



Subject: Non-Resident Fees

Report Number: RCP 24-003

Department: Recreation, Culture and Parks Department

Submitted by: Andrea Greenway, Acting Director of Recreation, Culture and Parks

Meeting Type: Council Budget Meeting

Meeting Date: Monday, January 15, 2024

RECOMMENDATION

- A. THAT report titled RCP 24-003 Non-Resident Fees be received as information; and
- B. THAT Council hereby confirms the non-resident fee be implemented on May 1, 2024 as per the 2024 rates and fees by-law.

BACKGROUND

At the November 27, 2023 Council Budget meeting the following motion was passed:

Resolution # 2023-566

Moved By: Mayor Gilvesy

Seconded By: Councillor Parsons

A. THAT Council receives report FIN 23-32 - 2024 Updated Rates and Fees; and

B. THAT, where other than prohibited by Legislation or set by another legislative body, all rates and fees set annually under the control of the Town be increased by a minimum of the consumer price index applied to wages or higher as warranted, to reflect the increase in costs of delivering such services, but excluding the following fees:

- 1. infant graves;*
- 2. taxi rates; and*

C. THAT a By-Law to provide a schedule of fees for certain municipal applications, services, and permits be brought forward for Council consideration at the next meeting of Council; and

D. THAT staff be directed to prepare a report to include a non-resident surcharge for services & programs offered at the Tillsonburg Community Centre.

Carried

This report is a follow up on part D of the resolution.

DISCUSSION

Non-resident fees were identified to be explored during the 2024 budget preparations. A fee was included in the Rates and Fees by-law for Council consideration in order to increase revenue collected from those who are not rate payers in the Town of Tillsonburg. A 10% surcharge on program and membership fees was included in the 2024 Rates and Fees by-law which was passed at the December 11, 2023 Council meeting.

As of the date of writing this report, 5,744 non-residents have been registered in programs and services at the Tillsonburg Community Centre in 2023. The total amount of revenue contributed by non-residents was \$76,449.54. By comparison, 22,073 residents have registered and contributed \$188,066.11. In 2023, 21% of program participants at the Tillsonburg Community Centre were non-residents.

Tillsonburg rate payers currently subsidize recreation programs and their taxes also support facility upgrades. Non-residents enjoy the benefits of low cost recreation programs and upgraded facilities but do not pay additional fees like taxpayers do to support the operations.

Non-resident user fees are generally implemented by municipalities as a levy for participants utilizing a town facility but do not live or pay taxes to that same city. The fee is intended as an additional source of revenue charged to non-residents. With 21% of recreation facility users being non-residents of Tillsonburg, who do not contribute to the Town’s building and funding of these facilities through taxes, there is an opportunity to improve recreation cost recovery rates and generate additional revenue through the addition of a non-resident fee.

A review of non-resident fees in neighbouring municipalities is below:

Municipality	Non-Resident Fee	Notes
City of Woodstock	No fee on programs	
City of London	No fee on programs	
City of Cambridge	17% surcharge	Only applies to aquatics programs
Town of Aylmer	No fee on programs	Used to have non-resident fees, found it difficult to enforce. When fees were in

Municipality	Non-Resident Fee	Notes
		place they were a 10% surcharge
Thames Centre	No Fee on programs	
City of St. Thomas	No fee on programs	
Town of Ingersoll	No fee on programs	Noted it would be difficult to track
Township of Wilmot	25% surcharge	Applies to youth and aquatic programs

There are no municipalities in Oxford County that currently charge non-resident fees for registered programs. In discussing with neighbouring municipal staff it was felt that these fees are difficult to track and enforce and that people would find a way to use a resident address to avoid the fees. While these are valid concerns, the Town of Tillsonburg implemented a new recreation software system in 2020 with the capability of determining residency of program registrants so this is something staff would be able to track and enforce.

In consultation with the account manager for the Town’s recreation software, the system currently tracks residents and non-residents by postal code. There is also the option of mapping areas by GIS which would define the geographical boundaries based on various map data and offers a higher level of detail compared to using only postal codes and city names. There would be a fee to set up using GIS if we require support from the software company.

Staff recommend the non-resident fee be implemented on May 1, 2024 as per the 2024 rates and fees by-law. Should Council wish not to proceed with a non-resident fee they could request staff to present an amending by-law to remove the fee from the 2024 rates and fees schedule.

CONSULTATION

CAO, Director of Finance, Xplor Recreation Account Manager

FINANCIAL IMPACT/FUNDING SOURCE

Introducing a non-resident fee for programs at the Tillsonburg Community Centre would increase revenue by a minimum of \$7,600 per year based on a 10% surcharge on the

2023 non-resident participation. As there was not a full year of aquatic programming in 2023, there would be the potential to increase this amount as aquatic programs are reintroduced after renovations. A 10% surcharge as a starting point is recommended and the fee will be evaluated annually during the rates and fees by-law update process.

CORPORATE GOALS

How does this report support the corporate goals identified in the Community Strategic Plan?

- Lifestyle and amenities
- Customer service, communication and engagement
- Business attraction, retention and expansion
- Community growth
- Connectivity and transportation
- Not Applicable

Does this report relate to a specific strategic direction or project identified in the Community Strategic Plan? Please indicate section number and/or any priority projects identified in the plan.

Goal – Within the community Tillsonburg will strive to offer all residents the amenities, services and attractions they require to enjoy balanced lifestyles.

Strategic Direction – N/A

Priority Project – N/A

ATTACHMENTS

N/A