

Welcome

Special Service Levy Information Meeting

Special Service Levy Presentation

6:30 pm to 8:00 pm

February 20, 2025

Agenda

Special Service Levy Presentation

6:30 pm to 8:00 pm



1. Welcome & Opening Remarks
2. Purpose of the Meeting
3. Explanation of the Proposed Special Service Levy
4. Why are we proposing implementing the Special Service Levy
5. Questions & Feedback
6. Next Steps & Closing Remarks

Special Service Levy Presentation

February 20, 2025

Purpose - Why are we here?

This meeting is an opportunity to:

- Explain the proposed Special Service Levy, including how it works and why it's being introduced.
- Show how costs will be distributed and how it impacts taxpayers.
- Listen to residents' questions, concerns, and feedback before a final decision is made.

Exploring - SSL



- Town of The Pas is proposing a Special Service Levy (SSL) for **RCMP Policing Services - \$3.9M**
- Approach provides a **fairer, more transparent, and predictable** way to fund policing while supporting potential growth with residential developments, both new builds and upgrades.
- Today, policing costs are covered through **general taxation**, meaning property owners with **higher home assessments** pay more, even though every property receives the same level of service.
- Under the proposed SSL, all eligible properties will contribute **equally**, aligning costs with the benefits received while supporting growth and potential new development.

fairness – sustainability - development - improved service funding

Municipal Taxation



Mill Rate:

Based on Assessment



Special Service Levy:

Based on
actual/budgeted cost
Apportioned equally per
property

Taxation Based on Assessment



Mill Rate: Based on Assessment

The municipal mill rate is calculated by dividing the total municipal budget requirement by the total assessed value of all properties

$$\text{Mill Rate} = \frac{\text{Municipal Budget}}{\text{Total Assessed Value}} \times 1000$$

Each property's municipal tax is determined by multiplying its assessed value (provincial assessment branch) by the mill rate.

$$\text{Residential Property Tax} = \frac{\text{Assessed Value}}{1000} \times \text{Mill Rate} \times 45\%$$

$$\text{Commercial Property Tax} = \frac{\text{Assessed Value}}{1000} \times \text{Mill Rate} \times 65\%$$

Mill Rate Based on Assessment

Taxes Vary Depending on Assessed Value of Property

- **Reduces the ability to attract** individuals or families interested in building or developing single-family homes.
- Discourages **property improvements** by increasing taxes on upgraded homes.
- Concentrates the tax burden on a smaller group of property owners.



What is a Special Service Levy?

- Special Service Levy (SSL) is a municipal tax tool authorized by provincial legislation.
- Allows municipalities to **apply a fixed charge** to designated properties to fund **specific services**.
- SSL supports that all properties receiving the service contribute equally and fairly.
- SSL is being introduced to fund RCMP policing services
- Providing a stable, predictable, and transparent way to distribute costs while supporting development.

A special service levy is NOT a new or additional tax but rather a distribution of the existing taxes that are collected.

Special Service Levy - Why?

- Equally distributed cost across all eligible properties, with Special Service Levy costs **removed from the general mill rate**.
- Encourages property investment by eliminating tax penalties for renovations and improvements.
- Creates a fairer cost-sharing model while reducing the general mill rate.
- Attracts increased investment and interest from external residential developers.



Taxation with Special Service Levy



Special Service Levy:

Based on actual/budgeted cost
Apportioned equally per property

$$\text{Residential Property Tax} = \left(\frac{\text{Assessed Value}}{1000} \times \text{Mill Rate} \times 45\% \right) + \text{Special Service Levy}$$

Total Special Service Levy (SSL) Value

- \$968.06 per Residential Tax Roll with <3 dwelling units according to assessment branch.
- All other properties will remain the same, being taxed on assessed value.

