**Agenda – Council – March 20, 2020**

**Report – Executive Policy Committee – March 17, 2020**

**Item No. 6 2020 Mill Rates for the Education Support Levy and Special Levy**

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 17, 2020, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the following 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 2020 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.

## Report – Executive Policy Committee – March 17, 2020

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 17, 2020, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

# 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<br>Interim CFO | M. Ruta,<br>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% | | | | |