



COMMITTEE OF THE WHOLE, BUDGET REPORT

Board Room

Wednesday, May 29, 2019

7:00 pm

Board Room

Administration Building

133 Greenbank Road

Ottawa, Ontario

| | |
|---|---|
| Trustees Present: | Donna Blackburn, Christine Boothby, Erica Braunovan, Rob Campbell, Chris Ellis, Lyra Evans, Wendy Hough, Jennifer Jennekens, Keith Penny, Sandra Schwartz, Lynn Scott |
| Staff Present: | Camille Williams-Taylor (Director of Education), Brett Reynolds (Associate Director), Mike Carson (Chief Financial Officer), Michele Giroux (Executive Officer, Corporate Services), Janice McCoy (Superintendent of Human Resources), Kevin Gardner (Manager of Finance), Karyn Carty Ostafichuk (Manager of Planning), Katrine Mallan (Manager of Board Services), Diane Pernari-Hergert (Manager of Communications & Information Services), Charles D'Aoust (Coordinator of Budget Services), Teri Adamthwaite (Coordinator of Financial Reporting), Miro Vala (Manager of Facilities), Sharlene Hunter (Communications Coordinator), John MacKinnon (Audio-Visual Technician), Nicole Guthrie (Committee Coordinator) |
| Non-Voting Representatives Present: | Nancy Akehurst (Ontario Secondary School Teachers' Federation - ESP, PSSU, PSSP, EA, PECCS), Cathy Bailey (OSSTF Teachers/Occasional Teachers), Jennifer Capitani (Ottawa-Carleton Elementary Operations Committee), Jean Trant (OSSTF-SSP), Malaka Hendela (Ottawa-Carleton Assembly of School Councils), Wulf Heidecker (Elementary Teachers' Federation of Ontario), Donna Owen (Special Education Advisory Committee), Stacey Kay (Non-affiliated Staff) |

1. Call to Order - Chair of Committee of the Whole, Budget

Chair Penny called the public session to order at 7:05 p.m. and acknowledged that the meeting is taking place on unceded Algonquin Territories and thanked the Algonquin Nations for hosting the meeting on their land.

2. Approval of Agenda

**Moved by Trustee Hough,
THAT the agenda be approved.**

Carried

3. Delegations

There were no delegations.

4. Presentation:

Trustee Braunovan declared an indirect pecuniary interest in the matter of the line item expenditure for Rideauwood Addiction and Family Services in the recommended budget. She noted that should the matter be tabled for discussion, she would recuse herself from both debate and vote.

4.1 Report 19-066, 2019-2020 Staff-Recommended Budget

Your Committee had before it Report 19-066, providing the 2019-2020 Staff-Recommended Budget for discussion.

Chief Financial Officer (CFO) Carson advised that the 2019-2020 Staff-Recommended Budget is a fair, equitable and manageable budget that meets the District's obligation to deliver a balanced budget to meet students' needs.

During his presentation, CFO Carson highlighted the 2019-2020 Staff-Recommended Budget assumptions, provided a financial overview, and outlined budget initiatives. The following points were noted:

- The Ministry of Education announcements indicate that the District will face funding reductions in 2019-2020 and further reductions in subsequent years;
- The 2019-2020 Budget reflects staff's commitment to maintaining stability while creating a plan to address future revenue uncertainties;
- Academic staffing was approved in March 2019. The 2019-2020 Staff-Recommended Budget contains additional staffing changes to provide direct support for students, schools and school-based activities through investments in special education, health and safety and student-focused technology;
- Areas of reduced Ministry funding include: class sizes at the secondary level, kindergarten early childhood educators (ECEs), secondary programming (20.0 FTEs), expiry of the Local Priorities Fund (LPF), school operations, education worker cost adjustment and Priorities and Partnerships Fund (formerly Education Program-Other (EPO) grants);

