TORONTO CATHOLIC
DISTRICT SCHOOL

2020 - 2021
BUDGET ESTIMATES

Non-Instructional Book









BOARD OF TRUSTEES

Catholic school trustees are the critical link between communities and school boards. Catholic ratepayers in City of Toronto elect 12 English Language Trustees to the Toronto Catholic District School Board during each municipal election. The Chair of the Board and the Vice-Chair are elected at the Inaugural meeting of the Board, and serve for one year.

Working together, a school trustee is responsible, as a member of the Board:

- *To govern and set policy.*
- *To govern for the provision of curriculum, facilities, human and financial resources.*
- *To advocate for the needs of their communities.*
- *As a constituency representative, to explain the policies and decisions of the TCDSB to residents.*

Trustees are available to help taxpayers, parents and others address any issues they may have about the Catholic school system.


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Ward 1: Etobicoke


Trustee Markus de Domenico
Ward 2: Etobicoke


Trustee Ida Li Preti
Ward 3: North York


Trustee Teresa Lubinski
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Ward 5: North York


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Toronto Catholic District School Board

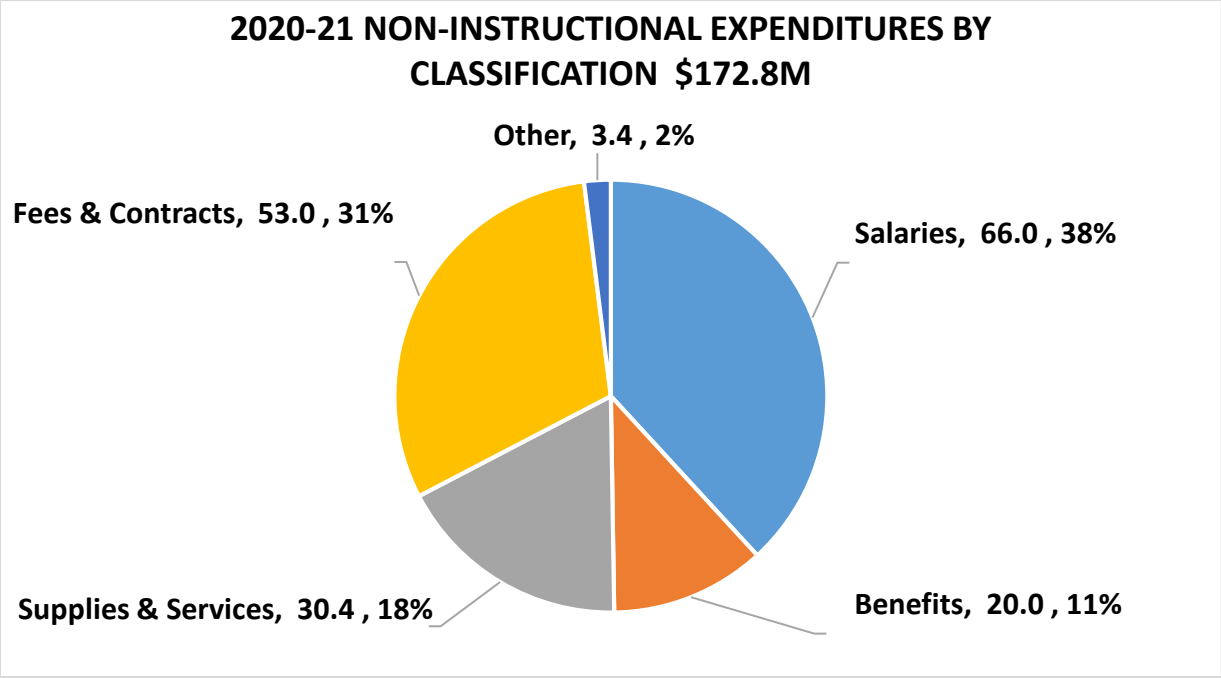
Volume V: Non-Instructional Related Expenditures

NON-INSTRUCTIONAL EXPENDITURES ARE NECESSARY TO SUPPORT STUDENT ACHIEVEMENT AND WELL-BEING

While the majority of TCDSB's expenditures support Instructional related activities, there are several functions within the organization that are Non- Instructional in nature, but still play a critical role in providing safe and enriching environments for students. They are also key to ensuring that stewardship of the Board's physical assets and monies are provided for with a high degree of quality. Non-Instructional Operating Expenditures can be summarized in four main areas: Administration and Governance, Transportation, School Operations and Maintenance, and Temporary Accommodations. Appendix 5A provides a detailed breakdown.

