



# **Advisory Committee on Equity**

## **2020-2021 Revised Estimates and 2021-2022 Budget Process**

**29 April 2021**



**OTTAWA-CARLETON  
DISTRICT SCHOOL BOARD**



## Revised Estimates

### Comparative Summary of Revenues and Expenses

**Projected for the year ended 31 August 2021**

(\$ in millions)

	<b>Projected</b> \$	<b>Budget</b> \$	<b>Change</b> \$	<b>Change</b> %
<b>Revenues</b>	<b>992.8</b>	<b>996.5</b>	<b>(3.7)</b>	<b>(0.4)</b>
<b>Expenses</b>	<b>1,020.9</b>	<b>1,014.2</b>	<b>6.7</b>	<b>0.7</b>
<b>Deficit</b>	<b>(28.1)</b>	<b>(17.7)</b>	<b>(10.4)</b>	



## Revised Estimates

# Comparative Summary of Net Results and Accumulated Surplus

(\$ in millions)

School Year	Net Actual \$	Net Budget \$	Change \$	Accumulated Surplus (YE) \$
2015-16	(12.3)	(11.9)	(0.4)	4.5
2016-17	15.2	-	15.2	19.7
2017-18*	15.1	-	15.1	34.9
2018-19	7.5	-	7.5	42.4
2019-20	(2.6)	(8.4)	5.8	39.8
2020-21**	(28.1)	(17.7)	(10.4)	11.7

\*Does not add due to rounding

\*\* Projected



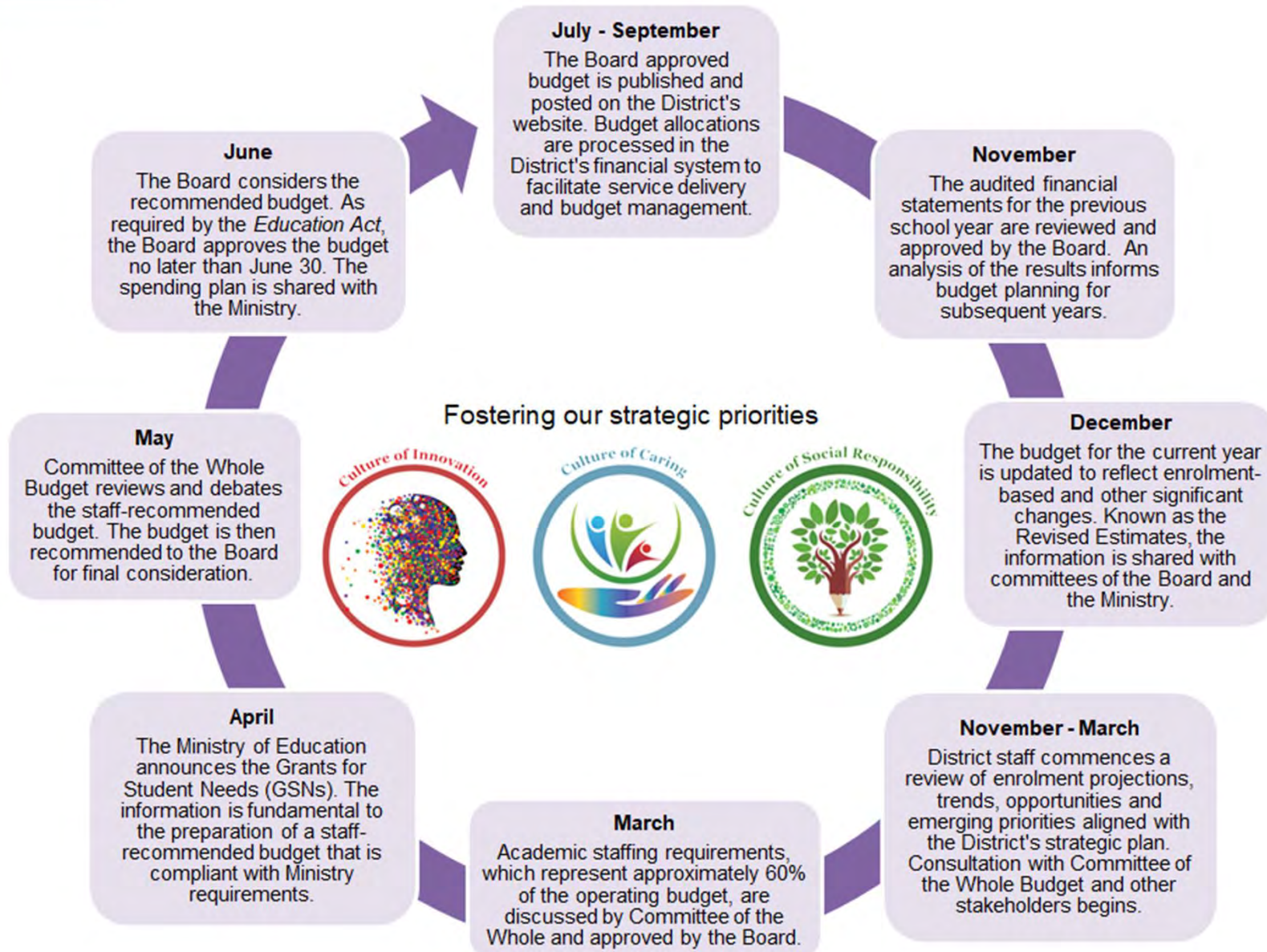
# COVID-Related Funding Update!

