



**THE CORPORATION OF THE TOWNSHIP OF AUGUSTA**

**BY-LAW NO. 3665-2023**

**BEING A BY-LAW TO ADOPT A MUNICIPAL DRAIN ASSESSMENT POLICY**

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**WHEREAS** Section 61(1) of the Drainage Act, RSO 1990, requires that a Council that is required to raise the whole or part of the cost of a drainage works shall impose upon the lands assessed for the drainage works the assessment with which it is chargeable;

**AND WHEREAS** Section 61(2), (3), (4), and (5) of the Drainage Act, RSO 1990, authorizes the manner and means by which the charges may be levied and collected;

**AND WHEREAS** Section 85 of the Drainage Act, RSO 1990, provides that grants may be made in respect to assessments made under this Act upon lands used for agricultural purposes;

**AND WHEREAS** application will be made for a grant and grants are subject to available budget in the Ministry of Agriculture, Food and Rural Affairs;

**NOW THEREFORE** the Council of the Corporation of the Township of Augusta enacts as follows:

1. **THAT** the Municipal Drain Assessment Policy attached hereto as Schedule "A" shall form part of this By-Law.
2. **THAT** By-Law 3619-2023 and all other By-Laws inconsistent herewith are hereby repealed.
3. This By-Law shall be in force and effect on the date of its passage.

**Read a first and second time this 27<sup>th</sup> day of November 2023.**

**Read a third time and passed this 27<sup>th</sup> day of November 2023.**

  
MAYOR

  
CLERK

## SCHEDULE "A"

<b>POLICY:</b>	<b>Municipal Drain Assessment Billing, Payment &amp; Debenture</b>		Date issued: February 13, 2022
Pages	5	Review Date: December 2026	Revision Date: November 27, 2023

### 1. PURPOSE

To establish a standard for billing, payment, and debentures for outstanding balances on municipal drain assessments, as described herein.

### 2. LEGISLATION AFFECTED

- I. Drainage Act Section 3(17) for Requisition Drains
- II. Drainage Act Section 10(4) for Cost Petition
- III. Drainage Act Section 43 - Liability of Original Petitioner
- IV. Drainage Act Section 61 – Special Assessment

The assessments and rates imposed under the Drainage Act shall have priority lien status as described in section 1 of the Municipal Act, 2001.

### 3. BILLING CYCLE

- I. Once the Drainage Superintendent has confirmed that all invoices have been received and the capital or maintenance work completed on municipal drains, the Treasurer shall prepare a levy by-law.
- II. Section 75(3) of the Drainage Act states a municipality is not required to levy amounts charged for maintenance or repair more than once every five years if the total expense doesn't exceed \$5,000.00. To reduce annual general ledger reconciliation costs, Augusta Township will prioritize to levy and bill all maintenance and repair jobs as they are completed.
- III. Drain assessments will be invoiced and sent to the landowner.
- IV. Invoices shall be one instalment due within 60 days of the billing date.

### 4. PAYMENT PLANS

- I. Landowners with cumulative drain assessments owing per drain assessment schedule with a balance under \$300.00 are required to pay the balance owed within 60 days of billing. Landowners with a balance of \$300.00 and over (after

applicable Provincial grants) may opt to pay their balance in full within 60 days of billing.

- II. Landowners with cumulative drain assessments owing per drain assessment schedule of more than \$300 and less than \$2,500 (after applicable Provincial grants) are payable in the first year in which the assessment is imposed. Payments are to be made monthly and can be made through providing post-dated cheques, cash, debit, e-transfer, or paying through your financial institution or telephone banking, with no interest charged (provided the full amount is paid within the 12-month period). If payment is not received, the property will default to full billing of the amount owing on the current year's tax account.
- III. Landowners with cumulative drain assessments owing per drain assessment schedule with a balance of \$2,500.00 and over (after applicable Provincial grants) are eligible for a drain debenture as follows:
  - Term of one (1) year with no interest.
  - Term of five (5) year interest bearing.
  - Interest rate consistent with the Township's prior year's rate of return on investments with respect to landowners who participate in the Ministry's tile drainage loan program. It is acknowledged that this rate will fluctuate on a loan-by-loan basis.
  - Annual payments are added to the property tax roll.
  - Agreement with the above terms must be signed by the landowner (attached as Schedule "B" and Schedule "C").
  - The Treasurer of the Township of Augusta has the authority to administer this policy.
- IV. If payment of the drain assessment has not been received after 60 days of the billing date, or if qualifying landowners choosing to debenture their assessment have not entered into a debenture agreement with The Township of Augusta after 60 days of the billing date, the balance owed will automatically default to be paid on the next semi-annual tax installment. The amount added to taxes will include penalty charged at 1.25% per month (15% annually), calculated from the date the assessment was due to the next semi-annual tax installment. Landowners with an outstanding assessment may pay the balance owed, plus calculated penalty, in one lump sum at any time during regular business hours. In this situation, penalty will be calculated from the date the assessment was due to the date of payment.

