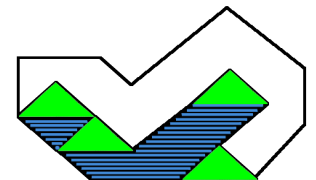


School District of Mystery Lake

2010 - 2011 Public Budget Presentation

February 23, 2010



Board of Trustees

Cheryl Davies Chairperson

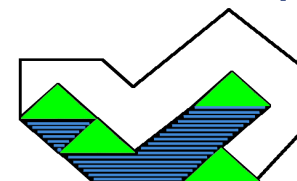
Rob Pellizzaro Vice - Chair

L.Valerie Wilson Trustee

Guido Oliveira Trustee

Kelly Hause Trustee

Mamie Hendren Trustee



Senior Administration Team

Hugh Fraser

Superintendent/CEO

Christelle Waldie

Assistant Superintendent Programs

Keith Derksen

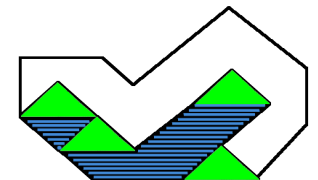
Facilities Supervisor

Arnie Assoignon

Secretary-Treasurer

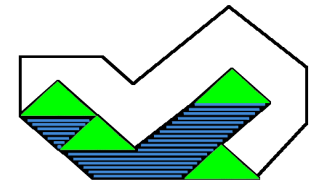
Cheryl Mulrooney

Executive Assistant



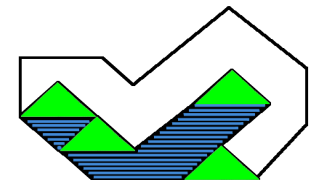
Factors Affecting 10/11 Budget

- 2010 Property Assessment
- Declining Enrollments
- T.I.G (Tax Incentive Grant)
- D.S.F.M.



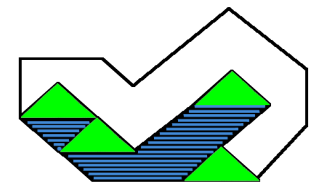
2010 Property Assessment

- 2009 Assessment \$214,343,100
2010 Assessment \$334,319,310
Increase (56%) \$120,048,210
- Residential properties increased from 66.3% of total assessment in 2009 to 71.6% in 2010
- Residential property owners will now pay a larger portion of the municipal and education taxes



What is the Mill Rate and the Special Levy?

- ❖ A mill rate is the tax per dollar of assessed value of property. The rate is expressed in “mills”. One (1) mill raises \$1.00 on \$1,000 of portioned assessment.
- ❖ Mill rates are set by the City of Thompson according to the dollar requirement requested by the School District.
- ❖ The Special Levy is a way that School Divisions raise the revenue required to offset expenses in excess of Provincial funding.
- ❖ Any increase in expenditures, not covered by Provincial grants, needs to be covered by either an increase in property taxes or a reduction in expenditures.





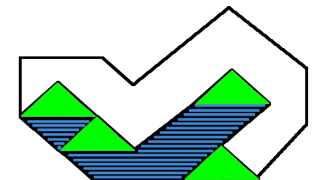
Enrollment

- Funding is based on the enrollment as of Sept 30th of the prior year
- 07/08 – 3228.7
- 08/09 – 3130.2
- 09/10 - 2911.5
- 10/11 – 2802.5

426 reduction from 07/08 to 10/11

What is the Tax Incentive Grant? (T.I.G.)

- ❖ The T.I.G. was introduced by the Provincial government in the 2008-2009 budget year.
- ❖ It is intended to assist school divisions to maintain their 2010 property tax mill rate at the level determined by the Province
- ❖ The 2010 TIG has been established at \$999,230, an increase of \$356,201 from 2009.
- ❖ If T.I.G. funding is not taken in 2010, the 2009 TIG of \$643,029 is provided.





D.S.F.M.

