



WINDSOR-ESSEX CATHOLIC
DISTRICT SCHOOL BOARD

2012-13 BUDGET

**Presented to:
Board of Trustees
June 12, 2012**



STRATEGIC PLAN PRIORITIES

- **Faith Development**
 - **Funding taken from grants provided for other categories**
- **Student Achievement**
 - **Board meets or exceeds Provincial average**



2012-13

GRANTS FOR STUDENT NEEDS

- **Continued transition to more constrained fiscal environment**
- **GSN Province-wide will be held stable in 2012-13**
- **1.5% increase Province-wide when FDK included**
- **Measures for boards to continue to significantly reduce costs in 2012-13 and into future years**



GSN FUNDING ENHANCEMENTS GENERAL

- **Specialist Teachers and Prep. Time**
 - **Additional specialist teachers to cover an additional 10 minutes of teacher prep. time**
- **Grade 4 to 8 Class Size Reduction**
 - **Additional teachers to reduce average class sizes from 24.7 to 24.5**



GSN FUNDING ENHANCEMENTS GENERAL (cont'd)

- **Student Success & Literacy/Numeracy**
 - **An additional 0.32 teachers per 1,000 Grade 4 to 8 pupils to support continued program enhancement**
- **Secondary Programming**
 - **An additional 0.33 teachers per 1,000 secondary pupils to support locally developed strategies to expand programming**



GSN FUNDING ENHANCEMENTS TO KEEP UP WITH COSTS

- **OMERS Contributions**

- **Additional funding to assist boards with increased cost of the employers' share of contributions**

- **Utilities**

- **2% benchmark update to the non-staff portion of the School Operations Allocation to assist boards in managing increased costs**
- **Additional funding to further assist boards with electricity cost pressures**



PROVINCIAL DISCUSSION TABLE PARAMETERS

- **Staff Compensation**
 - **No funding for across-the-board salary increases**
 - **No funding for salary increases resulting from movement on a salary grid**
- **Sick Leave Plans & Retirement Gratuities**
 - **New short term sickness plan providing 6 days at 100% salary and up to 24 weeks at 66.67% salary**
 - **Any accumulated, but non-vested, sick days will be eliminated**
 - **Vested sick-days will be frozen and paid out at retirement at salary rate as of August 31, 2012**



PROVINCIAL DISCUSSION TABLE PARAMETERS (cont'd)

- **Sick Leave Plans & Retirement Gratuities (cont'd)**
 - **The GSN will continue to support boards for vested sick days to be paid out over time**
 - **However, this support will be reduced over an estimated 12-year period, which is the average remaining service life of eligible employees**
 - **Implementation in 2012-13 will result in a 0.167% reduction in benefit benchmarks in the Foundation Grant and various Special Purpose Grants**



GSN REFORMS & REFINEMENTS

- **School Renewal**

- **Update of Geographic Adjustment Factor to reflect construction cost differences across the Province**
- **Update of Over/Under 20 Years of Age Factor which recognizes higher costs for older schools**
- **Change in the Supplementary Area Factor to recognize that some boards have a higher per pupil space in individual schools.**



GSN REFORMS & REFINEMENTS (cont'd)

- **Program Enhancement Grant**
 - **Transfer from the GSN to Education Programs – Other to continue support of outdoor education programs**
- **Learning Opportunities Grant**
 - **Third year of the four year phase-in of updates to the Demographic allocation resultant from the 2006 Census**
 - **Also applies to English as a Second Language/English Literacy Development**



GSN REFORMS & REFINEMENTS (cont'd)

- **New Teacher Induction Program (NTIP)**
 - **Increase to the benchmark amount per teacher to offset the impact of fewer teachers generating NTIP funding**
- **Special Education Grant**
 - **Funding will remain stable in 2012-13**
 - **Ministry of Education will continue to gradually review and refine the components of the grant**
 - **Ministry will continue to consult with stakeholders to ensure the evolution of the funding approach supports students with special needs**



CAPITAL FUNDING

- **New Schools, Additions & Renovations**
 - **Up to \$350M in funding for Major capital projects needed to open from 2013-14 to 2015-16**
- **School Condition Improvement & Temporary Accommodations**
 - **Additional funding to address school renewal needs portable moves and leases/purchases of temporary and permanent instruction space**
- **Full Day Kindergarten (FDK)**
 - **Continued funding for first-time equipping and minor renovations for Year 3 FDK classrooms**



EFFICIENCY & SAVINGS MEASURES

- **School Board Administration**
 - **Third year of the three year overall reduction amounting to a further 1.47% cut in 2012-13**
 - **Executive Office expenses cut of 5% in each year over two years**
 - **A new funding model for administration is to be introduced in 2013-14**
- **Classroom Computers**
 - **The overall annual reduction, which began three years ago, will become permanent in 2012-13**



EFFICIENCY & SAVINGS MEASURES (cont'd)

- **Professional Development**
 - **The funding reduction made in 2011-12 will become permanent in 2012-13**
- **Student Transportation**
 - **The 1% funding reduction will continue for boards that have not achieved a high rating in routing/technology from the effectiveness and efficiency reviews**



