



2018/2019 Budget Development

March 28, 2018

2018/2019 Budget Development

Agenda

- Status of Budget Development Process/Schedule
- Grants for Student Needs (GSN) Announcement
- Trustee Input
- Process for Stakeholder Input
- Questions

2018/2019 Budget Development

Key Objectives:

- Alignment of financial resources
 - Multi-Year plan
 - Annual Operational Plan
 - Special Education Plan
 - System and Corporate Responsibility
- Identify key assumptions used to prepare the budget
- Identify timelines for budget discussions
- Develop key messages to be included in the communication plan

2018/2019 Budget Development Schedule

Committee of the Whole – April/May 2018

- Discussion re: Alignment of Financial Resources
 - Multi-Year Plan
 - Annual Operational Plan
 - Special Education Plan
 - System and Corporate Responsibility
- Review of Budget Parameters
 - Preliminary Enrolment 2018/2019
 - Revenue Assumptions
 - Expenditure Assumptions
 - Staffing Assumptions
- Review of Accountability and Reporting Requirements
- Review Trustee Issues/Input
- Review/Implement Process for Stakeholder Input
- Update on Status of Special Education Plan

2018/2019 Budget Development Schedule

Committee of the Whole – April/May 2018

- Review details of 2018/2019 GSN
- Overview of Grant Revenue Calculation (based on GSN release)
- Update on Administrative Council Discussions
- Update on Trustee Input
- Update on Stakeholder Input
- Update on Special Education Plan
- Review Communication Plan

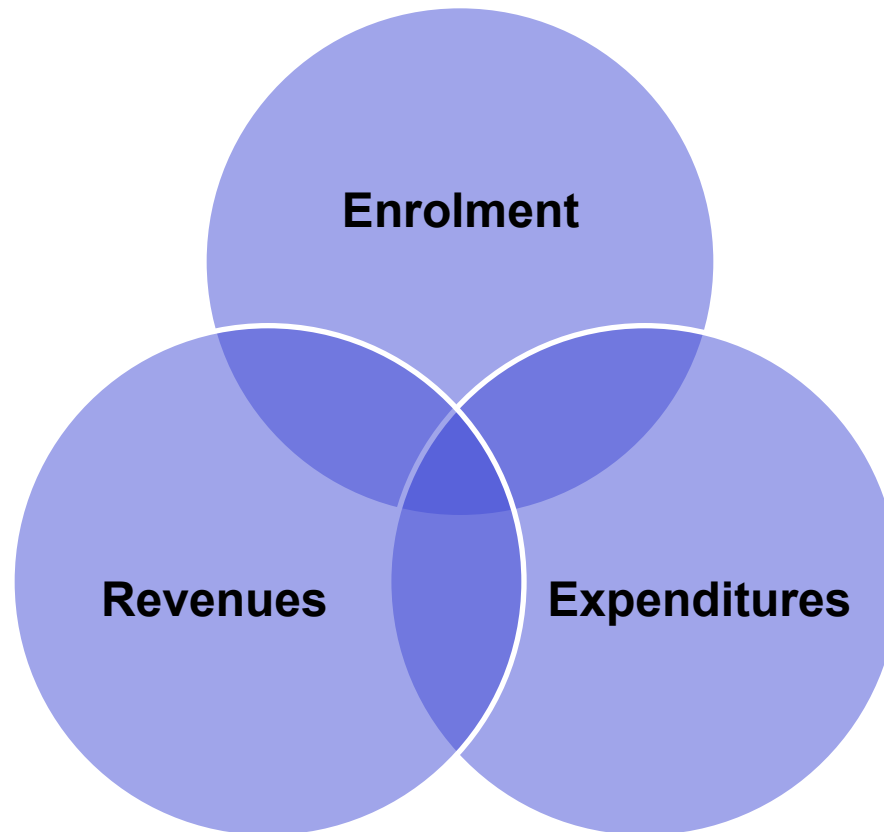
Board Meeting – May/June 2018

- Presentation/Approval of Budget

Submission of Budget to Ministry

2018/2019 Budget Development

Review of Key Budget Components



2018/2019 Budget Development

Enrolment

2018/2019 Budget Development

Review of Budget Components – Enrolment Projections:

- Enrolment projections form the basis for GSN calculations and staffing
- Enrolment is defined in terms of full-time equivalency (FTE) and average daily enrolment (ADE)
 - FTE: # of minutes of instruction per day / 300
 - ADE calculations are based on 50% of the FTE as of October 31 and March 31
- Enrolment Projections based on:
 - Birth rates, migrations rates, impact of new housing starts and pupil yield rates
 - Catchment population, participation rates
 - District program offerings, retention rates

2018/2019 Budget Development

Key Assumptions - HDSB Enrolment Summary

	2018/19 Projection	2017/18 Revised Estimates*	Enrolment Increase (Decrease)	% Increase (Decrease)
Elementary	45,680.00	45,333.00	347.00	0.77%
Secondary	18,961.48	18,521.79	439.69	2.37%
	64,641.48	63,854.79	786.69	1.23%
	2018/19 Projection	2017/18 Original Budget**	Enrolment Increase (Decrease)	% Increase (Decrease)
Elementary	45,680.00	45,546.00	134.00	0.29%
Secondary	18,961.48	18,692.00	269.48	1.44%
	64,641.48	64,238.00	403.48	0.63%
* Enrolment based on Actual October 31/17 and Projected March 31/18				
** Enrolment based on Projected October 31/17 and Projected March 31/18				

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HDSB Enrolment Summary - Elementary

		2017/18	Enrolment	%
	2018/19	Revised	Increase	Increase
	Projection	Estimates	(Decrease)	(Decrease)
Burlington	12,863.00	12,974.00	(111.00)	(0.86%)
Oakville	15,679.00	15,597.00	82.00	0.53%
Milton	12,648.00	12,249.00	399.00	3.26%
Halton Hills	4,490.00	4,513.00	(23.00)	(0.51%)
	<u>45,680.00</u>	<u>45,333.00</u>	<u>347.00</u>	<u>0.77%</u>

