Agenda - Council – March 25, 2015

Report "A" – Executive Policy Committee – March 18, 2015

Item No. 6 2015 Mill Rates for the Education Support Levy and Special Levy

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 18, 2015, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted 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 2015 be adopted.

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.

Report “A” – Executive Policy Committee – March 18, 2015

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 18, 2015, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

ADMINISTRATIVE REPORT

Title: **2015 Mill Rates for the Education Support Levy and Special Levy**

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

AUTHORIZATION

Author	Department Head	CFO	CAO
T. Austin	M. Chambers	Mike Ruta	M. Jack A/CAO

RECOMMENDATIONS

1. That, in compliance with the mandatory provisions of *The Public Schools Act*, Council adopts 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 2015.

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

Property owners in the City of Winnipeg are affected by increases or decreases in education related mill rates.

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

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 $104,260,033 representing an increase of $3,276,909 or 3.2% from 2014.

The 2015 requirement corresponds to a mill rate of 11.745 for "Other" property which is 2.2% higher than the 2014 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' 2015 Special Levy requirements total **$502,560,586** an increase of **$24,298,625** or **5.1%** over their 2014 requirement. This change in Special Levy requirements ranges from a 2.7% increase in the Interlake School Division to a 7.5% increase in the Louis Riel 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 2.1% increase in the Pembina Trails and River East Transcona School Divisions to a 5.3% increase in the Louis Riel School Division (see Schedule "A").

Impact of Combined Mill Rate for Education Purposes

For 2015, the combined levies for education purposes in Winnipeg will total **$606,820,619**, which is **$27,575,534 or 4.8%** higher than in 2014 (see Schedule "A").

Based on the 2015 Operating Budget, education taxes now represent 54.6% of all property taxes collected in Winnipeg, compared to 54.5% in 2014 and 53.25% in 2013.

FINANCIAL IMPACT

Financial Impact Statement

Date: March 13, 2015

Project Name:

2015 Mill Rates for the Education Support Levy and Special Levy

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

Ramona Hodges
Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

In preparing this report there was consultation with:

SUBMITTED BY

Department:	Assessment and Taxation
Division:	Taxation and Finance
Prepared by:	T. Austin, Manager of Taxation and Finance Services
Date:	March 13, 2015
File No.	2015 School and Education Support Mill Rate Report

SCHEDULE "A"

Amounts to be Raised for Education Purposes

PAYABLE TO SCHOOL DIVISIONS	Requirements 2014	Requirements 2015	Change Amount	Change %	Portioned Assessments	Mill Rates 2014	Mill Rates 2015	Mill Rates Change
Provincial Levy on Other Property	100,983,124	104,260,033	3,276,909	3.2%	8,876,994,017	11.493	11.745	2.2%
	100,983,124	104,260,033	3,276,909	3.2%	8,876,994,017			
Winnipeg	158,104,106	164,402,479	6,298,373	4.0%	10,540,192,224	15.109	15.598	3.2%
St. James-Assiniboia	47,056,492	48,593,513	1,537,021	3.3%	3,833,240,858	12.257	12.677	3.4%
Pembina Trails	82,047,304	86,767,325	4,720,021	5.8%	7,003,217,455	12.132	12.390	2.1%
Seven Oaks	39,364,416	41,894,690	2,530,274	6.4%	2,678,495,094	14.939	15.641	4.7%
Seine River	4,328,876	4,514,275	185,399	4.3%	297,011,915	14.556	15.199	4.4%
Interlake	31,265	32,108	843	2.7%	2,232,778	14.003	14.380	2.7%
Louis Riel	83,142,211	89,379,885	6,237,674	7.5%	6,839,734,022	12.409	13.068	5.3%
River East Transcona	64,187,291	66,976,311	2,789,020	4.3%	4,925,822,392	13.316	13.597	2.1%
	478,261,961	502,560,586	24,298,625	5.1%	36,119,946,738			
Total to be Raised for School Purpose	579,245,085	606,820,619	27,575,534	4.8%				