

2010-11 BUDGET ESTIMATES

PURPOSE:

To provide the Board with a draft of the 2010-11 Budget Estimates.

BACKGROUND:

The following information regarding the Board's budget process was previously provided to Trustees:

1. Staff Report 9.2 – June 15, 2010 Regular Board Meeting – 2010-11 Budget Estimates Draft
2. Staff Report 9.2 – June 1, 2010 Regular Board Meeting – Other Operating Expenses and New Initiatives
3. Staff Report 9.1 – May 18, 2010 Regular Board Meeting – 2010-11 Budget Progress & Revised Timelines
4. Staff Report 9.1 – May 4, 2010 Regular Board Meeting – 2010-11 Grant Revenue Calculation and Update on Changes for Financial Accountability, Budgeting and Reporting
5. Staff Report 9.1 – April 20, 2010 Regular Board Meeting – 2010-11 Budget Estimates – Salaries and Benefits
6. Information Item 10.3 – April 6, 2010 Regular Board Meeting – Release of the 2010-11 Grant for Student Needs (GSN)
7. Staff Report 9.1 – February 2, 2010 Regular Board Meeting - 2010-11 Budget Schedule and Budget Objectives

COMMENTS:

1. GENERAL

Staff completed presentations to the Board with regards to all aspects of the 2010-11 Budget. A draft of the 2010-11 Budget Estimates was provided to the Board at the June 15, 2010 meeting which combined all the presentations with adjustments made based on discussions with senior staff in order to balance the budget.

There have been no significant changes since the June 15, 2010 meeting to the operating budget (Appendix F). The new initiatives presented on June 15, 2010 have been incorporated into the appropriate line items in the budget.

2. OPERATING REVENUE PROJECTIONS (APPENDICES A-1 & B)

The EFIS forms have been used to calculate the provincial allocation. The allocation has increased by \$13.9 million from the 2009-10 Revised Estimates.

Other Provincial Grants and Other Revenue have been estimated at \$8.8 million and are shown in Appendix A-1.

3. ENROLMENT (APPENDIX C)

The funding allocation is based on estimated enrolment. Elementary and Secondary enrolment is based on Full-Time Equivalent (FTE) enrolment for October 31st and March 31st. These two fixed-in-time FTE enrolment values are combined to produce the annualized Average Daily Enrolment (ADE). Estimated values were submitted to the Ministry in early 2010 and have been subsequently reviewed by senior staff.

An estimated ADE of 17,856.25 elementary students has been used which represents an increase of 41.25 or 0.2% from the ADE used for the 2009-10 Revised Estimates. An ADE of 9,819.00 has been estimated for secondary students, an increase of 186.5 or 1.9% over the ADE for the 2009-10 Revised Estimates. The overall projected ADE is 27,675.25 which represents a 0.8% over 2009-10.

4. OPERATING EXPENDITURE PROJECTIONS (APPENDICES A-2 TO A-8 & D)

The operating expenditure projections have increased approximately \$11.2 million from the 2009-10 Revised Estimates.

Operating expenditures include a salary component (approximately 85%) and a non-salary component (approximately 15%). The operating expenditure projections total \$261.8 million, comprised of \$195.0 for classroom expenditures, \$42.1 for non-classroom, and \$24.7 million for school operations and maintenance.

5. NEW INITIATIVES (APPENDIX E)

New initiatives are any costs for programs and/or staffing that did not exist in the previous budget and that a department can not cover in their existing budget. The new initiatives included in the budget are listed on Appendix E.

6. CAPITAL PROJECTIONS (APPENDICES A-1, A-2, B & D)

Currently, the capital expenditures have been recorded based on the “old” method of reporting to the Ministry. Capital expenditures have been estimated based on the prior year. Board staff is in the process of completing the capital wrap-up template provided by the Ministry. Once this template is complete and the capital section of EFIS has been updated, the 2010-11 Budget Estimates will be updated to the “new” PSAB format which will include capital assets on the Statement of Financial Position and record amortization and deferred capital contributions on the Statement of Financial Activities and reported back to the Board in September.

7. PSAB OPERATING BUDGET (APPENDICES G-1 & G-2)

Board staff has prepared a high level PSAB operating budget which presents the original budget and the required PSAB adjustments. This results in a \$1.3 million deficit for PSAB purposes. However, according to Ministry Memorandum 2010:SB10 “Update on Changes to Financial Accountability, Budgeting and Reporting” (Appendix H), there are exceptions to PSAB compliance. Section II of this memorandum discusses these exceptions and they include the PSAB benefit cost and interest and vacation accruals. For benefits, the memorandum states “The PSAB budget compliance definition will exclude the gap between the cash cost and the PSAB expense, with the exception of any changes resulting from net enhancements to benefits.” For interest, the memorandum states “The new legislative model will continue to exclude interest accrual on approved debt from compliance, to recognize the difference in timing where interest expense is accrued in one year, but not funded until the following year. The Board’s \$1.3 million PSAB deficit is a result of employee future benefits and interest accruals. Therefore, the Board does not have a deficit for compliance purposes.

8. PSAB CAPITAL BUDGET (APPENDIX I)

The PSAB capital budget represents the expected capital expenditures in the 2010-11 fiscal year. It also shows the funding sources for each of these projects.

9. BALANCED BUDGET, ENVELOPING AND FLEXIBILITY:

School Boards continue to be responsible for setting their budgets. Education funding recognizes that school boards need flexibility to decide how best to allocate resources within those budgets. At the same time, there are restrictions on how school boards may use certain components of their allocation. The different types of spending restrictions for boards are as follows:

1) Achieve balanced budgets.

School boards are required to have balanced budgets, which requires total spending to be equal to or less than total revenue.

2) Achieve primary class size targets.

3) Special Education Grant is limited to special education expenditures.

4) School Renewal Allocation is limited to capital renewal expenditures.

5) School Board Administration and Governance spending shall not exceed the grant allocation (excluding internal audit).

6) A portion of the Grant for Student Needs (GSN) funding is first to be used for minor tangible capital assets (furniture and equipment that is capitalized).

7) New Teacher Induction Program (NTIP) funding is to be used for eligible NTIP expenditures and are required to meet NTIP program requirements.

School boards continue to be accountable for how they use all the revenue that they receive from education funding grants, including the revenue that they can use flexibly. Staff is in the process of completing the EFIS form submission which will determine the Board's compliance with the enveloping criteria. Staff expects the Board to be compliant in all areas.

10. UPDATED 2010-11 BUDGET SCHEDULE AND OBJECTIVES (APPENDICES J & K)

As the budget schedule indicates, staff intends to file the final Budget Estimates with the Ministry by the July 30, 2010 deadline. The updated 2010-11 Budget Estimates in the "new" PSAB format will be presented at the September 7, 2010 Regular Board Meeting.

CONCLUSION:

The Budget Estimates reflect the projected funding and proposed expenditure needs for 2010-11.

Staff will be completing the capital section of EFIS and submitting the 2010-11 Budget Estimates in the required "new" format. The Board will be updated with this submission at the September 7, 2010 Board meeting.

Once information on actual enrolments and related staffing adjustments becomes available, it is likely that budget revisions will be required. Any necessary budget revisions will be reviewed by senior staff. The Ministry will also require the submission of Revised Estimates, in December 2010, based on the actual October enrolment and funding from the Province will be adjusted to reflect any changes. Any other Provincial operating grants that are announced between now and the Revised Budget date will also be included along with the corresponding expenditures.

RECOMMENDATION:

RESOLUTION

*Moved by:
Seconded by:*

RESOLVED, that the Board approve the 2010-11 Budget Estimates as presented with an operating budget of \$261,780,077 and a PSAB operating budget of approximately \$300.9 million, to be updated when the 2010-11 Budget Estimates are submitted to the Ministry.