	Budget	Changes	Revised Funding
	\$	\$	\$
<b>Priorities and Partnerships Fund - COVID Grants</b>			
GSN 2 - Mental Health Supports (COVID)	198,891	(198,891)	-
GSN 1 - Allocation for Technology-Related Costs (COVID)	528,561	(528,561)	-
TPA 1 - Schedule C -Enhanced Cleaning Supplies	140,798	-	140,798
TPA 2 - Schedule B-Additional Mental Health Supports	198,891	144,876	343,767
TPA 2 - Schedule C-Special Education	265,217	144,875	410,092
TPA 3 - Project B1-Additional Custodial Staff	1,816,446	-	1,816,446
TPA 3 - Project B2-Health & Safety Training	369,988	-	369,988
TPA 3 - Project B3 (i)-Additional Teachers	1,301,325	-	1,301,325
TPA 3 - Project B4-Remote Learning	552,323	-	552,323
TPA 3 - Project B5-Additional Non-Permanent Teachers	-	2,147,532	2,147,532
TPA 3 - Project B6-Additional Funding for Remote Learning	-	1,089,445	1,089,445
TPA 3 - Project B7-School Reopening Emerging Issues	-	3,242,261	3,242,261
TPA 3 - Project B8-Funding for High Priority Areas	-	2,801,382	2,801,382
TPA 4 - Project B1-Ventilation	-	1,681,500	1,681,500
TPA 4 - Projects B2 and B3-Transportation	-	1,877,130	1,877,130
	5,372,440	12,401,549	17,773,989
Memo 2020: B01 - Air Quality and Ventilation	-	1,681,500	1,681,500
Memo 2020: B01 - Health and Safety	-	2,346,306	2,346,306
Memo 2020: B01 - Student Transportation	-	207,055	207,055
Memo 2020: B01 - Technological Devices	-	2,856,375	2,856,375
	-	7,091,236	7,091,236
GSN Stabilization Funding	-	15,314,728	15,314,728
	5,372,440	41,898,749	47,271,189
<b>COVID-Related Funding Provided by GSN</b>			
GSN 2 - Mental Health Supports (COVID)	198,891	(2,595)	196,296
GSN 1 - Allocation for technology-related costs (COVID)	528,561	(13,774)	514,787
	727,452	(16,369)	711,083





