



## Finance, Budget and Enrolment Committee

### Report No. 10

FBEC:010A  
Thursday, June 13, 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, Dennis Hastings, Debbie King, Patrick Nunziata, Weidong Pei, Yalini Rajakulasingam, Neethan Shan, Anu Sriskandarajah, and Deborah Williams.

The meeting was a hybrid model with Trustees Aarts, de Dovitiis, 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. **Community Use of Schools Community Advisory Committee: Permit Fees, Community Use of Schools Grant and Current Fee Revenues Correlation**

The Committee considered a report from the Community Use of Schools Community Advisory Committee from its meeting dated May 14, 2024, (see FBEC:010A, page 1) presenting a recommendation regarding permit fees, community use of schools grant and current fee revenues correlation.

**Moved by:** Trustee de Dovitiis

**Seconded by:** Trustee Aarts

The Governance and Policy Committee **RECOMMENDS** that the following recommendation from the Community Use of Schools Community Advisory Committee be referred to staff for consideration of CUSCAC's request:

- A. WHEREAS, CUSCAC's mandate is:
1. to facilitate ongoing feedback from community organizations on both the continued implementation of TDSB Community Use of School Policies. (policy P.011, Community Use of Board Facilities and P.023)
  2. to suggest improvements to the policy;
  3. to provide an opportunity to explore the concept of Integrated Service Delivery (ISD) with community agencies and groups;
  4. to assess the impact of CUS funding from the Ministry of Education on use of space and to make recommendations regarding that funding;
  5. to make recommendations to the TDSB in order to:
    - a. increase the accessibility and use of school facilities by community groups
    - b. increase the concurrent use of school facilities by multiple community groups
    - c. increase revenues from the Province of Ontario to support CUS
    - d. improve and streamline the permit application process and reduce barriers to access
    - e. ensure access and equity considerations re CUS
- B. Whereas TDSB is considering changes to Permit fees in accordance with Policy PO11 "Community Use of Board Facilities" as part of its 2024-25 budget deliberations.
- C. Whereas the Finance Budget and Enrolment committee meeting of March 19, 2024 TDSB staff advised that<sup>1</sup>:  
Permit fees were insufficient to cover staff's assessment of ancillary costs;  
and,  
The board was subsidizing \$2.5 million in costs from Category A1 and A2 groups because the grant from the ministry was insufficient to cover actual costs incurred for these groups.
- D. Whereas on April 4, 2024 the TDSB approved that the Director review and consult with partner organizations on the TDSB's permit fee structure and subsidies and present a report to the Planning and Priorities Committee on recommended changes<sup>2</sup>;
- E. Whereas the structure of permit fees has not been explored in depth in more than 10 years;

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<sup>1</sup> <https://pub-tdsb.escribemeetings.com/FileStream.ashx?DocumentId=16927> page 8

<sup>2</sup> <https://pub-tdsb.escribemeetings.com/FileStream.ashx?DocumentId=17118> page 54

- F. Whereas categories A1 and A2 include permits for youth, seniors, and marginalized groups and offer important community programming that is valuable for student achievement and community wellbeing that could be rendered unable to operate in schools if the fees increase in the ways proposed<sup>3</sup>;
- G. Whereas community groups plan their activities and budget for their costs and revenues long before they are approved for permits;

Be it resolved that;

CUSCAC recommends:

That prior to contemplating changes beyond inflationary increases, TDSB Trustees through Finance Budget Enrolment Committee (FBEC) request the Director of Education provide detailed data to CUSCAC demonstrating how costs incurred by the board for permits correlate to the Community Use of Schools Grant and current fee revenues, with the purpose of better understanding:

- a) where and how the fee structure and subsidy structure are working, including a monthly estimate of current A1 and A2 fee revenues;
- b) how any changes in fees would be applied both in the budget and to community groups<sup>4</sup>;
- c) how different costs are incurred based on type of permit use.

And

That prior to a report being presented to the Planning and Priorities Committee on recommended permitting changes, CUSCAC have the opportunity to review and comment on this data as part of consultations on the TDSB's permit fee structure and subsidies.

## 2. Contract Awards, Facilities [4714]

The Committee considered a report from staff (see FBEC:010A, page 19) presenting contract awards. The Committee received the contracts on Appendix A and approved the contracts on Appendix B.

**Moved by:** Trustee Aarts

**Seconded by:** Trustee MacLean

The Finance, Budget and Enrolment Committee **RECOMMENDS** that the **contract awards on Appendix C, as presented in the report, be approved.**

**Carried**

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<sup>3</sup> [https://www.tdsb.on.ca/Portals/0/community/Permits/G02\\_Permit\\_Categories.pdf](https://www.tdsb.on.ca/Portals/0/community/Permits/G02_Permit_Categories.pdf)

<sup>4</sup> For example, at what point during the school year groups would be required to pay the increase.

### 3. Contract Awards, Operations [4713]

The Committee considered a report from staff (see FBEC:010A, page 31) presenting contract awards. The Committee received the contracts on Appendix A.