- 32.5 FTE students transferred to D.S.F.M. as of Sept 30/09
- Decrease in revenue is approximately \$300,267
- The proposed Special Levy of \$7,291,534 includes the D.S.F.M. Special Levy of \$96,328
- Rental revenue from D.S.F.M. is budgeted at \$32,700

Operating Fund: Revenue and Expenses Budgets

Revenue	Budget 2009-2010	Budget 2010-2011
Provincial Government	27,987,916	29,368,511
Federal Government	23,850	44,159
Municipal Government (Property Tax) (Other)	6,200,005 1,698,558	5,855,967 1,698,558
Other School Divisions	100,000	117,700
First Nations	290,000	130,000
Private Organizations and Individuals	66,500	129,000
Other Sources	172,900	193,200
Total Revenue	36,539,729	37,537,095
Expenses		
Regular Instruction	19,878,312	20,101,218
Student Support Services	6,959,780	6,920,496
Adult Learning Centers		
Community Education and Services	21,465	41,406
Divisional Administration	1,662,150	1,687,290
Instructional and Other Support Services	2,032,657	2,202,632
Transportation of Pupils	170,050	175,500
Operations and Maintenance	4,717,069	5,155,507
Fiscal	559,000	657,250
Total Expenses	36,000,483	36,941,298
Current Operating Surplus	539,246	595,797
Net Transfers from (to) Capital Fund	0	
Net Current Year Surplus (Deficit)	539,246	595,797

Revenue Highlights: Budget 2010-2011

- ❖ The funding for the 2010/2011 school year is based on student enrolment from September 30, 2009.
- ❖ The reduction in students resulted in a decrease of \$810,586 in Base & Categorical grants.
- ❖ The Formula Guarantee, which guarantees 09/10 Provincial funding plus 2%, provided \$546,086 in revenue.
- ❖ The equalization grant was increased by \$771,877
- ❖ T.I.G increased from \$643,029 to \$999,230.
- ❖ An increase in the Special Levy of \$141,050 is allowable if T.I.G is accepted
- ❖ The total revenue (income) budgeted in 2010/11 is \$ 37,537,095. This is an increase of 2.72% from 2009/10



Revenue Comparison 09/10 to 10/11

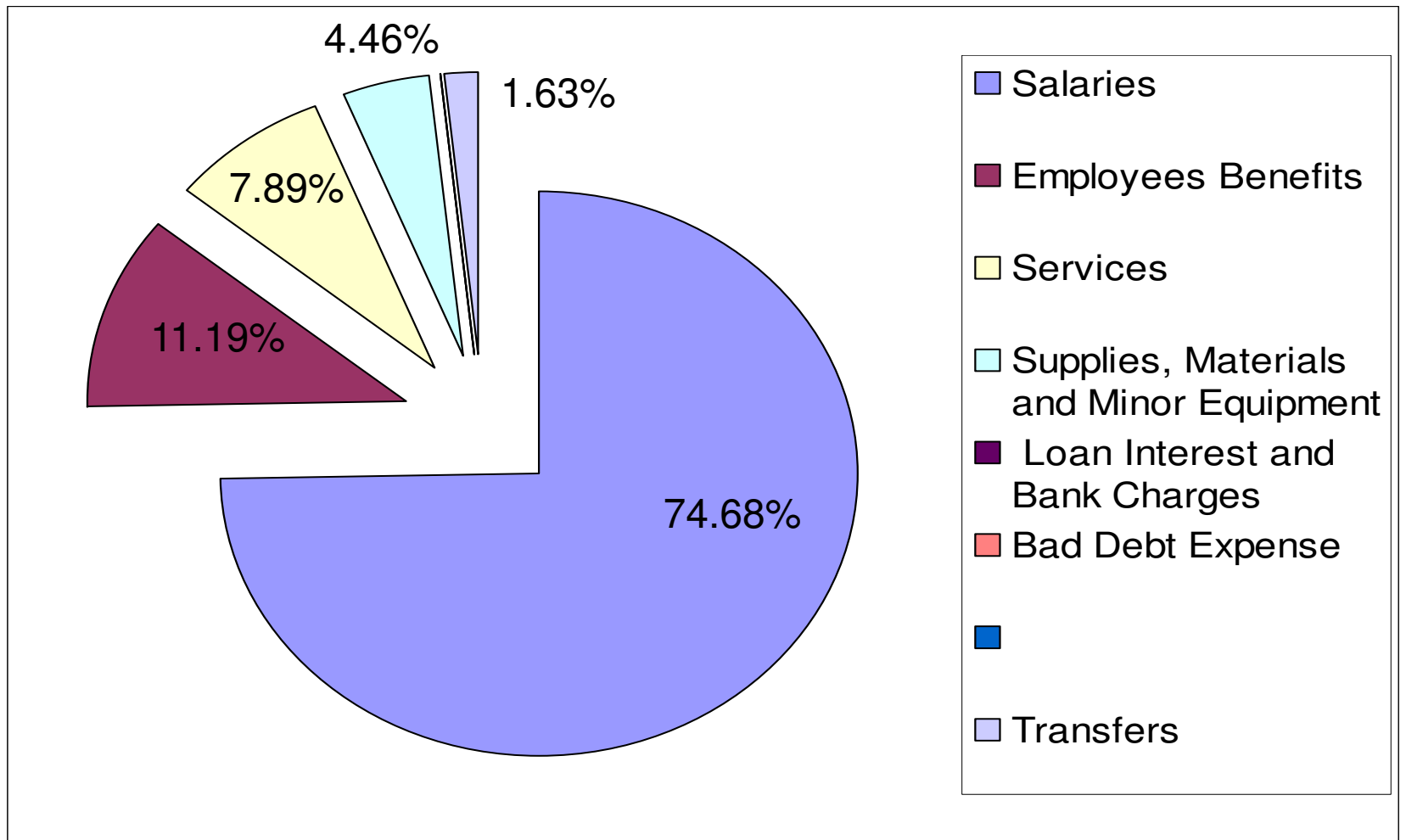
	2010/2011	2009/2010
Provincial Government	29,368,511	27,987,916
Federal Government	44,159	23,850
Munc. Government - Taxes	5,855,967	6,200,005
- Other	1,698,558	1,698,558
Other School Divisions	117,700	100,000
First Nations	130,000	290,000
Private Organ.& Individuals	129,000	66,500
Other Sources	193,200	172,900
	37,537,095	36,539,729

