

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

May 16, 2016

Members/ Trustees: P. Murray (Chair)
E. Crawford
W. Garrod
L. French - regrets
D. Jackson
T. Mahoney
K. McGregor
M. McAuley (Student Trustee)- regrets
A. Ross
S. Ruttan
P. van Herpt (Student Trustee) - regrets

Officials: D. Rantz, Director of Education
P. Babin, Superintendent of Business Services
K. Burra, Superintendent of Equity & Inclusion and Program
J. Douglas, Communications Officer
D. Fowler, Manager of Facility Services - regrets
B. Fraser-Stiff, Superintendent of Education
T. Giles, Supervising Principal, School Effectiveness -regrets
A. Labrie, Superintendent of Human Resources - regrets
S. Lehman, Supervising Principal, Student Success & IT - regrets
A. McDonnell, Supervising Principal, Special Education
J. Silver, Supervising Principal of Safe & Caring Schools – regrets
M. Baumann, Manager of Business Services
W. Toms, Manager of ITS and Planning Officer - regrets

Recorder: L. Strange, Records Management Coordinator

Trustee Murray, as Chair of the Committee, called the meeting to order at 5:30 p.m., and welcomed all those present.

Approval of Agenda

MOVED BY: Trustee Garrod, seconded by Trustee Ross, that the agenda of May 16, 2016, as presented, be approved. Carried.

Declaration of Conflict of Interest

Trustee Garrod declared a conflict of interest for Secondary staffing or contract negotiations as his son is an employee of the Board.

Budget Consultations/Deputations

a) Elementary Teachers' Federation of Ontario (ETFO) – Limestone Local

M. Lumb, President and D. Wells, First Vice-President, of the Elementary Teachers' Federation of Ontario – Limestone Local, attended the Budget meeting to present a deputation on behalf of their members. Limestone Local represents approximately 800 elementary teachers.

M. Lumb expressed concern over the continuing cuts to the LDSB funding, specifically the ongoing reductions to Special Education. He prefaced his remarks with a statement that his concern is directed at Ministry level funding, not the senior administration managing a reduced budget. A number of personal experience statements from elementary teachers were included in the package submitted on behalf of ETFO.

D. Wells stated that teachers are finding themselves in an impossible place. With continued Ministry funding cuts, the LDSB lacks the ability to identify students with special needs, let alone support them.

Trustee Mahoney inquired whether ETFO feels they have a united position with staff. D. Wells expressed her desire that this would happen, but feels at present information is being siloed provincially at different levels (CODE, OPC, OPSBA).

Trustee Mahoney inquired why incident forms are being submitted to the union. It is to have a record with the union as well as the school board. As the Ministry is data driven ETFO feels this could help show that increased funding is needed.

Trustee Ross inquired at what point does ETFO believe that things become so serious. M. Lumb and D. Wells stated that it can't be pointed to any one specific incident, but that it has been a progressive process over the past few years. ETFO has noted that it has seen a significant rise in sick time and short-term leaves due to stress and PTSD over the past few years.

In response to a question, Director Rantz stated that Special Education continues to hold a place front and centre on provincial agendas, including that of CODE. She confirmed that LDSB will see an approximately 15% decrease to its Special Education budget over a 4-year timeframe.

Trustee Jackson stated that it would be helpful if ETFO could advise the Board of suggestions they may have with respect to the budget.

M. Lumb suggested a provincial review of the need for EQAO, and perhaps re-directing these fees to classroom supports.

b) Association of Elementary School Administrators

S. Hedderson, Principal of Calvin Park Public School, attended on behalf of the Elementary School administrators to present their deputation. He expressed his sincere thanks for the approval of past requests, especially the investment in mobile technology.

The Association of Elementary School Administrators' (AESA) main budget priority is the continued funding for evolving professional learning for staff to help create responsive, thinking classrooms in service of deep learning for all students. In order to continue to build on the collective work of teachers, professional learning needs to continue to be a primary area of focus.

