

PARK WEST SCHOOL DIVISION
PUBLIC MEETING
PROPOSED 2020-2021 BUDGET



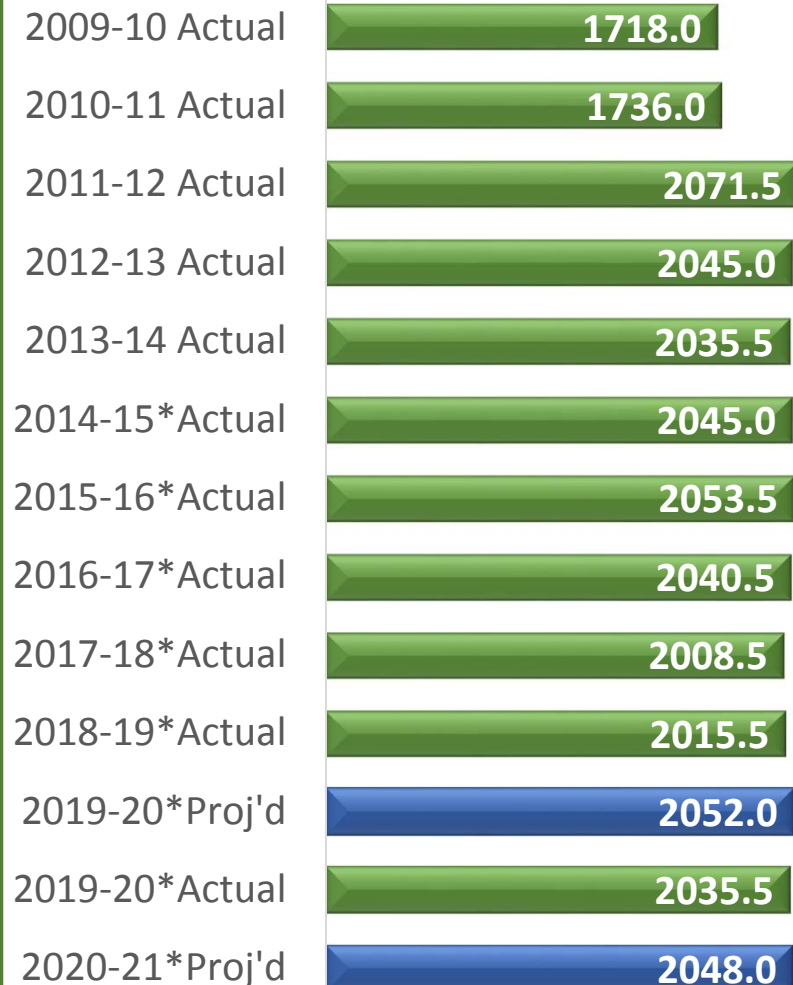
February 24, 2020

Student FTE Enrolment

* Nursery school students included in years 2014-15 and beyond

| | Projected | Actual | |
|--------------|----------------|----------------|-------------|
| School | 2020-21* | 2019-20* | Difference |
| BIN | 57.0 | 56.5 | 0.5 |
| BCI | 152.0 | 148.0 | 4.0 |
| BES | 66.5 | 69.5 | -3.0 |
| DCS | 30.0 | 30.0 | 0.0 |
| HCI | 157.0 | 156.0 | 1.0 |
| HES | 103.0 | 107.0 | -4.0 |
| ING | 47.5 | 45.0 | 2.5 |
| MPS | 521.0 | 516.5 | 4.5 |
| MIN | 76.0 | 67.5 | 8.5 |
| MON | 17.0 | 16.0 | 1.0 |
| RCI | 85.0 | 83.0 | 2.0 |
| RES | 80.0 | 86.0 | -6.0 |
| SLS | 164.0 | 158.5 | 5.5 |
| SCS | 125.0 | 125.0 | 0.0 |
| WWS | 338.0 | 343.0 | -5.0 |
| Off Campus | 18.0 | 17.0 | 1.0 |
| Adult Ed | 11.0 | 11.0 | 0.0 |
| TOTAL | 2,048.0 | 2,035.5 | 12.5 |

Past enrolment (FTE)



Focus of presentation: \$24M budget allocated by PWSD

| 2020-21 Budgeted Revenue for PWSD and Waywayseecappo Education Partnership | | | |
|--|----------------------|--|-------------------|
| | PWSD | Wayway | Total |
| Province | 13,011,984 | | 13,011,984 |
| Municipal | 8,438,163 | | 8,438,163 |
| First Nations | 2,273,836 | 5,322,620 | 7,596,456 |
| Other | 84,600 | | 84,600 |
| Transfer for shared costs | 381,763 | -381,763 | - |
| Total Revenue | 24,190,346 | 4,940,857 | 29,131,203 |
| | Allocated by PWSD | Allocated by Wayway First Nation | |