EFFICIENCY & SAVINGS MEASURES (cont'd)

- **Curriculum and Teaching Specialists**
 - **15% funding reduction in 2012-13 for teacher consultants and coordinators, such as reading specialists and program specialists**
- **Savings Measures for 2013-14**
 - **Under-Utilized School Strategy**
 - **Four-Year High School Program**
 - **School Board Amalgamations**



FUNDING OUTSIDE OF THE GSN

- **Funding will continue to be provided under Educational Program – Other grants**
- **Some examples include:**
 - **Autism Supports and Training**
 - **Collaborative Inquiry for Learning – Mathematics**
 - **Community Use of Schools**
 - **Focus on Youth**
 - **Schools in the Middle**
 - **Specialist High Skills Majors**
 - **Full-Day Kindergarten Program**



PHASE-IN OF EMPLOYEE FUTURE BENEFITS CHANGES

- **Four-year phase-in of a mandated change to budget compliance rules**
- **Significant impact on WECDSB budget with cumulative pressures over the four years**



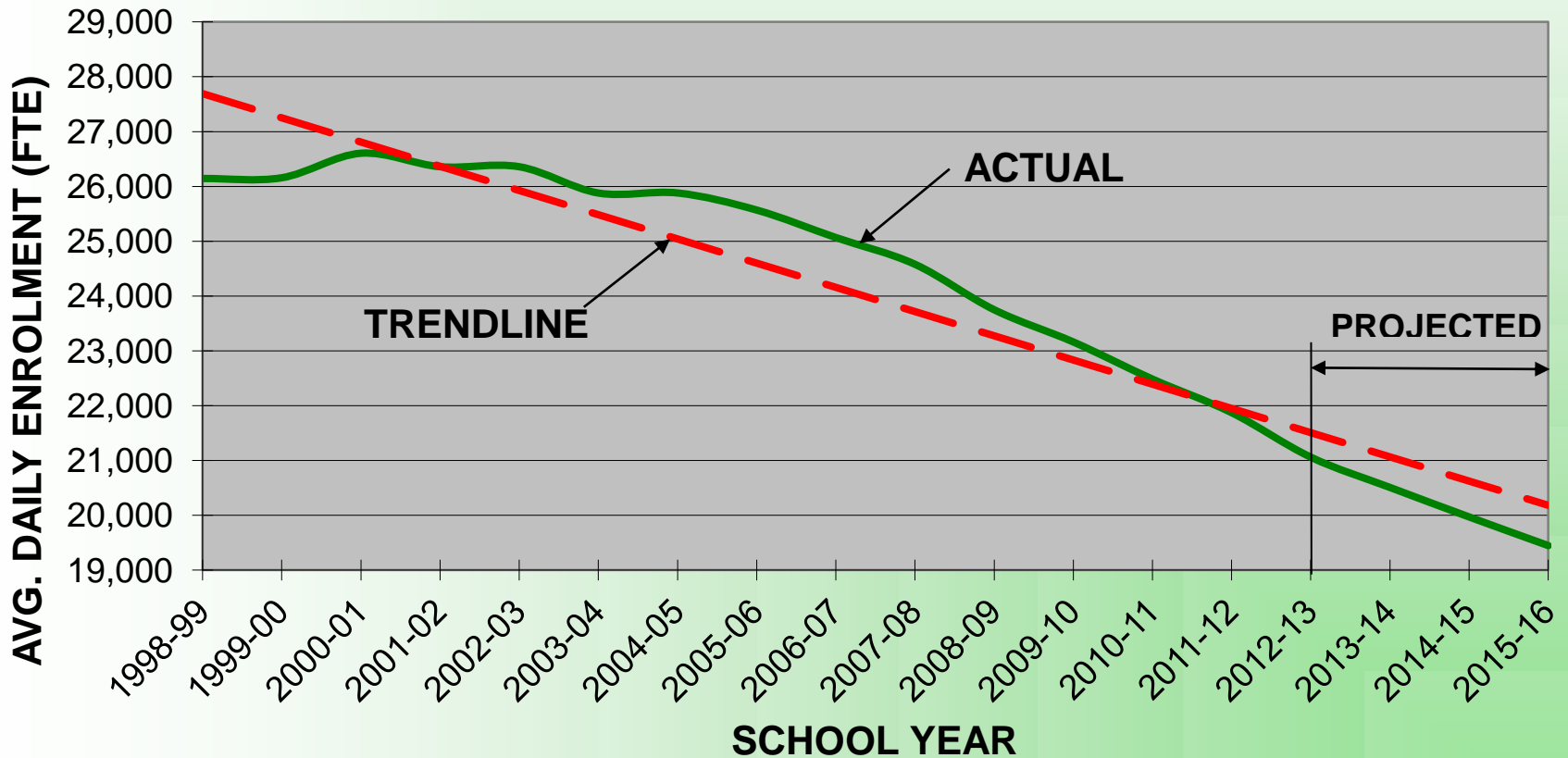
BUDGET CHALLENGES

- **Declining Enrolment**
 - **Downward trend remains unchanged**
 - **Provincial average projected rate of decline is 0.44% per year**
 - **WECDSB projected rate of decline is 3.7% for 2012-13 (without FDK)**
 - **Expectation is now that decline will continue for the next 8 to 10 years**



