

SECTION: GENERAL ADMINISTRATION

SUBJECT: PROPERTY TAX REVENUE SHARING

Original Resolution No.: 06-05-58

### Property Tax Revenue Sharing Policy

It is the policy of the County of Warner No. 5 to share in the property tax revenue on lands and improvements which have been approved for annexation to an adjacent municipality.

#### Guidelines

1. In order to have stability in the assessment base and be able to adjust financially, the County requires, as a condition of annexation, the sharing of the property tax generated by the property to be annexed.
2. As a minimum, the annexing municipality is responsible to share with the County, the property tax revenue as assessed annually, on a declining basis over a number of years, as follows:

|    |                    |      |
|----|--------------------|------|
| a. | Year of Annexation | 100% |
| b. | Year 2             | 80%  |
| c. | Year 3             | 60%  |
| d. | Year 4             | 40%  |
| e. | Year 5             | 20%  |
| f. | Year 6             | 0%   |
3. The municipal property tax to be shared with the County is the municipal portion of the annexing municipality only and is generally calculated as follows:
  - a. Total Annual Property Tax less the amounts generated by the following mill rates:
    - i. Education (ASFF or Separate) Tax Amount,
    - ii. Senior Home/Lodge Requisition Amount,
    - iii. Regional Library,
    - iv. Recreation,
    - v. Ambulance,
    - vi. Planning (e.g. - ORRSC), and
    - vii. Family and Community Support Services (e.g. BEW - FCSS).
4. The implementation of this policy is at the discretion of County Council and may require modifications and adjustments in order that each individual annexation is dealt with in a fair, equitable and responsible manner.
5. In the case of a dispute between the two municipalities, an arbitrator, as mutually agreed upon, may be appointed to assist in resolving disagreements regarding a fair and equitable property tax revenue sharing agreement.