



**Finance, Budget and Enrolment Committee  
(Special Meeting)  
Report No. 5**

FBEC:005A  
Tuesday, March 19, 2024  
4:30 p.m.  
Hybrid Meeting  
Boardroom, 5050 Yonge Street

Members Present Trustees Zakir Patel (Chair), Michelle Aarts, Matias de Dovitiis, Liban Hassan, Shelley Laskin, James Li and Dan MacLean

Also Present Trustees Rachel Chernos Lin, Alexis Dawson, Sara Ehrhardt, Malika Ghous, Dennis Hastings, Debbie King, Patrick Nunziata, Weidong Pei, Yalini Rajakulasingam, Farzana Rajwani, Neethan Shan, Anu Sriskandarajah, Deborah Williams and Manna Wong

The meeting was a hybrid model with Trustees Aarts, Chernos Lin, de Dovitiis, Hassan, Hastings, Laskin, MacLean and Patel participating in person, and other trustees present participating by electronic means in accordance with [amendments to Section 7 of Ontario Regulations 463/97, Electronic Meetings](#).

**Part A: Committee Recommendations**

**1. Proposed Options to Balance the 2024-25 Budget [4668]**

The Committee considered a report from staff (see FBEC:005A, page 1 and attached) presenting information on proposed options to balance the 2024-25 budget.

**Moved by:** Trustee Chernos Lin

**Seconded by:** Trustee Aarts

The Finance, Budget and Enrolment Committee **RECOMMENDS** that the report **be received**.

**Carried**

## 2. Business Arising: Vice-Principal and School Safety Positions

At the Committee meeting, Trustee Laskin, seconded by Trustee MacLean, moved the following as business arising following the matter, Proposed Options to Balance the 2024-25 Budget [4668]

**Moved by:** Trustee Laskin

**Seconded by:** Trustee MacLean

The Finance, Budget and Enrolment Committee **RECOMMENDS:**

**Whereas, on March 6, 2024, the Board decided:**

That, in preparation of the detailed options to balance the 2024-25 Budget that will be coming to a special meeting of the Finance, Budget and Enrolment Committee on March 19, 2024, that staff reconsider assumptions presented to the Finance, Budget and Enrolment Committee on January 29, 2024 in preparation of the projected 2024-25 Financial Position, specifically the removal of the vice-principal positions added through the 2023-24 budget process, and the safety positions that were added in January 2023

**Therefore, be it resolved:**

That, prior to determining options to balance the 2024-25 budget, the vice-principal and safety positions that were assumed to be reduced in the original projection at a cost of \$6.8M, as presented in the report, be added back, to bring the starting deficit position from -\$20.8M to -\$27.6M.

Carried

### Part B: For Information Only

## 3. Call to Order and Acknowledgement of Traditional Lands

A special meeting of the Finance, Budget and Enrolment Committee was convened on Tuesday, March 19, 2024, from 4:32 to 9:40 p.m. with Zakir Patel, presiding. The purpose of the meeting was to consider budget matters.

## 4. Declarations of Possible Conflict of Interest

No matter to report

## 5. Delegations

No matter to report

## 6. Adjournment

On motion of Trustee Laskin, seconded by Trustee Aarts the meeting adjourned at 9:40 p.m.

## **Part C: Ongoing Matters**

### **7. Written Notices of Motion**

Trustees MacLean and Aarts provided notice of the following for consideration at the next regular meeting of the Planning and Priorities Committee.

#### **Lifting the Ministry of Education's Moratorium on School Closures**

Whereas, the moratorium on school closures has been in effect since 2017, limiting the ability of school boards to close and amalgamate under-utilized and under-enrolled schools; and

Whereas, the operation of under-utilized and under-enrolled schools creates costly operational budget pressures and programming challenges; and

Whereas, prior to 2015, the Ministry of Education provided "top-up" funding through the School Facilities Operation and Renewal Grant to support the operation and maintenance of facilities where enrolment was under capacity; and

Whereas, the Toronto District School Board (TDSB) previously received \$35.5 million in "top-up" funding per year prior to the phasing out of the School Facilities Operation and Renewal Grant beginning in 2015; and

