



Update on 2020-21 Financial Position and Reserve Status

To: Special Finance, Budget and Enrolment Committee

Date: 9 December, 2021

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Strategic Directions

- Create a Culture for Student and Staff Well-Being
- Provide Equity of Access to Learning Opportunities for All Students
- Allocate Human and Financial Resources Strategically to Support Student Needs

Recommendation

It is recommended that the Update on 2020-21 Financial Position and Reserve Status be received.

Context

The Board's 2020-21 Statement of Financial Position is presented in Appendix A. TDSB has an in-year surplus of \$5.9M compared to the original estimated in-year deficit of \$29.3M, as approved by Board in August 2020. The variance of \$35.2M is mainly attributed to the Ministry's funding stabilization, which helped offset the negative financial impact from the student enrolment decline, in addition to other net operational savings as a result of school closures during the year.

The 2020-21 ending working funds balance is \$22.7M. These funds will be available to support any changes to the budget in 2021-22 or in future fiscal years.

The 2020-21 audited financial statements were presented to the Audit Committee on December 6, 2021. A copy of the financial statements is provided in Appendix C.

During the 2020-21 fiscal year, the Ministry approved the transfer of \$10.3M of TDSB's proceeds of disposition (POD) to offset unallocated construction labour costs during the pandemic. This POD transfer was approved by the Board on November 11, 2020 and was used to fund 2020-21 school renewal costs. If this POD transfer did not occur, the

Board would have experienced an operating deficit of \$4.4M (\$5.9M surplus less \$10.3M transfer).

2020-21 Year End Position (in \$millions)

Reserves	Opening Reserves Balance August 31, 2020	2020-21 Other Increase/ (Decrease) to Reserves	Ending Reserve Balance August 31, 2021
Working Funds	16.8	5.9	22.7
Benefit Funds*	106.2	3.6	109.8
School Support	34.9	16.8	51.7
Environmental Legacy and Artificial Turf Funds	3.1	0.1	3.2
Sinking Fund Interest (restricted)	15.7	(1.4)	14.3
Total Working Funds and Internally Restricted Funds	176.7	25.0	201.7

* Transfer of \$10M in benefit surplus reserves to working funds was made on December 1, 2021, after the 2020-21 fiscal year.

School boards will be able to access up to 2% from reserves in 2021-22.

Update to 2021-22 Ministry COVID-19 Funding

On November 18, 2021, the Ministry has confirmed that school boards will be receiving the second half of the COVID-19 funding supports. Below is a breakdown of the funds.

School Operations - to support additional costs of cleaning and ventilation	\$1.9M
Student Transportation - to support additional costs of transportation and cleaning during pandemic	\$2.0M
Staffing Supports (School-based) - to support additional staffing in schools during pandemic	\$15.8M
Special Education and Mental Health - to support additional staffing and other resources during the pandemic	\$1.2M
Total	\$20.9M

At the November 25, 2021 Special Board meeting, Trustees approved the use of \$5.9M from the \$15.8M staffing supports funding above on the following positions for the balance of the 2021-22 school year:

Position	FTE	Amount
Social Workers	16	\$1.3M
Child and Youth Workers	35	\$1.9M
Child and Youth Counsellors	15	\$1.1M
School Based Safety Monitors	40	\$1.6M
Total	106	\$5.9M

Staff will continue to review needs across the system to determine and allocate additional resources to schools. An update will be provided at the January or February 2022 FBEC around the use of the remaining funding, following the submission of the 2021-22 Revised estimates to the Ministry.

Action Plan and Associated Timeline

Staff will present the 2021-22 Revised Estimates report at the January 2022 FBEC meeting. Staff will also provide a first quarter update in February 2022 and second quarter update in April 2022. In addition, the projected budget for the 2022-23 fiscal year will be presented in the Spring of 2022. These updates will provide information on the use of working funds to balance any budget shortfalls.

Resource Implications

The use of the working funds will be utilized to offset any future budget shortfalls.

Communications Considerations

The report will be posted on the TDSB budget website as information supporting the development of the budget.

Board Policy and Procedure Reference(s)

Not applicable.

Appendices

- Appendix A: 2020-21 Statement of Financial Position
- Appendix B: 2020-21 Details of Accumulated Surplus
- Appendix C: 2020-21 Audited Financial Statements

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