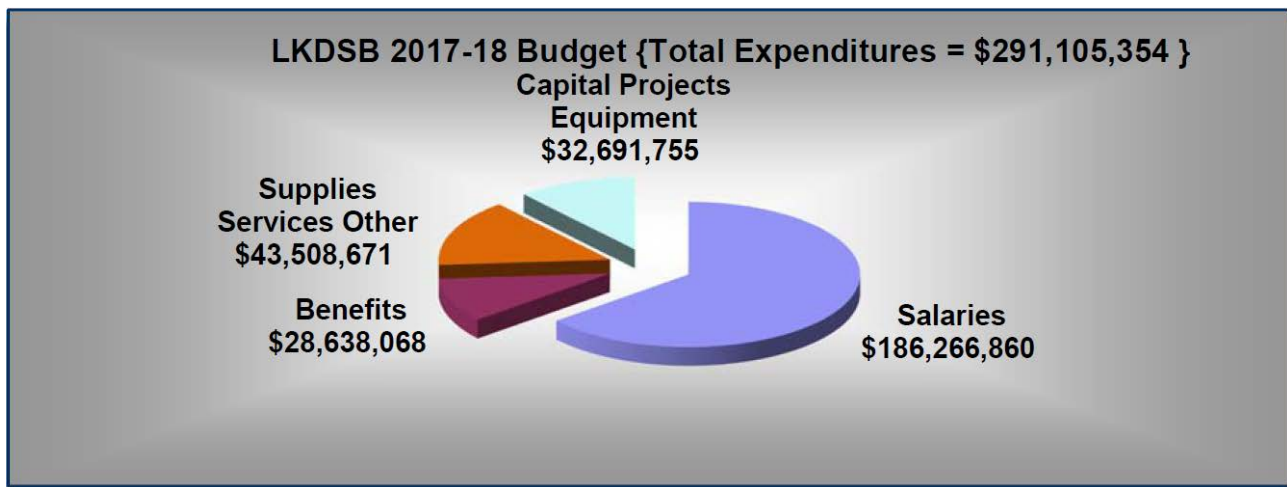


For the 2017-18 School Year, the Lambton Kent District School Board will have a total combined Operating and Capital budget of \$291.11 Million dollars. This budget is based on the Ministry Grants for Education Funding 2017-18 as released on April 12, 2017. Total Provincial Education funding for this new budget year is projected to be \$23.8 Billion dollars, an average of \$12,100 per pupil. While this Provincial funding amount is stable year-over-year, about two-thirds of GSN funding is enrolment based. The funding for 2017-18 includes enhancements as a result of the 2017-19 Labour Agreements and the impact of the Capital Priorities Grant funding that was received for capital improvements.

BUDGET HIGHLIGHTS:

The 2017-2018 school year budget for the Lambton Kent DSB totals **\$291.11 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 \$0.6M of Board Reserves.

REVENUE BUDGET for 2017-18:

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 \$284.27 M. The budget estimates also include other sources of revenue in the amount of \$6.24 M. which is comprised of fees from our Indigenous student population, Visa students, earned interest and rental revenue. Finally there is a one-time draw on reserves in the amount of \$600,000 to provide assistance for Board priority student and project supports.

EXPENDITURE BUDGET FOR 2017-18:

2017 – 18 BUDGET SUMMARY (MILLIONS)	
TOTAL EXPENDITURES = \$ 291.11 M	
<u>Classroom Categories:</u>	
Classroom Teachers	\$ 141.97
Supply Teachers	4.96
Teacher Assistants & ECE's	19.45
Textbooks & Classroom Supplies	7.67
Computers	1.78
Professionals & Paraprofessionals	6.33
Library & Guidance	4.34
Staff Development	0.58
Department Heads	0.44
<u>Non-Classroom Categories:</u>	
Principals, & Vice-principals	11.69
School Office	6.36
Consultants & Coordinators	2.35
Board Administration & Trustees	7.14
School Operations	25.59
Continuing Education	.92
Transportation	12.45
School Renewal	31.85
Approved Debt	4.32
Ministry EPO funding Outside GSN	.92