Total Reduction in Mill Rate

- 2025 budgeted Mill Rate: **63.480 - 2025 Budget Estimate**
- 2025 Proposed budgeted Mill Rate with SSL: **45.068**

This SSL is NOT a new or additional tax

SSL allow for the redistribution of existing tax revenues

Proposed - 2025 Special Service Levy



RCMP Services Policing Cost

\$3,917,704 Budgeted 2025
(2024 = \$3,260,587 actual costs)

Change Special Service Levy

2025 Municipal Taxes - NO SPECIAL SERVICE LEVY							
Assessment Value	\$50,000	\$100,000	\$116,800	\$125,000	\$150,000	\$200,000	\$250,000
Mill rate: 63.480							
Portioned at 45%	\$22,500	\$45,000	\$52,560	\$56,250	\$67,500	\$90,000	\$112,500
General Taxes	1,428	2,857	3,337	3,571	4,285	5,713	7,142
Special Service Levy	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Municipal Taxes	\$1,428	\$2,857	\$3,337	\$3,571	\$4,285	\$5,713	\$7,142

2025 Municipal Taxes - With SPECIAL SERVICE LEVY							
Assessment Value	\$50,000	\$100,000	\$116,800	\$125,000	\$150,000	\$200,000	\$250,000
Mill rate: NEW MILL RATE 45.068 + SSL							
Portioned at 45%	\$22,500	\$45,000	\$52,560	\$56,250	\$67,500	\$90,000	\$112,500
General Taxes	1,014	2,028	2,369	2,535	3,042	4,056	5,070
Special Service Levy	<u>968</u>	<u>968</u>	<u>968</u>	<u>968</u>	<u>968</u>	<u>968</u>	<u>968</u>
Total Municipal Taxes	\$1,982	\$2,996	\$3,337	\$3,503	\$4,010	\$5,024	\$6,038

Tax Impact	+\$554	+\$139	0	-\$68	-\$275	-\$689	-\$1,104
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**Increase
Taxes**



**Reduced
Taxes**

Others - Special Service Levies

Proposed

Flin Flon

Municipal Mill Rate

48.540

Special Service

Levy **\$912.04**

(Fire and protective services, recreation, snow removal and dust control)

Taxes on an assessed value of \$150,000 = \$4,188

Swan River

Municipal Mill Rate

36.004

Special Service

Levy **\$315.33**

(\$860,000 - RCMP Costs)

Taxes on an assessed value of \$150,000 = \$2,746

Thompson

Municipal Mill Rate

47.351

Special Service

Levy **\$91.91**

(Water breaks)

Taxes on an assessed value of \$150,000 = \$3,288

The Pas

Municipal Mill Rate

45.068

Special Service

Levy **\$968.06**

(RCMP Cost)

Taxes on an assessed value of \$150,000 = \$4,010



Frequently Asked Questions

Are my taxes going up by \$968.06 per year? **NO!**

Note: 2025 Mil Rate is based on 2025 Budget Estimates.

Proposed 2025 Rate with SSL vs Actual for Res <2 units						
Total Assessment	Portioned Assessment	2025 Now Rate 63.480	2025 New Rate 45.068	SSL	2025 New Total	Change \$
50,000	22,500.00	1,428	1,014	968	1,982	554
75,000	33,750.00	2,142	1,521	968	2,489	347
100,000	45,000.00	2,857	2,028	968	2,996	140
116,800	52,560.00	3,337	2,369	968	3,337	0
125,000	56,250.00	3,571	2,535	968	3,503	- 68
150,000	67,500.00	4,285	3,042	968	4,010	- 275
175,000	78,750.00	4,999	3,549	968	4,517	- 482
200,000	90,000.00	5,713	4,056	968	5,024	- 689
250,000	112,500.00	7,142	5,070	968	6,038	- 1,103
300,000	135,000.00	8,570	6,084	968	7,052	- 1,518
400,000	180,000.00	11,426	8,112	968	9,080	- 2,346
500,000	225,000.00	14,283	10,140	968	11,108	- 3,175

Higher Tax Burden



Reduced Tax Burden

Frequently Asked Questions - Info

FAQ - Hand Out

**Future information will be posted on Town of The Pas
Website – www.townofthepas.ca**

Call the Office – 204-627-1100



ANY
QUESTIONS

From here - what is next?

- ▶ **February 26, 2025 - Public Notice Issued**
 - Provide a **40-day notice period** prior to public hearing
- ▶ **April 7, 2025 – Hold Public Hearing**
 - Meeting to have first reading of SSL Bylaw – 81 Edwards Ave
 - Provide **14 days** to allow for a formal **written objection to TOTP**
- ▶ **April 22, 2025: Objection Period Ends**
- ▶ **Council Review Information & Makes Decision**

If there are **25+ formal objections**, the matter goes to the Manitoba Municipal Board.



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