



## EXECUTIVE REPORT TO STANDING COMMITTEE

**TO:** STANDING COMMITTEE

**FROM:** John Malloy, Director of Education

**DATE:** January 20, 2014

**PREPARED BY:** Stacey Zucker, Superintendent of Business and Treasurer  
Denise Dawson, Manager of Budget

**RE:** Key Parameters and Assumptions to Guide 2014/2015 Budget Development

### Action x Monitoring

#### Recommended Action:

That the Board approve the Key Parameters and Assumptions to guide the 2014/2015 Budget Development.

#### Rationale/Benefits:

In order to provide for the development of the 2014/2015 budget the following key steps and timelines have been identified:

- January Key Parameters/Assumptions to Guide Budget Development.
- February Consultation re Board Budget Priorities
- March Finalize Budget Priorities (as informed by consultation process)
- April School Based Staffing Recommendations;
- May Special Finance Committee Meeting and budget refinements to reflect new information if necessary
- By June Approval of Budget

#### Assumptions:

- **Enrolment Projection:**

	2013/2014 Revised Budget ADE	2014/2015 Projected Budget ADE	Increase (Decrease) ADE	Increase (Decrease) %
Elementary	33,618.00	34,191.00	573.00	1.70%
Secondary	15,851.50	15,310.50	(541.00)	(3.41%)
Total	49,469.50	49,501.50	32.00	.065%

The 2014/2015 preliminary enrolment projections are calculated based on historic enrolment trends and student retention rates on a school by school basis, and may be adjusted once the school principals provide validation and

comment in early March 2014. Full day kindergarten students are counted as 1.0 FTE in these projections, as the program is fully implemented in all elementary schools in 2014/2015.

- **Revenues:**

- Grants for Student Needs (GSN) will be calculated to reflect a projected 0% increase in funding benchmarks for teacher salaries and benefits and a 2% decrease in all other funding benchmarks; subject to Ministry confirmation.

- **Expenditures:**

- Salaries, benefits and staffing to reflect provincial legislation, memorandum of understanding and/or collective agreements in place
- To provide for stability in the system and minimize in-year budget adjustments a contingency of \$1,000,000 will be set aside for unforeseen events that may arise

**Allocation Parameters:**

- Ensure the allocation of resources supports the HWDSB's strategic and operational plans.
- The Ministry's revenue allocation framework will provide a useful reference for the allocation of Board resources on all major expenditure categories
- Compliance with balanced budget requirement and Ministry basic enveloping requirements: Special Education, Board Administration and Governance and Accommodation. In addition, care will need to be exercised to ensure that funding associated with specific Ministry initiatives is allocated for the purpose designated.
- Where staff reductions are necessary, statutory positions are to be given priority for inclusion in the budget. Statutory positions to be calculated as the number required for Ministry class size requirements or collective agreement compliance.
- Where enhancements to the budget is possible, funding will be allocated to initiatives included in the Board's listing of Budget Priorities as outlined in Appendix A of the 2014/2015 Board Budget Priorities for Consultation Report for January 20, 2014 Standing Committee.

**Background:**

The identification of parameters and assumptions to guide the development of the 2014/2015 Budget; in particular the Preliminary Budget Scenario are necessary as many staffing and expenditure decisions need to be made in the next few months to prepare for a smooth startup of the 2014/2015 school year. As the budget development exercise continues, and key information including the 2014/2015 GSN funding announcement is provided, these parameters and assumptions will be reviewed and revised for inclusion in the final Budget to be approved by June 2014.