



Meeting with
Honourable Peter Bjornson
Minister of Education, Citizenship and Youth

April 7, 2009

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Executive Summary

Departmental Issues

1. Reduction of Education Tax from Property

- The two primary issues with the current structure are that it is inequitable for ratepayers and does not allow municipalities to control the level of property taxation.
- In order to fulfill its core responsibility for education, the Province must identify new, sustainable mechanisms that allow all schools divisions to reduce their reliance on property taxes to fund education.
- Even with the recent progress, these actions do not fully address the problem that education taxes on property currently account for approximately half of all property tax bills.
- If municipalities had the majority influence on determining local property tax levels, councils would be better equipped to ensure that all municipal services are appropriately funded.
- The AMM appreciated the Provincial Government's five-year plan to achieve an 80:20 funding formula for education, however, to ensure that education funding remains adequate and equitable, this ratio must apply specifically to operating costs rather than to all education expenses.

Therefore, the AMM urges the Provincial Government to implement a long-term plan to reduce the reliance on education property tax and to achieve an 80:20 funding ratio for operating costs.

2. Anti-Drug Programs in Schools

- Municipalities have an important role in defining local crime prevention tactics and are therefore seeking methods of eradicating drug use among young people.
- Youth education is a critical process since it can develop relationships with positive role models and effectively reduce crime over the long-term.
- The Provincial Government has an opportunity through the education system to work towards preventing the variety of crimes associated with substance use.

Therefore, the AMM urges the Provincial Government to provide funding and support for anti-drug programming as part of Manitoba's school curriculum.

3. Amendments to Public Schools Act for Public Hearings

- Public hearings represent a key part of the municipal planning process since local residents have an opportunity to provide feedback on municipal initiatives.
- While there is inherent accountability through the school board election process, municipal councils are not only elected but also subject to additional measures that maintain accountability.
- Since the connection between long-term borrowing and property taxes is comparable for school boards and municipalities, similar expectations should be required of each entity.
- Although *The Public Schools Act* allows the Minister to refer financing matters to a vote of the resident voters of the school division, this provision is not exercised frequently enough to ensure that the public opinion is adequately considered.

Therefore, the AMM urges the Provincial Government to amend *The Public Schools Act* to require that school board approval processes include public hearings on matters of long-term borrowing.

4. Joint Use of Facilities

- The AMM was pleased to participate in the Joint Use of Schools and Community Facilities Advisory Committee to promote enrichment, development and accomplishment through recreation and leisure activities.
- Throughout the development of the Advisory Committee's final report, the AMM indicated that municipalities should not be expected to bear the full costs of the joint use of facilities.
- This is particularly important as the Province implements the mandatory physical education curriculum for grades 11 and 12.
- The AMM is aware that the Province is currently in the process of reviewing the Advisory Committee's final report and looks forward to learning how the Province will act on its recommendations.
- If the Province is prepared to commit greater resources to the physical education curriculum and public schools infrastructure, municipalities will be in a better position to assist in the delivery of these important initiatives.

Therefore, the AMM urges the Provincial Government to provide additional operating funding for municipal recreation facilities as compensation for providing reduced user fees to school divisions facing new physical education requirements.

General Issue

1. Alternate Revenues for Municipalities and Infrastructure Investment

- Today's municipal council must balance community economic development, land use planning and infrastructure renewal and development with an eroding tax base and an increased reliance on application-based grants.
- The message the AMM is hoping to convey is not that the provincial or federal government has completely forgotten about municipalities, but rather that despite their efforts municipalities still face enormous challenges and more is needed.
- A new approach is needed, and for this reason we are asking the Province of Manitoba to share one percent of the Provincial Sales Tax with municipalities for infrastructure. This will provide municipalities with in excess of \$200 million a year.
- In 2009, the Saskatchewan Government has allocated \$100 million for municipal infrastructure to be distributed on a per capita basis, as well as \$167 million for municipalities from the Provincial Sales Tax.
- What should not be lost is the positive impact infrastructure investment would have for the provincial and national economy.
- A study by the Federation of Canadian Municipalities found that an increase in municipal infrastructure spending of \$1 billion in 2008 (at nominal process and allocated to a representative mix of infrastructure) would increase the size of the real economy by roughly 0.13 percent or \$1.3 billion in nominal terms.
- Municipalities are not looking for new revenue sources to store money away for a rainy day. The storm has arrived.
- Providing municipalities with new revenue sources will not only begin to address the growing infrastructure deficit, but will help build and strengthen our economy.
- For municipal government to be sustainable into the future, and for Manitobans to have access to the quality of life they deserve, municipalities need to have access to sustainable growth revenues.

