

Impact of proposed 2023 Regional Transit Levy on Welland taxpayers

FOR IMMEDIATE RELEASE

January 26, 2023

Welland, ON – Welland City Council received a staff report at their special council meeting on January 25, outlining the impact of the Niagara Regional Transit (NRT) Levy on Welland taxpayers based on NRT’s proposed budget.

In the Welland staff report, an estimated 31 per cent increase in 2023 over 2022 is presented; an increase derived from the NRT proposed 2023 budget.

Description	Amount
Portion of City of Welland 2022 tax levy related to transit	\$3,479,566
Estimated allocation of Niagara Region 2022 tax levy for intermunicipal transit in Welland	\$1,381,264
Total 2022 Transit Levy	\$4,860,830
2023 NTC draft transit levy Welland (Includes local service & intermunicipal transit)	\$7,048,866
Increase/(Decrease) in Transit Levy	\$2,188,036
Percentage Increase in 2023 Levy over 2022	31.04%

“On several occasions, we asked for updates on the proposed financial model and capital costs, because we wanted to ensure we knew the impact on the Welland taxpayer,” said Mayor Frank Champion. “As a Council, we have always supported the integration of a consolidated transit system, but an increase to the Welland taxpayer by 30 per cent is unacceptable and does not reflect what was proposed during the triple majority vote.”

The methodology approved during the triple majority vote to allocate local net transit costs and incremental capital was these costs were to be apportioned based on the proportion of service hours. However, during the development of the proposed 2023 budget by the NTC, two new allocation methods were introduced: a Municipal Direct Allocation and the One-Time Special Levy.

Municipal Direct Allocation

The budget identifies a levy of \$5,699,974 assessed against St. Catharines, Niagara Falls and Welland (\$1,275,000). This levy is tied to the lower-tier municipalities’ utilization of Gas Tax funding and Safe restart funding in 2022 operating budgets to offset fare box revenue losses due to COVID-19.

Media Release



One-time Special Levy

The budget identifies a one-time special levy of \$1,931,540 assessed against St. Catharines, Niagara Falls, and Welland (\$287,767). The levy is related to future post-retirement benefits for existing transit employees, which would be placed into a reserve fund in 2023 for future use.

There is no financial impact to the city, however, there is an impact on Welland residents through the 2023 Regional Levy.

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