



## **B.4 Director's Report to the Board**

**Date:** 2018 06 12

**Subject:** **APPROVAL OF THE 2018-2019 BUDGET**

### **4.1.0 Background & Information**

**4.1.1** The Minister of Education announced the 2018-19 Grants for Student Needs (GSN) on 2018 03 26 and released Memorandum 2018:B06 containing summary budget information, which was accompanied by Ministry Projections of School Board Funding. Memorandum 2018:B07 was also released on 2018 03 26 outlining 2018-19 funding in addition to Grants for Student Needs (GSN). The Ministry financial website for grant calculation was accessible to Board financial staff on 2018 04 30.

**4.1.2** The Board recognizes the Province of Ontario's goal of a balanced budget and operating within a fiscally responsible environment. The budget includes the continuation of:

- Support for the Board Improvement Plan (Well Being, Achievement, Engagement.)
- Educational Technology Leads in all Schools
- Professional Development for Technology & Math
- Supports for Special Education
- Capital Improvements in Schools
- Indigenous Grad Coaches
- French Immersion Program Planning (DELF)
- Supports for English Language Learners

**4.1.3** Also, due to prudent management of budgets in 2017-18, the Board was able to implement some one-time expenses in the following areas before the end of August 2018:

- Buildings and Grounds Improvement for Schools (Learning Commons- Furniture Upgrades, etc.)
- Upgrade of Information Technology Infrastructure to Improve Access for Schools (i.e. New Servers)
- New iPads and Winbooks in Schools to Improve Ratio of Technology to Students



## **B.4 Director's Report to the Board**

**Date:** 2018 06 12

**Subject:** **APPROVAL OF THE 2018-2019 BUDGET CONT'D**

### **4.1.0 Background & Information (cont'd)**

**4.1.4** The following new enhancements are included in 2018-19 through a combination of reallocations of existing budgets and new Ministry funding:

- Additional Math Lead Teachers
- Supports for Safe Schools and Special Education – Multi Disciplinary Teams
- Capital Improvements - Refreshing Classrooms Sites at Many Other Schools
- Technology Improvements to Infrastructure and Devices
- Supports for Guidance for Grades 7 & 8 Students

**4.1.5** Senior Board Administration recognizes the need for careful management of public expenditures. Therefore, additional requests have been kept to a minimum for 2018-19 or dealt with through reallocations of budget resources. Staff are now awaiting additional special project funding announcements and September 2018 enrolment figures. This may result in additional enhancements for 2018-19.

**4.1.6** The government has facilitated a Provincial process with a goal of establishing a framework for Negotiating Collective Agreements as Collective Agreements for all employee groups. The 2018-19 GSN funding for salary increases has been reflected in the budget.

**4.1.7** Any decrease in elementary and secondary enrolment has been reflected in funding which corresponds to a reduction in the staff complements and has been reflected in this budget.



## **B.4 Director's Report to the Board**

**Date:** 2018 06 12

**Subject:** **APPROVAL OF THE 2018-2019 BUDGET CONT'D**

### **Background & Information (cont'd)**

**4.1.8** Administrative Council began meeting in February to discuss budget planning for the forthcoming year.

**4.1.9** The budget process was approved by trustees at their 2018 02 27 Board meeting.

**4.1.10** The Operations and Budget Committee met on 2018 06 06 for a budget review that encompassed the Ministry grant projections, current status of budget and expected budget strategies/results. Also discussed were Administrative Council's proposed actions or alternatives and the Committee approved a final version to present to the Board.

### **4.2.0 Budget Process**

**4.2.1** The Superintendent of Business has presented the 2018-19 budget process and strategies to the Special Education Advisory Council (SEAC) on 2018 06 12.

**4.2.2** Administrative Council met extensively over the past months to review budget submissions and to balance the ongoing needs of the organization relative to the requested enhancements to meet Board and Ministry operational objectives.

**4.2.3** Accumulated Surplus projected balances total \$9,003,046 (See Attachment B.4 #6) of which \$2,008,262 is restricted to capital and school renewal projects. The Board has set aside \$3,159,528 in retirement and service gratuities in respect of past labour contract commitments that would continue to build the amount needed to cover the future liability. The working fund reserve for 2018-19 is estimated at \$3,835,256 (including budget carryover).



**B.4 Director's Report to the Board**

**Date: 2018 06 12**

**Subject: APPROVAL OF THE 2018-2019 BUDGET CONT'D**

**Budget Process (Cont'd)**

**4.2.4** Included in the budget recommended for trustees' consideration are the following:

- a) A total revenue and expenditure budget of \$159,147,430.
- b) The withdrawal of \$1,647,882 from accumulated surplus to balance the budget. (Subject to Ministry Approval)
- c) An allocation to fund Retirement Gratuities to fund obligations arising from collective agreements.
- d) The special education exhibit indicates a \$584,678 shortfall in funding (see Attachment B.4 #7). Special education funding is now determined on a "per student" basis normally resulting in a decline to our Board's special education grant. Special education funding is a concern to the Board as enrolment declines and funding is determined based on this enrolment rather than being determined by needs of the system.

**4.2.5** The budget includes special program expenditures of \$3,648,453 with related funding.

**4.2.6** Attachments B.4 #1 and #2 provide graphs of revenue sources and classifications of expenditures.

**4.2.7** Attachment B.4 #3 shows a summary of 2018-19 enhancements that will be purchased in 2017-18.

**4.2.8** Attachment B.4 #4 shows a summary of new and continued programs or services.

**4.2.9** Attachment B.4 #6 shows an analysis and projection of the Accumulated Surplus Fund balances to August 31, 2018 with the approval of the recommended budget.



**B.4 Director's Report to the Board**

**Date: 2018 06 12**

**Subject: APPROVAL OF THE 2018-2019 BUDGET CONT'D**

**Budget Process (Cont'd)**

**4.2.10** Attachment B.4 #7 summarizes the costs attributable to Special Education services provided by the Board. Ministry Grants for Student Needs Guidelines require boards to ensure that all funding for Special Education is directed to Special Education needs and any under expenditure in that area must also be allocated to a special reserve established for that purpose and to be used only for future spending in Special Education.

**4.2.11** Attachment B.4 #5 shows the Grant Categories versus previous year.

**4.3.0 Recommendation**

**4.3.1** It is recommended that the Board approve a total budget for expenditures and revenue, including transfers to and from reserves, for the 2018-19 budget year in the amount of \$159,147,430 as described in the Director's Report to the Board of 2018 06 12.

**4.4.0 Proposed Resolution**

**4.4.1** That the Board approve a total budget for expenditures and revenue, including transfers to and from reserves, for the 2018-19 budget year in the amount of \$159,147,430 as described in the Director's Report to the Board dated 2018 06 12.