

Education Funding Discussion Paper

The Saskatchewan School Boards Association (SSBA) is a non-profit, nonpartisan, voluntary membership organization, offering board development opportunities, advocacy, and services. The SSBA provides leadership and support for our members as a unified voice of Saskatchewan’s 27 democratically elected public, Catholic and Francophone school boards. For more information visit: www.saskschoolboards.ca

Boards of education/Conseil scolaire fransaskois (CSF) are elected to govern Kindergarten to Grade 12 education, are autonomous, and derive their authority from The Education Act, 1995 which gives them the authority to manage the school division in a way that reflects local needs and priorities. In addition, Catholic schools derive their authority from the Constitution, The Saskatchewan Act, and the guarantee of separate school rights under section 29 of the Canadian Charter of Rights and Freedoms. The CSF derives its authority from section 23 of the Canadian Charter of Rights and Freedoms.

Saskatchewan’s elected boards of education/CSF require education investment so that they have the resources they require to provide opportunities for each student to achieve at the highest levels regardless of where they live in the province and their personal circumstances. Education funding is best provided unconditionally to boards of education/CSF to ensure that the wishes of the community are reflected in the division’s schools and make decisions that shape the education of Saskatchewan’s children. The SSBA supports boards of education in this very important work.

Position on Education Investment

On behalf of the communities they serve, boards of education/CSF advocate resolutely for education investment. Within this context, the following fundamental principles guide all decisions for education investment (SSBA Position Statement 3.1).

Sufficiency, Sustainability, and Predictability: The amount of funding provided to boards of education/CSF by the provincial government must be sufficient for education equity that provides high quality education for all students, that includes opportunities for local innovation, and that responds to inflationary costs, enrolment growth, and the continuing need for specialized programming. Reliable, factual data is used to establish funding formulas that are clearly defined, predictable, and unconditional that reflect the actual costs of mandated provincial goals and priorities and enable long-term and sustainable planning by boards of education/CSF.

Partnership and Engagement: In Saskatchewan, Boards of education/CSF and the provincial government are partners in education where elected boards of education/CSF are responsible for achieving mandated provincial goals and priorities and the provincial government is responsible for providing the resources needed to achieve those goals and objectives. Meaningful collaboration and engagement in decision-making regarding funding formulas and forecasting, accountability processes, setting provincial priorities, and resolving issues is best done in this spirit of partnership. The funding model is reviewed periodically by the education partners to ensure it is functioning as intended.

Transparency and Accountability: Straightforward information about education funding is monitored, understandable and available to the public, and the process is entirely transparent.

The Economic Case for Investment

Every dollar invested in K-12 education generates more than four dollars in economic activity in Saskatchewan – and roughly 1 in 11 jobs in the province depends on school divisions.

Praxis Consulting conducted an analysis on the economic impact Saskatchewan school boards have on the provincial economy. Through a review of school board spending and high school graduate post-secondary and labour market outcomes, the study demonstrated significant economic benefits to the province of a sound and well-funded Kindergarten to Grade 12 education system.

As school boards, we know that education is the most important investment we can make for the future of our youth and our economy – and the results of this study clearly demonstrate that.

Through operational spending and graduate productivity, school divisions generate more than \$8.3 billion in gross economic activity and \$5.4 billion in gross domestic product, accounting for seven per cent of the total provincial GDP, and 51,754 jobs. With a K-12 budget of just under \$2 billion in 2020-21 (including capital projects), each dollar invested creates \$4.20 in gross economic activity, \$2.80 in gross domestic product, and \$1.60 in labour income. On that \$2 billion invested by the province in 2020-21, it receives a direct return back of more than \$556 million in provincial revenues generated, along with all of the economic activity generated across the province.

These numbers show that investment in education is a smart use of public dollars.

View the full report here:

<https://saskschoolboards.ca/wp-content/uploads/Praxis-Economic-Impact-Analysis-of-Saskatchewan-School-Divisions-on-the-Provincial-Economy.pdf>

Background

Historically, funding for education in Saskatchewan was heavily reliant on property taxes. Local property taxes largely determined the financial resources available to individual school districts. This system often resulted in disparities, where wealthier areas had more resources compared to economically disadvantaged regions.

The provincial government started to take a more active role in funding education and began transitioning away from the property tax-based funding model. This shift aimed to reduce disparities among school districts by providing more consistent funding across the province. The move towards equity in education funding, regardless of where a student resides, recognized the importance of ensuring that all students had access to comparable educational resources and opportunities, irrespective of their geographical location.

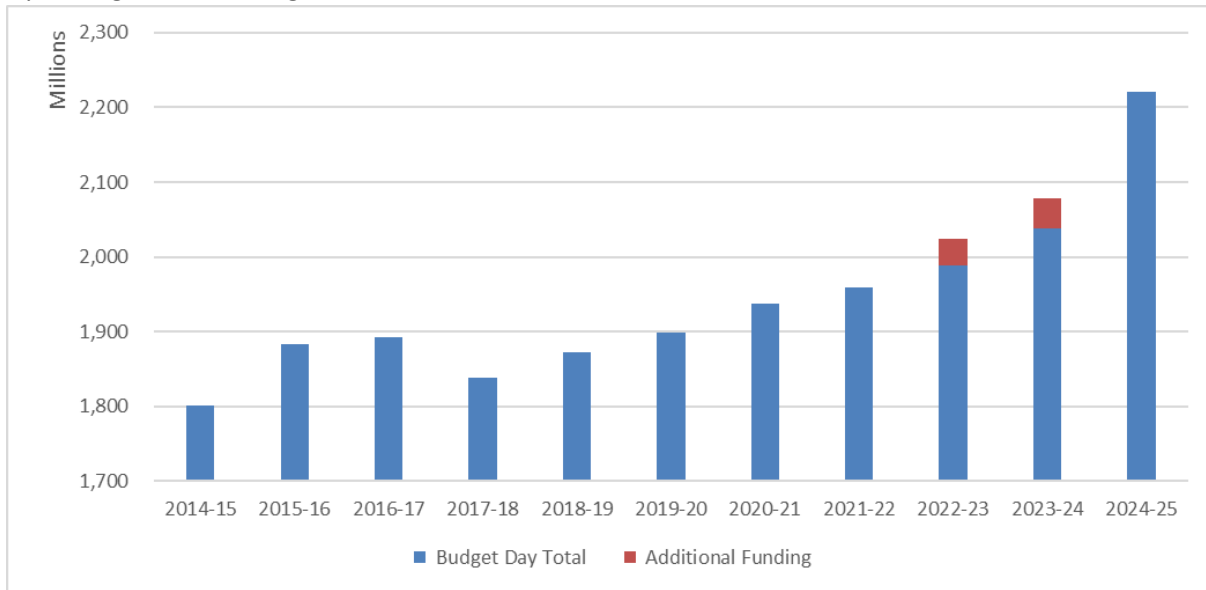
In 2009, the provincial government began working with members of the education sector, including SSBA, LEADS, SASBO, and STF, to support the development, integration, and implementation of the Education Funding Distribution Model. The Operating Grant Advisory Committee (which includes representation from the same members of the education sector) is tasked to review the components of the education funding distribution model to continue addressing equity in education funding across the province.

The education funding model allocates funding to Saskatchewan boards of education through the provincial general revenue fund (GRF) and education property tax (EPT) revenue. Under this model, the entire amount of property tax revenue is equalized across the province. The EPT is collected by municipalities on behalf of Saskatchewan school boards. Since 2009, the provincial government has set the mill rates for EPT for all public school divisions. Separate school divisions may exercise their constitutional right to set their own mill rates, but have always adopted the provincial mill rates. Currently, the education funding model reduces the amount of funding proportionately by any increased EPT collected from a different mill rate.

Historically, the General Revenue Fund (GRF) to education property tax (EPT) ratio is about 60/40.

