

# *2016-17 BUDGET ESTIMATES*

*STANDING COMMITTEE MAY 30, 2016*



# AGENDA

Budget Development Process

Enrolment

Revenues and Expenditures

Private Session Agenda

Capital Budget



# STATUS OF BUDGET DEVELOPMENT

**Jan 25, 2016**

Board of Trustees -Approval of Key Parameters/Assumptions to Guide 2016-17 Budget Development

**Apr 18, 2016**

Board of Trustees – Approval of School Based Staffing Recommendations

**Feb-May 2016**

Executive Council and Finance and Facilities Committee meetings to develop/review budget

**May 30, 2016**

Special Standing Committee – Review of 2016-17 Budget Estimates

**April 27, 2016**

SEAC – Review of Preliminary 2016-17 Special Education Budget

**June 6, 2016**

Board of Trustees – Approval of 2016-17 Budget Estimates



# 2016-17 ANNUAL BUDGET

*“Show me your budget  
and I will show you your values”*

- The Budget is the Board’s fiscal plan to support the delivery of educational programs and services to support the Board’s Strategic Priorities



# 2016-17 BOARD PRIORITIES

## **Positive Culture and Well-Being**

*We will build student and staff well-being through positive climate strategies and supportive relationships*

## **Student Learning and Achievement**

*We will improve student learning and achievement through effective instructional strategies*

## **Effective Communication**

*We will improve our communication through comprehensive strategies*

## **School Renewal**

*We will optimize opportunities to invest in improved school facilities*

## **Partnerships**

*We will strengthen our collaboration with new and existing community partners to enhance opportunities for students*

# ENROLMENT

- Grants for Student Needs are enrolment driven
- The Board reports their full-time equivalent (FTE) enrolment to the Ministry at two points in time throughout the year
  - October 31
  - March 31
- Average Daily Enrolment (ADE) is the average of these 2 enrolments and the basis for funding



# ENROLMENT



## PROVINCE

- 1,358,814 elementary students in almost 4,000 schools
- 592,772 secondary students in more than 900 schools



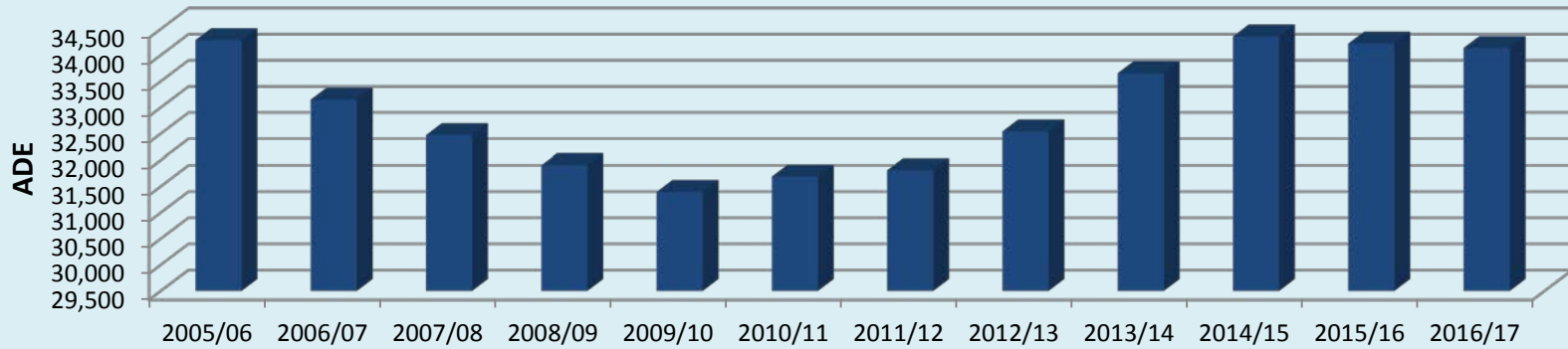
## HWDSB

- 34,134 elementary students in 88 schools
- 14,110 secondary students in 15 schools

