



Saskatoon Public Schools 2021-2022 Budget Report

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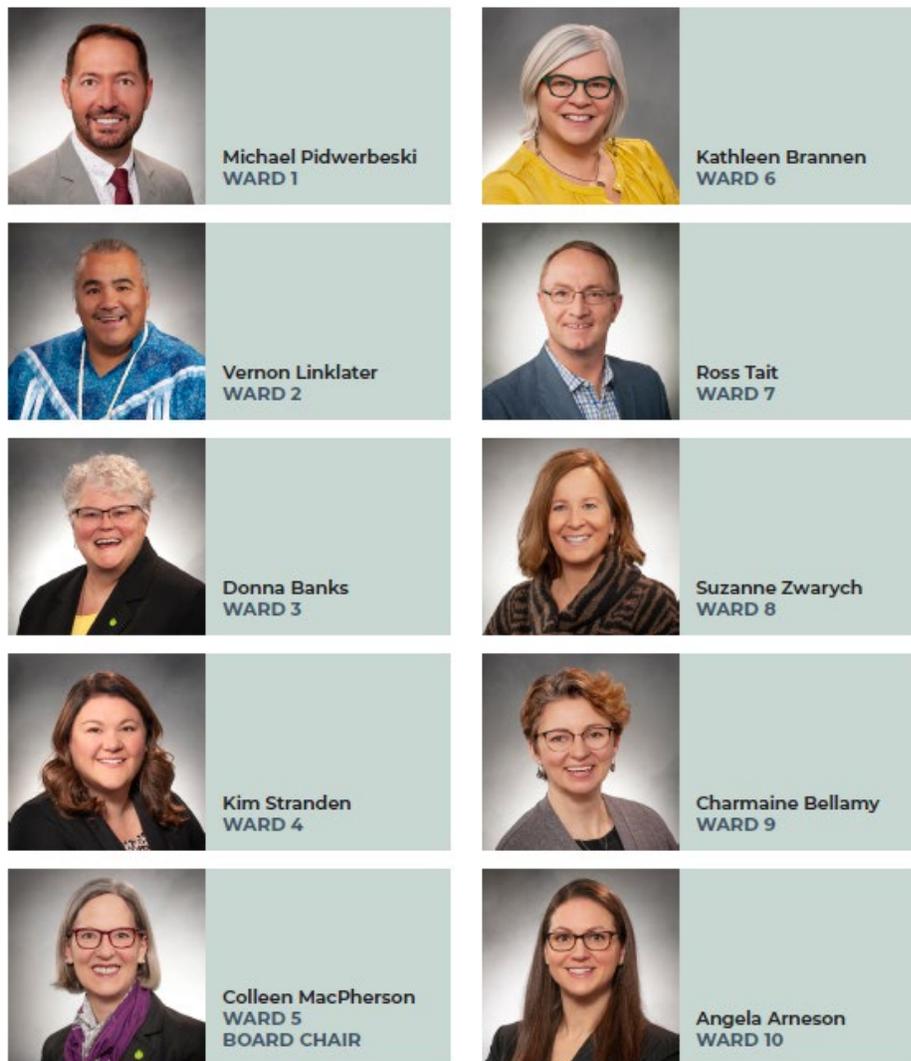
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THE BOARD OF EDUCATION

Saskatoon Public Schools is governed by a ten-person elected Board of Education. *The Education Act, 1995* gives the Board of Education the authority to govern the school division.

The school division is organized into ten wards for the purpose of elections, but once elected, the members of the Board of Education represent all students in the division and are committed to providing the very best education possible for each and every student.

The current Board of Education was elected on November 13, 2020 and will serve a four-year term. Board of Education members are:

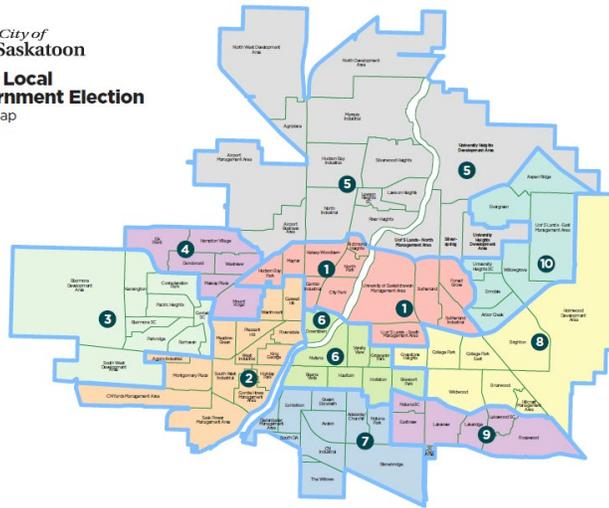


SCHOOL DIVISION PROFILE

Saskatoon Public Schools encompasses the community of Saskatoon and also includes Whitecap Dakota First Nation. It is the largest school division in the province, educating over 26,000 students in 48 elementary schools, 10 collegiates, one associate school, one alliance school, one grades 1-12 school, and a variety of off-site educational programs.

