



Hastings and Prince Edward
District School Board

Lucille Kyle, Chair of the Board
Sean Monteith, Director of Education

Possibilities
TODAY & TOMORROW

2020 – 2021

BUDGET

August 13, 2020

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**HASTINGS AND PRINCE EDWARD DISTRICT SCHOOL BOARD
BOARD OF TRUSTEES**

Shannon Binder, Vice-chair	Southeast Hastings
Mike Brant	Tyendinaga Mohawk Territory
Lisa Anne Chatten	Belleville/Thurlow
Jennifer Cobb	North Prince Edward
Bonnie Danes	Centre Hastings
Spencer Hutchison	Trenton and CFB Trenton
Alison Kelly	South Prince Edward
Lucille Kyle, Chair	North Hastings
Krista McConnell	Belleville/Thurlow
Kristen Parks	Sidney and Frankford

SENIOR ADMINISTRATION

Laina Andrews Superintendent of Education - Human Resources Support Services and Secondary Schools

Ken Dostaler..... Superintendent of Education – Student Services

Tina Elliott..... Superintendent of Education - Curriculum Services and Elementary Schools

Sean Monteith Director of Education and Secretary of the Board

Nick Pfeiffer Superintendent of Business Services and Treasurer of the Board

BOARD PROFILE

• Student enrolment	Elementary.....	10,464
	Secondary.....	4,349
		14,813
• School facilities	Elementary Sites	33
	K-12 Sites	1
	7 – 12 Sites.....	4
	Secondary Sites	2
		40
• Trustees (9 elected, one appointed, and three appointed students).....		13
• Elector population		109,463
• Jurisdiction area (square kilometres)		7,221
• Transportation (approximate)		
	Students transported (Hastings and Prince Edward District School Board) – as at May 2020	10,070
	Contracted operators (Hastings and Prince Edward District School Board) – as at May 2020 (excluding taxis).	14
	Daily kilometres travelled – as at spring 2020 (excluding taxis)..... (some routes/runs shared with Algonquin Lakeshore Catholic D.S.B.)	36, 255

Hastings and Prince Edward District School Board is a member of Tri-Board Student Transportation Services Consortium along with Algonquin and Lakeshore Catholic District School Board and Limestone District School Board. Tri-Board Student Transportation Services Consortium administers bus routes for both public and Catholic students residing in Frontenac, Hastings and Prince Edward, and Lennox and Addington counties.

EXECUTIVE SUMMARY

The *Education Act* has specific requirements for school boards regarding the preparation and adoption of financial estimates (budgets), "Every board, before the beginning of each fiscal year ... shall prepare and adopt estimates of its revenues and expenses for the fiscal year."

Recently, Hastings and Prince Edward District School Board (HPEDSB) successfully completed a Multi-Year Financial Recovery Plan which rebuilt the accumulated surplus (financial reserves). This gives HPEDSB additional flexibility for determining the 2020-21 budget. Education funding is intended to mirror cost structures; however, school boards have flexibility in their actual expenditures. There are restrictions on how school boards may use their funding allocation which includes that budgets must be balanced, certain components of funding must be spent in a specified manner, and provincial regulations and ministry memoranda must be complied with.

The 2020-21 budget is based upon the most recent information on funding released by the Ministry of Education in late June 2020.

Overall, provincial operating funding has increased by approximately \$8 million from the budgeted 2019-20 funding. Provincial funding is primarily based on Grant for Student Needs funding (comprised of municipal taxation revenues and Ministry of Education funding) plus lesser funding for the Priorities and Partnership fund which support high impact initiatives that directly impact students in the classroom. As well, tuition, leases, and community use rentals contribute to overall revenues. The funding reflects changes for compensation and class size based on recently ratified labour agreements. It also provides funding for a 2% increase for school building operations costs such as utilities. Transportation funding has not increased. Total estimated operating revenues for 2020-21 are \$212,687,167.

Operating expenses have increased by approximately \$7.9 million from the budgeted 2019-20 expenses. A significant portion of expense increase is related to salary increases based on ratified labour agreements (salaries and benefits historically form 78% of the operating expenses) which is offset by matching funding. Other expense increases include technology replacement, staffing that is now funded through the Grant for Student Needs, externally funded staff, and amortization and write downs of capital items. Expenses that are estimated to decrease compared to 2019-20 budget include supply staff costs and staff development costs. Total estimated operating expenses for 2020-21 are \$210,669,029.