Expense Comparison 09/10 to 10/11

	2010/2011	2009/2010
	TOTALS	TOTALS
Salaries	27,589,267	27,278,950
Employees Benefits	4,133,550	3,762,309
Services	2,915,260	2,732,304
Supplies, Materials and Minor Equipment	1,645,971	1,667,820
Loan Interest and Bank Charges	53,000	51,500
Bad Debt Expense	3,000	1,500
Transfers	601,250	506,100

36,941,298	36,000,483
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2010/2011 EXPENSES AS A %





The Mill Rate and the Special Levy A Six Year Picture

Year	Special Levy	Mill Rate
2005	6,678,303	35.65
2006	6,769,724	33.78
2007	6,847,942	33.38
2008	6,954,297	33.36
2009	7,150,484 (with T.I.G.)	33.36
2010 Proposed	7,291,534 (with T.I.G.)	21.805

Raising the Special Levy by \$700,000 without TIG

To increase the Special Levy by \$700,000 would require a mill rate of 23.47 with the following effect on the Education portion of property taxes

Roll Number	2009			2010			Difference
	Assessment	45% Portioned	Taxes 33.36	Assessment	45% Portioned	Taxes 23.47	
3730	219400	98740	3293.97	367100	165195	3877.13	583.16
7200	65800	29620	988.12	107400	48330	1134.31	146.18
53300	185700	83570	2787.90	321300	144585	3393.41	605.51
142200	91200	41040	1369.09	160800	72360	1698.29	329.19
149100	119500	53780	1794.10	200700	90315	2119.69	325.59
191200	90800	40860	1363.09	163400	73530	1725.75	362.66
194200	109700	49370	1646.98	182800	82260	1930.64	283.66
221500	103800	46710	1558.25	170200	76590	1797.57	239.32
379700	94500	42530	1418.80	128800	57960	1360.32	-58.48

Special Levy \$7,291,534 with TIG

The Municipal portion of the tax billing will be equal to, or larger than, the Education portion