The school division is organized into 10 wards for elections purposes.

 **City of Saskatoon**
2020 Local Government Election
Ward Map



Each school is also represented by a School Community Council that works closely with the school administrative team to facilitate parent and community participation.



STRATEGIC PLAN

Academic excellence, character, engagement, and well-being of students are at the heart of Saskatoon Public Schools’ five-year strategic plan. The plan was designed to be a clear vision that would resonate with students, staff, parents and caregivers, and the larger community. The process of developing this new plan included an extensive consultation process with students, staff, parents/caregivers, central office support personnel, school-based administrators, trustees, external partners, and First Nation and Métis organizations. The feedback received focused on preparing students for an evolving world and highlighted the necessary skills, character traits, and knowledge that students will need for their future.

Saskatoon Public Schools
STRATEGIC PLAN 2019-2024

OUR VISION
Every Student is
Known • Valued • Believed In

 ACADEMIC EXCELLENCE Students will achieve success in their learning goals	 CHARACTER Students will demonstrate respect, responsibility, and perseverance	 ENGAGEMENT Students will actively participate in relevant and meaningful learning	 WELL-BEING Students will develop the skills to make healthy choices
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OUR COMMITMENT
We will create learning experiences that inspire all students to reach their potential.

 Saskatoon Public Schools
Inspiring Learning

Saskatoon Public Schools
STRATEGIC PLAN 2019-2024

FULFILLING OUR COMMITMENT

RELATIONSHIPS We will

- foster caring and supportive relationships
- honour diversity
- create welcoming and joyful spaces
- develop and grow community partnerships

EQUITY We will

- be open to all
- maintain high expectations for all
- enact anti-racist/anti-oppressive practices
- pursue a representative workforce

ACCOUNTABILITY We will

- respond to student needs through evidence-based practices
- focus on Indigenous student success
- pursue continuous improvement
- ensure safe, caring, and accepting environments

