



THE WINNIPEG SCHOOL DIVISION
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**TO: School Administrators
Parent Councils
Student Councils
Board Advisory Committees
Employee Groups**

**FROM: Anthony Ramos, Board Chair
P.E. Clarke, Chief Superintendent**

RE: 2009/2010 BUDGET FINALIZED

March 10, 2009

*Received by DSR
March 20, 2009*

At a meeting held March 9, 2009 the Board of Trustees approved the budget for the 2009/2010 School Year. The budget approved by the Board includes expenditures of \$321,964,200 which will maintain existing programs and services for students and provide funds for one-time capital expenditures.

The Board reviewed all feedback from parents, students, employees, residents, and taxpayers. On behalf of Trustees, we would like to thank everyone who participated in providing feedback to the Board.

In approving the budget, the Board has been mindful of the state of the economy. For 2008, the Division accessed the Tax Incentive Grant (TIG) from the provincial government, made budget cuts and used reserve funds to freeze taxes and maintain programs for children. For 2009, the Board once again explored all options, including using the tax incentive grant, budget cuts, and the use of reserve funds.

The 2009 TIG from the Province of Manitoba was considered in early February. The Board had to choose between the new TIG for 2009 of \$2.3 million or continue receiving \$2.2 million from the 2008 TIG, a difference of \$100,000. For the additional \$100,000 of TIG, the Division would have had to freeze taxes by cutting over \$1.2 million in expenditures from programs and \$3.9 million in one-time expenditures slated for school building maintenance, security measures, computer equipment and clinical services. The Board opted for the 2008 TIG.

The Board has made cuts from the draft budget expenditures of \$2.2 million for 2009/2010. The Board eliminated 16 positions vacant due to declining enrolment. One-time expenditures budgeted for energy management projects totaling \$1 million were removed from the budget and instead will be financed through future savings in water, heating and electrical costs resulting from the project.

School divisions, unlike other levels of government, are not allowed to have an accumulated deficit. Consequently, it is necessary for school divisions to maintain a reserve fund to address emergencies. It has been recommended that a prudent level of reserve would be three per cent or more of a division's budget. The current balance of the Winnipeg School Division reserve is \$5.2 million or 1.7 per cent of the budget. The Board has approved using \$275,000 of the reserve this year to assist in offsetting the property tax increase.

The final budget includes use of 2008 TIG revenues, expenditure reductions and the use of reserve funds. With these measures, the increase in the property tax on an average home assessed at \$76,475 will be \$15 or 1.5 per cent for 2009.

Other than the freeze in property taxes in 2008, this is the smallest increase since 2002. This moderate increase is a reflection of the Board's efforts, in collaboration with the Province, to minimize the property tax levy. Property taxes to support education in the Winnipeg School Division on the average home have in fact decreased by \$256 between 2000 and 2008. The elimination of the provincial educational support levy and the additional educational property tax credit have contributed to this decrease.

The Winnipeg School Division has many unique programs and services that serve the needs of the community that are either completely paid for or subsidized by the property tax levy. Examples include the nursery program, the breakfast program, special needs programming and English-as-an-additional language program.

Next fall, the Board will begin the process of developing the 2010/2011 school year budget. Trustees will once again be seeking feedback from parents, students and other stakeholders as that budget is developed.