

Report to the City of Owen Sound

Re: Sewer and Water billing interval



Background

The United Way of Bruce Grey has an extensive Utility Assistance Program. The Program provides grants of up to \$500 per utility once per 12 months.

In 2016 the Program processed \$347 134 in supports to the broad Bruce Grey community. This represents 1630 client interactions as many households accessed more than one funding stream.

City of Owen Sound

Specific to the City of Owen Sound the United Way processed 16 requests for assistance with city sewer and water bills. (Full program demographics are in Appendix A) As there is no dedicated funding for sewer and water, the United Way seeks grants and donations for this aspect of the Program. Applicants to the Program must have a pending disconnection order to access funding.

The United Way prevented disconnection of services for all 16 applicants.

When the funding gets low, city sewer and water is the first utility that is excluded as priority is given to heating needs.

Other Support Programs

Other social service agencies have provided an additional \$9 000 in supports in 2016 to pay City sewer and water bills.

Almost \$16 000 paid to City of Owen Sound for Sewer and Water customers.

In the past 7 years the United Way has paid over \$20 000 towards sewer and water bills to the City of Owen Sound (Appendix B).

The United Way is concerned with the sudden increase in applicants to the program:

- * 2016 requests for support: 16 households received \$6 953.44
- * 2017 requests for support (to March 15th): 9 households seeking \$4 917 in support

The Challenge

- * The applicants to the United Way program had an average monthly income of \$1 640. (Appendix A)
- * The average rent for a 2 bedroom home in the city is \$861* without the cost of utilities.
* https://www.cmhc-schl.gc.ca/odpub/esub/64507/64507_2015_B01.pdf (also Appendix G)
- * The average rent/mortgage of applicants to the United Way Program is \$1000 (Appendix A)
- * Applicants are spending well over 50% of their income on housing costs.
 - o Standard financial practice is that no more than 40% of income should go to all housing costs (rent, mortgage, utilities, taxes etc)
- * Low income residences have trouble saving for a quarterly bill as there is always an issue or another urgent bill that always crops up. (Appendix C)
- * Without the trigger of a monthly bill, customers sometimes *forget* there is a water bill. Low-income residents are always prioritizing bills and missing just one City bill will put those 6 months behind at risk of disconnection.
- * Quarterly billing also does not alert homeowners to leaks in a timely manner. (Case Study Appendix D)
- * Tenants will be able to alert Landlords to needed repairs sooner, and when there is non-compliance for water based repairs, demonstrate the impact to the Landlord and Tenant Board

A Solution

The United Way requests that the City undertake an 18 month pilot project where monthly billing is provided to:

- * **All Owen Sound Not-for-profit housing units (est 50 units)**
- * **All Grey County housing units (est 75 units)**
- * **Any Owen Sound resident who has experienced arrears and wishes to “opt in”**

The pilot can assess the increased mailing costs that are offset by the potential reduction in staff time and other collection related activities.

By-law 2002-032 already empowers monthly billing (Appendix E)

2.3 Water accounts may be rendered monthly, bi-monthly, quarterly or on any other basis as established by the Council of the City from time to time.

Benefits to monthly billing for customers

- * Budgeting is easier
- * If payment is going to be a challenge, the challenge is identified sooner
- * Arrears will be smaller and therefore payment plans more manageable
- * Leaks and over-usage are flagged immediately
- * Monthly bill serves as a reminder when prioritizing what bills to pay

Benefits to monthly billing for City

- * Higher compliance with bill collection
- * Fewer disconnection and collection activities
- * Increased cash flow

Further supports and arrears prevention

The United Way has created a flyer, utilizing information from the City website, to assist applicants in lowering their water bills as much as they can. (Appendix F)

The United Way has a Financial Literacy Program that provides advice and support for low income people.

Respectfully submitted by:

Francesca Dobbyn

Executive Director

United Way of Bruce Grey

519-376-1560

execdir@unitedwaybg.com



Appendix A

United Way of Bruce Grey Utility Assistance Program: OS Water and Sewer data

Applicants to the Program: 16

Total Arrears: \$7 217.55

Total Granted: \$6 953.44

Average Arrears: \$451.10

Average Grant: \$434.59

Demographics

24 Adults 1 Senior

19 Children

Overall average annual income: \$19 684

- * 6 households with employment income – average income \$18 287
- * 5 households on Ontario Works – average income \$10 501
- * 2 households on Ontario Disability Support Program (ODSP) – average income \$12 672
- * 2 Households on Employment Insurance – average income \$15 237
- * 1 multi-generational home

Billing status

- * 5 households were 2 invoices behind, therefore 6 months behind in owing
- * 2 households were 2 invoices behind, had made partial payments, but still owed
- * 1 customer was paid up, but unable to pay the 'current due' invoice
- * Of the remaining 8 it is unclear how far behind they were, average arrears was \$411

Average rent or mortgage is \$1000 monthly leaving little room for large bills.

