



**Board of Education  
Saskatoon School Division No. 13  
Special Meeting of the  
Saskatoon Board of Education**

**TUESDAY, SEPTEMBER 13, 2022**

**4:00 p.m.**

Please Note: All public Board meetings are audio recorded

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## **AGENDA**

- 1. Roll Call**
- 2. Acknowledgement**
- 3. New Business**

**3.1. Approval of the 2022-2023 Revised Budget Report**

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***Proposed Board Motion:** That the Board approve its revised annual operating and capital budget estimates for the fiscal year September 1, 2022 to August 31, 2023 as detailed in the revised 2022-2023 Budget Report subject to final minor edits.*

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- 4. Adjournment**

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***Proposed Board Motion:** That the Board Adjourn to the call of the Chair or the Committee of the Whole meeting of Tuesday, September 20, 2022.*

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**MEETING DATE:** SEPTEMBER 13, 2022

**TOPIC:** APPROVAL OF THE 2022-2023 REVISED BUDGET REPORT

FORUM	AGENDA ITEMS	INTENT
<input checked="" type="checkbox"/> Board Meeting	<input type="checkbox"/> Correspondence	<input type="checkbox"/> Consent
<input type="checkbox"/> Committee of the Whole	<input checked="" type="checkbox"/> New Business	<input checked="" type="checkbox"/> Decision
	<input type="checkbox"/> Reports from Administrative Staff	<input type="checkbox"/> Discussion
	<input type="checkbox"/> Other: Approval of Minutes	<input type="checkbox"/> Information

## BACKGROUND

Saskatoon Public Schools received correspondence from the Ministry of Education on July 21, 2022 announcing a one-time total investment for the sector of \$20 million for the 2022-2023 school year to assist with rising fuel and insurance costs. Saskatoon Public Schools' share is \$1,579,400.

## CURRENT STATUS

Due to the new funding, school divisions were directed to revise their 2022-2023 school year budgets to incorporate this new funding and an extension of the budget submission deadline to September 20, 2022 was granted to allow time for revisions and board approvals.

The attached 2022-2023 Revised Budget Report has been updated to include the \$1,579,400 in additional grant funding and operating expenses have been adjusted for the following additional budgeted expenditures:

- Elementary discretionary staffing 4.0 FTE - \$0.4 million
- Secondary discretionary staffing 2.5 FTE - \$0.2 million
- Educational assistants 7.0 FTE - \$0.3 million
- Resource teacher support 1.0 FTE - \$0.1 million
- EAL teacher 1.0 FTE - \$0.1 million
- Increased bus routes - \$0.1 million
- Transportation fuel surcharge - \$0.2 million
- Insurance rate increase - \$0.1 million
- CUPE adjustment for additional day of work - \$0.2 million
- Saskatoon Misbah allocation \$0.01 million

PREPARED BY	DATE	ATTACHMENTS
Daniel Burke, Chief Financial Officer Krista Wei, General Manager of Financial Services	September 7, 2022	Budget Report

## RECOMMENDATION

### **Proposed Board Motion:**

*That the Board approve its revised annual operating and capital budget estimates for the fiscal year September 1, 2022 to August 31, 2023 as detailed in the revised 2022-23 Budget Report subject to minor final edits.*



# Saskatoon Public Schools 2022-2023 Revised Budget Report

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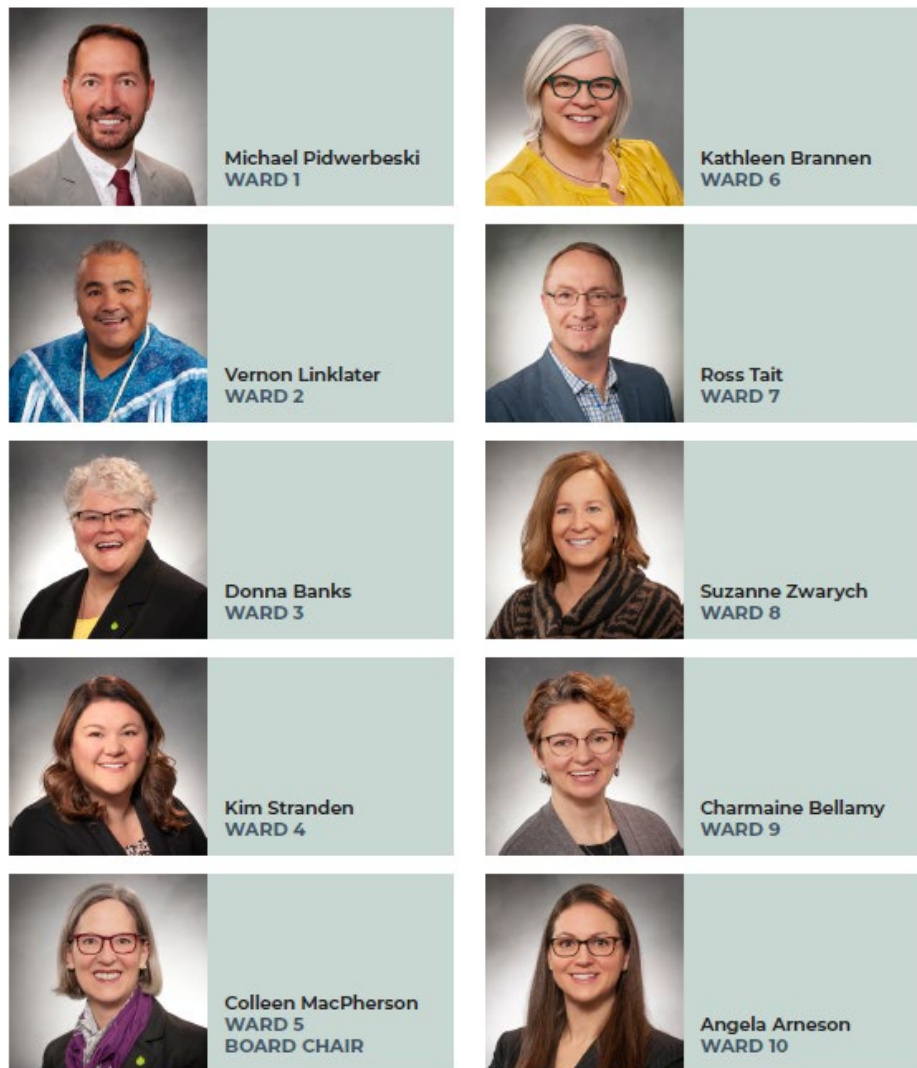
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## THE BOARD OF EDUCATION

