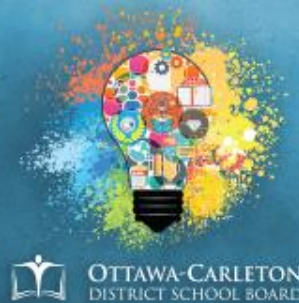


**Report 19-040**  
**2018-2019 Updated Forecast**  
**and**  
**Report 19-047**  
**2019-2020 Budget Process**

**16 April 2019**



# 2018-2019 Updated Forecast Projected Financial Results

## Comparative Summary of Revenues and Expenses projected for the year ended 31 August 2019 (\$ in millions)

	<b>Forecast</b> \$	<b>Budget</b> \$	<b>Change</b> \$	<b>Change</b> %
<b>Revenues</b>	<b>980.1</b>	<b>974.3</b>	<b>5.8</b>	<b>0.6</b>
<b>Expenses</b>	<b>972.3</b>	<b>974.3</b>	<b>(2.0)</b>	<b>(0.2)</b>
<b>Surplus</b>	<b>7.8</b>	<b>-</b>	<b>7.8</b>	

# 2018-2019 Updated Forecast

## Significant Items

- **Average daily enrolment (ADE) increase of 489 students has increased the Grants for Student Needs (GSNs) revenues**
- **Enrolment growth resulted in the addition of 10 elementary teaching positions while secondary needs were managed within approved staffing levels**
- **Compensation differential for instructional staff is projected to provide savings of \$11.2 million**
- **\$2.9 million increase for occasional teachers**

# 2018-2019 Updated Forecast

## Significant Items

- **\$2.2 million in incremental costs for portable relocations and property lease**
- **\$677,000 increase in transportation costs for driver retention strategy**
- **Provisions included in the forecast:**
  - **\$478,000 provision to augment existing special education staffing**
  - **\$500,000 provision for incremental needs in support of English language learners**
  - **\$2.0 million provision for legal costs**
- **Increased spending on capital initiatives**

# 2018-2019 Updated Forecast

## Comparative Summary of Net Results and Accumulated Surplus

(\$ in millions)

<b>School Year</b>	<b>Net Actual \$</b>	<b>Net Budget \$</b>	<b>Change \$</b>	<b>Accumulated Surplus (YE) \$</b>
<b>2013-14</b>	<b>(11.8)</b>	<b>(14.3)</b>	<b>2.5</b>	<b>34.0</b>
<b>2014-15</b>	<b>(17.2)</b>	<b>(17.2)</b>	<b>0.0</b>	<b>16.8</b>
<b>2015-16</b>	<b>(12.3)</b>	<b>(11.9)</b>	<b>(0.4)</b>	<b>4.5</b>
<b>2016-17</b>	<b>15.2</b>	<b>-</b>	<b>15.2</b>	<b>19.7</b>
<b>2017-18</b>	<b>15.2</b>	<b>-</b>	<b>15.2</b>	<b>34.9</b>
<b>2018-19*</b>	<b>7.8</b>	<b>-</b>	<b>7.8</b>	<b>42.7</b>

\* Based on 2018-2019 Updated Forecast

# 2019-2020 Budget Process

## Accumulated Surplus

(\$ in millions)

	<b>Actual 2015-16 \$</b>	<b>Actual 2016-17 \$</b>	<b>Actual 2017-18 \$</b>	<b>Forecast 2018-19 \$</b>
<b>Revenues</b>	<b>860.0</b>	<b>900.3</b>	<b>952.3</b>	<b>980.1</b>
<b>Expenses</b>	<b>872.3</b>	<b>885.1</b>	<b>937.1</b>	<b>972.3</b>
<b>Surplus (Deficit)</b>	<b>(12.3)</b>	<b>15.2</b>	<b>15.2</b>	<b>7.8</b>
<b>Accum. Surplus</b>				
<b>Available for Use</b>	<b>0.5</b>	<b>0.8</b>	<b>14.4</b>	<b>19.6</b>
<b>Contingencies</b>	<b>3.4</b>	<b>15.0</b>	<b>15.0</b>	<b>17.2</b>
<b>Appropriated</b>	<b>0.6</b>	<b>3.9</b>	<b>5.5</b>	<b>5.9</b>
<b>Total</b>	<b>4.5</b>	<b>19.7</b>	<b>34.9</b>	<b>42.7</b>

# Significant Budget Items

- **Academic staffing recommendations approved in March 2019 committed approximately \$540.0 million, which is 55% of the 2018-2019 Budget**
- **Grant announcements (GSNs and EPOs) are expected by 26 April 2019**
- **Education Finance Information System (EFIS) and Technical Paper are to be released by mid-May 2019**
- **Timing of the release of the 2019-2020 Staff-Recommended Budget will be contingent upon receiving funding information from the Ministry**

# Significant Budget Items

## Risks

- **Local Priorities System Investment funding which supports 87.7 FTEs expires at end of 2018-2019 (32.7 FTE teaching & 55.0 FTE A&S)**
- **Confirmation of details regarding funding reductions resulting from:**
  - **Change to funded class sizes**
  - **Elimination of specific grant amounts**
  - **Change to the Facility operating grant**
- **Collective agreements expire at end of 2018-2019**
- **Rule changes relating to use of accumulated surplus**



# Significant Budget Items

## Pressures

- **Inflationary pressures:**
  - **licenses, agreements, supplies and services**
- **New pressures:**
  - **District infrastructure, professional development, staffing needs**
- **Continued pressure on staff replacement budgets (OT/EA/ECE/OA)**

# Significant Budget Items

## Positive

- **A healthy accumulated surplus provides capacity to potentially support one-time costs**
- **Enrolment growth over the past three years is expected to continue and will provide increased revenues**
- **A tightening of compensation-related assumptions will provide additional budget capacity to help respond to pressures and risks**

# 2019-2020 Budget Process

## Potential Funding Shortfall

(\$ in millions)

	\$
<b>Net change in revenue before attrition support</b>	<b>32.0</b>
<b>Estimated attrition support</b>	<b>(8.0)</b>
	<b>24.0</b>
<b>Enrolment increase net of mandatory costs</b>	<b>(8.0)</b>
	<b>16.0</b>
<b>Change in salary costs assumptions</b>	<b>(10.0)</b>
<b>Potential funding shortfall</b>	<b>6.0</b>

# Meeting Dates

<b>22 January</b>	<b>Budget process discussion</b>
<b>16 April</b>	<b>Budget process update</b>
<del><b>13 May</b></del> Cancelled	<del><b>Presentation of staff-recommended budget</b></del>
<b>29 May</b>	<b>Presentation of staff-recommended budget</b>
<b>03 June</b>	<b>Delegations and Budget debate</b>
<b>10 June</b>	<b>Budget debate (if required)</b>
<b>17 June</b>	<b>Budget debate (if required)</b>

**Academic staffing was discussed at Committee of the Whole meetings in March 2019 and approved at the 26 March 2019 Board meeting.**

**The timeline assumes the budget will be approved at a special board meeting to be held on the same evening that COW Budget makes its 2019-2020 Budget recommendation to the Board.**

# 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

