

Erika Lougheed, Chair

Craig Myles, Director of Education

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**Finance Committee**

Wednesday, May 31, 2023 3:30PM  
Zoom Meeting

Committee Members Present

Shane Hall, Committee Chair  
Howard Wesley, Board Vice-Chair  
Bill Steer, Trustee  
Seija Van Haesendonck, Superintendent of Business

Staff Present

Wende Proulx, Manager Finance  
Saxon Yanta, Acting Executive Assistant

Regrets

Craig Myles, Director of Education  
Chantal Phillips, Trustee

**1. Call to Order**

The meeting was called to order at 3:35PM. Following the roll call, it is noted that the meeting has quorum.

The Director of Education sends his regrets as he is visiting schools in the Parry Sound region.

**2. Declaration of Conflict of Interest**

The floor was opened for declarations of conflict of interest with none rose.

**3. Approval of Agenda**

*Moved by Trustee Steer, and seconded by Trustee Wesley, that the agenda for the May 31, 2023 Finance Committee meeting be approved as presented. – CARRIED.*

**4. Approval of Minutes from Previous Meeting**

*Moved by Trustee Wesley and seconded by Superintendent Van Haesendonck that the Committee approves the Finance Committee minutes as presented for the meeting held on Tuesday, March 21, 2023.- CARRIED*

**5. New Business**

## 5.1. Review of 2023-2024 Preliminary Budget information

Superintendent Van Haesendonck was invited to speak regarding the 2023-2024 preliminary budget information. She noted that this is a preliminary budget meeting which presents the parameters of how the budget is being developed. At next week's Finance Committee meeting, the actual budget with funding dollars will be presented.

The report included in the committee package highlights where there have been changes in the GSN and provides local board context for clarification purposes. It is important to note that while the GSN was released April 17, there are still some areas where the board does not have the specific information required to finalize the detailed budget. As such, there are some areas in the budget that will be set up with provisions or contingencies. As information is received, it will be compared to the budgeted information and incorporated into the revised estimates in the fall.

Superintendent Van Haesendonck highlighted some funding areas where changes are occurring, and staff are still awaiting detailed information from the Ministry:

- Transportation: prior to this year, the transportation funding formula was allocation-based and had not changed for 25 years. This year, there is a new formula which sets out specific benchmarks. The local transportation consortium has been working for the past several months to determine what the impacts will be. Their evaluation of routing structures may result in the need for some policy changes. One of the biggest areas of impact is regarding the driver compensation benchmark. The Ministry has promised that they will provide reporting requirements, but they have not been released yet. Transportation will be budgeted as a worst-case scenario, with the hope that it will improve once additional details are released.
- Indigenous Education: The Ministry changed how they are funding indigenous education courses and the Board Action Plan. Some of these funds will be enveloped more stringently, but the parameters have not yet been set out. The Ministry is actively consulting with boards, and they are not expected to release the parameters until mid-June or later.
- Priorities and Partnerships Funding (PPF) Grants: PPF Grants are temporary in nature (generally one year in length) and occur outside of base funding. Each PPF comes with a Transfer Payment Agreement (TPA) which clearly defines the parameters for spending the funds. The Ministry has announced several PPFs that do not have accompanying TPAs at this time, which does not allow staff to include related expenditures and staffing in the budget.
- Math Strategy: The math strategy funding has completely changed this year. It is now called the math recovery plan. The Ministry previously funded a math lead at a certain funding level, but the new requirement is that this position should be a supervisory office level. Discussions are ongoing across all school boards on this matter. At this time, there is not enough information to post/hire for that position.

Staff are anticipating presenting a budget with a compliance deficit of just under \$1M dollars to the Finance Committee next week. Superintendent Van Haesendonck explained to the committee the reasons for presenting a compliance deficit budget. For several years, the board has budgeted a large transportation deficit. In the GSN a number of allocations are not enveloped, which allows for money to be moved around. When there is a budgeted deficit that large, it results in pulling funding from other envelopes. This year, with the introduction of the new transportation funding formula, it is not appropriate to continue to reallocate funding from other areas when faced with significant cost pressures in those other areas as well. The budget increase has not kept up with the cost of inflation. The budget deficit being presented is almost entirely related to the underfunding of the transportation system.

