

# Supplementary Education

Renewal of Four Year Agreement

**Regional Council,  
Tuesday, March 15, 2011**

## Outline

- Background
- The Existing Agreement
- Discussions with HRSB
- The Proposed Agreement
- Alternatives
- Recommendation

## Background

- Historically, school boards were run as part of municipal government.
- Currently, all municipal governments in Nova Scotia contribute to the school board budget through “mandatory funding”.
- While Municipal Government is allowed to fund schools, it has no responsibility for education and cannot direct how funding is spent.
  - Funding does not follow responsibility

## Supplementary Education

- Prior to amalgamation, Halifax and Dartmouth gave extra funds to their school boards.
- Provincial legislation dictated that these funds must continue after amalgamation. Must be spent “solely for the benefit” of those areas.
  - Demographics were changing, more and more students in former County
  - Inequities in programs and services across HRM
  - County students were now sitting next to City students and funds had to be segregated
  - Provincial legislation changed so CSAP also received funds

## Supplementary Education

- Under Provincial legislation, HRM could reduce by 10% per year.
  - Initially reduced by 4.7% (1996-1997)
  - Provided additional funding for County and Bedford and increases for Halifax and Dartmouth (from 1999-2000 to 2002-2003).
  - No change for four years prior to agreement
- Supplementary Education was subject of lengthy budget debate each year.
  - Negotiated four year agreement on funding in 2007.