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:



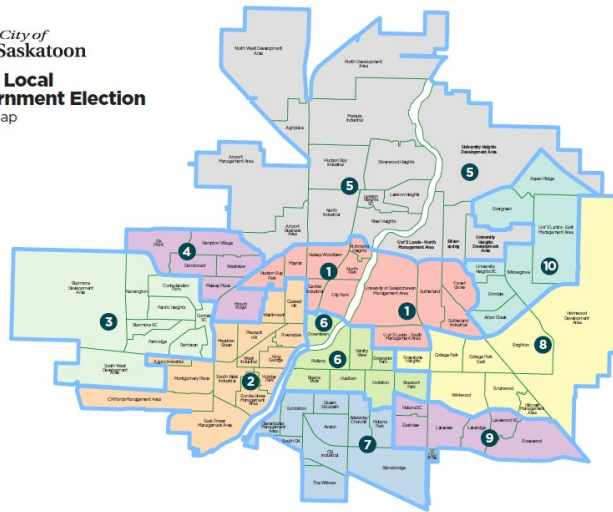


## SCHOOL DIVISION PROFILE

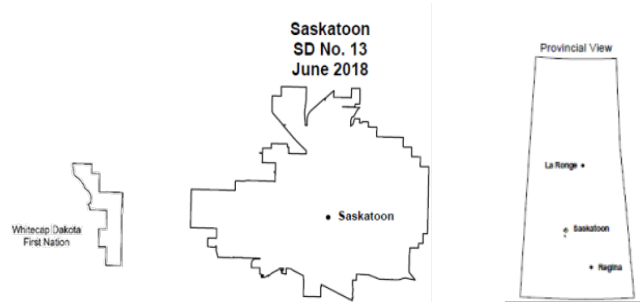
Saskatoon Public Schools encompasses the city of Saskatoon and also includes Whitecap Dakota First Nation. It is the largest school division in the province, educating over 26,000 students in 48 elementary schools, 10 collegiates, one associate school, one alliance school, one grades 1-12 school, and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

The school division is organized into 10 wards for election 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' strategic plan. The plan has a clear vision that resonates with students, staff, parents/caregivers and the larger community. A two year extension to the strategic plan (ending in 2026) was approved by the board on May 10, 2022.



## BUDGETARY IMPACTS

The March 23, 2022 provincial budget increased Saskatoon Public Schools' operating funding by 2.1% or \$5.2 million. Additional inflationary funding of \$1.6 million was approved in July 2022. The total operating grant is \$249.5 million<sup>1</sup> compared to \$242.7 million in 2021-22.