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HDSB Enrolment Summary - Secondary

		2017/18	Enrolment	%
	2018/19	Revised	Increase	Increase
	Projection	Estimates	(Decrease)	(Decrease)
Burlington	5,796.02	5,726.52	69.50	1.21%
Oakville	8,670.06	8,366.40	303.66	3.63%
Milton	2,598.61	2,511.51	87.10	3.47%
Halton Hills	1,896.79	1,917.36	(20.57)	(1.07%)
	<u>18,961.48</u>	<u>18,521.79</u>	<u>439.69</u>	<u>2.37%</u>

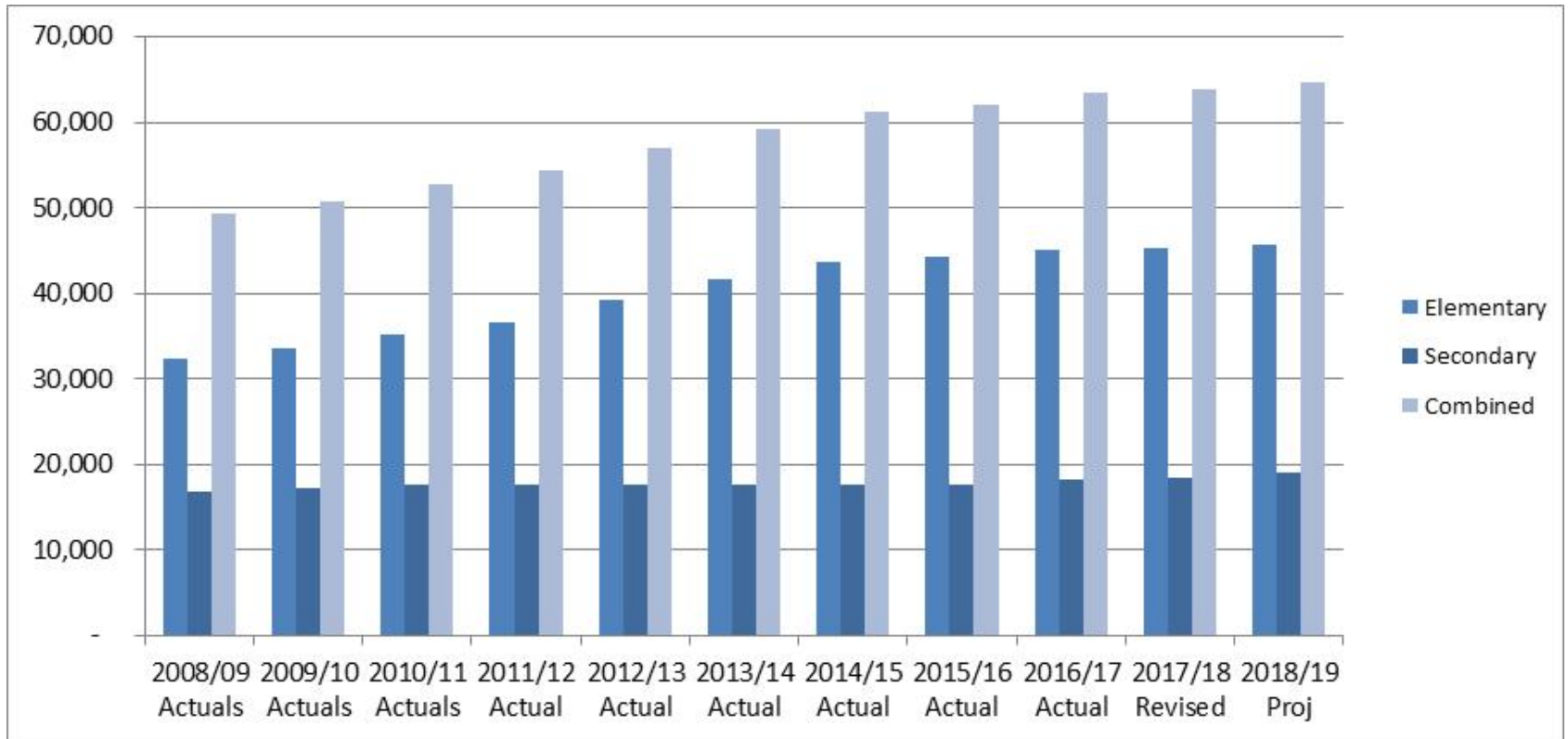
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HDSB Enrolment Summary – Combined Elementary & Secondary

		2017/18	Enrolment	%
	2018/19	Revised	Increase	Increase
	Projection	Estimates	(Decrease)	(Decrease)
Burlington	18,659.02	18,700.52	(41.50)	(0.22%)
Oakville	24,349.06	23,963.40	385.66	1.61%
Milton	15,246.61	14,760.51	486.10	3.29%
Halton Hills	6,386.79	6,430.36	(43.57)	(0.68%)
	<u>64,641.48</u>	<u>63,854.79</u>	<u>786.69</u>	<u>1.23%</u>

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HDSB Enrolment Summary



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HDSB Enrolment – 10 Year Projection

		Increase (Decrease)	% Increase (Decrease)
	Combined	Prior Year	
2018	64,641	1,495	2.31%
2019	64,968	327	0.50%
2020	65,276	308	0.47%
2021	65,713	437	0.67%
2022	66,032	319	0.48%
2023	66,619	587	0.88%
2024	67,019	400	0.60%
2025	67,202	183	0.27%
2026	67,260	58	0.09%
2027	67,451	191	0.28%

