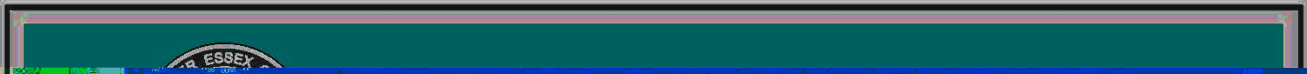




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2018-2019 Budget

Approved June 19, 2018



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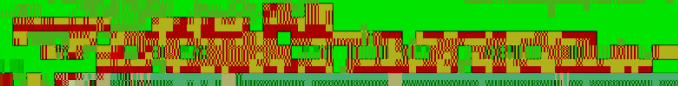


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Gale Simko-Hatfield
Windsor Wards 5, 6, 7 and 8

Dave Taves
Town of Leamington, Pelee Island

Liam Bannon
Student Trustee - City

Mikayla Bondy
Student Trustee - County

1.2 Administration

Erin Kelly	Director of Education
Paul Antaya	Superintendent of Human Resources
Todd Awender	Superintendent of Education – Accommodations
Vicki Houston	Superintendent of Education – Student Success and Alternative Education
Jeff Hillman	Superintendent of Education – School Effectiveness/Parent Engagement

represents \$10.7 million in the 2018-19 budget (\$10.9 million in 2017-18). This is considered a risk given the continuation of the sick and short-term leave program and the potential increase in the number and cost of replacement staff required. Sick leave provisions currently in effect:

- o 11 sick days allocated in 2018-19
 - o Any of the 11 sick days allocated in 2017-18 that are not used may be carried over to 2018-19; these carry-over days can only be used for the purposes of topping up the Short Term Leave and Disability Plan (STLDP)
 - o STLDP days (120 days in total) for illness that are being paid at 90% of an employee's annual salary
 - o The provincial agreements provide paid sick days to occasional teachers and ESS staff which presents additional unfunded costs to the Board
- ¾ Special Education expenses exceed the grant by \$4.0 million (\$3.2 million in 2017-18)
- ¾ The funding changes related to the 34-Credit Threshold began in the 2013-14 year. The portion of a pupil's enrolment over the 34-credit threshold is called a "high-credit" and is funded at the Continuing Education rate (which is significantly lower). The 2018-19 budget anticipates that there will be 8.0 students (7.0 in 2017-18) funded at this reduced rate.
- ¾ Capital – Aging infrastructure could result in significant unforeseen expenditures.

1.5 Major Policy & Funding Changes and Financial Impact

In April, the Ministry released their annual memorandum to provide school boards with details surrounding the 2018-19 GSN and its supporting regulations. At this time, our Board was also provided with its allocation of Education Program – Other (EPO) grants which are over and above the GSN. This memorandum presented details on major policy and funding changes.



One of the changes reflects investments in special education to support students with extraordinarily high needs.

- 1) In order to address waitlists for assessments and increasing services, the Ministry announced funding for a multi-disciplinary team (MDT) for all boards. \$785,000 of funding is provided to the Board to build capacity and provide direct support to

students with special education needs in recognition of the increase in demand for service. This additional funding supports the Board's current Special Education structure and offsets a portion of the deficit in this area.

2)

School have the same school ID and Forest Glade Public School and Forest Glade Primary Learning Centre also share the same school ID, only two (2) school locations out of the four (4) qualified for SFG funding prior to the change. Each location is now considered its own campus and all qualify for funding. This additional funding of approximately \$337,000 is being phased in over four (4) years. Therefore, only 50% of the additional funding is provided in 2018-19; an increase of \$84,000 compared to the prior year.

The International Students Program continues to grow in 2018-19. A 56 ADE increase is budgeted compared to the prior year budget resulting in additional revenues of \$821,000.

In 2018-19, the cost update adjustment in the Student Transportation Grant will be increased from 2% to 4% to help boards manage increased costs. As in previous years, this update will be netted against a school board's transportation surplus. Due to rising transportation costs, the Board will receive an additional \$100,000.

Total EPO revenue is budgeted to increase by \$388,000 as detailed below:

EPO Description	\$ Increase 3f
-----------------	----------------

continues to be used to hire teachers and education workers. LPF funding for the Board in 2018-19 is \$3.94 million

The Board Action Plan (BAP), which is part of the Indigenous Education allocation, will be enveloped in 2018-19. This does not change budgeting, as the Board continues to use this funding exclusively to support the implementation of programs under the framework.

The Ministry is providing a two (2) percent cost benchmark update to the non-staff portion of the School Operations Allocation benchmark to assist in managing the increases in commodity prices (i.e. utilities).

1.6 Ministry of Education Compliance Calculation

In accordance with Section 231 of The **Education Act** , school boards must seek the Minister's approval for an in-year deficit that exceeds the lesser of:

- 1) The accumulated surplus from the preceding year or
- 2) one percent of the board's operating revenue.

Public Sector Accounting Board (PSAB) related adjustments for compliance include:

Liability for Retirement Benefits

As a result of a policy grievance that was upheld through arbitration, retirement benefits were reinstated resulting in a one-time increase to the board's obligation in 2013-14. Beginning with the 2016-17 school year, the Ministry provided the Board with an additional 6 years to the amortization period for post-retirement benefit liabilities. The additional 6 years results in an expense for compliance purposes in the amount of \$1.5 million in each of the next 10 years (instead of \$2.9 million in each of the remaining 4 years). As at August 31, 2017 the liability for post-retirement benefits is \$16.1 million. The projected liability at the end of the 2018-19 year is \$13.2 million and 9 years of amortization remain.

