



School District of Mystery Lake

OVERVIEW 2017 / 2018 BUDGET

Public presentation - February 23, 2017



Success for All



THIS EVENING . . .

- Budget highlights
- Budget challenges
- Revenue and Provincial funding
- Budget expenditures
- Property taxation
 - Special Levy and calculated mill rate
- Surplus
- Capital program



GUIDING PRINCIPLES

- Providing educational services and programming while effectively managing tax dollars
- Maintaining expenditures within the funding available



2017-2018 BUDGET HIGHLIGHTS

- Operating expenditure increase of 0.64%
- Increasing enrollments
- Proposed 2017 mill rate 18.58
 - Slight change from 2016 rate of 18.53



Factors Affecting 17/18 Budget

- Balancing with surplus... not an option
- Managing inflationary pressure with increased revenue... not an option
- District cost of delivering provincial initiatives
 - (Literacy, numeracy, smaller class sizes)
- Increasing student enrollments
 - (Increased demand for additional supports)



Enrollment (Eligible)

Provincial funding is based on *eligible* enrollment figures from the prior year

Enrollment September 30, 2016: 3117.0 (2.4% increase)

Difference between actual and eligible enrollment is Kindergarten students funded at 0.5

- 17/18 – 2925.8 (Sept 2016)
- 16/17 – 2857.7
- 15/16 – 2788.5
- 14/15 - 2723.2
- 13/14 - 2685.5



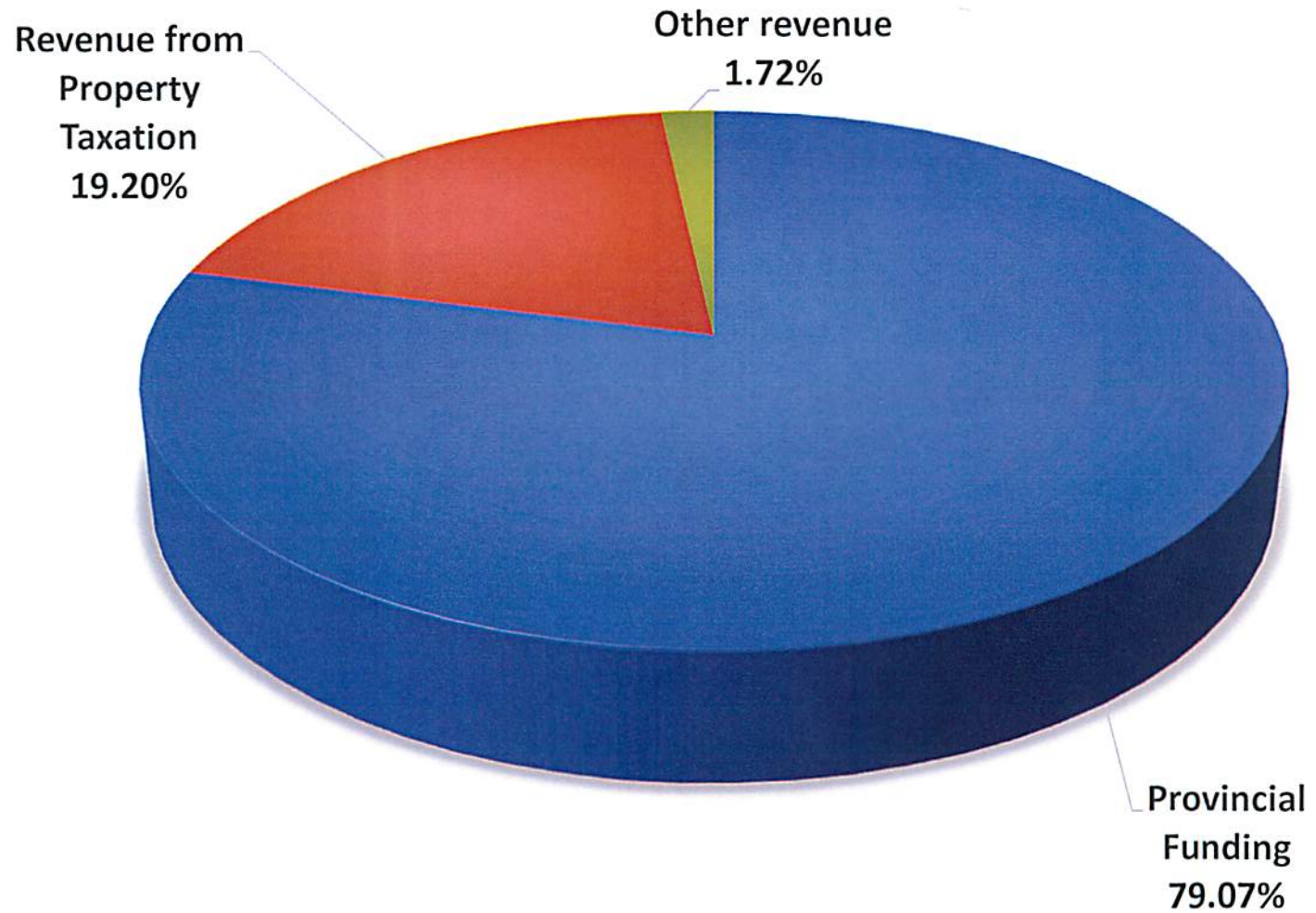
Provincial Funding Cycle

- February 1st – provincial funding *estimate* announced for the following school year
- March 31st - School budgets submitted to the province
- December 15th – provincial funding adjusted from the estimate announced

