

Red River Valley School Division Budget 2018-19

Local Schools
Local Choices

Agenda

1. Welcome & Introductions
2. Chairperson's remarks
3. Budget Presentation
 - Budget Development Process
 - Minister's Budget Announcement
 - School Division Challenges
 - Types of Expenditures
 - Comparing Revenues and Expenditures
 - Tax Payer Implications
4. Questions & Discussions

2018/19 Budget Development Process

Board Strategic Plan - In summer 2017, The Red River Valley School Division Board of Trustees met to update the plan.

Education Strategic Plan - In the fall of 2017, The Red River Valley School Division administrators met to update the plan.

Budget Proposals - A total of 7 proposals were received from various departments, school administrators and senior administration and reviewed by the Board of Trustees.

Funding Announcement - The provincial funding announcement was made on February 8, 2018.

Committee of Whole Meetings - The Board met on numerous occasions to discuss various budget options.

Public Budget Meeting - Held on February 26th to inform the public and seek feedback.

The Preliminary Budget

- When the school division develops its 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**” (what the division needs to balance it’s budget).
- The “special requirement” in turn helps to determine the “**special levy**”.

Minister's Budget Announcement

“We continue to provide significant funding to give students the best education possible while we carefully steer Manitoba back onto a responsible fiscal track. When school divisions create their budgets for the year ahead, we expect them to manage their expenditures accordingly. This means making decisions that best suit students’ needs, and consider the impact on local ratepayers and Manitoba taxpayers.”

Minister's Budget Announcement cont'd

- The Minister directed school divisions to limit the increase to the Special Requirement to **2%**. This is equivalent to an **increase of \$346,500**.
- Red River Valley School Division received a **2% decrease** in provincial funding for the 2018-2019 school year. This is equivalent to a **decrease of \$263,712**.

Red River Valley School Division Challenges

- Changes were also made to the General Support Grant resulting in a **decrease** in support received. This is equivalent to approximately **\$61,000 (with the cuts that are being proposed)**.
- The net difference is an **increase of \$21,788**.
- The Minister also announced a **15% reduction** to the existing administration cost caps effective July 1, 2018.

Red River Valley School Division Challenges

- September 2016 enrolment was 2,040.9 FTE (full time equivalent)
- September 2017 enrolment was 2,100.8 FTE (an **increase of 59.9** FTE students over prior year)
- Projected September 2018 enrolment is 2,156.5 (an **increase of 55.7** FTE students over prior year)

Red River Valley School Division Challenges cont'd

- With increasing enrolment and decreasing funding, the division must make significant cuts in order to comply with the 2% increase to the Special Requirement.
- Over **\$931,500** in cuts are needed.

What does \$931,500 in cuts look like

- Elimination of Foreman position
- Elimination of French Language Leader positions
- Elimination of an IT tech position
- Decrease the Behavior Coach to a half time position
- Elimination of the Guidance Coach position
- Elimination of the extra clerical support position in the Transportation Department

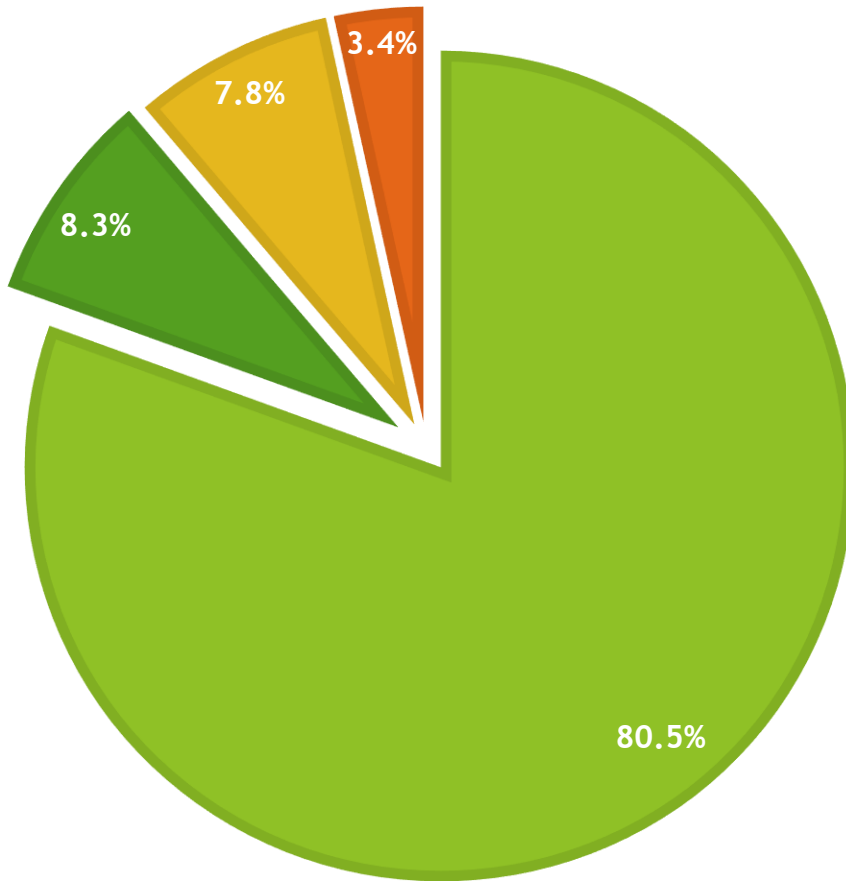
What does \$931,500 in cuts look like cont'd

- Elimination of the funding for the Internship Program
- Elimination of the funding for online course development
- Elimination of the funding for High School Course Fees
- Elimination of the funding for K to 8 School Supplies
- Elimination of the funding for Outdoor play equipment

What does \$931,500 in cuts look like cont'd

- Elimination of Staff Appreciation Event
- Elimination of funding for The Accessibility Plan
- Elimination of funding for transportation costs for extra-curricular and field trips
- Decrease funding given to schools that represent our school division for provincials
- Decrease funding for the One To The World Project
- \$225,000 increase in the Special Levy

EXPENDITURES



- Compensation (salaries & benefits) 80.5%
- Services & Utilities 8.3%
- Supplies, Materials & Equipment 7.8%
- Payroll Tax, Vocational, School of Choice 3.4%

Comparing Revenues and Expenditures

	2017-2018	2018-2019	% change
Revenue from provincial funding of schools program, tax incentive grant and tax incentive grant guarantee	13,185,606	12,921,894	-2.0%
Revenue from other sources includes non provincial sources	4,052,327	4,321,700	6.6%
Revenue from special requirement (less tax incentive grant and education property tax credit)	14,442,873	14,743,760	2.0%
Operating expenditures	31,680,806	32,117,899	1.38%

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

2017/18 Budgeted
Special Requirement



60% S.R.

RRVSD 2018 Special Levy*

2018/19 Budgeted
Special Requirement



40% S.R.

RRVSD 2019
Special Levy*



60% S.R.

RRVSD Budget
2019/20



40% S.R.

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

Special Requirement to Special Levy

	2017-2018	2018-2019	% change
Special Levy	19,529,445	21,267,799	8.9%

How does this affect the tax payer?

- ▶ The average increase in assessed properties in our 12 municipalities is 10.23%
- ▶ In The Red River Valley School Division, the increase in the special levy (based on our draft budget) is 8.9%

Property Tax Implications

	2017 Taxes Paid	2018 Taxes Paid	Decrease
Residential property assessed at \$100,000	\$632.95	\$625.30	(\$7.65)
Farm property assessed at \$100,000 for 1/4 section	\$365.70	\$361.28	(\$4.42)

Questions & Discussions