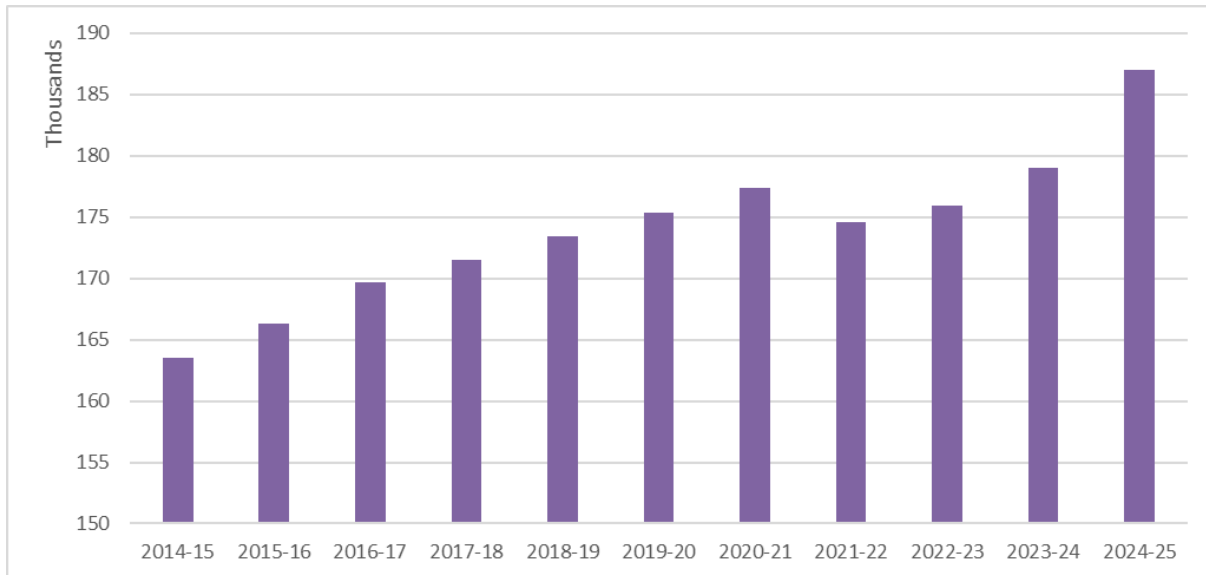
It is in this context that the Government of Saskatchewan is solely responsible for funding education by providing school boards funding through the school division operating grant, capital (infrastructure) investment and inter-ministerial initiatives.

Operating Grant Funding to School Divisions



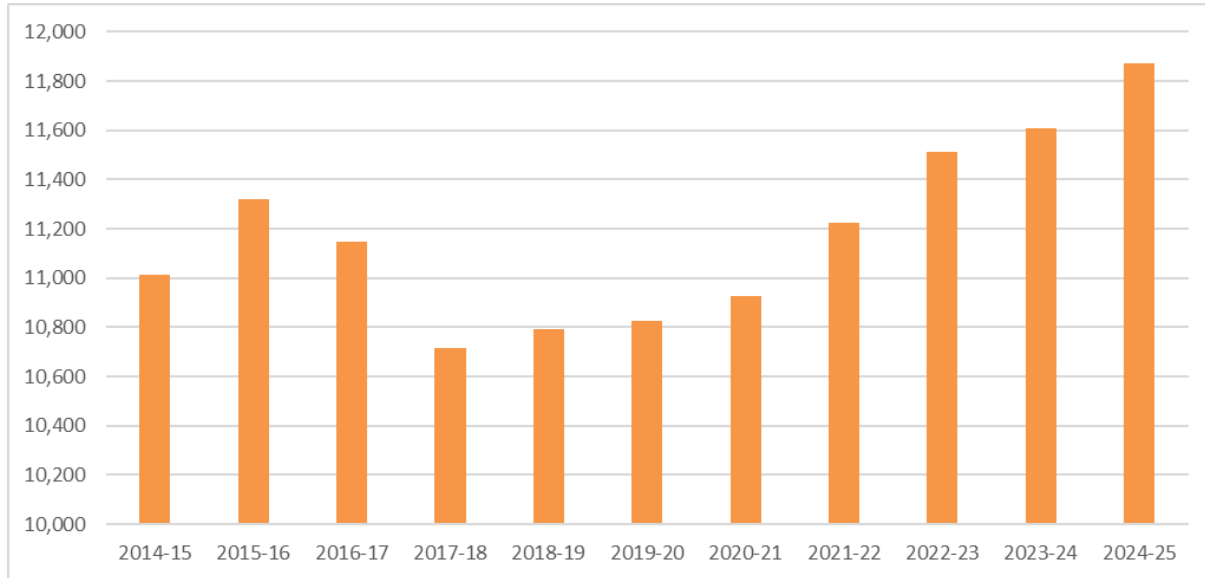
Source: Data compiled using various Government of Saskatchewan publications

Student Enrolment FTEs (based on September 30 data)



Source: Data compiled using various Government of Saskatchewan publications

Calculated Per Student Funding (Operating Grant Funding to School Divisions / Student Enrolment FTEs)



Current Issues

While the funding for education has increased over the past 10 years from \$1.5 billion to over \$2 billion and calculated data shows that the per student funding also increased from \$10,994 to \$11,900 (estimated for 2024-25), the costs of delivering education (enrolment growth, collective bargaining increases, inflationary pressures, classroom supports and new initiatives) far outpaces the funding.

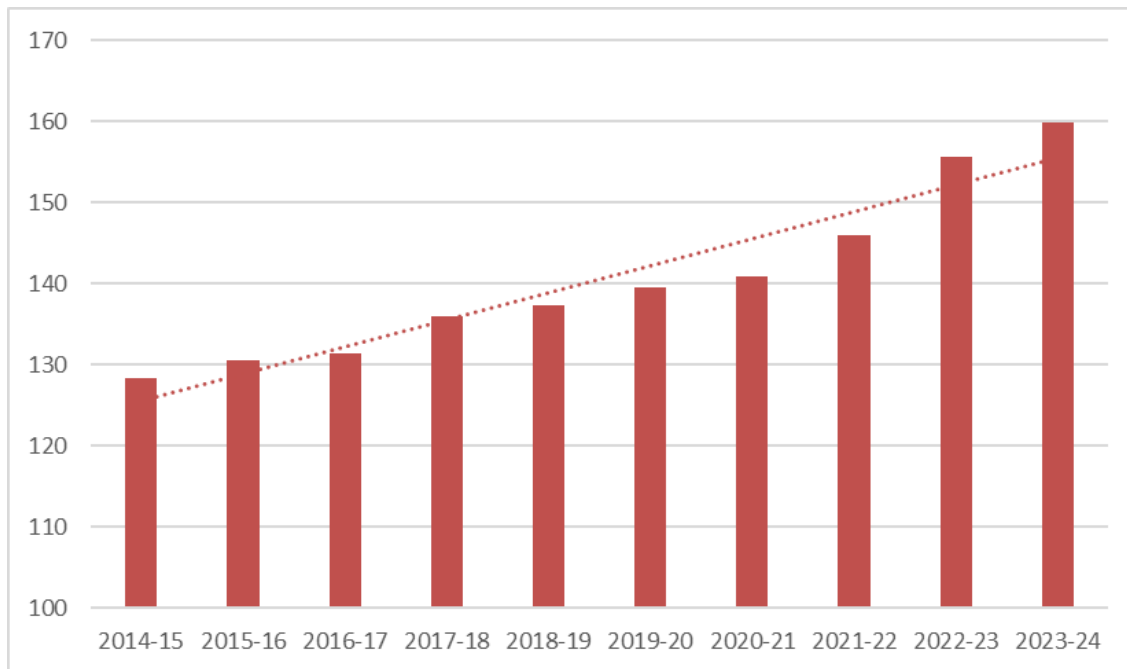
The SSBA has advocated for more funding in the education sector for many years and continues to hear from its members that funding is not sufficient. Some of the common issues that impact members include:

- Funding is not sufficient to provide high quality education for all students, that includes opportunities for local innovation,
- Funding needs to respond to inflationary costs, enrolment growth, and the increasing need for specialized programming.
- Restrictions in funding (Conditional or Restricted Funding).
- There is a timing issue between government and school division fiscal years which impacts the timing of receipt of grants and the ability of school division to spend in the same fiscal year.
- There are uncertainties between budget day and the actual allocation based on school division enrolment (September 30) which impacts the amount of funding distributed to each school division. Significant growth between school years can result in significant changes to the allocation of funding.
- Physical school facilities are getting older.
- New school facilities are already at or over capacity the moment they open.
- There are diverse and vast geographical differences.
- There is limited funding for existing LINC agreements.