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

GRANT CATEGORY	2017/18 ESTIMATES	2016/17 REVISED BUDGET ESTIMATES	VARIANCE to 16-17 Revised Grants
Operating Grants			
Pupil Foundation Grant - Elementary JK - SK	15,814,852	16,901,210	-1,086,358
Pupil Foundation Grant - Elementary Gr. 1 to 3	24,065,498	23,931,807	133,691
Pupil Foundation Grant - Elementary Gr. 4 to 8	35,567,504	34,249,797	1,317,707
Pupil Foundation Grant - Secondary	40,035,082	40,354,235	-319,153
School Foundation - Elementary	11,581,376	11,506,608	74,768
School Foundation - Secondary	5,662,401	5,628,536	33,865
Special Education	30,033,672	29,574,332	459,340
Language Grants - French as 2nd Language	2,797,922	2,811,046	-13,124
Language Grants - ESL/ESD	508,049	571,820	-63,771
Distant & Supported Schools (Learning Resources)	15,150	10,036	5,114
Remote and Rural	208,851	286,588	-77,737
Continuing Education and Summer School	878,865	889,435	-10,570
Teachers Qualifications & Experience	26,559,634	21,582,479	4,977,155
ECE Qualifications & Experience	1,480,127	1,343,320	136,807
Transportation	12,422,251	12,208,802	213,449
Governance & Administration	6,706,452	6,463,106	243,346
Pupil Accommodation - School Operations	20,503,789	20,243,402	260,387
Learning Opportunities (LOG) - Base Amount	1,510,166	1,488,333	21,833
Literacy and Numeracy Assistance (LOG)	6,657	6,561	96
Student Success Assistance (LOG)	1,982,080	1,983,086	-1,006
Local Priorities Fund (LOG)	2,424,226	0	2,424,226
Indigenous Education Grant	2,635,973	2,124,778	511,195
New Teacher Induction Program	121,096	106,622	14,474
Safe Schools	440,186	441,494	-1,308
1. Sub-Total =	243,961,859	234,707,433	9,254,426
Flexibility Amount: Local Priorities - Foundation Allocation	0	0	0
Declining Enrolment Allocation	895,735	519,193	376,542
Top Up Allocation for School Operations	2,174,394	3,376,453	-1,202,059
Community Use of Schools Compensation	337,970	341,428	-3,458
2. Sub-Total =	3,408,099	4,237,074	-828,975
Sub-Total OPERATING GRANTS (1 + 2) from Student Focused Funding Model =	247,369,958	238,944,507	8,425,451
School Facilities Renewal	3,365,951	3,399,991	-34,040
Top Up Allocation for School Renewal including Rural	306,714	484,938	-178,224
School Renewal Enhancement	756,817	756,817	-0
School Condition Improvement & Green House Gas Reduction	15,736,100	16,652,032	-915,932
Ministry Temporary Accommodations	105,039	105,039	0
Prior Capital Commitments	744,654	744,654	0
Financing Costs (\$13.9M Stage 1, \$6.9M Stage 2, Stage 3, PTR & Capital Priority)	3,173,260	3,173,260	0
3. Sub-Total (Renewal grants) =	24,188,536	25,316,731	-1,128,195
Sub-Total ALL GRANT CATEGORIES from Student Focused Funding Model =	271,558,494	264,261,238	7,297,256
Other Revenue			
Tuition (based on 408 students (First Nations, Visa)	4,734,522	4,232,578	501,944
EPO Funding	1,115,259	867,113	248,146
Ministry Grants Capital Building Projects	11,600,821	1,027,982	10,572,839
Misc other revenue (OYAP, Interest, Rentals, energy & Deferred Revenues)	1,115,412	1,017,683	97,729
Best Start - Operating Rent	380,846	476,058	-95,212
A. TOTAL MINISTRY + FEES REVENUE =	290,505,354	271,882,652	18,622,702
OTHER FUNDING SOURCES:			
Estimated revenue for half of cat/exp and 1% salary increase	0	-	0
Transfer in from Accumulated Surplus - for priority projects	600,000	1,600,000	-1,000,000
B. Sub-Total =	600,000	1,600,000	-1,000,000
GRAND TOTAL A + B =	291,105,354	273,482,652	17,622,702

Provincial Education Funding

The government has committed \$23.8 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 is renewed focus on funding that supports equity in education which is an important goal of Ontario's Renewed Vision for Education.

The 2017-18 GSN includes funding announcements as a result of enhancements negotiated in order to implement the 2017-19 labour agreements. Key changes continue to be 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. The LKDSB budget continues to be impacted by changes to the following grants: (1) Top-up funding and School Operation benchmarks; and (2) the Geographic Circumstance Grant which is impacting the LKDSB Remote and Rural Grant allocation.

