

## 2004-2005 SCHOOL YEAR BUDGET



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### INTRODUCTION TO THE 2004-2005 BUDGET

The following estimate of revenues and expenditures to support improved student learning during the 2004-2005 school year is presented to the Board of Trustees for approval as recommended by the Director of Education (Chief Education/Executive Officer and Secretary of the Board) and the Superintendent of Business and Finance (Treasurer of the Board) -- on behalf of senior administration. The budget includes **\$166,006,504** in operating expenditures and **\$18,615,280** in capital expenditures for a total budget of **\$184,621,784**.

This budget paper addresses the following issues of note:

- The Provincial Context of Education Funding for 2004-2005
- Future Funding Announcements
- System Plan for Improved Student Learning – Planning January-to-January
- Enrolment and Funding
- 2004-2005 Revenue Increases and Specific Impacts
- Budget Choices
- Funding Catholic Distinctiveness
- Achieving Equity Through School Budgets
- Trustee Prerogatives
- Fiscal Audit, Legal Fees and Curriculum Monitoring
- Class Size Reduction -- JK-3
- Focus on Leadership
- Investment in Staff Development
- Collective Bargaining/Terms and Conditions
- Accommodation Master Plan
- Breakdown of Operating and Capital Budgets
- Report on Reserve Funds
- Resolutions for Board of Trustees Consideration
- APPENDIX A – Budget Summary
- APPENDIX B – School Budgets

**As is customary in the Waterloo Catholic District School Board, this budget is hereby presented to the Board of Trustees as information – to be brought forward for consideration and approval in public session on June 29<sup>th</sup>, 2004.**

**Roger D. Lawler,**  
Director of Education  
(Chief Education/Executive Officer and Secretary of the Board)

**Helen Mitchell,**  
Superintendent of Business and Finance  
(Treasurer of the Board)

**Wednesday, June 23, 2004**

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**THE PROVINCIAL  
CONTEXT OF EDUCATION  
FUNDING FOR 2004-2005**

In their document, *Ontario Education: Excellence For All*, the provincial government states: "...the McGuinty Government is striving for a new ethic for education in Ontario, based on a working partnership by the government with all those who receive or provide public education in the province." Funding commitments of \$2.6 billion were made for this year and to cover the next two school years. The following provincial government goals have been established:

- **Stability** -- (includes multi-year funding and salary guidelines)
- **Student Success** -- (includes smaller class sizes JK to 3)
- **Education Investment** -- (new initiatives for both stability and student success)
- **Transparency and Effectiveness** -- (for all areas – government and boards)

These funds come at the expense of other government priorities -- and the education sector (including this school system) appreciates this funding commitment.

**FUTURE FUNDING  
ANNOUNCEMENTS**

The release of the education funding grants also indicated that a portion – some \$256 million for the province – is still to be allocated. These funds are earmarked as follows:

- \$65 million directed to students who need it the most;
- \$61 million in pupil accommodation funding for items like community use of schools;
- \$130 million for initiatives related to literacy and numeracy/mathematics from JK to Grade 6.

It is the intention of the government to make separate announcements on how these funds will be used to support the above initiatives. If these announcements are made before the Revised Estimates are prepared in the autumn, the additional revenues and consequent expenditures will be included in the Revised Estimates that are to be filed in November, 2004.

**Special Education**

The Minister of Education is currently holding back revenues for Special Education for this Board in the amount of \$594,000 for 2003-04. The Minister has promised in meetings with senior officials of our Board that these funds will flow in some fashion at some future date. If previous provincial funding procedures are followed, that same amount of money (\$594,000) should rightfully also be added to the Special Education base funding for 2004-05.

Due to historically insufficient government funding (an insufficiency identified by the Provincial Auditor when examining this Board), the Waterloo Catholic District School Board has for many years spent far more on Special Education than has been provided by the government – money that has been taken from areas such as school maintenance. To date, we have been able (barely) to meet student needs at the expense of our facilities. Now, with increasing cost pressures in the area of hydro and gas, repeatedly cutting large sums of revenue from maintenance to resolve Special Education funding issues is no longer a viable option. In our current circumstances, it is even less of an option because the Ministry is withholding the funds it owes the Board.

