

**MEMORANDUM**

**NTC-C 5-2022**

**Subject: Niagara Transit Commission – Special Levy**

**Date: November 8, 2022**

**To: Niagara Transit Commission Board**

**From: Carla Stout, General Manager**

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Further to enquiries from members at the Board’s last meeting of November 1, 2022, the following information is provided to clarify municipal allocations in the 2023 Transit Budget.

Impacts are outlined by municipality below with clarity on any variations as being based on changes to service level, recovery of revenue in the budget from LAMs that used unsustainable funding during the pandemic to allay their budget pressures and/or to identify where LAMs increased their service between the time the triple majority process started and when the 2023 budget was prepared.

The prior financial strategy used the 2020 budget, service hour estimates from 2021 and assessments based on the 2020 tax roll. The following are the main drivers of the transit special levy increase:

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|--|-------------|
| A) Increase due to COVID revenue declines net of 2023 revenue growth | \$5,200,000 |
| B) Increase for new locally approved service hours                   | \$1,280,000 |
| C) Change in service hours and assessment estimates                  | --          |
|  | \$6,480,000 |

<b>Municipality (amounts in millions)</b>	<b>Total - Prior Triple Majority Financial Strategy</b>	<b>Total - 2023 Draft Budget</b>	<b>Increase / (Decrease)</b>	<b>Main Driver</b>
St. Catharines	\$18,211,560	\$20,550,272	\$2,338,713	A
Niagara Falls	\$12,917,005	\$14,561,963	\$1,644,958	A
Welland	\$4,920,990	\$6,761,099	\$1,840,110	A & B

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Niagara-on-the-Lake	\$2,012,072	\$2,585,009	\$572,937	B
Fort Erie	\$2,587,604	\$2,875,904	\$288,300	B
Port Colborne	\$1,064,838	\$938,038	\$(126,800)	B & C
Pelham	\$ 1,148,145	\$1,118,510	\$(29,635)	C
Thorold	\$1,725,604	\$1,775,411	\$49,807	C
Grimsby	\$1,727,151	\$1,679,779	\$(47,372)	C
Lincoln	\$1,455,623	\$1,427,442	\$(28,181)	C
West Lincoln	\$540,455	\$530,128	\$(10,327)	C
Wainfleet	\$257,742	\$249,394	\$(8,348)	C
<b>Total</b>	<b>\$48,568,788</b>	<b>\$55,052,950</b>	<b>\$6,484,163</b>	

The new special levy on the tax bill will not necessarily reflect any increase in taxation but rather the segregation of local and regional transit costs removed from the local and regional general levies and identified separately on the tax bill. Therefore the increase in the special levy is largely offset by decreases in the regional and local general levies, but for the following:

- The special levies for Niagara-on-the-lake, Fort Erie, Port Colborne, and Welland, reflect an increase in service hours approved by the their local municipal Councils in 2021/2022 totalling \$1.28M.
- The special levies for St. Catharines, Niagara Falls, and Welland reflect an increase to offset COVID-related decreases in revenue realized and subsidized by Safe Restart Funding and other unsustainable funds by the local municipalities in 2022 totalling \$5.2M.

Respectfully submitted and signed by

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Carla Stout, DPA  
General Manager