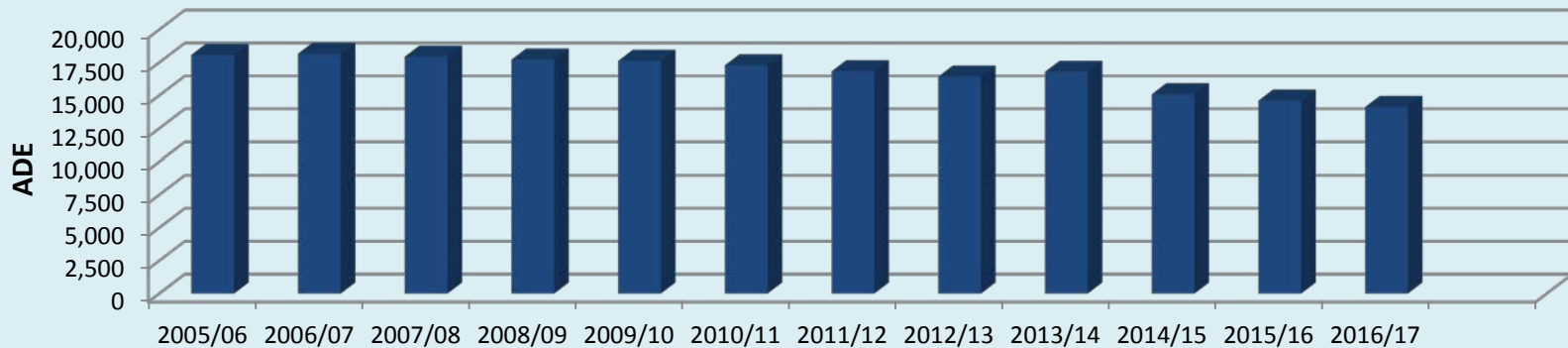
HWDSB represents approximately 2.5% of the Province's total enrolment

# ENROLMENT TRENDS

## ELEMENTARY



## SECONDARY





# PROJECTED ENROLMENT

	2015-16 Revised Budget	2016-17 Budget Estimates	Increase (Decrease) ADE	Increase (Decrease) %
<b><i>Elementary</i></b>				
Full Day Kindergarten	6,298.00	6,351.00	53.00	0.84%
Primary	10,597.00	10,280.00	(317.00)	(2.99%)
Grades 4-8	16,795.00	16,946.00	151.00	0.90%
Special Education	608.00	557.00	(53.00)	(8.72%)
<b><i>Total Elementary Enrolment</i></b>	<b>34,298.00</b>	<b>34,134.00</b>	<b>(164.00)</b>	<b>(0.48%)</b>
<b><i>Total Secondary Enrolment</i></b>	14,947.25	14,110.25	(837.00)	(5.60%)
<b><i>Total Enrolment</i></b>	<b>49,245.25</b>	<b>48,244.25</b>	<b>(1,001.00)</b>	<b>(2.03%)</b>

# REVENUE



## Grants For Students Needs (GSN)

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- Standard set of formulas and inputs to determine funding for all school boards
- Driven by enrolment and unique student needs
- **Represents 98% of HWDSB revenue**



## Other Ministry Grants

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- Citizenship and Immigration – both Federal and Provincial
- Education Program Other (EPO) Grants



