



The Corporation of the Municipality of Arran-Elderslie

Staff Report

Council Meeting Date: January 30, 2023

Subject: SRFIN.23.06 Fees and Charges By-Law for 2023

Report from: Tracey Neifer, Treasurer

Appendices: Appendix A – DRAFT 2023 Fees and Charges By-Law

Recommendation

Be It Resolved that Council hereby,

1. Receive the recommended changes to the 2023 Fees and Charges Bylaw as attached as Appendix A; and
2. Direct Staff to present the draft 2023 Fees and Charges Bylaw at the Special Council meeting of February 22, 2023.

Report Summary

The purpose of this report is to advise Council of the proposed changes to the current Fees and Charges By-Law as recommended by Staff.

Background

Section 391 (1) of the *Municipal Act, 2001, as amended*, authorizes a municipality to establish a by-law for the purpose of imposing fees or charges on any class of persons,

- a) for services or activities provided or done by or on behalf of it;
- b) for costs payable by it for services or activities provided or done by or on behalf of any other municipality or any local board; and
- c) for the use of its property including property under its control.

Staff have completed their annual review of the fees & charges imposed by the Municipality and recommended changes are highlighted in this report for Council consideration.

Once approved, the Fees and Charges By-Law for 2023 will replace By-Law No. 44-2022 Fees and Charges By-Law for 2022.

Analysis

The Management Team has each reviewed the areas within their scope of Municipal operation and have provided recommended changes to the current fees and charges.

The changes have been assessed based on a few factors:

- Inflation
- Financial Plans
- Material Cost Increases
- Comparison with neighbouring Municipalities

Appendix A provides a side-by-side comparison of the changes including, dollar and percentage increase. Changes in amount and/or description have been noted in red, and where items are being deleted, they are marked with a strikethrough. The following provides a summary of the significant changes (before HST) associated with each Schedule.

Schedule A – Administration Fees

- Overall, fees have remained the same, with a few exceptions:
- Fees added for Animal Control to allow for recovery of various fees that are incurred.
- Added Burial permit/death registration fees of \$15.00.
- Added Fence Viewer Charge of \$85.00 per visit plus mileage.
- Hourly rate for Information Searches has been increased by \$5.00 to \$35.00.
- Added Septic Compliance Letter and Septic Reinspection Fee of \$87.00 and \$220.00, respectively.
- Tile Loan Inspection Fee has increase by \$5.00 to \$90.00

Schedule B – Licensing Fees

- No proposed changes to the fees.
- Description referring to failure to vaccinate has been removed as covered under other legislation.

Schedule C – Works Service Changes

- Inflationary increases of 2.20% to 3.75% have been applied to culverts, entranceway permits and 911 signs to better reflect material costs.
- A new fee of \$100.00 has been added for the replacement of 911 sign and post.
- New permit fees have been added for a logging deposit, moving and road occupation, and a road crossing fee.

- The costs for winter salt and sand have had inflationary increases applied, \$10.25 and \$1.19, respectively, plus an additional 5% fee.
- Hourly rate for the Grader and Street Sweeper has increased \$21.60 to \$137.17.

Schedule D – Merchandise

- As the cost to purchase blue boxes has increased, a similar fee increase has been added of \$8.85 to reflect \$17.70.

Schedule E – Paid Parking

The administration and enforcement of parking passes continues to be a time-consuming task. The proposed increases will assist to offset the costs associated with parking passes. The municipal lots in Chesley and Paisley have increased an average of 24.13%

The Riverside Park lot in Chesley has the most parking spaces available and the cost for a parking pass remains relatively low to encourage more residents to utilize that area. This will keep residential parking off of the streets and allow the main street parking to be open for visitors and residents to shop. A new annual fee has been included for \$235.00 plus HST, and the Winter fee has been increased from \$35.40 to \$100.00.

Schedule F – Planning Fees

Any necessary changes will require a public meeting be held under the Planning Act. A review will be undertaken in 2023, and appropriate meetings held determine to if any further changes are warranted.

Schedule G – Cemetery Fees

No changes have been proposed for 2023. Staff recommend a comprehensive review of the current cemetery fee structure in 2023 as initial investigation has noted some below average pricing for some of the land and service fees.

Any changes to the Care and Maintenance Fees require the approval from the Bereavement Authority of Ontario who is responsible for the governance of the Municipality's cemetery operator's license.

The Clerk will be preparing these changes this spring.

Schedule H – Solid Waste – Landfill

Changes have been made to the fees for landfill services due to inflation, along with a review of other neighbouring municipalities.