Overall, the number of teaching staff in schools remains similar to 2019-20. However, elementary staffing is higher due to: an increase in elementary enrolment; more elementary classes due to implementation of a differentiated staffing model with higher needs schools having smaller class sizes; a change to how part-time teachers are assigned to elementary schools; and use of supplementary funding to add additional teachers. Secondary staffing is lower in 2020-21 due to: a decrease in secondary enrolment; fewer secondary classes due to an increase in average class size to 23; and alignment of secondary costs to funding. Supplementary funding was used to add additional secondary teachers.

Final average daily enrolment (ADE) projections for the purpose of developing the 2020-2021 budget were calculated based upon input from schools. These projections show an increase for elementary enrolment and a decline for secondary enrolment from current levels. Overall, it is anticipated that the board enrolment will decrease by 30 pupils relative to 2019-20 revised estimates.

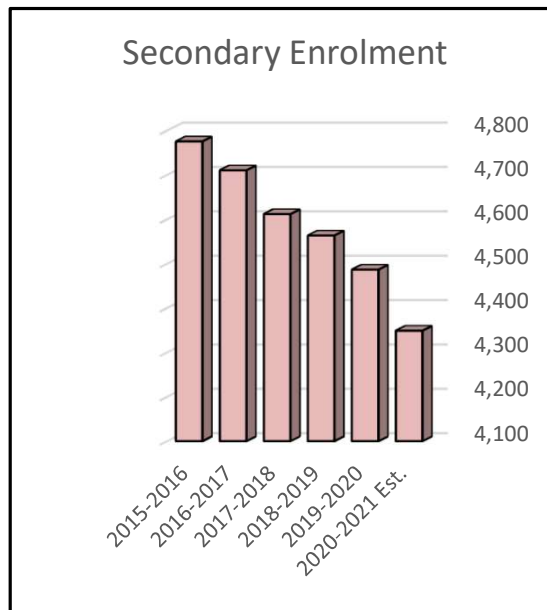
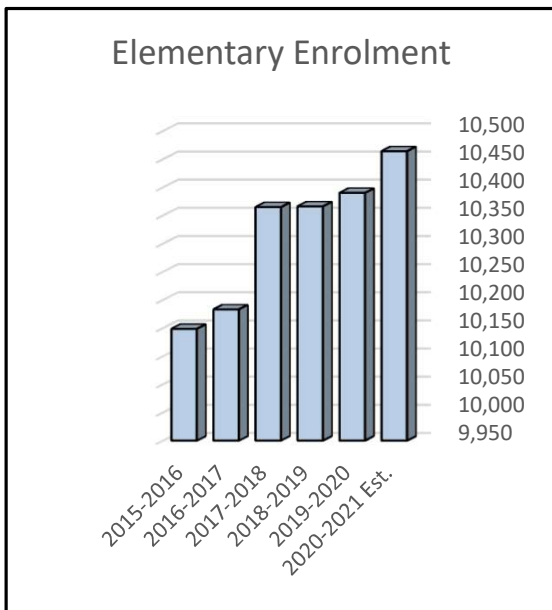
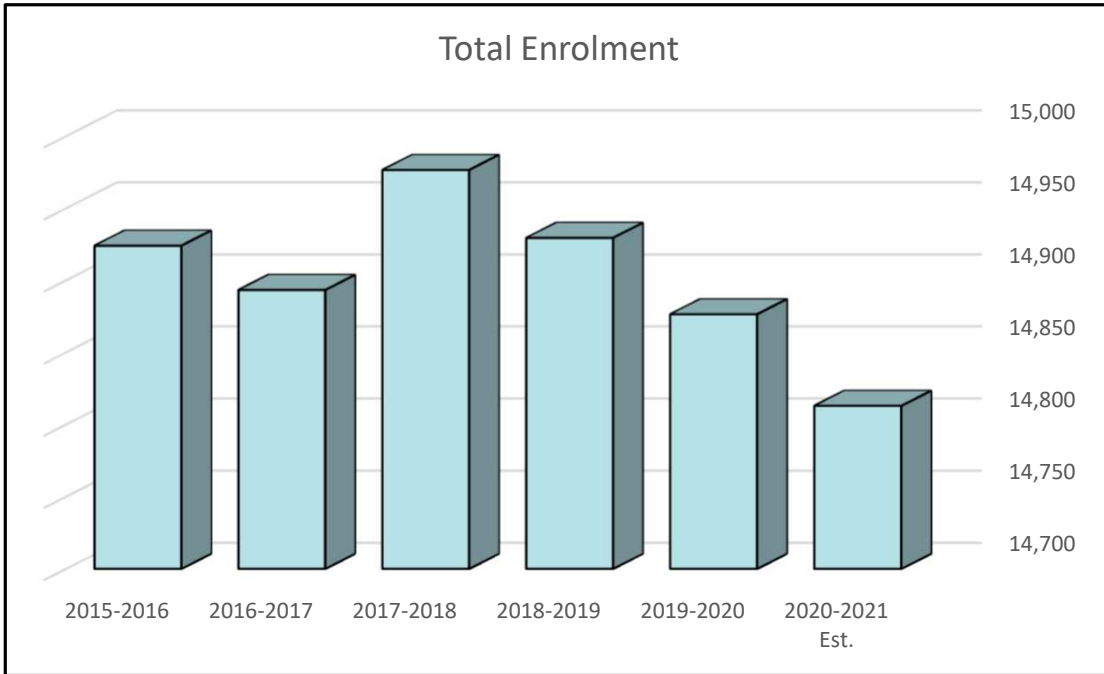
	2019-2020 Revised Estimates	2020-2021 Projections	Projected Change
Elementary	10,379	10,464	85
Secondary	4,463.9	4,349	-114.9
Total	14,842.9	14,813	-29.9