**Moved by:** Trustee de Dovitiis

**Seconded by:** Trustee Laskin

The Finance, Budget and Enrolment Committee **RECOMMENDS** that the contract awards on Appendix C, as presented in the report, be approved.

Carried

### 4. Borrowing Facilities [4716]

The Committee considered a report from staff (see FBEC:010A, page 47) presenting information on a proposed borrowing resolution and amendment to the Board's credit facility.

**Moved by:** Trustee Laskin

**Seconded by:** Trustee Aarts

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

- a) That a borrowing facility of \$200M to support the Board's daily operating requirements, for the period ending June 30, 2026, as presented in the report, be approved;
- b) That a borrowing facility of \$400M to support permanent improvements relating to capital priorities, school condition improvement, child care capital and other capital programs as approved by the Ministry of Education, for the period ending June 30, 2026, as presented in the report, be approved;
- c) That, in accordance with Section 243 of the *Education Act*, the Secretary-Treasurer and Chair or Vice-chair of the Board be authorized to sign, on behalf of the Board, the short-term borrowing resolutions at Parts (a) and (b), as presented in the report;
- d) That Amendment #5 to Credit Facilities for Toronto District School Board, as presented in the report, be approved.

Carried

**5. Melody Village Junior School: Community Planning and Partnership Lease Agreement With Kerry's Place Autism Services [4732]**

The Committee considered a report from staff (see FBEC:010A, page 79) presenting information on a proposed lease agreement with Kerry's Place Autism Services for the use of two Kindergarten rooms at Melody Village Junior School to support Ontario Autism Program's Entry to School Program.

**Moved by:** Trustee Laskin

**Seconded by:** Trustee MacLean

The Finance, Budget and Enrolment Committee **RECOMMENDS** that the **Toronto Lands Corporation be authorized to negotiate and execute a Community Planning and Partnerships lease agreement with Kerry's Place Autism Services at Melody Village Junior School to support the Ontario Autism Program's Entry to School Program.**

**Carried**

**6. Construction Tender Award: Addition and Renovation at McKee Public School [4741]**

The Committee considered a report from staff (see FBEC:010A, page 85) presenting information on a construction tender award for an addition and renovation at McKee Public School.

**Moved by:** Trustee MacLean

**Seconded by:** Trustee Laskin

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

- a) **That a contract award to Trinity Construction Management Limited to construct a three-classroom addition at McKee Public School in the amount of \$4,993,333 (excluding HST), be approved.**
- b) **That Ministry approval be sought to utilize up to \$869,352 of Proceeds of Disposition to cover the capital shortfall, as presented in the report.**

**Carried**

**7. 2024-2025 Budget Estimates [4742]**

The Committee considered a report from staff (see FBEC:010A, page 89 and attached) presenting the 2024-2025 budget estimates.

**Moved by:** Trustee Li

**Seconded by:** Trustee Aarts

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

**A. Whereas, the Toronto District School Board currently has a \$35.3 million budget gap for the 2024-2025 school year; and**

**Whereas, staff and the Minister of Education have indicated the possibility of attaining Ministry of Education approval to use \$27.5 million in Process of Disposition (POD), which does not fully cover the budget gap;**

**Therefore, be it resolved:**

**That the Director:**

- i. implement strategies as presented in the report to the Planning and Priorities Committee on June 11, 2024, namely, Strategic Workforce Engagement and Attendance Support [4727], to further reduce average staff absenteeism days by at least 0.5 days to realize \$3.5M in budget savings;**
- ii. implement adjustments to the 1:1 Device program agreement to allow schools to recover device costs from parents where appropriate, with special allocations made to support families with need, to realize at least \$0.3 million in savings;**

**Options to Balance**

|  |           |            |
|--|-----------|------------|
| Further Reduce Absenteeism by 0.5 Days | \$        | 3.5        |
| 1:1 Device Repair Cost Recovery        | \$        | 0.3        |
| <b>Total Options to Balance</b>        | <b>\$</b> | <b>3.8</b> |

- iii. send a request to the Ministry of Education to use \$27.5 million in Proceeds of Disposition to cover budget shortfalls in the fiscal year 2024-2025.**

**B. That staff reconsider their decision to remove the senior’s discount from General Interest/Seniors’ Programs and make up the operational difference through fully implementing the 1:1 Device Repair Recovery Cost (\$200K) and meet with the Friends of Learn4Life similar to the way staff are**

**delaying the implementation of Permit changes as they meet with the Community Use of Schools Community Advisory Committee and come back to FBEC in October cycle to report back.**

**Carried**

At the Committee meeting, Part A was added on amendment of Trustees Li and Aarts. The parts of the motion were voted on separately as follows:

On motion of Trustee Li, seconded by Trustee Aarts, Part (A)(i) was carried.

On motion of Trustee Li, seconded by Trustee Aarts, Part (A)(ii) was carried.

On motion of Trustee Li, seconded by Trustee Aarts, Part (A)(iii) was carried.

Also at the Committee meeting, Part B was added on amendment of Trustees Laskin and Aarts.

