

YCDSB 2017-18 Budget Update

**May 23, 2017
Board Meeting**



Mission Statement

Guided by Gospel Values and Catholic Virtues, in partnership with home and Church, we educate and inspire all students to reach their full potential in a safe and caring environment.

Vision Statement

Our students will become creative and critical thinkers who integrate Catholic Values into their daily lives, as socially responsible global citizens.

Core Values



Strategic Commitments



Areas of Focus

1. Financial starting point: without any cost reductions
 - a) Revenue (Operating & Total)
 - b) Operating Expenses
 - c) Starting Financial Positon
2. Fiscal Responsibility: MYFRP
3. Q&A



REVENUES

OPERATING REVENUE

2017-18 Operating Revenue (Preliminary Estimates)

| | 2016-17 Revised Estimates | 2017-18 Estimates | Difference | |
|--|------------------------------|-----------------------|----------------------|---------------|
| | | | #/\$ | % |
| <u>ENROLMENT</u> | | | | |
| Elementary | 36,469.22 | 35,963.35 | (505.87) | -1.39% |
| Secondary | 18,281.13 | 18,122.13 | (159.00) | -0.87% |
| Total Enrolment | 54,750.35 | 54,085.48 | (664.87) | -1.21% |
| OPERATING REVENUE | | | | |
| Grants for Student Needs (GSN) | \$ 560,413,151 | \$ 573,812,857 | \$ 13,399,706 | 2.39% |
| Other Grants | (118,069) | - | 118,069 | -100.00% |
| Other Revenue | 10,129,900 | 9,806,726 | (323,174) | -3.19% |
| Continuing Education Other | 7,880,703 | 7,952,141 | 71,438 | 0.91% |
| | \$ 17,892,534 | \$ 17,758,867 | \$ (133,667) | -0.75% |
| TOTAL OPERATING REVENUE (Excl. Grants/Revenue w/ exp offsets, Capital/PSAB) | \$ 578,305,685 | \$ 591,571,724 | \$ 13,266,039 | 2.29% |



REVENUES

TOTAL REVENUE

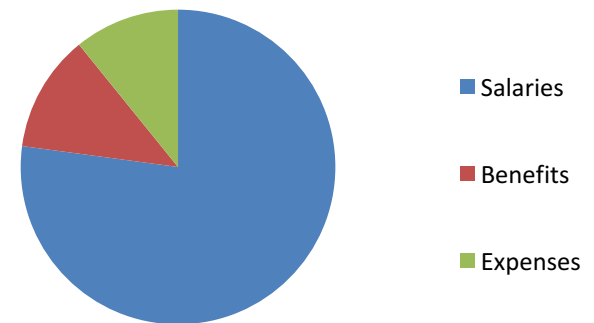
| 2017-18 Operating Revenue (Preliminary Estimates) | | | | |
|--|--------------------------------------|------------------------------|-----------------------|----------------|
| | 2016-17 Revised Estimates | 2017-18 Estimates | Difference | |
| | | | #/\$ | % |
| TOTAL OPERATING REVENUE (Excl. Grants/Revenue w/ exp offsets, Capital/PSAB) | \$ 578,305,685 | \$ 591,571,724 | \$ 13,266,039 | 2.29% |
| GRANTS/REVENUE WITH EXPENSE OFFSETS (Self-sustaining programs) | \$ 5,502,192 | \$ 3,253,386 | \$ (2,248,806) | -40.87% |
| TOTAL REVENUE before Capital and PSAB Items | \$ 583,807,877 | \$ 594,825,110 | \$ 11,017,233 | 1.89% |
| Capital & PSAB | | | | |
| Capital Program Operating | \$ 23,087,857 | \$ 25,386,693 | \$ 2,298,836 | 9.96% |
| Minor TCA to DCC | (1,000,000) | (1,000,000) | - | 0.00% |
| DCC Amortization Allocation | 30,501,669 | 32,332,261 | 1,830,592 | 6.00% |
| School Generated Funds | 24,325,000 | 24,325,000 | - | 0.00% |
| Capital & PSAB | \$ 76,914,526 | \$ 81,043,954 | \$ 4,129,428 | 5.37% |
| TOTAL REVENUE | \$ 660,722,403 | \$ 675,869,064 | \$ 15,146,661 | 2.29% |



OPERATING EXPENSES

| | 2016/17 Revised Estimates | 2017/18 Estimates | Change | % |
|-----------------------|---------------------------------|----------------------|-------------------|--------------|
| Salaries | 450,380,596 | 464,798,749 | 14,418,153 | 3.20% |
| Benefits | 71,170,668 | 72,604,459 | 1,433,791 | 2.01% |
| Salaries and Benefits | 521,551,264 | 537,403,208 | 15,851,944 | 3.04% |
| Expenses | 62,821,736 | 65,248,284 | 2,426,548 | 3.86% |
| Grand Total | 584,373,000 | 602,651,492 | 18,278,492 | 3.13% |

| | 2017/18 Estimates | % |
|---------------------------------|----------------------|----------------|
| Salaries | 464,798,749 | 77.13% |
| Benefits | 72,604,459 | 12.05% |
| Salaries and Benefits | 537,403,208 | 89.17% |
| Expenses | 65,248,284 | 10.83% |
| Total Operating Expenses | 602,651,492 | 100.00% |





