



**Office of The Superintendent of Business**

Jim McCuaig Education Centre  
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**BUDGET COMMITTEE MEETING**

**Tuesday, June 19, 2012**

**Jim McCuaig Education Centre**

George Saarinen  
Chair

Marg Arnone  
Vice Chair

**AGENDA**

**PUBLIC SESSION**

**5:00 P.M. – In the Board Room**

	<u>Resource Person</u>	<u>Pages</u>
1. Call to Order		
2. Disclosure of Conflict of Interest		
3. Approval of the Agenda		
4. Delegations		
5. Confirmation of Minutes		
5.1 Budget Committee Meeting - June 5, 2012	G. Saarinen	1-3
6. Business Arising from the Minutes		

**MATTERS NOT REQUIRING A DECISION:**

7. Information Reports
8. First Reports

**MATTERS FOR DECISION:**

9. Postponed Reports
10. Ad Hoc and Special Committee Reports

Trustees (Chair and Vice-Chair) and presenters of reports will be available  
for comment after the Meeting.

		<u>Resource Person</u>	<u>Pages</u>
11.	New Reports		
11.1	2012-2013 Budget (082-12)	K. Pozihun	4-10
	<i>It is recommended that Lakehead District School Board approve the 2012-2013 operating and capital budget of \$131,365,230.</i>		
12.	New Business		
13.	Notices of Motion		
14.	Information and Inquiries		
15.	Adjournment		

<p>Trustees (Chair and Vice-Chair) and presenters of reports will be available for comment after the Meeting.</p>
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LAKEHEAD DISTRICT SCHOOL BOARD

**MINUTES OF BUDGET COMMITTEE**

Board Room  
Jim McCuaig Education Centre

2012 JUN 05

**TRUSTEES PRESENT:**

George Saarinen (Chair)  
Marg Arnone (Vice Chair)  
Pat Johansen  
Lori Lukinuk

Deborah Massaro  
Ron Oikonen  
Karen Wilson

**TRUSTEES ABSENT, WITH REGRET:**

Jack Playford  
Stephanie Philp (Student Trustee)

**SENIOR ADMINISTRATION:**

Catherine Siemieniuk, Director of Education  
Colleen Kappel, Superintendent of Education  
Ian MacRae, Superintendent of Education  
Sherri-Lynne Pharand, Superintendent of Education  
Kathy Pozihun, Superintendent of Business

**FEDERATION/UNION REPRESENTATIVES:**

Warren Vickruk, OSSTF, EA's

**PUBLIC SESSION:**

1. **Call to Order**

Chair Saarinen called the meeting to order at 6:32 p.m.

2. **Disclosure of Conflict of Interest**

There were no disclosures of Conflict of Interest.

3. **Approval of Agenda**

Moved by Trustee Massaro

Seconded by Trustee Arnone

*"THAT the Agenda for the Budget Committee Meeting, June 5, 2012 be approved."*

**CARRIED**

4. Approval of Minutes

Moved by Trustee Wilson

Seconded by Trustee Oikonen

*“THAT the Budget Committee approve the Minutes of the Budget Committee Meeting May 22, 2012.”*

CARRIED

5. 2012-2013 Preliminary Budget (072-12)

Kathy Pozihun, Superintendent of Business, presented the report. A PowerPoint presentation highlighted the preliminary budget and budget process for 2012-2013.

Trustees reviewed the preliminary budget.

Continuing Education

Trustee Lukinuk inquired as to the reduction in external revenue at Continuing Education.

Transportation

Trustee Johansen inquired how many students use a City of Thunder Bay Transit bus pass.

Plant Services

Trustee Lukinuk inquired what the Plant Services ‘Rental of Facilities’ costs are for.

Community Use of Schools

Trustee Oikonen requested that a report on Community Use of Schools be presented to the Board during the 2012-2013 school year.

Cafeterias

Point of Order

Trustee Wilson requested a Point of Order regarding discussion on the Cafeteria budget as discussion was not relevant to the budget document.

Trustees requested a report during the 2012-2013 school year on the status of Cafeterias.

Business Services

Trustee Lukinuk inquired if the membership costs for Business Services are based on enrolment. Particularly for the Ontario Association of School Business Officials (OASBO).

## Trustees

Trustee Lukinuk expressed concerns regarding the future Trustee travel budget. Trustee Karen Wilson, as Vice Chair of the Board, and responsible for the Trustee budget, indicated an informal session could be scheduled in the Fall through Coordinating Committee to address the Trustee travel budget.

All other Trustees questions were addressed.

### 6. Information and Inquiries

Trustee Lukinuk inquired how questions not addressed during the review of the 2012-2013 budget would be addressed. Kathy Pozihun, Superintendent of Business, responded to the inquiry.