Therefore the AMM is asking the Province to undertake a serious review of the roles, responsibilities and resources of municipal government in Manitoba and in the short term provide municipalities with one percent of the current PST to help address the growing municipal infrastructure deficit.

Departmental Issues

1. Reduction of Education Tax from Property

The need to modify education funding mechanisms has been a top municipal concern for several decades. Municipal officials from all areas of the province consistently raise this issue with the AMM Executive at our events over the course of the year. The two primary issues with the current structure are that it is inequitable for ratepayers and does not allow municipalities to control the level of property taxation. The Province must take action to resolve these long-standing issues in order to equip municipalities with enhanced tools to provide the range of services their communities require.

Recently, there has been some movement toward reducing the amount of education funding that is collected from property taxation. The elimination of the residential ESL, the commitment to increase the education tax rebate on farmland to 80 percent and recent increases to the education property tax credit are all positive steps towards reducing the reliance on property taxes. Yet there are further opportunities to minimize property taxes such as addressing the level of education taxation on commercial property. In order to fulfill its core responsibility for education, the Province must identify new, sustainable mechanisms that allow all schools divisions to reduce their reliance on property taxes to fund education.

Even with the recent progress, these actions do not fully address the problem that education taxes on property currently account for approximately half of all property tax bills. As long as education taxes on property remain high, municipalities will not have sufficient control over the level of local property taxes. Since property taxes are the primary mechanism for generating municipal revenues, the current limitations on setting local tax rates restrict a municipality's ability to provide a wide range of necessary municipal services. If municipalities had the majority influence on determining local property tax levels, councils would be better equipped to ensure that all municipal services are appropriately funded. Instead, municipalities are constrained by their ratepayers' ability to pay both the municipal and provincial portion of the current property tax. Therefore, education taxes on property continue to be a significant barrier to

municipal service delivery and this issue will remain a priority until municipalities are empowered with greater control over local property taxation.

The need to change the funding mechanism for education does not suggest that municipalities are unsupportive of maintaining a high-quality education system. In fact, municipalities do not support any reduction in education spending. Rather, education should be funded equitably by all Manitobans through an appropriate Provincial funding system. The complex nature of this task requires a long-term plan to address the extensive changes that are required. For this reason, the AMM appreciated the Provincial Government's five-year plan to achieve an 80:20 funding formula for education and the recent commitment to a four-year capital program for new schools and renovations to existing facilities. However, to ensure that education funding remains adequate and equitable, the 80:20 ratio must apply specifically to operating costs rather than to all education expenses. Otherwise, the education funding system will continue to rely too heavily on property taxes and municipal concerns will remain unresolved.

Other provinces have recently made impressive commitments to cut education property taxes. For instance, Saskatchewan announced a \$103 million reduction in the overall amount of tax paid by property owners to fund education, a decrease of 14 percent over the previous year. The Saskatchewan government also committed to a further reduction of \$53 million in the following year. At the same time, the Province of Saskatchewan will increase its share of funding to school divisions by \$241 million this year. There are similar problems with Manitoba's education taxation system and the 2009 Provincial Budget should have provided greater assistance for Manitoba municipalities.

Therefore, the AMM urges the Provincial Government to implement a long-term plan to reduce the reliance on education property tax and to achieve an 80:20 funding ratio for operating costs.

2. Anti-Drug Programs in Schools

Substance use and abuse is a complex social problem that requires attention from all orders of government. Today's youth are facing increasing exposure to drugs in all areas of Manitoba, meaning that more and more municipalities are seeking out effective drug prevention strategies. Municipalities have an important role in defining local crime prevention initiatives and eradicating drug use among young people is key to the overall success of such local strategies.

In particular, youth education has been identified as a critical process since it provides a forum for dialogue and presents opportunities to develop relationships with positive role models. In an effort to reduce crime associated with drug use over the long term, the AMM is promoting the increased use of Drug Abuse Resistance Education (DARE), Lions Quest and similar programming. Employing these well-established programs would allow for consistent messaging regarding drug awareness and avoidance for all Manitoba youths.

