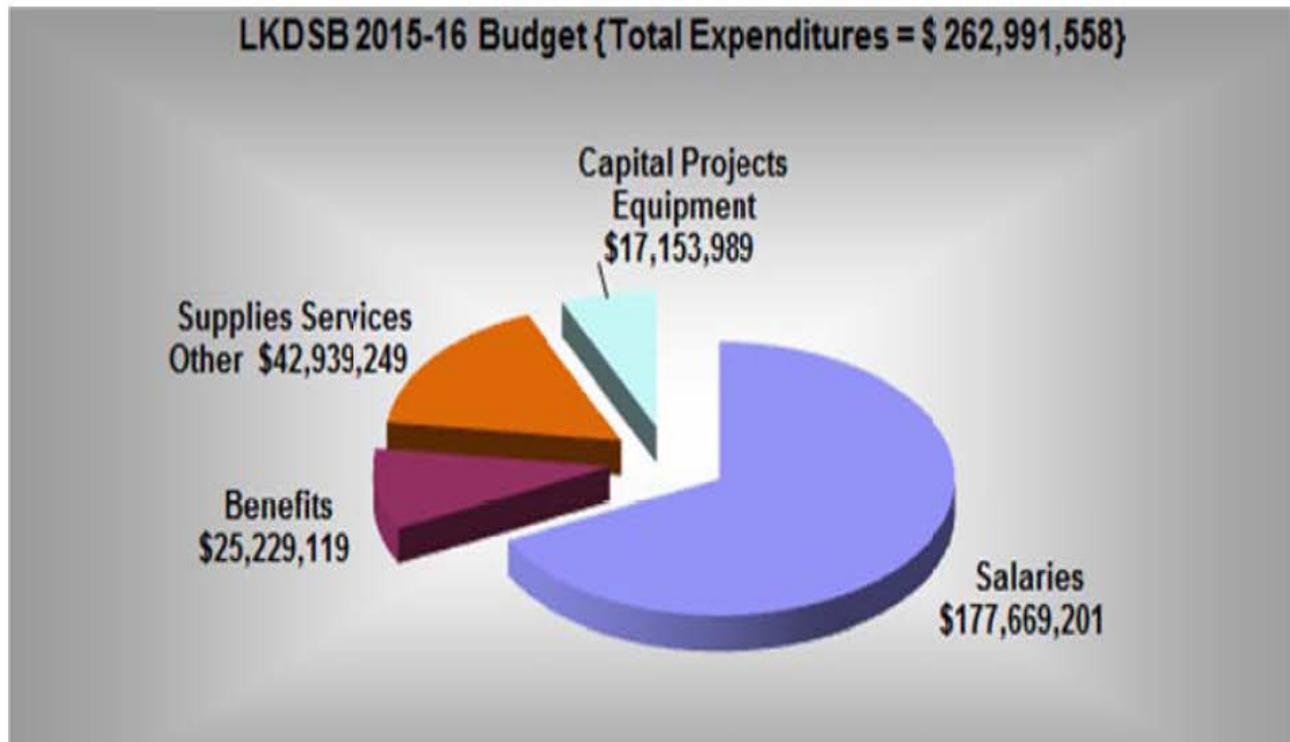


For the 2015-16 School Year, the Lambton Kent District School Board will have a total combined Operating and Capital budget of \$262.99 Million dollars. This budget is based on the Ministry Grants for Education Funding 2015-16 as released on March 26, 2015. Total Provincial Education funding for this new budget year is projected to be \$22.46 Billion dollars, an average of \$11,451 per pupil. While this Provincial funding amount is stable year-over-year, about two-thirds of GSN funding is enrolment based. The declining enrolment in our region has a significant impact on GSN funding requiring cost saving measures to be implemented.

BUDGET HIGHLIGHTS:

The 2015-2016 school year budget for the Lambton Kent DSB totals **\$262.99 Million**. The following chart summarizes all expenditures into the four major categories:



The budget is in compliance with Ministry enveloping requirements and Ministry class size regulations and includes \$2.3M of Board Reserves.

