



REPORT TO

REGULAR BOARD

2015-2016 REVISED BUDGET ESTIMATES

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

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December 7, 2015	December 10, 2015	Click here to enter a date.
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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 rooted in the love of Christ. We educate students to grow in grace and knowledge and to lead lives of faith, hope and charity.



G. Poole

Associate Director of Academic Affairs

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Associate Director of Planning and Facilities

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Director of Education

A. EXECUTIVE SUMMARY

This report presents the 2015-16 Revised Budget Estimates in the amount of \$1.070B. The recommended Revised Budget Estimates continues our commitment to achieve effective, efficient and equitable programs and services while better meeting the needs of all students.

The Revised Budget Estimates projects an in-year surplus in the amount of \$1.3M and an accumulated deficit of \$(13.9M) at the end of the fiscal year August 31, 2016.

B. PURPOSE

This report serves to complete the Board's annual requirement to submit to the Ministry of Education a Revised Budget Estimate of revenues and expenditures for the 2015-16 fiscal year.

C. BACKGROUND

The Budget Estimates 2015-16 were approved at the Regular Board meeting held on June 4, 2015. The 2015-16 Operating Budget Estimates approved in the amount of \$1.1B projected an in-year surplus in the amount of \$3.7M and an accumulated deficit of \$(13.1)M for the fiscal year ending August 31, 2016.

The 2015-16 Revised Estimates project an in-year surplus of \$1.3M which is a \$2.4M change from the 2015-16 Estimates. The major contributing factor to this decrease is due to the Ministry funding benchmark rates being less than the real cost of teacher salaries and benefits and their projected movement on the Salary Grids.

A detailed analysis of the Revised Budget Estimates for the year ending August 31, 2016 is provided below.

D. EVIDENCE/RESEARCH/ANALYSIS

1. 2015-2016 Revised Budget Estimates

When developing the 2015-16 Revised Budget Estimates, the Revised Budget Estimates need to be adjusted in order to align with the revised funding regulations, updated enrolment projections and the previous year's deficit. The resulting 2015-16 Grants for Student Needs (GSN) calculations in the provincial and the local context have changed, and consequently, the Revised Budget Estimates have been adjusted accordingly.

2. Enrolment

The key component to the development of the Revised Budget Estimates is projecting enrolment for 2015-16. In order to recalculate the Average Daily Enrolment (ADE), revisions to enrolment projections reflect the actual October 31, 2015 enrolments. The March 31, 2016 projected enrolment for Elementary has been projected at 100% retention and Secondary has been projected at 97.76% based on previous trends.

From the 2015-16 estimated ADE, elementary enrolment has increased by 291 ADE, while the secondary enrolment increased by 339 ADE for an overall increase in enrolment by 630 ADE. The ADE for Secondary enrolment excluding VISA students increased by 285 (262 + 23).

A comparative enrolment analysis is included in the following table:

Panel	Type	2015-16 ADE Estimates	2015-16 ADE Revised Estimates	Change + / (-)
Elementary	Total	60,027	60,318	291
Secondary	Regular	27,294	27,556	262
	VISA Students	1,238	1,292	54
	Msgr. Fraser	956	979	23
	Subtotal	29,488	29,827	339
Total ADE		89,515	90,145	630

3. A summary of expenditure increases/(decreases) required for the Revised Budget Estimates 2015-16 are as follows:

Description	Increase/(Decrease) \$000	Comments
Salaries and Benefits for Classroom Teachers	15,419	<ul style="list-style-type: none"> • Enrolment increase requires additional 19.2 FTE teachers at a cost of \$1.9M. • Increase in average salary and benefits due to movement of staff on the salary grid of \$8.3M. • One-time payment to teachers of 1% as a result of collective agreement settlements of \$5.2M.
Education Assistants	509	<ul style="list-style-type: none"> • One-time payment to teachers of 1% as a result of collective agreement settlements cost of \$373K. • Increase in grid movement of \$136K
Designated Early Childhood Educators (ECE)	1,697	<ul style="list-style-type: none"> • Enrolment Increase requires additional 18 FTE Early Childhood Educators at a cost of \$1.696M. • One-time payment to teachers of 1% as a result of collective agreement settlements of \$180K.
Professional and Para-Professional	432	<ul style="list-style-type: none"> • Increase in high skills specialists of \$127K.

