

STAFF REPORT TO THE COMMITTEE OF THE WHOLE

Report Prepared By: Erin Anderson, Director of Financial Services
Meeting Date: March 10, 2020
File No:
RE: **FEES AND CHARGES AMENDMENT**

RECOMMENDATION:

That the Committee direct staff to prepare an amendment to the Town of Ladysmith Fees and Charges Bylaw 2008, No. 1644" to include:

- 1) False Alarms per calendar year:
 - a. First False Alarm – warning letter
 - b. Second False Alarm - \$100.00
 - c. Third and subsequent False Alarms - \$250.00
- 2) Online banking payments – transfers between accounts, per calendar year:
 - a. First transfer – warning letter
 - b. Second transfer – warning letter
 - c. Third and subsequent transfers – a fee of 10% of the requested transferred amount with a minimum of \$5.00 to a maximum of \$25.00

EXECUTIVE SUMMARY:

The fees charged on various products and services provided by the Town require updating in order to ensure that the cost are partially recovered from the individuals requesting the product or service.

PREVIOUS DIRECTION

n/a

INTRODUCTION/BACKGROUND:

Periodically, the Fees and Charges bylaws are reviewed to ensure the Town is recouping adequate funds for the provision of service or product. There are a few items within the Fees and Charges bylaw that require attention. These items include:

False Alarms

The current bylaws provides for one false alarm at no-charge (a warning), the second false alarm at \$50.00 and the third and subsequent alarms at \$100.00.

Ladysmith Fire/Rescue team responded to:

Year	# of calls	# of invoices	Wages to attend False Alarms
2019	10	1	\$ 4,754
2018	20	6	\$ 6,832
2017	42	7	\$ 9,882

It is proposed that Ladysmith continue with the one warning per calendar year, though increase the second alarm to \$100.00 and third and subsequent to \$250.00

City	Time period	1st	2nd	3rd	4th	5th	6th
Parksville	12 months	Warning only	Warning only	\$ 250			
	24 months					\$ 500	
Duncan	12 months	Warning only	\$ 150	\$ 500			
Nanaimo	12 months	Warning only	Warning only	\$ 300.00			
Courtney	Calendar year	Warning only	Warning only	Warning only	\$100	\$200	
	Greater than 1 calendar year						\$250

Online banking payments – transfers between accounts

The Town offers online banking as an option for property owners making payment. Property owners are required to select different biller types: Utilities for the water, sewer and garbage bills or Property Tax for their property tax payments. Some property owners select the wrong biller type and make payment on their taxes when they intended the payment to be placed on their utility bill (or vice versa). The payment file is imported directly from the secured banking site into the Town's billing system. Upon review, Staff often catch these type of payments and send a letter to the property owner advising them of their error and request authorization to move the payment. No penalty amount is charged on the outstanding balance as the funds were in a credit situation on the other biller type.

On occasion, property owners do not change their banking information after warnings. The property owner frequently requests transfers to be made from one biller type payment to the other. These request require documentation and staff time to fulfill the transfer.

It is proposed that a fee of 10% of the requested transfer amount with minimum of \$5.00 to a maximum of \$25.00 is levied on accounts that request more than 2 transfers in a calendar year. This fee is consistent with the fee charged on refunds.

ALTERNATIVES:

Council can choose to keep the status quo or suggest any other amount.

FINANCIAL IMPLICATIONS:

The Town must be able to substantiate reasoning behind charging a fee.

For the fire department, the average fee to attend a false alarm was roughly \$475. A fee of \$100 for the second call and \$250 for subsequent calls would go towards the cost of providing the service.

The fee for transferring payments between accounts is \$5.00 to \$25.00. As property owners determine where their on-line payments go, they can avoid this fee if they make the proper selection.

LEGAL IMPLICATIONS:

n/a

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

If approved, property owners would be advised of the new fee schedule in future warning letters.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

n/a

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

- | | |
|--|--|
| <input type="checkbox"/> Complete Community Land Use | <input type="checkbox"/> Low Impact Transportation |
| <input type="checkbox"/> Green Buildings | <input type="checkbox"/> Multi-Use Landscapes |
| <input type="checkbox"/> Innovative Infrastructure | <input type="checkbox"/> Local Food Systems |
| <input type="checkbox"/> Healthy Community | <input type="checkbox"/> Local, Diverse Economy |
| <input checked="" type="checkbox"/> Not Applicable | |

ALIGNMENT WITH STRATEGIC PRIORITIES:

- | | |
|---|--|
| <input type="checkbox"/> Infrastructure | <input type="checkbox"/> Economy |
| <input type="checkbox"/> Community | <input checked="" type="checkbox"/> Not Applicable |
| <input type="checkbox"/> Waterfront | |

I approve the report and recommendation(s).

Guillermo Ferrero, Chief Administrative Officer

ATTACHMENT(S):