REPORT PREPARED BY: F. GIBSON
MANAGER OF BUDGET AND ACCOUNTING SERVICES

REPORT REVIEWED BY: S. ZUCKER
SENIOR ADMINISTRATOR, FINANCIAL SERVICES

REPORT SUBMITTED BY: P. MCMAHON
SUPERINTENDENT OF BUSINESS SERVICES AND TREASURER OF THE BOARD

REPORT APPROVED BY: M. PAUTLER
DIRECTOR OF EDUCATION AND SECRETARY OF THE BOARD

Halton Catholic District School Board
Revenue - Operating Fund
2010/11 Budget Estimates

Appendix A-1

	2010/2011 Budget Estimates <small>(in PSAB Format)</small>	% Change (from 10/11 to 09/10)	2009/2010 Revised Estimates <small>(in PSAB Format)</small>	2008/2009 Actuals <small>(in PSAB Format)</small>	2007/2008 Actuals <small>(in PSAB Format)</small>
OPERATING REVENUE					
Province of Ontario					
Legislative Grants	191,763,418	6.12%	180,704,206	166,555,967	155,667,717
Municipal Taxes	82,227,300	1.97%	80,635,000	80,615,966	77,355,044
	<u>273,990,718</u>	<u>4.84%</u>	<u>261,339,206</u>	<u>247,171,933</u>	<u>233,022,761</u>
Transfer from (to) Deferred Revenue (Externally Restricted Reserves)					
Classroom Reserve	-	-100.00%	665,286	-	197,604
	<u>-</u>	<u>-100.00%</u>	<u>665,286</u>	<u>-</u>	<u>197,604</u>
Other Provincial Grants					
Prior Year Grant Adjustment - Operating	-	-	-	10,735	(3,948)
Other Provincial Grants (Appendix A-9)	4,541,281	-19.95%	5,672,751	3,898,063	3,114,884
	<u>4,541,281</u>	<u>-19.95%</u>	<u>5,672,751</u>	<u>3,908,798</u>	<u>3,110,936</u>
Other Revenue					
Government of Canada	2,151,005	-7.33%	2,321,210	1,760,137	1,397,544
Tuition Fees	417,000	-22.99%	541,500	529,030	774,887
Use of Schools/Rentals	205,000	-16.33%	245,000	244,974	190,657
Cafeteria/Vending Funds/Uniform Commissions	260,000	-13.33%	300,000	909,078	359,047
Donations	200,000	33.33%	150,000	368,689	239,567
Interest Revenue	75,000	-57.14%	175,000	159,336	495,108
Miscellaneous Recoveries	-	-	-	117,865	124,796
Recoveries - Secondments	624,800	2.93%	607,000	554,765	559,023
Miscellaneous Revenue	279,955	-14.40%	327,049	1,216,721	1,311,864
	<u>4,212,760</u>	<u>-9.73%</u>	<u>4,666,759</u>	<u>5,860,595</u>	<u>5,452,493</u>
Total Operating Revenue	<u>282,744,759</u>	<u>3.82%</u>	<u>272,344,002</u>	<u>256,941,326</u>	<u>241,783,794</u>
Transfer from (to) Internally Restricted Reserve (net) - Note #1	(2,342,435)	-170.89%	3,304,120	1,080,792	(105,376)
Total Revenue Before Surplus/Deficit	280,402,324	1.72%	275,648,122	258,022,118	241,678,418
(Surplus) Deficit	-	-	-	-	-
Total Revenue	<u>\$ 280,402,324</u>	<u>1.72%</u>	<u>\$ 275,648,122</u>	<u>\$ 258,022,118</u>	<u>\$ 241,678,418</u>

Note #1 **

Transfer from Working Funds Reserve (Port-A-Pac Leases)	-
Transfer to the LEIP Reserve (From School Operations)	(550,752)
Transfer from the LEIP Reserve - (Leip Debenture - Appendix A-6)	550,752
Transfer to the PAG Reserve -Grant (Appendix B)	(20,366,555)
Less: Estimated Leases (Appendix A-6)	1,105,000
Less: Estimated School Renewal Projects (Appendix A-6)	-
Transfer from the PAG Reserve (OSBFC/OFA Debenture Appendix A-6)	16,445,674
Transfer from Community Use reserve (Turf Loan)	473,446
Transfer from (to) Internally Restricted Reserve (net)	<u>\$ (2,342,435)</u>

Halton Catholic District School Board
Expenditure Summary - Operating Fund
2010/11 Budget Estimates

Appendix A-2

	2010/2011 Budget Estimates <small>(in PSAB Format)</small>	% Change (from 10/11 to 09/10)	2009/2010 Revised Estimates <small>(in PSAB Format)</small>	2008/2009 Actuals <small>(in PSAB Format)</small>	2007/2008 Actuals <small>(in PSAB Format)</small>
Classroom Instruction					
Classroom Teachers	150,514,367	6.63%	141,157,767	132,858,478	123,616,283
Occasional Teachers	2,777,500	2.98%	2,697,000	2,850,978	2,500,896
Teacher Assistants	15,909,800	4.11%	15,282,000	15,526,225	14,969,094
Textbooks & Classroom Supplies	8,013,325	-7.82%	8,692,937	6,972,794	6,767,117
Computers	2,170,500	17.86%	1,841,642	2,103,745	1,948,515
Professionals, Paraprofessionals & Technical	8,317,192	8.01%	7,700,459	7,381,142	6,286,514
Library and Guidance	5,123,475	-5.91%	5,445,052	5,114,249	4,706,124
Staff Development	2,217,222	-26.44%	3,014,003	2,110,366	1,781,278
Subtotal Classroom Instruction	195,043,381	4.96%	185,830,860	174,917,977	162,575,821
Non Classroom - School Support Services					
School Administration	17,692,316	2.82%	17,206,285	15,930,590	14,702,431
Teacher Consultants	2,972,349	1.91%	2,916,607	2,636,449	2,479,017
Continuing Education	5,799,312	3.83%	5,585,502	5,223,243	4,863,401
Subtotal School Support Services	26,463,977	2.94%	25,708,394	23,790,282	22,044,849
Recoverable Expenses	624,800	2.93%	607,000	554,765	559,023
Other Non Classroom					
Board Administration	8,637,799	3.48%	8,347,566	7,697,862	7,655,106
Transportation	6,297,129	7.07%	5,881,175	5,932,599	5,372,343
Subtotal Other Non Classroom	14,934,928	4.96%	14,228,741	13,630,461	13,027,449
Pupil Accommodation					
School Operations and Maintenance	24,712,991	1.95%	24,239,808	22,674,193	21,887,513
School Renewal Projects	-	-100.00%	5,547,696	4,919,058	3,423,737
Portable Leases	1,105,000	0.00%	1,105,000	1,292,651	1,313,088
Debt Charges	47,375	-96.26%	1,267,085	1,265,335	2,182,850
Other Debenture Payments	17,469,872	2.08%	17,113,538	14,977,396	14,664,088
Subtotal Pupil Accommodations	43,335,238	-12.05%	49,273,127	45,128,633	43,471,276
Total Expenditures	\$ 280,402,324	1.72%	\$ 275,648,122	\$ 258,022,118	\$ 241,678,418

Halton Catholic District School Board
Instruction Expenditures
2010/11 Budget Estimates

Appendix A-3

	2010/2011 Budget Estimates <small>(in PSAB Format)</small>	% Change (from 10/11 to 09/10)	2009/2010 Revised Estimates <small>(in PSAB Format)</small>	2008/2009 Actuals <small>(in PSAB Format)</small>	2007/2008 Actuals <small>(in PSAB Format)</small>
CLASSROOM					
Regular Day School					
Classroom Teachers - Salaries & Benefits	136,092,367	6.60%	127,668,567	119,804,734	112,368,103
Classroom Teachers - ESL - Salaries & Benefits	1,671,600	16.08%	1,440,000	1,784,732	1,550,022
Classroom Teachers - Travel	31,500	3.28%	30,500	31,914	31,415
Occasional Teachers & Assistants - Salaries & Benefits	2,777,500	2.98%	2,697,000	2,850,978	2,500,896
Textbooks and Classroom Material	6,705,125	-13.26%	7,730,149	5,664,365	5,576,435
Furniture and Equipment	571,645	128.75%	249,895	543,474	369,666
Computer - Furniture & Equipment	1,359,000	54.15%	881,600	781,276	1,045,987
Computer - Supplies & Services	801,500	-10.95%	900,042	1,152,132	853,667
Prof. & Paraprofessionals - Computer - Salaries & Benefits	2,118,500	12.59%	1,881,650	1,715,436	1,555,347
Prof. & Paraprofessionals - Salaries & Benefits	1,200,100	5.26%	1,140,130	1,133,586	922,612
Prof. & Paraprofessionals - Supplies & Equipment	1,210,292	14.67%	1,055,479	1,316,182	966,157
Library and Guidance - Salaries & Benefits	4,676,400	-2.80%	4,811,295	4,513,344	4,237,096
Library and Guidance - Books & Supplies	446,075	-29.50%	632,757	600,905	468,163
Staff Development	2,093,222	-18.41%	2,565,618	2,010,593	1,709,131
Subtotal Classroom	\$ 161,754,826	5.25%	\$ 153,684,682	\$ 143,903,651	\$ 134,154,697
NON-CLASSROOM					
Regular Day School					
Teacher Consultants - Salaries & Benefits	1,820,500	7.69%	1,690,488	1,633,638	1,576,717
Teacher Consultants - Supplies & Services	232,290	9.01%	213,099	276,328	230,622
Subtotal Consultants	\$ 2,052,790	7.84%	\$ 1,903,587	\$ 1,909,966	\$ 1,807,339
School Administration					
School Administration - Salaries & Benefits	16,605,455	4.04%	15,960,580	14,949,532	13,815,573
School Administration - Supplies & Services	1,086,861	-9.83%	1,205,305	981,058	886,858
Subtotal School Administration	\$ 17,692,316	3.07%	\$ 17,165,885	\$ 15,930,590	\$ 14,702,431
Total Regular Day School - Non Classroom	\$ 19,745,106	3.54%	\$ 19,069,472	\$ 17,840,556	\$ 16,509,770
Recoverable Expenses	\$ 624,800	2.93%	\$ 607,000	\$ 554,765	\$ 559,023
Total Instruction	\$ 182,124,732	5.06%	\$ 173,361,154	\$ 162,298,972	\$ 151,223,490