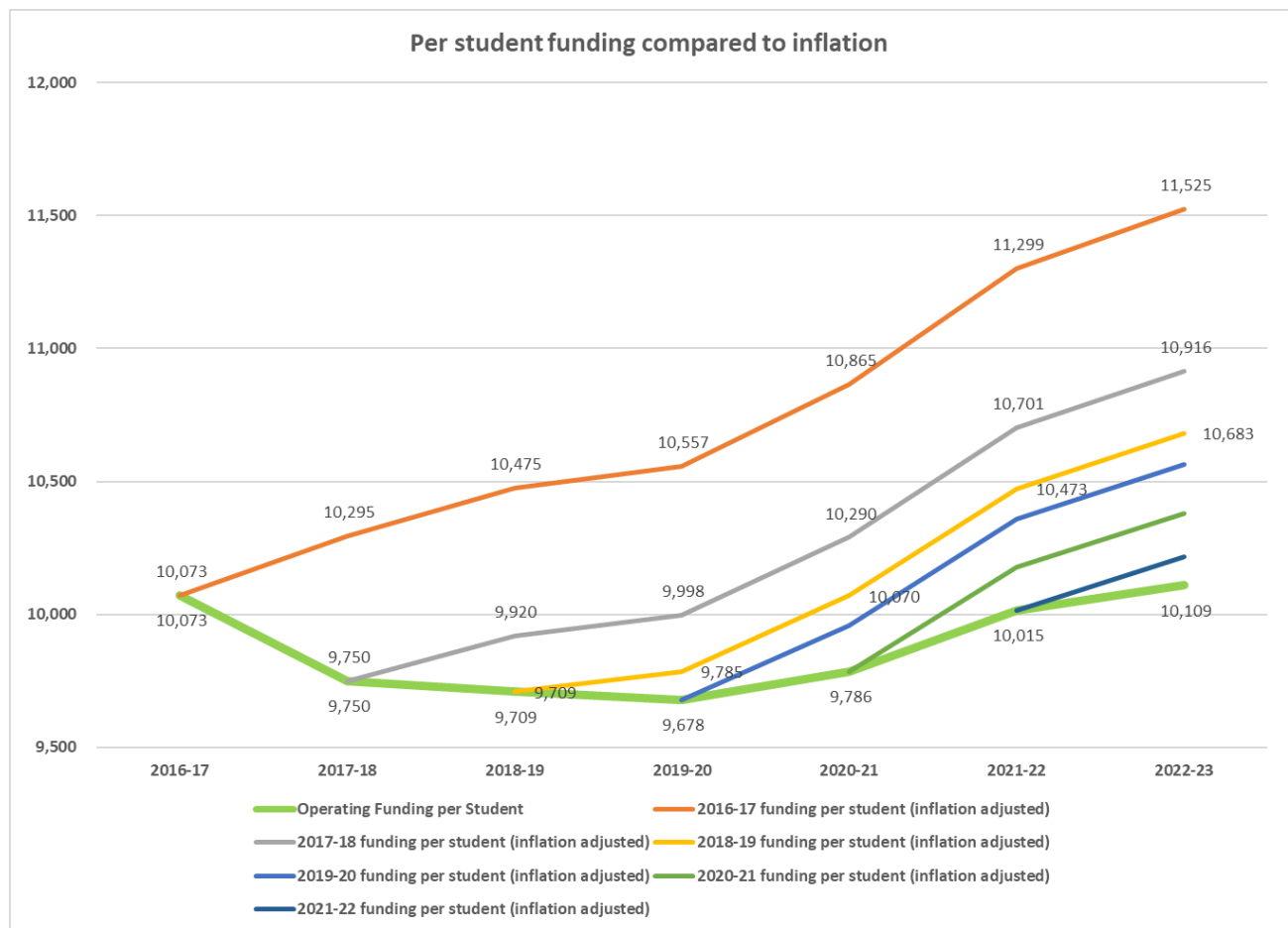
The projected enrolment for September 2022 is 26,590 students. Student enrolment as of September 2021 was 26,256 students as compared to a projection of 26,714. Student enrolment was significantly lower in 2021-22 due to the COVID-19 pandemic. However, total student enrolment has increased by 6.7% since September 2016. This 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 this six-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 2022-23 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.

