



B. 2 Director's Report To The Board

Date: 2012 06 19

Subject: APPROVAL OF THE 2012-2013 BUDGET

2.1.0 Background and Information

2.1.1 The Minister of Education announced the 2012-2013 Grants for Student Needs (GSN's) on 2012 03 29 and released Memorandum 2012:B5 containing summary budget information which was accompanied by Ministry Projections of School Board Funding. Memorandum 2012:B6 was also released on 2012 03 29 outlining 2012-13 Funding in addition to Grants for Student Needs (GSN's). The Ministry financial website for grants calculation was accessible to Board financial staff on 2012 04 16.

2.1.2 The decline in elementary and secondary enrolment has resulted in a reduction in funding which corresponds to a reduction in the teaching and support staff compliment and has been reflected in this budget.

2.1.3 This year, although the Board has experienced a challenging economic environment, the budget includes the continuation of:

- Professional learning communities for elementary and secondary schools
- Elementary & Secondary computer ratios maintained in classrooms
- Specialist High Skills Major courses
- Enhanced Internet Bandwidth
- Maintain level of Program and Special Education Support to schools
- Continued expansion of Early Learning Kindergarten
- Continue VOIP Implementation

2.1.3.(a) Also, due to prudent management of budgets in 2011-12, the Board was able to implement some one time expenses in the following areas before the end of August, 2012:

- Microsoft Office on all instructional laptops
- E-learning laptops for secondary schools
- More Netbooks in elementary schools
- Videoconferencing units
- Upgrades to speed and security to our IT infrastructure
- Playground upgrades to our backstops



B. 2 Director's Report To The Board

Date: 2012 06 19

Subject: **APPROVAL OF THE 2012-13 BUDGET (CONT'D)**

2.1.0 Background and Information (cont'd)

2.1.4 The following new enhancements are included in 2012-13 through a combination of reallocations of existing budgets and new Ministry funding:

- Professional development for Technology Plan Implementation
- Professional development for Character and Kindergarten Oral Language
- E-Learning laptops
- More netbooks for our Junior Division students
- School Effectiveness Framework, Board Improvement Plan Implementation and Character/Safe Schools staff support
- Mental Health Lead
- Support for transitioning Alexander Henry High School students
- Capital Improvements – Full Day Kindergarten (FDK) and school renewal and school condition Improvements

2.1.5 Senior Board Administration recognized the need for careful management of public expenditures during this time of economic uncertainty. Therefore, additional requests have been kept to a minimum for 2012-13. Staff are now awaiting additional special project funding announcements and September 2012 enrolment figures. This may result in additional enhancements for 2012-13.

2.1.6 The government is currently facilitating a Provincial Discussion Table (PDT) process with a goal of establishing a framework for Negotiating Collective Agreements. Currently, the 2012-13 GSN provides no funding for salary increases or grid movements on a salary grid. As such, this budget does not reflect any increases to salary or grid movements as well.

2.1.7 The Administrative Council met in February to discuss budget planning for the forthcoming year.

2.1.8 The budget process was approved by trustees at their 2012 04 10 Board meeting. A system information budget update to trustees occurred on 2012 05 08, 2012 05 22, and 2012 06 12 Board Meetings.

2.1.9 The Operations and Budget Committee met on 2012 05 14 and 2012 06 12 for budget review that encompassed the Ministry grant projections, current status of budget and expected budget strategies/results. Also discussed were Administrative Council's proposed actions or alternatives to deal with the operating deficit and the Committee approved a final version to present to the Board.



B. 2 Director's Report To The Board

Date: 2012 06 19

Subject: APPROVAL OF THE 2012-2013 BUDGET (CONT'D)

2.1.1 Budget Process (cont'd)

2.1.10 The Superintendent of Business has presented the 2012-2013 budget process and strategies to the Special Education Advisory Council (SEAC) on June 11, 2012. This information was discussed at both the Operations and Budget Committee and Board meetings.

