

Fees, Rates and Charges Bylaw

Presenters: Linda Ollivier, Director, Financial Services
David Reynolds, Manager, Accounting Services
Department: Financial Services
Meeting Date: May 14, 2019

User Fees and Charges Overview

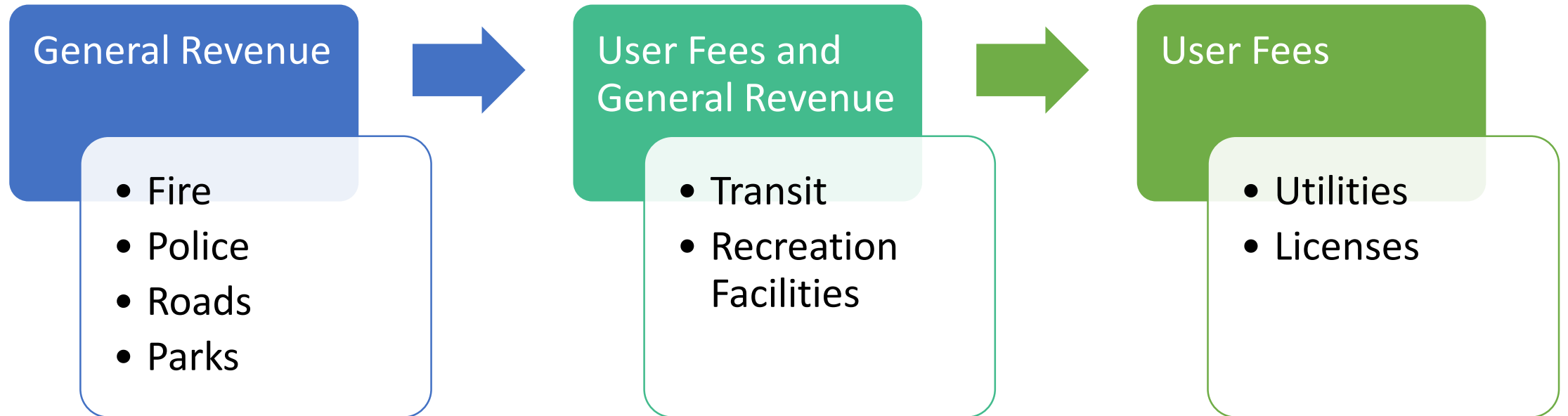
- Alberta legislation currently provides municipalities with two primary sources of ongoing revenue:
 - Taxes
 - User Fees and Charges
- User fees and charges are paid by consumers who use and benefit from certain municipal goods and services. Examples include public transit, recreation facilities, permits, utility services, etc.

Municipal Services vs. Subsidy Level

No Direct Benefit to an Individual, Group of Individuals or Businesses

Who Benefits?

Direct Benefit to an Individual, Group of Individuals or Businesses



Current User Fees and Charges

- Adjustments to user fees and charges have not been proposed for a number of years, apart from the utility fee increase in 2017. As part of this increase, it was agreed that annual utility fee increases would be proposed, so that within 5 years, operational costs would be covered.
- Financial Services agreed to complete a comprehensive analysis of all user fees and charges in 2018.
- Bylaw 19/010 – Singular bylaw of all user fees and charges

User Fees and Charges Methodology

1. Review the cost of each municipal service;
2. Identify who benefits from the municipal service; and
3. Benchmark each user fee and charge against the following Alberta communities:

Strathcona, Red Deer, Grande Prairie, Edmonton,
Leduc, Fort Saskatchewan, Lethbridge, Medicine Hat,
St. Albert and Calgary

