

Unanticipated Taxation Revenue for 2019 - Recommendation Impacts to Consider

**2019 values reflected are based on the 2019 budget and tax rate bylaw as approved by Council.*

**2020 values are estimated as accurately as possible.*

	2018	2019	2020**
Expenses	29,352,553	30,444,512	30,444,512
Revenue	\$ 17,250,098	\$ 17,823,790	\$ 17,823,790
Taxation Required*	\$ 12,102,455	\$ 12,620,722	\$ 12,620,722

*Taxation required above is referring to the Municipal portion of taxation collected.

**2020 Based on the starting point for 2020 being exact same as 2019 Operating which does not include the excess taxation

ADDITIONAL INFORMATION

Taxation Impact on an Average Home	Assessment Value	Mill Rate	Total Taxation Owing	Total Impact to a Residential Tax Bill for 2020 if total Operating Budget Remains the same as presented in 2020
2019 Taxation Year	\$365,000	5.5897 /1000=	\$ 2,040.24	
2020 Recommendation 1 From Above	\$365,000	5.1275 /1000=	\$ 1,871.54	-168.70
2020 Recommendation 2&3 From Above	\$365,000	5.3444 /1000=	\$ 1,950.71	-89.53

Unrestricted Deficiency Reserve Contribution Impact

Description	2018	If Additional Tax Rev is put in Unrestricted Deficiency Reserve	2019	
2018 Year End Reserve Balance	\$ 8,539,288		\$ 8,539,288	<i>2019 Opening Reserve Balance</i>
Prior year losses	(479,818)	\$ 510,000	30,182	<i>Additional Tax from 2019 used to offset prior year losses</i>
Total Year End Reserve Balance	\$ 8,059,470		\$ 8,569,470	<i>2019 Reserve Balance prior to any 2019 Reserve Contributions or Reductions</i>

Recommendation 1

Place Excess Revenue in a reserve in 2019 and take money out of reserve in 2020 place in revenue which would reduce the total amount of taxation required. This option will reduce the Tax Mill Rate

Description	2018	2019	2020
Tax Rate (2020 Estimated)	5.3553	5.5897	5.3444
Total Taxation Required Approx.	\$ 12,102,455	\$ 12,620,722	\$ 12,620,722
Total anticipated Additional Revenue		510,000	(510,000)
			\$ 12,110,722
Tax Mill Rate Estimate			5.1275
			0.4622
Total Collected Approx.	\$ 12,102,455	\$ 13,130,722	

Using the 2019 Operation budget as a starting point, will reduce the Mill Rate by 0.2453 before any other changes are anticipated.

This is starting 2020 budget process off using 2019 Operating Budget Requirements.

Bringining in the Additional Revenue placed in a reserve to 2020 Revenue

Total Taxation Required if 2020 budget remains exact same as 2019 but bring in excess taxation as revenue

Total Tax Mill Rate calculated if assessment values do not change for 2020

2019 Mill Rate - 2020 Mill Rate = Reduction of 0.4622 or -8.2%

Recommendation 2

Leave Excess Revenue 2019 in the Operating budget this additional revenue will offset the prior year losses of \$479,818 (Unrestricted Deficiency Reserve) These losses are currently reducing the total amount of reserves available.

Description	2018	2019	2020
Tax Rate (2020 Estimated)	5.3553	5.5897	5.3444
Total Taxation Required Approx.	\$ 12,102,455	\$ 12,620,722	\$ 12,620,722
Total anticipated Additional Revenue		510,000	(510,000)
			\$ 12,110,722
Tax Mill Rate Estimate			5.3444
			0.2453
Total Collected Approx.	\$ 12,102,455	\$ 13,130,722	

Using the 2019 Operation budget as a starting point, will reduce the Mill Rate by 0.2453 before any other changes are made.

This is starting 2020 budget process off using 2019 Operating Budget Requirements.

Bringining in the Additional Revenue placed in a reserve to 2020 Revenue

Total Taxation Required if 2020 budget remains exact same as 2019

Total Tax Mill Rate calculated if assessment values do not change for 2020

2019 Mill Rate - 2020 Mill Rate = Reduction of 0.2453 or -4.39%

Recommendation 3

Place Excess Revenue into a Reserve of Councils Choice in 2020.

Description	2018	2019	2020
Tax Rate (2020 Estimated)	5.3553	5.5897	5.3444
Total Taxation Required Approx.	\$ 12,102,455	\$ 12,620,722	\$ 12,620,722
Total anticipated Additional Revenue		510,000	(510,000)
			\$ 12,110,722
Tax Mill Rate Estimate			5.3444
			0.2453
Total Collected Approx.	\$ 12,102,455	\$ 13,130,722	

Using the 2019 Operation budget as a starting point, will reduce the Mill Rate before any other changes are made.

This is starting 2020 budget process off using 2019 Operating Budget Requirements.

Bringining in the Additional Revenue placed in a reserve to 2020 Revenue

Total Taxation Required if 2020 budget remains exact same as 2019

Total Tax Mill Rate calculated if assessment values do not change for 2020

2019 Mill Rate - 2020 Mill Rate = Reduction of 0.2453 or -4.39%