Administration and Governance expenditures include costs such as operating the Board office (Catholic Education Centre) and central facilities, system-wide based staff and expenditures, including supervisory officers and their support staff. Transportation expenditures includes costs to transport students between home and school, as well as costs for late buses, clubs and sport teams events and field trips. School operations and maintenance includes custodial, maintenance and school operations staff salaries and benefits, utilities, insurance and other expenditures to maintain clean and safe school environments. Other expenditures include funding for special purpose projects.

The following chart provides an overview of Non-Instructional related Expenditures by functional classification.



The chart below provides a comparison between the 2019-20 Revised Budget and the 2020-21 Budget Estimates by category. On the following page is a brief analysis of each line item (referenced by line #) explaining the differences between each year's budget.

NON-INSTRUCTIONAL EXPENDITURES INCREASES / (DECREASES) ($000)

		2019/20 Budget Revised Estimates	Variance Incr./(Decr.)	2020/21 Budget Estimates
Non Instructional				
1	Administration and Governance	25,671	2,287	27,958
2	School Operations & Maintenance	98,172	3,589	101,761
3	Transportation	38,696	966	39,662
	Sub-total Non- Instructional	**162,539**	**6,842**	**169,381**
Other				
4	Temporary Accommodation	3,222	213	3,436
Total Expenditures				
Non-Classroom		**165,762**	**7,055**	**172,817**

Non-Instructional Expenditures Variance Analysis –Appendix 5A provides further details.

1 Board Administration and Governance category saw an increases in salary and benefits costs of $1.4M, proposed increase in 6 FTE positions in HR at a cost of $0.5M (1 CUPE FTE to be covered by System Priority Funding), increase costs for the services of an Integrity Commissioner and Parliamentarian of $0.2M. The remaining balance represents a conversion of PPF funding to GSN funding and is fiscally neutral to the board on an overall basis.

2 School Operations and Maintenance have increased $3.6M due to increases in salary and benefits of $1.0M, utility costs of $0.7M, addition of 10.5 CUPE Custodial FTE from the Systems Priority Funding of $0.7M. Insurance costs have increased by $0.2M and a contingency has been set up to cover undetermined COVID – 19 related expenses of $1.0M.

3 Transportation costs have a net increase of $1.0M mainly due to the increase in the projected contract rates and a small increase for TTC tickets for CSLT members to attend general assembly meetings.

4 Temporary Accommodation costs have increased by $0.2M due to increased expenditures related to work on portables.

The total FTE impact would be an increase of 16.5 staff positions. Due to additional funding received from the System Priority Funding TCDSB is able to increase staffing in School operations by 10.5 Custodial FTE in preparation for COVID-19 impacts in the fall. Additional investments are also being proposed in the Human Resources Division. Enhancements in Human Resources to respond to the increasing demands to support the system are proposed in the areas of Recruitment (2.0) FTE, Compensation and Benefits (1.0 FTE), Support Services (2.0 FTE) and Sick Leave and Disability (1.0 FTE).

Draft 2020-21 TCDSB Key Year Over Year Budget Impacts			
Non- Instructional	**$M**	FTE	
		New	Saved
Revenue Increases			
System Priority Funding (From CUPE Central Agreements)	1.10		
Temporary Accommodation Grant	0.50		
Revenue Decreases			
School Operations School Area Factor (SAF) moving to 23:1	(0.83)		
Net Change to Revenues	**0.77**		
Expenditures Increases			
2020-21 COVID-19 Contingency	1.00		
Custodial positions Added Back[1]	0.40		5.00
New Custodial positions added from System Priority Funding	0.70	10.50	
Net Utility Cost Increases	0.70		
Enhancements to Human Resources Services	0.50	6.00	
Transportation Boundary Requirements	0.20		
Integrity Commissioner Office	0.15		
Parliamentarian Services	0.05		
Net Change to Expenditures	**3.70**		
Total Estimated Year Over Year Impacts (Funding Shortfall)	(2.93)	16.50	5.00
Delayed Bell time Optimization at International Language Schools (Funded from Reserve)		($1.6M)	
[1] *Related to previous loss of 2018-19 System Priority Funding*			