Retirement Gratuity Liability

The retirement gratuity liability of \$16.7 million must be managed within compliance over the Estimated Average Remaining Service Life (EARSL) of eligible employees (4.9 years for 2018-19) resulting in an annual \$3.4 million expense for compliance purposes.

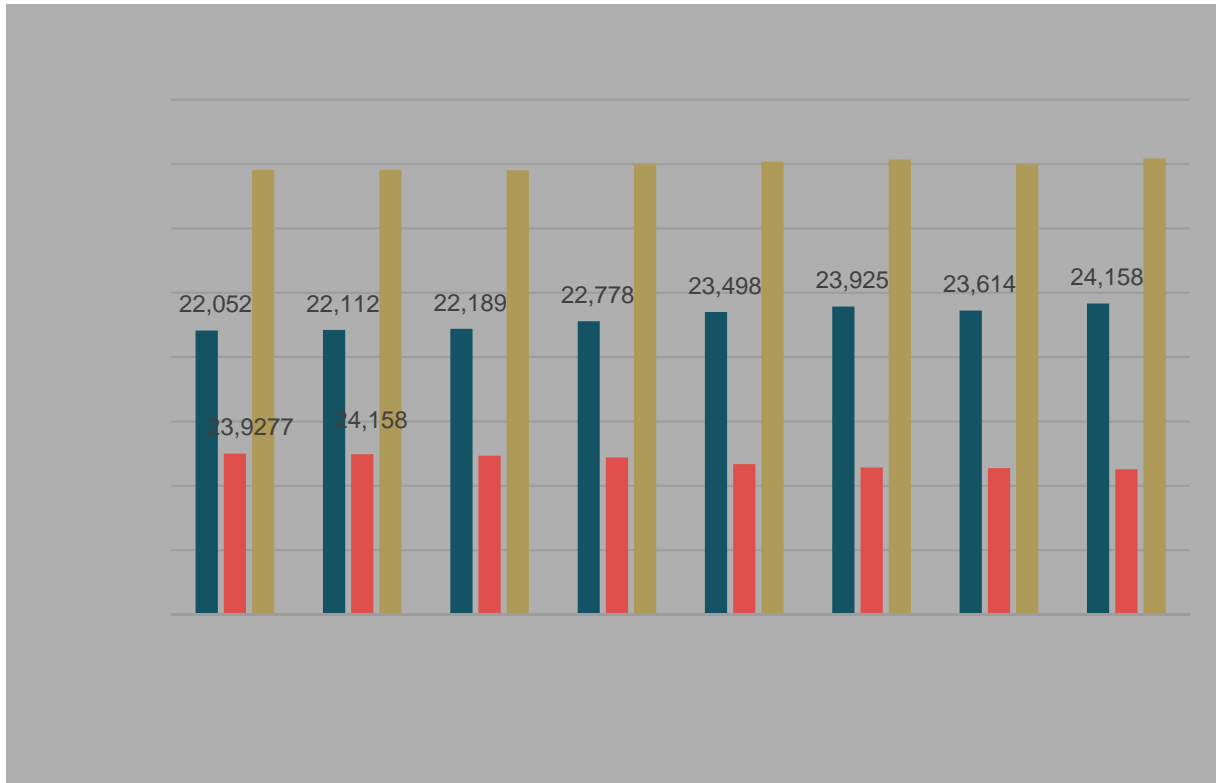
Financial Overview

; The proposed budget meets the Minist

Operating Budget
(Appendix 1, 2)

Capital Budget
(Appendix 3)

The following chart illustrates the actual enrolment trend over the past 8 school years:



NOTE: ELEMENTARY FIGURES INCLUDE FDK EPO

Projected Enrolment	2014-15 Budget	2015-16 Budget	2016-17 Budget	2017-18 Budget	2018-19 Budget	Difference 2017-18 vs 2016-17
Elementary	23,647.0	23,503.0	23,477.0	23,931.0	24,413.0	482.0
Secondary (includes high credits, > 21 years and VISA) *	11,390.0	11,419.0	11,245.0	11,430.0	11,648.5	218.5
Total	35,037.0	34,922.0	34,722.0	35,361.0	36,061.5	700.5

* Includes 30.0 high credits (funded at the lower Continuing Education rate) in 2014-15, 11.0 high credits in 2015-16, 15.6 high credits in 2016-17, 7.0 high credits in 2017-18 and 8.0 high credits in 2018-19

NOTE: Difference in total enrolment for 2018-19 vs. 2017-18 Revised Estimates is 69.3 ADE