ENROLMENT TREND

WECDSB HISTORICAL TOTAL ENROLMENT





ENROLMENT BY GRADE

Grade	2012-13 Projected Nominal Enrolment (i.e. Head Count)
Junior Kindergarten	1,000
Senior Kindergarten	1,141
1	1,294
2	1,377
3	1,403
4	1,453
5	1,539
6	1,621
7	1,637
8	1,701
9	1,821
10	1,850
11	1,928
12	2,231
NOMINAL ENROLMENT	21,996



BUDGET CHALLENGES (Cont'd)

- **Grant Reductions**

- **Declining enrolment continues to result in reduced funding**
- **Provincial budget situation may lead to further reductions in the future**

- **Increasing Costs**

- **Fixed and operating costs continue to increase**



BUDGET CHALLENGES (Cont'd)

- **Organizational Realignment**
 - **Declining enrolment has resulted in reduced staffing needs**
 - **Organization is being realigned with view to address challenges over longer term**
- **Long Term Accommodation Planning**
 - **Several review processes have taken place**
 - **Ongoing planning and action remains necessary in the coming years to reduce amount of surplus school capacity which is unfunded**



BUDGET PROCESS

- **Commenced in February with timelines provided to Board**
- **In March, a report submitted to Board which provided information on:**
 - **Provincial & local contexts**
 - **Preliminary forecast of budget target (\$11.2M reduction)**
 - **Initial enrolment projection (600 FTE decline)**
 - **Listing of budget pressures**



BUDGET ALTERNATIVES

- **Budget prioritization alternatives developed by administration**
- **Trustees reviewed the alternatives containing both proposed reductions and additions**
- **In early May, the proposals were provided to the stakeholders and broader community for review and comment**



BUDGET CONSULTATION

- **A total of 30 completed surveys were received – 21 from staff and unions by the due date**
- **Trustees were provided copies of each survey that was submitted**
- **Administration considered the submissions in preparing the draft final budget being presented to the Board**



CONSULTATION THEMES

- **General acknowledgement of declining enrolment and the fiscal reality facing the Board**
- **Concern that staff reductions will impact student achievement**
- **Specific comments made about ensuring appropriate services for students with special needs**
- **Reductions in senior administration should be reviewed**



FISCAL PROBLEM

- **Ministry has requested a deficit recovery plan**
- **Budget proposes to eliminate the deficit by the end of 2012-13**
- **Significant cost pressures are impacting the Board:**
 - **Declining enrolment**
 - **40% unfunded space in schools**
 - **Employee future benefit liabilities**

