ROLLING RIVER SCHOOL DIVISION PROPOSED 2010 / 2011 BUDGET

The priorities of the Division budget continue to be maintaining quality educational programs to meet the needs of all students in a safe and positive environment. In developing the 2010-2011 proposed budget, the Board of Trustees reviewed programs, staffing levels, technology needs, building maintenance priorities and the school bus replacement plan and has considered the long range impact on the Division of continued declining enrollment.

Expenditures: Salaries and benefits continue to make up approximately 80% of the expenditure budget. The Division continues to face infrastructure challenges related to maintaining a school bus transportation fleet, aging school buildings and technology. The Board of Trustees are proposing a budget with limited additions.

Revenue: The Division projects an overall increase in Provincial Education funding from the 2009/2010 Budget and the Province of Manitoba has maintained a guarantee of funding at 2% above the actual Funding for Schools Support for 2009/2010. The Division estimates increases in revenue from other sources, most significantly tuition revenue from enrollment of Federal Government and First Nations students.

Tax Incentive Grant

The Tax Incentive Grant (TIG) has been made available to Schools Divisions by the Province of Manitoba in each of the past three funding years. The TIG is designed to encourage school divisions to maintain the increase in tax levies at the rate of assessment growth of the previous year. The Rolling River School Division accepted the 2008 TIG of $383,984 which was applied directly to reduce the 2008 Special Levy and subsidize property taxes payable. To maintain student programs, appropriate staff levels, satisfactory facilities and provide appropriate pupil transportation services, the Division did not accept the 2009 TIG.

Proposed 2010/2011 Budget: The Province of Manitoba continues to offer the TIG to eligible School Divisions. 2010 is a reassessment year and to accept the TIG the Rolling River School Division must maintain an increase in the Special Levy of 2.1% or less (the annual average of growth in property assessment from 2006 to 2009). The Division's 2010 TIG is $763,891 which is an increase of $379,907 over the 2008 TIG of $383,984. The Division is proposing to accept the 2010 TIG.

School Property Taxes, Special Levy and Mill Rate

Property Values are re-assessed every four years in Manitoba. In 2010, municipalities, towns and School Divisions use these re-assessed values as the basis for determining property taxes. The Rolling River School Division portioned assessment increased overall from 2009 by 38%. Specific percentage increases over the 2009 assessment in different property categories are as follows:

Residential 44% Farm 24% Commercial 40%

The proposed budget reduces the 2009 mill rate of 22.59 to 16.7 mills for 2010 (decrease of approximately 26.1%). However, as reassessed property values are used as the basis for property taxes, and these values increased significantly through re-assessment, the actual increase or decrease in actual taxes will be impacted by the change to actual re-assessed value of properties compared to 2009 values. Based on the Proposed Budget, the increase in the 2010 Property Tax / Special Levy will be 2.1 %. As the overall assessment in the Rolling River School Division has increased by 38% from 2009, the effect of reassessment on individual properties will be as follows:

A property, whose assessed value for 2010 has increased by 38% will:

- have an increase of approximately 2.1% in education property taxes over 2009.
- if the increase in assessment over 2009 is more than 38%, the property will have an increase greater than 2.1% in education property taxes.
- if the assessed value over 2009 is increased less than 38%, the property will have either an increase less than 2.1% or possibly a decrease in education property taxes.

Approximate RRSD School Tax Increase from 2009 to 2010 based on a property assessed at $100,000 in 2009 with an increase in assessed property value of 38% to $138,000 in 2010		
Residential $20.22	Farmland $11.68	Commercial $29.21

In 2010 Farmland property owners are eligible for a rebate of 80% of the school property taxes paid.

BUDGET HIGHLIGHTS:
Changes from 2009-2010 BUDGET to 2010-2011 PROPOSED BUDGET

REVENUE

- Provincial Education funding increases 2.0%
- Other Sources Revenue increase by 17.2%
- Total Special Requirement (including Education Property Tax Credit and Tax Incentive Grant) increases 1.5%
- 2010 Tax Incentive Grant provided by the province accepted = $763,891 applied to reduce 2010 Special Levy / School Taxes

