

Budget Process

We are in the budget development stage. A staff-recommended budget will be presented to the Budget Committee in May and it is expected that the Board will approve a final budget in early June 2012.

In February and March, we are seeking input from the community about our budget, opportunities for investment and ideas about where we might find efficiencies. We would like to receive input by March 31, 2012. This will allow us to use the community input in the development of the budget.

The February/March timeframe is also when we have to make decisions about academic staffing. We are contractually obligated to finalize our academic staffing for next year by the end of March. This means that we make a large part of budget decisions, those related to academic staffing, based on projected enrolment and projected revenue. Once the academic staffing is approved there is less flexibility in the remaining 40% of the budget.

In late March or early April, we expect to receive detailed information about our grant revenue for next year. Once we have this information, we can develop the final budget proposal which is presented in May.

Getting Your Input

Community input to the budget process is important. As parents, students, partners, community members or employees, you bring a unique perspective to our work. We invite you to share your ideas as they relate to your school, your committee or department, or to the district as a whole. Please think about our strategic priorities and consider the following questions:

1. Can you identify three opportunities for investment that would support student achievement and well-being at the OCDSB?
2. Can you identify three opportunities or changes that could generate savings?
3. Looking at the district's four key priority areas, well-being, engagement, leadership and learning, in your opinion, does one of these priority areas require more investment at this time?

Consider these questions – individually, as a school council, in a public meeting, as a committee or as a community group/agency. You can provide your input individually or collectively. Please complete and return the enclosed comment card or send us your thoughts by e-mail.

You can reach us at budgetinfo@ocdsb.ca
There is always more information on our website at www.ocdsb.ca

Key Dates

The key dates in the budget process are:

January 19	Budget Committee – establish process
February/March	Consultation period – community input sought
February 7	Human Resources Committee - academic staffing discussion
February 13	Budget Committee – discuss priorities
March 6	Human Resources Committee – academic staffing decisions (<i>tentative</i>)
March 8	Special Board Meeting to approve academic staffing decisions (<i>tentative</i>)
March/April	Provincial Grant announcements are expected
May 7	Budget Committee - Presentation of staff-recommended budget - Cancelled
May 14	Staff's Recommendation - New date
May 7-17	Consultation period – community input sought
May 17	Budget Committee - Delegations - Cancelled
May 23	Budget Committee - Delegations
May 24	Budget Committee - Delegations, if required/ Debate Commences
May 29	Budget Committee - Debate
June 11	Debate if required; Special Board meeting to approve the budget



OTTAWA-CARLETON
DISTRICT SCHOOL BOARD

BUDGET 2012-2013

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Developing a Budget

The school district operates on a fiscal year that runs from September 1 to August 31. The district’s revenues come in the form of provincial grants known as the Grants for Student Needs (GSN.). The province usually announces the grants for the coming school year in March. School boards are required to adopt a balanced budget and that must be done by mid-June.