The funding holdback is a critical setback, since, without the benefit of the Cycle 5 funding already owed to the Board, we have had to reduce our Special Education spending by some \$1,534,768 simply to reach a balanced budget as required under the *Education Act*.

The Cycle 5 Special Education funding holdback is forcing the Board to use the last \$422,768 from the Special Education Reserve Fund – funds that can only be used for Special Education and had only been placed in reserve due to the previous government's late response to the recommendations of the Rozanski commission. However, taking this

\$422,768 from reserve and allocating it to meet current needs, simply reduces our Special Education over-expenditure to \$1,112 million – while completely exhausting the reserve fund. In short, this means the remaining \$1.112 million over-expenditure can only be solved by program cuts, an infusion of government revenue, reducing other budget lines (e.g. maintenance) or a combination of the three. With the reserve fund exhausted, the first step in addressing this shortfall will result in the immediate elimination of 20 temporary Educational Assistant positions. While this step further reduces by \$440,000 the Special Education shortfall, it still leaves us spending \$672,000 more than the government gives us for Special Education. We will continue to examine our Special Education budgetary options over the summer months and into early September when school re-opens – recognizing that, should Cycle 5 funding not be released by the government in due course, we will be forced to identify a further \$672,000 in Special Education reductions by the time we submit our Revised Estimates in November, 2004.

Unfortunately, history is simply repeating itself: in 2003-2004 we were forced by government underfunding to draw down our Special Education Reserve Fund by \$820,414 to maintain services and balance the 2003-2004 budget – masking, but not solving the funding crunch.

Clearly, this is not sustainable in either the short or long term. It points to a systemic problem in provincial Special Education funding.

Also causing concern is the fact the government has announced (through Ministry of Education Memo 2004:B5) that the Ministry **will not conduct an ISA 2 and 3 claims process during 2004-05**. This amounts to an ISA funding freeze -- as was experienced to the detriment of special needs students under the previous government. The impact of no ISA 2 and 3 approval process will require us to further examine Special Education services in the autumn, regardless of the outcome of the Cycle 5 funding holdback. All changes to service levels and staff stemming from the Cycle 5 holdback and ISA 2 & 3 freeze will be reflected in our Revised Estimates in November.

**SYSTEM PLAN FOR  
IMPROVED STUDENT  
LEARNING – PLANNING  
JANUARY-TO-JANUARY.**

Each year, the school system develops an operational plan geared to aligning our practices under our strategic plan (*Sharing Our Journey*) with the Ministry's initiatives and the requirements of the Education Quality and Accountability Office. We accomplish these tasks through the development of a System Plan for Improved Student Learning – our core business.

Our overall plan is based on the concept – referred to in the *Director's Update* of April 2004 – of a balance between top-down, bottom-up pressure and support. It is clear through educational research that systems focused on improved student learning will achieve greater results when there is coherence in the system; that is, when the mission, vision, and values are aligned to policy, program, people and resources. Our System Plan for Improved Student Learning is the strategic operational alignment component that enables the school system to actualize its mission and vision.

In recent years our system plan has concentrated on three system priorities:

1. **Faith and Personal Development**
2. **Instruction and Assessment**
3. **Building Safe, Nurturing, Inclusive Communities.**

These system priorities will remain in effect for the balance of our system's strategic plan, *Sharing Our Journey*. Indeed, beginning in 2005, we will be identifying system priorities for Facility Services, Human Resource Services, Information Technology, Public Affairs, Business Services and our Resource Development Office. Each of these priorities will be expressed as methods to support and enhance our three academic priorities outlined above. Everything that we do in each of our divisions and departments serves to enhance and

improve student learning. When completed, our system plan will serve to align all departments/divisions/school sites to our strategic plan.

We are moving toward having the system plan focus on a January-to-January cycle. This will permit schools to capture both reporting cycles from the provincial testing results and also permit staff to engage in the subsequent allocation of resources in time for the June budget cycle.

Along with moving to a January-to-January planning cycle, we are moving toward the development of strategic and operational **benchmarks**. Benchmarks are a collaboratively-developed and research-based set of ideal practices that, if implemented school-wide or by division, will result in school improvement. Benchmarks can also be tied to the achievement of provincial expectations. Level three achievement of provincial expectations meets grade level or the standard (benchmark). Therefore, establishing reading targets in Grade 3 refers to the percentage of children who meet or exceed the standard (level 3 or above).