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Revenues

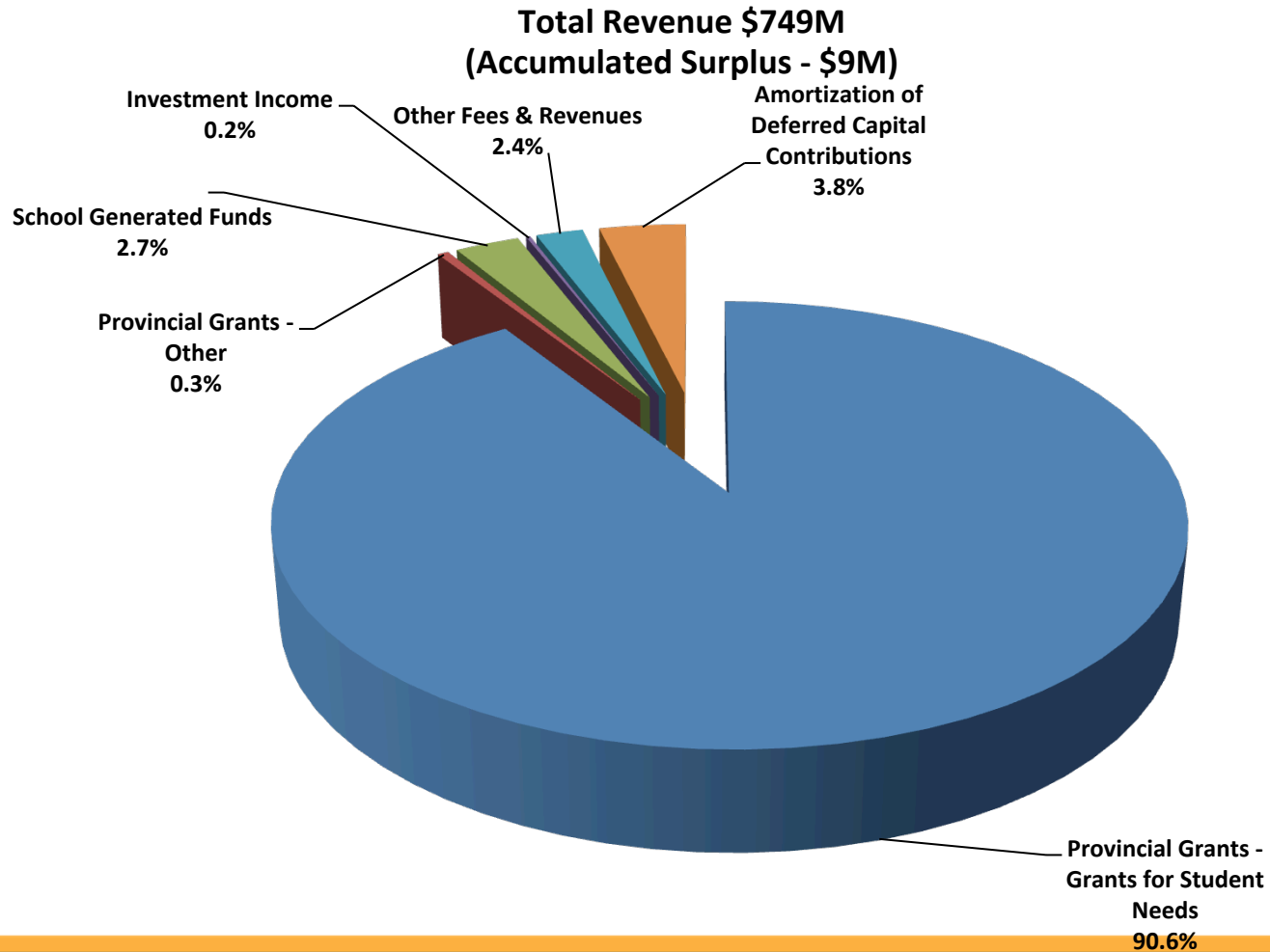
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Review of Key Budget Components - Revenues:

- Revenues
 - Ministry Funding
 - Grants for Student Needs (GSN)
 - Education Program Other (EPO)
- Other Revenues
 - Other Government Funding
 - Tuition Fees
 - Cafeteria/Rental Income
 - Investment Income
 - Other
- Drawdown From Accumulated Surplus
- School Generated Funds (school level)