The AESA also requested consideration of ways to continue and increase the presence of support/consultants in the classroom, to help teachers translate the thinking from those conversations into new actions in the classroom so those new practices can become embedded as part of regular practice.

Trustee Ross inquired whether the AESA sees the reductions in funding to the special education program as an area of concern. S. Hedderson acknowledged that it is a significant concern, but that there are opportunities to look at how special education students are serviced in schools and there are positive possibilities for making our schools more inclusive.

c) Secondary School Administrators' Organization

E. Pincivero, Principal of Napanee District Secondary School, attended the meeting to present the deputation on behalf of the Secondary School Administrators' Organization.

There is one main area that principals agree continues to be a pressure and where there is not enough financial support. The need for enhanced information technology resources is critical to the engagement and success of students. There is continued pressure to ensure schools and teaching staff remain current, relevant and engaged for students, who are often ahead of the adults in this area. As well, there is an increasing need to purchase e-books, text materials and other electronic resources to support all students.

Information Items

a) 2016-17 Preliminary Operating Budget

The 2016-2017 preliminary operating revenue estimates is presented alongside the 2015-2016 revised estimates and 2015-2016 estimates for comparison purposes.

The projected enrolment that the 2016-2017 preliminary operating revenue estimates is calculated on is summarized below:

- Elementary enrolment is projected at 13,018 ADE.
- Secondary enrolment is projected at 6,162 ADE.
- Secondary-high credit enrolment is projected at 85 ADE.
- Adult, Continuing Education, and Summer School enrolment is projected at 524 ADE.

The 2016-2017 preliminary operating revenue estimates is compared to the 2015-2016 revised estimates operating revenue, with Operating GSN allocations having increased

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\$1,306,618 or .58% and the Pupil Foundation allocation having increased \$366,732 or 0.36%.

The School Foundation allocation has decreased \$34,903 or .23%. As part of the School Board Efficiencies and Modernization (SBEM) strategy, the Ministry of Education has continued phasing in a new allocation method. 2016-2017 is the second year of a three-year phase in of the changes. Under the new allocation method, there are three tiers of funding support for supported, distant, and regular schools.

Special Education allocation has decreased \$1,063,175 or 3.53%. As a result of the new funding model for special education introduced in 2014-2015, the historical HNA per-pupil amounts and the transitional HNA Stabilization support are being eliminated. Funding from these changes will be gradually re-purposed over a four-year period and re-distributed to increase the proportion of funding that is allocated through both the DSENA Measures of Variability Amount (MOV) and the Special Education Statistical Prediction Model (SESPM). In addition, a DSENA Base Amount for Collaboration and Integration has been introduced which provides a base of high needs funding using the same amount for all school boards.

Over-all the allocation has decreased as result of the reduction in the benefit benchmark, declining enrolment and changes to the funding model offset by labour framework salary increase of 1.25% and restoration of grid movement at September 1, 2016.

The Language allocation decreased by \$48,889 or 1.40%. The Ministry has analyzed the 2011 NHS and Census data and determined that the data quality is sufficient to warrant updates to the Pupils in Canada (PIC) component of the English as a Second Language allocation. Using the most recent available data from the 2011 NHS and Census will help ensure that this component better reflects and supports on-the-ground needs of boards.

In 2016-2017, the Ministry will begin a three-year phase in of these updates. The length of the phase in is designed to complete the update in advance of when it is anticipated the 2016 Census data will become available for implementation of further updates.

Supported School allocation has decreased \$27,330 or 1.47%. As part of the School Board Efficiencies and Modernization (SBEM) strategy, the Ministry of Education has begun phasing in a new allocation method. 2016-2017 is the second year of a three-year phase in of the changes.

Over-all the allocation has decreased as a result of being enrolment adjusted, a reduction in the benefit benchmark and the allocation method change offset by labour framework salary increase of 1.25% and restoration at grid movement to September 1, 2016.