The Ministry expects boards to budget a zero deficit, but boards are permitted to budget a 1% deficit. The amount staff are putting forward (just under \$1M) is less than the 1% deficit that is permitted. Staff will make this recommendation to the committee with the hope of recommending it to the board for approval. Staff will be required to indicate to the Ministry why they are presenting a deficit budget.

Superintendent Van Haesendonck noted that the budget will be presented with no significant changes to staffing in any of its areas, other than the school consolidation to Mapleview. 72% of 2022/2023 budget is staffing and salary related. As a result, it is difficult to make adjustments in the short term without impacting services being provided, while also adhering to the requirements of the collective agreements.

Trustee Steer, who has served on the Finance Committee for several years, shared with committee members that there is very little discretionary funding as everything is in an envelope, which was confirmed by Superintendent Van Haesendonck. Trustee Steer noted the great and hard work completed by the Finance Team and appreciated the detailed notes that accompany the budget information.

In response to a comment by Trustee Steer, Superintendent Van Haesendonck elaborated on the transportation situation. She has been speaking with the consortium Executive Director on a weekly basis. The consortium is actively looking at where route consolidation can occur and is working diligently to ensure all parameters are fully utilized, as they do not want to be in a deficit position. In transportation, multi-year contracts are signed which typically last 7-12 years; as a result, costs are tied in, and it is difficult to make adjustments on a short-term basis. Additionally, mini-vans and taxis are not included in the new funding formula and must instead be funded with local priorities funding. These transportation solutions are often used to transport special needs or students with behavioural needs. To use local priorities funding for these students would use a significant amount of this funding. All other boards are in a similar situation, but especially rural and northern boards. The four Superintendents of Business for the district oversee the consortium with Superintendent Van Haesendonck acting as the Chair.

Regarding collective agreements, where contracts are not settled centrally, staff will set aside provisions until such time as those agreements are ratified, as per Ministry direction.

With no further comments to note, Committee Chair Hall introduced the following motion:

*Moved by Trustee Steer and seconded by Trustee Wesley that the Finance Committee receives the preliminary budget information as presented and approves of the parameters upon which the 2023-2024 budget will be built.*

## **5.2. Review Budget Recommendations from May 18, 2023 SEAC meeting**

The committee reviewed the recommendations from the SEAC Committee. Superintendent Van Haesendonck was invited to speak to the budget recommendations that arose from the May 18, 2023 SEAC meeting.

Superintendent Van Haesendonck attended the May 18<sup>th</sup> SEAC meeting. Part of their legislated expectations is to review special education funding and make recommendations to the board about where those funds should be directed. While these are recommendations only, they do provide strong parameters and direction for the program department and team for preparing the budget. In general, the budget aligns with the recommendations from SEAC and staff will continue to prioritize funding within the special education department as required. An example of this is Differentiated Learning Resource Teachers (DLRT). Virtual schools are continuing for the 2023/2024 school year. SEAC strongly supported having DLRT time allocated in all schools in order to support school level needs, and staff worked to meet that recommendation when planning staffing for the virtual schools.

## **6. Next Meeting Date**

The next meeting will be called on Tuesday, June 6, 2023 at 11:00AM via Zoom.

Superintendent Van Haesendonck commented that staff are actively preparing the budget. There have been challenges with staffing shortages and new staff working on significant portions of the budget. This has resulted in a few delays, and there have also been delays in receiving proper information from Ministry. Staff will endeavour to get the package to the committee members as early as possible, with a target of late Friday afternoon/early Friday evening.

Trustee Hall thanked everyone for their time and extended thanks to staff for their diligent work during this busy time of year.

## **7. Adjournment**

With no further business to note, Committee Chair Hall tabled the following motion:

*Moved by Trustee Wesley and seconded by Trustee Steer that there being no further business to discuss, on May 31, 2023, the Finance Committee stands adjourned at 4:19PM. -CARRIED.*

Minutes: SH/SVH/sy.