



**GRAND VALLEY**

## **STAFF REPORT**

**To:** Mayor Soloman and Members of Council  
**From:** Steven Freitas, Director of Finance/Treasurer  
**Meeting Date:** October 28, 2025  
**Report Number:** **2025-176**  
**Subject:** Treasurer's Update

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### **Recommendation**

**THAT** Council receive the Report – Treasurer's Update for information purposes.

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### **Executive Summary**

#### **Purpose**

The purpose of this report is to present Council with information on the financial activities of the Town of Grand Valley, and procurement information to Council in accordance with Section 23.3 of By-law 2022-14.

#### **Key Findings**

Included in the body of this report.

#### **Financial Implications**

There are no financial implications to this report.

## Report

### Background

The accounts payable and receivable listings are provided monthly to Council. Additionally, a few other items of information have been included as updates.

### Discussion

#### Accounts Receivables - Property Tax Arrears

The Town’s property tax Accounts Receivables Arrears are regularly monitored. Under the Ontario Municipal Act, 2001, if property taxes are two calendar years in arrears, the Town can register a Tax Arrears Certificate on title.

The following table summarizes the Town’s property tax A/R as of October 15, 2025:

Age in Years	Taxes	Interest	Total Taxes + Interest	Tax Arrears Certificates Registered
3+ (<=2022)	\$11,816	\$5,751	\$17,567	\$17,567
2 (2023)	\$43,252	\$12,192	\$55,444	\$54,180
1 (2024)	\$219,151	\$27,639	\$246,790	\$66,392
Current (2025)	\$681,503	\$33,333	\$714,836	\$60,011
<b>Totals</b>	<b>\$955,722</b>	<b>\$78,915</b>	<b>\$1,034,637</b>	<b>\$198,149</b>
<b>Totals (Sept 12/25)</b>	<b>\$1,162,144</b>	<b>\$81,645</b>	<b>\$1,243,789</b>	<b>\$229,978</b>
<b>Change</b>	<b>-\$206,422</b>	<b>-\$2,730</b>	<b>-\$209,152</b>	<b>-\$31,829</b>

(Note: Amounts rounded to nearest \$1)

For comparative purposes, the following table summarizes the Town’s property tax A/R (previously reported) as of September 12, 2025:

Age in Years	Taxes	Interest	Total Taxes + Interest	Tax Arrears Certificates Registered
3+ (<=2022)	\$11,816	\$5,604	\$17,420	\$17,420
2 (2023)	\$52,637	\$14,115	\$66,752	\$65,503
1 (2024)	\$247,837	\$28,815	\$276,652	\$77,662
Current (2025)	\$849,853	\$33,112	\$882,965	\$69,394
<b>Totals</b>	<b>\$1,162,144</b>	<b>\$81,645</b>	<b>\$1,243,789</b>	<b>\$229,978</b>
<b>Totals (July 14/25)</b>	<b>\$919,275</b>	<b>\$75,029</b>	<b>\$994,304</b>	<b>\$275,410</b>
<b>Change</b>	<b>\$242,869</b>	<b>\$6,616</b>	<b>\$249,485</b>	<b>-\$45,432</b>

(Note: Amounts rounded to nearest \$1)

The Town’s property tax A/R as of October 15, 2025, have decreased from the previous report by approximately \$209k. This primarily reflects payments towards 2025 (\$168k) tax arrears, while the remainder relates to payments towards 2024 (\$30k) and 2023 (\$11k) tax arrears. It is worth noting that on September 12, 2025, in presenting 2024 Financial Statements & Audit, the Town’s external auditors RLB reported that an increase in property taxes receivable over the past few years is a consistent trend across all the municipalities that they audit.

