



Administration and Operations Committee Report

To: To the Chair and Members of the Administration and Operations Committee
From: Heather Mifflin, Director of Finance, Treasurer
Date: December 13, 2022
Report #: RPT-527-22
Subject: 2023 Fees & Charges
Purpose: For Approval

Recommendation

That the proposed 2023 fees and charges for the County of Brant be approved;
And that the 2023 Fees and Charges By-law be presented to Council for approval;
And that the fees and charges be implemented January 1, 2023 unless otherwise noted in the by-law.

Strategic Plan Priority

Strategic Priority 6 - Stable and Responsive Governance

Impacts and Mitigation

Social Impacts

User fees allow residents to participate in activities and programs of their choosing.

Environmental Impacts

Protection of the environment is a component of fees charged for items like water and forestry.

Economic Impacts

The County provides a variety of goods and services with fees set to cover costs while being conscious of residents and businesses financial situations.

Report

Background

Municipal governments have three basic sources of revenue - transfers from senior levels of government, property taxes, and user fees for services provided. In broad terms, funding for a service is determined by review of who benefits from the service. Services that benefit the public at large with no ways to exclude someone (e.g. trails, snow clearing) should be funded from property taxes. Services that are a specific need or choice (e.g. swimming lessons,

building permit, water usage), should be funded by the individual using the service through a user fee.

Section 391(1) of the *Municipal Act* authorizes a municipality to impose fees or charges on 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 municipality; and*
- c. *for the use of its property including property under its control. 2006, c. 32, Sched. A, s. 163(1).*

The cost of providing a good or service should form the basis of how a user fee is determined. Some fees may be subsidized (e.g. minor hockey ice rental, summer camps) by the property taxes based on Council's principles or policies for the good of the municipality. Fees are developed with affordability in mind while remaining fiscally responsible. Some fees have some market competitors in other municipalities or private providers (e.g. arenas, recreation programs) that impact the amount of the fee.

Fees are also used to control, and encourage or discourage actions (e.g. dog licenses, water conservation, false alarm fees).

Another consideration is the administrative structure required to calculate the fee. Collection of the fee should be efficient; calculation and collection costs should not be more than the cost of the service or good provided or of the assessed fee.

Analysis

The Committee of the Whole will start its review of the proposed 2023 Operating Budget on Thursday, January 12th, 2023. The revenue included in the proposed budget is based on a January 1, 2023 implementation date of updated fees and charges, unless otherwise noted.

By approving the fees and charges now, it does not preclude them from being deliberated during budget discussions. Amendments may be made at any time during the 2023 budget process and / or throughout the year.

2023 Fee Adjustments

The listing of all proposed 2023 fees and charges and their 2022 comparators is attached.

Some items considered in the proposed updated fees are timing of previous increases, comparison with other municipalities, and inflation. The most significant of these for 2023 is inflation. As the committee is aware inflation has been high over the past year. The Consumer Price Index (CPI) year over year for October is 6.9%. The non-residential construction price index for the third quarter of 2023 is 15.6%. Different inflationary factors have been used by the departments to reflect the inflation impacting on their particular fees.

The update also includes wording changes to fee names and descriptions to provide clarification.

Water and Wastewater rates -- In 2021 Council approved a multi-year rate plan for water and wastewater covering May 1st, 2021 to April 30th, 2025. The next review of the water and wastewater rate plan will start in 2024.

Development Services -- Bill 109 The More Homes for Everyone Act, 2022 received Royal Assent on April 14, 2022 and has made changes to the Planning Act, R.S.O. 1990, c. P.13. which impact applications, timelines, and development review processes. As a result, the

Planning Pre-consultation, and Minor Zoning By-law Amendment (for removal of holding fees) are proposed to increase and a new fee of a Pre-consultation Submission is being created. These fees will assist in recouping costs associated with Bill 109 changes and staffing resources. Provincial legislative change implementation will continue to be monitored by Development Services into early 2023.

Implementation Dates

Ice rental rates change April 1st at the end of the ice season.

Programs fees will change April 1st to match the prices included in the Leisure Guide.

Development Charges are indexed September 1st by the non-residential building construction price index from StatsCan.

Water and wastewater rates change annually on May 1st.

All other fees will be implemented January 1st.

Summary and Recommendations

Annually, as part of the operating budget, fees and charges are set and the revenue from fees is included in the budget. If, during the 2023 budget deliberations, Council determines a further change is required, an adjustment will be made.

The attached proposed 2023 fees and charges are recommended for approval and the bylaw to be presented to Council with implementation of the updated fees being January 1st, 2023, unless otherwise noted.

Attachments

1. 2023 Fees and Charges with 2022 Comparators

Reviewed By

H. Boyd, General Manager of Corporate Services

Copied To

None

By-law and/or Agreement

By-law Required	Yes
-----------------	-----

Agreement(s) or other documents to be signed by Mayor and /or Clerk	No
---------------------------------------------------------------------	----