Toronto Catholic District School Board

Volume V: Appendices

2020-21 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

NON INSTRUCTIONAL

Expenditures	2018/2019 Actuals	2019/2020 Revised Estimates	2020/2021 Estimates	Difference $	Difference %
Director's Office	6,538,135	6,256,790	6,385,549	$ 128,759	2.1%
Communications	676,825	651,930	819,156	$ 167,226	25.7%
Human Resources	6,550,160	6,364,482	7,548,472	$ 1,183,990	18.6%
Business Administration	4,989,827	4,932,581	5,298,282	$ 365,702	7.4%
Legal Fees	997,456	1,125,000	1,125,000	$ -	0.0%
Corporate Services	1,032,977	1,133,641	1,360,426	$ 226,785	20.0%
Employee Relations	909,590	1,009,892	1,147,413	$ 137,520	13.6%
Facilities Services & Planning Services	1,847,143	1,468,586	1,529,212	$ 60,626	4.1%
Catholic Education Centre	2,771,522	2,603,586	2,621,081	$ 17,495	0.7%
Transportation	37,324,760	38,696,479	39,661,690	$ 965,210	2.5%
Operations & Maintenance	96,741,553	98,172,095	101,761,098	$ 3,589,003	3.7%
Other Expenditures	138,284	124,841	123,771	$ (1,070)	-0.9%
Temporary Accomodation	3,951,483	3,222,441	3,435,732	$ 213,292	6.6%
TOTAL	**$ 164,469,714**	**$ 165,762,346**	**$ 172,816,883**	**$ 7,054,538**	**4.3%**



2020-21 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

Director's Office

Expenditures	2018/2019 Actuals	2019/2020 Revised Estimates	2020/2021 Estimates	Difference $	Difference %
Director/Supervisory Officers Salaries	$ 2,929,612	$ 3,179,543	$ 3,310,122	130,579	4.1%
Director/Supervisory Officers Benefits	1,603,700	990,428	1,019,187	28,759	2.9%
Director & Supervisory Officers Professional Development	30,550	42,500	42,500	-	0.0%
Director & Supervisory Officers Other Expenses	58,730	43,680	43,680	-	0.0%
Office Support Staff Salaries	782,475	837,662	804,949	(32,713)	-3.9%
Office Support Staff Benefits	225,091	240,719	242,853	2,134	0.9%
Trustees & Student Trustees Honorariums	273,579	270,958	273,008	2,050	0.8%
Trustees & Student Trustees Other Expenses	265,281	281,540	279,490	(2,050)	-0.7%
OCSTA Annual Membership Fee	209,487	210,978	210,978	-	0.0%
OCSOA Membership Fees	41,899	32,895	32,895	-	0.0%
Director's Office					
Printing	4,767	15,000	15,000	-	0.0%
Telephone	951	2,500	2,500	-	0.0%
Supplies	110,543	98,388	98,388	-	0.0%
Contractual Services	1,470	10,000	10,000	-	0.0%
TOTAL	**$ 6,538,135**	**$ 6,256,790**	**$ 6,385,549**	**128,759**	**2.1%**

2020-21 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

Communications

Expenditures	2018/2019 Actuals	2019/2020 Revised Estimates	2020/2021 Estimates	Difference $	Difference %
Salaries	$ 462,060	$ 452,075	$ 575,566	123,490	27.3%
Benefits	153,330	129,913	173,648	43,735	33.7%
Supplies & Services					
Car Allowance	8,157	4,116	4,116	-	0.0%
Printing	2,455	7,500	7,500	-	0.0%
Telephone	2,551	4,000	4,000	-	0.0%
Supplies	48,273	54,326	54,326	-	0.0%
TOTAL	**$ 676,825**	**$ 651,930**	**$ 819,156**	**167,226**	**25.7%**



2020-21 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

Human Resources

Expenditures	2018/2019 Actuals	2019/2020 Revised Estimates	2020/2021 Estimates	Difference $	Difference %
Salaries	$ 4,349,274	$ 4,215,261	$ 5,078,429	863,168	20.5%
Benefits	1,442,788	1,211,340	1,532,162	320,822	26.5%
Central Temporary Staffing	231,642	85,000	85,000	-	0.0%
Summer Help (Temporary Staffing)	-	85,000	85,000	-	0.0%
Negotiation Costs	-	125,719	125,719	-	0.0%
New Teacher Induction Program NTIP Provision	50,000	50,000	50,000	-	0.0%
Workplace Safety Team Professional Development Fund	-	50,000	50,000	-	0.0%
Whistle Blower Security	14,711	75,000	75,000	-	0.0%
Central Bargaining - OCSTA	43,017	43,017	43,017	-	0.0%
Car Allowance	38,716	24,696	24,696	-	0.0%
Professional Development	13,515	15,000	15,000	-	0.0%
Printing	5,593	8,000	8,000	-	0.0%
Telephone	9,043	11,406	11,406	-	0.0%
Supplies	76,811	97,250	97,250	-	0.0%
Recruitment of Staff	98,873	80,000	80,000	-	0.0%
Professional Services	88,469	117,811	117,811	-	0.0%
Software Fees & Licensing Fees	87,707	69,982	69,982	-	0.0%
TOTAL	**$ 6,550,160**	**$ 6,364,482**	**$ 7,548,472**	**1,183,990**	**18.6%**