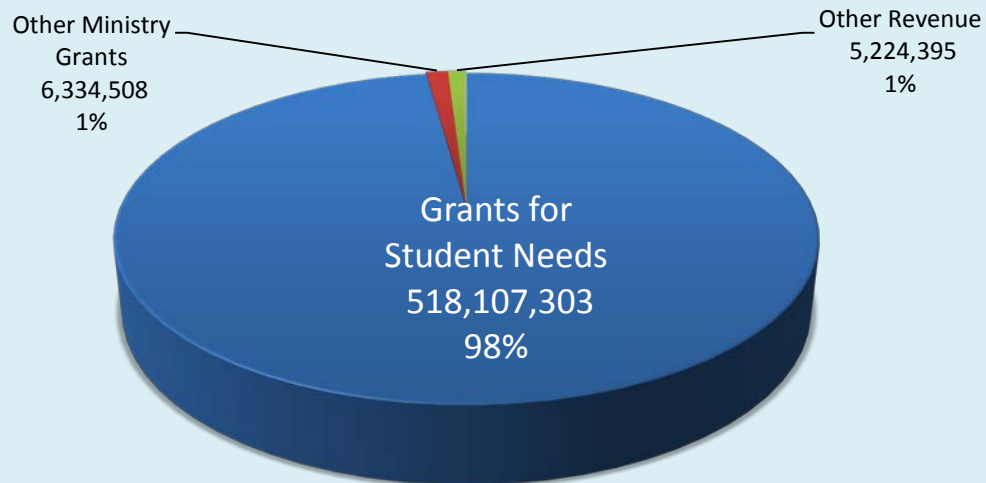
## Board Generated Revenue

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- International Student Fees
- Rental Revenue
- Bank and Investment Revenue

# OPERATING REVENUES 2016-17

	2016-17 Budget Estimates	2015-16 Budget Estimates	Inc. (Dec) Over 2015-16 Approved Budget	
	\$	\$	\$	%
Grants for Students Needs	518,107,303	516,047,691	2,059,612	
Other Ministry Grants	6,334,508	6,131,658	202,850	
Other Revenue	5,224,395	4,458,028	766,367	
	<b>529,666,206</b>	<b>526,637,377</b>	<b>3,028,829</b>	<b>0.58%</b>



# GRANTS FOR STUDENT NEEDS (GSN)



## Pupil Foundation Grant

- Represents approximately 50% of total GSN
- Driven by enrolment
- Grade specific allocations per student
- Covers the basic costs of education for all students in all boards
  - Classroom Teachers
  - Early Childhood Educators
  - Texts and Instructional Supplies
  - Classroom Computers
  - Professional Development
  - Professionals & Para-professional Supports
  - System Principals, Teacher Consultants



# GRANTS FOR STUDENT NEEDS (GSN)



## School Foundation Grant

- Represents approximately 7% of total GSN
- Driven by number of schools and enrolment at each school
- Covers the basic costs of administration for all schools in all boards
  - Principals and Vice-Principals
  - School Office Staff
  - School Office Supplies
  - School Office or Administrator Computers



# GRANTS FOR STUDENT NEEDS (GSN)



## Special Purpose Grants

- Represents approximately 43% of total GSN
- Driven by program enrolment, board demographics and the unique needs of the Board and its students
  - Special Education
  - Languages (FSL, ESL)
  - Learning Opportunities
  - First Nations, Metis & Inuit Education
  - Qualifications and Experience
  - Safe Schools
  - Continuing Education
  - Board Administration & Governance
  - School Operations
  - Transportation



# Ministry Budget Requirements

- Balanced Budget
- Compliance with Legislation/Regulations
  - Primary and Grade 4-8 Class Size
  - Secondary Average Class Size
- Compliance with Ministry Funding Envelopes
  - Special Education
  - Board Administration & Governance
  - Accommodation



## Central Labour Agreements

- Funding for increase in salary for teaching and non-teaching staff of 1.25% to reflect negotiated increase of 1% Sept 1<sup>st</sup> and 0.5% on Feb 1, 2017
- Funding for salary increases due to movement on the salary grid effective September 1<sup>st</sup>
- Employee Health, Life and Dental Benefits  
Transformation to consolidate benefits into 5 Trusts to improve cost-efficiency and delivery of benefits
- Final impact on Board benefits yet to be determined





## Equity in Education

- Funding for a dedicated First Nations, Metis and Inuit (FNMI) Education Lead
- Funding to support Board Action Plans for First Nations, Metis and Inuit Education
- Updating per pupil allocations for FNMI and English as a Second Language to reflect the 2011 National Household survey data over 3 years



## Ongoing Implementation of GSN Changes

### **School Operations Grant:**

Second year of a three year phase out of base top-up funding for school operations

- \$5 million of funding to be eliminated over 3 years
- Approximately a \$1.6 M decrease in 2016-17

### **School Foundation Grant:**

Second year of three year phase in of a new allocation model for school foundation grants to reduce funding for a principal and school office staff in very small schools

- Elementary < 150 pupils – 2 schools
- Secondary < 200 pupils – 1 school + 3 Alter Ed
- Approximately a \$650,000 decrease in 2016-17

