

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



2020-2021 BUDGET

Subject to approval by the Ministry of Education

June 16, 2020

Provincial Funding

Funding estimates were released in mid-March and confirmed on June 15, 2020.

Provincial Operating Grants: \$1.94B, an increase of \$42.1M (2.2%) consisting of \$22M for enrolment growth of 2,142 students (1.2%) and inflation and \$20M for the teachers' collective agreement

- \$4.7M for Regina Public Schools enrolment growth (750 students or 3.5%) plus \$2.2M for teachers' collective agreement for a total of \$6.9M (3%)

Preventative Maintenance and Renewal (PMR) grants: \$45.4M, a decrease of \$5M (10%)

- \$4.5M (10% decrease) for Regina Public Schools

Provincial Major Capital grants: \$130.4M, an increase of \$34.8M (36%)

- Planning for a second joint use facility in Harbour Landing
- Planning for a new joint use facility to replace Imperial, St. Peter and St. Michael schools
- Planning for high schools in east Regina
- Construction funding to continue the Argyle-St.Pius joint use project
- Four relocatable classrooms for École Wascana Plains
- \$1.4M in Climate Action Incentive Fund initiatives

Enrolment Growth

Enrolments are projected to continue to grow, creating ongoing staffing and facility pressures.

Grade Levels	September 30 Actuals		Projection	Increase	
	2018	2019	2020	#	%
Pre-K	618	618	624	6	1.0%
Kindergarten	1,908	2,076	2,001	- 75	-3.6%
Elementary	14,564	15,003	15,433	430	2.9%
High School	6,860	6,926	7,181	255	3.7%
Total	23,950	24,623	25,239	616	2.5%
Year over year increase	383	673	616		
Year over year % increase	1.6%	2.8%	2.5%		

Budget Priorities

Maintain classroom PTRs and address the impacts of growth on specialized programs and supports.

Budget 2020-21:

- ✓ Adds 21 teaching positions and 20 educational assistants to respond to projected fall 2020 enrolments and maintains overall pupil-teacher ratios
- ✓ Adds new specialized student programming including two new primary transitions programs, a new high school FIAP program and an additional SLC totalling 13 teaching and educational assistant positions

Budget Priorities

Support staff in their day to day work and building system capacity through focused professional growth and development.

Budget 2020-21:

- ✓ Sustains the focus on employee health and wellness through resourcing and implementation of the Mental Health and Wellness Initiative introduced in March 2020
- ✓ Maintains professional development initiatives and activities
- ✓ Includes targeted funding for additional staff resources to address post-COVID-19 related instructional challenges in schools

Budget Priorities

Develop sustainable, multi-year infrastructure (building, equipment, text book/learning resources) plans to maintain, refresh and modernize.

Budget 2020-21:

- ✓ Increases base funding for learning resources, assistive technology, information technology and caretaking
- ✓ Continues with design and construction of a new Argyle/St. Pius school
- ✓ Initiates planning for a second joint use elementary school in Harbour Landing and a long-term high school strategy
- ✓ Continues multi-year learning resource, technology, furniture and equipment renewal plans
- ✓ Completes the conversion of transportation services to fully contracted

Budget Priorities

Develop a multi-year financial plan that directs resources to areas of highest priority and strategically uses reserve funds.

Budget 2020-21:

- ✓ Realigns base budgets to reflect operational priorities
- ✓ Funds a revised Preventive Maintenance and Renewal plan that targets the highest priority facility projects
- ✓ Targets reserve funds to sustain and refresh school infrastructure
- ✓ Introduces new rental fees for child care centres and school-age care programs operating in Regina Public Schools

Revenues and Expenses

- Revenues from all sources are estimated at \$255.9M, an increase of 4.6%.
- Total expenses are estimated at \$261.7M, an increase of 3.5%
 - School division's share of 2020 election costs
 - Collective agreements and increments for employees total \$3.5M
 - Enrolment growth totals \$2.6M and programming enhancements total almost \$1M
 - Offsetting reductions that do not impact programming
- Deficit of \$5.8M (\$1.8M on a cash basis).

Revenues and Expenses

- Budgeted full-time equivalent positions will increase by approximately 52, of which 31 FTE are teachers:

	2020-21 Budget	2019-20 Budget
Full-time equivalent positions	2,295	2,243

- Details of revenues and expenses by category are on page 4 of the Board item.

Capital Budget

Total capital spending (on a cash basis) increases by \$2.1M relating to Ministry approvals for new projects

	2020-21 Budget	2019-20 Budget
Major Capital (Argyle/St. Pius and Harbour Landing)	3,600,000	950,000
Furniture	543,383	488,083
Equipment	365,550	453,650
Information Technology	2,642,000	2,639,200
Sub Total Capital	7,150,933	4,530,933
PMR	4,952,844	5,494,946
Total Infrastructure	\$12,103,777	\$10,025,879

In Summary

Budget 2020-21 is a collaborative effort that provides for:

- ✓ Continued stability in educational programming and staffing
- ✓ Targeted enhancements based on Board and staff priorities
- ✓ Contingencies to respond to the uncertainty of the fall return to school
- ✓ Significant progress on major capital priorities
- ✓ Long-term financial sustainability





