



RED RIVER VALLEY SCHOOL DIVISION

Proposed Budget 2012-2013

Agenda

1.



Welcome and Introductions

2.



Chairperson's remarks

3.



Superintendent & CEO's remarks

4.



Budget Presentation

- a) Budget Development Process
- b) Reassessment
- c) Tax Incentive Grant
- d) Proposed changes for 2012/13
- e) Types of Expenditures
- f) Comparing Revenues and Expenditures
- g) Tax Effects of Property

5.



Questions and Discussions



2012-2013 Budget Development Process

- Board Plan – In Spring 2011 and in Fall 2011, The Red River Valley School Division Board of Trustees met to update the plan.
- Education Plan – In the Fall of 2011, The Red River Valley School Division Administrators met to update the plan.
- Budget Proposals – A total of 11 proposals were received from schools and senior administration and reviewed by the Board of Trustees.
- Funding Announcement – The provincial funding announcement was made on January 30, 2012.
- Committee of Whole Meetings – The Board met on numerous occasions to discuss various budget options.
- Public Budget Meeting – Held on February 28th to inform the public and seek feedback.



The Preliminary Budget

- When the school division develops the budget, it prepares a preliminary budget (what is available to schools this year will be available next year, adjusting for items like legislative changes, increases/decreases in enrolment and staffing, increased costs such as utilities, fuel etc.)
- The difference between the expenses in the preliminary budget and provincial and non-provincial revenues determines the “Special Requirement”
- The “Special Requirement” in turn helps to determine the “Special Levy”



Special Requirement (S.R.) to Special Levy (S.L.)

2011/12 Budgeted
Special Requirement



60% S.R.

RRVSD 2012
Special Levy*

2012/13 Budgeted
Special Requirement



40% S.R.



60% S.R.

RRVSD 2013
Special Levy*

RRVSD Budget
2013/14



40% S.R.

*The Special Levy is then used to determine the mill rate.



Reassessment, Mill Rates and Special Levy

- 2012 is a reassessment year
- Reassessment values are determined by Manitoba Intergovernmental Affairs – Assessment Branch
- The Red River Valley School Division's boundary lies within 12 municipalities
- Reassessment values vary from one municipality to another
- The average increase for our 12 municipalities is 16.89%
- School Divisions do not have information on the percentage of 'real growth' and 'property value growth'



Tax Incentive Grant (TIG)

- The province has discontinued the TIG.
- Divisions that received a TIG for 2011/12 will receive the same TIG in 2012/13.
- In 2011/12, Red River Valley School Division received a TIG in the amount of \$869,876



Proposed changes for 2012/13

- Additional Social Worker for the Student Services Department
- Implementation of a Co-operative Vocational Education
- Adjustments to staffing formula for small schools



Proposed changes for 2012/13 (cont'd)