## Ongoing Implementation of GSN Changes

### **School Board Administration & Governance:**

Second year of the four year phase in of the new Board Administration funding model that replaces the current enrolment-based allocation to better reflect the key cost drivers and costs structures of school boards

- Approximate decrease of \$25,000 in 2016-17

### **Special Education:**

Third year of the four year phase in of the new High Needs funding model which eliminates the former high needs per pupil amount and redistributes funding based on a Statistical prediction model (SESPM) and High Needs Measures of Variability Amount

- Approximate increase of \$300,000 in 2016-17

## Enhancements to Keep up with Costs

- Transportation Grant increased by 2% to recognize higher operating costs
- School Operations
  - Non-staff benchmark increased by 2% for cost increases in natural gas, insurance, other
  - 3.5% increase in electricity component of the benchmark



## Transfer of EPO Funding to the GSN

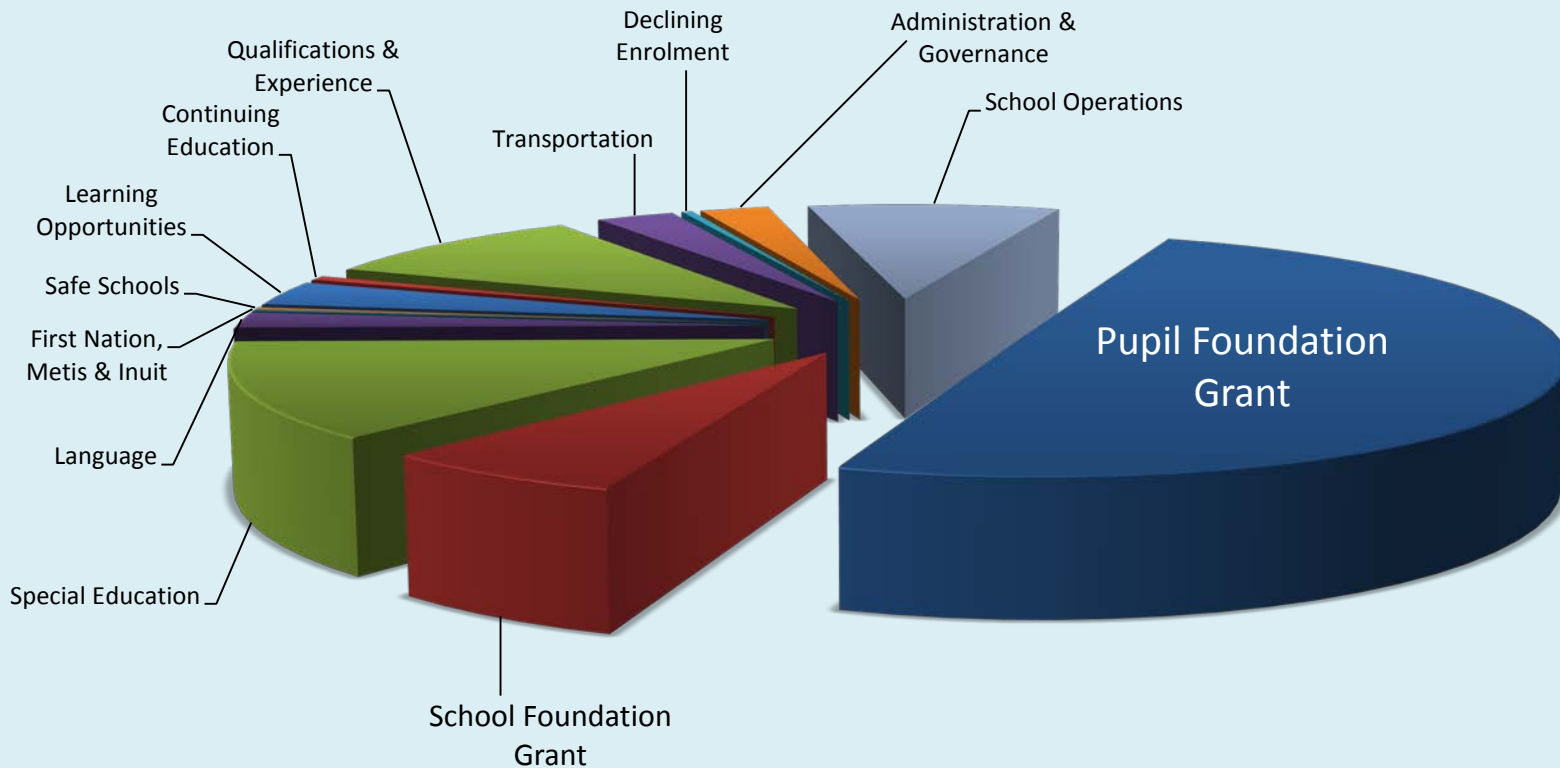
- To streamline the reporting requirement for boards and to enhance the Ministry's commitment to funding some initiatives the following EPOs have been transferred into the GSN:
  - Funding for Library Staff
  - Outdoor Education Funding
  - Managing Information for Student Achievement (MISA)
  - Technology Enabled Learning and Teaching Contact

