

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

Special Service Levy Presentation

February 20, 2025

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
-------------------	---------------	---------------	----------	--------------	---------------	---------------	-----------------



**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.



thank you

thank you

thank you

thank you

thank you

thank you

thank you

thank you

thank you

thank you

thank you

thank you

thank you

thank you

thank you

thank you

thank you

thank you

thank you