

Bylaw 19197 - To Amend the Business Licence Fee Schedule in Bylaw 13138

Purpose

To amend the fee schedule in the Business Licence Bylaw, Bylaw 13138.

Readings

Bylaw 19197 is ready for three readings.

A majority vote of City Council on all three readings is required for passage.

If Council wishes to give three readings during a single meeting, then prior to moving third reading, Council must unanimously agree “That Bylaw 19197 be considered for third reading.”

Position of Administration

Administration supports this Bylaw.

Report Summary

This report proposes a 1.9 percent inflationary increase to business licence fees for 2020, to align with the revenue projections for business licensing as proposed in the 2019-2022 Operating Budget. This Bylaw, Attachment 1, will amend the fee schedule of the Business Licence Bylaw, Bylaw 13138 effective February 4, 2020.

Further review of the fee schedule associated with the Business Licence Bylaw will be undertaken as part of the Business Licence Bylaw Renewal which may result in more significant changes to the Business Licensing fee structure for the 2021 fiscal year.

Report

A summary of the amendments to the Business Licence Bylaw fee schedule is provided in Attachment 2. The majority of fee changes represent a 1.9 percent inflationary increase over 2019 fees.

As outlined in the 2019-2022 Approved Operating Budget, the Business Licensing program is projected to contribute \$9.0 million to general revenues in 2020. Business Licensing provides a stable revenue source to the City on an annual basis and helps to

cover the costs of a variety of programs and services which provide support to Edmonton’s business community.

Administration is completing the Business Licence Bylaw Renewal project and anticipates a proposal for a new Bylaw in late 2020. Recommended changes to the Business Licence Bylaw fee schedule will be part of the proposal and will inform the 2021 fiscal year.

Corporate Outcomes and Performance Management

Corporate Outcome(s): The City of Edmonton has a resilient financial position			
Outcome(s)	Measure(s)	Result(s)	Target(s)
Effective and efficient service delivery: revenue supports ongoing City operations.	Annual revenue transfer to corporate revenues.	2019 projection: \$7.9 million 2020 projection: \$9.0 million	2019 budget: \$9.2 million 2020 budget: \$9.0 million

Risk Assessment

Risk Element	Risk Description	Likelihood	Impact	Risk Score (with current mitigations)	Current Mitigations	Potential Future Mitigations
Financial risk	Insufficient revenues to cover inflationary increases could result in a lower revenue transfer to the Corporation.	2 - Unlikely	2 - Moderate	4 - Low	Current mitigations include administrative cost control, such as reducing discretionary spending and overtime, as well as seeking process improvements to minimize costs.	In addition to the current mitigations identified, Administration could consider reducing service levels to further reduce expense, or reduce the transfer to general revenues.

Budget/Financial Implications

The proposed fee changes align with the revenue projections for business licensing presented in the proposed 2019-2022 Operating Budget.

Attachments

1. Bylaw 19197
2. Summary of Proposed Fee Changes

Others Reviewing this Report

- M. Persson, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services
- B. Andriachuk, City Solicitor