Agenda – Executive Policy Committee – March 23, 2011

REPORTS

Item No. 1 2011 Mill Rates for the Education Support Levy and Special Levy

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. 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 2011.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing, including the submission of the necessary by-laws.

ADMINISTRATIVE REPORT

Title: **2011 Mill Rates for the Education Support Levy and Special Levy**

Critical Path: **Executive Policy Committee – Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
T. Austin Coordinator of Data Support & Customer Services	N. Karpa City Assessor	M. Geer Acting CFO	M Ruta Acting CAO

RECOMMENDATIONS

1. 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 2011.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing, including the submission of the necessary by-laws.

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 a Special Levy.

IMPLICATIONS OF THE RECOMMENDATIONS

General Implications

(X) For the community and/or organizations external to the City

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

Financial Implications

(X) Within approved current and/or capital budget

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

HISTORY / DISCUSSION

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 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 Provincial levy on Residential property was eliminated in 2006.

The Provincial levy on non-residential ("Other") property is $86,096,750 representing a decrease of $4,429,730 or 4.9% from 2010.

The 2011 requirement corresponds to a mill rate of 12.272 for "Other" property which is 4.8% lower than the 2010 mill rate (see Schedule "A").

Special 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' 2011 Special Levy requirements total **$411,140,329** an increase of **$3,760,003** or **0.9%** over their 2010 requirement. This change in Special Levy requirements ranges from a 0.1% increase in the Interlake and St. James-Assiniboia School Divisions to a 3.9% increase in the Seine River 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 0.7% decrease in the River East Transcona School Division to a 1.1% increase in the Seine River School Division (see Schedule "A").

Impact of Combined Mill Rate for Education Purposes

For 2011, the combined levies for education purposes in Winnipeg will total **$497,237,079**, which is **$669,727 or 0.1%** lower than in 2010 (see Schedule "A").

Based on the 2011 Preliminary Operating Budget, education taxes now represent 54.3% of all property taxes collected in Winnipeg, compared to 54.6% in 2010 and 53.9% in 2009.

FINANCIAL IMPACT

Financial Impact Statement

Date: March 17, 2011

Project Name:

First Year of Program 2011

2011 Mill Rates for the Education Support Levy and Special Levy

	2011	2012	2013	2014	2015
Capital					
Capital Cost of Proposed Projects	$ -	$ -	$ -	$ -	$ -
Less: Costs paid by Developer	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Education and Special Levy Payments Required	$ 497,237,079	$ -	$ -	$ -	$ -
Less: Education and Special Levies Billed	497,237,079	-	-	-	-
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional 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 R. Abeysekera)

Radhika Abeysekera
Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

In preparing this report there was consultation with:

Internal:

SUBMITTED BY

Department: Assessment and Taxation
Division: Taxation and Finance
Prepared by: T. Austin, Coordinator, Data Support and Customer Services
Date: March 15, 2011
File No. 2011 School and Education Support Mill Rate Report

SCHEDULE "A"

Amounts to be Raised for Education Purposes

PAYABLE TO SCHOOL DIVISIONS	Requirements 2010	Requirements 2011	Change Amount	Change %	Portioned Assessments	Mill Rates 2010	Mill Rates 2011	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	90,526,480	86,096,750	(4,429,730)	-4.9%	7,015,726,013	12.895	12.272	-4.8%
	90,526,480	86,096,750	(4,429,730)	-4.9%	7,015,726,013			
Winnipeg	132,032,571	132,261,877	229,306	0.2%	8,039,522,952	16.451	16.451	0.0%
St. James-Assiniboia	41,504,786	41,546,938	42,152	0.1%	2,949,356,941	14.084	14.087	0.0%
Pembina Trails	69,830,065	70,831,774	1,001,709	1.4%	5,002,504,633	14.173	14.159	-0.1%
Seven Oaks	33,076,282	33,665,864	589,582	1.8%	1,942,264,619	17.354	17.333	-0.1%
Seine River	3,438,829	3,573,390	134,561	3.9%	223,486,135	15.808	15.989	1.1%
Interlake	30,564	30,601	37	0.1%	1,708,963	17.885	17.906	0.1%
Louis Riel	69,967,992	71,114,053	1,146,061	1.6%	5,007,890,560	14.193	14.200	0.0%
River East Transcona	57,499,237	58,115,832	616,595	1.1%	3,692,919,311	15.841	15.737	-0.7%
	407,380,326	411,140,329	3,760,003	0.9%	26,859,654,114			
Total to be Raised for School Purposes	497,906,806	497,237,079	-669,727	-0.1%				