Staff had recommended:

- (a) That the operational efficiencies as indicated in the report be received;
- (b) That the Board request the use of \$27.5 million of Proceeds of Disposition from the Ministry of Education;
- (c) That the options for balancing the budget as recommended by FBEC be approved.

At the Committee meeting, the following recommendation from staff was defeated by the Committee:

- (a) That the operational efficiencies as presented in the report be received.

## **8. Business Arising: 2025 Federal, Provincial and Municipal Budget Consultations**

At the Committee meeting, Trustees Laskin and MacLean, on behalf of Trustee Ehrhardt, introduced the following as business arising following the matter, 2024-2025 Budget Estimates [4742].

**Moved by:** Trustee Laskin

**Seconded by:** Trustee MacLean

The Finance, Budget and Enrolment Committee **REFERS the matter WITHOUT RECOMMENDATION.**

Whereas, the Federal Standing Committee on Finance typically launches its budget consultations in summer of the year prior (summer 2024 for 2025 budgets) and typically invites input from the public; and

Whereas, other orders of government typically launch their budget consultations in the fall prior to the year of the budget (fall 2024 for 2025 budgets) inviting comments from the public;

Therefore, be it resolved that the Chair participate in Federal, Provincial and Municipal 2025 budget consultations, through written submissions and public presentations:

- i. Making note of the exceptional challenges faced by our children and youth, and the critical importance of investments that took place to keep schools open throughout the pandemic and continue to be required to support students achieving their full potential;
- ii. calling upon all orders of government to work together to invest in children and youth, including supports for well-being and achieving equitable educational outcomes;
- iii. Making note of areas of particular challenge where work and investments across all orders of government are essential, including mental health, community safety, school nutrition programming, child care, and community use of schools;
- iv. Requesting targeted sustained capital investments to support climate mitigation, adaptation, accessibility and healthy school buildings, specifically clean air and heating, cooling and ventilation systems;
- v. copying the Federal Finance Minister, the Provincial Minister of Finance, the Provincial Minister of Education, the Mayor of Toronto, and the Ontario Public School Boards' Association on any correspondence.

**Carried**

#### **9. Contract Awards, Summer Approval Process [4743]**

The Committee considered a report from staff (see FBEC:010A, page 89) presenting information on the contract approval process during the summer months when there are no scheduled standing committee and Board meetings, in accordance with the purchasing policy, P017.

**Moved by:** Trustee MacLean

**Seconded by:** Trustee Laskin

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



**Carried****10. Capital Projects Status Update [4744]**

The Committee considered a report from staff (see FBEC:010A, page 201) presenting contract awards.

**Moved by:** Trustee de Dovitiis

**Seconded by:** Trustee Aarts

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

**Carried****11. Business Arising: Letter to the Minister of Education**

At the Committee meeting, Trustees Laskin and MacLean introduced the following as business arising following the matter, Education Capital Projects Status Update [4744].

**Moved by:** Trustee Laskin

**Seconded by:** Trustee MacLean

The Finance, Budget and Enrolment Committee **RECOMMENDS** that the Chair respond the letter from the Minister of Education received on June 13, 2024 with specific regard to addressing the inaccuracies contained within the letter.

**Carried****Part B: For Information Only****12. Call to Order and Acknowledgement of Traditional Lands**

A meeting of the Finance, Budget and Enrolment Committee was convened on Thursday, June 13, 2024, from 4:34 p.m. to 12:03 a.m. with Zakir Patel, presiding.

**13. Approval of the Agenda**

On motion of Trustee Laskin, seconded by Trustee MacLean, the agenda was approved.

#### **14. Declarations of Possible Conflict of Interest**

No matters to report

#### **15. Delegations**

##### re 2024-25 Budget Estimates [4742]

1. John Weatherup, Toronto Education Workers/Local 4400
2. Joanne Penhale, R.H. McGregor PSC
3. Alison Attanasio, Roden and Equinox Holistic School
4. Katrina Matheson, Toronto Schools Caregiver Coalition, and Parent, Rosedale Heights School of Arts and Regal Road
5. Rachael MacKenzie-Neill, Boys and Girls Club Canada

##### re Continuing Education

6. Jared Westreich, Friends of Learn4Life

#### **16. Private Matters**

At 11:58 p.m., on motion of Trustee Laskin, seconded by Trustee Aarts, the meeting resolved into private to consider matters on the private agenda.

#### **17. Extension of the Meeting**

At the appropriate time during the meeting, the Ending Time procedure was applied and the meeting was extended.

#### **18. Adjournment**

On motion of Trustee Chernos Lin, seconded by Trustee Laskin, the meeting adjourned at 12:03 a.m., on Thursday, June 14, 2024.