Appendix B

Grants paid to the city

		households	avg paid
2010	\$ 1,163.00	3	\$ 387.67
2011	\$ 8,607.00	26	\$ 331.04
2012	\$ 1,285.00	5	\$ 257.00
2013	\$ 2,000.00	4	\$ 500.00
2014	\$ 500.00	1	\$ 500.00
2015	\$ 1,000.00	2	\$ 500.00
2016	\$ 6,953.44	16	\$ 427.19
	\$ 21,508.44		



Letter to the Owen Sound City Council – March 30, 2017

RE: city water billing and payment schedule of every 3 months

Honourable Mayor Boddy and City of Owen Sound Councillors

We appreciate the opportunity to present this letter to you in reference to the city's water billing and payment schedule of every 3 months.

Community Voices is an action / advisory committee of the *Bruce Grey Poverty Task Force*. We examine issues in our community and address the barriers to help families create a better life for all.

There is concern that many families are finding challenges with a billing schedule that is every 3 months. This causes disruption for the city in collections and stress for the families experiencing disconnects.

- 1. First and foremost we want to pay our water bills**
- 2. Water is a human right**
- 3. Disconnections are terrifying, humiliating and puts our families and children at risk**

When living on fixed income, whether it is Ontario Works, Ontario Disability, Old Age Security, Employment Insurance or low income due to precarious work, this income situation presents a challenge to balance all the bills. There is simply not enough money left at the end of the month to save for an unpredictable bill 3 months away. When the bills come in on a monthly schedule it is more manageable to budget and make payments.

The city, we are sure, would like to reduce the number of disconnects, payments in arrears and writing off bad debts.

- Monthly billing for fixed income families provides the opportunity to make consistent payments to reduce disconnects
- Monthly billing will flag any unforeseen leaks in pipes
- Monthly billing will provide consistent revenue for the city

Community Voices meets every month on the second Friday at 12:30 in the board room of The Library. We examine all issues and barriers in our community.

We are here to work with you. Thank you for your consideration.

Sincerely,

Community Voices Members

Christine Alderman, Tanya Butt, Kelly Copp, Gerald McCulloch, Renee Schlonies, Misty Schonauer, Annette Taylor, Deanne Thompson

BY-LAW NO. 2002-032

THE CORPORATION OF THE CITY OF OWEN SOUND

**A BYLAW TO PROVIDE FOR THE COLLECTION OF
WATER RATES AND WATER CHARGES IN THE CITY
OF OWEN SOUND**

WHEREAS the Public Utilities Act, R.S.O. 1990 c.P.52 and the Municipal Act R.S.O. 1990 c.M.45 authorize Bylaws for the billing of rates or charges for the supply of water by the City of Owen Sound, and for the collection of the same.

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE CITY OF OWEN SOUND ENACTS AS FOLLOWS:

1. DEFINITIONS

In this By-law:

- 1.1 "City" means the Corporation of the City of Owen Sound;
- 1.2 "Premises" means any house, building, property, lot or part of a lot, or both in, through, or past which water service pipes run;
- 1.3 "User" means, as the context requires, the applicant for water supply, the owner or occupant of the premises, or the person to whom invoices are sent, for water supplied to a premises;
- 1.4 "Water" means potable water that is fit for human consumption;
- 1.5 "Water meter" means the water meter supplied, at the cost of the user, and owned by the City of Owen Sound;
- 1.6 "Water service connection" means that part of a water service pipe from the municipal water main to the street line, including the shut off valve, which supplies water to any premises in the City of Owen Sound;

2. WATER RATES AND WATER CHARGES

- 2.1 The water consumed on all premises in the City shall be charged for as indicated by the water meter on each respective property and at rates established by the Council of the City from time to time.
- 2.2 Notwithstanding subparagraph 2.1, where a meter is found to be not in use or out of proper working order or the scheduled reading is for any reason not obtained, or where no meter is installed, the City shall estimate the consumption of water used for any period based on the amount of water consumed during the time the meter was working or from any other information or source available, and such estimate shall be the basis for billing the customer for the water used.
- 2.3 Water accounts may be rendered monthly, bi-monthly, quarterly, or on any other basis as established by the Council of the City from time to time.

