



## **First Quarter Interim Financial Report – 2020-21**

**To:** Finance, Budget and Enrolment Committee

**Date:** 24 February, 2021

**Report No.:** 02-21-4039

### **Strategic Directions**

- Provide Equity of Access to Learning Opportunities for All Students
- Allocate Human and Financial Resources Strategically to Support Student Needs
- Build Strong Relationships and Partnerships Within School Communities to Support Student Learning and Well-Being

### **Recommendation**

It is recommended that the report regarding the First Quarter Interim Financial Report – 2020-21 be received.

### **Context**

Enclosed is the first quarter report from September 1, 2020 to November 30, 2020 outlining the financial position of the Board relative to the approved budget. It is important to note that this is an early look at the Board's financial position after the first three months of operations in the 2020-21 school year. At this time, staff do not project significant changes from the Revised Estimates figures as reported at January 20<sup>th</sup>, 2021 Financial, Budget & Enrolment Committee (FBEC).

### **Assumptions and Risk Factors**

The assumptions and risk factors that could have an impact on the current year projection have been identified below. Staff will continue to monitor these areas closely and will provide updates to the Board on a regular basis:

1. Enrolment:

The enrolment count of students in October has been completed. The remaining risk to enrolment is the final count date in March, which has an impact on Grants for Student Needs revenue.

2. Impact of the Pandemic:

Forecasting during a pandemic is challenging, as the situation is constantly evolving. As a result of uncertainties around changes to public health direction and school closures, staff are monitoring closely on a regular basis and will report back on any significant items.

Provided in this report are several appendices that summarize the results of the operations for the first quarter:

- Appendix A provides high level financial information in the Public Sector Accounting Board (PSAB) format on changes to both revenue and expenses since the original budget was approved. In the second section of the appendix, enrolment changes are highlighted based on the October 31, 2020 count. The last section of the appendix outlines the changes to Board staffing during the same timeframe.
- Appendix B provides a summary of revenues for the quarter ending November 30, 2020. The first section of this appendix provides information on the Grant for Student Needs, while the second section of the appendix provides information on other revenues of the Board. The actual results for the first quarter and a comparison to the same period in the prior year are included in the appendix.
- Appendix C provides the summary of expenses for the quarter ending November 30, 2020, based on Ministry of Education classifications. The appendix includes the Board approved original budget and revised budget. As a result of new pandemic related funding from provincial and federal government and board supported initiatives, there were significant changes reflected in the Revised Estimates, which was presented at the Jan 20, 2021 FBEC meeting. The appendix outlines actual results of the first quarter's operations and a comparison to the same period in the prior year.

## **Action Plan and Associated Timeline**

Not applicable.

## **Resource Implications**

Not applicable.

## **Communications Considerations**

This report will be posted on the TDSB external website.

## **Board Policy and Procedure Reference(s)**

Not applicable.

## **Appendices**

- Appendix A: Dashboard Summary
- Appendix B: Detailed Revenue Summary
- Appendix C: Detailed Expense Summary by Category

## **From**

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## Dashboard Summary - Financial, Enrolment and Staffing Categories

### 2020-21 Interim Financial Report as of Nov 30th 2020 (reflects Revised Estimates)

Section A Summary of Financial Results				
(\$Millions)	Budget Estimate	Forecast Revised Estimate	In-Year Change	
			\$	%
<b>Revenue</b>				
GSN allocation	3,032.2	2,988.9	(43.2)	-1.4%
Less GSN allocation for capital	(24.6)	(23.8)	0.8	-3.3%
Other revenue	396.8	498.5	101.7	20.4%
<b>Total Revenue</b>	<b>3,404.3</b>	<b>3,463.6</b>	<b>59.3</b>	<b>1.7%</b>
<b>Expenses</b>				
Classroom Expenses	2,634.0	2,695.6	61.6	2.3%
Other Operating Expenses	776.3	791.5	15.3	1.9%
<b>Total Expenses</b>	<b>3,410.3</b>	<b>3,487.1</b>	<b>76.9</b>	<b>2.2%</b>
In year Surplus (Deficit)	(5.9)	(23.3)	(17.4)	
PSAB compliance adjustment	(23.8)	(23.7)	0.1	
<b>PSAB compliance financial position</b>	<b>(29.7)</b>	<b>(47.0)</b>	<b>(17.3)</b>	

Transfer from sinking fund reserve	1.4	1.4	-	
Transfer from benefit reserves		10.0	10.0	
Transfer from POD		10.3	10.3	
Transfer from working fund reserve	28.3	16.8	(11.5)	
<b>Total usage of reserve</b>	<b>29.7</b>	<b>38.5</b>	<b>8.8</b>	<b>-</b>
<b>Working Funds balance</b>	<b>-</b>	<b>(8.5)</b>	<b>(8.5)</b>	

\* (School Generated Funds amount is not included in the above figures.)

