

Balancing the 2014-2015 Operating Budget

Ward Forum Presentation



Introduction

- Introduction of staff
- Brief outline of presentation
 - TDSB Profile
 - Operating versus Capital Budgets
 - Budget Risks
 - 2014-2015 financial forecast
 - Proposed options to balance budget
- Questions and Answers
- Next Steps

The Years of Action 2013-2017

- Every decision will support students.
- We'll have a three-year budget in June.
- We'll have a balanced operating budget for 2014-2015 in March.

Profile

- 248,000 students in 588 schools
- Over 100,000 adult learners
- 56% of students home language other than English
- Annual operating budget of \$3.0B
- Funding Sources:
 - ✓ Provincial grants = \$2.6B
 - ✓ Other revenues = \$0.4 B
- Capital budget totaling \$200M
- 28,300 school based and school support staff
- 1,200 central staff

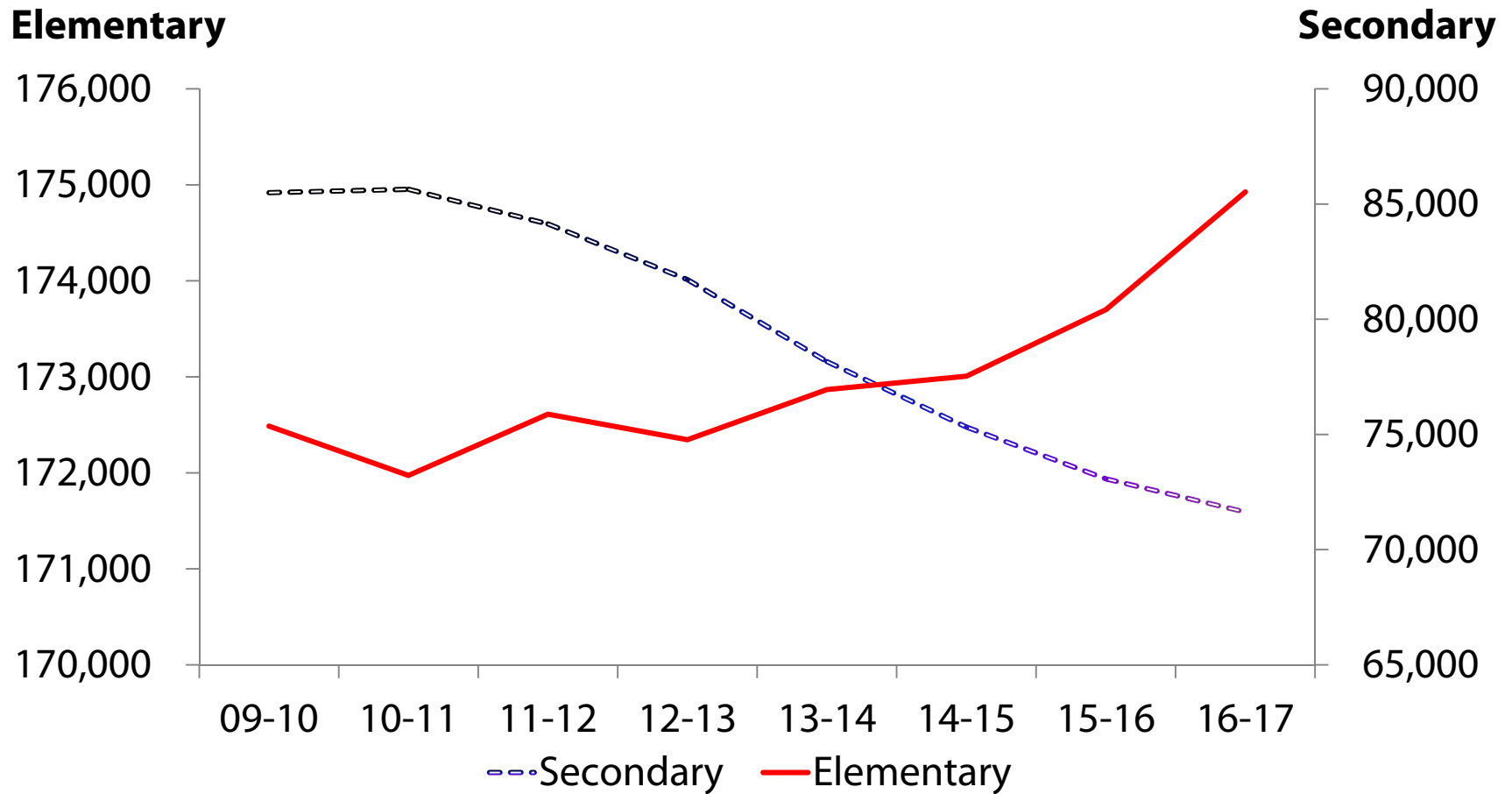
Operating vs. Capital Budgets

- Operating budget (March) and a Capital budget (June)
- An Operating Budget represents the annual expenditure plan for the board, supporting student learning and board operations.
- The Capital budget is a plan for addressing growth and retrofitting school facilities.

Simplified Budget Process for 2014-15

- In March, the Board will vote on the full operating budget for the 2014-15 school year.
- In previous years the Board approved the school based staffing in March and the balance of the budget in June.
- Goal of new approach is to provide a complete financial plan for well in advance of the start of the school year.

Enrolment Trends



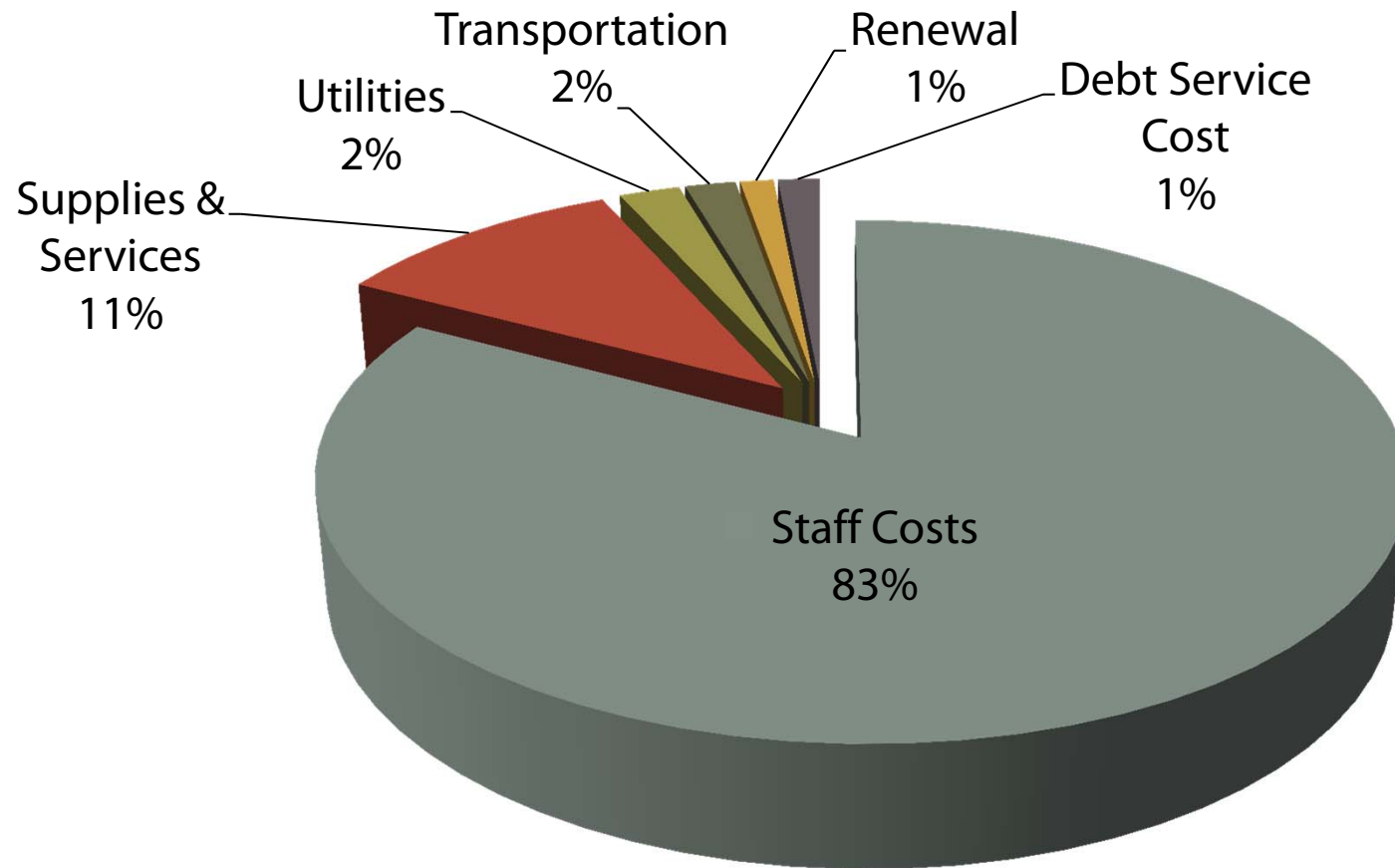
Elementary Day School Enrolment (Head Count)

