



**HAMILTON-  
WENTWORTH**  
DISTRICT  
SCHOOL  
BOARD

**Finance and Facilities Committee**  
Thursday, May 12, 2016  
9:15 a.m. – 12:00 p.m.  
20 Education Court, 3rd Floor – Room 340D

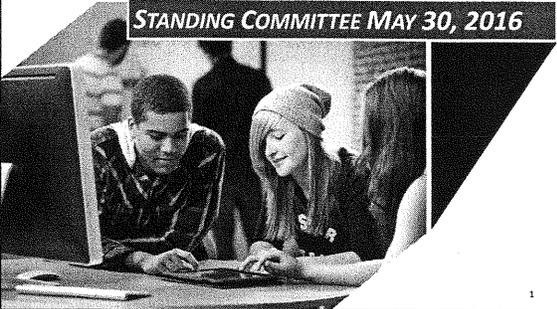
## **AGENDA**

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1. Call to Order
2. Agenda Review
3. **Action Items**
  - Nil
4. **Monitoring Items**
  - Update on 2015-16 School Consolidation Capital submission (verbal)
5. **Additional Items for Discussion**
  - Review of the 2016-17 Preliminary Operating Budget
  - Review of the 2016-17 Preliminary Capital Budget
6. Resolution Into Private Session as per the Education Act, Section 207.
  - (b) the disclosure of intimate, personal or financial information in respect of a member of the board or committee, an employee or prospective employee of the board or a pupil or his or her parent or guardian;
  - (d) decisions in respect of negotiations with employees of the board
7. Meeting resumes in Public Session
8. Any Other Business
9. Adjournment

**2016-17 BUDGET ESTIMATES**  
**STANDING COMMITTEE MAY 30, 2016**



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**AGENDA**

- Budget Development Process
- Enrolment
- Revenues and Expenditures
- Private Session Agenda
- Capital Budget



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**STATUS OF BUDGET DEVELOPMENT**

- Jan 25, 2016 - Board of Trustees - Approval of Key Parameters/Assumptions to Guide 2016-17 Budget Development
- Apr 13, 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 20, 2016 - Special Standing Committee - Review of 2016-17 Budget Estimates
- April 27, 2016 - SEAC - Review of Preliminary 2016-17 Special Education Budget
- June 5, 2016 - Board of Trustees - Approval of 2016-17 Budget Estimates



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**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



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**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*

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**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



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### 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

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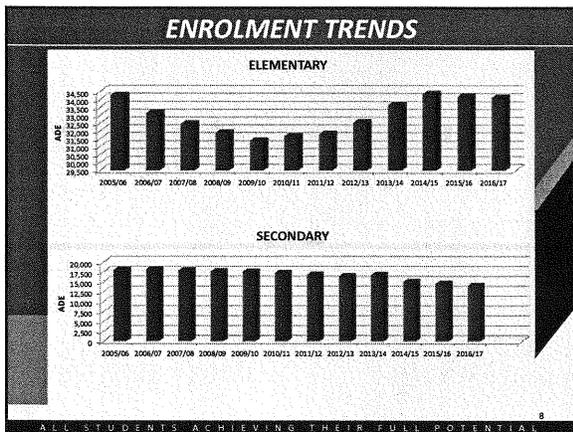
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### PROJECTED ENROLMENT

	2015-16 Revised Budget	2016-17 Budget Estimates	Increase (Decrease) ADE	Increase (Decrease) %
<b>Elementary</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	(51.00)	(8.72%)
<b>Total Elementary Enrolment</b>	<b>34,298.00</b>	<b>34,134.00</b>	<b>(164.00)</b>	<b>(0.48%)</b>
<b>Total Secondary Enrolment</b>				
	14,947.25	14,110.25	(837.00)	(5.60%)
<b>Total Enrolment</b>	<b>49,245.25</b>	<b>48,244.25</b>	<b>(1,001.00)</b>	<b>(2.03%)</b>

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## REVENUE

### Grants For Students Needs (GSN)

- 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

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

### Board Generated Revenue

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

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## 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>

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## 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

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**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



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**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



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**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



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**MARCH 24, 2016 GSN ANNOUNCEMENT**

**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



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**MARCH 24, 2016 GSN ANNOUNCEMENT**

**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



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**MARCH 24, 2016 GSN ANNOUNCEMENT**

**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

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**MARCH 24, 2016 GSN ANNOUNCEMENT**

**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

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**MARCH 24, 2016 GSN ANNOUNCEMENT**

**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



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**MARCH 24, 2016 GSN ANNOUNCEMENT**

**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

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### OTHER REVENUE

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



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### SUMMARY OF EXPENDITURES

	2016-17 Budget Estimate	2015-16 Revised Budget	Incr./Decr.) Over 2015-16 Revised Budget
<b>Remuneration</b>			
Salaries & Wages	\$ 363,732,557	378,182,270	5,549,713
Employee Benefits	65,261,723	64,354,866	(906,857)
Temporary Assistance	14,234,331	15,724,331	(1,500,000)
	<b>463,228,610</b>	<b>458,261,366</b>	<b>4,967,244</b>
			1.09%
<b>Consumables</b>			
Professional Development	3,642,769	3,215,971	426,798
Textbooks & Supplies	22,144,057	22,437,300	(293,243)
Energy	9,877,900	9,877,900	-
Repairs & Minor Renovations	3,500,000	3,202,840	297,160
Computing Equipment	1,020,516	2,147,746	(1,127,230)
Rentals	2,316,822	2,881,180	(564,358)
Fees & Contractual Services	6,412,477	6,594,339	(181,862)
Other Expense	875,894	815,387	60,507
	<b>48,810,832</b>	<b>50,973,293</b>	<b>(2,162,461)</b>
			(2.20%)
Transportation	14,827,061	15,422,848	(795,787)
			(5.16%)
Contingency	2,000,000	2,000,000	-
<b>Total Expenditures</b>	<b>\$ 529,686,206</b>	<b>\$29,637,277</b>	<b>3,028,929</b>
			0.58%

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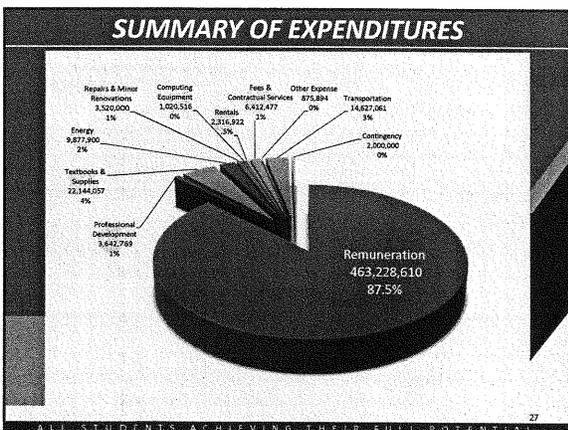
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**2016-17 EXPENDITURE CHANGES**

**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.

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**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

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**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

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**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



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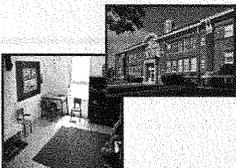
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**2016-17 EXPENDITURE CHANGES**

**Repairs & Minor Renovations \$317,160**

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



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**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



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**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



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**QUESTIONS**

Move into Private Session

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