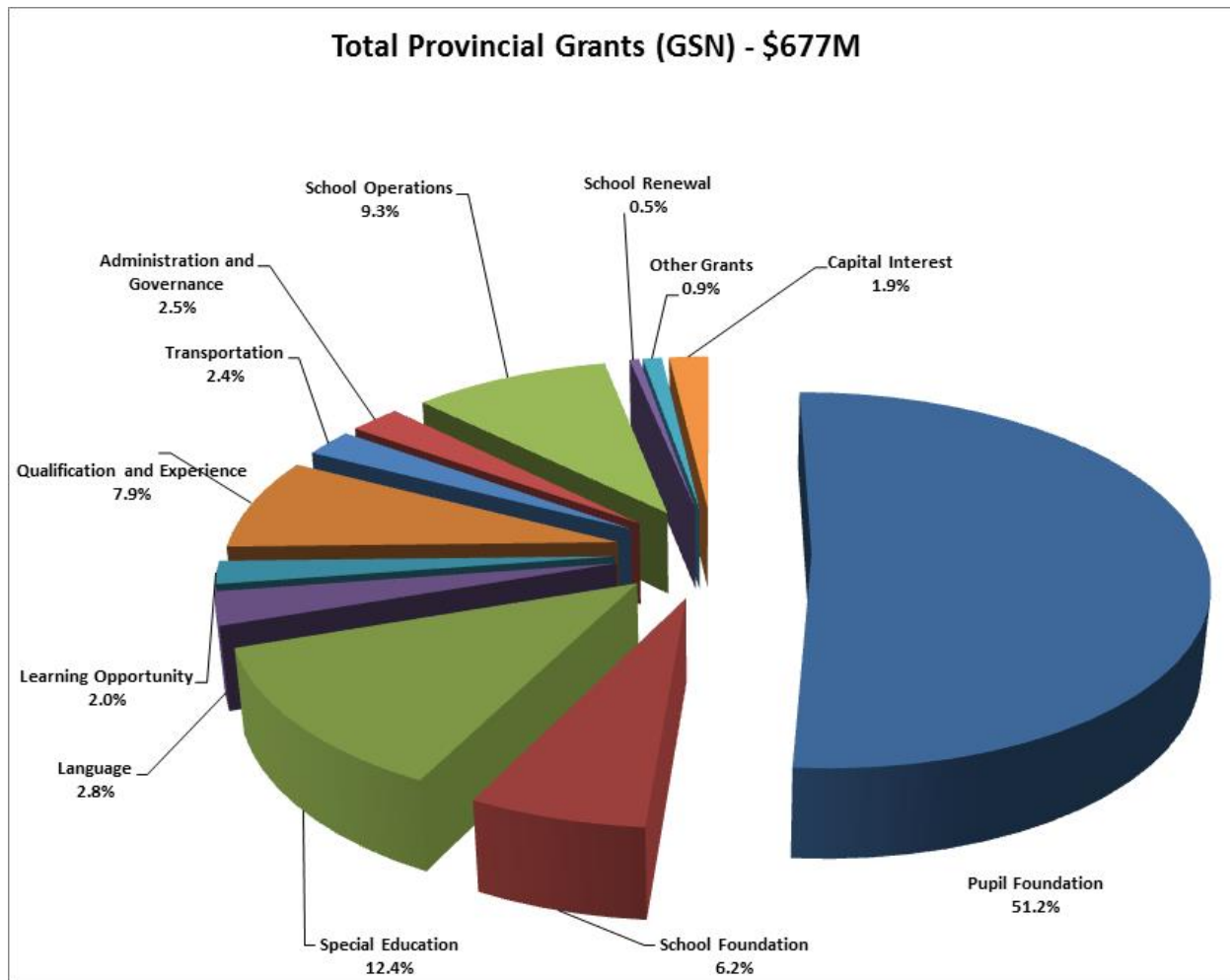
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Key Budget Components – Revenues (2017/18 HDSB Budget)



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2017/2018 Grants - HDSB



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Revenues - Grants for Student Needs (GSN)

Ministry Funding – Grants for Student Needs (GSN)

- Grants for Student Needs (GSN) – March 26, 2018 Ministry Announcement for 2018/2019 GSN
- Ministry Memorandum 2018: B06
- Reporting
 - June 29, 2018, due date for board estimates to Ministry
- Grant Forms (EFIS) will be available April 27, 2018
- Forms provide the detailed information required for school boards to calculate the actual grant allocation

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Revenues - Grants for Student Needs (GSN) Highlights

Highlights:

- Per-pupil funding projected to increase to \$12,300 (increase of 9.4% since 2012/13)
- Special Education funding to address:
 - Current waitlists for assessments
 - Increase services through multi-disciplinary teams & other staffing resources
 - Increase to Special Incidence Portion allocation to support students with extraordinary high needs to be successful in school
 - Training for Applied Behaviour Analysis (ABA) training
- Preparing for Success in High School (3 year implementation):
 - Additional teachers to support Grade 7 & 8 students make successful academic transitions and engage in career and pathways training

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Revenues - Grants for Student Needs (GSN) Highlights

Highlights:

- Demographic and Growth: Investments and Review:
 - Student access to resources to succeed in school, regardless of their socioeconomic status
 - Review of census data (and funding) for both English Language Learners who are not recent immigrants , but whose language spoken most often at home is neither English nor French
 - Review of methodology of allocations and census data (2006) used as indicators for Learning Opportunities Grants – Demographic Allocation

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Revenues - Grants for Student Needs (GSN) Highlights

Highlights:

- Continued Implementation of 2017-19 Central Labour Agreements:
 - Salary benchmark increase of 1.5%
 - Increase of 3% for Community Use of Schools (staffing)
 - Class Size Investments:
 - Full-Day Kindergarten class size cap
 - Grades 4-8 Class Size maximum
 - Employee Health, Life & Dental Benefits Transformation
 - Local Priorities Funding

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Revenues - Grants for Student Needs (GSN) Highlights

Highlights:

- School Board Administration and Governance Grant:
 - Includes Program Leadership Allocation (PLA) previously funded through other allocations within GSN/EPO including:
 - Mental Health Leads
 - Technology Enabled Learning and Teaching (TELT) Contacts
 - Indigenous Education Leads
 - Student Success Leads
 - School Effectiveness Leads
 - Early Years Leads
 - PLA allocation will be enveloped
- Trustee Honoraria:
 - Ministry will be engaging Trustee Associations to develop more detailed proposals for revising trustee honorarium formula
 - Base amount increasing by \$400 to \$6,300

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Revenues - Grants for Student Needs (GSN) Highlights

Highlights:

- Capital funding:
 - School Condition Improvement
 - Greenhouse Gas Reduction Fund
 - School Renewal Allocation - prior year's additional funding now included in benchmark
 - Joint-use Funding Supports
 - Early Years Capital
- Qualifications and Experience Grant
 - New Teacher Induction Program (NTIP)
 - Extended support for new teachers and newly-hired long-term occasional teachers
- Indigenous Education:
 - Board Action Plan (BAP) is enveloped
 - Indigenous studies funding to cover incremental costs for classes

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Revenues - Grants for Student Needs (GSN) Highlights

Highlights:

- Literacy and Math outside the School Day Allocation:
 - Adult students enrolled in Continuing Education classes/courses will now be eligible for funding in remedial literacy and/or math courses/classes
- Keeping up with Costs:
 - Cost update adjustment in the Student Transportation Grant will be increased from 2% to 4%
 - 2% benchmark update to non-staff portion of the School Operations Allocation benchmark to assist boards in managing the increases in commodity prices (electricity, natural gas, facility insurance, and other costs)

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Revenues - Grants for Student Needs (GSN) Highlights

Highlights:

- Ongoing Implementation and Other Changes:
 - School Foundation Grant Definition Change Funding Impacts
 - Rural and Northern Education Fund
 - 2011 Census and National Household Survey (final year of three year phase in for Indigenous Education Grant and Language Grant)
 - Retirement Gratuities – continue with reduction in benefits funding benchmarks
 - School Bus Safety Training
 - New Vision for Student Transportation
 - Cash Management Strategy:
 - Change in monthly cash flow to boards in order to reduce Province's borrowing costs
 - Auditor General of Ontario findings

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Revenues - Grants for Student Needs (GSN) Highlights

Reporting:

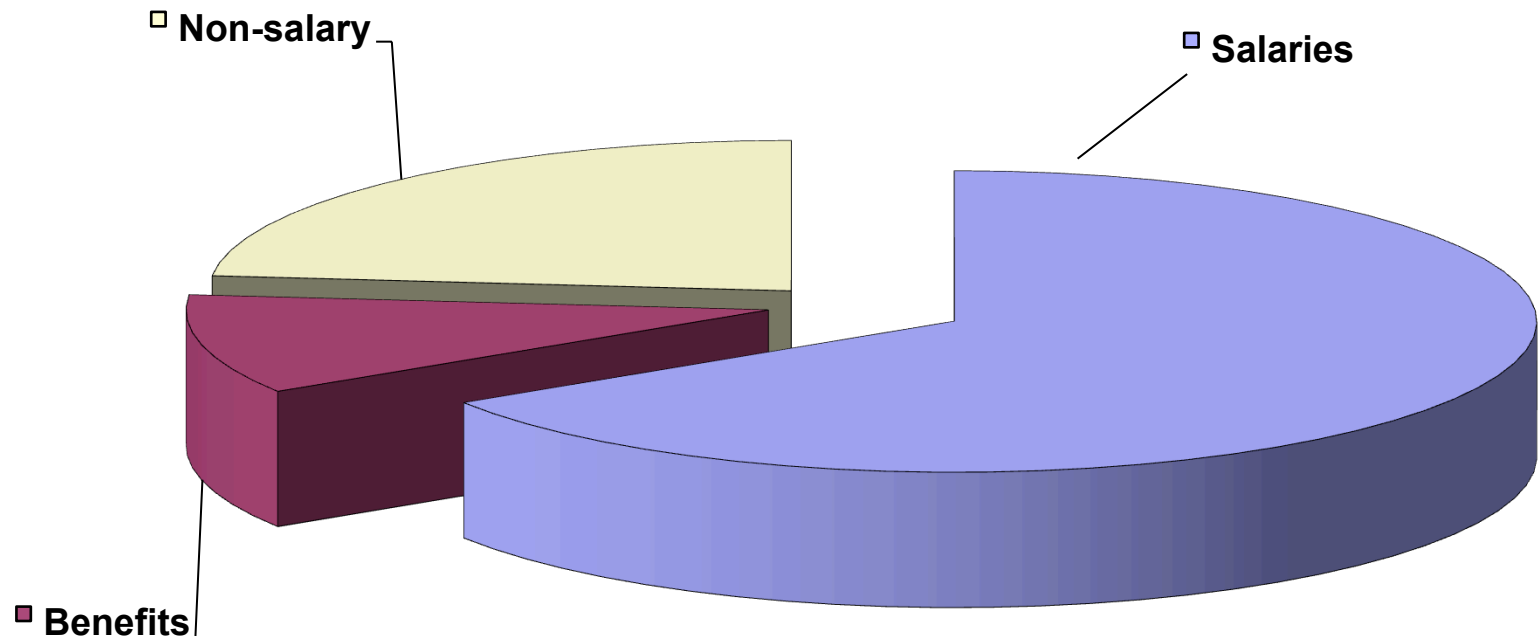
- Dates for Submission of Financial Reports:
 - June 30, 2018, Board Estimates for 2018/2019
 - November 15, 2018, Board Financial Statements for 2017/2018
 - December 15, 2018, Board Revised Estimates for 2018/2019

