



Financial Services Staff Report

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Report Title:	Fees and Charges – 2024
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Final Review:	Senior Management Team

Recommendation:

That the Council of the Township of Woolwich, considering Report F17-2023 respecting Fees and Charges – 2024, adopt the By-laws attached as Attachment 1, 2, and 3 to establish fees and charges for general Township services, planning services, and building services.

Background:

Annually, staff review Township fees and charges and recommend any changes to be brought forward for Committee and Council consideration and approval. The review of fees and charges is a part of the annual budget process and the recommendations that result from this review help determine revenue projections. Revenue that can be generated through user fees will lessen the tax levy required by the Township. Also, as a part of this review staff continues to give consideration to those fees that should be at or close to user pay while remaining realistic by looking at comparable municipalities.

Comments:

Fees and Charges Review Process

Staff has undertaken a review of fees and charges culminating in the amendments to the By-laws attached to this report. The following analysis was performed in the development of these By-laws:

- **Review of Current Legislation** – to ensure that all departments understand and agree on the implications of recent legislation, including:

- Building Code Act
- Planning Act
- Municipal Act, 2001 – Section 150 – Licensing Fees
- Municipal Act, 2001 – Part XII – Fees and Charges
- **Municipal Fees & Best Practices Design Comparisons** – to provide a financial context for fee adjustments (market comparisons of Township’s fees and charges)
- **Recommended Fee and Charge Refinements** – recommended refinements to improve fee structure.

Corporate Services (COR)

For the purposes of this section, Corporate Services staff reviewed fees from nearby municipalities including Wilmot, Wellesley, North Dumfries, Waterloo, Kitchener, Cambridge, Mapleton, Centre Wellington and Guelph Eramosa. A reference to comparators in this section includes similar fees to those municipalities where available.

Clerks Division

Clerks reviewed death registration fees from nearby comparators and found the average fee to be more than \$30.00. Staff recommend increasing the current fee of \$26.00 to \$27.00 in 2024 and continuing to raise rates in future years until fees are aligned with comparators.

Staff recommend increasing fees for the off-site civil marriage ceremonies from \$375 to \$400 to help offset the increasing staff time to meet with couples to write and rehearse ceremonies. Other marriage fees are inline with comparator municipalities and typically require less staff time, so no other changes are recommended.

Licensing Fees

Fireworks display permits fees are an average of \$125 among competitors. Staff recommend increasing the Township’s fee from \$110 to \$120 this year to closer align with comparators and offset the increasing calls to By-law Enforcement. No changes are recommended to other fireworks fees.

Food truck fees were also evaluated based on comparators and staff found one-day fees were low but annual fees were comparable. Staff recommend increasing the one-day fee, for-profit fee for class A and B Food Trucks from \$60 to \$75 and the same fee for charitable and non-profit food trucks from \$30 to \$35. This will better align fees with comparators and help offset the staff time to licence trucks for a single day. Further it may encourage operators to purchase the annual licence if they plan to sell in Woolwich multiple times in one year. Food cart fees are in line with comparators and are not recommended to change.

Staff recommend increasing salesperson licence fees which are low among comparators. Daily fees are proposed to increase from \$100 to \$120 (for profit) and \$15 to \$20 (charitable and non-profit). Three-day fees would increase from \$240 to \$260 (for profit) and \$35 to \$45 (charitable and non-profit).

Staff propose increasing seasonal trailer licencing fees \$1 per trailer, per month for 2024. This should help meet revenue targets in the 2024 budget. No comparator information could easily be found for this fee.

Lottery licensing fees are established by the province and for many years the Township has charged a fee of 3% of the prize value. It is best practice to include this fee in the fees and charges by-law, so this has been added. Staff also recommend adding a new \$30 administrative fee for new eligibility reviews for organizations requesting a lottery licence, authorized under the Municipal Act, 2001. Township staff recently became aware that this fee was introduced by some other municipalities in Ontario approximately 15 years ago to make up for a reduction in provincial transfer payments to municipalities and this will partially offset the staff time to complete the review.

Animal Control

Through Report C29-2023 dated September 12, 2023, staff recommended and Council approved changes to dog tags to cover the increased cost of renewed Animal Control and Pound Services contracts and to implement a 365-dog licensing option made available with the Township's new contract dog licensing service provider DocuPet. Since these updates occurred recently, staff do not recommend further changes to dog tag fees this year. Two housekeeping amendments are included: delaying how long before late fees are charged for dog tags (30 days, instead of 15) and removing the new resident temporary extra dog licence fee, since this fee was not approved by Council and included in error.

Staff recommend increasing dog kennel fees to a base rate of \$100 plus \$26 per dog. Staff have previously noted that Woolwich kennel fees were lower than comparator municipalities and have been gradually increasing fees since 2021. Fees for new kennels would also increase from \$175 to \$200, plus any additional planning fees.

