



**Saskatoon Public Schools**  
Inspiring Learning

# **SASKATOON PUBLIC SCHOOLS BUDGET REPORT**

SEPTEMBER 1, 2018 TO AUGUST 31, 2019

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## PROPOSED RESOLUTION

That the Board approve its annual operating and capital budget estimates for the fiscal year September 1, 2018 to August 31, 2019 as detailed in the *Budget Report* September 1, 2018 to August 31, 2019 subject to minor final edits.

## BOARD PRIORITIES

The Saskatoon Board of Education's 2018-2019 Strategic Plan and Budget advance the priorities of the Board and the Education Sector's Strategic Plan (ESSP). The Board's two main strategic initiatives are Literacy for Life and Collegiate Renewal.

### *LITERACY FOR LIFE*

*All kindergarten to grade 8 students will achieve at or above grade level in reading, writing, and mathematics. They will be engaged in their learning and graduate as active participants in lifelong learning and as responsible, caring, culturally responsive citizens in the community, nation, and world. In pursuit of this goal, we will continue to focus on the engagement, achievement, and graduation rates of First Nation, Inuit, and Métis students.*

During the 2018-2019 year, our early learning and literacy initiative (*Literacy For Life*) will continue to enhance the language literacy development of kindergarten to grade eight students. Our interventions for students that are struggling will continue with a particular emphasis being placed on the success of our Indigenous students. Work at the staff development level will focus on a distributed leadership model to enhance our administrators' ability to provide school based leadership in the areas of reading, writing, and mathematics. The Expected Practices document that was created in 2017-2018 will guide and support our administrators and teachers with the implementation of research based and highly effective instruction and assessment strategies.

### *COLLEGIATE RENEWAL*

*All collegiate students will be engaged in their learning so that they graduate as competent, active participants in lifelong learning and as responsible, caring, culturally responsive citizens in the community, nation, and world. In pursuit of this goal, we will focus intensively on the engagement, achievement and graduation rates of First Nation, Inuit and Métis students.*

The *Collegiate Renewal* learning priority continues to focus on improving our collegiate students' engagement and academic achievement as they pursue graduation and a successful life beyond grade 12. Staff and administration in each collegiate are focused on increasing the number of credits attained by students with a particular emphasis on credits earned by First Nation, Métis, and Inuit students. Secondary teachers will continue to implement outcomes based assessment, and will receive support from school based and division leaders to implement a consistent outcome completion process in each collegiate.

## GOVERNANCE

- A fiscally responsible budget will be established.
- An annual audited financial statement will be presented to the Board.
- The Fiscal Leadership Report that highlights investments, management of expenditures, and revenue initiatives will be presented annually to the Board.
- The Annual Report will be submitted by the Board to the Minister of Education in accordance with Section 283(1) of The Education Act.
- The 2018-2019 budget will be submitted to the Minister of Education in accordance with Section 278(1) of The Education Act.
- Work will continue to ensure Saskatoon Public Schools processes are operating efficiently, effectively and economically.
- Joint partnerships will be sought out when advantageous.
- Relocatables will be used to accommodate enrolment and program growth.
- Initiatives designed to help build a representative workforce will be continued (staff development, cultural competency training, and hiring practices).