REVENUE BUDGET for 2015-16:

This revenue forecast is based on the Grants for Student Needs (GSN) education funding model, which determines the board's operating grants and school renewal grants provided by the Ministry of Education. There are four (4) major categories of grants to the GSN funding model, these are: Pupil Foundation Grant, School Foundation Grant, Special Purpose Grants and the Pupil Accommodation Grant.

Total revenues from the province are estimated at \$255.56 M. The budget estimates also include other sources of revenue in the amount of \$5.13 M. which is comprised of fees from our Native student population, Visa students, earned interest and rental revenue and earned interest. Finally there is a one-time draw on reserves in the amount of \$2,300,000 to provide assistance for Board priority student and project supports.

EXPENDITURE BUDGET FOR 2015-16:

2015 – 16 BUDGET SUMMARY (MILLIONS)	
TOTAL EXPENDITURES = \$ 260.7 M	
<u>Classroom Categories:</u>	
Classroom Teachers	\$ 133.92
Supply Teachers	4.10
Teacher Assistants & ECE's	17.84
Textbooks & Classroom Supplies	7.01
Computers	3.55
Professionals & Paraprofessionals	6.03
Library & Guidance	4.24
Staff Development	0.47
Department Heads	0.45
<u>Non-Classroom Categories:</u>	
Principals, & Vice-principals	11.57
School Office	6.03
Consultants & Co-ordinators	2.33
Board Administration & Trustees	6.43
School Operations	25.44
Continuing Education	.99
Transportation	12.14
School Renewal	14.48
Approved Debt	4.33
Ministry EPO funding Outside GSN	1.64

THE LAMBTON KENT DISTRICT SCHOOL BOARD
REVENUE FORECAST SUMMARY BY GRANT CATEGORY

GRANT CATEGORY	2015/16 ESTIMATES	2014/15 REVISED BUDGET ESTIMATES	VARIANCE to 14-15 Grants
Operating Grants			
Pupil Foundation Grant - Elementary JK - SK	16,125,362	16,631,418	-506,056
Pupil Foundation Grant - Elementary Gr. 1 to 3	24,197,482	24,270,851	-73,369
Pupil Foundation Grant - Elementary Gr. 4 to 8	33,733,273	34,093,977	-360,704
Pupil Foundation Grant - Secondary	41,081,675	42,025,549	-943,874
School Foundation - Elementary	11,354,408	11,491,257	-136,849
School Foundation - Secondary	5,728,723	5,695,442	33,281
Special Education	28,281,365	28,274,959	6,406
Language Grants - French as 2nd Language	2,742,746	2,689,013	53,733
Language Grants - ESL/ESD	399,559	445,632	-46,073
Distant & Supported Schools (Learning Resources)	9,865	14,820	-4,955
Remote and Rural	363,771	446,700	-82,929
Continuing Education and Summer School	1,068,194	1,091,502	-23,308
Teachers Qualifications & Experience	20,623,418	19,077,006	1,546,412
ECE Qualifications & Experience	1,130,299	1,138,663	-8,364
Transportation	12,108,037	11,900,351	207,686
Governance & Administration	6,094,716	6,067,921	26,795
Pupil Accommodation - School Operations	19,915,324	19,744,215	171,109
Learning Opportunities (LOG) - Base Amount	1,475,092	1,477,118	-2,026
Literacy and Numeracy Assistance (LOG)	13,006	13,024	-18
Student Success Assistance (LOG)	1,713,647	1,768,883	-55,236
First Nation, Metis & Inuit Education (Pupils of the Board)	802,491	862,360	-59,869
New Teacher Induction Program	100,400	98,107	2,293
Safe Schools	442,623	451,566	-8,943
1. Sub-Total =	229,505,476	229,770,334	-264,858
Flexibility Amount: Local Priorities - Foundation Allocation	0	0	0
Declining Enrolment Allocation	863,697	1,254,408	-390,711
Top Up Allocation for School Operations	4,774,142	5,991,584	-1,217,442
Community Use of Schools Compensation	354,412	359,832	-5,420
2. Sub-Total =	5,992,251	7,605,824	-1,613,573
Sub-Total OPERATING GRANTS (1 + 2) from Student Focused Funding Model =	235,497,727	237,376,158	-1,878,431
School Facilities Renewal	2,885,987	2,892,162	-6,175
Top Up Allocation for School Renewal including Rural	697,431	887,895	-190,464
School Renewal Enhancement	756,817	756,817	0
School Condition Improvement	8,262,449	3,896,649	4,365,800
Ministry FDK - Capital Equipping Grant	0	137,776	-137,776
Prior Capital Commitments	744,654	744,654	0
Financing Costs (\$13.9M Stage 1, \$6.9M Stage 2, Stage 3, PTR & Capital Priority)	3,184,443	3,201,239	-16,796
3. Sub-Total (Renewal grants) =	16,531,781	12,517,192	4,014,589
Sub-Total ALL GRANT CATEGORIES from Student Focused Funding Model =	252,029,508	249,893,350	2,136,158
Other Revenue			
Tuition (based on 382 students (First Nations, Visa)	4,150,351	4,168,559	-18,208
EPO Funding	1,726,926	2,014,476	-287,550
Ministry Grants Capital Building Projects	1,800,000	840,667	959,333
Misc other revenue (OYAP, Interest, Rentals, energy & Deferred Revenues)	687,887	789,406	-101,519
Best Start - Operating Rent	296,886	296,886	0
A. TOTAL MINISTRY + FEES REVENUE =	260,691,558	258,003,344	2,688,214
OTHER FUNDING SOURCES:			
Transfer in from Accumulated Surplus - for priority projects	2,300,000	2,300,000	0
B. Sub-Total =	2,300,000	2,300,000	0
GRAND TOTAL A + B =	262,991,558	260,303,344	2,688,214

