

**Committee of the Whole Board (Budget)
Meeting Minutes
Limestone District School Board**

July 13, 2020

Trustees: J. Brown -regrets
G. Elliott
L. French (Chair)
T. Gingrich
B. Godkin
R. Hutcheon
K. McGregor
J. Morning
S. Ruttan
J. Crook (Student Trustee) -regrets
A. Putnum (Student Trustee)

Staff: M. Babcock, Superintendent of Education
M. Baumann, Manager of Business Services
K. Burra, Superintendent of Education, Program and IT
S. Gillam, Associate Superintendent, Safe and Caring Schools
A. McDonnell, Associate Superintendent, Special Education
D. Rantz, Director of Education
A. Labrie, Superintendent of Education and Human Resources
S. Sartor, Associate Superintendent, School Effectiveness and Assessment
J. Silver, Superintendent of Education
C. Young, Superintendent of Business Services
J. Douglas Charanduk, Communications

Recorder: D. Burns, Administrative Assistant

Trustee French, as Chair of the Committee, called the meeting to order at 4:35 p.m., and welcomed all those present.

She read the Acknowledgement of Territory:

"The Limestone District School Board is situated on the traditional territories of the Anishinaabe and Haudenosaunee. We acknowledge their enduring presence on this land, as well as the presence of Métis, Inuit and other First Nations from across Turtle Island. We honour their cultures and celebrate their commitment to this land."

Approval of Agenda

MOVED BY: Trustee Godkin, seconded by Trustee Elliott, that the agenda of July 13, 2020 as presented, be approved. Carried.

Declaration of Conflict of Interest

Trustee Elliott declared a conflict as his wife is an employee of the Board and a member of ETFO.

Information Items

Superintendent Young stated June 10 was the last budget meeting. We reviewed Preliminary Operating Revenues which were known at the time. GSN's weren't released. On June 19 the GSN's and PPF's were announced. There have been some changes – some PPF funding has been transferred to GSN's. Some funding in GSN's have been moved from one area to another.

1. Manager Baumann presented the 2020-2021 Preliminary Operating Revenues. The preliminary operating revenue is not yet presented on a full PSAB basis. It excludes School Generated Funds at an estimated amount of \$5,800,000 and Charitable Trust donations at an estimated amount of \$149,000. The 2020-2021 preliminary operating revenue is presented alongside the 2019-2020 revised estimates and 2019-2020 estimates for comparison purposes. The projected enrolment of 19,258 ADE that the 2020-2021 preliminary operating revenue estimates is calculated on is (1) Elementary enrolment projected at 13,392 ADE, (2) Secondary enrolment projected at 5,821 ADE and (3) Secondary-high credit enrolment projected at 45 ADE. Adult education, continuing education, literacy and numeracy and summer school enrolment is projected at 425 ADE.

Operating Grants for Student Needs (GSN) allocations have increased \$8,084,070 or 3.38%.

Pupil Foundation allocation has increased \$6,803,769 or 6.76%. The Ministry of Education sets funding consistent with the current labour framework meaning a 1.00% salary increase for each of 2019-2020 and 2020-2021. Continuation of the benefit funding benchmark reduction of .167% as part of the phasing out of retirement gratuities. Funded average class size for Grades 9-12 reduced from 28 to 23. New per-pupil amount to support the purchase of educational software that supports learning in and outside of the classroom. The allocation has increased as a result of the labour framework salary increase, class size change, supply teacher benchmark increases and the new per-pupil amount for educational software offset by declining enrolment and a reduction in the benefit benchmark.

School Foundation allocation has increased \$290,660 or 1.77%. The allocation has increased as a result of the labour framework salary increase, the allocation method change, and the transfer of the Library Staff allocation offset by declining enrolment and the reduction in the benefit benchmark.

Special Education allocation has increased \$517,172 or 1.71%. In 2020-2021, the Ministry updated the Differentiated Special Education Needs Amount (DSENA) table amounts for the 2020-2021, 2019-2020 and 2018-2019 school years. The Care, Treatment, Custody and Correctional (CTCC) Amount has been renamed the Education and Community Partnership Program (ECPP) allocation, to reflect the programs supported by the funding more closely. The allocation has increased as a result of the labour framework salary

increase and the updated DSENA table amount offset by the reduction in the benefit benchmark.

