Agenda – Executive Policy Committee – March 19, 2009

Moved by Councillor

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than 96 hours preceding the committee meeting, be considered by Committee.

ADDENDUM REPORTS

Item No. 9 2009 Mill Rates for the Education Support Levy and Special Levy File FL-3

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

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 2009.

RE: 2009 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 16, 2009

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 2009.

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 2009 levy on all "Other" property classifications is **$75,900,709**, representing an increase of **$123,219** or **0.2%** from the 2008 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' **2009 Special Levy requirements** total **$398,543,921**, an increase of **$9,320,672** or **2.4%** over their 2008 requirement. This change in Special Levy requirements ranges from a 0.0% increase in the Interlake School Division to an 8.0% increase in the Seven Oaks 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 **5.5%** increase in the Seven Oaks School Division to a **0.9%** decrease in the Pembina Trails School Division.

- For 2009, the combined levies for education purposes in Winnipeg will total **$474,444,630**, which is **$9,443,891** or **2.0%** higher than in 2008.

- Based on the 2009 Preliminary Operating Budget, education taxes now represent 53.9% of all property taxes collected in Winnipeg, compared to 53.7% in 2008 and 53.5% in 2007.

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 **$75,900,709**, representing an increase of **$123,219** or **0.2%** from 2008.

The 2009 requirement corresponds to a mill rate of **16.049** for "Other" property which is **0.2%** lower than the 2008 mill rate (see Schedule "A").

Special Levy

The City's eight school divisions' 2009 Special Levy requirements total **$398,543,921**, an increase of **$9,320,672** or **2.4%** over their 2008 requirement. This change in Special Levy requirements ranges from a 0.0% increase in the Interlake School Division to a 8.0% increase in the Seven Oaks 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 5.5% increase in the Seven Oaks School Division to a 0.9% decrease in the Pembina Trails School Division (see Schedule “A”).

Impact of Combined Mill Rate for Education Purposes

For 2009, the combined levies for education purposes in Winnipeg will total **$474,444,630**, which is **$9,443,891** or **2.0%** higher than in 2008 (see Schedule “A”).

Based on the 2009 Preliminary Operating Budget, education taxes now represent 53.9% of all property taxes collected in Winnipeg, compared to 53.7% in 2008 and 53.5% in 2007.

Financial Impact Statement Date: March 16, 2009

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 Taxation and Finance

IN PREPARING THIS REPORT THERE WAS

Internal Consultation With and Concurrence By:

External Consultation With:

THIS REPORT SUBMITTED BY:

Department: Assessment and Taxation
Division: Taxation and Finance
Prepared by: Nelson Karpa, City Assessor/Director
File No. 2009 School and Education Support Mill Rate Report.doc

SCHEDULE "A"

Amounts to be Raised for Education Purposes

PAYABLE TO SCHOOL DIVISIONS	Requirements 2008	Requirements 2009	Change Amount	Change %	Portioned Assessments	Mill Rates 2008	Mill Rates 2009	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	75,777,490	75,900,709	123,219	0.2%	4,729,307,422	16.088	16.049	-0.2%
	75,777,490	75,900,709	123,219	0.2%	4,729,307,422			
Winnipeg	129,768,694	132,032,571	2,263,877	1.7%	4,659,444,855	27.879	28.337	1.6%
St. James-Assiniboia	39,761,965	39,921,070	159,105	0.4%	1,765,481,748	22.654	22.612	-0.2%
Pembina Trails	67,771,110	68,620,044	848,934	1.3%	2,905,258,970	23.827	23.619	-0.9%
Seven Oaks	29,364,954	31,714,963	2,350,009	8.0%	1,086,033,159	27.690	29.203	5.5%
Seine River	2,937,157	3,007,028	69,871	2.4%	123,259,096	24.268	24.396	0.5%
Interlake	17,248	17,255	7	0.0%	797,413	21.630	21.639	0.0%
Louis Riel	66,098,443	67,800,324	1,701,881	2.6%	2,896,119,040	23.397	23.411	0.1%
River East Transcona	53,503,678	55,430,666	1,926,988	3.6%	2,114,515,426	25.688	26.214	2.0%
	389,223,249	398,543,921	9,320,672	2.4%	15,550,909,707			
Total to be Raised for School Purposes	465,000,739	474,444,630	9,443,891	2.0%				