#### Changes in Revenue (Please refer to Appendix B for details)

GSN allocation change is mainly result from changes in enrolment and teacher's Q&E

Other Revenue increase in forecast is made up of additional Covid support PPF (Priorities and Partnerships Fund) and Ministry stabilization grant, Workers' Protection fund (EWPF) and Student Support Investment (SSI)

#### Changes in Expenses (Please refer to Appendix C for details)

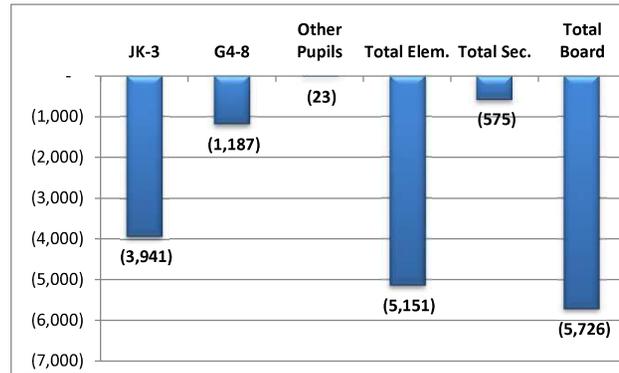
Increase in the Expenses is mainly due to additional staff supported by Covid funding, EWPF and SSI

#### Changes in Use of Reserves

There were additional usage of reserve funds compared to the initial planned amount due to higher in-year cost pressures that were not offset by revenue sources.

Section B Summary of Enrolment				
ADE	Budget Estimate	Forecast Revised Estimate	In year Change	
			#	%
<b>Elementary</b>				
JK-3	88,308	84,367	(3,941)	-4.7%
G4-8	86,061	84,874	(1,187)	-1.4%
Other Pupils	239	216	(23)	-10.6%
<b>Total Elementary</b>	<b>174,608</b>	<b>169,457</b>	<b>(5,151)</b>	<b>-3.0%</b>
<b>Secondary &lt; 21</b>				
Pupils of the Board	69,380	68,792	(588)	-0.9%
Other Pupils	1,110	1,123	13	1.2%
<b>Total Secondary</b>	<b>70,490</b>	<b>69,915</b>	<b>(575)</b>	<b>-0.8%</b>
<b>Total</b>	<b>245,098</b>	<b>239,372</b>	<b>(5,726)</b>	<b>-2.4%</b>

#### Changes in Enrolment:



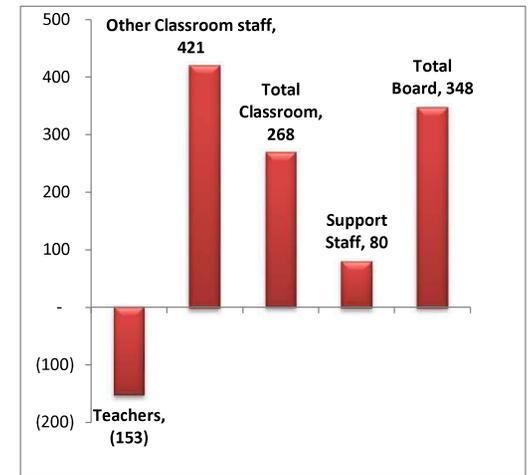
#### Note regarding changes in enrolment:

Oct 31st actual enrolment is lower than initial projection due to COVID-19.

Section C Summary of Staffing				
FTE	Budget Estimate	Forecast Revised Estimate	In-Year change	
			#	%
<b>Classroom</b>				
Instructional Teachers	15,270	15,117	(153)	-1.0%
Other School based staff	11,800	12,221	421	3.4%
<b>Total School based staff</b>	<b>27,070</b>	<b>27,338</b>	<b>268</b>	<b>1.0%</b>
Support Staff	4,063	4,143	80	1.9%
<b>Total Staff</b>	<b>31,133</b>	<b>31,481</b>	<b>348</b>	<b>1.1%</b>

Note: Actual as of count date of October 31st.

#### Changes in Staffing:



#### Note regarding change in staffing:

Change in FTE was mainly the result of enrolment reduction and additional funding received (Covid, EWPF and SSI).

**Detailed Revenue Summary**  
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**Period Ending November 30, 2020**  
**(x \$1,000)**