2.2

Staff	2018-19	2017-18	Change	Comment
Elementary Teachers	1,516.2	1,462.2	54.0	Increase in enrolment and compliance with class size requirements by school as set out in the Collective Agreement and the Education Act. Includes 8.0 FTE grade 7 & 8 guidance teachers.
Secondary Teachers	797.2	785.3	11.9	Increase in enrolment and includes 5.0 FTE Special Assignment Teachers previously included in the Consultants category.
Early Childhood Educators (ECEs)	157.0	149.0	8.0	Adjustments to meet class size requirements. Current year complement is as follows: FDK (152) and EarlyON Centres (5)
Educational Assistants (EAs)	277.0	248.0	29.0	Increase in student needs compared to the prior year.
Professional and Other Educational Support Staff	305.6	292.6	13.0	Increase of 5.0 FTE Developmental Service Workers (DSWs) and 1.0 FTE Support Worker for the Deaf and Hard of Hearing (SWDHH) for increased student needs. Increase of 5.5 FTE Social Workers (3.5 FTE using new Mental Health Workers EPO). Increase 1.0 FTE Behavioural Analyst. Increase of 1.5 FTE Indigenous Support Workers. Increase of 1.0 FTE School Operations Technician. Increases offset by 1.0 FTE Mental Health lead position reclassified to Board Administration & Governance and a decrease of 1.0 FTE Community Development Officer.
Consultants	42.5	45.0	(2.5)	Increase 1.0 FTE Consultant using new Experiential Learning EPO. Increase 0.5 FTE Secretary to support the Supervised Alternative Learning (SAL) program. Reclassification of 4.0 FTE PLA positions to Board 29arniiA Tcca (p4(onalf

* Decreased comparative by 1.0 due to prior year adjustment

2.4 General Cost Increases/Decreases

Generally, the budget reflects holding the expenses for non-salary and benefit items to last year's amount where it is within the Board's power to control the expense. In some cases expenses were adjusted either as an increase or decrease depending on actual expenses projected for 2018-19. The larger variations are noted and explained.

As noted above, salary increases have been budgeted for all employee groups based on new provincial and local agreements. Wage increases of 1.5% are budgeted for all groups. Additional increases in Supervisory Officers and the Director's wages as a result of an executive compensation review are offset by additional Ministry funding. Salary grid movement is effective September 1, 2018.

Non statutory benefits provided by the EHLTs (health, life, dental) have been budgeted based on the contribution rate established by each respective trust. In 2017-18 a \$1.0 million contingency was included as additional benefit costs due to the uncertainty surrounding benefit assumptions and rates. No benefit contingency has been budgeted for 2018-19.

Other non-statutory benefits (CPP, EI, EHT, OMERS, WSIB, LTD) have been budgeted at the projected rates for 2018-19 for all active employees and eligible retired employees.

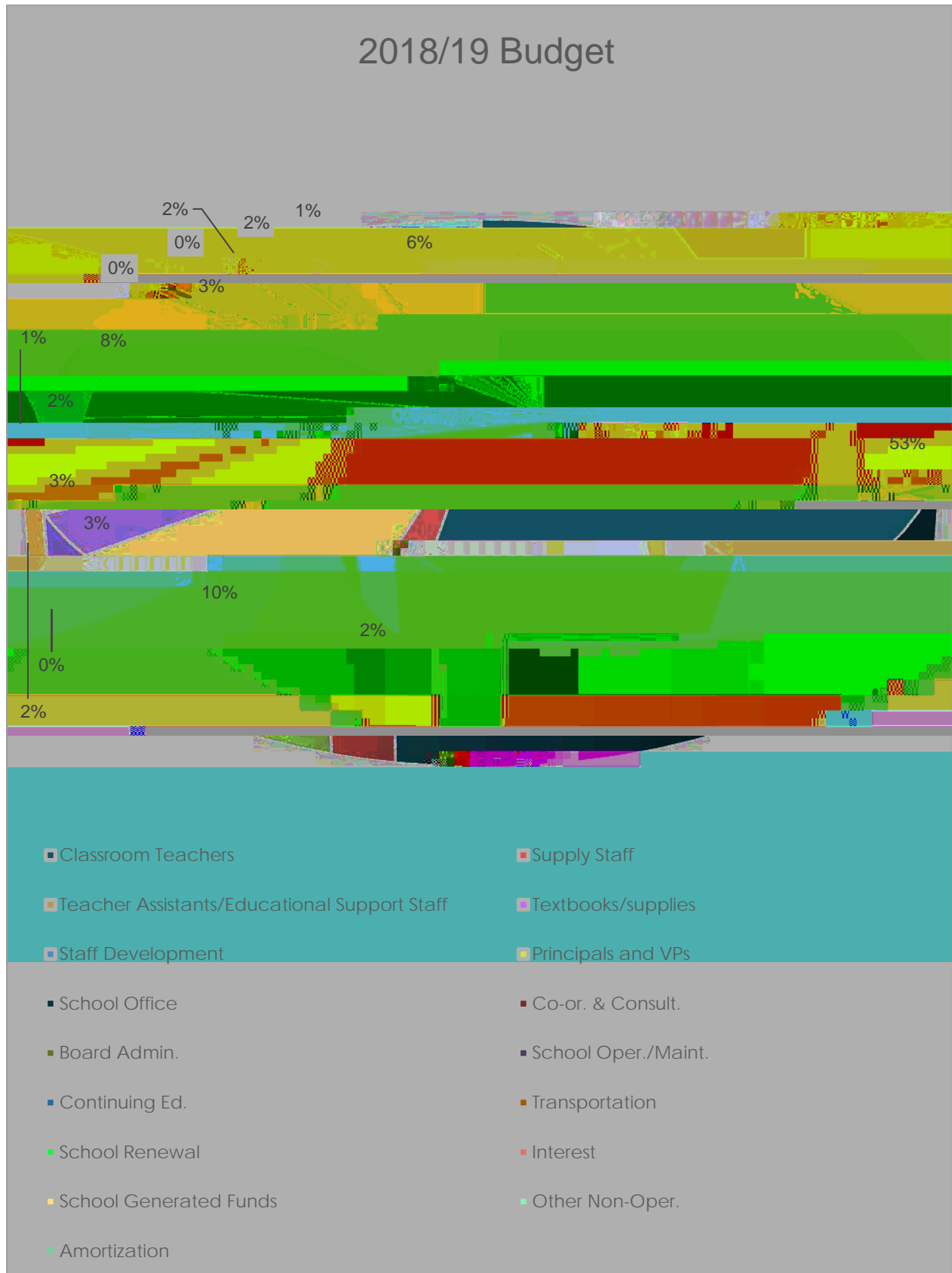
- ¾ The Health Tax benefit remains at 1.95% of salaries.
- ¾ There are slight rate increases budgeted for CPP and EI.
- ¾ The OMERS rate remains unchanged from the current rate.
- ¾ A large benefit for payment of leave for 6 weeks after childbirth (less E.I. payments collected by the employee) is included for \$1,118,500 (\$1,318,500 in 2017-18).
- ¾ Also included is a pregnancy top up for two weeks where applicable. Almost all of this cost is related to teaching staff.
- ¾ LTD rates are projected to increase approximately 15% resulting in an additional expenses of \$224,000.