**SASKATOON PUBLIC SCHOOLS ACTION PLAN 2018-2019  
IN SUPPORT OF THE EDUCATION SECTOR STRATEGIC PLAN (ESSP)**

<b>BOARD PRIORITIES</b>	
<b>LITERACY FOR LIFE (EARLY LEARNING AND LITERACY)</b>	
1.	Continue to focus on Expected Practices as a means to ensure implementation of high impact, research-based, consistent instructional practices to realize targets outlined in the Education Sector Strategic Plan (ESSP) related to literacy and numeracy outcomes.
2.	Fully implement the provincial writing rubrics in grades 4, 7, and 9, and the provincial math rubrics in grades 2, 5, and 8.
3.	Continue to implement strategies as outlined in the ESSP and the Saskatchewan Reads, Saskatchewan Reads for Administrators, and an adapted version developed by Saskatoon Public Schools for grades four to eight.
4.	Continue literacy initiatives supported by the Saskatoon Public Schools' Foundation.
5.	Maintain mathematics as an area of focus within the Literacy for Life priority.
6.	Continue to explore offering professional development opportunities on expected practices for staff in a more efficient manner with technology and outside the regular school day.
7.	Continue to develop teacher leaders at each school who support colleagues with implementation of powerful practices in literacy and mathematics.
8.	Expand prekindergarten pilot to support 36 students with intensive needs.
9.	Continue to work with the other human service ministries to assist families in having their children register in early learning programs within Saskatoon Public Schools.
<b>COLLEGIATE RENEWAL</b>	
10.	Administration and staff in each SPS collegiate will focus on increasing the number of credits attained by students with particular emphasis on credits earned by First Nation, Inuit, and Métis students.
11.	Teachers will implement outcomes based assessment to ensure precise feedback and targeted and responsive interventions are provided to students
12.	Division leaders will support curriculum renewal in Arts Education, Practical Applied Arts, French Immersion, Social Sciences, and Physical Education.
13.	School-based and division leaders will support the implementation of a consistent outcome completion process in every SPS collegiate.
<b>OTHER STRATEGIC LITERACY AND ACHIEVEMENT INITIATIVES</b>	
14.	Expand the French Immersion program at Dundonald School to include grade 7.
15.	Add one classroom to the Montessori program at City Park School.

<b>FIRST NATIONS, INUIT AND MÉTIS EDUCATION</b>	
16.	Continue to develop, monitor, and recognize our increased capacity to respond to the Calls to Action of the Truth and Reconciliation Commission.
17.	Lead responsive/formative assessment and instructional strategies in K-8 Language Arts, Writing and Math; and 9-12 English, Math and Science.
18.	Continue to strengthen the First Nations, Inuit, and Métis Education partnerships such the Whitecap Dakota First Nation Alliance Agreement, Nutrien Kamskenow program, MOU with the Central Urban Métis Federation Incorporated, U of S Indigenous Teacher Education Program, Gabriel Dumont Institute, and Pathways to Education work with Saskatoon Tribal Council.
19.	Continue professional development with staff and education for students to build cultural competence and Treaty understandings through a social justice mindset.
20.	Grow 'Following their Voices' initiative at Bedford Road Collegiate and Mount Royal Collegiate to include all staff in the three year learning cycles.
<b>ENGLISH AS AN ADDITIONAL LANGUAGE PROGRAMMING</b>	
21.	Provide initial Sheltered Instruction Observation Protocol (SIOP) training for classroom teachers supporting EAL students in the regular classroom.
22.	Continue to provide interpretation support for three-way conferences, parent-teacher interviews and teacher – home communication.
<b>STUDENT SUPPORT SERVICES</b>	
23.	Open a Functional Life Skills program at Evan Hardy Collegiate.
24.	Open an additional classroom at John Dolan School.
25.	Provide professional development for various groups, e.g., administrators, resource teachers, special program teachers and counsellors, on Transition and Safety Planning and Adjusted Programming for students entering or moving within SPS.
26.	Develop Secondary Resource Teacher Handbook.
<b>SAFE, CARING, AND ACCEPTING SCHOOLS</b>	
27.	Develop and implement resources for teachers and senior administration related to traumatic response.
28.	Offer VTRA 1 training in the fall of 2018 and VTRA 2 training in spring 2019.
29.	Continue education continuity and emergency response planning.
30.	Develop and implement resources for teachers and senior administration related to gender and sexual diversity.
31.	Continue work on healthy and respectful relationship development with a focus on gender and sexual diversity and digital citizenship.
32.	Add one Consultant: Behaviour Supports.
33.	Add one elementary counselor.
34.	Continue to build staff capacity, through professional development, to support students with behaviour and mental health challenges. Examples include Teen Mental Health Literacy, Mental Health First Aid, Personal Safety – Be Safe, Personal Safety – I'm the Boss of Me, and Safe and Sound training.