**Halton Catholic District School Board
Special Education Expenditures
2010/11 Budget Estimates**

Appendix A-4

	2010/2011 Budget Estimates <small>(in PSAB Format)</small>	% Change (from 10/11 to 09/10)	2009/2010 Revised Estimates <small>(in PSAB Format)</small>	2008/2009 Actuals <small>(in PSAB Format)</small>	2007/2008 Actuals <small>(in PSAB Format)</small>
CLASSROOM					
Classroom Teachers - Salaries & Benefits	12,618,800	5.87%	11,918,600	11,157,661	9,565,876
Classroom Teachers - Travel	100,100	0.00%	100,100	79,437	100,867
Teacher Assistants - Salaries & Benefits	15,909,800	4.11%	15,282,000	15,526,225	14,969,094
Textbooks and Classroom Material	343,055	-40.69%	578,393	601,264	648,144
Furniture & Equipment	393,500	192.57%	134,500	163,691	172,872
Computer Equipment	10,000	-83.33%	60,000	170,337	48,861
Prof. & Paraprofessionals - Salaries & Benefits	3,731,300	5.22%	3,546,200	3,144,454	2,768,233
Prof. & Paraprofessionals - Supplies & Equipment	57,000	-25.97%	77,000	71,484	74,165
Library and Guidance	1,000	0.00%	1,000	-	865
Workshops	124,000	-72.35%	448,385	99,773	72,147
Subtotal Classroom	\$ 33,288,555	3.55%	\$ 32,146,178	\$ 31,014,326	\$ 28,421,124
NON CLASSROOM					
Consultants - Salaries & Benefits	873,900	-9.35%	964,020	672,033	607,110
Consultants - Supplies & Services	45,659	-6.82%	49,000	54,450	64,568
Subtotal Consultants	\$ 919,559	-9.23%	\$ 1,013,020	\$ 726,483	\$ 671,678
Special Education - School Administration					
Sp.Ed. - School Administration - Salaries & Benefits	-	-100.00%	40,400	-	-
Subtotal School Administration	\$ -	-100.00%	\$ 40,400	\$ -	\$ -
Total Special Education Expenditures	\$ 34,208,114	3.04%	\$ 33,199,598	\$ 31,740,809	\$ 29,092,802

**Halton Catholic District School Board
Board Administration Expenditures
2010/11 Budget Estimates**

Appendix A-5

	2010/2011 Budget Estimates <small>(in PSAB Format)</small>	% Change (from 10/11 to 09/10)	2009/2010 Revised Estimates <small>(in PSAB Format)</small>	2008/2009 Actuals <small>(in PSAB Format)</small>	2007/2008 Actuals <small>(in PSAB Format)</small>
Governance /Trustees	\$ 185,100	0.60%	\$ 184,000	\$ 159,352	\$ 179,985
Directors and Supervisory Officers					
Salaries & Benefits	1,953,700	2.23%	1,911,000	1,764,107	1,767,581
Supplies & Services	127,600	-8.13%	138,893	141,834	195,915
Furniture & Equipment	24,300	-2.02%	24,802	7,912	12,065
Other Expenditures	29,683	-2.52%	30,451	27,992	40,492
Subtotal Directors and Supervisory Officers	\$ 2,135,283	1.43%	\$ 2,105,146	\$ 1,941,845	\$ 2,016,053
Business and General Administration					
Salaries & Benefits	2,843,185	5.62%	2,691,960	2,565,760	2,516,459
Supplies & Services	139,070	-0.22%	139,380	(8,247)	116,239
Furniture & Equipment	65,500	-31.41%	95,500	13,562	40,838
Fees & Contractual Services	336,650	13.87%	295,650	245,962	183,848
Other Expenditures	151,246	2.06%	148,200	138,177	97,514
Subtotal Business and General Administration	\$ 3,535,651	4.89%	\$ 3,370,690	\$ 2,955,214	\$ 2,954,898
Human Resources					
Salaries & Benefits	1,116,620	7.76%	1,036,210	1,014,365	966,079
Supplies & Services	98,500	-3.81%	102,400	96,583	83,805
Furniture & Equipment	50,780	-0.98%	51,280	10,904	24,967
Fees & Contractual Services	354,300	1.14%	350,300	305,775	244,613
Other Expenditures	12,100	3.42%	11,700	6,920	5,435
Subtotal Human Resources	\$ 1,632,300	5.18%	\$ 1,551,890	\$ 1,434,547	\$ 1,324,899
Information Technology					
Salaries & Benefits	315,800	4.22%	303,000	288,140	276,251
Supplies & Services	43,000	-1.60%	43,700	30,119	45,067
Furniture & Equipment	20,000	-9.09%	22,000	26,599	40,354
Other Expenditures	6,000	-3.23%	6,200	5,252	7,060
Subtotal Information Technology	\$ 384,800	2.64%	\$ 374,900	\$ 350,110	\$ 368,732
Bank Financing Charges					
Operating Interest & Bank Charges	150,000	0.00%	150,000	249,991	68,953
Subtotal Bank Financing Charges	\$ 150,000	0.00%	\$ 150,000	\$ 249,991	\$ 68,953
Operations & Maintenance					
Utilities	116,000	0.87%	115,000	100,805	113,433
Building Repairs & Maintenance	132,725	2.89%	129,000	78,708	153,341
Landscape & Snow Removal	25,000	0.00%	25,000	22,801	25,432
Fire/Security/Monitoring	3,000	0.00%	3,000	3,040	2,966
Waste Disposal	4,500	0.00%	4,500	2,029	4,433
C.E.C Port-A-Pac	-	-	-	11,893	-
C.E.C Port-A-Pac - Lease costs	265,440	0.00%	265,440	264,567	264,993
Contractual Services	68,000	-1.45%	69,000	67,544	84,113
Subtotal Operations & Maintenance	\$ 614,665	0.61%	\$ 610,940	\$ 606,803	\$ 741,586
Total Board Administration	\$ 8,637,799	3.48%	\$ 8,347,566	\$ 7,697,862	\$ 7,655,106

Halton Catholic District School Board
Pupil Accommodations Expenditures
2010/11 Budget Estimates