 Saskatoon Public Schools
Inspiring Learning

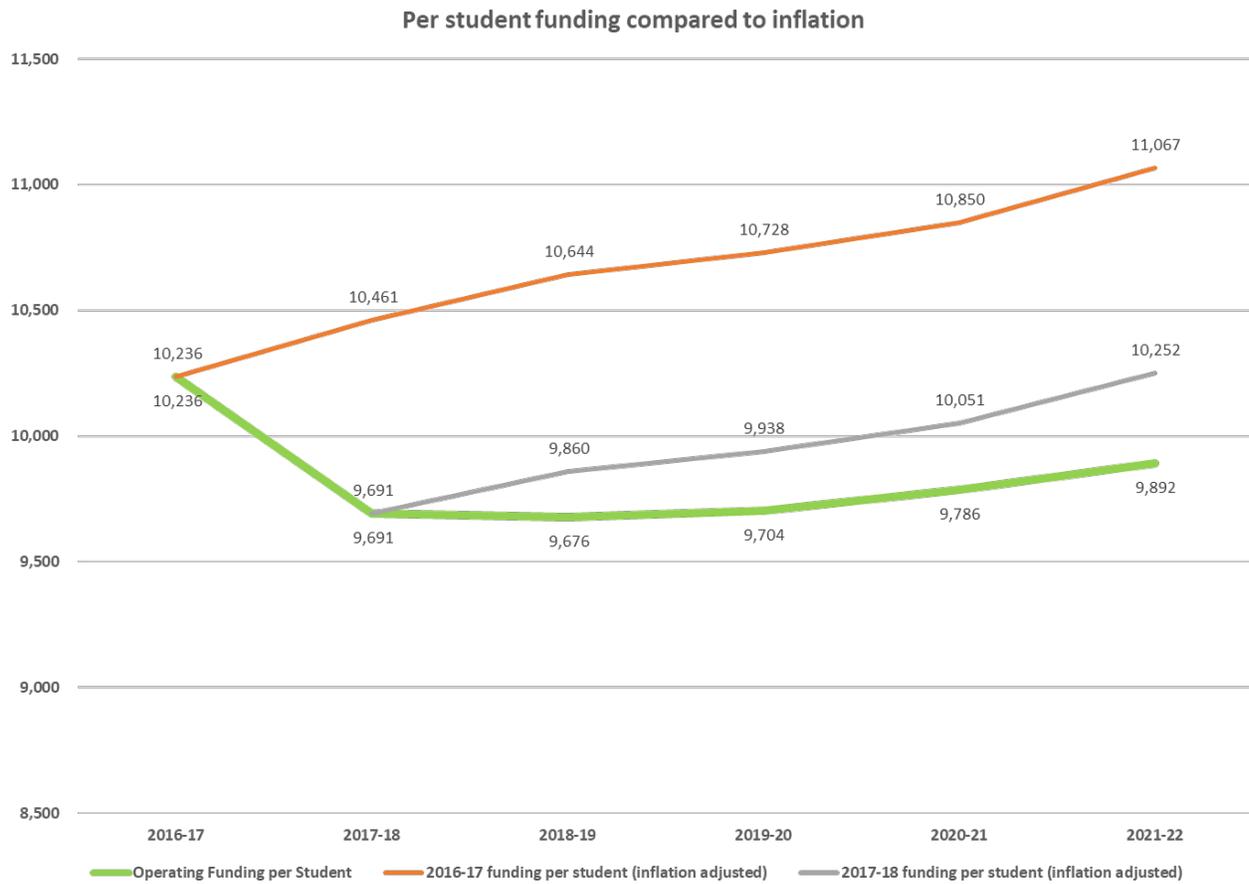
BUDGETARY IMPACTS

The April 6, 2021 provincial budget increased Saskatoon Public Schools' operating funding by 2.0% or \$4.6 million, with an operating grant of \$242.7 million¹ compared to \$238.1 million in 2020-21.

The projected enrolment for September 2021 is 26,714 students. Student enrolment as of September 2020 was 25,622 students as compared to a projection of 26,541. Student enrolment was significantly lower in 2020-21 due to the COVID-19 pandemic. However, total student enrolment has increased by 5.0% since September 2017. This significant enrolment increase and the addition of four new schools have added operating costs that were not adequately covered by funding increases over the same time period.

As well, during the five-year period there have been inflationary pressures for salaries, benefits, and other expenditures. The following graph shows the per student funding from 2016-17 to 2021-22 and compares it to an inflation adjusted per student funding amount over that time period. There is a significant gap between the inflation adjusted per student funding and the actual per student funding received.

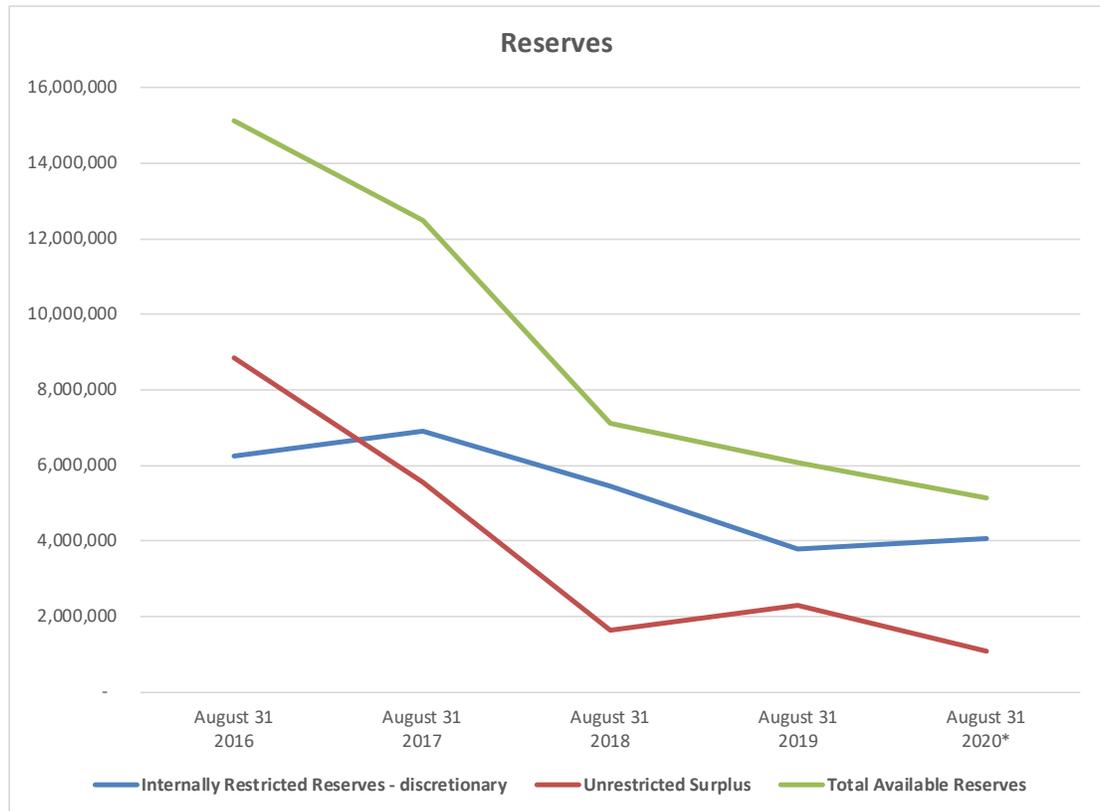
¹ Excluding associate schools, debt funding and funding for First Nations, Métis, Education Achievement Fund.



