

City of Belleville

Report No: DDF-2025-08

Meeting Date: August 25, 2025



To: Mayor and Members of Council

Department: Finance

Staff Contact: Brianne MacNevin, Manager of Finance/Deputy Treasurer

Subject: Water Leak Forgiveness Policy

Recommendation:

That Council approve recommendations of the Finance Committee as outlined in the Manager of Finance/Deputy Treasurer's Report DDF-2025-08, and approve the City of Belleville - Water Leak Forgiveness Policy,

And That the 2025 Operating Budget be amended to include \$10,000 for the implementation of this policy, to be funded as follows:

- \$4,900 from the Water Service Reserve Fund
- \$5,100 from the Sanitary Sewer Reserve Fund.

Strategic Plan Alignment:

The City of Belleville's Strategic Plan identifies nine strategic themes. This report aligns with each of the City's nine strategic themes and the City's mission statement by providing innovative and efficient services in support of our community's vision.

Background:

The City currently reads approximately 17,000 water meters on a monthly or bi-monthly basis. As part of the billing process, City staff routinely review meter data to identify unusually high water usage. When significant spikes are detected, customers are notified, as they may indicate the presence of a leak. Staff also provide support to affected customers as needed through work orders/service requests.

In addition to these efforts, City staff receive several inquiries each year from residents experiencing financial hardship due to high water bills caused by unintentional leaks within their plumbing systems. While property owners are responsible for internal plumbing

maintenance, certain failures such as faulty fixtures can result in substantial, unexpected charges.

To address these situations fairly and transparently, City staff have developed a Water Leak Forgiveness Policy for Council's consideration (attached to this report). The policy would allow eligible residential customers to apply for a one-time credit after repairing a verified leak, subject to a defined set of criteria.

In preparing this policy, staff reviewed similar programs in other Ontario municipalities, including the City of Vaughan, the City of Sarnia, and Loyalist Township. These policies provided useful examples of how other municipalities offer relief for excess consumption due to plumbing leaks and helped inform the development of Belleville's proposed approach.

Financial/Analysis:

The proposed policy provides for a credit equal to 50% of the water and wastewater consumption that exceeds the customer's average bi-monthly usage. The credit would be capped at \$2,000 with one successful application per account. Seasonal, discretionary, and non-residential water uses are not proposed to be eligible. Appendix A attached to this report is an example of a credit calculation for reference.

Based on the number of historical leak reports and the methodology outlined in the policy for calculating the credit, the estimated annual impact is approximately \$30,000, split between water (49%) and wastewater (51%), which is estimated to be less than a 10 cent increase in an average residential customer's water bill. If the policy is approved, City staff propose that it take effect immediately. To support implementation for the remainder of 2025, an operating budget amendment of \$10,000 is recommended, to be funded from the Water Service and Sanitary Sewer Reserve Funds. In 2026, the base budget would increase by \$20,000 to support a full year of program delivery for a total annualized cost of \$30,000, to be funded by water and wastewater user rates. The funds allocated to this program may be subject to proposed adjustments in future years based on actual program participation, as part of the annual budget process.

Staff will continue to monitor the uptake of the program and provide annual updates to the Finance Committee and Council as part of the water and wastewater rate recommendations report.

Conclusion:

The introduction of a Water Leak Forgiveness Policy provides a fair and structured process for assisting eligible residential customers who experience unexpectedly high water bills due to verified leaks. The policy has been established to minimize financial risk to the City while offering limited, one-time relief to customers facing exceptional circumstances. By aligning with best practices from other Ontario municipalities, the policy enhances customer service, promotes transparency, and supports responsible water/wastewater billing.

As recommended by the Finance Committee on August 7th, the following is recommended to Council:

- "THAT the Water Leak Forgiveness Policy be approved"; and

- "THAT the 2025 Operating Budget be amended to include \$10,000 for the implementation of this policy, to be funded as follows:
 - \$4,900 from the Water Service Reserve Fund
 - \$5,100 from the Sanitary Sewer Reserve Fund."

Attachments:

[DRAFT Water Leak Forgiveness Policy](#)
[Appendix A - Leak Forgiveness Credit - Example](#)

Reviewed by:

Brandon Ferguson, Director of Finance/Treasurer
Doug Irwin, City Clerk
Matt MacDonald, Chief Administrative Officer

Status:

Approved - 14 Aug 2025
Approved - 14 Aug 2025
Approved - 15 Aug 2025



DRAFT City of Belleville Water Leak Forgiveness Policy

Dated: July 2025

1. POLICY STATEMENT

This policy governs the administration of credits for abnormally high residential water bills resulting from verified, unintentional plumbing leaks. Although customers are responsible for maintaining their plumbing systems, the City recognizes that unintentional leaks can create financial hardship. This policy provides a structured and equitable approach to relief in such cases.

2. PURPOSE

To provide eligible residential water customers with the opportunity to request financial relief in the form of a one-time credit for excessive water consumption caused by verified, unintentional leaks that have since been repaired.

3. SCOPE

This policy applies to eligible metered residential water customers in the City of Belleville (the City), including both owners and tenants, who hold an active water account.

4. DEFINITIONS

“Account” means a customer water billing account established with the City for the provision of water and wastewater services.

“Application Date” means the date on which a completed application form, including all supporting documentation, is received by the City.

