
To: Mayor and Council

From: Candace Waslenko, Supervisor of Revenue

Date: January 18, 2023

Subject: Fees & Charges – Recommended Fee Structure

Report Highlights

- At the budget deliberations meeting on November 25, 2021, Program Change #3 - Fees and Charges Study, was endorsed by Council to be included for consideration in the final draft of the 2022 budget;
- Council approved Program Change #3 – Fees and Charges Study in the amount of \$25,000 to be funded through the Tax Rate Stabilization Reserve on December 16, 2021.
- On February 25, 2022, a Request for Proposal (2022-10-FIN) was issued and released on the Township’s Bids and Tenders website with a closing date of March 25, 2022. A total of one (1) submission was received by the closing date.
- At its regular meeting on May 04, 2022, Council awarded the Comprehensive Fees & Charges Review to Watson & Associates Economists Ltd., in the amount of \$84,200 plus HST; Funds in excess of the approved budget of \$25,000 were approved to be appropriated through the Tax Rate Stabilization Reserve.
- Watson demonstrated a good understanding of the Township’s goals and developed multiple methodologies to perform a comprehensive review of the Township’s user fees & charges.
- The full cost assessment was used to inform recommended fee structures to increase user fee revenue and decrease the burden on property taxes.
- The purpose of this report is to seek Council consideration of the Recommended Fee Structure as part of the 2023 Budget process.

Recommendation

That the report from the Supervisor of Revenue regarding the Recommended Fee Structure, dated January 18, 2023, be received; and,

That the proposed Fees and Charges By-law be considered as part of the 2023 Budget Deliberation process and referred to the Regular Meeting of Council on February 1, 2023 for consideration and approval.

Background

At its budget deliberations meeting on November 25, 2021, Council of the Township of Springwater passed the following resolution:

PC #3 - Fees and Charges Study (Tab #4)

C641C-2021

Moved by: Moore

Seconded by: Chapman

That program change, PC #3 - Fees and Charges Study, be included for consideration in the final draft of the 2022 budget, and

That PC #3 be funded through the Tax Rate Stabilization Fund.

Carried

At its meeting of December 16, 2021 Council of the Township of Springwater passed the following resolution to approve the 2022 Budget.

C668C-2021

Moved by: Coughlin

Seconded by: Chapman

That the draft 2022 Tax Based Operating Budget, as amended, be approved; and,

That the draft 2022 Water Rate Based Operating Budget, as presented, be approved; and,

That the draft 2022 Wastewater Rate Based Operating Budget, as presented, be approved; and

That the draft 2022 Capital Budget and Ten Year Capital Plan, as amended, be approved; and,

That a by-law to approve the 2022 Non-Union/Management Salary Grid, be presented for consideration at the January 19, 2022 meeting of Council for final approval; and,

That the 2022 Tax Rate By-law be presented, including the County and Education requisitions as soon as the tax ratios have been approved by the County of Simcoe.

Carried

At its regular meeting on May 04, 2022, Council of the Township of Springwater passed the following resolution:

C181C-2022

Moved by: Moore

Seconded by: Chapman

That the report from the Director of Finance regarding the Award of Comprehensive Fees & Charges Review (2022-10-FIN), dated May 4, 2022, be received; and,

That the Comprehensive Fees & Charges Review be awarded to Watson & Associates Economists Ltd.; and,

That the Mayor and Clerk be authorized to execute the agreement; and,

That Council provide direction with respect to the options outlined within this report:

Option 1

That Council authorize Watson & Associates Economists Ltd. to undertake a Comprehensive Fee Structure Review to encompass an assessment of the full costs of each service area and user fee activities; and,

That the review incorporates the following Development and Non-Development Related service areas:

Development Related:

- Building Services;
- Planning Services

Non-Development Related:

- Administrative Services;
- Municipal By-law Enforcement (i.e. By-law Enforcement and Animal Control);
- Infrastructure and Operational Services (i.e. Recreation, Parks, and Facilities, Roads & Fleet and Infrastructure);
- Fire Services;
- Other Municipal Services (i.e. Cemeteries); and,

That Council authorize the Comprehensive Fees & Charges Review in the amount of \$84,200 plus HST; and,

That funds in excess of the approved budget of \$25,000 be appropriated from the Tax Rate Stabilization Reserve.