SMOOTH TRANSITIONS INTO AND THROUGH THE DIVISION	
35.	Continue with division career portfolio plan using "My Blueprint" career software.
36.	Continue partnership work with various post-secondary institutions (Saskatoon Trades and Skills Centre at Mount Royal, Sask. Polytechnic, and University of Saskatchewan).
GOVERNANCE, FACILITIES AND ACCOUNTABILITY	
FACILITIES FOR LEARNING	
37.	Continue to implement operational procedures in the four joint-use elementary schools.
38.	Implement the Annual Capital Plan priorities.
39.	Continue to provide infrastructure improvements and upgrades at various existing schools.
40.	Continue Future of our Schools Process and update the Five Year Capital Plan.
FISCAL MANAGEMENT	
41.	Continue to implement innovative and creative programs with funds provided by the Saskatoon Public Schools Foundation.
42.	Integrate Enterprise Risk Management into development of strategic, business and operational plans and decisions.



## BUDGETARY IMPACTS

In order to work towards the outcomes associated with the Board's priorities and the Education Sector Strategic Plan, the Board will draw approximately \$1.5 million dollars from operating reserves to continue with current programming.

The following are the main budget initiatives for 2018-19.

- In order to accommodate enrolment growth, there is an increase of:
  - 21.3 FTE teaching positions.
  - 18.3 FTE Educational Assistant positions.
- Class size ratios remain unchanged at elementary schools, whereas the ratios in secondary schools will increase slightly.
- To provide additional supports for a growing student population, a 1.0 FTE Counsellor position will added to the staffing complement for student services.
- A 1.0 FTE Behavior Consultant position will be added to provide additional support in this area.
- Allotment of other teaching positions including teacher librarians will be decreased in order to reduce budget shortfalls.
- Non-salary budgets across the division have been reduced.
- Transportation budgets have been kept stable through internal efficiencies.

## FISCAL ISSUES THAT NEED TO BE ADDRESSED WITH THE MINISTRY

1. Ensure adequate funding of the Board's strategic priorities of *Literacy for Life* and *Collegiate Renewal* and to meet the outcomes detailed in the Education Sector Strategic Plan. These priorities will continue to require sufficient funding in future budgets.
2. Work with the Ministry of Education, Saskatchewan School Boards Association (SSBA), League of Educational Administrators, Directors and Superintendents of Saskatchewan (LEADS), and the Saskatchewan Association of School Business Officials (SASBO) to improve the current PreK-12 Funding Distribution Model. Ensure that the guiding principles upon which the Funding Distribution Model is based (mutual responsibility, accountability, transparency, equity and stability) are realized.
3. Ensure sufficient funding to support students with special needs.
4. Ensure adequate funding is in place to provide English as an additional language (EAL) supports.
5. Ensure adequate funding to support the elimination of the learning disparity for First Nation, Inuit, and Métis students.
6. Secure long term sustainable funding of the capital budget to address the backlog of work identified in the facility audits.
7. Ensure that existing locally negotiated and provincial collective agreements are fully funded from the Ministry of Education, as the school board no longer has the ability to set the mill rate.
8. Work with our educational partners to identify risks currently being faced in the education sector.
9. Ensure that Saskatoon Public Schools continues to operate in an efficient, effective and economical manner.
10. Continue to work with our partners in our joint use projects.

## HIGHLIGHTS OF THE EDUCATION SECTOR STRATEGIC PLAN

Saskatoon Public Schools participates in the development of the Education Sector Strategic Plan as part of the Provincial Leadership Team (PLT). The PLT is comprised of directors of education from the 28 school divisions, First Nation and Métis educational organization representatives, and Ministry of Education personnel. It guides sector planning, implementation, monitoring and reporting processes.

Key elements of the Education Sector Strategic Plan (ESSP) are described below:

### Enduring Strategies

Curriculum:	culturally relevant and engaging
Instruction:	differentiated and high quality
Assessment:	culturally appropriate and authentic
Experience:	First Nation and Métis content, perspectives and ways of knowing
Professional Learning:	targeted and relevant
Strong Partnerships:	family, school, and community
Alignment:	human, physical, and fiscal resources

### Priorities (Short Term Improvement Breakthroughs)

- In partnership with First Nation and Métis stakeholders, continue to implement the Following Their Voices (FTV) initiative.
- Contingent on recommendations from the sector, implement and actualize the provincial Unified Student Information System.