- School operations funding will be reduced in 2019-2020 by \$1.4 million. The total reduction will increase to over \$6.0 million in subsequent years;
- A new grant entitled Attrition Protection for teachers will help offset changes to funded classroom teacher ratios. This will allow the District the ability to increase class sizes only to the extent that there are teacher retirements rather than staff layoffs;
- Additional funding is available for school operations, supplies and services and student transportation services;
- Grant reductions in the 2019-2020 Staff-Recommended Budget net to \$23.2 million. By 2023-2024 the total reduction in revenue will be \$53.0 million. Charts will be provided in the question and answer memorandum that will further highlight the change in the individual grants over the next five years;
- Staff project an accumulated surplus of approximately \$43.0 million at the end of August 2019;
- Academic staffing has increased by 30.99 FTE owing to increased enrollment and is included as part of the budget;
- Staff recommend that the 55.0 FTE education worker staff that were added as part of the LPF be maintained;
- The most significant increase in new FTE staff is in Learning Support Services (LSS). This includes 30.0 FTE educational assistants (EAs) to support specialized classes approved in March 2019;
- The District continues to overspend within the special education envelope and for 2019-2020 anticipate an increase in approved expenditures of 7%;
- LSS has identified the need for 6.0 FTE new staffing positions which include an applied behaviour analysis (ABA) coordinator, Board certified behaviour analysts and communication disorder assistants; and
- An administrative position has been added in the Continuing Education department to support accountability to external federal and provincial funding sources.

Committee members thanked the staff for their work preparing the budget recommendation. During discussion, and in response to questions, the following points were noted:

- All pathways will continue to be offered in secondary schools across the District regardless of the reduction in sections. Smaller, optional classes that are not required for graduation, college or university pathways may need to be reduced;
- The Ministry has yet to provide details on how e-learning will be implemented and it is an identified risk factor for 2020-2021;

- The \$1.2 million identified in school facilities operations and renewal represents the inflationary increase associated with utilities, cleaning supplies and water. It is not a replacement for the Green House Gas (GHG) grant;
- The District's annual advertising budget is approximately \$125,000;
- Trustee Lyra Evans requested staff provide the cost of providing all secondary students, eligible and ineligible, with Presto passes within the question and answer document;
- Transportation continues to be an issue for school boards across the province. The District is currently working to address driver shortages and significant increases to the rates for specific routes;
- Ms. Hendela expressed the view that the communication of issues such as "sections" and other implications be more intentional and in plain language to ensure parents understand how it impacts their children and the services they receive;
- The new 1.0 FTE in continuing education would have an administrative role;
- Staff is reviewing the matter of the international student fee increase in consultation with the Ottawa-Carleton Education Network (OCENET). Staff anticipate fee increases over the next several years and believe any losses in 2019-2020 will be recovered from OCENET from the existing program when they provide grants to the District;
- The Ministry calculation sets the minimum rate international students may be charged, but school boards may elect to impose additional charges;
- Teachers were not a part of the calculation of class sizes, and the 120 sections were removed during academic staffing. The province is providing additional funding to make up the difference between the 28:1 class size minus retirees or those on leave; however under the collective agreements the District is not in a position to change class sizes. There is a gap between what the province will fund and the class sizes outlined in collective agreements. The gap will not be supported as the District is currently required to replace staff;
- CFO Carson noted that staff has worked to minimize the negative impacts and while there will be an impact on students from the reduction of the 120 sections at the secondary level there are also several positive investments which will help staff support students. The 2019-2020 Staff-Recommended Budget is appropriate given the District's obligations under the *Education Act*. The budget is prudent and will not require the use of additional reserves beyond the 1% threshold, which would require Ministry approval. The budget allows for some enhancements and prepares the District for the coming year and sets the stage for the difficult budget work of the next several years;

- CFO Carson noted that there is approximately \$300,000 available before the 1% threshold is surpassed;
- In response to a query from Trustee Scott regarding the revenue increase for English language learners and the overall surplus, CFO Carson noted that in the past, staff had overspent the English as a second language (ESL) envelope and are now underspending. Staff have evaluated the needs and growth within the program and advised that some of the additional special education expenditures are a result of the needs of newcomers. He noted a slight increase in ESL teaching and anticipated that more will be required in the future but require a broader understanding of Ministry funding changes prior to further investment;
- Staff advised there will be an increase to multicultural liaison services;
- Trustee Scott queried the salary differential outlined on page 140 of the budget binder. Staff noted that the Ministry's calculations of the salary differentials were provided late. Historically, the District has had a comparatively larger differential than other school boards in the province. The Ministry reviews the overall instructional funding and not just the salary differential;
- Ms. Hendela requested additional information on the technology and Wi-fi investment; and
- The Ministry requires that certain amounts of revenue be placed within deferred revenues. The most significant of these amounts is the special education grant. Once the expense is incurred, the funding is moved into actual revenues. The increase is related to the Wi-fi project. The accounting for deferred revenues will be further described in the question and answer memorandum.

5. New Business - Information and Inquiries

There was no new business.

6. Adjournment

The meeting adjourned at 8:41 p.m.

The next meeting of the Committee of the Whole, Budget will take place on 03 June 2019 at 7:00 pm at which delegations will be heard, and the debate will commence.

Keith Penny, Chair