2.1.11 Administrative Council met extensively over the past months to review budget submissions and to balance the ongoing needs of the organization relative to the requested enhancements to meet Board and Ministry operational objectives.

2.2.0 Budget Process

2.2.1 Accumulated Surplus projected balances total \$5,797,317 (See Attachment B.2 #2) of which \$1,182,686 is restricted to capital and school renewal projects. The Board has set aside \$3,354,133 in retirement and service gratuities in respect of labour contract future commitments. The working fund reserve for 2012-13 is estimated at \$1,260,498 (including budget carryover).

2.2.2 Included in the budget recommended for trustees' consideration are the following:

- a) A total revenue and expenditure budget of \$140,848,462.
- b) The allocation of the Flexibility Grant of \$ 936,936.
- c) The withdrawal of \$ 714,767 from reserves to balance the budget.
- d) An allocation to fund Retirement and Service Gratuities to fund obligations arising from collective agreements.
- e) The special education exhibit indicates a \$1,411,110 shortfall in funding (see Attachment B.2 #4). Special education funding is now determined on a 'per student' basis normally resulting in a decline to our Board's special education grant. Special education funding is a serious concern to the Board as enrolment declines and funding is determined based on this enrolment rather than being determined by needs of the system.



B. 2 Director's Report To The Board

Date: 2012 06 19

Subject: APPROVAL OF THE 2012-2013 BUDGET (CONT'D)

2.2.0 Budget Process (cont'd)

2.2.3 The budget includes special program expenditures of \$4,054,352 with related funding.

2.2.4 Attachment B.2 #1 shows a summary of the 2012-13 budget.

2.2.5 Attachment B.2 #3 shows a summary of new and continued programs or services.

2.2.6 Attachment B.2 #2 shows an analysis and projection of the Reserve Fund balances to August 31, 2012 with the approval of the recommended budget.

2.2.7 Attachment B.2 #4 summarizes the costs attributable to Special Education services provided by the Board. Ministry Grants for Student Needs Guidelines require boards to ensure that all funding for Special Education is directed to Special Education needs and any under expenditure in that area must also be allocated to a special reserve established for that purpose and to be used only for future spending in Special Education.

2.2.8 Attachment B.1 #5 shows the Grant Categories versus previous year.

2.2.9 Attachments B.2 #6 and #7 provide graphs of revenue sources and classifications of expenditures.

2.2.10 Legislation has changed and the Board no longer has the authority to collect taxes for unorganized townships in the Algoma District after December 31, 2008. The Ministry of Finance has centralized tax collection for unorganized areas in all of Ontario.

2.3.0 Recommendation

2.3.1 It is recommended that the Board approve a total budget for expenditures and revenue, including transfers to and from reserves, for the 2012-13 budget year in the amount of \$140,848,462 as described in the Director's Report to the Board dated 2012 06 19.



B. 2 Director's Report To The Board

Date: 2012 06 19

Subject: APPROVAL OF THE 2012-13 BUDGET (CONT'D)

2.3.0 Recommendation (Cont'd)

2.3.2 It is recommended that the Board approve a transfer from working funds reserves of \$ 714,767. There is a new Ministry process to 2012-13 that requires Minister approval to withdraw from reserves greater than 1% of the Board's operating revenue as described in the Director's Report to the Board dated 2012 06 19.

2.4.0 Proposed Resolution

2.4.1 That the Board approve a total budget for expenditures and revenue, including transfers to and from reserves, for the 2012-13 budget year in the amount of \$140,848,462 as described in the Director's Report to the Board dated 2012 06 19.

2.4.2 That the Board approve a transfer from working funds reserves of \$ 714,767. There is a new Ministry process for 2012-13 that requires Minister approval to withdraw from reserves greater than 1% of the Board's operating revenue as described in the Director's Report to the Board dated 2012 06 19.

