



REPORT TO

BUDGET COMMITTEE

STRUCTURAL BUDGET DEFICIT REDUCTION OPPORTUNITIES

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

Created, Draft	First Tabling	Review
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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 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

A. Sangiorgio
 Associate Director of Planning and Facilities

Angela Gauthier
 Director of Education

A. EXECUTIVE SUMMARY

This report presents a draft detailed operating budget workbook by functional classifications in order to increase transparency and accountability for the allocation of limited resources across all organizational functions. The draft workbook will serve to enhance the information historically presented in accordance with Ministry expenditure categories.

The report presents the operation expenditure budget in greater detail, with a comparison of Ministry Grants and the respective Expenditure budgets in order to identify the specific location of structural deficits; and thus, presents several structural budget reduction opportunities for the Board of Trustees' consideration.

The report presents proposed expenditure reductions in the amount of \$29.872 million in the fiscal year ended August 31, 2016. The report further advises that an additional \$12.678 million in expenditure reductions need to be identified for a total of \$42.55 million in expenditure reductions in order to balance the in-year budget for the fiscal year ended August 31, 2016.

B. PURPOSE

1. This report identifies the specific expenditure categories in which structural deficits exist by Ministry Grant and Expenditure type in order to guide the deficit reduction process.
2. The Operating Expenditure budget has been presented on a line by line detail by functional classification in order to increase transparency and facilitate a greater understanding of the budget from an operational perspective.

C. BACKGROUND

1. The Board of Trustees during the Special Board meeting held on February 23, 2015 passed a motion as follows:
 - I. that staff present a detailed line by line budget for our deliberations for the public to view and include the grants received from the Ministry as well as expenditures,

II. that staff to also highlight where the proposed areas of reduction apply.

D. EVIDENCE/RESEARCH/ANALYSIS

1. The Board’s financial challenge arises as a result of:

i.	Accumulated deficit as at August 31, 2014	\$7.4M
ii.	Projected in-year deficit for the fiscal year ended August 31, 2015	\$9.5M
iii.	Anticipated Ministry of Education GSN grant reductions in the fiscal year ended August 31, 2016	\$20.0M
iv.	Announced Ministry of Education Special Education Grant Reduction	\$1.5M
v.	Announced Ministry of Education Board Administration Grant Reduction	\$0.25M

2. These budget pressures further exacerbate the structural deficits which exist across several operating expenditure categories (Appendix A). The identified structural deficits identifies the appropriate location for structural reductions to occur in order for the operating expenditure budget to be in closer alignment with the Ministry’s funding framework.

3. The location of the structural deficits as identified in Appendix A requires an understanding of the operating expenditure budget on a detailed line by line basis. The draft operating expenditure budget workbook in Appendix B developed for the 2015-16 budget planning process, also provides operating expenditure budget and actual expense details by functional classification rather than the Ministry expenditure classifications used in previous reports.

4. Several structural budget reduction opportunities have been identified in Appendix C for consideration as part of the multi-year deficit recovery plan.

E. STAFF RECOMMENDATION

1. That the Budget Committee recommends that the Board of Trustees consider the following expenditure reductions at its meeting on March 26, 2015:

	Program for Reduction	FTE	\$
1.	5th Block & Junior Literacy Intervention Program Teachers	57.0	5,700,000
2.	Secondary Teachers	42.0	4,200,000
3.	Preparation-Time Teachers	10.0	1,000,000
4.	Secondary Student Supervisors	20.0	438,000
5.	Monsignor Fraser Under 21 Day School Program Teachers	10.0	1,000,000
6.	Reduction in 45 FTE Elementary Library teachers and replace with Library Technicians	42.5	2,100,000
7.	Reduce Secondary Special Education Classroom Teachers	37.0	3,700,000
8.	Reduce Elementary Special Education Classroom Teachers for ISP (Intensive Support Program)	28.0	2,800,000
9.	Contracted Child Support Workers & Educational Assistants	-	2,650,000
10.	Child & Youth Workers (CYWs) & Social Workers	10.0	1,000,000
11.	Central Program Coordinators	14.0	1,820,000
12.	Non-Classroom Support Resource Teachers	30.0	3,000,000
13.	Secondary Vice-Principals	4.0	464,000
	Total	304.5	29,872,000

2. That the Board also consider additional expenditure reductions in the amount of approximately \$12.678 million for a total of \$42.55 million in expenditure reductions to balance the in-year budget for the fiscal year ended August 31, 2016 in the following expenditure categories:
 - i. In-School Administration;
 - ii. Board Administration and Governance;
 - iii. School Operations and Maintenance;
 - iv. Transportation; and
 - v. Education Assistants.