Financial Starting Point

Preliminary Projections (without Reductions)

| Financial Position Summary (Preliminary) | | | | |
|--|---------------------------------|------------------------|-----------------------|---------------|
| | 2016-17 Revised Estimates | 2017-18 Estimates | Difference | |
| | | | #/\$ | % |
| Operating Revenue* | \$ 578,305,685 | \$ 591,571,724 | \$ 13,266,039 | 2.29% |
| Operating Expenses* | 584,372,998 | 602,651,492 | 18,278,494 | 3.13% |
| Operating (Deficit) | \$ (6,067,313) | \$ (11,079,768) | \$ (5,012,455) | 82.61% |
| Compliance items: | | | | |
| Employee Future Benefit (Ret Grat) | \$ (1,364,272) | \$ (1,364,272) | \$ - | 0.00% |
| Committed Sinking Fund | (142,939) | (142,939) | - | 0.00% |
| Compliance items | \$ (1,507,211) | \$ (1,507,211) | \$ - | 0.00% |
| Compliance Operating (Deficit) | \$ (7,574,524) | \$ (12,586,979) | \$ (5,012,455) | 66.18% |



Fiscal Responsibility

Preliminary Projections (Without Cost Reductions)

| | Past (\$M) | | Projected (\$M) | | |
|--|----------------------|------------------------|--------------------------|--------------------------|--------------------------|
| | 2015-2016 Actuals | 2016-2017 Projected | 2017-2018 Projections | 2018-2019 Projections | 2019-2020 Projections |
| Opening Accumulated Surplus/(Deficit) | \$9.0 | \$15.6 | \$4.1 | (\$8.5) | (\$22.2) |
| Total Revenue | \$577.0 | \$578.3 | \$591.6 | \$591.6 | \$587.1 |
| (Declining Enrolment GSN Reductions) | \$0.0 | \$0.0 | \$0.0 | (\$3.3) | (\$3.3) |
| (Declining Enrolment Adjustments) | \$0.0 | \$0.0 | \$0.0 | (\$0.6) | (\$0.1) |
| (Other Adjustments) ¹ | \$0.0 | \$0.0 | \$0.0 | (\$0.6) | (\$0.6) |
| Total Revenue Adjustments | \$0.0 | \$0.0 | \$0.0 | (\$4.5) | (\$4.0) |
| Total Operating Revenue | \$577.0 | \$578.3 | \$591.6 | \$587.1 | \$583.1 |
| Operating Expenditures | \$582.4 | \$589.8 | \$604.2 | \$604.2 | \$600.8 |
| Total Operating Expenditures | \$582.4 | \$589.8 | \$604.2 | \$604.2 | \$600.8 |
| (Expenditures Reductions Associated with Declining Enrolment) | \$0.0 | \$0.0 | \$0.0 | (\$2.3) | (\$2.3) |
| (ELHT Transition Impact) | \$0.0 | \$0.0 | \$0.0 | (\$0.5) | \$0.0 |
| (School Closures Impact) | \$0.0 | \$0.0 | \$0.0 | (\$0.6) | (\$0.4) |
| Total Expenditure Adjustments | \$0.0 | \$0.0 | \$0.0 | (\$3.4) | (\$2.7) |
| Total Operating Expenditures | \$582.4 | \$589.8 | \$604.2 | \$600.8 | \$598.1 |
| In Year Surplus/(Deficit) Before Current Year Adjustments | (\$5.4) | (\$11.5) | (\$12.6) | (\$13.7) | (\$15.0) |
| Structural Reductions Required | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| One Time Reductions Required | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| Total Reductions Required | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 |
| In Year Surplus/(Deficit) After Current Year Adjustments | \$6.6 | (\$11.5) | (\$12.6) | (\$13.7) | (\$15.0) |
| Ending Accumulated Surplus/(Deficit) | \$15.6 | \$4.1 | (\$8.5) | (\$22.2) | (\$37.2) |



2017-18 MYFRP & Savings Strategies

Multi-Year Financial Recovery Plan (MYFRP):

- **Deloitte Report and Recommendations:**
 - Purpose to develop a multi-year savings strategy for the board
 - Expected end of May
- **Ministry MYFRP Requirements:**
 - Incorporate multi-year savings strategies
 - Compliant Budget by 2018-19
 - Accumulated Surplus of 1% by 2019-20
 - Due no later than June 30, 2017
- **Interim Financial Reporting:**
 - Monthly interim financial reporting due 20th of each month



2017-18 Board Profile

Board Profile:

- **Declining Enrolment (Grant Decreasing):**
 - **Post-FDK implementation in year 2015-16**
- **Funding Reductions:**
 - **Special Education Differentiated Special Education Needs Amount (DSENA)**
 - **School Operations Top-up funding elimination and Supplemental Area Factor (SAF) decreases**
 - **Benefits Benchmarks**
- **Expected School Consolidations:**
 - **Three elementary school closures approved for June 30, 2017**
 - **On-going Pupil Accommodation Reviews (PAR)**

Questions