In September, 2004, school administrators will A) receive the System Plan for Improved Student Learning; B) identify the benchmarked key activities; and, C) begin to work with school staff to conduct a gap analysis between the identified benchmarks for the activity and their current level of understanding and practice. School staff will use the System Plan to conduct this gap analysis from each benchmarked key activity from October to December, 2004.

The findings of the gap analysis will then be used at each school site to develop a one-to-three year School Improvement Plan to reach the benchmark. These School Improvement Plans, which are school specific, will be submitted to School Superintendents by January 30, 2005. All schools will then produce yearly status reports with respect to their ability to meet the benchmarks and it will be these reports along with EQAO results that will form the basis of monitoring reports for how we are aligning our practice with the strategic plan, *Sharing Our Journey*, and government initiatives.

#### ENROLMENT AND THE CONTEXT OF BUDGET DEVELOPMENT

We are beginning to see the impact of the 'baby boom echo' moving through the school system -- wherein the number of new JK and K registrations has fallen off. This is a provincial trend. It is anticipated that our enrolment will continue to decline and finally level out over the next two school years at roughly the enrolment levels seen in 1996, before gradually picking up again. The chart below indicates annual enrolments on the official count date.

#### ENROLMENT HISTORY – TEN YEARS OF GROWTH, DECLINE AND GROWTH.

Year	Enrolment as of Oct. 31	% Change Over Previous Year
1994	22,746	-
1995	22,966	0.96
1996	23,156	0.82
1997	23,491	1.44
1998	23,919	1.82
1999	24,075	0.65
2000	24,105	0.12
2001	24,285	0.74
2002	24,244	(0.16)
2003	24,073	(0.70)
2004	23,781	(1.21)

#### THE RELATIONSHIP BETWEEN REVENUE AND ENROLMENT.

There is a distinct relationship between enrolment and a school board's revenue. As school boards decline in enrolment, there is a revenue loss. Similarly, an enrolment increase brings in new revenue. Work at the school level to receive and maintain enrolment is highly significant.

Revenue for the budget is calculated using the **average daily enrolment of the system** -- that is, 50% of the projected October 31, 2004, enrolment and 50% of the March 31, 2005, projected enrolment. (Junior and Senior Kindergarten students count as half-time). **The average daily enrolment estimate for the 2004-2005 school year is projected to be 15,579 (elementary) and 6,757 (secondary) -- for a system total of 22,336 students.**

**WHAT PROVINCIAL PRIORITIES ARE ADDRESSED VIA THE NEW REVENUE FOR 2004-05?**

The new revenue provided through the provincial budget (approximately \$6.2 million for WCDSB) is heavily enveloped and directed towards the following areas as per Ministry guidelines:

- \$1 million for class size reduction, JK to 3. (If this money is not used, it must be returned to the government);
- \$1 million for increased enrolment (secondary enrolment continues to grow while elementary enrolment has fallen off);
- \$1 million for school maintenance/governance (These funds will address school repairs and increases to heat, hydro);
- \$1 million representing a 2% increase in benchmarks to keep up with costs.
- \$2 million for teacher qualifications increases (This is for the normal increase of teachers' years of experience and **does not represent funding for any salary increases**).
- Beyond these announcements, there is a one-time energy retrofit allocation of \$192,521. These revenues and expenditures are dependent upon the development of a plan.

**BUDGET CHOICES**

Budgeting in any year results in more requests that can be accommodated. As well, some changes to provincial process have resulted in some government funding announcements being scheduled for the autumn. Thus, any revenues or expenditures for these autumn announcements have been removed from this budget and any changes resulting from their eventual release will be reflected in the Revised Estimates in November, if available by then.

