



## Corporation of the Township of Brock

### Staff Report to the Mayor and Members of Council

**From:** Lisa Chen

**Position:** Director of Finance and Treasurer

**Title / Subject:** User Fee By-Law Updates

**Date of Report:** December 9, 2022

**Date of Meeting:** December 12, 2022

**Report No:** 2022-FI-022

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#### 1.0 Issue / Origin

In anticipation of the annual budget process, the user fee update is usually tabled for Council's consideration in the prior year. Most of the fee updates are effective January 1, while the arena rental fees are effective September.

User fees are reviewed annually in comparison to market conditions, inflationary pressures and opportunities to provide new services or to stop providing existing services. Core municipal services that benefit the Township as a whole, such as road maintenance, are generally funded from property taxes whereas services that benefit a smaller group of people may be partially funded through user fees.

Whether optional or mandatory, the Township incurs costs to provide these services – staff wages, utilities, facility maintenance and capital improvements. User fees mitigate budgetary pressures that would otherwise result in property tax increases to taxpayers that may not benefit from these services. Depending on the Township's philosophy on the community benefit of providing the various services, fees can be on a full cost recovery, partial cost recovery or fully subsidized basis (property tax funded). Although most of the Township's user fees have increased to keep up with general inflation, many are very low in comparison to nearby municipalities.

Over the years, user fees have minimally contributed towards cost recovery while costs have escalated at a higher pace than general inflation. As a result, facility maintenance and repairs were deferred and the Asset Management Plan identified 51% of the township's asset are at fair, poor or very poor conditions. There is a risk of not being able to continue to provide these services in the future.

This report recommends changes beyond the usual inflationary increases.

## 2.0 Background

Section 391 of the *Municipal Act*, S.O. 2001, authorizes municipalities to impose fees for:

- services or activities provided
- costs payable by it for services or activities provided, including administration and capital costs
- the use of its property including those under its control
- mandatory or optional services provided by the municipality

The Township enacted User Fees By-law 2420-2012-FI on June 11, 2012, with annual increases ranging from 0% to approximately 2%.

This by-law includes a variety of services provided by the Township including Recreation, Fire Services and Licensing, however, it does not address fees collected for the issuance of building permits nor planning fees as they are regulated under different legislation. In addition, facility lease contracts are renewed based on Council direction. A separate report will be provided in the new year.

## 3.0 Analysis

Staff have undertaken a review of the user fees and benchmarked against market comparators. There are three types of fee updates: inflationary price change, market adjustment and services changes (new or discontinued).

Staff recommend the updated by-law provide staff delegated authority, effective January 1, 2024 onwards, to index all fees by the greater of the prior year's property tax increase or the October CPI – Toronto rate, rounded to the nearest \$1, excluding Business Licenses and Dog Tags. The exclusion is to encourage compliance by keeping fees low. To streamline the fee update process, only exceptions or new fees will be brought forward for Council's consideration in the future.

As the 6.4% October 2022 CPI Toronto rate is unusually high this year 2022, staff recommend that 2023 fees be increased by 3%, except for the items highlighted in this section. The fee increase also takes into consideration expansion of credit card payments for all user fees once Xplor Recreation system is configured to accept facility and ice rentals for the 2023/2024 season. With the exception of winter ice rentals and any rental contracts that have already been signed as of today, all fee increases are effective January 1.

If applicable, HST will be added to the fees.

### Clerks and Administration

The following are fees for services or inspections that require Township resources, but the fees have not been included in previous fee by-law schedules:

New Fee – effective January 1	2023
Fence Variance Application (non-refundable)	200.00
Campgrounds Licencing (New)	285.00
Campgrounds Licencing (Renewal)	200.00
Noise Exemption Application	200.00

New Fee – effective January 1	2023
(non-refundable)	
Parking Permit – Annual (Sunderland Memorial Community Centre and Sunderland Medical Centre)	154.87
Parking Permit – Seasonal	88.50
Parking Permit – Monthly	17.70
Parking Permit – Nightly	13.27
Live Trap Service Rental per day	50.00
Property Standards Administration Fee (plus, costs associated with cleanup of property)	75.00
Certificate of Compliance for each property which has had a Property Standards Order	125.00
Certificate of Compliance for each property which has not had a Property Standards Order	65.00
Property Standards Appeal Fee	175.00
Property Standards Reinspection Fee	175.00
Private Parking Administration Fee	110.00
Animal Control – Appeal (Restraint/Muzzle Orders etc.)	125.00
Licensing Appeal	150.00