Whereas, the Ministry of Education eliminated the "top-up" funding in 2018; and

Whereas, in recognition of the costs incurred by and programming limitations associated with under-utilized and under-enrolled schools, TDSB Trustees passed the Secondary Review recommendations in November of 2020, committing to:

- i. have fewer but larger secondary schools that provide greater access, improved programming, and rich pathways as close to home as possible, ideally serving a minimum of 1000-1200 students each;
- ii. strengthen the role of the neighbourhood secondary school;
- iii. continue to support specialized schools and programs, with a focus on increased access for all students; and
- iv. have larger neighbourhood schools with the flexibility to respond to students needs and interests by creating programs they desire, supported by strong enrolment;

And

Whereas, TDSB staff project potential operational savings of \$585,000 per year for each of the Pupil Accommodation Reviews in the Long-Term Program and Accommodation Plan (LTPAP) associated with each school consolidation project.

These potential savings do not include the deferred maintenance that could be eliminated should school consolidations be allowed to proceed, creating even further savings; and

Whereas, the TDSB has strongly advocated for many years now, along with other school boards and the Ontario Public School Boards' Association (OPSBA), on behalf of all school Ontario boards, for the lifting of the moratorium on school closures; and

Whereas, the Provincial government, including the Ministry of Education, repeatedly asks school boards to provide feedback on potential efficiencies and cost savings, and based on provisions included in Bill 98 seems particularly interested in superfluous landholdings of school boards;

Therefore, be it resolved:

- (a) That the Chair of the Board and the Director of Education write a letter to the Minister of Education:
  - i. advocating once again for the removal of the Ministry of Education's 2017 moratorium on school closures;
  - ii. proposing that if the Ministry of Education is unable to lift the moratorium, that they grant the Toronto District School Board a special exemption allowing the TDSB to provide improved programming for students by closing up to four schools per year, until such a time as the moratorium is lifted provincewide;
  - iii. indicating that this will allow the TDSB to both operate in a more financially efficient manner, while at the same time, better serve the needs and aspirations of students, families, and communities in the district;
- (b) That the Ontario Public School Boards' Association (OPSBA) and all Toronto area Members of Provincial Parliament be copied on the correspondence at Part (a).

Submitted by: Zakir Patel, Committee Chair

# Options to Balance

## Finance, Budget and Enrolment Committee

March 19, 2024



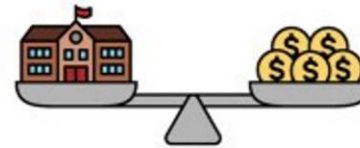


## Updated Financial Position

- On January 29, 2024, staff estimated a projected deficit for 2024-25 of \$34.8 million
  - \$50.7 million if use of Proceeds of Disposition (POD) not approved
- Staff continue to finalize expenditures, i.e. school based staffing and utilities
- Updated financial position is \$ **20.8 million**
  - \$36.7 without use of POD



## Requirement to Submit Balanced Budget



- Requirement under the Education Act to submit a balanced budget
- In a regular year, the Board is allowed to submit a deficit of the great of:
  - 1% (approximately \$30 million); or
  - The Board's Accumulated Reserves (approximately \$13.8 million)
- However, the Board is in year 3 of it's 3 year deficit recovery plan
  - The original commitment was a surplus of \$8.2 million to start to build back the reserves that have been used to offset the structural deficits in previous years



## Structural Deficit

- TDSB is operating a structural deficit
  - Planned spending is greater than expected revenue
- In some cases, TDSB is choosing to spend more in certain areas than funded based on priorities.
- In some cases, TDSB is not fully funded for certain areas



## Reasons for Structural Deficit

- Canada Pension Plan (CPP) has been gradually increasing from 4.95% in 2019 to 5.95% in 2023. In 2024, a second additional contribution rate was added.
- EI has also been increasing over this period of time
- There has not been a corresponding increase in funding.
- The total underfunding for these statutory benefits in 2024-25 will be \$35.2 million.



Statutory Benefits  
(Canada Pension Plan  
and Employment  
Insurance)



## Reasons for Structural Deficit



Difference in Funding for Teacher Salaries vs. Actual Salary Cost

- In 2014, the Province began Central Bargaining and came up with a central teacher grid.
  - Funding for teachers is based on this grid.
- At that time, the TDSB grid was higher than the central grid leading to an unfunded amount per teacher
- The amount continues to increase annually as the centrally bargained percentages are applied.
- The amount that is unfunded in 2023-24 is \$22.3 million.