The Board approved kilometer rate is consistent with the prior year (\$0.54 per kilometer) and is similar to the Canada Revenue Agency's (CRA) stated reasonable per-kilometre rate.

2.5 Full-Day Early Learning Kindergarten (FDK) Program

Most boards did not employ Early Childhood Educators (ECEs) prior to the introduction of FDK. When the Ministry released the funding grid, most boards introduced the position and paid at the funded rate thereby ensuring the ECE salary was fully funded by the EPO. Our Board eliminated the ECE position a few years ago; however, the position still existed within the Collective Agreement and therefore when it was reintroduced, that po the.9()JJ-18.6656.7e iBx1DGB' (P001) 0007 G4C

Operating Expenses



3.1 Classroom Expenses

Teachers (Appendix 6)

Budgeted expense is based on legislation. Consistent with the prior year, the salary grids are aligned for Elementary Teachers' Federation of Ontario (ETFO) and Ontario Secondary School Teachers' Federation (OSSTF).

The two-year extension agreements to the current 2014-17 collective agreements provide teaching staff with a 1.0% grid increase effective September 1, 2018 and an additional 1.0% grid increase effective February 1, 2019. Also for 2018-19, teachers are eligible for grid movement on September 1, 2018. The net impact of grid increases and grid placement for elementary and secondary teachers represents additional cost of \$687,000 (i.e. average salaries are slightly higher in 2018-19 compared to the prior year).

Funding continues to be provided for expanded benefits for maternity leaves; the minimum benefit period was extended in 2014-15 from 6 to 8 weeks.

An increase of 65.9 FTE teachers (54.0 FTE elementary and 11.9 FTE secondary) is attributable to increased enrolment and meeting class size requirements. This represents an increase of approximately \$6.2 million in teacher salary. Salaries have been reduced by \$1.0 million as a one-time lump sum payment of 0.5% of salary benchmarks does not continue in 2018-19.

The Local Priorities Fund (LPF), established in 2017-18 continues to fund 17.7 Full Time Equivalent (FTE) teaching positions (11.0 FTE Elementary and 6.7 FTE Secondary). Of the 17.7 FTE positions, 9.5 FTE are Special Education related positions.

An increase in benefit costs of \$2.0 million is the result of increased staff and higher benefits rates.

For compliance purposes, an adjustment to record the amortization of the Employee Future Benefits (EFB) obligation (retirement gratuities) is required and results in a \$2.4 million expense in 2018-19 (\$2.4 million in 2017-18).

Occasional Teachers (Appendix 1)

Occasional teacher costs have decreased approximately \$167,000 to better reflect the actual costs incurred. The Board hopes to be able to decrease this expense in 2018-19 based on expected results from the Board's Attendance Support Program, despite the risk noted above as a result of the ongoing sick leave benefits. Included in the last negotiations, the provincial collective agreements provide occasional teachers with the same short term leave plan as teachers, prorated based on long term assignments. This presents an additional cost to the Board.

Teacher Assistants, Professionals and Other Educational Support Staff (Appendix 7)

Total costs in this area have increased by \$2.5 million budget to budget.

A majority of this increase is directly attributable to an increase in staffing.

An increase of 8.0 FTE Early Childhood Educators (ECEs) is a result of increased enrolment and class size requirements and represents a salary increase of \$370,000.

Changes in staffing related to student needs resulted in an increase of 29.0 FTE Educational Assistants (EAs), 5.0 FTE Developmental Service Workers (DSWs), 1.0 FTE Support Worker for the Deaf and Hard of Hearing (SWDHH) and 1.0 FTE Behavioural Analyst. 5.5 FTE Social Worker positions were created of which 3.5 FTE are funded by the new Mental Health Workers in Schools EPO. An increase of 1.5 FTE Indigenous Liaise Support Workers were budgeted through an increase in the Indigenous Education funding allocation. Also, 1.0 FTE School Operations Technician was added to the ITS Department as a resource for school secretaries and the Mental Health Lead 1.0 FTE position was reclassified to the Board Administration and Governance under the Program Leadership Allocation (PLA). These changes resulted in an increase of expenses of approximately \$1.4 million excluding benefits.

