



For further information on this agenda or how the Committee of the Whole meeting works, please contact Amanda Rock, Board/Committee Coordinator, Board Services (613) 596-8211, ext. 8363 or amanda.rock@ocdsb.ca

COMMITTEE MEMBERS:

All Trustees

STAFF:

Camille Williams-Taylor

Director of Education and Secretary of the Board

ASSOCIATION REPRESENTATIVES (NON VOTING):

Ottawa-Carleton Assembly of School Councils (OCASC), Malaka Hendela, Christine Moulaison (alt.)

Elementary Teachers' Federation of Ontario (ETFO/OCETF), Janet Fraser, Wulf Heidecker

Ottawa-Carleton Elementary Occasional Teachers' Association (OCEOTA), David Wildman, Pat Dixon (alt.)

Ontario Secondary School Teachers' Federation (OSSTF): Cathy Bailey (Teachers);

Kelly Granum (secondary occasional teachers); Nancy Akehurst (ESP); Tom Bickford (PSSP); Cheryl Cavell (SSP); Biana Gordon (PECCS); Andrew Horwood (PSSU)

Ottawa-Carleton Secondary School Administrators Network (OCSSAN), Deidre Barnabe

Ottawa-Carleton Elementary Operations Committee (OCEOC), Dennis Paré

Special Education Advisory Committee (SEAC), Donna Owen,

Student Senate (vacant)

Non-affiliated staff, (vacant)

DISTRIBUTION:

All Board Members

Senior Administration

ABOUT COMMITTEE OF THE WHOLE (PUBLIC):

- The Committee of the Whole, Budget is comprised of all members of the Board with Trustee Penny chairing.

ABOUT THIS AGENDA:

- The Ottawa-Carleton District School Board posts complete agendas and reports on the website on the Friday, at least ten days prior to the scheduling of the meeting.
- In most instances, staff names have been included on the agenda for contact purposes should you have any questions prior to the meeting.
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IN CAMERA MEETINGS:

- Under provincial law, "A meeting of a committee of a board, including a committee of the whole board, may be closed to the public when the subject-matter under consideration involves,
 - (a) the security of the property of the board;
 - (b) the disclosure of intimate, personal or financial information in respect of a member of the board or committee, an employee or prospective employee of the board or a pupil or his or her parent or guardian;
 - (c) the acquisition or disposal of a school site;
 - (d) decisions in respect of negotiations with employees of the board; or
 - (e) litigation affecting the board."

HOW TO APPEAR AS A DELEGATION:

- The following rules apply to members of the public who would like to address the Committee at a public meeting:
 - If registered by the Thursday prior to the meeting, providing a written submission, and a first appearance on the subject, (up to a 4 minute delegation); or
 - If registering prior to the start of the meeting using the sign-up sheet (up to a 2 minute delegation).
- To pre-register your delegation, you must submit a written statement to Amanda Rock on your issue by 4:00 pm on the Thursday prior to the release of the agenda package. Your written statement will be included in the agenda package. If you would like to pre-register, please contact Amanda Rock, Board/Committee Coordinator, Board Services at (613) 596-8211, ext. 8363, or amanda.rock@ocdsb.ca
- At the beginning of each Committee meeting, a maximum of 20 minutes will be allotted for delegations.



COMMITTEE OF THE WHOLE, BUDGET PUBLIC AGENDA

Tuesday, January 22, 2019, 8:00 pm

Board Room

Administration Building

133 Greenbank Road

Ottawa, Ontario

		Pages
1.	Call to Order - Chair of Committee of the Whole, Budget	
2.	Approval of Agenda	
3.	Delegations	
4.	Presentation/Discussion	
4.1	Report 19-002, 2018-2019 Revised Estimates	2
5.	Action Items	
5.1	Report 19-018, Additional Expenditures 2018-2019	22
6.	Discussion Items	
6.1	Report 19-014, 2019-2020 Budget Process	26
7.	New Business - Information and Inquiries	
8.	Adjournment	



AUDIT COMMITTEE COMMITTEE OF THE WHOLE (BUDGET)

**21 January 2019
22 January 2019**

Report No. 19-002

2018-2019 Revised Estimates

Key Contact: Mike Carson, Chief Financial Officer, 613-596-8211 ext. 8881

PURPOSE:

1. To explain changes reflected in the District's 2018-2019 Revised Estimates as compared to the District's 2018-2019 Budget.

CONTEXT:

2. The Ministry of Education requires that school boards approve and submit annual budget estimates by the end of June preceding the beginning of a new school year. The original budget estimates were approved by the Board on 11 June 2018.

The Ministry also requires that the approved budget estimates be revised after the start of the school year to reflect the financial impact resulting from actual enrolment levels. Changes in revenues and expenses not related to enrolment are also included. The update to the Board approved budget is referred to as revised estimates.

The changes reflected in the 2018-2019 Revised Estimates include the impact of increased enrolment which resulted in increased revenue and additional staffing costs, adjustments resulting from grants announced after the passing of the District's budget and changes identified as part of ongoing monitoring of operations. The revised estimates are prepared relatively early in the school year and, recognizing the increased enrolment, staff continues to evaluate where additional resources may be needed to respond to student needs.

The revised estimates reflect the use of \$5.4 million to support capital spending. The spending will advance specific initiatives relating to information technology and student furniture renewal. A separate report seeking Board approval of the proposed investments will be presented to Committee of the Whole-Budget on 22 January 2019.

KEY CONSIDERATIONS:

3. In June 2018, the Board approved the 2018-2019 Budget authorizing expenses totaling \$974.3 million. Funding of the expenses was provided through grants and other revenues totaling \$974.3 million. This resulted in a balanced budget.

The District's 2018-2019 Revised Estimates provide for expenses of \$978.7 million, revenues of \$981.5 million and a planned surplus of \$2.8 million. Table 1 compares the anticipated surplus reflected in the revised estimates with the amount originally budgeted.

Table 1 – Comparison of Revised Estimates and Budget

	Revised Estimates	Budget	Change	Change
	\$	\$	\$	%
Revenues	981,538,700	974,300,600	7,238,100	0.7
Expenses	978,693,900	974,300,600	4,393,300	0.5
Surplus	2,844,800	-	2,844,800	

Changes to revenues and expenses since the passing of the 2018-2019 Budget are expanded upon in Appendix A - Analysis of Changes in Revenues and Expenses. Costs by program area for the current and prior year are presented in Appendix B - Comparative Summary of Expenses. Additional detail regarding grants is provided in Appendix C - Grants for Student Needs and a list of special purpose grants is provided in Appendix D - Other Program Grants.

4. **Enrolment Estimates and Grants**

The 2018-2019 Budget was developed using enrolment estimates established in early 2018. Average daily enrolment (ADE) levels have a direct impact on funding and also affect related instructional expenses. The approved budget reflected ADE of 49,296 for elementary and 22,954 for secondary.

Actual elementary ADE for 2018-2019 Revised Estimates purposes was 49,685 students which is an increase of 389 students (0.8%) over the approved budget. Secondary day-school enrolment was revised to reflect ADE of 23,054 students which is an increase of 100 students (0.4%) over the approved budget.

As previously mentioned, enrolment has a direct impact on various grants and in particular the Pupil Foundation Grant (PFG). This grant applies to students of the District under 21 years of age and excludes 'high credit' ADE. Table 2 shows that the District's PFG is expected to be \$2.6 million more than budgeted.