2020-21 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

Business Administration

Expenditures	2018/2019 Actuals	2019/2020 Revised Estimates	2020/2021 Estimates	Difference $	Difference %
Salaries	$ 3,563,724	$ 3,746,476	$ 3,928,557	182,081	4.9%
Benefits	1,139,940	1,076,625	1,185,246	108,621	10.1%
Supplies & Services					
Materials Management	5,044	9,116	9,116	-	0.0%
Payroll Services	30,972	28,920	28,920	-	0.0%
Business Services	51,461	46,444	46,444	-	0.0%
Printing Services	(79,141)	(100,000)	(100,000)	-	0.0%
Bank Charges & Other Fees	188,123	25,000	25,000	-	0.0%
Audit Fees	89,706	100,000	100,000	-	0.0%
Employee Expense Reimbursement Software Maintenance	-	-	75,000	75,000	100.0%
TOTAL	**$ 4,989,827**	**$ 4,932,581**	**$ 5,298,282**	**365,702**	**7.4%**



2020-21 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

Legal Fees

Expenditures	2018/2019 Actuals	2019/2020 Revised Estimates	2020/2021 Estimates	Difference $	Difference %
Legal Fees & Services - General Corporate & Safe Schools	$ 285,345	$ 150,000	$ 150,000	-	0.0%
Legal Fees & Services - Employee Relations	568,176	625,000	625,000	-	0.0%
Legal Fees & Services - Planning & Facilities	143,935	350,000	350,000	-	0.0%
TOTAL	**$ 997,456**	**$ 1,125,000**	**$ 1,125,000**	**-**	**0.0%**



2020-21 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

Corporate Services

Expenditures	2018/2019 Actuals	2019/2020 Revised Estimates	2020/2021 Estimates	Difference $	Difference %
Salaries	$ 733,029	$ 742,736	$ 755,137	12,400	1.7%
Benefits	220,705	213,440	227,825	14,385	6.7%
Professional Development	31,703	82,700	82,700	-	0.0%
Printing	704	1,200	1,200	-	0.0%
Telephone	1,404	2,000	2,000	-	0.0%
Supplies	24,507	26,088	26,088	-	0.0%
Contractual Services	10,856	57,861	57,861	-	0.0%
Software Fees & Licensing Fees	75	3,500	3,500	-	0.0%
Car Allowance	9,993	4,116	4,116	-	0.0%
Integrity Commissioner			150,000	150,000	100.0%
Parliamentarian			50,000	50,000	100.0%
TOTAL	**$ 1,032,977**	**$ 1,133,641**	**$ 1,360,426**	**226,785**	**20.0%**



2020-21 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

Employee Relations

Expenditures	2018/2019 Actuals	2019/2020 Revised Estimates	2020/2021 Estimates	Difference	
				$	%
Salaries	$ 674,927	$ 739,848	$ 834,188	94,340	12.8%
Benefits	193,821	212,610	251,675	39,064	18.4%
Professional Development	12,900	7,500	7,500	-	0.0%
Printing	2,670	10,000	10,000	-	0.0%
Telephone	1,671	3,000	3,000	-	0.0%
Supplies	16,211	13,770	13,770	-	0.0%
Professional Services	57	19,048	19,048	-	0.0%
Car Allowance	7,334	4,116	8,232	4,116	100.0%
TOTAL	**$ 909,590**	**$ 1,009,892**	**$ 1,147,413**	**137,520**	**13.6%**



2020-21 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

Facilities Services & Planning Services

Expenditures	2018/2019 Actuals	2019/2020 Revised Estimates	2020/2021 Estimates	Difference $	Difference %
Salaries	$ 1,356,582	$ 1,099,799	$ 1,134,266	34,467	3.1%
Benefits	435,700	316,049	342,208	26,159	8.3%
Supplies & Resources					
Facilities Services Department	6,925	12,243	12,243	-	0.0%
Capital Development Department	8,346	3,500	3,500	-	0.0%
Planning Department	18,961	18,000	18,000	-	0.0%
Development Services	5,558	2,995	2,995	-	0.0%
Admissions Department	958	1,000	1,000	-	0.0%
Facilities Legal Services Department	8,913	10,000	10,000	-	0.0%
Capital Planning Capacity Program	5,200	5,000	5,000	-	0.0%
TOTAL	**$ 1,847,143**	**$ 1,468,586**	**$ 1,529,212**	**60,626**	**4.1%**