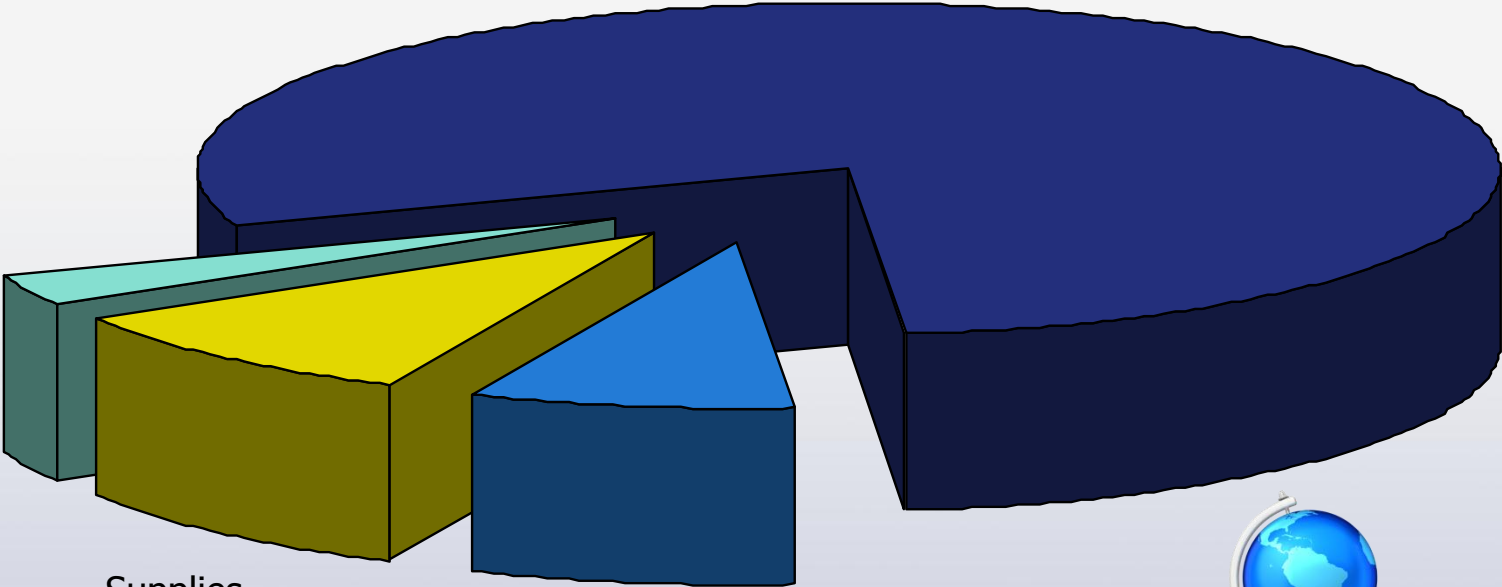
- Deficit budget for “one time” costs in the following areas:
 - Increase the budget for Building Property Infrastructure expenditures
 - Increase the budget for bus purchases/bus reserve
 - Increase capacity for Starbuck Hockey Academy Program
 - Replace aging lawn mower
 - Replace Library Software Program



Types of Expenditures

Compensation
(Salaries & Benefits)
79.28%

Payroll Tax,
Vocational,
School of
Choice &
Transfers to
Capital
3.1%



Supplies,
Materials &
Equipment
9.80%

Services &
Utilities
7.82%



Comparing Revenues and Expenditures

	2011-2012	2012-2013	% change
Revenue from provincial funding of schools program, other Department of Education and other Provincial Sources (excludes tax incentive grant and education property tax credit)	12,128,520	12,284,671	1.2%
Revenue from other sources	859,625	985,189	14.6%
Revenue from special requirement (Includes tax incentive grant, education property tax credit and municipal revenue)	10,750,476	11,084,791	3.1%
Operating Expenditures	23,763,949	24,764,408	4.2%



Special Requirement to Special Levy

	2011-2012	2012-2013	% change
Special Levy	12,551,819	12,911,093	2.86%



Tax Effects on a home assessed at \$100,000 (portioned assessment is 45%)

In 2011

	Portioned Assessment	Mill Rate	
School Division	45,000	18.46	\$830.70
<i>Less: Manitoba Education Property Tax Credit</i>			<u>700.00</u>
Net School Property Tax			\$130.70

In 2012

	Portioned Assessment	Mill Rate	
School Division	45,000	16.25	\$731.25
<i>Less: Manitoba Education Property Tax Credit</i>			<u>700.00*</u>
Net School Property Tax			\$ 31.25

A net decrease of \$99.45. This amount may vary from municipality to municipality depending on the amount of 'real growth' and 'property value growth'. This is also based on the assumption that the Manitoba Education Property Tax Credit remains at \$700.00. If the credit increases, then there is more of a decrease.

***This amount has not been announced by the Province of Manitoba**



Tax Effects on a ¼ Section of Land assessed at \$100,000 (portioned assessment is 26%)

In 2011

	Portioned Assessment	Mill Rate	
School Division	26,000	18.46	\$479.96

*In 2011, the Provincial rebate on farmland was 80%, therefore the net taxes paid were \$95.99.**

In 2012

	Portioned Assessment	Mill Rate	
School Division	26,000	16.25	\$422.50

The provincial rebate on farmland has not yet been announced. On the assumption that it is the same as last year, the taxes paid will decrease by \$57.46 or \$11.49 after rebate. This amount may vary from municipality to municipality depending on the amount of 'real growth' and 'property value growth'.



Questions & Discussions

