



REPORT TO

REGULAR BOARD

PRELIMINARY 2018-19 BUDGET ESTIMATES (VOLUMES 1, 2, 3 – INCLUDES INSTRUCTIONAL)

“Rejoice always, pray continually, give thanks in all circumstances; for this is God’s will for you in Christ Jesus”

1 Thessalonians 5:16-18

Created, Draft	First Tabling	Review
May 8, 2018	May 17, 2018	

P. De Cock, Comptroller of Business Services & Finance

RECOMMENDATION REPORT

Vision:

At Toronto Catholic we transform the world through witness, faith, innovation and action.

Mission:

The Toronto Catholic District School Board is an inclusive learning community uniting home, parish and school and rooted in the love of Christ.

We educate students to grow in grace and knowledge to lead lives of faith, hope and charity.



Rory McGuckin
Director of Education

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Associate Director
of Academic Affairs

TBD
Associate Director
of Planning and Facilities

L. Noronha
Executive Superintendent
of Business Services and
Chief Financial Officer

A. EXECUTIVE SUMMARY

As per the requirements set out in the Education Act, TCDSB's budget estimates are balanced. The preliminary 2018-19 budget expenditure and revenue estimates appearing in Volumes I to V of the Budget Book are balanced; based on consensus enrolment and staffing projections, and calculated Grants for Student Needs (GSNs) and Other Program funding projections.

Two budget related reports have been submitted to allow Trustees with conflicts of interest on instructional related funding the opportunity to participate in non-instructional and reserve funding related discussions. Volumes I to III focus on both the overall budget as well as instructional related expenditures, while Volume IV focuses on non-instructional expenditures and Volume V on financial sustainability.

The first volume appearing in the 2018-19 Budget Book provides an overall contextual summary. The Volume is meant to provide trustees, parents and other stakeholders a snapshot of TCDSB's profile as a large, urban, diverse and Catholic school board. Enrolment data refers to the number of students projected to attend TCDSB schools in 2018-19, and is the key driver for revenue and expenditure calculations. Enrolment projections show an increase of 397 elementary students and 10 Secondary students for the 2018-19 school year. The total student population is expected to be 91,215

The overall Grants for Student Needs are projected to increase. TCDSB is projected to derive 92.8% of its operational revenues from the Provincial Grants for Student Needs (GSNs). The remaining funds are received in the form of Education Programs - Other (EPOs) and other government agencies. Total funding is expected to increase by approximately \$20M. 2018-19 Revenue projections are as follows:

<i>Panel</i>	<i>2017-18 (\$B)</i>	<i>2018-19 (\$B)</i>	<i>Change (\$B)</i>
GSNs	1.04	1.06	0.02
EPOs	0.08	0.08	0.00
Total	1.12	1.14	0.02

The projected enrolment and estimated GSNs provide the capacity to determine the TCDSB's instructional and support service levels. The Education Act and its regulations concerning class sizes and required instructional minutes, consequently, prescribes TCDSB's service levels. The projected expenditures in the Instructional expenditure category are estimated in the table below:

<i>Instructional Expenditure Categories</i>	<i>2017-18 (\$M)</i>	<i>2018-19 (\$M)</i>	<i>Change (\$M)</i>
Classroom Teachers	619.2	631.6	12.4
Professionals & Paraprofessionals	51.4	53.8	2.3
In School Administration	67.4	68.7	1.2
Textbooks & School Computers	35.0	35.9	0.9
Education Assistants	53.7	54.4	0.7
Continuing Education	23.6	23.8	0.2
Resource Teachers	5.4	5.5	0.1
Occasional Teachers	29.3	29.4	0.1
Early Childhood Educators	27.3	27.2	(0.1)
Staff Development	3.2	2.9	(0.3)
Total	915.5	933.2	17.7

The 2018-19 Budget Estimates includes additional investments in Instructional Expenditure Categories. The 2018-19 GSN announcement considered service level increases to both **non-discretionary** and **discretionary** areas of the Instructional expenditure budget. “Non-discretionary” investments are considered to be investments largely related to enrolment growth, restricted funding from the Province or required through arbitration settlements. “Discretionary” investments are generally those using remaining unrestricted GSN funding. In total, staff are recommending an increase of complement of 94.9 Full Time Equivalent (FTE) staff inclusive of new Elementary Teachers, Elementary Guidance Teachers, Secondary Teachers, Special Education Teachers, Special Education Professionals, and Vice-Principals.