Appendix A-6

	2010/2011 Budget Estimates <small>(in PSAB Format)</small>	% Change (from 10/11 to 09/10)	2009/2010 Revised Estimates <small>(in PSAB Format)</small>	2008/2009 Actuals <small>(in PSAB Format)</small>	2007/2008 Actuals <small>(in PSAB Format)</small>
School Operations					
Salaries & Benefits	9,150,800	-4.16%	9,547,500	8,888,061	8,857,232
Professional Development	11,000	-81.85%	60,614	7,305	9,681
Community Use of Schools	361,571	20.53%	299,981	22,383	10,780
Utilities - Hydro	2,906,000	0.00%	2,906,000	2,759,882	2,838,158
Utilities - Natural Gas	1,365,000	0.00%	1,365,000	967,083	934,964
Utilities - Water & Sewer	450,000	-6.25%	480,000	472,840	494,180
Maintenance - Supplies and Materials	938,000	14.26%	820,940	1,097,991	861,261
Travel & Mileage	80,100	0.00%	80,100	75,040	65,152
Custodial Equipment Repairs	85,000	13.33%	75,001	135,913	122,023
Creative Playground Equipment	10,000	0.00%	10,000	4,369	50,564
Telephone	17,000	6.25%	16,000	14,924	12,408
Plant Office	18,200	0.00%	18,200	15,120	11,849
School Maintenance Services	5,853,500	18.45%	4,941,948	5,418,007	5,307,306
Furniture & Equipment	197,000	-69.92%	654,839	280,081	99,272
Professional Fees	424,000	6.00%	400,000	404,651	325,488
Contractual Services - Security, Fire, etc.	1,647,500	20.87%	1,363,000	1,091,125	841,401
Insurance	458,000	0.00%	458,000	369,876	396,300
Portables Set-ups/Moving Expenses	545,500	0.00%	545,500	471,221	419,853
Continuing Education/ALC Operating Costs	194,820	-1.20%	197,185	178,321	229,641
Subtotal School Operations	\$ 24,712,991	1.95%	\$ 24,239,808	\$ 22,674,193	\$ 21,887,513
School Renewal Projects	0	-100.00%	4,500,000	4,919,058	3,423,737
School Renewal - Energy Efficiency Grant	0	-100.00%	1,047,696	0	0
School Renewal Projects	\$ -	-100.00%	\$ 5,547,696	\$ 4,919,058	\$ 3,423,737
New Pupil Places					
Portable Leases	1,105,000	0.00%	1,105,000	1,159,682	1,182,421
Continuing Education/ALC Leases	-	-	-	132,969	130,667
Subtotal New Pupil Places	\$ 1,105,000	0.00%	\$ 1,105,000	\$ 1,292,651	\$ 1,313,088
Debt Charges					
Debt Charges	-	-100.00%	1,219,710	1,217,960	2,135,475
Debt Charges-Permanent Financing of NPF	47,375	0.00%	47,375	47,375	47,375
Subtotal Debt Charges	\$ 47,375	-96.26%	\$ 1,267,085	\$ 1,265,335	\$ 2,182,850
Other Debenture Payments					
LEIP - Debenture Interest and Principal	550,752	-37.52%	881,502	881,502	881,502
Turf Loan -Interest and Principal	473,446	9.09%	433,993	-	-
OSBFC - Debenture Interest and Principal	12,894,958	-6.04%	13,723,659	13,723,659	13,723,659
OFA - Debenture Interest and Principal	3,550,716	71.17%	2,074,384	372,235	58,927
Subtotal Other Debenture Payments	\$ 17,469,872	2.08%	\$ 17,113,538	\$ 14,977,396	\$ 14,664,088
Total Pupil Accommodations	\$ 43,335,238	-12.05%	\$ 49,273,127	\$ 45,128,633	\$ 43,471,276

Halton Catholic District School Board
Continuing Education/Adult Learning Centre Expenditures
2010/11 Budget Estimates

Appendix A-7

	2010/2011 Budget Estimates <small>(in PSAB Format)</small>	% Change (from 10/11 to 09/10)	2009/2010 Revised Estimates <small>(in PSAB Format)</small>	2008/2009 Actuals <small>(in PSAB Format)</small>	2007/2008 Actuals <small>(in PSAB Format)</small>
Continuing Education					
Salaries & Benefits	4,659,461	7.68%	4,327,235	4,388,140	4,092,599
Supplies & Services	249,542	-31.62%	364,957	288,506	304,659
Furniture & Equipment	47,980	27.95%	37,500	47,985	18,734
Fees & Contractual Services	27,500	-47.01%	51,900	144,399	49,534
Renovations	-	-100.00%	160,000	-	-
Transportation - LINC, Summer School	86,658	25.12%	69,260	51,168	35,501
ALC Leases/Rentals	728,171	26.72%	574,650	303,045	362,374
Total Continuing Education	\$ 5,799,312	3.83%	\$ 5,585,502	\$ 5,223,243	\$ 4,863,401

Halton Catholic District School Board
Transportation Expenditures
2010/11 Budget Estimates

Appendix A-8

	2010/2011 Budget Estimates <small>(in PSAB Format)</small>	% Change (from 10/11 to 09/10)	2009/2010 Revised Estimates <small>(in PSAB Format)</small>	2008/2009 Actuals <small>(in PSAB Format)</small>	2007/2008 Actuals <small>(in PSAB Format)</small>
Transportation - General					
Salaries & Benefits	232,487	-3.04%	239,780	217,023	212,063
Supplies & Services	28,744	2.60%	28,016	16,594	60,583
Furniture & Equipment	2,763	-24.38%	3,654	2,098	2,257
Fees & Contractual Services	128,040	-9.81%	141,961	143,210	127,571
Subtotal Transportation - General	392,034	-5.17%	413,411	378,925	402,474
Transportation - Home to School					
	5,905,095	8.00%	5,467,764	5,553,674	4,969,869
Total Transportation	\$ 6,297,129	7.07%	\$ 5,881,175	\$ 5,932,599	\$ 5,372,343

Other Provincial Grants included in 2010-11 Budget Estimates

<i>Description</i>	<i>Budget</i>
DIFFERENTIATED INSTRUCTION (D.I)	26,393
FIRST NATION/METIS/INUIT EDUCATION	52,500
LEARNING FOR ALL K-12	10,000
AUTISM SUPPORT AND TRAINING	58,659
CAP. BUILD-K CONTEXTUALIZING	20,000
OUTREACH COORDINATOR	73,600
DAILY PHYSICAL ACTIVITY-ELEM	9,547
LIBRARY STAFFING GRANT	116,600
MATH & LITERACY (GAINS)	97,716
OFIP - EARLY READING	144,376
FSL GRANT-200910 TO 201213	104,522
P/VP MENTORSHIP PROGRAM	58,822
ROLE PRINC-SUCCESSION&TALENT	22,339
SAFE, EQUITABLE & INCLUSIVE SCHOOL	31,545
NETWORK-SCHOOLS HELPING SCHL	86,626
NETWORK-SCHOOL IN THE MIDDLE	25,000
S.S.SCHLS & CROSS PANEL TEAMS	29,563
M.I.S.A	111,652
Sub-total	1,079,460
O.Y.A.P GRANT	92,529
T.L.L.P.	10,560
LBS GRANTS	81,732
PROVINCE OF ONTARIO-CITIZENSHIP	1,277,000
EARLY LEARNING PROGRAM	2,000,000
Sub-total	3,461,821
Total Other Provincial Grants per A-1	\$ 4,541,281

**Halton Catholic District School Board
Summary of Operating Funding Allocation
2010-11 Budget Estimates**

Appendix B

	2010/11 Budget Estimates	% Increase From 2009/10	2009/10 Revised Estimates	2008/09 Actuals	2007/08 Actuals
Enrolment Forecast - Elementary	17,856.25	0.23%	17,815.00	17,691.50	17,646.10
- Secondary	9,819.00	1.94%	9,632.50	9,520.16	9,311.61
	27,675.25	0.83%	27,447.50	27,211.66	26,957.71
Pupil Foundation Grant - Elementary	85,400,168	12.64%	75,817,968	72,860,674	68,749,206
Pupil Foundation Grant - Secondary	54,884,773	5.77%	51,892,108	50,246,833	47,107,435
Class Size Reduction Allocation - Grades 4 to 8	-		142,382	-	
Total Pupil Foundation Allocation	140,284,941	9.72%	127,852,458	123,107,507	115,856,641
School Foundation Grant - Elementary	11,389,149	3.57%	10,996,821	10,323,031	9,752,219
School Foundation Grant - Secondary	6,179,957	4.57%	5,910,150	5,670,216	5,092,844
Total School Foundation Allocation	17,569,106	3.92%	16,906,971	15,993,247	14,845,063
Primary Class Size (PCS) Allocation	-	-100.00%	6,396,059	5,912,692	5,535,628
SEPPA - JK to Grade 3	5,930,420	5.02%	5,647,138	5,164,074	4,723,642
SEPPA - Grade 4 to 8	6,428,106	6.90%	6,013,434	5,818,508	5,451,455
SEPPA - Secondary	3,988,281	7.88%	3,696,954	3,478,762	3,165,947
Special Education Equipment Amount	323,791	29.52%	250,000	250,095	239,921
Special Incidence Portion	450,000	5.88%	425,000	447,535	434,985
High Needs Amount	12,414,279	1.54%	12,225,934	12,124,970	12,011,816
Behaviour Expertise Amount	154,170	100.00%	-	-	-
Total Special Education Allocation	29,689,047	5.06%	28,258,460	27,283,944	26,027,766
French as a second language	3,244,955	2.59%	3,162,912	3,079,077	2,996,925
English as a second language	2,121,731	7.69%	1,970,214	1,854,294	1,599,591
Total Language Allocation	5,366,686	4.55%	5,133,126	4,933,371	4,596,516
First Nations, Metis and Inuit Education Supplement	92,124	87.38%	49,164	47,322	31,249
Total Learning Opportunities Allocation	1,892,997	37.55%	1,376,257	1,355,753	1,260,825
Total Program Enhancement	472,850	0.00%	472,850	463,200	352,500
Total Continuing Education and Other Programs Allocation	1,759,856	2.76%	1,712,508	1,634,796	1,414,566
Total Teacher Qualification and Experience Allocation	17,657,716	30.55%	13,525,628	11,511,167	9,263,719
Total Transportation Allocation	5,794,835	-0.07%	5,799,145	5,712,615	5,474,198
Total Administration and Governance Allocation	7,459,129	0.95%	7,389,008	7,116,604	6,795,823
Total School Operations Allocations	24,558,987	2.75%	23,900,528	22,299,369	21,343,796
New Teacher Induction Program (NTIP)	179,933	6.78%	168,512	216,000	-
Community Use of Schools	361,571	5.42%	342,981	401,729	-
Safe Schools	437,010	3.58%	421,911	406,302	
TOTAL: OPERATING	253,576,788	5.79%	239,705,566	228,395,618	212,798,290

