



BRANT HALDIMAND NORFOLK Catholic District School Board

Minutes

Catholic Education Centre
322 Fairview Drive
Brantford, ON N3T 5M8

Budget Committee Thursday, December 14, 2020 – 5:00 p.m. Boardroom – Catholic Education Centre

Present: Rick Petrella (Chair), Cliff Casey, Bill Chopp, Dan Dignard, Scott Keys, Jagoda Kirilo, Carol Luciani, Mike McDonald, Mark Watson

1. Opening Prayer

Dan Dignard opened the meeting with prayer.

2. Approval of the Agenda

Moved by: Carol Luciani

Seconded by: Dan Dignard

THAT the Budget Committee approves the agenda of December 14, 2020.

Carried

3. Approval of the Minutes

Moved by: Mark Watson

Seconded by: Dan Dignard

THAT the Budget Committee approves the Minutes of July 30, 2020.

Carried

4. Declaration of Conflict of Interest

a. Dan Dignard and Cliff Casey

5. Business Arising from the Minutes: Nil.

6. Staff Reports and Information Items

6.1 2020-21 Revised Estimates

In this year's revised estimates (see page 7) COVID had a significant impact to the changes to the expenses and revenues, taking a look at high-level summaries of the financial results. Revenue is projected to increase by \$4.2 million. One-time stabilization funding was about \$3.5 million which accounts for the difference between our decrease in enrolment from our estimates. The MOE wants it to be shown as other revenue.

Partnership and priorities funding increased by about \$3.1 million than we had budgeted and that is all COVID which will need to be reported on. Page 11 details what those PPFs are as a comparison to our budget estimates which were \$550,000 based on what we knew at the time and caveat that we would get more. We received \$3 million more from the province and federal



government in Phase 1. We have been told not to assume we would get similar funding in phase 2 from the federal government. Additional funding was for enhanced cleaning, custodial provisions, additional teachers, HVAC and remote school operations.

On the GSN side there is quite a large reduction related to teacher and DECE Q&E funding, as 60 new teachers were hired to staff the virtual school and accommodations. As the new hires typically have lower experience, funding was reduced to reflect that. Enrollment is expected to be less and is driven by 2 factors: 62 JK/SK did not decide to come for health and safety reasons, but we will likely get them back in September. We also had about a 100 more home schooling students. On the secondary side there was an increase on ADE driven by the increase in attrition assumption for 2nd term (Quad 3), as a result, a lot more students are staying to get credits.

On the expense side, COVID had the largest impact. At this time, we are projecting a \$2.4 million shortfall, but will continue to minimize the shortfall through identifying further budget efficiencies, possible deferrals, and monitoring our virtual schools.

The Director noted that although we are showing a shortfall, in terms of comparison with other boards, and as a result of the surplus we had from last year, all shortfalls are already covered as a result of COVID. Not too many other boards are close to that situation given the added expenses and have had to cause hardship in their communities by reducing school locations and merging schools and the like. We are paying an additional 90 salaries that we did not know we would have to cover.

Appendix B is a request for a list of the fleet and it is there for information purposes. Prior to COVID the vehicles in the fleet were not assigned but were available on a first come first serve basis. Now they are assigned due to preventative measures that we need to follow, and they have GPS, so we know where they are at all times. Going forward they will always be assigned and if it is more efficient the vehicle goes home at night.

Moved by: Carol Luciani

Seconded by: Mark Watson

THAT the Budget Committee recommends that the Brant Haldimand Norfolk Catholic District School Board receives the report on the 2020-2021 Revised Estimates.

Carried

6.2 Annual Report on Accumulated Surplus

This report was created on request which is an update on accumulated surplus and is similar to last year. It outlines what it is, what it is used for and the values are in appendix A. MOE looks at the financial health of boards using accumulated surplus and expects Boards to have between 1% – 2% of our operating allocation. The Board is well above this.

Moved by: Carol Luciani

Seconded by: Mark Watson

THAT the Budget Committee recommends that the Brant Haldimand Norfolk Catholic District School Board receives the report on Accumulated Surplus.

Carried



6.3 2021-22 Budget Process Overview

In the package there is a presentation which begins on page 19 which gives an outline of the process starting today. There will be 4 budget committee meetings over the next 7 months to present information. The 2nd step in April will go over the GSN announcements and projected enrollment. The 3rd will provide an overview of the draft salary and benefits for the proposed budget and in early June, the whole budget including salary, enrollment and operational expenses will be provided. There will be a week in which the Trustees can ask questions before COW and overall board approval will be obtained by the end of June to submit on June 25th. We have received preliminary communication that the MOE is targeting the end of March for the GSN budget announcement.

Key budget areas are student enrollment, fee paying students, which are not included as part of the GSB calculation, Watson & Associates assists with our long-term projections along with the enrollment committee which is monitored from February until the budget is submitted.

Salary is the largest expense and comprises about 80% of the entire budget. Class size, capital planning, condition improvement and renewal projects will also be included in our budget as well as capital priorities.

New for 2021 is to continue with educating budget holders on the zero-based budgeting process. Reiterate what it is and is not and how to do it from a budget perspective.

The Board will again seek feedback from stakeholders as part of the budget process which allows them to have input into the development of the budget as well as the Trustee input.

The strategic plan drives our decisions: belonging, teaching and learning and wellness for all pillars. Page 24 highlights a few of the other operational plans that drive department specific objectives and decision making all in one place. We have outlined the risks and challenges separated into pestle model policies i.e., labour agreements or government priorities and initiatives, environment, legal risks and non-union staff. We are updating terms and conditions of those employment arrangements once collective agreements are done and we often follow the same pattern. The MOE is not looking at executive compensation. Principals have their own agreement but very little has happened. On the social side, increasing sick leaves and pandemic must be kept on our mind as well as consideration for our buildings, equipment, legislative changes and HR issues.

In January and/or early February we will meet with budget holders and provide examples of a zero-based budgeting, explain how to construct it with a template with some information for the last couple of years. They will develop their budgets based on what they need and not using a factor from last year. Those budgets are then submitted to SOs and the Financial Services for review. Finance will be working closely with them to work through it to try to get away from the standard approach.

The survey is on page 29, with proposed directive questions rather than generic questions regarding facilities, technology, environmental sustainability and what that means to stakeholders which will drive the decisions of the Board. The survey will go out on or about February 1st and will be used as part of the input process for the budget. The survey results will have to be reviewed very carefully based on the number of responses and where efficiencies can be found.



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Moved by: Carol Luciani

Seconded by: Mark Watson

THAT the Budget Committee recommends that the Brant Haldimand Norfolk Catholic District School Board approve the 2021-2022 Budget Plan and Consultation Survey.

Carried

7. **Trustee Inquiries**

Fundamentally not worried about reserves as this was a unique year but we have to make sure that the Board is doing everything possible to minimize the financial impact at the end of the year.

8. **Business of the In-Camera Committee**

Moved by: Carol Luciani

Seconded by: Mark Watson

THAT the Budget Committee moves to an in-camera session.

Carried

9. **Report on the In-Camera Session**

Trustee Casey, Chopp and Dignard declared a conflict of interest in item 5.1 of the in-camera session and left the meeting. They did not take part in the consideration or discussion of or vote on any question with relation to this item.

Moved by: Mark Watson

Seconded by: Carol Luciani

THAT the Budget Committee approves the business of the In-Camera Session.

Carried

10. **Adjournment**

Moved by: Carol Luciani

Seconded by: Mark Watson

THAT the Budget Committee adjourns the meeting of July 30, 2020.

Carried

Next Meeting: TBD