

# **Committee of the Whole Budget**

## **2015-2016 Budget**

**10 February 2015**



**OTTAWA-CARLETON**  
DISTRICT SCHOOL BOARD



# A Community of Character

**ACCEPTANCE:** I reach out to include others. I accept others for who they are.

I am gentle with myself and others when mistakes are made.

**APPRECIATION:** I am grateful for all that I have. I am thankful for the support that others give me. I am generous in recognizing the contributions of others.

**COOPERATION:** I work with others to make a peaceful community. I am willing to listen to others' ideas and suggestions. I compromise and negotiate to solve problems and differences of opinion.

**EMPATHY:** I am compassionate, caring, and kind. I am a true friend. I will walk in your shoes in order to understand you. I am slow to judge and quick to forgive.

**FAIRNESS:** I make decisions based upon the whole picture. I treat others the way I would like to be treated. I am just.



**INTEGRITY:** I behave ethically and honourably. I am honest, loyal, and trustworthy. I am truthful and courageous. I stand up for what is right even when it is hard. I am a person of my word and people who know me understand that.

**OPTIMISM:** I believe that challenges are opportunities. I choose to see goodness. I have hope for our future.

**PERSEVERANCE:** I will work hard and I will not give up. I will finish what I begin and I will not give up. I will care enough and I will not give up.

**RESPECT:** I honour myself and others through my words and actions. I support our diversity of beliefs. I treat our world and everything in it with dignity.

**RESPONSIBILITY:** I am accountable for the decisions I make. I realize that my decisions impact my community. I honour my commitments.

Educating for Success —  
Inspiring Learning and Building Citizenship



# Tonight's Meeting

- **Staff is looking for input from Committee members**
- **Background information will be provided by staff to assist Committee**
- **Chair will offer an opportunity for Committee members to provide input with respect to their view of District priorities for 2015-2016**



# Purpose of a Budget

- **A budget is:**
  - **a statement of priorities**
  - **an operating plan**
  - **a financial control tool**

# 2015-2016 Budget Process

## Context for the District's budget:

- **Provincial outlook**
- **OCDSB financial overview**
- **Local budget pressures**
- **Preliminary assumptions**
- **Community consultation**
- **Key dates**



# Provincial Deficit

- **2013-2014 Ontario deficit was \$10.5 billion**
- **2014-2015 deficit projected to be \$12.5 billion**
- **Deficit targets identified in the 2014-2015 Budget**
  - **2015-2016 - \$8.9 billion**
  - **2016-2017 - \$5.3 billion**
- **Continued focus on eliminating the deficit by 2017-2018**

Source: 2014 Ontario Economic Outlook and Fiscal Review / 2014-2015 Ontario Budget

# Compliance Financial Results

## Comparative Summary of Net Results and Accumulated Surplus

(\$ in millions)

School Year	Net Actual \$	Net Budget \$	Change \$	Accumulated Surplus (YE) \$
2010-11	9.4	(6.4)	15.8	36.6
2011-12	9.4	(6.6)	16.0	46.0
2012-13	(0.2)	(6.7)	6.5	45.8
2013-14	(11.8)	(14.3)	2.5	34.0
2014-15*	(16.8)	(17.2)	0.4	17.2

\* 2014-15 net actual is a projection based on 2014-15 Revised Estimates



# Compliance Accumulated Surplus

(\$ in millions)

as at 31 August	Projected 2015 \$	Actual 2014 \$	Change \$
<b><u>Available for Compliance</u></b>			
<b>Appropriated</b>			
<b>Gratuities/WSIB Liabilities</b>	4.3	8.6	(4.3)
<b>Supplies and Equipment</b>	3.6	4.0	(0.4)
<b>Committed Capital</b>	7.8	8.1	(0.3)
<b>Total Appropriated</b>	15.7	20.7	(5.0)
<b>Unappropriated</b>	1.5	13.3	(11.8)
<b>Total</b>	17.2	34.0	(16.8)

*Projected is based on 2014-15 Revised Estimates*





# Compliance Financial Results

## Comparative Summary of Revenues and Expenses for the year ended 31 August 2015 (\$ in millions)

	<b>Approved Budget</b> \$	<b>Revised Estimates</b> \$	<b>Change</b> Increase (decrease) \$	<b>Change</b> Increase (decrease) %
<b>Revenues</b>	<b>842.7</b>	<b>848.4</b>	<b>5.7</b>	<b>0.7</b>
<b>Expenses</b>	<b>859.9</b>	<b>865.2</b>	<b>5.3</b>	<b>0.6</b>
<b>Deficit</b>	<b>(17.2)</b>	<b>(16.8)</b>	<b>0.4</b>	<b>(2.2)</b>