Language allocation has decreased \$24,878 or .55%. The allocation represents French as a Second Language (FSL) of \$3,100,609 and English as a Second Language (ESL) of \$1,428,784. The allocation has decreased as a result of a decrease in projected FSL and ESL students and the reduction in the benefit benchmark offset by the labour framework salary increase.

Supported School allocation has decreased \$27,943 or 1.15%. The allocation has decreased as a result of declining enrolment and the reduction in the benefit benchmark offset by the labour framework salary increase

Remote and Rural allocation has increased \$22,394 or 10.44%. In addition to the per-pupil amount in the Pupil Foundation allocation, a top-up allocation amount has been provided to ensure the school board received a minimum of \$30,000 to purchase educational software. The allocation has increased as a result of the labour framework salary increase and the educational software top-up offset by declining enrolment and the reduction in the benefit benchmark.

Rural and Northern Education Fund allocation has increased \$5,009 or .94%. The Rural and Northern Education allocation was introduced in 2017-2018 and will continue in 2020- 2021 to further improve education for students from rural and northern communities.

Learning Opportunities allocation has decreased \$154,612 or 3.33%. Realigning the previous Student Achievement Envelope into two distinct collective envelopes to improve clarity regarding the purpose of the funds while maintaining flexibility within the envelopes.

Continuing Education allocation and Other Programs has increased \$77,649 or 4.18%. The allocation has increased as a result of the labour framework salary increase and the reduction in the ISRA due to the decline in the fee-paying international visa student enrolment offset by declining enrolment and the reduction in the benefit benchmark.

Cost Adjustment and Teacher Qualification allocation has decreased \$3,031,831 or 11.42%. In 2019-20, the ministry introduced a new Teacher Job Protection Funding allocation. Funding continues to be available for classroom teachers impacted by the changes to class sizes in 2019-2020 and 2020-2021. Given the reduction in the funded average secondary class size to 23 in 2020-2021, no funding was generated through this allocation in 2020-21. The change in funded classroom teachers did not exceed the actual attrition and other voluntary leaves.

New Teacher Induction Program allocation has decreased \$9,039 or 8.01%.

ECE Qualification and Experience allocation has increased \$92,005 or 7.56%. The allocation has increased as a result of the labour framework salary increase and qualification and experience changes offset by declining enrolment and the reduction in the benefit benchmark.

Transportation allocation has decreased \$22,780 or .14%. The allocation decreased due to a reduction in approved expenses for transportation to and from Provincial Schools.

Administration and Governance allocation has decreased \$753,795 or 10.47%. The allocation has decreased as a result of the movement of the PLA to its own allocation, declining enrolment and the reduction in the benefit benchmark offset by the labour framework salary increase and the transfer of funding from PPF for executive compensation increases and curriculum and assessment implementation.

School Operations allocation has increased \$454,142 or 2.00%. The Ministry is providing a 2% cost benchmark update to assist boards in managing the increase in commodity prices. The supplementary area factor for the secondary panel was updated to reflect the change to secondary class size.

Community Use of Schools allocation has decreased \$1,585 or .51%.

Declining Enrolment Adjustment allocation has increased \$121,717. The declining enrolment grant helps to offset lost grant revenue during this transition period.

Indigenous Education allocation has decreased \$115,483 or 4.48%. The Indigenous Studies allocation has been renamed the First Nations, Metis and Inuit Studies allocation.

Mental Health and Well-Being allocation has increased \$346,396 or 90.82%. The Safe and Accepting Schools Supplement allocation has been renamed the Mental Health and Well-Being allocation.

Supports for Students Fund allocation has increased \$2,589,239. New in 2020-2021, the Supports for Students Fund (SSF) provides flexible funding for school boards to support the learning needs of students, which may include special education, mental health and well-being, language instruction, Indigenous education and STEM programming.