ALGOMA DISTRICT SCHOOL BOARD
COMPARISON OF ALL COSTS WITH FUNDING

	2012-13 Original Estimates				2011-12 Revised Estimates				2010-11 Actual			
	Bd Calc Funding	Bd Calc Costs	Difference () = Short		Bd Calc Funding	Bd Calc Costs	Difference () = Short		Bd Calc Funding	Bd Calc Costs	Difference () = Short	
(1)												
CLASSROOM INSTRUCTION												
1 Classroom Teachers	64,644,845	65,047,403	(402,559)		67,652,960	68,149,660	(496,700)		65,082,020	64,964,350	117,670	
2 Supply Teachers	2,696,202	3,013,225	(317,023)		2,555,597	3,023,125	(467,528)		2,221,090	2,599,278	(378,188)	
3 Teacher Assistants	8,318,939	8,298,146	20,793		8,368,433	8,444,460	(76,026)		7,516,433	7,479,282	37,151	
4 Textbooks & Classroom Supplies	3,811,173	2,786,733	1,024,440		4,095,483	3,144,115	951,368		4,001,029	3,150,757	850,272	
5 Computers	901,851	1,083,824	(181,973)		1,399,566	1,587,491	(187,925)		933,911	1,009,235	(75,324)	
6 Profs. & Para-prof	3,473,924	3,576,780	(102,856)		3,263,789	3,396,057	(132,268)		3,491,715	3,392,705	99,010	
7 Library & Guidance	2,172,341	2,212,171	(39,830)		2,244,072	2,742,376	(498,305)		2,475,427	2,744,517	(269,090)	
8 Staff Dev	516,675	870,676	(354,001)		379,026	730,183	(351,157)		434,922	378,092	56,830	
9 Sub-total	86,535,949	86,888,959	(353,009)		89,958,926	91,217,467	(1,258,541)		86,156,546	85,718,218	438,328	
10 NON-CLASSROOM												
11 Coordinators/Consultants	2,201,867	1,921,417	280,450		2,147,357	1,513,834	633,524		2,799,241	1,635,879	1,163,362	
12 Prnc & VP's	7,345,434	6,969,997	375,437		7,842,627	7,268,295	574,332		7,960,870	6,929,921	1,030,949	
13 Dept. Head	180,182	182,133	(1,951)		190,054	194,958	(4,904)		195,312	200,419	(5,107)	
14 School Secretaries	3,628,643	3,609,890	18,754		3,804,901	3,667,993	136,908		3,674,973	3,640,810	34,163	
15 Cont Ed (incl Int Lang/Sum Sch)	737,656	931,314	(193,658)		682,235	877,246	(195,011)		929,563	1,067,609	(138,046)	
16 Trustees	193,265	186,204	7,061		181,389	186,204	(4,815)		188,476	166,023	22,453	
17 Director & SO's	868,161	850,326	17,835		850,656	858,456	(7,800)		926,838	821,122	105,716	
18 Board Operations	3,526,963	3,510,951	16,012		3,270,001	3,271,937	(1,936)		3,673,372	3,680,233	(6,861)	
19 Transportation	8,063,840	8,382,562	(318,722)		8,317,345	8,281,756	35,589		8,299,947	8,280,648	19,299	
20 School Operations	15,621,281	16,214,068	(592,787)		15,736,325	16,782,176	(1,045,851)		16,418,210	15,907,080	511,130	
21 Amortization & Write Downs	6,980,216	7,146,290	(166,074)		6,055,409	6,608,991	(553,582)		4,723,829	5,333,543	(599,714)	
22 Sub-total	49,347,508	49,905,151	(557,643)		49,078,300	49,511,846	(433,546)		49,800,631	47,663,287	2,137,344	
23 Flexibility Funding	0	0	0		0	0	0		0	57,842	(57,842)	
24 Reserve for Carry-over	0	0	0		0	0	0		594,527	0	594,527	
25 Accum Surplus (previously Reserve for Working Funds - "Transfer from")	195,885	0	195,885		575,512	0	575,512		0	0	0	
26	714,767	0	714,767		1,116,575	0	1,116,575		0	3,122,225	(2,265,058)	
27 TOTAL CLASSROOM & NON-CLASSROOM EXP	136,794,110	136,794,110	0		140,729,313	140,729,313	(0)		136,551,704	136,561,570	252,773	
28												
29 Special Projects/Non-Operating	4,054,352	4,054,352	0		3,166,574	3,166,574	0		4,563,522	4,553,656	9,866	
30 Municipal - Tax Collection	0	0	0		70,914	70,914	0		0	0	0	
31												
32 TOTAL per MET Cat.	140,848,462	140,848,462	(0)		143,966,801	143,966,801	(0)		141,115,226	141,115,226	0	