Table 2 – Effect of Increased Average Daily Enrolment on Pupil Foundation Grant

	Enrolment (Pupils of the Board)			Pupil Foundation Grant		
	Revised Estimates	Budget	Change	Revised Estimates	Budget	Change
				\$	\$	\$
Elementary	49,685	49,296	389	270,612,100	268,558,500	2,053,600
Secondary	23,054	22,954	100	137,276,800	136,678,200	598,600
Total	72,739	72,250	489	407,888,900	405,236,700	2,652,200

Other allocations that comprise part of the Grants for Student Needs (GSNs) are affected by changes in enrolment and student demographics. Of these, the funding change relating to the Special Education grant was most affected and increased by over \$1.8 million while the School Operations grant increased by \$726,900.

Special mention must be made regarding the Indigenous Education grant. The District's grant is comprised of a base amount to support the Board's action plan on indigenous education, a per pupil amount reflective of the enrolment of indigenous students and an indigenous studies amount which provides funding based on student enrolment in qualifying secondary panel courses. Almost all of the \$1.5 million increase relates to indigenous studies where 1,631 pupil credits are anticipated as compared to the 375 pupil credits assumed during budget development. The increase is generally attributable to enrolment in compulsory English credit courses which qualify for increased funding.

Appendix C - Grants for Student Needs compares the revised GSNs with the approved budget.

5. **Compensation-Related Instruction Costs**

Compensation-related instruction costs are those incurred in meeting the needs of students in the classroom. Examples of staff whose costs are reported in the Instruction category include classroom teachers, school-based administrators, learning consultants and professional and support staff such as psychologists, educational assistants (EAs) and early childhood educators (ECEs).

The forecast of compensation-related instructions costs, exclusive of specific amounts totaling \$1.0 million and discussed in sections 6 and 7, show that savings of \$9.1 million are likely in comparison to the 2018-2019 Budget. Almost all of this reduction relates to classroom teachers.

A review was initiated to identify the factors giving rise to the significant savings. The review confirmed an anomaly related to the compensation of new teaching staff. Teachers that leave the District normally have significant qualifications and experience and, accordingly, are compensated at the high end of the salary scale. Teachers filling the vacated positions are generally compensated at lower rates of pay which reflect their more recent entry into the teaching profession.

Actual trends show that the qualification and experience levels and, consequently, the rates of pay are less than originally provisioned in the budget. Revenue provided by the Qualification and Experience grant has also decreased by \$1.6 million given that teachers are starting at lower rates of pay as compared to the salary benchmark.

Recognizing that the District's 2019-2020 budget development cycle is about to commence, the observation is particularly timely because it will allow staff to more accurately project costs in what may be a challenging budget year.

6. **Enrolment-Related Compensation Adjustments**

As previously mentioned, the revised estimates reflect increased enrolment in both the elementary and secondary panels. There has also been increased enrolment of international students. The additional enrolment, as influenced by site-specific enrolment needs, has resulted in changes in the number of teaching staff required by the District.

The revised estimates reflect the addition of 9.5 FTE elementary teachers beyond the approved complement to meet enrolment-driven needs. The increase is offset by savings of 9.0 FTE secondary teaching assignments. Although enrolment at the secondary level increased, teaching assignments were accommodated within approved staffing levels. The cost adjustments associated with the positions result in a modest increase of \$29,900. Additional information on the academic staffing changes is available in Memo 19-006, Staffing Update.

Recognizing that the increased enrolment would include recent immigrants, a provision of \$500,000 has been established to meet incremental needs to support English language learners.

7. **Special Education Costs**

The District continues to experience increased demand for supports provided by EAs. This group of employees has also experienced increased pressure as it relates to absenteeism. Accordingly, the revised estimates have been updated to reflect additional costs totaling \$377,600 to meet increased casual EA staffing needs. Also, an additional \$100,000 has been provided for behavioural analyst supports.

Spending on supplies and services relative to the budget is expected to be \$362,200 more than planned. This amount is part of the net instruction-related costs discussed in Section 10. The increased costs will be funded using the Special Equipment Amount (SEA). The SEA grant is a specific funding envelope within the special education envelope.

8. **Teacher Absences**

Occasional teachers (OTs) provide coverage when teachers are absent due to illness or to attend medical appointments. In addition, OTs provide coverage when teachers are attending certain professional development and student support activities on a school day.

For the revised estimates, the District has identified supply teaching costs of \$19.0 million, which is \$2.1 million more than budgeted. The increased cost

reflects current experience and reporting. It is important to note that OTs are also used to staff vacant contract teaching positions, but that such costs are reported in the Instruction category. Staff continues to investigate whether some of the increased OT costs being reflected are the result of inadvertent coding errors within the District's Human Resources system.

Although the use of OTs has a financial impact, the effect on student learning is also a primary consideration. Accordingly, OT use will continue to be monitored as will the continued promotion of a healthy workplace that fosters employee well-being.

9. International Students

The Ottawa-Carleton Education Network (OCENET) is a not-for-profit organization that offers international students the opportunity to learn alongside the District's students. OCENET helps prospective students to submit their applications and fees and also supports their transition into the school and community. Fees collected cover OCENET's administrative costs but most of the fee is remitted to the District.

The District's 2018-2019 Budget reflected revenue of over \$10.6 million based on 817 students. The revised estimates reflect anticipated revenue of just over \$10.9 million based on 846 students. Increased enrolment of 29 students accounts for the \$379,000 revenue increase.

Administrative fees paid to OCENET by the District are reported as a fee in the Instruction category. These costs have increased by \$147,600 to \$4.3 million.

10. Other Instruction-Related Costs

Other instruction costs are those that are not specifically identified elsewhere in the report, but form part of the overall spending classified as Instruction. These costs represent an overall increase relative to the budget of \$991,200. The majority of this amount is the increased spending provided as a result of school budget carry forwards authorized with the approval of the 2017-2018 Consolidated Financial Statements.

11. Student Transportation

Transportation of the District's students is provided by the Ottawa Student Transportation Authority (OSTA). Amounts reflected in the 2018-2019 Budget were based on information received from OSTA. The estimates have been updated and costs are expected to be \$677,300 more than budgeted. The additional costs relate primarily to the driver retention mitigation strategy intended to reduce bus driver turnover which was approved by the OSTA board in June 2018. These costs are partially offset by additional funding totaling \$276,500.

Transportation expenses of \$42.1 million are shown in the revised estimates. These costs are supported by the \$41.7 million Transportation grant.

12. **Facility Operations**

Spending on school facilities represents the largest operating cost category outside of the instruction envelope. Projected compensation costs have remained constant overall whereas non-compensation costs have increased by close to \$2.2 million. This cost increase is comprised of two amounts:

- a provision of \$1.0 million to address property lease costs retroactive to the 2014-2015 school year and inclusive of a potential retroactive rate increase; and
- \$1.2 million for anticipated additional costs to relocate portables during the year.

13. **Other Program Grants and Deferred Revenues**

The Ministry announces special purpose grants throughout the year. The grants are targeted to support Ministry priorities and are termed Educational Program Grants-Other (EPO). These grants augment the District's budget; however, funding is tied to actual spending for the specified purpose. Amounts not spent are recovered by the Ministry or, if the funding agreements permit, are carried forward for use in the subsequent year. The District reports EPO grants as deferred revenue. Revenue from these grants is recognized in an amount equal to the associated expenses. Grants from other ministries and non-government organizations are treated in a similar manner and for this analysis are also referred to as EPO grants.