### **Part C: Ongoing Matters**

No matters to report

Submitted by: Zakir Patel, Committee Chair

# 2024-25 Budget Estimates Finance, Budget and Enrolment Committee

June 13, 2024





## Agenda

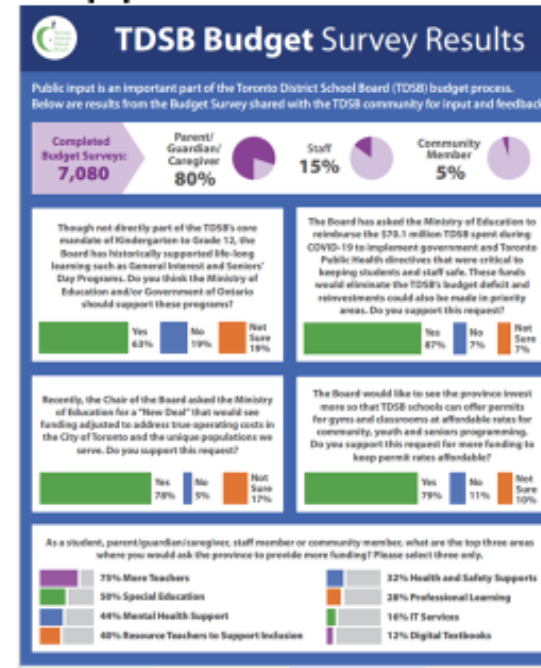
- Budget Timelines
- Balancing the 2024-25 Budget, Structural Deficit and TDSB Reserves
- 2024-25 Projected Revenue
- 2024-25 Projected Expenditures
- Financial Position and Proposed Options to Balance
- How the Budget Supports the Multi-Year Strategic Plan

## Budget Timelines

| Date                 | Committee/Meeting                     | Event   |
|----------------------|---------------------------------------|---|
| September 12/23      | FBEC                                  | Proposed schedule approved to finalize budget before the release of grants (March 27)   |
| October 11/23        | FBEC                                  | Discussion related to GSN Consultation by the Ministry of Education   |
| January 18/24        | FBEC                                  | Enrolment projections provided  |
| January 29/24        | Special FBEC                          | Projected 2024-25 Financial Position provided   |
| February 14/24       | FBEC                                  | Information regarding 1:1 student devices and potential areas of focus to balance the 2024-25 budget provided                                     |
| February /March 2024 | Budget Town Halls and Ward Forums     | To provide information, respond to questions and allow for feedback   |
| March 4/24           | Special FBEC                          | Approval of school based staffing and presentation of Financial Facts Document  |
| March 19/24          | Special FBEC                          | Presentation of options to balance the 2024-25 budget   |
| March 26 and 27/24   | Special FBEC                          | To allow for delegations related to the 2024-25 budget  |
| April 2 and 4/24     | FBEC and Special Board                | Presentation of proposed options to balance the 2024-25 budget  |
| April 25 to May 2/24 | Budget Town Halls                     | Additional town halls to provide opportunities for information sharing and to receive feedback  |
| April 26 to May 3/24 | Budget Survey                         | Survey to receive feedback on the 2024-25 budget  |
| April 26/24          | Release of the Core Education Funding | Grants released for staff to calculate actual grant revenue   |
| May 29/24            | Special FBEC                          | Presentation of the updated financial position based on the release of the grants and further discussion on options to balance the 2024-25 budget |
| June 13/24           | FBEC                                  | Presentation of 2024-25 budget  |
| June 19/24           | Board                                 | Approval of 2024-25 budget  |

## Consultations/Feedback Opportunities

- To date, the Board has provided a number of opportunities to receive information about and provide feedback related to the 2024-25 Budget. They include:
  - 4 Ward Forums covering 9 different wards
  - 2 Budget Town Halls prior to April 4/24
  - Presentation to/Feedback from various Community Advisory Committees including SEAC and CUSAC.
  - Presentation to/Feedback from Student Senate and the Equity Collective
  - 2 evenings of delegations on the Options to Balance and written delegations
  - 4 additional Budget Town Halls
  - Budget survey with over 7,000 responses



# BALANCING THE 2024-25 BUDGET



## Balancing the 2024-25 Budget

- Boards are required to submit a balanced budget per section 231 of the Education Act:
  - Under the regulation, the Board can have a deficit of 1% (up to max of reserve balance) without requiring permission from the Ministry. 1% is approximately \$30 million.
- However, the Board had a 1.4% deficit in 2022-23 and required approval from the Ministry for the deficit:
  - As part of the approval, the Board provided a 3 year deficit recovery plan
    - 2024-25 is year 3 of the 3 year plan
    - **The plan committed to an \$8.2 million surplus in 2024-25**
    - **Given all of the challenges TDSB is experiencing, staff believes that a balanced budget would be appropriate for 2024-25**





## Balancing the 2024-25 Budget

- The Board has been operating with a structural deficit (where it is spending more than it is receiving in revenue) over the last number of years.
  - This results in a deficit on an annual basis which uses up the accumulated reserves
  - During the pandemic, the Board used an additional \$69 million in reserves to support student and staff safety.
    - The Board has advocated for the return of this funding.
  - As a result, at the end of 2021-22, the Board used all of its working fund reserve and some of its Internal Reserves and continued to decrease in 2022-23.
    - The implementation of Bill 124 will result in the use of all the Board's internal reserves in 2023-24
  - The structural deficit is a result of a number of reasons, both outside of and within the control of TDSB

