Agenda – Executive Policy Committee – March 22, 2017

REPORTS

Item No. 1 2017 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 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 2017.

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: 2017 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	Paul Olafson	D. McNeil

EXECUTIVE SUMMARY

This Administrative Report provides information regarding the 2017 budget requirements from the school divisions that are located within the boundaries of the City of Winnipeg as well as the Provincial Education Support Levy.
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.

Therefore, 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 2017.

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 2017.

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/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 $107,234,613 representing a decrease of $4,670,676 or 4.2% from 2016.

The 2017 requirement corresponds to a mill rate of 10.486 for "Other" property which is 3.7% lower than the 2016 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' 2017 Special Levy requirements total $560,134,524 an increase of $26,217,158 or 4.9% over their 2016 requirement. This change in Special Levy requirements ranges from a 3.8% increase in the Winnipeg School Division to a 6.4% increase in the St. James - Assiniboia 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 2.7% increase in the River East Transcona School Division to a 5.6% increase in the St. James - Assiniboia School Division (see Schedule "A").

Impact of Combined Mill Rate for Education Purposes

For 2017, the combined levies for education purposes in Winnipeg will total $667,369,137, which is $21,546,482 or 3.3% higher than in 2016 (see Schedule "A").

Based on the 2017 Operating Budget, education taxes now represent 55.2% of all property taxes collected in Winnipeg, compared to 55.2% in 2016 and 54.6% in 2015.

FINANCIAL IMPACT

Financial Impact Statement **Date:** March 15, 2017

Project Name:

2017 Mill Rates for the Education Support Levy and Special Levy

COMMENTS:

There is no finanical 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

This Report has been prepared in consultation with:

Legal Services (for by-law preparation only)

OURWINNIPEG POLICY ALIGNMENT

N/A

SUBMITTED BY

Department: Assessment and Taxation
Division: Taxation and Finance
Prepared by: Tim Austin, Manager of Taxation and Finance Services
Date: March 15, 2017
File No. 2017 School and Education Support Mill Rate Report

SCHEDULE "A"

Amounts to be Raised for Education Purposes

PAYABLE TO SCHOOL DIVISIONS	Requirements 2016	Requirements 2017	Change Amount	Change %	Portioned Assessments	Mill Rates 2016	Mill Rates 2017	Mill Rates Change
Provincial Levy on Other Property	111,905,289	107,234,613	(4,670,676)	-4.2%	10,226,503,783	10.890	10.486	-3.7%
	111,905,289	107,234,613	(4,670,676)	-4.2%	10,226,503,783			
Winnipeg	171,800,610	178,368,654	6,568,044	3.8%	11,881,421,717	14.448	15.012	3.9%
St. James-Assiniboia	51,077,403	54,363,784	3,286,381	6.4%	4,146,570,863	12.415	13.111	5.6%
Pembina Trails	93,949,661	99,365,830	5,416,169	5.8%	7,995,860,406	12.091	12.427	2.8%
Seven Oaks	44,649,621	47,296,093	2,646,472	5.9%	2,932,997,191	15.370	16.126	4.9%
Seine River	4,716,316	4,929,862	213,546	4.5%	341,017,079	14.067	14.456	2.8%
Interlake	36,157	37,632	1,475	4.1%	2,740,308	13.157	13.733	4.4%
Louis Riel	96,110,413	101,232,152	5,121,739	5.3%	7,638,738,083	12.756	13.252	3.9%
River East Transcona	71,577,185	74,540,517	2,963,332	4.1%	5,581,748,501	12.999	13.354	2.7%
	533,917,366	560,134,524	26,217,158	4.9%	40,521,094,148			
Total to be Raised for School Purpose	645,822,655	667,369,137	21,546,482	3.3%				