- The minimum charge for the landfill (\$10.00) is among one of the lowest in Bruce County. This cost also helps to offset the cost associated with providing a debit payment at the landfill.
- The Garbage Pick-Up Local Improvements charge covers the cost of providing curbside pickup to residents. This is charged annually to residents on their property tax bill. Multi-unit residents and businesses that put out greater than two bags each week are charged additional fees to cover the increased volume. The contracted service for garbage pickup is expected to increase in 2023, and as a result, staff have recommended that the local improvement charge be increased by \$15.00 to \$110.00.
- Bag tag fees have also increased from \$3.00 to \$3.50 for Households and \$2.85 to \$3.25 for resellers.
- A new fee for litter or garbage clean up on municipal property has been added for \$241.00
- Other minimal changes are noted on the schedule.

Schedule I – Recreation Rental Fees

For recreational rental fees a few updates have been made to the descriptions and inflationary increases of 2% to 3% have been added to a few areas:

- Billboard rentals
- Table wrap.
- Staff rates per hour.
- Ice fee rentals.
- Pool rentals and swimming lessons.
- Summer day camp fees.

Schedule J – Trailer Park

An inflationary increase of 3% has been added to the Trailer Park fees.

Schedule K – Fire Department Fees

In 2022 several new fees were added to the Fire fees schedule. In review of changes required for 2023, the following amendments have been made:

- The hourly rate applied has changed from \$65 to \$75.
- Annually in October/November the MTO rate is adjusted. The rate has changed from \$509.89 to \$543.03.
- In consultation with Fire Marque, the terminology under Incident Response has been updated to reflect “Indemnification Technology” as required for Fire Marque to pursue collection of fees through the property owner's insurance policy.
- The fee to provide security on scene has increased from \$750 to \$1,000.

The following chart has been provided to summarize the various billing scenarios and what the outcome of the cost-recovery would look like. Based on past discussions with Council, it is understood that cost-recovery measures will be to the extent of a property owner's insurance policy, which is what Fire Marque will pursue. Clarification under

Scenario 2 is required where a property owner chooses not to file an insurance claim even though funds are available to them through their current policy. These situations may be rare, but Council's direction should be clear, whether staff are to take any action.

**Fire Incident Response
Billing Scenarios
Cost-Recovery with Fire Marque**

Scenario	Description	Cost Incurred	Insurance Policy	Cost-recovery
1	Property owner files a claim with their Insurance Company	\$ 15,000.00	\$ 5,000.00	\$ 5,000.00
2	Property owner chooses NOT to file a claim with their Insurance Company	\$ 15,000.00	\$ 5,000.00	\$ - **
3	Property owner files a claim with their Insurance Company	\$ 3,000.00	\$ 5,000.00	\$ 3,000.00

** The agreement with Fire Marque is to pursue the amount of coverage under a property owners insurance policy to the extent that a claim is made. Should a property owner choose NOT to file a claim, then Fire Marque does not pursue cost-recovery.

In these circumstances, Council has the option to:

1. Write off the costs incurred (\$15,000),
2. Submit an invoice to the property owner for the amount coverable under the insurance policy (\$5,000),
3. Submit an invoice to the property owner for the costs incurred (\$15,000).

Schedule L – Water and Sewer

The Water and Sewer Department Fees are driven by the associated Financial Plans for Water, Sewer and Common Operations covering the period 2021-2026. For the most part, the changes are reflective of the rates established within those documents however, a few ad-hoc adjustments were made based on current material and service cost trends.

The Financial Plans provide for the following changes:

Financial Plans For the years 2021-2026 Approved % Annual Increases				
Plan	2023	2024	2025	2026
Sewer	3%	3%	3%	3%
Water	1%	2%	2%	3%
Common	1%	2%	2%	3%

The collection of HST on Bulk Water sales has been removed, in consultation with the Municipality's auditors, after receiving a customer inquiry.

New fees were added to reflect water and sewer services provided to a property owner of the Municipality of Brockton.

Schedule M – Paisley Museum

- No proposed changes

Schedule N – Building Permit Fees

Any changes made to the Building Permit Fee Structure require a public meeting process. Necessary changes were addressed in 2021 and a review will be undertaken in 2023 to determine if any further changes are warranted.

Link to Strategic/Master Plan

- Strategic Plan 6.1 – Protecting Infrastructure, Recreation and Natural Assets; 6.4 Leading Financial Management
- Recreation Master Plan
- Fire Master Plan
- Water Financial Plan 2021-2026
- Sewer Financial Plan 2021-2026

Financial Impacts/Source of Funding/Link to Procurement Policy

The financial impacts of the proposed changes to the fees and charges have been considered during the operating budget revenue considerations for the respective departments.

Other financial considerations including percentage increases and justification are provided throughout this report and on the attached schedules showing 2022-2023 comparison.

Approved by: Sylvia Kirkwood, Chief Administrative Officer