

Toronto District School Board 2021-22 Budget Information Session

June 10, 2021



Acknowledgement of Traditional Lands

We acknowledge we are hosted on the lands of the Mississaugas of the Anishinaabe (A NISH NA BEE), the Haudenosaunee (HOE DENA SHOW NEE) Confederacy and the Wendat. We also recognize the enduring presence of all First Nations, Métis and Inuit people.

Reconnaissance des Terres Traditionnelles

Nous reconnaissons que nous sommes accueillis sur les terres des Mississaugas des Anichinabés (A NISH NA BEY), de la Confédération Haudenosaunee (HOE DENA SHOW NE) et du Wendat. Nous voulons également reconnaître la pérennité de la présence des Premières Nations, des Métis et des Inuit

Agenda

- Budget Development Process and Report Timelines
- Ministry Funding Announcement Recap
- 2021-22 Budget Drivers
- Key Budget Components
- Enrolment Projections
- Financial Projections
- Risks and Challenges
- Q&A

Budget Development Process and Report Timelines

- Funding for education is determined through a set of provincial benchmark costs for the major components of education operations and student enrolment.
- This year, the 2021-22 Grants for Student Needs (GSN) and Priorities & Partnership Funding (PPF) were announced on May 4, 2021.
- The 2021-22 Operating and Capital Budget will be presented at the June 30 Board meeting for final approval prior to submission to the Ministry.
- By law, school boards are required to balance their budgets by June 30.
- TDSB Trustees and staff work together to create a balanced budget that best supports the achievement and well-being of all students within the funding provided by the province.

Budget Development Process and Report Timelines

October 2020 to
November 2020

Dec 2020 to
January 2021

February
2021

March 2021
to May 2021

June 2021 to
July 2021

Update on 2019-20
reserves status and
2020-21 projected
enrolment.

Preliminary 2020-21
Revised Estimates.

**Written submission
to Ontario Ministry of
Finance on Fall 2020
Budget**

Approval of 2020-21
Audited Financial
Statements

**Release of Ministry
Funding Guide & public
consultation survey.**

Report on 2020-21
Revised Estimates

**Letter to Minister re:
reimbursement of
reserves and pandemic
costs**

2020-21 First Quarter
Interim Report

**3-Year Enrolment
Projections 2022 to
2024**

**2021-22 Preliminary
Financial Forecast**

**2021-22 School Based
Staffing Allocation**

2020-21 Second
Quarter Interim Report

**Approval of 2021-22
Strategic Budget
Drivers**

**2021-22 Grants for
Student Needs
Update and Revised
Financial Forecast**

**2021-22 Budget Public
Information Session**

**Board approval of 2021-
22 Operating and Capital
Budget - June 30, 2021**

**Submission of 2021-22
Budget to the Ministry
by 1st of July (Extension
to be requested)**

Ministry Funding Announcement Recap

On May 4, 2021, the Ministry announced funding in the following areas:

- Staffing
- School Operations
- Transportation
- Special Education Supports
- Mental Health and Well-being Supports
- Re-engaging Students and Reading Assessment Supports
- Technology
- ESL Newcomer Supplement

Ministry Funding Announcement

The Ministry of Education has instructed school boards only to budget half of the following allocations. They will inform school boards in the Fall of 2021 regarding the balance of the allocation, depending on the status of the pandemic.

Staffing

- Total TDSB allocation \$31.5M (budget for the first half of the year at \$15.75M)
- To support staffing in the areas of teaching and classroom support staff, caretaking and school administration

School Operations

- Total TDSB allocation \$3.72M (budget for the first half of the year at \$1.86M)
- To support increased utility costs of running ventilation and changing of filters more frequently

Ministry Funding Announcement

Transportation

- Total TDSB allocation \$3.95M (budget for the first half of the year at \$1.98M)
- To support enhanced cleaning, PPE and staff costs for additional time or drivers

Special Education Supports

- Total TDSB allocation \$1.09M (budget for the first half of the year at \$0.55M)
- To support additional staffing, learning resources and professional development

Mental Health and Well-being Supports

- Total TDSB allocation \$1.23M (budget for the first half of the year at \$0.62M)
- To support additional staffing, training and resources

