



## **BOARD MEETING**

Monday, November 16, 2015

6:00 p.m.

20 Education Centre Dr, Hamilton, Ontario

Trustee Boardroom

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### **AGENDA**

1. Call to Order
2. O Canada
3. Approval of the Agenda
4. Declarations of Conflict of Interest
5. Confirmation of the Minutes

- [October 26, 2015](#)

Reports from Trustee Special Committees:

6. [Human Resources Committee – October 29, 2015](#)
7. [Governance Committee – November 3, 2015](#)
8. [Finance & Facilities – November 4, 2015](#)
9. ~~[Policy Committee – November 11, 2015 \(item will be provided at the meeting\)](#)~~
10. [Audit Committee – November 13, 2015 \(item will be provided at the meeting\)](#)

Reports from Legislated Committees:

11. [Special Education Advisory Committee – October 28, 2015](#)
12. Resolution Into Committee of the Whole (Private Session) as per the Education Act, Section 207.2 (b) the disclosure of intimate, personal or financial information in respect of a member of the board or committee
13. Meeting Resumes in Public Session

14. Reports from:

A. Committee of the Whole (private) – November 16, 2015

15. Oral Reports from Liaison Committees:

- City/School Board Liaison Committee
- Hamilton-Wentworth Home & School Association
- HWDSB Foundation
- Ontario Public School Boards' Association (OPSBA)
- Umbrella Board of Family & Child Care Centres

16. Adjournment

# Minutes of the Board Meeting

Monday, October 26, 2015

**LOCATION:** Trustee Board Room, 20 Education Court, Hamilton, On L9A 0B9 (Education Centre)

**Trustees:** Jeff Beattie, Christine Bingham, Dawn Danko, Penny Deathe, Wes Hicks, Alex Johnstone, Ray Mulholland, Larry Pattison, Greg Van Geffen, Todd White. **Student Trustees** Scott Robertson, Hannah Tobias-Murray. **Regrets** were received from Trustee Kathy Archer.

## 1. Call to Order

Todd White, Chair of the Board, called the meeting to order at 6:05 p.m.

## 2. Approval of the Agenda

**RESOLUTION #15-145:** Trustee Johnstone, seconded by Trustee Beattie, moved: **That the agenda be approved.**

### Added Item:

13.1 OPSBA Update – Trustee Johnstone

To the motion as amended,

**CARRIED UNANIMOUSLY.**

Student Trustees Robertson and Tobias-Murray voted in favour.

## 3. Declarations of Conflict of Interest

None.

## 4. Confirmation of the Minutes

The following minutes were confirmed:

- Board – September 28, 2015
- Board – October 5, 2015

## Reports from Trustee Special Committees

Trustee Johnstone assumed the Chair.

## 5. Policy Committee – October 14, 2015

**RESOLUTION #15-146:** Trustee White, seconded by Trustee Danko, moved: **That the report of the Policy Committee – October 14, 2015 be approved, including:**

- A. Bullying Prevention and Intervention Policy
- B. Code of Conduct Policy
- C. Student Behaviour and Discipline Policy
- D. Naming/Renaming a School in Whole or in Part Policy

**CARRIED UNANIMOUSLY.**

Student Trustees Robertson and Tobias-Murray voted in favour.

Trustee White resumed the Chair.

## 6. Finance and Facilities Committee – October 7, 2015

**RESOLUTION #15-147:** Trustee Hicks, seconded by Trustee Van Geffen, moved: **That the report of the Finance and Facilities Committee – October 7, 2015 be approved, including:**

- That staff be advised to proceed with preparation for a potential pupil accommodation review of the following two areas for 2015-16: Lower Stoney Creek and East Hamilton City 2.

- That staff bring back an updated and revised Accommodation Strategy Schedule as part of the Long-Term Facilities Master Plan review.

**CARRIED UNANIMOUSLY.**

Student Trustees Robertson and Tobias-Murray voted in favour.

## **7. Program Committee – October 15, 2015**

Trustee Johnstone assumed the Chair.

**RESOLUTION #15-148:** Trustee White, seconded by Trustee Pattison, moved: **That the report of the Program Committee – October 15, 2015 be received.**

**CARRIED UNANIMOUSLY.**

Student Trustees Robertson and Tobias-Murray voted in favour.

Trustee White resumed the Chair.

## **Reports from Community Advisory Committees**

### **8. First Nations Métis Committee – October 14, 2015**

**RESOLUTION #15-149:** Trustee Bingham, seconded by Trustee Pattison, moved: **That the report of the First Nations Métis and Inuit Advisory Committee – October 15, 2015 be received.**

**CARRIED UNANIMOUSLY.**

Student Trustees Robertson and Tobias-Murray voted in favour.

## **Reports from Legislated Committees**

### **9. Special Education Advisory Committee – September 30 2015**

**RESOLUTION #15-150:** Trustee Pattison, seconded by Trustee Bingham, moved: **That the report of the Special Education Advisory Committee – September 30, 2015 be received.**

**CARRIED UNANIMOUSLY.**

Student Trustees Robertson and Tobias-Murray voted in favour.

### **10. Parent Involvement Committee – October 13, 2015**

**RESOLUTION #15-151:** Trustee Deathe, seconded by Trustee Van Geffen, moved: **That the report of the Parent Involvement Committee – October 13, 2015 be received.**

**CARRIED UNANIMOUSLY.**

Student Trustees Robertson and Tobias-Murray voted in favour.

### **11. Resolution Into Committee of the Whole (Private Session)**

**RESOLUTION #15-152:** Trustee Hicks, seconded by Trustee Danko, moved: **That the Board move into Committee of the Whole (Private), this being done at 6:54 p.m.**

**CARRIED UNANIMOUSLY.**

Student Trustees Robertson and Tobias-Murray voted in favour.

The open session resumed at 7:45 p.m.

### **12. Committee of the Whole (Private) – October 26, 2015**

**RESOLUTION #15-153:** Trustee Danko, seconded by Trustee Deathe, moved: **That the report of the Committee of the Whole (Private) – October 26, 2015 be approved, including:**

- That the Finance and Facilities Committee report from October 7, 2015 be received.

- **That a verbal update of a private matter in respect of negotiations with employees of the Board be received.**

**CARRIED UNANIMOUSLY.**

Student Trustees Robertson and Tobias-Murray voted in favour.

### 13. Oral Reports

#### 13.1 OPSBA Update

Trustee Johnstone noted the following:

- Recent joint Regional meeting (October 16-17, 2015) with the West region which highlighted: workshop on Strategic Directions, Director's report and professional development opportunities for trustees
- Public Education Symposium 2016: January 28 — 30, 2016, Sheraton Centre Hotel in Toronto
- Third Summit on Children and Youth Mental Health: April 7 and 8, 2016 in Toronto
- Education Labour Relations and Human Resources 2016: March 30-April 1, 2016, Sheraton Centre Hotel in Toronto
- OPSBA's Annual General Meeting (AGM): June 9-12, 2016, Ottawa Marriott Hotel in Ottawa

#### A. Student Trustees' Report - Local Activities and Ontario Student Trustees' Association (OSTA)

Student Trustee Tobias-Murray noted the following:

- The Student Senate's next meeting is scheduled for Wednesday, October 28<sup>th</sup> at the Education Centre.
- Student representation on Senate now includes high schools and alternate education.
- Meeting discussion will focus on transitions, student engagement and consultation.

Student Trustee Robertson highlighted the following:

- The recent OSTA Fall General Meeting was well attended with 70+ students from around the province. NDP MPP Andrea Horwath was among the key speakers.
- The next OSTA Conference will be in February 2016.

#### Director's Report

The Director alluded to the following key events:

- **Mayor's Youth Strategy Roundtable** - September 29<sup>th</sup> at Hamilton City Hall
- **SIM Meeting** – Regional meeting in London, Ontario on September 30<sup>th</sup> to discuss improvement plans for literacy and Math
- **We Day** - HWDSB continue to partner with Me to We and 10 secondary schools attended this great event in Toronto on October 1<sup>st</sup>.
- **Best Start/Early Years Celebration** – 10-year anniversary (Best Start Network)
- **Industry Education Council (IEC) Crowd Sourcing Campaign** – October 8<sup>th</sup>
- **Hamilton Community Foundation Social Financial Speaker Event** – October 13<sup>th</sup>
- **My Path, My Way** – October 14<sup>th</sup> at the Education Centre; welcomed over 650 Grade 7-10 students and their parents/guardians
- **Transform Learning Everywhere (TLE) in HWDSB** – 2015-2016 Action Plan includes Phase 1 (began in September 2014) and Phase 2 (beginning September 2015)

#### C. Chair's Report

Chair White highlighted the following:

- HWDSB's Strategic Directions process is moving forward.
- Policies are going before the Board on time.
- There have been ongoing labour negotiations with employee groups.
- There is positive feedback, support and cooperation from staff with the continuing job action.
- HWDSB schools are currently doing Halloween for Hunger in support of local food banks.