Government provides the revenue and policy direction for school boards. In turn, school boards are left to make choices that reflect government policy, revenue circumstances and local priorities. In our circumstance, there is a clear alignment between budget choices and the System Plan for Improved Student Learning outlined earlier. In particular, local priorities focus on faith and leadership development, instruction and assessment support through professional development, and safe and inclusive schools. In order to balance the budget, the following choices have been made:

- We recognize that the recent government funding announcement represents funding that will flow over a number of years. Although we would like to do everything in one year, we cannot. Consequently, we have delayed plans to go ahead with an Internal Auditor position, cancelled a Human Resource Officer for Adult Education, and provided for the replacement of only 25% of our elementary school computers (instead

of replacing 50% as required). We have delayed the purchase of administrative computers and reduced the maintenance budget by \$100,000. Our Information Technology Disaster Recovery Plan has been reduced by 50%. We have reduced the number of JK/SK Educational Assistant positions by 10 as a result of our implementation of the government's class size cap initiative. Finally, we have decided not to implement an electronic version of the Criminal Record Background Check form. These savings amount to \$734,895.

- We recognize that the government has yet to announce about 30% of education funding, as outlined earlier under *Future Funding Announcements*. The result of this holdback is the flat-lining of the following budgets at last year's levels: Director's Office, Human Resource Services, Program Services and Business Services. This translates to a reduction of \$682,000 from the funding level required to meet identified needs – things we had planned to do but now cannot. Approximately \$500,000 of this amount is required by Program Services to address literacy and numeracy issues. Revenues and expenditures will be added back into the budget once government announces how the funding related to literacy and numeracy initiatives, community use of schools and support for students in need will be released.
- Special Education: We accept the Minister of Education's assurances that the Cycle 5 revenue is in the provincial budget, yet recognize it has not yet been released to school boards. We also recognize that, last year, we drew down our Special Education Reserve Fund to support programs and services and that this is not sustainable. For 2004-2005 we need to reduce our Special Education spending by \$1,534,768. To accomplish this, we will use \$422,786 from our Special Education Reserve Fund, thus exhausting this fund. A further savings of \$440,000 will be obtained through the loss of our temporary Educational Assistants. The remaining \$670,000 will be found in the autumn when we rationalize our Special Education programs and services in light of whether or not we receive the Cycle 5 funding for 2003-04 **AND** 2004-05 or a combination thereof. These changes will be reflected in our Revised Estimates.
- We have planned the budget to include the use of \$1,966,012 from our operating reserves to balance the budget. Further cuts would seriously impair the ability of this system to provide programs and services.

## FUNDING CATHOLIC DISTINCTIVENESS

This budget meets the provincial trustees' association's definition of *Catholic Distinctiveness* [see chart below]. Beyond the teaching of Religious Education and Family Life by qualified Catholic teaching staff, approximately **\$1,620,371** of total expenditures (an increase of \$272,556 -- or approximately 12% -- over 2003-2004) can be attributed to the decisions made both in response to the Faith Formation survey of 2003 and in our ongoing goal to reflect our distinctiveness as a Catholic Board. Highlighting how we allocate resources is an important way to demonstrate our difference and our relevance as ministry in an increasingly complex world.