EXPENDITURE

- Expenditures increase 2.5%
- General salary and benefit increases and adjustments
- Decrease of 1.0 FTE Teacher position
- Maintain SuccessMaker program
- Add Speech/Language Educational Assistant support
- Estimated increase of 9 funded special needs students
- Final year of four year Senior Years Science program equipment upgrade ($2,500 per school)
- Final year of Library Resource Material upgrade budget for High Schools ($2,000 per school)
- Maintain Professional Development budget for instructional staff with a focus on assessment, curriculum, student engagement, multi level teaching, technology, and outcome based instruction
- Continue Blended Approach to Teaching and Learning project - additional 6 classrooms
- Upgrade computer technology equipment including servers to run Windows 7 software
- Decrease in budget for minor capital renovations in schools
- Decrease in fleet vehicle replacement budget
- Establish a Wide Area Network for technology connectivity and to support Distance Education within the Division
- Continue playground upgrade projects
- Purchase two school buses
- Continue to plan for water and sewer upgrades for High Schools

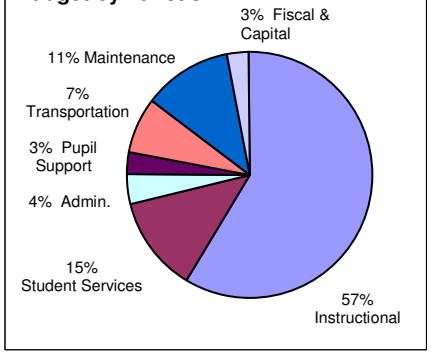
The Provincial Education Property Tax Credit (EPTC) of $650.00 is applied on tax notices to reduce residential property owner's school taxes.

Property Tax	2009	Proposed 2010	% Change
RRSD Special Levy	$8,329,330	$8,504,178	2.1%
Portioned Assessment	$368,642,120	$509,275,800	38.15%
RRSD Mill (Tax) Rate	22.59	16.70	-26.1%

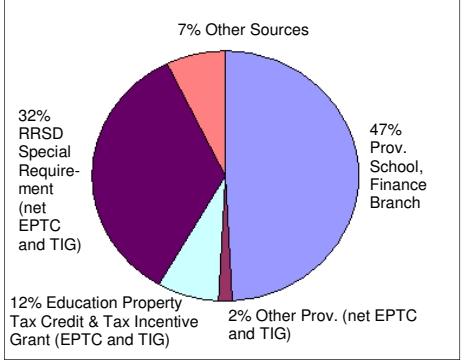
Enrollment	Total # Students	Change from Prior Year
September 30, 2004	2093	-65
September 30, 2005	2041	-52
September 30, 2006	2000	-41
September 30, 2007	1954	-46
September 30, 2008	1888	-66
September 30, 2009	1882	-6
September 30, 2010 (*Est.*)	1839	-43

REVENUE	Budget 2009-2010	Proposed Budget 2010-2011	% Increase (*Decrease*)
Provincial Education	$9,741,226	$9,935,301	2.0%
Other Provincial *(net EPTC)*	$368,600	$338,800	(-8.1%)
Ed. Prop. Tax Credit & TIG	$1,765,901	$2,511,587	42.2%
Sp. Requirement *(net EPTC & TIG)*	$7,402,753	$6,797,107	(-8.2%)
Other Sources	$1,200,500	$1,406,850	17.2%
Total Revenue	$20,478,980	$20,989,645	2.49%
EXPENDITURE	**Budget 2009-2010**	**Proposed Budget 2010-2011**	**% Increase (*Decrease*)**
Instructional	$11,664,470	$11,955,995	2.5%
Student Services	$2,910,085	$3,063,935	5.3%
Community Education	$20,870	$22,570	8.1%
Business Admin.	$820,200	$869,125	6.0%
Pupil Support	$553,530	$552,475	(-0.2%)
Transportation	$1,494,610	$1,455,985	(-2.6%)
Maintenance	$2,280,215	$2,296,060	0.7%
Fiscal/Capital	$735,000	$773,500	5.2%
Total Expenditure	$20,478,980	$20,989,645	2.49%

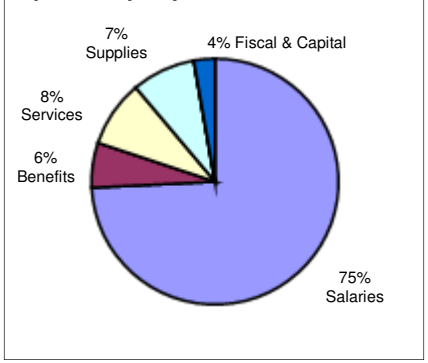
Budget by Function



Sources of Revenue



Expenses by Object



A presentation on the 2010-2011 Budget will be made at Tanner's Crossing School, Minnedosa at 7:00 p.m. on Wednesday, March 3, 2010. Interested individuals or representatives of groups are invited to attend. The Board of Trustees will approve the 2010-2011 Budget at the Board meeting scheduled for March 10, 2010.