

2025-2026 Budget Framework

Presented to: Catholic Parent Involvement Committee

Date: April 7, 2025

DISCUSSION ITEMS

- 2025-2026 Forecast
- Proposed Budget Plan
- Projected Financial Position
- Multi-Year Recovery Plan
- Future Considerations
- Looking Ahead: Next Steps
- Stakeholder Engagement

2025-2026 FORECAST

- 24-25 In-Year Deficit of \$65.9M
 - Structural deficit factors (Four S's) of \$82.0M
 - Local priorities and commitments of \$52.8M
- New pressure of \$11.8M from 24-25 to 25-26
 - Revenue decrease of \$1.5M
 - Expenditure increase of \$10.3M
- Proposed expenditure reductions of \$10.0M
 - Look at all possible options/opportunities
 - Assess restrictions, impact, timing

2025-2026 FORECAST

- Revenue decrease of \$1.5M (net)
 - Projected enrolment increase 900 ADE - \$1.8M
 - Net margin after variable costs
 - Reduced interest income - (\$1.0M)
 - Due to reserve depletion
 - Census funding reduction - (\$2.3M)
 - Phased in over five years (year two)

2025-2026 FORECAST

- Ministry funding assumptions:
 - Neutral Core Education Funding (formerly GSN)
 - Inflationary offsets – Transportation, Facilities
 - Provincial priorities – dedicated funding
 - Reading - central commitment
 - Prescribed FTE for 25-26
 - Math - no central commitment
 - System priority re: Math Action Plan
 - Identify alternative funding source

2025-2026 FORECAST

- Expenditure increase of \$10.3M
 - Regular adjustments:
 - Increase in statutory benefits - \$3.8M
 - WSIB, OMERS, LTD, OT Benefits - \$2.8M
 - Non-teaching salary increments - \$1.7M
 - Other adjustments:
 - Staffing - \$2.0M to meet Msr Fraser instructional day requirements
 - Tariffs and Foreign Exchange - monitoring impact on IT, Facilities

PROPOSED BUDGET PLAN

- Expenditure reductions of \$10.0M
 - Board Administration (vacancies, attrition) - \$1.3M
 - Facilities Services (savings, vacancies, attrition) - \$0.8M
 - Departmental budgets (synergy, average spend) - \$0.7M
 - Supply budget (based on current trending, fill rates) - \$2.0M
 - School Administration (small schools, thresholds, allocation) - \$1.4M
 - Destreaming teachers (funding discontinued in 24-25) - \$3.5M
 - Student Success teachers (reduce to funded levels) - \$0.3M

PROJECTED FINANCIAL POSITION

- \$67.7M projected in-year annual operating deficit for 25-26
 - Prior year deficit with further pressure from structural deficit factors
 - Local pressures offset by proposed expenditure reductions
- \$142.9M projected accumulated deficit (debt) end of 25-26
 - Cash flow implications and borrowing costs

MULTI-YEAR RECOVERY PLAN

- Informed by Ministry Special Assistance Team report
- No easy options/solution, local commitments/restrictions
- Anticipate aggressive reduction target for 26-27
- Likely expectation/requirement to use POD to manage debt

FUTURE CONSIDERATIONS

- Staffing – identify opportunities, assess restrictions, modernize/repurpose/adjust
- Transportation – bell time optimization, program placement, eligibility review
- Technology – cybersecurity, infrastructure, systems software, equipment refresh
- Utilization – Long Term Accommodation and Program Plan, closure moratorium
- Special Education – review service levels, benchmarking, legislative requirements
- Board Policies – transportation parameters/eligibility, admission considerations
- System Programs – unfunded initiatives, over/under subscribed, assessment data

LOOKING AHEAD: NEXT STEPS

- Enrolment and Staffing Projections (April)
- Mid-Year Budget Status Report (April)
- Ministry Funding Overview (TBD)
- Local Collective Bargaining (ongoing)
- Stakeholder Engagement (next slide)
- Preliminary Budget (May), Final Budget (June)
- Multi-Year Recovery Plan (Spring/Fall 2025)

STAKEHOLDER ENGAGEMENT

- Focus Groups (March, April)
 - Attended/attending regular meetings of SEAC, CPIC, CSLIT
 - Sessions with labour partners (review framework, priorities, context, input)
- System Survey (April 4-25)
 - Gather input from community members on strategic priorities
- Virtual Town Hall (April 3)
 - Panel to review framework and invite questions/comments/input
 - Facilitated Q&A session with TCDSB community members
 - Participants will be prompted to complete the survey