



Report 21-045

2020-2021

Updated Financial Forecast (March)

26 May 2021



Updated Forecast

Comparative Summary of Revenues and Expenses

Projected for the year ended 31 August 2021

(\$ in millions)

	Projected \$	Budget \$	Change \$	Change %
Revenues	1,001.3	996.5	4.8	0.5
Expenses	1,020.0	1,014.2	5.8	0.6
Deficit	(18.7)	(17.7)	(1.0)	



Updated Forecast

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**	(18.7)	(17.7)	(1.0)	21.1

*Does not add due to rounding

** Projected. YE \$9.3 million committed for capital amortization expenses



Significant Items

- **Average daily enrolment (ADE) decreased by 1,951 ADE which decreased the majority of allocations that make up the Grants for Student Needs (GSN) (- \$16.6M).**
- **Indigenous Education allocation increased and reflects higher enrolment in secondary courses that qualify for the Indigenous studies amount (+ \$1.1M).**



Significant Items

- **Teacher Qualifications and Experience grant increased (+ \$1.6M) and reflects:**
 - **Higher funding from teacher demographics; and**
 - **Increased funding of benefit costs.**
- **Minor Tangible Capital Assets (MTCA) funding redirected to operations (+ \$3.9M).**
- **Decreased transportation funding reflecting savings on fuel costs during periods of remote learning (- \$1.1M).**



Significant Items

- **Priorities and Partnerships Fund (PPF) grants reflect:**
 - **GSN Stabilization funding offsets COVID-related enrolment-driven revenue losses (+ \$14.4M);**
 - **New funding to meet COVID-related needs in areas such as ventilation, remote learning and additional teachers (+ \$16.7M); and**
 - **Other net grant adjustments include funding of French as a Second Language and Autism additional qualification subsidies (+ \$630,000).**



COVID-Related Funding Update!

Priorities and Partnerships Fund - COVID-Related	2020-21 Budget	2020-21 Revised Estimates	2020-21 Forecast	Forecast minus Budget
	\$	\$	\$	\$
GSN 1 - Allocation for Technology-Related Costs (COVID)	528,561	-	-	(528,561)
GSN 2 - Mental Health Supports (COVID)	198,891	-	-	(198,891)
TPA 1 - Schedule C -Enhanced Cleaning Supplies	140,798	140,798	140,798	-
TPA 2 Amended - Schedule B-Additional Mental Health Supports	198,891	343,767	697,831	498,940
TPA 2 - Schedule C-Special Education	265,217	410,092	410,092	144,875
TPA 2 Amended - D1 Special Education Summer Learning	-	-	381,276	381,276
TPA 2 Amended - E1 Reading Supports for Students Affected by COVID	-	-	124,220	124,220
TPA 2 Amended - F1 Additional Summer Reading Supports for Students	-	-	180,125	180,125
TPA 3 - Project B1-Additional Custodial Staff	1,816,446	1,816,446	1,816,446	-
TPA 3 - Project B2-Health & Safety Training	369,988	369,988	369,988	-
TPA 3 - Project B3 (i)-Additional Teachers	1,301,325	1,301,325	1,301,325	-
TPA 3 - Project B4-Remote Learning	552,323	552,323	552,323	-
TPA 3 - Project B5-Additional Non-Permanent Teachers	-	2,147,532	2,147,532	2,147,532
TPA 3 - Project B6-Additional Funding for Remote Learning	-	1,089,445	1,089,445	1,089,445
TPA 3 - Project B7-School Reopening Emerging Issues	-	3,242,261	3,242,261	3,242,261
TPA 3 - Project B8-Funding for High Priority Areas	-	2,801,382	2,801,382	2,801,382
TPA 4 - Project B1-Ventilation	-	1,681,500	1,681,500	1,681,500
TPA 4 - Projects B2 and B3-Transportation	-	1,877,130	1,807,930	1,807,930
TPA 5 - B1-Optimizing Air Quality in Schools (Grant 2)	-	-	1,681,500	1,681,500
TPA 5 - B2 Health & Safety Funding	-	-	2,346,306	2,346,306
TPA 5 - B3-Student Transportation School Reopening	-	-	207,055	207,055
TPA 6 - Additional Technological Devices (Capital)	-	-	2,856,375	2,856,375
TPA 7 - COVID Transportation-Children and Youth in Care	-	-	9,825	9,825
	5,372,440	17,773,989	25,845,535	20,473,095
GSN Stabilization Funding	-	15,314,728	14,386,244	14,386,244
	5,372,440	33,088,717	40,231,779	34,859,339
less: Funding used for computer equipment	-	-	(3,766,504)	(3,766,504)
Funding used for operating purposes	5,372,440	33,088,717	36,465,275	31,092,835





Significant Items

- **Increased spending on instructional supports such as teachers and school office staff as a result of COVID grants (+ \$11.9M).**
- **Increased provision for occasional teacher costs (+ \$4.7M).**
- **Decrease in overall costs of supplies and services (- \$5.0M).**
- **Student transportation costs are expected to show substantial savings as a result of lower transportation contract costs and the reduced use of transit passes (- \$7.1M).**



Significant Items

- **Increased school custodial spending as a result of COVID grants (+ \$2.4M).**
- **Increased spending on COVID-related safety supplies, equipment and ventilation (+ \$5.2M).**
- **Increased spending on portable relocations as a result of demographic changes and program needs and additional school renewal investments are anticipated (+ \$2.3M).**
- **Reduced costs for various supplies and services (- \$463,000).**



Significant Items

- **Reduced Community Use of Schools revenue (- \$1.0M).**
- **Reduced share of former benefit plan surplus as a result of central agreement (- \$825,000).**
- **Reduced international student fees and facility recovery transfers (- \$921,000) and related OCENET administrative fees (- \$457,000).**
- **Increased extraordinary costs relating to a provision for legal claims (+ \$2.2M).**
- **Other revenue decreases (- \$1.7M) and cost increases (+ \$246,000).**



Significant Items

- **A significant loss of revenue in both the Extended Day and Child Care programs is projected to result in a net operating deficit (- \$5.8M).**
- **Staff continues to look at revenue opportunities and cost savings including working with the City of Ottawa to obtain sustainability funding for the Extended Day and Child Care programs.**

Summary:

The projected \$18.7M operating deficit will reduce the flexibility to use accumulated surplus in future years. Of this amount, \$9.3M is committed to support capital amortization.



2020-21 Budget Development Key Dates

Scheduled dates:

- 02 Feb** Budget process discussion
- 09 Mar** Academic staffing discussion
- 30 Mar** Academic staffing approval
- 26 May** Update, including GSN information
- 01 Jun** Presentation of staff-recommended budget
- 09 Jun** Public delegations, budget debate commences
- 15 Jun** Budget debate continues, recommendation
- 21 Jun** Board approval*

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