# Compliance Financial Results

## 2014-2015 Comparative Revenues

(\$ millions)

	Approved Budget	Revised Estimates	Change Increase (Decrease)
<b>Operating Grants</b>			
Pupil Foundation	373.1	374.7	1.6
School Foundation	48.6	48.9	0.3
Special Purpose	342.6	343.8	1.2
<b>Total Operating Grants</b>	<b>764.3</b>	<b>767.4</b>	<b>3.1</b>
Deferred Capital	33.6	33.8	0.2
Other Revenues	44.8	47.2	2.4
<b>Total Revenues</b>	<b>842.7</b>	<b>848.4</b>	<b>5.7</b>



# Financial Overview

## 2014-2015 Comparative Expenses

(\$ millions)

(Expenses slide 1 of 2)	Approved Budget	Revised Estimates	Change Increase (Decrease)
<b>By Funding Envelope</b>			
Instruction	628.3	632.9	4.6
Continuing Education	9.7	9.7	-
Transportation	45.1	45.4	0.3
Facilities	93.6	93.7	0.1
Central Administration	20.3	20.3	-
<b>Sub-total</b>	<b>797.0</b>	<b>802.0</b>	<b>5.0</b>



# Financial Overview

## 2014-2015 Comparative Expenses

(\$ millions)

<b>(Expenses slide 2 of 2)</b>	<b>Approved Budget</b>	<b>Revised Estimates</b>	<b>Change Increase (Decrease)</b>
<b>Other Expenditures</b>			
<b>Debt Repayment</b>	<b>10.0</b>	<b>10.0</b>	<b>-</b>
<b>Amortization</b>	<b>35.3</b>	<b>35.6</b>	<b>0.3</b>
<b>Staff on Loan</b>	<b>6.5</b>	<b>6.5</b>	<b>-</b>
<b>Extended Day/Child Care</b>	<b>11.1</b>	<b>11.1</b>	<b>-</b>
<b>Sub-total</b>	<b>62.9</b>	<b>63.2</b>	<b>0.3</b>
<b>Total Expenses</b>	<b>859.9</b>	<b>865.2</b>	<b>5.3</b>



# Financial Overview

## 2014-2015 Enveloping – Revised Estimates

(\$ millions)

Envelope	Expenses	Revenues	Shortfall
Instruction	525.1	525.7	0.6
Special Education	107.8	102.7	(5.1)
Continuing Education	9.7	12.3	2.6
Transportation	45.4	38.1	(7.3)
Facilities	93.7	88.1	(5.6)
Central Administration	20.3	20.3	-
Amortization	35.6	33.8	(1.8)
EDP and Financing	27.6	27.4	(0.2)
Total	865.2	848.4	(16.8)



# Budget Challenges

## Realities:

- **Restrained provincial spending**
- **Ministry priorities influence District spending**
- **Mandated staffing ratios and initiatives**
- **District infrastructure continues to age**
- **Inflationary costs are a reality**
- **Reduced access to accumulated surplus**

# Preliminary Assumptions

- **Alignment of strategic priorities and budget**
- **Slightly reduced enrolment in grades 1 to 12 (about 200 ADE)**
- **Ministry funding is stable or declining**
- **Identify efficiencies in existing programs**
- **Exercise caution in recommending new expenditures**
- **Use of reserves to balance budget within Ministry imposed constraints**

# Community Consultation

- **Community consultation during February and March**
- **Background information will be available to assist with the understanding of education funding and the budget process**
- **Leverage electronic and traditional communications methods**



# Key Dates

<b>10 February</b>	<b>Budget process discussion</b>
<b>1 April</b>	<b>Memo re GSN announcement</b>
<b>12 May</b>	<b>Presentation of staff recommended Budget</b>
<b>25 May</b>	<b>Delegations</b>
<b>1 June</b>	<b>Delegations (if required) / Budget debate</b>
<b>8 June</b>	<b>Budget debate (if required)</b>
<b>15 June</b>	<b>Budget debate (if required)</b>
<b>22 June</b>	<b>Budget Approval (Board meeting)</b>

# Committee Consultation

- **What do you see as priorities that need to be addressed in this budget?**
- **Are there areas of opportunity for expenditure reductions that you have considered?**
- **What additional information will be helpful as we proceed?**

