The Board of Education of the Regina School Division No. 4 of Saskatchewan

2022-23 BUDGET

Subject to approval by the Ministry of Education

Budget Development Process

September

- New Fiscal Year
- September 30 student count

December

- Receive final funding for 2021-22 based on actual enrolments

January

- Submit enrolment projections for 2022-23
- Begin work on 2022-23 strategic plan

February

- Submit major capital priorities
- Set budget priorities
- Calculate status quo expense budget

March

- Provincial Budget Day; receive 2022-23 Operating Grants
- Develop budget strategy/framework

April

- Develop PMR plan
- Prepare budget detail
- Release FTE allocations to principals and managers

May

- Complete fall staffing
- Release non-salary budgets to principals and managers
- Submit PMR plan

June

- Finalize and release 2022-23 budget and submit to Ministry

August

- Receive Ministry budget approval
- Fiscal year-end

November

- Complete audit, financial statements and annual report for previous year

2022-23 Provincial Budget (March 23, 2022)

Provincially, operating grants to schools increased by **$29.4M (1.5%)**, consisting of $23.4M for the incremental cost of the teachers' collective agreement and $6M added to Supports for Learning.

Provincially, enrolments are projected at **175,900**, slightly above September 30 actuals.

New **$7M** fund for Targeted Classroom Supports to hire more educational assistants.

School capital of **$168.6M**, down from $189.9M; no new project approvals announced.

Preventive Maintenance and Renewal funding increased to **$54.9M (9.8%)**.

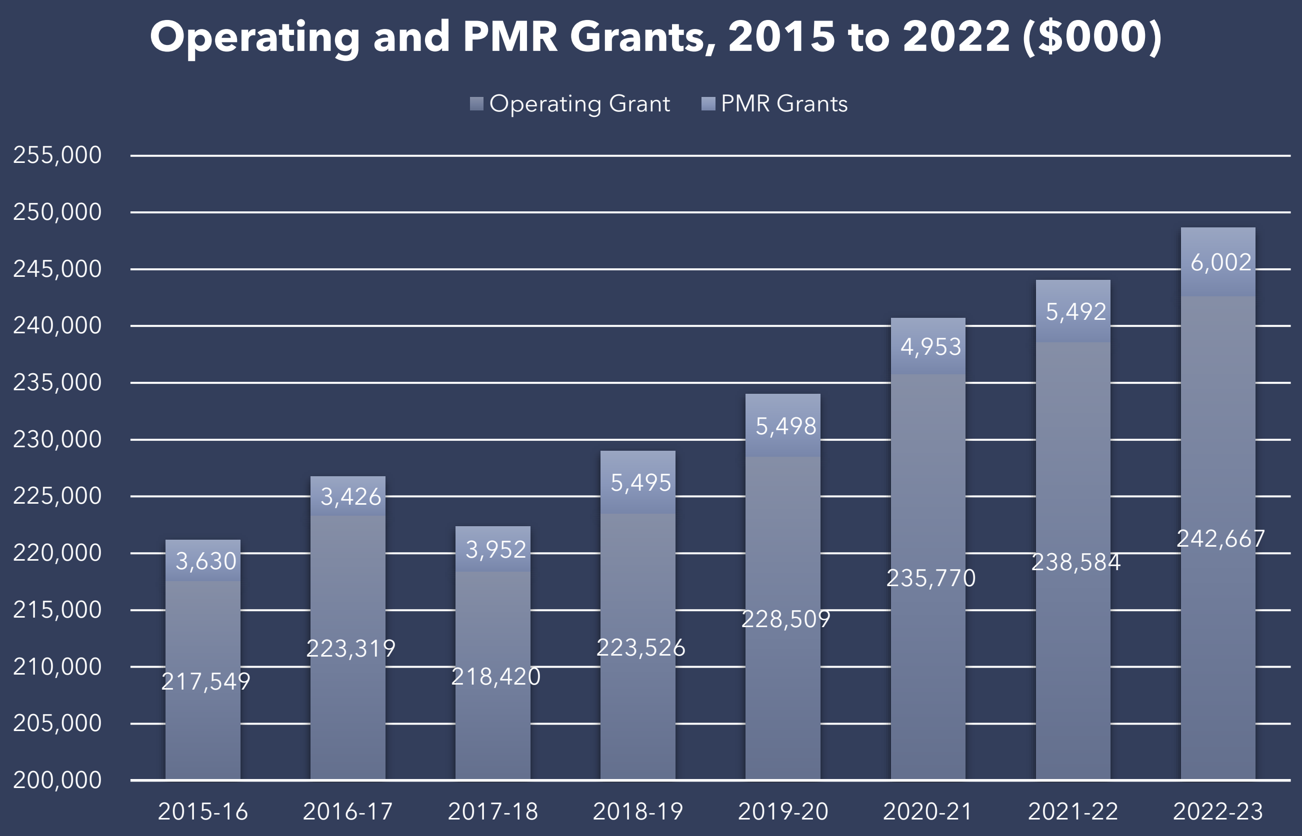
New Minor Capital Renewal fund for **$4.5M**.