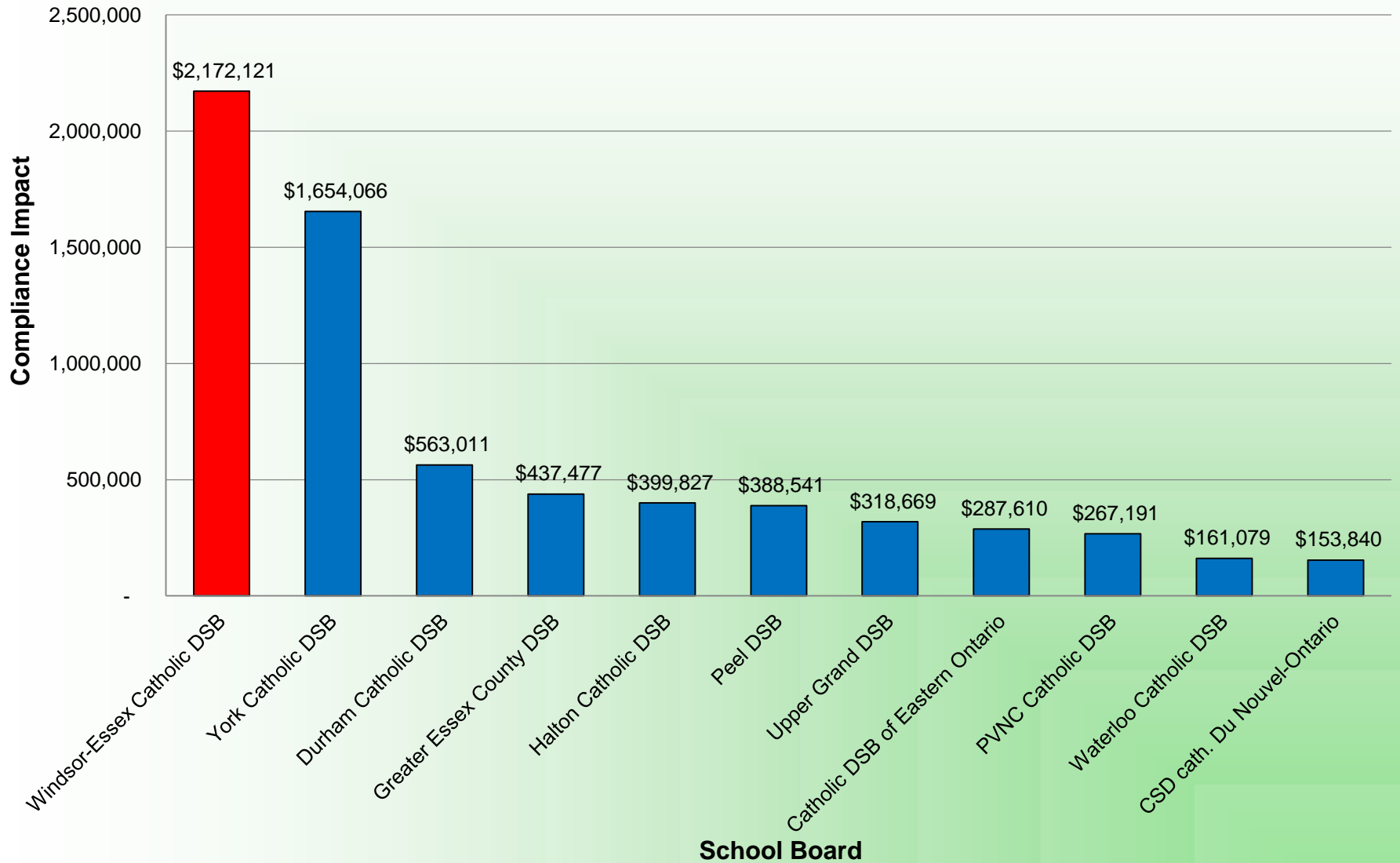


FUTURE EMPLOYEE BENEFITS

- **Under new balanced budget requirements, a portion of future projected benefit expenses must be considered for compliance**
- **WECDSB appears to be the only Board in the Province that still provides benefits for life for some of its unionized employees**
- **As a result, WECDSB is impacted far greater than any other Board**

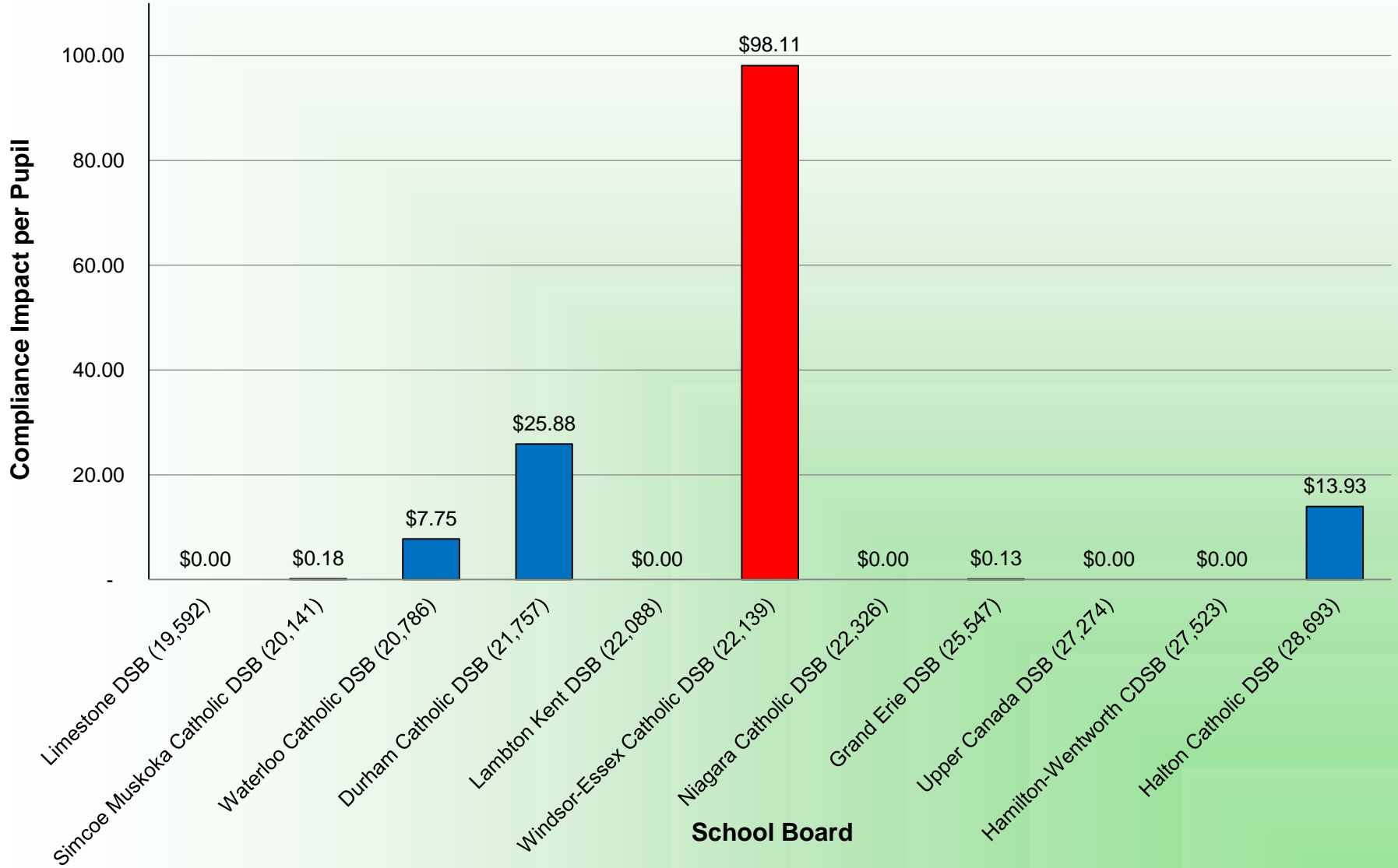
25% PHASE-IN OF EMPLOYEE FUTURE BENEFITS PSAB EXPENSE