The District's 2018-2019 Budget reflected EPO grants totaling \$10.5 million. Close to \$1.6 million has been added to this amount. Of the new grants, \$1.3 million relates to a settlement that was reached between the Ontario Secondary School Teachers' Federation (OSSTF) and the Province as a remedy for the Ontario Superior Court ruling in April 2016 on the Putting Students First Act, 2012 (PSFA). The ruling determined that the PSFA was a violation of the Canadian Charter of Rights and Freedoms. The remaining \$275,600 is for a variety of initiatives as shown in Appendix D – Other Program Grants.

EPO-related revenues and expenses reflected in the revised estimates both equal \$12.1 million. Most of the expenses relating to EPO funding are shown in the Instruction category in Appendix B - Comparative Summary of Expenses.

Subsequent to the preparation of the revised estimates, the Ministry announced that certain EPO grants would either be reduced or eliminated. An assessment of the impact of the changes is ongoing.

14. **Other Non-Instruction Costs**

Other non-instruction costs relate to the activities of the Continuing Education department and central administrative departments, inclusive of staff secondments.

Continuing Education programs are supported by specific funding, including funding from the federal government and various government ministries. Growth in various program areas is expected to result in increased costs in both compensation and supplies and services categories. Compensation costs shown

in the revised estimates are \$28,800 more than budgeted while supplies and services costs are \$19,400 more.

Central departments show increased compensation costs of \$40,300 in the revised estimates.

The District pays the salaries of staff seconded to other organizations. The costs are recovered and reported as revenue in accordance with Ministry requirements. Costs in this category are expected to be \$56,200 more than budgeted. The latter amount is included as a component of the Other Net Revenue Adjustments line shown on Appendix A. Residual costs related to staff on loan total \$320,000 and reflect contractual obligations that limit the amounts recoverable from teacher federations. Obligations relating to remedy payments and other legal matters represent the balance of the budget overage.

15. Deferred Capital Contributions and Amortization Expenses

Funding received for the purpose of acquiring or developing a depreciable tangible capital asset is termed a deferred capital contribution (DCC). Such contributions are recognized as revenue at the same rate as the related tangible capital asset is amortized into expense. Amortization is based on the expected useful life of the asset.

In addition to the contributions discussed above, certain capital projects are supported internally through the use of the District's accumulated surplus. Internally supported tangible capital assets are amortized in the same manner as those supported by contributions from others, but there is no related revenue.

During the year, various capital projects are expected to be completed and a variety of capital assets acquired. In addition, adjustments to incorporate prior year actual results are reflected. These items increase the net value of the tangible capital assets managed by the District. In accordance with accounting requirements, the amortization of an asset's value commences immediately upon completion of the capital project. This has a direct impact on both revenues and expenses. The approved budget projected amortization expenses and related revenue of \$53.4 million. The revised estimates amounts are close to \$56.0 million for both. Expenses and revenues increased by \$2.6 million.

16. Minor Tangible Capital Assets

A portion of the annual GSN is budgeted for the acquisition of minor tangible capital assets (MTCA) such as furniture, equipment and computers. If the funds are not required for capital purposes, they are reported as operating revenue and support overall operating costs.

The revised estimates reflect anticipated capital spending to advance specific initiatives relating to information technology and student furniture renewal. In total, \$5.4 million previously identified as operating revenue will instead be used to support MTCA acquisitions. Requests to proceed with acquisitions will be submitted for approval according to Board policy.

17. **Extended Day Program**

The Extended Day Program (EDP) commenced operations in 2010. Significant growth in the program ensued and it now operates District-run programs in 63 schools and serves close to 5,500 children. The program, which is an integral part of the Early Learning strategy, is closely tied to the operations of the District's kindergarten programs. In fact, ECEs who staff the EDP, before and after school, also partner with teachers during the core day to provide the kindergarten program.

Increased program participation has been observed this year which has resulted in additional revenue of \$715,800 being reported in the revised estimates.

Costs of the program have also changed. A net increase in compensation costs is projected and reflects a provision of \$300,000 to address participants with special needs. This cost pressure is offset by net savings of \$112,300 which is expected to result from temporarily vacant positions that occur during the year.

The budget for supplies and services has also increased by \$48,000. A review of historical spending on snacks and program supplies resulted in the identification of a \$198,000 cost pressure for the year. The pressure is substantially offset by anticipated savings of \$150,000 relating to the purchase of computer software to manage participant registration and billing. The savings reflect that anticipated software project costs totaling \$300,000 will be spread over two years.

Table 3 shows the original budget and revised estimates by category. The program is expected to have a small surplus of \$86,600 for the year.

Table 3 – Extended Day Program Comparative Amounts

	Revised Estimates	Budget	Change
Revenues	\$ 17,361,800	\$ 16,646,000	\$ 715,800
Expenses			
Compensation	15,580,500	15,392,800	187,700
Administrative Transfers (Comp)	576,400	576,400	-
Supplies and Services	788,000	740,000	48,000
Facility Transfers (Supplies)	330,300	330,300	-
	17,275,200	17,039,500	235,700
Surplus (Deficit)	86,600	(393,500)	480,100

18. **Child Care Program**

In September 2013 the District assumed the operations of four child care centres that had previously been run by the Ottawa School Day Nursery. The Infant, Toddler and Preschool (ITP) program operated at four sites and was intended to operate on a cost recovery basis. Changes to cost structures in relation to revenues resulted in the program operating at a deficit. As part of the 2017-2018 Budget, the Board approved the closure of two underutilized sites and increased user fees in an effort to stabilize the program's financial performance.

The ITP program is eligible for general operating (GO) funding. GO funding is the grant provided to licensed not-for-profit child care programs by the City of Ottawa and covers direct operating, pay equity, and wage enhancement grants. Projected GO funding of \$200,000 was reflected in the budget, but the City of Ottawa has since confirmed that it will provide \$390,000 for the year, which is an increase of \$190,000. This amount accounts for most of the program's increased revenue shown in the revised estimates.

Costs have also been updated. Compensation costs are expected to be \$52,700 less than budgeted and is generally attributable to net savings that result from temporarily vacant positions. The costs of supplies are also expected to be \$15,000 less than budgeted due to savings on snacks and meals.

Table 4 shows the original budget and revised estimates by category.

Table 4 – Child Care Program Comparative Amounts

	Revised Estimates	Budget	Change increase (decrease)
Revenues	\$ 1,791,000	\$ 1,597,000	\$ 194,000
Expenses			
Compensation	1,934,300	1,987,000	(52,700)
Supplies and Services	95,000	110,000	(15,000)
	2,029,300	2,097,000	(67,700)
Deficit	238,300	500,000	(261,700)

The anticipated deficit is expected to be fully supported using the EDP accumulated surplus.

19. **Accumulated Surplus**

An accumulated surplus is the excess of revenues over expenses that has resulted over time.