Our budget challenges



- ❑ Decreased provincial operating funding of 2% for 4th consecutive year, despite steady enrolment
- ❑ Restricted to 2% increase in local taxation for 3rd consecutive year
- ❑ Increased costs related to staffing (0.75% + increments)
- ❑ Maintaining our aging infrastructure (buses and schools)
- ❑ Increased technology requirements
- ❑ Inflation
- ❑ Uncertainty regarding Education Review

Direction from the province

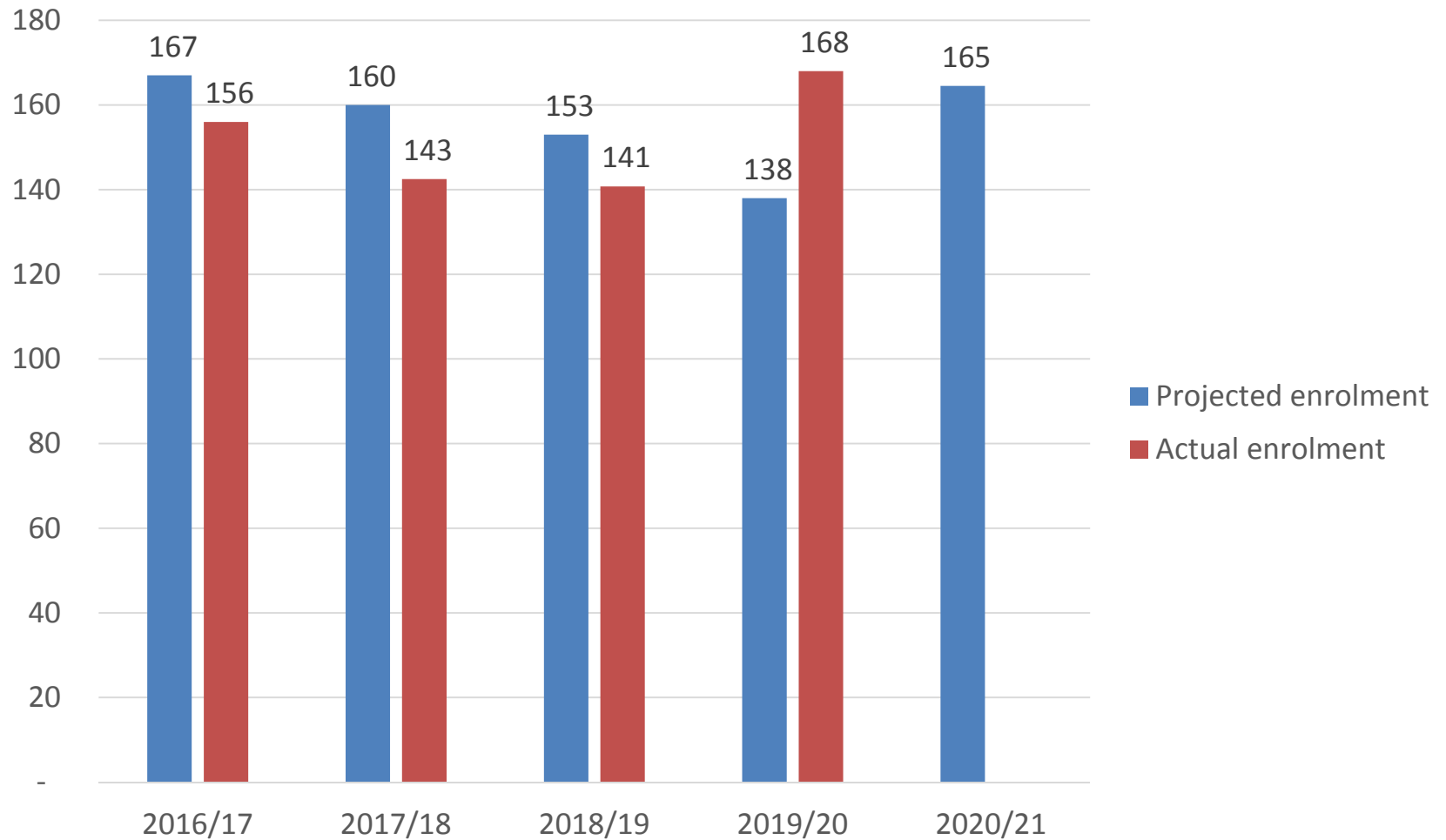
- 2% (or \$217,000) cut from Province's operating grant
 - The cumulative effect of these 2% reductions over four consecutive years is \$2 million for PWSD
- Province also reduced our General Support Grant by \$25,000 in 2020-21
- Province directed that we limit any increase of local taxation to 2% (or \$214,000) for third consecutive year
- Reduce overall management by 15% (July 1/19 baseline); we believe that we are compliant due to last year's changes