2012-13 Forecast



25% PHASE-IN OF EMPLOYEE FUTURE BENEFITS PSAB EXPENSE

2012-13 Forecast





FUTURE EMPLOYEE BENEFITS

(cont'd)

- There is a projected \$2.2M impact on the Board budget in 2012-13, not including the impact of retirement gratuities**
- In four years, the impact on the budget is projected to be \$8.8M in that year and each year thereafter**
- On a per pupil basis, this amounts to almost \$400 per student**
- Almost 4% of the Board's budget will be going to fund this impact**



FUTURE EMPLOYEE BENEFITS (cont'd)

- **The Board has \$106M in obligations related to future employee benefit expenses**
- **No amounts have been set aside in accumulated surplus to address this future expense**

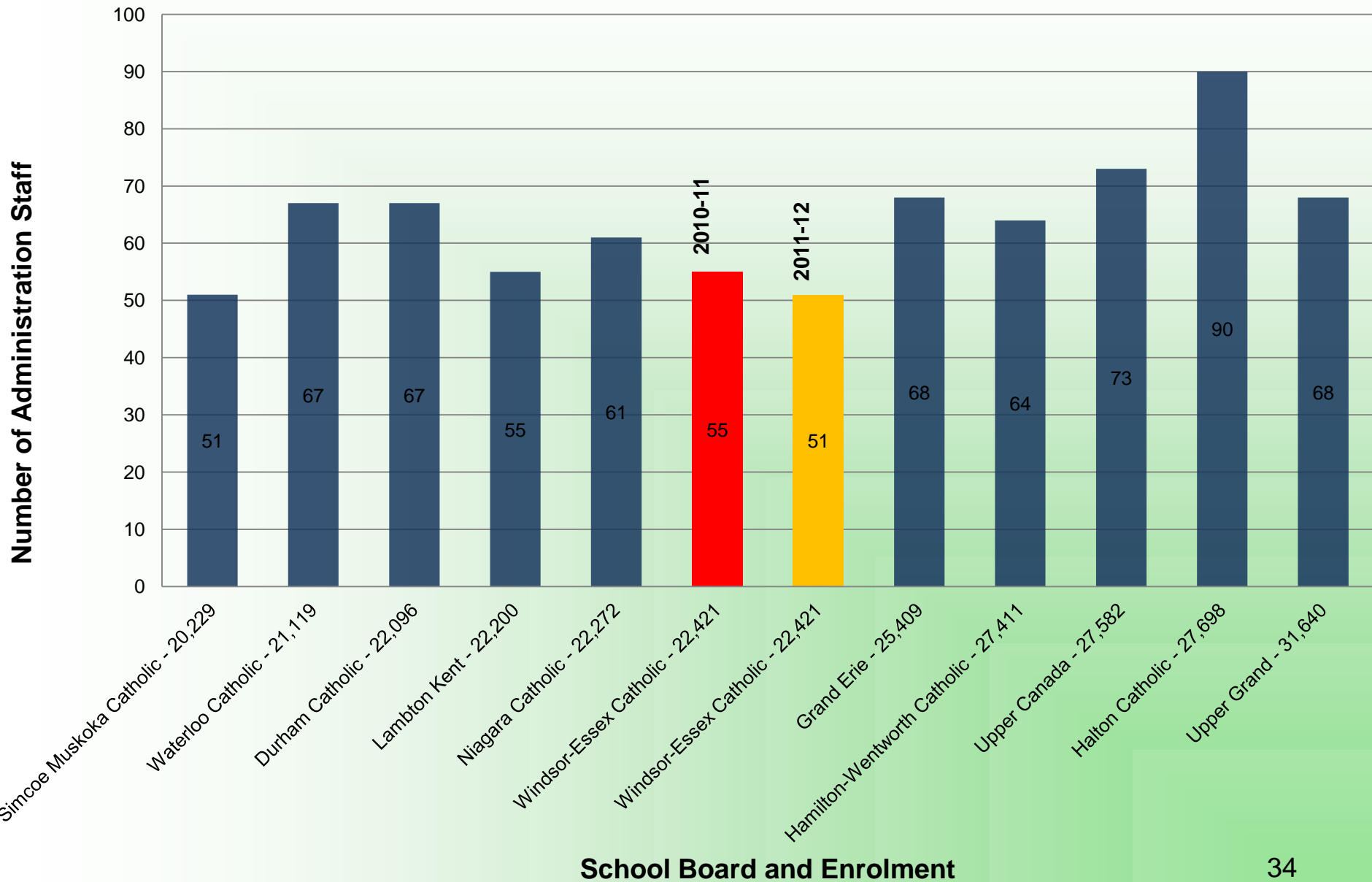


BOARD ADMINISTRATION

- **Ministry allocation is \$8.1M while budget proposes \$7.6M in expenditures**
- **Projected Board under-spending of allocation is \$0.5M (6.2%)**
- **These savings are being used to fund other budget categories that are over their funding allocation from the Ministry**