The following are price changes to reflect the resources required, based on benchmarking, or to align with similar fees within the Township of Brock:

Price Change – effective January 1	2022	2023
Commission Affidavits & Certify True Copies – Residents (up to 5 Documents)	10	20 per signature + 5 for additional Signatures
Commission Affidavits & Certify True Copies – Non-Resident (Up to 5 Documents)	25	25 per signature + 5 for additional signatures
Film Permit (per film)	850	<ul style="list-style-type: none"> <li>• \$500 per day</li> <li>• \$1000 three consecutive days</li> <li>• 4+ days – as determined by the Clerk</li> </ul>
Closed Meeting Investigator Request Fee	35	50-
Municipal Consent Forms for Liquor Licence Applications (includes Fire & Building Agency Letters)	(consolidates three separate fees into one with an increase)	\$225 to include fee with Fire and Building inspections
Prohibited Animal Licence (New)	240.00	285.00
Prohibited Animal Licence (Renewal)	170.00	200.00
Dog Daycare – New	205.00	285.00
Dog Daycare – Renewal	170.00	200.00

The following are fees to be discontinued as they are no longer requested, and one fee for seniors that staff recommend be provided free of charge.

Discontinued – effective January 1	2022
Foreign Pension Affidavits & Commission Affidavits for Seniors 65+ (excluding MTO vehicle transfers)	varies
Heritage Act Verification Letter	135.00
Council & Committee Agenda/Minutes – Annual Subscription (Paper)	550.00
Document Search – Non-Freedom of Information Act – Per Hour (\$20.00 minimum)	65.00
Heritage Act Verification Letter	135.00
Billiard, Pool or Bagatelle Table (one)	75.00
Billiard, Pool or Bagatelle Table (additional)	50.00

### Treasury

The hourly Document Search Fee has been expanded to include document preparation services. Staff are frequently requested for administrative assistance for tasks that are the responsibility of the client.

### Public Works – Roads

There are no changes to Road user fees other than the general 3% indexing. Staff are recommending a general condition be added to the fee by-law to allow Department Heads to set deposits for community event organizers to borrow Township equipment and fixtures (e.g. pylons), and for delegated authority to assess damage or non-return fees based on a cost + 25% administration fee.

### Public Works – Recreation

#### Sports Field Use

The Township is responsible for mowing the lawn and paying the electricity at all sports field. Each league coordinates their own scheduling and prepares the sports field for their use. Currently they do not contribute to the operating costs incurred by the municipality. A \$10 per player, per sport, per season fee will be introduced in 2023 effective January 1, 2023.

New Fee – effective January 1	2022	2023
Sports Field Use – Per Season, rate per player, per sport based on the league’s roster	n/a	10.00

#### Meeting Room – Beaverton Town Hall Players

Beaverton Town Hall Players receive a discounted rate for use of the auditorium and the meeting room. The meeting room rate is currently not listed on the fee schedule. The fee is \$51 per day.

New Fee – effective January 1	2022	2023
Beaverton Town Hall Players		
Meeting Room – per day	n/a	51.00

### Ice Rentals

Brock's ice rental fees have not changed significantly over the past several years and is the lowest rate in comparison to neighbouring municipalities:

<b>Municipality</b>	<b>Prime</b>	<b>Non-Prime</b>	<b>Minor</b>
<b>Brock</b>	135.40	115.04	115.04
<b>Kawartha Lakes (excluding Lindsay)</b>	161.00	122.00	134.00
<b>Orillia</b>	Adult - 194.76	Adult - 120.46	Prime - 161.77 Non-Prime - 92.34
<b>Oshawa</b>	206.04	155.74	Prime - 157.80 Non-Prime - 124.08
<b>Scugog</b>	Adult - 235.19 Youth - 182.83	Adult - 166.27 Youth - 134.15	201.62
<b>East Gwillimbury</b>	239.98	149.45	Prime - 183.66 Non-Prime - 134.59
<b>Georgina</b>	Adult - 253.67 Youth - 162.67	7am - 4pm - 140.89 11pm or later - \$164.89	162.76
<b>Uxbridge</b>	261.00	153.00	250.00 146.00