Additional revenue

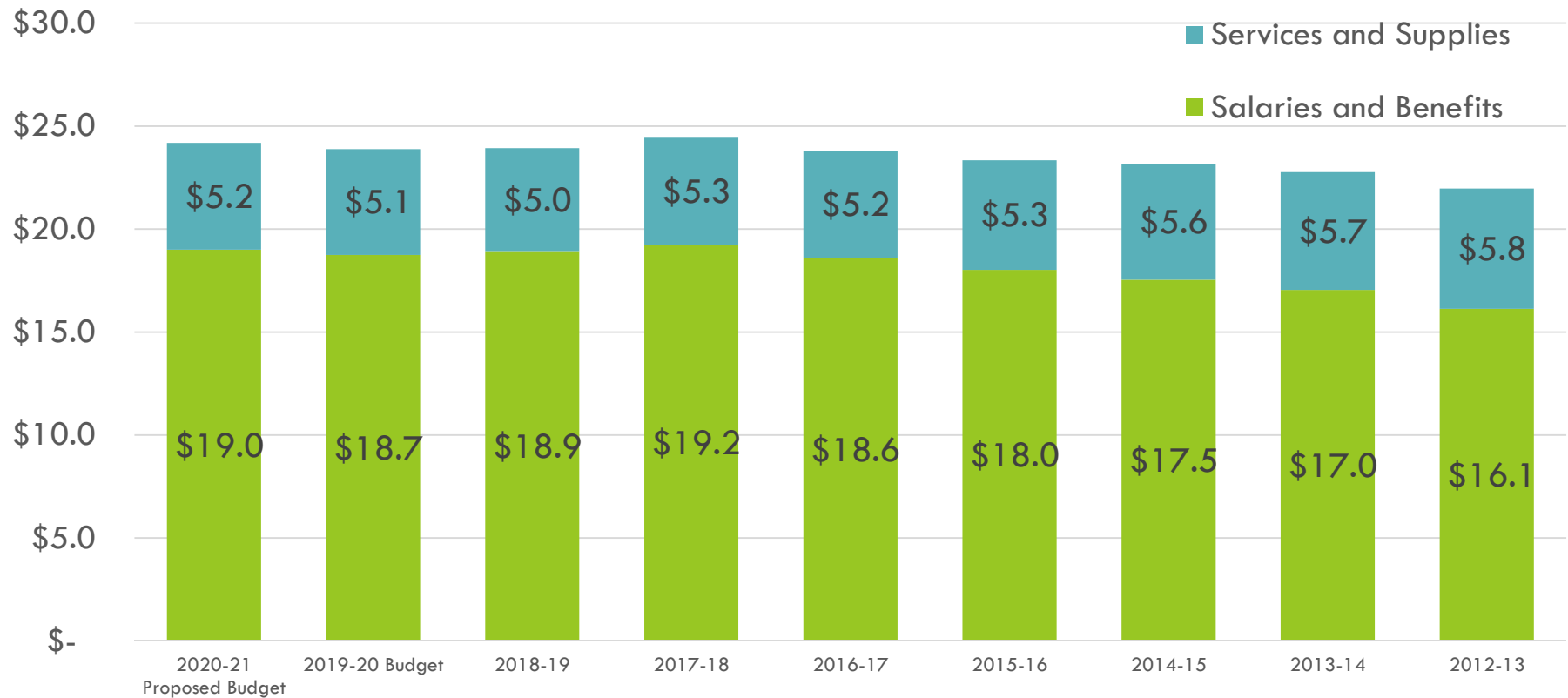


- ❑ Park West is forecasting 2019-20 First Nation student tuition revenue to exceed budget due to:
 - ❑ Single billing pilot
 - ❑ Actual enrolment exceeded budget
- ❑ We are forecasting increased First Nation student tuition revenue in 2020-21