Capital funding is provided to maintain school buildings in order to create healthy and safe learning environments. Funding for school buildings includes a capital renewal program that allows school boards to revitalize and renew aged building components that have exceeded or will exceed their useful life cycle, funding to revitalize and renew aged building systems and components as well as to address maintenance

requirements, and funding for larger, specific capital projects such as new school construction or additions and renovations. Overall, capital spending for 2020-21 is estimated to increase by \$500,000 to \$27.4 million.

The budget for 2020-21 is generally a status-quo budget that is balanced and reflects the improved financial situation of HPEDSB as a result of the Multi-Year Financial Recovery Plan. The budget includes planned salary increases, as well as some new initiatives that support students and improve board operations. The budget contains a small in-year surplus for compliance purposes of \$71,960, which is compliant with Ministry direction and the Education Act. Details of the budget are summarized on the following pages.

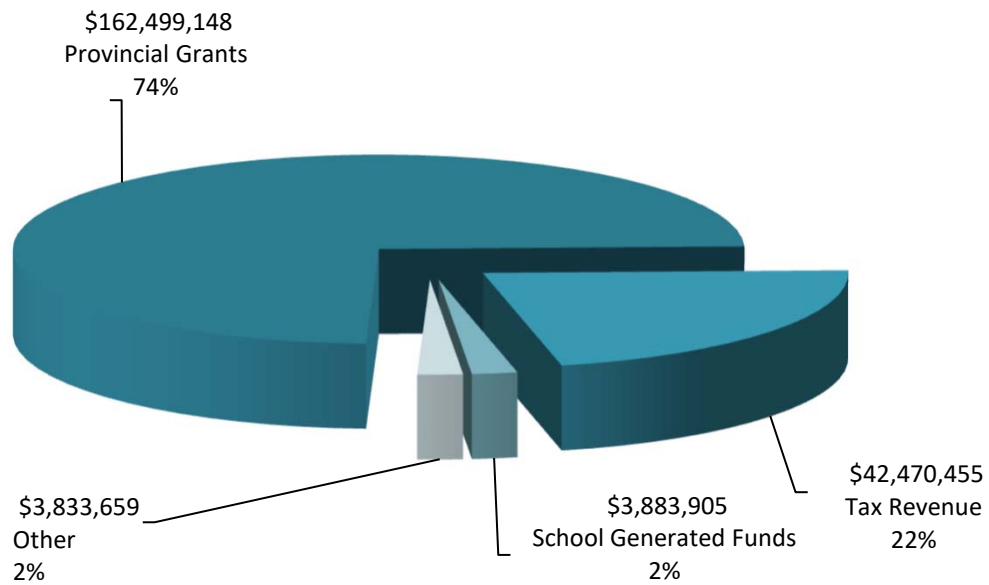
ENROLMENTS (2015-2016 - 2020-2021)



NOTE: 2020-2021 enrolments are estimated based on projections.