During each of the past five years, the division has partially addressed this gap by drawing down operating reserves to cover budget deficits, as well as implementing other significant budget reductions. The table and graph below illustrate that this has left depleted reserve balances that are no longer able to partially cover budget deficits. Discretionary reserves are reserve balances that would be available to cover operating expenditures. The discretionary internally restricted reserves available at August 31, 2020 are designated for technology replacement and facilities. Non-discretionary reserve balances include reserves such as school generated funds, school budget carryovers, COVID-19 reserves, specific program funds and the Foundation. These non-discretionary reserve funds cannot be used to cover operating deficits.

Saskatoon Public Schools Budget Report 2021-2022

	August 31 2016	August 31 2017	August 31 2018	August 31 2019	August 31 2020*
Internally Restricted Reserves - discretionary	6,264,154	6,922,154	5,457,154	3,792,154	4,059,154
Unrestricted Surplus	8,865,446	5,552,512	1,651,618	2,302,463	1,076,569
Total Available Reserves	15,129,600	12,474,666	7,108,772	6,094,617	5,135,723
Internally Restricted Reserves - non discretionary	5,682,165	5,781,540	5,954,637	6,152,466	11,301,181



*Adjusted to remove pension asset from unrestricted surplus

The continued erosion of purchasing power because funding has not kept pace with inflation, combined with the depletion of our reserves and significant cost increases for 2021-22 have forced the school division to make reductions in several areas. These budget changes for 2021-2022 are outlined below:

Additions:

- 10.0 FTE teaching staff due to increased enrolment.
- \$3.3 million in increased salaries for teachers due to a 2% salary increase and step movements.

Saskatoon Public Schools Budget Report 2021-2022

- \$1.0 million in increased salaries for CUPE and out of scope staff.
- \$1.4 million in increased benefits costs due to increases in CPP, EI, pension and other benefits.
- \$320,000 in employee future benefits cash cost that was not previously included in the budget
- MySchoolSask licensing fees - \$387,000.
- Software licensing and communications costs - \$263,000.
- Technology and software costs for new staff and small technology replacement items - \$121,000.
- In kind donations to Saskatoon Public Schools Foundation for salary costs - \$60,000.
- 1.0 administrative assistant for the Online Learning Centre Elementary (OLCE) - \$54,000.
- Software and licenses for the OLCE - \$20,000.
- Assistive technology costs related to cochlear implants - \$48,000.
- 1.0 FTE elementary school counsellor.
- 1.0 FTE elementary resource teacher.
- Functional Life Skills special education program (using existing staff resources).

Reductions:

- Central office reductions:
 - Student Services coordinator 1.0 FTE, Learning Disabled (LD) consultant 1.0 FTE, LD teacher 1.0 FTE, LD tutor dollars.
 - Psychologist 2.0 FTE.
 - Speech language pathologist 1.0 FTE.
 - English as an Additional Language consultant 1.0 FTE.
 - First Nation, Inuit, and Métis Unit consultant 1.0 FTE.
 - Central office administrative assistants 0.5 FTE.
 - Staff development instructional consultants 2.5 FTE, coordinators 2.0 FTE.
 - Counselling, Behavior, and Safe Schools consultant 1.0 FTE.
- School-based teaching positions:
 - Staffing ratio – an increase of 0.5 to the staffing divisor.
 - 13.5 FTE elementary schools.
 - 7.0 FTE secondary schools.
 - Career facilitators (secondary) - 2.25 FTE.
 - Teacher librarians (secondary) – 2.75 FTE.
 - EAL teachers – 1.5 FTE secondary and 5.5 FTE elementary.
- Other school-based positions:
 - Library technicians (elementary) – 4.7 FTE.
 - Community school educational assistants (elementary) – 9.7 FTE.
 - Caretaking (but funded from pandemic dollars for 2021-22) - 4.0 FTE.

