
2015 OPERATING BUDGET BRIEFING NOTE

Service Charges and User Fees - Municipal Licensing and Standards

Issue/Background:

- At Budget Committee of February 4, 2015, Committee adopted the following motion:
 - " That the Deputy City Manager, Cluster B provide a briefing note providing:
 - Greater detail about the underestimated revenue from "Service Charges and User Fees (\$0.543 million) in 2014, including more detail on actual "re-inspection fees" in particular for Multi-Residential Apartment Buildings and other multi-unit dwellings."
- As of the third quarter of 2014, Municipal Licensing and Standards reported a \$0.543 million unfavourable variance from the 2014 budgeted revenue for "service charges and user fees" which consists of : Property re-inspection fees, vehicle inspection fees and animal surrender fees.
- The following (Table 1) provides an updated 4-year historical performance for service charges and user fees.

Table 1:

	Actuals (\$000s)				2014 Plan	2014 Variance
	2011	2012	2013	2014		
Property Re-inspection fees	659	462	288	322	975	(653)
Vehicle Inspection Fees	621	500	440	506	707	(201)
Animal Surrender Fees	106	84	88	97	100	(3)
Total	1,386	1,046	816	925	1,782	(857)

- The following (Table 2) provides a 4-year historical performance specifically relating to re-inspection fees with a further breakdown of re-inspection fees for the MRAB Program.

Table 2:

	Actuals (\$000s)				2014 Plan	2014 Variance
	2011	2012	2013	2014		
Property Re-inspection fees (IS)	579	405	254	250	975	(725)
Property Re-inspection fees (MRAB)	80	56	33	72	0	72
Total	659	462	288	322	975	(653)

Key Points:

- It has been established that historical performance dating back to 2004 indicates the revenue budget targets are overstated.
- Opportunities to recast the budget will form a part of the Divisions' Comprehensive User Fee Review process which is currently underway and will be reported prior to the 2016 Budget Process.
- Stabilized leadership, improvements to the supervisory structure and resolution focused direction has contributed to the 2014 improvement over 2013 by \$34k or 12%.

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