Elementary	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Kindergarten	34,382	35,153	36,149	36,513	36,249	36,151	36,006	36,194
Grades 1 to 3	51,465	51,864	52,579	53,127	54,068	54,834	55,044	54,783
Grades 4 to 8	86,464	84,793	83,748	82,603	82,425	81,894	82,524	83,822
International Students	177	164	136	103	128	128	128	128
Total	172,488	171,974	172,611	172,346	172,869	173,007	173,702	174,927
Year over Year Change in Enrolment		(514)	638	(266)	523	138	695	1,225

Secondary Enrolment

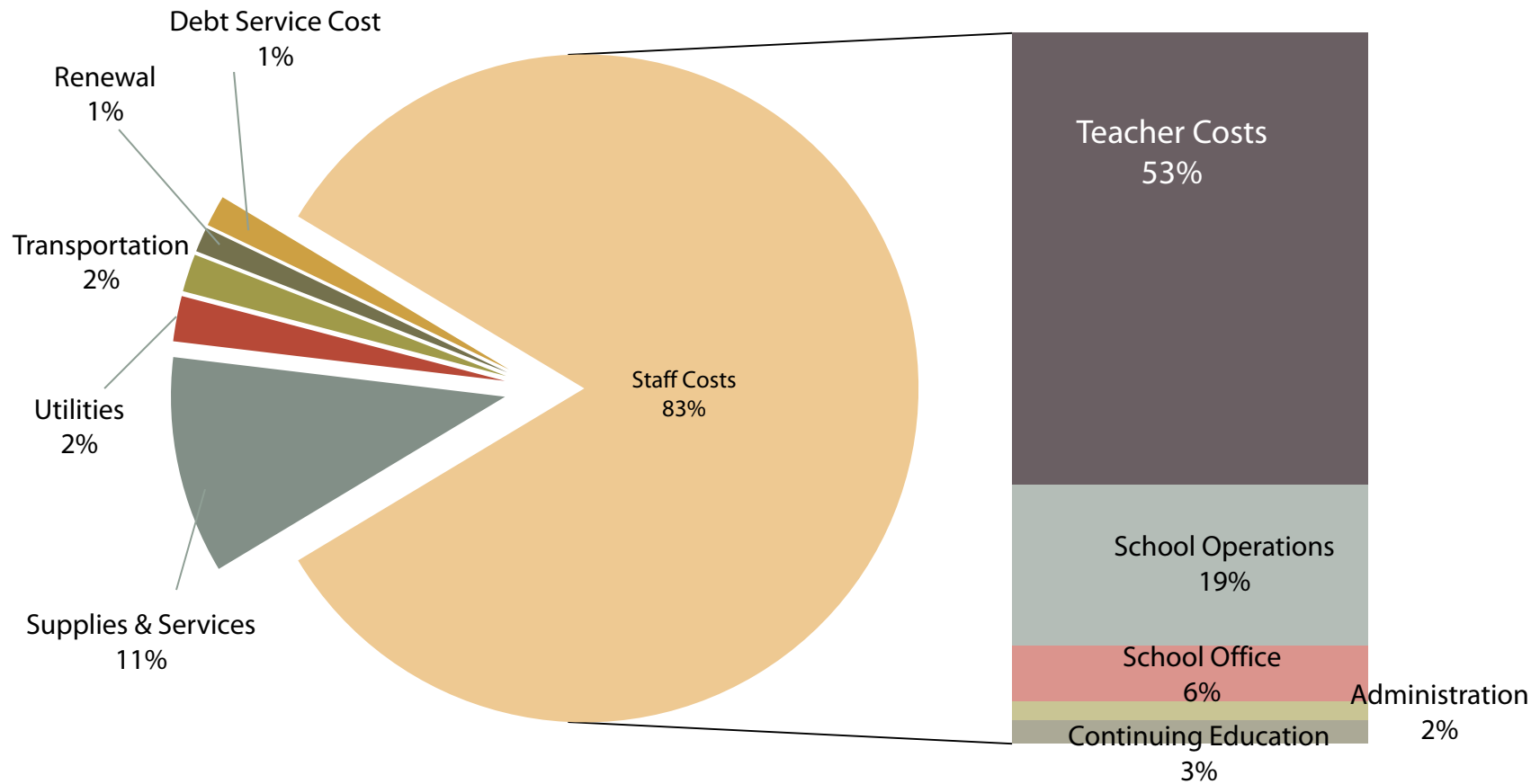
	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Regular Day School	84,473	84,506	82,967	80,444	76,073	73,345	71,114	69,688
High Credit					840	627	627	627
Students over 21	216	214	156	146	117	112	100	83
International Students	806	923	1,019	1,132	1,136	1,236	1,236	1,236
Total	85,496	85,642	84,142	81,721	78,165	75,320	73,077	71,635
Year over Year Change in Enrolment		147	(1,501)	(2,420)	(3,556)	(2,845)	(2,243)	(1,442)
Note: Ministry High Credit funding change started in 2013-2014								