**Halton Catholic District School Board
Day School Average Daily Enrolment (ADE)
2010-11 Budget Estimates**

	Projected FTE Oct 31/10	Projected FTE Mar 31/11	2010-11 Projected ADE	% Change	Actual FTE Oct 31/09	Projected FTE Mar 31/10	2009-10 Projected ADE	% Change	2008-09 Actual ADE	% Change	2007-08 Actual ADE	% Change
JK	796.00	803.00	799.50	2.5%	779.00	781.00	780.00	0.5%	776.00	-0.7%	781.50	5.1%
SK	839.00	846.50	842.75	-3.8%	874.50	877.50	876.00	-0.3%	879.00	8.5%	810.25	-5.9%
Gr. 1 to 3	5,757.00	5,789.00	5,773.00	-0.8%	5,801.00	5,837.00	5,819.00	5.3%	5,526.00	1.0%	5,469.00	0.1%
Gr. 4 to Gr. 8	10,420.00	10,462.00	10,441.00	1.0%	10,318.00	10,362.00	10,340.00	-1.6%	10,510.50	-0.7%	10,585.35	0.4%
Elementary Day School Enrolment	17,812.00	17,900.50	17,856.25	0.2%	17,772.50	17,857.50	17,815.00	0.7%	17,691.50	0.3%	17,646.10	0.2%
Secondary Day School Enrolment	9,965.00	9,673.00	9,819.00	1.9%	9,776.00	9,489.00	9,632.50	1.2%	9,520.16	2.2%	9,311.61	5.9%
Total Day School ADE	27,777.00	27,573.50	27,675.25	0.8%	27,548.50	27,346.50	27,447.50	0.9%	27,211.66	0.9%	26,957.71	0.9%

Notes: ADE - Average Daily Enrolment

FTE - Full Time Equivalent

Average Daily Enrolment (ADE) is based on 50% of March 31 FTE plus 50% Oct 31 FTE

% change equals the increase (decrease) in ADE from the prior year

**Halton Catholic District School Board
Summary of Expenditures by Expenditure Type
2010-11 Budget Estimates**

	2010-11 Preliminary Budget	% of total budget	\$ increase (from 09/10 to 10/11)	% increase (from 09/10 to 10/11)	2009-10 Revised Estimates	% of total budget	2008-09 Actuals	% of total budget	2007-08 Actuals	% of total budget
<i>Operating</i>										
Salary & Wages	196,006,611	74.9%	10,236,610	5.5%	185,770,001	74.1%	174,612,255	74.1%	163,291,402	74.2%
Employee Benefits	26,254,801	10.0%	448,054	1.7%	25,806,747	10.3%	25,366,320	10.8%	23,626,631	10.7%
Total Salaries and Benefits	222,261,412	84.9%	10,684,664	5.1%	211,576,748	84.4%	199,978,575	84.9%	186,918,033	84.9%
Professional Development	1,507,214	0.6%	(306,811)	-16.9%	1,814,025	0.7%	940,909	0.4%	749,273	0.3%
Supplies & Services (Appendix D-1)	23,456,085	9.0%	756,996	3.3%	22,699,089	9.1%	20,230,271	8.6%	19,964,463	9.1%
Replacement Furniture & Equipment	27,000	0.0%	1,000	3.9%	26,000	0.0%	67,638	0.0%	2,370	0.0%
Capital Expenditure	782,760	0.3%	(788,359)	-50.2%	1,571,119	0.6%	991,835	0.4%	1,165,259	0.5%
Operating Interest	150,000	0.1%	-	0.0%	150,000	0.1%	249,991	0.1%	68,953	0.0%
Rentals & Leases	947,894	0.4%	(122,862)	-11.5%	1,070,756	0.4%	1,054,307	0.4%	1,047,451	0.5%
Fees & Contractuals (Appendix D-2)	11,275,268	4.3%	777,884	7.4%	10,497,384	4.2%	10,874,252	4.6%	9,072,111	4.1%
Other	583,273	0.2%	(12,979)	-2.2%	596,252	0.2%	737,598	0.3%	664,025	0.3%
ALC Lease/Rentals	728,171	0.3%	153,221	26.7%	574,950	0.2%	393,290	0.2%	364,213	0.2%
Transfers to Other Boards	61,000	0.0%	22,520	58.5%	38,480	0.0%	49,012	0.0%	78,505	0.0%
Total Other Operating	39,518,665	15.1%	480,610	1.2%	39,038,055	15.6%	35,589,103	15.1%	33,176,623	15.1%
Total Operating	261,780,077	100.0%	11,165,274	4.5%	250,614,803	100.0%	235,567,678	100.0%	220,094,656	100.0%
<i>Capital</i>										
School Renewal Projects	-	0.0%	(5,547,696)	-100.0%	5,547,696	22.2%	4,919,058	33.7%	3,423,737	23.4%
Debt Charges & Interest	47,375	0.3%	(1,219,710)	-96.3%	1,267,085	5.1%	1,265,335	5.6%	2,182,850	10.1%
Portable Leases	1,105,000	5.9%	-	0.0%	1,105,000	4.4%	1,292,651	5.8%	1,313,087	6.1%
Turf Loan Payments	473,446	2.5%	39,453	9.1%	433,993	1.7%	-	-	-	-
OSBFC Debenture Payments	13,445,710	72.2%	(1,159,451)	-7.9%	14,605,161	58.3%	14,605,161	65.0%	14,605,161	67.7%
OFA Debenture Payments	3,550,716	19.1%	1,476,332	71.2%	2,074,384	8.3%	372,235	-	58,927	-
Total Capital	18,622,247	100.0%	(6,411,072)	-25.6%	25,033,319	100.0%	22,454,440	100.0%	21,583,762	100.0%
Total Expenditures	\$ 280,402,324	100.0%	4,754,202	1.7%	\$ 275,648,122	100.0%	\$ 258,022,118	100.0%	\$ 241,678,418	100.0%