The *Education Act* allows the Board to use its accumulated surplus to balance its operating budget, but it also restricts the use in any school year to 1% of the operating grants provided by the Ministry. For the 2018-2019 Revised Estimates, this amount is \$8.6 million. Approval to use accumulated surplus in excess of this amount must be obtained from the Ministry. That said, the District's 2018-2019 Budget was balanced meaning that no reliance was placed on the use of the accumulated surplus.

Table 5 presents the components of accumulated surplus and shows the anticipated increase and alignment of the projected 2018-2019 net operating surplus of \$2.8 million.

Table 5 – Accumulated Surplus Available for Compliance

	Projected as at 31 Aug 2019	Actual as at 31 Aug 2018	Change increase (decrease)
	\$	\$	\$
Available for compliance			
Restricted-committed capital	430,000	471,600	(41,600)
Internally appropriated			
Extended Day Program	734,600	886,300	(151,700)
Budgets carried forward	2,149,000	2,149,000	-
Business Systems	2,000,000	2,000,000	-
Contingencies	17,200,000	15,000,000	2,200,000
Unappropriated	15,200,400	14,362,300	838,100
	37,714,000	34,869,200	2,844,800

It is important to highlight that with the approval of the 2017-2018 Consolidated Financial Statements, the Board appropriated \$17.0 million to be used to respond to revenue shortfalls or increased expenses relative to the budget. This appropriation was categorized as “Contingencies” and included \$2.0 million for use in modernizing business systems used to manage student, financial and human resources needs. As at 31 August 2018 the \$2.0 million is now shown separately under the Business Systems category.

20. Summary

The District’s 2018-2019 Revised Estimates include the impact of increased enrolment, enhanced spending authority provided through the use of targeted Ministry grants, the effects of in-year changes to programs and increased costs relating to remedy payments to eligible staff.

The enrolment increase this year has added revenue, but this is also offset by costs mainly relating to teaching staff and additional student supports. Staff continues to evaluate where additional resources may be required to respond to student needs.

The revised estimates show expenses of \$978.7 million, revenues of \$981.5 million and a projected surplus of \$2.8 million.

RESOURCE IMPLICATIONS:

21. The District’s 2018-2019 Budget was balanced. The District’s 2018-2019 Revised Estimates present a surplus of \$2.8 million, which is compliant with the Ministry’s budget compliance framework.

COMMUNICATION/CONSULTATION ISSUES:

22. The 2018-2019 Revised Estimates were prepared by Finance staff in consultation with other departments.

STRATEGIC LINKS:

23. An effectively functioning Audit Committee and approach to risk management is a key component of the focus on sustainably allocating resources, in particular by enhancing operational practices to effectively and responsibly manage human and financial resources in support of students. Monitoring actual performance in relation to the Board's approved budget allows staff to identify opportunities to reallocate resources to address emerging needs and to respond to changes in revenue streams and expense patterns.

GUIDING QUESTIONS:

24. The following questions are provided to support the discussion of this item by the Committee:
- Does the analysis explain the significant changes in revenues and expenses?
 - Is staff taking steps to mitigate any adverse financial impacts and to leverage opportunities that were identified during the preparation of the analysis?

Mike Carson
Chief Financial Officer

Camille Williams-Taylor
Director of Education and Secretary of
the Board

Appendices:

Appendix A – Analysis of Changes in Revenues and Expenses
 Appendix B – Comparative Summary of Expenses
 Appendix C – Grants for Student Needs
 Appendix D – Other Program Grants

	Report Reference	Revised Estimates
		\$
Planned Surplus in Original Estimates		-
Revenues Increase (Decrease)		
Grants for Student Needs		
Pupil Foundation	4	2,652,200
Special Education	4	1,816,900
School Operations	4	726,900
Indigenous Education	4	1,474,200
Teacher Qualification and Experience	4,5	(1,647,700)
Transportation	4,11	276,500
Minor Tangible Capital	4,16	(5,390,400)
Net Other (School Foundation, Learning, etc.)	4	868,600
		<u>777,200</u>
Other Revenue		
International Student Fees (OCENET)	9	379,000
Education Program Grants	13	1,556,600
Amortization of Capital Assets	15	2,551,400
Extended Day Program	17	715,800
Child Care Program	18	194,000
Other Net Revenue Adjustments		1,064,100
		<u>6,460,900</u>
Total Increase in Revenues		<u>7,238,100</u>
Expenses (Increase) Decrease		
Compensation Costs		
Compensation-Related Instruction Costs	5	9,125,400
Teaching Complement	6	(29,900)
ESL Provision	6	(500,000)
Special Education Staff	7	(477,600)
Teacher Absences	8	(2,110,000)
Facilities	12	(4,500)
Other Education Program Grants	13	(275,600)
Other Non-Instruction	14	(125,300)
Extended Day Program	17	(187,700)
Child Care Program	18	52,700
		<u>5,467,500</u>
Non-Compensation Costs		
International Student Fees (OCENET)	9	(147,600)
Other Instruction	10	(991,200)
Student Transportation	11	(677,300)
Facilities	12	(2,160,000)
Other Non-Instruction	13,14	(3,300,300)
Amortization of Capital Assets	15	(2,551,400)
Extended Day Program	17	(48,000)
Child Care Program	18	15,000
		<u>(9,860,800)</u>
Total Increase in Expenses		<u>(4,393,300)</u>
Surplus (Deficit)	19	<u>2,844,800</u>
Increase (Decrease) from Original Estimates		<u>2,844,800</u>

Ottawa-Carleton District School Board
Comparative Summary of Expenses
forecast for the year ending 31 August 2019 (Revised Estimates)

