

Are you only paying for the services you use in HH?

While grants from upper levels of government are usually 70% of our non-tax revenues in Hastings Highlands, I believe this will be difficult to achieve in the future as provincial and federal levels struggle with massive debt levels. So where do we go for non-tax revenues, something all ratepayers in HH tell me is worth increasing in lieu of these yearly increases in the tax rate.

Well fees for services are a good place to start. During the last administration the council did some research on the purchase prices for shoreline road allowancesand when they did were shocked to find that HH was way behind other lakes based municipalities. And of course, as Bancroft has taught us, if you get way behind on user fees (think water and sewage); it's tough to catch up.

This spring the subject of user fees for 2021 came before council. And our Chief Building Official presented a report with comparables elsewhere and a full set of updated fees for services. Now before you suggest this won't make a difference to our revenues, you should consider that permit fees for building services were \$175,500 in 2020 compared with \$151,236 in 2018, an increase of 16%. So real progress is possible while staying competitive with other jurisdictions and only charging those who use the services.

And I took a look at the user fees for some of our neighbours...they range from 3% of revenues to 24% for Bancroft with its heavy service costs for water and sewage. But if you throw out Bancroft, the average is >6%. In HH our number for 2019 was 5.4% so about 15% below average. I know Council cringes at the thought of local comparisons, and I admit they are best used to highlight areas for further investigation. But the numbers I am using come from audited financials and most neighbours use the same audit firm HH does, Baker Tilly

Other than the fee business case of the CBO what happened at Council that day? No survey, no business case and generally no change nor rationale to justify our user fees. This is not good fee for service administration and council members know that. They simply avoid the subject; it's much easier just to up the municipal tax rate for all rather than charge competitive rates for specific constituent services.

You may say it's not worth the aggravation to work hard to ensure all fees, penalties, interest, etc. are reflective of current community standards for similar municipalities. But if grants are going to be difficult in the next few years, how are we going to replace them without big tax increases? Remember that MPAC is still using 2016 values to assess properties until the 2023 tax year when we can expect substantial increases in values , and unless HH reduces tax rates substantially, a large tax increase.

And consider also that many user fees are a much fairer way to link services with costs...a good example is the garbage pickup brouhaha a few years ago..... how is it fair that all residents pay for a service that primarily benefits a few? Most small rural municipalities have migrated to bag fees for garbage pickup. The waste site costs are applied to all taxpayers, but if you deliver your waste to the site, you don't pay a pick up cost.

Taxpayers should insist on an annual review of all of our user fees in HH which includes current fees, how long they have remained static at current levels, the comparable communities we use to set our fees, historical fee summaries including budgeted amounts expected from fees, other services elsewhere that are covered by user fees but not so in HH and a business case for any proposed action.

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