



## The Corporation of the Town of Tecumseh

### Financial Services

**To:** Mayor and Members of Council

**From:** Tom Kitsos, Director Financial Services & Chief Financial Officer

**Date to Council:** November 24, 2020

**Report Number:** FS-2020-18

**Subject:** Administrative Fees and Charges 2021

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### Recommendations

It is recommended:

**That** By-law #2020-75 being a by-law prescribing a tariff of administrative fees and charges for 2021 **be approved**.

### Background

Council has annually approved a by-law of Administrative Fees and Charges to be charged by departments for various municipal goods, programs and services.

As part of the 2006 budget process Council approved annually increasing fees and charges reflective of the previous year's Consumer Price Index (CPI) increase.

### Comments

As per Council's direction, fees and charges are raised annually to reflect the increase in CPI over the course of the year. The CPI increase for September 2020 over September 2019 is 0.6% (2019 over 2018 was 1.9%) based on the Ontario All Items Index. With such a low inflation rate, Administration generally kept fees and charges at 2020 rates.

Administration did review circumstances where an increase or other adjustment not equal to CPI might be considered including where:

- Fees have not changed for a number of years
- The current fee does not cover all municipal costs
- A new fee for service would be appropriate, and

- Fees are not competitive with other service providers

Fees covered by specific legislation, i.e. water, wastewater and building permit fees, are dealt with separately.

A complete list of rates comparing 2021 proposed and 2020 actual rates is attached as schedules “A” to “H” of by-law 2020-75.

Specific changes to the Fees and Charges Schedules are highlighted below, including:

- A. Rate changes not equal to the general CPI rate increase, as a result of one of the following:
  - Pricing methodology, i.e. round-dollar increments either before or after applicable taxes to facilitate marketing or cash handling respectively
  - Actual service/product costs
  - Matching competitor rates
  - Rates had not changed for several years

B. New Fees and Charges

Schedule A: General Administration

- A. Rate changes not equal to the general CPI rate increase

Flags (Town and Canada) – Adjusted to reflect current cost.

Schedule B: Fire Department

- A. Rate changes not equal to the general CPI rate increase

Fire assistance for private standby – Adjusted to match current MTO rate.

Confined space rental (C) – Adjusted to match current MTO rate.

At fault false alarm – Adjusted to match current MTO rate.

Schedule C: Police Services

- A. Rate changes not equal to the general CPI rate increase

Technical Traffic Collision Report and Reconstruction Report – Adjusted to reflect increase to OPP Fee Schedule.

#### Schedule D: Planning Department

A. Rate changes not equal to the general CPI rate increase

No change to fees from 2020.

#### Schedule E: Public Works

A. Rate changes not equal to the general CPI rate increase

No change to fees from 2020.

#### Schedule F: Parks and Recreation

A. Rate changes not equal to the general CPI rate increase

Sports Fields and Ice rentals were increased by \$1 per hour.

Court keys were increased by 2% to reflect materials cost increases.

Security Deposit for alcohol rentals was increased to \$500 or 50% of rental, whichever is less, from \$100.

B. New Fees and Charges

Some new fees were added to existing rentals to allow for greater rental flexibility, including Park Pavilion Hourly rental, Room Rentals (Arena) Kitchen hourly and Kitchen flat rate.

In the Parks Commemorative Program, an additional offering of Tree Planting donation with Plaque has been added.

Two new marketing and advertising options have been added to include rink board rentals for weekly contracts and a fee has been added for rink board ad installation.

#### Schedule G: Water Department

A. Rate changes not equal to the general CPI rate increase

Boil Water Advisory was increased to reflect actual costs incurred per event.

Water Meter fees reflect the forecasted price increase provided by suppliers.

Service calls were given a flat rate instead of a being 'at cost'.

Inspection of private development watermain equal to or greater than 100mm – increase to cover the costs for sample testing and equipment required to complete commissioning testing. An additional fee for weekend sample testing due to laboratory surcharge for weekend testing.

Service abandonments were drastically reduced with the introduction of an indemnity.

## B. New Fees and Charges

Unauthorized Fee was further defined to include an illegal hookup, unauthorized hydrant use and alteration to water service and/or watermain. The proposed 2021 fees were increased to deter unauthorized use due to the real threat to the quality of the potable drinking water system.

Flow testing public hydrants to reflect actual costs.

Cost recovery for inspection of watermain connections, performing the connection on behalf of a landowner/proponent, and repair of a water service. Indemnities are also recommended to ensure proper restoration of the right-of-way.

## Schedule H: Tecumseh Transit

### A. Rate changes not equal to the general CPI rate increase

No change to fees from 2020.

## Consultations

All Departments

## Financial Implications

The net revenue impact from the recommended changes in Administrative Fees and Charges will be included in the 2021 proposed budget.

## Link to Strategic Priorities

Applicable	2019-22 Strategic Priorities
<input type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input checked="" type="checkbox"/>	Ensure that Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of Tecumseh's plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

## Communications

Not applicable ☐

Website ☒      Social Media ☐      News Release ☐      Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Tom Kitsos, CPA, CMA, BComm  
Director Financial Services & Chief Financial Officer

Recommended by:

Margaret Misek-Evans, MCIP, RPP  
Chief Administrative Officer

<b>Attachment Number</b>	<b>Attachment Name</b>
1	Schedule A: General Administration
2	Schedule B: Fire Department
3	Schedule C: Police Services
4	Schedule D: Planning Department
5	Schedule E: Public Works
6	Schedule F: Parks and Recreation
7	Schedule G: Water Department
8	Schedule H: Tecumseh Transit