The meeting adjourned at 7:58 p.m.

**COMMITTEE REPORT (Public)**

Presented to: Board

Meeting Date: November 16, 2015

From: Human Resource Committee

Meeting Date: October 29, 2015

The committee held a meeting on October 29, 2015 - from 1:00 p.m. to 3:00 p.m. at 20 Education Court, Hamilton, Ontario, with Alex Johnstone presiding.

Members present were: Trustees Alex Johnstone (Chair), Wes Hicks Penny Deathe, Ray Mulholland, Jeff Beattie. Todd White also attended the meeting.

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**MONITORING:****A. Staff Engagement Report**

The Manager of Professional Development and Staff Support, Jennifer Faulkner, along with Superintendents Laura Romano, Jamie Nunn and Sue Dunlop, provided an overview of the Staff Engagement Report. This report provides an overview of the efforts of various departments to engage staff in supporting the vision of all students achieving their full potential. The 2014-2015 Staff Engagement Report Action Plan provided details of the journey to strengthen our learning organization through:

- Providing Leadership Development and Succession Planning
- Acknowledging Employee Voice and Accomplishments
- Supporting Culture – Healthy Workplace
- Implementing Human Resources Strategies

Respectfully Submitted,  
Alex Johnstone, Chair of the Committee

**COMMITTEE REPORT**

Presented to: Board

Date of Meeting: November 16, 2015

From: Governance Committee

Date of Meeting: November 3, 2015

The committee held a meeting from 5:50 p.m. to 7:00 p.m. on **November 3, 2015** at 20 Education Court, Hamilton, ON, in Meeting Room 340-D, with Trustee Todd White presiding.

Members present were: Trustees Alex Johnstone, Todd White, Dawn Danko and Penny Deathe. Regrets were received from Kathy Archer and Wes Hicks.

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**ACTION ITEMS:**

**I. Trustee Special Committees – Election of Committee Chairs**

The committee discussed the process for electing Chairs for each of the five Trustee Special Committees. Staff advised the members of Governance that a practice emerging across other Boards is to elect Committee Chairs at the annual first meeting each December when Trustees are selecting their committees for the upcoming term.

During the discussion, it was noted that a change in current practice would closely align with HWDSB’s current governance practices, the election of the Trustee Special Committee chairs would be done in a timely manner if completed at the first December Board meeting, would provide an opportunity for all Trustees to have a vote in committee chairs and provide a balance across Trustees as to who chairs which committees and ensure one Trustee is not the chair for the majority of the Trustee Special Committees.

The committee considered the following change to how Trustee Special Committee Chairs are elected:

Revise the current statement under “Organizational Board Meeting”, section I.I, c, to read as:

The purpose of the organizational Board meeting shall be to:

- (c) consider the establishment and re-establishment of Trustee Special Committees, appoint members **and elect Trustee Special Committee Chairs.**

Revoke the current statement

8.5. At the first meeting of a Trustee Committee or at the first meeting after the office of committee Chair becomes vacant, the members of the committee shall elect a Chair from among themselves.

On the motion of D. Danko, the Governance Committee **RECOMMENDS that the current Governance Bylaw related to the Organizational Board meeting be updated to reflect that Committee Chairs will be elected at the same time as Trustees appoint members to the Trustee Special Committees.**

**Carried Unanimously**

Respectfully submitted,  
Todd White, Chair of the Committee

**COMMITTEE REPORT**

Presented to: Board

Date of Meeting: November 16, 2015

From: Finance and Facilities Committee

Date of Meeting: November 4, 2015

The committee held a meeting from 12:01 p.m. to 1:40 p.m. on November 4, 2015 at 20 Education Court, Hamilton, Ontario in Room 340D.

Members present were: Trustees Jeff Beattie, Dawn Danko, Wes Hicks and Greg Van Geffen (via telephone) and Todd White.

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**ACTION ITEMS:****A. Hamilton Mountain Secondary School Update**

Staff provided a report to update Trustees on the status of the secondary schools on the Hamilton Mountain. There have been a number of recommendations passed by the Board during the past few years that affect the status of the Hamilton Mountain secondary schools and staff reviewed each of the secondary schools on the mountain and the progress being made.

On the motion of Dawn Danko the Finance and Facilities Committee **RECOMMENDS** that **Board staff bring back a plan that considers ways to address the accommodation pressures at Westmount Secondary School and the equity of access to the self-directed self-paced program.**

**CARRIED**

On the motion of Dawn Danko the Finance and Facilities Committee **RECOMMENDS** that **Board staff bring back a plan that assesses the potential use of the Hill Park site for the short and long term.**

**CARRIED**

On the motion of Jeff Beattie the Finance and Facilities Committee **RECOMMENDS** that **staff bring back an update as to the cost estimates and possible solutions to be able to honour the motions made by the Board of Trustees in May 2012 for Sherwood Secondary School.**

**CARRIED**

On the motion of Dawn Danko the Finance and Facilities Committee **RECOMMENDS** that **the secondary boundary review be initiated once Trustees have received the update reports on Sherwood and Westmount Secondary Schools.**

**CARRIED****MONITORING ITEMS:****B. 2015-16 Average Class Size Report – Elementary**

School Boards are required to report Average Class Size for elementary students to the Ministry of Education. HWDSB is in compliance.

**C. Budget Development Process**

Staff provided a PowerPoint presentation that outlined the process used in recent years with respect to setting priorities for budget development and public consultation on these priorities. It was noted that HWDSB will be consulting on its Strategic Directions in the near future and the recommendation from committee members is to align the two consultation processes.

Respectfully submitted,  
Wes Hicks, Chair of the Committee





## EXECUTIVE REPORT TO FINANCE AND FACILITIES COMMITTEE

**TO:** Finance and Facilities Committee

**FROM:** Manny Figueiredo, Director of Education

**DATE:** November 4, 2015

**PREPARED BY:** Stacey Zucker, Superintendent of Business and Treasurer  
David Anderson, Senior Facilities Officer

**RE:** Hamilton Mountain Secondary School Update

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**Action X**

**Monitoring**

### Recommendations:

- That Board staff bring back a plan that considers ways to address the accommodation pressures at Westmount Secondary School and the equity of access to the self-directed self-paced program.
- That Board staff bring back a plan that assesses the potential use of the Hill Park site for the short and long term.
- That the secondary boundary review be initiated once Trustees have received the update reports on Sherwood and Westmount Secondary Schools.

### Background:

This report is intended to update Trustees on the status of the secondary schools on the Hamilton Mountain. There have been a number of recommendations passed by the Board during the past few years that affect the status of the Hamilton Mountain secondary schools. They are listed in Appendix A.

These motions were passed by the Board over the last 3 years. Staff is taking this time to review the Board's inventory of promises and commitments to ensure that staff is working towards achieving the anticipated results and respecting the Board decisions and motions. As a result of the review, Board staff feels that it is important to provide an update based on three main criteria:

- Fiscal responsibility
- Accommodation pressures
- Program implementation and status.

### Staff Observations:

Board staff has reviewed each of the secondary schools on the Mountain and is providing an updated status and any recommendations related to each school.

Sir Allan MacNab Secondary School

Upgrades at Sir Allan MacNab over the past several months included the renovation of administrative offices, computer labs, specialized support program spaces and the Student Services office. Parking lot upgrades and site work were also completed to meet AODA standards providing accessible parking on both sides of the building.

HWDSB has received the City permit for the boulevard sign which is scheduled for installation in early November.

The sports field and track were refurbished under a partnership agreement with the City of Hamilton. A few minor finishings including the painting of the track surface will be completed in early November. A property use agreement will also soon be finalized through the Property Agreements Committee with the City.

Saltfleet Secondary School

In 2012-13, the Board received \$5.4 million of funding through the Capital Priorities submission to complete an addition at Saltfleet Secondary School. The addition is complete and the On the Ground (OTG) capacity has been increased from 954 to 1164.

Nora Frances Henderson Secondary School

In March 2014, the Board received Ministry approval for the construction of the new Nora Frances Henderson Secondary School.

The project is transitioning into design development. The project team, consisting of HWDSB representatives and consultants, continue to refine the site plan through consultation with the community. Site re-zoning has been approved by the City. Site engineering is also running in parallel.