Increase to Education Property Tax rates (paid to Province).

2022-23 Provincial Budget
- Impacts on Regina Public School Division

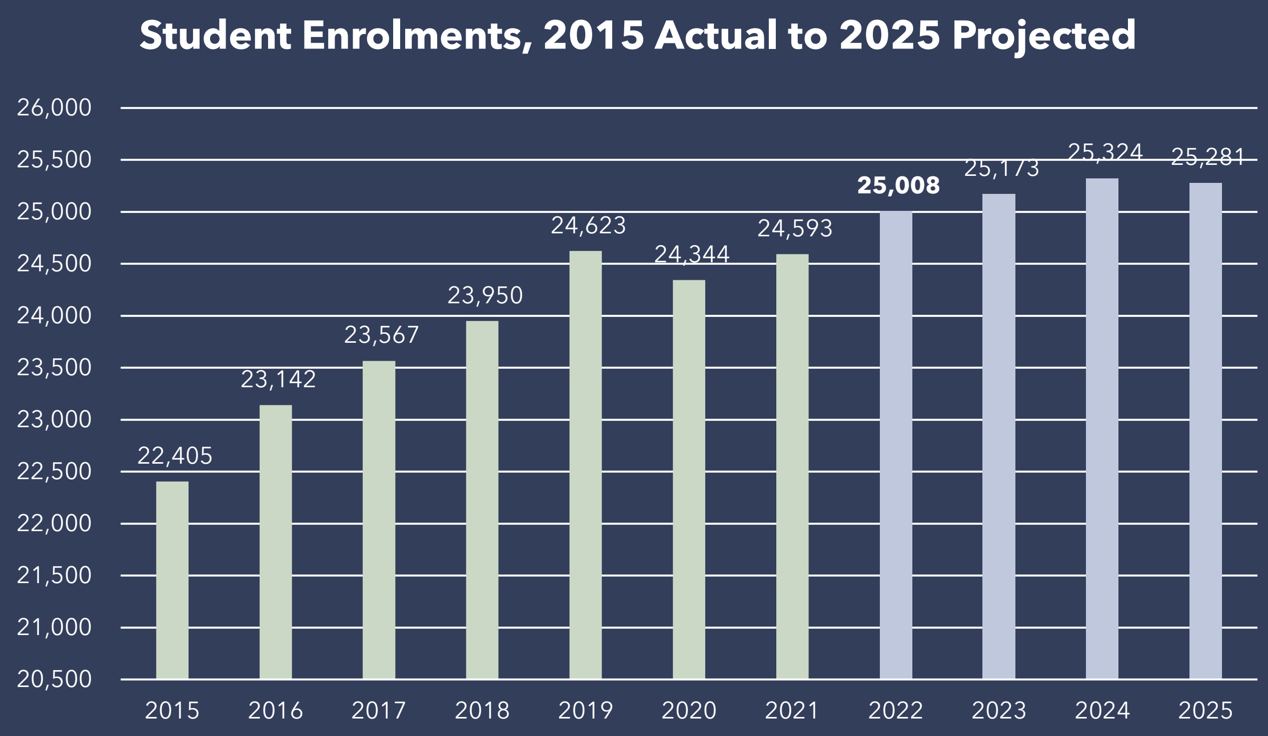
- Operating funding for Regina Public School Division next year will be **$242.7M**, which is:
    - **$4.1M (1.7%)** higher than the December 2021 funding recalculation (2021-22 funding was reduced by $2M, based on lower than projected enrolments), or
    - **$2.3M (1.0%)** higher than last year's budgeted funding.
- Plus **$922K in Targeted Classroom Supports** to hire additional EAs.
- Increase in **PMR funding of $500K, to $6M**.
- Commitment to **complete major capital projects** now underway:
    - Completing construction on the replacement for **Argyle and St. Pius elementary schools**
    - Completing design and beginning construction on the new joint-use facility in **Harbour Landing**
    - Completing design and beginning construction on the joint-use facility to replace **Imperial, McDermid, St. Peter, St. Michael elementary schools**.