The last column in the property tax arrears table above titled “Tax Arrears Certificates Registered” summarizes the outstanding amounts per year for the following:

- Eight (8) properties which have Tax Arrears Certificates registered on title, for which no partial payments are allowed. Under the Municipal Act, 2001, property owners will have to pay the full “cancellation price” (which includes all arrears, interest, and legal fees) to the Town for us to advise the Town’s Law firm to register a Cancellation Certificate.
- Of the eight (8) properties that remain, the Town is in the position to begin the “Tax Sale Process” on three (3) properties which were Registered in July 2024, as the property owners have not paid the cancellation price within one year. Future updates will be provided as we move through this process.

Since the previous report, one (1) property which had a Tax Arrears Certificate registered on title has paid the “full cancellation price” resulting in a decrease in A/R for registered properties of approximately (\$32k) from the previous report. We have instructed our lawyers to cancel the Tax Arrears Certificates registered on title for this property.

#### Accounts Receivables - General

The Town’s general Accounts Receivables are regularly monitored, and A/R recoveries that are over 90 days old are diligently investigated and followed up on. The following summarizes the Town’s general A/R as of October 15, 2025:

Description	DATE ISSUED	TOTAL AMOUNT	CURRENT	30-60 DAYS	60-90 DAYS	OVER 90 DAYS	NOTES
<b>Totals</b>		<b>\$112,360</b>	<b>\$37,825</b>	<b>\$7,601</b>	<b>\$25,409</b>	<b>\$41,525</b>	
Totals (Sept 12/25)		\$120,211	\$40,013	\$32,887	\$89	\$47,222	
Change		-\$7,851	-\$2,188	-\$25,286	\$25,320	-\$5,697	

<b>HIGHLIGHTS:</b>							
GRANT FROM ONTARIO	2022-12-31	\$40,000	\$0	\$0	\$0	\$40,000	Grant for drainage. Province will pay when they get the funding.
ALLSTATE AUTO CLAIMS	2025-08-08	\$2,039	\$30	\$0	\$2,009	\$0	GVDFB MVA Invoice.
TOWNSHIP OF EAST GARAFRAXA	2025-08-01	\$23,396	\$0	\$0	\$23,396	\$0	Community Centre Expansion.
OTHERS		\$46,925	\$37,795	\$7,601	\$4	\$1,525	Ongoing payments & monitoring

(Note: Amounts rounded to nearest \$1)

**Accounts Payable Payments**

The following lists all Accounts Payable payments processed over \$15,000 in detail for the past two months (sorted by amount in descending order):

Invoice Listing	Month	Total # Invoices	Total Invoice Amounts
(Note: Invoice amounts rounded to nearest \$1)	<b>August 2025</b>	<b>177</b>	<b>\$1,359,316</b>
	<b>September 2025</b>	<b>156</b>	<b>\$2,149,242</b>

  

Supplier Name	Invoice Description	Invoice Date	Invoice Amount
GEN-PRO	PC #5 GVCC EXPANSION	2025-08-13	\$634,431
BELL CANADA	SCOTT ST. RECONSTRUCTION	2025-08-20	\$109,521
ROBINSON HAULAGE INC.	GRANULAR "A"	2025-08-29	\$68,306
WELLINGTON CONSTR	PC #18 RELEASE OF H/B PARK SITE PUMPHOUSE	2025-08-31	\$49,357
MINISTER OF FINANCE	AUGUST POLICING SERVICES	2025-08-19	\$45,944
DUFFERIN WATER CO. LTD	MONTHLY MAINTENABCE FEE JULY	2025-08-31	\$35,564
ONTARIO CLEAN WATER AGENCY	OPERATIONS & MAINTENANCE AUGUST	2025-08-01	\$33,242
OMERS	AUGUST OMERS REMITTANCE	2025-08-21	\$25,899
GRAND VALLEY LIBRARY	AUGUST 2025 LEVY	2025-08-06	\$24,286
RECEIVER GENERAL	PP2516 PAYROLL DEDUCTIONS	2025-08-06	\$20,116
RECEIVER GENERAL	PP2517 PAYROLL DEDUCTIONS	2025-08-21	\$19,187
VIKING CIVES LTD.	BOSCH RETRO	2025-08-11	\$19,163
GRAND VALLEY COMMUNITY CENTRE	AUGUST 2025 LEVY	2025-08-06	\$17,902
SUNLIFE FINANCIAL	SUNLIFE SEPTEMBER BENEFITS	2025-08-23	\$16,810
R. J. BURNSIDE & ASSOCIATES	PROJ#300059667.0000 GRAND VALLEY/WATER MASTER PLN	2025-08-21	\$15,305
<b>Sub-Total</b>			<b>\$1,135,035</b>
Others			\$224,281
<b>Total August 2025</b>			<b>\$1,359,316</b>