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

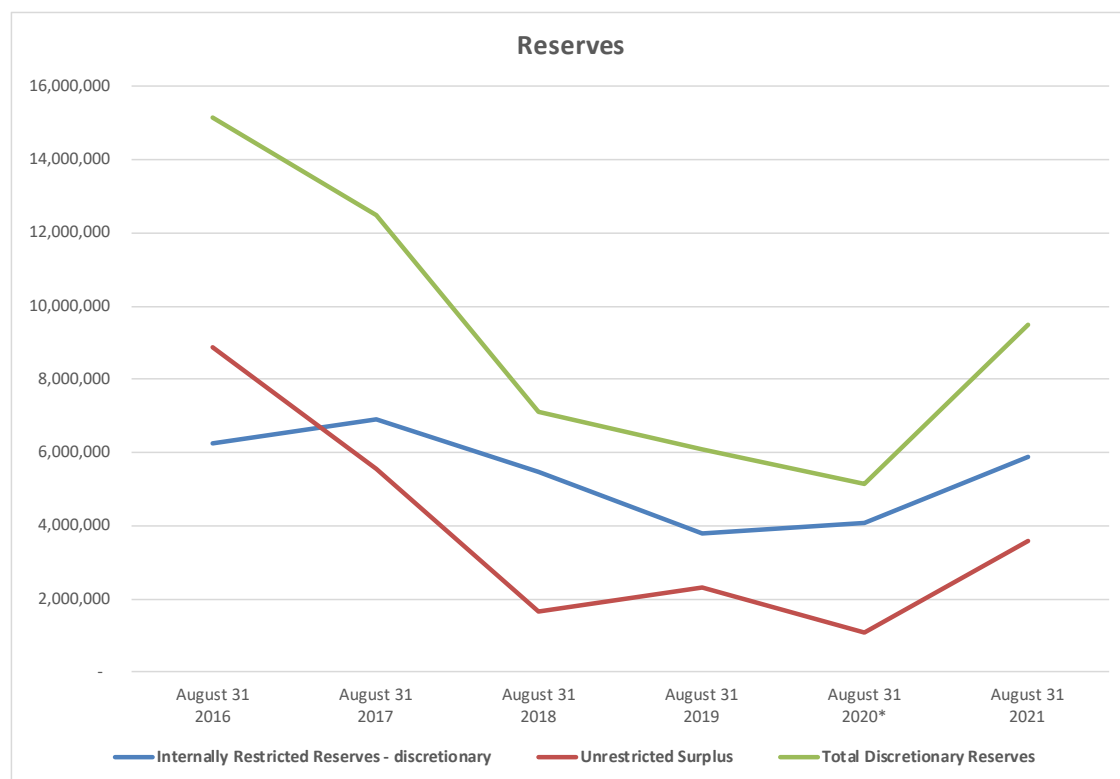




During each of the years prior to 2021-22, the division has partially addressed this gap by drawing down operating reserves to cover budget deficits, as well as implementing other significant budget reductions. The table and graph below illustrate that this has left depleted reserve balances that are no longer able to partially cover budget deficits. Discretionary reserves are reserve balances that would be available to cover operating or capital expenditures. The discretionary internally restricted reserves available at August 31, 2021 are designated for technology replacement and facilities. Non-discretionary reserve balances include reserves such as school generated funds, school budget carryovers, pandemic reserves, specific program funds and the Saskatoon Public Schools Foundation. These non-discretionary reserve funds cannot be used to cover operating deficits.

## Saskatoon Public Schools Revised Budget Report 2022-2023

	August 31 2016	August 31 2017	August 31 2018	August 31 2019	August 31 2020*	August 31 2021
Internally Restricted Reserves - discretionary	6,264,154	6,922,154	5,457,154	3,792,154	4,059,154	5,882,253
Unrestricted Surplus	8,865,446	5,552,512	1,651,618	2,302,463	1,076,569	3,587,477
Total Discretionary Reserves	15,129,600	12,474,666	7,108,772	6,094,617	5,135,723	9,469,730
Internally Restricted Reserves - non discretionary	5,682,165	5,781,540	5,954,637	6,152,466	11,301,181	13,283,951



\*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 2022-23 have forced the school division to make reductions in several areas. These budget changes for 2022-23 are outlined below:

Additions:

- \$5.1 million in increased salaries for teachers due to a 2% salary increase and step movements.
- \$0.9 million in increased salaries for CUPE and out of scope staff.
- \$1.9 million in increased benefits costs due to increases in CPP, EI, pension and other benefits.

- Insurance costs - \$0.3 million.
- Software licensing - \$0.2 million.
- Utilities costs - \$0.3 million.
- International Student Program expenses - \$0.2 million.
- Capital infrastructure for Wi-Fi replacement - \$1.325 million.
- Post Pandemic Learning Supports Program (temporary program to provide grade 1-5 reading interventions, student reengagement and mental health supports for students). - \$1.2 million. This will be funded from operating reserves.
- Special education expenses (intermediate Functional Life Skills program and nursing staff) - \$0.3 million.
- Elementary school secretarial support (additional)- \$0.1 million.
- Educational assistants (21.0 FTE positions) - \$1.0 million. This is funded through the new provincial Targeted Classroom Support Funding program.
- School furniture acquisition and replacement - \$0.1 million.
- Temporary teaching positions, educational assistants and other inflationary funded items - \$1.6 million.

### Reductions:

- School-based teaching positions:
  - Staffing ratio – an increase of 0.5 to the staffing divisor.
    - 12.7 FTE elementary schools.
    - 6.9 FTE secondary schools.
  - EAL teachers – 1.0 FTE.
  - Resource room teachers – 1.0 FTE.
  - Discretionary teacher staffing – 2.0 FTE.
- Other school-based reductions:
  - School budget lines – 5% reduction - \$0.2 million.
  - Community school coordinators – 3.0 FTE.
  - Educational psychologist 1.0 FTE.
  - Speech language pathologist 0.5 FTE.
- Noon hour supervision fees - \$0.5 million.
- Facilities rental rates - \$0.1 million.
- Central office reductions:
  - Coordinator 1.0 FTE.
  - Instructional Consultant 1.0 FTE.
- Central office budget lines – 10% reduction - \$0.2 million.

## 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 funding for students with special needs as well as those with complex needs. Expenditures in this area exceeded funding by \$12 million in 2020-21.
  - i. Included in this shortfall is a \$2.2 million financial deficit from operating John Dolan School. This school enrolls high needs intensive support students. Several of these students have come from across the province and relocated to Saskatoon to access health and educational services.
- Support funding 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 annual funding to address the backlog of needs for our school buildings and technology infrastructure.

## ASSUMPTIONS AND DEFINITIONS

The following are the most significant assumptions:

1. The Ministry will approve the 2022-2023 budget as presented.
2. The 2022-2023 budget includes projected enrolment of 26,590 students. This is a decrease in of 124 students from the projected enrolment of September 2021 of 26,714 students, however it is an increase of 334 students from actual enrolment of 26,256. A material change in enrolment will significantly impact funding and expenditures.
3. The pandemic will continue to recede throughout the 2022-23 school year. This will lead to more students attending class and student and community activities progressing toward pre-pandemic norms.

