



STAFF REPORT

Report To: Board of Directors
Report From: Tim Lanthier, CAO
Meeting Date: September 28, 2022
Report Code: 027-2022
Subject: DRAFT: GSCA Fee Policy

Recommendation:

WHEREAS amendments to the Conservation Authorities Act require GSCA to administer fees in a transparent and accountable manner by adopting and publishing a written fee policy,

AND WHEREAS these changes to the Act will take effect on January 1, 2023,

THAT the GSCA Board of Directors endorse the Draft Fee Policy prepared by Staff,

AND THAT the GSCA Board of Directors direct staff to consult on the Draft Fee Policy,

AND THAT the GSCA Board of Directors request that staff bring back a final version of the GSCA Fee Policy at the November 23, 2022 Board of Directors meeting.

Strategic Initiative:

This item is related to all of GSCA's Strategic Initiatives and overall operations.

Background:

Amendments to the Conservation Authorities Act were undertaken in 2020 to clarify the programs and services that conservation authorities (CAs) deliver. In 2021, *Ontario Regulation 686/21: Mandatory Programs and Services* provided additional clarity regarding the programs and services that CAs are required to provide. In April 2022, the Minister of Environment, Conservation and Parks released *Policy: Minister's List of Classes of Programs and Services in respect of which conservation authorities may charge a fee ("Minister's List")*. CAs may only charge a fee for a program or services that it provides if it is set out in the Minister's List. The Minister's List identifies that CAs may charge a fee for mandatory, municipal and other programs and services where the user-pay principle is appropriate.

The Minister's List replaces the *1997 Policies and Procedures for the Charging of Conservation Authority Fees* which was approved by the Minister of Natural Resources and Forestry. The new Minister's List will come into effect on January 1, 2023.

On January 1, 2023, the Conservation Authorities Act is amended by enacting section 21.2 (1)-(12) "Fees for Programs and Services". Subsection (1) enables the Minister to determine the classes of programs and services in respect of which an authority may charge a fee and Subsection (2) requires the minister to publish a List in a policy document. CAs may only charge a fee for a program or service that it provides if it is set out on this list.

Under the Conservation Authorities Act, programs and services delivered by conservation authorities include:

- **Mandatory programs and services.** Mandatory programs and services that the conservation authority is required to provide. These services are further defined in O. Reg. 686/21: Mandatory Programs and Services and may be funded by provincial grants, other sources, municipal apportionment and/or conservation authority self-generated revenue (e.g., user fees) where the user-pay principle is appropriate.
- **Municipal programs and services.** Programs and services that an authority agrees to provide on behalf of a municipality under a MOU or agreement. The program or service may be funded by the municipality or by other funding mechanisms (e.g., user fees where the user-pay principle is appropriate) as per the MOU or agreement.
- **Other programs and services.** Programs and services that an authority determines are advisable to further the purposes of the Act. The program or service may be funded by the municipality or by other funding mechanisms as per the cost apportioning agreement and the Minister's List.

Section 21.2 of the Conservation Authorities Act (CAA) empowers the Grey Sauble Conservation Authority (GSCA) to charge fees for programs and services. The intent of these fees is to offset the direct and indirect costs of offering programs and services or to generate revenue for the Authority.

Section 21.2 of the CAA requires GSCA to administer the charging of fees in a transparent and accountable manner by adopting and publishing a written fee policy, which includes fee schedules that list the programs and services for which GSCA charges a fee and the amount to be charged.

GSCA will maintain its fee schedules and prior to any changes to the fee schedule(s), will notify the public of the proposed change in a manner GSCA considers appropriate, as per the regulations.

In this fee policy, GSCA will also set out the frequency with which it will conduct a review of its fee policy, including its fee schedule(s), the process for carrying out a review of the fee policy, including the rules for giving notice of the review and any changes as a result of a review, and the circumstances under which any person may make a request to GSCA to reconsider a fee that was charged to the person and the procedures applicable to the reconsideration. Decisions regarding the fee policy and fee schedule are made by the GSCA Board of Directors.

The fees that GSCA charges, in accordance with the Minister's Fee Classes Policy, are considered 'user fees.' 'User fees' are fees paid to GSCA by a person or organization for a service that they specifically benefit from. This includes use of a public resource (e.g., park access or facility rental) or the privilege to do something (e.g., receive an approval through a permit or other permission to undertake a regulated activity).

Under Section 21.2 of the CAA, a conservation authority may determine the amount of a fee to be charged for a program or service that it provides. If a fee is to be charged for a program or service, the amount to be charged or the manner for determining the amount must be listed in the conservation authority's fee schedule.

By charging fees for programs and services where the User-Pay principle is considered appropriate, GSCA increases revenue generation opportunities, reducing reliance on general municipal levy (now called apportionment) to finance the programs and services it provides.

The Fee Policy must be in place by January 1, 2023.

Current Proposal

In accordance with the requirements of the Conservation Authorities Act and the relevant regulations, GSCA has prepared the attached Draft Fee Policy.

Consistent with the requirements of the Act and the Regulations, GSCA should consult with partners and stakeholders on this policy. As such, it is proposed that GSCA staff will solicit comments from member municipalities, the County of Grey and the County of Bruce, as well as the Town of Collingwood and the Municipality of Northern Bruce Peninsula. Additionally, GSCA will post this for comment on GSCA's public facing website and will submit it to Conservation Ontario for a staff review.

GSCA is not proposing to update any fee schedules at this time (notwithstanding the Planning and Permitting Fees that are included under a separate report and for which consultation has occurred). Therefore, no fee schedules will be included with the circulations to ensure that the review is on the Policy document and not on already approved schedules.

The proposed consultation period will be generally open until the end of October. This will allow staff time to follow up on any comments received and to collate the results in time for the November Board of Directors meeting.

Financial/Budget Implications:

There are no immediate financial implications associated with the implementation of this Fee Policy. However, it will provide a greater clarity to partners, stakeholders and the general public when viewing GSCA's fee schedules.

Communication Strategy:

As noted above, GSCA staff will circulate the Draft Policy to all municipal partners for review and comment. The general public will be afforded the ability to comment via a comment request form on GSCA's public facing website. Notification of the comment period will be posted on our website home page and also posted on GSCA's social media platforms.

Appendix 1: DRAFT – GSCA Fee Policy

Appendix 2: Excerpt from the Conservation Authorities Act – Section 21.2(1) – 21.2(12) – Fees for Programs and Services