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Expenditures

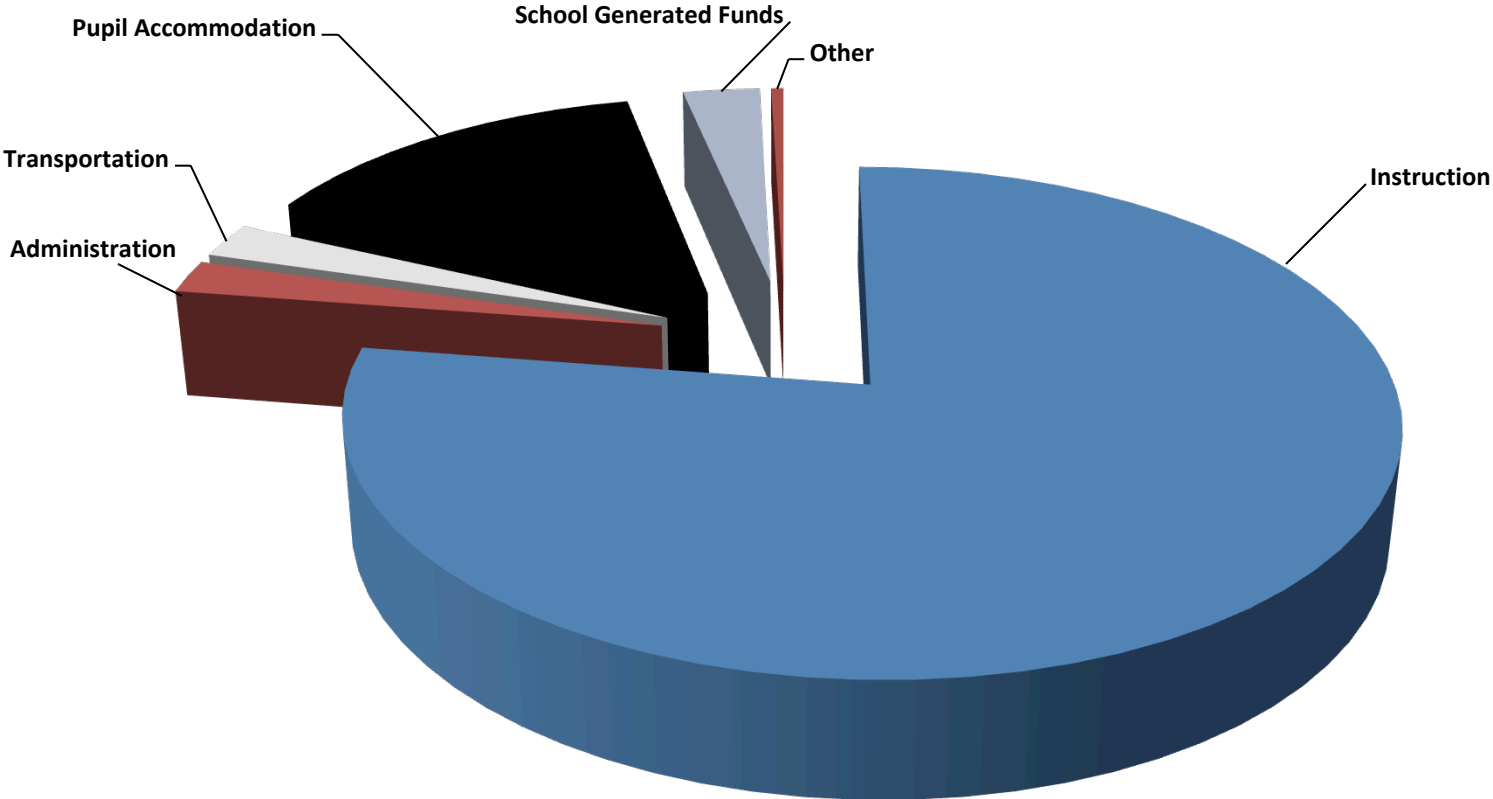
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Salary, Benefits and Non-Salary Expenditures



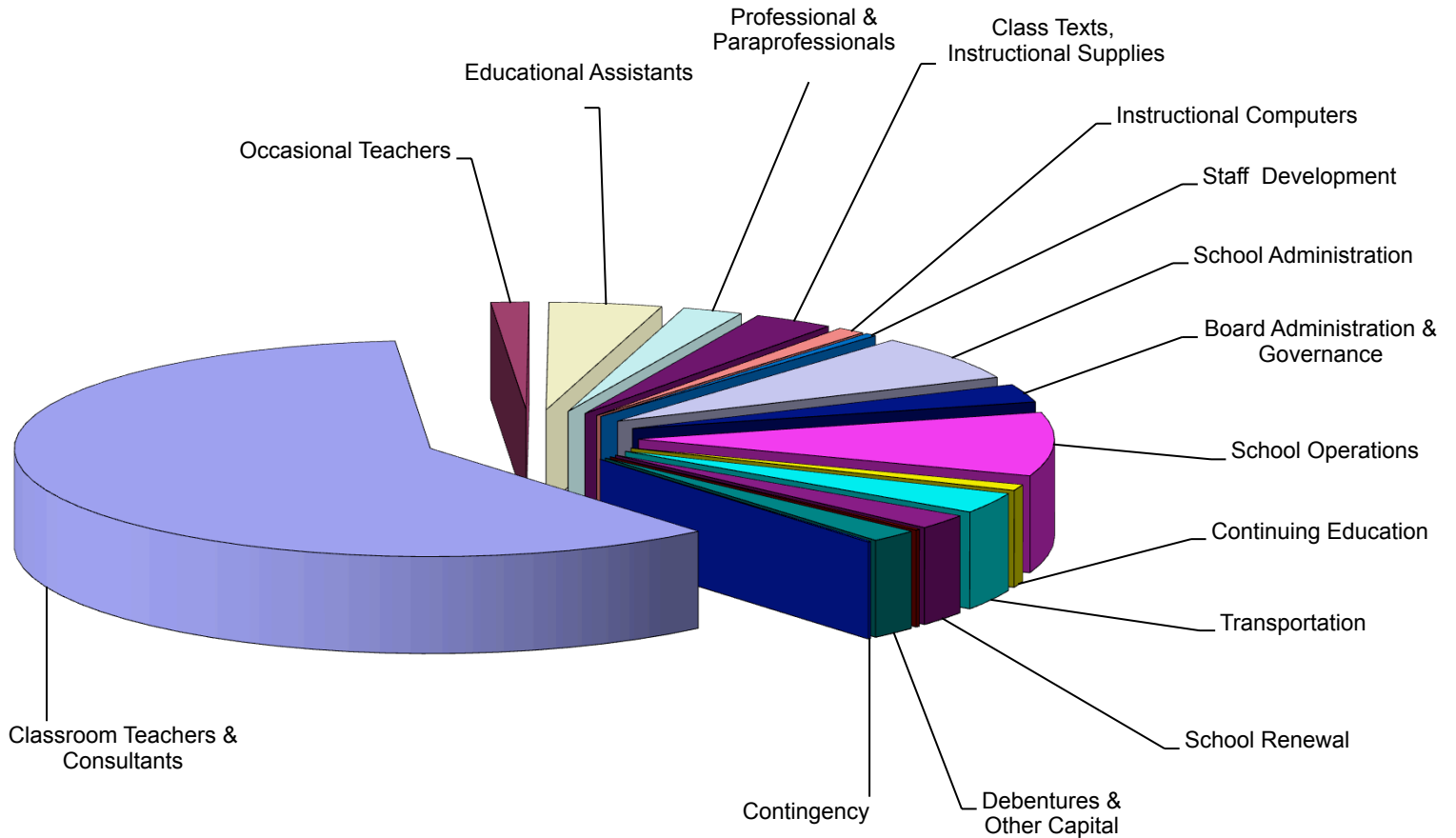
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Expenditure Budget by Ministry Expenditure Category