The following are key definitions for the budget document:

1. **Discretionary reserves** – these are internally restricted and unrestricted reserves that the board can designate to cover operating or capital expenditures. This excludes school generated funds, school budget carryovers, pandemic reserves, partnership and alternate funds reserves and public charity reserves.
2. **Inflation** – this calculated is the Consumer Price Index (CPI) published by Statistics Canada for Saskatoon. The CPI represents changes in prices as experienced by Canadian consumers. It measures price change by comparing, through time, the cost of a fixed basket of goods and services.
3. **Student enrolment** – includes the total number of students pre-kindergarten to grade 12.
4. **Supports for Learning (SFL) funding** – this allocates funding to boards of education for the salary costs of staff who provide services and related programming to ensure that all students have equal access to, and benefit from, the provincial education program and non-salary costs related to supports required for learning. These supports reflect a comprehensive array of services for all students at the classroom, school, and school division levels, such as:
  - resource/learning assistance services;
  - English as an additional language supports for First Nations, Métis, Hutterian, immigrant, and other learners who require support and whose first language is not English;
  - formative, summative, and diagnostic assessment to guide the planning and implementation of responsive instruction, interventions, and supports that meet the needs of all students;

- psychologists, speech-language pathologists, occupational therapists, physical therapists, and social workers;
- counselling and addictions supports;
- interagency collaboration and settlement supports;
- community engagement; and,
- assistive technology.



## FINANCIAL INFORMATION

### Statement of Operations

	Budget 2022-23	Budget 2021-22
<u>Revenues</u>		
Provincial grants	\$ 272,328,803	\$ 259,032,460
Tuition and related fees	1,829,400	1,462,478
Complementary services	4,725,966	6,288,815
External services	8,132,203	8,159,080
School generated	4,155,000	4,955,000
Other	2,140,506	1,570,506
Total revenues	\$ 293,311,878	\$ 281,468,339

	Budget 2022-23	Budget 2020-21
<u>Expenses</u>		
Governance	\$ 666,664	\$ 722,956
Administration	6,718,298	7,173,669
Instruction	218,236,616	209,078,481
Plant	47,274,765	43,217,842
School generated	4,271,406	4,955,000
Transportation	7,160,795	6,873,304
Tuition and related fees	647,891	391,982
Complementary services	4,674,537	6,341,440
External services	8,735,292	8,662,896
Interest	243,119	292,973
Total expenses	\$ 298,629,382	\$ 287,710,543
Surplus/(deficit)	\$ (5,317,504)	\$ (6,242,204)

## Cash Flow Requirements

	Budget 2022-23	Budget 2021-22
Total revenues	293,311,878	281,468,339
Total expenses	298,629,382	287,710,543
Surplus/(deficit)	(5,317,504)	(6,242,204)
<i>Tangible capital assets:</i>		
Purchases	(12,513,000)	(9,961,000)
<i>Long-term debt:</i>		
Debt repayments	(2,039,418)	(1,995,133)
<i>Non-cash items:</i>		
Amortization expense	15,560,000	13,080,000
Employee future benefits expenses	702,900	823,800
<i>Other cash requirements:</i>		
Employee future benefits expected payments	(295,300)	(320,400)
<i>Reserves:</i>		
Use of capital reserves	1,940,000	1,000,000
Use of operating reserves	1,200,000	-
Use of technology reserves	762,322	764,937
Use of pandemic support funding reserves	-	2,850,000
Surplus/deficit	\$ -	\$ -

## REVENUES

In 2022-2023, revenues are estimated to be \$293.3 million, an increase of 4.2% compared to the previous year's budget.

	Budget 2022-23	Budget 2021-22	\$ Change	% Change
<b>Revenues</b>				
Provincial grants (note 1)	\$ 272,328,803	\$ 259,032,460	13,296,343	5.1%
Tuition and related fees (note 2)	\$ 1,829,400	\$ 1,462,478	366,922	25.1%
Complementary services (note 3)	\$ 4,725,966	\$ 6,288,815	(1,562,849)	-24.9%
External services	\$ 8,132,203	\$ 8,159,080	(26,877)	-0.3%
School generated (note 4)	\$ 4,155,000	\$ 4,955,000	(800,000)	-16.1%
Other (note 5)	\$ 2,140,506	\$ 1,570,506	570,000	36.3%
<b>Total Revenues</b>	<b>\$ 293,311,878</b>	<b>\$ 281,468,339</b>	<b>\$ 11,843,539</b>	<b>4.2%</b>

### Notes:

1. Increases to the provincial grant funding for education and projected enrolment growth in the division. This includes an increase to the operating grant of \$7.6 million, increases to the P3 grant for contracted maintenance services \$0.4 million, increases to provincial grants for CommunityNet services \$0.8 million, increases to provincial grants for capital projects \$0.3 million and increases to provincial grants for Preventative, Maintenance and Renewal funding of \$0.6 million. There is a reclassification of Jordan's Principle program grants which was previously included in complementary services.
2. Tuition and related fees increased mainly due to a increase in the number of students in the International Student Program.
3. Complementary services decreased mainly due to the reclassification of Jordan's Principle program revenue to provincial grants.
4. School generated revenues decreased mainly due to projected lower student fee revenue based on historical averages. This corresponds with a decrease to school generated expenses.
5. Other revenues have increased primarily due to the addition of student fees for noon hour supervision.