ALGOMA DISTRICT SCHOOL BOARD
2012-13 Estimates

Detail of Accumulated Surplus/(Deficit) and Deferred Revenue:

Line no.		Balance August 31, 2011	Additions/(Used)	Projected Balance Sept 1 2012	Additions/(Used)	Projected Balance August 31 2013
		(1)	(2)	(3)	(4)	(5)
1	Accumulated Surplus/(Deficit)					
2						
3	Unrestricted					
4	Operating Accumulated Surplus	2,923,243	(1,116,577)	1,806,666	(714,767)	1,091,899
5	(previously working funds)					
6	Total Unrestricted	2,923,243	(1,116,577)	1,806,666	(714,767)	1,091,899
7	Internally Restricted					
8	Retirement Gratuities	3,354,133		3,354,133		3,354,133
9	School Renewal	497,722		497,722		497,722
10	Committed Capital - Computer Lease	771,397	(575,512)	195,885	(195,885)	-
11	Carry Over	168,599		168,599		168,599
12	General Capital	684,964		684,964		684,964
13	Total Internally Restricted	5,476,815	(575,512)	4,901,303	(195,885)	4,705,418
14	Total Accumulated Surplus/(Deficit) Available for Compliance	8,400,058	(1,692,089)	6,707,969	(910,652)	5,797,317

**Algoma District School Board Summary of Enhancement Items from
2012-13 to Purchase in 2011-12**

1) E-learning laptops for Secondary Schools
2) Netbooks
3) Expansion of VoIP in Schools.
4) MicroSoft Office 2010 on all instructional laptops.
5) Video Conferencing Units.
6) Sound system for White Pines School.
7) Firewall/Spam Filter Upgrade.
8) New Tractor for Plant Department.
9) Playground upgrades to 10 backstops.

Algoma District School Board Summary of New Enhancements and Continued Programs (Proposed in 2012-13 Budget Figures)

<u>Programs Continued from 2011-12</u>
1) Professional Learning Communities for Elementary and Secondary schools
2) Elementary and Secondary computer ratio maintained
3) Specialist High Skills Major Courses
4) Enhanced internet bandwidth
5) Maintain Level of Program Support and Special Education Support.
6) Staff Support for School Effectiveness Framework and Board Improvement Plan.
7) Early Learning Kindergarten Program continued expansion
8) Continue VoIP Implementation

<u>New Expenditures/Enhancements</u>
1) Professional Development - Technology
2) Professional Development - Character and Kindergarten/Oral Language
3) Laptops E-learning
4) Netbooks Junior Division
5) Increased staffing based on Increased Enrolment.
6) Character Education/Anti-bullying/Safe Schools Position
7) Mental Health Lead
8) Support for transitioning of Locally Developed, Experiential Learning and Workplace Courses
9) Capital Improvements - Full Day Kindergarten and School Renewal