This results in an increase of approximately \$843,500 in GSN revenue and the addition of 2.0 positions in the budget as they are now funded permanently

# GRANTS FOR STUDENTS NEEDS

	2016-17 Budget Estimates	2015-16 Budget Estimates	Incr./(Decr.) Over 2015-16 Budget	
Pupil Foundation Grant	257,867,845	261,137,636	(3,269,791)	(1.25%)
School Foundation Grant	33,505,243	34,118,516	(613,273)	(1.80%)
<b>Special Purpose Grants</b>				
Special Education	66,900,187	66,589,391	310,796	0.47%
Language	10,970,780	10,774,802	195,978	1.82%
First Nations, Metis, and Inuit Education	802,184	837,184	(35,000)	(4.18%)
Safe Schools	1,430,858	1,439,893	(9,035)	(0.63%)
Learning Opportunities	17,220,557	16,448,687	771,870	4.69%
Continuing Education	2,940,479	2,748,429	192,050	6.99%
Qualifications & Experience	51,217,289	45,950,665	5,266,624	11.46%
Transportation	14,309,668	14,037,029	272,639	1.94%
Declining Enrolment	1,809,655	1,319,550	490,105	37.14%
Administration & Governance	12,612,404	12,456,211	156,193	1.25%
School Operations	46,520,154	48,189,698	(1,669,544)	(3.46%)
<b>Total Grants for Student Needs</b>	<b>\$ 518,107,303</b>	<b>516,047,691</b>	<b>2,059,612</b>	<b>0.40%</b>

# GRANTS FOR STUDENT NEEDS



# *OTHER REVENUE*

- Other Ministry Grants
  - EPO grants announced by Ministry for 2016-17
  - Amount will continue to increase throughout the year as more funding is announced
  - Usually corresponding increase in expenditures