Funding Analysis

The funding for education has increased over the past 10 years from \$1.5 billion to over \$2 billion. Calculated data shows that the per student funding also increased from \$10,994 to \$11,900 (estimated).

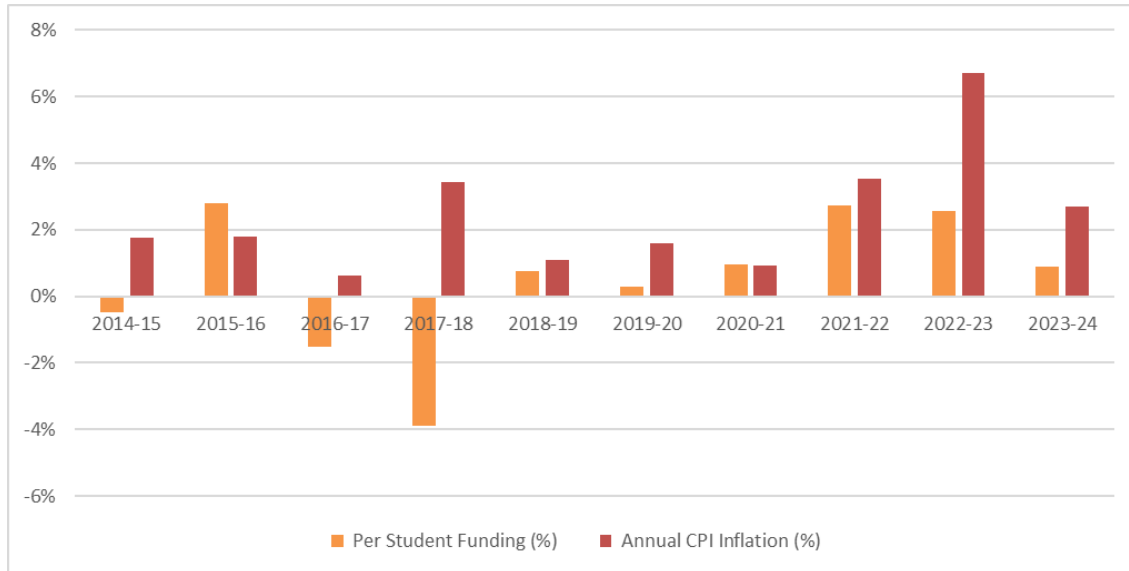
Although the funding in dollar terms has increased, the purchasing power of those dollars have decreased over time. This is commonly referred to as inflation and measured with the Consumer Price Index (CPI). Since 2014-15, CPI has increased by approximately 31 points or 24.6% over the specified period.



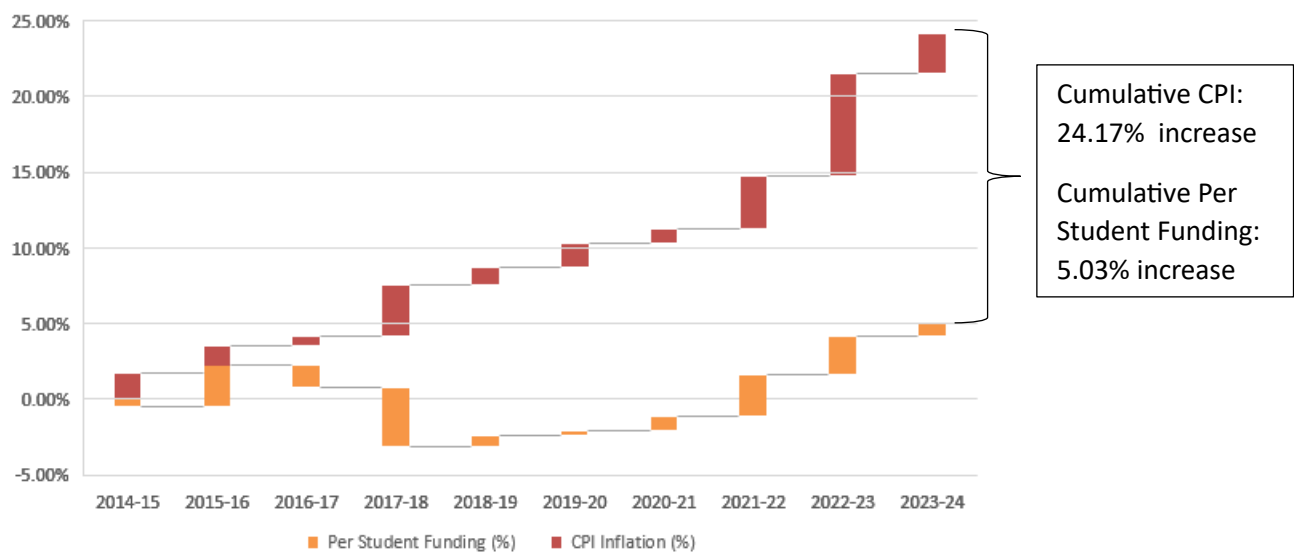
Data Source: Government of Saskatchewan Consumer Price Index (CPI) Information

<https://dashboard.saskatchewan.ca/business-economy/key-economic-indicators/consumer-price-index>

CPI has increased over the 10-year period. The next chart shows a comparison of the year-over-year change in Per Student Funding and CPI.



Cumulative year-over-year percentage change in Per Student Funding and CPI



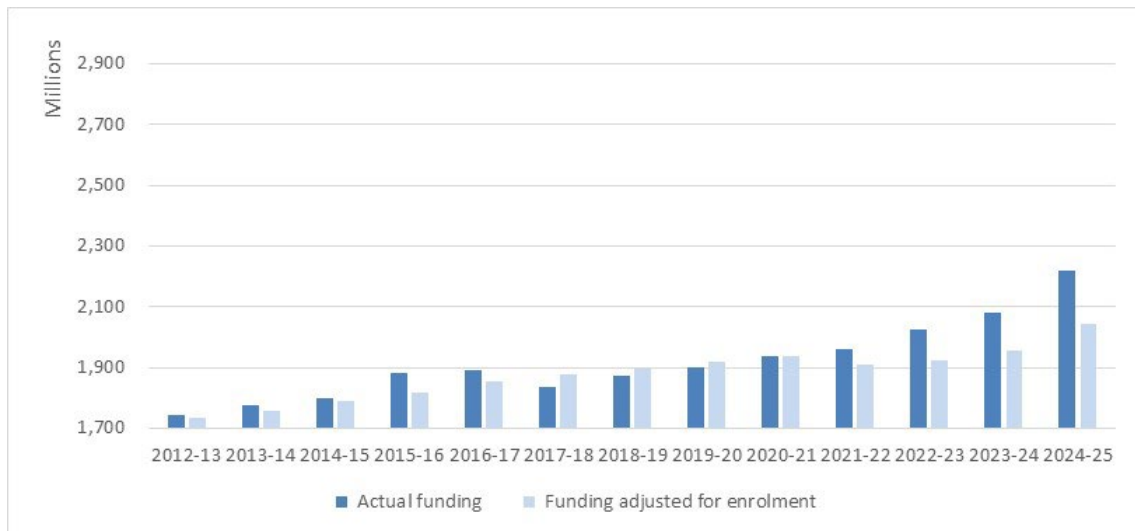
Based on this data, funding for education has not kept pace with inflation. The recent 2024-25 budget announcement provided some additional funds towards inflationary pressures over the past year but there is still a cumulative inflationary pressure since 2014-15.