Carried

The Township of Springwater's Finance Department requested a consultant be procured to review and analyze the current user fees and charges in comparison to similar Ontario municipalities. A comprehensive review of this extent had not been undertaken by the Township for over ten years. By undertaking such a review, the Township would be able to quantify the subsidies that are currently being provided to different user groups/associations and would also ensure the Township is recovering competitive user fees & charges in comparison to neighbouring municipalities.

User fees and charges have become an increasingly important source of municipal revenues over the past couple of decades. Many Ontario municipalities have begun to employ user fees and charges to finance at least a part of their operations. The municipal authority to raise revenues from user fees was expanded by changes introduced in Bill 26 (the Savings and Restructuring Act, 1996). This legislation authorized municipalities to impose these fees on any class of persons for services or activities provided, for costs payable by them for services or activities provided, or for use of their property.

Many municipalities have diversified and expanded their revenue base in recent years to reduce their dependence on municipal taxation as the major revenue source. User fees and charges allow the Township to recover the expenditure(s) created by single use services that are unbudgeted and will relieve the financial impact placed on reserves and taxation.

Section 391 of the *Municipal Act* describes important aspects of the power of a municipality to impose fees and charges for services and for the use of municipal property. A municipality has a range of choices on the services for which it will charge a fee, the amount of the fee, the basis for calculating the fee, and who will pay the fee.

On February 25, 2022, a Request for Proposal, (2022-10-FIN) was issued and released on the Township's Bids and Tenders website with a closing date of March 25, 2022. A total of one (1) submission was received by the closing date.

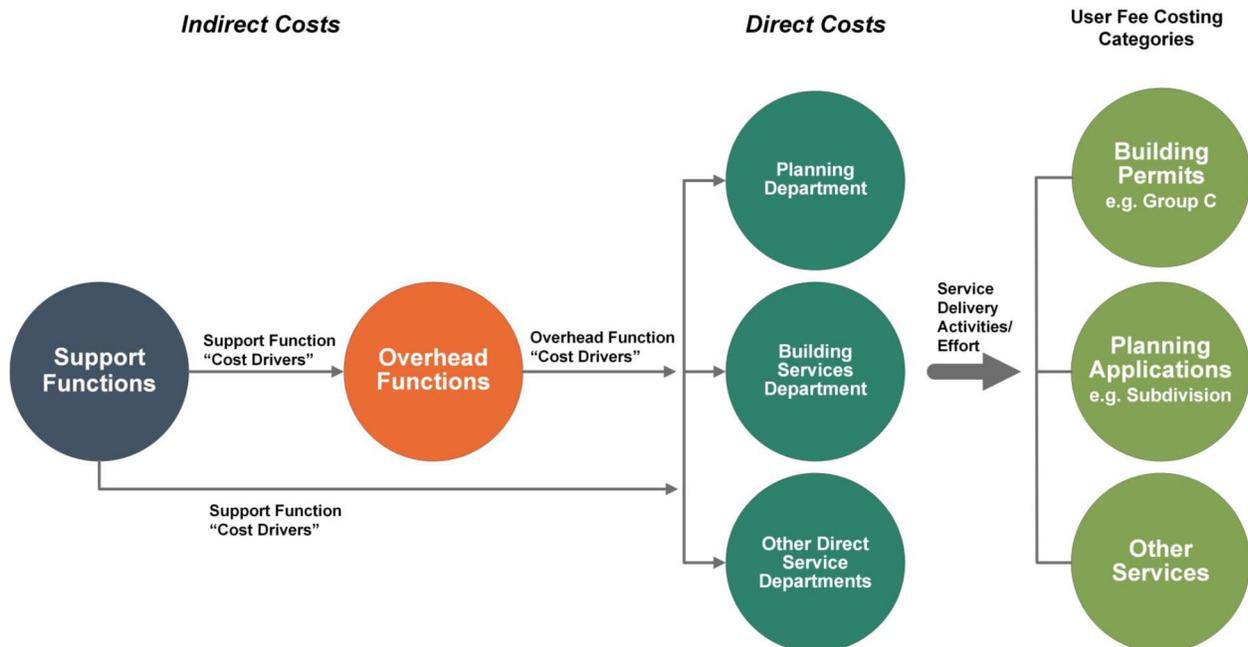
At its regular meeting on May 04, 2022, Council of the Township of Springwater authorized Watson & Associates Economists Ltd. (Watson) to undertake a Comprehensive Fee Structure Review to encompass an assessment of the full costs of each service area and user fee activities.

