



MUNICIPALITY OF **West Elgin**

Staff Report

Report To: Council Meeting
From: Magda Badura, CAO/Treasurer
Date: 2020-06-25
Report: 2020-15
Subject: **Waver of Penalty & Interest on Water/Sewage Billings.**

Recommendation:

That West Elgin Council hereby receives the report from M. Badura, CAO/Treasurer; and

That West Elgin Council hereby approves the waving of interest on all unpaid water/sewage bills with the due date of June 25, 2020; and

That West Elgin Council authorize no water service disconnection happen until August 1, 2020.

Background:

On March 20, 2020, Council passed a resolution to wave penalty and interest on all receivables until April 30, 2020. Also, on April 20th Council passed another resolution with additional relief and reduced the penalty on current property taxes to 0.5% per month until August 31, 2020.

Over the last few weeks we have noticed an increased number of customers unable to pay their utility bill on time. Based on input and discussion with staff we have developed an amendment required to wave the interest for non-payment of water and sewer accounts.

The proposal, if passed, will:

- Waive penalty (0% rate) for June 25th due date
- Suspend water shut offs related to non-payment until August 1st

Staff will continue to monitor the situation and will advise Council if further changes are needed. While this proposal addresses waiving the penalty, it does not remove the obligation for water and sewer accounts to be paid and it also does not change the due dates for the water bills.

Maintaining the due date is important for the Municipality to maintain cash flow.

It is worth noting that staff has been working with water/sewer users to develop payment plans to help clear account balances over the last half of 2020. Depending on the level of assistance required, there may be the need to wave penalty in the upcoming months. Staff will also continue to explore options to develop programs that provide relief to those that are directly affected and need relief.

Financial Implications:

The estimated impact is a reduction of revenue from penalties of approximately \$1,500.00.

Report Approval Details

Document Title:	Waver of water penalty and interest.docx
Attachments:	
Final Approval Date:	Jun 23, 2020

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

Jana Nethercott