

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

June 14, 2017

Members/:

Trustees E. Crawford
W. Garrod
L. French - regrets
D. Jackson
T. Mahoney
K. McGregor
P. Murray
A. Ross
S. Ruttan (Chair)
W. Sanderson (Student Trustee)
J. Ascough (Student Trustee)

Officials: M. Babcock, Supervising Principal - regrets
P. Babin, Superintendent of Business Services
M. Baumann - Manager of Business Services
K. Burra, Superintendent of Education - regrets
J. Douglas, Communications Officer
D. Fowler, Manager of Facility Services
B. Fraser-Stiff, Superintendent of Education - regrets
S. Gillam, Supervising Principal - regrets
A. Labrie, Superintendent of Human Resources
A. McDonnell, Supervising Principal
J. Silver, Supervising Principal - regrets
D. Rantz, Director of Education

Recorder: L. Strange, Records Management Coordinator

Trustee Ruttan, as Chair of the Committee, called the meeting to order at 4:30 p.m., and welcomed all those present.

Director Rantz 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 Jackson, that the agenda of June 14, 2017, as presented, be approved. Carried.

Declaration of Conflict of Interest

Trustee Garrod advised that if there were any Labour updates he would be declaring a conflict of interest as his son is an employee of the Board.

Information Items

2017-2018 Preliminary Capital Budget - Revenues and Expenditures of \$37,169,580 are balanced to the Capital Expenditures of \$37,169,580.

The allocations for LDSB for the 2017-2018 school year are:

- School Renewal allocation is \$4,357,112,
- School Condition Improvement allocation is \$10,436,690
- Climate Change Action Plan (CCAP), the ministry has approved a time limited Greenhouse Gas Reduction (GHG) allocation of \$2,609,170 to reduce greenhouse gas emissions from facilities in the education sector. Expenditures must occur by March 31, 2018.

The Board was allocated \$37,463,762, including a recent approval of \$990,000, to address unique site costs to construct a new composite school to consolidate secondary students from Kingston Collegiate & Vocational Institute (KCVI), Queen Elizabeth Collegiate & Vocational Institute (QECVI) and Grades 7 & 8 intermediate French Immersion/Extended French students from Module Vanier.

The Ministry requires school boards to submit budgets prepared on a full PSAB basis, including School Generated Funds, Charitable Trust donations and capital expenditures.

Manager Fowler provided information on how capital renewal projects are selected for each school year by Facility Services:

- The department utilizes the Ministry data base (VFA) to identify high and urgent projects
- Staff review the maintenance records and work orders for schools
- Building investigations/inspections completed by consultants are also reviewed.

Trustee Jackson asked for clarification on the expenditure for school communications. Manager Fowler answered that the monies would cover PA systems, telephone systems including WIFI connections, and door entry systems.

Superintendent Babin stated that many schools have aging phone systems that are beginning to fail.

Trustee Murray asked for clarification on how projects are prioritized. Manager Fowler answered that projects are prioritized by high and urgent needs in the system. For schools that are under review for possible closure, maintenance needs are still addressed to ensure the health and safety of students and staff.

Trustee McGregor asked if the projects listed under 'Various schools' are for various smaller repairs or is it a slush fund. Manager Fowler answered that it is for both.

Superintendent Babin added that if the funds are not used in the school year they are rolled over to the next year for renewal projects.

Student Trustee Sanderson asked if the GHG funding will be annual. Manager Fowler answered that the Ministry has stated at this point it is one time funding to address the Cap and Trade. An announcement about further monies could come at a later date.

Trustee Ross stated that the monies allotted under the GHG seem to be used to accelerate projects that needed to be done already. He queried if any projects were considered that were above and beyond general maintenance and repairs. Manager Fowler answered that the funding wasn't announced until end of April, meaning Boards had a little less than year to receive, implement and spend the funding.

Manager Fowler stated that every year the Board monitors energy consumption at all schools/sites. Facility Services has identified sites that could be changed to a more environmentally friendly heating source.

