



REPORT TO

REGULAR BOARD

FINANCIAL UPDATE REPORT AS AT OCTOBER 31, 2017

“The LORD God took the man and put him in the Garden of Eden to work it and take care of it.”
Genesis 2:15

Created, Draft	First Tabling	Review
December 5, 2017	December 14, 2017	
D. Bilenduke, Senior Coordinator, Finance P. De Cock, Comptroller for Business Services & Finance		
INFORMATION 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.



Rory McGuckin
Director of Education

D. Koenig
Associate Director
of Academic Affairs

A. Sangiorgio
Associate Director
of Planning and Facilities

T.B.D.
Executive Superintendent
of Business Services and
Chief Financial Officer

A. EXECUTIVE SUMMARY

This Budget Status Report as at October 31st, 2017 provides a year-to-date look at both revenues and expenditures. This is the first update for fiscal 2017-18 and does not take into consideration any changes made in the Revised Estimates process. It is still very early to make a forecast against budget given that the Board of Trustees have not approved the Revised Budget Estimates. A more detailed variance summary is attached as Appendix B. When comparing the percentage spent to this period last year, it is important to know that YTD October 2016 and YTD October 2017 both had 40 teaching days.

The cumulative staff time required to prepare this report was 8 hours.

B. PURPOSE

The Budget Status report reviews expenditures, revenues, enrolment and staffing. The report tracks expenditures and revenues by category and compares YTD results to current budget and prior year actuals. Business Services staff investigate and analyse variances in order to detect, correct and report any unfavourable trends and events.

C. BACKGROUND

1. As part of the regular reporting cycle and consistent with best practices as outlined by both the Ministry of Education and District School Board Reporting Workgroup, a monthly Financial Report is prepared detailing any in-year expenditure variances and savings identified by analysing the 2017-18 year-to-date actual expenditures compared to the Budget Estimates. The current year's percentage spent of total budget is compared to the previous year's percentage spent for the same period.
2. All October YTD revenues and expenses have been adjusted for known MOE Public Sector Accounting Board (PSAB) requirements.
3. Attached as Appendix B is the October YTD Expenditure forecast which has been established as our method of reporting interim financial results.

D. EVIDENCE/RESEARCH/ANALYSIS

1. Business Services closely monitors the 2017-18 budget performance to identify areas of potential savings as well as any areas of potential cost

pressures to the Board. There were small variances across most expenditure categories based on the 2 months' performance at October 31st 2017 as outlined in Appendix B (attached). Most classroom expenditures occur over a 10-month period while administrative and facilities expenditures are more likely to follow a 12-month model. There are many factors that affect monthly expenditures, but as a rule and as a simple starting point, classroom expenditures are generally 20% spent (2/10) and expenditures associated with administration and facilities are usually 17% spent (2/12).

2. Enrolment remains the key driver for generating Grants for Student Needs (GSNs). The GSNs for the Revised Budget Estimates are calculated using a weighted average of enrolment projections for two count dates, actual enrolment on October 31st 2017 and projected enrolment for March 31st 2018. The enrolment numbers will be updated following approval of the 2017-18 Revised Budget Estimates and included in the November Interim Financial Report.

E. METRICS AND ACCOUNTABILITY

In the following examples, when the percentage of budget comparison is used it means actual YTD expenditure divided by total Budget for 2017/18 and actual YTD expenditure divided by total expenditure for 2016/17. This provides us with a more accurate comparator for 2016/17 and assumes any explained variance in 2016/17 has been corrected in the 2017/18 Budget.

The following are trends and issues that have been identified:

1. **Teacher Salaries**

The following graphs illustrate teacher salaries against the same period last year both in dollars and as a percent of budget:

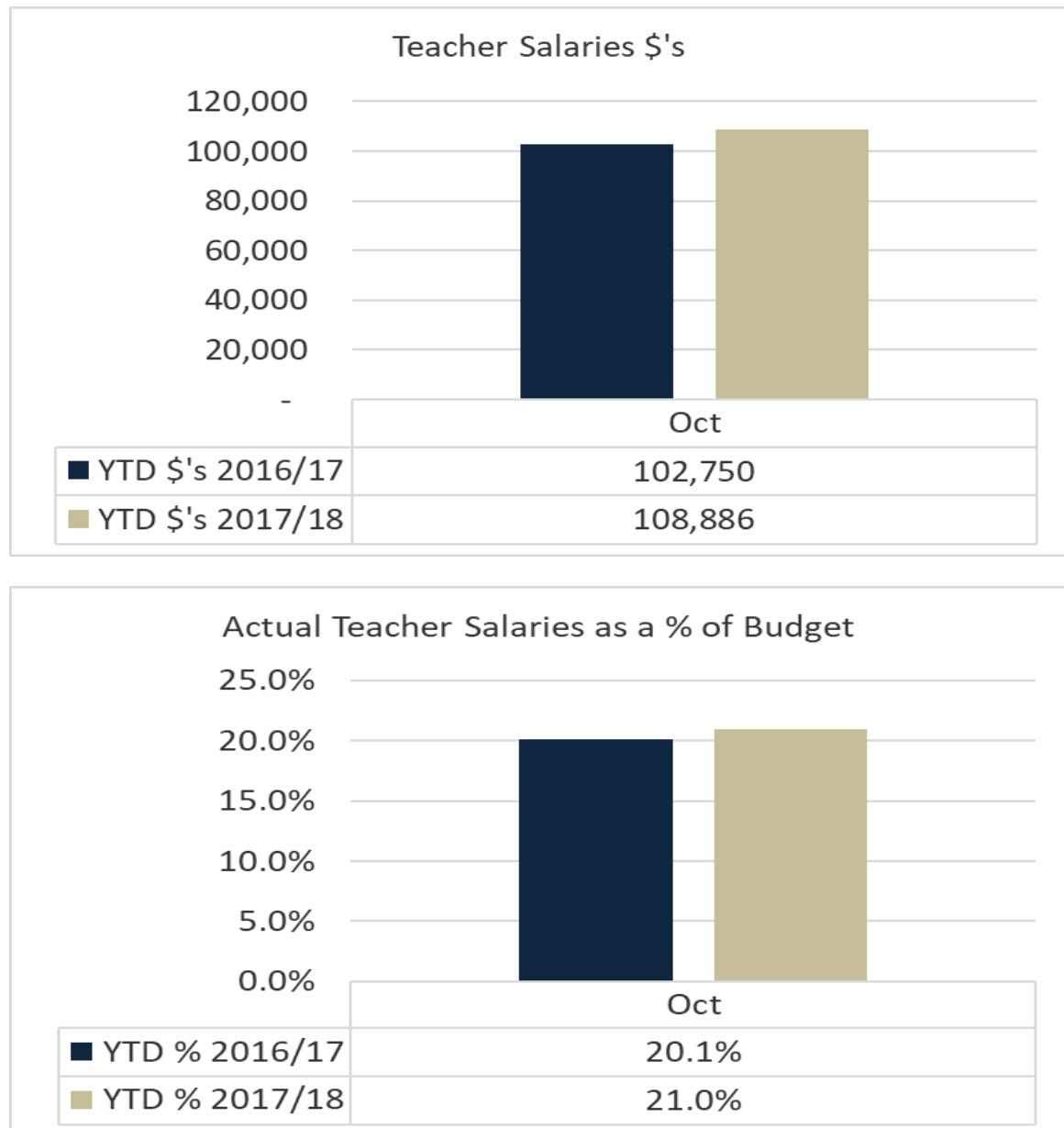


Figure 1 – 16/17 Budget \$511M, 16/17 Actual \$506M, 16/17 Budget \$519M

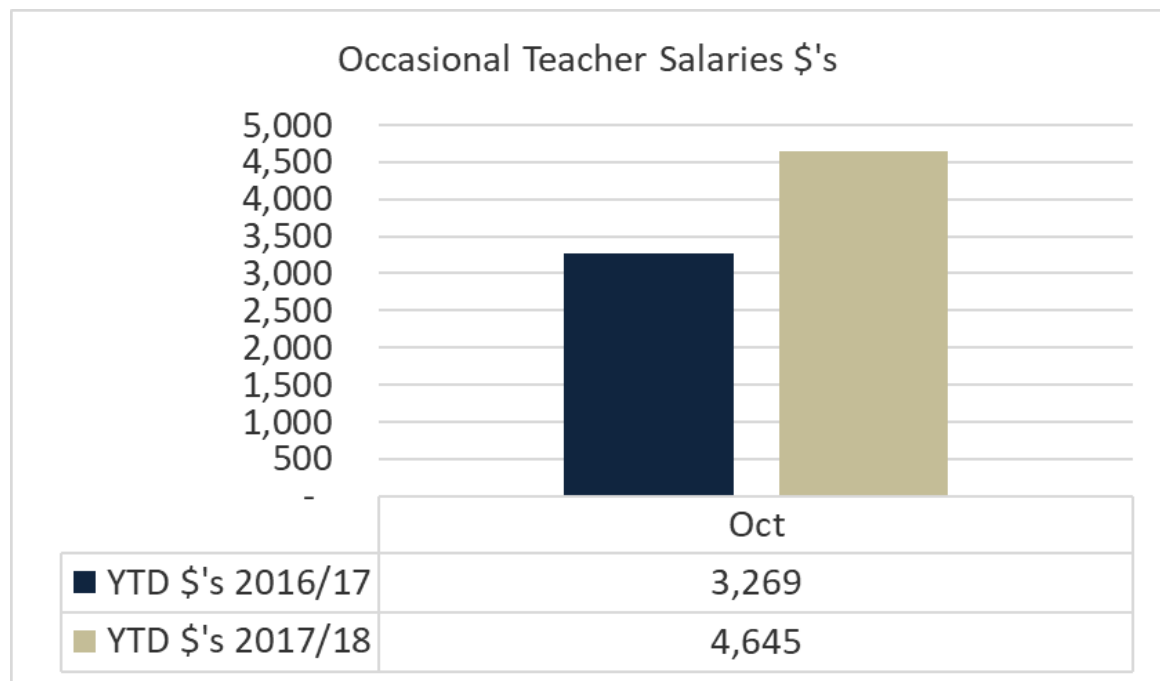
The table in the second graph indicates that teacher salaries this year are running approximately 0.9% higher than last year. During the month of October, teachers received a payment for a one-time professional development allowance equivalent to .5% of their annual salary, however, the budget for this is spread over 10 months. In conclusion, teacher salaries are tracking to finish on budget.

2. Occasional Teachers

Occasional Teacher expense is \$1.4 million higher than the same period last year. Since the budget this year is \$1.2M less than last year's actual the account is at risk of unfavourable variances if left unchecked.

Since it is still early in the year, many Occasional Teachers will be reclassified into permanent teachers as more staffing data becomes known. It is management's commitment to fill teacher vacancies due to illness and efforts have been made and will continue to be made to add more Occasional Teachers to the roster.

The following graphs illustrate occasional teacher salaries against the same period last year both in dollars and as a percent of budget/actual:



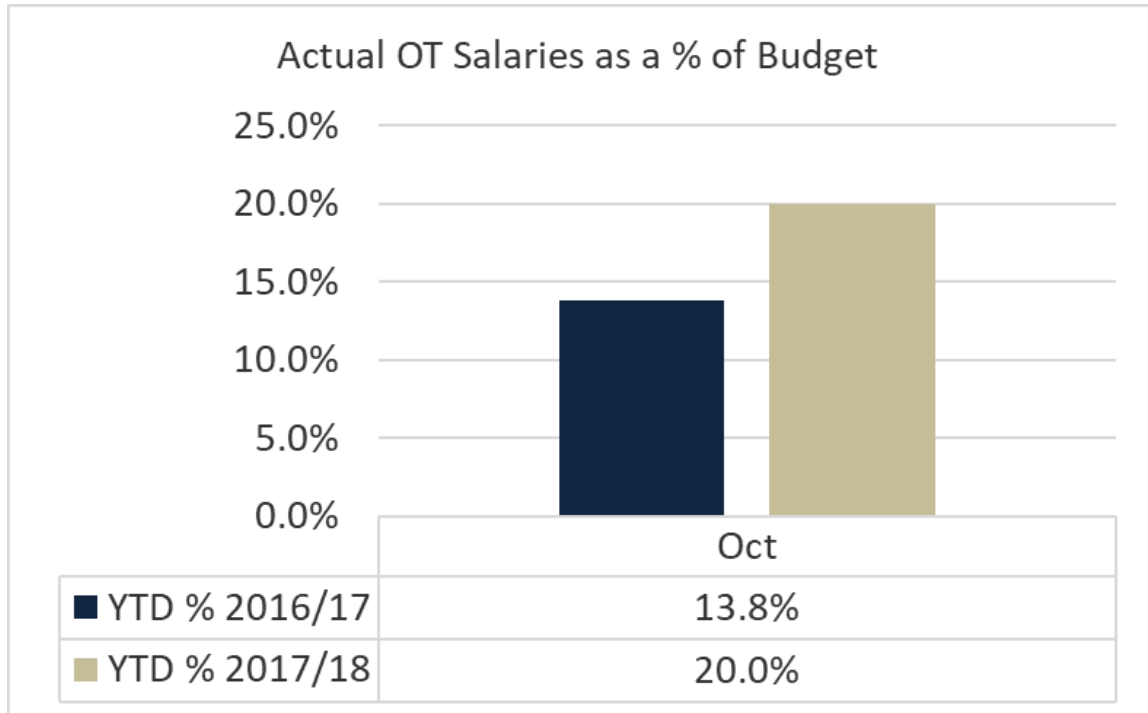
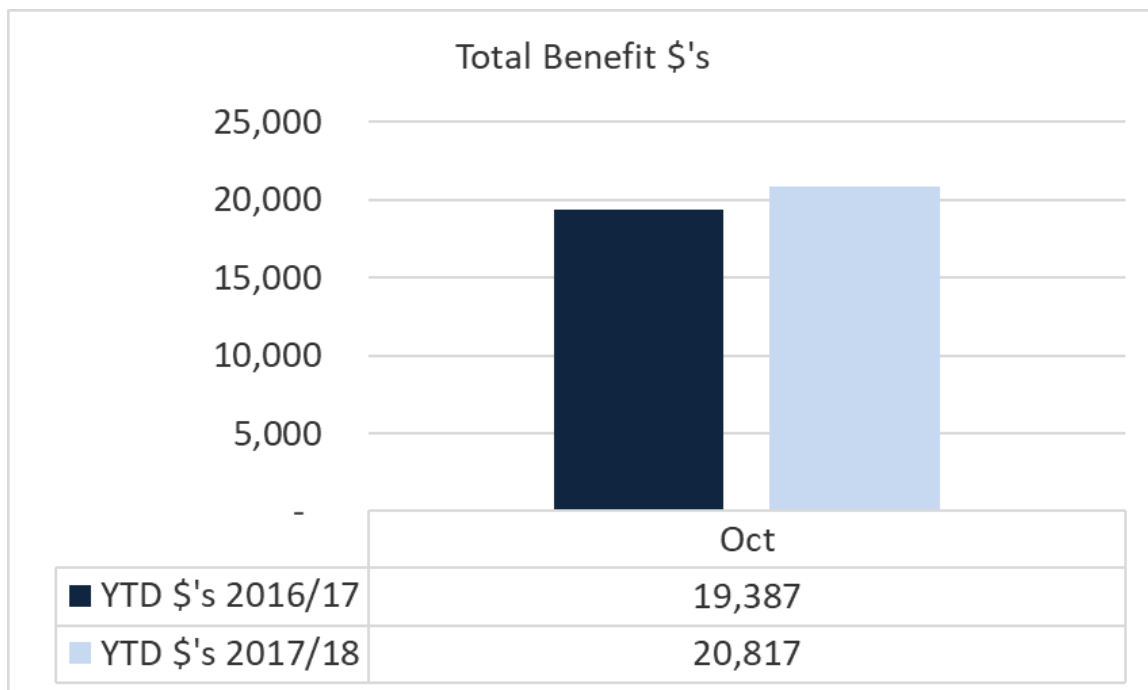


Figure 2 – 16/17 Budget \$21.7M, 16/17 Actual \$24.3M, 17/18 Budget \$23.2M

3. **Benefits**

The following graphs illustrate Board wide benefit costs against the same period last year both in dollars and as a percent of budget/actual:



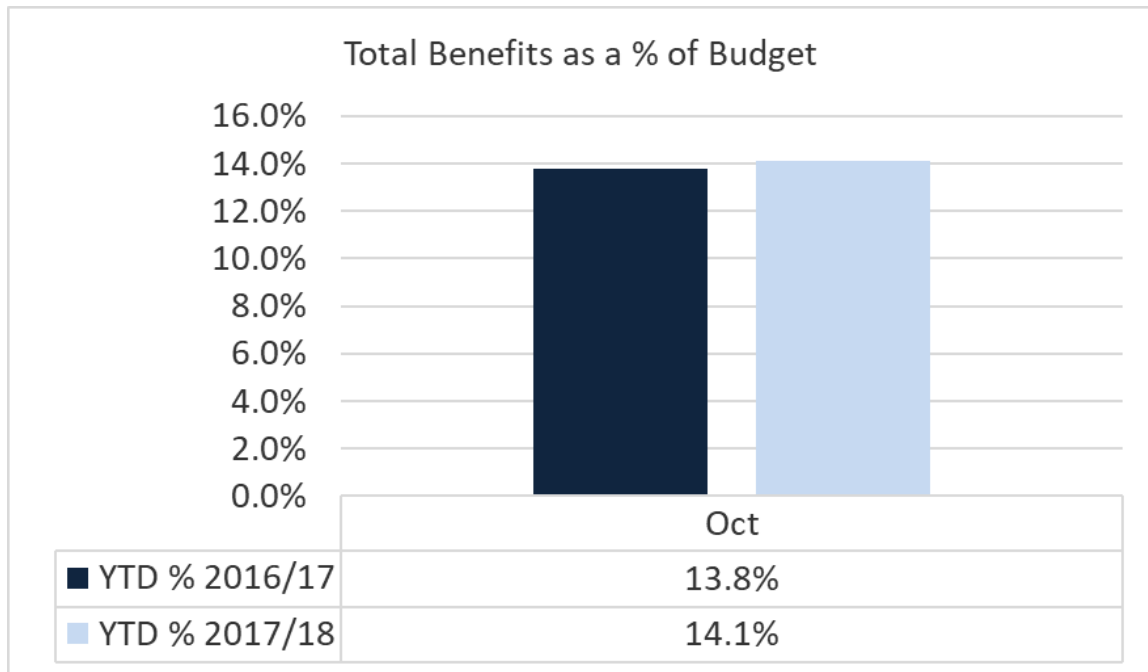


Figure 3 – 16/17 Budget \$142M, 16/17 Actual \$130M, 17/18 Budget \$148M

The above graphs indicate that spending has increased this year compared to last year at this time. Payments to the benefits trusts are still subject to change due to implementation delays but expenses are not expected to vary significantly.

4. Transportation

Transportation expenditures is \$.4 million higher than the same period last year and the percentage of budget spent is 0.9% higher than last year. There are many variables in transportation including, snow days, new contracts, higher rates and varying volumes of accommodations and utilizations for special needs students. We will continue to monitor this expenditure line closely.

The following graphs illustrate transportation expense against the same period last year both in dollars and as a percent of budget/actual:

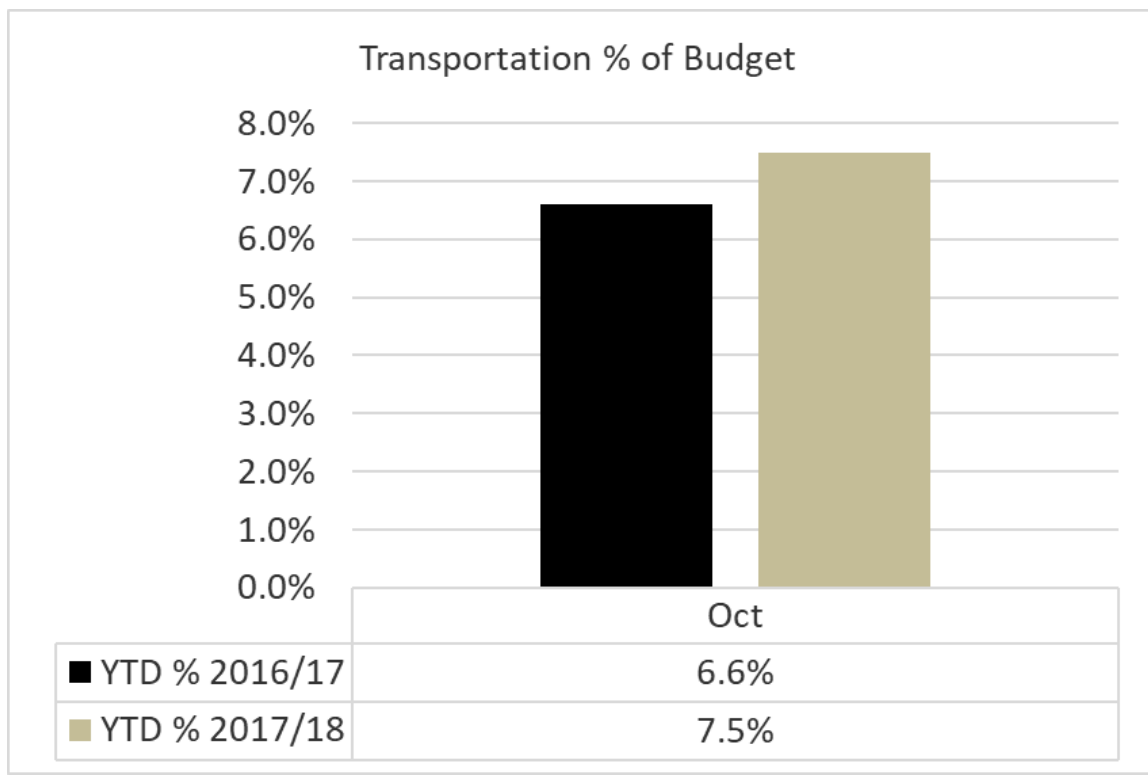
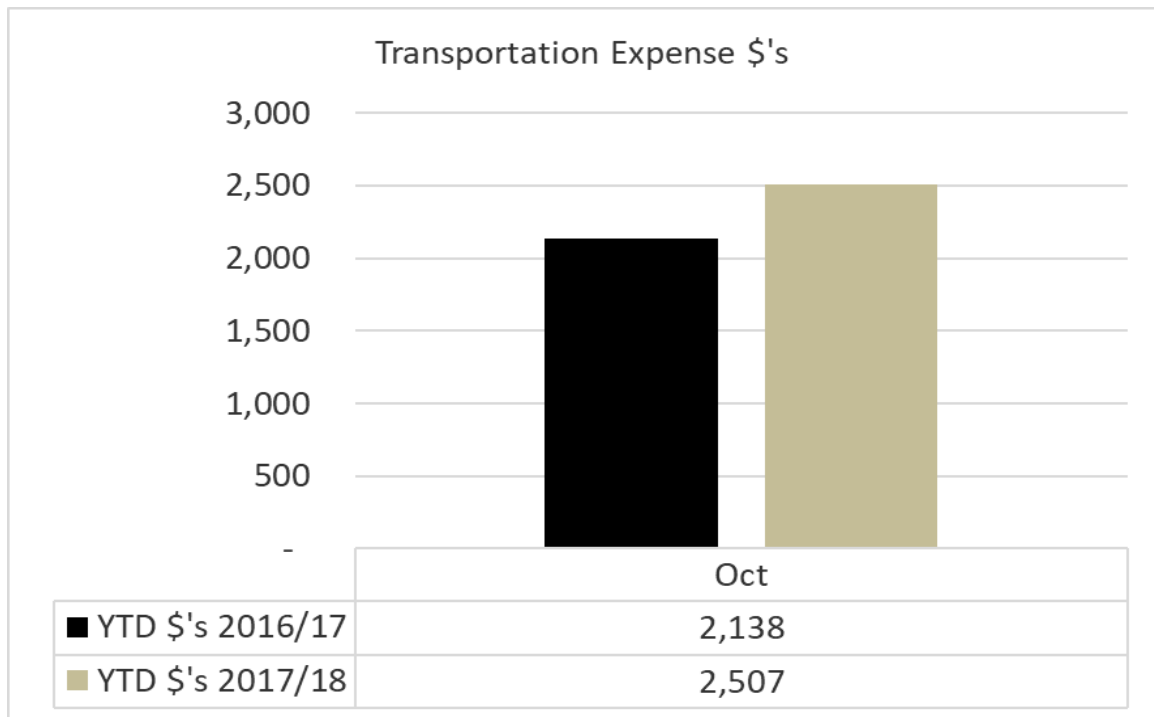


Figure 4 – 16/17 Budget \$32.3M, 16/17 Actual \$32.1M, 17/18 Budget \$33.4M

F. CONCLUDING STATEMENT

This report is for the consideration of the Board.