## Balancing the 2024-25 Budget

- The Deficit Recovery Plan is important due to the fact that at the end of 2021-22, the Board used all of its working fund reserves:

|         | Working Funds | Internal Reserves | External Reserves | Total      |
|---------|---------------|-------------------|-------------------|------------|
| 2018-19 | \$ 29,325     | \$ 147,813        | -\$178,740        | -\$ 1,602  |
| 2019-20 | \$ 16,744     | \$ 159,938        | -\$152,116        | \$ 24,566  |
| 2020-21 | \$ 22,720     | \$ 179,034        | -\$132,903        | \$ 68,851  |
| 2021-22 | \$ -          | \$ 90,151         | -\$822,114 *      | -\$731,963 |
| 2022-23 | \$ -          | \$ 40,546         | -\$814,795 *      | -\$774,249 |

\* - The Asset Retirement Obligation accounting standard was implemented in 2021-22 and has a significant impact on the external reserve balance.

## Reasons for Structural Deficit Not Within the Control of the Board

- 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.
- Employment Insurance (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 Not Within the Control of the Board



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 Not Within the Control of the Board

- 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 Provincial 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 Not Within the Control of the Board



Replacement Costs  
for Sick Leave

- The Putting Students First Act changed the allocation of sick leave in 2012.
- Since this change, School Boards' Co-operative Inc. (SBCI) says that the Provincial average use of sick days has doubled from 8 to 16 days
- Each sick day costs the Board approximately \$5.6 to \$6.7 million in replacement costs.

## Reasons for Structural Deficit Not Within the Control of the Board

### Bill 124

- There are 2 different impacts on the finances of TDSB:
  - Retro impact – impact on current year deficit and accumulated deficit
  - Annual impact moving forward
- Retro impact
  - The underfunded amount of the retro payment is \$33 million, of which \$7 million relates to capital projects and Proceeds of Disposition will be requested.
  - This will increase the 2023-24 operating deficit by \$26 million and will use all of the Board's internally restricted reserves
- Annual impact
  - The impact moving forward is an annual budget pressure of \$5.5 million

# 2024-25 PROJECTED REVENUES





## 2024-25 Projected Revenue

|  | <b>2024-25</b>       | <b>2023-24</b>       | <b>Difference</b>  |
|--|----------------------|----------------------|--------------------|
| Core Education Funding (formerly Grants for Student Needs) | 3,176,225,873        | 3,098,728,991        | 77,496,882         |
| Bill 124 Planning Provision                                | 111,822,997          | -                    | 111,822,997        |
| Other Ministry Grants                                      | 24,092,623           | 37,415,164           | (13,322,541)       |
| Miscellaneous  | 202,714,571          | 199,974,871          | 2,739,700          |
|  | <b>3,514,856,064</b> | <b>3,336,119,026</b> | <b>178,737,038</b> |



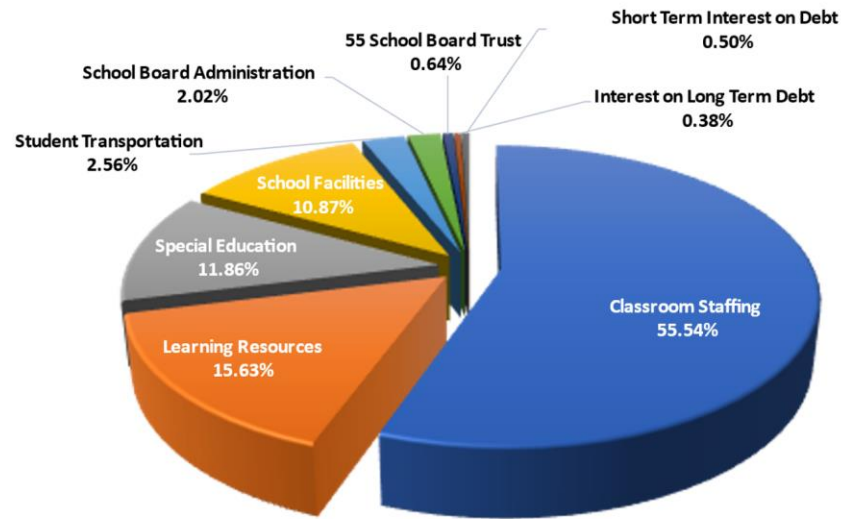
## Core Education Funding (Core Ed)

- The majority of funding for school boards comes from the Core Ed (formally GSN)
- There have been significant restructuring of the funding formula
  - Per the Ministry, “These changes incorporate feedback from stakeholders from the fall 2023 GSN consultations, which identify requests to make the GSN funding formula simpler to understand.”
  - Per the Ministry, “there will be minimal funding impacts to school boards from the changes”
- The GSN funding formula has been streamlined:
  - From 18 grants to 6 pillars
  - From 77 to 28 allocations
- The Core Ed is mostly dependant on enrolment
- The Core Ed for 2024-25 is projected to be \$3.2 billion