By-law Enforcement Division

Through Report C23-2023 dated May 30, 2023, staff recommended new fees for noise exemptions along with a new Noise By-law. Since these updates occurred recently, staff do not recommend further changes to noise fees this year.

No other changes are recommended for by-law fees.

Development Services (DS)

Building Section

The Building Code Act references the requirement for the payment of fees and requires that the fees not exceed the anticipated reasonable costs of the principal authority to administer and enforce this Act in its area of jurisdiction.

Some building fees are proposed to be adjusted or added to ensure cost recovery for permit review and inspections. All other fees proposed include a minor adjustment of 5% rounded to recognize cost recovery.

Two new fees are proposed. A new fee is proposed for Accessory Dwelling units including a base cost and an additional calculation based on the size of the unit. A new fee is also added for an exterior basement walkout to cover the additional inspections required.

The Building division is proposing to adjust interior alterations into two classes; Industrial/Commercial/Institutional (ICI) and residential. This allows the opportunity to charge a higher rate for ICI which is more complex and requires more inspections than residential. The residential interior alteration rate would only be adjusted by 3% for inflation.

Two changes are proposed to building fees resulting from large developer experiences in the last few years. The Building division added a re-inspection fee mid 2023 to cover the cost of additional inspections for incomplete projects. This fee is proposed to be increased to recognize the time and cost recovery for these inspections. In addition to this the Final Inspection Deposit is proposed to be increased to \$1500 to encourage large developers to call for final inspections and close permits. In addition, if additional inspections are required the deposit can be refunded less the outstanding reinspection fees and invoices.

The last adjustment proposed is to the Plumbing, Mechanical and Electrical to change how the fee is calculated to \$10 per \$1000 construction value. This fee change is proposed as larger projects result in more inspections and verification/testing.

Development Engineering

Development Engineering performed an assessment of the 2023 fees and have made some adjustments to the language to assist with interpretation. New fees have been added and others adjusted to offset department costs which generally fall under the following categories.

- development related application fees not previously assessed to the applicant,
- fees for new services being supplied by the department,
- adjustments to fees based on analysis of staff time for the service,
- adjustments of fees based on cost-of-living increases

New development related fees include fees for multi residential site plan/condominium development review and inspection. The Township expects to see an increase in this type of development. The additional fees will help offset department costs to process these reviews and provide inspection.

New fees have also been added for Development Engineering review of Zoning applications and Minor Variances. Cost recovery for application reviews were not previously assessed to the applicant.

Development Engineering will be providing assessments to internal staff and the public of sanitary servicing capacity for the Township. Staff will be collecting and inputting data into a new software program to provide accurate up to date analysis of our sanitary capacity. This information is often requested by developers and consultants. The new fee will offset staff costs to provide this service.

Development Engineering is also reviewing and approving Environmental Compliance Approval applications for new private stormwater management facilities. This service was previously provided by the Province (MECP), but has recently been downloaded to the municipal level. A fee has been added to offset staff costs for this review.

Additional discretionary fees have also been added for engineering reviews and field inspections beyond the third occurrence. These reviews and inspections by staff often occur because of incomplete or inaccurate engineering submissions or field work. The fees are intended to encourage complete and accurate submissions and deter multiple trips to the job site for incomplete works. A fee has been added to offset staff costs for review, inspection and mileage expenses.

Planning

Planning division is proposing to keep fees low, and while balancing the cost recovery, with only minor increases in fees of about 3% proposed for larger applications such as site plans, Zone Changes and Official Plan Amendments. No changes to minor variances and consent applications are proposed, to keep them affordable and low enough that the public consider the application versus moving forward illegally to avoid costs.

Staff have introduced a new fee for a Site Plan addendum that does not require pre-application process but still needs review and the creation of an amending agreement. This is a lower fee than the regular addendum fee to recognize the less work required for cost recovery.

The increased costs for Agricultural Enforcement related items have been removed as per Council's direction on November 7, 2023.

A significantly reduced fee of \$25.00 for small farm produce (roadside) stands is

proposed. This is a one-time fee. The current fee is \$250.00. The certificate is required as per our current zoning, and a certificate allows staff to know where such operations are but also then share the regulations with the landowner, so they are aware of the zoning setbacks and can ensure the structure is on their property and not on the road right-of-way.

Financial Services (FIN)

Financial Services is proposing to increase the cost to produce Tax Certificates from \$55 to \$65. It has been several years since this fee has increased and the proposed increase will put in line with our comparable municipalities. Staff feel that the remainder of Financial Services fees & charges is sufficient for the function and sustainability of the department.

Fire Services (Fire)

Fire Services are not proposing any changes to their respective fees and charges as the current fee structure is still adequate for the function and sustainability of the department.