## Reasons for Structural Deficit

- TDSB has more capacity than it has students
- This results in underutilized schools and the potential to close schools to reduce operating costs
- The issue is that the moratorium on school closures prevents TDSB from closing schools
- In addition, the Ministry eliminated the “top up” grant that recognized that it costs the same to operate an underutilized school as a fully utilized school and then prevented Boards from being able to fix this issue.
- The top up grant for TDSB was approximately \$35 million in 2014/15 and enrolment has decreased since this time.



Cost of Operating Under-Utilized Schools due to School Closure Moratorium





## Reasons for Structural Deficit



Replacement Costs  
for Sick Leave

- The Putting Students First Act changed the allocation of sick leave in 2012.
- Since this change, SBCI says that the Provincial average use of sick days has doubled from 8 to 16 days
- Each day costs the Board approximately \$600,000 in replacement costs.





## Things to Consider

- Draft Multi-Year Strategic Plan
  - Report for March 21, 2024 PPC
    - Commitment to Truth and Reconciliation Commission of Canada: Calls to Action
    - Equity is foundational to all our work
    - Four draft strategic directions Belong, Achieve, Thrive and Revitalize
  - Ministry of Education Student Achievement Plan expectations
- Ministry Regulations
- Collective Agreements
- Impact of Decisions on Direct Support to Students

# Proposed Options to Balance



# Continuing Education



# Continuing Education

## Final Summary for 2023-2024 and Estimated Savings through Program Changes

Continuing Education Programs	Financial Summary 2023-2024	Estimated Program Savings at Full Implementation
International Languages Elementary - African Heritage	(\$2,906,589 )	\$1,185,000
General Interest/Seniors' Daytime Courses	(\$694,954)	\$694,954
Adult Day Schools	(\$2,528,836 )	\$2,183,582
<b>Total deficit</b>	<b>(6,130,379)</b>	<b>\$4,063,536</b>