Salaries have been reduced by \$115,000 as a one-time lump sum payment of 0.5% of salary benchmarks does not continue in 2018-19.

The Local Priorities Fund (LPF), established in 2017-18, continues to fund 14.0 FTE positions. These positions include 7.0 FTE Child and Youth Workers (CYWs), 3.0 FTE DSWs, 1.0 FTE Speech-Language Pathologist, 1.0 FTE SWDHH and 2.0 FTE Behavioural Management System Workers.

For further details regarding Special Education staff complement refer to 'Special Education' in section 6.

Additional increases relate to an increase in salaries due to the provincial extension agreements. The net impact of grid increases and grid placement for Education Support Staff (ESS) results in \$216,000 of additional expenses.

\$247,000 is budgeted for additional Part-Time School Aides (PTSA) support and is a direct result of an increase in minimum wage.

Consistent with the prior year, \$1.5 million is budgeted for ECE and EA replacement costs.

An increase in benefit costs of \$350,000 is the result of increased staff and higher benefits rates.

For compliance purposes, an adjustment to record the amortization of the

textbooks and materials. This line also includes an increase of \$37,000 for expenses related to the Newcomer Reception Centre.

Equity and Inclusion Education - Staff – An increase of \$20,000 has been budgeted for Equity and Inclusion Education (EIE) for staff.

LOG – Pathways to Success – Academic – A decrease of \$121,000 has been budgeted which represents a reclassification to the Teacher Consultant line for 1.0 FTE Student Success Consultant.

Media Centre – A decrease of \$76,000 has been budgeted for the Board's share of rental costs of the Civic Centre.

Safe Schools – An increase of \$44,000 has been budgeted for the Restorative Justice program.

School Information Technology Support (ITSS)

SEA Claim Based Amount and an increase in the SEA Per Pupil Amount due to higher enrolment. Expenses have been budgeted to equal funding as this funding can only be used for this purpose. The SEA Claim Based Amount provides grants for all SEA costs except for the deductible of \$800 per claim on non-

3.2 Non-classroom Expenses (Appendix 9)

Principals and Vice-Principals

Total salaries are budgeted to increase by approximately \$775,000 budget to budget. Salary increases total \$443,000. An increase of 5.5 FTE Elementary Vice-

Teacher Consultants

This envelope includes Program and Special Education consultants, including the Principal of Special Education Programs & Services. It also includes the related clerical staff and an Administrative Assistant.

Salaries are budgeted to decrease \$278,000 due to a reclassification (decrease) of positions to the Board Administration and Governance under the Program Leadership Allocation (PLA) offset by an increase of 0.5 FTE Secretary to support the Supervised Alternative Learning (SAL) program and changes to grid position and increased wages.

Benefits are budgeted be consistent with the prior year; increased benefit rates are offset by a decrease in benefits due to a decrease in salaries.

3.3 Other

Board Administration and Governance and School Facility – Operations (Appendix 10)

Total costs in this area have increased \$0.1 million budget to budget. Some of the notable changes are discussed in this section.

Trustees

Salaries and benefits have increased \$7,000 to account for an increase of \$400 in the Honoraria base amount effective December 1, 2018 and to reflect actual costs. Professional Development has been increased to \$4,000 per Trustee (\$3,000 in 2017-18) and \$3,000 for each Student Trustee (\$1,500 in 2017-18). Also, as 2018-19 is an election year, an amount of \$1,600 has been budgeted for additional professional development.

Director and Supervisory Officers

The increase of \$494,000 in salaries represents an increase in the wage rate for the Director and Supervisory Officers as a result of an executive compensation review and a reclassification of Supervisory Officer wages from the Teacher Consultants line for the Program Leadership Allocation (PLA). Also, a 1.5% increase as a result of an increase in the benchmark funding is included. Benefits have increased as a result of the increase in salaries and higher benefit rates.

For compliance purposes, an adjustment to record the amortization of the Employee Future Benefits (EFB) obligation (retirement benefits) is required and results in a \$644,000 expense in 2018-19 (\$648,000 in 2017-18).

in managing the increase in commodity prices (energy, facility insurance and other costs).

In 2010-11 the Ministry introduced an allocation to address the estimated annual cost of temporary accommodation. This approach continues in 2018-19 resulting in funding in the amount of \$510,000 (\$630,000 in 2017-18) allocated to our Board. This funding may be used for portable moves, leases, and purchases as well as for lease costs for permanent instructional space. Consistent with the prior year, portable purchases expenses have been budgeted in the capital budget to directly offset the funding provided.

The expense for the LaSalle Public School interest payment and Energy Retro-fit interest payment reflects the actual interest portion of the debentured amounts. These projects were not covered by New Pupil Place Grants (NPPG) so the Board is paying the debenture from Plant Operating grants. With the implementation of PSAB, the principal payment is a balance sheet (cash Wsepa.the capnn 0 fun0-3.1(3 4J-20.41)690D5 TD

Amortization

Amortization – Board Administration & Governance is a PSAB required expense and relates to the amortization of the Administrative Building.

Amortization – Pupil Accommodation is a PSAB required expense and relates to

Debt Charges from Renewal

This represents the interest expense for 2018-19 on the debenture for Better Schools Initiative (energy project). The principal payment is a balance sheet item.