### 7. Adjournment

Moved by Trustee Lukinuk

Seconded by Trustee Johansen

*"THAT we do now adjourn at 8:50 p.m."*

CARRIED

LAKEHEAD PUBLIC SCHOOLS  
OFFICE OF THE DIRECTOR OF EDUCATION

2012 JUN 19  
Report No. 082-12

TO THE CHAIR AND MEMBERS OF THE  
BUDGET COMMITTEE – Public Session

RE: 2012-2013 BUDGET

1. Background

- 1.1 On an annual basis, the Ministry of Education requires school boards in Ontario to submit a balanced budget in accordance with Grants for Student Needs legislation.
- 1.2 The funding regulation for the 2012-2013 fiscal year was released by the Ministry of Education on March 29, 2012. Budget submissions are due to the Ministry by June 30, 2012.
- 1.3 Administration presented the preliminary 2012-2013 draft budget to the Budget Committee on June 5, 2012 for Trustee input and consideration.

2. Situation

- 2.1 Administration has concluded the preparation of the 2012-2013 budget. Details of guiding principles, funding enhancements, funding constraints, budget process, and investments in student programs and services are included in Appendix A.

RECOMMENDATION

It is recommended that Lakehead District School Board approve the 2012-2013 operating and capital budget of \$131,365,230.

Respectfully submitted,

KATHY POZIHUN  
Superintendent of Business

CATHERINE SIEMIENIUK  
Director of Education

## **LAKEHEAD DISTRICT SCHOOL BOARD 2012-2013 OPERATING & CAPITAL BUDGET**

### **2012-2013 BUDGET PROCESS**

The framework for the development of the 2012-2013 budget is consistent with the mission of the organization - a commitment to the success of every student. The 2012-2013 budget process focused on our renewed multi-year strategic plan and has been built through a collaborative, transparent process demonstrating a shared commitment for fiscal sustainability.

In order to prepare a budget with a shared vision consistent with the multi-year strategic plan, Senior Administration established “Guiding Principles” for budget development. These principles formed the framework that guided decision-making throughout the budget development process. The guiding principles for the development of the 2012-2013 budget are:

*Lakehead Public Schools is committed to the success of every student.*

*Student learning is our number one priority. The allocation of budget resources will be aligned with the overall goals and priorities identified in the Multi-Year Strategic Plan.*

- 1. Students come first. The evidence will be reflected in targeted improvements in student achievement and well-being, and by providing safe, inclusive and equitable learning environments for all.*
- 2. The allocation of financial resources will be driven by data, supported by evidence and aligned to match system and operational goals.*
- 3. The engagement of stakeholders in a transparent, consultative budget process will improve communication, build trust and foster effective partnerships.*
- 4. We will invest in the future of the organization by focusing on innovation and professional learning opportunities that support student success.*
- 5. Budget decisions will ensure strong fiscal responsibility into the future.*

Using these principles as the context for consultation, our education partners were asked to provide input with respect to their priorities and unique issues.

Stakeholders were also asked to consider the current provincial economic climate of fiscal constraint when considering priorities for the upcoming year.

Eight different groups participated, all providing valuable information and insight for the upcoming school year. Many items identified have been incorporated into the 2012-2013 budget.

On April 17, 2012, the Budget Committee received presentations from the following stakeholder groups:

- Special Education Advisory Committee
- Aboriginal Education Advisory Committee
- Parent Involvement Committee
- Lakehead Ontario Principals' Council
- Ontario Secondary School Teachers' Federation District 6A Teachers' Bargaining Unit (OSSTF)
- Ontario Secondary School Teachers' Federation – Early Childhood Educators (OSSTF-ECE's)
- Ontario Secondary School Teachers' Federation – Educational Assistants (OSSTF-EA's)
- Lakehead Elementary Teachers of Ontario (LETO)

An option for public input was also provided on the Board website as part of a dedicated budget development link.

Senior Administration has met frequently to prepare a budget that supports the Guiding Principles presented above. The 2012-2013 budget represents a proactive plan for the upcoming year as well as the future. It has responsibly addressed enrolment declines and funding challenges, while maintaining the first priority of student learning.

The Ministry of Education indicated, consistent with the last few years, that funding due to the economic situation of the province will drastically change. This position was evident in the release of the Grants for Student Needs funding legislation. Strong, proactive financial management continues to be an essential strategy necessary for school boards in order to ensure that resources are protected that have the most positive impact on students. The 2012-2013 budget positions the Board for fiscal responsibility into the future by responding to the economic realities of today.

In order to adhere to the government's direction, a balanced budget is due to the Ministry of Education by June 30, 2012.



