



## 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 2018-2019 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 2018-2019 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

	<b>Position</b>	<b>Rationale</b>
1	Principal Learning Support Services (LSS)	Adjustment from vice-principal to 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.

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Mike Carson  
Chief Financial Officer

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