# *OTHER REVENUE*

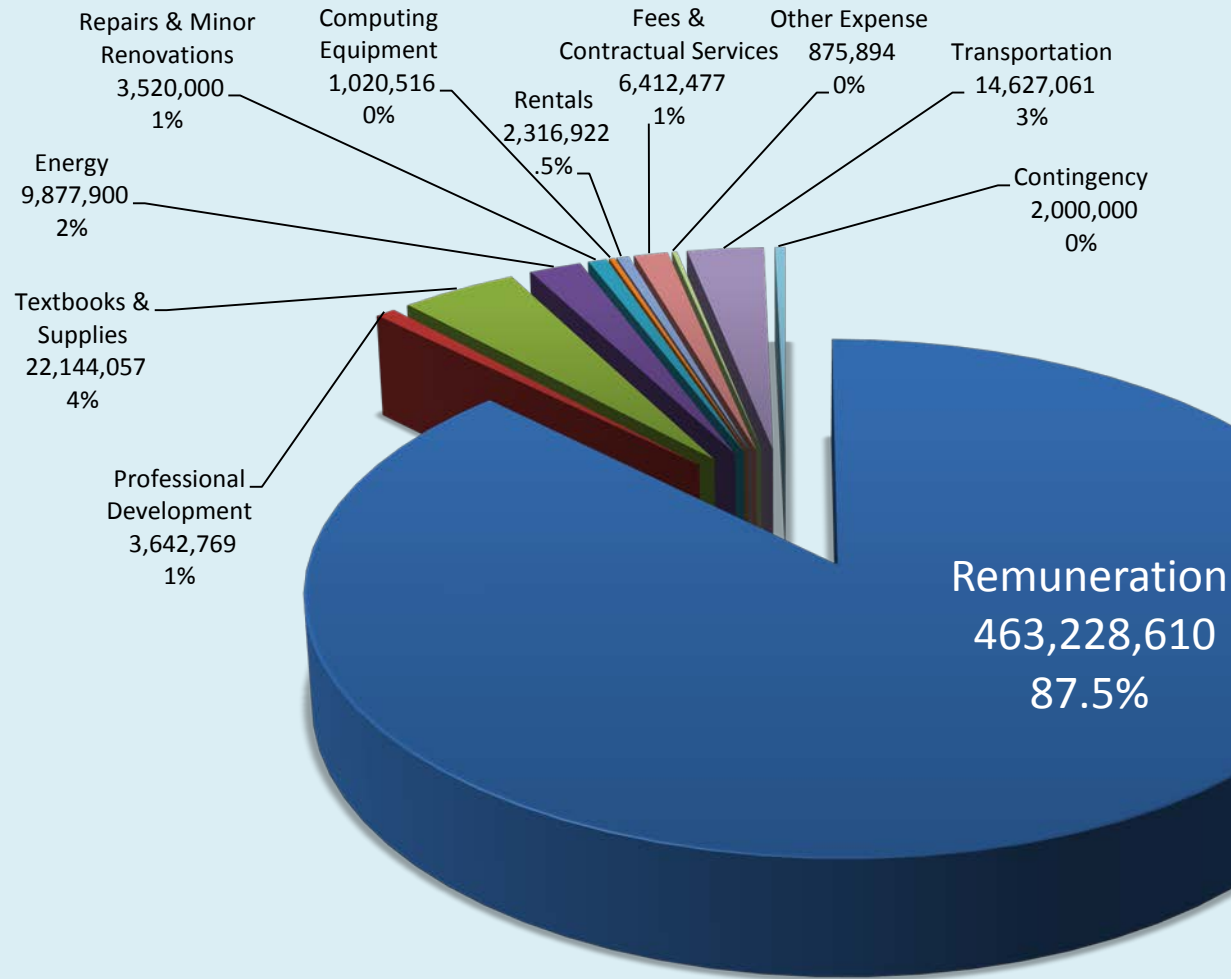
- International Student fees
- Community use of schools
- Bank interest
- Based on prior year amounts and expectations for the current year



# SUMMARY OF EXPENDITURES

		2016-17 Budget Estimates	2015-16 Revised Budget	Incr./(Decr.) Over 2015-16 Revised Budget	
<b>Remuneration</b>					
Salaries & Wages	\$	383,732,557	378,152,270	5,580,287	
Employee Benefits		65,261,723	64,354,666	907,057	
Temporary Assistance		14,234,331	15,734,331	(1,500,000)	
		463,228,610	458,241,266	4,987,344	1.09%
<b>Consumables</b>					
Professional Development		3,642,769	3,215,971	426,798	
Textbooks & Supplies		22,144,057	22,437,900	(293,843)	
Energy		9,877,900	9,877,900	-	
Repairs & Minor Renovations		3,520,000	3,202,840	317,160	
Computing Equipment		1,020,516	2,147,746	(1,127,230)	
Rentals		2,316,922	2,681,180	(364,258)	
Fees & Contractual Services		6,412,477	6,594,339	(181,862)	
Other Expense		875,894	815,387	60,507	
		49,810,632	50,973,293	(1,162,728)	(2.28%)
<b>Transportation</b>		14,627,061	15,422,848	(795,787)	(5.16%)
<b>Contingency</b>		2,000,000	2,000,000	-	
<b>Total Expenditures</b>	\$	<b>529,666,206</b>	<b>526,637,377</b>	<b>3,028,929</b>	<b>0.58%</b>

# SUMMARY OF EXPENDITURES



# 2016-17 EXPENDITURE CHANGES

## Remuneration

**\$5,580,287**

- Salary increase for teachers and non-teaching groups of 1% Sept. 2016 and .5% Feb 1, 2017
  - Funded by increase in all Grant Salary Benchmarks
- Movement on the grid on September 1st
  - Funded by the increase in Q & E grant
- School based staffing approved on April 18, 2016
  - Adjustments for declining enrolment
  - Adjustments for student need
  - Adjustments for school closure
- Other adjustments based on declining enrolment, budget priorities and attrition.