Supplier Name	Invoice Description	Invoice Date	Invoice Amount
COUNTY OF DUFFERIN	2025 Q3 LEVY	2025-09-01	\$630,693
GEN-PRO	PC #6 GVCC EXPANSION	2025-09-12	\$496,760
GRAND VALLEY & DISTRICT FIRE	2025 Q3 LEVY	2025-09-02	\$274,113
UPPER GRAND DISTRICT SCHOOL BD	2025 Q3 LEVY	2025-09-01	\$252,933
MINISTER OF FINANCE	SEPTEMBER POLICING SERVICES	2025-09-15	\$45,944
OMERS	SEPTEMBER OMERS REMITTANCE	2025-09-30	\$39,210
ONTARIO CLEAN WATER AGENCY	OPERATIONS & MAINTENANCE SEPTEMBER	2025-09-01	\$33,242
DALTON R. LOWE & SONS CONST.	SUPPLIED, HAILED, MIXED/ STACKED WINTER SAND	2025-09-24	\$32,261
MEGTAY SOLUTIONS DIV. OF 1837525	SALT - WINTER WORKS PREP	2025-09-23	\$31,247
GRAND VALLEY LIBRARY	SEPTEMBER 2025 LEVY	2025-09-01	\$24,286
HANNA & HAMILTON CONSTRUCTION	LAMERONT/ SAHM DRAINAGE WORKS	2025-09-22	\$21,389
DUFFERIN-PEEL CATHOLIC DISTRICT	2025 Q3 LEVY	2025-09-01	\$21,112
RECEIVER GENERAL	PP2519 PAYROLL DEDUCTIONS	2025-09-18	\$18,891
RECEIVER GENERAL	PP2518 PAYROLL DEDUCTIONS	2025-09-09	\$18,755
RECEIVER GENERAL	PP2520 PAYROLL DEDUCTIONS	2025-09-30	\$18,547
GRAND VALLEY COMMUNITY CENTRE	SEPTEMBER 2025 LEVY	2025-09-01	\$17,902
<b>Sub-Total</b>			<b>\$1,977,285</b>
Others			\$171,957
<b>Total September 2025</b>			<b>\$2,149,242</b>

Revenue Receipts

The following outlines significant revenue receipts deposited to the Town’s Operating Bank Account from September 1, 2025, to October 20, 2025:

Description	Sep 2025	Oct 2025	Total
Property Taxes	\$95,975	\$43,400	<b>\$139,375</b>
OMAF, OMPF, OCIF, Orv Hydro Water/Dividend Pmts		\$323,961	<b>\$323,961</b>
ICIP-CCR		\$348,923	<b>\$348,923</b>
GVWF Amenities Payment			<b>\$0</b>
Gas Tax			<b>\$0</b>
Other Revenue Receipts	\$77,291	\$70,443	<b>\$147,734</b>
<b>Total</b>	<b>\$173,265</b>	<b>\$786,728</b>	<b>\$959,993</b>

(Note: Amounts rounded to nearest \$1)

**Other Projects/Deliverables & Process Updates**

Asset Management Plan

Under O. Reg. 588/17, by July 1, 2025, the Town is required to have an approved asset management plan (AMP) for all municipal infrastructure assets that builds upon the requirements set out in 2024. This includes an identification of proposed levels of service, what activities will be required to meet proposed levels of service, and a strategy to fund these activities.