Program Leadership allocation has increased \$905,864.

Other Government Grants has decreased \$1,331,296 or 45.50%. Two existing allocations, Mental Health Workers and Experiential Learning, transferred into the GSN in 2020-21.

Tuition Fees has decreased \$648,524 or 32.69%. 2020-2021 projections on tuition fee revenues for international students reflect a decrease due to lower enrolment expected as a result of COVID-19.

Other Revenues has decreased \$910,761 or 18.93%.

Chair French recognized the hard work and preparation in the report.

2. Manager Baumann presented the 2020-2021 Preliminary Operating Expenditures. The 2020-2021 Preliminary Operating Budget Expenditures (Expenditures Budget) are not presented on a full Public Sector Accounting Board (PSAB) basis. The Expenditures Budget is compared to the 2019-2020 revised estimates. We have aligned to strategic priorities. New in 2020-2021, The Supports for Students Fund (SSF) provides flexible funding for school boards to support the learning needs of student. In the CUPE agreement it is referred to as Investments in System Priorities (ISP).

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Classroom teachers has increased \$2,950,976 or 2.34%. The increase is due to an overall increase of 4.3 FTE as a result of Priorities and Partnership Fund (PPF) and SSF funding offset by the decrease due to declining enrolment and class size changes, labour framework provisions, qualification and experience changes and statutory, WSIB and ELHT premium adjustments.

Supply staff has increased \$914,534 or 13.33%. The increase is due to teacher and education assistant FTE increases, absence trending and usage patterns, labour framework provisions and statutory premium adjustments.

Educational assistants has increased \$744,217 or 4.80%. The increase is due to an increase of 13.0 FTE and casual support as a result of ISP funding, labour framework provisions and WSIB premium adjustments.

Early childhood educators has increased \$75,316 or 1.66%. The increase is due to labour framework provisions, qualification and experience changes and ELHT and WSIB premium adjustments.

Textbooks and supplies has decreased \$1,362,240 or 27.17%. The decrease is due to the reduction of PPF funded expenditures and the reduction of international student agent commissions, homestay fees and medical fees.

Computers has increased \$38,701 or 1.88.%. The increase is due to the new funding to purchase educational software that supports learning in and outside of the classroom.

Professionals, paraprofessionals and technicians has increased \$608,894 or 7.29%. The increase is due an increase of 1.0 FTE as a result of SSF funding, labour framework provisions, ELHT and WSIB premium adjustments and the Aspen student information system project.

Library and Guidance has increased \$97,216 or 2.66%. The increase is due to an increase of 1.0 FTE as a result of ISP funding, labour framework provisions and statutory premium adjustments.

Staff development has decreased \$104,223 or 7.22%. The decrease is due to the reduction of PPF funded expenditures.

Department heads has not changed.

Principals and Vice Principals has increased \$246,815 or 2.30%. The increase is due an increase of .6 FTE VP non-teaching time, labour framework provisions, replacement provisions and statutory, WSIB and ELHT premium adjustments.

School office has increased \$121,875 or 1.95%. The increase is due to labour framework provisions, replacement provisions and statutory, WSIB and ELHT premium adjustments.

Co-ordinators and consultants has decreased \$376,251 or 10.79%. The decrease is due to a 4.0 FTE reduction as a result of PPF funding offset by labour framework provisions and statutory, WSIB and ELHT premium adjustments.

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Continuing education has decreased by \$112,330 or 5.87%. The decrease is due to summer program changes offset by labour framework provisions and WSIB and ELHT premium adjustments.

Trustees has increased \$12,070 or 8.39%. The increase is due to the addition of an Indigenous student trustee and statutory premium adjustments.

Directors and supervisory officers has decreased \$2,143 or .24%.

Board administration has increased \$94,866 or 1.49%. The increase is due to a 1.0 FTE increase as a result of SSF funding, labour framework provisions and statutory, WSIB and ELHT premium adjustments.

Transportation has increased \$578,203 or 3.35%. The increase is due to increases in bus operator contract rates, labour framework provisions and legal costs.