Watson & Associates Economists Ltd. is one of Canada's leading economic consulting firms established in 1982. They have provided consulting for various municipalities throughout Ontario and are currently undertaking comprehensive fees reviews for a number of municipalities including both development related and non-development related user fees, including the Town of Milton, Township of South Stormont, Town of Lincoln and the City of Cambridge.

The comprehensive user fee review determined additional sources of revenue that the Township may benefit from. Watson developed an activity-based costing (A.B.C) model to substantiate the full costs of each service within the scope of the review. The full cost assessment (i.e. direct, indirect, and capital costs) was used to inform recommended rates and fees to increase user fee revenue and decrease the burden on property taxes.

- An activity-based costing (A.B.C.) methodology, as it pertains to municipal governments, assigns an organization's resource costs through activities to the services provided to the public.
- An A.B.C. approach better identifies the costs associated with the processing activities for specific application types and thus is an ideal method for determining the full cost of processing applications and other user fee activities.
- Conventional municipal accounting structures are typically not suitable as they are business unit focused and thereby inadequate for fully costing services with involvement from multiple business units.

As illustrated in the image below, an A.B.C. methodology attributes processing effort and associated costs from all participating municipal business units to the appropriate service categories (user fee costing categories):



Watson performed a comprehensive assessment of each business unit's direct involvement in a service by mapping each costing category and tracking the relative staff processing efforts throughout a complete full cycle process.

The results of employing this costing methodology provides municipalities with a better recognition of the costs utilized in delivering user fee processes, as it acknowledges not only the direct costs of resources deployed but also the operating and capital support costs required by those resources to provide services.

Separate costing methodologies were developed for facility-related and cemeteries.

Modelled revenue increases may differ from budgeted increases due to differences in future volume assumptions. Specifically, the modelled revenues generally reflect historical averages while the budget is prepared based on forward-looking projections.

In aggregate across all service areas, fees are currently recovering 42% (\$2.9 million) of the \$7.3 million annual costs of service. Implementing the fee recommendations herein would provide increased user fee revenue by 19%, providing an additional \$562,000 in annual user fee revenue thereby decreasing the municipal tax funding required to support the provision of these services.

Table ES-3
Full Cost of Service and Current Revenues

Service Area	2022\$			2023\$			2023 Revenue Increase	
	Annual Costs	Annual Revenue - Current Fees	Cost Recovery %	Annual Costs	Annual Revenue - Proposed Fees	Cost Recovery %	%	\$
Animal Licensing and Control	69,103	9,121	13%	71,176	9,395	13%	3%	274
Cemetery	41,041	34,560	84%	42,273	42,118	100%	22%	7,558
Administration	176,933	68,766	39%	182,241	160,234	88%	133%	91,469
Parks and Recreation	4,145,500	476,435	11%	4,269,865	530,197	12%	11%	53,762
Planning	454,225	282,389	62%	467,852	449,274	96%	59%	166,885
Building	1,636,204	1,841,074	113%	1,685,291	1,940,386	115%	5%	99,312
Infrastructure and Operational Services - Roads and Fleet	337,470	189,445	56%	347,594	315,207	91%	66%	125,762
Water and Wastewater	9,629	4,893	51%	9,918	8,529	86%	74%	3,636
Fire	176,941	42,632	24%	182,249	55,953	31%	31%	13,321
Total	7,047,045	2,949,314	42%	7,258,457	3,511,293	48%	19%	561,979