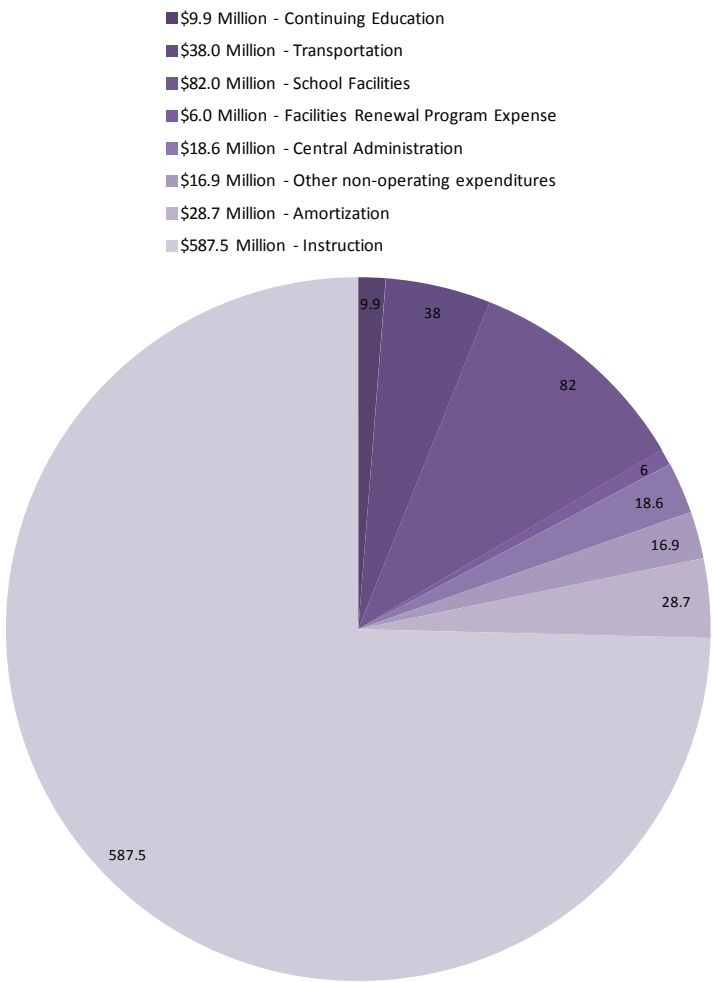
Budget Facts

The school district has an expenditure forecast of \$787.6 million for the 2011-2012 school year.

Our employees are our largest investment. Approximately 80% of the annual budget is spent on salary and benefit. The remaining 20% of the budget relates to operating costs such as transportation, facilities, utilities and supply and services.

The preliminary estimated budget for 2012-2013 is \$804.3 million. The primary source of revenue for school districts is the “Grants for Student Needs”. These grants are based on several factors including student enrolment, number and type of schools, special education needs, level and nature of second language instruction, transportation, and unique geographic needs. Some of the grants can only be used for specific purposes.

OCDSB Operating Budget



The OCDSB is entering the 2012-2013 budget process in a relatively favourable financial position. The school district experienced an increase in revenue of \$9.7 million over what had been budgeted in May 2011, but the increase in expenditures was only \$6.7 million. This left a favourable variance of \$3 million. In addition, the school district reported a net surplus at the end of the last school year in the amount of \$ 1.7 million (0.2% of budget).

Based on our preliminary analysis of revenue and expense projections, subject to provincial funding decisions, we expect that the school district will be able to establish a budget for 2012-2013 that will maintain the excellent programs and services currently available to meet the needs of our students. This will require a fiscally responsible approach to expenditures, with a focus on maintaining current programs and limiting new budget proposal to priority areas. Those proposals would be funded through the realignment of existing resources.

Ottawa-Carleton District School Board in \$ Millions			
	2011-2012 Forecast	Growth	2012-2013 Projection
Revenue			
Operating Grants	744.5	7.2	751.7
Other Revenues*	39.5	8.6	48.1
Total	784.0	15.8	799.8
Expenses			
Salaries and Benefits	624.8	16.7	641.5
Other	162.8		162.8
Total	787.6	16.7	804.3
Surplus/Deficit			
	(3.6)	(0.9)	(4.5)
Uses of Reserves			
To balance budget	1.7		2.6
To fund specific items	1.9		1.9
Total	3.6	0.9	4.5

* Includes increase in Full Day Kindergarten program.

In previous years, the Board has used reserves to balance its budget. Generally speaking, the reserves should be tied to one-time costs rather than on going operating costs. The Ministry of Education restricts the percentage of available reserves that school boards can expend without seeking Ministry approval to 1% of the total value of the Ministry operating grants. For the 2012-2013 school year, the maximum amount of reserves that the Board can use to balance its budget is estimated to be \$6.6 million.

Budget Pressures

Ontario school boards are limited in their authority to generate revenue outside of the provincial grants, making them almost completely dependent on provincial funding. If the province reduces funding, school boards have to reduce their expenditures. We know that the Ontario economy has suffered as a result of the recent economic crisis. Ontario faces an annual deficit of approximately \$16 billion for the current year, with deficits continuing until 2017. The government has introduced a multi-year plan to eliminate the annual deficit by 2017-2018. We will not be certain what the actual dollar impact of that plan is on our budget until the grant announcements are made. If our funding is maintained at the same level or even increased by 1%, this will not be sufficient to cover our expected increased operating costs.