**EXPENSES**

In 2022-2023, expenses are estimated to be \$298.6 million, an increase of 3.8% compared to the previous year's budget.

	Budget 2022-23	Budget 2021-22	\$ Change	% Change
<u>Expenses</u>				
Governance (note 1)	\$ 666,664	\$ 722,956	\$ (56,292)	-7.8%
Administration (note 2)	\$ 6,718,298	7,173,669	(455,371)	-6.3%
Instruction (note 3)	\$ 218,236,616	209,078,481	9,158,135	4.4%
Plant (note 4)	\$ 47,274,765	43,217,842	4,056,923	9.4%
School generated (note 5)	\$ 4,271,406	4,955,000	(683,594)	-13.8%
Transportation	\$ 7,160,795	6,873,304	287,491	4.2%
Tuition and related fees (note 6)	\$ 647,891	391,982	255,909	65.3%
Complementary services (note 7)	\$ 4,674,537	6,341,440	(1,666,903)	-26.3%
External services	\$ 8,735,292	8,662,896	72,396	0.8%
Interest/allowances (note 8)	\$ 243,119	292,973	(49,854)	-17.0%
 Total expenses	 \$ 298,629,382	 \$ 287,710,543	 \$ 10,918,840	 3.8%

## Notes:

1. The majority of the decrease to governance costs relates to the reclassification of School Community Council budgets to school generated expenses.
2. Administration costs decreased as the prior year included COVID-19 related expenditures for PPE and sanitation costs, which were 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 10.5% and Employment Insurance rate increases of 7.1%. This is partly offset by a decrease in salary and benefits costs for staffing reductions as outlined in the budgetary impacts section.
4. Plant costs increased mainly due to increased Preventative Maintenance and Renewal expenditures. Amortization expense, which is a non-cash item, also increased due to the capital additions.
5. School generated expenses decreased due to estimates based on historical actual costs. This corresponds with a decrease to school generated revenues. As well, this includes a

reclassification of School Community Council budgets from governance to school generated expenses.

6. Tuition and related fees expenses have increased mainly due to an increase in tuition payments made for students attending the Dumont Technical Institute and Saskatchewan Polytechnic. The Ministry provides funding for tuition fee expenses for these students which is included in the provincial grant revenue.
7. Complementary services expenses have decreased mainly due to the reclassification of expenses for the Jordan's Principle program to instruction expense.
8. Interest expense has decreased due to loan balance repayments.

### ***SALARIES AND BENEFITS***

In 2022-2023, salaries and benefits are expected to cost \$230.3 million, an increase of approximately \$7.7 million or 3.5% compared to the 2021-2022 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 and teaching positions.

## CAPITAL EXPENDITURES

### Capital Plan

#### Source of Funding and Total Cost of Annual and Multi-Year Projects

##### Facilities department:

##### Capital projects:

School relocatables

City Centre Consolidation project

Subtotal

##### Other departments:

Technology

Special education - technical aids

Total capital projects - all departments

Source of Funding		
Funding from the Ministry	Capital Plan 2022-23	Total Capital Costs
-	1,940,000	\$ 1,940,000
9,000,000	-	\$ 9,000,000
\$ 9,000,000	\$ -	\$ 10,940,000
-	1,325,000	1,325,000
-	248,000	248,000
\$ 9,000,000	\$ 1,573,000	\$ 12,513,000

