

### Virtual Meeting Norms:

- All callers are to place themselves on mute
- Roll call is in place for attendance and for questions

The audio portion of this committee meeting will be made available on our website the day following the meeting.

### **AGENDA: 5:30-8:30**

1. Call to Order
2. Approval of the Agenda
3. Key Parameters and Assumptions to Guide 2021/2022 Budget Development
4. 2021/2022 Board Budget Priorities for Consultation Purposes
5. Interim Financial Report – November 30, 2020



## EXECUTIVE REPORT TO FINANCE AND FACILITIES COMMITTEE

**TO:** Finance and Facilities Committee

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

**DATE:** January 14, 2021

**PREPARED BY:** Stacey Zucker, Associate Director Support Services  
Denise Dawson, Senior Manager, Business Services

**RE:** **Key Parameters and Assumptions to Guide 2021/2022 Budget Development**

### Action x Monitoring

#### Recommended Action:

That the Key Parameters and Assumptions to guide the 2021/2022 Budget Development be approved.

#### Background:

In order to provide for the development of the 2021/2022 budget the following key steps and timelines have been identified:

- January Key Parameters/Assumptions to Guide Budget Development
- January Consultation on Budget Priorities to Guide the 2021/2022 Budget Development
- March Presentation of Results of Budget Priorities Public Consultation
- April School Based Staffing Recommendations
- Feb-May Executive Council and Finance and Facilities Committee develop/review budget
- May/June Public Finance and Facilities Committee Meeting and budget refinements to reflect new information if necessary
- By June 30 Approval of Budget

#### Preliminary Budget Assumptions:

##### Enrolment Projection:

	2020/2021 Revised Budget ADE	2021/2022 Projected Budget ADE	Increase (Decrease) ADE	Increase (Decrease) %
Elementary	35,295.00	36,455.00	1,160.00	3.3 %
Secondary	13,564.00	14,147.00	583.00	4.3 %
Total	48,859.00	50,602.00	1,743.00	3.6 %

The 2021/2022 preliminary enrolment projections are calculated based on historic enrolment trends and student retention rates on a school by school basis, and may be adjusted once the school principals provide validation and comment in early March 2021.

**Revenues:**

Grants for Student Needs (GSN) will be calculated to reflect a projected 0% change in the total grant base; subject to Ministry confirmation.

**Expenditures:**

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

**Allocation Parameters:**

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

**Conclusion:**

The identification of parameters and assumptions to guide the development of the 2021/2022 Budget are used to prepare the Preliminary Budget Scenario which is necessary for many staffing and expenditure decisions to be made in the next few months to prepare for a smooth startup of the 2021/2022 school year. As the budget development exercise continues, and key information including the 2021/2022 GSN funding announcement is provided, these parameters and assumptions will be reviewed and revised for inclusion in the final Budget to be approved by June 2021.



## EXECUTIVE REPORT TO BOARD

**TO:** Finance and Facilities Committee

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

**DATE:** January 14, 2021

**PREPARED BY:** Stacey Zucker, Associate Director of Support Services  
Denise Dawson, Senior Manager, Business Services

**RE:** **2021/2022 Board Budget Priorities for Consultation Purposes**

### Action                      x                      Monitoring

**Recommended Action:**

That 2021/22 Board Budget Priorities for Consultation Purposes be approved as:

- Improving Student Achievement
- Mental Health and Well-Being
- School Revitalization
- Special Education
- 21<sup>st</sup> Century Learning

**Background:**

The Finance and Facilities Committee has been assigned the responsibility for “Budget Planning and Development” of the annual budget. Finance and Facilities Committee reviewed the Budget Development Process and agreed that we will facilitate a consultation process on Board Budget Priorities and encourage greater internal stakeholder participation in the consultation process by connecting with more internal groups.

HWDSB sees the identification and finalization of Board Budget Priorities as a very important and foundational step in its Budget Development Process. Board stakeholders will be invited to comment on and provide input on the Board Budget Priorities approved by Finance and Facilities Committee.

**Staff Observation:**

The following four main benefits of public consultation have been identified:

- Improves the public’s understanding of issues and builds strong lines of communication.
- Helps the Board to become fully aware of the possible impact of a decision.
- Allows the Board to make informed educated decisions, considering the public’s views.
- Establishes a better environment for the implementation of decisions because people have been able to participate in the process and understand the reasons for the decision.