The Town has contracted engineering firm R.J. Burnside & Associates to meet this deliverable. The 2025 AMP update is ongoing, with Town staff working collaboratively with Burnside staff, and is anticipated to be completed by the beginning of December 2025 with a report for Council’s approval.

#### Property Taxes

The November 12, 2025, due date for the 2<sup>nd</sup> installment of the 2025 Final Property Tax Bill is quickly approaching. In an effort to clear up property tax receivables, on September 16<sup>th</sup>, ahead of the most recent Canada Post delivery service disruptions, the Town mailed out over 425 property tax arrears notices to property owners with outstanding balances of \$5.00 or greater. Over the past few weeks, many property owners have been clearing up overdue balances, and I would like to thank all staff who helped in processing payments and enquiries from taxpayers.

#### Ongoing Cash Flow Monitoring & Forecasted Payments

In the Treasurer’s Update report presented at the August 13, 2024, Council meeting, details related to cash flow issues in the Town’s general bank account were discussed. In late July 2024, the Town’s financial institution advised that we were in excess of our \$1M overdraft, and a \$1M transfer was made from another reserve bank account on a temporary basis to fund the overdraft.

In that report, I outlined draft findings on the Town’s Operating Bank Account where it was found that in the 18 months preceding this overdraft, the Town’s operating bank account had been in overdraft position (sometimes as high as or over \$1M) for the following periods:

- 2023-03-31 to 2023-06-08 inclusive
- 2023-07-10 to 2023-08-16 inclusive
- 2023-10-26 to 2023-11-20 inclusive
- 2024-01-03 to 2024-02-16 inclusive
- 2024-03-28 to 2024-05-23 inclusive
- 2024-05-30 to 2024-08-02 inclusive
- As of 2024-08-08, the Town’s operating bank account was in a positive position of approximately \$80k.

At the time, several items were identified which could be contributing to the negative bank position(s) including but not limited to:

- Timing of property tax levy installments.

- Timing of property tax payments by residents and businesses.
- Timing of levy payments to the County and to the School Boards.
- Timing of levy payments to the various Boards (including Fire, Library, Community Centre & Medical).
- Arrears of tax payments.
- Payment arrangements, including the Town’s Pre-Authorized Tax Payment Plan (PAP), non-PAP payment arrangements, payment methods (including credit cards), other Accounts Receivable arrears and the consistent application of penalties and interest on overdue property taxes and accounts receivable.

#### Actions Taken Since April 2024 to Minimize Cash-Flow Issues

My report identified a number of actions that had been taken since April 2024 to minimize cash-flow issues for the Town including:

- Consistent monthly interest is being applied to outstanding Accounts Receivables.
- Property Tax Account Management.
  - Property owners on unapproved alternative payment arrangements (not on the Town’s approved Pre-Authorized Tax Payment Plan [PAP]) and set up in our financial system as penalty and interest free were advised that they would revert back to the 4-payment installment plan and be charged interest accordingly. Subsequently, a number of these property owners signed up for one of the Town’s approved PAP programs after satisfying the qualifications for program enrollment, including but not limited to having all property tax arrears being paid up.
- Consistent water arrears are being added to Property Taxes when Orangeville Hydro (who bills and collects for water on the Town’s behalf) advises accounts are uncollectable.

In my report, I outlined that additional actions would be investigated to minimize cash-flow issues. The following actions have been taken since my August 13, 2024, report:

- Consistent application of Penalties & Interest on the late payment of Property Taxes
  - Beginning February 11, 2025, the 1<sup>st</sup> installment of the 2025 Interim Property Tax Bill, penalties and interest are being added at one and one quarter (1.25) per cent **on the first day of default** and on the first day of each calendar month thereafter in which default continues, as set out in the Municipal Act, 2001, and in accordance with the Town’s Tax Levy By-Law.

