



STAFF REPORT

THE CORPORATION OF THE TOWN OF COBOURG

Corporate, Finance, and Legislative Standing Committee

Report to: Mayor, Deputy Mayor, and Councillors
From: Adam Giddings, Treasurer/Director of Corporate Services
Standing Committee Date: November 28, 2024
Report Number: COR-2024-018
Council Meeting Date: December 18, 2024
Subject: **2025 Billing Dates and Residential/Commercial Billing**

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1. Recommendation:

WHEREAS the Committee adopt the following recommendation and refer to Regular Council for final approval.

NOW THEREFORE BE IT RESOLVED THAT Council accept the consolidation of the residential and commercial tax billing due dates and date changes for taxes due; and

FURTHER THAT Council accept the consolidation of the residential and commercial bills for taxpayers that have a combined residential and commercial property into one bill.

2. Executive Summary:

The Town of Cobourg levies property taxes to fund programs and services included in the annual budgets approved by Council. After the budget is approved, tax rates are established to calculate property taxes required to fund the budget.

The proposed update will consolidate the tax due dates for both residential and commercial taxpayers into one schedule, modify the tax due date, and stretch tax payments for residential taxpayers from three payments to four payments, and combine residential and commercial tax bills into one bill.

3. Background

The Municipal Act requires tax bills to be sent a minimum of twenty-one days prior to the due date. Currently, the Town of Cobourg bills residential taxpayers three times each year with due dates in February, June, and September and bills commercial taxpayers four due dates each year in February, May, September, and October.

In addition, taxpayers with both a residential and commercial tax rate (for example, if a taxpayer owns a property that is split residential and commercial) would receive a residential bill and a commercial bill separately and would ultimately receive seven tax due dates and be required to submit seven separate payments in a fiscal year.

4. Discussion:

Current Structure

Currently the Town of Cobourg issues tax due dates to residential and commercial taxpayers based on the following schedule:

Month	Residential	Commercial
February	✓	✓
May		✓
June	✓	
September	✓	✓
October		✓

Further, taxpayers with a property that is split between residential and commercial, would receive a separate bill. For example, the taxpayer would have two due dates in February.

Proposal

In an effort to create efficiencies and modernize operations, staff are proposing to

1. Consolidate the billing dates for taxpayers so that residential and commercial taxpayers have the same bill due dates.
2. Revise the due dates to February, April, June, and September.

3. For taxpayers that have both a residential/commercial split, combine the tax bill into one bill.

In conclusion, the updated schedule would be:

Month	Residential	Commercial
February	✓	✓
April	✓	✓
June	✓	✓
September	✓	✓

The proposed revised schedule is similar to Port Hope, Hamilton Township, and Cramahe.

Benefits

The suggestions proposed by staff can provide several benefits for both residents and the Town of Cobourg:

- **Convenience:** The updates allow for a single payment process allowing taxpayers to pay multiple obligations in a single transaction, reducing the time and effort required. This will also assist taxpayers by making it less likely to miss a tax due date, reducing the risk of late fees. Further, it improves taxpayers' ability to track expenses and manage finances more efficiently, knowing the full extent of their housing/business-related expenses.
- **Improved cash flow:** Consolidated billing can improve collection rates, leading to more predictable and timely revenue collection. In addition, processing a single combined payment instead of multiple separate payments lowers administrative costs related to billing, reminders, and collection.
- **Enhanced transparency and accountability:** Consolidated bills present a complete view of the taxpayer's obligations, increasing transparency around how much they owe and where the funds go. Further, both taxpayers and the municipality benefit from simplified records, reducing errors and making it easier to track payment histories and resolve queries.
- **Environmentally friendly:** Consolidating bills into one and combining payment due dates reduces paper consumption, benefiting the environment and aligning with sustainable practices.

In summary, combining residential and commercial bills as well as reducing the payment due dates streamlines the process for taxpayers, boosts efficiency, and fosters transparency, which benefits all stakeholders.

5. Financial Impact and Budget

There is no financial impact or budget impact. The cost savings resulting from reducing the number of tax bills produced has been estimated and factored into the 2025 budget.

6. Relationship to Council's Strategic Plan Priorities 2023 to 2027 and beyond:

Thriving Community

Service Excellence

Combining tax bills and streamlining due dates meets the strategic objective as both changes streamline communications, increase stakeholder engagement, and demonstrate user friendliness and provide optimal service.

Further, although the updates are not the result of new technology, the modifications will improve customer service and increase efficiency and accessibility.

Sustainability

7. Public Engagement:

Community engagement is conducted by promoting the updates to the tax billing process. Considering the updates provide 1) additional payment date for residential taxpayers and 2) combining residential and commercial tax bills for easier processing/payment, it is unlikely that taxpayers would be opposed to the efficiencies and cost savings.

Further, additional engagement and notice will be provided prior to tax bills being released.

8. Attachments:

None