A Leading Budget Planning and Development Practice is to demonstrate that the annual budget is linked to strategic Board-approved goals and priorities. The identification of the Board's Budget Priorities will assist with the understanding of all Board stakeholders of the core programs and initiatives that the Annual Budget is designed to support. As a school board develops its budget it is helpful to establish a clear statement of the Board's Budget Priorities to ensure that decisions are influenced by these priorities.

**Conclusion:**

Our Board Priorities focus on Student Learning and Achievement through effective instructional strategies, building student and staff well-being through positive climate strategies, improving our communication through comprehensive strategies, investment in school renewal to improve school facilities and strengthening our collaboration with new and existing community partners to enhance opportunities for students.

The public consultation process is planned to begin on January 27, 2021 and will remain open until February 24, 2021. This end date will facilitate the sharing of consultation results with the Board of Trustees in March, 2021. Information in support of the consultation process is provided in Appendix A to this report.

**Attachments**

- Appendix A Preliminary Listing of Board Priorities for Consultation

# Hamilton-Wentworth District School Board Budget Priorities | 2021/2022

*Hamilton-Wentworth District School Board defines a priority as “initiatives and/or programs to which the board is committed to and would direct funds to if financially possible.” The following is a list of priorities that HWDSB is committed to for 2021/2022:*

Definition		Resources
<b>Special Education</b>  <i>Positive Culture &amp; Well-Being</i>  <i>Student Learning and Achievement</i>	<p>At HWDSB, we want to ensure that all of our students are learning. In consultation with families, our team of caring and dedicated professionals provide a continuum of special education supports and services for exceptional learners. Where possible, we feel that all learning needs should be addressed in a student’s home school. Our opportunities include regular class placement and support, as well as special class placement and support. Our Special Education Plan details how the resources allocated for special education are used to meet the needs of all exceptional students of the board.</p>	<a href="#"><u>Special Education Supports</u></a>  <a href="#"><u>Special Education Plan</u></a>
<b>Mental Health and Well-Being</b>  <i>Positive Culture &amp; Well-Being</i>	<p>Mental health affects us all – and has real impacts on our lives. At HWDSB, we are committed to supporting the mental health and well-being of all students and staff. We embrace Public Health Canada’s definition of positive mental health as:</p> <p><i>“the capacity of each and all of us to feel, think, and act in ways that enhance our ability to enjoy life and deal with the challenges we face. It is a positive sense of emotional and social well-being that respects the importance of culture, equity, social justice, interconnections and personal dignity.”</i></p>	<a href="#"><u>Mental Health and Well Being</u></a>  <a href="#"><u>Positive Culture &amp; Well-Being Report</u></a>

# Hamilton-Wentworth District School Board Budget Priorities | 2021/2022

	Definition	Resources
<b>Improving Student Achievement</b>  <i>Student Learning and Achievement</i>	<p>Our goal at HWDSB is to improve student learning and achievement through effective instructional strategies. These strategies include additional classroom resources, focused professional learning for educators and the establishment and continuation of key roles such as Reading Specialists and Math Facilitators who work directly with staff and students to respond to the learning needs of our students in these area of focus.</p> <p>Our three main areas of focus continue to be</p> <ul style="list-style-type: none"> <li>• <b>Reading</b> - At least 75 per cent of Grade 1 students achieving a B- or above on their June report card.</li> <li>• <b>Mathematics</b> – Narrowing the gap between HWDSB and the province for those students performing at or above the provincial standard on the junior (Grade 6) EQAO.</li> <li>• <b>Graduation</b> – Continue to increase the percentage of students who graduate within five years.</li> </ul>	<p><a href="#"><i>Student Learning &amp; Achievement Report</i></a></p> <p><a href="#"><i>HWDSB Annual Plan 2019-20</i></a></p>