## **PRIORITIES – 2012-2013 BUDGET**

The 2012-2013 budget includes exciting program initiatives as follows:

- The commitment to maintain programs such as Full-Time Senior Kindergarten in existing schools as well as an additional complement of Early Childhood Educators' in schools. This commitment is in addition to the new positions created by the implementation of phases 1, 2 and 3 of the Full Day Kindergarten Early Learning Program;
- The commitment to maintain Social Workers in schools. Many constituent groups emphasized the increased support needed for student's emotional, social and mental health and well-being;
- Continued support for the French as a Second Language resource teacher and Kindergarten resource teacher – which is fundamental as we continue implementation of phase 3 of the Full Day Kindergarten Early Learning Program;
- Commitment to maintain support for the positions of Aboriginal Community Liaison & Partnership Officer and Aboriginal Resource Teacher;
- Funding to support Native Language programs in three elementary schools and all secondary schools;
- Support for the inclusion of e-Learning opportunities for secondary students;
- Continued support for the Learning Through the Arts partnership with the Royal Conservatory of Music, providing unique opportunities for students to experience different strands of art disciplines with local artists;
- Continued support for Aboriginal Student Success and Professional Development, as we remain committed to ensuring sustainability for the successes achieved by the Urban Aboriginal Education project;
- Continued investments in sound skills speech language pathology, and continued support for grades 7 & 8 differentiated instruction;
- Continued support for ongoing training for professional learning communities in schools;
- Ongoing training for integrating technology in classrooms as we enhance teaching strategy through the use of SMART boards, projection, sound and wireless capacity in classrooms;

- A funding infusion for textbooks;
- A funding infusion for e-books as the Board remains cutting edge with teaching strategies and technology in classrooms;
- A funding infusion to implement tutors in a cultural environment building on the successes of the pilot project this past year at Sir Winston Churchill CVI;
- Recognition of efficiencies gained in many non-academic areas of the Board resulting in a reduction of 2.33 full time equivalent positions due to attrition and retirements; and
- Although the first three phases of the implementation of the Full Time Kindergarten Early Learning program are to be funded outside of the Grants for Student Needs Legislation, it still has been a very important part of budget deliberations. The Board is excitedly planning the implementation of the Year 3 FDKELP in three more schools, now totaling 23 classes, providing full day kindergarten to our four and five year old students.

## **ENHANCEMENTS TO KEEP UP WITH COSTS**

Several changes have occurred with regards to Grants for Student Needs (GSN) Legislation. A few funding enhancements have been incorporated into the funding formula in order to keep up with the rising costs of doing business:

- In 2008, Provincial Discussion Templates were struck with groups that bargain collectively. An increase to elementary teacher preparation time as well as enhancements to reduce grades 4 to 8 average class size that take effect August 31, 2012 have been included in the GSN announcement;
- Effective January 1, 2011, the OMERS pension plan which is the pension plan for non-teaching staff, announced a contribution rate increase of 2.9 percent over three years. The benefits benchmarks in the GSN have been increased to cover the cost in this second year;
- A portion of the School Operations Allocation will be increased by two percent to assist boards to manage increases in utility costs;
- To offset the impact of fewer teachers generating New Teacher Induction Program funding, the benchmark amount per teacher is being increased to maintain the level of this funding envelope; and

- The Geographic Adjustment Factor has been increased. This factor recognizes the differences in construction costs across the province and adjusts funding to recognize the higher costs of building here in the North.

## **2012-2013 FUNDING CONSTRAINTS**

Similar to the last three years, school boards are working in an environment experiencing tremendous economic uncertainty. Strong financial management will be even more vital to sustain and advance progress in education. This budget positions the Board well by responding to the following funding constraints:

- No funding for across-the-board salary increases in 2012-2013. The funding formula also provides no funding for salary increases resulting from an individual employee's movement on a salary grid;
- Current sick leave plans and retirement gratuity plans have been replaced with a short-term sick leave plan providing for emergency sick days and up to 24 weeks at a reduced salary. All benefits funding benchmarks in the funding formula have been reduced to model this proposal;
- The removal of the program enhancement grant from the funding formula. The government has indicated that a portion of this grant will be funded through Education Program Other grants, although this has yet to be confirmed;
- School renewal funding has been restructured so that components within buildings will be recognized for funding purposes rather than just the age of the building itself;
- Funding for classroom consultant positions is being reduced by approximately 17%;
- Similar to the last two years, the School Board Administration and Governance grant is reduced in 2012-2013 by 1.47%;
- The reduction in funding for classroom computers announced in 2009-2010 has been made permanent;
- The reduction of funding for staff professional development announced last year has been made permanent; and
- A one percent reduction in transportation funding will continue based on our current Effectiveness & Efficiency Review rating.

These reductions are the significant fourth year of contributions of the Education sector to share in the provincial deficit recovery plan. Additional constraints are expected next year including an under-utilized school strategy, implementation of a secondary school program capping credits at 34, and school board amalgamations.

## **CONCLUSION**

The 2012-2013 budget is a reflection of the proactive, collaborative efforts of all those with an interest in Lakehead Public Schools. 2012-2013 will be an extremely busy year as we continue to build on the past successes of the first year of our renewed strategic plan. Despite declining enrolment and a challenging provincial fiscal situation, we believe that we have a solid financial plan built for student success now and into the future.

We are confident that this financial plan will support the direction of this Board and the success of every student.

Thank you to everyone who has contributed to the development of the 2012-2013 operating and capital budget.

Respectfully submitted,

KATHY POZIHUN  
Superintendent of Business

CATHERINE SIEMIENIUK  
Director of Education