Infrastructure Services (IS)

The department is proposing some minor adjustments to the fees and charges schedule for 2024. The more significant changes revolve around the Consolidated Linear Infrastructure Environmental Compliance Approvals for sewer and water. The increases better reflect what other area municipalities are charging in the Region of Waterloo. There are also changes being made to the Township's Road Occupancy and Road Work Permit, which will help to streamline the process for individual property owners and contractors. Currently, the Township has two separate permits depending on whether a road excavation is required or if the roadway is only to be occupied for any length of time. The new permitting process proposes to consolidate the two permits into one, making it more efficient for the applicant and for processing purposes. The majority of the rest of the department's fees are proposed to remain at 2023 levels.

Recreation & Community Services (RCS)

Staff are recommending that Council approve adjustments to departmental fees and charges with an average increase of 2% - 6% over 2023 rates to reflect actual costs where possible. Staff have completed evaluations of fees charges by comparative municipalities to assist with establishing our 2024 rates for programs, rentals, and services.

Cemeteries

Fees have been established to reflect the increased cost for contracted services as well as staff administration and operations.

Recreation

Ice Rates

Council previously approved ice rates for affiliated groups for a 4-year term (2023-2027) that will see a 1.5% increase in 2024.

These rates do not reflect associated increased costs for utilities, wages, facility repair and maintenance, but were established to help affiliated groups recover post-pandemic. The 4-year term will assist the associations to establish registration fees through 2027. Staff would note that increases to ice rates across southwestern Ontario range from 2% to 8%.

Aquatics

Most aquatic rates for pool rentals, drop-in swim programs, and instructional lessons will increase in 2024 by 6% to reflect increased costs for utilities, maintenance costs, and for aquatic staff in an effort to address the compensation disparity in relation to neighbouring municipalities, and to better position the department for recruitment and retention.

Day Camp

Programs and camp registration will see an increase of 6% to assist with program costs and additional staff costs that reflect the \$1/hour increase to minimum wage.

Sports Fields, Community Centres

Sport field and community centre rental rates will increase by 6% to reflect increased costs for maintenance and utilities, to offset the increase in minimum wage of \$1/hr, and to bring Woolwich's rental fees in-line with surrounding municipalities.

Settlement Areas

Stag & Doe Rentals

Staff recommend that alcohol events, including Stag and Does, not be a permitted use for rentals in Township facilities. The current rental fee charged in smaller settlements such as Maryhill and Bloomingdale do not cover the staff costs for this type of rental. There are private facility's operating in the communities that are more appropriately resourced to handle alcohol events such as the Bridgeport Rod and Gun Club located between Bloomingdale and Maryhill, Schwaben Club in Breslau and the Lions Hall in St. Jacob's. Council will recall that the Recreation Associations used to staff such events with volunteers and thereby generating a profit. The Township does not have resources to staff these infrequent events and have difficulty finding part-time staff willing to work these events due to the late hours, difficult patrons, and requirement to enforce rental rules and regulations. Historically, most of the alcohol rentals were booked by non-residents due to the lower rental rates. Staff continue to advocate that our role in the

community is not to facilitate alcohol events and feel the potential revenue to be gained does not outweigh the liability and challenges.

Additionally, staff note that the Breslau Community Centre is booked year-round with family events, birthday parties, and programs. Conestogo and Heidelberg are not equipped to handle alcohol events.

Other Fees and Charges

Staff have reviewed other Township fees and charges and feel the respective fees are appropriate for 2024, therefore no other changes are being proposed at this time.

Staff is of the opinion that the proposed increases to Township fees and charges for 2024 are being proposed in accordance with the general desire to have an appropriate user pay system. With the mix of services offered by Woolwich staff is ever mindful of the various users (i.e. developers, recreational users, pet owners, etc.) who use our services. Any fees proposed need to strike a balance for services that are for the good of the community (e.g. recreation) as opposed to for profit (e.g. development fees).

Interdepartmental Impacts:

Revenues generated by fees and charges are retained within each program area.

Financial Impacts:

Fees and charges support competitive property taxes by maximizing the use of non-tax revenue sources and will be included in the 2024 Operating Budget.

Strategic Plan Impacts:

By reviewing and establishing fees and charges enables the Township to achieve its Corporate Strategic Plan in the areas of Fiscally Responsible and Best Managed and Governed Municipality, by creating an appropriate user pay system.

Conclusion:

Staff recommends that Council adopt the By-laws attached as Attachment 1, 2, and 3 to this report to establish fees and charges for general Township services, planning services, and building services.

Attachments:

1. By-law to Establish and Require Payment of Fees and Charges (General Fees and Charges)
2. Amending By-law Planning Fees and Charges
3. Amending By-law Building Fees and Charges