2017/18 Provincial Funding changes from 2016/17

	2017/18 Funding Announced	2016/17 Funding Announced	
Base Support	9,064,462	8,910,747	1.73%
Categorical	5,056,386	4,826,147	4.77%
Equalization	17,080,398	17,212,125	-0.77%
School Buildings (D)	83,580	83,940	-0.43%
Formula Guarantee	-		
	31,284,826	31,032,959	0.81%
	2016/17 Funding Announced	2016/2017-A1 Funding(Dec)	
Base Support	8,910,747	8,909,456	-0.01%
Categorical	4,826,147	5,053,493	4.71%
Equalization	17,212,125	16,320,974	-5.18%
School Buildings (D)	83,940	83,940	0.00%
Formula Guarantee			
	31,032,959	30,367,863	-2.14%

2017/2018 REVENUE

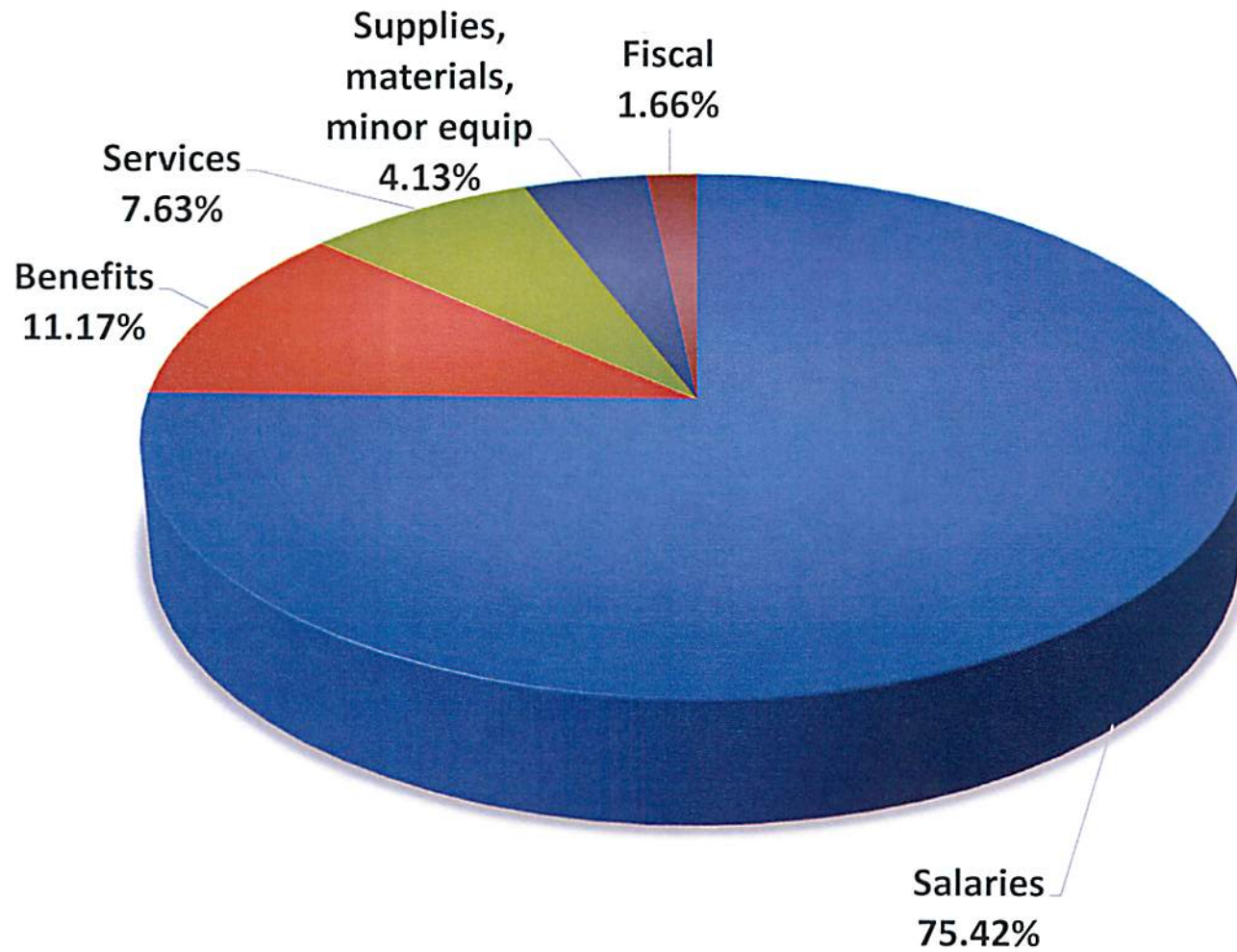




REVENUE

	2017/18 Budget	
Provincial Funding Formula	\$31,284,826	70.95%
Other Provincial revenue	3,582,103	8.12%
Total Provincial Revenue	34,866,929	79.07%
Other Revenue	760,500	1.72%
Revenue from Property Taxation	8,468,295	19.20%
Total Revenue	\$44,095,724	

2017/18 EXPENSES



Budget Comparison 16/17 to 17/18

	2016/2017	2017/2018
	TOTALS	TOTALS
Salaries	32,896,367	33,224,999
Employee Benefits	4,993,175	4,919,404
Services	3,312,600	3,360,924
Supplies, Materials and Minor Equipment	1,850,494	1,817,980
Loan Interest and Bank Charges	2,000	2,000
Bad Debt Expense	5,000	5,000
Transfers	716,664	725,417

43,776,300	44,055,724
------------	------------



So.... how does this affect
our community

What about taxes????



What is the Special Levy?

The Special Levy is the tax requirement requested by the School District to the City of Thompson.

The difference between the funding from the province and the District budget is raised through the Special Levy.



What is the Mill Rate?

- A mill rate is the amount of tax raised per dollar of assessed value of property. School District mill rates are calculated using 45% of the property value – referred to as the *portioned school assessment*

1 mill raises \$1.00 on \$1,000 of assessment

- Mill rate x $\frac{\text{Portioned Assessment}}{1,000}$ = SPECIAL LEVY

The effect of Mill Rates

Property Assessment	Portioned 45.00%	- 2015 -	- 2016 -	- 2017 -	DIFF	
		17.628	18.53	18.58	16 vs '17	
