



## City of North Bay Report to Council

Report No: CORP-2021-115

Date: October 8, 2021

Originator: Marc A. Gauthier

Business Unit:

Department:

Corporate Services

Financial Services Department

Subject: City of North Bay User Fees – Financial Services

Closed Session: yes ☐ no ☒

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### Recommendation

That Report to Council No. CORP 2021-115 be referred to the General Government Committee for a Public Meeting to be held on November 3, 2021.

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### Background

With the implementation of water meters, the City designed a web portal for e-services. The portal enables customers to see their daily water consumption and estimated bills. The portal also enables customers to log in and to view their monthly water & wastewater bills and the system will send an email notifying the customer when their bill is available online.

In order to incent customers to use the web portal and elect for paperless billing, Council approved a \$5.00 credit for signing up on the portal. Since initiation approximately 6,000 residents have signed up and are utilizing the City's web portal. Although the initial interest in transitioning to an electronic bill was well received, interest has plateaued in recent years. Approximately 11,000 users are still receiving a paper bill.

In order to further encourage users to switch to paperless billing and use the web portal, it is recommended that a user fee be implemented for customers that continue to receive a paper bill. Staff recommends setting the user fee at \$2 per month for each bill and the fee is intended to cover direct material and direct labour costs.

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### Financial/Legal Implications

See Options/Analysis section for Financial Implications

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### Corporate Strategic Plan

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|---|--|
| <input type="checkbox"/> Natural North and Near                           | <input type="checkbox"/> Economic Prosperity     |
| <input type="checkbox"/> Affordable Balanced Growth                       | <input type="checkbox"/> Spirited Safe Community |
| <input checked="" type="checkbox"/> Responsible and Responsive Government |  |

### Specific Objectives

- Provide smart, cost effective services and programs to residents and businesses
- Ensure that Council and staff have a shared perception and goals

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### Options Analysis

While the uptake in web portal sign-up is unknown, the Service Level Change enclosed in Report to Council CORP 2021-114, 2022 Water Wastewater Budget, recommends a new user fee to be implemented on July 1, 2022. No revenue or expense adjustment would be made until 2023 to align with the known uptake and minimize the risk of a deficit. For demonstrative purposes, if approximately 30% of current users receiving a paper bill switch to paperless billing, the potential user fee revenue and cost savings based on a six month implementation are as follows:

User fees at \$2 per bill per month (7,700 accounts)	\$92,400
Cost savings at \$1.10 per month for electronic billing (3,300 accounts)	<u>\$21,780</u>
Total	<b>\$114,180</b>

The ongoing maintenance and setup is manual and no additional costs will be incurred. Proposed amendments to Schedule "E" Financial Services Department, of By-law 2019-07, as amended, are as follows:

	2022	HST (Y/N)
<b>Fees associated Printing and Mailing Water Bills:</b>		
Printing and Mailing of Monthly Water Bill	\$2.00	N

The new fees are recommended to be in effect July 1, 2022.

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### Recommended Option

That Report to Council No. CORP 2021-115 be referred to the General Government Committee for a Public Meeting to be held on November 3, 2021.

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Respectfully submitted,

Name: Marc A. Gauthier, CPA, CMA

Title: Manager, Revenues & Taxation

**We concur with this report and recommendation**

Name Margaret Karpenko, CPA, CMA

Title: Chief Financial Officer /Treasurer

Name David Euler, P.Eng., PMP

Title: Chief Administrative Officer

Personnel designated for continuance:

Karen McIsaac, Dipl. M.A.

City Clerk