3.4 School Facility Renewal (Appendix 13)

Between 2015-16 and 2018-19, the Ministry has allocated an additional \$40 million each year to the School Renewal Allocation (SRA). For 2018-19, this additional \$40 million has been absorbed into the benchmark; these funds have been allocated in proportion to a school board's relative share of provincial SRA funding for the 2018-19 school year. This funding has been split with 40% of the funds allocated towards operating/maintenance type expenditures (e.g. painting) and the remaining 60% of the funds allocated towards expenditures that are capital in nature (e.g. roof repair, accessibility enhancements, portable repair). While the additional operating / maintenance funds can be put towards capital investments, the additional capital funds cannot be put towards operating / maintenance items. Our Board receives \$6.2 million in renewal funding in 2018-19 (\$6.1 million in 2017-18). In the current year, \$4.8 million has been allocated to capital projects and \$1.4 million to operating projects.

The total amount in the operating budget (expense) and the capital budget equals the grant allocation, which is inadequate to meet the Board's real

The Board continues to plan carefully to ensure operating expenses are closely monitored and controlled.

Transportation (Appendix 11)

4.1 Grants

To help boards manage increased costs, the Student Transportation Grant is increasing by 4%. This increase, after it is netted against the Board's transportation surplus, results in a \$337,000 increase in funding in this line.

As the Board is projecting an increase in enrolment, an

Other Revenue & Expenses (Appendix 2)

Other revenue is comprised primarily of the following:

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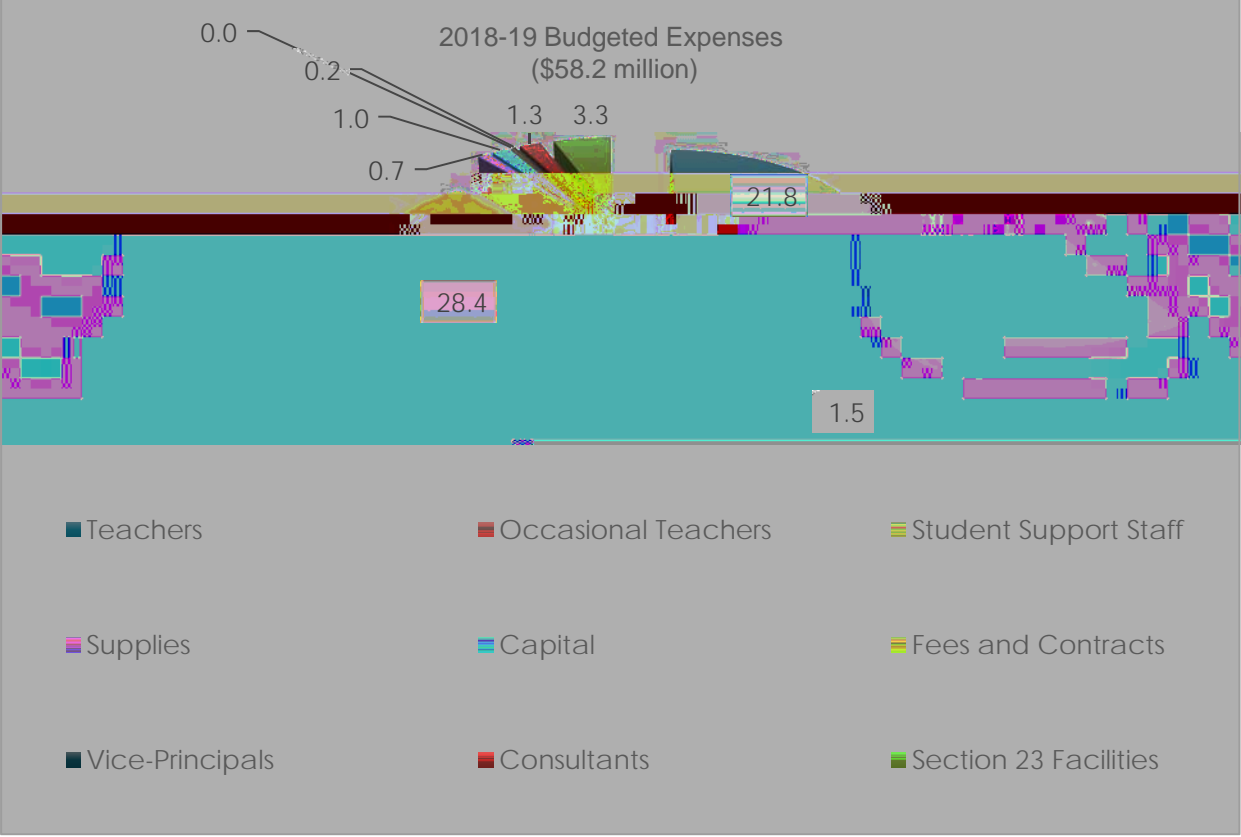
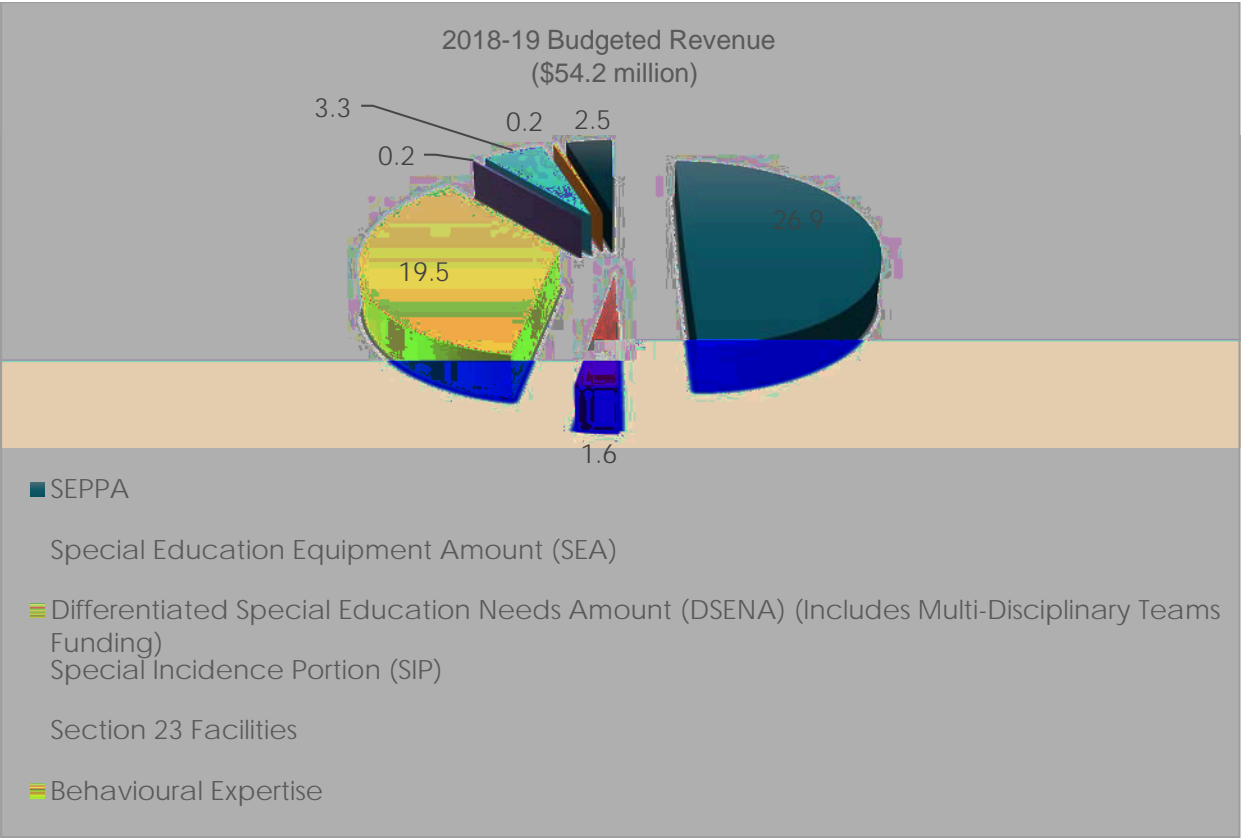
French as a Second Language (FSL)	<p>The Ministry continues to allocate FSL funding to support an enriched school environment in the area of FSL programming. The current year budget represents a conservative amount to cover FSL wages and benefits as the grant was not yet determined at the time of budgeting.</p>
Highly Skilled Workforce Strategy	<p>This EPO provides funding to support the implementation of the Highly Skilled Workforce Strategy K-12. This funding supports a dedicated Leader in Experiential Learning (i.e. a consultant) as well as enable the expansion of experiential learning opportunities and professional learning.</p>
Innovation in Learning Fund	<p>This fund aims at fostering greater innovation in</p>