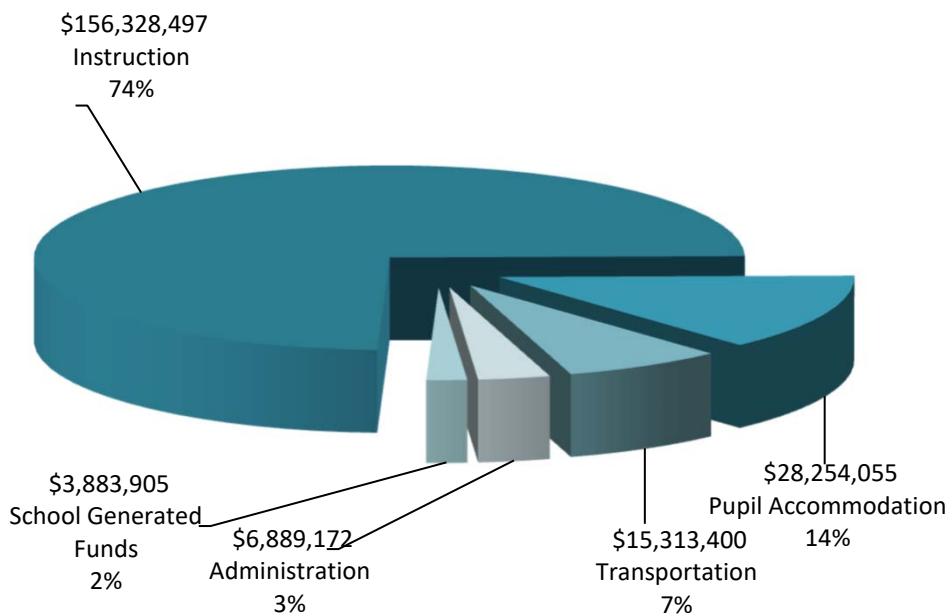
**SOURCES OF REVENUE
BASED ON 2020-2021 BUDGET OF**

\$ 212,687,167



**OPERATING EXPENSES
BASED ON 2020-2021 BUDGET OF**

\$ 210,669,029



CONSOLIDATED STATEMENT OF OPERATIONS

Revenues	2018-2019 Actual	2019-2020 Rev Estimates	2020-2021 Budget
Provincial Funding	158,606,735	154,650,865	161,830,988
Local Taxation	41,779,804	42,032,850	42,470,455
Total Grants for Student Needs	200,386,539	196,683,715	204,301,443
Provincial Grants - Other	3,164,265	2,769,673	668,160
Federal Grants and Fees	1,528,527	1,624,595	1,894,659
Other Fees and Revenues	2,798,182	1,664,282	1,939,000
School Generated Funds	3,935,488	3,963,987	3,883,905
	\$ 211,813,001	\$ 206,706,252	\$ 212,687,167
Expenses			
Instruction	151,693,568	153,655,696	156,328,497
Administration	6,266,395	6,136,020	6,889,172
Transportation	14,558,699	15,433,311	15,313,400
Pupil Accommodation	28,131,976	25,568,379	28,254,055
School Generated Funds	4,100,586	3,963,987	3,883,905
Other Expenses	221,022	-	-
	\$ 204,972,246	\$ 204,757,393	\$ 210,669,029
Annual Surplus/(Deficit)	6,840,755	1,948,859	2,018,138
Unavailable for Compliance	1,693,097	1,868,194	1,946,178
Surplus/(Deficit) For Compliance	\$ 5,147,658	\$ 80,665	\$ 71,960

