Agenda – Executive Policy Committee – March 19, 2019

REPORTS

Item No. 1 2019 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 2019.

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: 2019 Mill Rates for the Education Support Levy and Special Levy

Critical Path: Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
T. Austin	K. Shields	M. Ruta	D. McNeil

EXECUTIVE SUMMARY

This Administrative Report provides information regarding the 2019 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 2019.

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 2019.

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 $110,145,767 representing a decrease of $2,637,124 or 2.3% from 2018.

The 2019 requirement corresponds to a mill rate of 9.820 for "Other" property which is 2.5% lower than the 2018 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' 2019 Special Levy requirements total $603,828,422, an increase of $16,861,086 or 2.9% over their 2018 requirement. This change in Special Levy requirements ranges from a 3.8% increase in the St. James-Assiniboia School Division to a 0.2% decrease 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 0.5% decrease in the Seine River School Division to a 3.5% increase in the St. James-Assiniboia School Division (see Schedule "A").

Impact of Combined Mill Rate for Education Purposes

For 2019, the combined levies for education purposes in Winnipeg will total $713,974,189, which is $14,223,962 or 2.0% higher than in 2018 (see Schedule “A”).

Based on the 2019 Operating Budget, education taxes now represent 55.0% of all property taxes collected in Winnipeg, compared to 55.5% in 2018 and 55.2% in 2017.

FINANCIAL IMPACT

Financial Impact Statement **Date:** March 15, 2019

Project Name:

2019 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, 2019
File No. 2019 School and Education Support Mill Rate Report

Attachments:

Schedule A: Amounts to be Raised for Education Purposes

SCHEDULE "A"

Amounts to be Raised for Education Purposes

PAYABLE TO SCHOOL DIVISIONS	Requirements 2018	Requirements 2019	Change Amount	Change %	Portioned Assessments	Mill Rates 2018	Mill Rates 2019	Mill Rates Change
Provincial Levy on Other Property	112,782,891	110,145,767	(2,637,124)	-2.3%	11,216,007,231	10.073	09.820	-2.5%
	112,782,891	110,145,767	(2,637,124)	-2.3%	11,216,007,231			
Winnipeg	185,924,095	191,440,649	5,516,554	3.0%	12,652,632,400	14.762	15.130	2.5%
St. James-Assiniboia	56,343,683	58,492,404	2,148,721	3.8%	4,355,143,659	12.973	13.431	3.5%
Pembina Trails	104,767,213	107,449,620	2,682,407	2.6%	8,723,869,061	12.357	12.317	-0.3%
Seven Oaks	49,759,108	51,373,572	1,614,464	3.2%	3,071,752,356	16.400	16.725	2.0%
Seine River	5,139,261	5,129,534	-9,727	-0.2%	351,051,371	14.686	14.612	-0.5%
Interlake	44,983	44,981	-2	0.0%	3,310,530	13.588	13.587	0.0%
Louis Riel	106,538,958	109,953,815	3,414,857	3.2%	8,036,823,110	13.347	13.681	2.5%
River East Transcona	78,450,035	79,943,847	1,493,812	1.9%	5,949,989,052	13.436	13.436	0.0%
	586,967,336	603,828,422	16,861,086	2.9%	43,144,571,539			
Total to be Raised for School Purpose	699,750,227	713,974,189	14,223,962	2.0%				