# Hamilton-Wentworth District School Board Budget Priorities | 2021/2022

<b>21<sup>st</sup> Century Learning</b>  <i>Student Learning and Achievement</i>	<p>Our vision is that HWDSB graduates acquire the competencies and digital skills needed to successfully pursue a post-secondary pathway (apprenticeship, college, community, university, or the workplace) and find success in an ever-changing economy and society. Students will begin to develop 21st century competencies and digital skills from the first day of kindergarten through to secondary school graduation. To accomplish this, educators will provide students with developmentally appropriate learning experiences in virtual and physical environments from kindergarten to grade 12 that intentionally fosters 21st century competencies and digital skills.</p>	<p><a href="#"><u>HWDSB 21st Century Learning Strategy</u></a></p> <p><a href="#"><u>21st Century Learning Report</u></a></p>
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	Definition	Resources
<b>School Revitalization</b>  <i>School Renewal</i>	<p>Hamilton-Wentworth District School Board continuously strives to improve and maintain the best quality and conditions of its school facilities to support the learning environment for students and staff, and for the use of schools by the greater community. Our Capital Plan has mapped out how to get there over an eight-year period. This will provide students with improved learning environments to support student engagement in their learning, leading to improved student outcomes.</p>	<p><a href="#"><u>School Construction</u></a></p> <p><a href="#"><u>School Renewal Report</u></a></p>





## EXECUTIVE REPORT TO FINANCE AND FACILITIES COMMITTEE

**TO:** Finance and Facilities Committee

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

**DATE:** January 14, 2021

**PREPARED BY:** Stacey Zucker, Associate Director, Support Services  
Denise Dawson, Senior Manager Business Services

**RE:** **Interim Financial Status Report – November 30, 2020**

**Action                      Monitoring   x**

### Background:

The Interim Financial Status Report (Appendix A) consists of:

- Enrolment information, showing budgeted, forecasted and in-year change, in numeric and graph format, with explanations of key variances;
- Staffing information, showing budgeted, forecasted and in-year change, in numeric and graph format, with explanations of key variances;
- Financial information comparing the year-end forecast to the Budget, with explanations of key variances;
- Summarization of all information presented, in numeric and graph format, with explanations of key variances

The Interim Financial Status Report is prepared three times per year and presented to Finance and Facilities Committee for review. The key reporting dates are November 30, January 31 and March 31.

### Rationale/Benefits:

The Interim Financial Status Report presented is based on available information and assumptions as of November 30, 2020. Budget to actual trends were reviewed in order to forecast the Boards August 31, 2021 year-end position from a financial, staffing and enrolment perspective. The Interim Financial Status Report is prepared three times year and presented to Finance and Facilities Committee for review. The key reporting dates are November 30, January 31 and March 31.

### Staff Observation:

The Ministry of Education allocates funding to School Boards using a model that is based on enrolment and the needs of students in each board. Enrolment is based on two fixed-in-time Full-Time Equivalent (FTE) values at October 31<sup>st</sup> and March 31<sup>st</sup> which are combined to produce the annualized Average Daily Enrolment (ADE). For budget purposes, enrolment is projected based on historical trends, student retention rate, growth in housing development and validation by principals of their school's projected enrolment.

An estimated ADE of 37,009 elementary and 13,617.00 secondary students was used to develop the 2020-21 Budget Estimates for Grants for Student Needs (GSN) and to determine staffing levels and expenditures required in the system. October 31, 2020 actual enrolment is now available and has been used to revise the projected enrolment for the 2020-21 school year. The revised elementary enrolment is projected to be 1,714.00 ADE less than budget, while secondary revised enrolment is projected to be 53.00 ADE lower than budget.

The 2020-21 revised revenue budget shows an increase in projected revenue of \$10.9 million. This is the result of a decrease in Grants for Student Needs of \$14.0 million due primarily to the decrease in enrolment. This reduction to enrolment offset by a stabilization grant that was announced this year by the Ministry to compensate boards for their decline in enrolment. In addition, operating grants are over original budget due to additional funding received after the budget was passed through the release of the technical paper. This increase consists of additional revenue for supply teachers, special education and funding that was once PPF moving into the GSN. As well, the revised budget includes a decrease in miscellaneous revenue of \$287,000 due to no community use of school rental revenue of \$700,000 offset by an insurance premium refund of \$500,000 from OSBIE plus a reduction in international student revenue based on actual enrolment. Priority and Partnership Funding has increased by over \$7.6 million with the release of additional PPF's primarily for COVID 19 assistance to school boards.