### Outcomes (Long Term)

- By June 30, 2020, 80% of students will be at grade level or above in reading, writing, and mathematics.
- By June 30, 2020, collaboration between First Nation and Métis and non-First Nation and Métis partners will result in significant improvement in First Nation and Métis student engagement and will increase three-year graduation rate from 35% in June 2012 to at least 65% and the five-year graduation rate to at least 75%.
- By June 30, 2020, Saskatchewan will achieve an 85% three-year graduation rate and a 90% five-year graduation rate.
- By August 31, 2020, implement a sector-wide approach to find efficiencies and increase value-add in order for the sector to be responsive to the challenges of student needs.
- By June 30, 2020, children aged 0-6 will be supported in their development to ensure that 90% of students exiting kindergarten are ready for learning in the primary grades.

## FINANCIAL ASSUMPTIONS

The following are the most significant assumptions:

1. The collective bargaining settlement for teachers is fully funded.
2. The Ministry will approve the 2018-19 budget as presented.
3. The 2018-19 budget includes an increase in enrolment of 465 students when comparing the enrolment for September 2017 to the projected enrolment for September 2018.

## FINANCIAL INFORMATION

### Statement of Operations

	<b>Budget 2018-19</b>	<b>Budget 2017-18</b>
<u>Revenues</u>		
Property taxes	\$ -	\$ 40,184,425
Provincial grants	232,513,613	190,096,420
Tuition and related fees	1,731,325	2,017,000
Complementary services	4,368,234	3,259,432
External services	6,998,836	6,565,675
School generated	4,955,000	4,955,000
Other	1,412,000	1,427,000
<b>Total revenues</b>	<b>\$ 251,979,008</b>	<b>\$ 248,504,952</b>
<u>Expenses</u>		
Governance	\$ 684,181	\$ 635,460
Administration	5,991,750	6,518,908
Instruction	194,063,556	192,130,741
Plant	43,452,730	38,054,816
School generated	4,955,000	4,955,000
Transportation	6,374,545	6,440,051
Tuition and related fees	346,000	312,000
Complementary services	4,331,719	3,299,853
External services	7,195,286	6,765,165
Interest	278,765	318,080
<b>Total expenses</b>	<b>\$ 267,673,533</b>	<b>\$ 259,430,074</b>
<b>Surplus/(deficit)</b>	<b>\$ (15,694,525)</b>	<b>\$ (10,925,122)</b>

## Cash Flow Requirements

### Cash Flow Requirements

	Budget 2018-19	Budget 2017-18
Total revenues	251,979,008	248,504,952
Total expenses	267,673,533	259,430,074
Surplus/(deficit)	(15,694,525)	(10,925,122)
<i>Tangible capital assets:</i>		
Purchases	(1,061,000)	(8,170,985)
<i>Long-term debt:</i>		
Debt issued		
Debt repayments	(958,996)	(1,835,221)
<i>Non-cash items:</i>		
Amortization expense	15,530,000	15,530,000
Employee future benefits expenses	362,500	362,500
<i>Reserves:</i>		
Use capital reserves (note 1)	250,000	3,050,000
Use of operating reserves (note 2)	1,572,021	1,988,828
Surplus/deficit	\$ 0	\$ -

#### Notes:

1. The use of the capital reserves relates to the timing of the projects. Funding for portables will be allocated in 2017-18; however, some of the work will be completed during 2018-19. Therefore, funding will be drawn from capital reserves.
2. Operating reserves include both internally restricted and unrestricted reserves.

**REVENUES**

In 2018-19, expenses are estimated to be \$252.0 million, an increase of 1.4% compared to the previous year's budget.

