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## **2023 Fees and Charges Overarching Report Staff Report to Council**

Report Number: 2022-60

Department(s): Financial Services

Author(s): Anita Gibson, Sr. Financial Analyst

Meeting Date: December 5, 2022

### **Recommendations**

1. That the report entitled 2023 Fees and Charges Overarching Report dated December 5, 2022, be received; and,
2. That the attached Fees and Charges are increasing within the Treasurer's Delegated Authority and therefore Schedules "A", "B", "D", "E", "F", "G", "H", "I", "J", "K", "L", "M", marked as Recreation Culture Services, Corporate Services, Engineering, Legislative Services – General Fees and Licensing, Fire Services, Planning, General Fees, Building Permit, Water and Wastewater Rates, and Stormwater Rates be received for Information Purposes; and,
3. That the attached Schedule "C" Public Works increases to fees and charges above the Treasurer's Delegated authority be approved, and adopted by by-law; and,
4. That all Fees and Charges schedules be brought forward to Council for enactment as by-laws; and,
5. That the fee adjustments come into full force and effect as of January 1, 2023; and,
6. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

### **Executive Summary**

See below.

## Purpose

The purpose of this report is to provide an overview of the 2023 fees and charges. Per [Report 2021-67](#), the Treasurer has the Delegated Authority to approve the increase to fees and charges on revenue sources up to the lesser of the rate of inflation or 2.5%. The 2023 Budget increase for Fees and Charges has been suggested at 2.5%. Additionally, Per [Report 2022-30](#), Delegated Authority was granted to increase Water, Wastewater, and Stormwater rates as identified in their respective financial plans, effective January 1, 2023.

## Background

Fees and Charges fall under three categories: Ancillary Revenue, Rate Revenue, and Major Revenue.

Ancillary Revenues are the fees and charges in the tax-supported budget. These revenues cover disbursements as well as staff time for specific services in Fire Services, Public Works, Financial Services, Procurement, Information Technology, Planning, Legal Services, Engineering, Legislative Services-General fees, and all other General Fees. They recover a portion of costs as defined by the Service Pricing Policy.

Rate Revenues are increases in the rate-supported budgets, which are projected through multi-year plans. They include Water, Wastewater, and Stormwater. According to the Servicing Pricing Policy, Building permit fees are also included in this category. These services are provided for the benefit of specific interested users and as such are categorized as private goods and have a cost recovery target level of 100% to recover the full cost of providing the services by municipality.

Major Revenues are the fees and charges that recover costs in the tax-supported budget and have a significant impact on residents but exclude property taxes. This affects mainly Licensing, and Recreation & Culture.

## Discussion

The 2023 Budget increase for Fees and Charges was set at 2.5%. Typically, the increase represents Toronto Consumer Price Index (CPI) at the beginning of the budget process. CPI year-over-year increases in 2022 ranged from 5.18% to 7.47% (January to October). Staff is therefore proposing the rate increase stay within the Treasurer's Delegated Authority. Per [Report 2021-67](#), the Treasurer has the Delegated Authority to approve the increase to fees and charges on revenue sources up to the lesser of the rate of inflation or 2.5%.

Per [Report 2022-30](#), Delegated Authority was granted to increase Water, Wastewater, and Stormwater rates as identified in the respective financial plans effective January 1, 2023.

The Development Applications Approval Process (DAAP) review is currently underway. The review impacts fees for Planning, Engineering, and Building. Based on the results, proposed changes will be presented to council as applicable.

The following is a summary of the recommended fees and charges increases for 2023 by revenue category:

**Ancillary Revenue**

- **Corporate Services – Financial Services, Information Technology, Procurement, and Legal (Schedule B)** – All fees are proposed to increase by 2.5%.
- **Public Works Fees (Schedule C)** - Most fees are suggested to increase by the target rate of 2.5%, however, those fees that are suggested to increase outside the delegated authority threshold are discussed below.