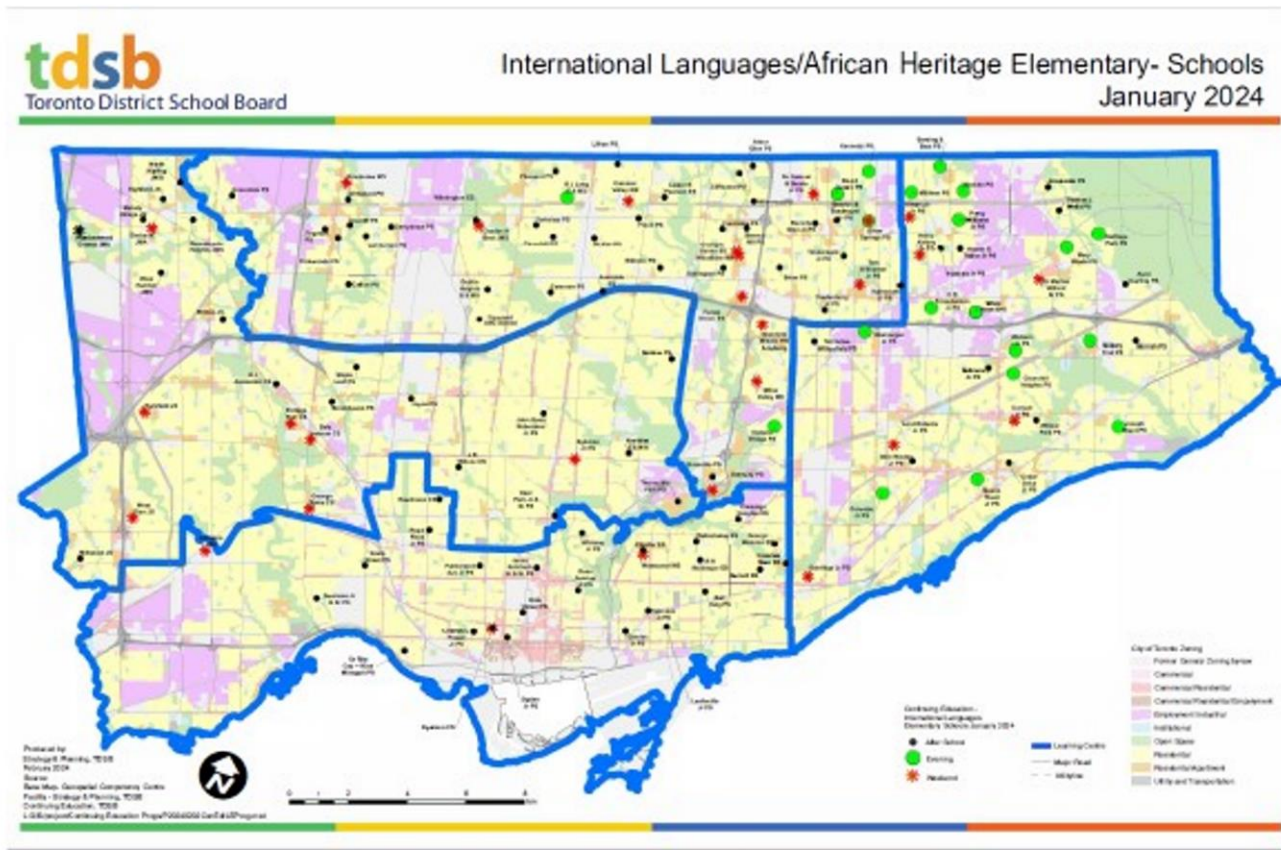


# International Languages/African Heritage Program

*Background:*

- The International Languages/African Heritage Program runs at a \$2.9M deficit
- Salary and benefits exceed funding levels
- A jurisdictional scan of neighbouring boards that most have a minimum enrolment of classes of 25 students and operate fewer sites
- TDSB offers International Language/African Heritage Programs in 135 sites





# International Languages/African Heritage Program

*Program changes include:*

- Creating community hubs through larger sites to maximize enrolment per instructor enough to accommodate students from larger catchment areas. This will enable more families to access classes through the weekday programming.
- Migrating course times to 5:30 p.m. to 8:00 p.m. (weekdays) and Saturdays.
- Pre-registering a minimum of 25 students to open a new class.
- Monitoring attendance in each class to respond to increased or decreased numbers of students attending.
- Aligning sites with community presence so that existing relationships and structures continue to thrive.
- Migrating to a staffing level of one Program Officer and one ILE/AH Administrator for each site so that instructors, students and families may benefit from a responsive, familiar and supportive leadership team.

