

# Request for Decision



To: Regular Meeting  
From: Financial Services  
Date: March 27, 2023  
Subject: Fees and Charges Amendment Bylaw 1958-A12 –  
Electrical, Water and Sewer Fees and Charges  
Recommendation: **That Council gives first three readings to the Fees and Charges Amendment Bylaw No. 1958-A12.**

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## Purpose

To amend Schedules G, J, and K of the Fees and Charges Bylaw to reflect increases for electrical, water and sewer utility rates.

## Background

As part of the current year budgeting process, Council directed staff to include a 7.5% increase in electrical fees and 5% increases in both water and sewer user fees. Staff presented a draft budget at the February 16<sup>th</sup> special public meeting which included additional revenues associated with the above increases.

The estimated revenues associated with these increases and included in the 2023 Budget are as follows:

Electrical Utility Fees	\$ 264,620
Water Utility Fees	33,460
Sewer Utility Fees	33,398

These revenues are based on the assumption that the increases will take effect in mid-April, upon the anticipated adoption date of the bylaw.

The attached bylaw schedules reflect the new rates associated with the above noted increases. Staff has also incorporated a few housekeeping changes as follows:

- added a new line item under Section 1 in both the water and sewer fees to cover any other custom work performed by the City, and
- changed the 3/4" water meter pricing from a fixed amount to "actual cost", as the cost of these meters may fluctuate significantly within a relatively short timeframe

This bylaw will be presented to Council for final reading at the April 17<sup>th</sup>, 2023 Regular Meeting.

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## Benefits or Impacts

### General

Increases in utility rates are necessary to ensure that utility revenues are sufficient to keep up with inflation and other unavoidable costs, and that the City has adequate funds set aside for infrastructure renewal and replacement.

### Finances

These rate increases are expected to generate approximately \$331,500 in additional revenue for 2023.

### Strategic Impact

Implementation of these utility fee increases are included in the strategies approved by Council on February 13<sup>th</sup> to provide a balanced budget for 2023.

### Risk Assessment

#### Compliance:

Section 194 of the *Community Charter* grants Council the authority to impose fees for the provision of municipal services.

#### Risk Impact:

Low. Delaying the implementation of this rate increase would result in lower revenues for the year, or would require a greater increase to achieve the budgeted revenue amount for 2023.

#### Internal Control Process:

Staff has set the anticipated bylaw adoption date of April 17<sup>th</sup> as the effective date for the bylaw amendment. The new rates would thus be reflected on the June utility invoices.

### Next Steps / Communication

The City will endeavour to include an insert with the next utility billing cycle in late April to notify customers of the increase.

## Attachments

Fees and Charges Amendment Bylaw No. 1958-A12.  
Copy of Schedules G, J and K for fees and charges currently in effect.

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## **Recommendation**

**That Council gives first three readings to the Fees and Charges Amendment Bylaw No. 1958-A12.**

## **Options**

1. Council could amend the timing or amount of rate increases, but any changes would impact budgeted 2023 revenue calculations and the amounts included in the 2023-2027 Financial Plan.

### Report Approval Details

Document Title:	20230327 Fees and Charges Amendment Bylaw 1958-A12.docx
Attachments:	- By1958-A12 - Fees and Charges Amendment 2023.pdf - Current Fees and Charges Schedules G, J, K.pdf
Final Approval Date:	Mar 20, 2023

This report and all of its attachments were approved and signed as outlined below:

Daniel Drexler

Duncan Redfearn