In \$ Millions EXPENSE CATEGORY	2018-2019						2017-2018				
	Budget	Revised Estimates	YTD Dec 2018	Forecast	Variance	% Spent	Budget	Revised Estimates	Actual Year End Expenses	Variance	% Spent
					Revised minus Budget	Forecast over Approved				Actual minus Approved	Actual over Approved
Instruction											
Salaries and Benefits	668.5	660.7	201.9	660.7	(7.8)	-1.2%	636.6	649.8	631.3	(5.3)	-0.8%
Salaries and Benefits (Occasional Teachers)	16.9	19.0	7.6	19.0	2.1	12.5%	16.4	17.2	18.4	2.0	12.5%
Staff Development, Supplies and Services	26.4	27.4	8.9	27.4	1.0	3.8%	24.9	25.2	20.3	(4.6)	-18.6%
Fees, Contractual and Rentals	9.8	10.0	4.3	10.0	0.1	1.5%	9.4	10.2	12.3	2.9	30.7%
Instruction Sub-Total	721.7	717.1	222.7	717.1	(4.6)	-0.6%	687.3	702.4	682.2	(5.0)	-0.7%
Continuing Education											
Salaries and Benefits	10.0	10.0	3.0	10.0	0.0	0.3%	9.1	9.5	9.9	0.9	9.6%
Staff Development, Supplies and Services	0.5	0.5	0.2	0.5	0.0	0.7%	0.5	0.5	0.7	0.3	57.0%
Fees, Contractual and Rentals	0.5	0.5	0.2	0.5	0.0	3.4%	0.4	0.4	0.5	0.1	29.8%
Continuing Education Sub-Total	11.0	11.0	3.3	11.0	0.0	0.4%	9.9	10.4	11.2	1.3	12.6%
Transportation											
Salaries and Benefits	1.2	1.2	0.4	1.2	-	0.0%	1.3	1.3	1.2	(0.1)	-8.5%
Staff Development, Supplies and Services	0.4	0.4	0.2	0.4	-	0.0%	0.4	0.4	0.3	(0.1)	-18.9%
Fees, Contractual and Rentals	39.9	40.6	15.8	40.6	0.7	1.7%	38.4	38.9	38.3	(0.1)	-0.3%
Transportation Sub-Total	41.5	42.1	16.4	42.1	0.7	1.6%	40.1	40.6	39.8	(0.3)	-0.8%
School Facilities											
Salaries and Benefits	52.1	52.1	17.2	52.1	0.0	0.0%	50.8	51.9	51.5	0.7	1.4%
Staff Development, Supplies and Services	24.5	24.2	7.4	24.2	(0.3)	-1.1%	24.7	24.0	24.1	(0.7)	-2.7%
Fees, Contractual and Rentals	8.5	9.8	6.1	9.8	1.3	14.8%	8.1	8.5	7.8	(0.2)	-3.0%
Other/Temporary Pupil Accommodation	0.8	2.0	0.2	2.0	1.2	138.1%	0.9	0.9	3.5	2.6	286.3%
Interest Charges on Capital	6.2	6.2	2.7	6.2	-	0.0%	6.5	6.5	6.5	(0.0)	0.0%
School Facilities Renewal Expense	5.7	5.7	5.3	5.7	-	0.0%	5.7	5.7	6.7	1.0	17.9%
School Facilities Sub-Total	97.8	99.9	38.8	99.9	2.2	2.2%	96.7	97.5	100.1	3.4	3.5%
Central Administration											
Salaries and Benefits	16.2	16.2	5.6	16.2	0.0	0.2%	16.3	16.2	16.8	0.6	3.5%
Staff Development, Supplies and Services	2.1	2.1	0.6	2.1	-	0.0%	1.9	1.9	1.9	0.1	3.8%
Fees, Contractual and Rentals	1.9	1.9	0.6	1.9	0.0	0.0%	1.3	1.3	1.7	0.4	29.1%
Central Administration Sub-Total	20.2	20.2	6.8	20.2	0.0	0.2%	19.5	19.4	20.5	1.0	5.3%
Other											
Extended Day Program Compensation	16.0	16.2	5.0	16.2	0.2	1.2%	15.4	15.4	14.9	(0.6)	-3.6%

Ottawa-Carleton District School Board
Comparative Summary of Expenses
forecast for the year ending 31 August 2019 (Revised Estimates)

In \$ Millions EXPENSE CATEGORY	2018-2019						2017-2018				
	Budget	Revised Estimates	YTD Dec 2018	Forecast	Variance	% Spent	Budget	Revised Estimates	Actual Year End Expenses	Variance	% Spent
					Revised minus Budget	Forecast over Approved				Actual minus Approved	Actual over Approved
Extended Day Program Supplies/Int Svcs	1.1	1.1	0.1	1.1	0.0	4.5%	1.2	1.2	0.9	(0.3)	-24.3%
Child Care Program Compensation	2.0	1.9	0.5	1.9	(0.1)	-2.7%	1.9	2.0	1.8	(0.1)	-3.6%
Child Care Program Supplies/Int Svcs	0.1	0.1	0.0	0.1	(0.0)	-13.6%	0.1	0.1	0.1	(0.0)	-33.4%
Recoverable Compensation (Secondments)	7.2	7.2	2.6	7.2	0.1	0.8%	7.6	7.6	6.8	(0.9)	-11.3%
Remedy payments and other	-	3.3	0.7	3.3	3.3	0.0%	-	-	7.7	7.7	0.0%
Fifty-Five Board Trust (Capital and Interest)	2.5	2.5	-	2.5	-	0.0%	2.5	2.5	2.5	-	0.0%
Other Sub-Total	28.8	32.3	9.0	32.3	3.5	12.2%	28.8	28.8	34.6	5.9	20.5%
Amortization											
Ministry Approved Projects	53.4	55.9	13.3	55.9	2.6	4.8%	45.8	47.5	48.6	2.8	6.2%
Board Approved Projects	0.0	0.0	-	0.0	-	0.0%	0.0	0.0	0.0	0.0	6.7%
Amortization Sub-Total	53.4	56.0	13.3	56.0	2.6	4.8%	45.8	47.5	48.7	2.8	6.2%
Grand Total	974.3	978.7	310.4	978.7	4.4	0.5%	928.1	946.8	937.2	9.0	1.0%

Finance 2019.01.07 (numbers may not add due to rounding)

Ottawa-Carleton District School Board

Grants for Student Needs (with deferred revenue impact)
forecast for the year ending 31 August 2019 (Revised Estimates)

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Appendix C

Report 19-002

Page 1 of 1

	Budget	Revised	Change
	\$	\$	increase (decrease)
	\$	\$	\$
Revenue			
Pupil Foundation-ADE only	405,236,743	407,888,931	2,652,188
School Foundation	52,063,690	52,262,638	198,948
Special Education	97,211,751	98,626,322	1,414,571
Language	31,922,357	32,037,755	115,398
Rural and Small Community Allocation	188,140	188,140	-
Learning Opportunity (includes mental health leader)	27,568,922	27,672,457	103,535
Adult Education, Continuing Education and Summer School	6,750,093	7,619,777	869,684
Cost Adjustment and Teacher Qualification and Experience	80,560,874	78,913,126	(1,647,748)
ECE Qualification and Experience Allocation	4,816,359	4,656,503	(159,856)
New Teacher Induction Program (NTIP)	604,418	566,095	(38,323)
Restraint Savings	(279,158)	(279,158)	-
Transportation	41,384,828	41,661,345	276,517
Administration and Governance	20,839,682	20,827,506	(12,176)
School Operations	77,099,422	77,826,281	726,859
Community use of schools	1,064,827	1,064,827	-
Declining Enrolment Adjustment	-	-	-
Indigenous Education Allocation	1,171,049	2,645,232	1,474,183
Safe and Accepting Schools	1,869,628	1,878,170	8,542
Permanent Financing of NPF (Board 55 Trust)	2,523,115	2,523,115	-
	<u>852,596,740</u>	<u>858,579,062</u>	<u>5,982,322</u>
Revenue Deferrals			
Deferred Revenue - MTCA Allocation	(21,314,919)	(21,464,477)	(149,558)
Deferred Revenue - Rural and Northern Ed Fund	(188,140)	(188,140)	-
Deferred Revenue - Special Education	(97,211,751)	(98,626,322)	(1,414,571)
Deferred Revenue - Mental health leader (from LOG)	-	-	-
Deferred Revenue - Library Staffing	(238,343)	(238,343)	-
Deferred Revenue - Student Achievement Envelope	(6,684,008)	(6,787,543)	(103,535)
Deferred Revenue - Indigenous Education	(732,681)	(738,626)	(5,945)
	<u>(126,369,842)</u>	<u>(128,043,451)</u>	<u>(1,673,609)</u>
Deferred Revenue Recognition and Adjustments			
Deferred Revenue (5.1) - Special Education	96,449,071	98,265,969	1,816,898
Deferred Revenue (5.1) - Library Staffing	238,343	238,343	-
Deferred Revenue (5.1) - Student Achievement Envelope	6,684,008	6,787,543	103,535
Deferred Revenue (5.1) - Indigenous Ed PPA	732,681	738,626	5,945
Deferred Revenue - MTCA (Sch 5.1 Capital)	18,285,834	12,895,392	(5,390,442)
Deferred Revenue - School Renewal (this is maintenance)	5,693,776	5,693,776	-
Deferred Revenue - Interest on Capital Projects (OFA)	6,720,459	6,652,972	(67,487)
Deferred Revenue - Temporary Accommodation	840,000	840,000	-
Deferred Revenue - Rural and Northern Education Fund	188,140	188,140	-
Trustees' Association Fee	43,316	43,316	-
	<u>135,875,628</u>	<u>132,344,077</u>	<u>(3,531,551)</u>
Total Operating and Capital Support GSN	<u>862,102,526</u>	<u>862,879,688</u>	<u>777,162</u>