The Provincial Government has an opportunity to further develop Manitoba's education system to make a greater impact towards preventing the variety of crimes associated with substance use. DARE and Lions Quest are two of the most prominent anti-drug programs available, particularly since the former is facilitated by the RCMP. Municipalities support these particular programs as possible avenues for teaching drug avoidance techniques through the school curriculum, yet there are various additional mechanisms that can offer this valuable education to Manitoba's youth. Therefore there are many options available for the Provincial Government and local school boards to include drug prevention programming in schools, while ensuring that the needs of local communities are met. The most important outcome is for all students to be exposed to a structured anti-drug campaign in order to address the growing accessibility of a wide variety of drugs in all Manitoba communities. The Province must ensure that such programs are given sufficient attention within the curriculum such that all schools adequately promote drug awareness.

The AMM appreciates that the Province has implemented some programs to engage youth and ensure that schools are not tolerant of drug use. For instance, the Safe Schools Charter and the requirement for drug and alcohol policies are important tools that encourage schools to address

drug use for all age groups. At the same time, the availability of drugs continues to be a pervasive problem for large and small, urban and rural communities and greater action is required.

Therefore, the AMM urges the Provincial Government to provide funding and support for anti-drug programming as an integral part of Manitoba's school curriculum.

3. Amendments to Public Schools Act for Public Hearings

Municipalities support the public hearing process since it provides local residents the opportunity to offer feedback on municipal planning and budgeting initiatives. This structure is in place because long-term borrowing proposals from municipalities could significantly impact property tax rates. Municipalities rely on property taxes as the primary method of revenue generation and it is reasonable to offer ratepayers an opportunity to provide input when long-term borrowing proposals arise. At the same time, approximately half of all property taxes are allocated to education which places school boards in a similar position. Due to the connection between long-term borrowing and property taxes for both municipalities and schools boards, parallel processes should be in place to reflect the impact of long-term borrowing on ratepayers.

Municipalities are strong proponents of accountability in public decision making and the Province has demonstrated that it values this important principle as well. As an elected body, school boards should also be held to the same standards of accountability. The process of elections for school boards provides some accountability, however municipal councils must be elected and undertake additional measures that maintain accountability. Since the connection between long-term borrowing and property taxes is comparable for school boards and municipalities, similar expectations should be required of each entity. Community ratepayers are equally affected by the spending of school boards and municipalities, and sufficient opportunity should be available to comment on the expenditures and financing proposals of each of these public entities.

Although *The Public Schools Act* allows the Minister to refer financing matters to a vote of the resident voters of the school division, this provision is not exercised often enough to ensure that the public opinion is adequately considered. In contrast, the public hearing process is an effective and consistent mechanism to offer residents a voice in the decision making of public authorities. Therefore, school boards should be required to hold public hearings regarding long-term borrowing proposals.

The Province committed to consider ways of improving the public process for long-term borrowing for school boards, and the AMM looks forward to the implementation of any identified suggestions that would enhance accountability.

Therefore, the AMM urges the Provincial Government to amend *The Public Schools Act* to require that school board approval processes include public hearings on matters of long-term borrowing.

4. Joint Use of Facilities

A healthy and active population is key to maintaining a vibrant community, therefore municipalities are committed to investing in public recreation facilities. Municipalities recognize that creating partnerships is crucial to enhancing and expanding the local recreational opportunities that are available. Such partnerships lead to cost efficiencies since infrastructure is in place to meet a variety of community demands for recreation.

For this reason, the AMM was pleased to participate in the Joint Use of Schools and Community Facilities Advisory Committee to promote enrichment, development and accomplishment through recreation and leisure activities. Developing joint use agreements presents an important opportunity for municipalities and school divisions to work together in order to offer greater recreation options to Manitobans.

Throughout the development of the Advisory Committee's final report, the AMM indicated that municipalities should not be expected to bear the full costs of the joint use of facilities. The Province must continue to play a role in funding recreation infrastructure in schools, as well as other community resources such as libraries and recreation centres. This is particularly important as the Province implements the mandatory physical education curriculum for grades 11 and 12. Municipalities share the Province's concern for promoting healthy living among all students and are fully prepared to work with school divisions to make the necessary facilities available. However, many municipalities already offer reduced rates to school divisions and municipal governments cannot unilaterally sustain the funding required for these new arrangements. The cost of fulfilling the new physical education requirements should not be downloaded to municipalities. Rather, the Province should provide funding to offset the costs of municipalities providing recreation services to school divisions.