This report was received for information.

Reports Requiring Decision

Superintendent Babin stated that School boards are required to report budgets in accordance with Public Sector Accounting Board (PSAB) standards.

The consolidated budget is prepared in accordance with PSAB and combines the operating and capital budgets and identifies the treatment/recognition of capital transactions, as well as school generated funds, amortization of tangible capital assets and employee future benefits and accrued interest on long term debt.

The 2017-2018 Budget supports the strategic direction of the Board as outlined in "Success for All", is balanced and is compliant with the Ministry of Education requirements.

MOTION: That the Board approve the 2017-2018 Budget prepared on a PSAB basis with total revenues of \$270,305,985 and total Expenditures of \$268,970,131.

MOVED BY: Trustee Garrod.

Trustee Jackson thanked Senior Staff for the LOG material that was presented at the previous budget meeting.

MOTION: To move \$200,000 to the Special Education program from the Board's accumulated surplus, internally appropriated WSIB funds.

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MOVED BY: Trustee Jackson.

Chair Ruttan clarified that Trustees would now be speaking to the original motion.

Student Trustee Sanderson inquired about the difference in amounts between revenue and expenditures. Superintendent Babin answered that the funds go into accumulated surplus, and will be used for employee future benefits and amortization.

Trustee Murray stated that it appears a sentence was cut off on Page 12. Superintendent Babin answered that "renewal needs" got cut off.

Trustee Murray asked that when the Chair makes her final comments about the budget that she mention it is the end of a four-year period of Ministry constraints to areas like Special Education and the Board has attained a balanced budget each of these years.

Trustee Ross asked for clarification on employee future benefits and amortization. Superintendent Babin answered that the full liability amount is approximately \$11 million. Boards can only set up the liability once. The expense was recognized many years ago, and this is the cash flow of that expense.

Trustee Garrod stated that the Board has followed the process. All Trustees have had the opportunity to make suggestions prior to this time, and it is not appropriate to bring forward a new motion at this time. There is a need in every area of the Board.

Superintendent Babin stated that there are unappropriated and internally appropriated funds within accumulated surplus. The WSIB amount is for a liability that the Board has, and the Actuary updates this liability each fall. Taking money from this fund would leave the Board vulnerable to not being able to meet this liability.

Unappropriated funds are essentially the working funds of the Board to meet unexpected events. As a rule of thumb, a Board should have approximately 1% of their operating budget in unappropriated funds.

Trustee Mahoney joined the meeting at 5:10 p.m.

Trustee Jackson stated that he would be happy to amend his motion to accumulated surplus, unappropriated funds instead of WSIB funds.

Trustee McGregor inquired if legal fees come out of the unappropriated portion of accumulated surplus. Superintendent Babin answered that fees and claims could come out of these funds as there is no additional funding from Ministry for claims brought against the Board.

Trustee Garrod stated that all Trustees could raise areas that need additional funding. To try to reallocate funds at the last step in the process is not what the Board is about

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Trustee Murray stated that in the past the Board has moved funds from the WSIB fund but it was done at a time when there was extra money. The Board is required to hold a percentage in that fund, and the current monies are spoken for. Asking for this amendment puts Trustees in awkward position.

Superintendent Babin stated that if the Board pulls from accumulated surplus – unappropriated funds it will not technically have a balanced budget. He questioned what would then happen the next year. He also questioned what the funds would be used for: staff, professional development, equipment, technology, etc.

Trustee Jackson stated that he had tried to keep the motion simple, acknowledging that he could have made specific requests. He further stated he didn't know how it could have been done sooner when information comes to the Trustees progressively.

Trustee Ross asked for clarification on why the budget wouldn't be balanced. Superintendent Babin stated that it would be a deficit budget as the deficit would be funded through accumulated surplus- unappropriated funds.

Trustee Garrod stated he couldn't see funding a program, when a school couldn't be funded.