Fund 1 (PWSD) First Nation Student Enrolment



Increase in Staffing Costs + Inflation = Reduced Infrastructure Purchasing Power



Proposed budget 2020-21 includes 280 FTE vs 282 in 2012-13

Reductions in past 3 years

| Cuts to Salaries & Benefits | Amount |
|---|-----------------|
| Remove Senior Years vocational programs (Health Care Aide, Cosmetology, Nature Studies, Construction) | -312,000 |
| Restructure Divisional Administration | -128,000 |
| Remove 0.5 FTE K-8 Literacy/Numeracy Facilitator and related mileage/supplies | -50,000 |
| MY vocational staffing, busing and supplies | -48,000 |
| Reduce Maintenance budget | -35,000 |
| Remove Division Office Finance position (0.5 FTE) | -28,000 |
| Reduce distributed learning (IITV) teaching staff | -21,500 |
| Reduce trustee remuneration and mileage costs | -18,000 |
| Reductions to Decker and Monarch Colonies school resources | -7,500 |
| Subtotal - cuts to Salaries & Benefits | -648,000 |

Reductions in past 3 years

(...continued...)

| Cuts to Goods & Services | Amount |
|--|---------|
| Reduce Student Services budget | -60,000 |
| Reduce extra-curricular trips | -51,000 |
| Remove accentuated learning environments | -25,000 |
| Remove photocopier budget | -20,000 |
| Reduce Physical Education Grant (Grades 11 & 12) | -20,000 |
| Remove Divisional support for provincial championships | -19,000 |
| Remove Gr. 6 Outdoor Education | -18,000 |
| Reduce allocation to operating surplus (\$76,000 budgeted in 2019-20 vs \$93,000 in 2018-19) | -17,000 |
| Reduce Roots of Empathy | -15,000 |

Reductions in past 3 years

(...continued...)

| Cuts to Goods & Services | Amount |
|--|---------|
| Remove Citizenship fund | -15,000 |
| Remove Innovation fund | -15,000 |
| Remove Band busing (between Shoal Lake & Strathclair) | -15,000 |
| Reduce Phone and fax costs | -15,000 |
| Remove meals/snacks at meetings within PWSD | -15,000 |
| Reduce Citizenship and Staff Appreciation events | -15,000 |
| Reduce Superintendents' expenses | -15,000 |
| Reduce Finance dept. PD and other expenses | -13,500 |
| Reduce Trustee PD and meeting costs | -13,000 |
| Reduce Principals' PD and meetings | -11,000 |
| Reduce Division Office operating supplies and expenses | -10,000 |

Reductions in past 3 years

(...continued...)

| Cuts to Goods & Services | Amount |
|-----------------------------------|---------|
| Reduce programs for 0-5 | -10,000 |
| Remove Career Trek transportation | -10,000 |
| Remove WE Day transportation | -10,000 |
| Remove K-4 supplies | -10,000 |
| Reduce mileage rate by 2 cents | -10,000 |
| Remove band program supplies | -10,000 |
| Remove First Steps Training | -10,000 |
| Remove Dreambox (math software) | -7,500 |

Reductions in past 3 years

(...continued...)

| Cuts to Goods & Services | Amount |
|--|-------------------|
| Reduce classroom assessment | -5,000 |
| Reduce Career Fair | -3,500 |
| Remove Tell Them From Me (student survey) | -3,500 |
| Remove Arts Festivals support | -2,000 |
| Reduce Job posting costs | -2,000 |
| Subtotal - cuts to Goods & Services | -491,000 |
| | |
| Total cuts in past 3 years | -1,139,000 |

Operating Surplus



- ❑ PWSD expects to have an accumulated operating surplus of \$400K at June 30, 2020
 - ❑ This will be 2% of \$24M budget
- ❑ Planned set aside for operating surplus limited to \$70K in 2020-21

What we are proposing



- ❑ Local tax increase of 2% increase (maximum allowed by Province)
- ❑ No cuts to staffing, classrooms, programs
- ❑ \$305K net increase in spending offset by increased First Nation tuition revenue
- ❑ One school bus (same as in 2019-20 budget)

Our 2020-21 budget will represent a **1.3%** increase from our 2019-20 spending.

