

January 31, 2020

Andrew Davis
Assistant Deputy Minister
Ministry of Education
Education Labour and Finance Division

Re: 2020-21 Education Funding Feedback

Dear Mr. Davis,

On January 22, 2020, the Board of Trustees of the Halton District School Board (HDSB) discussed the Ministry memo requesting feedback for 2020-21 Education Funding. As a result, the following motion was adopted unanimously:

“Be it resolved that the Chair write a letter on behalf of the Board of Trustees of the Halton District School Board as a response to the January 13, 2020 Ministry of Education memo, “2020-2021 Education Funding Feedback” to provide a school board governance perspective on this topic.”

Below you will find our feedback, which will be useful in developing a funding approach that will support Trustees in their work to ensure the delivery of outstanding education for all students. In addition, we have included a number of ideas for increasing efficiencies, as requested in the Ministry's correspondence. Below you will find our key concerns.

Overall Funding Observations

- The HDSB has had to absorb the cost of growth and inflation and received no new money. Although the Ministry of Education projected that HDSB would receive \$1.4 M more than last year in funding than in the year before, once HDSB staff inserted actual numbers (an increase of over 1000 students) into the Ministry template, the HDSB received \$1.5M less than last year. In previous years, due to enrollment growth, the HDSB received up to \$25M more in year over year funding. The overall reduction swing is over \$20M (no growth \$ + funding decrease). It is difficult to absorb costs that are largely out of the HDSB control, such as inflationary costs (heating, for example). Most operating costs are prescribed by decisions made at the central table. For example, 80% of HDSB budget is for salaries, about 10% is for maintenance of facilities, 3% related

to school generated funds and 2% transportation. Most of the staffing costs are prescribed by class sizes or staffing ratios. There are also funding restrictions (enveloping) which dictate the allocation of some of the funding. Of the operating costs, most of those are dictated by the market and inflation. As a result, there is very little flexibility over budget decisions within a school board.

- Tfor Special Education increasing needs in schools and decreasing funds elsewhere in the budget. This year, the HDSB Special Education deficit was approximately \$19M.
- The trustees request that the Ministry review the temporary accommodation funding. Increasing use of portables in our high growth areas creates challenges in funding. As one of the fastest growing boards in the Province, accommodation pressures produce unique and expensive burdens on our system. In these areas students are placed in interim holding schools wherever space is available, often splitting neighbourhoods and even siblings across different schools. The funding is capped provincially and does not bridge the gap to when new schools open.
- Trustees request that the Education Development Charge(EDC) renewal process be streamlined to ensure that an EDC levy is in place at all times and that this levy is adjusted annually to adequately reflect the costs of purchasing and preparing land for new school builds. The HDSB EDC Bylaw levy restrictions imposed by the Province are grossly inadequate for funding the land and land-preparation costs in Halton. As the Board proceeded through the standard Bylaw renewal process in the spring/summer of 2018, the province placed a moratorium on EDC Bylaw renewals which resulted in the expiry of the original HDSB Bylaw and leave a gap before the new bylaw was able to be enacted. Developers continued to register projects without having to pay the EDC levies resulting in the HDSB losing millions of dollars during that time frame. The HDSB is unable to remedy the losses and continues to grow an associated EDC deficit due to the inappropriately low levy rates and EDC associated debt servicing charges.

Efficiency Measure Suggestions

- Trustees suggest standardizing the annual timing of the priorities process and, once approval is received, permitting boards to manage the entire project lifecycle without multiple and lengthy additional approvals. This change would reduce workload for Ministry staff and allow for a more streamlined building process, saving time and money. Our staff are experts in managing construction projects, and most often deliver projects on time and under budget. Delays due to the lack of a timely, consistent and transparent capital priorities submission process and an arduous, repetitive approval process increases pressure on our budget and staff resources as well as undermines public confidence in our system.
- Changes that appear seemingly out-of-the-blue cause us to have to go back and revise budgets that have already gone through a rigorous development process. It is suggested that there be a “protection window” established, after which time Ministry will not make changes that affect a

current budget cycle. Many provincially-mandated changes have been announced with little advance notice or consultation. One example is last year's unexpected, and therefore unbudgeted, "claw back" by the province to international student fees totalling \$1,300 per student, resulting in a net reduction of over \$700,000 to the HDSB. In the second year of this provincial fee, these costs have been passed on to international students through a raise in fees. Fees, however, are subject to formula caps, so ongoing increases are restricted.

- Similar to the above suggestion, a "protection window" after which time no profound changes will be imposed for an upcoming school year, would lead to greater efficiencies in our system. As many Ministry changes involve staffing changes which, in turn, affects budgeting, the HDSB as an organization is keen to provide input/data before are made to avoid being put in a costly reactionary situation. As an example, grade 8-11 and some grade 12 students are currently making course selections for next September with timetable building and staffing following closely behind during the month of February. Changes such as mandatory e-learning and classroom size impact the decisions being made in school boards right now as they make organizational preparations for September 2020.

In general, the centralization of decision making, and the introduction of unexpected changes, reduces efficiencies and the effectiveness of locally elected officials and the staff who are experts in their respective fields. Creating stability and surety in the system by adhering to regular timelines for major decision making cycles (staffing, budget, capital priorities) , and reducing multiple, onerous check-in processes following Ministry approvals will still ensure accountability, and will help us to support all students in the most effective and efficient way possible.

In conclusion, the Trustees of the Halton District School Board ask the Ministry to seek to understand the impacts of potential staffing and budgetary changes through partners like OPSBA, PCODE, COSBO, etc. before implementation to allow boards to proactively plan for changes rather than react to them.

The Trustees of the Halton District School Board sincerely thank you for this opportunity to comment and appreciate the efforts being made by Ministry staff to seek red-tape-type efficiencies working with school boards.

Best regards,



Andréa Grebenc
Chair of the Board of Trustees
Halton District School Board

Cc: Stephen Lecce, Minister of Education
Ted Arnott, MPP
Stephen Crawford, MPP
Parm Gill, MPP
Jane McKenna, MPP
Effie Triantafilopoulos, MPP
Ontario Public School Board Association
HDSB Board of Trustees
Stuart Miller, Director of Education, HDSB
HDSB School Councils
HDSB PIC
HDSB SEAC