The Board is working with the City to achieve Site Plan Approval. Upon receipt of Site Plan Approval, HWDSB will submit for Building Permit. It is expected that the school will be ready to open 20 to 24 months after Building Permit is obtained.

Mountain Secondary

On May 28, 2012, the Board approved a motion to close Mountain Secondary and that measures would be in place to support the success of the Mountain program.

On October 28, 2013, the Board approved the closure of Mountain in September 2017. To ease the transition for students, grades are being phased out of Mountain. Currently, there are approximately 135 students at Mountain in grades 11 and 12. In 2016-17, the enrolment is expected to be less than 100 grade 12 students. Board staff will continue to provide the necessary support to students and assist in any transitions related to Mountain Secondary students.

Westmount Secondary School

The Westmount Self-Paced program began in 1990, and continues to provide a unique, innovative program delivery to its ever-increasing student population. As a system school, Westmount attracts students who strive to develop goal-setting, effective time management, and independent learning skills in a self-directed, self-paced learning environment.

The enrolment at Westmount has increased to over 1,500 for 2015-16 while the OTG for Westmount is 1,155 resulting in the school being at over 130% capacity. 35% of students enrolled at Westmount live within walking distance of the school and over 75% of students live on the mountain.

Board staff would like Trustees to request that staff bring back a report that considers ways to address the accommodation pressures at Westmount and the equity of access to the self-directed self-paced program.

### Hill Park Secondary School

Hill Park Secondary School was closed in June 2014. Since that time the school has been sitting vacant. The June 16, 2014 motion required Board staff not sell Hill Park until the South Mountain site is owned. Board staff would like Trustees to request that staff bring back a plan that assess the potential use of the site in the short and long term.

### Sherwood Secondary School

As a result of the South Secondary Accommodation Review Committee (ARC) decision to keep Sherwood Secondary School open and the approved motion that the Facilities Management Department consult with the principal and specialists to ensure that the remaining facilities meet the program strategy and address the renewal needs as outlined by this ARC Committee, there was significant renewal work required at Sherwood.

The deferred maintenance work required at Sherwood was estimated at \$31 million. The funding of this renewal work was requested on the Capital Priorities submissions for 2013-14 and 2014-15. The funding was also requested as part of the School Consolidations Capital funding submission for 2014-15. In all cases, the funding was denied. It seems unlikely that the Ministry will be providing additional funding to assist in the renewal work required at Sherwood.

As result of the funding being denied, the Board is required to complete the renewal work out of the school renewal grant. As part of the secondary revitalization strategy presented to the Finance and Facilities Committee on June 9, 2014, the renewal work at Sherwood was contemplated. The 2013-14 scope, which included replacing the gymnasium floor, heating and ventilation upgrades and plumbing and drainage, has been completed. Currently, there is work going on including a new washroom near the gym, new windows for the entire building, and exterior and interior door replacements.

According to the secondary revitalization strategy, 2014-15 should have seen science labs, storage, prep rooms and offices revitalized. A significant amount of this work has not been completed due to the extensive asbestos abatement required as part of the renovations. The renovations cannot take place while students are in the school and the summer does not provide enough time to complete the renovations. In addition, with the experience that the Board has with asbestos abatement, the costs related to renewal work will be substantially increased.

Due to the fact that staff cannot continue with the renovations as suggested without budget implications and without an accommodation strategy for the current students, Board staff will be bringing a report back to Finance and Facilities Committee in December with an update as to the cost estimates and possible solutions to be able to honour the motions made by the Board of Trustees in May 2012.

### Boundary Review

On October 28, 2013 the Board passed a motion that stated that secondary school boundaries should be reviewed once the elementary ARC reviews are completed. Board staff is recommending that the boundary review be initiated once the reports are received by Trustees for Westmount and Sherwood.

**Conclusion:**

Board staff continues to move forward with the ARC recommendations from the May 28, 2012 Board meeting. As HWDSB implements the plan, adjustments are required as new information as received and the recommendations are reviewed using three main criteria:

- Fiscal responsibility
- Accommodation pressures
- Program implementation and status.

Based on this review, the following reports will be brought back to the Finance and Facilities Committee:

- A plan that considers ways to address the accommodation pressures at Westmount and the equity of access to the self-directed self-paced program.
- A plan that assesses the potential use of the Hill Park site for the short and long term.
- An update as to the cost estimates and possible solutions to be able to honour the motions made by the Board of Trustees in May 2012 for Sherwood

Once the reports related to Westmount and Sherwood have been received by the Trustees, a secondary boundary review will be initiated.

There have been a number of recommendations passed by the Board during the past few years that affect the status of the Hamilton Mountain secondary schools. They are listed below under the dates that they were approved by the Board:

**May 23, 2012**

“That the Board approve the closure of Barton, Hill Park and Mountain Secondary Schools upon the opening of a new school located both easterly and south of the Lincoln Alexander Parkway and the relocation of students to their permanent schools no later than September 2015, pending Ministry approval.”

“That the Facilities Management Department consult with the principal and specialists to ensure that the remaining facilities meet the program strategy and address the renewal needs as outlined by this ARC Committee.”

**June 17, 2013**

“That the Board approve the Secondary Program Strategy.”

**October 28, 2013**

“That the amendment regarding the South Secondary Boundaries be referred to staff for consideration once the elementary ARC reviews are completed.”

“1) That the approved secondary boundaries in the Secondary Program Strategy be implemented in the South Cluster and a holding school for the New South Secondary School be created at Barton Secondary School beginning September 2014.

2) That the Board approve the closure of Hill Park and Barton Secondary Schools in June 2014.

3) That students would be relocated to a holding school on the Barton site or their home secondary schools.

4) That Mountain Secondary School close in June 2017.

5) That the Board approve a change to the date in the motion of May 23, 2012, which states That the Board approve the closure of Barton, Hill Park and Mountain Secondary Schools upon the opening of a new school located both easterly and south of the Lincoln Alexander Parkway pending Ministry approval with an opening no later than September 2015 to the date of September 2016”

**June 16, 2014**

June 9, 2014 Finance Committee report approved which included “That the Board approve the Secondary School Revitalization Strategy as outlined in Appendix A.”

Part B of Motion related to Mountain Elementary ARC that stated “And that Hill Park and Linden Park property not be sold until the new South Mountain site is owned by Hamilton-Wentworth District School Board and services are secured.”

**COMMITTEE REPORT**

Presented to: Board

Date of Meeting: November 16, 2015

From: Audit Committee

Date of Meeting: November 13, 2014

The committee held a meeting from 12:09 p.m. to 1:45 p.m. on November 13, 2015 at 20 Education Court, Hamilton, ON, in Meeting Room 340D with Trustee Greg Van Geffen presiding.

Members present were: Trustees Jeff Beattie, Todd White and Greg Van Geffen. External members present were: Jean Byrnes and Carol Calvazara.

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**ACTION ITEMS:**

**A. Presentation and Discussion on the 2014-15 Financial Statements**

Stacey Zucker and Janet Allan, KPMG, presented the Consolidated Financial Statements of the Hamilton-Wentworth District School Board for the year ended August 31, 2015. Janet Allan reported, that in KPMG's opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Hamilton-Wentworth District School Board as of August 31, 2014 and the results of its operations are in accordance with PSAB GAAP. The Audit Findings Report was also presented.

On the motion of Jean Byrnes, seconded by Jeff Beattie, that the 2014-15 annual audited consolidated financial statements of the Hamilton-Wentworth District School Board be approved.

**CARRIED.**

Respectfully submitted,  
Todd White, Chair of the Committee

Consolidated Financial Statements of

**HAMILTON-WENTWORTH DISTRICT  
SCHOOL BOARD**

Year ended August 31, 2015

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## MANAGEMENT REPORT

### MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the Hamilton-Wentworth District School Board are the responsibility of the Board management and have been prepared in accordance with the Financial Administration Act, supplemented by Ontario Ministry of Education memorandum 2004:B2 and Ontario Regulation 395/11 of the Financial Administration Act, as described in Note 1 to the consolidated financial statements.

A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Board management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

The Board meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the Board. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Board's consolidated financial statements.

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Manny Figueiredo  
Director of Education & Secretary

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Stacey Zucker  
Superintendent of Business & Treasurer

November 16, 2015



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## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of the Hamilton-Wentworth District School Board:

We have audited the accompanying consolidated financial statements of the Hamilton-Wentworth District School Board, which comprise the consolidated statement of financial position as at August 31, 2015, the consolidated statements of operations, change in net debt and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation of these consolidated financial statements in accordance with the basis of accounting described in note 1 to the consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.