Budget Assessment					Risk Assessment					
a	b	c = b - a	d = c/a		e	f	g	h	g = f - h	
2020-21					Actual Revenue					
Original Budget Estimates	Forecast	Change		Material Variance Note	2020-21 As of Nov 30th		2019-20 As of Nov 30th		Year-to-year Increase (Decrease)	
		\$ Increase (Decrease)	% Increase (Decrease)		\$	% of Forecast Received	\$	% of Forecast Received		
<b>General Operation Grant</b>										
Pupil Foundation	1,370,680	1,336,765	(33,915)	-2.5%	1	265,709	19.9%	246,891	19.2%	0.7%
School Foundation	180,891	177,829	(3,062)	-1.7%	1	35,347	19.9%	34,408	19.2%	0.7%
Special Education	348,799	343,297	(5,502)	-1.6%	1	68,236	19.9%	65,992	19.2%	0.7%
French as a Second Language	34,352	33,879	(473)	-1.4%		6,734	19.9%	6,480	19.2%	0.7%
English as a Second Language	86,070	71,915	(14,156)	-16.4%	1	14,294	19.9%	16,308	19.2%	0.7%
Learning Opportunity	154,579	154,441	(138)	-0.1%		30,698	19.9%	29,129	19.2%	0.7%
Continuing Education	27,042	27,055	13	0.0%		5,378	19.9%	4,778	19.2%	0.7%
Teacher Q & E	280,857	286,080	5,223	1.9%	2	56,863	19.9%	65,528	19.2%	0.7%
ECE Q & E	16,747	16,588	(159)	-0.9%		3,297	19.9%	3,374	19.2%	0.7%
Transportation	63,515	63,455	(60)	-0.1%		12,613	19.9%	12,193	19.2%	0.7%
Administration and Governance/Program Leadership	63,957	62,933	(1,025)	-1.6%	1	12,509	19.9%	11,897	19.2%	0.7%
School Operations	276,397	270,353	(6,044)	-2.2%	1	53,737	19.9%	52,176	19.2%	0.7%
Indigenous Education	5,297	5,279	(18)	-0.3%		1,049	19.9%	1,000	19.2%	0.7%
Mental Health and Well-Being/Safe School	9,923	9,802	(121)	-1.2%		1,948	19.9%	1,560	19.2%	0.7%
Supports for Student Funds	23,923	23,923		0.0%		4,755	19.9%			19.9%
Support for Covid-19 Outbreak		2,109			3	419	19.9%			19.9%
Community Use of Schools	3,724	3,724	-	0.0%		740	19.9%	723	19.2%	0.7%
New Teacher Induction Program	1,520	1,163	(357)	-23.5%		231	19.9%	217	19.2%	0.7%
Declining Enrolment	0	15,243	15,243		1	3,030	19.9%	10	19.2%	0.7%
Trustees' Association Fees	43	43	-	0.0%		9	19.9%	8	19.2%	0.7%
Restraint Savings	(950)	(950)	-	0.0%		(189)	19.9%	(183)	19.2%	0.7%
Regular Operating Grants	2,947,367	2,904,926	-44,550	-1.5%		577,407	19.9%	552,489	19.2%	0.7%
<b>Grants for other Purposes</b>										
School Renewal Grant	48,407	47,610	(797)	-1.6%		9,463	19.9%	9,082	19.2%	0.7%
Capital Debt Interest Payments	15,885	15,885	-	0.0%		3,157	19.9%	3,211	19.2%	0.7%
Permanent Financing of 55 School Board Trust	20,499	20,499	-	0.0%		4,074	19.9%	3,943	19.2%	0.7%
	84,791	83,994	(797)	-0.9%		16,694	19.9%	16,236	19.2%	0.7%
Total Allocation	3,032,158	2,988,920	(43,238)	-1.4%	1/2/3	594,101	19.9%	568,725	19.2%	0.7%
<b>Other Revenue</b>										
Priorities and Partnerships Fund/Other Grants	55,186	165,672	110,486	200.2%	4	9,131	5.5%	9,443	17.5%	-12.0%
Federal Grants	22,000	22,000	-	0.0%		4,332	19.7%	5,262	23.9%	-4.2%
Rental Revenue	29,800	27,800	(2,000)	-6.7%	5	5,234	18.8%	9,300	30.0%	-11.2%
Tuition Fees	23,850	23,050	(800)	-3.4%	5	7,921	34.4%	10,999	33.5%	0.9%
Continuing Education	3,777	3,777	-	0.0%		223	5.9%	2,180	57.7%	-51.8%
Staff on Loan	13,231	13,248	16	0.1%		2,850	21.5%	3,137	25.0%	-3.5%
Miscellaneous Revenues	28,784	22,802	(5,981)	-20.8%	6	6,821	29.9%	5,265	12.8%	17.1%
Deferred Capital Contributions/Capital Revenue	220,171	220,171		0.0%		55,702	25.3%	44,763	21.2%	4.1%
	396,799	498,520	101,721	25.6%		92,214	18.5%	90,350	22.1%	-3.6%
Total Funds	3,428,958	3,487,440	58,483	1.7%		686,314	19.7%	659,075	19.6%	0.1%
Less: Funding to be used for mTCA	(24,625)	(23,828)	797	-3.2%		(2,390)	10.0%	(3,094)	13.3%	-3.3%
<b>Total Operational Revenue</b>	<b>3,404,332</b>	<b>3,463,612</b>	<b>59,280</b>	<b>1.7%</b>		<b>683,924</b>	<b>19.7%</b>	<b>655,981</b>	<b>19.6%</b>	<b>0.1%</b>

**Notes: Explanation of Revenue Variances**

- 1 - Net decrease in Grants due to overall enrolment change.
- 2 - Increase in Teacher Qualification & Experience grant is due to updated teacher average salary grid.
- 3 - New grant to support for Covid-19 Outbreak .
- 4 - Increase in Priorities and Partnerships Fund/Other Grants due to additional funding for Covid-19, Stabilization Funding, Educational Worker Protection Fund (EWPF) and Student support investment (SSI)
- 5 - Decrease in Rental Revenue (Permits) and Tuition Fees due to Covid-19.
- 6 - Decrease in Miscellaneous Revenues (mainly cafeteria revenue) due to Covid-19.