Algoma District School Board
2012-13 Original
Estimates

COMPARISON OF COSTS VS. REVENUE - SPECIAL EDUCATION ONLY

		2012-13 Original Estimates		
		Bd. Calc Spec Ed Funding	Bd. Calc Spec Ed Costs	Difference () = Short
(1)	(2)	(3)	(4)	
CLASSROOM INSTRUCTION				
1	Classroom Teachers	7,439,020	8,395,695	(956,675)
2	Supply Teachers	134,528	152,519	(17,991)
3	Teacher Assistants	7,925,475	8,238,848	(313,374)
4	Textbooks & Classroom Supplies	123,386	132,976	(9,590)
5	Computers	794	890	(96)
6	Profs. & Para-prof	719,375	806,307	(86,932)
7	Library & Guidance	0	0	0
8	Staff Dev.	42,867	43,000	(133)
	Sub-total	16,385,444	17,770,235	(1,384,791)
NON-CLASSROOM				
9	Coordinators/Consultants	427,134	434,824	(7,689)
10	Princ. & VP's	0	0	0
11	Dept. Head	0	0	0
12	School Secretaries	0	0	0
13	Cont Ed (incl. Int Lang/Sum. Schl)	0	0	0
14	Trustees	0	0	0
15	Director & SO's	0	0	0
16	Board Administration	0	0	0
17	Transportation	690,120	708,750	(18,630)
18	School Operations	0	0	0
19	School Renewal	0	0	0
20	New Pupil Places	0	0	0
21	Direct Capital & Debt	0	0	0
	Sub-total	1,117,255	1,143,574	(26,319)
22	Funding from Reserves			0
23	TOTAL BUDGET (MET Cat.)	17,502,698	18,913,808	(1,411,110)