Proposed Changes for 2020-21

Additional pressures & expenditures in budget 2020-21 vs 2019-20

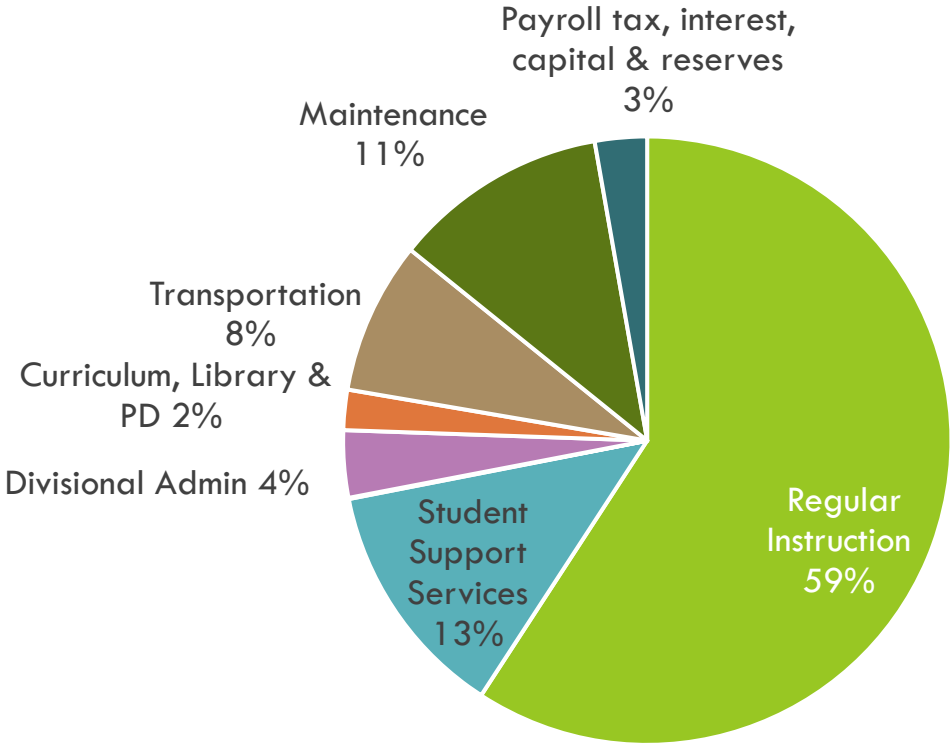
| | |
|---|----------------|
| 2% decrease in Provincial operating funding | 217,000 |
| Decrease in Province's General Support Grant | 25,000 |
| Subtotal - decrease to revenue in 2020-21 | 242,000 |
| Increase in salary and benefit costs | 224,000 |
| Numeracy Achievement Program | 50,000 |
| Increase in transportation operating costs | 26,500 |
| 0.25 FTE addition to ICT Teacher Resource position (will be 0.75 FTE) | 19,000 |
| Increase ICT budget to complete Windows 10 conversion | 10,000 |
| Staff recognition and student citizenship events | 6,000 |
| Increase in insurance costs | 2,500 |
| Subtotal - additional expenditures in 2020-21 | 338,000 |
| Total 2020-21 additional pressures & expenditures | 580,000 |

Proposed Changes for 2020-21

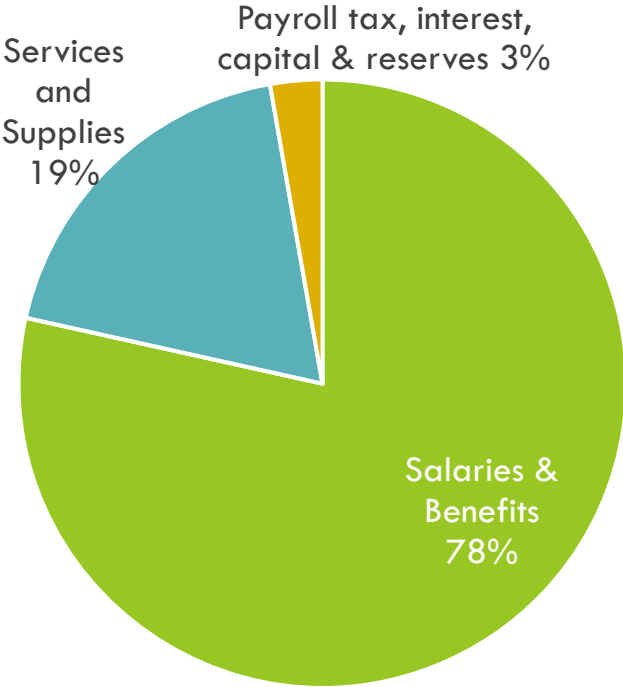
Additional revenues and savings in budget 2020-21 vs 2019-20

| | |
|--|----------------|
| 2% increase in Municipal funding (maximum allowed by Province) | 214,000 |
| Increase in tuition revenue from First Nations | 333,500 |
| Subtotal - increase to revenue in 2020-21 | 547,500 |
| Landline phone and cell phone savings | 18,000 |
| Remove Superintendent goods & services allocation | 5,000 |
| Reduce Apprenticeship Coordinator FTE by 8% | 4,000 |
| Reduce audit budget – Province eliminated March 31 audit | 3,000 |
| Reduce Decker Colony School resources | 2,500 |
| Subtotal - savings in 2020-21 | 32,500 |
| Total 2020-21 additional revenues and savings | 580,000 |

