



# Staff Report

## Finance – Revenue

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**Report To:** COW- Admin, Corp and Finance, SI, Comm. Services  
**Meeting Date:** April 28, 2025  
**Report Number:** CFS.25.018  
**Title:** 2024 Tax Receivables Report  
**Prepared by:** Amy Moore, Manager of Revenue

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### A. Recommendations

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THAT Council receive Staff Report CFS.25.018, entitled “2024 Tax Receivables Report” for information purposes.

### B. Overview

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This report provides Council with an update on property tax receivables as of December 31, 2024.

### C. Background

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The Town of The Blue Mountains levies and collects property tax for Town purposes, on behalf of the County of Grey and the four local school boards, based on assessment values provided by the Municipal Property Assessment Corporation (MPAC). Each year, there is an interim billing mailed in February with due dates in March and May and an annual billing mailed in July with due dates in August and October. When supplementary assessments for new construction are received from MPAC, supplementary billings are mailed between August and December with various due dates. In addition, Town utility arrears (water and wastewater) are transferred to tax roll accounts after two billing periods (4 months). Unpaid fees and charges from Town departments that, by legislation, may be added to the tax roll are also transferred to the tax roll.

The Town remits to the County of Grey and the local school boards their portion of the property tax levied, regardless of whether the Town receives payment from the taxpayer. To encourage prompt payment and to offset cash advances from the Town of The Blue Mountains to the County of Grey and local school boards, the Town charges interest at 1.25% per month, on tax installments not paid by the due date.

To calculate the property tax receivables financial indicator, the amount of property tax outstanding at year end is taken as a percentage of the year’s general tax levy, including the county and school boards. Property tax receivable is an indicator of a municipality’s financial

health. A municipality can increase its cash flow by reducing the amount of property tax outstanding.

Property tax receivable is reported annually to the Province through the Financial Information Return (FIR). Based on the Province's standards, outstanding tax between 10 - 15% of the annual tax levy is seen as a moderate risk indicator of financial health. Below 10% is seen as a low-risk indicator. As of December 31, 2024, the Town tax receivables indicator was 6.19%, up from 5.43% at the end of 2023.

## D. Analysis

### Historical Property Tax Receivable

The table below provides year end property tax and penalty receivable from 2020-2024. 2024 arrears include \$223,035 transferred to the tax roll for utility arrears and unpaid fees and charges from Town departments. The 2024 percentage of tax receivable to tax levied is 0.76% higher than 2023. Although staff continue to follow the appropriate collection actions (including where applicable approaching Tax Sales – see notes below) this amount has increased largely due to the current economic environment.

	2020	2021	2022	2023	2024
<b>Current</b>	\$2,240,541	\$1,586,115	\$1,634,935	\$1,973,807	\$2,387,725
<b>Year 1</b>	\$582,359	\$579,366	\$445,767	\$546,224	\$648,575
<b>Year 2</b>	\$242,398	\$243,161	\$131,551	\$44,729	\$117,126
<b>Year 3+</b>	\$150,256	\$153,140	\$81,276	\$37,538	\$35,705
<b>Total</b>	<b>\$3,215,554</b>	<b>\$2,561,782</b>	<b>\$2,293,529</b>	<b>\$2,602,297</b>	<b>\$3,189,132</b>
<b>Levied</b>	<b>\$41,720,886</b>	<b>\$43,164,992</b>	<b>\$45,725,962</b>	<b>\$47,945,947</b>	<b>\$51,545,241</b>
<b>% Levied</b>	<b>7.71%</b>	<b>5.93%</b>	<b>5.02%</b>	<b>5.43%</b>	<b>6.19%</b>

### Penalty/Interest on Tax Receivable

In 2024, the revenue from interest on unpaid property taxes was \$451,680, up from the 2023 figure of \$380,974. Interest was waived for 6 months in 2020 and 3 months in 2021 due to the COVID-19 pandemic.

	2020	2021	2022	2023	2024
<b>Current Year</b>	\$75,575	\$139,470	\$191,187	\$211,175	\$246,364
<b>Prior Years</b>	\$120,013	\$146,416	\$171,199	\$169,799	\$203,292
<b>Total</b>	<b>\$195,588</b>	<b>\$285,886</b>	<b>\$362,386</b>	<b>\$380,974</b>	<b>\$451,680</b>

## **Collection Activities**

The Tax Billing and Collection Policy provides the framework for the administration of the Town's property tax receivables, including the processes to be followed when those accounts fall into arrears. Properties where tax arrears are owing back 3 years are eligible for tax registration under section 373 of the *Municipal Act*.

The Town uses a service provider, Realtax, to meet all the legislative requirements involved in tax registration. Tax registration is the one year-long set of procedures that must be conducted before a property can be advertised for tax sale.

In 2024, there were 5 properties where the tax registration commenced, of which 4 properties have made payment. The remaining property has been sent a Final Notice in February 2025 and will be subject to tax sale proceedings as of April 18, 2025. The property is a parkette on George McRae Rd and zoned as Open Space. The Town does not maintain the property and believes it is being maintained by the residents in the area. The property will be advertised for tax sale and a tax sale by public tender will be conducted should the property taxes remain unpaid.

In 2025, one tax registration commenced which resulted in full payment.

Overdue Property Tax Notices were mailed out in June and November of 2024 to all properties owing \$10 or more. These courtesy reminders are effective for property owners who had forgotten the second installment of a tax bill. Active collections including phone calls and emails to property owners that are 2 or more years in arrears have resulted in payments or payment arrangements.

## **E. Strategic Priorities**

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### **1. Communication and Engagement**

We will enhance communications and engagement between Town Staff, Town residents and stakeholders.

### **2. Organizational Excellence**

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

### **3. Community**

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

#### **4. Quality of Life**

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

#### **F. Environmental Impacts**

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None.

#### **G. Financial Impacts**

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Collection of tax arrears improves the Town's cash flow position. Decreased tax receivable proportionately decreases the penalty/interest revenue.

#### **H. In Consultation With**

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Monica Quinlan, Director of Corporate & Financial Services

#### **I. Public Engagement**

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The topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. However, any comments regarding this report should be submitted to Amy Moore, Manager of Revenue, [tax@thebluemountains.ca](mailto:tax@thebluemountains.ca).

#### **J. Attached**

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None.

Respectfully submitted,

Amy Moore  
Manager of Revenue

Monica Quinlan  
Director of Corporate & Financial Services

For more information, please contact:  
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### Report Approval Details

Document Title:	CFS.25.018 2024 Tax Receivables Report.docx
Attachments:	
Final Approval Date:	Apr 16, 2025

This report and all of its attachments were approved and signed as outlined below:

**No Signature - Task assigned to Amy Moore was completed by workflow administrator Amy Moore**

**Amy Moore - Apr 16, 2025 - 2:06 PM**

**Monica Quinlan - Apr 16, 2025 - 2:09 PM**