<b>Catholic Distinctiveness Area</b>	<b>Amount</b>
<b>Chaplaincy – Elementary and Secondary</b>	<b>\$ 660,151</b>
<b>Catholic Family Life/Religious Education/Adult Faith Formation Central Staff</b>	<b>\$ 231,597</b>
<b>Family Life Program</b>	<b>\$ 70,257</b>
<b>Religious Education Program</b>	<b>\$ 23,045</b>
<b>Student Retreat Program – Mount Mary (offset by \$72,000 in revenue)</b>	<b>\$ 120,507</b>
<b>When Faith Meets Pedagogy Conference</b>	<b>\$ 14,950</b>
<b>Transportation Support for Students in Need</b>	<b>\$ 10,000</b>
<b>Equity</b>	<b>\$ 14,178</b>
<b>Pastoral Care Teams</b>	<b>\$ 15,000</b>
<b>Parish Liaison through Diocese/Region CYO (in-kind support through office space)</b>	<b>\$ 2,400</b>
<b>Adult Faith Formation Program Support</b>	<b>\$ 34,586</b>
<b>Catholic Curriculum Co-operative Membership Levy</b>	<b>\$ 12,000</b>
<b>Catholic School Council Development</b>	<b>\$ 5,000</b>
<b>Trustee Development and Community Relations</b>	<b>\$ 28,500</b>
<b>Trustee Membership Fees (CCSTA and OCSTA)</b>	<b>\$ 72,000</b>
<b>May 20, 2005 System Faith Formation Day</b>	<b>\$ 30,000</b>
<b>Student Trustee and Student Leadership Development</b>	<b>\$ 5,000</b>
<b>Catholics In Public Life Conference (with St. Jerome’s University)</b>	<b>\$ 3,000</b>
<b>Leadership and Faith Development</b>	<b>\$ 19,500</b>
<b>Catholic Family Counselling Employee Assistance Program</b>	<b>\$ 125,000</b>
<b>“Chosen &amp; Sent” Program, Bishop Tonnos, Diocese of Hamilton</b>	<b>\$ 1,000</b>
<b>Chaplaincy Formation Program</b>	<b>\$ 1,700</b>
<b>Spiritual Animator Supplies</b>	<b>\$ 5,200</b>
<b>Compassionate Care Team</b>	<b>\$ 1,600</b>
<b>Deanery/School System Liaison</b>	<b>\$ 1,480</b>
<b>Employee Wellness</b>	<b>\$ 50,000</b>
<b>Workplace Harassment &amp; Discrimination Policy</b>	<b>\$ 30,000</b>
<b>Workplace Accommodation</b>	<b>\$ 34,200</b>
<b>TOTAL</b>	<b>\$ 1,620,371</b>

**ACHIEVING EQUITY  
THROUGH SCHOOL  
BUDGETS**

Equity of access to resources and opportunities is addressed through the following strategies:

- Basic school budgets: Funding for basic school budgets (to purchase textbooks, learning materials, etc.) is provided through a mechanism to account for the differences among schools. This ensures an equitable distribution of resources occurs, so the most needy students have their needs addressed in the same manner as other students. We have a bias towards options for the marginalized!
- With reference to elementary school budgets, internal equity is achieved between small and large schools. For example, each elementary school receives a base amount of \$100 per pupil. The additional funding per pupil is divided as follows:
  - Elementary Schools with fewer than 200 students receive an extra \$24 per pupil -- for a total allocation of \$124 per pupil. Therefore, six schools, accommodating 984 students, with each receive \$4,000 per school extra.
  - Elementary Schools with between 201 and 315 students receive an extra \$12 per pupil -- for a total allocation of \$112 per pupil. Therefore, 18 schools, accommodating 4,600

students, will receive \$3,000 extra per school.

- Elementary Schools with more than 315 students receive an extra \$6 per pupil -- for a total allocation of \$106 per pupil. Therefore, 23 schools, accommodating 9,900 students, will receive \$2,500 extra per school.
- Our secondary schools receive \$200 per pupil.
- Principals will allocate a minimum of 10% of the school budget towards purchases for school libraries.

#### BUDGET FOR TRUSTEE PREROGATIVES

The Board receives \$105,000 in revenue for trustee work. However, according to Board policy, budgeting must provide for not less than **\$135,000** per annum for trustee prerogatives. The budget provides **\$188,063** for the following:

• Trustee honourarium/mileage/expenses	(9 trustees)	\$ 67,063
• Student Representatives on the Board	(2 students)	\$ 5,000
• Trustee Development and Community Relations		\$ 28,500
• Board and Committee meetings		\$ 6,000
• Courier		\$ 3,000
• Legal Fees		\$ 5,500
• Ontario and Canadian Catholic Trustee Association Fees		\$ 72,000
• Telephone		\$ 1,000
<b>TOTAL</b>		<b>\$ 188,063</b>

#### BUDGET FOR FISCAL AUDIT, LEGAL FEES, CURRICULUM MONITORING

Budgeting must provide not less than **\$155,000** per annum for fiscal audit and legal fees or fail to provide funding for monitoring activities. The budget provides for monitoring activities as follows:

• Auditing Fees - General	\$ 41,000
• Auditing Fees – Adult Education	\$ 2,500
• Auditing Fees – Resource Development Office	\$ 5,000
• Legal Fees – Resource Development Office	\$ 10,000
• Legal Fees – Human Resources	\$ 55,000
• Legal Fees - Property Matters	\$ 15,000
• Legal Fees – Business & Finance	\$ 15,000
• Legal Fees – Special Education	\$ 15,000
• Legal Fees – Director’s Office	\$ 40,000
• Legal Fees – Trustees	\$ 5,500
• Legal Fees – Plant	\$ 15,000
• Legal Fees – Program Services	\$ 5,000
• Curriculum Monitoring	\$ 2,094,188
<b>TOTAL</b>	<b>\$ 2,303,188</b>

#### CLASS SIZE REDUCTION JK-3

The provincial government announced its intention during the recent election to reduce class sizes in JK to Grade 3 by placing a hard cap on JK to Grade 3 classes. As indicated in Ministry memo 2004:B6, *“This initiative is a key part of the government’s plan to improve public education and ensure that students have a high level of literacy and numeracy before they reach the age of 12.”* Provincially, the government invested \$90 million in the first phase of the class reduction initiative. To receive the funding, school boards must develop implementation plans based on pre-set Ministry criteria. Any unused portion of the funding for this initiative must

be returned to the government.

Our budget allocation of **\$1,050,614** will be used to reduce average class sizes initially in JK and SK. Under this initiative, eighteen of our elementary schools will benefit. Fifteen schools will receive an additional half-time JK or SK teacher. Three schools will receive an additional teacher in grades 1 to 3 to reduce class sizes. In total, \$726,526 of the funding will be used to add the 12.14 full time equivalent teachers. An additional \$162,000 will be spent on the portable classrooms that will be necessary at nine of the eighteen schools in order to provide accommodations because of the lower class size. Finally, an additional \$162,088 of the funding will be used to purchase classroom supplies and resources for the new classrooms.

It is worth noting that prior to the announcement of the class size reduction initiative, our JK and SK system average class size was **20.04**. With the addition of these JK/SK teachers our system average class size will fall to **18.04**. Overall our JK to Grade 8 system average class size will be reduced from 24.5 to 24.16 to 1.

Beyond the above, the government has announced its intention to consult stakeholders on the implementation of year two, year three and year four of this initiative so that it is fully implemented by the 2007-08 school year.

#### **FOCUS ON LEADERSHIP**

Through the *Director's Update* of April 2004, the following statement from educational researcher, Robert Dufour, in *Professional Learning Communities at Work*, was used to assist us in examining and responding to the leadership required to move this school system through the next five to ten years. "*The basic structure of the professional learning community,*" Dufour writes, "*is a group of collaborative teams that share a common purpose... people who engage in collaborative team learning are able to learn from one another, thus creating momentum to fuel continued improvement.*" Improved student learning is what our core business is and, as such, a focus on leadership and leadership renewal is a key plank as we move forward.

As a result of the above, we will reduce the number of *teaching Principals* from ten to one. An additional Vice-Principal will be assigned to Msgr. Doyle Catholic Secondary School. Three additional Elementary Vice-Principals will be assigned to schools for September -- bringing the total complement of elementary Vice Principals to eleven. Finally, we have instituted a new position: Principal of Leadership Development. This person will be responsible for the co-ordination of all leadership activities as we move forward -- to enhance leadership and improve student learning over the next number of years. The net cost of these initiatives is **\$257,289**.

#### **INVESTMENT IN STAFF DEVELOPMENT**

Professional development describes the programs and services that ensure staff remain current and up-to-date. Capacity-building is a term used to describe providing people with the ability to make the system vision a reality. People -- whether staff, trustee, or Catholic School Council member -- cannot be expected to change, or improve, if they do not have the ability to behave in new ways.

Thus, a focus on both professional development and capacity-building is necessary to move ahead. In fact, research indicates that a progressive, growing organization will allocate a minimum of 1% of payroll to professional development for its employees if it is serious about building capacity.