- Business Functions.
 - 1.0 plumber.
 - 1.0 mail route driver.
- School budget lines – 10% reduction - \$400,000.
- Central office budget lines – 15% reduction - \$450,000.
- Student fee subsidy reduction (secondary) - \$70,000. This eliminates the student fee subsidy for secondary schools.
- Student fee subsidy reduction (elementary) - \$138,000. This reduces the student fee subsidy from \$28 to \$20 for elementary schools.

In addition, students will now be required to pay the third-party costs for exams in Advanced Placement courses. Also, students returning to upgrade classes after graduation will be required to pay fees for any additional classes beyond the two classes funded by the Ministry or if registration occurs after September 30th.

ADVOCACY

To ensure adequate funding to meet the outcomes detailed in the Strategic Plan, the Board and administration will work with the Ministry and advocate for sufficient, sustainable and predictable funding. Specific priorities are as follows:

- Supports for Learning for students with special needs as well as those with complex needs. Our expenditures in this area exceed funding by \$11 million.
- Supports for the elimination of the learning disparity for First Nation, Inuit, and Métis students.
- Existing locally negotiated and provincial collective agreements.
- Regulatory changes including carbon tax and Canada Pension Plan increases.
- Capital and maintenance funding to address the backlog of needs for our school buildings.

ASSUMPTIONS

The following are the most significant assumptions:

1. The Ministry will approve the 2021-2022 budget as presented.
2. The 2021-2022 budget includes an increase in enrolment of 173 students from the projected enrolment of September 2020. A material change in enrolment will significantly impact funding and expenditures.
3. The pandemic will gradually recede throughout the 2021-22 school year. This will lead to more students attending class in person, facility rentals resuming and student and community activities progressing toward pre-pandemic norms.

FINANCIAL INFORMATION

Statement of Operations

	Budget 2021-22	Budget 2020-21
<u>Revenues</u>		
Provincial grants	\$ 259,032,460	\$ 247,045,654
Tuition and related fees	1,462,478	1,579,032
Complementary services	6,288,815	5,712,548
External services	8,159,080	4,405,906
School generated	4,955,000	4,955,000
Other	1,570,506	1,570,506
Total revenues	\$ 281,468,339	\$ 265,268,646

	Budget 2021-22	Budget 2020-21
<u>Expenses</u>		
Governance	\$ 722,956	\$ 1,025,339
Administration	7,173,669	6,425,807
Instruction	209,078,481	205,404,147
Plant	43,217,842	42,355,234
School generated	4,955,000	4,955,000
Transportation	6,873,304	6,818,567
Tuition and related fees	391,982	391,982
Complementary services	6,341,440	5,776,453
External services	8,662,896	4,791,185
Interest	292,973	337,634
Total expenses	\$ 287,710,543	\$ 278,281,350
Surplus/(deficit)	\$ (6,242,204)	\$ (13,012,704)

Cash Flow Requirements

	Budget 2021-22	Budget 2020-21
Total revenues	281,468,339	265,268,646
Total expenses	287,710,543	278,281,350
Surplus/(deficit)	(6,242,204)	(13,012,704)
<i>Tangible capital assets:</i>		
Purchases	(9,961,000)	(3,670,000)
<i>Long-term debt:</i>		
Debt repayments	(1,995,133)	(1,950,461)
<i>Non-cash items:</i>		
Amortization expense	13,080,000	13,460,000
Employee future benefits expenses	823,800	771,100
<i>Other cash requirements:</i>		
Employee future benefits expected payments	(320,400)	-
<i>Reserves:</i>		
Use of capital reserves	1,000,000	1,570,000
Use of operating reserves	-	2,832,065
Use of technology reserves	764,937	-
Use of pandemic support funding reserves	2,850,000	-
Surplus/deficit	\$ -	\$ -

REVENUES

In 2021-2022, revenues are estimated to be \$281.5 million, an increase of 6.1% compared to the previous year's budget.

	Budget 2021-22	Budget 2020-21	\$ Change	% Change
<u>Revenues</u>				
Provincial grants (note 1)	\$ 259,032,460	\$ 247,045,654	11,986,806	4.9%
Tuition and related fees (note 2)	\$ 1,462,478	\$ 1,579,032	(116,554)	-7.4%
Complementary services (note 3)	\$ 6,288,815	\$ 5,712,548	576,267	10.1%
External services (note 4)	\$ 8,159,080	\$ 4,405,906	3,753,174	85.2%
School generated	\$ 4,955,000	\$ 4,955,000	-	0.0%
Other	\$ 1,570,506	\$ 1,570,506	-	0.0%
Total Revenues	\$ 281,468,339	\$ 265,268,646	\$ 16,199,693	6.1%

Notes:

1. Increases to the provincial grant funding for education and projected enrolment growth in the division. This also includes an increase of \$6.6 million in capital grant funding for the City Centre consolidation project.
2. Tuition and related fees decreased mainly due to a reduction in the number of students in the International Student Program.
3. Complementary services increased mainly due to projected increases for alternate revenues which includes funding from programs such as Jordan's Principle.
4. External services increased primarily due to revenues from the Saskatoon Public Schools Foundation which includes the projection for the first year of the Early Learning Equal Start campaign.