- Assessment Related Changes.
  - Property tax calculations and bills related to severances, supplementary assessments and omitted assessments based on MPAC updates are regularly processed.
- Timing of Property Tax Levy Installments.
  - In the 2025 Tax Installment Due Dates and Pre-Authorized Payment (PAP) Plan Changes report presented at the December 10, 2024, Council meeting, Council approved changes to installment due dates and the PAP program aimed at providing the necessary cash flow to meet the Town’s own needs and its financial obligations including:
    - 4 Installment dates in 2025 which result in payments being required generally 1 week earlier than in 2024.
    - The discontinuation of the 12 Installment PAP Plan as an installment option for 2025; and the introduction of a new 10 Installment PAP Plan.
    - Due dates of the various PAP plans for 2025 resulting in payments being required generally 1 week earlier than in 2024 (on or about the 10th of the month versus the 15th of the month).

#### Discussion on Ongoing Cash-Flow Concerns

While a number of actions have been taken to mitigate cash flow concerns, the Town continues to experience issues. Significant capital projects have been undertaken and are planned which have and continue to stress the Town’s operating bank account both in the short and long term.

Since my previous report on August 13, 2024, the Town’s operating bank account has been in overdraft position (sometimes as high as or over \$1M) for the following periods:

- 2024-10-24 to 2024-11-19 inclusive
- 2024-11-27 to 2025-01-03 inclusive
- 2025-01-31 to 2025-02-07 inclusive
- 2025-04-03 to 2025-05-01 inclusive
- 2025-06-18 to 2025-08-07 inclusive
- As of 2025-10-21, the Town’s operating bank account was in a negative position of approximately \$225k.

In addition to the \$1M temporary transfer, which was made in July 2024, additional deposits and transfers of approximately of \$1.67M were made in January 2025 from other reserve bank accounts on a temporary basis to fund the overdraft in our operating bank account.

Additionally, the Town issued a \$1.15M Debenture with a term of 10 years and a closing date of May 1, 2025, from Infrastructure Ontario (IO) for the Bridge 10 replacement construction, which was to be primarily financed and was substantially completed by year-end 2024.

Since as early as October 2022, approximately \$3.44M in internal borrowing has been made from other reserve bank accounts to cover deficits in the Town’s operating bank account which have yet to be paid back to the respective reserve bank accounts.

In March 2025, the Town entered into a construction agreement for the Grand Valley & District Community Centre (GVDCC) expansion project with a value of approximately \$4.1M which is to be partially funded by remaining ICIP-CCR grants, funding agreements with other board municipalities including Amaranth and East Garafraxa, and other financing. Payments started in April 2024, and to date the Town has paid approximately \$1.9M with additional costs of approximately \$2.2M to be incurred. Funding options being considered include additional debt with IO or other financing options. The timing of receipt for these funding options is not definite and could take until early 2026.

The Town’s operating bank could once again exceed the \$1M overdraft limit by the end of October 2025 due to the timing of significant capital expenditures related to the GVDCC expansion project and other expenditures including the recently completed micro-surfacing projects. If this occurs, the Town will need to take immediate action to address this issue.

The GVDCC expansion project is being funded in 2 different ways:

- 1) Under the Original Joint Cost Sharing Agreement (between the Town of Grand Valley, and the Townships of Amaranth and East Garafraxa) with the ICIP-CCR grant, and then,
- 2) Debt or a loan with fixed annual payments.

All three municipalities are providing the funding under the Joint Cost Sharing Agreement first, up until that funding is exhausted. Once the ICIP grant and Joint Cost Sharing is completed, all additional project costs are being funded through debt or loan and annual payments. We are nearly finished the ICIP-CCR grant, meaning the 3 municipality’s obligations under that Joint Cost Sharing Agreement are nearly finished. The Town of Grand Valley has been carrying all costs while waiting for reimbursement from the Province and from Amaranth and East Garafraxa. The remainder of the project’s costs will be financed, and the Town is hopeful that Amaranth and East Garafraxa will be signing back the agreement that Grand Valley’s CAO

provided in presentations to their respective Councils so that the terms for the long-term borrowing with IO or other financing options can be finalized.

