A. Recommendations

THAT Council receive Staff Report FAF.19.250, entitled “2019 Supplementary/Omitted Assessment”;

AND THAT Council direct staff to transfer the amount of $850,000 to the working capital reserve to be used at Council’s direction.

B. Overview

This report outlines the status of the 2019 supplementary and omitted assessment roll tax revenue for the Town. Supplementary and omitted taxes are billed separately after the interim and annual property tax bills.

C. Background

The Municipal Property Assessment Corporation (MPAC) can provide the Town with supplementary and/or omitted assessment values for the current year and the two years prior when the land is omitted from the assessment roll, the use of the property changes and the property is improved due to construction, addition or renovation. MPAC sends the taxpayer a Property Assessment Change Notice identifying the supplementary and/or omitted assessment. MPAC has the authority (Section 33 and 34 of the Assessment Act) to assign supplementary and/or omitted assessment for the current year and two years prior. The property tax bill will be retroactive to the occupancy date using the appropriate tax rate.

Supplementary Assessment is additional property assessment occurring in the current year and it is added to the tax roll in the current year.

Omitted Assessment is additional property assessment for up to two years prior that would have been on the current year assessment roll had the assessment been picked up by MPAC. It is added to the tax roll for the two prior years and the current year.
Change events encompass all tax reductions and rebates resulting from assessment value decreases or assessment class changes through MPAC/Assessment Review Board decisions, provincial government incentive programs or business vacancies.

D. Analysis

Staff is recommending that the money be put to the working capital reserve as this allows Council the opportunity to make decisions on how to best utilize the revenue.

Council may consider using this money to eliminate the use of debt for a capital project, reduce the tax rate, transfer to a capital reserve or use for a one-time project.

E. The Blue Mountains Strategic Plan

Goal #4: Promote a Culture of Organizational and Operational Excellence
Objective #4: To Be a Financially Responsible Organization

F. Environmental Impacts

N/A

G. Financial Impact

The 2019 Budget included an amount of $350,000. The chart below outlines the supplementary revenue as well as the tax reductions for change events for 2019.

<table>
<thead>
<tr>
<th></th>
<th>Town</th>
<th>County</th>
<th>Education</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplementary/Omitted</td>
<td>$1,258,206</td>
<td>$1,192,158</td>
<td>$567,968</td>
<td>$3,018,331</td>
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<tr>
<td>Change Events</td>
<td>$(54,498)</td>
<td>$(51,365)</td>
<td>$(68,306)</td>
<td>$(174,169)</td>
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<tr>
<td>Net</td>
<td>$1,203,708</td>
<td>$1,140,793</td>
<td>$499,662</td>
<td>$2,844,162</td>
</tr>
</tbody>
</table>

The Town will not be receiving additional supplementary revenue for 2019; however, the Town may see additional change events to the end of December 2019.

H. In consultation with

Kris Couture, Tax Collector

I. Public Engagement

The topic of this Staff Report has not been subject to a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. Comments regarding this report should be submitted to Ruth Prince at directorfit@thebluemountains.ca.
J. Attached

None.

Respectfully Submitted,

Ruth Prince
Director of Finance and IT Services

For more information, please contact:
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519-599-3131 extension 228