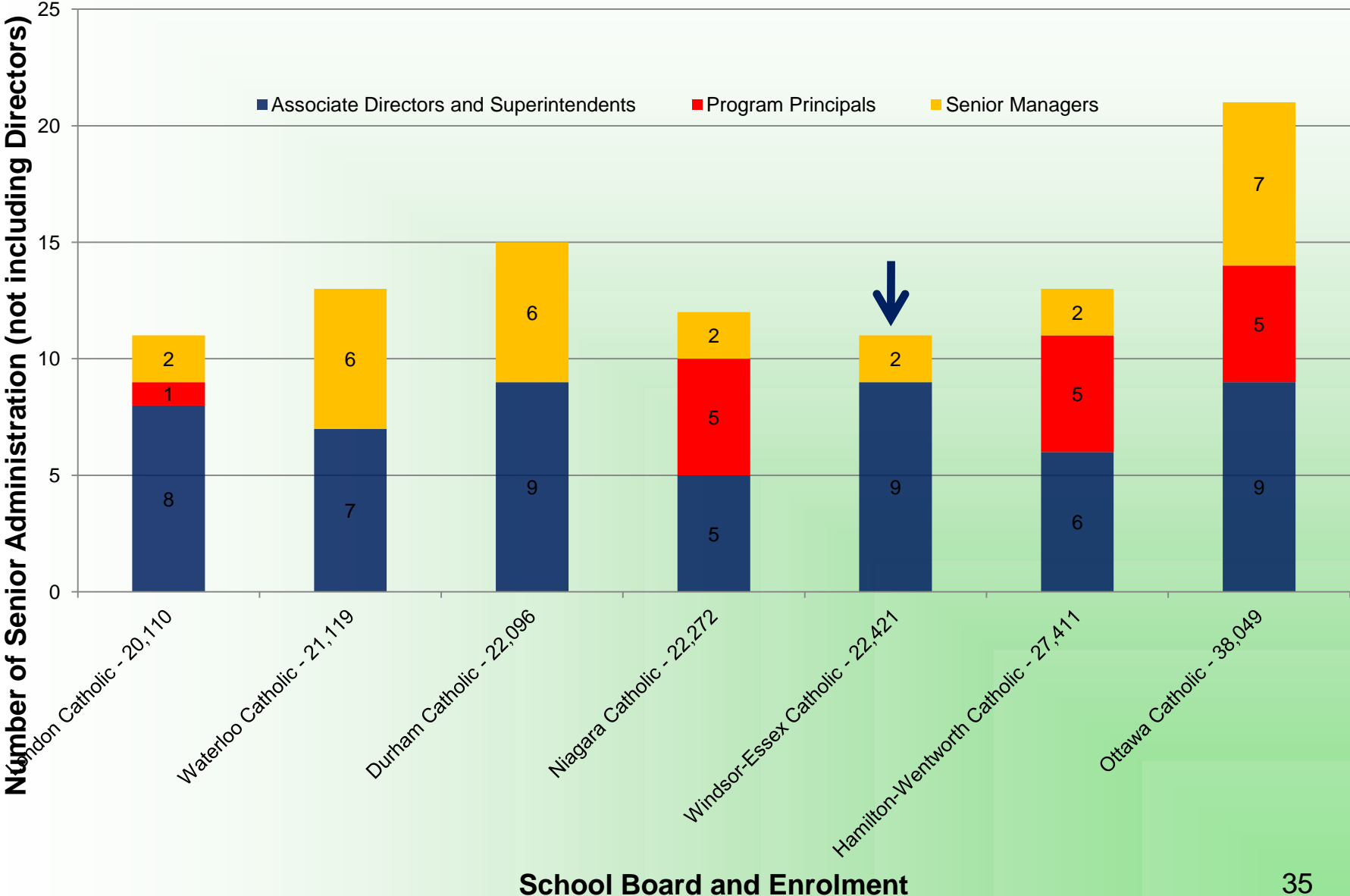
BOARD ADMINISTRATION STAFFING

(Directors, Associate Directors, Superintendents and Other Administration Staff)



BOARD SENIOR ADMINISTRATION STAFFING BREAKDOWN

(Associate Directors & Superintendents , Program Principals & Senior Managers)