REGINA BOARD OF EDUCATION

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BOARD MEETING DATE: JUNE 16, 2020

TOPIC: 2020-21 BUDGET SUBMISSION

FORUM	AGENDA ITEMS	INTENT
<input checked="" type="checkbox"/> Open Session	<input type="checkbox"/> Correspondence	<input type="checkbox"/> Information
<input type="checkbox"/> Closed Session	<input type="checkbox"/> New Business	<input checked="" type="checkbox"/> Decision
	<input checked="" type="checkbox"/> Reports from Administrative Staff	<input type="checkbox"/> Discussion
	<input type="checkbox"/> Other: External Reports/Presentations	

BACKGROUND

This item presents the recommended 2020-21 Budget for Board approval and submission to the Ministry of Education.

The budget is due to the Ministry of Education by the end of June, and approval is expected by August 31, 2020.

CURRENT STATUS

On March 23, 2020, the Provincial Government released 2020-21 operating funding for school divisions with an increase of \$42.1M or 2.2% made up of:

- \$22M for enrolment growth and inflation (\$4.7M or 2.3% increase for Regina Public over last year's budget). Funded Pre-K to 12 student FTEs increased by approximately 2,142 or 1.2% province-wide (750 students or 3.5% increase for Regina Public); and
- \$20M related to the STF contract settlement (\$2.2M for Regina Public).

The budget also included \$350K in new funding for intensive needs Pre-K programs in Regina and Saskatoon (\$70K for Regina Public).

Infrastructure funding increased by \$34.8M or 36%, including planning funding of \$8.5M for various projects:

- \$1.3M for planning a new joint-use facility in Harbour Landing;
- planning for a joint-use facility to replace St. Peter, St. Michael and Imperial elementary schools (McDermid is not included now but may be considered as planning work proceeds);
- \$500K to assess the current state of high schools in Regina and Saskatoon and determine the future high school needs for east Regina and east Saskatoon;
- Construction funding to continue the Argyle/St. Pius joint-use project.

Preventive Maintenance and Renewal (PMR) funding decreased from \$50.4M last year to \$45.4M this year, a reduction of \$5M or 10% (\$542K or 10% reduction for Regina Public).

Ten new relocatable classrooms were approved in Regina and Saskatoon (four of five requested for École Wascana Plains School).

In addition, there was a commitment to \$12M in new federal funding under the Climate Change Action Plan to support energy efficiency in school divisions (\$1.4M for Regina Public).

2020-2021 Budget Strategy

The key budget driver in Regina Public Schools over the past five years has been enrolment growth. This trend is projected to continue in 2020-2021 and beyond, creating continued staffing and facility pressures:

Grade Levels	September 30 Actuals		Projection	Increase	
	2018	2019	2020	#	%
Pre-K	618	618	624	6	1.0%
Kindergarten	1,908	2,076	2,001	-75	-3.6%
Elementary	14,564	15,003	15,433	430	2.9%
High School	6,860	6,926	7,181	255	3.7%
Total	23,950	24,623	25,239	616	2.5%
Year over year increase	383	673	616		
Year over year % increase	1.6%	2.8%	2.5%		

Early in the budget development process, the Board developed a set of priorities (in bold, below). The bullet points below outline how the recommended 2020-21 budget responds to each priority.

2020-21 Budget Priorities
<p>Maintain classroom PTRs and address the impacts of growth on specialized programs and supports.</p> <p>Budget 2020-21:</p> <ul style="list-style-type: none"> ✓ Adds 21 teaching positions and 20 educational assistants to respond to projected Fall 2020 enrolments and maintains overall pupil-teacher ratios. ✓ Adds new specialized student programming, including two new primary transitions programs, a new high school Functional Integrated Program, and an additional Supported Learning Centre, totalling 13 teaching and educational assistant positions.
<p>Support staff in their day-to-day work and building system capacity through focused professional growth and development.</p> <p>Budget 2020-21:</p> <ul style="list-style-type: none"> ✓ Sustains the focus on employee health and wellness through resourcing and implementation of the Mental Health and Wellness Initiative introduced in March 2020. ✓ Maintains professional development initiatives and activities. ✓ Includes targeted funding for additional staff resources to address post-COVID-19 related instructional challenges in schools.
<p>Develop sustainable, multi-year infrastructure (building, equipment, text book/ learning resources) plans to maintain, refresh and modernize.</p> <p>Budget 2020-21:</p> <ul style="list-style-type: none"> ✓ Increases base funding for learning resources, assistive technology, information technology and caretaking. ✓ Continues with design and construction of a new Argyle/St. Pius joint-use school.

- ✓ Initiates planning for a second joint-use elementary school in Harbour Landing, an elementary consolidation involving Imperial School and a long-term high school strategy.
- ✓ Continues multi-year learning resource, technology, furniture and equipment renewal plans.
- ✓ Completes the conversion of transportation services to a fully contracted model.

Develop a multi-year financial plan that directs resources to areas of highest priority and strategically uses reserve funds.