Expenditure Breakdown



Expenditures by Function



Expenditures by Object

Expenditures by Object

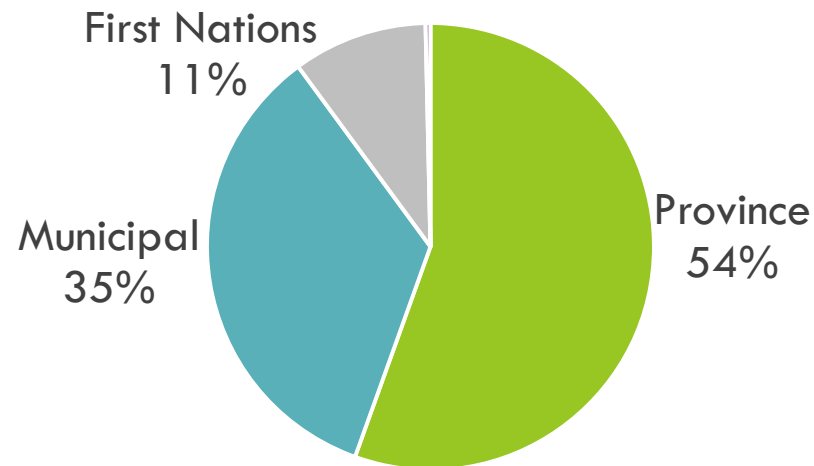
| Expenditures | 2020-21 | 2019-20 | Difference \$ | Difference % |
|---------------------------|-------------------|-------------------|------------------|-----------------|
| Salaries | 17,642,973 | 17,396,878 | 246,095 | 1% |
| Benefits | 1,358,841 | 1,349,777 | 9,064 | 1% |
| Services | 2,961,633 | 2,950,204 | 11,429 | 0% |
| Supplies | 1,574,746 | 1,534,485 | 40,261 | 3% |
| Fiscal | 461,910 | 461,910 | 0 | 0% |
| Capital Items | 190,243 | 191,592 | -1,349 | -1% |
| Total Expenditures | 24,190,346 | 23,884,846 | 305,500 | 1.3% |

Expenditures by Function

| Expenditures | 2020-21 | 2019-20 | Difference \$ | Difference % |
|---------------------------|-------------------|-------------------|------------------|-----------------|
| Regular Instruction | 14,365,741 | 14,141,578 | 224,163 | 2% |
| Student Support Services | 3,046,948 | 3,034,503 | 12,445 | 0% |
| Early Childhood | 20,890 | 20,890 | 0 | 0% |
| Divisional Admin | 850,622 | 852,165 | -1,543 | 0% |
| Curriculum | 179,780 | 161,667 | 18,113 | 11% |
| Library | 264,782 | 265,547 | -765 | 0% |
| Professional Development | 133,339 | 83,339 | 50,000 | 60% |
| Transportation | 1,937,109 | 1,935,912 | 1,197 | 0% |
| Maintenance | 2,738,982 | 2,735,743 | 3,239 | 0% |
| Fiscal | 461,910 | 461,910 | 0 | 0% |
| Capital Items | 190,243 | 191,592 | -1,349 | -1% |
| Total Expenditures | 24,190,346 | 23,884,846 | 305,500 | 1.3% |

Revenues by Source

| Revenues | 2020-21 | 2019-20 | Difference \$ | Difference % |
|----------------------------------|-------------------|-------------------|------------------|-----------------|
| Province | 13,011,984 | 13,254,519 | -242,535 | -2% |
| Municipal | 8,438,163 | 8,224,062 | 214,101 | 3% |
| First Nations | 2,273,836 | 1,939,902 | 333,934 | 17% |
| Other | 84,600 | 84,600 | - | 0% |
| Revenue from WW for shared costs | 381,763 | 381,763 | - | 0% |
| Total Revenue | 24,190,346 | 23,884,846 | 305,500 | 1.3% |



The *Special Requirement* is the revenue that a school division requires from local taxation. This is based on our **July to June** fiscal year (max 2% increase).