## Enrolment

|                         | 2024-25          | 2023-24   | Difference |       |
|-------------------------|------------------|-----------|------------|-------|
|                         | ADE              | ADE       | ADE        | %     |
| Kindergarten            | 30,784.5         | 31,510.0  | - 725.5    | -2.3% |
| Grades 1 to 3           | 50,495.5         | 49,830.0  | 665.5      | 1.3%  |
| Grades 4 to 8           | 83,649.5         | 83,331.0  | 318.5      | 0.4%  |
| <b>Total Elementary</b> | 164,929.5        | 164,671.0 | 258.5      | 0.2%  |
| <b>Secondary</b>        | 74,253.0         | 72,988.5  | 1,264.5    | 1.7%  |
| <b>Total Enrolment</b>  | <b>239,182.5</b> | 237,659.5 | 1,523.0    | 0.6%  |

## 2024-25 Core Education Funding (Core Ed)





## Highlights of Core Ed

- In 2024-25, the Core Ed was released on April 26, 2024
- Some of the key changes were:
  - Labour related increases
    - 1.25% for teaching staff
    - \$1/hour for education workers
  - The implementation of the 2021 census updates.
  - The transportation grant has increased by approximately 3.5%.
  - A small increase in Special Education funding for the Special Incidence Portion (SIP) and Specialized Equipment Allocation (SEA)
  - The Clean and Safe Supplement has been eliminated. This represents a reduction of \$1.8 million.
  - A 2% increase to the nonstaff portion of the school facilities fund.



## Other Ministry Grants

- The majoring of Other Ministry Grants come from Responsive Education Programs (REP) Funding (formerly Priorities and Partnerships Funding (PPF))
  - Ministry has changed the previous other grants called Priorities and Partnership funding (PPFs) to REP funding to “enhance transparency in type and purpose of funding”
  - supplemental to the Core Ed and provides time-limited funding which is reviewed and assessed by the ministry each year
  
- The Ministry usually provides an agreement with the Board that outlines how the funds must be spent.



## Key Changes to Responsive Education Program (REP) Funding

- The "Math Recovery Plan" funding has continued
- The REP to support Early Reading and Reading Intervention has continued.
- The \$11.1 million of funding to fund staff to support de-streaming and transition to high school has been discontinued.
  - This has an impact on the 2024-25 budget as the majority of positions supported by this funding were included in the school based staffing



## Miscellaneous Revenue

- The miscellaneous revenue for TDSB includes:
  - Permit revenue
  - Lease revenue
  - Interest revenue
  - International student fees
  
- During COVID, a number of these grants decreased due to limitations and restrictions that were in place.
  - Revenue has started to increase again to pre-pandemic levels.



# 2024-25 PROJECTED EXPENDITURES

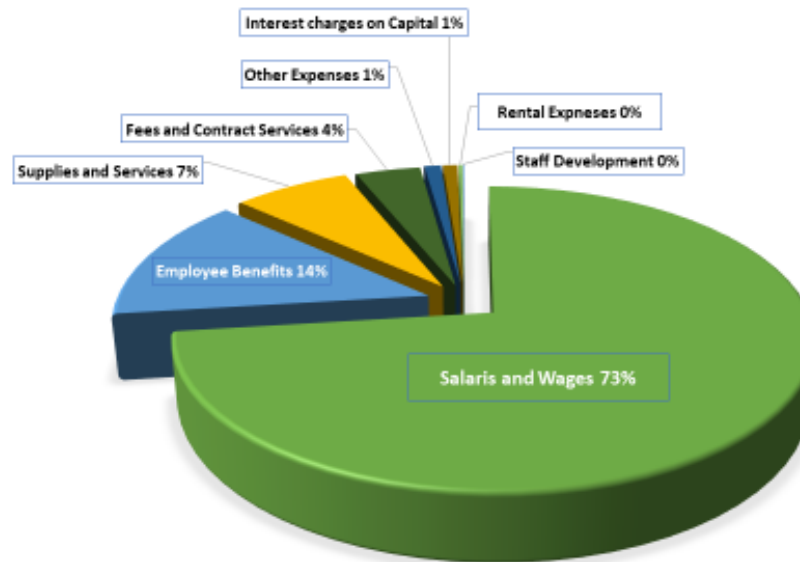




## 2024-25 Projected Expenditures

- Total projected operating expenditures for 2024-25 are estimated at \$3.5 billion.
- Instructional Expenditures – 87%
- Supplies and Services – 7%
- Fees and Contractual – 4%
- Other – 2%

## 2024-25 Estimated Expenditures





## 2024-25 Projected Expenditures

- Salaries and benefits represent 87% of projected expenditures
- Changes in staffing have happened for 2 main reasons:
  - An increase or decrease in positions as a result of projected changes in enrolment
  - A reduction in central positions as a result of decisions made to support balancing the budget.

