

TORONTO DISTRICT SCHOOL BOARD

PRELIMINARY THREE-YEAR FINANCIAL PROJECTIONS

TO Finance, Budget and Enrolment Committee 25 January 2017

RECOMMENDATION **IT IS RECOMMENDED that the report be received.**

STRATEGIC DIRECTION

- Form strong and effective relationships and partnerships.

BACKGROUND Appendix A contains the Projected Pupils of the Board for the years 2016-2020. The net change in enrolment for the 2017-2018 year for the Board is a small increase of approximately 16 students.

Appendix B outlines the Projected Three Year Financial Position of the Board based on the assumptions outlined in this report. The Board is currently forecasted to have a balanced position for the 2017-2018.

These projections were prepared based on the following information and assumptions:

1. Grant projections are based on the current government funding model in place for 2016-2017. This modelling does not include any changes for ratified collective agreements. Previously announced multi-year funding changes by the Ministry to individual grant allocations have been updated as follows:
 - a. Special Education High Needs amount - This grant is being changed from its' historical enrolment based method to a statistical regression model based on census data. The reductions to the High Needs amount, the projection for the final year of phase-in is \$4.0M for 2017-2018
 - b. School Facility Operations and Renewal Grant funding – Funding from this allocation supports caretaking, maintenance, renewal and utility costs. This allocation is being adjusted over three years starting in 2015-2016. The changes in this grant are an increase to operating and renewal

benchmarks, elimination of the top-up allocation of both grants and updating of Board specific adjustment factors. The estimated impact on 2017-2018 is \$8.9M.

- c. Administration and Governance Allocation – This allocation supports the administrative costs of a school board. The allocation is being revised over a four year period. It is projected that the impact to the final year phase in will be \$0.5M.
 - d. School Foundation Allocation – This allocation supports the costs of school administration. Starting in 2015-2016 this allocation is being adjusted over three years. The purpose of the change is to shift funds from very small schools to larger, remote or combined schools.
- 2. Classroom teachers and other school based staff have been adjusted for changes in enrolment each year, while all other staff are being maintained at 2016-2017 levels.
 - 3. Increases in utility costs will be offset by grant increases.
 - 4. Assumes any contract settlements will either be funded within the current funding model (i.e. increase funded through other offsets within grants) or additional funding will be provided to offset increased costs.

In late November the Planning Department updated their three year projections based on the actual 31 October 2016 enrolments received from schools. Planning will continue to monitor enrolments and will updated projections as additional information becomes available.

APPENDIX Appendix A: Projected Enrolments
Appendix B: Projected Three-Year Financial Position

FROM Craig Snider, Senior Business Officer at craig.snider@tdsb.on.ca or 416-395-8469 or Carla Kisko, Associate Director, Finance and Operations at carla.kisko@tdsb.on.ca or 416-397-3188.

Projected Pupils of the Board Enrolments

	Actual	Projected			
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
JK/SK	35,153.6	35,397.3	35,566.7	34,938.7	35,090.7
Grades 1 to 3	53,396.4	53,347.7	52,751.5	52,932.0	52,744.5
Grades 4 to 8	81,060.6	82,386.9	83,151.6	83,429.1	83,624.6
Total Elementary	169,610.5	171,131.9	171,469.7	171,299.7	171,459.7
Secondary	71,457.9	70,707.5	70,385.5	69,993.0	69,933.0
Total Day School	241,068.4	241,839.5	241,855.2	241,292.7	241,392.7

Net Change Year over Year Enrolment Analysis

	16-17 vs 15-16	17-18 vs 16-17	18-19 vs 17-18	19-20 vs 18-19
JK/SK	243.8	169.3	(628.0)	152.0
Grades 1 to 3	(48.7)	(596.2)	180.5	(187.5)
Grades 4 to 8	1,326.3	764.7	277.5	195.5
Total Elementary	1,521.4	337.8	(170.0)	160.0
Secondary	(750.3)	(322.1)	(392.5)	(60.0)
Total Day School	771.1	15.7	(562.5)	100.0

Projected Three Year Financial Position

Millions

Description - increase/(decrease)		2017-2018	2018-2019	2019-2020
Opening Balance Working Funds		\$18.7	\$0.0	\$(3.3)
Change In Grant Revenue - increase/(decrease)				
	Pupil Foundation enrolment		(9.2)	(5.0)
	Declinin ESL enrolment	(2.0)	(2.4)	(1.8)
	Special Education High Needs Amount	(4.0)		
	Administration and Governance Allocation	(0.5)		
	Facilities Top-up allocation	(8.9)		
	Declining Enrolment Grant	(2.4)	2.1	(1.6)
	Total Grant Changes	\$(17.8)	\$(9.5)	\$(8.4)
Change in Costs - increase/(decrease)				
	Staffing costs to support student enrolment	6.2	(10.2)	(6.3)
	Pension and Payroll taxes	1.0	1.0	1.0
	Total Cost Changes	\$7.2	\$(9.2)	\$(5.3)
Offsets				
	Additional in-year savings	6.3	\$(3.0)	
	Total Offsets	\$6.3	\$(3.0)	\$0.0
Projected Net Financial Position - Surplus/(Deficit)		\$0.0	\$(3.3)	\$(6.4)