User Fees and Charges Examples

Transit Fees

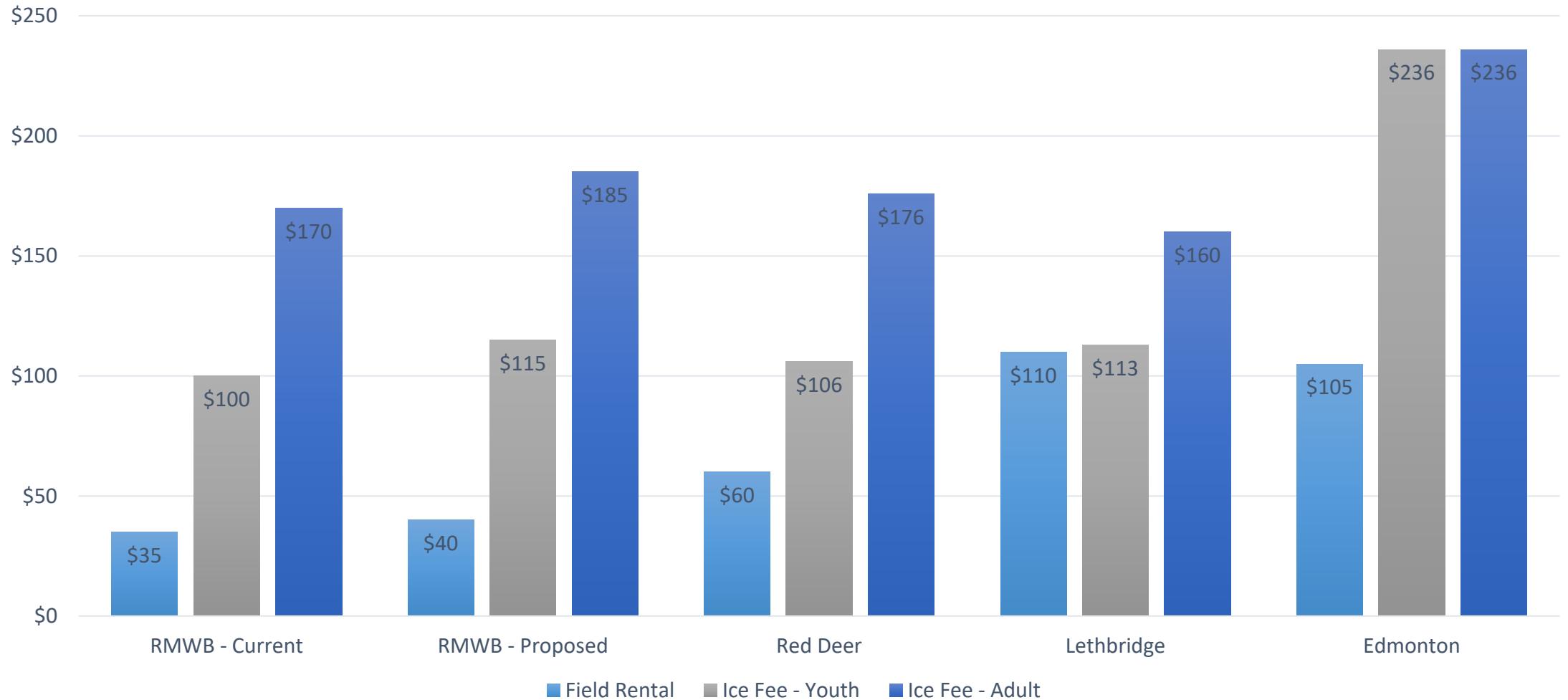


Transit Fees

Proposed Fee Update 2019

| | Service Name, Fee Name and Description | Current Fee | Proposed Fee | Change % | Average Benchmark |
|---|---|-------------|--------------|----------|-------------------|
| 1 | Transit Fees (urban) Cash Fare | \$1.25 | \$1.50 | 20% | \$2.93 |
| 2 | Transit Fees (urban) Eighteen-Ride Booklet | \$21.25 | \$25.50 | 20% | \$45.84 |
| 3 | Transit Fees (urban) Monthly Pass (student) | \$34.25 | \$41.00 | 20% | \$59.88 |
| 4 | Transit Fees (urban) Monthly Pass (adult) | \$45.00 | \$54.00 | 20% | \$82.66 |
| 5 | Charter Rate - External (RMWB) | \$130.00 | \$130.00 | 0% | \$124.71 |

