



MEDIA RELEASE

THE CORPORATION OF THE TOWN OF FORT ERIE
1 Municipal Centre Drive
Fort Erie, ON
L2A 2S6

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MEDIA CONTACT: Janine Tessmer, Communications Coordinator

TELEPHONE: 905-871-1600 ext. 2217

Water/Wastewater and User Fees Second Step in 2017 Budget Process

The Town of Fort Erie Council entered into its second round of 2017 Budget deliberations during last week's Council-in-Budget committee with a review of the Water and Wastewater budget as well as the Town's User Fees.

During the meeting, Staff presented the 2017 Water and Wastewater Budget, which included the following recommendations:

- The continuation of the Water Emergency Relief Fund (WERF). The WERF program provides \$15,000 to assist low-income households with payment of their water bills.
- The continuation of the Seniors Utility Relief Fund (SURF). The SURF program includes \$21,000 to provide a \$100 water account credit to applicants that provide proof of age and receipt of the Federal Guaranteed Income Supplement.
- The allocation of \$100,000 and \$80,000 to the water and sewer rate stabilization reserves. The Town's Water Rate Stabilization reserve has been emptied the last three years to fund water operational deficits and has been relied upon for minimizing large one-time wastewater charges.

The overall water/wastewater budget increase for 2017 is 3.53 per cent. This means an increase of 3.93 per cent (or a total monthly increase of \$4.28) for an average household who uses 16 cubic metres of water per month.

There are a number of contributing factors that have led to this increase such as grant revenue decreases and regular system maintenance. However, the largest impact can be attributed to regional treatment costs. The Region adjusted its net operating budget by increasing its rates by 0.8 per cent. When combined with the Town's increased treatment needs, this results in a 2.43 per cent increase to the Town's annual Water and Wastewater budget.

"We don't have a great deal of latitude in our water and wastewater budget when 60 per cent of the bill to our residents is paid to the Region. We are legislated by the provincial government to implement a cost recovery water and wastewater program, which means those systems are paid for solely by the users of those services," said Mayor Wayne Redekop.

"Aside from paying the Region for treatment costs, the Town is also responsible for operating and maintaining our wide-spread infrastructure. Fortunately, the Council is taking a very responsible approach to ensuring the long-term sustainability of our water and wastewater systems and we are taking steps on a yearly basis to help lower costs and improve efficiency," said Redekop. "This includes taking aggressive action to reduce water infiltration into the sewer system and unpaid for or lost treated water."

Also on the agenda was the 2017 Fees and Charges report provided by staff. The amount a user pays is usually based on the costs of the services they are acquiring. During the Council-in-Budget Committee meeting, most of Council's discussion was aimed at development-related fees, noting however, that certain municipal fees have legislative requirements for cost recovery, such as the collection of fees under The Planning Act.

"Determining fees and charges requires a balancing of costs with the potential impact these amounts have on individual users while assisting in keeping the overall tax increases to a minimum," said Jonathan Janzen, Treasurer.

In order to maintain affordable yet competitive user fees, Council has authorized most fees to be increased annually based on the Ontario Consumer Price Index (CPI). The most recent CPI is 1.8 per cent.

The following highlights some changes that are not related to the annual CPI increase:

- **Building Permits** – Several fees increased approximately 5 per cent (CPI + 3.2 per cent) to become closer aligned with other local municipalities. All other fees received the annual CPI increase. Even though the fees will increase, Fort Erie remains below the regional municipal average.
- **Subdivision/Condominium Application Fees** – Staff recommended updating the Draft Plan application, Plan of Condominium, and Condominium Conversion fees to include an additional \$50 fee for any additional lots following the first 50. This is a result of the additional staff time required for this size of application.
- **Draft Plan Extension Fee** – The Draft Plan Extension fee increased to \$1,000 to reflect costs and the average fee of other local municipalities.
- **Deeming By-law Application Fee** – The Deeming By-law application fee currently recovers only 54% of the cost; therefore, Staff recommended increasing the fee to \$557 for full recovery.
- **Prohibited Open Air Burning By-law** – Staff included a new fee for repeat offenders in violation of the open air burning by-law. The new fee includes \$450 per vehicle for the first hour and \$225 for each consecutive vehicle. The fee is similar to regional municipalities as most align themselves with the Ministry of Transportation rates.

The Town's Budget process continues:

- January 11 – Library and Economic Development & Tourism Corporation
- January 23 – Water and Wastewater Budget By-law and Fees & Charges By-law
- January 25 & February 1 – General Levy Operating Budget
- February 27 – General Levy & Capital Budget By-law

For further information about the 2017 Budget, visit www.forterrie.ca and click on the 2017 Budget button. In addition, all Council-in-Budget Committee meetings are broadcasted live. An audio record of the meeting can be found on the Town's website.