Agenda – Council – March 20, 2024

Report – Executive Policy Committee – March 19, 2024

Item No. 2 2024 Mill Rates for the Education Support Levy and Special Levy

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 19, 2024, 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, 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 2024.

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 19, 2024

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 19, 2024, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

ADMINISTRATIVE REPORT

Title: 2024 Mill Rates for the Education Support Levy and Special Levy

Critical Path: Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
T. Yanchishyn	T. Austin	C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

This Administrative Report provides information regarding the 2024 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 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 2024.

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 2024.

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 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.

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 $108,459,849 representing a decrease of $2,083,373 or 1.9% lower than the 2023 requirement.

The 2024 requirement corresponds to a mill rate of 8.232 for "Other" property which is 2.2% lower than the 2023 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' 2024 Special Levy requirements total $658,302,030 an increase of $35,386,559 or 5.7% higher than the 2023 requirement. This change in Special Levy requirements ranges from an 3.6% increase in the Winnipeg School Division to a 9.1% increase in the River East Transcona 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 2.0% increase in the Seven Oaks School Division to an 8.2% increase in the Interlake School Division (see Schedule A).

Impact of Combined Mill Rate for Education Purposes

For 2024, the combined levies for education purposes in Winnipeg will total $766,761,879, which is $33,303,186 or 4.5% higher than in 2023 (see Schedule A).

Based on the 2024 Operating Budget, education taxes now represent 52.83% of all property taxes collected in Winnipeg, compared to 51.72% in 2023 and 52.68% in 2022.

FINANCIAL IMPACT

Financial Impact Statement Date: March 15, 2024

Project Name:

2024 Mill Rates for the Education Support Levy and Special Levy

COMMENTS:

There is no financial impact as the establishing of education related mill rates is revenue neutral to the City of Winnipeg budget. The City will collect $766.762 million on behalf of the Province and school divisions and remit an equal amount, net of the applicable Education Property Tax Credit to the Province and school divisions.

Tanis Yanchishyn March 15, 2024

Tanis Yanchishyn, CPA, CA
Manager of Taxation and Finance
Assessment and Taxation Department

CONSULTATION

This Report has been prepared in consultation with:

- Legal Services (for by-law preparation only)

OURWINNIPEG POLICY ALIGNMENT

Consideration was given as to whether this report connects to OurWinnipeg and it was determined that the OurWinnipeg is not applicable to this specific report.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Climate Action Plan (CAP), and it was determined that the CAP is not applicable to this specific report.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Poverty Reduction Strategy (PRS), and it was determined that the PRS is not applicable to this specific report.

SUBMITTED BY

Department: Assessment and Taxation Department
Division: Taxation and Finance
Prepared by: Tanis Yanchishyn, Manager of Taxation and Finance
Date: March 15, 2024
File No: 2024 School and Education Support Mill Rate Report

Attachments

Schedule A