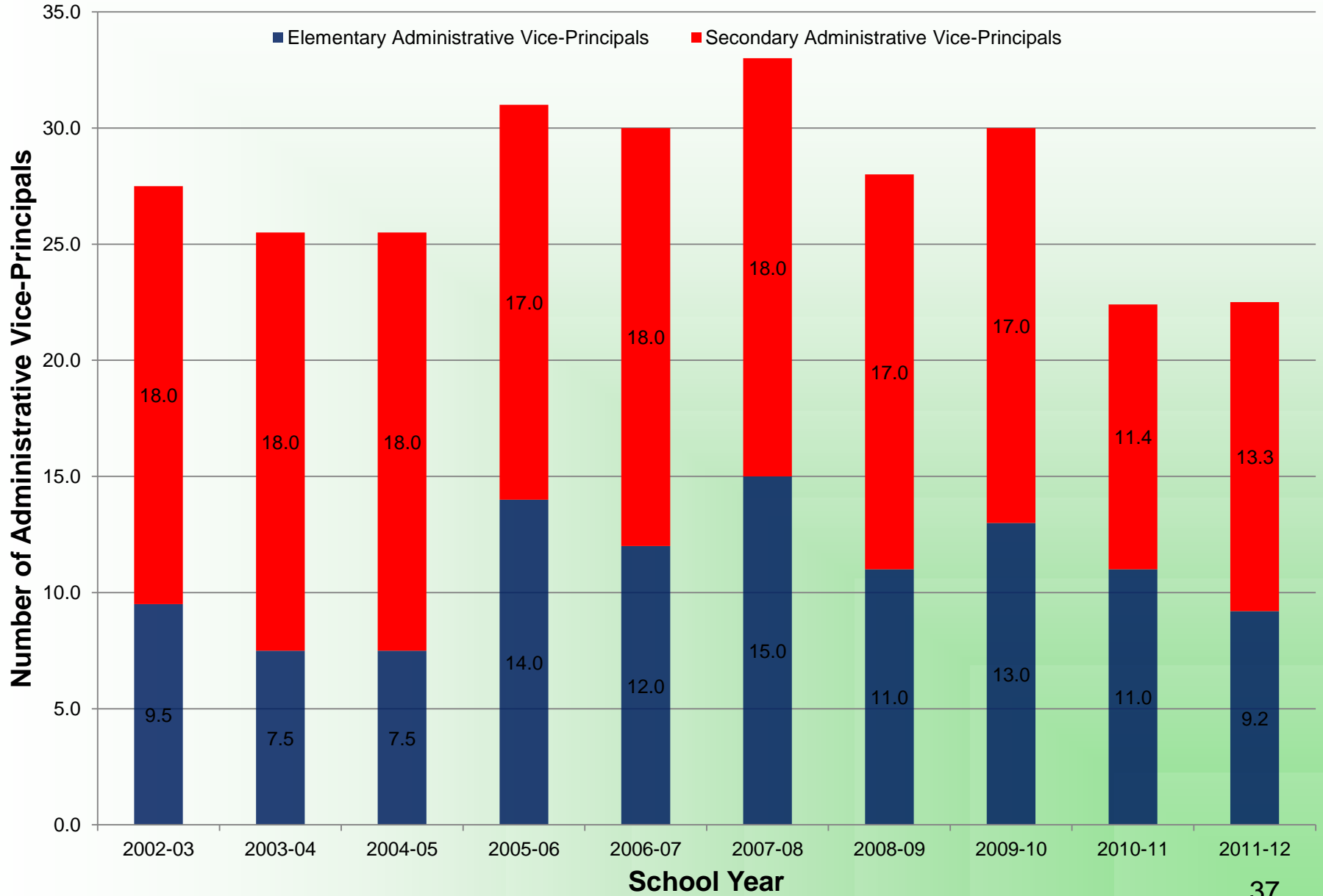




BOARD ADMINISTRATION

- **Number of senior administrators is at or below boards of comparable size**
- **Number of superintendents and senior managers is at or below boards of comparable size**
- **Number of vice-principals in terms of administrative time is lower than in past years**

ADMINISTRATIVE VICE-PRINCIPALS STAFFING





VICE-PRINCIPALS

- **The number of FTE Vice-Principals in administration has been reduced by 33% from prior years**
- **The Board realizes tremendous flexibility and cost savings by having Vice-Principals in a teaching role**
- **Having progressed to a high level in their teaching careers, Vice-Principals provide substantial value in terms of increasing student achievement**



BUDGET REDUCTIONS

- **Teaching staff numbers are based on Ministry formulas and are being reduced due to declining enrolment**
- **Social Worker positions are being phased out as more effective supports for students and families exist elsewhere**
- **Information Technology staffing is being reduced as this area has been identified as having surplus staff**



BUDGET REDUCTIONS (cont'd)

- **Library staffing is being reduced to complete updated library transitioning**
- **Coordinators and Consultants are being reduced to better align staffing with service delivery objectives**
- **School Operations & Maintenance staffing is being reduced to better align resources based on the 40% vacant and surplus space in schools**



BUDGET REDUCTIONS (cont'd)

- **Special Education expenses are being adjusted to better align services**
- **Various reductions are being made to Board Administration, Department Heads and non-union School Office staff and expenses**



REVENUE SUMMARY

• Operating	\$224.3M
• Capital	18.2M
• Other	<u>10.1M</u>
• Total Revenue	<u><u>\$252.6M</u></u>



EXPENDITURE SUMMARY

• Instruction	\$190.9M
• Other Operating	16.2M
• Pupil Accommodation and Other	<u>42.3M</u>
• Total Expenses	<u>\$249.4M</u>