In addition to existing commitments, further pressures on the Town’s operating bank account could include funding required for the following projects:

- Monticello subdivision
- Southeast Pumping Station
- Water Tower Generator
- Council Chamber Update
- Scott Street Drainage and Construction
- Bielby-Emma Sewage Trunk
- Ritchie Drive Drainage
- In the event of the discontinuation of the ASE program, there are potential contract cost commitments for ASE without corresponding revenues.

Additionally, proposed changes to the timing of payments of DCs by the Province and any reductions to DC rates approved by Council could add further cash-flow issues.

Long-term financing for existing commitments and any future Council approved major capital expenditures will necessitate increases to future budgets to service debt annually which will add to property tax increases.

As the Town continues to grow, financial policies and procedures need to be strengthened or established to ensure proper controls are in place and followed, and to ensure transparency in all municipal financial activities. While the Town does not have policies regarding Debt Management or Reserve and Reserve Funds, the practice of internal borrowing from a municipality’s own reserves rather than from an external lender is commonplace in municipalities with such policies. Policy requirements typically include when internal borrowing is permitted, repayment plans and borrowing agreements which must be approved by Council or by the Treasurer, and interest rates to be applied. These policies also include any legislated requirements that may apply (e.g. Development Charges Act).

#### Other Updates

A Fees & Charges Update (last done in 2019) will be presented to Council for approval and implementation as a part of the 2026 budget.

Payments of Property Taxes by Credit Card

Under Resolution Number 2023-11-37, Council received the Report – Update on Costs of Receiving Credit Cards as Payment Options and directed staff to investigate a 2% surcharge on all payments by credit cards by July 1<sup>st</sup>, 2024.

At this point, a further analysis has not been completed on the funding considerations related to the Town’s policy of accepting Credit Cards as payment methods for property taxes; however, a future report will be presented to Council.

The report that will be brought back to Council will include an analysis of various options and a recommendation. To be fair to all taxpayers in the Municipality, the recommendation will aim to ensure that fees related to the use of the credit cards as a method of payment are borne by the property owner wishing to pay via this payment method and not the Town.

Various Workplan Items for Consideration in 2026 and Onward Including:

- Drafting and/or updating Policies and Procedures related to Finance including:
  - Staff Credit Card Management Policy (per Council direction, revisions to draft policy will be presented).
- A change to the final audit timeline to have audited Financial Statements and the submission of the Financial Information Return (FIR) to the Ministry of Municipal Affairs and Housing on or before May 31<sup>st</sup> annually.
- Complete the implementation of iCity Financial System enhancements including a property tax self-serve portal.
- Updating the financial information available to internal and external clients on the Town’s website to ensure that it is current, relevant, and value-added.

**Budget Variance Reports & Accounts Payable Listings**

Attachment 1 – Budget Variance Report for the Town of Grand Valley for Period 9 (September) & Year to Date (YTD) 2025.

Attachment 2 – Accounts Payable Listing for the Town of Grand Valley for Period 9 (September) & Year to Date (YTD) 2025.

Attachment 3 – Accounts Payable Listing for the Grand Valley and District Community Centre for the period of September 2025.

**Procurement Update**

Attachment 4 – Procurements for the period September 18, 2025, to October 21, 2025, is submitted to Council in accordance with section 23.3 of By-law 2022-14:

*23.3. Information Report to Council - For information purposes, the Treasurer shall submit a monthly status report to Council on all contract awards, contract extensions and contract amendments, valued at \$25,000 or higher that were undertaken since the previous report.*

**Financial Impact**

There is no financial impact.

**Consultations**

Meghan Townsend, Chief Administrative Officer/Clerk

Jennie Miguel, Accounting Clerk

**Attachments**

Attachment 1 – Budget Variance Report

Attachment 2 – Accounts Payable

Attachment 3 – Accounts Payable – Grand Valley and District Community Centre

Attachment 4 – Monthly Procurement Update Report

**This report was submitted by**

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**This report was approved by**

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