	Budget 2018-19	Budget 2017-18	\$ Change	% Change
<b>Revenues</b>				
Property taxes (note 1)	\$ -	\$ 40,184,425	\$ (40,184,425)	-100.0%
Provincial grants (note 1)	\$ 232,513,613	\$ 190,096,420	42,417,193	22.3%
Tuition and related fees (note 2)	\$ 1,731,325	\$ 2,017,000	(285,675)	-14.2%
Complementary services (note 3)	\$ 4,368,234	\$ 3,259,432	1,108,802	34.0%
External services (note 4)	\$ 6,998,836	\$ 6,565,675	433,161	6.6%
School generated	\$ 4,955,000	\$ 4,955,000	-	0.0%
Other	\$ 1,412,000	\$ 1,427,000	(15,000)	-1.1%
<b>Total Revenues</b>	<b>\$ 251,979,008</b>	<b>\$ 248,504,952</b>	<b>\$ 3,474,056</b>	<b>1.4%</b>

Notes:

1. From January 1, 2018, property tax revenue flows directly to the provincial government and funding will be received solely from the provincial grant in 2018-19. The increase in provincial grant is due to increased provincial funding for education and projected enrolment growth in the division.
2. The number of tuition paying students is expected to decrease in 2018-19 as the International Student Program is being phased out.
3. Complementary services funding is higher due to reclassification of certain provincial programs which were previously recorded as provincial grants. Additional funding will also be allocated to support preschool programs.
4. External services has increased mainly due to a projected funding increase for the alliance school at Whitecap Dakota First Nation.

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### EXPENSES

In 2018-19, expenses are estimated to be \$267.7 million, an increase of 3.2% compared to the previous year's budget.

	Budget 2018-19	Budget 2017-18	\$ Change	% Change
<u>Expenses</u>				
Governance (note 1)	\$ 684,181	\$ 635,460	\$ 48,721	7.7%
Administration (note 2)	\$ 5,991,750	6,518,908	(527,158)	-8.1%
Instruction (note 3)	\$ 194,063,556	192,130,741	1,932,815	1.0%
Plant (note 4)	\$ 43,452,730	38,054,816	5,397,914	14.2%
School generated	\$ 4,955,000	4,955,000	-	0.0%
Transportation (note 5)	\$ 6,374,545	6,440,051	(65,506)	-1.0%
Tuition and related fees (note 6)	\$ 346,000	312,000	34,000	10.9%
Complementary services (note 7)	\$ 4,331,719	3,299,853	1,031,866	31.3%
External services (note 8)	\$ 7,195,286	6,765,165	430,121	6.4%
Interest/allowances (note 9)	\$ 278,765	318,080	(39,315)	-12.4%
Total expenses	<u>\$ 267,673,533</u>	<u>\$ 259,430,074</u>	<u>\$ 8,243,459</u>	<u>3.2%</u>

#### Notes:

1. In 2018-19, the budget for Governance has increased mainly due to reclassification of certain accounts from Administration in accordance with the Ministry of Education's chart of accounts.
2. In the 2018-19 budget, the administrative costs related to salary and benefits are lower due to reclassification of information technology support to Instruction. This is in accordance with the revisions to the Ministry of Education's chart of accounts.
3. Budget 2018-19 includes additional classroom teachers and educational assistants to meet the projected enrolment increase. In order to address budgetary short-falls, savings have been realized through the reduction in the number of teacher librarians and other supportive teaching positions. Budget 2018-19 also includes a reduction in expenditures for professional development, resource materials and supplies.
4. The increase in plant expense is due to all Preventative Maintenance and Renewal expenditures being classified as operating expenses, instead of capital expenditures in 2018-19. This is in accordance with the changes made to the Ministry of Education's chart of accounts and capitalization guidelines.



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5. Transportation costs have stayed stable as internal efficiencies have offset increasing contract rates and enrolment growth.
6. Tuition and related fees have increased due to higher enrolment numbers for homebased students.
7. No new prekindergarten programs have been added in 2018-19. Complementary expenses are higher due to reclassification of special program related costs from Instruction.
8. External services expenses are budgeted to increase mainly due to increased funding rates for the alliance school at Whitecap Dakota First Nation.
9. Loans for capital projects are decreasing, therefore; resulting in lower interest expense.

### *SALARIES AND BENEFITS*

In 2018-19, salaries and benefits are expected to cost \$204.2 million, an increase of approximately \$3.3 million or 1.7% compared to the 2017-18 budget. The increase is due to additional staff being added to the budget for the projected increase in enrolment of approximately 465 students. Staffing reductions were made in certain teaching roles including teacher librarians.

