

DATE: June 20, 2022

REPORT NO: T-11-2022

SUBJECT: **Proposed Changes to Finance and Public Works User Fees**

CONTACT: Katelyn Hall, CPA, CA Deputy Treasurer/Manager of Finance
Donna DeFilippis, CPA, CA Treasurer/Director of Finance

OVERVIEW:

- Staff are proposing changes to the user fees and charges related to Finance and Public Works, and are seeking Council approval to proceed.
- These fee changes are aligned with the recommendations put forth by BMA Management Consulting Inc.'s "Comprehensive Study of Fees and Charges" report, which was presented to Council for information in January 2022.
- The updated Finance user fees and charges are proposed to come into effect October 1, 2022, while the majority of the Public Works user fees and charges are proposed to come into effect July 1, 2022, unless otherwise indicated.
- Once approved, Staff will prepare the applicable by-laws concerning these updated user fees, with presentation to Council at its June 27, 2022 meeting.

RECOMMENDATION:

1. That, Recommendation Report T-11-2022, regarding "Proposed Changes to Finance and Public Works User Fees", dated June 20, 2022, be received; and,
2. That, Schedule A, outlining the updated Finance user fees and charges attached to this Report be approved with an effective date of October 1, 2022; and,
3. That, Schedule B, outlining the updated Public Works user fees and charges attached to this Report be approved with the effective dates as noted in Schedule B; and,
4. That, the applicable By-laws be passed to incorporate the new and revised Finance and Public Works fees and charges, with effective dates as indicated.

ALIGNMENT TO STRATEGIC PLAN:

Theme # 6

- Efficient, Fiscally Responsible Operations – The Township of West Lincoln is a lean organization that uses sustainable, innovative approaches and partnerships to streamline processes, deliver services and manage infrastructure assets.

BACKGROUND:

At the January 17, 2022 Administration/Finance/Fire Committee meeting, Council received Report T-03-2022 “Comprehensive User Fee Review”, and directed Staff to implement all of the recommendations as outlined in the “Comprehensive Study of Fees and Charges” report, as prepared by BMA Management Consulting Inc. This staff report was presented for information only, and no user fees and charges were changed at that time.

BMA’s “Comprehensive Study of Fees and Charges” report made recommendations of appropriate fees and charges based on relevant data and methodology (such as process mapping and activity-based costing) for each Township department. Staff have reviewed these recommended fees, and are now bringing these forward to Council for consideration to approve the fees and charges.

To date, the user fees and charges in the following service areas have been updated to reflect those recommended fees under the BMA report: Recreation, Cemetery, Planning and Building. This report brings forward the user fees and charges pertaining to the Finance and Public Works service areas. Staff plan to review and bring forward all other changes to user fees and charges over the next several months, which will include Fire and Clerks. It is Staff’s hope that an annual, consolidated user fee bylaw is implemented starting January 1, 2023.

CURRENT SITUATION:

Attached to this report are the proposed, updated fees: Schedule A (Finance User Fees and Charges) and Schedule B (Public Works User Fees and Charges).

All proposed fees (whether new or revised) within the attached schedules align with BMA’s report of recommended user fees and charges (the only exception to this is for some of the Finance fees; see more on this below). Please refer to BMA’s report for more information on how the fees were calculated and/or rationalized. Note that the schedule of fees is not inclusive of harmonized sales tax, which will be charged as applicable.

Staff would like to highlight a few important items related to the Finance fees:

- All Finance fees per Schedule A will come into effect October 1, 2022. This effective date is intentional, to better align with the implementation of the new MyWESTLINCOLN portal, which is expected to launch this summer. MyWESTLINCOLN is an online platform that allows customers to electronically receive, manage and pay their property tax, water, and general receivable accounts. Staff hope that a delayed effective date provides customers with sufficient time to set-up their MyWESTLINCOLN accounts, as to provide them another avenue to access their account information, rather than contacting Staff members directly and possibly incurring the new user fees and charges, depending on their request.

- All Finance user fees proposed by BMA are included in Schedule A; however, some of the rates are slightly lower than BMA's recommendation; in particular, for new user fees and charges (such as new water account set-up and transfer/refund of incorrect payment). This was done to ease/transition customers into the new user fees and charges. Staff will increase the fees to the level recommended by BMA in the future.

Staff would also like to highlight an important item related to the Public Works fees:

- All revised and new Public Works fees will be implemented July 1, 2022, with the following exceptions that will come into effect October 1, 2022:
 - Water Same Day Read fee – this is a new fee that will be charged to customers (or those acting on their behalf, such as a lawyer) that request a water meter read be performed the same day as the request. Usually meter read requests are made several business days before the read is performed. Previously, no fee was charged for this service but in the past, it has resulted in disruption to staff daily workload, therefore a user fee is warranted for this specific service.
 - Water Turn On/Off fee (during and outside normal business hours) – this is not a new fee; however, the charge has increased. As this is a more commonly charged fee, staff propose to delay its increase until October 1, 2022 to allow more time for customers to transition.

Once approved by Committee, Staff will update and repeal all applicable By-laws that contain the fees and charges contained within this Report and present to Council for approval. Once approved by Council, Staff will take the necessary steps to update the user fees and charges within the Township website and all external/internal materials.

FINANCIAL IMPLICATIONS:

If approved, the updated user fees and charges will be charged to ratepayers starting at the effective dates. Given these fees represent increases over the previously approved fees, this will result in increased revenue opportunities. Further, there are several new user fees that are proposed in this report, which will provide new revenue streams for the Township, as no fee was previously charged for the associated service performed by staff.

INTER-DEPARTMENTAL COMMENTS:

The contents of this Report have been reviewed by the Director of Public Works and Recreation, as well as the CAO.

CONCLUSION:

In summary, Staff recommend that the proposed rates and fees as shown in the attached Schedule A – Finance User Fees and Charges and Schedule B – Public Works User Fees and Charges be approved and that the rates and fees take effect as per the effective dates indicated.

ATTACHMENTS:

- Schedule A – Finance User Fees and Charges
- Schedule B – Public Works User Fees and Charges

Prepared & Submitted by:



Katelyn Hall, CPA, CA
Deputy Treasurer/Manager of Finance

Approved by:



Bev Hendry
CAO



Donna DeFilippis, CPA, CA
Treasurer/Director of Finance