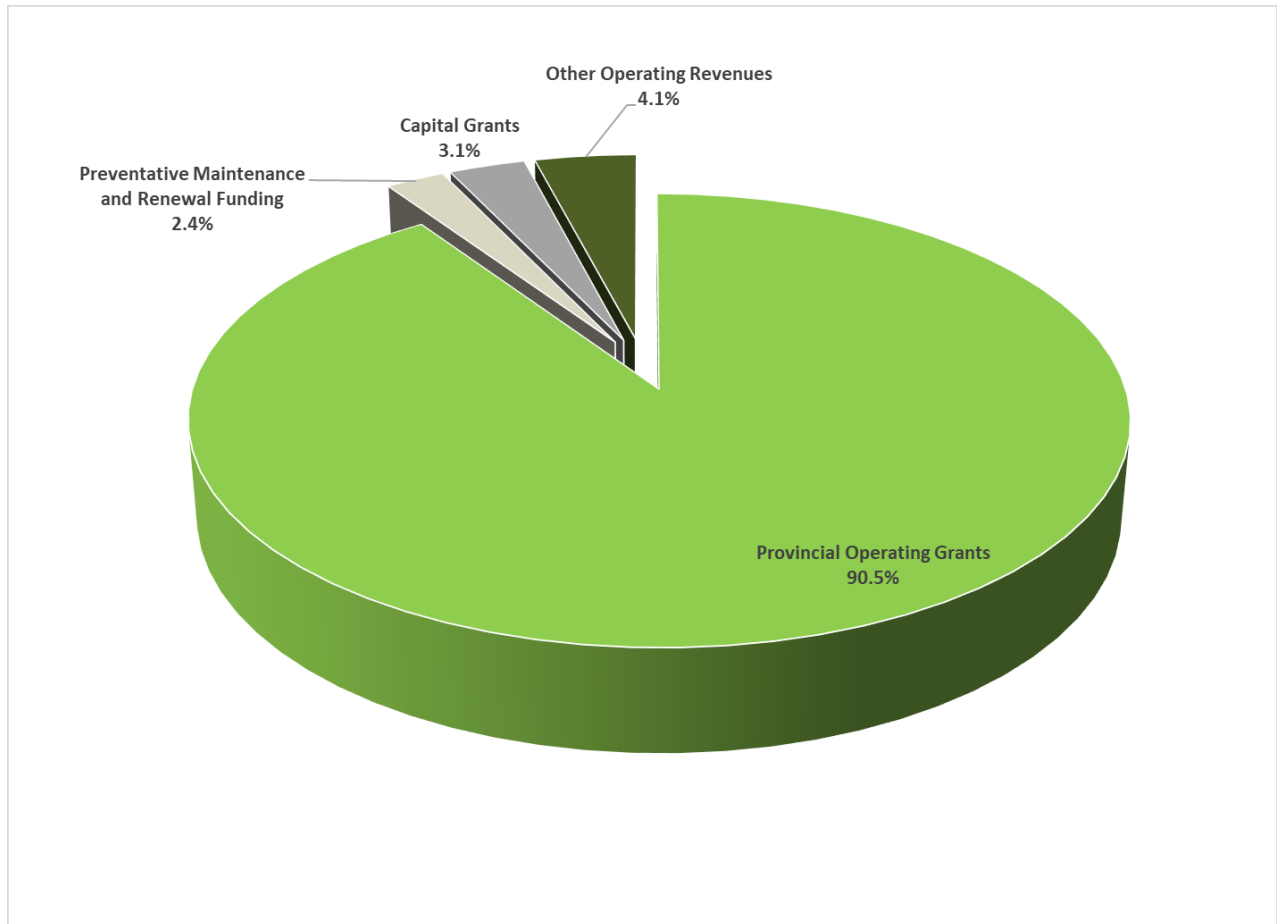


## PROPOSED RESOLUTION

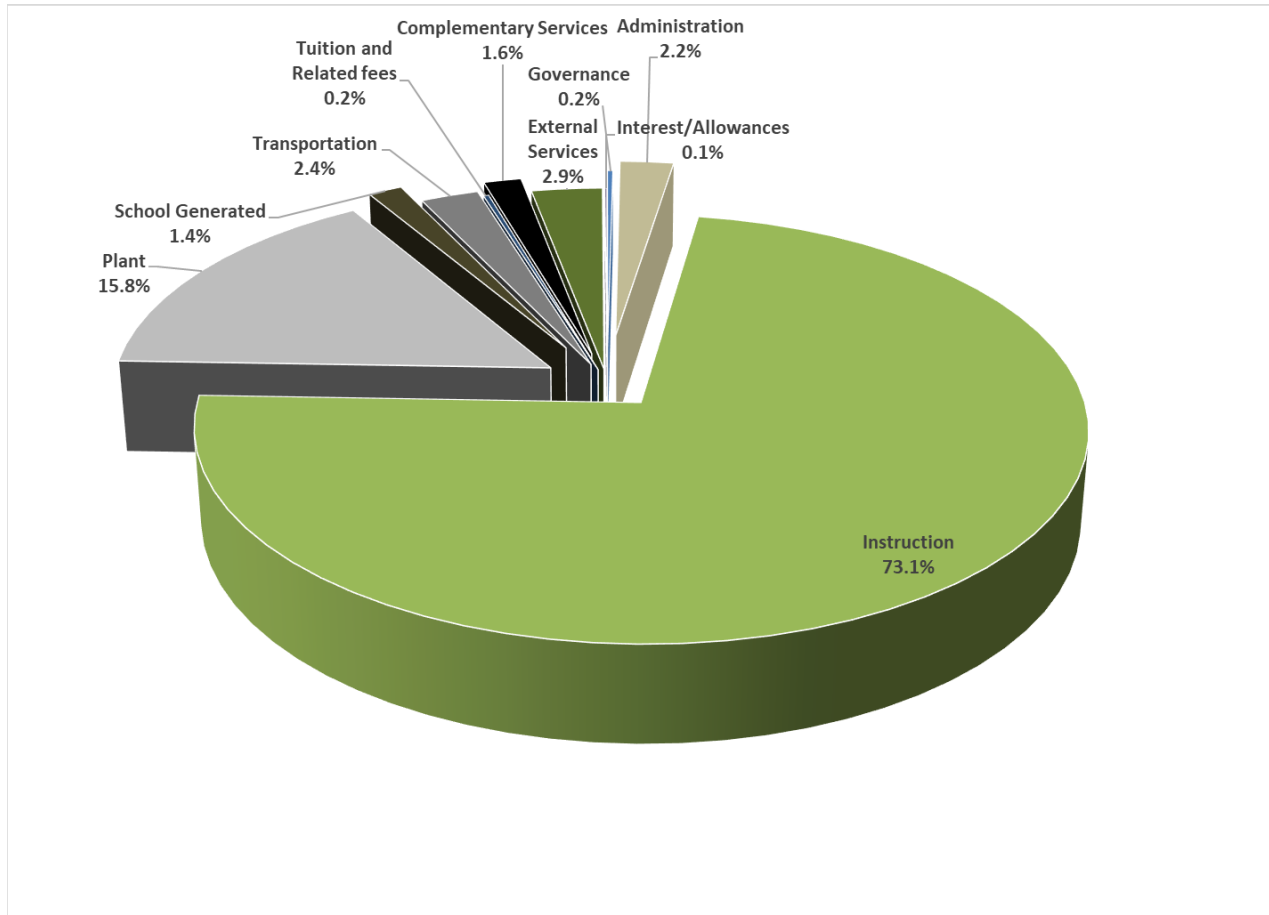
That the Board approve its revised annual operating and capital budget estimates for the fiscal year September 1, 2022 to August 31, 2023 as detailed in the revised 2022-2023 Budget Report subject to final minor edits.