Our local allocations for professional development in comparison to Ministry allocations through the funding model to date are:

Year	Staff	Ministry Allocation	Board Allocation	Training Amount Per Staff Member
2004-05	2166.7	\$315,859	\$1,393,132	\$643
2003-04	2209.2	\$248,670	\$ 850,884	\$385
2002-03	2045.6	\$ 394,155	\$ 425,442	\$ 208
2001-02	2064.5	\$ 352,789	\$ 506,344	\$ 245
2000-01	2006.1	\$ 355,328	\$1,405,045	\$ 700
1999-00	1957.4	\$ 350,386	\$ 921,277	\$ 470
1998-99	1750.4	\$ 291,319	\$ 935,354	\$ 534

Through this budget, funds in the amount of **\$1,393,132** have been allocated to provide for staff development – a 63% increase. This does bring us to the industry goal of 1% of payroll allocated to staff development. In this regard, all sectors of the organization will be impacted as we continuously strive to improve student learning. Indeed, we are proud of the fact that our staff participate in after school programs and Summer Institutes as well as through the regular school day. This is but one small example of their commitment to our students.

The focus for teacher professional development in 2004-2005 is on the *System Plan for Improved Student Learning* – in particular our mandatory in-service related to Religious Education/Family Life, our in-service related to the priorities in the area of language and mathematics literacy (elementary and secondary), and the continual development of our school administrators, pastoral care teams, our educational assistants, technicians and maintenance/ custodial/ secretarial staff.

Trustee development and community relations account for \$28,500 of the professional development budget. School council development receives \$5,000 while student representatives on the board and secondary school student council leadership opportunities account for \$5,000.

Finally, as a school system, we are fortunate to have a Pastoral Care Team at each of our sites – a voluntary team that ministers to the needs of both students and staff. This is unique in our province and a uniqueness to be proud of! Our Pastoral Care Teams will receive enhanced support in 2004-05.

**COLLECTIVE  
BARGAINING / TERMS  
AND CONDITIONS OF  
EMPLOYMENT**

In their document, *Ontario Education: Excellence For All*, under the section entitled: “Respect for teachers, education workers and other staff”, the government makes the following comments with respect to salary increases: *“We are supporting fair increases for teachers, education workers and other staff, including principals, directors and superintendents, to permit them to keep up and not lose ground in their compensation...We are asking for a discipline on the part of staff in new contracts to refrain from potential salary catch-ups, in order to permit the much-needed extraordinary investment in hiring additional staff and improving learning conditions that is long overdue.”*

Consequently, based on this call for discipline and the restricted amount of funds subsequently allocated by the government for wages, we have worked hard to develop a budget that provides the Board with the opportunity to achieve fair and responsible wage settlements, while respecting Ontario’s fiscal reality.

**ACCOMMODATION  
MASTER PLAN**

Through the funding model, school boards are required to develop and approve a long-term plan that identifies “issues related to pupil accommodation that boards expect to face and

strategies for dealing with those issues.” [Pupil Accommodation Grant Technical Paper]

At the May, 2004, meeting of the Board of Trustees, Dave Bennett, Senior Manager of Facilities presented the 2004 version of the Accommodation Master Plan; a plan that looks out through the next five years. The plan was issued in *draft* form. Trustees will consider the plan at their June 29<sup>th</sup>, 2004 meeting and decide if it meets their strategic accommodations direction. As is current practice, even after the plan is approved, all individual projects flowing from it must be brought forward for approval.

**BREAKDOWN OF OPERATING AND CAPITAL BUDGETS**

The proposed budget is broken down into two categories: “operating” and “capital”. The covering sheet shows the operating budget summary of **\$166,006,504** (line H). The capital budget summary of **\$18,615,280** is shown as line I. In total, the 2004-2005 operating and capital budget revenues are **\$184,621,784** (line K). The total operating and capital expenditures are **\$184,621,784** (line K).

