

Regional Measures to Provide Financial Relief for Taxpayers and Ratepayers

Regional Council Meeting
March 26, 2020

Stephen VanOfwegen, CPA, CMA
Commissioner of Finance & Chief Financial Officer
Region of Peel



Provincial Economic & Fiscal Update

Property Tax & Assessment System

- Postponement of the Planned Property Tax Reassessment for 2021
 - Assessments for the 2021 taxation year will be based on the same valuation date in effect for the 2020 taxation year
- 90-day Deferral of Education Property Tax Remittance to School Boards
 - June and September property tax installments deferred for 90 days each

Peel has a Social Responsibility to Support the Economic Health of the Community

- Many residents and businesses are financially impacted by the COVID-19 pandemic.
- The Region supports the economic health of the community.

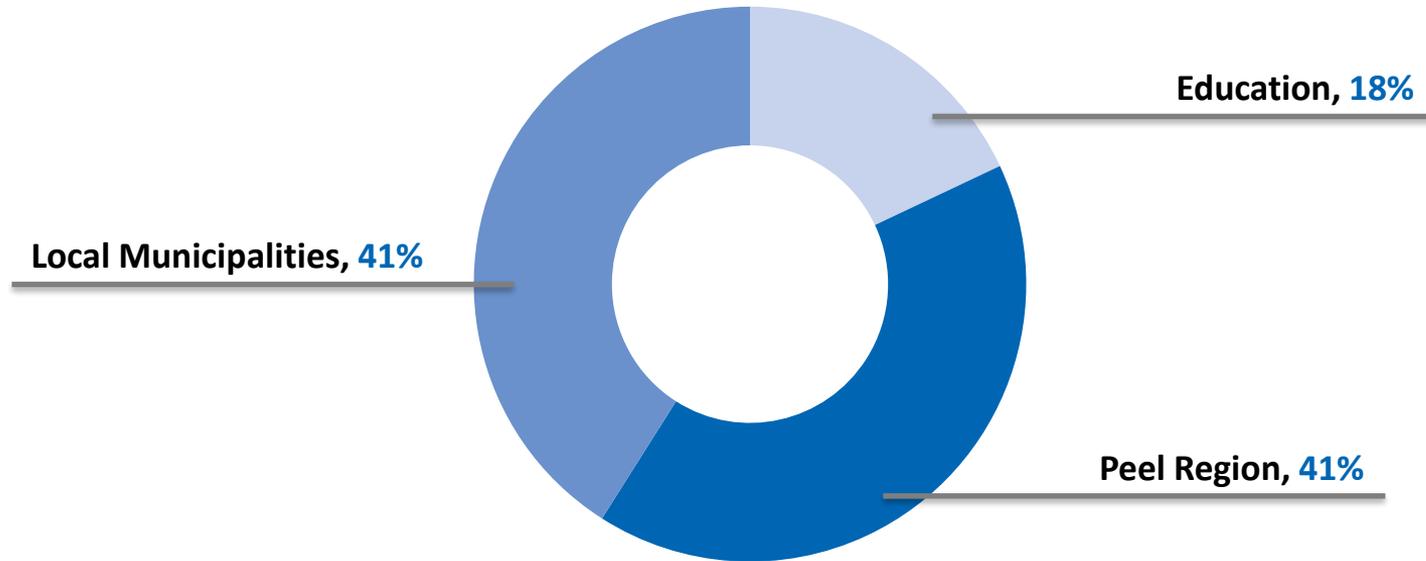
- Peel remains financially flexible:

- Triple-A credit rating
- Rate stabilization reserves are healthy
- Adequate cash to support temporary financial relief measures



- The Region supports local municipal partners in providing financial relief to taxpayers and ratepayers.

What Your 2020 Property Tax Bill Funds



- Tax collection is a local responsibility.

Local Property Tax Relief Programs

Local Municipal Property Tax Collection Relief Programs - Varying Solutions Based on Local Needs

- Brampton: 5 month deferral of interest rates and late fees; changed first installment on final residential billing (allowing for one month gap between grace period ending and new tax bill)
- Caledon: 2 month installment deferral
- Mississauga: 90 day installment deferral

Financial Implications of Local Tax Relief Programs

- The local municipalities have requested that the Region make changes to the collection of Regional levies.
- Financial impact of local municipal relief programs: \$2.8M – \$3.4M
- Adequate stabilization reserves to finance relief measures.
- Recommended solutions developed to accommodate individual local solutions.

Proposed Utility Rate Relief

Deferral Options

1. Deferral of 7.2% rate increase



2. Deferral of late payment charges for an additional 91 days after the due date. (112 days from invoice date)



Financial Impacts

\$4.6M revenue shortfall in 2020



Cost of providing one-time relief up to \$650,000.

Other Relief Measures



MiWay and Brampton
Transit offered
free service as of March 21.



TransHelp
reduced fares to zero.



66% decrease in demand
for TransHelp services
since March 18.

Revenue shortfall of
\$75k/month.

- Suspend applications of late penalties on corporate invoices from April 1st for 90 days.
- Cost of \$10K.

Financial Measures to Support Peel Residents & Businesses



- Proposed measures support the economic health of our community.



- Peel's financial flexibility can accommodate proposed recommendations.



- A fiscal update to Council on April 9th.