75,000	33,750	594.95	625.39	627.08	1.69	0.27%
100,000	45,000	793.26	833.85	836.10	2.25	0.27%
150,000	67,500	1,189.89	1,250.78	1,254.15	3.37	0.27%
200,000	90,000	1,586.52	1,667.70	1,672.20	4.50	0.27%
250,000	112,500	1,983.15	2,084.63	2,090.25	5.63	0.27%



Special Levy and Mill rate - historical

2011	7,493,563	21.735
2012	7,549,584	18.267
2013	7,813,726	18.528
2014	7,814,122	17.726
2015	8,064,623	17.628
2016	8,700,083	18.530
2017	8,697,977 (proposed)	18.580

Home owner taxes – a comparison

Roll Number	- 2014 -	- 2015 -	- 2016 -	- 2017 -	DIFF	
	17.726	17.628	18.53	18.58	17 vs '16	
3730	3,538.81	3,464.96	3,554.70	3,564.29	9.59	0.27%
7200	1,171.16	1,164.51	1,253.28	1,256.66	3.38	0.27%
53300	3,221.88	3,203.98	3,323.73	3,332.69	8.97	0.27%
142200	1,572.30	1,563.52	1,627.68	1,632.07	4.39	0.27%
149100	1,920.08	1,909.38	1,989.57	1,994.93	5.37	0.27%
191200	1,739.81	1,730.10	1,856.15	1,861.16	5.01	0.27%
194200	1,743.00	1,733.27	1,849.48	1,854.47	4.99	0.27%
221500	1,627.42	1,618.25	1,702.72	1,707.32	4.59	0.27%
379700	1,112.13	1,105.80	1,172.39	1,175.56	3.16	0.27%
Avg Taxes	1,960.73	1,943.75	2,036.63	2,042.13	5.50	0.27%



The Requirement For Surplus

- Surplus is an emergency funding source
- Stabilizes local taxes
- A realistic surplus decreases borrowing and helps to absorb the costs of unexpected expenditures or decreases in revenue
- Provincial requirements dictate the maximum surplus to be 4% of expenditures (\$1.7M)



OPERATING FUND SURPLUS

• As at June 30/2016 (4.0%)	\$1,518,234
• 2016/2017	
- Funding shortfall	\$ 665,000
- (Distributed to District December 18, 2016)	
Estimated Surplus June 30/17 (1.9%)	\$ 853,234
Estimated Surplus June 30/18 (1.9%)	\$ 853,234

Note: 4.0% allowable limit (or \$1.74 million)



2017-2018 CAPITAL

Regular maintenance upgrade schedule will continue for facilities.

To date, capital projects funded by the province have not been announced for the 2017-18 year.



The 2017/18 Budget:

- Aligns with District priorities
- Commits to providing additional resources in schools
- Plans for sustainability



Thank you.