The Remote and Rural allocation has decreased \$354,760 or 38.67%. As part of the School Board Efficiencies and Modernization (SBEM) strategy, the Ministry of Education has begun phasing in a new allocation method. 2016-2017 is the second year of a three-year phase in of the changes.

The Rural and Small Community allocation has decreased \$49,869 or 50.34%. As part of the School Board Efficiencies and Modernization (SBEM) strategy, the Ministry of Education has begun phasing out this allocation. 2016-2017 is the second year of a three-year phase out.

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The Learning Opportunities allocation has decreased \$278,742 or 6.65%. Components include literacy/numeracy, student success, school effectiveness, OFIP, specialist high skills major, mental health leader, outdoor education and supplemental library funding.

Continuing Education allocation and Other Programs has increased \$13,246 or .61%. Over-all allocation has increased as a result of the labour framework salary increase of 1.25% and restoration of grid movement at September 1, 2016 offset by a reduction in the benefit benchmark and declining enrolment.

Teacher Qualification and Experience allocation has increased \$1,397,173 or 7.66% and the New Teacher Induction Program allocation has decreased \$26,662 or 24.23%.

The ECE Qualification and Experience allocation has increased \$59,953 or 4.63%, which is intended to offset ECE compensation costs that are above and beyond the pupil foundation benchmark.

The Transportation allocation has increased \$261,689 or 1.77%. The province is providing a 2% transportation cost increase to recognize higher operating costs.

Administration and Governance allocation has increased \$368,256 or 6.43%. Based on the advice of the School Board Administration and Governance Advisory Group (BAAG), the Ministry began to implement a new funding model in 2014-2015, with 2016-17 being the third year of the four-year phase-in of the new model.

The School Operations allocation increased \$436,646 or 2.08%. As part of the School Board Efficiencies and Modernization (SBEM) strategy, the Ministry of Education has begun phasing in a new allocation method. 2016-2017 is the second year of a three-year phase out.

The Declining Enrolment Adjustment allocation decreased \$364,309 or 47.29%. As part of the School Board Efficiencies and Modernization (SBEM) strategy, the Ministry of Education has changed the allocation method. The changes are effective for 2015-2016 and include the first year component being reduced from 100% to 50%, the second year component being reduced from 50% to 25% and the elimination of the third year component.

The First Nations, Metis and Inuit Education Supplemental allocation increased \$92,627 or 12.13%. The same assumptions from the labour framework have been applied to this allocation.

Safe Schools allocation decreased \$1,678 or .45%. Same assumptions from the labour framework have been applied to this allocation.

Other Provincial Grants decreased by \$1,536,378 or 32.34%. This is mainly due to the timing of when the Ministry of Education announces Education Program Other (EPO) grants and the transfer of 5 grants into the GSN funding totaling \$524,033.

Fees decreased by \$52,640 or 2.72%. 2016-2017 projections on tuition fee revenues for international students is fairly consistent with the current year, 2016-2017 projections

on tuition fee revenues for First Nations students reflect a decrease due to lower enrolment and Outreach fees have increased reflecting an increase in enrolment.

Other Revenues increased by \$864,744 or 34.28%. This includes term lease rentals, community use rates, cafeteria/beverage revenue, interest revenue, administrative and instructional cost recoveries, international student fees, and continuing education contract reductions.

Labour Agreement Funding Assumptions decreased by \$1,513,438 or 92.01%. The 2015-2016 Revised Estimates funding assumptions were made for central labour agreements for teaching and CUPE staffing groups. Changes to the GSN have been made to incorporate these labour agreements, however GSN changes have yet to be made for the recent Principal and Vice-Principal labour agreements.

This report was received for information.

It was clarified that 'continuing education' refers to adult education centres (night school), summer school, students with more than 34 credits, and students over 21 years of age.

Superintendent Babin clarified that the increase in salary expenditures is embedded in each grant to the equivalent of 1.25 % as directed by recent labour negotiations.