“Average Bi-Monthly Consumption” means the customer’s average water consumption over the previous 12 consecutive months prior to the leak period. If 12 months of consumption history is not available, the City may use a shorter billing history.

“Billing Period” means the standard billing cycle during which water/wastewater consumption is measured and invoiced to the customer.

“Credit” means a one-time adjustment applied to the consumption portion of a customer's bill due to a verified leak, in accordance with this policy. Credits are not issued as refunds.

“Customer” means an owner or tenant that is financially responsible for an active water billing account with the City.

“Discretionary Use” means non-essential water use for convenience or recreation, including but not limited to, lawn watering, irrigation systems, filling swimming pools or hot tubs, or other outdoor water uses that are seasonal in nature.

“Eligible Property” means a property that meets the eligibility criteria outlined in this policy.

“Excess Consumption” means the amount of water used during the billing period affected by the leak that exceeds the customer's Average Consumption.

“Good Standing” means the water account has no arrears exceeding 30 days, is not in collections, and is not subject to a shut-off notice (where applicable) at the time of application.

“Leak” means the unintended and/or uncontrolled escape of water from a plumbing system, fixture, or pipe located on the customer side of the water meter, resulting in abnormal consumption.

“Proof of Repair” means documentation verifying that the leak has been fixed. Acceptable proof may include a plumber’s invoice, contractor report, or repair/replacement receipt.

“Verified Leak” means a leak confirmed by the City through review of meter data, billing history, and supporting documentation submitted by the customer.

5. POLICY

5.1. ELIGIBILITY CRITERIA

To qualify for a leak adjustment under this policy, all the following conditions must be met:

- The water account must be in good standing.
- The customer will be limited to one forgiveness adjustment per water account.
- The eligible property must have been occupied (i.e. not vacant) during the billing period in question.
- Water usage during the billing period must:
 - Exceed 50 cubic metres, and
 - Be at least 200% greater than the average bi-monthly consumption.
- The customer must complete repairs to the plumbing system within 60 calendar days of notification from the City of increased consumption.
- The customer must retain and submit proof of repair (i.e. invoices or receipts).
- The application must be submitted within 90 calendar days of the City’s notification of the high consumption.
- The customer must be able to reasonably explain the cause of the increased consumption.
- The eligible property must be a single-family residential premises, thereby excluding multi-residential, commercial, industrial, or institutional properties.
- The adjustment will apply only to volumetric water and sewer charges. Fixed service charges (i.e., fire protection or service fees) are excluded.

Leak forgiveness will not apply in the following cases:

- Seasonal or discretionary use.
- Slowed or malfunctioning meters.
- Water loss due to theft, vandalism, construction damage, or third-party activity.
- Catch-up bills due to prior estimated consumption readings.

5.2. ADJUSTMENT APPLICATION

If a leak forgiveness application is approved by the Treasurer or their designate, a credit will be applied to the customer's water account on a future bill.

The credit will be calculated as 50% of the metered water consumption that exceeds the account's historical average bi-monthly usage for the affected billing period, to a maximum of \$2,000 per application. The credit will apply only to water and sewer charges; no refunds will be issued. Only one adjustment will be granted per account over its lifetime.

Credits will be applied only after plumbing system repairs have been completed and verified. A pending application does not delay the due date or payment requirements for the bill in question.

To avoid penalties or collection activity, customers are encouraged to pay their full bill amount by the regular due date in order to maintain good standing on their account.

5.3. ROLES & RESPONSIBILITIES

Council shall:

- In accordance with Section 224 of the *Municipal Act, 2001*, develop and evaluate policies, ensure that administrative policies are in place to maintain the financial integrity of the City.
- Consider any application for forgiveness of water billing not covered under the terms of this policy.

Treasurer or designate shall:

- Revise this policy as necessary and present changes to Finance Committee and Council.
- Ensure that the principles and requirements contained in the policy are applied.
- Be delegated the authority to authorize forgiveness of water billing charges as permitted under the terms and limits of this policy.
- Process approved credits to customer accounts.

5.4. REPORTING

In addition to any requests from the Finance Committee and/or Council, City staff will report annually on the number of applications received, approvals granted, and total credit amounts issued as part of the annual water and wastewater rate recommendations report.

5.5. REVIEW

This policy shall be presented to Finance Committee and Council for review and update, if applicable, every four years, in the first year of each elected Council, or as deemed necessary by Council or the Treasurer.

Appendix A

Leak Forgiveness Credit - Example

	Total Consumption	Rate as of January 1, 2025	Amount
Water	100	\$ 2.02	\$ 202.00
Sewer	100	104.3%	\$ 266.70
Total Billed for Water and Sewer Charges - Prior to Adjustment (A)			\$ 468.70

	Average Consumption	Rate as of January 1, 2025	Amount
Water	25	\$ 2.02	\$ 50.50
Sewer	25	104.3%	\$ 108.68
Total Water and Sewer Charges - Average Bi-Monthly Consumption (B)			\$ 159.18

	Total Adjusted Consumption	Rate as of January 1, 2025	Amount
Water	75	\$ 2.02	\$ 151.50
Sewer	75	104.3%	\$ 158.02
Total Water and Sewer Charges Eligible for Adjustment (A) - (B)			\$ 309.52
			Less 50%
Leak forgiveness credit amount			\$ 154.76