School operations and maintenance has increased \$830,619 or 3.13% The increase is due to a 9.0 FTE increase as a result of SSF funding, labour framework provisions, statutory, WSIB and ELHT premium adjustments and projected increases in natural gas commodity prices and electricity costs.

Other Non-Operating has decreased \$190,904 or 13.92% The decrease is due a 1.8 FTE reduction in seconded positions offset by labour framework provisions and statutory and ELHT premium adjustments.

The 2020-2021 Preliminary Operating Budget Expenditures are \$254,097,034 which is an increase of \$5,166,211 or 2.08%.

The 2020-2021 Preliminary Operating expenditures of \$254,097,034 plus committed capital amortization attributable to projects not requiring ministry approval are balanced to the 2020-2021 Preliminary Operating revenues of \$254,124,312. The Ministry requires school boards to submit budgets prepared on a full PSAB basis. The presentation of expenses on a full PSAB basis, including School Generated Funds, Charitable Trust donations and capital revenues and expenditures will be available later.

Superintendent Young reviewed the Appendices A, B and C.

Trustee Godkin stated the allocation and budget money from Ministry of Education seemed rather similar to last years allocations – that seems to be premised on school being normal in September. If we removed the labour contract information, are the allocations a net increase or a net decrease? Superintendent Young stated the allocations have been committed to school boards barring a change in legislation – the allocations are what we expect in the line of revenue for next year. I won't speak to what school will look like in the fall – what we do know at this point is these revenues are what has been committed by the Government to LDSB for operations next year. With regards to labour framework and increases – once you remove them out our total overall budget is a 2% increase overall – pulling that out, it is a very similar status quo budget for overall dollars. Certain allocations have been increased and decreased – overall revenue at the end teases that out. Its very much a status quo budget.

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Trustee Elliott inquired if there has been an increase in funding for cleaning and sanitizing and what would that look like in the classrooms? Superintendent Young stated there has been discussions with the Minister in regards to money given to CUPE – there may be some misunderstanding with how much was allocated to Special Education and CUPE maintenance as there was an additional \$400K, we are in discussions with CUPE on what a rollout will look like for LDSB. In reference to COVID-19 we expect there may be an increase in supply staff requirements, and we have increased that allocation accordingly. We will attempt to be nimble and our staff have presented a balanced budget – we have access to reserves up to 1% of revenues- should we require that, we would adjust numbers in the fall. Trustee Elliott asked if the funding for PPE is coming from the Government. Superintendent Young advised there has been no announcement for funding of PPE. Purchasing is looking at what may be required for the fall. We are checking with supply chains to ensure that come September we will have product in our warehouse for the fall and we are tracking our expenditures. Trustee Elliott asked if LDSB will provide PPE for staff and students. Superintendent Young stated discussions are underway on this and he couldn't confirm that at this point.

Trustee Morning inquired if transportation would cost a lot more as we have only increased by \$500K, what happens if go over, we can't keep using the 1% of revenues from reserves. The classroom teachers from First Nations have the bulk of money for Indigenous studies, why wouldn't that be under the GSN's? Would the classroom teachers be additional teachers that are hired just for those studies? Are the studies for the grade 11 courses? Superintendent Young stated right now with transportation we are looking at a model that would have us transporting a max of 24 students- that may possibly change but we are awaiting more direction – there aren't enough school buses in the province to do a max of 24 students per bus, we currently exceed 50 students per bus right now. We are working with ministry and co-terminus boards to sort out what transportation will look like come September. We will react as we need to and bring forward revised estimates in the fall should we require to do so. Superintendent Burra stated that \$1.3 million represents just over 60 secondary teaching sections and just over 10 secondary teachers – grade 11 or English course – using Indigenous authors and webinars to support the learning in the classroom. That is not part of GSN as it varies depending on number of students taking and receiving that credit, the vast majority at the grad 11 English. Part of that includes a grade 9 art course that focuses on First Nations, Metis and Inuit Studies.