**REPORT ON RESERVE FUNDS**

<i>Column 1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
<b>Capital Reserve Fund</b>	<b>Balance Aug. 31,2004</b>	<b>Transfers to the Reserve Fund</b>	<b>Earnings on Reserve Fund Investments</b>	<b>Transfers from Reserve Fund</b>	<b>Balance at August 31, 2005</b>
Special Education Access	232,516	0	0	0	232,516
Board Office Relocation	200,000	500,000	0	0	700,000
Pupil Accommodation	9,614,165	0	0	208,715	9,405,450
Disposition of Property	6,273,810	308,715	0	0	6,582,525
<b>Total Reserves - Capital</b>	<b>16,320,491</b>	<b>808,715</b>	<b>0</b>	<b>208,715</b>	<b>16,920,491</b>
<b>Classroom</b>	<b>1,899,135</b>	<b>0</b>	<b>0</b>	<b>1,466,012</b>	<b>433,123</b>
<b>Non-Classroom</b>	<b>722,609</b>	<b>0</b>	<b>0</b>	<b>500,000</b>	<b>222,609</b>
<b>Continuing Education Reserve</b>	<b>100,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100,000</b>
<b>Special Education</b>	<b>422,786</b>	<b>0</b>	<b>0</b>	<b>422,786</b>	<b>0</b>
<b>Total Non-Capital</b>	<b>3,144,530</b>	<b>0</b>	<b>0</b>	<b>2,388,798</b>	<b>755,732</b>
<b>Total Reserves</b>	<b>19,465,021</b>	<b>808,715</b>	<b>0</b>	<b>2,597,517</b>	<b>17,076,219</b>

\*At the year-end for 2003-2004, the Special Education Reserve will have been drawn down by \$820,414 to offset special education spending during 2003-04. During the 2004-05 school year, a further \$422,786 will be drawn from the Special Education reserve to assist with the cost of programs and services. Thus, the Special Education reserve will be exhausted by the end of the 2004-05 school year.

This budget also calls for the full use of our operating reserves in order to file a balanced budget. We have moved from a time in school board budgeting where accumulating a substantial reserve fund was a prudent activity, wherein a board could plan for and accommodate one-time expenditures, to a time -- as articulated by the Minister of Education

when he was in Kitchener on June 11 – when the accumulation of large reserves is rejected as an acceptable strategy by the government. The Minister, in his discussions with us, indicated serious concern about school boards having large reserves when there are so few scarce educational dollars available. The Minister was clear that he expects Boards to use the money they hold in reserve. In our case, previous reductions to spending along with increasing cost pressures in many areas have resulted in nothing left to cut. We seem to be entering a period where any savings in one year will be rolled over into the next year. Thus, we will have what can safely be called a ‘continuous budget’ as we work to provide programs and services for our students.

**CONCLUSION**

In conclusion, the *Education Act* and Regulations require that the Board of Trustees adopt an annual balanced budget. Thus, the Secretary, Treasurer and all members of Senior Administration do hereby recommend that the Board of Trustees approve the following motions:

**RESOLUTION FOR  
BOARD APPROVAL...**

**MOTION A**

**THAT**, under Section 231 of the *Education Act* and Regulations, Board Policy IV 006 “Financial Condition”, Board Policy IV 005 “Budgeting/Forecasting” and the Waterloo Catholic District School Board’s *General Board Operational and Procedural By-law*, the 2004-2005 School Year Budget in the amount of \$140,582,350 for Human Resources budget items be now approved and filed with the Ontario Ministry of Education in compliance with the *Education Act* and the Ministry’s budget submission process.

**MOTION B**

**THAT**, under Section 231 of the *Education Act* and Regulations, Board Policy IV 006 “Financial Condition”, Board Policy IV 005 “Budgeting/Forecasting” and the Waterloo Catholic District School Board’s *General Board Operational and Procedural By-law*, the 2004-2005 School Year Budget in the amount of \$44,039,434 for non-Human Resources budget items be now approved and filed with the Ontario Ministry of Education in compliance with the *Education Act* and the Ministry’s budget submission process.

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Roger D. Lawler,  
Director of Education and  
Secretary of the Board.

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Helen Mitchell  
Superintendent of Business and Finance and  
Treasurer of the Board

**Reviewed and endorsed by all members of Planning and Priorities Committee:**

- **Dave Bennett**, Senior Manager of Operations
- **Heather Cullen**, Superintendent of School Services – Elementary
- **Gytis Grabauskas**, Senior Manager of Human Resource Services
- **Bernie Kowalczyk**, Superintendent of School Services - Elementary
- **Gary Leduc**, Superintendent of School Services – Secondary
- **Shesh Maharaj**, Senior Manager of Finance
- **Bryan Mahn**, Superintendent of Human Resource Services
- **Sandra Quehl**, Chief Information Officer
- **Michael Schmitt**, Superintendent of Program and Student Services
- **John Shewchuk**, Executive Assistant to the Director and Senior Manager of Public Affairs