### *CAPITAL EXPENDITURES*

The 2018-19 capital projects will be funded as follows:

Capital Reserves (allocations made by the Board and Ministry funding during 2017-18)	\$ 250,000
Allocation to Capital Projects by Saskatoon Public Schools	<u>811,000</u>
Total Capital Expenditures in 2018-19	<u>\$ 1,061,000</u>

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Capital Plan

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

Facilities department:

Portables:

École Forest Grove School

Subtotal

Other departments:

Technology

Special education - technical aids

Total capital projects - all departments

Source of Funding				
Funding from the Ministry	2017-18 Capital Reserves	Capital Plan 2018-19	Long-term Debt	Total Capital Costs
120,000	380,000	-	-	\$ 500,000
\$ 120,000	\$ 380,000	\$ -	\$ -	\$ 500,000
-	-	600,000	-	600,000
-	-	211,000	-	211,000
\$ 120,000	\$ 380,000	\$ 811,000	\$ -	\$ 1,311,000

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2018-2019 Capital Expenditures and Funding Sources

Timing of Capital Expenditures		2018-19 Funding Sources			
Capital Costs in 2017-18	Capital Costs in 2018-19	Use of Capital Reserves in 2018-19	Funding from the Ministry 2018-19	SPS Capital Plan 2018-19	
<i>Facilities department:</i>					
Portables: École Forest Grove School	250,000	<b>250,000</b>	250,000	-	-
Subtotal	\$ 250,000	\$ 250,000	\$ 250,000	\$ -	\$ -
<i>Other departments:</i>					
Technology	-	<b>600,000</b>	-	-	600,000
Special education - technical aids	-	<b>211,000</b>	-	-	211,000
Total capital projects - all departments	\$ 250,000	\$ <b>1,061,000</b>	\$ 250,000	\$ -	\$ 811,000

*RESERVE TRANSFERS*

	Unrestricted Operating Reserves	Internally Restricted Operating Reserves	Capital Reserves
Reserve transfers to/(from) the Operating Reserves:			
To the Reserve for Facility Repairs Related to Rentals (net)	(15,000)	15,000	-
To Technology Replacement Capital Reserve	(600,000)		600,000
<b>Total transfers</b>	<b>\$ (615,000)</b>	<b>\$ 15,000</b>	<b>\$ 600,000</b>

\$600,000 has been allocated towards technology replacement in 2018-19.