Building & Planning Services

Planning Department

Based on the recommended planning application fees, annual indexing of recommended fees by 3%, and underlying application volumes, **2023 annual revenues would increase by \$166,885 (+ 59%)** over the modelled 2022. Overall cost recovery would increase from 62% to 96% of annual costs.

Revisions to fees in the Township's existing Fee Structure:

Within the fee recommendations contained in Table 3-3, the following revisions to the fee structure are noted:

- Official Plan Amendments were previously charged on the basis of being a major application versus minor application type. It is recommended that these be combined into one fee, proposed as \$5,768.
- Site Plan Agreement fees were previously charged on the basis of being a major application versus minor application type. It is being recommended that these be charged on the basis of a base fee of \$2,575 plus \$0.21 (inclusive of a 3% indexing) per square metre of gross floor area to have regard for the increased effort required to review these applications as they increase in size.

Other revisions include:

Service or Item	Current Fee	Recommended Fee	Change (\$)	Change (%)
Zoning By-law Amendment				
Major	3,000	5,768	2,768	92%
Minor (see appendix)	1,500	2,575	1,075	72%
Lifting of upholding Provision	500	1,545	1,045	209%
Temporary Use By-law	1,500	2,575	1,075	72%
Subdivision				
Application Fee:				
- Base Fee	5,000	7,210	2,210	44%
- Maximum Fee	30,000	36,050	6,050	20%
Agreement/Clearance of Draft Plan Conditions Fee:				
- Base Fee	5,000	7,210	2,210	44%
- Maximum Fee	30,000	36,050	6,050	20%
Redline Revision	2,000	4,120	2,120	106%
Extension of Draft Plan Approval	1,000	2,060	1,060	106%
Committee of Adjustments				
Consent	1,100	2,575	1,475	134%
Deferral Request	250	515	265	106%
Validation of Title	500	1,030	530	106%
Other Applications				
Plan of Condominium	4,000	4,635	635	16%
Preliminary Development Application	400	2,112	1,712	428%
Telecommunications Tower Application	1,500	2,575	1,075	72%
Compliance Letters (Zoning, Subdivision, Commercial)				
- Non-Rush	50	155	105	209%
- Rush	100	309	209	209%
Pre-consultation	250	927	677	271%

Recommended fees to be added to the Township’s Fee Structure:

Service or Item	Recommended Fee
Committee of Adjustments	
Consent Agreement	5,150
Other Applications	
Consent Agreement	5,150
Condominium Exemption	1,803
Preliminary Zoning Letter (NVCA)	155
Private MZO Support Request	2,678
Deeming By-law	2,112
Any legal, engineering, hydrology, hydrogeology, environmental, and landscape consultants required to be retained by the Township	Actual Cost plus a 15% administrative charge

Appendix A - Fees and Charges - Schedule G – Planning

Building Department

Annual direct, indirect, and capital costs for the administration and enforcement of the *Building Code* total \$1.6 million. Annual revenue based on the Township’s current fee structure and average historical activity levels are estimated at approximately \$1.9 million or 115% of processing costs. The table also demonstrates that although the fees are recovering more than the annual costs of administering and enforcing the *Building Code*, differences exist between the permit categories in terms of cost recovery performance.