Provincial Education Funding

The government has committed \$22.46 Billion dollars to public education to be allocated to school boards through the Grants for Student Needs (GSN) funding formula. This budget supports Ontario's public educational policies and programs including: the success and well-being of every student, achieving excellence, ensuring equity and enhancing public confidence.

There are key changes being phased-in to some of the GSN funding formulas that are designed to require boards to assess their underutilized surplus school space and plan accordingly. These changes are being made to: Top-up funding and School Operation benchmarks; the School Foundation Grant; the Geographic Circumstance Grant; and the Declining Enrolment Adjustment Grant.

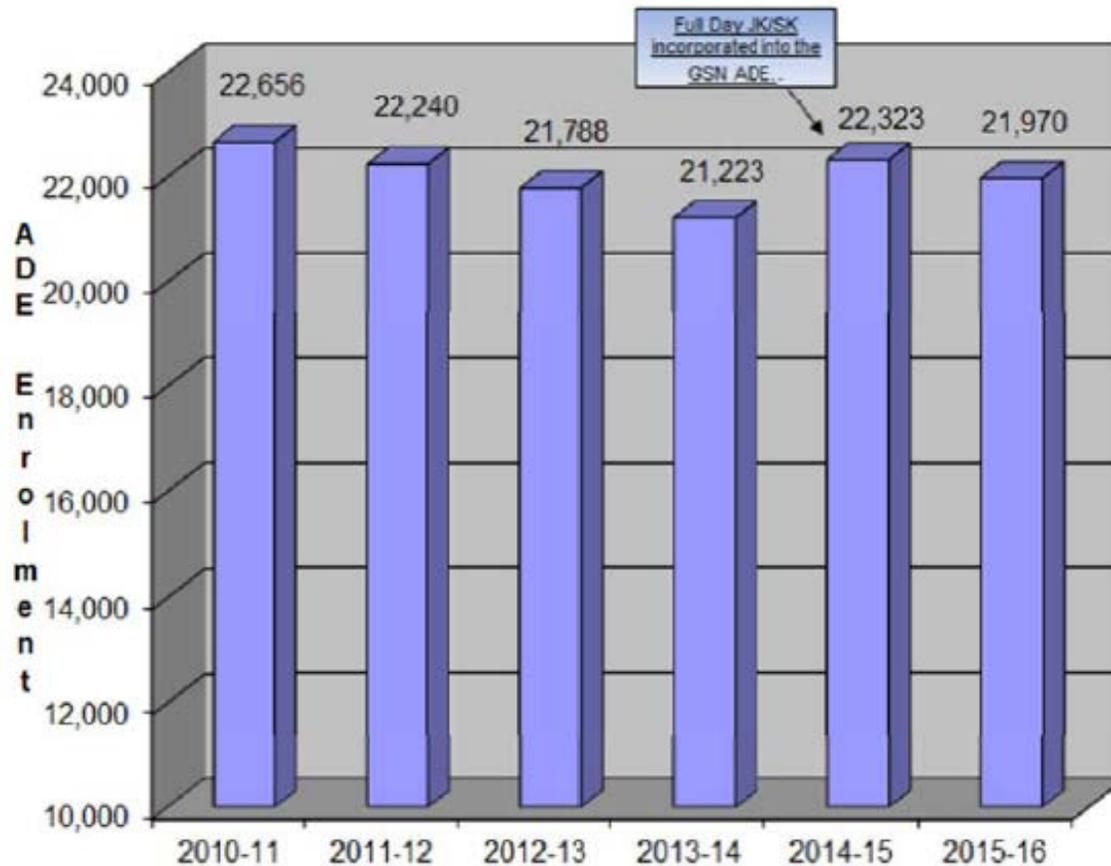
A. Key Budget Initiatives:

- Base Top-up funding under the School Facility Operation & Renewal Grant will be completely eliminated over three years. Enhanced Top-up funding under these grants will continue however new eligibility criteria will apply and schools that are eligible will receive funding up to 100% of capacity.
- School Foundation Grant – A new allocation model will be phased in over 3 years to fund principals, vice-principals and office support staff. The new method will shift funding away from very small schools that are not isolated.
- Geographic Circumstances Grant – The Rural and Small Communities allocation part is being phased out over three-years.
- Declining Enrolment Grant is being reduced to require school boards to adjust more quickly to declining enrolment.
- Community Hubs – The Province has established an Advisory Group to develop a framework to guide development of partnerships and to enhance the use of community assets.
- Funding of 1.25B over three years to continue and expand the School Condition and Improvement Initiative which supports school renewal projects to provide safe and healthy learning environments.