Trustee Hutcheon has an overall concern that this is a status quo budget and given that we have until August to submit the numbers, she thinks it might be worth waiting. We are still analyzing the survey to figure out what September is going to look like. It seems we need more information to go ahead responsibly with this budget as this is not a normal year. At this point I feel I need more information before I can reasonably move forward with this. The MOE has indicated that they will be releasing plans in early August. We have most of our numbers in place, our staff has proven how well they can work through this pandemic. I would be more comfortable waiting before going ahead with this budget.

Chair French stated we don't anticipate any new budget information over the summer. Revised budgets in the fall allow us to plan for the year and then if new information becomes available we can make revisions. Superintendent Young stated that any PPFs which were announced in fall, the amounts were put into revised estimates. When we are correlating the 2020-21 budget we are correlating back to 2019-20 revised estimates. We do have time as

we move forward if we need to make adjustments. We don't anticipate revenue adjusting unless additional PPFs come forward such as for PPE that is required. That would be shown in revised estimates.

Trustee Ruttan noted we have to pass a budget so staff can move forward. The MOE has to look after all school boards across the province. The MOE is still working a lot of this out. Has the MOE not provided anything as per the labour agreements? Are we waiting for any revenues through labour agreements? Superintendent Young advised they have provided increases for every group apart from Vice Principals and Principals. We expect that to come through as a PPF in the future. All PPF's agreed to provincially have come through in this budget.

Trustee Gingrich inquired if there will be any extra funding for busing? Can we dip more into the reserve funds due to pandemic? Superintendent Young replied that busing would be dependent on the contract wording. The increased cleaning is part of and expected as part of the contract. If its not specifically named in contract then there is potentially an increase to the school board. The joint effort would be if the contract allowed for that. Such as when the buses don't run there is a fuel offset. When they don't operate the fuel offset comes back to the Board. The MOE has made it clear on preliminary budget that they will not approve budget that dips into over %1 of reserves.

Chair French inquired if the allocation amount for rural and remote includes accessibly and Wi-Fi funds – how does that sit relative to some expenses we have to ensure that our remote students have access to Wi-Fi. Superintendent Young advised that we cover those expenses through various allocations to ensure Wi-Fi is covered and included in budget.

3. Manager Baumann presented the 2020-2021 Preliminary Capital Budget – Revenues and Expenditures. The 2020-2021 Preliminary Capital Budget – Revenues and Expenditures is presented on a modified cash basis. Capital Revenues of \$24,506,489 are balanced to the Capital Expenditures of \$24,506,489.

Ministry Programs – School Renewal - For 2020-2021, the School Renewal allocation is \$4,213,907, an increase of \$85,815 as compared to the 2019-2020 Revised Estimates amount of \$4,128,092.

Ministry Programs – School Condition Improvement- For 2020-2021, the School Condition Improvement allocation is \$16,884,112, an increase of \$2,112,187 over the 2019-2020 Revised Estimates amount of \$14,771,925.

School Generated Funds - Playground Structures- Similar to previous years an estimate of school fundraising efforts to support playground play structure projects has been included.

Ministry Financing – Interest on Short-Term and Long-Term Debt- Debt charges permanently financed of \$457,419 represents the 55 School Board Trust debt (preamalgamation liabilities not permanently financed until 2033). Capital debt support interest of \$2,810,220 includes nine OFA long-term financings, all for 25 years. Short-term interest supported by the Ministry is estimated to be \$115,.831 for 2020-2021.

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Trustee Godkin commented that it would be more beneficial if there was more information in regards to the various schools such as how many schools are included in the various. A little bit more clarity on how many schools are benefiting from this and the problems. Superintendent Young reminded Trustee Godkin that last January he brought forward a report from Facilities that detailed the projects for individual schools. The large pockets of the various projects were approved last spring and in January 2020 he brought forward a detailed project list of what was to be completed at each of the schools. He will bring a comprehensive list in January 2021 to Trustees of the various projects at each school. Trustee Godkin looks forward to the report in January 2021.