	service is providing assessments for adult English language proficiency.
Miscellaneous Revenue/Discounts	This line includes a budget of \$7,500 for discounts revenue (early payment of invoices), \$15,000 for international student application fees, \$275,000 for various energy rebates, \$300,000 of revenue generated from solar panels on school rooftops and an estimate for additional Ministry funding to support the executive compensation increases.
Ontario Youth Apprenticeship Program (OYAP)	This program is a school-to-work transition program offered through our secondary schools. Full-time students in Grades 11 and 12 earn cooperative education credits through work placements in skilled trades. Funding for the current year is based on correspondence from MAESD and represents an increase of \$36,000 compared to the prior year.
Other Revenue – Continuing Education	Represents fees charged to students for continuing education courses and programs. The budget is consistent with the prior year.
EarlyON Child and Family Centres	Funding for EarlyON has been transferred to the Child Care and Early Years Program but specific board funding has not been announced. The current level of investment is expected to be maintained in 2018-19 and the current year budget is based on the prior year allocation. A new model is expected to be established in the near future.
Preparation for Cannabis Legislation	New in 2018-19, this funding will support training for system leaders and the development of targeted resources for school mental health professionals.
Professional Development	As a result of the education sector labour negotiations, this grant was for professional learning for OSSTF early childhood educator staff in 2017-18 only.
Renewed Math Strategy	This funding provides new forms of support to all schools, increased support to some schools and intensive support to the few schools that have the highest percentage of students not yet reaching

	<p>the provincial standard in mathematics. The funding will be used to staff 2.0 FTE Math Consultants and the remainder will be directed to professional development. The Board's allocation is consistent with the prior year.</p>
School Generated Funds	<p>This represents an estimate of funds that are generated at the school level. It is a requirement by PSAB that these funds be consolidated with the Board's budget. Fundraising is budgeted to be consistent with the prior year.</p>
Tuition Fees	<p>Represents fees collected from International Visa students. A budgeted increase is the result of more international students expected in our system. In 2014-15, a Board Initiative and budget was introduced to develop and market an International Students Program. This effort continues in 2018-19 and the Board is projecting an \$821,000 increase in tuition fees due to higher international fee paying student enrolment.</p>
Well Being: Safe Accepting and Healthy Schools and Mental Health	<p>This allocation combines funding for safe and accepting schools and implementation of board mental health strategies in support of Ontario's comprehensive mental health and addiction strategy. Funding has increased \$75,000 compared to the prior year.</p>
Other Items	<p>Education Development Charge (EDC) revenue is</p>

Special Education

Special Education expenses are greater than the funding allocation by approximately \$4.0 million (\$3.2 million in 2017-18). This information was presented to SEAC (Special Education Advisory Committee) at its June meeting.