Operating Expenditure Plan



Note: Supplies and Services includes school budget, department supplies, maintenance and contract services.

Operating Expenditure Plan



Budget Assumptions

- Projected enrolments
- Provincial grants based on 2013-14 funding model
- Inflationary adjustments (utilities, payroll taxes)
- Increased transportation costs due to additional FI routes
- Adjustments for service contracts, operational supplies
- Contingency

Budget Risks

- Enrolment projections to actuals
- Provincial grant changes
- Inflation assumptions
- Unanticipated events (weather, public health, labour disruption, government policy changes)
- Legal

2014-2015 Projected Revenues

Items	Amount (in millions)
Change in GSN revenue due to enrolment	\$(29.8)
Phase V Incremental Funding for Full Day Kindergarten (FDK)	\$48.8
International Students Enrolment increase	\$1.8
Change in Revenue year over year	<u>\$20.8</u>

2014-2015 Projected Expenditures

Items	Amount (in millions)
Changes due to enrolment and staffing demographics	\$(24.7)
FDK Program staffing and other costs for Phase V	\$45.2
Other payroll and benefit changes	\$2.0
Utility increases	\$3.0
Transportation increases for routing	\$0.5
Other cost changes	\$4.0
Contingency	\$5.0
Reinstatement of Renewal Maintenance	<u>\$(1.8)</u>
Change in Expenditures year over year	<u>\$33.2</u>