*Opinion*

In our opinion, the consolidated financial statements of the Hamilton-Wentworth District School Board as at August 31, 2015 and for the year then ended, are prepared, in all material respects, in accordance with the basis of accounting described in note 1 to the consolidated financial statements.

*Basis of Accounting*

Without modifying our opinion, we draw attention to note 1 to the consolidated financial statements which describes the basis of accounting used in the preparation of these consolidated financial statements and the significant differences between such basis of accounting and Canadian public sector accounting standards.

Chartered Professional Accountants, Licensed Public Accountants

November 16, 2015  
Hamilton, Canada

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**HAMILTON-WENTWORTH DISTRICT SCHOOL BOARD  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT AUGUST 31, 2015 (with comparative information for 2014)**

	<b>2014-15</b>	<b>2013-14</b>
	<b>(\$000's)</b>	<b>(\$000's)</b>
<b>FINANCIAL ASSETS</b>		
Cash and Cash Equivalents	51,510	59,270
Accounts Receivable - Other	30,206	32,075
Accounts Receivable - Government of Ontario (note 4)	158,335	161,810
Investments (note 3)	6,250	1,250
<b>TOTAL FINANCIAL ASSETS</b>	<b>246,301</b>	<b>254,405</b>
<b>FINANCIAL LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	38,791	35,357
Net Debenture Debt, Capital Loans and Leases (note 8)	152,694	158,202
Deferred Revenue (note 5)	23,644	27,289
Employee Benefits Payable (note 7)	71,357	72,727
Deferred Capital Contributions (note 6)	497,093	485,958
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>783,579</b>	<b>779,533</b>
<b>NET DEBT</b>	<b>(537,278)</b>	<b>(525,128)</b>
<b>NON-FINANCIAL ASSETS</b>		
Prepaid Expenses	1,404	1,202
Tangible Capital Assets (note 11)	565,580	537,286
<b>TOTAL NON-FINANCIAL ASSETS</b>	<b>566,984</b>	<b>538,488</b>
<b>ACCUMULATED SURPLUS (note 12)</b>	<b>29,706</b>	<b>13,360</b>
Commitments (note 15)		
Subsequent events (note 18)		
On behalf of the Board		
	Chair	
	Director of Education & Secretary	

**HAMILTON-WENTWORTH DISTRICT SCHOOL BOARD  
CONSOLIDATED STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED AUGUST 31, 2015 (with comparative information for 2014)**

	<b>2014-15 Budget (\$000's)</b>	<b>2014-15 Actual (\$000's)</b>	<b>2013-14 Actual (\$000's)</b>
<b>REVENUES</b>			
Provincial Grants - Grants for Student Needs	556,082	528,202	487,982
Provincial Grants - Other	5,385	9,913	34,301
Federal Grants and Fees	-	958	974
School Generated Funds	10,548	11,943	12,063
Investment Income	450	516	618
Other Fees and Revenues	17,651	13,715	8,646
Amortization of Deferred Capital Contributions (note 6)	-	28,083	27,110
<b>TOTAL REVENUES</b>	<b>590,116</b>	<b>593,330</b>	<b>571,694</b>
<b>EXPENDITURES</b>			
Instruction	443,518	445,095	433,945
Administration	12,283	13,693	14,311
Transportation	14,722	14,758	14,073
Pupil Accommodation	86,695	88,898	86,972
School Generated Funds	10,548	11,953	12,336
Other	3,274	2,587	2,619
<b>TOTAL EXPENDITURES (note 10)</b>	<b>571,040</b>	<b>576,984</b>	<b>564,256</b>
<b>ANNUAL SURPLUS</b>	<b>19,076 -</b>	<b>16,346</b>	<b>7,438</b>
Accumulated Surplus at Beginning of Year	13,360	13,360	5,922
<b>ACCUMULATED SURPLUS AT END OF YEAR (note 12)</b>	<b>32,436</b>	<b>29,706</b>	<b>13,360</b>

**HAMILTON-WENTWORTH DISTRICT SCHOOL BOARD  
CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE YEAR ENDED AUGUST 31, 2015 (with comparative information for 2014)**

	<b>2014-15</b>	<b>2013-14</b>
	<b>(\$000's)</b>	<b>(\$000's)</b>
<b>OPERATING TRANSACTIONS</b>		
Annual Surplus	16,346	7,438
Sources and (Uses):		
Non-cash items including Amortization, Write-downs and (Gain) Loss on disposal of TCA and excluding deferred gain on disposal of restricted assets	29,771	27,462
Deferred Capital Contributions Revenue	(28,083)	(27,110)
Deferred Gain on Disposal of Restricted Assets	(19,462)	(2,039)
Decrease (Increase) in Accounts Receivable	1,869	(1,140)
Increase in Accounts Payable and Accrued Liabilities	3,434	3,134
Increase (Decrease) in Deferred Revenue - Operating	508	(2,033)
Decrease in Employee Benefits Payable	(1,370)	(6,228)
Decrease in Prepaid Expense	(202)	(217)
<b>CASH PROVIDED BY (APPLIED TO) OPERATING TRANSACTIONS</b>	<b>2,811</b>	<b>(733)</b>
<b>CAPITAL TRANSACTIONS</b>		
Proceeds on Sale of Tangible Capital Assets	20,936	2,074
Cash used to Acquire Tangible Capital Assets	(59,539)	(42,716)
<b>CASH PROVIDED BY (APPLIED TO) CAPITAL TRANSACTIONS</b>	<b>(38,603)</b>	<b>(40,642)</b>
<b>INVESTING TRANSACTIONS</b>		
Increase in long-term investments	(5,000)	(250)
<b>CASH PROVIDED BY (APPLIED TO) INVESTING TRANSACTIONS</b>	<b>(5,000)</b>	<b>(250)</b>
<b>FINANCING TRANSACTIONS</b>		
Long Term Debt Issued	-	1,583
Debt Repayments	(5,508)	(5,217)
Decrease in Accounts Receivable - Government of Ontario	3,475	8,677
Additions to Deferred Capital Contributions	39,218	29,068
Decrease in Deferred Revenues - Capital	(4,153)	(6,065)
<b>CASH PROVIDED BY (APPLIED TO) FINANCING TRANSACTIONS</b>	<b>33,032</b>	<b>28,046</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(7,760)</b>	<b>(13,580)</b>
Opening Cash and Cash Equivalents	59,270	72,850
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>51,510</b>	<b>59,270</b>

**HAMILTON-WENTWORTH DISTRICT SCHOOL BOARD  
CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT  
FOR THE YEAR ENDED AUGUST 31, 2015 (with comparative information for 2014)**

	<b>2014-15</b>	<b>2013-14</b>
	<b>(\$000's)</b>	<b>(\$000's)</b>
<b>ANNUAL SURPLUS / (DEFICIT)</b>	16,346	7,438
<b>TANGIBLE CAPITAL ASSET ACTIVITY</b>		
Acquisition of Tangible Capital Assets	(59,539)	(42,716)
Amortization of Tangible Capital Assets	28,410	27,456
Loss on Sale of Tangible Capital Assets	1,361	6
Proceeds on Sale of Tangible Capital Assets	20,936	2,074
Gain on Sale Allocated to Deferred Revenue	(19,462)	(2,039)
<b>TOTAL TANGIBLE CAPITAL ASSET ACTIVITY</b>	<b>(28,294)</b>	<b>(15,219)</b>
<b>OTHER NON-FINANCIAL ASSET ACTIVITY</b>		
Use of Prepaid Expenses	(202)	(217)
<b>TOTAL OTHER NON-FINANCIAL ASSET ACTIVITY</b>	<b>(202)</b>	<b>(217)</b>
<b>(INCREASE) DECREASE IN NET DEBT</b>	<b>(12,150)</b>	<b>(7,998)</b>
Net Debt at Beginning of Year	(525,128)	(517,130)
<b>NET DEBT AT END OF YEAR</b>	<b>(537,278)</b>	<b>(525,128)</b>

**HAMILTON-WENTWORTH DISTRICT SCHOOL BOARD  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 AUGUST 31, 2015  
 (All amounts in thousands of dollars)**

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**1. SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of the Hamilton-Wentworth District School Board (the "Board") are prepared by management in accordance with the basis of accounting described below.

**(a) Basis of Accounting**

The consolidated financial statements have been prepared in accordance with the Financial Administration Act supplemented by Ontario Ministry of Education memorandum 2004:B2 and Ontario Regulation 395/11 of the Financial Administration Act.

