Agenda – Council – March 26, 2008

Report - Executive Policy Committee – March 20, 2008

Item No. 2 2008 Mill Rates for the Education Support Levy and Special Levy File FL-3

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 20, 2008, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submits the following to Council:

1. That in compliance with the mandatory provisions of The Public Schools Act, the necessary by-laws required to fix and impose taxes sufficient to meet that portion of the cost of education required to be raised through levies on assessable property within the City of Winnipeg in 2008 be adopted.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Agenda – Council – March 26, 2008

Report - Executive Policy Committee – March 20, 2008

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 20, 2008, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

RE: 2008 MILL RATES FOR THE EDUCATION SUPPORT LEVY AND SPECIAL LEVY

FOR SUBMISSION TO: EXECUTIVE POLICY COMMITTEE

ORIGINAL REPORT SIGNED BY: CHIEF FINANCIAL OFFICER

REPORT DATE: March 17, 2008

RECOMMENDATION(S):

That in compliance with the mandatory provisions of *The Public Schools Act*, Council adopt the necessary by-laws required to fix and impose taxes sufficient to meet that portion of the cost of education required to be raised through levies on assessable property within the City of Winnipeg in 2008.

Report Summary

Key Issue(s):

- The **Provincial Education Support Levy** (**ESL**) represents an amount the Province of Manitoba collects for educational purposes province-wide. Each municipality in the province is required to bill, collect and remit its respective share of this total amount.

- The **ESL** on Residential property was eliminated in 2006. The 2008 levy on all "Other" property classifications is **$75,777,490**, representing an increase of **$1,054,157** or **1.4%** from the 2007 levy.

- The **Special Levy** represents the various school divisions' additional requirements or portions of their costs that do not qualify for provincial assistance under the province-wide Education Support Levy.

- The City's eight school divisions' **2008 Special Levy requirements** total **$389,223,249**, an increase of **$11,009,308** or **2.9%** over their 2007 requirement. This change in Special Levy requirements ranges from a 6.2% increase in the Seven Oaks School Division to a 2.0% decrease in the Interlake School Division.

- The change in the school divisions' Special Levy requirements, coupled with the change in their respective portioned assessments subject to this levy, has resulted in mill rate changes ranging from a **4.2%** increase in the Seven Oaks School Division to a **0.2%** decrease in the Seine River School Division.

- For 2008, the combined levies for education purposes in Winnipeg will total **$465,000,739**, which is **$12,063,465** or **2.7%** higher than in 2007.

- Based of the 2008 Preliminary Operating Budget, education taxes now represent 53.7% of all property taxes collected in Winnipeg, compared to 53.5% in 2007 and 53.1% in 2006.

Implications of the Recommendation(s):

General Implications

	None
	For the organization overall and/or for other departments
X	**For the community and/or organizations external to the City**
	Involves a multi-year contract

Comment(s): Property owners in the City of Winnipeg are affected by increases or decreases in education related mill rates.

Policy Implications

X	**No**
	Yes

Comment(s):

Regulatory Implications

X	**No**
	Yes

Comment(s):

Environmental Implications:

X	**No**
	Yes

Comment(s):

Human Resources Implications:

X	**No**
	Yes

Comment(s):

Financial Implications

X	**Within approved current and/or capital budget**
	Current and/or capital budget adjustment required

Comment(s): There is no financial impact as the establishing of education related mill rates is revenue neutral to the City of Winnipeg budget.

Report

REASON FOR THE REPORT:

Section 184 of *The Public Schools Act* requires Council of the City of Winnipeg to fix and impose an Education Support Levy. Section 188 similarly requires the fixing and imposition of an Education Special Levy.

HISTORY:

Schedule "A" attached is pertinent to the subject by-laws and includes information in comparison with that for the prior year.

DISCUSSION:

The **Education Support Levy** represents an amount the Province of Manitoba collects for educational purposes province-wide. Each municipality in the province is required to bill, collect and remit its respective share of this total amount.

