**Subject:** COVID 19 - Tax and Water/Wastewater Deferrals  
**Report Number:** FIN 20-14  
Author: Dave Rushton, Director of Finance  
Meeting Type: Council Meeting  
Meeting Date: Tuesday, April 14, 2020

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**RECOMMENDATION**
THAT Council receives Report FIN 20-14 COVID 19 – Tax and Water/Wastewater Deferrals, as information;

AND THAT Council approves the deferral of the collection of tax and waive interest and penalty for the May 21, 2020 for those taxpayers that can demonstrate a negative impact to their revenue as a result of the COVID 19 pandemic and that this be in effect for a period ending July 31, 2020;

AND FURTHER THAT Council approves the deferral of the collection of water and wastewater invoices generated after March 31, 2020 until June 30, 2020 and waive interest and penalty for those taxpayers that can demonstrate a negative impact to their revenue as a result of the COVID 19 pandemic and that this be in effect for a period ending July 31, 2020.

**BACKGROUND**
COVID 19 has closed several business operations and put many residents into under employment. Both of these situations have created financial hardship on the Town’s taxpayers.

One of the requests that have been heard from residents and business is to delay the tax due date of May 21. The taxes collected by the Town of Tillsonburg are for the County, School Boards, the BIA and the Town itself.

**DISCUSSION**
Council had directed the Director of Finance to communicate with the other parties about their plans for tax relief during this pandemic. The Ministry of Education has directed that they will be deferring payment of the second quarter from June 30 to September 30 and third quarter from September 30 to December 30 and the final payment is still December 15.

The Tillsonburg BIA has also agreed to waive the portion of fees that relate to April.
The other partner is the County. In discussion with the County Treasurer, staff feels that many of our public is still able to pay taxes by the due date as their cash flow has not been impacted by the pandemic. The solution that is being recommended to council is that for taxes, water and wastewater that billing takes place as usual and that we have those in need contact Tillsonburg’s customer service staff to arrange a deferral of payments and interest on billings due after March 31, 2020. We would further recommend that the deferral is until the end of July 2020 for this impacted group. The County will review the impact at the end of June and arrange to allow a late payment from the Town of applicable amounts of unpaid taxes. The portion of taxes that have been collected for the County by June will be paid to the County on the normal due date of June 30, 2020.

Payments for water and wastewater will be paid to the County on a monthly basis. The payment to the County will be on the actual payment of these utility accounts rather than on the amount invoiced.

Payments for electricity are still due and payable on their normal schedule and the Town must pay Independent Electricity System Operator on behalf of THI monthly for the energy used the previous month.

CONSULTATION
The Ministry of Education has issued a notification to municipalities and the BIA has passed a resolution dealing with matter. The Treasurers of both the Town of Tillsonburg and the County of Oxford have had several phone calls and emails regarding this situation.

FINANCIAL IMPACT/FUNDING SOURCE
With the current support from the other entities that the Town collects payments from, the impact to the town would be on interest on the amount of Town tax that is deferred. A 100% of the $4 million in normally collected for the Town’s portion of taxes it would cost about $5,000 per month in interest. As indicated earlier in the report, staff believes that a substantial amount of the taxes from pensioners and those still employed, mortgage companies that pay on behalf of their customers, landlords and several business accounts will still make their tax payments on time. The cost of the deferral of water and wastewater payments would be borne by the County.

COMMUNITY STRATEGIC PLAN (CSP) LINKAGE
1. Excellence in Local Government
   ☒ Demonstrate strong leadership in Town initiatives
   ☒ Streamline communication and effectively collaborate within local government
   ☒ Demonstrate accountability

ATTACHMENTS
Appendix A – Oxford County Staff Report CS 2020-13
Report Approval Details

<table>
<thead>
<tr>
<th>Document Title:</th>
<th>FIN 20-14 COVID 19 - Tax and Water Wastewater Deferrals.docx</th>
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<tbody>
<tr>
<td>Attachments:</td>
<td>- Oxford County Staff Report CS 2020-13.pdf</td>
</tr>
<tr>
<td>Final Approval Date:</td>
<td>Apr 8, 2020</td>
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This report and all of its attachments were approved and signed as outlined below:

Kyle Pratt - Apr 8, 2020 - 12:44 PM