



REPORT TO

REGULAR BOARD

2020-21 REVISED BUDGET ESTIMATES NON-INSTRUCTIONAL

"I can do all things through him who strengthens me."
Philippians 4:13

Created, Draft	First Tabling	Review
November 25, 2020	December 10, 2020	February 10, 2021

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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.



Brendan Browne, PhD
Director of Education

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Associate Director of Facilities,
Business and Community
Development, and
Chief Financial Officer

A. EXECUTIVE SUMMARY

As per the requirements set out in the Education Act, TCDSB's revised budget estimates are required to be balanced. The 2020-21 Non-Instructional budget expenditure revised estimates appearing in this report is prepared based on updated enrolment and staffing projections, and calculated Grants for Student Needs (GSN) and Other Priorities and Partnership Funds (PPF) funding projections.

Two budget related reports have been submitted to facilitate Trustees with the opportunity to participate in non-instructional related discussions

The total change from Budget Estimates to Revised Budget Estimates is a deficit of (\$38.1M). Total Revenues in the Revised Budget Estimates is \$1,178.6M and the Expenditures is \$1,218.3M which will result in a net deficit of (\$39.7M).

A high-level comparative summary of operating revenues and expenditures appears below in Table 1.1 and the key contributors to the change appears in Table 1.2

TABLE 1.1	2020-21 Estimates \$M	2020-21 Revised \$M
Operating Revenues	\$1,172.8	\$1,178.6
Less: Operating Expenditures	<u>\$1,174.4</u>	<u>\$1,218.3</u>
Surplus/(Deficit)	\$(1.6)	\$(39.7)
Operating Contingency Reserve	<u>\$1.6</u>	<u>\$39.7</u>
Balanced Budget	\$0.0	\$0.0

TABLE 1.2	
Key Contributors to Change in In-Year Position	\$M
Opening In-Year Surplus/(Deficit)	(1.6)
Net Change to GSN Revenues including Stabilization Funding	(1.6)
Loss of International VISA Student Revenues	(11.6)
Loss of Permits, Rentals and Other Revenues	(5.3)
Covid-19 Related Expenditures previously approved to be funded by TCDSB Reserves	(19.6)
Subtotal of Key Contributors	(38.1)
Closing In-Year Surplus/(Deficit)	(39.7)

Additional costs will result in a \$9.3M increase in the Non-Instructional budget. These additional costs are specifically the result of the COVID-19 Pandemic.

The cumulative staff time required to prepare this report was 10 hours.

B. PURPOSE

1. This report has been prepared for the Board of Trustees to approve the 2020-21 Revised Budget Estimates for Non-Instructional Expenditure Categories.

C. BACKGROUND

1. *Revision of Budget Estimates is usually driven by enrolment changes, but has been heavily impacted by COVID-19 related expenditures for this school year.* The Budget Estimates were due to the Ministry by July 31, 2020 based on projected enrolment data for October 2020 and projected enrolment data for March 2021.

Revised Budget Estimates are due by December 15th, 2020 based on the actual enrolment data as of October 31, 2020 and projected enrolment data for March 31, 2021.

Subsequent changes in enrolment will be submitted throughout the year and any increases/decreases in enrolment will be used in the final Grant

for Student Needs calculations at year-end with a corresponding increase/decrease in revenues.

2. ***The 2020-21 Budget Estimates have already been approved; this report presents minor revisions in comparison to the overall budget.*** The Board of Trustees approved the 2020-21 Budget Estimates at the Regular Board meeting held on July 23, 2020. The 2020-21 Overall Operating Budget Estimates totalled \$1,172.8M and projected an in-year deficit of (\$1.6M).

3. ***The Board of Trustees approved the Audit Committee’s recommendation to modify the in-year surplus distribution to Strategic Reserves.*** The Audit Committee recommended, “Given that enrolments have been lost, there is a significant possibility that there will be a drop in Grants for Student Needs (GSN), that the Audit Committee recommend to the Board that the surplus for 2019-2020 be held, to be used to cushion and provide time for any permanent spending reductions for 2021-2022 budget. This excludes the proposed allocation to the IT Infrastructure of \$1.4 million.”

D. EVIDENCE/RESEARCH/ANALYSIS

1. The projected expenditure changes in the Non-Instructional expenditure category appear in the table below:

	Non-Instructional Related Expenditure Categories	2020/21 Budget Estimates	Net Change Increase/ (Decrease)	2020/21 Budget Revised Estimates
1	Administration and Governance	27,958	(1,515)	26,443
2	School Operations & Maintenance	101,761	9,462	111,223
3	Transportation	39,662	1,060	40,722
4	Temporary Accommodation	3,436	338	3,774
	Sub-Total Non Classroom	172,817	9,345	182,162

Non-Instructional Related Expenditures Variance Analysis – Additional Details can be referenced in Appendix A of this report.

- 1** Board Administration and Governance category decreased (\$1.5M) due to the transfer of costs to the Para-Professional category.
- 2** School Operations and Maintenance have increased by \$9.5M due to increases in supply caretakers and COVID – 19 pandemic expenses.
- 3** Transportation costs have a net increase of \$1.1M mainly due to the COVID-19 Pandemic Related costs.
- 4** Temporary Accommodation costs have increased by \$0.3M due to increased expenditures related to work on portables.

E. STAFF RECOMMENDATION

That the Board of Trustees approve a Revised 2020-21 Non-Instructional Budget Estimates including a deficit of (\$9.3M), with such deficit to be funded by the Accumulated Operating Contingency Reserve.