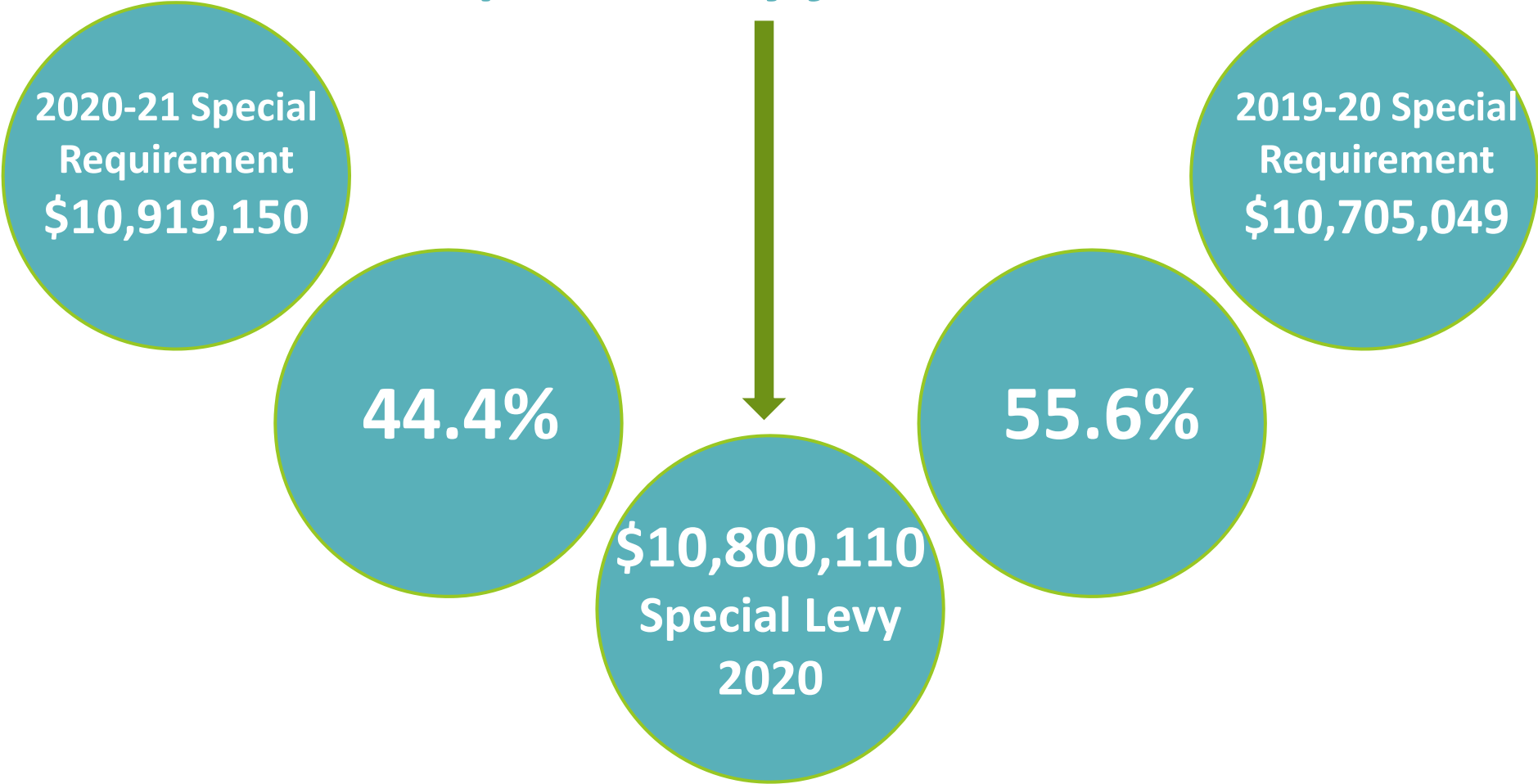
The *Special Levy* is the tax that needs to be raised through local property taxation. This is based on the **January to December** calendar year.

Special Requirement (Local Taxation)

| | 2020-21 | 2019-20 | Difference \$ | Difference % |
|---|-------------------|-------------------|------------------|-----------------|
| Municipal Funding | 8,438,163 | 8,224,062 | 214,101 | 3% |
| Add Education Property Tax Credit | 1,723,972 | 1,696,000 | 27,927 | 2% |
| Add Tax Incentive Grant | 757,015 | 784,987 | -27,927 | -4% |
| Special Requirement (Local Taxation) | 10,919,150 | 10,705,049 | 214,101 | 2% |

Province directed that Special Requirement (Local Taxation) increase be limited to **2%** in 2018-19, 2019-20 & 2020-21.

