**Agenda – Executive Policy Committee – March 22, 2018**

## REPORTS

### Item No. 1 2018 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 2018.

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:** 2018 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 | M. Ruta | D. McNeil |

## EXECUTIVE SUMMARY

This Administrative Report provides information regarding the 2018 budget requirements arising from the school divisions 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 the 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 2018.

## 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 2018.

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 Education Support levy on Residential property was eliminated in 2006.

The Provincial Education Support levy on non-residential ("Other") property is $112,782,891 representing an increase of $5,548,278 or 5.2% from 2017.

The 2018 requirement corresponds to a mill rate of 10.073 for "Other" property which is 3.9% lower than the 2017 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' 2018 Special Levy requirements total $586,967,336 an increase of $26,832,812 or 4.8% over their 2017 requirement. This change in Special Levy requirements ranges from a 3.6% increase in the St. James-Assiniboia School Division to a 19.5% increase 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 1.7% decrease in the Winnipeg School Division to a 1.7% increase in the Seven Oaks School Division (see Schedule "A").

## Impact of Combined Mill Rate for Education Purposes

For 2018, the combined levies for education purposes in Winnipeg will total $699,750,227, which is $32,381,090 or 4.9% higher than in 2017 (see Schedule “A”).

Based on the 2018 Operating Budget, education taxes now represent 55.5% of all property taxes collected in Winnipeg, compared to 55.2% in both 2016 and 2017.

**FINANCIAL IMPACT**

## Financial Impact Statement **Date:** March 15, 2018

## Project Name:

## 2018 Mill Rates for the Eudcation 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
Tanis Yanchisyhn
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, 2018
File No. 2018 School and Education Support Mill Rate Report

## SCHEDULE "A"

### Amounts to be Raised for Education Purposes

| PAYABLE TO SCHOOL DIVISIONS | Requirements 2017 | Requirements 2018 | Change Amount | Change % | Portioned Assessments | Mill Rates 2017 | Mill Rates 2018 | Mill Rates Change |
|---|---|---|---|---|---|---|---|---|
| Provincial Levy on Other Property | 107,234,613 | 112,782,891 | 5,548,278 | 5.2% | 11,196,890,083 | 10.486 | 10.073 | -3.9% |
| | 107,234,613 | 112,782,891 | 5,548,278 | 5.2% | 11,196,890,083 | | | |
| Winnipeg | 178,368,654 | 185,924,095 | 7,555,441 | 4.2% | 12,594,491,277 | 15.012 | 14.762 | -1.7% |
| St. James-Assiniboia | 54,363,784 | 56,343,683 | 1,979,899 | 3.6% | 4,343,272,904 | 13.111 | 12.973 | -1.1% |
| Pembina Trails | 99,365,830 | 104,767,213 | 5,401,383 | 5.4% | 8,478,383,909 | 12.427 | 12.357 | -0.6% |
| Seven Oaks | 47,296,093 | 49,759,108 | 2,463,015 | 5.2% | 3,034,008,231 | 16.126 | 16.400 | 1.7% |
| Seine River | 4,929,862 | 5,139,261 | 209,399 | 4.2% | 349,940,151 | 14.456 | 14.686 | 1.6% |
| Interlake | 37,632 | 44,983 | 7,351 | 19.5% | 3,310,530 | 13.733 | 13.588 | -1.1% |
| Louis Riel | 101,232,152 | 106,538,958 | 5,306,806 | 5.2% | 7,982,123,725 | 13.252 | 13.347 | 0.7% |
| River East Transcona | 74,540,517 | 78,450,035 | 3,909,518 | 5.2% | 5,838,675,013 | 13.354 | 13.436 | 0.6% |
| | 560,134,524 | 586,967,336 | 26,832,812 | 4.8% | 42,624,205,740 | | | |
| Total to be Raised for School Purpose | 667,369,137 | 699,750,227 | 32,381,090 | 4.9% | | | | |