Determining Funding Needs

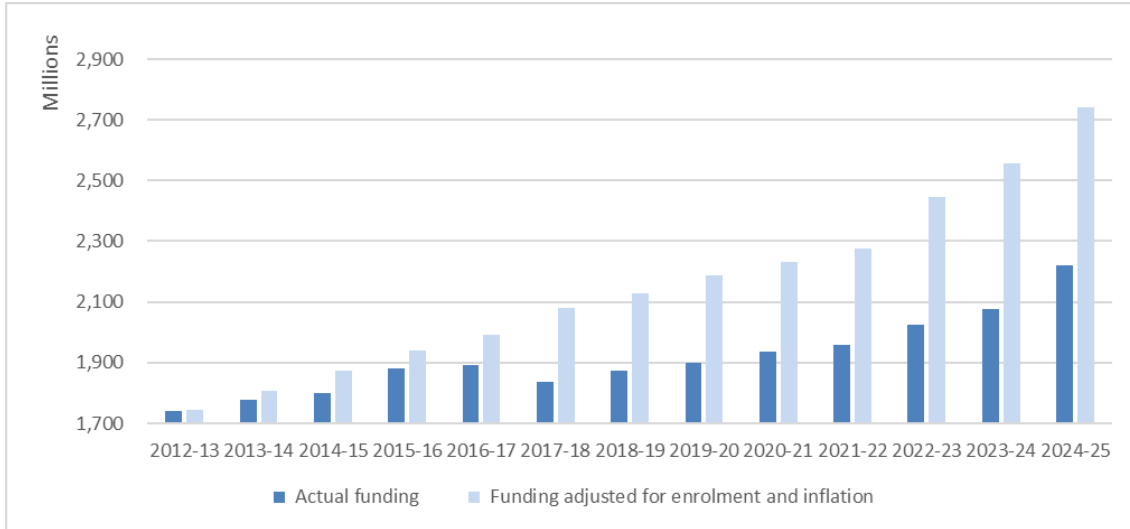
The education funding distribution model implementation involved significant review and consultation with members of the education sector. The interim funding model utilized from 2009-10 to 2011-12 was based on school division budgets from 2008-09, with adjustments for items such as inflation and enrolment change. In 2012-13, the interim model continued to provide funding at the level of spending each school division planned for 2008-09 and additional funding of \$10 million was also provided to realign school divisions spending to the new funding levels to strategically plan for changes to their service delivery and look for operating efficiencies.

With the significant amount of review and consultation developing this model using the 2012-13 funding amount less the \$10 million transition funding as a baseline would be a reasonable starting point to analyze the education funding gaps.

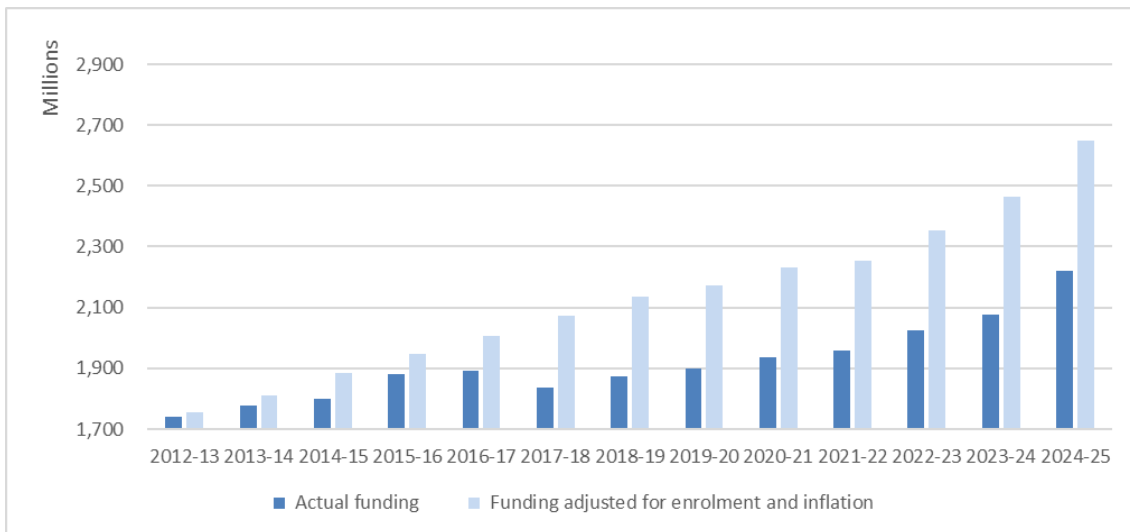
Scenario 1: The following compares the operating grant funding for school divisions when enrolment is factored in. The 2012-13 per student funding less the \$10 million transition funding was \$10,931.



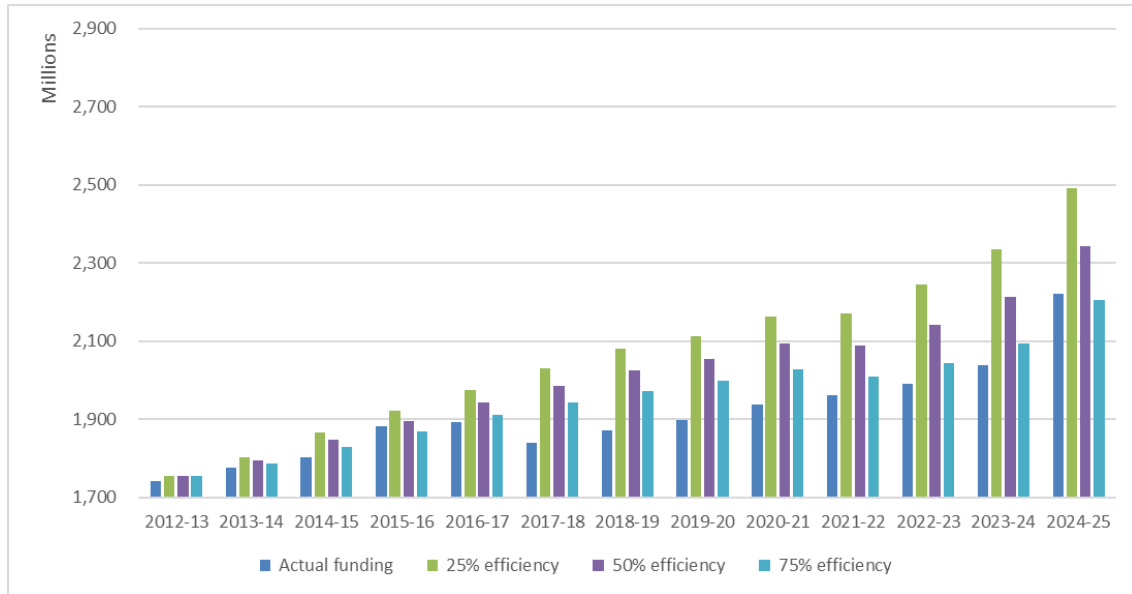
Scenario 2: The following graph compares the operating grant funding for school divisions when enrolment and CPI inflation are factored in. This scenario applied CPI inflation on the entire operating grant funding.



