Agenda - Executive Policy Committee - November 29, 2006

Report - Standing Policy Committee on Protection and Community Services - November 20, 2006

Item No. 3 Civic Charities Applications and Permits By-law No. 6916/96 - Permit Fees
File GL-5.2

STANDING COMMITTEE RECOMMENDATION:

On November 20, 2006, the Standing Policy Committee on Protection and Community Services concurred in the administrative recommendation and submits the following to Council:

1. That the fees for all permits issued under the Civic Charities Applications and Permits By-law No. 6916/96 be increased to $50.00, effective January 1, 2007.

2. That the Civic Charities Applications and Permits By-law No. 6916/96, be amended as set out in Appendix "A", to permit future fee changes to be approved by resolution of Council rather than by By-law amendment.

3. That the Proper Officers of the City be authorized to do all the things necessary to implement the intent of the foregoing.

Agenda - Executive Policy Committee - November 29, 2006

Report - Standing Policy Committee on Protection and Community Services - November 20, 2006

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On November 20, 2006, the Standing Policy Committee on Protection and Community Services concurred in the administrative recommendation and submitted the matter to the Executive Policy Committee and Council.

RE: **Civic Charities Permit Fees and By-law Amendment**

FOR SUBMISSION TO: Standing Policy Committee on Protection and Community Services

ORIGINAL REPORT SIGNED BY: Clive Wightman,
Acting Director of Community Services

REPORT DATE: November 3, 2006

RECOMMENDATION:

1. That Council approve increased fees to $50.00 for all permits issued under the Civic Charities Applications and Permits By-law No. 6916/96, effective January 1, 2007.

2. That Council approve an amendment to the Civic Charities Applications and Permits By-law No. 6916/96 (Attachment "A") that would permit future fee changes to be approved by resolution of Council rather than by By-law amendment.

Report Summary

Key Issues:

- The Provincial *Charities Endorsement Act* provides for each municipality in the Province to authorize fundraising activities, such as door-to-door canvassing and "tag days".
- Before a designated employee is allowed to issue a permit for a fundraising activity, the Civic Charities By-law No 6916/96 requires a designated employee to conduct an investigation of the charity and proposed fundraising plan to ensure that the requirements of the Act and the By-law are met.
- The fees for permits have not been increased since 1998. The current fees are $40 for a tag day; and $25 for all other permits.
- The proposed increase in fees still does not cover the full costs of administering the By-law; however, is a step in this direction while limiting impact on charitable fundraising organizations.
- The proposed By-law amendment would cut internal "red tape" by allowing Council to approve fee changes by resolution rather than by By-law.

Implications of the Recommendation(s):

General Implications

( ) None

(X) For the organization overall and/or for other departments

(X) For the community and/or organizations external to the City

( ) Involves a multi-year contract

Comment(s): The proposed fee increases would have a slight impact on the costs to charities; and will better offset the City of Winnipeg's costs related to issuing these permits.

The proposed By-law amendment would cut internal "red tape" by allowing Council to approve future fee changes by resolution rather than by By-law.

Policy Implications

(X) No

( ) Yes

Comment(s):

Regulatory Implications

( ) None

(X) Eliminates or reduces regulatory impact

( ) Proposes regulatory impact

Comment(s): The proposed By-law amendment would cut internal "red tape" by allowing Council to approve future fee changes by resolution rather than by By-law.

Environmental Implications

(X) No

( ) Yes

Comment(s):

Human Resources Implications

(X) No

( ) Yes

Comment(s):

Financial Implications

(X) Within approved current and/or capital budget

( ) Current and/or capital budget adjustment required

Comment(s): Based on the number of permits issued in 2006, this fee increase will result in additional annual revenues of approximately $12,800.

Report

REASON FOR THE REPORT:

Council must approve by-law amendments and changes in fees.

HISTORY:

The Civic Charities Applications and Permits By-law was enacted in 1996. The fees imposed for permits under the By-law have not been changed since 1998.

