

Halton District School Board

Report Number: 21022

Date: January 29, 2021

FOR INFORMATION

TO: The Chair and Members of the Halton District School Board

FROM: R. Negoi, Superintendent of Business Services and Treasurer
S. Miller, Director of Education

RE: **2021/2022 Budget Development**

Background

This report is intended to present the 2021/2022 Budget Development Schedule and the Board's Budget Objectives.

Reporting

The fiscal year for all School Boards in Ontario is in alignment with the school year and runs from September 1 to August 31. According to Ministry of Education reporting and accountability requirements, a School Board's budget must be submitted to the Ministry by the end of June preceding the start of the fiscal year in question. Consequently, the 2021/2022 budget must be submitted prior to the end of June 2021.

Provincial Perspective

The COVID-19 pandemic has portrayed a challenging landscape for the education sector, resulting in three education models, in person, virtual and hybrid. Throughout the course of the current year, the ongoing collaboration of the education sector, Trustee Associations and the Ministry of Education, in consultation with public health, has resulted in many investments into the sector to address the increasing cost pressures of school boards.

Throughout 2020/2021, additional funding has been provided to school boards, both by the Provincial and Federal governments, to assist with the hiring of additional staff to reduce class sizes in areas of need, support virtual schools, enhance cleaning and disinfection of schools, improve ventilation, and provide much needed technology and personal protective equipment (PPE). In addition to increasing operating costs, additional staffing, technology and PPE, school boards across the province have experienced decreased enrolment and more notably at the entry grades (kindergarten). Other factors contributing to reduced growth include an increase in homeschooling, decrease in international students and lower levels of immigration.

Planning for 2021/2022 is going to be challenging and full of unknowns. The Ministry of Education is planning for a normal year in terms of funding, with additional information to be provided to the sector, in consultation with public health experts. School boards thus need to have a contingency plan for staffing and budgeting, in the event that both in person and virtual learning continues. It is also difficult to determine the enrolment projections and pupil accommodation pressures, without a clear direction on learning models.

On December 3, 2020, the Ministry released the [2021/2022 Education Funding Consultation Guide](#), soliciting input into the budgeting process. This year's guide focuses on areas around the COVID-19 outbreak response, reducing administrative burden and red tape, the school board administration and governance grant, census data and secondary class size compliance. The Superintendent of Business Services participated in the development of the Council of Senior Business Officials (COSBO) education funding submission, which considered input from all school boards, as well as the Trustee Associations. The submission can be accessed through this [link](#).

Revenue – Grants for Student Needs (GSN)

The Ministry of Education allocates funding to school boards using a model referred to as Grants for Student Needs (GSN) that is based on enrolment and the needs of students in each board. In

Halton District School Board

2020/2021, the HDSB projected to receive 91.4% (approximately \$737.3 million) of total operating revenue from GSN funding. Specific funding allocation details are normally provided to Boards following the provincial budget. In the past few years, this information has been made available in late March or early April, although for the current year, the GSN announcement was delayed until June. The timing of these funding announcements present challenges for boards in the province given that certain major decisions such as staffing need to be made in advance of final budget discussions.

The information from the Education Funding consultation may influence the direction of the GSN, however it is expected that overall, the grants will remain consistent to the current year, with some adjustments for online learning and any updates based on census data, should that be contemplated. The impact of the pandemic on immigration levels and migration into the Halton region will have a negative impact on the language grant allocation, while lower enrolment growth, expected to continue into next year, will reduce the overall funding level. Outside of the GSN, rental revenues and community use of schools are anticipated to continue to be impacted.

Board Perspective

Objectives of Budget Development Process

The key objective of the Budget Development Process is to align the allocation of resources with the annual Operational Plan of the Board, the 2020-2024 Multi-Year Plan, and the Special Education Plan; identify school-based staffing requirements; identify budget challenges and opportunities; and gather input from the various stakeholder groups. The budget development process also considers the corporate risk profile in determining the allocation of resources.

The 2021/2022 budget timelines are attached to this report. A survey will be developed in February, seeking input into the upcoming budget process. Results will be presented to the Board of Trustees during April. A budget presentation will be scheduled during April 2021 at the Committee of the Whole meeting, with a draft budget proposed for May 2021. The final budget will be presented to the Board for final approval in June 2021.

Multi-Year Plan 2020-2024 and Operational Plan

The 2020-2024 Multi Year Plan (report number 20107) was presented for approval to the Board of Trustees on November 4, 2020. The new strategic plan focuses on equity and inclusion, mental health and well-being, learning and achievement, environmental leadership and Indigenous perspectives and awareness. The 2021/2022 Operational Plan and Special Education Plan will be developed and approved in June 2021, and will build on the current year plans. The budget development process will align the allocation of resources in order to support these plans.

Enrolment

The Halton District School Board is projected to continue to grow by 309 Average Daily Enrolment (ADE) or 0.5% into 2021/2022, as compared to 2020/2021 Revised Budget Estimates, however the overall enrolment projected is lower than the original projection for 2020/2021, as a direct result of the COVID-19 pandemic. The growth over the current year is expected to occur at the secondary panel, which will continue to put pressure on temporary accommodations for students in Milton and north Oakville.

Rationale:

The Halton District School Board has always been financially responsible with a clear focus on providing the system with the resources and supports necessary to champion inclusive and equitable practices, strengthen safe environments, create learning conditions for all, promote knowledge and understanding of Indigenous perspectives and take action for a sustainable world.

Respectfully submitted,

*R. Negoj, Superintendent of Business and Treasurer
S. Miller, Director of Education*

Halton District School Board

Timelines for 2021/2022 Budget Development

December 2020/January 2021

Education Funding Consultations

- Provide feedback to senior administration and include in the next Board report
- Collaborating with COSBO on GSN Consultation submission

Administrative Council budget planning meeting

February 2021

Administrative Council budget discussions continue

Senior Staff budget meetings

- Individual meetings with budget owners
- Identifying gaps and priorities
- Review corporate risk profile and align to resource allocation

Budget Development Report

- Budget objectives, schedule, funding, consultation, review of budget assumptions

Budget Survey

- Deploy online budget survey
- Staff budget meetings
- Trustee input

March/April 2021

Administrative Council meetings to form recommendations

Trustee Budget Meeting(s)

- Discussion re: Alignment of Financial Resources
 - Multi-Year Plan
 - Annual Operational Plan
 - Special Education Plan
 - Corporate Risk Profile
- Review of Budget Parameters
 - Preliminary Enrolment
 - Revenue Assumptions
 - Expenditure Assumptions
 - Review ratified agreements implications
 - Review details of 2021/2022 GSN
 - Overview of Grant Revenue Calculation (based on GSN release)
 - Review Expenditures to ensure alignment with GSN
 - Discuss restraint measures if required
- Review of Accountability and Reporting Requirements
- Review Trustee Issues/Input
- Review Stakeholder Input
- Presentation/review with SEAC

May/June 2021

Trustee Budget Meeting(s)

- Review of draft budget
- Review Administrative Council recommendations
- Update on Trustee Input
- Update on Stakeholder Input
- Update on Communication Plan
- Continue to discuss restraint measures if required

Board Meeting

- Budget finalized