	Budget	Revised Estimates	Change
	\$	\$	increase (decrease)
	\$	\$	\$
Education Program-Other Grants			
After School Skills Development	58,268	58,268	-
Autism Pilot Project	247,595	247,595	-
Board Leadership Development Strategy	117,276	117,276	-
Common European Framework of Reference	-	37,065	37,065
DECE PA Day Release	-	86,910	86,910
Enhancements to Support Experiential Learning	281,185	281,185	-
Experiential Learning for Adults	10,529	10,529	-
Focus on Youth	476,000	476,000	-
Focusing on Fundamental Mathematics (replaces RMS)	1,682,261	1,682,261	-
French as a Second Language	298,875	298,875	-
Gap Closing in Literacy Grades 7-12	38,000	38,000	-
Identity based Data Collection, Analysis and Use	-	103,000	103,000
Indigenous Student Learning & Leadership Strategy	15,370	15,370	-
Indigenous Support and Engagement Initiative	100,000	100,000	-
Innovation Learning Fund	108,111	108,111	-
Jiangsu Summer Leadership Program	15,000	15,000	-
Mental Health Workers in Schools	607,188	607,188	-
Mentoring for All	7,268	7,268	-
Ontario Focused Intervention Partnership	23,500	23,500	-
OSSTF Education Workers Apprenticeship Training	212,997	425,997	213,000
Outreach Coordinator	152,800	152,800	-
Parents Reaching Out	80,199	80,199	-
PD for Designated ECEs	-	71,143	71,143
Prepare for Recreational Cannabis	76,100	76,100	-
Priority Schools	510,000	510,000	-
Re-engagement Initiative (12 & 12+)	71,421	71,421	-
Remedy Payments-Non Affiliated	-	277,930	277,930
Remedy Payments-OSSTF (Residual)	-	695,139	695,139
Remedy Payments-Principals and Vice-Principals	-	307,857	307,857
Safe, Inclusive, and Accepting Schools	298,454	298,454	-
Speak Up Project	70,627	70,627	-
Specialist High Skills Major	242,263	343,998	101,735
Teacher Learning and Leadership Program	-	47,930	47,930
Technomath Glebe CI	7,500	7,500	-
Tutors in the Classroom	56,600	56,600	-
	<u>5,865,387</u>	<u>7,807,096</u>	<u>1,941,709</u>
Other Deferred Revenues			
Literacy and Basic Skills (Advanced Education & Skills Development)	831,042	831,042	-
English as a Second Language (Citizenship & Immigration)	1,818,388	1,751,315	(67,073)
Infrastructure, Environment & Climate Change (Rideau HS Hub)	208,500	208,500	-
Breakfast Program (ONFE)	555,978	555,978	-
Ontario Works	538,574	514,961	(23,613)
MISA - PNC	10,000	10,000	-
CODE Summer Learning	105,000	105,000	-
Ontario Early Years Child & Family Centre	566,606	272,150	(294,456)
	<u>4,634,088</u>	<u>4,248,946</u>	<u>(385,142)</u>
Total	<u>10,499,475</u>	<u>12,056,042</u>	<u>1,556,567</u>



COMMITTEE OF THE WHOLE BUDGET

22 January 2019

Report No. 19-018

Additional Expenditure in 2018-2019

Key Contact: Mike Carson, Chief Financial Officer, 613-596-8211 ext. 8881.

PURPOSE:

1. To seek approval for additional expenditures beyond amounts identified in the 2108-2019 Budget and to provide trustees with information about internal staff adjustments that will be absorbed within the current budget.

CONTEXT:

2. In June of each year the Board approves the District's operating budget for the following fiscal year. The approved budget contains a number of assumptions and estimates based upon the best information available at the time.

Upon a review of the official 31 October enrolments and other information from the system, staff normally looks at some reallocations of funding. As enrolment, and funding increases, the related staffing, and costs, as required by collective agreements, also increases, at a lower rate.

Normally these revenue changes allow the Director to authorize additional spending within that revenue to address system needs. However, individual increases in excess of \$500,000 require Board approval. In this report staff is identifying a number of new areas of spending, including some that will require approval.

As stated previously, staff, as part of the 2017-2018 Revised Estimates has forecasted an anticipated surplus of approximately \$3 million. This amount includes a provision for additional expenditures in the amount of approximately \$8 million. The additional funds are available to be used, due partly to the increase in enrolment, but also as a result of the continuation of the spending patterns which created the large surpluses in each of the past two years.

Staff is confident that these initiatives can proceed without the risk of a significant year end deficit.

KEY CONSIDERATIONS:

3. In considering possible areas of budget adjustments, staff evaluated a number of factors including, but not restricted to:
 - Responding to identified needs in schools in ways that can be completed with existing staff by the end of the school and/or fiscal year;
 - Ability to complete some initiatives in 2018-2019 to relieve the pressure on future years budgets; and
 - Wherever possible, using temporary staffing resources due to ongoing concerns about next year's funding levels considering that Local Priorities Funding would not be renewed and the potential impact on the 87.67 positions supported by that funding.
4. Staff is seeking approval for the following increases to in-year expenditures for the 2018-2019 Budget year:

<u>Classroom furniture</u> Budget reductions limited the ability of schools to refresh their classroom furniture. The Ministry had provided funding to support the introduction of Full Day Kindergarden (FDK), but the renewal of that, or new classes due to growth must be provided from general revenues .This increase in funding of \$500,000 will also support schools as they begin to modernize various learning spaces within their existing buildings.	\$500,000
<u>Additional emergency EA allocations</u> Schools continue to identify the requirement for additional support to address emerging needs of students in their classrooms. Learning Support Services has identified that additional funds are required to allow them to assess and identify support to schools. While we are not in a position to commit to additional permanent staff, this funding will allow for additional use of term or casual educational assistants as required.	\$500,000
<u>Accelerate improvements to WiFi Infrastructure</u> In order to refresh its networks and to maintain a robust, stable and safe WiFi environment, the District has begun a multi-year plan to support infrastructure renewal. Staff is recommending the commitment of funds that will allow this plan to shift forward in time and to relieve some pressure from future budgets.	\$4,000,000
<u>Increasing the system fleet of Chromebooks</u> This will allow the replacement of equipment coming to the end of its useful life and allow some improvement to the student/device ratio.	\$1,600,000

5. Internal Staffing Adjustments

	Position	Rationale
1	Principal Learning Support Services (LSS)	Adjustment from principal to vice-principal
2.	Behaviour Analyst	Position changing from contract to permanent to attract qualified candidates.
3.	Behaviour Management Technician (cross-departmental, LSS, Occupational Health and Safety and School Operations)	Coordinator of service to mitigate risk associated with aggressive behaviour and self-regulation.

