Minutes – Executive Policy Committee – March 22, 2018

REPORTS

Item No. 1 2018 Mill Rates for the Education Support Levy and Special Levy

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and recommended 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 2018 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.

DECISION MAKING HISTORY:

Moved by Councillor Orlikow,

That the recommendation of the Winnipeg Public Service be concurred in and forwarded to Council.

Carried

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	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%				