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Tsi Nahóten Karihwanákere No'nenk News Release

MCK Budget 2015-2016 announced

For immediate release

(Kahnawake – 25, Enniskó:wa/March 2015) The Mohawk Council of Kahnawà:ke (MCK) has finalized the upcoming 2015-2016 fiscal year budget (April 1st 2015 to March 31st 2016). The new budget was approved unanimously at the March 9th 2015 Chief and Council meeting and is **\$45,016,281**. The first draft of the budget projected an operational deficit of approximately \$1.8 million as no new significant revenue streams were created, and operating costs continue to increase.

In order to offset the \$1.8 million difference between revenues and expenses the following measures were taken:

- Carry over the 2014/2015 surplus to 2015/2016, projected to be \$567,000 as a result of unexpected revenue from a one-time exchange of US dollars to Canadian dollars;
- Continue to re-structure departments/positions and centralize expenses, approximately \$313,000 in operational savings;
- Re-allocate the annual mortgage interest and transfer revenue to community operations, approximately \$914,000;

The MCK has had an average operating deficit of approximately \$2 million (5%) for the past five years. As far back as 2009 this deficit was funded through a combination of unexpected revenues and the use of appropriate reserves. This year approximately \$1.5 million was needed from appropriated reserves to fund the operating deficit.

"I'm very proud of the work that's been done over the past year by the entire MCK family," stated Grand Chief Michael Ahríhron Delisle, Jr. "We've been able to end this fiscal year with a surplus and we should take pride in this achievement. Once again for 2015/2016, our operations have taken the direction to reduce costs and have been effective in doing so. Again, we've had some unexpected 'income' which has allowed us to take less from appropriations. The need to use interest revenue from our housing program is an indication of the community's need for additional dollars."

Expenses continue to exceed revenues and without significant revenue generation the gap will continue to grow. Along with increasing costs to operate, there is uncertainty surrounding the sustainability of some revenue streams beyond 2015/2016. While this trend persists for another fiscal year the current rate of appropriated fund usage is not sustainable in the long run. Challenging and difficult decisions will need to be made in upcoming fiscal years to truly balance the MCK budget without the use of appropriated reserves.

"Chief and Council are committed to maintaining a balanced budget and will be taking measures to ensure this through our own cost cutting initiatives as well as some forward thinking in terms of economic development," added Delisle.

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