2020-21 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

Catholic Education Centre

Expenditures	2018/2019 Actuals	2019/2020 Revised Estimates	2020/2021 Estimates	Difference	
				$	%
Custodial Salaries	$ 592,228	$ 409,881	$ 418,809	8,928	2.2%
Custodial Benefits	147,125	117,788	126,355	8,567	7.3%
CEC Facility Utilities & Maintenance	558,988	600,000	600,000	-	0.0%
CEC Amortization of Previous Building Improvements	1,473,181	1,475,917	1,475,917	-	0.0%
TOTAL	**$ 2,771,522**	**$ 2,603,586**	**$ 2,621,081**	**17,495**	**0.7%**



2020-21 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

Transportation

Expenditures	2018/2019 Actuals	2019/2020 Revised Estimates	2020/2021 Estimates	Difference $	Difference %
Administrative Salaries	$ 963,261	$ 1,009,290	$ 1,020,208	10,918	1.1%
Administrative Benefits	268,461	249,958	237,913	(12,046)	-4.8%
Temporary Assistance	12,132	50,000	50,000	-	0.0%
Office Supplies & Services	101,500	131,900	131,900	-	0.0%
TRANSPORTATION - REGULAR INSTRUCTION					
Music	14,421	-	-	-	0.0%
Outdoor Education	15,840	-	-	-	0.0%
Excursions for Physically Challenged Students	15,560	14,675	14,969	294	2.0%
Ontario Schools Deaf & Blind	27,500	92,599	94,451	1,852	2.0%
Regular Home to School	18,333,544	17,086,393	17,357,902	271,509	1.6%
New Routes & Growth	-	-	246,973	246,973	100.0%
Student Safety	85,689	65,631	70,076	4,445	6.8%
Safe Schools	-	13,841	14,118	277	2.0%
Remedial Language	131,776	109,433	111,622	2,189	2.0%
Regular Transit Fares for Scholars & Children	29,326	34,509	36,114	1,605	4.7%
Safe Schools Transit Fares (Scholars)	6,342	15,312	16,024	712	4.7%
Summer School	341,957	474,257	486,444	12,187	2.6%
Bilingual Program Transit Fares (Scholars & Children)	24,246	30,997	32,438	1,441	4.7%
Exceptional Circumstances (Tickets)	442,736	494,386	537,375	42,989	8.7%
Fuel Escalation Charge Provision	141,713	160,000	170,000	10,000	6.3%
Software Fees & Licenses	57,386	180,926	180,926	(0)	0.0%
Transportation Consortium	99,014	124,605	150,639	26,034	20.9%

2020-21 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

Transportation

Expenditures	2018/2019 Actuals	2019/2020 Revised Estimates	2020/2021 Estimates	Difference $	Difference %
TRANSPORTATION - SPECIAL EDUCATION					
Vision, Hearing & Speech	1,968,090	2,297,409	2,343,357	45,948	2.0%
Medical & Physically Challenged	8,148,677	8,921,822	9,100,259	178,436	2.0%
Special Education Transit Fares for Adults	-	4,653	4,869	216	4.7%
Developmentally Disabled Transit Fares for Scholars	-	7,975	8,346	371	4.7%
Special Transit Fares for Scholars & Children	125,824	245,454	256,867	11,414	4.7%
Developmentally Disabled	633,067	593,967	605,847	11,879	2.0%
Care & Treatment & Correctional Facilities Programs	821,375	1,101,540	1,123,571	22,031	2.0%
Special Education	3,653,375	4,274,636	4,360,128	85,493	2.0%
Co-operative Education (Special Education & W/C) & Transit Tickets	680,471	865,350	898,354	33,004	3.8%
ONE-TIME TRANSPORTATION SERVICES					
One-time Transportation Services due to New School Construction	$ 181,477	$ 44,960	$ -	(44,960)	-100.0%
TOTAL	**$ 37,324,760**	**$ 38,696,479**	**$ 39,661,690**	**965,210**	**2.5%**