Changes to fees in the Township’s existing Fee Structure:

Service or Item	Current Fee	Recommended Fee	Change (\$)	Change (%)
Building Services				
Municipal Number Sign	20	31	11	55%
Post	17.50	30.90	13.40	77%
Building Permits				
Building Permit fees are increasing by 5%, except for the following:				
Compliance Letters				
- Non-Rush	50	104.50	104.50	209%
- Rush	100	309	209	209%
Deposits				
Residential Sprinkler Rate	0.10	0.11	0.01	10%
High Wind Resistance APA Compliant Construction Rebate	0.10	0.11	0.01	10%

Recommended fees to be added to the Township’s Fee Structure:

- No recommended additions for the Building Department

Appendix B - Fees and Charges - Schedule A – Building Services

Appendix C - Fees and Charges - Schedule A.2 – Building Permits

Reserve Funds and Municipal Comparators

It is recommended that to achieve the Township's reserve fund target of 2 times direct costs by 2027 that building permit fees be increased uniformly across all types by 5% in 2023 (with a few exceptions, e.g. Municipal sign blade fees) and 3% thereafter.

Table 3-6 presents the forecast of annual building permit revenue costs, revenues, and reserve fund positions. 2022 revenues have been based on actual revenues provided by Township staff. Revenues from 2023 through 2027 have been forecasted based on anticipated changes in building permit activity, 2023 fee recommendations, and indexing fees by 3% annually in future years. Expenses have been forecast to increase based on 3% annual inflation. With the recommended fees in Table 3-7 it is anticipated that the Township's reserve fund will reach the target of 2 times direct costs by 2027.

Table 3-6
Reserve Fund Continuity Recommended Fee Structure Changes

Description	2022	2023	2024	2025	2026	2027
Opening Balance	1,114,222	1,723,249	1,995,220	2,277,554	2,570,582	2,874,648
Revenue	2,231,114	1,940,386	1,998,598	2,058,556	2,120,312	2,183,922
Expense	1,636,204	1,686,914	1,737,522	1,789,648	1,843,337	1,898,637
Contribution/(Draw)	594,910	253,472	261,076	268,908	276,975	285,284
Interest	14,117	18,500	21,258	24,120	27,091	30,173
Closing Balance	1,723,249	1,995,220	2,277,554	2,570,582	2,874,648	3,190,105
Direct Costs	1,330,287	1,371,516	1,412,662	1,455,041	1,498,693	1,543,653
Reserve Fund/Expense Ratio	1.30	1.45	1.61	1.77	1.92	2.07

Administrative Services

Based on the recommended fees presented in Table 4-2 and average historical activity levels, annual revenues are anticipated **to increase by \$99,301 (+ 162%)**.

Revisions to fees in the Township's existing Fee Structure:

Service or Item	Current Fee	Recommended Fee	Change (\$)	Change (%)
Clerks				
Burial Permits	10	15	5	50%
Finance				
Additional Copy of a Bill	10	15	5	50%
Statement of Account				
Add unpaid balance to property tax roll (Utility and/or A/R)	10	15	5	50%
Mortgage Company Account Administration Fee	7	10	3	43%
Business Licenses				
Hobby or Boarding Kennel	200	270	70	35%

Seasonal Recreation Campground	200	270	70	35%
Seasonal Park Model Trailer Campground	200	270	70	35%
Annual Refreshment Vehicle License	300	360	60	20%

Recommended fees to be added to the Township’s Fee Structure:

Service or Item	Recommended Fee
Clerks	
Municipal Clearance Letters (LLBO)	50
Routine Disclosures	30
Finance	
Tax - Ownership Change	10
New Tax Account Set-up (per property)	30
Overdue Tax Notices	7
Administration Fees on Subdivider accounts	20
WAMCO Appointment Fee (No Show)	18
Final Meter Reading	25
New Property Water Account Setup Fee	20

Appendix D - Fees and Charges - Schedule C – Clerks

Appendix E - Fees and Charges - Schedule D – Finance

Appendix F - Fees and Charges – Schedule B – Municipal Law Enforcement

Recommended fees to be added to the Township’s Fee Structure:

- No recommended additions for Business Licenses

Based on market comparators, there are no recommended revisions or additions related to municipal by-law enforcement, special events, or signs fees.