Below, by type of employee, is the increase in the special education staff

As a result of the education sector labour negotiations in the prior year, the Ministry agreed to establish a Local Priorities Fund (LPF) to address a range of priorities including more special education staffing to support children in need, “at-risk” students and adult education. The LPF funding continues for 2018-19 and approximately \$1.9 million is being received to support a consistent level of staffing (23.5 FTE) compared to the prior year.

7 Accumulated Surplus – Operating

The Board has a balanced budget (\$Nil surplus/deficit) for compliance purposes for 2018-19 and therefore there is no impact on the Accumulated Surplus. It is expected that the Board will have \$17.7m in the Accumulated Surplus - Operating that has not been appropriated either internally (i.e. internal capital) or externally (employee future benefits, school generated funds, etc.) at August 31, 2019.

It is fiscally prudent to ensure that the Board has an operating portion of the Accumulated Surplus that has not been appropriated either internally or externally. This portion of the Surplus is needed for three situations:

- 1) Emergencies including unanticipated expenses and declines in revenue (such as lower than anticipated grants due to unexpected enrolment decline)
- 2) One time special project expenses
- 3) Provide the opportunity to manage the process to reduce costs

The goal is to manage cost reductions over time and, as much as possible, avoid the impact of sudden and negative changes. This should retain the essential integrity of the Board while reducing costs over time.

8 Capital Deficit

The Board has Unsupported Capital Spending that is projected to total \$11.6 million at September 1, 2018. This balance relates to prior year capital projects which include LaSalle Public School and Better Schools energy retrofit. To offset this spending the Board has internally appropriated accumulated surplus of \$7.4

million. The remaining **\$4.2 million** represents our total capital deficit at September 1, 2018. The Board makes yearly payments on this capital deficit using in-year grant allocations. For 2018-19, approximately \$0.9 million of funding has been allocated to pay for the interest and amortization relating to these capital assets (\$0.5 million of GSN operations funding and \$0.4 million of renewal funding).

The Ministry will not permit the Board to use Operating Accumulated Surplus for other capital projects until an amount equivalent to our capital deficit has been internally appropriated. Since the capital deficit exceeds our current Operating Accumulated Surplus and it has not been appropriated, it cannot be used for additional capital purposes.

9.2 Full Day Kindergarten (FDK)

The Ministry has approved FDK funding for New Giles PS and New Prince Andrew PS. \$1.3 million has been budgeted in 2018-19.

9.3 Greenhouse Gas (GHG) Reduction Fund

GGRF continues for eligible expenditures up to March 31, 2019. The continuation of this initiative will support accelerating the replacement of inefficient equipment with energy-efficient technologies. The amount of funding is \$2.5 million and will be used before August 31, 2018; therefore, it is not included in the 2018-19 budget. Eligible expenditures under this program will support the replacement, renewal and installation of new energy efficient building components in older elementary schools, secondary schools and administrative buildings. Energy efficient building components include: energy efficient lighting systems, HVAC systems/controls and other pre-defined enhancements to the building envelope.

9.4 Early Years Capital (EarlyON and Child Care)

operating software and computer wiring. Electrical wiring costs for computers are in the School Facility Renewal budget.

9.7 School Condition Improvement

For 2018-19, \$1.4 billion will be allocated to school boards through the School Condition Improvement (SCI) program to address the significant backlog in school renewal needs. SCI funding is allocated to school boards, for schools open and operating in the 2016-17 school year, in proportion to the renewal needs assessed for these facilities during the 2016 assessments by the Ministry Condition Assessment Program.

In 2018-19, school boards are required to direct 70% of SCI funds to address major building components (i.e. foundations, roofs, windows) and systems (i.e. HVAC and plumbing). The remaining 30% of SCI funding can continue to address the

the Province based on their prescribed formula. Based on the delayed grant payment calculation, a receivable in the amount of \$7.4 million will be set up on September 1, 2018. As a result the Board will need to monitor cash flows more closely and ensure that any short term borrowing arrangements are tied to capital projects and funded accordingly. The budgetary impact of this new initiative has not been determined and therefore no amounts have been included in the 2018-19 budget.

11 Appendices

Provided as information:

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2017 2018
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NON CLASSROOM EXPENSES	2017 2018 Approved Budget	2018 2019 Approved Budget
PRINCIPALS and VICE PRINCIPALS		
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	OTHER EXPENSES	2017 2018 Approved Budget	2018 2019 Approved Budget
	TRANSPORTATION		
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	Total	11,446,806	13,370,643
	ADULT, CONTINUING EDUCATION, SUMMER SCHOOL		
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	Total	1,147,436	1,252,356

	MISCELLANEOUS GOVERNMENT GRANTS	2017 2018 Approved Budget	2018 2019 Approved Budget
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	Total	4,190,932	4,271,980