2020-21 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

Operations & Maintenance

Expenditures	2018/2019 Actuals	2019/2020 Revised Estimates	2020/2021 Estimates	Difference $	Difference %
Salaries	$ 45,475,022	$ 47,089,486	$ 47,783,741	694,255	1.5%
Benefits	13,108,903	14,469,627	14,672,589	202,962	1.4%
Utilities	19,120,373	19,816,492	20,285,351	468,859	2.4%
Insurance	2,884,282	2,450,000	2,650,000	200,000	8.2%
Professional Development Provision	51,794	135,793	93,445	(42,348)	-31.2%
Printing and Photocopying	2,221	8,258	4,097	(4,161)	-50.4%
Plant Operations Supplies	1,248,412	1,206,501	1,224,713	18,212	1.5%
Automobile Reimbursement	109,353	60,709	60,709	-	0.0%
Travel Expense Allowance	81,072	110,166	110,166	-	0.0%
Vehicle Fuel	137,847	130,000	130,000	-	0.0%
Repairs-Custodial Equipment	273,154	150,000	150,000	-	0.0%
Telephone Expense	111,084	128,096	106,432	(21,664)	-16.9%
Office Supplies and Services	55,472	32,597	23,097	(9,500)	-29.1%
Maintenance Supplies and Services	4,956,221	3,585,723	5,019,174	1,433,451	40.0%
Vehicle Maintenance and Supplies	174,498	178,000	178,000	-	0.0%
Replacement Furniture & Equipment	385,879	254,938	-	(254,938)	-100.0%
Additional Equipment - Vehicles	325,211	-	-	-	0.0%
Rental Lease Vehicles	63,247	75,000	-	(75,000)	-100.0%
Other Professional Fees (Health & Safety)	193,545	175,000	181,552	6,552	3.7%
Other Contractual Services	7,983,963	8,115,709	8,068,033	(47,676)	-0.6%
COVID-19 Contigency	-	-	1,020,000	1,020,000	100.0%
TOTAL	**$ 96,741,553**	**$ 98,172,095**	**$ 101,761,098**	**3,589,003**	**3.7%**

2020-21 BUDGET EXPENDITURE ESTIMATES BY FUNCTIONAL CLASSIFICATION

Other Expenditures

Expenditures	2018/2019 Actuals	2019/2020 Revised Estimates	2020/2021 Estimates	Difference	
				$	%
Parental Involvement Funding	137,142	122,841	121,771	(1,070)	-0.9%
Partnership Development Department - Office Supplies & Services	1,142	2,000	2,000	-	0.0%
TOTAL	**$ 138,284**	**$ 124,841**	**$ 123,771**	**(1,070)**	**-0.9%**



Toronto Catholic District School Board

Volume IV: Financial Sustainability

FINANCIAL SUSTAINABILITY REQUIRES LOOKING FORWARD



School Board funding is almost entirely dependent on Provincial grants. Large portions of these grants remain stable year over year and therefore the TCDSB is able, to a certain extent, consider its sustainability beyond an annual budget process. Historically, much concentration is placed on balancing the funding received by the Province with the planned expenditures for the year. Often a Board may face one- time increases or decreases in expenditures, which puts the budget out of balance. It also may be faced with "structural deficits" arising from legislative or labour arbitration decisions essentially placing an ongoing cost burden that is greater than the funding received by the Province. In order to remain sustainable the TCDSB should consider funding strategies that are beyond an annual view and that works within the current legislative permissions granted to it by the Province.

The TCDSB has established an Operating Contingency Reserve

The Operating Contingency reserve approved by the Board in 2018-19 budget process acts as a contingency to offset future in-year deficits. This Reserve approved by the Board must operate with a minimum and maximum amount. The minimum would be 1% of the operating budget, while the maximum amount held in the reserve would be 2% of the operating budget. It should be noted that the Province has indicated that 2% is the optimal amount to be held in contingency. The Operating Contingency Reserve has a balance of $23.0M at the start of the 2019-20 fiscal year.

This reserve may play a crucial role in the 2020-21 school year given the uncertainties surrounding COVID – 19. While an in-year line item has been proposed of $1.0M as an operating contingency this reserve provides a further backstop to any overspending that my occur.

A RESERVE STRATEGY IS NECESSARY TO COMPLEMENT AN ACCUMULATED SURPLUS AND MITIGATE THE RISK AGAINST IN-YEAR DEFICITS

The Education Act allows School Boards to create something called "Reserves". These are special purpose type funds that are restricted to a specific type of expenditure and can be funded by the Accumulated Surplus.