Action Items:

Manager Baumann, presented the 2020-2021 Consolidated Budget and Recommendation to the Board for Approval. The 2020-2021 Preliminary Operating Budget Revenue totaling \$254,124,312 and the 2020-2021 Preliminary Operating Budget Expenditures totalling \$254,097,034 were presented at the July 13, 2020 Committee of the Whole (Budget) meeting. The 2020-2021 Preliminary Capital Budget Revenues and Expenditures, each totalling \$24,506,489 was presented at the July 13, 2020 Committee of the Whole (Budget) meeting.

\$443,112 has been transferred from operating revenue to deferred capital contributions related to tangible capital assets for minor capital additions related to furniture and equipment, vehicles, computer hardware and software tangible capital assets. A similar adjustment has occurred under the expenses.

\$21,238,850 has been transferred from capital revenue to deferred capital contributions related to major capital additions. A similar adjustment has occurred under the expenses.

Amortization expense has been added for \$15,496,933 with an offsetting amortization of deferred revenue of \$15,390,121. The difference of \$106,812 represents funding of \$79,534 coming from committed capital surplus and \$27,278 offset against operating budget revenue.

\$5,800,000 has been added to both revenue and expense for school-generated funds.

\$159,000 has been added to both revenue and expense for Charitable Fund.

Amortization of employee future benefits of \$1,121,983 and accrued interest of \$43,127 have been excluded.

\$1,121,983 of the amortization of employee future benefits is funded from retirement benefits accumulated surplus.

The 2020-2021 Budget contains total revenues of \$278,297,960 and total expenses of \$278,334,367 prepared in accordance with PSAB standards.

Trustee Godkin stated I want to make it absolutely clear that you all did a marvelous job with the budget, the MOE gave you x and you produced a balanced budget of x. I am going to have difficulty supporting moving forward with the budget at this time as the MOE has given us until August to submit it. They have said we have to come up with an action plan

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with three different scenarios. Depending on what scenario we choose we may have to dip into reserves. I would like to wait.

Director Rantz thanked Madam Chair and Trustees and stated "I know this is a very difficult time for all of us. The school board cannot function without a budget that is passed by the Trustees. We would not be able to operate or have any expenditures for staff. We are tracking all COVID-19 related expenses and I know through OPSBA Trustees have pleaded to the Government. We track our costs assuming those will be reimbursed by the Government. Any changes that we would need to make to budget can be addressed in revised estimates. No matter which scenario the Government goes with – we will float fluidity between those situations. It could quickly become a situation where we are back to school to operate school without a budget. I totally understand and respect the comments with fear of the future. I can assure you the budget you have in front of you is to maintain operations in a normal way and we will have to cope with whatever we have to deal with. We will make those decisions whether you approve the budget or wait. Its our job to bring you a balanced budget and we have done that so far for the past five years. A budget is just like what you do in your home, no one plans on terrible things happening in their own budgets but you readdress the budget when things happen. When we know what we are dealing with in the fall we will come back to you and figure out adjustments. By approving the budget you are doing your due diligence."

Chair French advised the Trustees that we will continue to advocate over summer and as staff work through summer.

The 2020-2021 Budget supports the strategic direction of the Board as outlined in the new Board Strategic Plan, is balanced and is compliant with the Ministry of Education requirements.

MOTION –That the Board approve the 2020-2021 Budget prepared on a PSAB basis with total revenues of \$278,297,960 and total expenditures of \$278,334,367.

MOVED BY - Trustee Ruttan, seconded by Trustee McGregor. Carried.

Trustee Elliott thanks Director Rantz for the additional comments. I know people plan for emergencies but COVID-19 is not a future concern it is happening now, I have concerns about the status quo budget.

Chair French asked if there were any objections to the motion - Trustee Godkin and Trustee Hutcheon were not in favour of the motion.

MOTION passes on page 26 as discussed.

Chair French thanks Superintendent Young and the team for presenting the budget and the diligence to bring a balanced budget as required.

Other Business

None at this time.

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Next Meeting Dates:

None at this time.

Adjournment

Chair French called for a motion to adjourn the meeting.

MOVED BY: Trustee Godkin, seconded by Trustee McGregor that the meeting adjourn. Carried.

The meeting adjourned at 6:00 p.m.