (Special Board, if required)
17 Jun	If required, debate and Special Board



Committee of the Whole Budget

Questions and Comments