The Financial Administration Act requires that the consolidated financial statements be prepared in accordance with the accounting principles determined by the relevant Ministry of the Province of Ontario. A directive was provided by the Ontario Ministry of Education within memorandum 2004:B2 requiring school boards to adopt Canadian public sector accounting standards commencing with their year ended August 31, 2004 and that changes may be required to the application of these standards as a result of regulation.

In 2011, the government passed Ontario Regulation 395/11 of the Financial Administration Act. The Regulation requires that contributions received or receivable for the acquisition or development of depreciable tangible capital assets and contributions of depreciable tangible capital assets for the use in providing services, be recorded as deferred capital contributions and be recognized as revenue in the statement of operations over the periods during which the asset is used to provide service at the same rate that amortization is recognized in respect of the related asset. The regulation further requires that if the net book value of the depreciable tangible capital asset is reduced for any reason other than depreciation, a proportionate reduction of the deferred capital contribution along with a proportionate increase in the revenue be recognized. For Ontario school boards, these contributions include government transfers, externally restricted contributions and, historically, property tax revenue.

The accounting policy requirements under Regulation 395/11 are significantly different from the requirements of the Canadian public sector accounting standards which require that

- government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS3410;
- externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes, specified in accordance with public sector accounting standard PS3100; and
- property taxation revenue be reported as revenue when received or receivable in accordance with public sector accounting standard PS3510.

As a result, revenue recognized in the statement of operations and certain related deferred revenues, and deferred capital contributions would be recorded differently under Canadian Public Sector Accounting Standards.

**(b) Reporting Entity**

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations accountable for the administration of their financial affairs and resources to the Board and which are controlled by the Board.

School generated funds, which include the assets, liabilities, revenues, and expenses of various organizations that exist at the school level and which are controlled by the Board are reflected in the consolidated financial statements.

*Consolidated entities -*

- Hamilton-Wentworth District School Board
- The Hamilton-Wentworth District School Board Foundation
- School Generated Funds

**HAMILTON-WENTWORTH DISTRICT SCHOOL BOARD  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 AUGUST 31, 2015  
 (All amounts in thousands of dollars)**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Proportionately consolidated entities -*

- Hamilton-Wentworth Student Transportation Services

Interdepartmental and inter-organizational transactions and balances between these organizations are eliminated.

**(c) Trust Funds**

Trust funds for teacher funded leave under the “four over five plan” and of the Hamilton School Boards Energy Consortium are not included in the consolidated financial statements, as these funds are not controlled by the Board.

**(d) Cash and Cash Equivalents**

Cash and cash equivalents comprise of cash on hand, demand deposits and short-term investments. Short-term investments are highly liquid, subject to insignificant risk of changes in value and have a short maturity term of less than 90 days.

**(e) Investments**

Temporary investments consist of marketable securities that are liquid short-term investments with maturities between three months and one year at the date of acquisition, and are carried on the Consolidated Statement of Financial Position at the lower of cost or market value.

Long-term investments consist of investments that have maturities of more than one year. Long-term investments are recorded at cost and assessed regularly for permanent impairment.

**(f) Deferred Revenue**

Certain amounts are received pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs or in the delivery of specific services and transactions. These amounts are recognized as revenue in the fiscal year the related expenditures are incurred or services are performed.

**(g) Deferred Capital Contributions**

Contributions received or receivable for the purpose of acquiring or developing a depreciable tangible capital asset for use in providing services, or any contributions in the form of depreciable tangible assets received or receivable for use in providing services, shall be recognized as deferred capital contributions as defined in Ontario Regulation 395/11 of the Financial Administration Act. These amounts are recognized as revenue at the same rate as the related tangible capital asset is amortized. The following items fall under this category:

- Government transfers received or receivable for capital purpose
- Other restricted contributions received or receivable for capital purpose
- Property taxation revenues which were historically used to fund capital assets

**(h) Retirement and other Employee Future Benefits**

The Board provides defined retirement and other future benefits to specified employee groups. These benefits include pension, life insurance and health care benefits, retirement gratuity, sick leave, and workers' compensation. The Board has adopted the following policies with respect to accounting for these employee benefits:

- (i) The costs of self-insured retirement and other employee future benefit plans are actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement, insurance and health care costs trends, disability recovery rates, long-term inflation rates and discount rates. In prior years, the cost of retirement gratuities that vested or accumulated over the periods of service provided by the employee were actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement and discount rates.



**HAMILTON-WENTWORTH DISTRICT SCHOOL BOARD  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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 (All amounts in thousands of dollars)**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

As a result of the plan change, the cost of retirement gratuities are actuarially determined using the employee's salary, banked sick days and year of service based on August 31, 2012 information and management's best estimate of discount rates. The changes resulted in a plan curtailment and any unamortized actuarial gains and losses are recognized. Any actuarial gains and losses arising from changes to the discount rate are amortized over the expected average remaining life of the employee group.

For self-insured retirement and other employee future benefits that vest or accumulate over the periods of service provided by employees, such as life insurance and health care benefits for retirees, the cost is actuarially determined using the projected benefits method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group. The changes to the retiree health, life and dental plans resulted in a plan curtailment and any unamortized actuarial gains and losses associated with the employees impacted by the change are recognized.

For those self-insured benefit obligations that arise from specific events that occur from time to time, such as obligations for workers' compensation, long term disability and life insurance and health care benefits for those on disability leave, the cost is recognized immediately in the period the events occur. Any actuarial gains and losses that are related to these benefits are recognized immediately in the period they arise.

- (ii) The costs of multi-employer defined pension plan benefits, such as the Ontario Municipal Employees Retirement System pensions, are the employer's contributions due to the plan in the period.
- (iii) The costs of insured benefits are the employer's portion of insurance premiums owed for coverage of employees during the period.

**(i) Tangible Capital Assets**

Tangible capital assets are recorded at historical cost less accumulated amortization. Historical cost includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset, as well as interest related to financing during construction. When historical cost records were not available, other methods were used to estimate the costs and accumulated amortization.

Leases which transfer substantially all the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

Tangible capital assets, except land, are amortized on a straight line basis over their estimated useful lives as follows:

<b>Asset</b>	<b>Estimated Useful Life in Years</b>
Land Improvement with Finite Lives	15
Buildings and Building Improvements	40
Portable Structures	20
Other Buildings	20
First-Time Equipping of Schools	10
Furniture	10
Equipment	5-15
Computer Hardware	5
Computer Software	5
Vehicles	5-10
Leasehold Improvements	Over the lease term

**HAMILTON-WENTWORTH DISTRICT SCHOOL BOARD  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 AUGUST 31, 2015  
 (All amounts in thousands of dollars)**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Assets under construction and assets that relate to pre-acquisition and pre-construction costs are not amortized until the asset is available for productive use.

Land permanently removed from service and held for resale is recorded at the lower of cost and estimated net realizable value. Cost includes amounts for improvements to prepare the land for sale or servicing. Buildings permanently removed from service and held for resale cease to be amortized and are recorded at the lower of carrying value and estimated net realizable value. Tangible capital assets which meet the criteria for financial assets are reclassified as "assets held for sale" on the Consolidated Statement of Financial Position.

Works of art and cultural and historic assets are not recorded as assets in these consolidated financial statements.

**(j) Government Transfers**

Government transfers, which include legislative grants, are recognized in the consolidated financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amount can be made.

Government transfers for capital that meet the definition of a liability are referred to as deferred capital contributions (DCC). Amounts are recognized into revenue as the liability is extinguished over the useful life of the asset.

**(k) Investment Income**

Investment income is reported as revenue in the period earned.

When required by the funding government or related Act, investment income earned on externally restricted funds such as pupil accommodation, education development charges and special education forms part of the respective deferred revenue balances.

**(l) Budget Figures**

Budget figures have been provided for comparison purposes and have been derived from the budget approved by the Trustees. The budget approved by the Trustees is developed in accordance with the provincially mandated funding model for school boards and is used to manage program spending within the guidelines of the funding model.

**(m) Use of Estimates**

The preparation of consolidated financial statements in conformity with the basis of accounting described in note 1(a) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the year. Accounts subject to significant estimates include assumptions used in estimating the collectability of accounts receivable to determine the allowance for doubtful accounts, in estimating provisions for accrued liabilities and in performing actuarial valuations of employee future benefits liabilities. Actual results could differ from these estimates.

**(n) Property Tax Revenue**

Under Public Sector Accounting Standards, the entity that determines and sets the tax levy records the revenue in the financial statements, which in the case of the Board, is the Province of Ontario. As a result, property tax revenue received from the municipalities is recorded as part of the Provincial Grants – Grants for Student Needs.