The arena facilities are in need of major repairs, however, current revenue levels do not cover the full maintenance and operating costs and funding major repairs becomes a bigger challenge. Staff recommend prime time rentals be increased from \$135.40 per hour to \$145 per hour, and non-prime and minor rentals be increased from \$115.04 to \$130 per hour. The Township still maintains the lowest rental rate within neighbouring municipalities, however, the additional revenue will contribute more towards maintenance and operations.

<b>Price Change – effective September 1</b>	<b>2022</b>	<b>2023</b>
Minor Hockey/Figure Skating/Ringette - Per Hour	115.04	130.00
Local Schools - Per Hour	115.04	130.00
Other Rentals - Prime Time - Per Hour	135.40	145.00
- Monday to Friday 5:00 p.m. - 11:00 p.m.		
- Saturday 9:00 a.m. - 11:00 p.m.		
- Sundays 9:00 a.m. - 11:00 p.m.		
Other Rentals - Non-Prime Time - Per Hour	115.04	130.00

### **Fire and Emergency Services**

A re-inspection fee has been added for clarity that the same rate applies for fire code inspections. In addition, response to motor vehicle and hazardous material charges are now aligned to Ministry of Transportation fee schedules.

## **Development Services**

Some fees have been moved from Clerks to Development Services for ease of search. Subdivision compliance fee has been removed due to redundancy with existing fees.

### **4.0 Related Policies / Procedures**

User fee related policies and procedures include: Core Services Review, Asset Management Plan, annual budget, Ice Allocation Policy, and Free Use (Fee Exemption) Policy. Staff will bring forward a Payment Acceptance Policy prior to the end of Summer 2023.

Section 391 of the *Municipal Act*, S.O. 2001, permits municipalities to impose fees for services and activities provided by the Township of Brock. Fees are subject to Federal and Provincial HST regulation.

### **5.0 Financial / Budget Assessment**

The proposed changes will provide additional revenues to offset cost escalations that would be submitted as part of the 2023 Budget. Any decreases to the proposed rate changes will result in additional 2023 budget pressures, and any increases to the proposed rate changes will reduce it. In addition, while the Free Use Policy is under review by Treasury staff, all requests be directed to staff, who will prepare a report to Council with a background of the event, community benefits, value of services provided and a recommendation to Council. Staff will coordinate with the Community group to obtain the information, and provide Council a report within 30 days of receiving the request. It is recommended that a minimum of 90 days notice be provided, and notice of provided on the Township website and social media pages.

### **6.0 Climate Change Impacts**

n/a

### **7.0 Communications**

The Fees Bylaw will be posted on the Township's website upon Council's approval, and user groups will be notified.

### **8.0 Conclusion**

Annual use fee reviews ensures that township resources are carefully managed and that providing the services remain financially sustainable.

### **9.0 Recommendation**

BE IT RESOLVED THAT report No. 2022-FI-022 entitled "User Fees By-law Update" be received; and

THAT Council approve the Fees By-law as attached, effective January 1, 2023, and winter ice rental fees effective September 1, 2023; and

THAT as a transitional measure staff honour contractual agreements that were signed prior to December 12, 2022 for 2023 use; and

THAT Department Heads be delegated to index user fees annually based on the October CPI-Toronto rate effective January 1, 2024, except for Business Licenses and Dog Tags; and

THAT Department Heads be delegated to assess cost recovery charges in the event community user groups damage or do not return Township equipment or fixtures; and

THAT as a transitional measure while the Free Use Policy is under review, all community free-use requests be directed to staff to prepare a report outlining community benefits and the value of Township contributions; and

THAT Council direct staff to present By-law No. 3164-2022 being a by-law to implement user fees and charges for the Township of Brock.