Recreation and Culture Fees

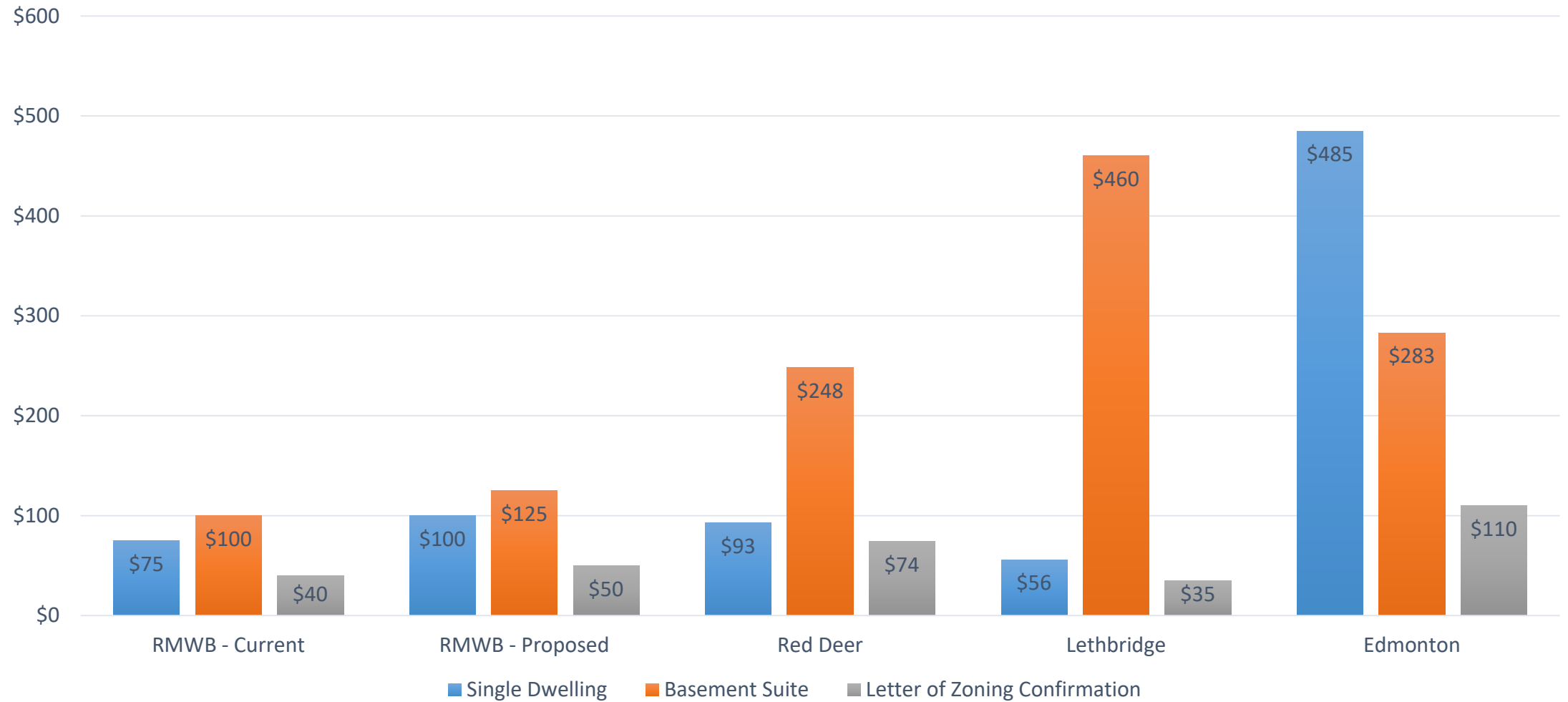


Recreation and Culture Fees

Proposed Fee Update 2019

| | Service Name, Fee Name and Description | Current Fee | Proposed Fee | Change % | Average Benchmark |
|----|---|-------------|--------------|----------|-------------------|
| 1 | Softball/Slo-pitch/Soccer/Rugby/Football - Field Rental - Adult - All Class 1 Field | \$35.00 | \$40.00 | 14% | \$60.96 |
| 2 | Softball/Slo-pitch/Soccer/Rugby/Football - Field Rental - Adult - All Class 2 Field | \$35.00 | \$40.00 | 14% | \$35.19 |
| 3 | Softball/Slo-pitch/Soccer/Rugby/Football - Field Rental - Adult - All Class 3 Field | \$21.00 | \$25.00 | 19% | \$21.46 |
| 4 | School Rental - Parks admin - Gym Adult | \$30.00 | \$35.00 | 17% | \$40.14 |
| 5 | School Rental - Parks admin - Classroom Adult | \$10.00 | \$12.00 | 20% | \$16.67 |
| 6 | School Rental - Parks admin - Gym Youth Sport | \$11.00 | \$13.00 | 18% | \$24.33 |
| 7 | School Rental - Parks admin - Gym Youth Development | \$5.00 | \$7.00 | 40% | \$24.33 |
| 8 | Ice Fee-Adult | \$170.00 | \$185.00 | 9% | \$229.91 |
| 9 | Ice Fee-Youth | \$100.00 | \$115.00 | 15% | \$172.26 |
| 10 | Mini Ice Fee-Pad | \$44.00 | \$47.00 | 7% | \$0.00 |