EXPENSES

In 2021-2022, expenses are estimated to be \$287.7 million, an increase of 3.4% compared to the previous year's budget.

	Budget 2021-22	Budget 2020-21	\$ Change	% Change
<u>Expenses</u>				
Governance (note 1)	\$ 722,956	\$ 1,025,339	\$ (302,383)	-29.5%
Administration (note 2)	\$ 7,173,669	6,425,807	747,861	11.6%
Instruction (note 3)	\$ 209,078,481	205,404,147	3,674,334	1.8%
Plant (note 4)	\$ 43,217,842	42,355,234	862,608	2.0%
School generated	\$ 4,955,000	4,955,000	-	0.0%
Transportation (note 5)	\$ 6,873,304	6,818,567	54,736	0.8%
Tuition and related fees	\$ 391,982	391,982	-	0.0%
Complementary services (note 6)	\$ 6,341,440	5,776,453	564,987	9.8%
External services (note 7)	\$ 8,662,896	4,791,185	3,871,711	80.8%
Interest/allowances (note 8)	\$ 292,973	337,634	(44,661)	-13.2%
Total expenses	\$ 287,710,543	\$ 278,281,350	\$ 9,429,193	3.4%

Notes:

1. The majority of the decrease for governance costs are due to the removal of civic elections costs.
2. Administration costs increased by \$600,000 for COVID-19 related expenditures including PPE and sanitation costs, which are fully funded by the use of the pandemic support funding reserve. In addition, salary and benefit increases are budgeted.
3. Instruction cost increases are primarily the result of contractual or regulatory reasons, in addition to enrolment increases and student needs. Salary increases reflect the collective bargaining agreement increases of 2% for teachers and 2% for CUPE. Benefits costs increased mainly due to increased staff and Canada Pension Plan rate increases of 9% and Employment Insurance rate increases of 4%. This is partly offset by a decrease in salary and benefits costs for staffing reductions as outlined in the budgetary impacts section. Additional salary costs of \$2.0 million were added in 2021-22 related to post pandemic learning supports.
4. Plant costs increased mainly due to increased Preventative Maintenance and Renewal expenditures. Amortization expense, which is a non-cash item, also decreased due to the declining balance method.

5. Transportation costs increased due to contract cost inflation and cost increases for sanitization but were largely offset by routing efficiencies.
6. Complementary services expenses have increased mainly due to projected increases for alternate expenses which includes programs such as Jordan's Principle.
7. External services have increased primarily due to expenditures from the Saskatoon Public Schools Foundation which includes the projection for the first full year of the Early Learning Equal Start campaign estimated at a \$3.7 million increase.
8. Interest expense has decreased due to loan balance repayments.

