

Salaries and Benefits Budget Information

April 30, 2019

Salaries and benefits constitute over 80% of the TVDSB expenditure budget.

The majority of these expenditures are fixed amounts due to contractual agreements with TVDSB's employee groups. As a result, Administration is able to provide information related to how this section of the budget is developed.

Salaries:

Salaries are driven by two factors; positions and rate of pay.

Positions are measured in what is known as Full Time Equivalency (FTE), which represents the fraction of a full time position an individual works (e.g. 1.0 FTE represents a single individual receiving full salary). The number of FTE is primarily driven by a combination of:

- The needs of the system (e.g. number of students impacts the number of teachers);
- Provincial regulation (e.g. class sizes, as stipulated by the province, which impact the number of teachers); and
- Local collective agreements (e.g. teacher collective agreements contain local language around class sizes as well – note TVDSB will staff to meet collective agreement requirements).

The rate of pay for every employee group is determined by their respective collective agreement.

- In the previous round of collective bargaining, the change in rates of pay was determined through provincial central bargaining.
- The majority of contracts are set to expired on August 31, 2019 and therefore any increase in the pay grid is unknown at this time.
 - As a result, the only budgeted increase in pay is the result of an increase in experience for an employee, rather than a change in pay grid.
 - Retirements and the hiring of new staff impact the placement of employees on the pay grid and is based on TVDSB historical trends and declared retirements.

Benefits:

Benefits expenses are driven by a combination of statutory requirements, collective agreements and actuarial valuations.

The benefit expenses driven by federal statutory law include:

- Canada Pension Plan;
- Employment Insurance; and
- Employer Health Tax.

Life insurance, health and dental expenses are centrally determined by which provincial benefit trust (ELHTs) each employee group belongs to. At TVDSB, Long Term Disability is not an expense to the Board as it is 100% employee paid.

For pension expenses, teachers and former teachers are part of the Teachers Pension Plan (TPP) and all other employees are part of the Ontario Municipal Employees Retirement System (OMERS). TVDSB does not make pension contributions to TPP as this is paid provincially. TVDSB is required by collective agreements to make employer contributions as a percentage of pay to those employees who are part of OMERS.

Additional benefit expenses, the largest of which is WSIB, is determined through actuarial valuations. The actuaries leverage sector experience data along with TVDSB current and historical.