HALTON CATHOLIC DISTRICT SCHOOL BOARD

2010-11 Budget Estimates

Supplies and Services

<i>Description</i>	2010-11 Budget Estimates	2009-10 Revised Estimates	2008-09 Actual	2007-08 Actual
ADVERTISING	\$ 113,800	\$ 195,531	\$ 165,762	\$ 212,379
APPLICATION SOFTWARE	97,600	122,600	109,545	86,974
ASPHALT/CONCRETE	204,000	204,000	207,510	279,580
ASSOC. & MEMBERSHIP FEES-BOARD	5,500	5,500	5,696	5,370
AUDIO VISUAL MATERIALS	138,800	78,800	39,115	80,591
AUTOMOBILE REIMBURSEMENT	426,938	414,672	400,898	376,496
SCHOOL BASE BUDGET	2,566,540	2,498,429	110	-
CAFETERIA/FOOD SUPPLIES & SERVICES	460,000	333,257	-	-
COPYING INSTRUCTIONAL	219,040	233,460	79,874	165,555
FIELD TRIPS	333,020	326,306	259,276	194,666
INSTRUCTIONAL MATERIALS	1,724,428	2,746,332	1,799,869	1,724,301
INSTRUCTIONAL SUPPLIES	265,015	415,442	1,528,587	1,337,079
LIBRARY BOOKS	314,075	526,017	422,266	275,714
MAINTENANCE SUPPLIES & SERVICES	6,357,741	5,351,686	5,663,037	5,290,284
MISCELLANEOUS	80,661	75,176	32,868	76,912
NON-CAPITAL FURNITURE & EQUIPMENT	2,265,208	1,011,454	1,277,600	1,264,148
OFFICE SUPPLIES & SERVICES	208,705	774,751	932,053	1,061,438
OTHER TRAVEL EXPENSE	15,550	14,902	8,598	7,664
PERIODICALS	36,150	37,850	43,680	36,330
PLANT OPERATIONS SUPPLIES	939,000	820,940	822,537	875,095
POSTAGE	23,280	25,335	36,411	59,941
PRINTING & PHOTOCOPYING	231,120	165,842	397,742	425,469
RECRUITMENT OF STAFF	22,500	23,500	77,723	55,630
REPAIRS	293,500	266,935	331,166	303,343
TELECOMMUNICATIONS	389,614	402,547	374,836	376,641
TEXTBOOKS & LEARNING MATERIALS	778,300	661,050	829,245	917,043
UTILITIES	4,915,000	4,935,775	4,360,355	4,442,787
VEHICLE MAINTENANCE & SUPPLIES	31,000	31,000	23,912	33,033
	<u>\$ 23,456,085</u>	<u>\$ 22,699,089</u>	<u>\$ 20,230,271</u>	<u>\$ 19,964,463</u>

HALTON CATHOLIC DISTRICT SCHOOL BOARD
2010-11 Budget Estimates
Fees and Contractual Expenditures

<i>Description</i>	2010-11 Budget Estimates	2009-10 Revised Estimates	2008-09 Actual	2007-08 Actual
AUDIT FEES	\$ 57,935	\$ 49,284	\$ 55,390	\$ 47,119
LEGAL FEES	159,813	176,610	200,845	148,642
OTHER PROFESSIONAL FEES	585,504	743,464	675,761	619,683
OTHER CONTRACTUAL SERVICES	2,918,319	2,698,997	2,947,594	2,334,988
TRANSPORTATION	6,033,135	5,495,327	5,589,191	4,957,078
TEMPORARY ASSISTANCE	47,000	52,000	21,443	24,345
COURIER	148,500	137,069	101,103	63,848
SOFTWARE FEES & LICENSES	312,358	124,763	407,305	111,530
HARDWARE MAINTENANCE	52,000	60,500	63,789	10,038
INSURANCE	460,704	459,370	373,488	400,185
PORTABLE SET-UP	500,000	500,000	438,343	354,655
	<u>\$ 11,275,268</u>	<u>\$ 10,497,384</u>	<u>\$ 10,874,252</u>	<u>\$ 9,072,111</u>

2010-11 New Budget Initiatives

		<u>Salary</u>	<u>Other</u>	<u>Total</u>
1. Provision for Wireless coverage in all schools	Business Services		320,000	320,000
2. Two (2) New Itinerant Teacher (Religion & Family Life) Funds identified within budget to cover cost of Itinerant Teacher	Curriculum	180,000		180,000
			(90,000)	(90,000)
		180,000	(90,000)	90,000
3. Equity/Job Evaluation Officer This position will be funded by the Elimination of the HR records Clerk	Human Resources	79,125		
		(49,240)		
		29,885	-	29,885
4. Communications Review	Communications	-	20,000	20,000
5. 21st Century Teaching and Learning	Director	-	150,000	150,000
6. Management Training and Leadership Development (Administrators)	Director	-	25,000	25,000
7. School Services - Secretary	School Services	50,000		50,000
8. New Program Initiatives - Start up costs Advance Placement International Baccalaureate E-Learning	Director	-	50,000	50,000
9. Consultant - Multiculturalism, Equity and Diversity (1/2 year)	School Services	50,000	-	50,000
10. Special Education - Chief Psychologist Reduction in Professional Fee budget	Special Education	133,000		133,000
			(133,000)	(133,000)
		133,000	(133,000)	-
11. Renovations at Assumption for Sp.Ed.	Special Education	-	120,000	120,000
12. Three (3) New Secondary SERTs (Holy Trinity, Corpus, and Bishop Reding)	Special Education	270,000	-	270,000
13. New Furniture and Equipment for St. Thomas Aquinas	School Services	-	150,000	150,000
Sub-total		712,885	612,000	1,324,885
14. Lumen Christi - Start up funds (included in budget)	School Services		120,000	120,000
15. New Early Learning Program (included in budget)	Curriculum	2,500,000	-	2,500,000
16. Increase in Thomas Merton Lease/Rental over 2009-10 (included in budget)	Continuing Ed.		153,521	153,521
17. French Immersion - Transportation (included in budget)	Business Services		328,127	328,127
Total New Initiatives Included in Budget		\$ 3,212,885	\$ 1,213,648	\$ 4,426,533

2010-11 Program Expansion

1. Student Voice/Parent Involvement	School Services	-	30,000	30,000
2. Increase to Staff Development Budget over 2009-10	Staff Development		60,000	60,000
Total Program Expansion		\$ -	\$ 90,000	\$ 90,000

Halton Catholic District School Board
Operating and Capital - Revenues and Expenditures
2010-11 Budget Estimates

	2010-11 Budget Estimates - Draft 1 (June 15, 2010)			Change			2010-11 Budget Estimates (June 29, 2010)		
	Operating	Capital	Total	Operating	Capital	Total	Operating	Capital	Total
Revenue									
GSN	253,615,377	20,413,930	274,029,307	(38,589)	-	(38,589)	253,576,788	20,413,930	273,990,718
Other Provincial Grants	4,429,629		4,429,629	111,652	-	111,652	4,541,281		4,541,281
Other Operating	4,104,171		4,104,171	108,589	-	108,589	4,212,760		4,212,760
Transfer to LEIP Reserve	(550,752)		(550,752)	-	-	-	(550,752)	-	(550,752)
Transfer from LEIP Reserve		550,752	550,752	-	-	-	-	550,752	550,752
Transfer from Community Use of Schools(Turf Loan)		473,446	473,446	-	-	-	-	473,446	473,446
Transfers from Pupil Accommodation Allocation Reserve		16,445,674	16,445,674	-	-	-	-	16,445,674	16,445,674
Transfers to Pupil Accommodation Allocation Reserve		(19,261,555)	(19,261,555)	-	-	-	-	(19,261,555)	(19,261,555)
Total Revenue	261,598,425	18,622,247	280,220,672	181,652	-	181,652	261,780,077	18,622,247	280,402,324
Expenditures									
Operating Expenses	261,598,425	-	261,598,425	181,652	-	181,652	261,780,077	-	261,780,077
OSBFC Debenture Payments	-	12,894,958	12,894,958	-	-	-	-	12,894,958	12,894,958
LEIP Debenture Payments	-	550,752	550,752	-	-	-	-	550,752	550,752
OFA Debenture Payments	-	3,550,716	3,550,716	-	-	-	-	3,550,716	3,550,716
Turf Loan Debenture Payments	-	473,446	473,446	-	-	-	-	473,446	473,446
Debt Charges	-	47,375	47,375	-	-	-	-	47,375	47,375
ALC and portable leases	-	1,105,000	1,105,000	-	-	-	-	1,105,000	1,105,000
Total Expenses	261,598,425	18,622,247	280,220,672	181,652	-	181,652	261,780,077	18,622,247	280,402,324
Surplus (Deficit)	-	-	-	-	-	-	-	-	-

**Halton Catholic District School Board
2010 - 2011 PSAB Operating Budget**

Revenue (\$ 000's)	<u>A</u> Old basis of presentation	<u>B</u> Adjustments	Notes	<u>C</u> Ministry Compliance	<u>D</u> Adjustments	Notes	<u>E</u> PSAB presentation
Allocations from Funding Model							
Operating Grants	\$253,577			\$253,577			\$253,577
Debt Charges							
Ontario School Boards Financing Corporation(OSBFC)	12,895	(4,233)	<u>1</u>	8,662			8,662
Ontario Financing Authority (OFA)	3,551	(1,058)	<u>1</u>	2,493			2,493
LEIP	551	(220)	<u>1</u>	331			331
Turf Loan	473	(320)	<u>1</u>	153			153
Permanently Financed	47			47			47
Portable Leases (NPP)	1,105			1,105			1,105
	272,199	(5,832)		266,368	0		266,368
Other revenues (including deferred revenues)	8,203			8,203			8,203
Deferred capital contributions		15,058	<u>2</u>	15,058			15,058
School activities revenues					10,000	<u>5</u>	10,000
Total Revenue	\$280,402	\$9,227		\$289,629	\$10,000		\$299,629
Expenditures	\$280,402	\$9,227		\$289,629	\$11,308		\$300,937
Operating Deficit	\$0	\$0		\$0	(\$1,308)	<u>6</u>	(\$1,308)