*ACTUAL RESERVE FUNDS AND LONG TERM DEBT*

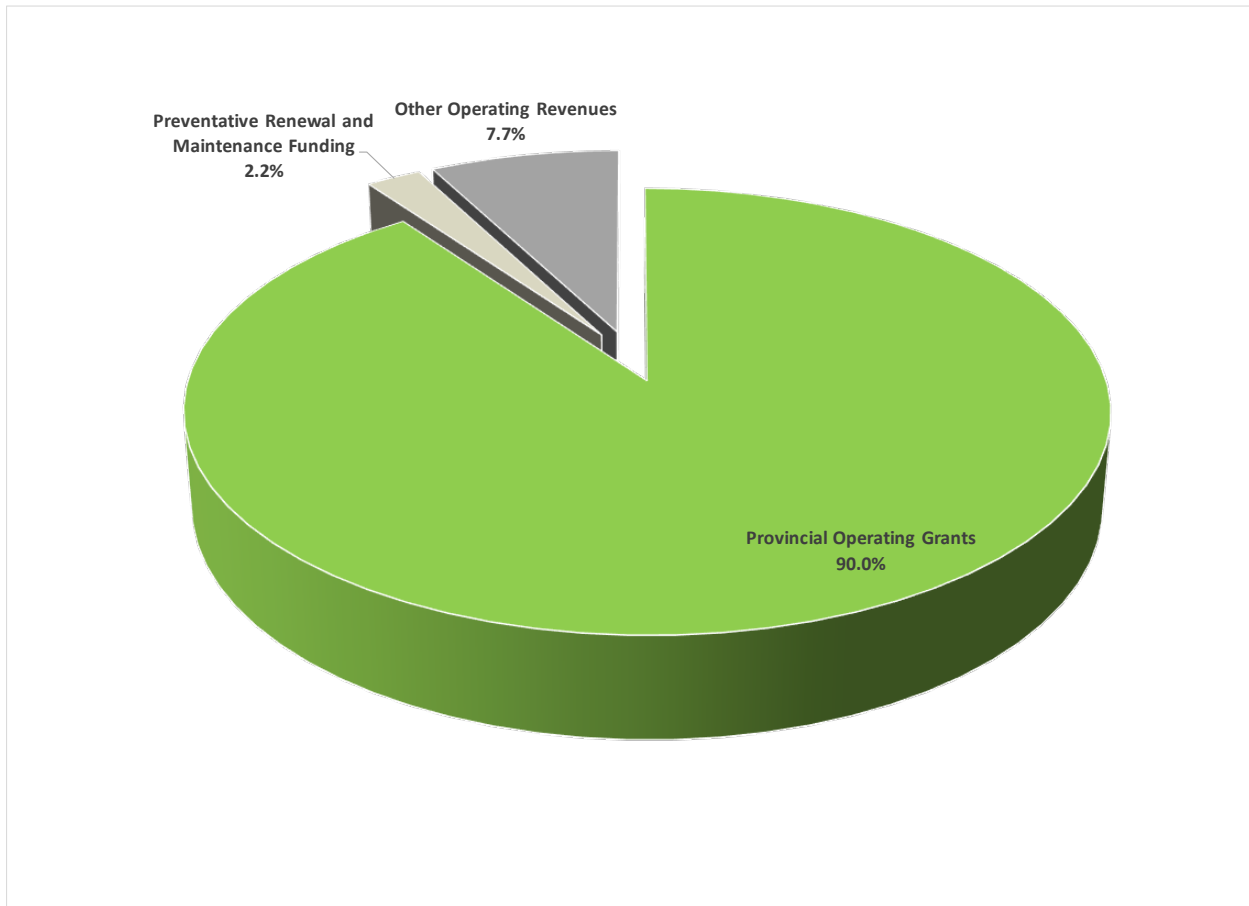
The Board's operating reserves from Unrestricted Accumulated Surplus and Internally Restricted Surpluses totalled approximately \$16.5 million as at August 31, 2017.

At August 31, 2017, capital loans of the Board totalled \$9.8 million (compared to \$12.8 million at August 31, 2016):