# Typical Budget Development Cycle





## **Education Funding in Ontario**

- **For 2020-21, the Grants for Student Needs (GSN) represents 88% of District revenues.**
- **GSN funding falls into three broad categories- Foundation, Special Purpose, Capital.**
- **Grants are generally formula-driven based on student enrolment, student needs and school attributes.**
- **The formula is subject to ongoing refinement.**
- **Additional funding sources include other provincial and federal grants and user fees (e.g., extended day, international students).**



## **OCDSB Budget**

- **The District's budget must be balanced. The accumulated surplus can be used to offset a small deficit (up to 1% of GSN allocation). An in-year deficit elimination plan is now required.**
- **Trustees allocate resources based on local priorities and in accordance with Ministry legislation, regulations and guidelines.**
- **Allocation is formalized with the approval of the District's annual budget. Spending is not expected to fully align with funding.**
- **Budget is aligned with the District's strategic objectives.**



## **OCDSB Budget**

- **The budget provides for payment of expenses such as staffing, textbooks, curriculum materials, school operating costs, technology needs, property and equipment.**
- **Expenses are reported in accordance with Ministry requirements, that they be functionalized by program area and also by cost type.**
- **The expenses may be budgeted and reported based on estimates (e.g., actuarial valuations) and internal cost allocation models.**





## **OCDSB Budget**

- **Provincial guidance is to develop the budget with the underlying assumption that the COVID supports received in 2020-21 will not continue.**
- **This support for operating costs exceeds \$18.0M and additional supports of at least \$7.2M were recently announced.**
- **The pandemic will continue to influence expectations and needs well into 2021-22. It is quite possible that additional funding will be announced as budget planning progresses.**
- **The District has shared with the Ministry that funding should be announced as early as possible to assist with planning activities.**



## **OCDSB Budget Assumptions**

- **Use of accumulated surplus for one-time needs and within the 1% compliance limit, although this may be limited by available balance.**
- **The projection assumes \$11.7M will be available, but only \$2.4M would be available because \$9.3M is restricted by the Ministry to support capital asset amortization expenses.**
- **It is important to identify in-year savings and funding supports to improve the projected position at the end of the year.**
- **Staff is preparing an updated forecast based on spending to the end of January 2021.**



## **OCDSB Budget Assumptions**

- **COVID-19 has resulted in lower enrolment growth due to:**
  - **Lower rates of immigration;**
  - **Decisions to home school/private school; and**
  - **Deferred enrolment in kindergarten programs.**
- **Early projections show 1,600 fewer students, but enrolment is being monitored and the most current information will be used.**
- **Uncertainty in enrolment levels will require a conservative approach to budget planning.**



## **OCDSB Budget Assumptions**

- **Inflationary cost pressures for supplies and services, particularly for carbon tax effects.**
- **Incremental costs resulting from negotiated wage increases to be supported by Ministry funding.**
- **Reduced fee revenues particularly in Community Use of Schools, Extended Day and Child Care programs, and international students.**
- **Reallocation of resources to respond to emerging needs and opportunities.**
- **Spending aligned with the objectives presented in the 2019-2023 Strategic Plan.**



## **2020-21 Budget Development Key Dates**

**Tentative dates, to be confirmed:**

<b>02 Feb</b>	<b>Budget process discussion</b>
<b>03 Mar</b>	<b>Academic staffing discussion</b>
<b>24 Mar</b>	<b>Academic staffing approval</b>
<b>?? Apr</b>	<b>Grants for Student Needs announced</b>
<b>04 May</b>	<b>Update, including GSN information</b>
<b>26 May</b>	<b>Presentation of staff-recommended budget</b>
<b>01 Jun</b>	<b>Public delegations, budget debate commences</b>
<b>09 Jun</b>	<b>Budget debate continues</b>
<b>15 Jun</b>	<b>Budget debate, recommendation to Board</b>
<b>21 Jun</b>	<b>Board approval *</b>

\* A special Board meeting may be held following COW Budget's recommendation