Notes

1 Principal amount of debt repayments

3 Deferred capital contributions revenue offset to amortization expense

3 and 4 from Page 2 expenditures have no revenue offset

5 School generated funds revenues and expenditures

6 This PSAB deficit is not a deficit for compliance purposes. See Section 7 of the Report.

**Halton Catholic District School Board
2010 - 2011 PSAB Operating Budget**

Expenditures (\$ 000's)	<u>A</u> Old basis of presentation	<u>B</u> Adjustments	Notes	<u>C</u> Ministry Compliance	<u>D</u> Adjustments	Notes	<u>E</u> PSAB presentation
Supplies and services expenditures	\$ 39,519			\$ 39,519			\$ 39,519
Compensation expenditures	222,261			222,261	1,384	<u>3</u>	223,645
Debt Charges							
Ontario School Boards Financing Corporation(OSBFC)	12,895	(4,233)	<u>1</u>	8,662	(1,065)	<u>4</u>	7,597
Ontario Financing Authority (OFA)	3,551	(1,058)	<u>1</u>	2,493	989	<u>4</u>	3,482
LEIP	551	(220)	<u>1</u>	331			331
Turf Loan	473	(320)	<u>1</u>	153			153
Permanently Financed	47			47			47
Portable Leases (NPP)	1,105			1,105			1,105
Amortization expense		15,058	<u>2</u>	15,058			15,058
School activities expenditures					10,000	<u>5</u>	10,000
Total Expenditures	\$ 280,402	\$ 9,227		\$ 289,629	\$ 11,308		\$ 300,937

Notes

- 1 Principal amount of debt repayments
- 2 Amortization expense on capital assets
- 3 Increase in employee future benefits liabilities
- 4 Increase (decrease) in accrued interest charges on debentures
- 5 School generated funds revenues and expenditures

Ministry of Education
Financial Analysis and
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2010: SB10

MEMORANDUM TO: Superintendents of Business and Finance

FROM: Andrew Davis
Director
Financial Analysis and Accountability Branch

DATE: March 04, 2010

SUBJECT: Update on Changes to Financial Accountability, Budgeting
and Reporting

Over the past two years, the Ministry of Education has been consulting with the education sector on changes to modernize the financial accountability sections of the *Education Act*. I am writing to you today to advise you of the changes that are being made to financial compliance and reporting to improve transparency and consistency.

Most significant among these changes are:

- I. Updating Budget Compliance to Public Sector Accounting Standards (PSAB);
- II. Expense Exceptions to PSAB Compliance;
- III. Accounting Treatment for Capital Funding which will be treated as Deferred Capital Contributions (DCC);
- IV. Wrap-up of the Capital Funding Model (mainly New Pupil Places Grants);
- V. Treatment of Capital Debt and Reserves

I. Updating Budget Compliance to PSAB

Since 2003-04, school boards have been using PSAB standards for their audited financial statements, however, compliance was on a modified cash basis. This inconsistency in reporting is being eliminated through amendments to the Financial Accountability sections of the *Education Act* which received Royal Assent in December 2009, as part of the Ministry of Finance's Bill 218. This legislation, which comes into effect on September 1, 2010, is key to modernizing financial reporting and updating budget compliance to conform to PSAB standards used by the Province.

It should be noted that the important accountability and financial management levers that boards had available to them in the past will remain, although in some cases, the terminology will change:

- Reserves will either be included in the Accumulated Surplus (which is the summation of prior year surpluses), or treated as deferred revenue (revenues with an external restriction);
- The Accumulated Surplus can be internally restricted and tracked by the board, just as reserves were in the past.

Under the old compliance model when a board drew on reserves to balance its budget, this action masked the fact that it had an underlying deficit. With the introduction of PSAB compliance, it will be transparent that such a board has a deficit.

School boards are still required to pass a balanced budget, although there are circumstances where an in-year deficit is permissible if there is an accumulated surplus.

The draw on the accumulated surplus is limited to ensure that this action does not place the board at undue financial risk. To ensure deficit management practices are sustainable, in-year deficits cannot exceed the lesser of:

- i. The board's Accumulated Surplus for the preceding year, and
- ii. One per cent of the board's operating revenue.

Carrying a deficit larger than this amount will require approval of the Minister of Education.

The amendments in Bill 218 also introduce a new standard for school board financial accountability that will require the adoption and implementation of financial recovery plans to monitor the return of boards to financial health in the event the above mentioned requirements are not met at Estimates or at any other reporting cycle.

II. Expense Exceptions to PSAB Compliance

Benefits

PSAB expense for benefits includes a benefit component for cash costs that will be incurred in the future for both current and retired employees. Currently, the demographic profile of the education sector is such that the cash costs for benefits are less than the PSAB expense. There is a \$3 billion unfunded future employee benefit liability in the sector that is growing, which means that benefits provided to employees are in excess of anticipated funding. This liability is impacted by the economy and demographics, but also by plan changes.

The PSAB budget compliance definition will exclude the gap between the cash cost and the PSAB expense, with the exception of any changes resulting from net enhancements to benefits. This definition will be in place for 2010-11 and 2011-12, consistent with the labour framework agreements that call for benefit levels to remain unchanged, with the

exception of the introduction of a \$33 million enhancement. A longer term solution will be developed addressing funding and compliance in connection with future labour and benefit discussions.

In making benefit decisions, boards are reminded to keep in mind the financial implications of the proposed new PSAB compliance requirements. For example, as previously announced, the education sector will be receiving \$33 million for sector-wide improvements to benefits and other working conditions. When determining the impact of these improvements on board finances, it is important to cost out the PSAB expense not just the cash requirements. If the PSAB expense is higher than the enhancement funding, boards will have to fund this pressure from other sources.

Interest and vacation accrual

Current compliance is based on excluding interest and vacation accruals. This approach was implemented to assist with the transition to PSAB financial statements. The new legislative compliance model will continue to exclude interest accrual on approved debt from compliance, to recognize the difference in timing where interest expense is accrued in one year, but not funded until the following year.

Starting in 2011-12, the vacation accrual will no longer be excluded from compliance. Vacation accruals, unlike the interest accruals noted above, are determined by the board's vacation policy. The Ministry will be providing boards with additional details on how this change will be implemented and when it will come into effect. Boards are encouraged to start looking at options to address this expense.

III. Accounting Treatment for Capital Funding - Deferred Capital Contributions

PSAB currently requires that boards recognize the value of their Tangible Capital Assets (TCA) and report on the use of their TCA, that is, the amortization of the assets which will appear as an operating expense.

With the new accounting treatment for capital assets, the Province wants to ensure that capital does not distort how the board's financial position is presented. Specifically, deficits or surpluses should not be created from building a school that is fully funded. The Province will require boards to follow a policy of Deferred Capital Contributions (DCC) for capital grants. This policy will ensure that financial reporting is more transparent and will help avoid large swings between surpluses and deficits caused by a misalignment of capital grants and the amortization expense. For example, in the absence of a DCC policy, if the Province provides \$10 million for a school, this revenue would be recorded in year one, creating a surplus of about \$10 million, followed by 39 years of deficits related to the amortization expense. DCC will eliminate distortions to school boards' financial positions.

IV. Wrap-up of the Capital Funding Model (mainly New Pupil Places Grants)

The New Pupil Places grant, for the most part, is a debt support grant. For a small number of boards it still generates some funding for new construction. Since a significant portion of this grant varies with enrolment, boards are left with the risk that if enrolment were to come in below forecast, there wouldn't be sufficient revenue for an asset that is already built. Similar to the DCC rationale whereby the Ministry does not want to distort the financial position of the board, we want to avoid similar distortions created by grants that flow over 25 years where the amortization expense will be quite different.