GRANTS FOR STUDENT NEEDS

	<u>2018-2019</u> <u>Year End</u>	<u>2019-2020</u> <u>Rev Estimates</u>	<u>2020-2021</u> <u>Budget</u>	<u>Two Year</u> <u>Change</u>	<u>One Year</u> <u>Change</u>
Pupil Foundation Grant	82,172,517	76,828,238	81,412,080	(760,437)	4,583,842
School Foundation Grant	12,072,963	12,301,625	12,643,758	570,795	342,133
Special Education	23,940,419	24,113,836	24,960,681	1,020,262	846,845
School Operations	17,941,697	17,871,214	18,205,345	263,648	334,131
Transportation	14,224,199	15,739,623	14,962,109	737,910	(777,514)
Qualifications and Experience	19,286,857	21,684,996	20,627,157	1,340,300	(1,057,839)
Board Administration and Governance	6,022,955	5,997,710	6,161,625	138,670	163,915
School Renewal	3,700,968	3,651,127	3,754,446	53,478	103,319
Debt Repayment (Interest Portion)	1,768,603	1,809,182	1,684,014	(84,589)	(125,168)
Deferred Capital Contributions	10,948,479	7,357,895	9,565,182	(1,383,297)	2,207,287
Learning Opportunities	4,236,821	2,404,519	2,467,408	(1,769,413)	62,889
Remote and Rural/Distant Schools	2,095,427	2,142,988	2,174,860	79,433	31,872
Language Allocation	2,110,312	2,154,311	2,093,052	(17,260)	(61,259)
Declining Enrolment Grant	522,702	100,861	98,532	(424,170)	(2,329)
Continuing Education	469,147	403,999	437,412	(31,735)	33,413
Indigenous Education	1,926,988	2,442,001	2,416,548	489,560	(25,453)
Mental Health and Well-being Grant	310,964	312,809	575,311	264,347	262,502
Community Use	241,251	240,585	246,534	5,283	5,949
Trustee Association Fee	43,316	43,316	43,316	-	-
Restraint Savings	(137,145)	(137,145)	(137,145)	-	-
Support for Students Fund	-	-	1,728,114	1,728,114	1,728,114
Sub total	\$ 203,899,440	\$ 197,463,690	\$ 206,120,339	\$ 2,220,899	\$ 8,656,649
Less Tangible Capital Assets	(784,310)	(77,636)	(82,636)	701,674	(5,000)
Less School Renewal Capital & Interest	(2,728,591)	(1,816,033)	(1,814,243)	914,348	1,790
Add Revenue Recognized for Land	-	-	77,983	-	-
Total	\$ 200,386,539	\$ 195,570,021	\$ 204,301,443	\$ 3,914,904	\$ 8,731,422
		\$ -			

STATEMENT OF EXPENSES

Expense Categories	Salaries and Wages	Employee Benefits	Staff Development	Supplies and Services	Interest Charges on Capital	Rental Expense	Fees & Contract. Services	Other	Amortization and Write Downs & Net loss on disposal	Total Expenses
INSTRUCTION										
Classroom Teachers	89,408,890	10,861,231								100,270,121
Supply Teachers	5,124,030	726,741								5,850,771
Teacher Assistants	9,907,052	3,187,533								13,094,585
Early Childhood Educator	3,308,441	937,614								4,246,055
Textbooks/Supplies				2,360,119		137,850	255,643	4,000		2,757,612
Computers				1,266,315						1,266,315
(Para)Professionals/Technicians	4,143,432	1,060,381		149,730		1,000	40,612			5,395,155
Library/Guidance	2,430,186	400,043								2,830,229
Staff Development	169,587	20,438	486,177							676,202
Department Heads	406,275									406,275
Principals and Vice-Principals	7,846,842	834,811		22,000				2,500		8,706,153
School Office	3,585,714	1,016,495	30,960	679,657		1,500	668,409			5,982,735
Coordinators and Consultants	3,229,945	435,798		103,300		5,000	14,929			3,788,972
Continuing Education	431,589	72,979		16,100		5,000				525,668
Amortization and Write Downs									531,649	531,649
Loss on disposal of TCA and assets held for sale										
Instruction Subtotal	129,991,983	19,554,064	517,137	4,597,221	-	150,350	979,593	6,500	531,649	156,328,497
ADMINISTRATION										
Trustees	106,274	3,575	29,750	49,670				43,316		232,585
Directors/Supervisory Officers	778,200	80,545	10,650	32,710				16,250		918,355
Board Administration	3,052,365	757,211	50,000	632,587		10,700	1,056,400	117,995		5,677,258
Amortization and Write Downs									60,974	60,974
Loss on disposal of TCA and assets held for sale										
Administration Subtotal	3,936,839	841,331	90,400	714,967	-	10,700	1,056,400	177,561	60,974	6,889,172
TRANSPORTATION										
Pupil Transportation							15,084,000			15,084,000
Transportation-Provincial Schools							229,400			229,400
Amortization and Write Downs										
Loss on disposal of TCA and assets held for sale										
Transportation Subtotal	-	-	-	-	-	-	15,313,400	-	-	15,313,400
PUPIL ACCOMMODATION										
School Operations/Maintenance	6,888,409	1,936,227	26,900	5,564,340		2,200	1,057,000	1,000		15,476,076
School Renewal Expense				2,205,294						2,205,294
Other Pupil Accommodation					1,344,980					1,344,980
Amortization and Write Downs									9,227,705	9,227,705
Loss on disposal of TCA and assets held for sale										
Pupil Accommodation Subtotal	6,888,409	1,936,227	26,900	7,769,634	1,344,980	2,200	1,057,000	1,000	9,227,705	28,254,055
OTHER										
School Generated Funds				3,883,905						3,883,905
Other Non-Operating Expenses										
Amortization and Write Downs										
Loss on disposal of TCA and assets held for sale										
Provision for contingencies										
Subtotal - Other	-	-	-	3,883,905	-	-	-	-	-	3,883,905
TOTAL EXPENSES	140,817,231	22,331,622	634,437	16,965,727	1,344,980	163,250	18,406,393	185,061	9,820,328	210,669,029