## APPENDIX – ADDITIONAL FINANCIAL INFORMATION

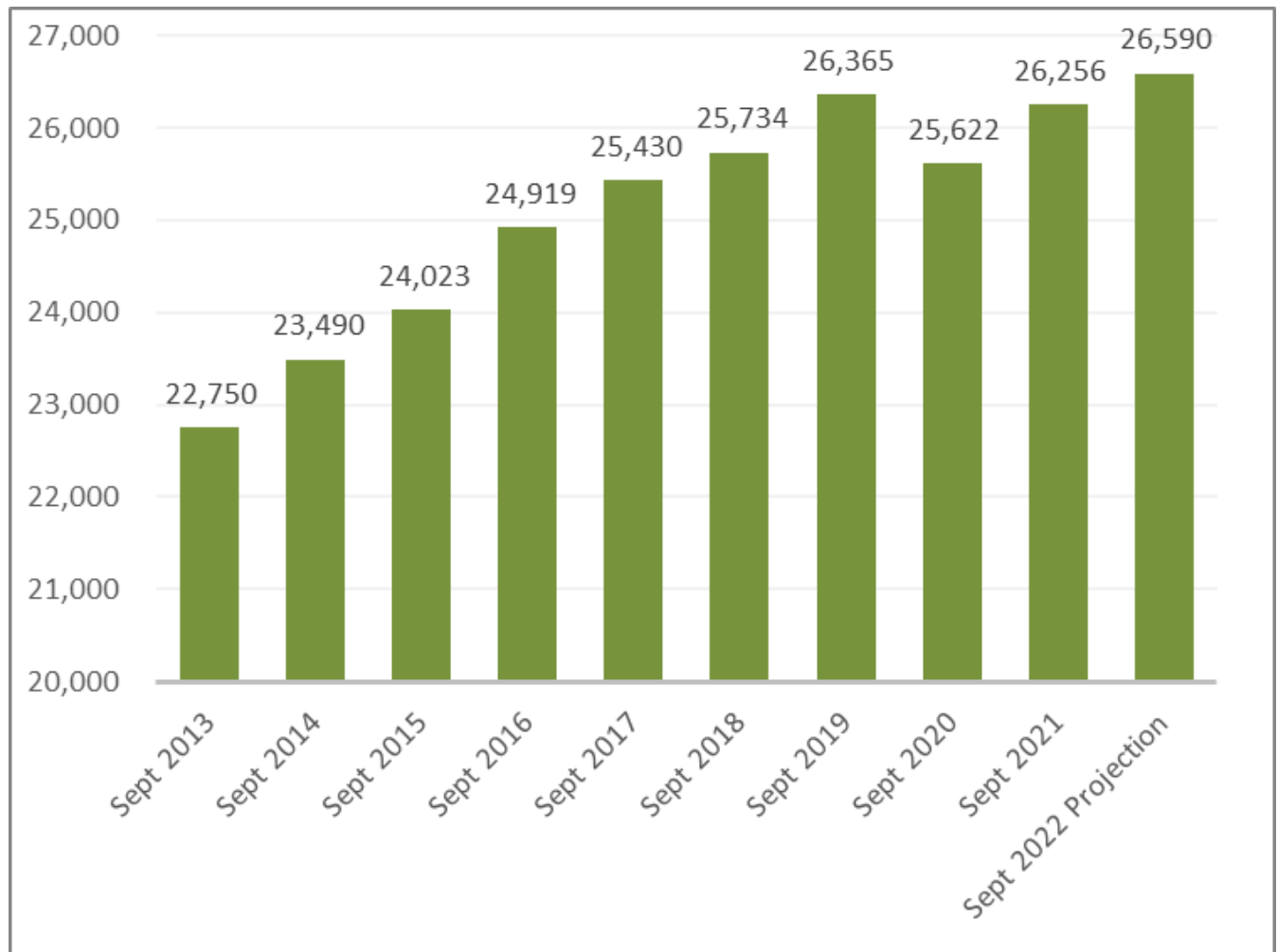
### Total Revenue Sources for the Year Ending August 31, 2023



## Total Expenses for the Year Ending August 31, 2023



**Student Enrolment 2013-2022\***



\* 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.

