

TAX PENALTY REVISION OPTIONS

Option 1 – Current Taxes from 18% to 16% & Taxes in Arrears with Penalty Dates Adjustment

| Penalty Type | Penalty Date | Penalty Rate | Forecasted Penalty Revenue change in 2020 |
|------------------|--------------|--------------|---|
| Current Year | Jul 1 | 4% | <i>(\$30,000)</i> |
| | Aug 1 | 6% | |
| | Oct 1 | 6% | |
| Taxes in Arrears | Jan 1 | 6% | |
| | Apr 1 | 6% | |
| | Jul 1 | 6% | |

Option 2 – Current Taxes as-is & Taxes in Arrears with Penalty Date Adjustment

| Penalty Type | Penalty Date | Penalty Rate | Forecasted Penalty Revenue change in 2020 |
|------------------|--------------|--------------|---|
| Current Year | Jul 1 | 3% | <i>(\$10,000)</i> |
| | Aug 1 | 6% | |
| | Oct 1 | 9% | |
| Taxes in Arrears | Jan 1 | 6% | |
| | Apr 1 | 6% | |
| | Jul 1 | 6% | |

Option 3 – Status Quo - No Changes to Existing Rates or Penalty Dates

| Penalty Type | Penalty Date | Penalty Rate | Forecasted Penalty Revenue change in 2020 |
|------------------|--------------|--------------|---|
| Current Year | Jul 1 | 3% | \$0 |
| | Aug 1 | 6% | |
| | Oct 1 | 9% | |
| Taxes in Arrears | Jan 1 | 12% | |
| | Jul 1 | 6% | |