The AMM is aware that the Province is currently in the process of reviewing the Advisory Committee's final report and looks forward to learning how the Province will act on its recommendations. The Province recently made some important commitments that should assist in resolving this issue. In particular, the recent announcement of an additional \$1.6 million to support the implementation of the grade 11 and 12 physical education requirements should also

support the joint use of community and school facilities. As well, the 2009 Budget commitment to invest in a four-year capital program should be directed towards enhancing the resources available to school divisions and reducing the reliance on municipal funding to provide recreational opportunities. If the Province is prepared to commit greater resources to the physical education curriculum and public schools infrastructure, municipalities will be in a better position to assist in the delivery of these important initiatives.

Therefore, the AMM urges the Provincial Government to provide additional operating funding for municipal recreation facilities as compensation for providing reduced user fees to school divisions facing new physical education requirements.

General Issue

1. Alternate Revenues for Municipalities and Infrastructure

Investment

The lack of revenue is not a new problem for municipalities. In fact a strong argument can be made that from its inception municipal government has not had the resources required. You need only look back to the resolutions from the founding meeting of the Union of Manitoba Municipalities in 1905 to see municipal revenues were front and centre.

But now more than ever municipalities need new tools to deal with new responsibilities and new expectations. Municipalities are playing an ever greater role in the lives of Manitobans, as the days of simply collecting garbage and plowing roads are long gone. Today's municipal council must balance community economic development, land use planning and infrastructure renewal and development with an eroding tax base and an increased reliance on application-based grants. This has left many municipalities to question whether the current system is tenable any longer.

Currently, Manitoba municipalities are more reliant on provincial and federal grants than any other province in Canada. While in some cases these types of programs are necessary (for example large-scale infrastructure projects), it leaves municipalities having to compete against one another for limited dollars and restricts a municipality's ability to properly plan for much needed investment. The amount in grant programs like the recent Municipal Rural Infrastructure Fund is nowhere near the total demand, meaning there is no guarantee much needed projects will ever see funding.

Overreliance on grants and transfers leaves municipalities without the tools required to meet demands. Many issues raised by municipalities are really issues of access to revenue when stripped down to their core. For example, the need to remove education tax from property is really a municipal revenue issue, as municipalities see education tax as eroding the property tax, which is the single greatest source of municipal revenue. Over the last number of years we have seen more and more municipalities speaking out on the need for greater municipal revenue sources.

It is important that the federal and provincial governments' contribution to municipalities are not forgotten. Federally, municipalities have benefited from a GST rebate, the sharing of the federal gas tax and the new Building Canada Fund. The recent Federal Budget has made an unprecedented investment in infrastructure, which will benefit municipalities. Provincially, municipalities have benefited from the sharing of provincial income tax, the Building Manitoba Fund, and supports in several other areas. The message the AMM is hoping to convey is not that either order of government has completely forgotten about municipalities, but rather that despite these efforts municipalities still face enormous challenges and more is needed.

Municipalities must have access to new revenue sources. A greater reliance on property taxes and provincial and federal grants has created an ever-widening chasm between municipal revenues and needs, leaving future generations with what is quickly becoming an insurmountable infrastructure deficit.

A new approach is needed, and for this reason we are asking the Province of Manitoba to share one percent of the Provincial Sales Tax with municipalities for infrastructure. This will provide municipalities with in excess of \$200 million a year. For a community of 1,000 people, this means an investment of roughly \$185,000 in their local infrastructure, or \$370,000 for a community of 2,000 people. A community such as Thompson could see close to \$2.5 million while Winnipeg would expect to see over \$117 million. Although these amounts alone will not erase the infrastructure deficit in Manitoba, it would be a positive first step.

Other provinces have recently made significant strides to address municipal infrastructure needs, notably in Saskatchewan. In their 2009 Provincial Budget, the Saskatchewan Government made an impressive commitment in establishing the new Municipal Operating Grants program through consultations with Saskatchewan's two municipal associations. The program provides \$167 million, including \$107 million to urban municipalities, \$48 million to rural municipalities, and \$12 million to northern communities. This is equivalent to 90 percent of one point of PST (from 2007-08 Public Accounts). In 2010-11 and subsequent years, the Saskatchewan Government has committed to allocating the equivalent of 100 percent of one point of PST to municipalities. This

funding is in addition to January's announcement of the Municipal Economic Enhancement Program that provides funding to Saskatchewan municipalities to strengthen the provincial economy. This program allocates \$100 million on a per capita basis to assist municipalities in making much-needed infrastructure investments. This type of commitment stands in stark contrast to the additional \$4 million Manitoba municipalities received in the 2009 Provincial Budget.

