



City of  
**Peterborough**

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**To:** **Members of the Budget Committee**

**From:** **Sandra Clancy, Director of Corporate Services**  
**Allan Seabrooke, Chief Administrative Officer**

**Meeting Date:** **November 28, 2016**

**Subject:** **Report CPFS16-040**  
**2017 Draft Budget**

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## **Purpose**

A report to provide the 2017 Draft Operating and Capital Budget for consideration.

## **Recommendation**

That Council approve the recommendation outlined in Report CPFS16-040 dated November 28, 2016, of the Director of Corporate Services, and the Chief Administrative Officer, as follows:

That the recommendations contained in Appendix A of this report be moved for the purpose of discussion.

## **Budget and Financial Implications**

The 2017 Draft Budget meets Council's direction of an all-inclusive 2.0% general tax increase plus a 1.0% increase for capital funding support as per the 2017 Guideline direction provided in response to Report CPFS16-015 dated July 25, 2016. The budget reflects a 1.8% increase in gross expenditures and a 2.6% increase in net tax levy requirements.

The 2017 Capital Budget includes \$79.6 million of capital work. The Budget incorporates the Debt Management Policy approved as part of Report CPFS12-011 dated April 4, 2012 and uses all the available capital levy, tax supported debenture financing and Federal Gas Tax to finance the work. The 1.0% increase in the all-inclusive tax rate, which amounts to approximately \$1.54 million, has been used in its entirety to increase tax supported debt principal and interest payments.

For the median single family dwelling (not on water) the all-inclusive increase means a \$111.66 annual increase.

Further details are provided through three budget books. This is one less book than prior years.

## **Background**

### **A. The 2017 Budget in Brief**

The 2017 Draft Budget presented today meets Council's 2017 guideline of "2%-general-plus-1.0%-capital" for a 3.0% all-inclusive guideline as directed by Council through report CPFS16-015 dated July 25, 2016 for a residential property assessed at \$235,200. The term "all-inclusive tax" means the municipal, education and sewer surcharge amounts payable.

Residential assessment is estimated to increase by 3.0% comprised of a 0.7% growth component and a 2.3% re-assessment impact, stemming from the fact that 2016 market values are being phased-in over the four-year period 2017 – 2020.

For the most part, the Operating Budget maintains the current Council approved level of service, with some minor exceptions. Key impacts are noted in the table on page 11 and in the supplementary commentary on pages 12 and 13 of this Highlights Book.

As directed by Council through the 2017 Budget Guidelines report, the Tax Ratio Reduction Program continues in 2017 for the Commercial and Industrial property owners, albeit at a rate that is one-half of the annual reduction that was originally included in the program. The multi-residential tax ratio remains at the 2011 rate.

The City will pay 1,052.6 full and part-time equivalent employees \$98.7 million for salaries and benefits in 2017. There are 15.0 permanent full-time positions requested in the 2017 Draft Budget, 2.0 temporary positions requested for the Municipal Election and 1.0 full-time position eliminated. This results in a net full-time increase of 16.0 full-time equivalents.

## **B. Process, Challenges, Documents and Meeting Schedule**

### **2017 Budget Process**

Corporate Services staff prepared and distributed budget packages to departments in early April 2016 who, in turn, submitted their initial 2017 proposed budgets by May 2016.

The material was compiled and a two-tiered review approach was completed. The first review was done with individual Department Directors and Corporate Services staff. The second was a review by the CAO, the Director of Corporate Services, Manager of Financial Services, Budget Analyst and individual Department Directors.

In mid September, the CAO and all the Directors completed a final review of the submissions and Corporate Services staff prepared the 2017 Draft Budget that is being released this evening.

### **2017 Operating Budget**

The comments provided in the following section of this report highlight some of the most pertinent details about what is included or not included in the Operating Budget.

#### **Utility Services – Public Works**

The last annexations, as well as new subdivisions, have put pressure on Utility Services staff to maintain existing levels of service. To maintain existing levels of service, four additional Public Works Operators are required: 2.0 for Winter Control services, 0.5 in each of Sidewalks and Grass Cutting, and 1.0 in Solid Waste Collection.

#### **Utility Services –Transit**

2017 will see continued enhancements to levels of service in several areas including a full year of the Fleming U-Pass service that started in September of 2016 (Report reference USTR15-017), continued service on statutory holidays as well as New Year's Eve, and Handi-Van service (Report reference USTR16-009) with the introduction of a new Community Bus Service in the summer of 2017.

#### **Peterborough Police Services Budget**

The Police Services Board initially approved an Operating Budget reflecting an ask of \$24,494,934, an increase of 2.79% or \$664,692 above the 2016 Council approved budget of \$23,830,242. Subsequent to the Board approval, news was received that additional Court Security and Prisoner Transportation Program grant monies in the amount of \$63,782 would be received. This additional grant money reduced the Budget ask from 2.79% to 2.53%, a difference of \$102,252.

The 2017 Guideline Report included recommendation (d) which read as follows:

**That the increase in the Police Services portion of the draft 2017 Operating Budget reflect no more than the Operating portion of Net Tax Levy increase**

**(estimated to be 2.1%), and any increase in the net Police Services budget beyond the estimated Operating Portion of the Net Tax Levy increase be addressed by Council as part of the detailed 2017 Budget deliberations to occur in November of 2016.**

Now that the budget requests have been compiled and the internal staff reviews complete, the outcome of the 2017 Operating portion of the Net Tax Levy increase is 1.3%. The amount is lower than what was originally anticipated, however, staff have been able to accommodate the initial estimate of 2.1% in this Draft version of the Budget.