The **Special Levy** represents the various school divisions' additional requirements or portions of their costs that do not qualify for provincial assistance under the province-wide Education Support Levy. In accordance with legislation, Council is required to annually collect and remit the City's share of these two levies to the Province and the school divisions respectively.

Provincial Education Support Levy

The Provincial levy on Residential property was eliminated in 2006.

The Provincial levy on non-residential ("Other") property is **$75,777,490**, representing an increase of **$1,054,157** or **1.4%** from 2007.

The 2008 requirement corresponds to a mill rate of **16.088** for "Other" property which is **0.4%** higher than the 2007 mill rate (see Schedule "A").

Special Levy

The City's eight school divisions' 2008 Special Levy requirements total **$389,223,249**, an increase of **$11,009,308** or **2.9%** over their 2007 requirement. This change in Special Levy requirements ranges from a 6.2% increase in the Seven Oaks School Division to a 2.0% decrease in the Interlake School Division (see Schedule "A").

The change in the school divisions' Special Levy requirements, coupled with the change in their respective portioned assessment subject to this levy, has resulted in mill rate changes ranging from a 4.2% increase in the Seven Oaks School Division to a 0.2% decrease in the Seine River School Division. (see Schedule "A").

Impact of Combined Mill Rate for Education Purposes

For 2008, the combined levies for education purposes in Winnipeg will total **$465,000,739**, which is **$12,063,465** or **2.7%** higher than in 2007 (see Schedule "A").

Based of the 2008 Preliminary Operating Budget, education taxes now represent 53.7% of all property taxes collected in Winnipeg, compared to 53.5% in 2007 and 53.1% in 2006.

Financial Impact Statement Date: March 17, 2008

COMMENTS: There is no financial impact as the establishing of education related mill rates is revenue neutral to the City of Winnipeg budget.

(original signed by) Brad Cull
Manager of Administration & Finance

IN PREPARING THIS REPORT THERE WAS

Internal Consultation With and Concurrence By:

External Consultation With:

THIS REPORT SUBMITTED BY:

Department: Assessment & Taxation
Division: Administration & Finance
Prepared by: Nelson Karpa, City Assessor/Director
File No. 2008 School and Education Support Levies.doc

SCHEDULE "A"

Amounts to be Raised for Education Purposes

PAYABLE TO SCHOOL DIVISIONS	Requirements 2007	Requirements 2008	Change Amount	Change %	Portioned Assessments	Mill Rates 2007	Mill Rates 2008	Mill Rates Change
Provincial Levy on Residential Property	0	0	0	0.0%	0	0.0	0.0	0.0%
Provincial Levy on Other Property	74,723,333	75,777,490	1,054,157	1.4%	4,710,266,424	16.022	16.088	0.4%
	74,723,333	75,777,490	1,054,157	1.4%	4,710,266,424			
Winnipeg	129,033,323	129,768,694	735,371	0.6%	4,654,630,513	27.822	27.879	0.2%
St. James-Assiniboia	38,178,365	39,761,965	1,583,600	4.1%	1,755,183,407	21.968	22.654	3.1%
Pembina Trails	65,579,031	67,771,110	2,192,079	3.3%	2,844,295,732	23.572	23.827	1.1%
Seven Oaks	27,647,102	29,364,954	1,717,852	6.2%	1,060,486,554	26.582	27.690	4.2%
Seine River	2,946,396	2,937,157	-9,239	-0.3%	121,030,388	24.318	24.268	-0.2%
Interlake	17,600	17,248	-352	-2.0%	797,413	21.604	21.630	0.1%
Louis Riel	63,809,189	66,098,443	2,289,254	3.6%	2,825,078,528	23.380	23.397	0.1%
River East Transcona	51,002,935	53,503,678	2,500,743	4.9%	2,082,805,001	24.829	25.688	3.5%
	378,213,941	389,223,249	11,009,308	2.9%	15,344,307,536			
Total to be Raised for School Purposes	452,937,274	465,000,739	12,063,465	2.7%				