**HAMILTON-WENTWORTH DISTRICT SCHOOL BOARD  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**2. CHANGES IN ACCOUNTING POLICIES**

The Board has implemented Public Sector Accounting Board ("PSAB") section 3260 Liability for contaminated sites. Section 3260 requires governments to record a liability in their consolidated financial statements if they have a contaminated site that meets the requirements set out in the standard. The standard defines contamination as the introduction into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The standard generally applies to sites that are not in productive use. Sites that are in productive use are only considered contaminated if there was an unexpected event that resulted in contamination. This change has been applied retroactively without the restatement of prior periods.

The adoption of this standard did not have an impact on the Board's financial statements.

**3. INVESTMENTS**

Investments consist of marketable securities are recorded at cost and are comprised as follows:

	2015		2014	
	Cost	Market Value	Cost	Market Value
Guaranteed Investment Certificates:				
Meridian Credit Union	\$ 525	\$ 525	\$ 1,250	\$ 1,250
Meridian Credit Union	5,725	5,725	-	-
	<b>\$ 6,250</b>	<b>\$ 6,250</b>	<b>\$ 1,250</b>	<b>\$ 1,250</b>

These investments are assessed regularly for impairment and are written down if a permanent impairment exists.

**4. ACCOUNTS RECEIVABLE – GOVERNMENT OF ONTARIO**

The Province of Ontario replaced variable capital funding with a one-time debt support grant in 2009-10. Hamilton Wentworth District School Board received a one-time grant that recognizes capital debt as of August 31, 2010 that is supported by the existing capital programs. The Board receives this grant in cash over the remaining term of the existing capital debt instruments. The Board may also receive yearly capital grants to support capital programs which would be reflected in this account receivable.

The Board has an account receivable from the Province of Ontario of \$ 158,335 (2014 - \$161,810) as at August 31, 2015 with respect to this capital grant.

**HAMILTON-WENTWORTH DISTRICT SCHOOL BOARD  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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 (All amounts in thousands of dollars)**

**5. DEFERRED REVENUE**

Revenues received and set aside for specific purposes by legislation, regulation or agreement are included in deferred revenue and reported on the Consolidated Statement of Financial Position.

Deferred revenue set-aside for specific purposes by legislation, regulation or agreement as at August 31, 2015 is comprised of:

	Balance as at August 31, 2014	Externally restricted revenue and investment income	Revenue recognized in the period	Transfers (to) deferred capital contributions	Balance as at August 31, 2015
Proceeds of Disposition	\$ 4,298	\$ 21,046	\$ (6,441)	\$ (6,454)	\$ 12,449
Special Education	-	63,801	(63,801)	-	-
School Renewal	17,121	8,144	(4,366)	(15,665)	5,234
Retrofit for Child Care	1,987	31	-	(448)	1,570
Other	3,883	42,695	(33,969)	(8,218)	4,391
<b>Total Deferred Revenue</b>	<b>\$ 27,289</b>	<b>\$ 135,717</b>	<b>\$ (108,577)</b>	<b>\$ (30,785)</b>	<b>\$ 23,644</b>

**6. DEFERRED CAPITAL CONTRIBUTIONS**

Deferred capital contributions include grants and contributions received that are used for the acquisition of tangible capital assets in accordance with Regulation 395/11 that have been expended by year end. The contributions are amortized into revenue over the life of the asset acquired.

	<b>2015</b>	<b>2014</b>
Balance at Beginning of Year	\$ 485,958	\$ 484,000
Additions to Deferred Capital Contributions	9,449	7,283
Transfers from Deferred Revenue	30,785	21,791
Disposals/Transfers to Financial Assets	(1,016)	(6)
Revenue Recognized in period	(28,083)	(27,110)
<b>Balance at end of year</b>	<b>\$ 497,093</b>	<b>\$ 485,958</b>

**HAMILTON-WENTWORTH DISTRICT SCHOOL BOARD  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
AUGUST 31, 2015  
(All amounts in thousands of dollars)**

**7. RETIREMENT AND OTHER EMPLOYEE FUTURE BENEFITS**

<b>Retirement and Other Employee Future Benefit Liabilities</b>			<b>2015</b>	<b>2014</b>
	Retirement Benefits	Other Employee Future Benefits	Total Employee Future Benefits	Total Employee Future Benefits
Accrued Benefit Liabilities – Opening Balance	\$ 66,470	\$ 7,075	\$ 73,545	\$ 76,768
Current Year Benefit Expense	-	2,911	2,911	1,569
Changes Due to Plan Amendment	-	-	-	(2,490)
Interest on Accrued Benefit Obligation	1,823	213	2,036	2,370
Benefits Expenses <sup>1</sup>	1,823	3,124	4,947	1,449
Actuarial Loss	2,624	12	2,636	2,986
Benefits Payment	(5,024)	(1,425)	(6,449)	(7,659)
	(577)	1,711	1,134	(3,224)
Accrued Benefit Obligation – Closing Balance	\$ 65,893	\$ 8,786	\$ 74,679	\$ 73,544
Unamortized Actuarial Loss	(3,322)	-	(3,322)	(817)
Accrued Benefit Liability – Ending	\$ 62,571	\$ 8,786	\$ 71,357	\$ 72,727

<sup>1</sup> Excluding pension contributions to the Ontario Municipal Employees Retirement System, a multi-employer pension plan, described below.

**HAMILTON-WENTWORTH DISTRICT SCHOOL BOARD  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 AUGUST 31, 2015  
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**7. RETIREMENT AND OTHER EMPLOYEE FUTURE BENEFITS (continued)**

**Pension Plans:**

**(i) Ontario Teacher's Pension Plan**

Teachers and related employee groups are eligible to be members of Ontario Teacher's Pension Plan. Employer contributions for these employees are provided directly by the Province of Ontario. The pension costs and obligations related to this plan are the direct responsibility of the Province. Accordingly, no costs or liabilities related to this plan are included in the Board's consolidated financial statements.

**(ii) Ontario Municipal Employees Retirement System**

All non-teaching employees of the Board are eligible to be members of the Ontario Municipal Employees' Retirement System (OMERS), a multi-employer pension plan. The plan provides defined pension benefits to employees based on their length of service and rates of pay. The Board contributions equal the employee contributions to the plan. During the year ended August 31, 2015, the Board contributed \$ 6,732 (2014 – \$ 6,862) to the plan. As this is a multi-employer pension plan, these contributions are the Board's pension benefit expenses. No pension liability for this type of plan is included in the Board's consolidated financial statements.

The OMERS pension plan had a deficit of \$7.1 billion as at December 31, 2014 (2013 - \$8.6 billion) based on the actuarial valuation of the pension benefit obligation. Ongoing adequacy of the current contribution rates will need to be monitored and may lead to increased future funding requirements.

**Employee Future Benefits:**

**(i) Retirement Gratuities**

The Board provides retirement gratuities to certain groups of employees hired prior to specified dates. The Board provides these benefits through an unfunded defined benefit plan. The benefit costs and liabilities related to this plan are included in the Board's consolidated financial statements. The amount of the gratuities payable to eligible employees at retirement is based on their salary, accumulated sick days and years of service at August 31, 2012.

**(ii) Retirement Life Insurance and Health Care Benefits**

The Board continues to provide life insurance, dental and health care benefits to certain employee groups after retirement until the members reach 65 years of age; the retired members are required to pay 100% of the costs. The Board provides these benefits through an unfunded defined benefit plan. The benefit costs and liabilities related to this plan are included in the Board's consolidated financial statements. Effective September 1, 2013, employees retiring on or after this date, will no longer qualify for board subsidized premiums or contributions.

**(iii) Workplace Safety and Insurance Board Plan Obligations**

The Board is a Schedule 2 employer under the *Ontario Workplace Safety and Insurance Act*, and, as such, assumes responsibility for the payment of all claims to its injured workers under the Act. The Board does not fund these obligations in advance of payments made under the Act. The benefit costs and liabilities related to this plan are included in the Board's consolidated financial statements.

School boards are required to provide salary top-up to a maximum of 4 ½ years for employees receiving payments from the Workplace Safety and Insurance Board, where collective agreements negotiated prior to 2012 included such a provision.

**HAMILTON-WENTWORTH DISTRICT SCHOOL BOARD  
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**7. RETIREMENT AND OTHER EMPLOYEE FUTURE BENEFITS (continued)**

**(iv) Long-Term Disability Life Insurance and Health Care Benefits**

The Board provides life insurance, dental and health care benefits to employees on long-term disability leave and the employees are required to pay 100% of the premium costs. The Board provides these benefits through an unfunded defined benefit plan. The benefits costs and liabilities related to this plan are included in the Board's consolidated financial statements.