RESOURCE IMPLICATIONS:

6. Staff has evaluated the year-to-date results and based on projections, this additional spending can be achieved, and the OCDSB should still achieve the projected surplus of nearly \$3 million. This opportunity will allow the District to meet some current needs and to provide some flexibility for future budgets.

COMMUNICATION/CONSULTATION ISSUES:

7. Due to the need to evaluate the end of December financial position and to seek approval in January, staff has had to rely on suggestions from principals and staff, and looking at the feedback being received during the ThoughtExchange phase of the strategic plan development.

STRATEGIC LINKS:

8. The OCDSB has been prudent in the last several years and has worked diligently to maintain its financial stability. At the time of the approval of the 2018-2019 Budget staff advised, “that should there be an opportunity to increase spending during the year, the Board would be advised of those initiatives and where approval was required, asked to approve those recommendations”. This more flexible approach to budgeting will help the District respond to the needs of students, staff and families, while recognizing the fiscal challenges that may be encountered in the next three to four years.

RECOMMENDATION:

That the Board approves the following increases in budget allocations:

- A. Classroom furniture at a cost of \$500,000;
- B. Additional emergency educational assistant allocations at a cost of \$500,000;
- C. Accelerate improvements to WIFI infrastructure at a cost of \$4,000,000; and
- D. Increasing the system fleet of chromebooks at a cost of \$1,600,000.

Mike Carson
Chief Financial Officer

Camille Williams-Taylor
Director of Education and
Secretary of the Board



COMMITTEE OF THE WHOLE BUDGET Report No. 19-014

22 January 2019

2019-2020 Budget Process

Key Contact: Mike Carson, Chief Financial Officer, 613-596-8211 ext. 8881

PURPOSE:

1. To provide information on the issues affecting the 2019-2020 budget cycle and to provide the timelines and processes.

CONTEXT:

2. The annual budget development process is a key part of the annual planning cycle. The budget, once approved, will align with the objectives contained in the 2015-2019 Strategic Plan (attached as Appendix A). In fact, the plan's stewardship objective identifies that, by 2019, the District will optimize learning conditions for all students through the responsible and sustainable management of resources.

The District operates on a fiscal year that runs from 1 September to 31 August. In compliance with the *Education Act*, the District's budget for 2019-2020 must be approved by the Board before the end of June 2019. To meet this timeline, staff plans to present a recommended budget to Committee of the Whole Budget (COW Budget) on 13 May 2019. Staff is expecting that provincial announcements regarding the Grants for Student needs (GSNs) will be announced by late March 2019.

Several meetings are scheduled during the months of May and June of 2019 in order to provide the public with an opportunity to comment on the recommended spending plan and to allow COW Budget to refine the allocation of resources in alignment with District priorities. Staff anticipates that the 2019-2020 Budget will be approved no later than the 17 June 2019 Board meeting.

Staff has ongoing internal budget discussions and are working to develop a presentation that will more clearly show the alignment between the staff-recommended budget and the Board's 2015-2019 Strategic Plan. Information gathered through the ThoughtExchange phase of the Strategic Plan consultation will also be considered when developing the budget.

KEY CONSIDERATIONS:

3. **Budget Development Schedule**

An important consideration when developing the District's budget schedule is the need to ensure that committee members have sufficient time to consider staff's approach and recommendations and allow time for public consultation to occur. The District's 2019-2020 Budget must be approved by the Board before the end of June 2019. To meet this timeline, meeting dates for COW Budget are reflected in the 2018-2019 Board calendar. These dates are:

22 January 2019	Update on budget development process
05 March 2019	COW consideration of Academic staffing (discussion)
19 March 2019	COW consideration of Academic staffing (approval)
26 March 2019	Board approval of Academic staffing
13 May 2019	Presentation of the staff-recommended budget
29 May 2019	Public delegations and committee questions
03 June 2019	Budget debate
10 June 2019	Budget debate (if required)
17 June 2019	Budget debate (if required)

The dates above include approval of academic staffing which represents a key budget decision. Academic staffing decisions must be made in March 2019 to meet collective agreement obligations as well as to ensure there is sufficient time for the staffing process to be completed prior to the start of the new school year.

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. Accordingly, tentative special board meetings have been scheduled for each of the June meeting dates.

4. **2018-2019 Revised Estimates**

Report 19-002, 2018-2019 Revised Estimates explains the most recent projection of year-end results. The report highlights the anticipated changes in revenues and expenses since the approval of the 2018-2019 Budget. At this time, staff is conservatively projecting a 2018-2019 operating surplus of approximately \$2.8 million.

5. **Budget Development Considerations**

a) Grants for Student Needs:

The District receives the majority of government funding from the Ministry of Education in the form of grants for student needs (GSNs). The GSNs are determined annually based primarily on enrolment, student needs and school attributes. They reflect Ministry-determined cost benchmarks with the funding being used to support student needs, the operation of District schools and buildings, and overall administrative needs. GSN funding announcements are normally made annually in late March.

The current government's statements on the need for expenditure changes to reduce the provincial deficit are concerning. The health care and education sectors consume the largest share of the provincial budget and we can expect that there will be reductions in funding over the next two to three years.

In the absence of any further information, staff is assuming that there may be a need to use some reserves in 2019-2020 to mitigate the impact of possible funding cuts.

- b) Enrolment:
Staff anticipates that there will be continued enrolment growth in 2019-2020. This modest growth will result in increased revenue and provide some flexibility as we examine our fixed costs.
- c) Compensation Cost Pressures:
Approximately 80% of the District's budget relates to compensation costs. These costs are tied to a combination of mandated staffing levels based on class size averages and discretionary staffing decisions, reflective of District priorities. About two-thirds of this amount is incurred for teaching staff. With agreements expiring at the end of the current fiscal year, it is difficult to predict what the changes might look like. We will; however, assume that the Ministry will continue to meet its obligation to fund the cost of the provincially negotiated settlements with the federations.
- d) Staffing:
The OCDSB has made significant reductions in staff over the past years in order to improve its financial stability. As always, we will continue to look at areas of opportunity for new investment in staff beyond those required to meet legislative or collective agreement requirements; however, staff is also mindful that approximately 87 positions were created or saved using the Local Priorities Funding of \$6.7 million which was provided as part of the settlement of various collective agreements. Currently, there is no commitment that these funds will continue to be provided in 2019-2020. As a result there is a need to be extremely cautious when looking ahead to new expenditures.
- e) Supplies and Services Budgets:
The budget for supplies and services represents approximately 20% of the District's costs. The category covers the entire spectrum of costs including computer and telephone networks, student supplies and learning materials, student support services contracts, custodial supplies, maintenance services, student transportation and utility costs. Budgets established for many of these costs have seen the smallest of increases over the past few years and, in some cases, they have been reduced. Staff intends to recommend that a provision to address inflationary pressures should be reflected in next year's budget.