A. Key Budget Initiatives:

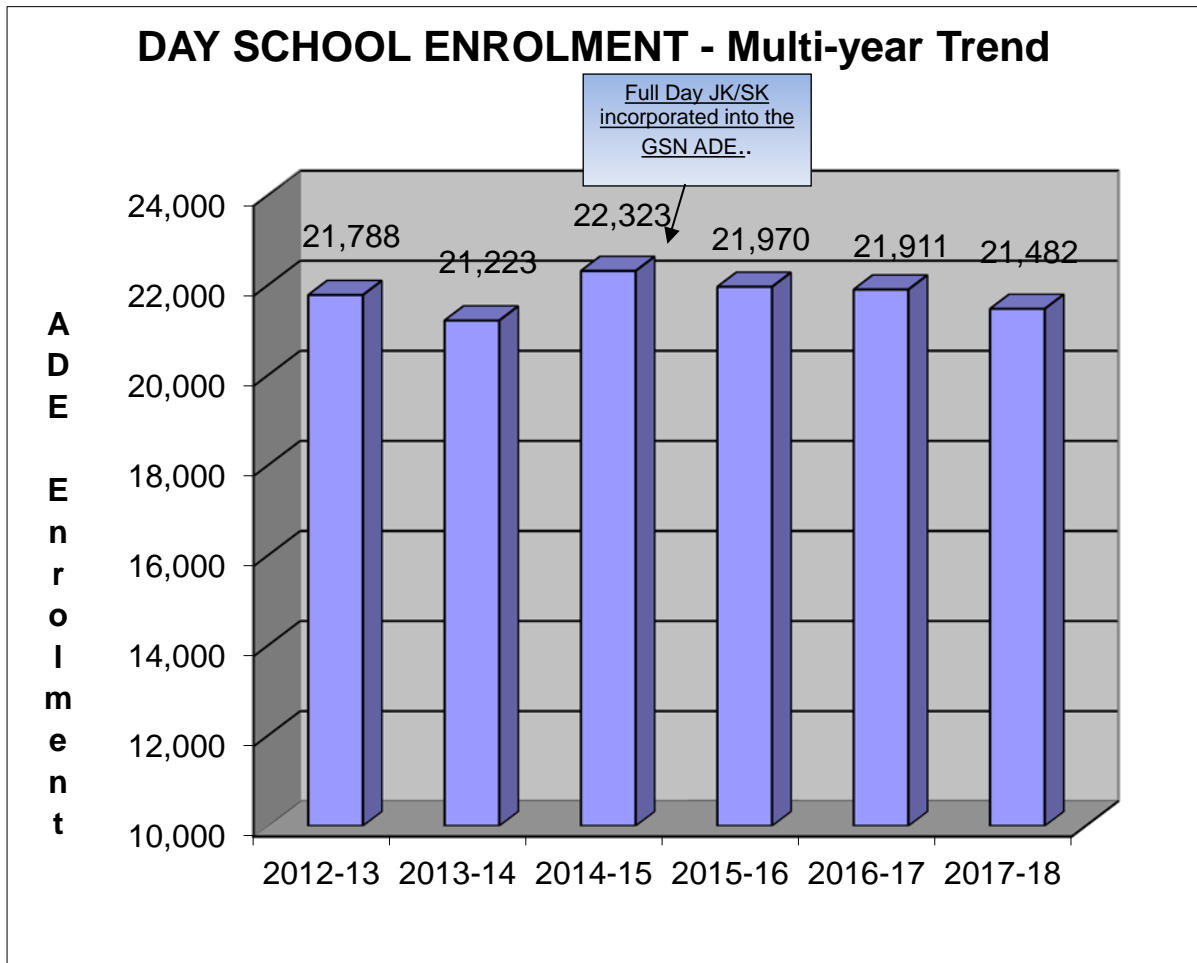
- Top-up funding changes under the School Facility Operation & Renewal Grant continue under the three year phase in with the 2017-18 budget year representing the final year of the phase-in. Base Top-up funding will be completely eliminated over three years. The Enhanced Top-up will continue, however new eligibility criteria will apply and schools that are eligible will receive top-up to 100% of capacity. Eligible school criteria are as follows: elementary school that is at least 10 km away from the next closest school of the board; secondary school that is at least 20 km away from the next closest secondary school of the board.
- Geographic Circumstances Grant – The Rural and Small Communities allocation part is being phased out over three-years with the 2017-18 budget year representing the final year of the phase-out.
- Resulting enhancements to the recently negotiated 2017-19 labour agreements support the following:
 - i. Modest wage increases and support for staff professional development;
 - ii. Local Priority Funding which includes staffing support for special education students;
 - iii. Class size investments for full-day kindergarten (FDK) and Grades 4-8; and,
 - iv. Community use of schools.
- Continued transformation of employee health, life and dental benefits through the formation and management of provincial benefit trusts.

Key Budget Initiatives (Cont'd):

- \$1.0B to continue School Condition Improvement (SCI) funding for 2017-18. The SCI funding amount includes \$200M in funding for the Greenhouse Gas Reduction plan which will support the reduction of greenhouse gas emissions from facilities in the education sector. Due to the allocation methods of this funding, LKDSB is seeing a reduction in SCI funding for the 2017-18 school year.
- The Student Transportation grant has been increased provincially by 2% to help boards manage increased costs. The LKDSB will realize an increase of 1.75% in our Student Transportation grant.
- 2% increase to the non-staff portion of the Plant operations benchmark to support commodity price increases.
- Special education funding will reflect the final year of the four year phase-in of the Differentiated Special Education Needs Amount (DSENA) allocation.

B. Funding Outside the Grants for Student Needs

- \$140.4M to be allocated to school boards for EPO funded priority education initiatives. From this amount, \$101.4M has been allocated on a board-by-board basis.



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, 2017 and March 31, 2018. 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 429 fewer students for the 2017-18 school year.