Ministry Funding Announcement

Re-engaging Students and Reading Assessment Supports

- Total TDSB allocation \$2.21M (Ministry directed to budget for full year)
- To support school boards customized plans to support students including Black, Indigenous, special education, socially and economically challenged, and those disproportionately impacted by the pandemic

Technology

- TDSB allocation \$1.7M - permanent increase to GSN (To budget for full year)
- To support replacement and purchase of devices for students (1:1 Strategy)

ESL Newcomer Supplement

- Total TDSB allocation \$25M (To budget for full year)
- To provide support to programs as a result of decline in newcomer enrolment during the pandemic.

Ministry Funding Announcement

Change in Funding for Secondary Teachers

Online Learning

- Based on Ministry direction that students starting Grade 9 in 2020-21 will be required to earn two credits online as part of the graduation requirements.
- Ministry has updated the funding methodology for online courses by adjusting benchmark funding for classroom teachers.
- Beginning in 2021-22 funding will assume 8% of secondary students will take online courses which will grow to 16% in 2022-23 and 26% in 2023-24.
- The impact of this is a funding reduction of approximately \$2.9M or 26 teachers for 2021-22.

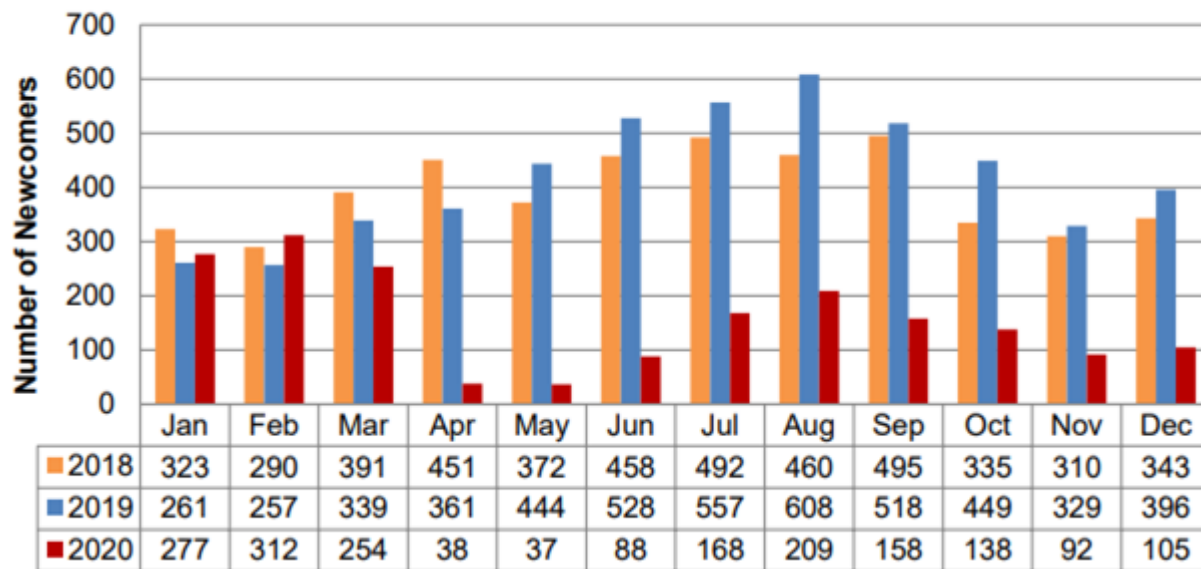
2021-22 Budget Drivers

At the April 21, 2021 Board meeting, Trustees approved these 2021-22 strategic budget drivers. They help guide the budget development process. (not listed in any prioritized order)

- Early Years
- Equitable Access to Learning Opportunities to Serve Our Students, including Indigenous Education
- Human Rights
- Student Success
- Staff Allocation to Support All Students
- Modernization and Accessibility
- Professional Development
- Parent Engagement and Student Voice
- Pandemic Support