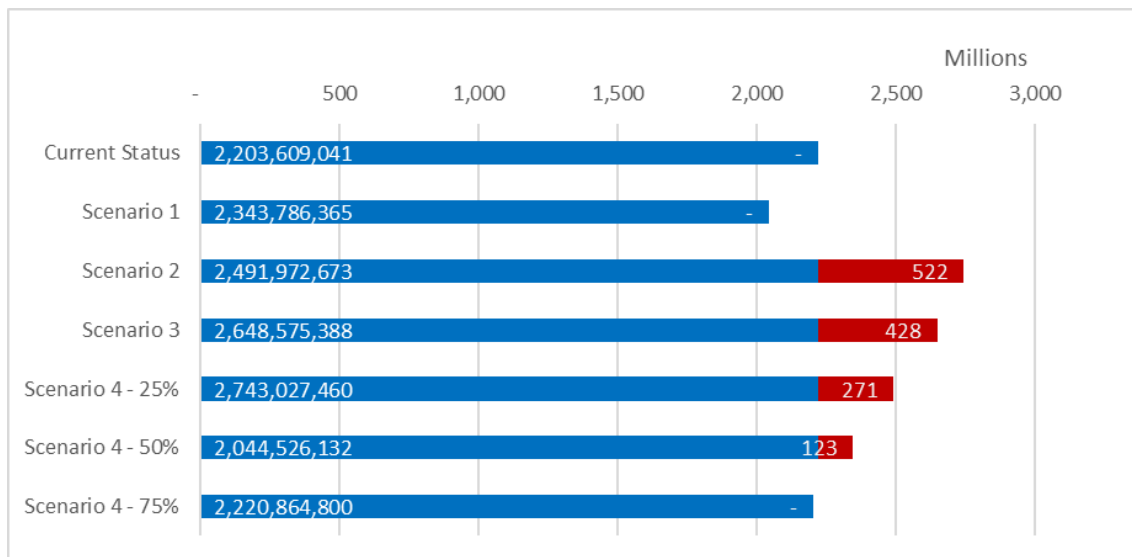
Scenario 3: The following graph compares the operating grant funding for school divisions when enrolment, CPI inflation, and the Saskatchewan Teachers Collective Bargaining Agreement (CBA) rates are factored in. Since approximately 65% of the operating grant funding is used for staff that are governed by a provincial collective bargaining agreement, this scenario applied CPI inflation on only 35% of the operating grant funding and the CBA to 65% of the operating grant funding.



Scenario 4: The following graph compares the operating grant funding for school divisions when enrolment, CPI inflation, the Saskatchewan Teachers Collective Bargaining Agreement (CBA) rates and an efficiency component are factored in. An efficiency component would take into consideration that additional students would not necessarily require the same amount of funding as the baseline as there is capacity in existing schools and classrooms.

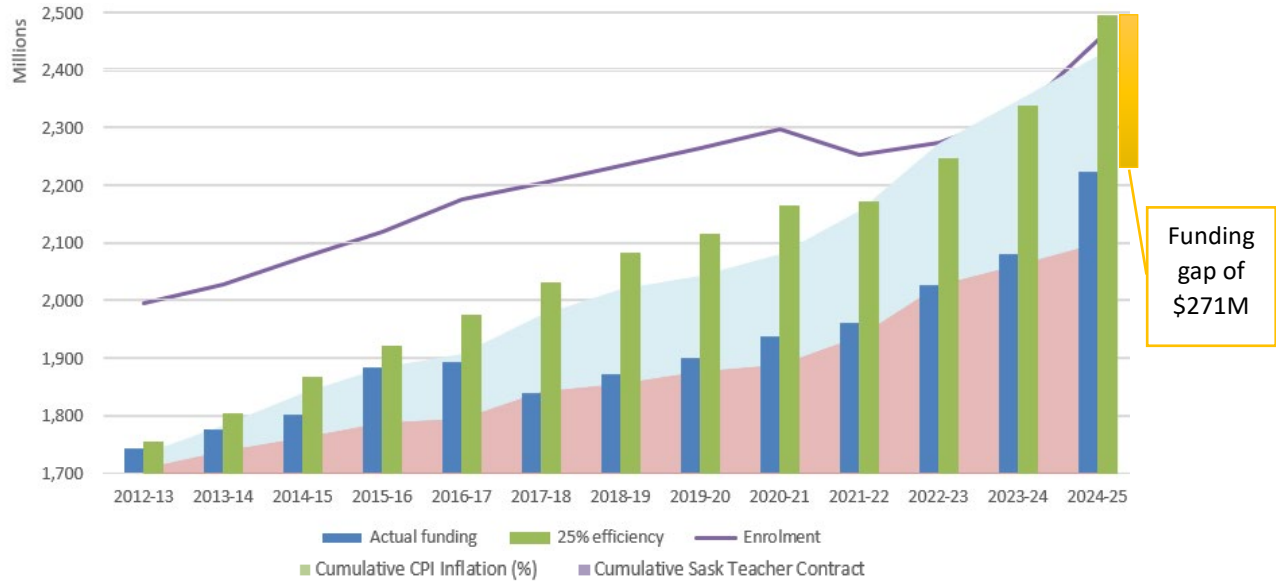


Reviewing the various scenarios show a funding gap ranging from \$122 - \$522 million. We considered multiple scenarios in order to show the ways funding can be considered. Scenario 1 is not reasonable as it does not consider inflationary pressures at all and Scenario 4 at 75% efficiency isn't achievable without significant changes to the existing infrastructure for providing education in a geographically diverse province.



It is important to note that none of the scenarios contemplate any additional funding or resource requirements for new initiatives. Capital (infrastructure) and major renovations are also funded separately outside the operating grant. The scenarios reviewed only contemplate enrolment, inflation, and an efficiency component.

Using Scenario 4 @ 25% efficiency, which reflects enrolment, CPI inflation, the Saskatchewan Teachers Collective Bargaining Agreement (CBA) rates, the following graph extrapolates what operating grant funding would be today if it had kept pace and it shows a funding gap of approximately \$271M post 2024-25 budget announcement.



Next Steps

The recently announced provincial 2024-25 budget acknowledges enrolment growth, inflationary costs, non-teacher salaries, rising costs of fuel, and includes unprecedented plans for multi-year funding to support boards in planning for the future. This budget offers a path forward to providing stability in the education sector that has been beleaguered from funding pressures.

Education funding needs to be predictable and sustainable while keeping pace with inflation, growth, and diversity.

The following areas to be considered for SSBA advocacy that may offer opportunities and support the Education sector requests for more funding include:

A. Local Autonomy

Background:

- School boards are elected to govern Kindergarten to Grade 12 education in their school divisions and are essential members of local government. They ensure that the wishes of the community are reflected in the division's schools and make decisions that shape the education of Saskatchewan's children.
 - Local boards provide representation and allow for local voices to be heard and local interests to be considered in decision-making processes.
 - Local boards have a deeper understanding of the issues, challenges, and opportunities specific to their area and this local knowledge is invaluable in making informed decisions.
 - Each year, school boards make decisions about how to spend the funding they receive from the provincial government, and they have processes in place to ensure they are listening to feedback from teachers, staff, and families to make the best decisions for all students.