# 2016-17 EXPENDITURE CHANGES

## Benefits

**\$907,057**

- Increase in Statutory benefits (CPP, EI)
- Increase in Workplace Safety Insurance Costs per actuarial projection based on claim history and costs
- Increase in Health and Life Benefits based on current costs of providing benefits

# 2016-17 EXPENDITURE CHANGES

## **Temporary Assistance (\$1,500,000)**

- Approved at May 9, 2016 Board meeting
- Decrease part of a 2 year plan to bring HWDSB average attendance to reported provincial averages. Staff will use a multi-pronged strategy to work with and support staff:
  - a) Creating a positive work environment
  - b) Supporting staff through the Total Attendance Support program
  - c) Making improvements in Human Resources to provide better tracking, follow up, communication and training with regards to sick leave
  - d) Supporting employees who have a pattern of absences
  - e) Following up on potential abuse of sick leave when suspected
  - f) Ensuring that the Board is following the collective agreements and terms and conditions with regards to providing replacement coverage

# 2016-17 EXPENDITURE CHANGES

## Professional Development \$426,798

- Board spends what it receives professional development from the GSN
- Additional Education Program Other (EPO) funding for professional development through the Renewed Mathematics Strategy
- Throughout the year as additional EPO are received funds will be allocated to professional development



# 2016-17 EXPENDITURE CHANGES

## Repairs & Minor Renovations \$317,160

- Increase to reflect current maintenance spending
- Included as one component of the Multi-Year Capital Strategy





# 2016-17 EXPENDITURE CHANGES

## Computing Equipment (\$1,127,230)

- 2015-16 budget included \$1 Million in one time spending that did not carryover to 2016-17 school year



# 2016-17 EXPENDITURE CHANGES

## Transportation Services

**(\$795,787)**

- Actual transportation costs for 2015-16 are lower than budget. 2016-17 budget readjusted to reflect these lower costs
- Carrier rate increase per contract



# ***POSITIVE CULTURE & WELL-BEING***

***We will build student and staff well-being through positive climate strategies and supportive relationships***

Even though the Board is experiencing declining enrolment we have maintained our enhanced resources available to staff and student for:

- Resources for Mental Health
- Investment in Character Networks
- Alignment of Resources for Positive School Climate, and Community Engagement to ensure effective service is provided
- Increased number of Social Workers
- Increased number of Educational Assistants
- Total Attendance Support Program
- Return to Work and Return Accommodation
- Employee Assistance Program

# ***STUDENT LEARNING & ACHIEVEMENT***

## ***We will improve student learning and achievement through effective Instructional Strategies***

The board continues to support these instructional strategies in the 2016-17 budget:

- Investment in technology and professional development for Transforming Learning Everywhere (TLE)
- Commitment to K-1 strategy with primary reading intervention teachers and additional Early Childhood Educators
- Improving Mathematics – professional learning focused on our students in FDK to grade 1, grades 4-6 and secondary applied mathematics. Consists of cross panel training and use of technology to support learning. Additional math supports to be added to system through the Ministry Renewed Mathematics Strategy
- Continue to implement the Secondary Program Strategy Tier 3 and SHSM with resources and capital investment included in the 2016-17 Budget



# ***EFFECTIVE COMMUNICATION***

## ***We will improve our communication through comprehensive strategies***

The 2016-17 budget includes funding to improve communications with

- Parent Place (Parent Portal) connects parents to their child’s school online, anytime, anywhere. The services provided to parents include:
  - View grades and attendance
  - Pay for field trips or special days
  - Access important forms
  
- Conducting a communication audit in fall 2016 to provide an objective assessment of the effectiveness of current strategies by identifying strengths, weaknesses and communication gaps.