Expenditures in the revised budget are over budget by \$16.8 million. This reflects the corresponding expenditures with the release of the additional Covid supports through PPF funding, increase in salary costs due to movement on the grid and additional expenditures associated with the increased GSN as a result of the release of the technical paper. As a result of COVID19, staff have included an additional \$5.3 million in replacement costs in the revised budget based on experience to date. In the 2019-20 year-end process \$4 million was set aside in the reserves for specific purposes that will be spent in 2020-21. These include the carry forward of unspent school budgets that have been allocated to the schools to spend this year, leasing costs for Ipads for remote learning, plus money set aside for moving and transitions for the new schools opening in 2020-21. To help offset some of the projected increases in expenditures, staff made reductions to other expenditures including the reduction of transitional educational assistants, decreases in school budgets, savings in board administration and facilities management and a reduction in professional development and other consumables of the board.

### **Conclusion:**

As the Financial Status Report in Appendix A shows, the Board is in deficit of \$5.9 million. At this point, the contingency is unspent and is projected to remain intact until the end of the year. As with all forecasts, as new information is received or as assumptions change, the resulting Interim Financial Reports will be updated accordingly.

Hamilton-Wentworth District School Board  
Interim Financial Report - Based on Information as of November 30, 2020  
For the Period Ending August 31, 2021

Summary of Financial Results					
	Budget Estimates	Revised Budget	Forecast	In-Year Change \$	%
<b>Revenues</b>					
Operating Grants	578,716,045	582,249,702	582,249,702	3,533,657	0.6%
Capital & Debt	105,864,274	105,864,274	105,864,274	-	-
Priority & Partnership Funding	2,353,729	10,003,842	10,003,842	7,650,113	
Other Revenue	5,974,282	5,687,282	5,687,282	(287,000)	(5.0%)
<b>Total Revenues</b>	<b>692,908,330</b>	<b>703,805,100</b>	<b>703,805,100</b>	<b>10,896,770</b>	<b>1.5%</b>
<b>Expenditures</b>					
Classroom	498,882,661	511,712,815	511,712,815	12,830,154	2.5%
Other Operating	14,188,441	13,993,869	13,993,869	(194,572)	
Transportation	17,977,245	18,863,512	18,863,512	886,267	
Pupil Accommodation	160,859,983	162,187,393	162,187,393	1,327,410	0.8%
Transitions Allocation	-	1,000,000	1,000,000	1,000,000	100.0%
Other	1,000,000	1,960,000	1,960,000	960,000	49.0%
<b>Total Expenditures</b>	<b>692,908,330</b>	<b>709,717,588</b>	<b>709,717,588</b>	<b>16,809,258</b>	<b>2.4%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>(5,912,488)</b>	<b>(5,912,488)</b>	<b>(5,912,488)</b>	<b>(0.8%)</b>

**Change in Revenue**

Operating Grants have been increased due to additional funding received for COVID 19 for technology and Mental Health, changes in teachers Q&E based on where the teachers were placed on the grid and additional GSN money received with the technical paper for supply teachers, and PPFs moving into the GSN. Priority and Partnership Funding has increased with the release of COVID 19 funding.

**Change in Expenditures**

Expenditures are over budget by \$16.8 m due to additional COVID funding allocated to the expenditures based on allocated use, increase in salaries for teachers due to placement of on the grid, additional grant revenue received with the technical paper, additional supply cost expenditures projected due to COVID 19 and usage to date.

**Change in Surplus/Deficit**

There is a projected deficit of \$5.9m at this point in time however the budget contingency is still in tact

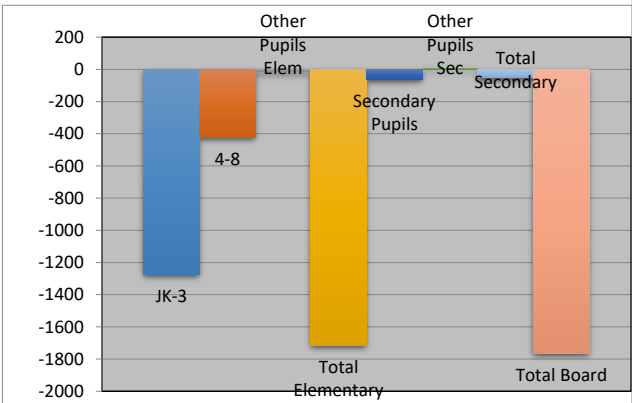
**Risk Assessment and Recommendations**

We will continue to monitor the assumptions and information used in compiling this forecast and we will revise the forecast as necessary.

NOTE: Budget to actual trends were reviewed in order to forecast August 31st year-end position. As with all forecasts, as information or assumptions change, this information will be updated accordingly.