In addition, we are looking at reinstating a budget to replace worn furniture and equipment. Over the past several years, one of the cost reduction strategies to help establish a balanced budget was to defer and/or eliminate purchases of furniture and equipment. The system now needs an injection of funding this year and this investment should continue on an annual basis.

f) Staff Replacement Costs:

Utilization of leaves, particularly those relating to illness and personal reasons, has substantially increased over the past few years. These absences often result in incremental staffing costs, especially when the absent individual is based at a school. Replacement costs are commonly incurred for teachers, educational assistants, early childhood educators and school administrative staff.

The past couple of budgets have augmented the provisions established for replacement staff. For example, for the last two years, additional funding was set aside to support such costs and staff is assessing whether further resources are required.

Another important initiative underway is to improve attendance in an effort to reduce pressure on staff replacement budgets. District staff has been pursuing enhancements to its attendance support program in terms of both effectiveness and efficiency. Work has continued with supervisors and federation representatives to look at ways to positively engage all staff as we continue to address this difficult issue. More important than the financial issue is the reality that these absences have a serious impact upon the classroom environment and student learning and achievement.

g) Professional Development:

In the past two years, the District has pursued changes that allowed for the passing of balanced budgets commencing in 2016-2017. One measure that figured prominently in meeting this goal was a multi-year reduction totalling \$3.0 million in budgets established for staff professional development. Staff had indicated that the reinstatement of some of the reductions would be necessary to assist in meeting priorities articulated in the strategic plan.

Notwithstanding the challenge of recruiting and retraining sufficient replacement staff, it is important to provide financial resources that will support the ongoing professional development of staff as well as renewing resource materials for use in schools.

As well, staff will be taking into account the issues raised by the Special Education Advisory Committee (SEAC) and the Board with respect to efforts to provide professional development for all staff in our support for students with special needs.

RESOURCE IMPLICATIONS:

6. The budget will set the Board's fiscal operating plan for 2019-2020. The surpluses realized in 2016-2017 and 2017-2018 will provide the District some flexibility in planning for 2019-2020, but the OCDSB must continue to be prudent. Experience has shown that variances approximating 2.0% annually are not unusual. The existing accumulated surplus allows the District to manage such swings without having to make severe mid-year reductions in service.

COMMUNICATION/CONSULTATION ISSUES:

7. The budget consultation process will reach out to parents, school councils, students, OCDSB advisory groups, staff and the general public. The goal of the consultation will be to make the community aware of the budget process and provide them with an opportunity to provide feedback to staff, trustees and other Budget Committee members. The consultation process will involve a variety of formats in order to maximize the opportunity to reach these groups.

The District's website provides a landing page for financial information. On this page is a quick link to both the current budget and budgets from previous years. Relevant supporting information, such as budget questions and answers, are also available. Access to all public documents, such as budget reports and staff presentations are easily accessed from the webpage.

As has been done in the past, an email link for budget questions and comments has been established. While individual responses are not always possible, every effort will be made to answer these questions in a timely manner. Responses will be posted to the website and will be considered by staff in developing the budget recommendations.

In the past, trustees have received valuable input through their own zone meetings. Where schedules allow and if required, staff will provide support at those zone meetings, if required.

As noted earlier, staff are also looking the results of the information received through ThoughtExchange. Over 6000 people have shared suggestions about what they see as priorities for the District.

Staff customarily attends meetings of other committees including the Special Education Advisory Committee (SEAC) and the Advisory Committee on Equity (ACE). The presentations provided at the meetings are based on those presented at COW Budget.

STRATEGIC LINKS:

8. The strategic plan's stewardship objective identifies that, by 2019, the District will optimize learning conditions for all students through the responsible and sustainable management of resources. The Board's stewardship of the District's financial resources has always been one of its primary functions and the positive financial results of the past two years reflect the work of staff and the Board in this process. An effective debate leading to approval of the budget is a cornerstone of sound governance practice.

GUIDING QUESTIONS:

The following questions are provided to support the discussion of this item:

- Does the Committee agree with the schedule of meetings as shown in the Board calendar?
- Do the assumptions shown in the report identify the more significant challenges that must be considered when developing the staff-recommended budget?
- What areas might be targeted for additional support and how would these investments be balanced with competing needs, given the District's limited financial resources and the anticipated reductions in Ministry funding?

Mike Carson
Chief Financial Officer
Ext. 8881

Camille Williams-Taylor
Director of Education and Secretary of
the Board

Appendices:

Appendix A– 2015-2019 Strategic Plan



OTTAWA-CARLETON
DISTRICT SCHOOL BOARD

2015–2019 STRATEGIC PLAN

Appendix A
to Report 19-014

EVERY SCHOOL, EVERY VOICE:
MAKING PROGRESS TOGETHER

OUR VISION

The OCDSB is a dynamic, creative learning organization that fosters the achievement, well-being, and dignity of every student.

EQUITY

A culture that continually balances equity of opportunity and access for all.

Equity Objective: By 2019, the District will reduce barriers to learning to improve equity of access and opportunity for all students.

Strategies:

- Develop and implement enhanced methodologies to differentiate the allocation of resources to improve equity of opportunity for all students;
- Identify students and groups of students who face barriers to learning and differentiate supports to close achievement gaps;
- Review and ensure effective use of First Nations, Métis, and Inuit funding to increase First Nations, Métis, and Inuit graduation rates.

LEARNING

A culture which develops creative, confident and engaged learners who model the Characteristics and Skills expressed in our Exit Outcomes for graduates.

Learning Objective: By 2019, the District will improve the achievement of students in all educational pathways.

Strategies:

- Promote and encourage the personalization of learning and enhance instructional practice to meet the individual needs of learners;
- Improve and increase access to the educational pathways for every student; and
- Optimize School Learning Plans to develop strategies to support achievement in targeted areas (e.g. numeracy and literacy).

STEWARDSHIP

A culture that practices ethical decision-making, and social, economic and environmental sustainability.

Stewardship Objective: By 2019, the District will optimize learning conditions for all students through the responsible and sustainable management of resources.

Strategies:

- Improve access to learning environments and optimize the use of all resources through school accommodation and program review planning; and
- Enhance operational practices to effectively and responsibly manage human and financial resources in support of students;
- Model sustainability, smart energy use and sound environmental practices for students.

EQUITY

LEARNING

WELL-BEING

STEWARDSHIP

ENGAGEMENT

2015 – 2019
STRATEGIC PLAN

OUR MISSION

Educating for success — inspiring learning and building citizenship.

WELL-BEING

A culture which supports and respects the well-being of every individual in safe and caring learning and working environments.

Well-being Objective: By 2019, the District will enhance the use of resources and supports to improve the well-being of all learners and staff.

Strategies:

- Build capacity to improve mental health supports;
- Increase opportunities to support and encourage creative expression, physical health and physical literacy; and
- Develop and implement the well-being framework and School Well-being Plans to enhance school climate.

ENGAGEMENT

A culture which actively encourages involvement in public education to support positive outcomes.

Engagement Objective: By 2019, the District will increase opportunities for engagement with and among our students, staff, families and broader community.

Strategies:

- Develop tools to support parent involvement in learning and well-being; and
- Develop strategies to enhance communication and dialogue with and among staff, students, families and community partners to improve the delivery of public education.

EXIT OUTCOMES — What we want for our graduates

CHARACTERISTICS

Goal-oriented

Innovative/
Creative

Collaborative

Globally Aware

Resilient

Ethical
Decision-makers

Digitally Fluent

Academically
Diverse

Effective
Communicators

Critical Thinkers