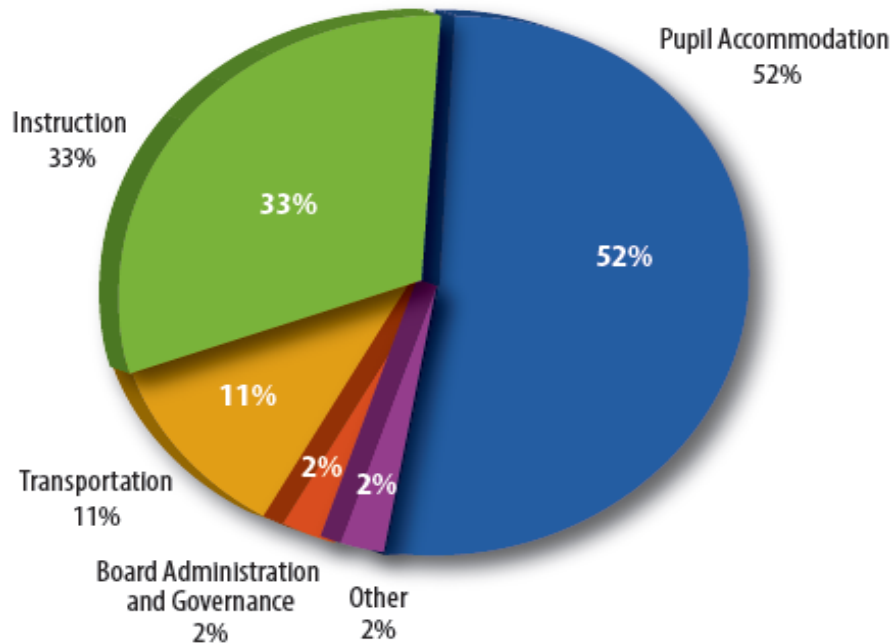
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Expenditure Budget by Ministry Expenditure Category



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Non-Salary Expenditures



Pupil Accommodation

- Utilities
- Repairs & Maintenance
- Cleaning & Caretaking Supplies
- Insurance
- Maintenance Contracts
- Property Maintenance
- Supplies & Services
- Amortization/Capital Interest
- Other

Instruction

- Decentralized School Budgets
- Program Specific Resources
- Special Education Resources & Equipment
- Wide Area Network & Software Fees, Licences
- Staff/Professional Development
- New Teacher Induction Program
- Instructional Computers & Connectivity
- School Generated Funds

Transportation

- Home to School
- Program Specific
- Special Education

Board Administration and Governance

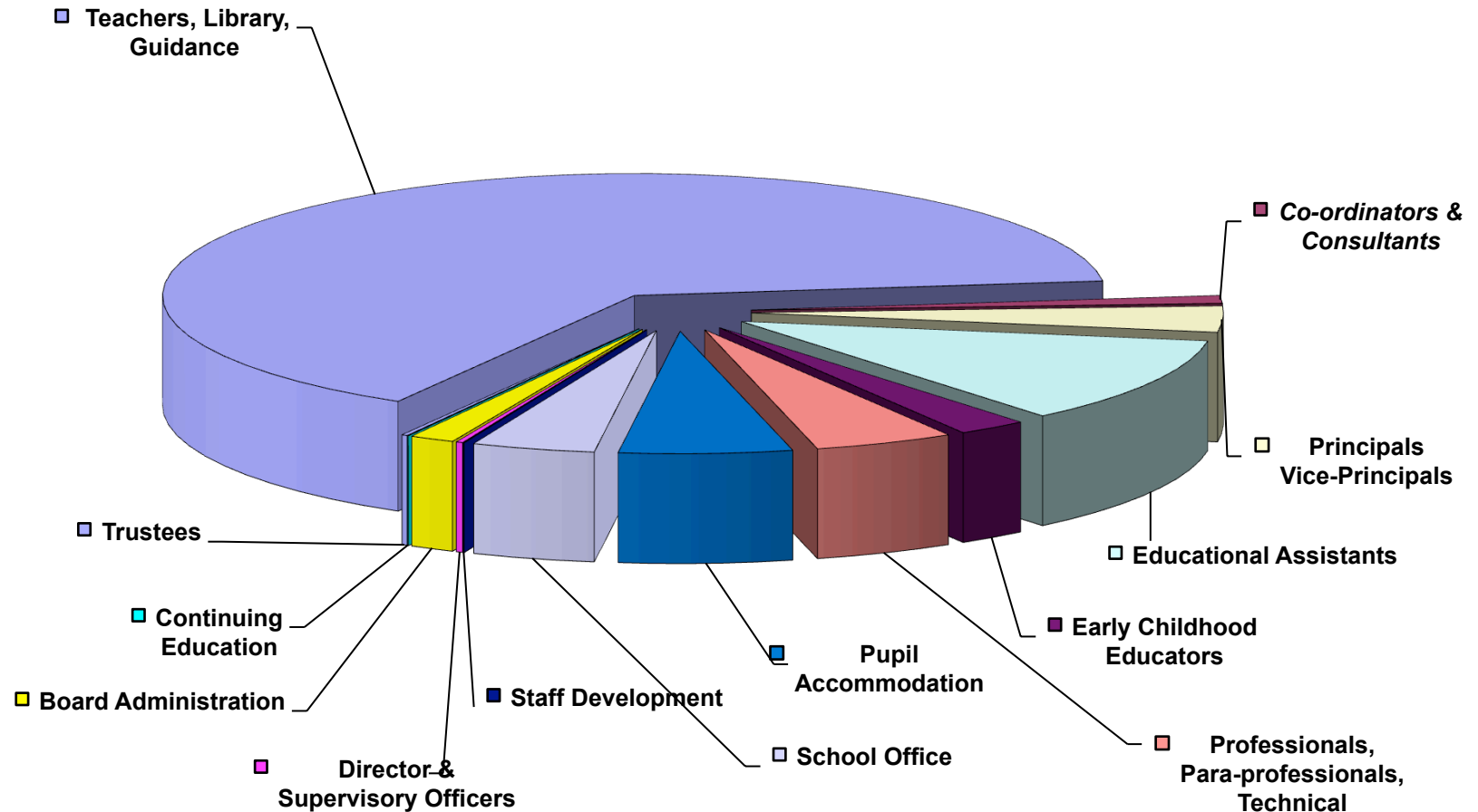
- Supplies & Services
- Legal, Audit & Professional Fees
- Software Maintenance Fees
- Professional Development
- Admin. Building Maintenance/Utilities