Summary of Enrolment				
A	Budget	Forecast	Increase (Decrease)	
			#	%
<b>Elementary</b>				
JK-3	18,365.00	17,089.00	(1,276.00)	(6.9%)
4-8	18,623.00	18,199.00	(424.00)	(2.3%)
Other Pupils	21.00	7.00	(14.00)	(66.7%)
<b>Total Elementary</b>	<b>37,009.00</b>	<b>35,295.00</b>	<b>(1,714.00)</b>	<b>(4.6%)</b>
<b>Secondary &lt;21</b>				
Pupils of the Board	13,480.00	13,419.00	(61.00)	(0.5%)
Other Pupils	137.00	145.00	8.00	5.8%
<b>Total Secondary</b>	<b>13,617.00</b>	<b>13,564.00</b>	<b>(53.00)</b>	<b>(0.4%)</b>
<b>Total</b>	<b>50,626.00</b>	<b>48,859.00</b>	<b>(1,767.00)</b>	<b>(3.5%)</b>

Changes in Enrolment: Budget versus Forecast

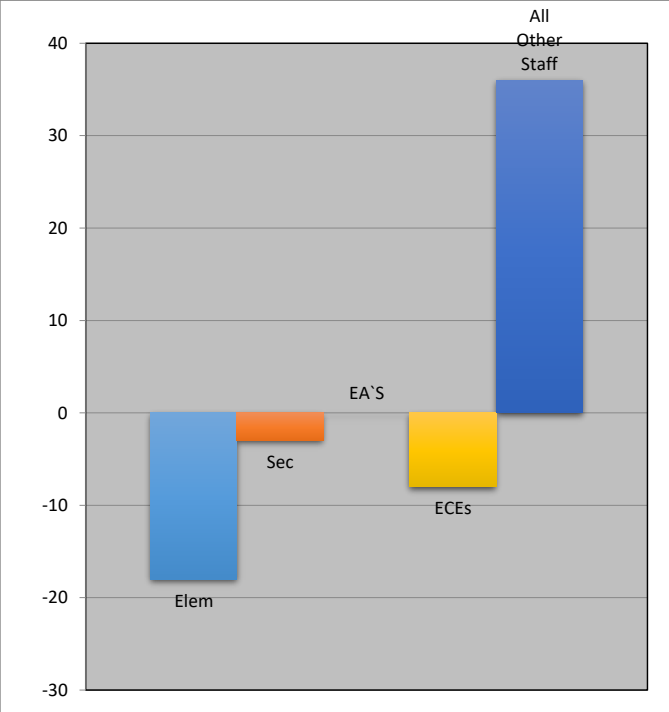


**Highlights of Changes in Enrolment:**

Due to the COVID19 pandemic, there are been a significant reduction in enrolment of 1,714.00 FTE for the Elementary Schools. This reduction includes over 1,000 Full Day Kindergarten Students or 14.3%, as attendance at school is not mandatory. In the other divisions the reduction in students is also significant at about 2% from projections. In addition, there has been a large increase in requests by families and students for homeschooling with 557 new students approved at the end of October. Secondary enrolment is projected to be 53 ADE below projections as well

Summary of Staffing					
Full-Time Equivalent	Budget	Actual Nov 30, 2020	Forecast	Increase (Decrease)	
				#	%
<b>Program Instruction</b>					
Program Instruction	4,707.50	4,703.70	4,691.53	-15.97	-0.3%
Program Support	559.75	583.75	583.75	24.00	4.3%
Capital	7.00	7.00	7.00	0.00	0.0%
<b>Total</b>	<b>5,274.25</b>	<b>5,294.45</b>	<b>5,282.28</b>	<b>8.03</b>	<b>0.2%</b>

Changes in Staffing: Budget versus Forecast



**Highlights of Changes in Staffing:**

Elementary teachers reflect a decrease of 18.0 ADE from budget due to the reduction of students, offset by the reduction in class size to allow for social distancing in our classrooms. Secondary teachers reflect a decrease of 3.0 ADE due to enrolment decline. Early Childhood Educators reflect a decrease of 8.0 ADE from budget due to the reduction in enrolment, offset by the additional classes needed to allow for distancing in FDK classes. Board Administration, School Operations and Paraprofessionals have additional staff hired as a result of additional Ministry Covid funding.