DISCUSSION:

The Provincial *Charities Endorsement Act* requires that certain fundraising activities can only be carried on if authorized, either by the Province (in the case of a province-wide campaign) or the local municipality (where the activity is taking place locally). Specifically, the Act prohibits:

- canvassing, soliciting or collecting money or goods; or
- selling any goods, services, tags, tickets or emblem;

with the representation that the proceeds will be used for a charitable purpose, unless authorization has been provided. The Act further provides that, where the services of a promotional agency are used, its remuneration must be disclosed and audited financial statements provided to the Province or the municipality.

The Civic Charities Applications and Permits By-law No. 6916/96 delegates authority to issue permits for the activities governed in *The Charities Endorsement Act* to a "designated employee". The designated employee named in the By-law is the Director of Community Services. This power has in turn been sub-delegated to the Chief License Inspector.

Before issuing a permit, the designated employee is required by the By-law to investigate the bona fides of the organization operating the fundraising campaign. Where there are concerns about:

- the management of the charitable organization;
- the financial status of the organization; or
- the total amounts or percentage of total revenues from the campaign that are paid to collectors or for entertainment involved in the fundraising campaign,

the designated employee may refuse to issue a permit.

The fees for permits have not been increased since 1998. Currently, the following fees are being charged:

Tag day permit	$40.00
All other permits	$25.00

These fees are projected to result in revenue of approximately $13,000 for 2006. The current fees are insufficient to cover the costs of administering the By-law.

It is proposed that the fees for all permits should increase to $50.00 as of January 1, 2007. Projected revenues resulting from this increase will be reflected in the 2007 budget.

Attachment "A" contains a proposed amendment to the Civic Charities Applications and Permits By-law No. 6916/96 that would allow Council to approve future fee changes by resolution rather than by By-law. This approach cuts internal "red tape" because fees can be changed without the need for Legal Services to prepare a by-law amendment that needs to be enacted by Council and executed by the Mayor and City Clerk. Approval of fees by resolution of Council rather than by by-law amendment is the approach that has been adopted for fees contained in the Parks and Recreation By-law, which is also administered to a significant extent by the Community Services Department.

Financial Impact Statement

Date: November 3, 2006

Project Name:
Civic Chairities Permit Fees

First Year of Program **2007**

	2007	2008	2009	2010	2011
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	12,800	12,800	12,800	12,800	12,800
Net Cost/(Benefit)	$ (12,800)	$ (12,800)	$ (12,800)	$ (12,800)	$ (12,800)
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ (12,800)	$ (12,800)	$ (12,800)	$ (12,800)	$ (12,800)

Additional Comments: Based on the numbers of permits issued in 2006, this fee increase would result in additional annual revenue of approximately $12,800.

original signed by
Cindy Fernandes
Acting Manager of Finance & Administration

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:

- Legal Services Division, Corporate Services Department

External Consultation With:

THIS REPORT SUBMITTED BY:

Department	Community Services
Division	Community Resource, Protection and Safety Services
Prepared by:	Bryan Verity, Chief License Inspector
File No.	

ATTACHMENT "A"

THE CITY OF WINNIPEG

BY-LAW NO. .

A By-law of THE CITY OF WINNIPEG to amend the Civic Charities Applications and Permits By-law No. 6916/96.

THE CITY OF WINNIPEG, in Council assembled, enacts as follows:

1. Section 15 of the Civic Charities Applications and Permits By-law No. 6916/96 is repealed and the following is substituted:

15. No permit for an activity for which a permit is required by this By-law may be issued until the applicant has paid a fee for the permit as determined by Council from time to time.

DONE AND PASSED, in Council assembled, this day of , 2006.

_____
Mayor

_____
City Clerk

Approved as to content:

_____
Director of Community Services

Certified as to form:

_____
for City Solicitor/Manager of
Legal Services