Other

- Education Program Other
- Contingency

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Staffing Full-Time Equivalents



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Key Assumptions - Expenditures

Overall:

- Impact of Enrolment Growth
- Alignment of Financial Resources to Multi-Year Plan and Special Education Plan
- Programs and Supports Continuing into 2018/2019
- One-time 2017/2018 Initiatives/Expenditures not automatically carried forward
- Ministry Compliance
 - Balanced Budget (per Ministry definition)
 - Ministry Average Class Size Compliance
 - Ministry Enveloping
 - Special Education
 - School Renewal
 - Board Administration and Governance

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Key Assumptions - Expenditures

The Following Assumptions are Used to Determine the 2018/2019 Draft Budget:

Staffing, Salaries and Benefits

- Board Approved Parameters and/or Central Labour Agreements
- Increase in Enrolment – Teacher & Support Staff
- Formula Based Adjustments Due to Enrolment and/or New Schools
- Statutory Benefit Rates to Reflect Projected Rates
- Implementation and Transition to Employee Life Health Trusts (ELHT)
- Other Changes as Required

Non-Salary Operational Changes

- Increase/Decrease in Existing Contracts and Fees
 - Maintenance
 - Cleaning
 - Insurance
 - Contractual Services
 - Transportation
- Increase/Decrease in Utilities
 - Hydro, Natural Gas, Water
- Increase in School Budgets to Reflect Enrolment Growth and New Class Start-up
- Determine Need to Budget For Contingency

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Expenditures – Ministry Expenditure Categories

Expenditures are reported based on the categories consistent with Ministry financial reporting parameters:

- Instruction
- Administration
- Transportation
- Pupil Accommodation
- School Generated Funds
- Other

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Expenditures – Ministry Expenditure Categories

- Instruction:
 - Classroom teachers
 - Library & Guidance teachers
 - Occasional teachers
 - Educational Assistants
 - Early Childhood Educators
 - Professionals & Para-professionals
 - staff that provide support services to students & teachers, such as social workers, child/youth workers, computer technicians, psychologists, psychometrists, speech pathologists, attendance counselors

continued

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Expenditures – Ministry Expenditure Categories

Instruction (continued):

- Staff Development
- Textbooks & Instructional Supplies
- Instructional Computers
- School Principals & Vice-principals
- School Office (secretarial & Business Managers at secondary schools)
- Co-ordinators & Consultants, System Principals and support staff
- Department Heads
- Continuing Education

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Expenditures – Ministry Expenditure Categories

- Board Administration & Governance:
 - Trustees
 - Director and Supervisory Officers
 - Board Administration
 - Staff to support corporate responsibilities including Business Services, Planning, Human Resources, Executive Assistants, Communications, JWS Caretakers, Information Technology Management
 - Costs of operating and maintaining board offices
 - Costs of corporate functions such as external audit, legal fees, interest expense, etc.

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Expenditures – Ministry Expenditure Categories

- Transportation:
 - Transporting students to and from home and school, including students with special needs

- Pupil Accommodation:
 - School Operations
 - Heating, Lighting, Maintaining, Cleaning
 - Other Pupil Accommodation
 - Principal and Interest payments on capital debt
 - School Renewal
 - Major repairs and renovations
 - Amortization
 - Asset write-off over estimated useful life

2018/2019 Budget Development

Communication/Stakeholder Input:

- Budget discussions with Trustees (April/May/June)
- Meetings with Principals/Managers, Special Education Advisory Committee
- Post following on Board website:
 - 2018/2019 Budget Development Information
 - Update website as additional information becomes available
- Ministry Updates/Release of 2018/2019 Funding (Grants for Student Needs) available on Ministry website

2018/2019 Budget Development

Communication/Stakeholder Input;

- Information/consultation via HDSB website
 - Invite all stakeholders to provide input concerning 2018/2019 Budget
 - Send out news release to school community to direct them to website to provide input
 - Send out news release to direct parents to website to provide input
 - Place newspaper advertisements in all local papers directing parents/community to the website to provide input

2018/2019 Budget Development Stakeholder Input

Online Questionnaire for stakeholder input:

What suggestions do you have for aligning and/or realigning the HDSB financial resources to the board's priorities to continue promoting excellence in our programs to students?

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Questions ?