SALARIES AND BENEFITS

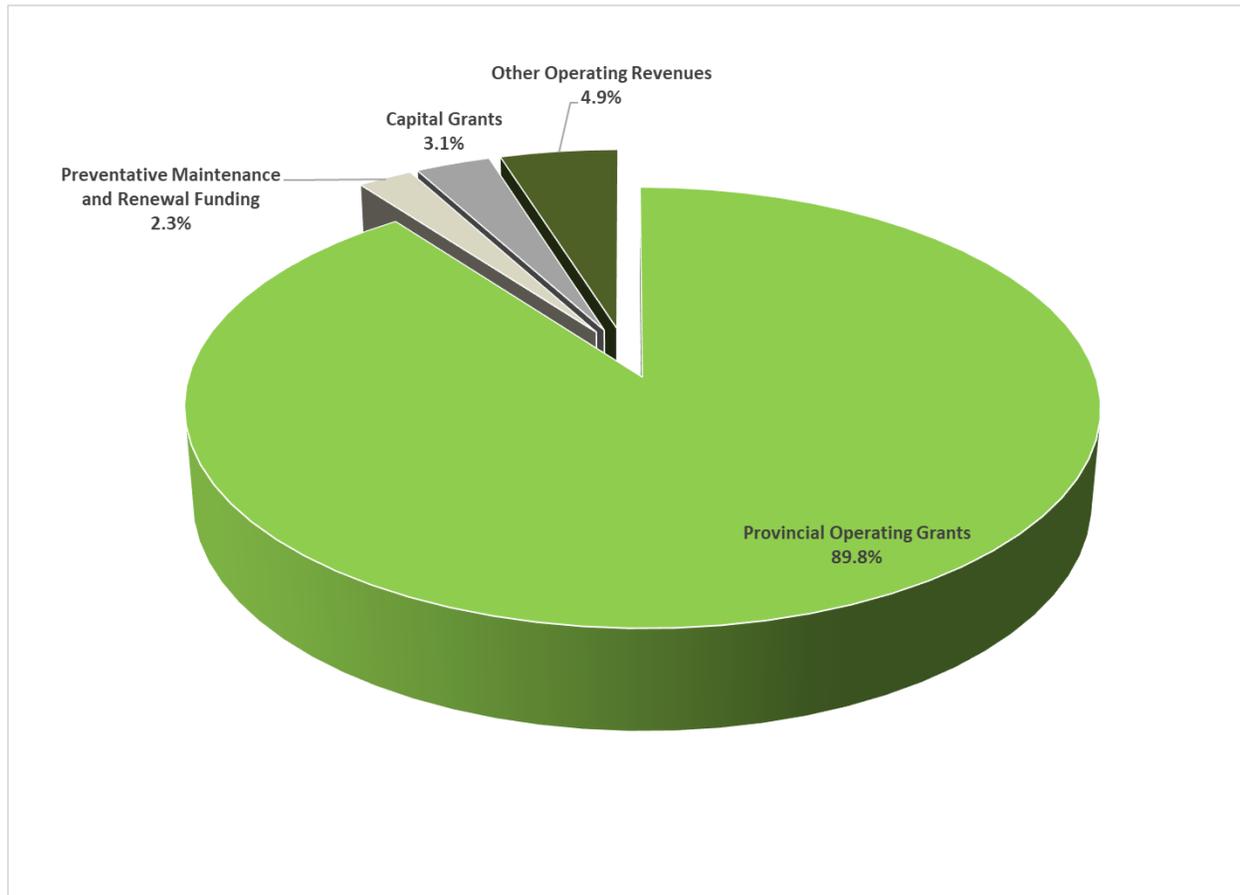
In 2021-2022, salaries and benefits are expected to cost \$222.6 million, an increase of approximately \$5.3 million or 2.5% compared to the 2020-2021 budget. The increase is due to salary cost, Canada Pension Plan and Employment Insurance increases. Staffing reductions were made in certain positions including central office staff, teaching positions, educational assistants, library technicians and business functions. Additional salary costs of \$2.0 million were added in 2021-22 related to post pandemic learning supports.

PROPOSED RESOLUTION

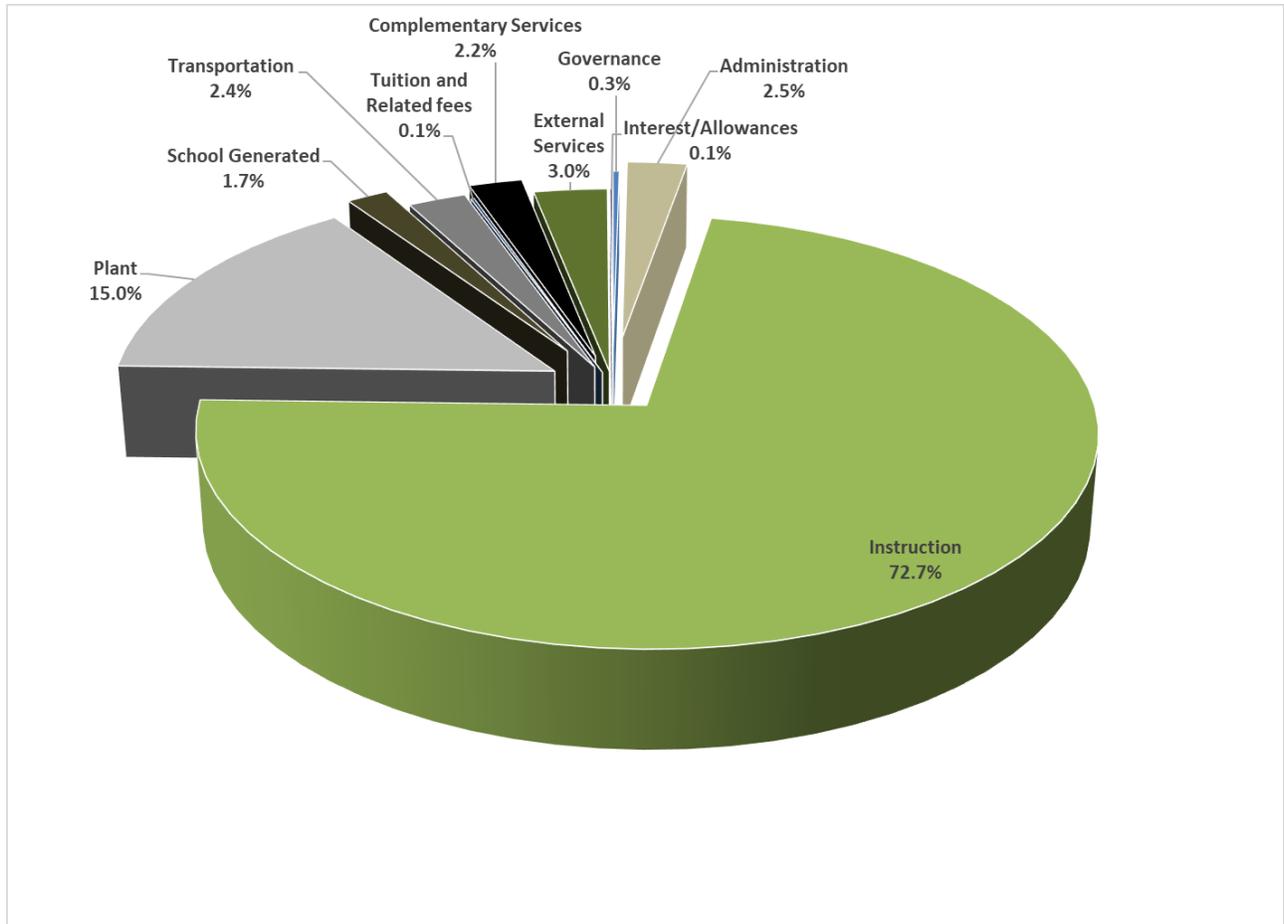
That the Board approve its annual operating and capital budget estimates for the fiscal year September 1, 2021 to August 31, 2022 as detailed in the *2021-22 Budget Report* subject to minor final edits.