**(v) Sick Leave Benefit**

As a result of the plan changes, the Board's liability related to compensated absences from sick leave accumulations was eliminated.

**(vi) Sick Leave Top-Up Benefits**

A maximum of eleven unused sick leave days from the current year may be carried forward into the following year only, to be used to top-up salary for illnesses paid through the short-term leave and disability plan in that year. The benefit cost expensed in the financial statements are \$348 (2014 - \$ 343).

The accrued benefit obligation for the sick leave top-up is based on an actuarial valuation for accounting purposes as of August 31, 2015. This actuarial valuation is based on assumptions about future events.

**Actuarial Assumptions**

The accrued benefit obligations for long-term disability life insurance and health care benefit plans as at August 31, 2015 are based on actuarial valuations for accounting purposes as at August 31, 2015. These valuations take into account the plan changes outlined above and the economic assumptions used in these valuations are the Board's best estimates of expected rates of:

	2015	2014
Inflation	1.5%	2.0%
Wage and Salary Escalation	0%	0%
Health Care Cost Escalation	8.5% decreasing by ¼% each year to 4.0%	8.75% decreasing by ¼% each year to 4.0%
Dental Cost Escalation	4.5% decreasing by ¼% each year to 3.0%	4.75% decreasing by ¼% each year to 3.0%
Discount on Accrued Benefit Obligations	2.45%	2.85%

**HAMILTON-WENTWORTH DISTRICT SCHOOL BOARD**  
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**8. NET LONG TERM DEBT**

The net long-term liabilities reported on the Consolidated Statement of Financial Position of \$152,694 consists of debentures of \$903 (2014 - \$1,750) loans of \$151,259 (2014 - \$155,808) and Capital Lease \$532 (2014 - \$644). The debentures have a retractable feature, exercisable on specific dates only, at the option of the debenture holders. Details of the net long-term debt are as follows:

	<b>2015</b>	<b>2014</b>
Serial Debenture, due July 19, 2016	\$ 903	\$ 1,750
Ontario Financing Authority Loan due Nov 15, 2031, 4.56%	8,863	9,217
Ontario Financing Authority Loan due Mar 3, 2033, 4.90%	27,394	28,341
Ontario Financing Authority Loan due Mar 13, 2034, 5.062%	9,963	10,274
Ontario Financing Authority Loan due Apr 13, 2035, 5.232%	21,535	22,139
Ontario Financing Authority Loan due Mar 11, 2036, 4.833%	9,677	9,942
Ontario Financing Authority Loan due Nov 15, 2036, 3.970%	11,358	11,688
Ontario Financing Authority Loan due Mar 9, 2037, 3.564%	17,477	17,999
Ontario Financing Authority Loan due Mar 19, 2038, 3.799%	43,447	44,625
Ontario Financing Authority Loan due Mar 11, 2039, 4.003%	1,545	1,583
Capital Lease Matures, June 1, 2019	532	644
	<b>\$ 152,694</b>	<b>\$ 158,202</b>

The principal and interest payments required in each of the next five fiscal years and thereafter in respect of the outstanding net long-term debt are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2016	5,813	6,640	12,453
2017	5,123	6,367	11,490
2018	5,345	6,146	11,491
2019	5,473	5,914	11,387
2020	5,660	5,671	11,331
Thereafter	125,280	48,138	173,418
<b>Total</b>	<b>\$ 152,694</b>	<b>\$ 78,876</b>	<b>\$ 231,570</b>



**HAMILTON-WENTWORTH DISTRICT SCHOOL BOARD  
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**9. DEBT CHARGES**

The expenditure for debt charges and capital loans includes principal and interest payments made on debentures and interest on capital fund as follows:

	2015	2014
Principal payments on debentures	\$ 5,508	\$ 5,217
Interest payment on debentures	6,834	7,094
<b>Total</b>	<b>\$ 12,342</b>	<b>\$ 12,311</b>

**10. EXPENDITURES BY OBJECT**

The following is a summary of the expenses reported on the Consolidated Statement of Operations by object:

	2015 Budget note 1(l)	2015 Actual	2014 Actual
<b>Current Expenditures:</b>			
Salary and Wages	\$ 395,075	\$ 400,306	\$ 393,857
Employee Benefits	60,773	61,232	57,161
Staff Development	5,966	1,757	1,866
Supplies and Services	38,282	38,159	38,216
Interest Charges on Capital	6,900	6,834	7,051
Rental Expenditures	244	1,736	2,412
Fees & Contractual Services	21,141	22,487	21,488
Other	3,729	2,700	2,397
Transfer to Other Boards	0	49	10
Amortization of Tangible Capital Assets and Loss on Disposal	28,382	29,771	27,462
School Funded Activities	10,548	11,953	12,336
<b>Total</b>	<b>\$ 571,040</b>	<b>\$ 576,984</b>	<b>\$ 564,256</b>

**11. TANGIBLE CAPITAL ASSETS**

**(a) Assets Under Construction**

Assets under construction having a value of \$1,670 (2014 - \$ 28,964) have not been amortized. Amortization of these assets will commence when the asset is put into service.

**(b) Write-down of Tangible Capital Assets**

There were no write-downs of tangible capital assets during the year. (2014 – Nil)

**(c) Asset Inventories for Resale (Assets Permanently Removed from Service)**

There were no assets inventoried for resale or assets permanently removed from service during the year. (2014 – Nil)

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**11. TANGIBLE CAPITAL ASSETS (continued):**

**Year ended August 31, 2015**

	Cost (in 000's)				Accumulated Amortization (in 000's)						
	Balance at August 31, 2014	Additions, transfers and adjustments	Disposals and Write Offs	Transfers to-from CIP	Balance at August 31, 2015	Balance at August 31, 2014	Amortization and adjustment	Disposals and Write Offs	Balance at August 31, 2015	Net Book Value August 31, 2015	Net Book Value August 31, 2014
Land	\$ 32,401	\$ 20,333	\$ (1,818)	\$ -	\$ 50,916	\$ -	\$ -	\$ -	\$ -	\$ 50,916	\$ 32,401
Land Improvements	5,327	884	-	-	6,211	1,202	424	-	1,626	4,585	4,125
Buildings	751,597	32,074	(2,800)	30,631	811,502	297,707	23,989	(1,783)	319,913	491,589	453,890
Portable Structures	8,289	-	(1,196)	-	7,094	4,905	328	(1,196)	4,037	3,057	3,384
Furniture and Equipment	11,782	737	(455)	-	12,063	5,348	1,131	(455)	6,024	6,039	6,434
Computer Hardware and Software	17,084	2,174	(6,152)	-	13,106	10,768	2,208	(6,152)	6,824	6,282	6,316
Vehicles	961	-	(277)	-	684	810	88	(277)	621	63	151
Construction in Progress	28,964	3,337	-	(30,631)	1,670	-	-	-	-	1,670	28,964
Leasehold Improvements	2,306	-	-	-	2,306	685	242	-	927	1,379	1,621
	\$ 858,711	\$ 59,539	\$ (12,698)	\$ -	\$ 905,552	\$ 321,425	\$ 28,410	\$ (9,863)	\$ 339,972	\$ 565,580	\$ 537,286

**HAMILTON-WENTWORTH DISTRICT SCHOOL BOARD  
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**12. ACCUMULATED SURPLUS (DEFICIT)**

	<b>2015</b>	<b>2014</b>
Unappropriated	\$ 8,068	\$5,233
Amounts Restricted for Future Use of the Board		
School Budgets	874	895
Computer Technology	1,171	1,171
Board Initiatives	2,111	2,318
Capital Planning Capacity	241	-
Cafeteria Equipment Replacement	169	181
Amounts Restricted for Capital Construction		
Administrative Building	17,039	17,255
Available for Compliance	29,673	27,053
Amounts to be Recovered		
Employee Future Benefits	(41,202)	(44,410)
Interest Accrual	(2,196)	(2,261)
Other		
School Generated Funds	3,850	3,859
Revenues Recognized for Land	39,581	29,119
<b>Balance at August 31, 2015</b>	<b>\$ 29,706</b>	<b>\$ 13,360</b>

**13. ONTARIO SCHOOL BOARD INSURANCE EXCHANGE (OSBIE)**

The Board is a member of the Ontario School Board Insurance Exchange (OSBIE), a reciprocal insurance company licensed under the Insurance Act. OSBIE insures the Board for general public liability, property damage and vehicles. The membership period is for five years, ending December 31, 2016.