# FINANCIAL POSITION AND PROPOSED OPTIONS TO BALANCE



## 2024-25 Projected Financial Position

- On April 2, 2024, a report was presented to the Board's Finance, Budget and Enrolment Committee (FBEC) that showed a projected deficit of \$43.5 million
- At that time, Trustees approved reductions of \$17 million, resulting in a deficit of \$26.5 million
- When the Core Ed and REPs were released and the changes from Bill 124 were implemented, \$8.8 million was added to the budget
- **Therefore, the starting position for the 2024-25 projected deficit is \$35.3 million.**

|  |          |
|--|----------|
| Starting Financial Position for 2024-25          | -\$ 43.5 |
| Reductions Approved by Trustees                  | \$ 17.0  |
|  | -\$ 26.5 |
| Changes as a Result of Core Ed, REP and Bill 124 | -\$ 8.8  |
|  | -\$ 35.3 |



## Reductions Approved By Board

- Trustees passed a motion on April 4, 2024 to reduce the Budget as follows:

|                                       |               |
|---------------------------------------|---------------|
| Reduction in Central Staffing         | \$ 5.0        |
| Reduction in Replacement Cost Budget  | \$ 7.0        |
| Reduction in School Facilities Budget | <u>\$ 5.0</u> |
|                                       | <u>\$17.0</u> |



## Motion Approved By FBEC

- In addition, at Special FBEC on May 30, 2024, Trustees approved a motion that discontinued offering weekend programs at Camp Kearney. The approximately \$300,000 in savings was requested to be used to offset user fees for outdoor education day trips.
- This motion has not been approved by Board but also does not have an impact on the overall budget. Therefore, the motion does not change the financial position of the Board.



## Additional Trustee Motion

- Trustees passed a motion on April 4, 2024 that stated:
  - Present options to institute a fee-based revenue stream for one-to-one devices that will generate ~\$1M annually, that include parent/guardian/caregiver contributions, subsidies, donations, and an administrative cost benefit analysis to the next meeting of the Finance, Budget and Enrolment Committee;
  - Delay the implementation of course time migration for International Language programs until an in-depth report on student impact can be reviewed at the Program and School Services Committee, while continuing to implement the recommended 25 student pre-register minimum;
  - Delay the cancellation of General Interest / Seniors' Daytime courses until an in-depth report on community impact can be reviewed at the Program and School Services Committee;
  - Delay the changes to the Scarborough Outdoor Education School and provide a detailed plan, before the final vote on the 2024-2025 operating budget, to ensure students impacted by programing change at SOES will continue to receive outdoor education on-par with other students at the TDSB, and that the overall scope of the Board's outdoor education will not be reduced with the recommended changes;
  - Review and consult with partner organizations on the TDSB's permit fee structure and subsidies and present a report to the Planning and Priorities Committee on recommended changes;

## Operational Efficiencies/Fee Increases to Adhere to Board Policy General Interest/Seniors Daytime Courses

- Currently, the expenditures for general interest/seniors daytime courses exceed revenues by over \$600,000
  - This is consistent with prior years and staff have done a number of things to try follow Board policy
  - Policy P019, Continuing Education, state that “Community programs should be fully funded by user fees and other revenues.”
- Although staff have proposed an elimination of these programs, the Trustee motion of April 4/24 pauses this proposal.
- As a result, in order to work towards following the Policy P019, staff are changing the fee structure and will review additional ways to fully fund general interest programs



## **Operational Efficiencies/Fee Increases to Adhere to Board Policy Other Continuing Education**

- Staff will follow the Trustee motion of April 4, 2024 with regards to International Languages by continuing to implement the recommended 25 student pre-register minimum
- Staff will continue to look for efficiencies in other areas of continuing education while continuing to provide existing programs
  
- The operational efficiencies/fee increases to adhere to Board Policy will result in approximately \$2 million.

## Operational Efficiencies/Fee Increases to Adhere to Board Policy Permit Fees

- Board policy P011 “Community Use of School Facilities” provides guidance to staff on Permit Fees. There are 2 areas of the policy where staff need to make adjustments in order to be compliant:
  - “Permit holders will be charged for ancillary costs including staffing of nonscheduled custodian services, media and technology specialists, stage crews, security officers and parking attendants, as required.
  - “User fees in Category A1 and A2 are subsidized through the Ministry of Education Community Use of Schools grant and are subject to the limit in funding.”
- The trustee motion states that staff “Review and consult with partner organizations on the TDSB’s permit fee structure and subsidies and present a report to the Planning and Priorities Committee on recommended changes.”
- As a result, staff have indicated to permit holders that fees may increase in January 2025
- Not adhering to policy is resulting in a budget pressure of \$5.6 million. Staff recognize that to implement a change of this magnitude will take a gradual approach and therefore are estimated in increase in fee revenue of \$2 million for 2024-25

## Operational Efficiencies/Fee Increases to Adhere to Board Policy

|                      |       |
|----------------------|-------|
| Continuing Education | \$2.0 |
| Permit Fees          | \$2.0 |
|                      | \$4.0 |

## Use of Proceeds of Disposition

- Proceeds of Disposition (POD) are received when the Board sells a property
- The Regulation states that POD should be used to address deferred maintenance needs in schools
- Boards can request exceptions to use POD in other areas
- POD are not a sustainable way of balancing the budget
- Included in the current budget is \$22 million related to the amortization of the employee future benefits liability
  - The liability will be fully amortized halfway through 2025-26 and this will start to free up \$22 million annually in the budget
- In addition, the \$5.5 million of budget pressure related to the REP for transitions to high school and de-streaming not being renewed cannot be addressed during the 2024-25 budget but will be addressed in 2025-26.
- As a result, staff would support a one-time request of up to **\$27.5 million** to assist in balancing the 2024-25 budget
  
- It is anticipated that the Ministry may have additional requirements in approving this request.