Roll	2009	45%	Taxes	2010	45%	Taxes	
Number	Assessment	Portioned	33.36	Assessment	Portioned	21.805	Difference
3730	219400	98740	3293.97	367100	165195	3602.08	308.11
7200	65800	29620	988.12	107400	48330	1053.84	65.71
53300	185700	83570	2787.90	321300	144585	3152.68	364.78
142200	91200	41040	1369.09	160800	72360	1577.81	208.72
149100	119500	53780	1794.10	200700	90315	1969.32	175.22
191200	90800	40860	1363.09	163400	73530	1603.32	240.23
194200	109700	49370	1646.98	182800	82260	1793.68	146.70
221500	103800	46710	1558.25	170200	76590	1670.04	111.80
379700	94500	42530	1418.80	128800	57960	1263.82	-154.98



The Requirement For Surplus

- A realistic surplus decreases borrowing costs and helps to absorb the costs of unexpected expenditures or decreases in revenue.
- The Provincial guideline is 4% of expenditures or \$1.44M
- Minimum surplus should be 2 payrolls or approx. \$1.2 M

Surplus Position

	ACTUAL	ACTUAL	BUDGET	BUDGET
	JUNE 30/08	JUNE 30/09	JUNE 30/10	JUNE 30/11
Opening Surplus	746,929.00	103,841.00	474,613.00	664,829.00
Adjustments(See Notes)	#1 (350,000.00)	#2 244,081.00	#3 (349,000.00)	
Current year Surplus(Defecit)	(293,088.00)	126,692.00	539,246.00	595,797.00
Closing Surplus	103,841.00	474,613.00	664,859.00	1,260,626.00

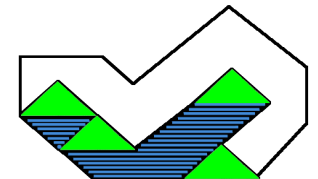
Notes #1 (350,000) Due to Province. re Student Enrollment

#2 244,081 Reverse of Due to Province

#3 (349,000) Decrease in Equalization grant

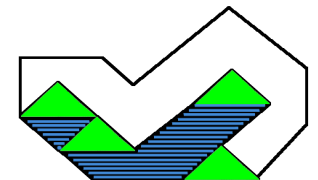
Expense Highlights: Budget 2009-2010

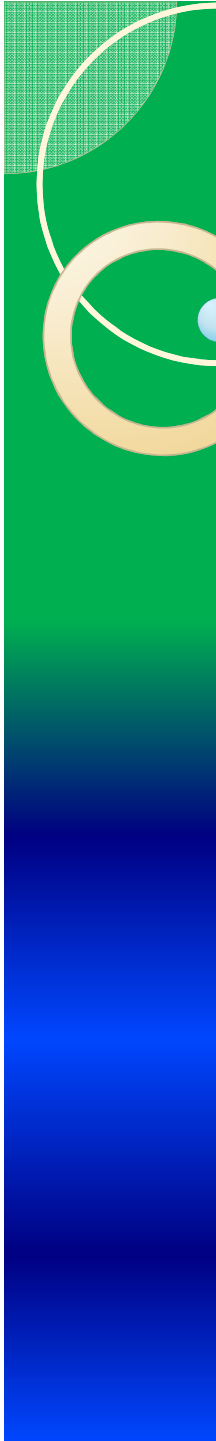
- ❖ The final proposed budgeted expenses increased by \$940,815 for 2010-2011 or 2.61%.
- ❖ The Maintenance budget will see an increase of \$171,000 to offset the anticipated costs of water meters.
- ❖ A budget for School Board sponsored student achievement scholarships will be created.
- ❖ The budget shows a shortfall of approximately \$180,000.
- ❖ A surplus in keeping with recommendations would require \$600,000.
- ❖ This means approximately \$780,000 must be made through reduction in expenses to achieve this surplus, access T.I.G. funding and minimize the impact of increased assessment.



Expense Highlights: Budget 2009-2010

- ❖ Expense reduction will come from reduction in School District staff.
- ❖ It is anticipated that this will not require any layoffs.
- ❖ All reductions in staffing will come through attrition.
- ❖ Increases and decreases in staffing of schools will be determined by enrollment changes.
- ❖ Special Levy will be established at \$7,291,534.
- ❖ No programs will be eliminated.





QUESTIONS?