(Please note that three additional FTEs for Non-Instructional are also recommended through the second report concerning budget on this same agenda.)

In addition to investments from the GSNs, the 2018-19 budget estimates recommends one-time Strategic Instructional Expenditure investments from the

Accumulated Surplus for Computer and Telephony Technology in the amount of \$1.4M.

The cumulative staff time required to prepare this report was 200 hours.

B. PURPOSE

1. This report has been prepared for the Board of Trustees in order to receive the Introduction Volume I and approve in principle the 2018-19 Budget Estimates for Revenues (Volume II) and Instructional Expenditure Categories (Volume III), appearing in the attached 2018-19 Budget Book.
2. The Board of Trustees' final approval for the 2018-19 Budget Estimates for Revenues and Instructional Expenditures as outlined in the Volumes II-III in the Budget Book will be sought at the Corporate Service Meeting scheduled for June 6th 2018.

C. BACKGROUND

1. ***Total GSN funding for the TCDSB is increasing.*** The overall 2018-19 GSNs are increasing (refer to Volume II). The increased GSN amounts sets out the key provincial policy and funding changes supported by these regulations, such as investments in Special Education Supports, Mental Health Resources and a continuing reduction to class sizes to name just a few initiatives. It also sets out the funding measures intended to help boards keep up with inflationary costs and provincial discussion table labour agreements, salary and benefits increases.
2. ***GSN updates are necessary to match funding with ongoing cost pressures from growth and inflation.*** The 2018-19 GSNs also reflect funding for increased enrolment, ongoing investments to meet prior year's labour agreements, and regular updates to the GSNs, informed by recent Ministry consultation engagement sessions.
3. ***EPO and Other funding amounts are declining.*** Other revenues, i.e. Education Programs - Other (EPO) and Tuition Fees are declining compared to 2017-18. The decline is primarily due to a reduced projection of international Visa student tuition fees.
4. ***New Investments in the education sector will increase TCDSB's service and support levels.*** The TCDSB was in a Multi-Year Recovery Plan (MYRP) for the last few years and difficult decisions reduced service levels across all functional areas of the Board. As a result, the 2018-19 GSN projections, has

created an opportunity to reinvest in TCDSB's instructional expenditure areas (refer to Volume III) and recommend a balanced budget. These investment recommendations are provided at a high level for "Non-Discretionary" investments and more specifically for "Discretionary" investments below. Further details can be found in Volume III of the Budget Book.

<i>Non-Discretionary GSN Investments in Instructional Expenditures</i>	<i>FTE</i>	<i>(\$M)</i>
Special Education Teachers	34.4	3.4
Elementary Teachers	33.5	3.3
Special Education – Other Professionals	12.0	0.8
Principals and Vice-Principals	4.0	0.7
Secondary Teachers	1.0	0.1
Total	84.9	8.3

<i>Discretionary GSN Investments in Instructional Expenditures</i>	<i>FTE</i>	<i>(\$M)</i>
Elementary Guidance Teachers	8.0	0.6
SHSM / Student Success Resource Teacher Leads	2.0	0.2
Total	10.0	0.8

<i>Total Non-Discretionary and Discretionary GSN Investments</i>	<i>FTE</i>	<i>(\$M)</i>
Grand Total	94.9	9.1

5. Staff are also recommending that a strategic investment of \$1.4M be made out of the Accumulated Surplus to support Computer and Telephony technology. Staff believe this is achievable given the surplus and still fiscally prudent, while responding to some urgent technology upgrade needs. Volume V provides context for how this fits in with the Reserve Strategy.

<i>Discretionary Surplus Investments in Instructional Expenditures</i>	<i>(\$M)</i>
Increase Investment in Computer & Telephony Technology	1.4

D. STAFF RECOMMENDATION

1. That the Board of Trustees approve in principle a balanced budget with a base budget increase in the Instructional Category by \$17.7M, inclusive of 94.9 new FTEs, as further detailed in Volume III of the Budget Book.
2. That the Board of Trustees approve in principle for inclusion into the Instructional Expenditure Category budget a strategic one-time investment from Accumulated Surpluses of \$1.4M for Computer and Telephony Technology, as further detailed in Volume III of the Budget Book.
3. That staff present a balanced budget, with the Instructional Category Expenditures appearing in Volume III of the Budget Book reflecting any amendments necessary as a result of community budget consultations to the Board of Trustees at the Corporate Services meeting scheduled for June 6th 2018.