



## NEWS RELEASE

### No Property Tax Increase

Beautiful Plains School Division will not have an increase in property taxes for the second straight year. The Division has accessed the tax incentive grant from the province in both 2010 and 2011.

At a Special Board Meeting on March 8, 2011, the Board was advised that the province had increased the tax incentive grant to \$504,331 from the original offer of \$404,331. This increase was the result of discussions with Manitoba Education where Beautiful Plains School Division noted that the increased supports that they budgeted for were to support an expected enrolment increase, more English as an additional language needs and increased expenditures to maintain and enhance high school education given the provincial initiative to require students to attend school to age 18. An apprenticeship coordinator, internet connectivity and interactive television improvements for Colony schools are planned in next year's budget to help engage the high school students.

In order to qualify for the 2011 Tax Incentive Grant the Board decided to use \$63,411 of accumulated surplus rather than remove the enhancements contained in the proposed budget.

The Board expressed concern over using accumulated surplus (in effect deficit budgeting) to support operating expenditures. Deficit budgeting can lead to tax increases in future years to catch up to the existing expenditure levels. Currently the Division has an undesignated surplus of approximately \$400,000 or 3% of operating expenditures. The Division auditor suggests a level of at least 5%.

#### Budget Highlights:

- 2 additional classroom teachers (due to expected enrolment increases)
- .5 apprenticeship coordinator
- An additional .5 EAL/Resource teacher
- 1.5 more educational assistants
- Higher costs for internet connectivity
- Costs for implementing and maintaining ITV in Colony schools
- Plans to complete a renovation project at Neepawa Collegiate that was delayed last year in order to access the tax incentive grant.