Planning and Development Permits



Planning and Development Permits

Proposed Fee Update 2019

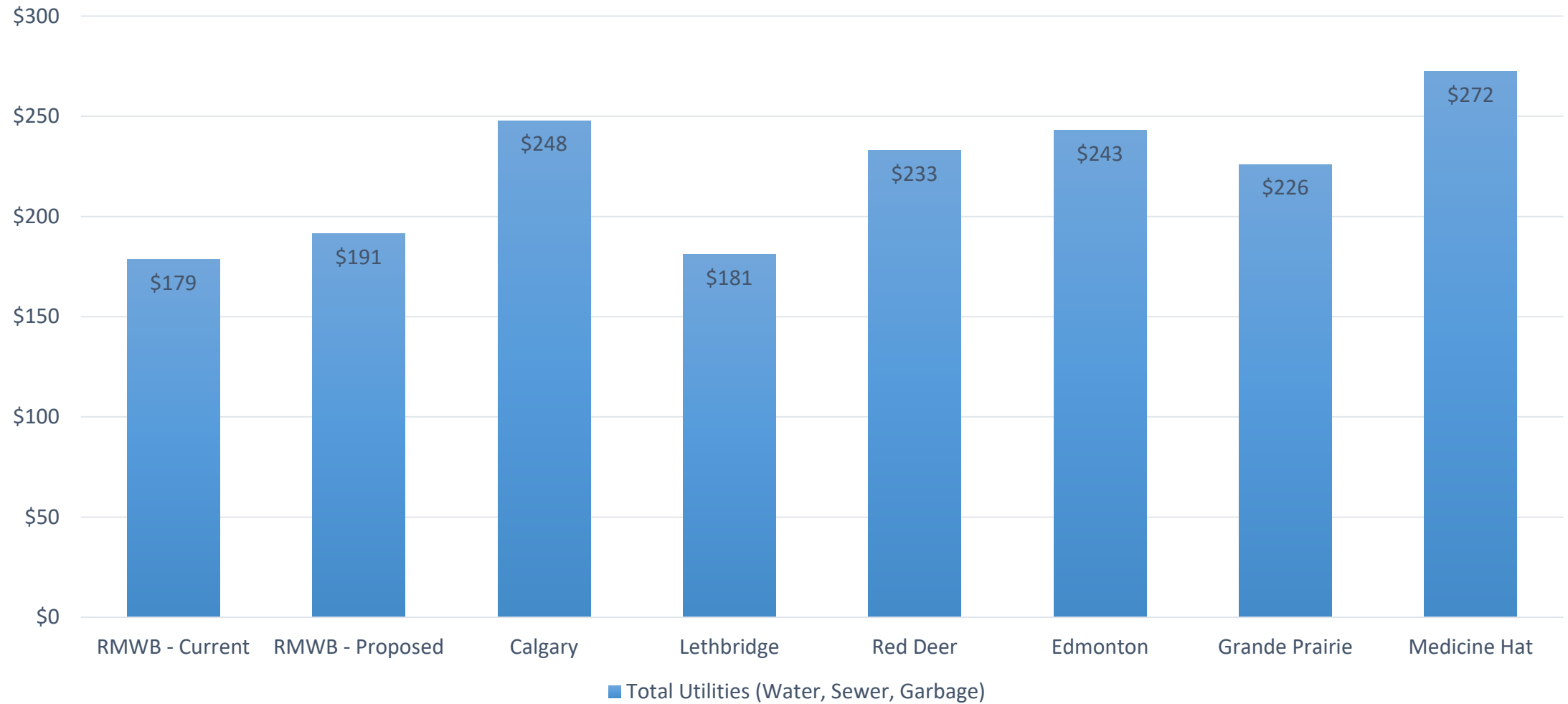
| | Service Name, Fee Name and Description | Current Fee | Proposed Fee | Change % | Average Benchmark |
|----|--|-------------|--------------|----------|-------------------|
| 1 | Single Family Detached Dwelling Permit | \$75.00 | \$100.00 | 33% | \$393.40 |
| 2 | Semi-detached and Duplex Dwellings Permit (per unit) | \$75.00 | \$100.00 | 33% | \$393.40 |
| 3 | Triplex Dwellings Permit (per unit) | \$75.00 | \$100.00 | 33% | \$425.15 |
| 4 | Basement Suite Permit | \$100.00 | \$125.00 | 25% | \$228.15 |
| 5 | Residential, Commercial and Industrial - Lot Grading | \$100.00 | \$125.00 | 25% | \$1,173.00 |
| 6 | Special Events Development Permit | \$200.00 | \$250.00 | 25% | \$371.00 |
| 7 | Request for Landscape Inspection | \$125.00 | \$150.00 | 20% | \$204.00 |
| 8 | Letter of Zoning confirmation | \$40.00 | \$50.00 | 25% | \$79.86 |
| 9 | Additions to Single Detached Permit | \$75.00 | \$100.00 | 33% | \$220.20 |
| 10 | Accessory Structure Permit - Residential and non residential | \$75.00 | \$100.00 | 33% | \$85.00 |