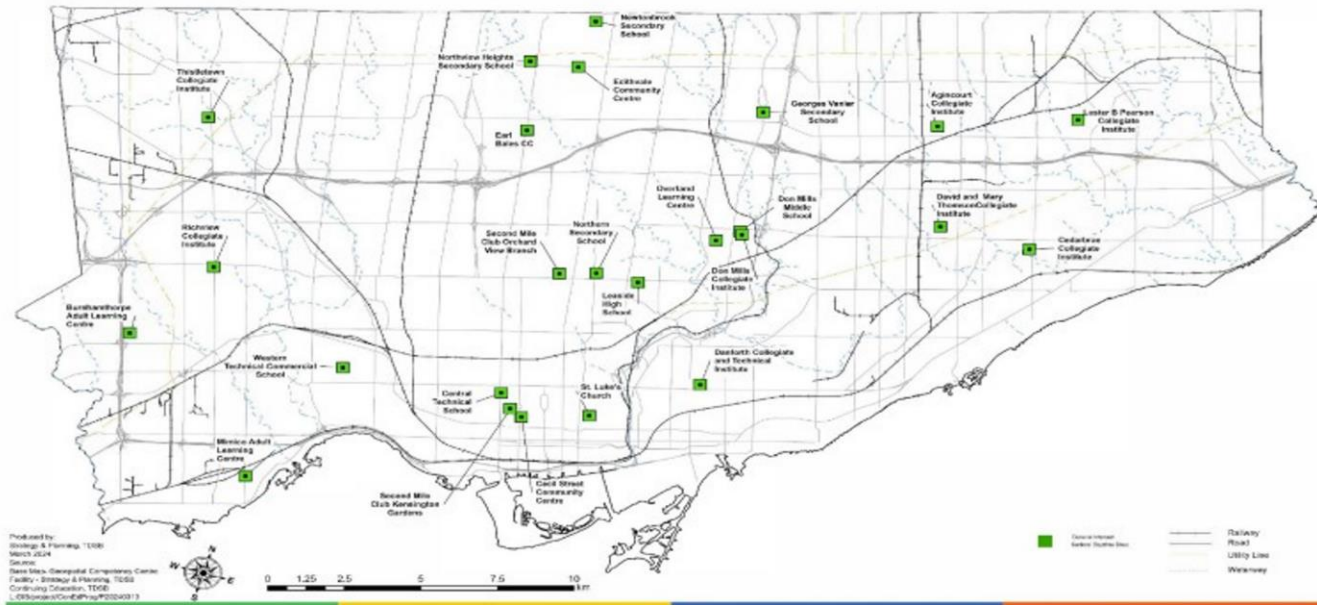



## Community Programs (General Interest/Seniors' Daytime)

*Background:*

- General Interest/Seniors' Daytime Programs are projected to have an in-year \$0.7M deficit.
- Policy 019 outlines, "The Board will provide...community programs for adults 18 years of age and older to provide them with opportunities to develop knowledge and skills and to maintain a healthy, active lifestyle...Community programs should be fully funded by user fees and other revenues."
- Course fees were raised by 20% in 2023 -2024 in an effort to become fully funded.
- Overall enrolment has declined by 15%.







## Community Programs (General Interest/Seniors' Daytime)

*Recommendation:*

- Given the provision of similar courses in Toronto to interested community members, the needs of K-12 TDSB students, and a projected persistent deficit, it is recommended that the TDSB no longer provide General Interest/Seniors' Daytime programming.