2021-22 Enrolment Projections

Monthly Elementary Newcomer Enrolment: 2018, 2019 and 2020



2021-22 Enrolment Projections

Pupils of the Board	2020-21 Revised Estimates	2021-22 Estimates	Enrolment Change
JK	15,115.1	16,228.0	1,112.9
SK	16,985.6	16,287.0	(698.6)
Grade 1-3	52,266.0	51,363.0	(903.0)
Grade 4-8	84,874.0	84,347.0	(527.0)
Total Elementary ADE	169,240.7	168,225.0	(1,015.7)
Secondary ADE	68,791.0	69,585.0	794.0
Total ADE	238,031.7	237,810.0	(221.7)

Key Budget Components - 2021-22 Revenues

Grants for Student Needs	3,015.7	93.3%
Less: Deferred Capital Adjustment (Note 1)	(14.1)	(0.4%)
Subtotal	3,001.6	92.9%
Other Revenue:		
Community Services Funding	55.3	1.7%
School Generated Funds	40.0	1.2%
Leases & Permits	29.6	0.9%
Tuition Fees	26.5	0.8%
COVID-19 Support Funding (see Table C below)	23.0	0.7%
Priorities & Partnership Fund (PPF) (see Table D below)	17.9	0.6%
Secondment	12.2	0.4%
Early ON and Extended Day Program	9.3	0.3%
Interest	6.0	0.2%
Continuing Education	4.8	0.1%
Other Miscellaneous	4.3	0.1%
Cafeteria	3.3	0.1%
Subtotal	232.2	7.2%
Total 2021-22 Forecasted Revenues before Deferred Capital Contribution (in \$Millions)	3,233.8	100.0%

TDSB's 2021-22 projected revenues are forecasted to be \$3.23B.

GSN represents 93.3% of overall revenues.

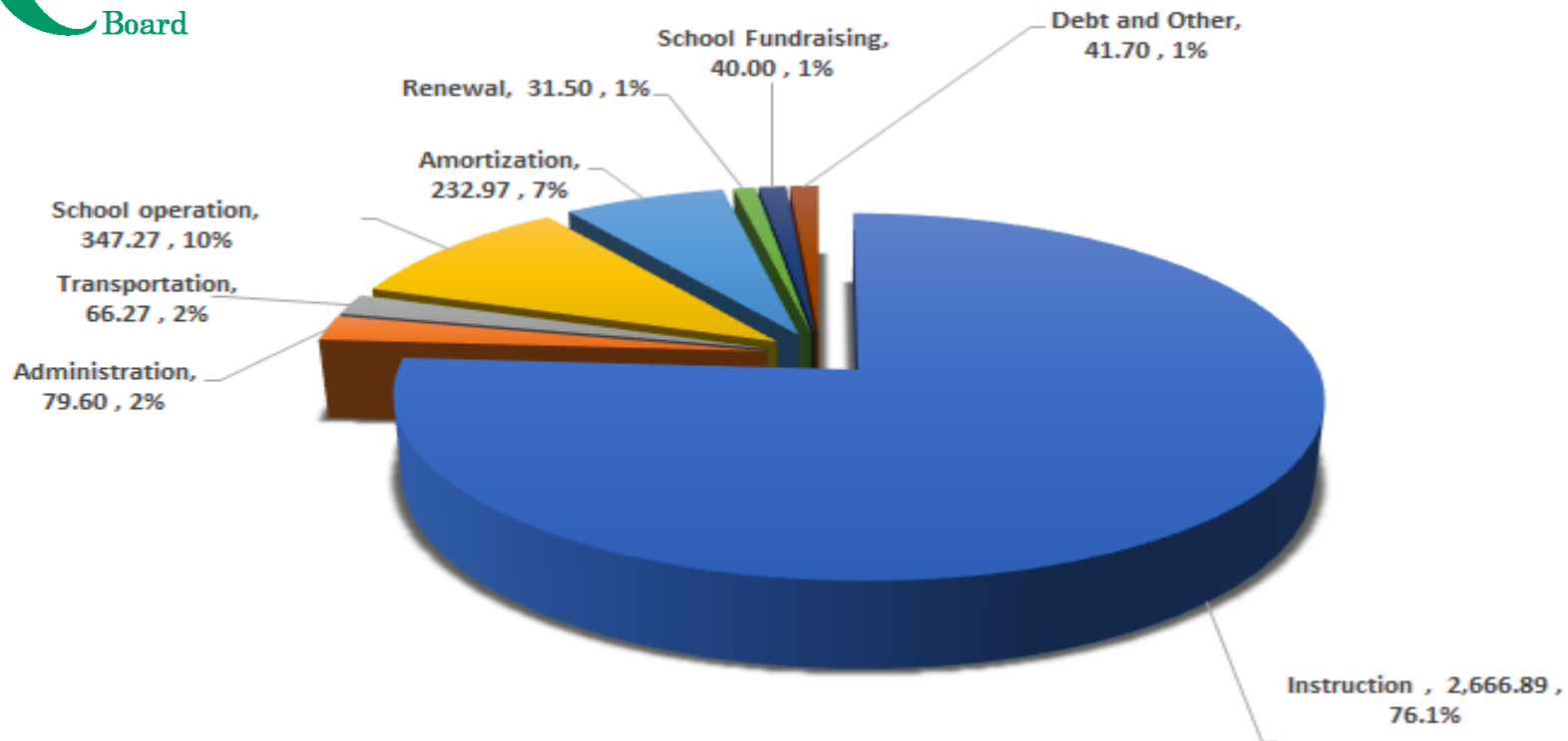
Key Budget Components - 2021-22 Expenses