Director Rantz stated that she recognizes that there is never enough money for special education. The LDSB has supplemented the program above what the Ministry has funded the Board for. The Ministry requires a balanced budget, and one has been presented to the Trustees. As Director, she could not advise Trustees to do anything less than that. Staff is always available to answer Trustees questions outside of meeting times if required.

Trustee McGregor stated she has been happy with the supplemental monies to special education, and would like to see the extra funds kept in the unappropriated surplus for future emergencies.

Trustee Mahoney stated he didn't believe that the Ministry would have people sent to the Board if it passed a budget that wasn't balanced. Superintendent Babin replied that the Ministry wouldn't send people but that the LDSB would be passing a deficit budget. He further stated that if it passed with the amendment, other groups may want to know why they can't get access to the \$2.3 million in accumulated surplus unappropriated funds for their program/school.

Superintendent Babin stated that these monies are for emergencies. Staff cannot control weather, staff illness, or other possible emergency situations. The needs of the Board can fluctuate very quickly. The Board is in fair position, not a great one.

Trustee Murray stated she was glad to celebrate the accomplishment of a balanced budget. She advised Trustees that they must be conscious of the seriousness of passing a deficit budget. Trustees must adhere to guidelines, and pass a balanced budget.

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Trustee Ross stated that he didn't realize the ramifications of passing a deficit budget. As such he cannot support the motion.

Trustee Jackson stated that it has been a helpful discussion. He further stated that he could have directed staff to reduce monies on other line items.

Trustee Jackson stated that there is a need for more input from Trustees into what can be changed in the budget.

Trustee Mahoney stated he sees the issue around balanced budget, and thinks its prudent to pass the balanced budget. He further stated he can't see why senior staff can't find \$200,000 for special education.

Director Rantz stated that the question has not been posed to Senior Staff to find \$200,000 in the budget.

Trustee Murray asked Trustee Jackson if he would like to withdraw the amendment. Trustee Jackson answered that he would not.

Chair Ruttan called the question on the amendment.

The non-binding recorded vote was as follows:

YEAS: Trustee Jackson, (1)

NAYS: Trustee Crawford, Trustee Garrod, Trustee Mahoney, Trustee McGregor, Trustee Murray, Trustee Ross, Trustee Ruttan, Trustee Sanderson, Trustee Ascough (9)

ABSENT: Trustee French, (1)

The binding recorded vote was as follows:

YEAS: Trustee Jackson, (1)

NAYS: Trustee Crawford, Trustee Garrod, Trustee Mahoney, Trustee McGregor, Trustee Murray, Trustee Ross, Trustee Ruttan, (7)

ABSENT: Trustee French (1)

The motion was Called and Failed (1:7).

Chair Ruttan called the original question:

MOTION: That the Board approve the 2017-2018 Budget prepared on a PSAB basis with total revenues of \$270,305,985 and total Expenditures of \$268,970,131.

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The non-binding recorded vote was as follows:

*YEAS: Trustee Crawford, Trustee Garrod, Trustee Jackson, Trustee Mahoney,
Trustee McGregor, Trustee Murray, Trustee Ross, Trustee Ruttan, Trustee Sanderson,
Trustee Ascough (10)*

NAYS: (0)

ABSENT: Trustee French (1)

The binding recorded vote was as follows:

*YEAS: Trustee Crawford, Trustee Garrod, Trustee Jackson, Trustee Mahoney,
Trustee McGregor, Trustee Murray, Trustee Ross, Trustee Ruttan, (8)*

NAYS: (0)

ABSENT: Trustee French (1)

The original motion was called and Carried (8:0).

Other Business

None at this time.

Next Meeting Dates:

April 25, 2018

Adjournment

Trustee Ruttan called for a motion to adjourn the meeting.

MOVED BY: Trustee Murray, that the meeting adjourn. Carried.

The meeting adjourned at 5:35 p.m.