Budget 2020-21:

- ✓ Realigns base budgets to reflect operational priorities.
- ✓ Funds a refreshed Preventive Maintenance and Renewal plan that targets the highest priority facility projects.
- ✓ Targets reserve funds to sustain and refresh school infrastructure.
- ✓ Introduces new rental fees for child care centres and school-age care programs operating in Regina Public Schools.

Budget Detail

Revenues

- Total provincial operating grants increase by \$6.9M to \$242.6M. The Ministry will, as usual, recalculate operating grants in the late fall based on actual September 30 enrolments.
- Capital grants increase from \$950K to \$4.25M to reflect the capital approvals announced in March.
- Revenues from all sources are estimated at \$255.9M including \$2M more for capital projects, an increase of 4.6% over 2019-20.

Expenses

- Board related expenses increase by \$276K, consisting of \$2K for a 2% increase to Board remuneration as per policy and \$274K for the School Division’s share of 2020 election costs.
- Base salary increases related to collective agreements and increments for employees total \$3.5M across all areas.
- Enrolment growth pressures total \$2.6M and programming enhancements total almost \$1M.
- Offsetting reductions were found by working through a sequential process to realign budgets based on actual spending.
- Total expenses on a PSAB basis (e.g., including amortization) are estimated at \$261.7M, an increase of 3.5% over 2019-20.

See page 4 for a breakdown by revenue and expense category.

FTEs

Budgeted full-time equivalent positions will increase by approximately 52, of which 31 FTE are teachers.

	2020-21 Budget	2019-20 Budget
Full-time equivalent positions	2,295	2,243

REGINA PUBLIC SCHOOL DIVISION
Budget for the period ending August 31, 2021

Description	Budget 2020-21	Budget 2019-20	Variance	
			\$	%
Revenues				
Property Taxes and Other Related	-	-	-	-
Grants	233,648,622	223,205,111	10,443,511	4.7%
Tuition and Related Fees	1,169,000	950,000	219,000	23.1%
School Generated Funds	4,120,000	4,120,000	-	0.0%
Complementary Services	4,130,080	3,895,180	234,900	6.0%
External Services	10,921,083	10,639,872	281,211	2.6%
Restructuring	-	-	-	-
Other Revenue	1,944,400	1,860,000	84,400	4.5%
Total	255,933,185	244,670,163	11,263,022	4.6%
Expenses				
Governance	873,935	597,892	276,043 ¹	46.2%
Administration	6,733,537	6,553,956	179,581	2.7%
Instruction	182,341,212	175,615,924	6,725,288	3.8%
Plant	40,898,344	40,705,436	192,908	0.5%
Transportation	8,611,028	7,884,474	726,554	9.2%
Tuition and Related Fees	774,500	609,000	165,500	27.2%
School Generated Funds	3,685,845	3,669,002	16,843	0.5%
Complementary Services	6,065,315	5,785,589	279,726	4.8%
External Services	10,921,082	10,639,872	281,210	2.6%
Other Expenses	827,573	876,108	(48,535)	-5.5%
Total	261,732,371	252,937,253	8,795,118	3.5%
Surplus/(Deficit)	(5,799,186)	(8,267,090)	2,467,904	-29.9%

¹ Related to 2020 Board elections, based on the Regina Public Board's share of the City of Regina's estimated election costs.

The reconciliation of the deficit to a cash basis is shown below:

	<u>2020-21 Budget</u>	<u>2019-20 Budget</u>
Tangible Capital Assets:		
(-) Purchases	7,434,433	3,155,733
Long Term Debt, including capital leases:		
(-) Repayments of the year	1,238,071	1,293,536
Non-Cash Gain/Expenses:		
(+) Amortization expense	12,546,934	11,872,934
(+) Employee Future Benefits expenses	495,900	435,900
Other cash requirements:		
(-) Employee Future Benefits expected payments	409,800	415,600
Net Surplus/(Deficit) Cash	(1,838,656)	(823,125)

The cash deficit of \$1.8M will be funded from reserves and includes approximately \$900K in one-time expenses that will not create ongoing expense pressures.

Capital Budget

Total capital spending (on a cash basis) increases by \$2M relating to Ministry approvals to proceed with design finalization and begin construction on the new Argyle/St. Pius school and to begin planning a second elementary joint-use school in Harbour Landing.

	<u>2020-21 Budget</u>	<u>2019-20 Budget</u>
Major Capital (Argyle/St. Pius and Harbour Landing)	3,600,000	950,000
Furniture	543,383	488,083
Equipment	365,550	453,650
Information Technology	2,642,000	2,639,200
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PMR	4,952,844	5,494,946
Total Infrastructure	12,103,777	10,025,879

COMMUNICATIONS

The 2020-2021 Budget will be posted on the public website following Ministry of Education approval with a fact sheet outlining key elements of the budget.

RECOMMENDATION

Administration recommends that the Board approve the 2020-2021 budget in the required form for submission to the Ministry of Education, pending final adjustments approved by the Director of Education.

PREPARED BY

Naomi Mellor, Deputy Director, Division Services/CFO
Bruce Lipinski, Superintendent, Business Affairs

DATE

June 12, 2020

ATTACHMENTS

Yes No