**Solid Waste and Recycling**

Due to increasing costs from the supplier and to better align with other municipalities, the following fees are suggested to increase above 2.5% (fee increases highlighted in Public Works appendix):

		TOTAL 2022 FEE BEFORE TAX	TOTAL 2023 FEE BEFORE TAX	% INCREASE
<b>Solid Waste and Recycling</b>				
White Goods (freezer, stove, etc.)		\$14.37	\$15.04	4.6%
Composters		\$22.12	\$26.55	20.0%
Large Items		\$14.37	\$15.04	4.6%
Recycling Blue Box		\$9.73	\$13.27	36.4%
Special Refuse Cleanup		\$94.31	\$97.35	3.2%
Source Separated Organics (SSO)	Large Bin	\$19.47	\$24.78	27.3%
	Kitchen Bin	\$3.54	\$7.08	100.0%

**Water**

- The bulk water rate is suggested to be increased by 3.8% to coincide with the rate increase for 2023 as outlined in the Six-Year Water and Wastewater Financial Plan ([Report 2021-21](#)) (fee increase is highlighted in Public Works appendix).
- **Engineering Fees (Schedule D)** - All fees are proposed to increase by 2.5%.
- **Legislative Services – General Fees (Schedule E)** – Most fees are proposed to increase by 2.5%.

- **Central York Fire Services (Schedule F)** – Most fees are proposed to increase by 2.5%.

Note: Fee increases for all vehicle-accident or fire-related fire department services that occur on provincial highways are regulated and communicated by the Ministry of Transportation. New rate increases will be communicated at the end of November 2022 and the schedule will be updated accordingly.

- **Planning Act Fees (Schedule G and Schedule K)** – All fees are proposed to increase by 2.5% with the addition of one new fee.
  - Preparation of any Amendments to an Existing Site Plan or Subdivision Agreement \$2,132 plus HST (fee is highlighted in Planning Processing Fees appendix)
- **All Department Reproduction - General Fees (Schedule H)** – All fees are proposed to increase by 2.5%.

### **Rate Revenue**

- **Building Permit Fees and Charges (Schedule J)** – All fees are proposed to increase by 2.5%.
- **Water and Wastewater Rates (Schedule L)** – a residential increase of 3.8% is in accordance with the Six-Year Water, Wastewater Financial Plans [Report 2021-21](#).
- **Stormwater Rates (Schedule M)** – an increase of 9% is in accordance with the 10-Year Stormwater Financial Plans [Report 2020-78](#).

### **Major Revenue**

- **Legislative Services - Licensing Fees (Schedule I)** - All fees are proposed to increase by 2.5%.
- **Recreation & Culture Fees (Schedule A)** - All fees are proposed to increase by 2.5%.

## **Conclusion**

Unless otherwise stated, all changes will be effective January 1, 2023.

## **Business Plan and Strategic Plan Linkages**

The adoption of the 2023 Fees and Charges is in alignment with Council's strategic priority of long-term financial sustainability.

## **Consultation**

An Advertisement on the Town of Newmarket's website will be provided in accordance with the Town's Procedure By-law and distribution of the Committee of the Whole agendas.

In addition, notice has been given through advertisement on the Town Page of the local newspaper in advance of Council's consideration. These fees and charges are being presented as part of the Committee of the Whole meeting scheduled for December 5, 2022.

## **Human Resource Considerations**

Not applicable to this report.

## **Budget Impact**

Fees and charges have been factored into the upcoming 2023 budget proposals. Further information on this will be available as part of the budget process.

The individual reports will recommend fees and charges that should allow them to achieve their cost recovery targets.

## **Attachments**

2023 Schedule A - Recreation and Culture Services Fees and Charges

2023 Schedule B – Corporate Services Fees and Charges

2023 Schedule C – Public Works Fees and Charges

2023 Schedule D – Engineering Services Fees and Charges

2023 Schedule E – Legislative Services General Fees and Charges

2023 Schedule F – Fire Services User Fees

2023 Schedule G – Planning Fees and Charges

2023 Schedule H – General Fees and Charges

2023 Schedule I - Legislative Services - Licensing Fees

2023 Schedule J - Building Permit Fees and Charges

2023 Schedule K - Planning Processing Fees and Charges

2023 Schedule L – Water, and Wastewater Rates

2023 Schedule M – Stormwater Rates

## **Approval**

Mike Mayes, CPA, CGA, DPA  
Director, Financial Services/Treasurer

Esther Armchuk, LL.B  
Commissioner of Corporate Services

## **Contact**

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