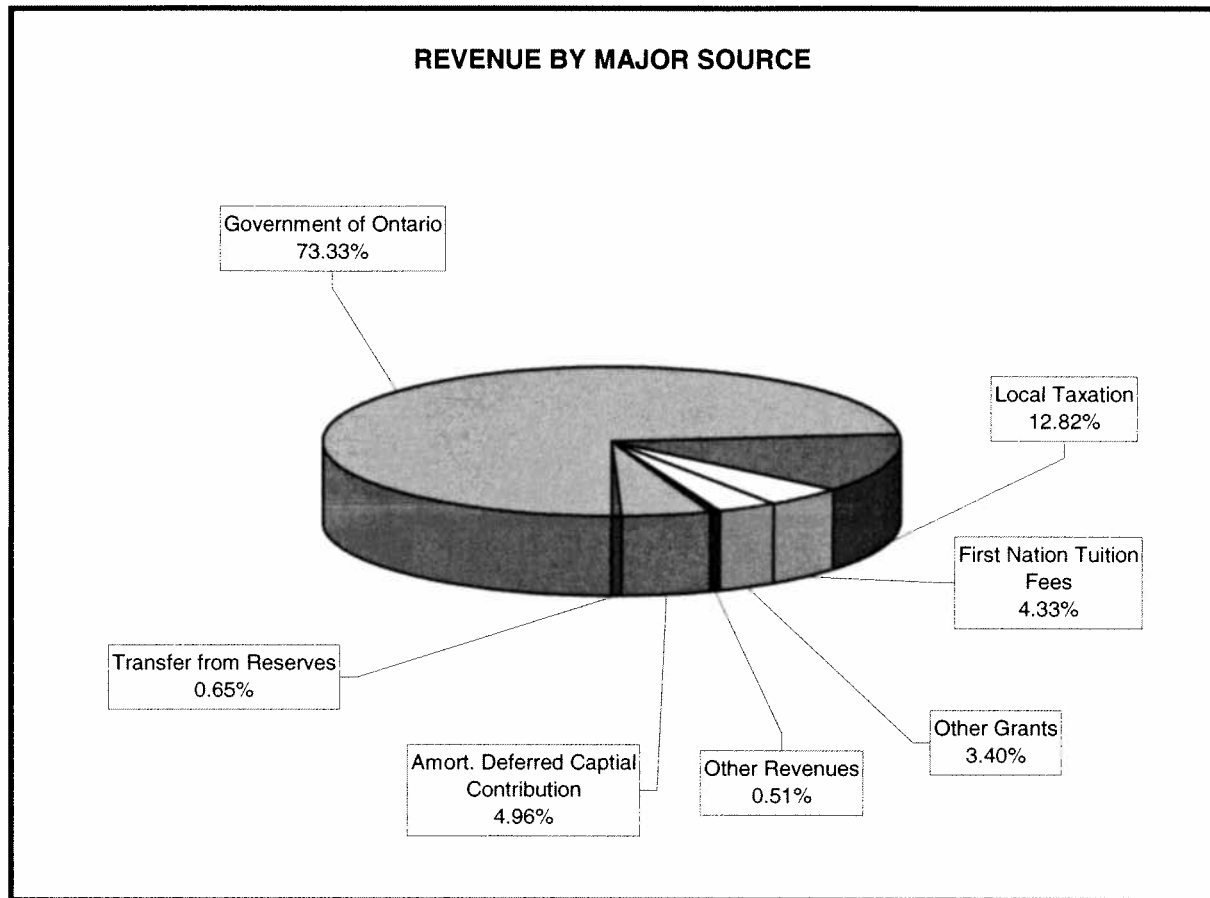
Grant Comparison by Year

Enrolment	Actual 2010-11	Revised Estimates 2011-12	Original Estimates 2012-13
Elementary	5,587	5,551	5,488
Secondary	4,015	3,798	3,613
Total	9,602	9,349	9,101

No.	Grant Category	Actuals 2010-11	Revised Estimates 2011-12	Original Estimates 2012-13
	(1)	(2)	(3)	(4)
	OPERATING			
1	Foundation Allocation-Elem.:			
2	Base Amount	26,283,843	27,168,467	27,081,571
3	Class Size Reduction			
4	School Foundation Grant	6,471,661	6,559,473	6,455,967
5	Sub-total-Elem.	32,755,504	33,727,940	33,537,538
6	Foundation Allocation-Sec.:			
7	Base Amount	22,440,377	21,888,799	20,862,654
8	School Foundation Grant	3,749,158	3,940,919	3,603,709
9	Sub-total-Sec.	26,189,535	25,829,718	24,466,363
10	Total Foundation Base	48,724,220	49,057,266	47,944,225
11	Total Foundation Local Priorities	10,220,819	10,500,392	10,059,676
12	Total Foundation Allocation	58,945,039	59,557,658	58,003,901
13	Class Size Reduction			
14	Special Education Allocation:			
15	SEPPA	5,427,521	6,224,802	6,057,939
16	High Needs per pupil amount	7,720,874	7,606,591	7,508,696
17	Special Education Equip Allocation	388,338	437,924	314,781
18	ISA Amounts with offsetting expenses	984,916	1,040,660	1,163,460
19	Behavioural Expertise	105,733	109,792	109,887
20	Sub-total-Spec. Ed.	14,627,382	15,419,769	15,154,763
21	Language Allocation	1,375,142	1,276,494	1,237,619
22	Distant Schools	3,298,156	4,110,857	3,334,035
23	Remote & Rural Allocation	6,985,990	6,969,030	6,753,816
24	Rural and Small Community Allocation	22,233	21,647	21,072
25	Learning Opportunities Allocation			
26	Learning opportunities Amount	1,943,170	1,684,706	1,383,959
27	Literacy & Numeracy	10,296	0	0
28	Programs previously funded outside GSN	338,882	342,642	365,499
29	Assistance for Student Success & Stabilization Amt	534,137	535,815	614,960
30	Adult Ed., Con. Ed. & Summer Schl.	775,225	692,107	663,018
31	Teacher Qualifications & Experience	7,131,845	7,628,014	7,395,894
32	New Teacher Induction Program	81,705	87,133	50,000
33	Restraint Savings		-112,150	-112,150
34	Transportation Allocation	8,080,305	7,959,012	7,775,955
35	Admin. & Governance Alloc.	4,212,884	4,213,010	4,107,700
36	School Operations Allocation	12,541,657	12,339,320	13,255,486
37	Community Use of School	188,706	184,414	193,645
38	Declining Enrolment Adjustment	1,197,634	983,821	936,936
39	Program Enhancement	472,850	472,850	0
40	First Nation, Metis & Inuit Education Suppl			
41	Total Native Lang & Native Studies Amt	444,419	393,117	255,531
42	Aboriginal Amount	795,215	797,492	776,301
43	Safe Schools	298,554	300,768	293,116
44	Total Operating	124,301,426	125,857,526	122,461,056