Utility Fees Update

Utility Rates Timeline

- 2017 – Council approves 10% rate increase
- 2018 – Rate increase incorporated into 2019 budget
- 2021 – Urban Utility Services reach Direct Cost Recovery
- 2022 – Urban and Rural rates reach parity

Urban Residential Utility Fees (2 months)



Urban Residential Utility Fees (2 months)

2018 Community Comparison (2 Month Urban Residential Utility Bill)

| | RMWB | Calgary | Lethbridge | Red Deer | Edmonton | Grande Prairie | Medicine Hat |
|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Water - Fixed | \$55.94 | \$30.66 | \$20.69 | \$31.40 | \$19.40 | \$34.00 | \$51.82 |
| Water - Variable | \$26.40 | \$66.61 | \$48.96 | \$60.80 | \$87.61 | \$61.52 | \$42.20 |
| Sewer - Fixed | \$27.30 | \$51.38 | \$17.03 | \$36.50 | \$8.58 | \$37.38 | \$79.08 |
| Sewer - Variable | \$15.60 | \$59.41 | \$38.40 | \$60.80 | \$35.19 | \$33.82 | \$55.06 |
| Garbage | \$53.42 | \$39.80 | \$55.84 | \$43.44 | \$91.86 | \$59.32 | \$44.10 |
| | \$178.66 | \$247.86 | \$180.92 | \$232.94 | \$242.64 | \$226.04 | \$272.26 |

Average Bi-Monthly Bill Impacts – Residential

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|-------|-------|-------|--------------|--------------|-------|
| Rural – Water, Sewer, Garbage & Recycling | \$131 | \$150 | \$172 | \$196 | \$214 | \$220 |
| Urban – Water, Sewer, Garbage & Recycling | \$179 | \$191 | \$205 | \$210 | \$214 | \$220 |

*Based on 20 cubic meters use of water per month

Average Bi-Monthly Bill Impacts – Commercial

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|-------|-------|-------|-------|-------|-------|---------|
| Water | \$682 | \$750 | \$826 | \$908 | \$999 | \$1,099 |
| Sewer | \$203 | \$223 | \$245 | \$270 | \$297 | \$327 |

*Based on 200 cubic meters use of water per month

2019 Budget Implications

- Additional revenue was incorporated in the approved 2019 Operating Budget (April – December):
 - Utility Charges – \$2.5M
 - Other User Fees and Charges – \$0.6M
- Implementation Date – June 1st, 2019

Questions?