# Adult Day Schools

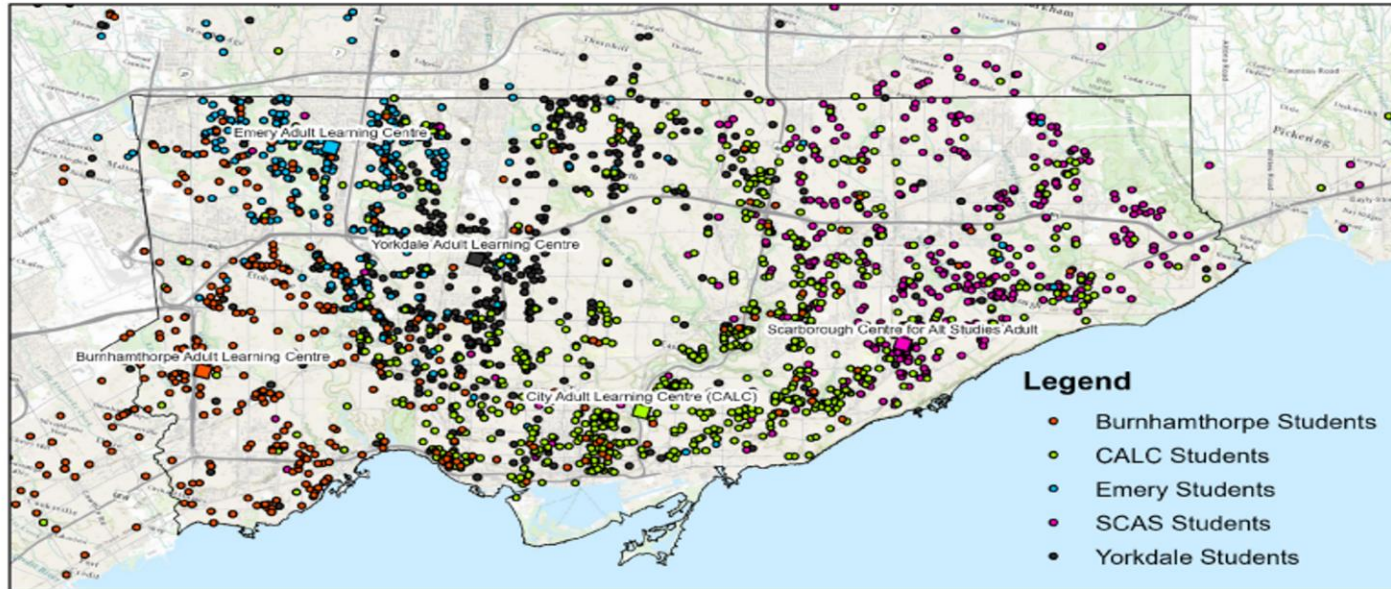
*Background:*

- TDSB operates five Adult Day Schools (Burnhamthorpe Adult Learning Centre, City Adult Learning Centre, Emery Adult Learning Centre, Yorkdale Adult Learning Centre and Scarborough Centre for Alternative Studies), funded through the Continuing Education grant.
- In addition, each Adult Learning Centre houses an EdVance program for students aged 18 to 20 that generates funding as do all other secondary day schools.
- Average Daily Enrolment at Adult Day Schools has declined by 50% since 2009. Maintaining support for adult day learners and fiscal responsibility will be prioritized while restructuring Adult Day Schools.





### Distribution of Adult Students (March 2024)



Service Layer Credits: Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, © OpenStreetMap contributors, and the GIS User Community

0 5 10 Km







# Adult Day Schools

*Recommendations:*

- Program changes to Adult Day School are proposed to include fewer sites, optimizing class enrolment and retention across all sites, streamlining registration processes, delivering all adult virtual courses at one Adult School.



# Outdoor Education





## TDSB Outdoor Education Background

From the beginning of TDSB the importance of Outdoor Education has been recognized through Board Motions which have mandated that all students have equity of access to these programs.

*Every Grade 6 or 7 student will have the opportunity to participate in an overnight program and every JK to Grade 8 students will have opportunities to participate in day programs. In addition, there will be limited opportunities for secondary students to participate in both overnight and day experiences.*

Board Motion June 2000





## TDSB Outdoor Education

**Financial Summary 2022-2023  
Proposed Changes**

Outdoor Education	Financial Summary
Operating Budget	7.2 Million
Revenue	2 Million User Fees 2.1 Million GSN
Total Deficit	(3.1 Million)

**Estimated Savings From**

Action	Estimated Savings
Eliminate Weekend Grade 6 Trips to SOES	\$300,978
Charge Transportation Costs to Schools 151+ for trips to Overnight Centres	\$422,000
Increase User fees for Day Centers	\$300,000
Total	\$1,022,978





## TDSB Outdoor Education Proposed Changes

### **Eliminate Weekend Grade 6 Trips to Scarborough Outdoor Education Centre (SOES)**

- Of the 5 Overnight Centres, SOES is the only one that offers regular Grade 6 weekend trips.
- Last year programs ran on 15 weekends serving approximately 1,000 students.
- There are enough spaces at SOES and the other Overnight Centres to accommodate these students during the week.

Impact of Change	Estimated Savings
Reduction of 2 Outdoor Education Specialists Positions	\$235,978 (Salary and Benefits)
Food Contract Costs	\$65,000
<b>Total Savings</b>	<b>\$300,978</b>





## TDSB Outdoor Education Proposed Changes

### Share Transportation Costs to Overnight Outdoor Education Centres with Schools

- Currently, transportation costs to overnight sites are covered by the Outdoor Education Budget.
- By shifting the costs of transportation to participating schools we can reduce costs centrally.
- To acknowledged the impact on schools lower on the LOI, the costs for transportation for LOI 150 schools will continue to be covered by Outdoor Education.

Impact of Change	Estimated Savings
Transportation Costs to Outdoor Ed Centers for Schools LOI 151 and above will be covered by participating School Budgets	\$422,000





## TDSB Outdoor Education Proposed Changes

### User Fee Increase for Visits to Outdoor Education Day Centres

- User Fees are collected to support facility maintenance costs at Outdoor Education Centres.
- The Fees are on a sliding scale depending on the LOI of the school.
  - Currently Fees per student are \$5.00, \$7.50 and \$10.00.
  - Proposed Fees per student are \$10.00, \$15.00 and \$20.00
- Schools will have the discretion to utilize local funds (eg school budget, local fundraising, grants etc) to waive fees for students based on family needs.

Impact of Change	Estimated Revenue
User Fees for Day Outdoor Education Centres will increase on a sliding scale	\$300,000



# Increase In/Resumption of User Fees







## IB Fees

- In 2019, the Board approved a motion to collect IB Fees
- In 2020, as a result of the pandemic and the temporary change in the delivery of the program, the Board was not paying certain expenses related to IB and the Board approved a motion to eliminate the IB fees
- This decision was seen as a “pause” during the pandemic
- Recommendation:
- Now that the program and expenses have returned to pre-pandemic levels, staff is recommending that the Board return to the intention of the 2019 motion.



