



Subject: 2025 Fees By-law Update

Report Number: FIN 24-051

Department: Finance Department

Submitted by: Renato Pullia, Interim Director of Finance / Treasurer

Meeting Type: Council Meeting

Meeting Date: Monday, October 21, 2024

RECOMMENDATION

THAT Council receives report FIN-24-051 2025 Fees By-law Update; and

THAT a By-Law to provide a schedule of fees for certain municipal applications, services, and permits for 2025 be brought forward for Council consideration.

BACKGROUND

Sec. 391(1) of the Municipal Act, 2001, c.25, 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 other municipality or any local board; and
- (c) for the use of its property including property under its control. 2006, c. 32, Sched. A, s. 163 (1).

Sec. 391(2) allows that a fee or charge imposed for capital costs related to services or activities may be imposed on persons not receiving an immediate benefit from the services or activities but who will receive a benefit at some later point in time.

Sec. 391(3) also allows that the costs included in a fee or charge may include costs incurred by the municipality or local board related to administration, enforcement and the establishment, acquisition and replacement of capital assets.

Further, at its November 27, 2023 meeting, Council passed the following resolution:

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.

DISCUSSION

Annually, staff review the fees charged by the Town to ensure fees reflect current costs to deliver the respective service.

In keeping with the aforementioned resolution, fees that are under the control of the Town have been increased by a minimum of 3.08%, being the rate of CPI calculated for the Town for 2025. Staff have also reviewed opportunities where fees could be expanded to diversify the Town's revenue mix, a process that will continue as part of developing a financial sustainability plan.

This report is before Council at this time to adopt the by-law earlier, to inform both the 2025 budget revenues and the Recreation Winter Guide, while also providing additional time to adjust our systems prior to a Jan 1st implementation.

To note, the Building Department is currently undertaking a formal fee study, the results of which may require a future amendment to Schedule and By-law. As a result, Building permit fees have not changed for now.

The proposed changes to all fees, including new fees, are identified by reviewing the percentage (%) change column. The non-controlled Town fees are shown as information for the public and Council.

It is ideal that this revised fee structure be approved and take effect as of January 1, 2025. Staff is seeking Council's approval of all fees and charges listed in the column entitled "Proposed 2025 Fee".

CONSULTATION

All departments have been asked to review the fees and charges associated with the services they provide for reasonableness and to consider any new services that may warrant a user fee or charge.

FINANCIAL IMPACT/FUNDING SOURCE

With the inflationary factor applied across all fees, assuming the same volume of activity, the increase in fee revenue would be approximately \$400K, and is being incorporated into the draft 2025 budget. The risk of not adopting the amended fees and charges would be a loss in revenue expected for cost recovery from direct users that would otherwise become part of the general tax levy.

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 – The Town of Tillsonburg will strive for excellence and accountability in government, providing effective and efficient services, information, and opportunities to shape municipal initiatives.

Strategic Direction – N/A

Priority Project – N/A

ATTACHMENTS

1. Appendix A – 2025 Fee Schedule