Agenda – Executive Policy Committee – March 17, 2020

Moved by Councillor

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than four business days preceding the committee meeting, be considered by Committee.

ADDENDUM REPORTS

Item No. 10 2020 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 2020.

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: 2020 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	P. Olafson Interim CFO	M. Ruta, Interim CAO

EXECUTIVE SUMMARY

This Administrative Report provides information regarding the 2020 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 2020.

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 2020.

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 $111,375,711 representing an increase of $1,229,944 or 1.1% from 2019.

The 2020 requirement corresponds to a mill rate of 9.112 for "Other" property which is 7.2% lower than the 2019 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' 2020 Special Levy requirements total $620,958,093 an increase of $17,129,671 or 2.8% over their 2019 requirement. This change in Special Levy requirements ranges from a 1.9% increase in the River East-Transcona School Division to a 67.0% 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 5.6% decrease in the Pembina Trails School Division to a 58.2% increase in the Interlake School Division (see Schedule "A").

The Assessment and Taxation Department has been in contact with the Province of Manitoba Municipal Relations and the Department of Education in order to review the submitted budget requirement for the Interlake School Division. If, upon completion of the review an adjustment is required, an amendment will be forthcoming.

Impact of Combined Mill Rate for Education Purposes

For 2020, the combined levies for education purposes in Winnipeg will total $732,333,804, which is $18,359,615 of 2.6% higher than in 2019 (see Schedule “A”).

Based on the 2020 Operating Budget, education taxes now represent 54.6% of all property taxes collected in Winnipeg, compared to 55.0% in 2019 and 55.5% in 2018.

FINANCIAL IMPACT

Financial Impact Statement **Date:** March 15, 2020

Project Name:

2020 Mill Rates for the Education Support Levy and Special Levy

COMMENTS:

There is no financial impact as the estabishing of eduction 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

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

N/A

SUBMITTED BY

Department: Assessment and Taxation Department
Division: Taxation and Finance
Prepared by: Tim Austin, Manager of Taxation and Finance Services
Date: March 15, 2020
File No: 2020 School and Education Support Mill Rate Report

SCHEDULE "A"

Amounts to be Raised for Education Purposes

PAYABLE TO SCHOOL DIVISIONS	Requirements 2019	Requirements 2020	Change Amount	Change %	Portioned Assessments	Mill Rates 2019	Mill Rates 2020	Change
Provincial Levy on Other Property	110,145,767	111,375,711	1,229,944	1.1%	12,223,030,156	09.820	09.112	-7.2%
	110,145,767	111,375,711	1,229,944	1.1%	12,223,030,156			
Winnipeg	191,440,649	197,160,436	5,719,787	3.0%	13,447,142,535	15.130	14.662	-3.1%
St. James-Assiniboia	58,492,404	60,279,473	1,787,069	3.1%	4,585,052,593	13.431	13.147	-2.1%
Pembina Trails	107,449,620	110,175,382	2,725,762	2.5%	9,480,094,281	12.317	11.622	-5.6%
Seven Oaks	51,373,572	53,162,056	1,788,484	3.5%	3,252,485,970	16.725	16.345	-2.3%
Seine River	5,129,534	5,277,705	148,171	2.9%	367,267,709	14.612	14.370	-1.7%
Interlake	44,981	75,121	30,140	67.0%	3,494,201	13.587	21.499	58.2%
Louis Riel	109,953,815	113,355,151	3,401,336	3.1%	8,550,566,281	13.681	13.257	-3.1%
River East Transcona	79,943,847	81,472,769	1,528,922	1.9%	6,300,949,280	13.436	12.930	-3.8%
	603,828,422	620,958,093	17,129,671	2.8%	45,987,052,850			
Total to be Raised for School Purpose	713,974,189	732,333,804	18,359,615	2.6%				