- 2.4 The City shall add to the amount of all water and sewer charges due an unpaid, interest at the rate of 1 ¼% per month for each month or fraction thereof.
- 2.5 The water supply to a premises may be discontinued if the account for water supply is six (6) month(s) overdue. The cost of stopping and starting the water supply shall be added to the account and the account shall be paid in full before the water supply is reinstated.
- 2.6 If the user moves from one property to another within the City and there is an account owing for water supply in respect of the user's former property, the water account may be transferred by the City to the user's new premises.
- 2.7 In addition to shutting off the supply of water to the premises as set out in paragraph 2.4 hereof, where an account for metered or estimated water rates or expenses incurred in the repair of water services, meters, fixtures and all other appurtenances connected with the water service, or for damage to same or for any other charges, fee or cost imposed under this by-law, is in arrears, the City may do any one of the following:
- 2.7.1 transfer the amount remaining unpaid for the premises to the collector's roll and collect the amount in the same manner as taxes and subject to the same interest and penalties as for taxes; or
- 2.7.2 distraint upon the goods and chattels of the person liable to pay the amount due; or
- 2.7.3 sell the estate or interest in the premises of the person liable to pay the amount due; or
- 2.7.4 collect the amount remaining unpaid in a court of competent jurisdiction; or
- 2.7.5 take any other proceedings or steps authorized by law in order to collect the amount due.
- 2.8 All other water service connections shall be installed on an actual cost basis, plus fees for a water meter, remote read, inspections, surface restorations, engineering, or other charges.
- 2.9 Water used from a water service connection to premises during the construction phase of a building, prior to occupancy, is not required to be metered. The user shall pay the cost of this water by adding a flat rate charge as established by the Council of the City from time to time, or an estimated charge calculated in accordance with the type of premises as defined in paragraph 1.2 hereof, to the cost of the user's water service connection.
- 2.10 A flat rate charge, as established by the Council of the City from time to time, for the disconnection of water service connections will apply for water services. The user must pay the full cost of disconnection for water service connections.

3. INSPECTION OF WATER METERS

3.1 At all reasonable times, the City shall be allowed access to the premises or private property and be provided the free and clear access to the water meter where water is being supplied, for the purpose of reading, inspecting, testing, making repairs, taking away, or replacing any part of the water service or water meter, at the discretion of the City.

3.2 Where a user does not provide access to premises or free and clear access to a water meter within ten (10) days from written notice by the City, the City may at its discretion, discontinue the water supply to the premises until such time as free and clear access to the water meter is provided.

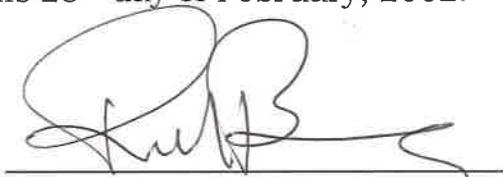
4. PENALTIES AND OFFENCES

4.1 Every person who contravenes or causes or permits any contravention of any of the provisions of this by-law is guilty of an offence pursuant to the Provincial Offences Act and on conviction is liable to a fine as provided for therein.

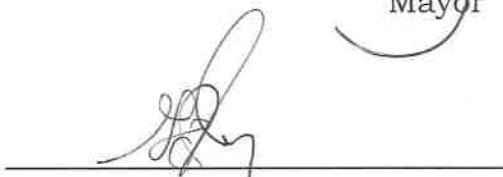
5. EFFECTIVE DATE

5.1 This Bylaw shall come into full force and effect upon the final passing thereof.

FINALLY PASSED AND ENACTED this 25th day of February, 2002.



Mayor



Clerk

Tenant Utility Accounts

Purpose

1. The purpose of this policy is to provide guidance to staff respecting utility account setup, and collection.

Background

2. Collection of water fees and charges will be completed in accordance with By-law No. 2002-032.

Procedure

3. Tenants must contact our office personally to confirm the service address and date they are moving in. We will not set up an account in a tenant's name if the landlord calls and asks. The paperwork will be completed only when the tenant calls with confirmation. If the tenant owes at another service address this amount must be brought up to date before the new location will go into their name.
4. All tenant accounts will have a \$30 set up fee on their first billing.
5. Tenants will be advised of the average cost per three month billing eg. \$200 - \$250 which is based on their consumption (meters are read, not estimated every three months).
6. Tenants will be advised of payment options, eg. by internet, telebank, pre-authorized, at their banking institute or at City Hall. All customers are advised that monthly payment options can be set up if they pay via telebank, internet, at City Hall or at their banking institute.
7. Tenants will be advised of our collection policy to notify the property owner if they become six months in arrears – they will also be made aware that at any time that their account is in arrears the status of their account could be released to the property owner. Notification of six month arrears will happen via collection letter to the tenant with a copy being sent to the property

Tenant Utility Accounts

owner. The tenant is subject to disconnection of their utility service if they become six months in arrears.