During the 2018-19 budget process, the TCDSB board approved the establishment of strategic reserves funded from accumulated surpluses, which may fund future projects, provide for operating contingencies, and provide funding for unexpected events and/or legislated liabilities.

Reserve funds play a very important role in TCDSB finances and provides a strong indicator of TCDSB's overall financial health. For this reason, the management of reserve funds is vitally important.

Staff brought forward a Reserve Policy that was approved by the board in this fiscal year 2019-20. The policy is intended to establish consistent guidelines and standards, which will assist in the administration of reserve funds in a responsible and consistent manner.



RESERVE FUND CLASSIFICATIONS AND TYPES

Reserve funds are classified into the following three categories:

Strategic Reserve Funds (Discretionary)

These reserve funds can be used to better plan for the implementation of projects over the long-term. These funds will be used for high priority projects critical to the success of the organization moving into the future. These are fiscally prudent investments given their broad impact on the organization.

Reserve Funds for One-Time Projects (Discretionary)

An allocation of funds for which the Board of Trustees earmark, at their discretion, funding for a future expenditure, liability or other purpose. Funding is typically determined during the budget estimates, revised estimates or year-end financial results. These reserves are funded from various sources including, but not limited to, allocated revenues, accumulated surpluses, and dedicated contributions, etc.

Unspent funds during a fiscal year can be transferred to the Reserve only if the financial statements of the Board reflect an in-year and accumulated surplus position in the current fiscal year. The amount of unspent funds to be transferred is subject to change depending on the available in-year surplus as reported on the final year-end financial statements.

Reserve Funds (Obligatory)

Obligatory Reserve funds are prescribed for specific purposes through the Education Act or, act as a contingency to offset future in-year deficits. For example, mandated reserves exist for Education Development Charges (EDCs) and Proceeds of Disposition (POD).

Appearing below is the a list of the Strategic Reserve funds set-up for the TCDSB and a plan as to how these reserves funds will be used in the future.

Strategic Reserve (Discretionary)

Information Technology Strategic System Reserve: This reserve will be used for the long-term financial planning for the replacement and/or update of major enterprise-wide systems. Fund Balance as of August 31, 2019 is $20.6M

Projects schedule for current and future years.

- Year 1 and 2 of Student Information System Project is estimated to cost $7.5M. The overall project was approved by Board in January 2020 at $14.1M over the next 3 to 4-year period.

- The SAP system used for Finance, HR, and Facilities is due for replacement before 2025 as the vendor will no longer support the older version of SAP which has been running since 2000. To prepare for this project Board will need do an assessment and preplanning work in 2020/21 at a cost of $0.2M. A full replacement of SAP is expected to be a significant expense similar in scale to the Student Information System project.

- The HR Recruitment department needs a new Talent Management System to help modernize and streamline hiring and on boarding practices at the TCDSB. Trustees have asked staff to accelerate this effort. Based on some high-level estimates, staff are proposing to $3.5M (expenditures to be spread over a two-year implementation period).

- The Board is need of new public website. The project was approved by the Board of Trustees in December 2019 at a cost of $0.5M for implementation in the 2020/21 school year.

Projected end balance of the IT Strategic Systems Reserve in 2020/21 is expected to be $10.2M with an additional $8.1M already planned or committed in future years. This leaves approximately $2. 3M for future new projects. The small amount likely means that additional contributions to this reserve will need to be made to meet future demands.

	Year	$M
Opening balance	August 31, 2019	20.6
Student Information System	2019-20 to 2022-23	14.1
SAP Project	2020-21	0.2
Talent Management System	2020-21to 2021-22	3.5
Public Web Site	2020-21	0.5
Projected Ending Balance after Commitments		**2.3**

Administrative Facility Reserve: This reserve restricts funding for the renewal activities of administrative buildings for which most PPF and Capital grants from the Province do not provide funding. Fund Balance as of August 31, 2019 is $3.8M

Proposed projects schedule for current and future years.

Catholic Education Centre:	**$M**
Security Desk reconfiguration	$ 0.15
Washroom renovations	$ 0.28
Lobby wall refinishing	$ 0.01
Power washing exterior	$ 0.05
Parking Garage 1st floor repairs	$ 1.10
3rd Floor Workstation reconfigurations to increase capacity	$ 0.05
First Floor conversion of former York U space	$ 0.02
Post-COVID-19 Safety modifications	$ 0.10
East Facilities:	
Parking lot repaving and drainage repairs	$ 0.15
Building envelope replacements (windows, roof, etc.)	$ 0.60
Workstation reconfigurations	$ 0.04
West Facilities:	
Drainage repairs in parking lot	$ 0.07
Washroom renovations	$ 0.10
Workstation reconfigurations	$ 0.04
Building envelope upgrades	$ 0.30
Total	**$ 3.06M**

Projected end balance after commitments of Reserve is expected to be $0.74M

Student Equity Strategic Reserve: This reserve sets aside monies that can be applied towards various equity initiatives across the Board. Fund Balance as of August 31, 2019 is $2.6M

Projects schedule for current and future years.