Revenue Trends



- Operating grants have increased but have not kept pace with enrolment growth and inflation.
- Operating funding has increased by $25M over the period 2015 to 2022 or 11.5% (~1.6% per year); enrolment has grown at 12.8% and inflation at 19%.
- PMR funding over the same period has increased by $2.3M or 65%.

Enrolment Trends



- Enrolments drive funding and expenses:
  - Average increases of **555 students per year** or ~2+% until 2019.
  - Decrease in 2020 and slower than expected recovery in 2021.
- In Fall 2021, enrolments fell **710** students short of projections; grant funding was reduced by $2M; no staffing adjustments made in schools.
- For Fall 2022, enrolments are projected to rebound at about half of the pre-pandemic annual rate of increase, which amounts to **416 students higher** than September 30 actuals, but still **294 students lower** than the projection we used to develop this year's budget.
- In 2023 and beyond, projections continue to increase but at a slower pace.

Base Operating Pressures

We began the budget process in February by identifying base operating pressures that must be managed within available funding. Major items include:

- Economic adjustments relating to provincial and local collective agreements total $4.2M, plus $1.0M for increments as staff move through the salary grids and adjustments to the base salary budget to reflect current staffing.
- Inflationary increases, particularly in insurance premiums ($132K) and fuel ($140K) add to the typical year over year cost increases in utilities, statutory benefits, and contractor costs.
- Some programming pressures are recognized, such as continuing training support for facilities and specialized teaching staff, costs of technical aids for students, etc.
- Ongoing pandemic related costs such as sanitation and masks (estimated at $100K).

2022-23 Projected Enrolments (by School Type)

	2021-22 Projections (June 2021 Budget)	September 30, 2021 Actuals	**2022-23 Projections (June 2022 Budget)**	Variance to Actuals	Variance to Budget
Elementary Schools	16,759	15,966	**16,202**	236	-557
High Schools	6,859	6,842	**6,944**	102	85
Associate Schools	1,434	1,431	**1,508**	77	74
Home-based	250	353	**354**	1	104
Total	**25,302**	**24,592**	**25,008**	**416**	**-294**

- A key driver of expenses is enrolment projections and the year over year changes anticipated. When budgeting, we look at the change from last year's projections to this year's projections.
- Teacher FTEs will decrease in 2021-22 because projected enrolments for next year are lower than projections used to develop this year's budget.
- **Holding PTRs constant and using next year's enrolment projections, teacher FTE will decrease by ~20 FTE.**

Staffing (FTEs)

- Overall, budgeted full-time equivalent positions will decrease by **46 FTE:**
  - 19 FTE classroom teacher plus 10 FTE contingency due to enrolments.
  - 20 FTE approved for 2021-22 only, most funded by one-time COVID funding.
  - 2.4 FTE Division Office reductions.
  - Offset by 5 FTE increase in literacy, diversity, school community health, and information technology.
- All FTE reductions will be managed by attrition; **no lay-offs or job impacts** for employees.

	2021/22 BUDGET	2022/23 BUDGET
Full-time equivalent positions	2,384	2,338

Note that the 2022-23 FTE estimate does not include additional temporary Educational Assistants hired through the Targeted Classroom Support program, estimated at 22 FTE.

Human resource impacts

- Maintain Learning Response Teams (reduced from 7 to 4 FTE).
- Continue additional time allocations for Counsellors and Indigenous Advocates for one more year.
- Strengthen leadership for Division priorities:
  - New Equity, Diversity & Inclusion Coordinator.
  - Increase FTE for School Community Health Coordinator.
  - Sustain Literacy Coordinator and Mental Health and Wellness Coordinator.
- Add staff to strengthen IT service delivery.
- Educational assistant FTE will increase as a result of new, conditional provincial funding.
- No change to other school-based or itinerant FTE allocations e.g., administrative assistants, psychologists, SLPs, etc.

Other new initiatives

- Improve access to targeted professional development for staff.
- Pursue a Sweat Lodge in partnership with Regina Police Service.
- Introduce new land-based learning at CRP.
- Expand Vocational Alternative Programming in high schools.
- Develop a Division-wide plan for equitable access to gender neutral bathrooms and change rooms.
- Start to develop a Division-level plan to reduce our greenhouse gas emissions.
- Continue to invest in energy efficient build system improvements (e.g., LED lighting).