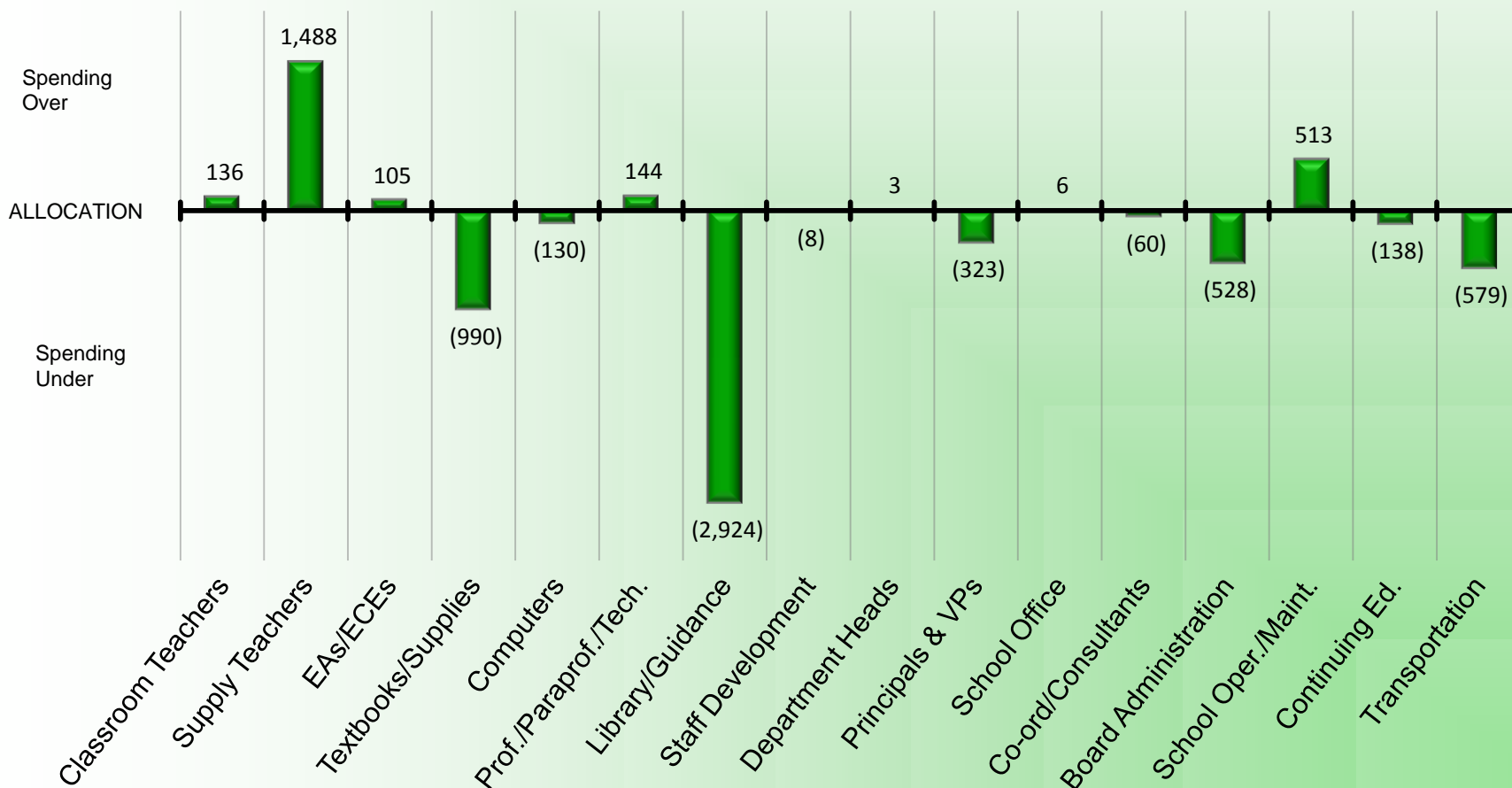
BUDGET SUMMARY

• Total Revenues	\$252.6M
• Total Expenses	<u>(249.4M)</u>
• In-Year Surplus	\$ 3.2M
• Projected Prior Year Accumulated Deficit - Unappropriated	(3.6M)
• Prior Year Accumulated Surplus - Internally Restricted	0.8M
• Internally restricted surplus unavailable to balance	<u>(0.4M)</u>
• Projected Accumulated Surplus/Deficit	<u>\$ 0.0M</u>

Operating Spending and Allocation Comparison

2012-13 Estimates

Estimated Spending (Under) / Over Allocation (\$000s)





SUMMARY

- **Board mission and strategic objectives are reflected in the budget**
- **Classroom programs continue to be fully funded and continue to expand**
- **Budget contains provisions for elimination of the accumulated deficit at the end of 2012-13**
- **Long term view is necessary to plan for significant and ongoing projected enrolment and funding reductions**



LETTER TO THE EDITOR

- **While our system has its issues like any other school system would, I think we are just fine.**
- **I for one, love going to a Catholic School. Everyday I attend Cardinal Carter, my faith and knowledge of my God grows. Parents may have forgotten why we have Catholic schools, but I haven't.**

**Ashley Wass, Leamington
Grade 10 Student, Cardinal Carter**