- $0.12M transferred to the playground reserve (approved by Board in-year)
- $0.5M for one-time school block budget enhancements in 2020-21 and 2021-22 (allocated on an equity basis).
- $0.5M to help defray cost of procurement of devices on a permanent basis for students in need from an equity perspective due to new Distance Learning models driven by COVID-19 (approved through Board motion). It should be noted that should the Provincial government provides additional technology funding that this reserve draw may not be necessary. Additional funding is expected in the near future for this purpose.
- Considerations for the remainder include:
    - Potential to allocate in 2020-21 to the previous cancelled "Priority School Neighbourhood" funding directed at Community Use of Schools for not-for-profit organizations on an equity basis.

Projected end balance of Reserve is expected to be approximately $1.0M

	Year	**$M**
Opening balance	August 31, 2019	2.6
Playground Reserve contribution	2019-20	0.1
Procurement of Devices-IPads	2020-21	0.5
School Block Budget enhancements	2020-21to 2021-22	1.0
Projected Ending Balance after commitments		**1.0**

Information Technology Infrastructure Reserve Fund: This fund will be used for the replacement of Information & Communication Technology hardware equipment. Fund Balance as of August 31, 2019 is $7.8M

Projects schedule for current and future years.

- The TCDSB phone system is over 20 years old and in critical needs of replacement. TCDSB is in the process of completing a thorough review of options to replace the phone system. A preliminary review estimates the one time replacement cost of the phone systems to be $3.5M

- The TCDSB needs to replace some core servers and storage systems in the main data centre that support all systems. The cost of this hardware is estimated to cost $0. 3M in 2020-21.

- The TCDSB needs to upgrade older Wi-Fi systems at 24 Secondary Schools. The cost for this upgrade is $2.5M
- TCDSB needs to replace over 1000 computers in secondary school ComTech computer labs at a cost of $0.6M.

Projected end balance of Reserve is expected to be $0.9M

	Year	$M
Opening balance	August 31, 2019	7.8
Telephone System	2020-21	3.5
Wi-Fi Systems at 24 Secondary Schools	2020-21	2.5
Replace Computers at Secondary Schools	2020-21	0.6
Core IT infrastructure	2020-21	0.3
Projected Ending Balance after commitments		**0.9**

Trustee Strategic Initiatives Reserve: This fund will be used to fund Board of Trustee strategic initiatives. Fund Balance as of August 31, 2019 is $0.05M

Projects schedule for current and future years.

Board to provide direction during the course of the year.

Ward Priorities School Playground Reserve: This fund will be used to fund school playground equipment. Fund Balance as of August 31, 2019 is $1.2M. The Board also designated $0.12M from the Equity Reserve to the School Playground Reserve.

Projects schedule for current and future years.

Playground Reserve application deadline was extended to May 22, 2020, due to COVID-19. Most decisions regarding the projects have been made by selection committees involving Trustees, senior staff, landscape staff and parent representatives. The project listing is not yet available, but will be shared with the Board once prepared. The entire amount of $1.32M is expected to be used by summer 2021.

Projected end balance of Reserve is expected to be $0. Should there be a surplus at the end of the 2019-20 fiscal year, the first $1.2M will be allocated to the Playground Reserve as per the Board's Reserve's Policy.

Toronto Catholic District School Board

Volume VI: Appendices

List of Reserves	2018-19 Year End ($M)
Administrative Facilities	3.80
Capital Planning Capacity	0.52
Catholic School Parent Council	2.02
Committed Capital Projects	0.61
Human Resource	0.34
International Students	1.70
Information Technology Infrastructure	7.81
Information Technology Strategic Investment System	20.62
Operating Contingency	23.04
Parking	3.20
Pastoral Plan	0.07
Professional Development	0.15
Playground Improvements	1.20
Religious Materials	1.40
School Block Budget	5.42
Student Equity	2.60
Transportation	1.60
Trustee unspent Budgets Board Motion	0.10
Trustee Strategic Initiatives	0.05
Total Reserves	**$76.25**