

User fees, rates and charges



User fees, rates and charges are charged to individuals or groups for the use of a program or service which provides a direct benefit to the user. City services provide varying degree of user fees and property tax support. User fees can play a role in equitably distributing service costs between individuals and society at large, limiting tax increases, more efficiently allocating government dollars, enabling freedom of choice, and helping to achieve Council's strategic priorities.

Fully tax supported—no user fee

Some services provided by the City are fully tax supported and have no (or very minor) user fees, such as fire services, paramedic services, roads, and local parks. These are generally services that are available and used by everyone.

Partially tax supported—reduced user fees

These services, such as recreation facilities and transit fares, benefit individuals and society at large. User fees alone are not sufficient to recover the full cost of providing the service and they are funded through a combination of user fees and taxes. In some cases Council has approved a subsidization rate and these subsidization rates should guide investment decisions and service levels.

No tax support—full user fees

City services such as water, wastewater, stormwater primarily benefit the individual using the service. In 2020, the City identified parking as another service that should be fully user-fee recovered however, there remains a taxation subsidy for now. The full cost of service, including both operating and capital, are recovered through a user rate.

Licences and permits—full user fees

Licences and permits are used to regulate the use of, or changes to, private property such as building permits and business licences. Users who are non-compliant can be fined.

Setting of user fees, rates and charges

User fees are reviewed annually as part of the budget process. The upset limit to a user fee is 100 per cent cost recovery. Meaning the revenue received covers the cost of providing the service. The City cannot profit from providing services. Other considerations taken into account when reviewing user fees are the local economy, core inflation, Council-approved user fee policies or subsidization rates, Ontario legislation, and competition in the market.

2021 rate highlights

The [2021 User fee, rates and charges guide](#) is a comprehensive listing of user fees for City services. For 2021 most fee changes are between an increase of zero and five per cent. As costs increase, user fees should also increase to maintain the appropriate user fee/property tax ratios. There are a few fees that increased by greater than five per cent due to a change in delivery of service and encouraging users to the new on-line service delivery. Business licenses have been incorporated into the user fee guide this year providing administrative efficiencies.