No.	Grant Category	Actuals 2010-11	Revised Estimates 2011-12	Original Estimates 2012-13
	(1)	(2)	(3)	(4)
45				
46	MISC			
47	Surplus - transferred (to) operating		1,116,572	714,767
48	Other Reserves		0	0
49	Reserve for carry over	0	0	0
50	Tax Election Costs	0	0	0
51	OMERS Contribution Supplement	128,821		
52	Transfer from Committed Capital Projects	594,527	575,512	195,885
53	Fees	6,469,844	6,043,151	6,059,263
54	Transportation Recoveries	198,129	205,000	270,000
55	Other Revenue	1,108,434	1,132,237	485,860
56	Other Operating Grants	5,136,839	3,806,301	4,791,415
57	Amortization of Deferred Capital Contributions	4,733,829	6,055,409	6,980,216
58	MTCA to DCC	-1,613,477	-824,914	-1,110,000
59	Total Miscellaneous Revenue	16,756,946	18,109,268	18,387,406
60	Total Revenue before Capital	141,058,372	143,966,794	140,848,462
61	CAPITAL			
62	Good Places to Learn	0	0	0
63	Primary Class Size Reduction	0	0	0
64	Prohibitive to Repair Allocation	0	0	0
65	Short Term interest on capital	842,362	624,696	24,696
66	Deferred Revenue - transferred to reserve capital			0
67	Debt Alloc., incl. HP Lease	954,639	974,312	3,513,890
68	Total Capital Grants	1,797,001	1,599,008	3,538,586
69	Total Allocations	126,098,427	127,456,534	125,999,642
70				
71	Minor Tangible Capital Assets	1,623,343	824,914	1,110,000
72	School Renewal Allocation	2,743,369	2,640,731	3,309,372
73	Energy Efficiency Schools	2,231,759	0	0
74	School Condition Improvements		1,820,553	1,857,227
75	Renewable Energy/Green Schools	1,150,000	0	0
76	Early Learning/Full Day Kindergarten	950,530	139,999	120,000
77	PTR, Capital Priority Projects	43,911,788	0	0
78	Other	45,376		
79	Good Places to Learn	2,943,813	0	0
80	Total	55,599,978	5,426,197	6,396,599
81	Total Revenue including GPTL & Reserves	198,455,351	150,991,999	150,783,647
82				
83	Flexibility Grant Amount:			
84				
85	Declining Enrolment Adjustment	1,197,634	983,821	936,936
86				
87	Total Flexibility Grant	1,197,634	983,821	936,936

