



Kahnawà:ke Ratitsénhaiens

Mohawk Council of Kahnawà:ke

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Tsi Nahóten Karihwanákere No'nenk News Release

2011/2012 MCK Budget Released

(Kahnawà:ke – 30, Enniskó:wa/March 2011) The Mohawk Council of Kahnawà:ke (MCK) has finalized the budget for the upcoming 2011/2012 fiscal year (April-March) which totals **\$42,553,679**. In order to 'zero balance' the upcoming budget the MCK was **forced to reduce existing Core program expenditures by \$706,223** to ensure that essential community programs are properly funded. "Core" operating budgets are made up of community programs which have been in place for many years and are considered expected standards in Kahnawà:ke.

Though the impacts of these reductions are expected to be minimal to the community as a whole, it should be noted that a budget reduction of this magnitude will have a detrimental effect on MCK Operations. The MCK would like the Community to be aware of the current budget constraints, and be patient as the MCK programs adjust to revenues which have stagnated or declined in recent years while annual expenditures have increased with annual inflationary rates.

Beyond the 2011/2012 'Core Budget' reduction, the MCK has had to utilize \$935,390 in contingency funds to account for 'Secondary' budget approvals. By definition, 'Secondary' budgets are those that are not routine or recurring each fiscal year, such as School Bus replacements (every 12 years). In 2010/2011, the MCK had over \$1.58 million in 'Secondary' requests but were only able to approve just over \$1.08 million without reducing the Core Budget.

Of the \$935,390 in "Secondary" approvals, \$371,600 is targeted for the purchase of four (4) replacement school buses, and \$319,696 is earmarked to provide increased funding assistance to the Kahnawà:ke Education Center, Skawenni:io Barnes Library and Kahnawà:ke Fire Brigade, leaving just \$3.5 million in our 'Contingency Reserve Fund' for community wide emergencies. Where most communities have 50% of one annual community budget as a contingency reserve, the MCK's target contingency reserve is \$21 million and the Community's contingency reserve should be approximately \$40 million when you include Kahnawake Shakotia'takehnhas Community Services, Kateri Memorial Hospital, Education Center and others.

The MCK has recently renewed a five-year agreement with Indian and Northern Affairs Canada (INAC), who once again sent a letter of commendation recognizing the MCK's strong management of its financial resources. Unfortunately, the dollars in the new INAC funding agreement do not meet the needs of Kahnawà:ke. For example, \$1,015,000 million in project-based funding for Capital construction was no longer guaranteed. This represents 30% of the annual Capital construction activity dating back to the mid-1990s. This massive loss in Capital revenues will have an immediate impact on development within our community.

"Though the current budget was challenging, we are not panicking," said Grand Chief Michael Ahrírhon Delisle Jr. "We will continue to deliver quality services to the Community because of our commitment to financial accountability and look at ways to generate revenue for our collective future."

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