Trustee Jackson inquired about the total funding received for the First Nations allocation. Manager Baumann stated that it is approximately \$86,000.

In response to an inquiry about inflationary pressures Superintendent Babin stated that lower interest rates have resulted in a reduction in other revenues. Interest revenue is used to offset budgetary gaps.

In response to a question it was clarified that 'Outreach fees' refer to the LDSB summer program at the Gould Lake Outdoor Education Centre.

b) Accumulated Surplus & Deferred Revenue

Superintendent Babin stated that the information related to accumulated surplus and deferred revenue comes right from the notes to the financial statements.

The accumulated surplus (deficit) for 2015 is \$3,034,920, with about \$2.M being identified as unappropriated. The Externally Appropriated - Deferred Revenue Capital as part of the 2014-2015 audited financial statements is \$1,942,305.

As part of the 2015-2016 Revised Estimates, \$0 of the \$2.M unappropriated surplus funds were used to balance the budget.

However, as reported in the 2015-2016 Interim Report for Q2 that went to the Board on April 13, 2016, it was identified that we are expecting pressures to the operating budget during the second half of the year due to events not known or where sufficient information was not available for these events when the 2015-2016 Revised Estimates were prepared in November 2015.

These events include:

- 1) The packing, moving and storage of materials and equipment from QECVI later this summer in preparation for the demolition of the building ahead of construction for the new intermediate/secondary school.
- 2) Legal and operating costs relating to the recent contract settlement between Tri-Board Student Transportation Services Inc. and bus operators.

These unplanned events will likely exceed \$700,000 and as such will reduce the unappropriated surplus fund balance of \$2.M to approximately \$1.3M.

Also, at the April 13, 2016 meeting, Trustees were advised that construction costs of the new Molly Brant Elementary School required a \$680,000 draw on the Pupil Accommodation, School Renewal surplus funds. This draw will reduce the Pupil Accommodation, School Renewal surplus funds from \$1.0M to approximately \$.3M.

In the Fall of 2015, the Board approved the sale of four surplus elementary school buildings. Proceeds from the sale of these buildings will be added to the Proceeds of Disposition (POD) School Buildings funds. As such, the Deferred Revenue-POD School Buildings amount will increase from \$1.5M to approximately \$1.8M.

Superintendent Babin clarified that proceeds of dispositions are treated the same way as deferred funds. New rules from the Ministry have placed stricter rules on how these funds can be spent.

Trustee Ross inquired when the proceeds of disposition would be used. Superintendent Bain stated that they would only be accessed in extraordinary circumstances. The LDSB has been able to meet renewal needs with School Condition Improvement and Renewal funding.

Trustee Ruttan requested information on the number of students coming into the system with learning challenges. She also asked for data concerning increased use of sick time and stress as referenced by ETFO earlier this evening.

Director Rantz stated that at the Wednesday Board meeting there will be a report on sick leave usage, as had been requested previously by Trustee Mahoney.

Supervising Principal McDonnell stated that Educational Services can look at data from the development of IEPs to see if there is an increase in students entering the system who require special education supports.

In response to a query regarding the identification of specific areas where there has been an increase of special education needs, Director Rantz cautioned that needs will fluctuate in schools across the board and that such data would only be a snapshot of a period of time.

Other Business

A letter submitted to Trustee Ross regarding budgetary concerns was directed to the Chair of the Board, as the deadline for submission of deputations had passed.

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Next Meeting Dates:

Monday, May 30, 2016 5:30 pm (Budget Deliberations)

Monday, June 6, 2016 (if needed)

Monday, June 13, 2016 5:30 pm (Budget recommendation to the Board – June 15, 2016)

Adjournment

Trustee Murray called for a motion to adjourn the meeting.

MOVED BY: Trustee Mahoney, seconded by Trustee Ross, that the meeting adjourn. Carried.

The meeting adjourned at 7:00 p.m.