

DATE OF MEETING December 6, 2021

AUTHORED BY BARBARA D. WARDILL, MANAGER, REVENUE SERVICES

**SUBJECT AMENDMENT TO USER FEE SUBSIDIES**

## **OVERVIEW**

### **Purpose of Report**

To introduce “User Fee Subsidies Amendment Bylaw 2021 No. 7095.03” for first, second and third readings.

### **Recommendation**

That:

1. “User Fee Subsidies Amendment Bylaw 2021 No. 7095.03” (To set the 2022 thresholds for User Fee Subsidies) pass first reading;
2. “User Fee Subsidies Amendment Bylaw 2021 No. 7095.03” pass second reading; and,
3. “User Fee Subsidies Amendment Bylaw 2021 No. 7095.03” pass third reading.

## **BACKGROUND**

For over 25 years, Council has provided user fee subsidies for water and sewer to senior citizens who meet age and income limits. As a result of our annual review of the income level criteria, staff recommends that the income limits be increased for both the single owner occupier and household income.

Council is permitted by Section 202 of the *Municipalities Enabling and Validating Act* to waive any part of any water or sewer rate to property owned and occupied by any class of citizen 65 years of age or older. Council has, in the past, allowed a subsidy in the amount of 50 percent of the minimum water and sewer charges on owner occupied residences.

## **DISCUSSION**

Historically the qualification income levels were set at approximately ten (10) percent over the senior’s maximum available income from Old Age Security (OAS) and Guaranteed Income Supplement (GIS).

The maximum available income for recipients eligible for the Federal OAS and GIS current YTD average is:

OAS & GIS Maximum Income	<b>2021</b>			
	<b>Month</b>		<b>Annual</b>	
	<u>Single</u>	<u>Couple</u>	<u>Single</u>	<u>Couple</u>
Old Age Security (OAS)	\$ 623.89	\$ 1,247.79	\$ 7,486.71	\$ 14,973.42
Guaranteed Income Supplement (GIS)	931.84	1,151.19	11,182.11	13,814.31
Total	1,555.74	2,398.98	18,668.82	28,787.73

To follow Council's past policy of setting income qualification limits at approximately ten (10) percent over the Senior's maximum available income from OAS and GIS, the following limits are recommended:

	<b>Current</b>	<b>Proposed</b>
<b>Single Owner Occupier</b>		
- Per Month	\$ 1,685	\$ 1,710
- Per Annum	\$ 20,215	\$ 20,535
<b>Couples/Household Owner Occupier</b>		
- Per Month	\$ 2,565	\$ 2,640
- Per Annum	\$ 30,790	\$ 31,670

The current 2021 minimum rates for water and sewer are \$0.86093 and \$0.40056 per day, respectively. This results in an annual subsidy of \$230.22 per eligible property.

The November 2021 YTD cost of the User Rate Subsidies is approximately \$7,900.

### **OPTIONS**

1. That "User Fee Subsidies Amendment Bylaw 2021 No. 7095.03" (To set the 2022 thresholds for User Fee Subsidies) pass first reading.
2. That "User Fee Subsidies Amendment Bylaw 2021 No. 7095.03" pass second reading; and,
3. That "User Fee Subsidies Amendment Bylaw 2021 No. 7095.03" pass third reading.
  - The advantages of this option: The City will provide a "Low Income Senior Household" an entitlement of 50% waiver of the minimum charge for user fees levied under the

current Sewer Regulation and Charge Bylaw and the current Waterworks Rate and Regulation Bylaw that reflects current Low Income levels for seniors.

4. That Council deny first, second and third readings to “User Fee Subsidies Amendment Bylaw 2021 No. 7095.03” (To set the 2022 thresholds for User Fee Subsidies).
  - The disadvantages of this option: The City will not provide assistance to Low Income Senior Households with respect to User Fees.

#### **SUMMARY POINTS**

- Historical income qualification limits have been set at approximately 10 (10) percent over the senior’s maximum available income from OAS and GIS.
- Section 202 of the *Municipalities Enabling and Validating Act* allows Council to waive any part of water or sewer rates to property owned and occupied by any class of citizen 65 years of age or older.
- Proposed monthly threshold is \$1,710 per person or \$2,640 per household.
- Previous monthly threshold was set at \$1,685 per person or \$2,565 per household.

#### **ATTACHMENTS:**

Attachment A: “User Fee Subsidies Amendment Bylaw 2021 No. 7095.03”

#### **Submitted by:**

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#### **Concurrence by:**

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