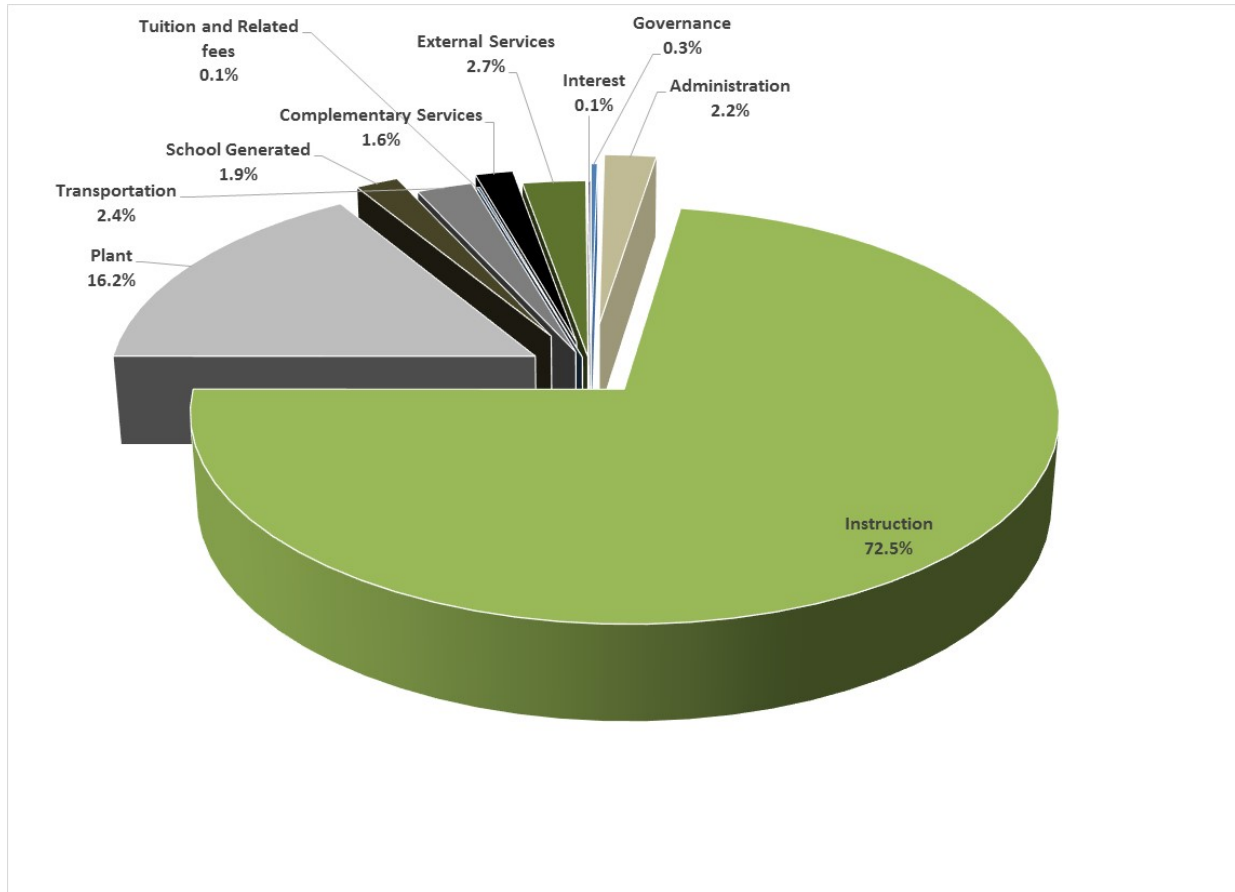
Willowgrove School – construction	\$ 6,024,743
Energy Smart Program	677,418
City Park Collegiate – repurposing loan	2,039,428
Technology	847,151
Portables	<u>236,332</u>
	<b>\$ 9,825,072</b>

APPENDIX – ADDITIONAL FINANCIAL INFORMATION

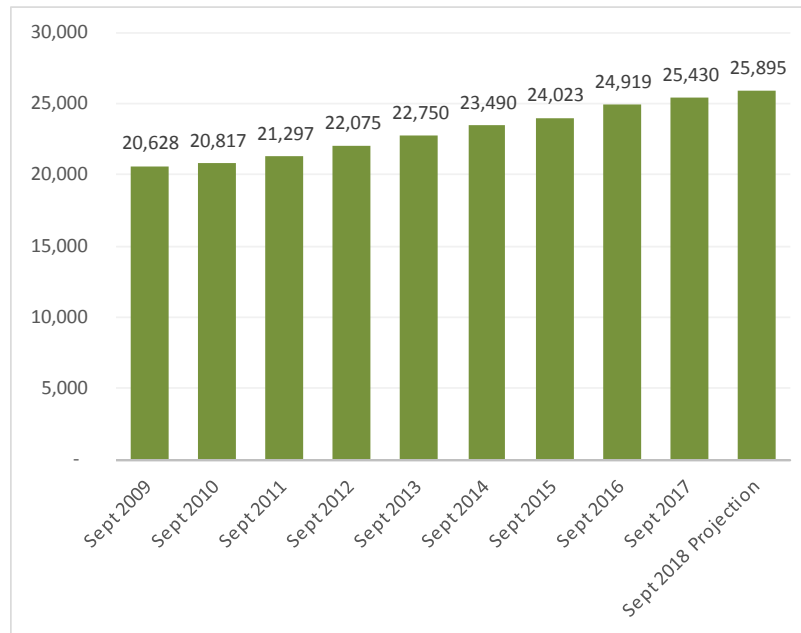
Total Revenue Sources for the Year Ending August 31, 2019



### Total Expenses for the Year Ending August 31, 2019



### Student Enrolment 2009-2018\*



\* 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.