## **5. METHODS OF ENFORCEMENT**

Tax Sale Registration – Municipal Act Part XI regulates the sale of land for tax arrears.

## **6. RESPONSIBILITIES**

Council is responsible for the adoption and application of this policy.

Where appropriate, the Clerk (or designate) shall be responsible for the administration of and applicable procedures of this policy.

## **7. POLICY ADMINISTRATION AND REVIEW**

This policy will be reviewed every four years or as required based on revisions to corporate practices or Provincial legislation.

**SCHEDULE "B"**

**The Township Augusta Payment Agreement - Municipal Drain Assessment  
Debenture**

This agreement made in duplicate as of the \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_\_.

**BETWEEN:** THE TOWNSHIP OF AUGUSTA  
(Hereinafter referred to as The Township)

**AND** \_\_\_\_\_  
(Hereinafter referred to as The Property Owner)

**WHEREAS** Property located at \_\_\_\_\_ under  
Property Assessment Roll # \_\_\_\_\_ has drainage assessment  
owing under the \_\_\_\_\_ Municipal Drain billed under  
invoice number \_\_\_\_\_.

**AND WHEREAS** The Township will offer a payment agreement for municipal drain  
assessment on capital or maintenance work with a balance owing of more than \$2,500.00  
after application of any Provincial Grants.

**AND WHEREAS** The Township is desirous of entering into an agreement with the  
Property Owner to pay for such drainage assessment.

**AND WHEREAS** The Township has determined a fair rate of interest shall be consistent  
with the Township's prior year's rate of return on investments with respect to landowners  
who participate in the Ministry's tile drainage loan program, currently \_\_\_\_\_ % per  
annum.

**NOW THEREFORE** the Property Owner agrees to the following terms:

- i. Equal annual payments shall be added to the above noted property  
tax roll for a term of FIVE (5) years. Payments for this debenture will  
start on the interim tax billing levy for the year \_\_\_\_\_.
- ii. The Repayment Schedule shall be provided to the landowner by The  
Township and attached to this agreement.

\_\_\_\_\_  
The Township of Augusta  
*Per Mark McDonald, Treasurer*

\_\_\_\_\_  
*Property Owner*

**SCHEDULE "C"**

**The Township Augusta Payment Agreement - Municipal Drain Assessment  
Debenture**

This agreement made in duplicate as of the \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_\_.

**BETWEEN:** THE TOWNSHIP OF AUGUSTA  
(Hereinafter referred to as The Township)

**AND** \_\_\_\_\_  
(Hereinafter referred to as The Property Owner)

**WHEREAS** Property located at \_\_\_\_\_ under  
Property Assessment Roll # \_\_\_\_\_ has drainage assessment  
owing under the \_\_\_\_\_ Municipal Drain billed under  
invoice number \_\_\_\_\_.

**AND WHEREAS** The Township will offer a payment agreement for municipal drain  
assessment on capital or maintenance work with a balance owing of more than \$2,500.00  
after application of any Provincial Grants.

**AND WHEREAS** The Township is desirous of entering into an agreement with the  
Property Owner to pay for such drainage assessment.

**AND WHEREAS** The Township has determined that no interest will be accumulated to  
the balance outstanding provided it is paid within 1 calendar year from the date of the  
invoice.

**NOW THEREFORE** the Property Owner agrees to the following terms:

- iii. A payment shall be added to the above noted property tax roll for a  
term of ONE (1) year. The payment for this debenture will be added  
to the interim tax billing levy for the year \_\_\_\_\_.

\_\_\_\_\_  
The Township of Augusta  
Per Mark McDonald, Treasurer

\_\_\_\_\_  
Property Owner