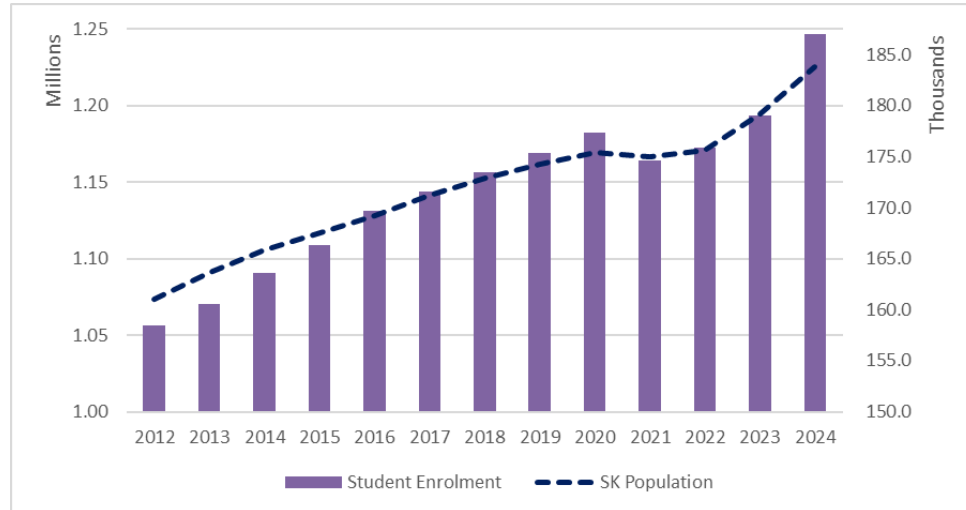
Opportunities:

- Remove all funding conditions or restrictions.
 - Allow local boards to best determine the most appropriate places to support students and classrooms.
- Additional consultation and collaboration with school divisions in developing the budget requirements to meet provincial education strategic goals.
 - Local boards have a deeper understanding of the issues, challenges, and opportunities specific to their area and this local knowledge is invaluable in making informed decisions.

B. Enrolment pressures

Background:

- Overall, Saskatchewan has experienced significant population growth. Population growth and student enrolment is correlated and has historically been about 15 new student enrolments for every 100 increase in population.



- Population and enrolment are not the same across the province. It is increasing in certain areas and declining in others.
 - Increasing enrollment puts pressure on existing school facilities, leading to overcrowded classrooms and schools. School divisions may struggle to accommodate all students within their current facilities, infrastructure, teachers and support staff.
 - Decreasing enrolment puts pressure on boards and administration to allocate the limited financial resources effectively and efficiently.

Opportunities:

- Provide a minimum guarantee for each school division, not subject to reallocation on budget day. (Protect school divisions that don't experience the same enrolment growth issues.)
 - The total budget amount for education isn't correlated with enrolment. If enrolment increases, those school divisions get proportionately more of the funds. The other school divisions with the same enrolment as previous year will now get proportionately less funding.
- Additional funding for year-over-year enrolment growth
 - The total budget amount for education isn't correlated with enrolment, yet increasing enrollment puts pressure on existing school facilities and resources.
- Additional mid-year funding in-year enrolment growth
 - The Operating Grant Advisory Committee (OGAC) has provided Post September Enrolment Growth recommendations.

- To recognize significant in-year enrolment growth, a threshold was developed to determine school division eligibility for post-September enrolment growth funding. The new formula measures actual growth from October 1 to January 31, and projects growth through the spring months. Estimating total growth at the end of January aligns with the start of semester two and allows school divisions to plan and staff more effectively for the rest of the school year.
 - In-year enrolment growth is evaluated based on the overall change at the school division level. This option recognizes significant in-year enrolment growth and allocates funding to where the need is greatest.
 - The minimum threshold would exclude many of the smaller rural school divisions from being eligible for this additional funding.
 - Local boards are in the best position to assess the impacts of enrolment growth and additional resources required.
 - There is \$5M budgeted for post-September 30 enrolment growth in the recent 2024-25 budget announcement. Actual amounts will be determined in February 2025 based on the approved process for providing post-September 30 enrolment growth funding.
- Amend the funding distribution model to guarantee a minimum base funding.
 - The Distribution Funding Model does not necessarily reflect the actual cost of the component but is a methodology of equitably distributing the Education budget amount allocated by the Government of Saskatchewan to the 27 school divisions.
 - The formulas are a mechanism to distribute available funding only. Each board of education makes individual expenditure decisions based on budget priorities that meet local needs.
 - Currently, the rates within the Distribution Funding Model are adjusted so that the formulas calculate to the Education budget amount.
 - Base funding rates should cover essential operating costs and should increase with a pre-determined inflationary index, e.g. CPI
 - Any remaining funding can be allocated using the Distribution Funding Model as it is a methodology of equitably distributing funding to the 27 school divisions.
 - Remaining funding = Education budget amount minus Base funding
 - Can be used for Initiatives, Provincial Education Plan, etc.

C. Timing of funding

Background:

- Based on the review and analysis completed by the SASBO Operational Reserves Committee, school divisions require operational reserves to manage cashflows and respond to external factors, emerging, and ongoing challenges.
- Currently, funding is provided to school divisions at the end of each month over 12 months.

Opportunities:

- Change the funding from the end of the month to the beginning of the month.
 - This would provide school divisions with an improved ability to meet payroll and other financial commitments without having to access lines of credit.
 - There is no additional cash or budgetary appropriation required from the Government of Saskatchewan.
 - NOTE: Effective April 2024, the Ministry of Education will be changing the payment date of monthly operating grant payments to school divisions. These payments have been processed on the last business day of each month but will be changed to a mid-month timeframe.
- Change the funding from 12 months to 10 months to better align the incoming cash flow with how school divisions incur expenses and improve the financial reporting process.
 - This would provide school divisions with an improved ability to meet payroll and other financial commitments without having to access lines of credit.
 - There is no additional cash required from the Government of Saskatchewan.
 - Although there is no change to the total cash provided to school divisions, in the transition period, due to the differing fiscal year ends between school divisions and government, there would be approximately an additional \$450M budgetary appropriation expense required for the government.

D. Education Property Taxes

Background:

- Education Property Taxes (EPT) were a significant part of this funding mechanism, with local municipalities levying taxes on properties within their jurisdiction to fund local schools.
 - The tax per dollar of assessed value of property. The rate is expressed in "mills", where one mill is one-tenth of a cent (\$0.001).
- In 2008-09, the EPT in Saskatchewan was redesigned where the Government of Saskatchewan would set the provincial mill rate to ensure that all students have access to comparable educational opportunities regardless of the wealth of their local communities.

- Commencing January 2018, Education Property Tax was redirected from school divisions to the General Revenue Fund. The 2017-18 School Operating allocation includes appropriation to reflect the transfer of Education Property Tax amounts to the General Revenue Fund effective January 2018.

	Property Taxes	Education Funding	% EPT	% GRF
2017-18	753,900,000	1,433,137,000	53%	47%
2018-19	759,300,000	1,891,387,000	40%	60%
2019-20	768,000,000	1,879,859,000	41%	59%
2020-21	767,100,000	1,949,209,000	39%	61%
2021-22	784,800,000	2,037,773,000	39%	61%
2022-23	804,100,000	2,041,742,000	39%	61%
2023-24	805,000,000	2,134,565,000	38%	62%
2024-25	805,000,000	2,345,897,000	34%	66%

Education Funding includes School Operating grants, PMR, School Capital and P3 Joint Use Schools funding based on the Provincial Government fiscal year.

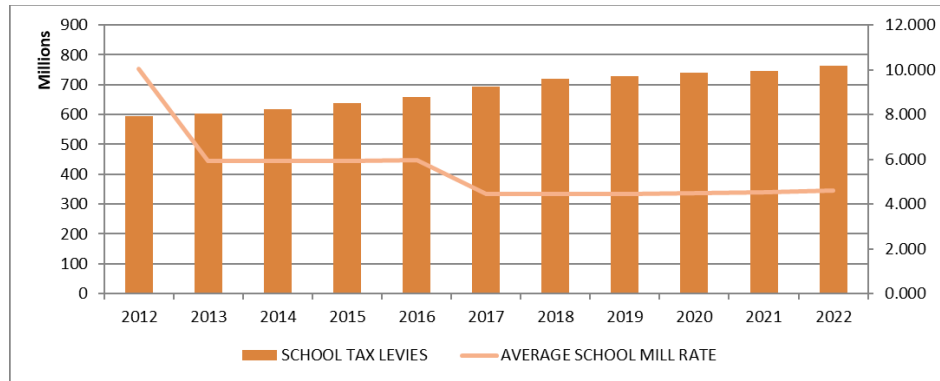
- The total Education budget (including the impact of EPT) is allocated to the school divisions using the Funding Distribution formula.

