



Office of The Superintendent of Business

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BUDGET COMMITTEE MEETING
Tuesday, June 18, 2013
Jim McCuaig Education Centre

Marg Arnone
Chair

George Saarinen
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 12, 2013	M. Arnone	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 2013-2014 Budget (072-13)	D. Wright	4-9
	<i>It is recommended that Lakehead District School Board approve the 2013-2014 operating and capital budget of \$132,803,787.</i>		
12.	New Business		
13.	Notices of Motion		
14.	Information and Inquiries		
15.	Adjournment		

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

MINUTES OF BUDGET COMMITTEE

Board Room
Jim McCuaig Education Centre

2013 JUN 12

TRUSTEES PRESENT:

Marg Arnone (Chair)	Ron Oikonen
George Saarinen (Vice Chair)	Jack Playford
Pat Johansen	Karen Wilson
Lori Lukinuk	

TRUSTEES ABSENT, WITH REGRET:

Deborah Massaro
Rheanna Kendrick (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
David Wright, Superintendent of Business

PUBLIC SESSION:

1. **Call to Order**

Chair Arnone called the meeting to order at 8:00 p.m.

2. **Disclosure of Conflict of Interest**

There were no disclosures of Conflict of Interest.

3. Approval of Agenda

Moved by Trustee Wilson

Seconded by Trustee Saarinen

“THAT the Agenda for the Budget Committee Meeting, June 12, 2013 be approved.”

CARRIED

4. Approval of Minutes

Moved by Trustee Lukinuk

Seconded by Trustee Johansen

“THAT the Budget Committee approve the Minutes of the Budget Committee Meeting May 30, 2013.”

CARRIED

5. 2012-2013 Preliminary Budget (059-13)

David Wright, Superintendent of Business, presented the report. A PowerPoint presentation highlighted the preliminary budget and budget process for 2013-2014.

Trustees reviewed the preliminary budget.

School Supplies and Resources – Elementary

Trustee Lukinuk inquired if the amount budgeted for *postage suspension during school breaks* could be handled in a different manner to avoid the cost.

Transportation

Trustee Lukinuk inquired about the name of the software program *Trapeze*, listed in the budget binder.

Trustee Lukinuk inquired about Hagi Transit, and if contracts will have to be renegotiated when Hagi Transit is taken over by the City of Thunder Bay.

Trustee Lukinuk inquired about transit passes for students and if the Board receives a special rate or pays the full cost.

Co-Curricular

Trustee Saarinen requested a list of all co-curricular activities at Lakehead District School Board.

Community Use of Schools

Trustee Playford requested that the Community Use of Schools budget page be updated to reflect the revenue received from the Ministry to offset the expenditures and show a net cost of zero.

Territorial Student Program (TSP)

Trustee Lukinuk inquired as to how many years the Board and Lodging amount been set at \$500/month, prior to Lakehead District School Board taking over the program.

Trustee Arnone inquired if there was a clothing allowance provided as part of the TSP program.

During discussion it was necessary to extend the meeting time past 10:00 p.m.

Extend Meeting Time

Moved by Trustee Wilson

Seconded by Trustee Oikonen

“THAT the Budget Committee extend the meeting time to 11:00 p.m.”

CARRIED

Trustee Playford departed the meeting at 10:00 p.m.

All other Trustees questions were addressed.

6. Information and Inquiries

Trustee Lukinuk provided information on rules of order that all agenda items listed, other than new business, do not need to be addressed by the Chair unless there is information pertaining to them.

7. Adjournment

Moved by Trustee Saarinen

Seconded by Trustee Wilson

“THAT we do now adjourn at 10:33 p.m.”

CARRIED

LAKEHEAD PUBLIC SCHOOLS
OFFICE OF THE DIRECTOR OF EDUCATION

2013 JUN 18
Report No. 072-13

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

RE: 2013-2014 BUDGET

1. Background

- 1.1 On an annual basis, the Ministry of Education requires school boards in Ontario to submit a budget in accordance with Grants for Student Needs legislation.
- 1.2 The funding regulation for the 2013-2014 fiscal year was released by the Ministry of Education on March 27, 2013. Budget submissions are due to the Ministry by June 28, 2013.
- 1.3 Administration presented the preliminary 2013-2014 draft budget to the Budget Committee on June 12, 2013 for Trustee input and consideration.

2. Situation

Administration has concluded the preparation of the 2013-2014 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 2013-2014 operating and capital budget of \$132,803,787.

Respectfully submitted,

KIRSTI ALAKSA
Manager of Financial Services

DAVID WRIGHT
Superintendent of Business

CATHERINE SIEMIENIUK
Director of Education

**LAKEHEAD DISTRICT SCHOOL BOARD
2013-2014 OPERATING & CAPITAL BUDGET**

2013-2014 BUDGET PROCESS

The development process of the 2013-2014 budget highlights first and foremost that Lakehead District School Board is ever mindful of its mission; commitment to the success of every student. The 2013-2014 budget process focused on reducing the impact of budget constraints on classrooms, and maintaining the supports in our system that our stakeholders depend on. The budget was built through a collaborative process, and demonstrates a commitment for fiscal sustainability.

In order to prepare a budget with a shared vision consistent with the multi-year strategic plan, Senior Administration updated “Guiding Principles” for budget development, with input from Trustees. These principles formed the framework that guided decision-making throughout the budget development process. The guiding principles for the development of the 2013-2014 budget are:

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

Student success 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.*
- 2. We will invest in the future of the organization by focusing on innovation, engagement and professional learning that supports student success.*
- 3. The allocation of financial resources will be driven by data, supported by evidence, and aligned to match system and operational goals.*
- 4. The engagement of stakeholders in a consultative budget process will assist in setting priorities.*
- 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 the Budget Committee with their top three priorities, in terms of budget allocation, that would improve student success. They were also asked what they would reallocate within or remove from the budget to fund their stated priorities.