The AMM understands that providing additional revenues to municipalities may become more difficult as the economy continues to fluctuate. While economic projections can never be taken as absolute fact, they are often a prophetic divining rod on economic times. However what should not be lost is the positive impact infrastructure investment would have for the provincial and national economy.

The Federation of Canadian Municipalities has investigated this principle in depth and has found in their 2008 study "Municipal Infrastructure- Macroeconomic impacts of spending and level-of government financing" that an increase in municipal infrastructure spending of \$1 billion in 2008 (at nominal process and allocated to a representative mix of infrastructure) would increase the size of the real economy by roughly 0.13 percent, or \$1.3 billion in nominal terms. While this would erode slightly over time with consistent investment, over a four year period it would still result in meaningful gains to the economy, dropping to a 0.6 percent increase in the final year.

The resulting investment would be felt in the employment sector as well, since a great number of industries would benefit. A \$1 billion investment in 2008 would add 11,500 new jobs, in industries from labour and material suppliers through to architects and engineers.

Giving municipalities access to additional revenues, will translate to stronger investment in our communities. The Institute for Research on Public Policy has shown that providing adequate infrastructure has both direct and indirect benefits for private-sector manufacturing.

Infrastructure is an intermediate input into the production process, with businesses locating where they have access to water, hydro and transportation. New roads reduce fuel costs and haul times. Access to high quality (and adequate) water reduces input costs. There is also evidence

that increased investments in public infrastructure allow private companies to use labour inputs more intensively, translating into more jobs.

Municipalities are not looking for new revenue sources to store money away for a rainy day. The storm has arrived. The national municipal infrastructure deficit is in excess of \$123 billion for current infrastructure with another \$115 billion needed for new infrastructure to keep pace with other developed nations. Left to deal with this ballooning deficit alone armed only with property taxes and grants, it will continue to grow exponentially. Alternatively, providing municipalities with new revenue sources will not only begin to address this growing deficit, but will help build and strengthen our economy.

The time has come for a new approach to municipal funding. The expectations of today's municipalities are greater than any time in history. Regrettably so are the financial challenges facing municipalities. For municipal government to be sustainable into the future, and for Manitobans to have access to the quality of life they deserve, municipalities need to have access to sustainable growth revenues.

Therefore the AMM is asking the Province to undertake a serious review of the roles, responsibilities and resources of municipal government in Manitoba and in the short term provide municipalities with one percent of the current PST to help address the growing municipal infrastructure deficit.

Appendix A – Active Resolutions

AMM Resolution Number 23 - 2008

Topic: Municipal Facilities for Physical Education

Sponsor: Town of Virden (Western District)

Departments: Manitoba Education, Citizenship & Youth

WHEREAS the Province of Manitoba has encouraged School Divisions to increase physical education (PE) programs in their curricula;

AND WHEREAS the Province has suggested that School Divisions approach local municipal governments and request reduced rates, or free usage of municipal recreation facilities including arenas, pools, sports fields and other facilities for the PE programs;

AND WHEREAS most Manitoba municipalities are already charging facility user fees that are below actual operating costs for their recreation facilities, or at a subsidized rate;

AND WHEREAS the delivery of the PE curriculum is the responsibility of the Province of Manitoba and not the responsibility of Manitoba municipalities;

AND WHEREAS this is another example of the Government of Manitoba downloading costs to Manitoba municipalities;

AND WHEREAS Manitoba municipalities wish to encourage healthy living in their communities and schools and are prepared to work with School Divisions for this purpose;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba for additional operating funding for municipal recreation facilities to offset the costs of municipal governments providing reduced user fees to Manitoba schools for physical education curricula;

AND BE IT FURTHER RESOLVED that the AMM partner with the Manitoba Association of School Trustees in its lobby efforts on this issue and create a Memorandum of Understanding between the organizations for the usage of municipal recreation facilities for physical education.