Parks and Recreation

If the suggested fees were imposed, annual user fee revenue could be **increased by \$53,762 (+ 11%)**. Of this potential increase in revenue, the largest share (78% or \$42,000) would be generated by increases in arena rental fees due to the high utilization of these services.

Revisions to fees in the Township’s existing Fee Structure:

While the fee suggestions presented in Table 4-7 have been made to reflect the maximum suggested fee having regard for the competitiveness and affordability of the fees, it is recommended that the Township determine the exact amount and phasing of fee increases. It is recommended that staff determine the phasing of fees in response to their intimate knowledge of service levels, user groups, and affordability constraints.

Notable revisions to the existing fee structure are as follows:

- Facility/ Site Rentals – Fees to increase 10%
- Adult Programs – Fees to increase 10%

Revisions to the Elmvale Arena fees in the chart below:

Service or Item	Unit of Measure	Current Fee	Recommended Fee	Change (\$)	Change (%)
Elmvale Arena					
Ice Rental Rates					
Minor	per hour	186.50	216.50	30	16%
Minor Groups Non-Prime	per hour	143.98	173.98	30	21%
Adult Groups	per hour	240.70	270.00	29.30	12%
Non-Residential Adult	per hour	250.53	280.00	29.47	12%
Daytime (Mon to Fri 8 to 4 pm)	per hour	92.44	155.00	62.56	68%
Family Skating (Every Sunday starting mid-October)					
Adults	per session	3.00	3.50	0.50	17%
High School Students	per session	2.00	2.50	0.50	25%
Children	per session	1.00	1.50	0.50	50%
Arena Floor					
Youth	per hour	47.75	70.00	22.25	47%
Adult Ball Hockey	per hour	58.35	80.00	21.65	37%
Daily Rental	per day	663.06	909.08	246.02	37%
Two Consecutive Day Event	per event	795.68	1,090.91	295.23	37%

Recommended fees to be added to the Township’s Fee Structure:

- No recommended additions for Parks and Recreation

Appendix G - Fees and Charges – Schedule F – Recreation, Parks, and Facilities

Infrastructure and Operational Services

Roads and Fleet

Based on the recommended fees presented in Table 4-9 and average historical activity levels, **annual revenues are anticipated to increase by \$125,762 (+ 66%)**. These increases would improve the cost recovery of Operational Services – Roads and Fleet Services from 57% to 93%. The fee recommendations in Table 4-9 include 3% inflationary increases to 2023 values.

Revisions to fees in the Township’s existing Fee Structure:

Service or Item	Current Fee	Recommended Fee	Change (\$)	Change (%)
New Entrance Permit	75	144	69	87%
Excess Load Permits				
Single Move Permit	50	103	53	100%
Annual Permits	300	427	127	38%
Cut & Fill Permit				
Permitted works base rate changes				
Expired Permit Renewal	200	283	83	38%
Engineering Site Inspection	250	515	265	100%
Right of Way				
Temporary Road Occupancy	110	144	34	%2
Temporary Road Occupancy (with road cut)	300	711	411	130%

Recommended fees to be added to the Township’s Fee Structure:

- No recommended additions for Roads and Fleet

Water and Wastewater Services (excluding rates)

Fee recommendations presented in Table 4-11 annual revenue are anticipated to **increase by \$3,636 (+74%)** including 3% inflationary increases.

Revisions to fees in the Township’s existing Fee Structure:

Service or Item	Current Fee	Recommended Fee	Change (\$)	Change (%)
Water Meter Residential	530	845	315	59%
Water Meter Multi Res/Commercial		to include a 25\$ administrative charge		
Pressure Reducing Valve	97	170	73	75%
Water Restriction Fine	50	144	94	188%

Recommended fees to be added to the Township’s Fee Structure:

Service or Item	Recommended Fee
Disconnection for Non-Compliance	757

Appendix H - Fees and Charges – Schedule I – Infrastructure & Operational Services

Fire and Emergency Services

Fire Services

As a result of these recommended user fees and underlying activity levels, it is anticipated that the Township revenues would **increase by \$13,321 (+31%)** of costs for fire services.