8. At six months arrears (or two billings) if there has been no payment a collection letter with a \$15 charge is sent to the tenant and copied to the property owner – there is a two week grace to pay or arrange a payment plan. If no payment is received or a suitable payment plan arranged the tenant will then receive a hand delivered collection notice with a \$30 charge. They will then be given three business days to pay the account in full or the service will be disconnected. The property owner is notified before the service is disconnected.
9. If a tenant is going to be a resident of Owen Sound Non-Profit Housing at 2150 9th Ave E, Owen Sound, they are required to pay a \$200 deposit before we will set the account up in their name. This deposit is held the entire time they are residents of Owen Sound Non-Profit Housing. The deposit will be applied to the final billing when the tenant is moving out. Relocating within the complex will see the deposit applied to the final bill at the vacating unit and a new \$200 deposit required for the new rental unit.
10. Georgian Bluffs Township and The Municipality of Meaford residents will be treated as City of Owen Sound Tenants. Their utility account is subject to disconnection if they are six months in arrears. If the customer leaves stranded debt Georgian Bluffs Township or The Municipality of Meaford will be notified and the amount stranded will be added to the property tax account. If utility services become disconnected for non-payment Georgian Bluffs Township or The Municipality of Meaford will be notified.

References and Additional Information:

11. The fees listed in this policy are subject to change in accordance with the City's Fees and Charges By-law.
12. Authority to collect outstanding utility fees or charges is authorized under section 398 of the *Municipal Act, 2001*.

Wise Water Use

Reduce

Be aware of the amount of water you and your family use and look for ways to use less whenever possible.



Repair

Most leaks are easy to locate and inexpensive to repair. A leak of one drop per second wastes about 10,000 litres per year.

Retrofit

Install water saving devices on existing fixtures and look for water efficient appliances and devices when replacing your older fixtures or appliances.

Bathroom Tips

- Bathrooms may be small in size, but they're big when it comes to water use. Your toilet alone accounts for 1/3 of the water used in your home. Update your toilet to a low flush toilet and save water and energy. Toilet leaks can be silent (put a drop or two of food colouring in the back of the tank - if it seeps into the bowl there's a leak that needs to be fixed).
- Don't keep the tap running while brushing your teeth. Use a glass to rinse your toothbrush. Rinsing with a toothbrush under a tap wastes about 4000 litres of water a year.
- A typical bath uses approximately 100 litres of hot water, while a 5-minute shower with an efficient showerhead will use about half of that, and will pay for itself in as little as four months. While you are waiting for hot water fill a pitcher with the water and use it to water your plants.

Laundry Room Tips

- Wait until you have a full load of laundry before running the machine to save both water and energy. Consider a high efficiency washer. It uses on average, 30% less water and 40-50% less energy.

Kitchen Tips

- Only run your dishwasher when it is full to make the best use of water.
- Installation of a low flow aerator on your kitchen faucet can reduce flow by up to 50%. Standard screen aerators do not reduce flow rate.
- Sink garbage disposals waste water and add unnecessary waste to the wastewater collection system and the wastewater treatment facility. Compost fruit and vegetable peels, eggshells, coffee grounds and other appropriate food wastes.

Outdoor Tips

- Sweep off your driveway, patio and sidewalks with a broom instead of using a hose.
- Lawns can only absorb water so fast. It's better to water for three 10 minute sessions with each session a half hour apart than it is to water steadily for 30 minutes and cause run-off. Don't over-water your lawn! Use an automatic water timer to avoid puddles and run-off.
- Fix leaks in your hose and replace worn out washers. Winterize your outdoor taps to prevent them from leaking or bursting in cold weather.
- Use a pail of soapy water to wash your car and rinse using a trigger hose nozzle. A garden hose left running can waste 20 litres of water per minute.
- Report water leaks or broken pipes to your local provider.

What does it cost to live in Bruce Grey?



United Way
Bruce Grey

Bachelor*

Avg market rent:

\$568

1-bedroom*

Avg market rent:

\$712

2-bedroom*

Avg market rent:

\$847

Utilities not included

To afford the apartment,
a household must earn
at least:

\$22 956

Per year

Or

\$11.05

Per hour, 40 hr work
week

To afford the apartment,
a household must earn
at least:

\$28 236

Per year

Or

\$13.75

Per hour, 40 hr work
week

To afford the apartment,
a household must earn
at least:

\$34 440

Per year

Or

\$16.56

Per hour, 40 hr work
week

Min Wage earnings

\$23 400/year

11.25/hour

Max rent: \$579

ODSP housing allowance

\$479 single

\$753 couple

\$816 couple + 1 child

OW housing allowance

\$376 single

\$602 couple

\$655 couple + 1 child

*Avg of Kincardine, Saugeen Shores and Owen Sound

Source: Canada Mortgage and Housing Corporation