TDSB's 2021-22 expenses are mainly comprised of the following:

- **Instruction** - school-based staffing, administration and other program staff, learning materials, classroom supplies and equipment, staff training.
- **School Operations** - School operations and maintenance
- **Administration** - Central department staffing and operation costs, utilities/maintenance of admin buildings.
- **School Fundraising** - Expenses from utilization of fundraising proceeds.
- **Transportation** - Pupil transportation costs
- **Amortization** - Amortization of TDSB fixed assets.
- **Renewal, Debt and Other** - Expenses such as cost of financing and other miscellaneous costs.

21-22 Estimated Expenditures

In millions



2021-22 Financial Projections

(as of June 2021 in millions)

Structural Deficit prior to Pandemic		\$(36.3)
Revenue changes:		
ESL Stabilization	25.0	
Secondary Online Learning Model Impact on Foundation Funding	(2.9)	
Visa Student Revenues	(2.3)	
Net Impact of School Operations Funding Offset by Supplementary Area Factor Adjustment	1.4	
Benefit Benchmark Annual Reduction for Retirement Gratuities	(2.5)	
		\$18.7
Cost changes:		
Semi-Fixed Operating Costs impacted by Enrolment Reduction	(17.3)	
Additional Teacher Allocation to Support ESL at 19-20 Levels	(25.0)	
Student Information System Implementation Year 2	4.2	
Insurance Premium Increases	(1.6)	
Pay Equity	(2.4)	
Actuarial Future Employee Benefit Costs	(1.0)	
One-time HST Rebate	(2.0)	
Annual Increase in Employer Costs of CPP	(8.0)	
Additional Vice Principal Staffing Approved by Board	(1.4)	
		\$(54.5)
Projected 2021-22 Deficit:		\$(72.1)

2021-22 Financial Projections

Use of Reserves

- Currently the Board is forecasting a 2.4% deficit for the 2021-22 school year and will be utilizing reserves to balance the budget to avoid reducing programs to students during the pandemic.
- Per Ministry regulation, school boards can only have an in-year deficit equal to lesser of working funds or 1% of operating budget. If they anticipate an in-year deficit of greater than 1%, they must seek the Ministry's approval.
- Ministry announced that should school boards utilize reserves over 2% of operating budgets across the 2020-21 and 2021-22 school years, funding would be available to support the differences up to 2%. As a result of this announcement, TDSB is anticipating to receive \$34.6M, from the Ministry (subject to approval and actual financial results) at the end of the 2021-22 school year.

Risks and Challenges

- Revenue Impact
- Staffing Costs
- Enrolment
- Use of Benefit Reserves
- Utilities Costs
- Pandemic Costs

Questions & Answers