Opportunities:

- A collaboration between the Government of Saskatchewan and school divisions to set the annual provincial mill rate.
 - The mill rate that determines EPT has remained largely unchanged.

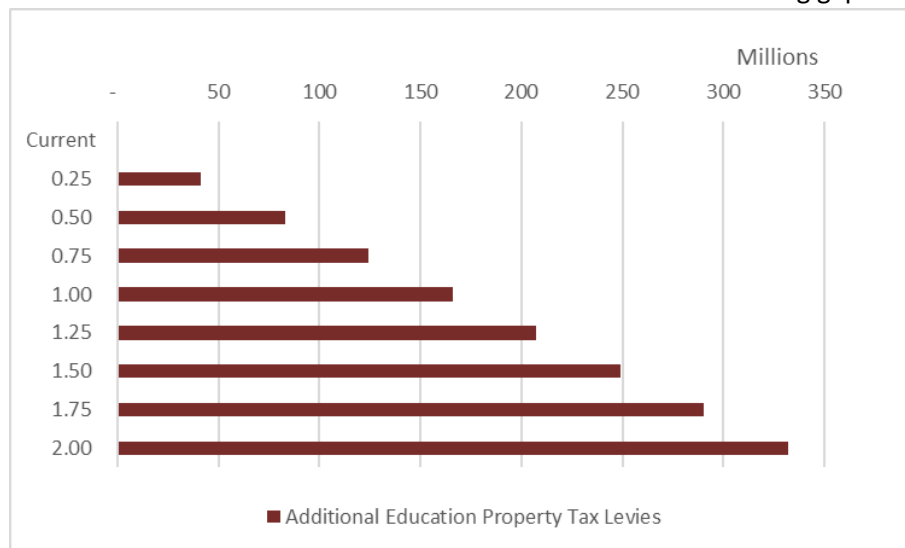
Education Property Tax Mill Rates				
The 2024 EPT mill rates are as follows:				
	2024 Mill Rates	2023 Mill Rates	2022 Mill Rates	2021 Mill Rates
Agricultural	1.42	1.42	1.42	1.36
Residential	4.54	4.54	4.54	4.46
Commercial/Industrial	6.86	6.86	6.86	6.75
Resource	9.88	9.88	9.88	9.79

<https://www.saskatchewan.ca/residents/taxes-and-investments/property-taxes/education-property-tax-system>



<https://www.saskatchewan.ca/government/municipal-administration/taxation-and-service-fees/mill-rate-returns#mill-rate-survey-results>

- Approximately, every 1.0 increase in the EPT mill rate could generate \$166M in additional funds towards the overall Education Funding distribution model (based on 2022 data).
- A 1.5 mill increase in EPT would fund the current education funding gap.



- Using 2024-25 budget number, an increase in mill rate would change the proportionate funding from the GRF as follows:

Mill Rate Increase	Property Taxes	Education Funding	% EPT	% GRF
0.25	846,500,000	2,345,897,000	36%	64%
0.50	888,000,000	2,345,897,000	38%	62%
1.00	971,000,000	2,345,897,000	41%	59%
1.25	1,012,500,000	2,345,897,000	43%	57%
1.50	1,054,000,000	2,345,897,000	45%	55%
1.75	1,095,500,000	2,345,897,000	47%	53%
2.00	1,137,000,000	2,345,897,000	48%	52%

- By working with the government to set mill rates, school boards ensure a stable and adequate source of revenue to support various educational programs and initiatives.
- Collaboration between school boards and government helps ensure that property tax burdens are distributed fairly among residents. By setting mill rates at the provincial level, there's a better chance of achieving equity in funding across different regions, regardless of their economic status or property values.
- A collaboration between the Government of Saskatchewan and school divisions to set a multi-year provincial mill rate.
 - Having a multi-year provincial mill rate could provide consistency and stability in funding for education. It prevents abrupt changes in funding that could disrupt school budgets and planning.
- Simplify the collection process for all public and separate school divisions reducing administrative burdens for both school boards and local governments.
 - EPT collected by municipalities is paid to the provincial government's General Revenue Fund most cases.
 - Separate school divisions have a right to levy taxes in order to fund their educational system. Each separate school division decides whether to establish its own property tax mill rates or to participate in the provincial funding structure. Municipalities with a separate school division that has set its own mill rates remit EPT directly to the separate school division.
 - Currently, the Ministry of Education Funding Distribution model reduces the amount of funding proportionately by any increased EPT collected from a different mill rate.
- Provide school divisions with the ability to access additional funding for items like capital improvement.
 - Municipalities in Saskatchewan have many Financing Tools available including Local Improvement Charges or Business Improvement District.
 - Consideration should be made in creating a similar levy available for school divisions to provide a dedicated funding stream for capital projects, such as constructing new schools or expanding existing ones.
 - Opening a new school often reflects the growth and changing demographics of a community. If there's a genuine need for additional educational facilities due to population growth or other factors, residents may be more willing to support a property tax levy dedicated to funding a new school in their local area.

E. Relocatable Classrooms

Background:

- The Ministry of Education's Relocatable Classroom Program (RCP) is designed to address immediate needs for additional classroom space to accommodate increases in enrolments. Relocatable classrooms can be moved or relocated as enrolment fluctuates.
- The distribution of relocatable classrooms will be awarded to schools with the greatest need. The number of available relocatable classrooms to be distributed each year as well as the movement of existing relocatable classrooms will depend on available funding from the annual budget process.
- The ministry provides:
 - Up to \$600,000 for each new relocatable classroom in the Regina and Saskatoon areas
 - Up to \$650,000 in all other areas for each new relocatable classroom.
 - Up to \$250,000 for the relocation of each relocatable classroom in the Regina and Saskatoon areas
 - Up to \$400,000 for the relocation of each relocatable classroom in all other areas.
 - Any costs incurred by the school divisions above the maximum ministry contributions are the responsibility of the school divisions.
 - The ministry will review actual costs each year to assess the need to increase funding.
- For schools under capacity, school divisions may fund replacement relocatable classrooms through the Preventative Maintenance and Renewal Program (PMR).

Opportunities:

- Increase the funding for the RCP based on school enrolments.
 - Saskatchewan has experienced population growth in certain areas, leading to increased demand for schooling infrastructure. As a result, many schools have become overcrowded, lacking sufficient classroom space to accommodate all students adequately.
 - Funding for RCP:
 - 2021-22 budget: \$5.6M for relocatable classrooms
 - 2022-23 budget: \$12M for relocatable classrooms
 - 2023-24 budget: \$16M for 23 relocatable classrooms and 2 moves
 - 2024-25 budget: \$48M for 68 relocatable classrooms and 2 moves
- Share the listing of the school divisions that received RCP funding.
 - School divisions receive a detailed package of information each year with the budget announcement. The package includes information for their own and the other school divisions.

- Increase capital funding for new school construction and expansion.
 - While relocatable classrooms provide a temporary solution to immediate overcrowding issues, they do not address the underlying problem of insufficient school infrastructure. There is a need for long-term planning and investment in new school construction and expansion to ensure that all students have access to high-quality education in adequate facilities.

F. Preventative Maintenance and Renewal

Background:

- Preventative Maintenance and Renewal (PMR) is to address the ongoing maintenance needs of school infrastructure and undertake renewal projects to extend the lifespan of educational facilities.
- Investment into PMR and timely repairs aims to avoid costly emergency repairs and ensure that schools remain safe and functional.
- Funding for PMR has not kept pace with inflation, growth, or ever-aging of current school facilities.