Offsetting reductions

Given the budget parameters, offsetting reductions are needed to achieve a sustainable budget plan. Reductions focused away from direct service delivery, but ultimately everything we do as a school division impacts our core mission of educating students. Reductions include:

- Facility renovation and contracted services budgets.
- Transportation efficiencies, particularly in light vehicle costs as well as routing efficiencies.
- Division Office operating (non-salary) budgets and holding some positions vacant.
- School operating (non-salary) budgets reduced by 5%.

2022-23 Budget – **Cash**

Cash deficit is manageable:

- $800K for time-limited expenses
- Ongoing pandemic impacts (both revenue and expense)

Revenues, Expenses and Deficit (Cash basis)

	2021/22 Budget	2022/23 Budget	$ Variance	% Variance
Revenues	$257,344,969	**$261,699,734**	$4,354,765	1.7%
Expenses	260,802,776	**264,244,200**	3,441,424	1.3%
Surplus/(Deficit)	(3,457,807)	**(2,544,466)**	(913,341)	

2022-23 Budget – **PSAB**

- Includes adjustments to comply with Public Sector Accounting Board standards, as required by the Ministry of Education
- Surplus is attributable to capital grants that will be drawn down over time as the projects under construction are completed and amortized

Revenues, Expenses and Deficit (PSAB basis)

	2021/22 Budget	2022/23 Budget	$ Variance	% Variance
Revenues	$272,577,969	**$276,907,734**	$4,329,765	1.6%
Expenses	267,876,623	**272,516,087**	4,639,464	1.7%
Surplus/(Deficit)	4,701,346	**4,391,647**	(309,699)	(6.6%)

Reserves

	Balance (August 31, 2021)
Restricted (includes Operating Reserve)	46,919,635
Unrestricted	13,942,610

- Reserves provide some cushion against unanticipated revenue shortfalls or expense increases, for a limited period of time.
- Most restricted reserves are held for specific purposes such as accounts receivable, school-generated funds, furniture, equipment and technology refreshes, facility repairs and renovations, etc.
- Balances shown are at August 31, 2021; note that balances will be drawn down in 2021-22.

2022-23 Capital Budget

	2021/22 BUDGET	2022/23 BUDGET
Major Capital	15,223,000	15,208,000
Furniture and Equipment	1,272,374	879,800
Information Technology	2,712,800	2,142,000
Preventive Maintenance and Renewal	5,492,499	5,989,917
Total Infrastructure	**$24,710,673**	**$24,219,717**

- Major capital spending is status quo with $15.2M for:
  - Argyle/St. Pius.
  - Harbour Landing West.
  - Imperial, McDermid, St. Michael, St. Peter.
- Capital amounts for furniture, equipment and technology refreshes decrease due to recategorization between operating and capital.
- Full program of preventive maintenance and renewal as approved in May.

Looking ahead

- A **challenging** budget scenario: <2% operating grant increase and other revenues are minimal; expenses continue to be pressured by pandemic recovery costs as well as inflation, collective agreements with employees (only STF agreement is funded) and ongoing programming pressures.
- **Enrolment projections** will continue to be monitored closely. The Ministry will recalculate funding in the Fall based on September 30 actual enrolments.
- **Inflation**, particularly on durable goods and fuel, remains a key areas of risk.
- All available funding is fully allocated, with **little margin** to manage expense increases or revenue decreases without impacting services.
- Reserve funds are available but **cannot be relied upon in the long term**.

In Closing

Budget 2022/23 is a collaborative effort that provides for:

- ✓ Continued stability in educational programming and staffing
- ✓ Targeted initiatives supporting pandemic recovery.
- ✓ Targeted enhancements based on Regina Public Schools' 2022-23 Interim Strategic Plan.
- ✓ Progress on current major capital priorities but pressure.
- ✓ Financial sustainability.

2022-23 Budget still a work in progress but so far....

- Maintains pupil-teacher ratios (PTRs). We will continue to monitor enrolments and adjust staffing as needed this spring and fall.
- Continues Literacy Coordinator, plus 4 FTE for Learning Response Team and additional Counsellor and Indigenous Advocate time for one year (using reserves).
- Leverages Provincial Targeted Classroom Support program to hire more educational assistants.
- Strengthens Division commitment to equity, diversity and inclusion priorities.
- Focuses budget reduction measures away from front-line services.
- Avoids job impacts for our employees.
- Accesses financial reserves to support re-engagement and recovery initiatives for another year.

In Closing

FUNDING IS TIGHT…

OUR STRATEGIC PLAN AND PRIORITIES HAVE GUIDED BUDGET DECISION MAKING

A STABLE FINANCIAL PLAN