## Additional Amount Required to Balance the 2024-25 Budget

|   |                        |
|---|------------------------|
| Financial Position on May 29, 2024                          | - \$35.3               |
| Operational Efficiencies/Increased Fees to Adhere to Policy | <u>\$ 4.0</u>          |
|   | - \$31.3               |
| Request Use of Proceeds of Disposition                      | <u>\$27.5</u>          |
| Remaining Amount Required to Balance                        | <u><u>- \$ 3.8</u></u> |

## Options to Balance – 1:1 Device Repair Costs

- Schools have asked for the ability to be able to charge for device repair costs that are currently being covered by school budgets.
- This option would include wording in 1:1 device agreements that would allow for this.
- Staff estimate that this would allow for \$0.5 million.







## Options to Balance – User Fees for 1:1 Devices

- The April 4, 2024 Trustee motion requested that staff “Present options to institute a fee-based revenue stream for one-to-one devices that will generate ~\$1M annually, that include parent/guardian/caregiver contributions, subsidies, donations, and an administrative cost benefit analysis to the next meeting of the Finance, Budget and Enrolment Committee;”
- At the May 30, 2024 FBEC meeting, staff indicated that charging fees for devices would result in approximately \$1 million if \$10/device were to be charged annually or \$2 million if \$20/device were to be charged annually

## Options to Balance – Delay Implementation of 1:1 Devices for Grade 5

- Currently, students in grades 5-7 and 9-11 have 1:1 devices
  - Next year these students will be in grades 6-8 and 10-12
- The budget currently includes \$9 million for 1:1 devices for the incoming grade 5 and 9 students meaning that next year all students in grades 5-12 would have access to a device.
- If the implementation to grade 5 students was paused, this would reduce the budget by approximately \$4.5 million.
  - This would mean that all students in grades 6-12 would have a device in 2024-25

## Options to Balance – Resumption of International Baccalaureate (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
- Since program and expenses have returned to pre-pandemic levels, staff is recommending that the Board return to the intention of the 2019 motion.
  
- Although the website does indicate that fees may be charged for 2024-25, Trustees may wish to defer the implementation of this recommendation to 2025-26 to allow for additional communication

## Options to Balance – Speed Up Implementation of Permit Fees

- As indicated, TDSB needs to adjust permit fees by approximately \$5.6 million in order to adhere to Board policy. Staff have indicated that \$2 million has been included in the budget in anticipation of a fee increase in January 2025 but that the full implementation would likely require a gradual approach.
- Trustees may provide direction to staff to speed up the implementation and therefore increase permit revenue.
  - Full implementation would result in an additional \$1.7 million in revenue (8 months of full implementation)

## Summary of Proposed Options to Balance that Can be Implemented for September 2024

|  |                     |
|--|---------------------|
| 1:1 Device Repair Costs                                  | \$0.5 million       |
| 1:1 User Fees  | \$1-\$2 million     |
| Delay Implementation of 1:1 Devices for Grade 5 Students | \$4.5 million       |
| IB Fee Resumption  | \$0.8 million       |
| Speed Up Permit Fee Increases                            | up to \$1.7 million |

- These options total \$ 6.8 to \$9.6 million
- The required amount is \$3.8 million

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

- This chart was provided to the Board on March 19/24
- If Trustees wish to look for other alternatives to balance the 2024-25 budget, this chart represents major areas where TDSB spends more than funded, or there is no funding provided
- 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> |

# HOW THE 2024-25 PROPOSED BUDGET SUPPORTS THE MULTI-YEAR STRATEGIC PLAN



## How the 2024-25 Proposed Budget Supports the MYSP

- No direct decreases to staff allocations that directly support students
- Maintain teaching positions that directly support early reading intervention, math supports and destreaming
- No reductions to school budget allocations
- No reductions to budgets that directly support equitable outcomes ie. The Model Schools Program



# Thank you!

Executive Council, People and Culture, Planning and Enrolment, Finance and Budget

Executive Officer, Finance Craig Snider – Executive Officer, Finance  
Sri Alageswaran - Comptroller, Budget & Financial Reporting  
Rajini Nelson – Assistant Comptroller, Budget & Financial Reporting  
Shakil Abdulla - Manager, Budget & Financial Reporting  
Rishi Ramtahal – Manager Budget & Financial Reporting  
Stephanie Harris - Comptroller, Finance and Enterprise Risk Management  
Lawrence Zhang – Manager Budget & Financial Reporting (Capital)  
Lori Moore - Centrally Assigned Principal

Finance, Budget and Enrolment Committee



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