

Report to Council

Report Title: 2025 Property Tax Arrears
Prepared By: Jessica Schmidt, Deputy Treasurer/Tax Collector
Department: Finance
Date: April 14, 2026
Report Number: FIN2026-13 **File Number:** C11FIN
Attachments: N/A

Recommendation:

That the Council of the Municipality of Brockton hereby receives Report Number FIN2026-13 – 2025 Property Tax Arrears, prepared by Jessica Schmidt, Deputy Treasurer/Tax Collector for information purposes.

Report:

Background:

Property taxation is the primary source of revenue for the Municipality of Brockton and supports the daily operations. Therefore, the Municipality must ensure that this key revenue source is carefully safeguarded and closely monitored. This report outlines the level of arrears as of December 31, 2025, along with the collection methods in place to protect these receivables. The taxation process is a highly regulated process under the Municipal Act.

In 2025 the Municipality of Brockton levied \$13,092,097 in municipal taxes, which was an increase of 4.48% over the 2024 levy, and this resulted in an annual increase to the average household of \$119.58.

Analysis:

This report provides Council with additional information on property tax arrears for the year ending December 31, 2025. Each year, the municipality reports their financial position to the Province; the chart below illustrates the Provincial standards for tax arrears:

Potential Level of Challenge		
Low	Moderate	High
Less than 10%	10 to 15%	More than 15%

At the end of 2025, the overall outstanding tax arrears were \$853,769 (excluding accumulated interest). However, the total uncollected for 2025 taxes equals \$656,229.63 which equals a total of 5.01% of the 2025 Municipal Tax Levy. The chart below illustrates the changes from 2018 – 2025:

Year	Total Outstanding Taxes	Total Current Outstanding Taxes	Total Percent of Current Taxes Outstanding
2018	\$640,721	\$427,046	5.3%
2019	\$606,237	\$382,545	4.33%
2020	\$509,276	\$373,300	3.86%
2021	\$577,316	\$463,651	4.70%
2022	\$496,302	\$387,636	3.71%
2023	\$636,704	\$491,485	4.28%
2024	\$991,888	\$744,933	5.94%
2025	\$853,769	\$656,230	5.01%

In 2025, the Municipality of Brockton initiated the tax sale process on two (2) new properties; however, six (6) properties entered into payment plans to pay their outstanding tax arrears. At the end of 2025, five of the six properties that enrolled in a payment plan had paid their tax arrears balance in full. Staff continue to work closely with residents to help keep accounts in good standing.

Outlined below are some of the methods staff use throughout the year to collect tax arrears:

- Issue monthly tax arrears notices
- Contact property owners with arrears in the two-to-three-year range
- Arrange payment plans that support both current-year taxes and outstanding balances

With 5.01% of current taxes outstanding at year-end, the Municipality of Brockton remains below the Provincial low-risk benchmark of <10%. Therefore, this favourable position indicates that residents are generally able to pay their property taxes, the Municipality’s collection processes are effective and there is minimal risk to cash flow.

In 2025, there were many supplemental tax bills and write-offs processed. Several properties in the Walker West Subdivision were reassessed due to increased residential development in the area. There were also a few properties in the Industrial Park that were newly assessed. As a result, supplemental tax bills were issued to residents, with payment due dates of September 30, 2025, and November 28, 2025.

Additionally, several write offs were processed, most commonly related to the Farm Tax Rebate Program and changes to physical property structures. Overall, the Municipality realized a net increase of \$117,463.34 in taxation revenue from supplemental tax bills after accounting for the write offs issued.

Brockton’s Community Goals:

The content and recommendations in this report support advancing the priorities to **Build a Better Brockton** in one or more of the following areas: **Heritage, Culture, and Community, Quality of Life, Municipal Governance, Land Use Planning and the Natural Environment, and/or Economic Development.**

Financial Impacts/Source of Funding:

- Do the recommendations represent a sound financial investment from a sustainability perspective?
N/A

The outstanding taxes has a negative impact on the Municipality's cash flow.

Reviewed By:



Trish Serratore, Chief Financial Officer

Respectfully Submitted by:



Jessica Schmidt, Deputy Treasurer/Tax Collector

Reviewed By:



Sonya Watson, Chief Administrative Officer