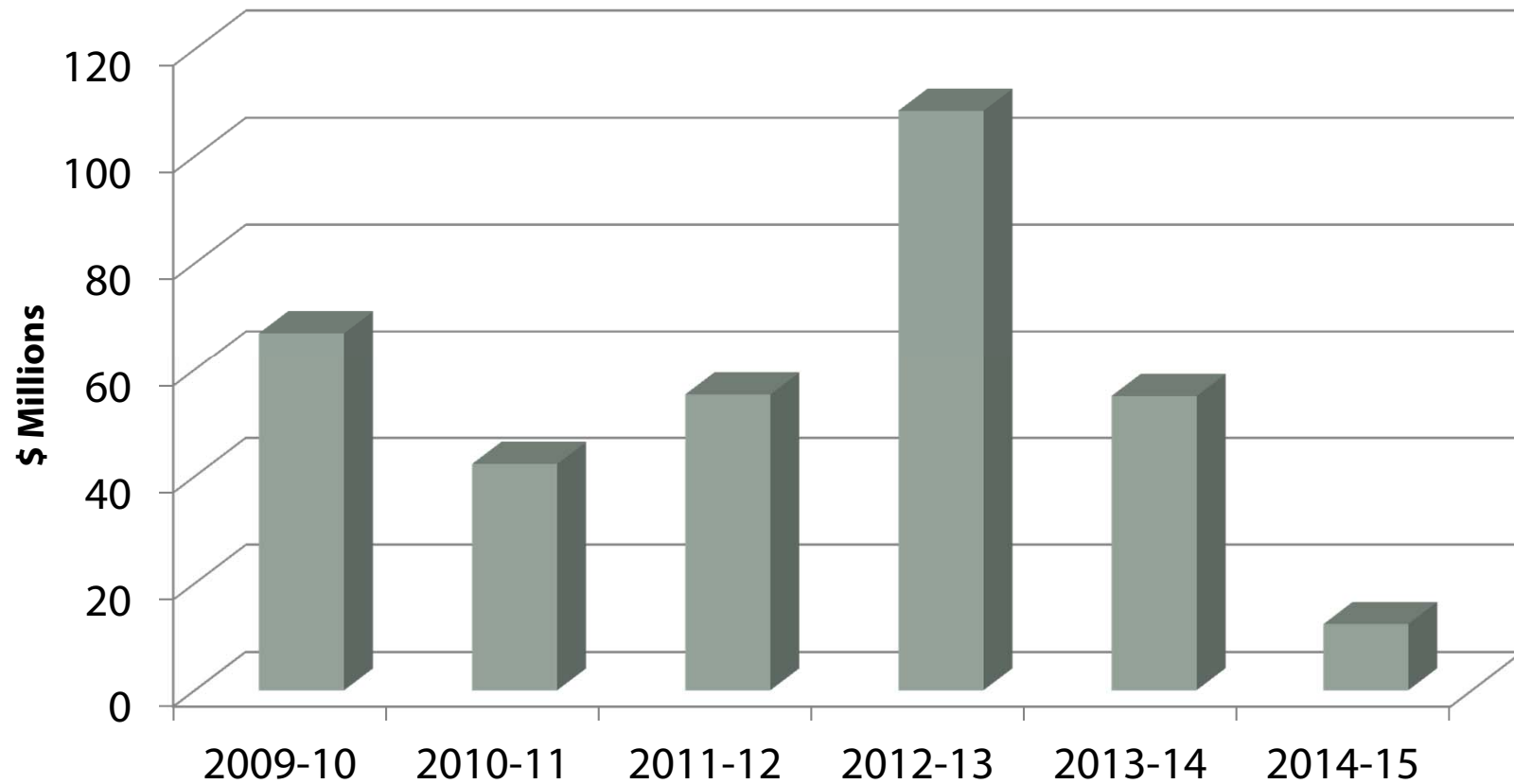
Projected Financial Forecast

Items	Amount (in millions)
Grant and Revenue changes	\$20.8
Projected Expenditure changes	<u>\$33.2</u>
Projection Financial Position Surplus/(Deficit)	\$(12.4)

Proposed Options to Balance

	(\$)
Options	Amount Recommended
Reduction in overtime in Facility Services	900,000
Facilities productivity savings	2,300,000
Non-school based staffing reductions through attrition	2,500,000
Transportation alignment of costs	1,000,000
Efficiencies in Permit department	100,000
Attendance Management	1,800,000
Efficiencies in Payroll Services	200,000
Policy review of mileage claims	100,000
In-Year Savings	3,500,000
Total	<u>\$12,400,000</u>

Budget Reductions Required in Prior Years



Next Steps

- Community Budget Sessions throughout February
- Proposed Balanced Budget to Board March 5th
- Multi-year Proposed Operating Budget Plan to Board June
- Community Information Sessions on Proposed Long Term Program and Accommodation Plan - May
- Multi-year Proposed Capital Budget to Board June

Questions?