The government has made an important investment in public education over the past 8 years and we expect the government to protect that investment.

At this time, we anticipate that the following issues could bring some additional budget pressure over the next year:

- Full-Day Kindergarten – The full-day kindergarten program has been extremely well-received by parents in the first two years, and it is anticipated that the year 3 expansion will continue to see strong enrolment. The program expansion cost is supposed to be fully funded; however, like any program expansion, there are sometimes additional interim expenditures/investments required.
- Collective Bargaining - Collective agreements for all employee groups will expire on August 31, 2012, both locally and provincially. The province takes a lead role in negotiations and it will be critical that any costs associated with new agreements be fully funded by the province.

- Health and Safety – The health and safety of students and staff is an on-going priority at the school district. As we continue to make improvements in our working and learning environments in response to legislated requirements, we require both short-term and longer-term investments in operating and capital costs.

- Impact on our students of service reductions by other agencies - The OCDSB has begun to see the impact on students and families as a result of reduced service levels from other community agencies, and the ongoing impact of unemployment. With the current emphasis on deficit reduction by all levels of government, it is likely we will continue to see such reductions in service. This will have an impact on our most vulnerable students and their families which impacts the entire school community. This is particularly relevant as we try to continue our focus on student achievement and well-being.

- Inflationary cost pressures on such things as utility rates, supply and maintenance costs, as well as pension costs, unemployment insurance and Canada Pension Plan rates. This kind of pressure is expected to average 2 to 3% across these expenditures.

Setting Priorities

In June 2011, the Board adopted a new strategic plan which establishes a clear set of priorities for the school district. The strategic plan provides the framework for the allocation of budget resources. Our priority for the 2012-2013 budget is to maintain current programs and services to the extent possible, with a realignment to the district’s new strategic plan. This does not mean that enhancements to programs and services are not possible; however, such enhancements must be achieved within existing resources, rather than through the allocation of additional resources.

Available resources will need to be allocated based on priorities. This includes consideration of our legislative requirements and our strategic priorities, which we believe are well aligned. As we consider priorities, we must consider what we need to do, the urgency of the need, its relative importance, the cost of “not-doing”, the one-time versus on-going costs, and the risk associated with doing or not doing something.

A Strategic Focus

The four key priority areas of our strategic plan are:

WB1.	Enhance safe, caring and respectful learning, and working environments.
WB2.	Create a framework for student and staff well-being that recognizes the mental, physical, and emotional health of students and staff.
WB3.	In collaboration with community partners, develop specific strategies to further the cultural proficiency of the school district in terms of inclusive and accessible practices and a workplace representative of the community we serve.
WB4.	Nurture an emotionally intelligent organizational culture that recognizes and supports innovation, productivity and employee wellness.

Engagement

EN1.	Enhance parental engagement and outreach to all parents.
EN2.	Create a framework for and initiate effective partnerships with organizations that enrich our schools as community hubs.
EN3.	Encourage broad community engagement in school and District initiatives.
EN4.	Develop a strategy that supports and encourages engagement in provincial, national, and international initiatives to encourage organizational learning and global citizenship.

Leadership

LD1.	Implement sound governance structures and practices.
LD2.	Develop specific strategies for leadership development and succession planning with a focus on developing emotionally intelligent leaders who foster innovation, collaboration, and the celebration of success.
LD3.	Enhance our risk management culture, focusing on effective financial, information, and human resources management practices, and internal audit controls.
LD4.	Encourage and support student leadership and citizenship to promote global competencies.

Learning

LN1.	Enhance instructional practice to encourage and support critical and creative thinking skills.
LN2.	Maintain a cyclical program development, monitoring and review framework to improve equity of access to programs, pathways, and services for all students.
LN3.	Use student survey data to identify and understand groups that require additional services and supports.
LN4.	Develop an organizational culture that is committed to lifelong learning.