Opportunities:

- Increase PMR funding based on school assessments. There are over 700 schools in Saskatchewan with varied ages and condition.
 - PMR funding has not kept up with aging infrastructure, inflation, and PST on construction services.
 - Funding for PMR:
 - 2021-22 budget: \$50.4M
 - 2022-23 budget: \$54.9M
 - 2023-24 budget: \$50.0M
 - 2024-25 budget: \$50.0M
 - For those that have operating reserves, it can supplement the PMR funding received for emerging local facility projects or priorities that do not make the provincial priority listing for capital funding such as roofing projects, portable classrooms, HVAC retrofits, facility modernizations, etc.
- Establish annual PMR funding based on 1% of the school values
 - There is approximately \$13.5 billion in insured assets, including current new builds.

% of Assets	Proposed PMR Funding
0.5%	67.5M
1.0%	135.0M
1.5%	202.5M
2.0%	270.0M

- Change the timing of PMR funding to after August 31 to improve the financial reporting process.
 - School divisions receive PMR funding in June. Due to the differences in fiscal year ends, many school divisions are unable to spend this funding prior to the August 31 fiscal year end and increases the operating reserves.
 - Many PMR projects are completed during the summer months when students are not in the facilities but with shortage of workers and supplies in the construction industry and the requirement by school divisions to complete a tendering process, projects take time to be planned and executed.
 - There is no additional cash or budgetary appropriation required from the Government of Saskatchewan for this change.

G. Capital Funding for new school construction and expansion

Background:

- The Major Capital Program provides funding to school divisions for new schools or major additions/renovations to their facilities.
- In 2022-23, the Government of Saskatchewan created a new Minor Capital Renewal Program for school divisions to address smaller capital projects. These projects involve structural repairs, renovations and additions to prolong the life of schools.
- In 2023-24, the Government of Saskatchewan discontinued the separate Emergent Funding Program (EFP) and School Facility Assessments. EFP was intended as a last resort for school divisions where insurance payments, PMR funds and existing reserves are no longer available to address the costs of an emergent project.
- School division requests for both major and minor capital funding are prioritized by the Ministry of Education and are approved pending budget appropriation.
- There is no capital funding from the Ministry of Education for non-educational facilities such as division administration office or transportation buildings. School divisions are required to manage these through alternative means.

Opportunities:

- Provide long-term planning and funding for major and minor capital projects.
 - There is significant lead time for the design and construction of new schools or expansions.
 - Anecdotally (in the areas with high population growth), by the time that new schools are built it's already at capacity.
 - Multi-year projects are at higher risk to price fluctuations. Government should be funding all the costs related to a new school construction instead of requiring school divisions to make changes to the design in order to find cost savings to offset inflationary costs.

- While relocatable classrooms provide a temporary solution to immediate overcrowding issues, they should not be part of a new school design/construction. There is a need for long-term planning and investment in new school construction and expansion to ensure that all students have access to high-quality education in adequate facilities.

2024-25 Ministry of Education Top 10 Major Capital Priorities

School Division	School	Project Type
Regina RCSSD 81	New High School - South East	New School - Growth
Regina SD 4	New High School - South East	New School - Growth
Saskatoon SD 13	New Elementary School - Brighton	New School - Growth
St. Paul's RCSSD 20	New Elementary School - Brighton	New School - Growth
Prairie Spirit SD 206	New Middle-High School - Martensville/Warman	New School - Growth
St. Paul's RCSSD 20	New Middle-High School - Martensville/Warman	New School - Growth
Saskatoon SD 13	New Elementary School - Aspen Ridge	New School - Growth
North East SD 200	Elementary School Consolidation - Melfort	New School - Replacement
Northern Lights SD 113	Hector Thiboutot Community School - Sandy Bay	New School - Replacement
Good Spirit SD 204	Esterhazy High School	Renovation

Note:

The top 10 major capital priorities are listed by project type. This list represents major capital projects which could feasibly be approved within a five year time frame. New requests are received and prioritized annually resulting in a revised list every year. Applications on this list were received during the 2023-24 fiscal year.

- Provide separate capital funding for supporting facilities such as division administration office or transportation buildings.
- Provide school divisions with the ability to access additional funding for items like capital improvement. (See D - Education Property Taxes.)

Multi-year funding agreements

Background:

- Multi-year funding agreements provide school divisions with stability and predictability in budget planning and resource allocation. Knowing the funding levels for multiple years allows school boards to plan more effectively for long-term programs and initiatives without the uncertainty of annual budget cycles.
- Multi-year funding enables school divisions to engage in long-term planning efforts aimed at improving student outcomes and addressing systemic challenges. It allows for the implementation of strategic initiatives that require sustained investment and commitment over several years to yield meaningful results.

Opportunities:

- Provide long-term planning and funding for major capital projects.
 - See G – Major Capital Funding
- Provide long-term planning for staffing:
 - A significant portion of the expenditures in education are staffing and salary costs which requires time to plan and fulfill. It can be difficult to ramp quickly.
 - There is a current issue with the recruitment of employees as there is a skilled labour shortage. Some school divisions have difficulties attracting employees for factors such as geographic location (e.g. north, remote, smaller communities, and temporary contracts instead of permanent contracts of employment).
- Provide long-term funding commitments.
 - Multi-year funding agreements support sustainability efforts by allowing schools to invest in long-term infrastructure projects, renewable resources, and other initiatives and comprehensive strategies to promote a healthier learning environment and reduce long-term operational costs.
 - Staff costs equate to about 80% of the overall education budget. Multi-year funding agreements provide a level of certainty and stability for educators, students, and families, particularly in times of economic uncertainty or budget constraints. This reduces anxiety and disruption caused by annual funding fluctuations and allows schools to focus on their core mission of educating students.
 - Retention and recruitment can be difficult for certain areas of the province. Multi-year funding agreements would allow school divisions to retain and recruit staff as they are able to offer longer-term positions that would allow people to relocate, if needed.

H. Other Education funding considerations

The education funding analysis has only contemplated enrolment and inflationary pressures. The education funding gap does not include any additional funding or resource requirements for new initiatives, technology, or other pressures.

There is further work and discussions in the following areas towards determining the provincial value of these initiatives/programs:

- **Cross-ministry Initiatives**
 - Establish funding guidelines
 - There are many initiatives/programs in Education that cross ministries such as Health and Social Services. There should be collaboration with school divisions when developing programs.
 - There may be fiscal efficiencies between cross-ministry initiatives.
- **Locally Negotiated Conditions (LINC)**
 - Provide funding to school divisions for LINC.
 - There are numerous LINC agreements in Saskatchewan.
 - LINC is currently not a fully funded component of the Distribution Funding Model. School divisions must prioritize and allocate its current operating funds for this.
- **Universal Full-time Kindergarten**
 - Provide funding to school divisions for Universal Full-time Kindergarten.
 - Universal Full-time is currently not provincially funded. Some school divisions offer the program by prioritizing and allocating from its current funding resources or through partnerships with donors or other community initiatives.
 - There is significant research on the benefits of full day kindergarten.
- **School Nutrition Programs**
 - Provide funding to school divisions for school nutrition programs
 - When children and youth come to school hungry, it is difficult for them to focus on learning. This is an unfortunate reality for far too many students in our schools. Students must be fully prepared to face their learning day without worrying about where their next meal might come from. Simply put, children who are not hungry are more prepared to learn and participate in our classrooms and extra-curricular activities.
 - School food programs cost more than \$6 million annually in Saskatchewan and are funded mostly by school boards and partnerships.
 - More than half of K-12 schools in Saskatchewan offer a school food program with more than a quarter of all K-12 students in Saskatchewan accessing school food programs.

- Most school food programs offer some combination of breakfast, lunch and/or snack on a daily basis.

The analysis supports the SSBA's advocacy for sufficiency, predictability, sustainability plus investment in publicly funded education.