## Permit Fees

- Policy P011 “Community Use of Board Facilities” provides direction with regards to permit fees
- There are 2 areas covered in the policy where permits fees are impacting the budget:
  - The Board has not been fully recovering ancillary costs including staffing of non-scheduled custodian services, media and technology specialists, stage crews, security officers and parking attendants. The recovery of these costs would generate an additional \$3.1 million.
  - The Board has been overusing the subsidy provided by the Ministry by \$2.5 million.



## Permit Fees

- Recommendation:
- Review the permit fees to ensure that fees are being appropriately charged based on the Policy and funding
- Implement CPI increase as indicated in the Policy



## 1:1 Device Fees

- 2024-25 will be year four of implementation. All grade 5-12 will have access to a device, if required.
- Currently, schools pay for the repairs of 1:1 devices
- Recommendation :
- the language be adjusted in the 1:1 device agreements with students/parents/caregivers in order to allow schools to charge for repairs, when appropriate.



# Other Proposed Options to Balance





## Central Staffing

- Based on the Multi-Year Strategic Plan, decreased enrolment over time and a best practice of reviewing positions when people leave the Board, staff are proposing a decrease in central staffing of approximately \$5.0 million.
- The areas include:
  - Senior team
  - Other central administration
  - Central teaching staff





## Replacement Costs Related to Sick Leave

- People and Culture concluded a review of its Disability Management function and are in the process of developing and implementing several strategies.
- The strategies will reduce employee absences through organizational and process improvements to facilitate early and safe return to work.
- Goal to reduce replacement costs by \$7.0 million.



## Renewal Costs Included in Operating Budget and Overspending in School Operations

- Staff are reviewing ways to decrease spending in this area without impacting the level of service.
  - This includes decreasing absenteeism, filling vacancies, and reviewing contracts to find additional savings.
- The estimated savings is approximately \$5.0 million.



## Other Areas Where the Board is Spending More Than Funded

- There are areas of the budget where TDSB spends more than funded, or there is no funding provided.
  - The chart represents the major departments/areas
- It should be noted that the areas identified in this section have value and are an important part of fully implementing the Board’s priorities, obligations, resolutions and operations.

DEPARTMENT/AREA	Millions
Cafeterias	(\$0.9)
Continuing Education	(\$6.9)
Early Years Programming - EDP and EarlyON	(\$0.6)
Elementary Supervision (Lunchroom)	(\$12.9)
Outdoor Education	(\$3.2)
Safe & Caring	(\$9.2)
School Based Safety Monitors	(\$15.1)
School Office Administration	(\$7.0)
Special Education	(\$40.6)
Itinerant Music Instructors	(\$4.4)
Statutory Benefits	(\$48.0)
Supply costs (Teachers, Educational Assistants & Designated Early Childhood Educators)	(\$11.9)
Student Nutrition	(\$1.2)
Pools	(\$6.1)
Transportation	(\$0.8)
School Operations	(\$22.9)
Information Technology	(\$47.5)
<b>Total</b>	<b>(\$239.1)</b>



## Updated Financial Position

Projected Financial Position- January 29, 2024		-34.8
Updates		
School Based Staffing	4.8	
Utilities	5.5	
International Student Fees	1.7	
Other	2.0	
		<hr/>
		14.0
Updated Projected Financial Position		<u>-20.8</u>





## Financial Position After Options to Balance

Updated Projected Financial Position -20.8

Reductions Based on Options to Balance

Continuing Education	2.0
Outdoor Education	1.0
International Baccalaurate Fees	0.8
Permit Fees	2.6
Central Staff	5.0
School Renewal	5.0
Sick Leave	7.0
	23.4

Financial Position After Options to Balance 2.6





## Financial Position After Options to Balance

Financial Position After Options to Balance	2.6
Additions Based on Trustee Motions	
Vice Principals	3.8
Safety Positions	3.0
Community Support Workers	1.1
	<u>- 7.9</u>
Projected Financial Position if Positions Added to Budget	<u>- 5.3</u>





# Updated Budget Schedule