2020 *Special Levy for PWSD*



Calculation of the Special Levy

| | 2020 | 2019 |
|---------------------------|-------------------|-------------------|
| Special Levy for PWSD | 10,800,110 | 10,588,343 |
| Special Levy for DSFM | 322,605 | 317,613 |
| Less Tax Incentive Grant | -769,286 | -784,987 |
| Total Special Levy | 10,353,429 | 10,120,969 |
| Increase \$ | 232,460 | 193,042 |
| Increase % | 2.3% | 1.9% |

2020 PWSD School Taxes

To calculate your school taxes, use the following formula:

$$A \times B \times C / D$$

A = the assessed value of the property

B = the portion of the assessed value that is taxed*

C = the mill rate

D = 1000

* the portion of the assessed value of a property that is taxed depends on the type of property

| Property Type | % of the property's assessed value that is taxed | Assessment increase in 2020 |
|---------------|--|-----------------------------|
| Residential | 45% | 2.23% |
| Farmland | 26% | 12.86% |
| Commercial | 65% | 7.74% |

Overall 8.56% increase

2020 Mill Rate

The Mill Rate is the **Special Levy**, divided by the **Total Assessed Value** of all property within the school division, multiplied by 1000.

| | 2020 | 2019 | Difference \$ | Difference % |
|--|---------------|-------------|---------------|--------------|
| Special Levy | 10,353,429 | 10,120,969 | 232,460 | 2% |
| Divide by Total Assessed Value | 1,045,512,900 | 963,056,720 | 82,456,180 | 9% |
| Result | 0.0099 | 0.0105 | -0.001 | -6% |
| Multiply by 1000 = Mill Rate | 9.9 | 10.5 | -0.6 | -6% |

2020 Special Levy by Property Type

| Property Type | 2020 Assessment | 2019 Assessment | Difference \$ | Difference % |
|---------------------------|-------------------|-------------------|----------------|--------------|
| Residential | 2,975,271 | 3,088,550 | -113,279 | -4% |
| Farm | 5,257,133 | 4,943,215 | 313,918 | 6% |
| Other/commercial | 2,121,025 | 2,089,204 | 31,821 | 2% |
| Total Special Levy | 10,353,429 | 10,120,969 | 232,460 | 2% |

Residential – house assessed at \$153,750 in 2019 will pay \$0 in school taxes in 2020 because of \$700 rebate

Farmland – owner’s total farmland assessed up to \$2,155,000 in 2019 will get 80% in school taxes back in 2020

Education Tax Examples

| | Residential (max \$700 rebate) | Farm (80% rebate, \$5,000 max) | Other/ Commercial |
|---------------------------------------|--------------------------------------|--------------------------------------|----------------------|
| 2019 Assessed Value | 150,000 | 200,000 | 200,000 |
| 2020 Assessment Increase | 2.23% | 12.86% | 7.74% |
| 2020 Assessed Value | 153,348 | 225,728 | 215,482 |
| Multiply by Portion Taxed | 45% | 26% | 65% |
| Multiply by Mill Rate | 9.9 | 9.9 | 9.9 |
| Divide by 1000 | 1,000 | 1,000 | 1,000 |
| 2020 Special Levy | 683 | 581 | 1,387 |
| Rebate | -683 | -465 | |
| 2020 Special Levy after rebate | 0 | 116 | 1,387 |
| Difference vs 2019 mill rate: | | | |
| \$ Difference before rebate | -26 | 35 | 21 |
| % Difference before rebate | -4% | 6% | 2% |

History of the Special Levy

| Year | Special Levy | Increase \$ | Increase % |
|------|--------------|-------------|-------------|
| 2008 | 7,278,340 | | |
| 2009 | 7,280,638 | 2,298 | 0.0% |
| 2010 | 7,309,478 | 28,840 | 0.4% |
| 2011 | 7,421,939 | 112,461 | 1.5% |
| 2012 | 7,818,451 | 396,512 | 5.3% |
| 2013 | 8,096,284 | 277,833 | 3.6% |
| 2014 | 8,220,585 | 124,301 | 1.5% |
| 2015 | 8,611,305 | 390,720 | 4.8% |
| 2016 | 8,927,467 | 316,162 | 3.7% |
| 2017 | 9,546,022 | 618,555 | 6.9% |
| 2018 | 9,927,927 | 381,905 | 4.0% |
| 2019 | 10,120,969 | 193,042 | 1.9% |
| 2020 | 10,353,429 | 232,460 | 2.3% |

Next steps



- March 5 – Board of Trustees meeting - possible presentations from public
- March 13 – Special levy due to municipalities
- March 31 – Budget due to province

Questions?



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