# SCHOOL RENEWAL

***We will optimize opportunities to invest in improved school facilities***

The 2016-17 budget includes \$64.7 million for expected capital expenditures and funding to improve our facilities per the Multi-Year Capital Strategy:

- Building new schools and renovating others that have been approved for either Ministry Capital Priorities, School Consolidation Capital and other Ministry Capital Grants
- Secondary and Elementary Facility Benchmark Projects, Secondary Program Strategy projects funded through annual Capital dollars and Proceeds of Disposition
- Annual School Renewal projects to address high and urgent needs in our system funded from the annual capital budget allocation

# ***PARTNERSHIPS***

- Alignment of Resources for Positive School Climate, and Community Engagement to ensure effective service is provided
- Review of Rental Rates for Community Use of Schools

# SUMMARY OF REVENUES & EXPENDITURES

	2016-17 Budget Estimates	2015-16 Revised Budget	Inc (Dec) Over 2015-16 Revised Budget	
<b>Revenues:</b>				
Grants for Student Needs	518,107,303	516,047,691	2,059,612	
Other Ministry Grants	6,334,508	6,131,658	202,850	
Other Revenue	5,224,395	4,458,028	766,367	
<b>Total Revenues</b>	<b>529,666,206</b>	<b>526,637,377</b>	<b>3,028,829</b>	<b>0.58%</b>
<b>Expenditures:</b>				
<b>Program Instruction:</b>				
Classroom Teachers	314,131,769	309,385,371	4,746,398	
System Principals, Consultants & Support	5,258,630	5,008,103	250,527	
Occasional Teachers	8,435,000	9,300,000	(865,000)	
Educational Assistants	30,117,194	29,772,191	345,003	
Early Childhood Educators	12,121,123	11,904,564	216,559	
Professional & Para-Professionals	16,516,296	16,253,901	262,395	
Class Texts, Instructional Supplies	16,608,078	17,110,190	(502,112)	
Instructional Computers	4,616,910	5,774,800	(1,157,890)	
Instructional Staff Development	3,502,969	3,036,971	465,998	
School Administration	33,155,884	33,155,918	(34)	
Continuing Education	4,534,747	4,262,697	272,050	
	448,998,600	444,964,706	4,033,894	0.91%
<b>Program Support:</b>				
Board Administration & Governance	13,140,701	13,309,677	(168,976)	
School Operations	50,116,414	50,162,994	(46,580)	
Transportation	15,410,491	16,200,000	(789,509)	
	78,667,606	79,672,671	(1,005,065)	(1.26%)
<b>Contingency</b>	2,000,000	2,000,000	-	
<b>Total Expenditures</b>	<b>529,666,206</b>	<b>526,637,377</b>	<b>3,028,829</b>	<b>0.58%</b>



# 2016-2017 CAPITAL BUDGET

	Expenditures		Funding Sources					
	Total Estimated Capital Budget	Capital Priorities	School Consolidation Capital	Full Day Kindergarten	Other Ministry	SRG and SCI	Proceeds of Disposition	Total Funding
<b>Construction in Progress</b>								
New North Secondary School	14,000,000	14,000,000						14,000,000
Nora F. Henderson Secondary School	4,000,000	4,000,000						4,000,000
Tiffany Hills Elementary School	1,000,000	1,000,000						1,000,000
Dalewood Elementary School Renovation	500,000	500,000						500,000
New Greenville Elementary School	500,000	500,000						500,000
New Beverly Elementary School	3,000,000	3,000,000						3,000,000
Franklin Road Elementary School	2,427,000		450,000	494,000	1,483,000			2,427,000
Ridgemount Elementary School	3,520,000		2,384,000	494,000		642,000		3,520,000
Pauline Johnson Elementary School	3,797,000		2,422,000	1,375,000		-		3,797,000
Secondary Facility Benchmark Projects	11,000,000					7,000,000	4,000,000	11,000,000
Elementary Facility Benchmark Projects	11,000,000					5,000,000	6,000,000	11,000,000
Secondary Program Strategy Projects	2,000,000						2,000,000	2,000,000
School Renewal Projects	8,000,000					8,000,000		8,000,000
<b>TOTAL</b>	<b>\$ 64,744,000</b>	<b>23,000,000</b>	<b>5,256,000</b>	<b>2,363,000</b>	<b>1,483,000</b>	<b>20,642,000</b>	<b>12,000,000</b>	<b>\$ 64,744,000</b>