

Budget Consultation

2026-2027 School Year



The HDSB has a \$7.1 million deficit in the current school year, which must be eliminated in the 2026-2027 school year. At the same time, the HDSB has been experiencing declining student enrolment. Because enrolment is the main driver of funding, fewer students results in less funding across all allocations. Provincial regulations require the HDSB to balance the budget in the 2026-2027 school year. This means the HDSB must eliminate the existing \$7.1 million deficit and identify additional

reductions to address continued enrolment decline. As a result, the 2026-2027 budget development process will be challenging and will require reductions across all areas of the school board, affecting both staffing and non-staffing budgets.

As the HDSB is planning to develop a balanced budget and eliminate this deficit, **we need your input to help us understand what your areas of priority are and how we can minimize impact while achieving our financial goals.**

\$963.4 million (Revenue) - \$970.5 million (Expenses) = \$7.1 million (Deficit)

Regulatory Constraints

All Ontario school boards receive most of their funding from the Ministry of Education through "Core Education Funding". The majority of this funding is restricted, with specific rules for class sizes and staffing ratios. The remaining funding is allocated by the Ministry for specific purposes. This includes funding for areas such as special education, student mental health and well-being, Indigenous education, transportation, temporary accommodations and capital projects.

- **92 elementary schools**
- **16 secondary schools**
- **5 continuing education centres**
- **45,066 elementary students**
- **20,149 secondary students**
- **6,664 full-time staff**

Budget Pressures

The most significant underfunded areas compared to current needs include:



Supply staffing costs (teachers, early childhood educators and educational assistants)



Special education



Student mental health and well-being



Workplace Safety and Insurance Board (WSIB) Claim costs



Learning resources, technology and IT infrastructure



Temporary accommodations (portables/temporary learning spaces)

Funding Pressures

Over the last few years, the following changes to how education is funded have resulted in less revenue:

- Funding for special education has been reallocated provincially, with HDSB losing approx. \$20M
- Top-up funding for school operations has been removed, resulting in \$2.6M in lost funding for HDSB
- Federally mandated enhancements to the Canadian Pension Plan (CPP)/Employment Insurance (EI), which are not funded provincially, have caused increased costs of \$6M for HDSB
- Inflation pressures and increased market costs are not reflected in the funding, with costs of contracted goods and services increased by 10-30%

Other Revenue Pressures

As a result of aging neighbourhoods combined with a slowed pace of growth in new development areas in Halton, student enrolment is forecasted to continue to decline next school year resulting in decreased funding. In previous years, the HDSB has been able to balance the budget through other revenues (e.g. facility rental fees, international student fees, investment income) however this is no longer sufficient.

Learn more - Public Information Session

The HDSB is developing the 2026-2027 budget and requests public input to guide decision-making. **Join a virtual Public Information Session on Monday, Jan. 19, 2026 at 7 p.m.** to learn more about how the HDSB is funded, how resources are allocated and how you can provide feedback. We invite you to review the financial information provided for the 2025-2026 school year budget and submit questions ahead of the Public Information Session at hdsb.ca. An opportunity to submit feedback will be shared following the session.