		<ul style="list-style-type: none"> • One-time payment to teachers of 1% as a result of collective agreement settlements of \$170K. • Increase in grid movement of \$135K
Textbooks and Classroom supplies	(315)	<ul style="list-style-type: none"> • Increase in the School Block budget allocation \$77K due to increase in enrolment. • Commissions and Health Insurance has decreased by (\$392K) for International Students.
In School Administration	167	<ul style="list-style-type: none"> • One-time payment of 1% to in school administrative staff of \$167K.
Teachers Consultants and Coordinators	43	<ul style="list-style-type: none"> • One-time payment of 1% as a result of collective agreement settlements.
Administration and Governance	464	<ul style="list-style-type: none"> • One-time payment of 1% to Board administrative staff of \$27K. • Increase of 2 FTE for Capital Planning Capacity programs (CPC) at a cost of \$298K. • Non Salary costs increase for CPC program of \$74K. • Data Mining Initiative costs of \$65K.
Schools Operation and Maintenance	1,184	<ul style="list-style-type: none"> • Increase in Salary and benefits costs of \$172K. • Insurance costs of \$136K. • Purchase of additional Vehicles \$121K • Increase in maintenance and operating costs of \$1.427M. • Decrease in budgeted utility costs of \$(672K).
Continuing Education	55	<ul style="list-style-type: none"> • Increase in Salary and

		benefits of \$297K • Decrease of non-salary expenditures due to instructional resources funding of \$(242K)
Transportation	(396)	• Reduction in costs due to efficiencies.
Temporary Accommodations	(964)	• Decrease in leasing costs of \$(964K)
Other Operating Expenses	3,581	• Increase in Funding for various projects.
Total Expenditure Increases/(Decreases)	21,875	

A detailed analysis of the changes to the Revised Expenditures can be viewed in Appendix B.

As per the Ministry's directions, Boards are requested to include in their Revised Budget Estimates all compensation estimates due to the provincially ratified agreements.

4. Risk Analysis for the Revised Budget Estimates of 2015-16 are as follows:

- Two collective agreements have not been provincially ratified (APSSP and ETFO), and hence their costs are not included in the revised estimates.
- The Occasional Teacher's Salaries and Benefits are trending higher this year and this trend will be monitored closely.
- The Grants for Student Needs (GSNs) have been increased to match the anticipated expenditure adjustments due to the centrally ratified agreements with OECTA and CUPE. The Ministry of Education has not provided TCDSB with the actual funding amounts.

Summary

For the 2015-16 Revised Budget Estimates, the in-year Surplus is projected to be \$1.3M. The total accumulated deficit is projected to be (\$13.9M) by the end of the fiscal year ending August 31, 2016.

The 2015-16 Revised Estimates project an in-year surplus of \$1.3M which is a \$2.4M change from the 2015-16 Estimates. The major contributing factor to this change is due to the Ministry funding benchmark rates being less than the real cost of teacher salaries and benefits and their projected movement on the Salary Grids.

2015-16 Estimates In-Year Surplus	\$3.7M
Increase in Revenues	\$19.5M
Increase in Expenditures	\$21.9M
Net Decrease	\$2.4M
2015-16 Revised Estimates In-Year Surplus	\$1.3M

Management is collaborating with the Ministry of Education to develop a multi-year deficit recovery plan which will take the TCDSB on a deliberate path back to a positive financial position.

E. STAFF RECOMMENDATION

That the Board approve the 2015-16 Revised Estimates with an in-year Surplus of \$1.3M and an accumulated deficit of \$(13.9M).