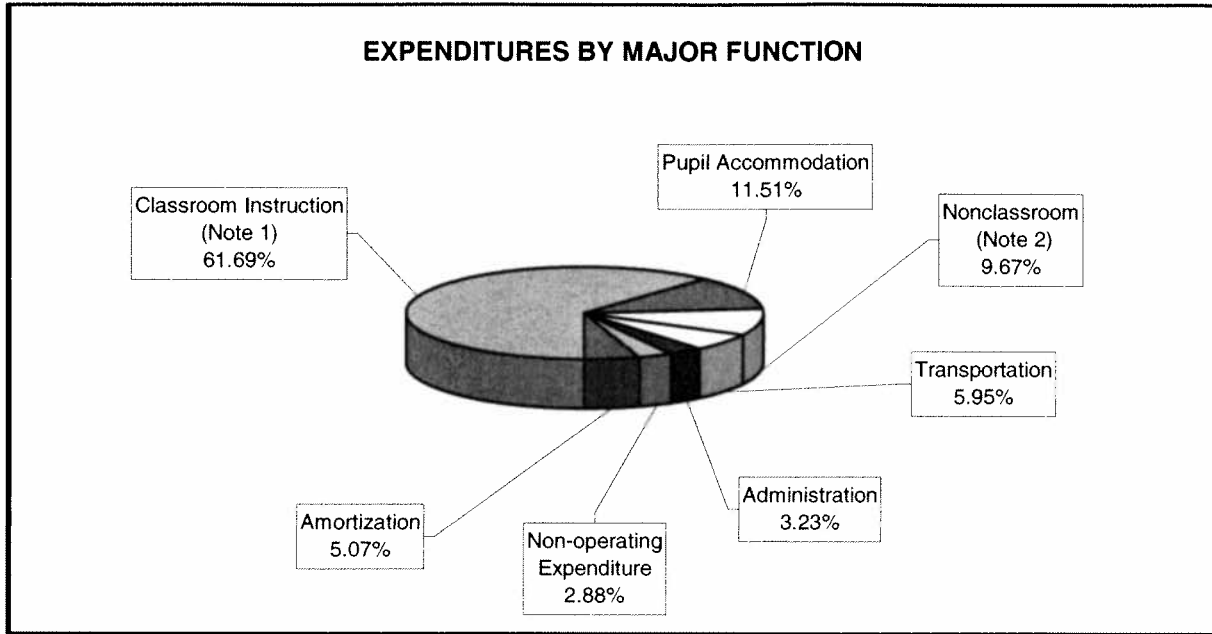
**ALGOMA DISTRICT SCHOOL BOARD
2012-13 ESTIMATED REVENUE**



[*] Provincially determined by the Ministry

2012-2013 Estimated Revenue by Major Source	
Government of Ontario	\$ 103,287,684
Local Taxation	18,063,373
First Nation Tuition Fees	6,099,263
Other Grants	4,791,415
Other Revenues	715,859
Amort. Deferred Capital Contribution	6,980,216
Transfer from Reserves	910,652
Subtotal	\$ 140,848,462
Capital and Approved Debt	3,538,586
Total	\$ 144,387,048

**ALGOMA DISTRICT SCHOOL BOARD
2012-13 ESTIMATED EXPENDITURES**



2012-2013 Estimated Expenditure by Major Function	
Classroom Instruction (Note 1)	\$ 86,888,959
Pupil Accommodation	16,214,068
Nonclassroom (Note 2)	13,614,751
Transportation	8,382,562
Administration	4,547,481
Non-operating Expenditure	4,054,351
Amortization	7,146,290
Subtotal	\$ 140,848,462
Capital and Approved Debt	3,538,586
Total	\$ 144,387,048

Note 1 - Classroom Instruction Detail	
Classroom Teachers	\$ 65,047,403
Supply Teachers	3,013,225
Teacher Assistants	8,298,146
Texts & Classroom Supplies/Equipment	2,786,733
Computers	1,083,824
Professionals & Paraprofessionals	3,576,780
Library & Guidance	2,212,171
Professional Development	870,676
Total	\$ 86,888,958

Note 2 - Non-classroom Detail	
Principals and Vice Principals	\$ 7,152,130
Staff Development	-
School Office	3,609,890
Coordinators and Consultants	1,921,417
Continuing Education	931,314
Total	\$ 13,614,751