- Student Transportation grant increased by 2% to manage increased costs.
- 2% increase to the Plant operations benchmark to support commodity price increases and 7.3% increase in electricity funding component.
- Other funding formula changes are being made to the School Board Administration and Special Education grants and being phased-in over a multi-year period.
- GSN funding for Collective bargaining compensation and other labour costs reflect the restrictions under the freeze provisions of the Ontario Labour Relations Act

B. Funding Outside the Grants for Student Needs

- The government indicates \$214.1M to be allocated to school boards for EPO funding priority education initiatives.

DAY SCHOOL ENROLMENT - Multi-year Trend



1. The Average Daily Enrolment (ADE) is the major factor used in the calculation of the Funding Allocations for all school boards.
2. The Ministry uses two count dates to determine the ADE, these will be on October 31, 2015 and March 31, 2016. Full Day JK/SK program was fully implemented in 2014-15.
3. Tuition Students: Provincial grants fund the education programs for students that are defined by the Ministry as pupils of the board. Other pupils attending LKDSB schools pay tuition fees based on the grant allocations and Board approved rate adjustments.

Other Budget Remarks:

The education funding model (Grants for Student Needs) generates a school board's funding for the most part based on student enrolment. Our district continues to experience declining enrolment with a projected reduction projected to be about 353 fewer students for the 2015-16 school year.

While the funding model includes a declining enrolment grant to provide some time to make expenditure adjustments, the impact of our region multi-year decline in school age children and the phase out of the declining enrolment grant has resulted in the need to reduce operating costs.