APPENDIX – ADDITIONAL FINANCIAL INFORMATION

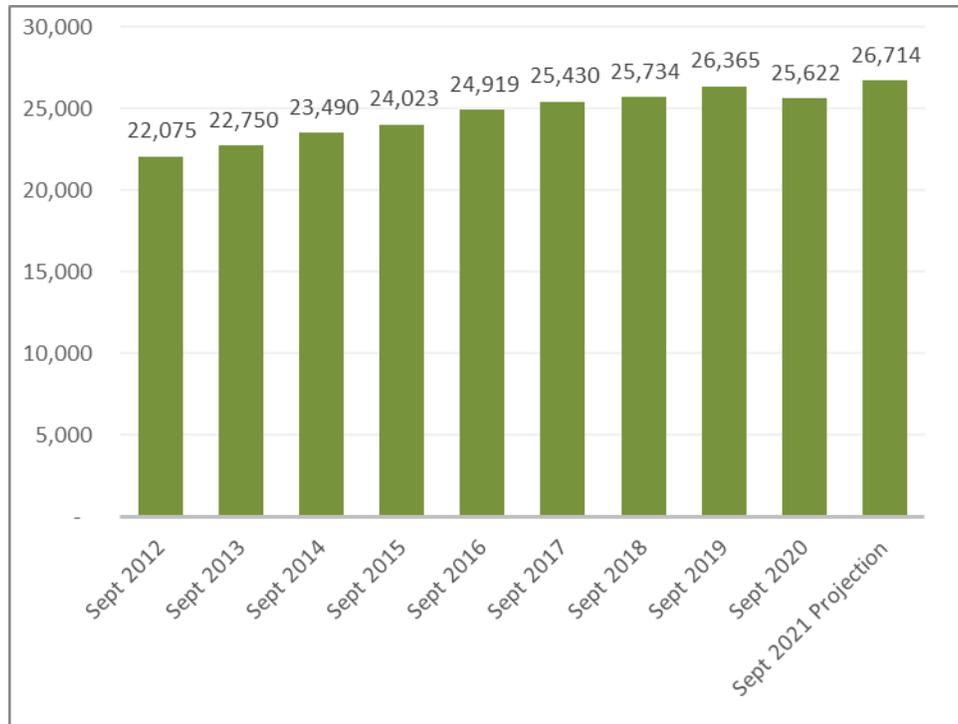
Total Revenue Sources for the Year Ending August 31, 2022



Total Expenses for the Year Ending August 31, 2022



Student Enrolment 2012-2021*



* Enrolment numbers are based on the total number of students, pre-kindergarten to grade 12. Funding is based on student FTE's which is lower than the total enrolment number.