CAPITAL EXPENDITURES SUMMARY

	<u>2018-2019</u> <u>Actual</u>	<u>2019-2020</u> <u>Rev Estimates</u>	<u>2020-2021</u> <u>Budget</u>
Minor Capital Assets (Furniture, computers, vehicles)	784,310	77,636	82,636
 Land, Buildings, Construction in Progress			
Eastside Secondary School	-	3,100,000	3,100,000
Centre Hastings Secondary School	117,665	1,600,000	5,000,000
Easthill Elementary School	175,875	6,390,000	4,400,000
School Renewal	2,210,172	1,445,833	1,500,000
School Condition Improvement	9,432,805	13,916,697	13,000,000
Greenhouse Gas Reduction Fund	732,429	-	-
Other	33,187	-	-
Interest on Capital	260,099	370,200	317,900
	<u>\$ 13,746,542</u>	<u>\$ 26,900,366</u>	<u>\$ 27,400,536</u>

ACCUMULATED SURPLUS/DEFICIT

	Accumulated Surplus (Deficit) - Balance at September 1	Transfer to Committed Capital or Committed Sinking Fund Interest Earned	Accumulated Surplus (Deficit) In Year Increase (Decrease)	Accumulated Surplus (Deficit) - Balance at Aug 31
Available for Compliance - Unappropriated				
Operating Accumulated Surplus	9,658,702		71,960	9,730,662
Available for Compliance - Unappropriated	9,658,702	-	71,960	9,730,662
Available for Compliance - Internally Appropriated				
Retirement Gratuities	-			-
WSIB	-		-	-
School Renewal (previously included in pupil accommodation debt reserve)	-	-	-	-
Amounts previously included in pupil accommodation debt reserves that are not related to NPP or School Renewal	-	-	-	-
Other Purposes - Operating	-	-	-	-
Available for Compliance - Internally Appropriated	-	-	-	-
Total Accumulated Surplus (Deficit) Available for Compliance	9,658,702	-	71,960	9,730,662
Unavailable for Compliance				
Employee Future Benefits - retirement gratuity liability .	(8,032,216)		1,825,504	(6,206,712)
Employee Future Benefits - Early Retirement Incentive Plan .	(85,381)		42,691	(42,690)
Employee Future Benefits - Retirement Health, Dental, Life Insurance Plans etc.	(963,121)			(963,121)
Employee Future Benefits - other than retirement gratuity				-
Interest to be Accrued	(447,695)			(447,695)
School Generated Funds	1,946,873			1,946,873
Revenues recognized for land	1,318,546		77,983	1,396,529
Liability for Contaminated Sites				-
Total Accumulated Surplus (Deficit) Unavailable for Compliance	(6,262,994)	-	1,946,178	(4,316,816)
Total Accumulated Surplus (Deficit)	3,395,708	-	2,018,138	5,413,846