Revisions to fees in the Township's existing Fee Structure:

Service or Item	Current Fee	Recommended Fee	Change (\$)	Change (%)
Administration				
Request for Fire Report	60	67	7	12%
Letters of Compliance:				
Under 20,000 sq. feet	80	118	38	48%
Over 20,000 sq. feet	160	201	41	26%
Service Time				
Per 15 min.	7.50	40	32	432%
Per hour	30	160	130	432%
Residential Inspection – Under 12 Units	80	242	162	203%
Daycare/Foster Home inspections	80	242	162	203%
Plans Examination	50	160	110	219%
Propane Plan Review (first time)	80	160	80	100%
Respiratory FIT testing	30	53	23	78%
Permits				
Fireworks Permit	No Charge	36	n/a	n/a
Burn Permit (recreational and open air)	15	21	6	37%

Recommended fees to be added to the Township's Fee Structure:

- No recommended additions for Fire Services

Emergency Response Services

Fee recommendations for emergency response are proposed to remain unchanged with the exception of the below revisions.

Revisions to fees in the Township's existing Fee Structure:

Service or Item	Current Fee	Recommended Fee	Change (\$)	Change (%)
Elevator Rescue – 3 rd event in year	300	417	117	39%
Fire Alarm – 3 rd event in year	300	417	117	39%

Recommended fees to be added to the Township's Fee Structure:

- No recommended additions for Emergency Response Services

Appendix I - Fees and Charges - Schedule E - Fire & Emergency Services

Cemeteries

With the proposed increases, annual revenues net of the statutory contributions to the trust fund, would **increase by \$7,558 (+ 22%)**. These increases would bring the service areas fees up to full cost recovery levels.

Revisions to fees in the Township's existing Fee Structure:

Service or Item	Current Fee		Recommended Fee		Change (\$)	Change (%)
	Fee	C&M Fund	Fee	C&M Fund		
Purchase of Interment Rights						
Full Grave/Lot	700	467	773	530	73	10%
Cremation in-ground lot	700	467	773	530	73	10%
Corner Posts – Full Grave/Lots	200	-	221	-	21	11%
Purchase of Interment Rights – Columbarium Niche						
A (Top)	1,800	318	1,957	356	157	9%
B	1,800	318	1,957	356	157	9%
C	1,600	282	1,751	318	151	9%
D (Bottom)	1,600	282	1,751	318	151	9%
Interment/Burial Fees (Opening and Closing)						
Full Casket Burial						
Regular working hours (weekdays 9:00am - 4:30pm)	600	-	876	-	276	46%
Weekdays after 4:30pm (no burials after 5:30pm)	700	-	1,133	-	433	62%
Saturdays (no burials after 4:00pm)	800	-	1,442	-	642	80%
Cremated Remains - in ground lots & columbarium						
Regular working hours (weekdays 9:00am - 4:30pm)	250	-	361	-	111	44%
Weekdays after 4:30pm (no burials after 5:30pm)	350	-	515	-	165	47%
Saturdays (no burials after 4:00pm)	450	-	618	-	168	37%
Disinterment Fees						
Full Grave/Lot	1,000	-	2,060	-	1,060	106%
Cremation	275	-	567	-	292	106%
Other Charges						
Use of Winter Storage Vault (Burial in Midhurst Cem.)	80	-	103	-	23	29%
Use of Winter Storage Vault (Burial in another Cem.)	150	-	206	-	56	37%
Transfer of Interment Rights	100	-	206	-	106	106%

Recommended fees to be added to the Township's Fee Structure:

- No recommended additions for Cemeteries

Appendix J - Fees and Charges - Schedule J – Cemeteries

Conclusion

On an annual basis, staff conduct a review of the current user fees charged by the Township in preparation for the annual budget deliberations for the respective services/programs. Part of this annual process includes evaluating the appropriateness of the charge, the relevance of the fee and, where necessary, making recommendations to Council on proposed changes.