AMM Resolution Number 14 - 2007

Topic: Increased Funding for Hometown Green Team Program

Sponsor: RM of St. Laurent (Interlake District)

Departments: Manitoba Education, Citizenship & Youth

WHEREAS the Hometown Green Team Program provides employment opportunities for youth living in rural areas where summer employment opportunities are scarce;

AND WHEREAS rural communities depend on the Hometown Green Team to provide many much needed services;

AND WHEREAS it is in the best interest of rural communities to retain their youth through employment opportunities;

AND WHEREAS the Hometown Green Team Program provides a wage incentive equal to \$4.16 per hour (50 per cent of minimum wage plus vacation allowance), while the Urban Green Team Program provides \$8.70 per hour (100 per cent of minimum wage plus vacation allowance and employer contributions to Employment Insurance and the Canada Pension Plan);

AND WHEREAS applications for Hometown Green Team funding far exceed available resources;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to fund the Hometown Green Team Program at the same hourly rate as the Urban Green Team Program;

AND BE IT FURTHER RESOLVED THAT the AMM lobby the Province of Manitoba to increase funding for Hometown Green Team Program to allow more applications to be approved.

AMM Resolution Number 29 - 2007

Topic: DARE Program in Schools

Sponsor: City of Thompson (Northern District)

Departments: Manitoba Education, Citizenship & Youth

WHEREAS the selling, distribution, variety and use of drugs is increasing in Manitoba;

AND WHEREAS exposure to drugs of youth and children is becoming increasingly more common;

AND WHEREAS there is an urgent need to address these issues prior to them getting out of hand;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to consider the DARE (Drug Abuse Resistance Education) Program as a curriculum course in schools;

AND BE IT FURTHER RESOLVED THAT the AMM lobby the Province of Manitoba to provide funding and support for the DARE Program, Lions Quest Program, and like programs.

AMM Resolution Number 36 - 2007

Topic: Public Schools Amendment Act

Sponsor: Town of Morden (Central District)

Departments: Manitoba Education, Citizenship & Youth

WHEREAS *The Municipal Act* requires municipalities to hold a public hearing in respect of any plan or proposal requiring long term borrowing prior to the plan or proposal being initiated, in order to provide taxpayers the opportunity to present their views on having to pay for the plan or proposal, following which public hearing the plan or proposal must be approved by The Municipal Board;

AND WHEREAS school division taxes make up approximately fifty per cent of property taxes;

AND WHEREAS the impact of long term borrowing by school divisions can have the same impact on taxpayers as long term borrowing by municipalities;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to amend *The Public Schools Act* to require school divisions to submit to a similar approval process as municipalities, including holding a public hearing, in respect of any plan or proposal requiring long term borrowing prior to the plan or proposal initiated.

AMM Resolution Number 14 - 2006

Topic: Education Funding

Sponsor: City of Brandon (Western District)

Departments: Manitoba Education, Citizenship & Youth, Manitoba Finance

WHEREAS seniors and moderate income earners are trapped between low/fixed incomes and fast moving increased assessment;

AND WHEREAS the Education Special Levy for local school divisions in the Province of Manitoba varies between 18 and 35 mills;

AND WHEREAS farmland receives a farmland school tax rebate from the Provincial Government of 60%;

AND WHEREAS residential and commercial taxpayers are tired of receiving a municipal tax bill showing one half of the tax being applied to school operations;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to restore the local education funding level of 80% of school operating costs for Kindergarten to Grade 12;

AND BE IT FURTHER RESOLVED that the new funding levels be phased in over 5 years beginning in 2007.

AMM Resolution Number 56 - 2001

Topic: Payment of Education Taxes

Sponsor: RM of St. Andrews (Interlake District), RM of Wallace (Western District)

Departments: Manitoba Education, Citizenship & Youth

WHEREAS Manitoba municipalities, by legislation are obligated to collect school taxes on behalf of local school divisions;

AND WHEREAS Manitoba municipalities receive no administrative compensation for performing this obligation;

AND WHEREAS the education/special taxes must be submitted in totality to both provincial and local education authorities by January 31 of each year, whether the municipality has collected the current year's education taxes or not;

AND WHEREAS municipalities such as the RM of Wallace for a number of years have found difficulty in collecting personal property tax arrears on oil production sites;

AND WHEREAS it is seen as inequitable and unfair for Manitoba municipalities to have to pay monies to the education authorities that they have not yet collected;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province to change legislation for municipalities to submit only the percentage of education taxes collected.

BE IT FURTHER RESOLVED that the AMM lobby the Province to make changes to provide where an assessment error has resulted in an overpayment of school taxes that this overpayment be refunded to the municipality.