



TORONTO DISTRICT SCHOOL BOARD Budget 09/10

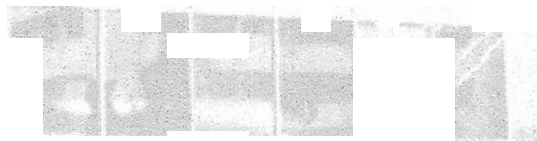
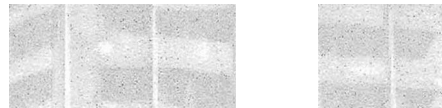
Next Steps

Between now and the end of June, the Board will continue to consult with parents, communities, Board employees and the Ministry to determine funding priorities for the coming school year.

On 24 June 2009, TDSB staff will present Trustees with a Budget plan for 2009-10. Under the plan, Trustees will consider a range of options for savings to ensure a balanced budget while maintaining the quality of education for our students.

For more information on the TDSB budget for 2009-2010 please visit the Board's website at www.tdsb.on.ca

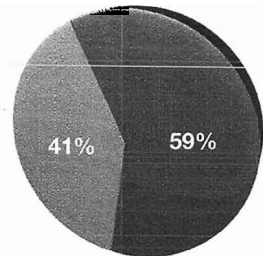
TDSB is the largest school board in Canada with more than 560 schools, 260,000 elementary and secondary students and 155,000 continuing education students. The Board's mission is to enable all students to reach high levels of achievement and to acquire the knowledge, skills and values they need to become responsible members of a democratic society.



For more information on the TDSB budget for 2009-2010 please visit the Board's website at www.tdsb.on.ca

How we are funded

The TDSB has an annual budget of \$2.4 billion. Funding for the Board is established through the Ministry of Education's funding model that determines what our total allocation will be. It includes several grant formulas and other criteria to generate the Board's allocation. The majority of the funding for the Board's allocation is from local school taxes of \$1.4 billion (59%), which are set by the Government, and Ministry grants of \$1.0 billion (41%).



Balancing our Budget

The TDSB is committed to maintaining and supporting excellent environments for all our students. Under the Education Act, school boards are required by law to submit a balanced budget plan to the Ministry of Education.

The Budget Cycle - The following are the remaining dates:

Date	Budget Cycle
May 11-19, 2009	<ul style="list-style-type: none"> Community Consultations at four sites across the district
May 20, 2009	<ul style="list-style-type: none"> Administration, Finance and Accountability Committee meeting reviews budget input. Delegations from the public welcome.
June 17, 2009	<ul style="list-style-type: none"> Accountability, Finance & Administration standing committee meeting. Staff presents final 2009-10 Budget Plan to committee for recommendation to the Board.
June 24, 2009	<ul style="list-style-type: none"> Board meeting. Trustees consider and approve 2009-10 Budget Plan.

Ministry funding announcement for 2009-10

On March 27th The Ministry of Education announced the Grants for Student Needs which included significant grant increases to cover the costs associated with the negotiated salary and benefit costs. There were other grant enhancements to fund improvements in areas such as additional specialist teachers and preparation time for teachers, Grade 4-8 class size reduction, supervision, secondary programming, and increased funding for school clericals, school operations and Continuing Education. There were "efficiency and savings measures" announced that have resulted in grant reductions amounting to about \$15 million to the Board for 2009-10. These changes were as a result of the provincial economic situation.

Making tough decisions - Budget challenges

The TDSB has a preliminary forecasted deficit for its 2009-10 school year of about \$23 million. This shortfall is the result of several factors including:

- Declining enrolment
- **Increased costs for employee benefits;**
- **General inflation on non-salary costs;**
- **Increased school maintenance; and**
- **Announced reduction in grants in areas such as:**
Textbooks (\$3 million); Special Education (\$2 million);
Student Transportation (\$1.5 million); Professional
Development reductions taken from School Foundation (\$2.7M),
Special Education (\$1.0M) and Learning Opportunity (\$4.8M) grants;
and Classroom Computers (\$3 million).

To address part of this shortfall, in March, 2009, the Board approved staff reductions of:

- Teacher Librarians (36 - \$3.0M);
- Education Assistants (150 - \$5.9 M);
- Special Education Teachers (20 - \$1.7 M), and
- Caretakers (28 - \$1.6 M).

Some Positive Initiatives

Over the past year the Board has also approved several measures that will begin to pay dividends over the coming months and years:

- The Board formed a separate real estate company, Toronto Lands Corporation, that is leasing, selling and developing surplus school properties;
- The Board approved a pilot project to charge parking fees overnight at selected school properties. This will start over the next few weeks;
- The Board is taking a more business-friendly approach to donations and sponsorships.

In addition, in February 2009 the Board considered a "New Fiscal Direction" plan containing over 35 recommendations relating to increasing Board revenues, reducing costs and other measures to manage our spending. These recommendations will be reviewed by staff and Trustees over the coming months. A summary of these recommendations is available.

Expenditure Reduction Options and our Fiscal Challenges

Board staff is currently examining several expenditure reduction options to address our forecasted \$23-million shortfall including the following:

Professional development (\$3.7 M);
School Budget allocation – 5% reduction (\$3.0 M);
Central Board Administration staff (\$2.0 M);
Central Department non-salary expenditures (\$5.0 M);
Energy savings (\$0.5 M);
Continuing Education (\$2.2 M);
Central Program Services (\$2.4 M);
Operating efficiencies (\$0.5 M);
Board Services (\$0.2 M)
Projected operating surplus from 08-09 year (\$3.0 M); and
Other to be identified (\$1.4 M).

Some of the significant challenges impacting the Board's ability to achieve a balanced budget are:

Declining enrolment has and will continue to have a significant impact on the TDSB's funding and its ability to maintain its level of programs, staff and the number of schools it operates. Since 2001-02, our enrolment has declined by approximately 12% or over 32,000 students, and is projected to decline by a further 3,300 students in 2009-10. Our enrolment will continue to decline by a further 20,000 students by 2020.

The Province's funding formulas are based on the number of students and as our enrolment falls so does the funding. While the Board can reduce some of its variable costs such as classroom teachers in response to less enrolment, other costs such as school operating costs are fixed and can only be eliminated by reducing the number of schools and/or securing other fee paying tenants. Without significant revenue from community use of our schools and/or significant consolidation of schools, the Board can no longer support and maintain the existing number of schools. Ministry funding for school operating costs continues to decline and will accelerate in the coming years as a result of changes announced in this year's provincial grants. Also, as our schools grow smaller our ability to offer a full range of programs to our students decreases.

The reductions to Special Education to address declining enrolment and grant reductions announced by the Ministry comes in spite of the fact that our Special Education enrolment is increasing and the fact that the Board's expenditures for Special Education exceeded the available funding in 2008-09 by over \$8.7 million.

TDSB offers several programs and services that are not fully funded by the provincial government but have a significant impact on the success of our students. The Board must make decisions regarding its key priorities in the allocation of its funding to support student achievement given the reduction in funding. The Board uses allocations from Special Purpose Grants such as Learning Opportunities, Program Enhancement and Declining Enrolment to support the costs of these programs and services. Examples include:

Aquatic program
Outdoor Education
Itinerant music instructors
Continuing Education programs
Salary & benefit costs in excess of the funding benchmarks for staff such as school clerical staff, education assistants and caretakers