**14. CONTINGENT LIABILITIES**

The Board has been named in personal injury and property damage claims. The amounts specified in the claims are within the Board's insurance coverage. The Board, as well as its insurers, has instructed legal counsel to act on behalf of the Board to defend against these claims. No provision has been made in the financial statements for these claims.

**HAMILTON-WENTWORTH DISTRICT SCHOOL BOARD  
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**15. COMMITMENTS**

The Board has outstanding contractual obligations at August 31, 2015 of approximately \$ 23,989 (2014 - \$12,831) for the construction of new schools and for other capital projects.

The Board has long-term lease commitments with various expiry dates. The minimum payments are as follows:

2016	\$ 948
2017	857
2018	678
2019	681
2020	713
Thereafter	1,366
<b>Total</b>	<b>\$ 5,243</b>

**16. PARTNERSHIP IN HAMILTON-WENTWORTH STUDENT TRANSPORTATION SERVICES, A TRANSPORTATION CONSORTIUM**

On April 1, 2009, the Board entered into an agreement with the Hamilton-Wentworth Catholic District School Board in order to provide common administration of student transportation in the Region. This agreement was executed in an effort to increase delivery efficiency and cost effectiveness of student transportation for each of the Boards. Under the agreement, decisions related to the financial and operating activities of Hamilton-Wentworth Student Transportation Services are shared. No partner is in a position to exercise unilateral control.

This entity is proportionately consolidated in the Board's consolidated financial statements to reflect the Board's portion of costs incurred. Interdepartmental and inter-organizational transactions and balances between these organizations are eliminated.

The Hamilton-Wentworth District School Board does not control any assets of the Hamilton-Wentworth Student Transportation Services. The Board has recorded its share of revenue and expenses in the Consolidated Statement of Operations.

**17. REPAYMENT OF "55 SCHOOL BOARD TRUST" FUNDING**

On June 1, 2003, the Board received \$16,675 from The 55 School Board Trust for its capital related debt eligible for provincial funding support pursuant to a 30-year agreement it entered into with the trust. The 55 School Board Trust was created to re-finance the outstanding not permanently financed (NPF) debt of participating boards who are beneficiaries of the trust. Under the terms of the agreement, The 55 School Board Trust repaid the Board's debt in consideration for the assignment by the Board to the trust of future provincial grants payable to the Board in respect of the NPF debt.

As a result of the above agreement, the liability in respect of the NPF debt is no longer reflected in the Board's financial position.

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**18. SUBSEQUENT EVENTS**

Subsequent to August 31, 2015, the following groups ratified agreements at the central level, which include a voluntary retirement gratuity early payout provision:

- OSSTF (Secondary Teachers)
- CUPE (Custodial Staff)
- ETFO (Elementary Teachers)

This provision may have a future impact on the board's employee future benefit liability. There is no impact to the 2014-15 fiscal year. To be effective, the collective agreements must be ratified at both the central and local level. At the reporting date of these financial statements, local ratification has not occurred for any bargaining groups.

The voluntary retirement gratuity early payout provision provides the aforementioned members the option of receiving a discounted frozen retirement gratuity benefit payment on August 31, 2016. The voluntary retirement gratuity early payout provision may result in payouts occurring earlier than anticipated and generally at a discount to August 31, 2015 financial statement carrying values. As a result, the reduction in the liability for these members who take the voluntary retirement gratuity early payout option will be accompanied by actuarial gains or losses in the board's 2015-16 year financial statements. At this time, the change in liability cannot be estimated.

DRAFT

11-1  
**Committee Report**

Presented to: Board

Meeting date: November 16, 2015

From: Special Education Advisory Committee (SEAC)

Meeting date: October 28, 2015

The committee held a meeting on Wednesday, October 28, 2015, from 7:02 p.m. to 8:35 p.m., at the Education Centre (Room 308) at 20 Education Court in Hamilton, ON with Judy Colantino presiding.

Members present were: Lita Barrie, Judy Colantino, Susan Lucek, Catherine McFarland, Jenny McEwen-Hill, Trustee Larry Pattison, Jennifer Robertson-Heath, Lorraine Sayles, Tracy Sherriff, Kathie Soules (proxy for Fran Doodeman), Lynn Vanderbrug. Regrets were received from Jeremy Abrahams, Mark Courtepatte, Fran Doodeman, Doug Foster, Susan Guzina, Susi Owen, Barbara Reeves.

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## **INFORMATION ITEMS:**

### **A. Update on Mental Health Strategy**

Michelle Rosenberg, Manager of Mental Health and Well Being, made a presentation about the Board's Mental Health and Well Being Strategy. The following key points were covered:

- June 2011 I - "Open Minds Healthy Minds"- outlined long term comprehensive Tri-Ministerial strategy to improve the Mental Health and Well Being of all Ontarians
- Areas of initial focus was on children & youth (Fast Access to High Quality Services, Identify and Intervene Early, Close Critical Service Gaps)
- Five areas of current focus (Promoting Mental Health and Well Being; Ensuring Early Identification and Intervention; Expanding Housing, Employment Supports, Justice System Diversion and Transitions; The Right Care at the Right Time in the Right Place; Funding Based on Need and Quality).
- School Mental Health Assist (headed by Dr. Kathy Short)- Provincial Implementation Support Team working with Mental Health Leads in all 72 School Boards to establish pillars of successful implementation for a Mental Health and Well Being Strategy (Organizational Conditions, Capacity Building, Evidence Based/Evidence Informed Programming)
- HWDSB's revised Mental Health and Well-Being strategy is focussed on establishing organizational conditions that facilitate the development of core conditions of well-being for all students and staff
- Collaborative and Proactive Solutions (CPS) is the underpinning of HWDSB's Mental Health & Well Being strategy and is currently in Year 2 of a 3-5 year implementation plan
- Other highlights for this year include: Year 1 of Mindfulness Practices; School Based Mental Health Leads, Staff Capacity Building Mental Health Modules; Implementation of the revised Suicide Response Protocol & Best Practice Guidelines; Updated Mental Health and Well Being page on the Board's website

### **B. Members' Update**

#### McMaster Children's Hospital Developmental Pediatrics and Rehabilitation Portfolio

All pediatric services (including autism, mental health programs and patient services) from the Chedoke Hospital site will move to its new facility, the Ron Joyce Children's Health Centre, located at 325 Wellington Street North in Hamilton, across from the Regional Rehabilitation Centre and Hamilton General Hospital. The Ministry opening is November 17<sup>th</sup> while doors open for services on November 23<sup>rd</sup>.

#### Trustees

- Upcoming Pupil Accommodation Review Process of two areas for 2015-2016: Lower Stoney Creek and East Hamilton City
- Trustees are at the next stage of HWDSB's Strategic Directions
- Meetings of Transition committees are on hold due to ongoing job action

### **C. Monitoring Update**

- Discussion at the annual joint Parent Involvement Committee (PIC) and SEAC meeting on December 8<sup>th</sup> will include the following:
  - Resources available for parents and community

- Summer writing projects relating to parent web-based and language resources
- The Hub, which is being launched, will include some special education resources
- PIC will be at a future SEAC meeting for discussion regarding parent issues.
- Asthma Directive (resulting from Ryan's Law [Bill 20]) was passed at the October 28<sup>th</sup> Board meeting; this directive ensures that students are permitted to carry asthma medication and the schools have strategies in place to support this process. Ryan's Law requires all school boards to establish and maintain an Asthma Policy.
- Transforming Learning Everywhere has been the focus across HWDSB in terms of working and transforming system classes, 3-tier process, alignment of system areas, including special education classes. Hiring and training of staff will take place in support of rollout of technology.

#### **D. Correspondence**

(a) Hamilton FASD Parent & Caregiver Support Group – New Alternate Representative on SEAC

On the motion of L. Barrie, seconded by J. McEwen-Hill, the Committee **RECOMMENDS** that **Catherine McFarland be the new alternate representative of Hamilton FASD Parent & Caregiver Support Group on HWDSB's SEAC.**

**CARRIED.**

The members agreed to receive and file the following letters:

- (b) Durham Catholic DSB – Regulation 274: Consequences and Impact on Special Education Needs
- (c) Upper Canada DSB – Impact of Reformulation of High Needs Amount (HNA) Calculations on Special Education Funding

#### **E. Other Business**

##### Parents as Partners Initiative

The Chair noted that future meetings will include the following topics:

- Helping to address and answer parents' questions
- Transition to high school
- Attendance of Superintendent of Leadership & Learning – Special Education
- Presentation re mental health and well being (Michelle Rosernberg)
- Individual Education Plan (IEP) for fall in 2016

Respectfully submitted,  
Judy Colantino, SEAC Chair