Staff recommended that an external review of the Township's existing fees & charges be performed. A full cost of service assessment is a critical first step to ensuring fee recommendations are defensible with respect to the different governing pieces of legislation (i.e., Planning Act, Building Code Act, and Municipal Act.).

Watson developed multiple methodologies to quantify the full costs of service, guide fee recommendations, and substantiate communications with decision-makers and stakeholders to perform a comprehensive review of the Township's user fees & charges.

Watson has provided recommendations to revise existing fees, as well as guidance on additions to the Township's existing fee structure. Watson has also made suggestions to phase the recreational fees and forecasted increases for building permits to meet the reserve fund target of 2 times direct costs by 2027.

Watson & Associates has estimated that based on the recommended fees and charges revisions, and additions, the Township of Springwater could anticipate additional revenue up to \$561,979.

Financial Implications

Council authorized the Comprehensive Fees & Charges Review in the amount of \$84,200 plus HST. Funds in excess of the approved budget of \$25,000 were approved to be appropriated from the Tax Rate Stabilization Reserve.

Watson & Associates has estimated that based on the recommended fees and charges revisions, and additions, the Township of Springwater could anticipate additional revenue up to \$561,979 as summarized in the chart below.

Service Area	Annual Costs \$	Annual Revenue -		Watson Recommended 2023 Revenue Increase	
		Proposed Fees \$	Cost Recovery %	%	\$
Animal Licensing and Control	71,176	9,395	13%	3%	274
Cemetery	42,273	42,118	100%	22%	7,558
Administration	182,241	160,234	88%	133%	91,469
Parks and Recreation	4,269,865	530,197	12%	11%	53,762
Planning	467,852	449,274	96%	59%	166,885
Building	1,685,291	1,940,386	115%	5%	99,312
Infrastructure and Operational Services - Roads and Fleet	347,594	315,207	91%	66%	125,762
Water and Wastewater	9,918	8,529	86%	74%	3,636
Fire	182,249	55,953	31%	31%	13,321
Total	7,258,459	3,511,293	48%	19%	561,979

Staff are proposing Program Change #3 Fees and Charges Study included within the Proposed 2023/2024 Budget Book. Staff are recommending incorporating user fees and charges at a more conservative approach of less than 50% to be incorporated into the budget and equate to \$205,484.

Pillars of Commitment

The above initiative supports the following Strategic Pillars of Commitment:

- Community Development
- Smart Growth Management
- Infrastructure, Financial Management & Service Delivery

Approvals

Submitted by: Candace Waslenko, Supervisor of Revenue

Financial Implications Reviewed by: Jas Rattigan, CPA, CGA, Director of Finance

Approved by: Jeff Schmidt, CPA, CGA, Chief Administrative Officer

Version Code: C04 1/12/2023 11:53 AM 2791622

r-00012218b4ec.laserfiche.ca/C - Council, Boards, By-Laws and Resolutions/C04 Reports to Council/Finance Department/2023

Applicable Municipal Policy or Legislation

- Municipal Act, 2001
- Building Code Act, 1992
- Planning Act, 1990

Attachments

Appendix A - Fees and Charges - Schedule G – Planning

Appendix B - Fees and Charges - Schedule A - Building Services

Appendix C - Fees and Charges - Schedule A.2 - Building Permits

Appendix D - Fees and Charges - Schedule C – Clerks

Appendix E - Fees and Charges - Schedule D – Finance

Appendix F - Fees and Charges - Schedule B - Municipal Law Enforcement

Appendix G - Fees and Charges - Schedule F - Recreation, Parks, and Facilities

Appendix H - Fees and Charges - Schedule I - Infrastructure & Operational Services

Appendix I - Fees and Charges - Schedule E - Fire & Emergency Services

Appendix J - Fees and Charges - Schedule J - Cemeteries

Background or Relevant Reports on Subject

Township of Springwater - Comprehensive User Fee Review Final Report