Based on the evaluation of the current capital funding approach, the NPP model will be wrapped-up and replaced with a debt support grant that does not fluctuate with enrolment. The Ministry intends to propose amendments to the 2009-10 grant regulations and introduce necessary provisions in the 2010-11 grant regulations to wind up the NPP model. Starting in 2010-11 the Ministry will recognize capital grant entitlements on all existing capital programs (NPP, Good Places to Learn, Capital priorities etc.) based on the eligible capital expenditures. The Province will recognize and support all the debt of school boards on approved expenditures that were previously supported by these grants.

The wrap-up will be implemented through a one-time grant that recognizes all the existing capital debt as of August 31, 2010, that is being supported by existing capital programs. This grant will be cash flowed to boards over the remaining term of their existing capital debt instruments. This means that school boards will record a receivable from the Province, and these revenues will be part of the DCC balance. In the absence of ineligible expenditures, the DCC balance will equal the TCA balance, which means that board books will not be distorted by how capital is now being funded.

Boards will continue to long term finance capital expenditures related to these prior capital programs through the Ontario Financing Authority (OFA), and will receive a cash flow from the Ministry to meet their annual debt repayments. This means that a board's cash flow will be different than the revenue recorded (a timing difference only).

Some capital funding is being protected for a small number of boards that still have funding room under the NPP program sufficient to build at least one new school. This entitlement room, estimated at \$272M, will be converted into a four year capital program for eligible boards.

V. Capital Debt and Reserves

To help implement these changes, the Ministry will use the capital liquidity templates and develop specified procedures to support a one-time accountant report that validates debt balances, non-permanently financed capital spending and pupil accommodation reserves. The Ministry will provide further details on implementation through a separate memorandum.

Given that the Province will recognize, for funding purposes, the supported debt on existing capital programs, pupil accommodation reserves as of August 31, 2010 will be recovered through offsets against amounts owing for future capital grant entitlement or against cash payable to school boards for supported debt servicing costs, or a combination of the two. This action is necessary to ensure that the debt from approved capital expenditures is not funded twice, once through funding allocated for capital purposes but not spent, and a second time, by covering the cost of the same capital asset through the one time grant. Any transfers from these reserves from the date of this memorandum to August 31, 2010 must be for debt servicing costs only, unless a transfer was supported by a specific board motion dated prior to February 25, 2010 and approved by the ministry. Transfer approvals will continue as per 2009:SB:32, *Introduction of New Accountability Measures for Capital Projects based on Preliminary Findings of the Expert Panel*.

The Ministry has scheduled training sessions in March 2010 to present the changes for the 2010-11 Estimates EFIS forms, which will incorporate the new reporting model and new budget compliance model as well as the implementation of Deferred Capital Contributions.

We look forward to working with you in implementing these important improvements.

If you have any questions, feel free to contact me or:

- Elizabeth Sulkovsky at (416) 325-8527 or Elizabeth.Sulkovsky@ontario.ca
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Andrew Davis
Director
Financial Analysis and Accountability Branch

cc: Directors of Education
DSB External Auditors

**Halton Catholic District School Board
2010 - 2011 PSAB Capital Budget**

Expenditures (\$ 000's)	Total	School Renewal	Energy Initiatives	Growth Schools	Early Learning Program Capital	Proceeds of Disposition and other	New Pupil Places
Construction in Progress							
St. Ignatius of Loyola	14,000	6,992	2,857	4,151			-
Lumen Christi	9,500				1,317		8,183
St. Thomas Aquinas	14,000			6,947		7,053	-
Milton Catholic Secondary School	1,000					1,000	-
Total Capital Expenditures	\$ 38,500	\$ 6,992	\$ 2,857	\$ 11,098	\$ 1,317	\$ 8,053	\$ 8,183

Halton Catholic District School Board
2010-2011 Budget Estimates Schedule

	Date (2010)	Completed	Activity
1	January 4th	✓	Minister Letter - Annual GSN Consultation
2	January 8th	✓	Submit Enrolment Projections to the Ministry of Education
3	February 2nd	✓	Present 2010-11 Budget Estimates Schedule & Objectives to the Board
4	March 11th/22nd	✓	Ministry Training Sessions on the 2010-11 Estimates Forms in Draft (EFIS)
5	March 24th	✓	Salary and FTE staffing "snapshot" from HR/Payroll System (base for 2010-11 budget)
6	March 24th	✓	Establish schools preliminary budget (amounts per pupil x projected enrolment)
7	March 25th	✓	2010-11 Provincial Budget Release
8	March 26th	✓	Release of 2010-2011 Grant for Student Needs (GSN)
9	April 1st	✓	Ministry Memorandum - Student Transportation Grants for Student Needs, 2010-11
10	April 6th	✓	Release of 2010-2011 Grant for Student Needs (GSN) - Board Information Report
11	April 12th	✓	Overview of Salaries & Benefits Budget Estimates (Administrative Council)
12	April 20th	✓	Presentation to Board - 2010-11 Salaries and Benefits Budget
13	April 20th	✓	Release of the 2010-11 Estimates Forms (EFIS)
14	April 21st	✓	Distribute Budget Input Package to Departments
15	April 30th	✓	Receive budget submissions from departments
16	May 4th	✓	Presentation to Board on the 2010-11 Grant Revenue Calculation and Update on Changes to Financial Accountability, Budgeting and Reporting
17	May 17th	✓	2010-11 Budget Update (Administrative Council)
18	May 18th	✓	2010-11 Budget Progress & Revised Timelines Report to Board
19	May 31st	✓	Overview of Other Operating Expenses and New Initiatives (Administrative Council)
20	May 31st	✓	Review of draft of the Budget Estimates (Administrative Council)
21	June 1st	✓	Presentation to Board - Other Operating Expenses and New Initiatives
22	June 7th	✓	Review of Draft Budget Estimates (Administrative Council)
23	June 14th	✓	2010-11 Budget Update (Administrative Council)
24	June 15th	✓	2010-11 Budget Estimates Draft Report to Board
25	June 21st	✓	Special Education Budget Presentation and GSN update to SEAC
26	June 24th	✓	Review of Final Budget Estimates (Administrative Council)
27	June 29th		2010-11 Budget Estimates Final Report for Board Approval
28	June 30th		Post Final Budget Report and press release on public website
29	July 30th		Submission of Budget Estimates to the Ministry (EFIS)
30	July 30th		Submission of Budget Estimates to OCSTA (EFIS)
31	Sept 7th		Budget Report to Board in the new PSAB Format

Budget Objectives

- 1. To provide programs which increase the level of knowledge and experience of Catholic moral Teaching and Tradition, that is faithful to the Magisterium of the Catholic Church, for all in our Board.***

These programs include Parish involvement, ongoing vocations awareness, Catholic Faith formation, Religious Education Courses, Chaplaincy services, student retreats and Christ-centered staff development.

- 2. To allocate resources so that all students have an equal educational opportunity.***

Resources are allocated on an equitable basis, striving to provide equal opportunity.

- 3. To align the budget with the Board's Vision Statement and the Strategic Planning and Renewal Process.***

- 4. To provide a safe environment for all students and staff.***

Initiatives include school upgrading and health and safety projects.

- 5. To implement changes in employee remuneration as approved by the Board.***

Appropriate adjustments are provided in accordance with legislation and collective agreements.

- 6. To implement all capital projects approved by the Board.***

Staff will review the multi-year plan for all capital projects.

- 7. To provide funds for professional development opportunities.***

Funds are provided for all staff, trustees and the members of the Catholic School Councils.

- 8. To continue the Adult and Continuing Education Programs.***

The Adult and Continuing Education programs will continue to be based on a self-balancing budget.

- 9. To continue to emphasize the involvement of the school community.***

The Board will continue to encourage dialogue with its Catholic School Councils.

- 10. To continue the development of partnerships and cost-sharing initiatives where these are not inconsistent with our Catholic mandate and where such partnerships can be shown to make meaningful and cost-effective contributions towards our mission.***

This will be done in collaboration with other Boards, Municipalities and other agencies.

- 11. To implement all programs funded by the Ministry of Education.***

Funds will be allocated to implement and support programs funded by the Ministry of Education.

- 12. To conform with budget restrictions in accordance with the Education Act and Regulations thereto.***

This will include providing a balanced budget and ensuring that the enveloping provisions related to Special Education, Pupil Accommodation, as well as Governance and Administration, are complied with.

- 13. To develop and maintain accountability frameworks as required by the Ministry of Education.***

This will be done in cooperation with the Ministry of Education to ensure that the Board meets or exceeds the requirements.

- 14. To provide a range of placements for Special Education Students as required by the Ministry of Education.***

The Board will continue to review placement options for identified students and to provide those that are most suited to the needs of those students in accordance with legislative guidelines.