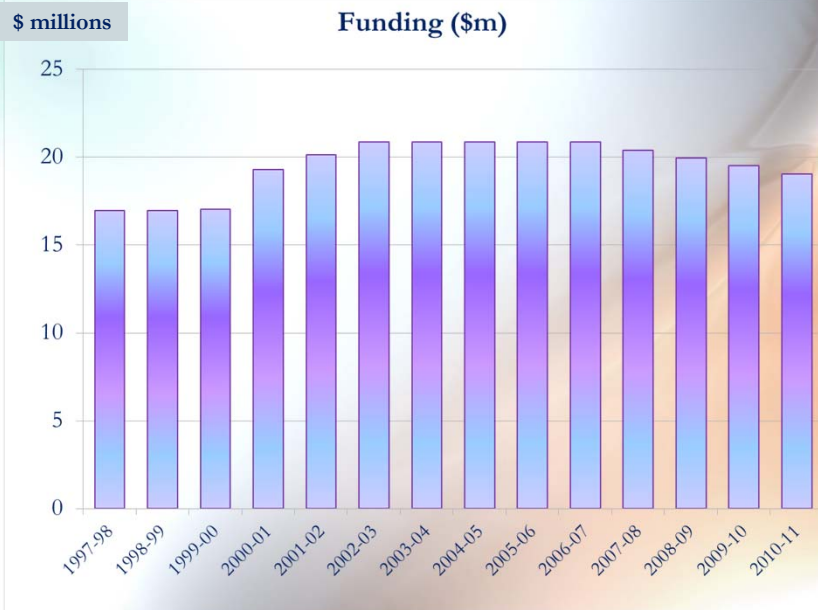
5

## The Existing Supplementary Education Agreement

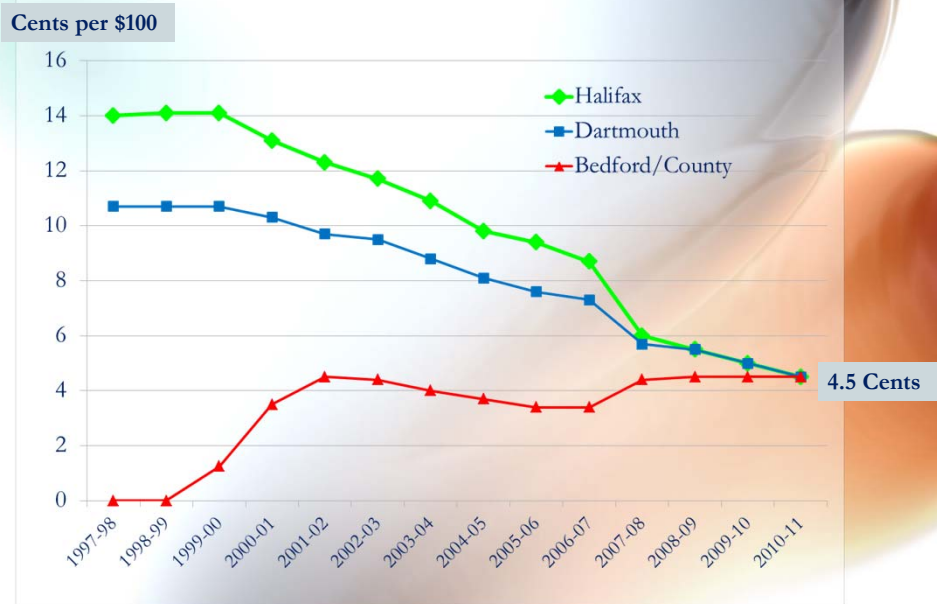
- Objectives
  - Harmonize Tax Rates over four years ✓
  - Allow funds to be spent equitably across HRM starting in 2007-2008 ✓
  - Establish supplementary budget for next four years ✓
    - Annual reduction of \$450,000 for four years
    - Equals \$1.8m over four years (10%).
  - Preserve Arts and Music in Cities with some expansion in Bedford/County ✓

6

## Education Funding



## Area Tax Rates for Education



## HRSB and HRM Discussions

- The two administrations met over the last several months to consider extending the agreement. They discussed:
  - current HRSB budget, educational funding (including provincial funding)
  - impact of supplementary education agreement,
  - education needs including arts and music,
  - trends in education and education costs,
  - the consumer price index,
  - student enrolment.

9

## The Proposed Supplementary Education Agreement

- Objective
  - Establish supplementary budget for next four years
    - Annual reduction of \$450,000 for four years
    - Equals \$1.8m over four years.
- Most other terms in the agreement remain or have been fulfilled.

10

## Funding Levels

		Total	Change	
Base Year	2006-2007	20,846,200		
Year 1	2007-2008	20,396,100	-450,100	<b>First Agreement:</b> Total reduction of 1.8m.
Year 2	2008-2009	19,946,100	-450,000	
Year 3	2009-2010	19,496,100	-450,000	
Year 4	2010-2011	19,046,100	-450,000	
Year 1	2011-2012	18,596,100	-450,000	<b>Second Agreement:</b> Total reduction of \$1.8m.
Year 2	2012-2013	18,146,100	-450,000	
Year 3	2013-2014	17,696,100	-450,000	
Year 4	2014-2015	17,246,100	-450,000	
Total			<b>-3,600,100</b>	

11

## Key Elements included in Agreement

- Total Supplementary Funding for the next four years is
  - 2011-02 - \$18,596,100
  - 2012-03 - \$18,146,100
  - 2013-14 - \$17,696,100
  - 2014-15 - \$17,246,100
- HRSB will not request or seek funds beyond these amounts.
- Funds can be spent anywhere in HRM.

12



### **Key Elements included in Agreement**

- All supplementary fund amounts to be adjusted and provided to CSAP as currently required by law.
- Council's legal right to reduce guarantee for supplementary funds by 10% unaffected.
- HRSB commits to maintaining the current level spent on arts and music programs across the region
- No targeted area rates for education within HRM without HRSB approval.

13

### **Key Elements included in Agreement**

- HRSB to prepare and distribute brochure to parents outlining where and how funds are spent with credit to HRM for their contribution.
- HRSB to provide annual budget and audited financial statements.
- Agreement in effect until March 31, 2015.  
Can be terminated with twelve months notice by either party.

14

## Alternatives

- Maintain funding at current level of \$19 million
- Provide for cost escalation
  - Add 1% for cost increases (per-student funding)
  - Other
- Reduce by full 10% per year (\$1.8m)
  - Or to guaranteed amount of \$15.3m

15

## Recommendation

- That Regional Council
  - “... *authorize the Mayor and Municipal Clerk to extend the agreement with the Halifax Regional School Board concerning Supplementary Education for a further four year period ....*”

16