Nine different groups participated, all providing valuable information and insight for the upcoming school year. Several of the identified priorities have been reflected in the 2013-2014 budget.

On April 30, 2013, the Budget Committee received presentations from the following stakeholder groups:

- Special Education Advisory Committee;
- Aboriginal Education Advisory Committee;
- Parent Involvement Committee;
- Ontario Secondary School Teachers' Federation – Educational Assistants (OSSTF-EA's);
- Ontario Secondary School Teachers' Federation District 6A Teachers' Bargaining Unit (OSSTF); and
- Lakehead Ontario Principals' Council.

The Budget Committee received written input from the following stakeholder groups:

- Ontario Secondary School Teachers' Federation – Early Childhood Educators (OSSTF-ECE's);
- Lakehead Elementary Teachers of Ontario (LETO); and
- Hammarskjold High School School Council.

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

Senior Administration has met extensively to prepare a budget that supports the Guiding Principles presented above. The 2013-2014 budget represents a commitment to maintaining the supports that are in place in our system for the coming year. In the near future; however, reviews of senior and school administration, as well as system departments and supports will be required. These reviews will ensure that Lakehead District School Board is able to continue delivering budgets that best support the strategic plan, by ensuring effective stewardship of resources, and maintaining the focus on our core business: student achievement and well-being.

While the Grants for Student Needs announcement showed only a slight decrease in per-pupil funding this year, the budgeting process has been difficult as we continue to be a declining enrolment board. Lakehead District School Board continues to make a concerted effort to align with Ministry of Education – Education Program Other (EPO) funded initiatives, which has assisted the Board to maintain a high level of programming and supports. That being said, the Ministry of Education has indicated their awareness of the challenges boards will face in balancing their budgets while at the same time implementing the required cost savings measures and protecting programs and services that are mandated by the government and expected by our constituents.

In order to adhere to the government's direction, a budget is due to the Ministry of Education by June 28, 2013.

PRIORITIES – 2013-2014 BUDGET

Highlights of the 2013-2014 budget include:

- The commitment to reduce the impact of budget constraints on schools;
- Expanding Full Day Kindergarten to all schools;
- A significant infusion of Information Technology, further advancing Lakehead Public Schools students as 21st Century Learners;
- Continued support for training on integrating technology in classrooms;
- Further implementation of a Mental Health and Addictions strategy;
- Continued support for Tutors in a Cultural Environment;
- Continued support for the French as a Second Language resource teacher and Kindergarten resource teacher;
- Continued support for the positions of Aboriginal Community Liaison & Partnership Officer and Aboriginal Resource Teacher;
- Continued support of Native Language programs in three elementary schools and all secondary schools;
- Continued support for Aboriginal Student Success and Professional Development, maintaining a commitment to ensure sustainability for the successes achieved by the Urban Aboriginal Education project;
- Support for continued e-Learning opportunities for secondary students;
- The commitment to maintain Social Workers in schools. Many constituent groups have emphasized that support is needed for student's emotional, social and mental health and well-being;
- Continued support for the Learning Through the Arts partnership with the Royal Conservatory of Music;
- Continued investments in sound skills speech language pathology, and continued support for Grades 7 & 8 differentiated instruction; and
- Continued support for ongoing training for professional learning communities in schools.

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:

- 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 last year;
- A portion of the School Operations Allocation will be increased to assist boards manage increases in commodity prices and utility costs. Also, the electricity component of the benchmark will be increased to help boards with rising electricity costs;
- 2013-2014 will be year four of the Ministry supported Full Day Early Learning Kindergarten Program. Additional operating, capital, and one time equipping revenue is being provided to prepare for the additional classes; and
- The cost benchmark for the Student Transportation Grant will be increased to recognize higher operating costs. The increase in the benchmark will be offset by any year end surpluses in transportation. In addition, the penalty for transportation consortiums that received less than a high rating in the initial Efficiency and Effectiveness review will be removed.

2013-2014 FUNDING CONSTRAINTS

Similar to the last few years, strong financial management in school boards continues to be vital to sustain and advance progress in education, when the education sector is a very significant contributor towards balancing the provincial budget. Lakehead District School Board continues to operate in a climate of economic uncertainty and declining enrolment. Constraints that will have the largest impact are:

- The introduction of the 34 credit threshold. Most Secondary Students will be funded at a lower rate for credits taken after reaching the 34 credit cap;
- The continued reduction of the School Board Administration and Governance Grant; and
- Benchmark changes that reflect year two of imposed collective agreements and changes to personal services contracts. The changes include a wage freeze, delayed grid movement, changes to sick leave and retirement gratuity plans, unpaid days for both teachers and administrators, as well as other measures.

CONCLUSION

Lakehead District School Board's 2013-2014 budget development process and Guiding Principles highlight first and foremost that we strive to ensure the success of every student. The resulting budget is a collaborative reflection of the priorities of stakeholders, which maintains the programs and supports that stakeholders expect.

In the coming years, administrative and system reviews will be necessary to ensure continued financial viability, and the ability to focus on student achievement and well-being.

2013-2014 will be another extremely busy year as all of the exciting highlights are put in place and/or expanded in classrooms. Despite declining enrolment and a challenging provincial fiscal situation, Lakehead District School Board has built a responsible budget that supports the strategic plan.

Thank you to everyone who has contributed to the development of the 2013-2014 operating and capital budget.

Respectfully submitted,

KIRSTI ALAKSA
Manager of Financial Services

DAVID WRIGHT
Superintendent of Business

CATHERINE SIEMIENIUK
Director of Education