It will now be up to Council to decide, as part of its detailed 2017 Budget deliberations, whether or not it is prepared to add to the 2017 Draft Budget tax levy requirement or reduce the tax requirement included in another area of the Draft Budget – to provide all or some of the \$102,252 difference between the 2.1% increase reflected in the draft budget and the 2.53% Board request. Staff recommend that the additional amount be funded from the 2017 General Contingency provision. If Council accepts the recommendation, the 2017 General Contingency provision included in this Draft Budget in the amount of \$ 628,287 will be reduced to \$526,035.

### **Other Enhancements**

There are a number of other enhancements including:

- Conservation District Preservation Incentive Grant program - \$50,000 (Report reference CSACH16-004 dated June 20, 2016)
- Discretionary Benefits - Dentures - \$50,000
- Rent Supplement - \$100,000 (Report reference CSSS16-002 dated March 29, 2016)

### **Fairhaven**

Fairhaven continues to face budgetary pressures in 2017, which has led their Committee of Management to submit a municipal funding request of \$1,599,869, with the City's portion of the ask being \$1,066,579 (2016 - \$626,700) and the County's at \$533,290 (2016 - \$313,300) – a \$659,869 or 70.2% increase over 2016.

Within the 2% Operating component of the Guideline provided by Council, the Draft Budget cannot accommodate the whole request, and instead, includes an amount of \$846,579 representing 50% of the additional ask (an increase of \$219,909 or 35.1%).

If Council approves the Draft Budget, it is increasing its support substantially and basically asking Fairhaven to revisit its 2017 budget and municipal request, and to slow down some initiatives that it is trying to reinstate after years of making cuts to fit within their budget.

If Council is prepared to provide all or some of the \$220,000 difference between the 35.1% increase reflected in the draft budget and the Committee's 70.2% request, it will

need to either add to the 2017 Draft Budget tax levy requirement or reduce the tax requirement included in another area of the Draft Budget.

Chart 1 provides a summary of how rapidly the Operating component of the support to Fairhaven has escalated.

**Chart 1**  
**Fairhaven - Operating Support**

Year	Requested	Approved	\$ Increase	% Change
2013	\$ -	\$ -		
2014	\$ 233,333	\$ 233,333		
2015	\$ 333,333	\$ 333,333	\$ 100,000	42.9%
2016	\$ 626,670	\$ 626,670	\$ 293,337	88.0%
<b>Recommended</b>				
2017	\$ 1,066,579	\$ 846,579	\$ 219,909	35.1%

## 2017 Capital Budget

The 2017 Capital Budget includes 194 projects with a total cost of \$79.3 million. The 1.0% capital related increase in the all-inclusive tax rate (\$1.54 million), has been directed in its entirety to increase tax supported debt principal and interest payments thereby increasing the amount of debenture financing that can be used in the 2017 Capital Budget by \$16.6 million. Since the borrowing market continues to exhibit low interest rates, staff are recommending this approach in 2017.

Council has made several pre-commitments towards certain Capital works:

### A. Bears Creek Flood Reduction

Report CPFS16-007, dated February 22, 2016, was approved by Council which authorized the City to apply for funding under the Ontario Community Infrastructure Fund Application Based Contribution Agreement and the City's portion is to be funded through recommendation c) of the report which was:

- a) That the \$1,500,000 municipal share for the Bears Creek Flood Reduction – Marina Boulevard major System Bypass Project be funded from the 2017 Flood Reduction Master Plan Reserve – Capital Levy in the 2017 Capital Budget.

### B. Library Renovation and Expansion

The Library renovation and expansion project is well underway. This was possible due to the recommendation contained in Report CPFS16-006, dated February 16, 2016 which read:

That the \$4,350,000 budget amount proposed for the 2017 Capital Budget for the Library Renovations and Expansion project be pre-committed.

### **C. Peterborough Humane Society Funding Request**

Based on Report OCS16-002, dated May 30, 2016, the Draft 2017 Budget will include \$0.3 million as the City's first year commitment to the relocation project with a total of \$1.5 million towards the construction costs in total over the five year period 2017 to 2021. As part of the commitment made, the City will also directly pay the Development Charges in the amount of approximately \$186,000 in two annual instalments of \$93,000 each.

### **D. Purchase of Low Floor Specialized Transit Vehicle**

Based on Report USTR16-009, dated September 26, 2016, Council pre-committed \$175,000 for the purchase of one new low floor specialized transit vehicle to implement Phase 1 of the Community Bus Service.

### **E. Purchase of Replacement Handi-Vans**

Based on Report USTR16-010, dated September 26, 2016, Council pre-committed \$500,000 for the purchase of five replacement Handi-vans.

## **Key Capital Projects**

Many projects continue to be deferred pending sufficient funding. Updates on the three key projects that have garnered much attention are as follows:

### **Charlotte Street Renewal and Louis Street Urban Park – \$8.95 million - Capital Budget Reference 7-1.02**

The renewal of Charlotte Street and the creation of a downtown urban park are key strategies of the approved Central Area Master Plan. The Louis Street Urban Park will complement the planned reconstruction of Charlotte Street and stimulate renewal in the Downtown Core and the Charlotte Street West Business District. An amount of \$0.7 million is included in 2017 to continue to move the project forward. Additional funding in the amount of \$2.1 million will be required in future years to complete the work.

### **New Arena Facility – \$33.5 million - Capital Budget Reference 6-6.01**

Capital resources for this project are essential in order to plan, develop and construct a replacement facility for Northcrest Arena. An amount of \$1.2 million is included in 2017 to get a detailed design completed and RFT documents prepared. Additional funding in the amount of \$30.3 million will be required in future years to complete the work.

Approximately \$11.6 million of the cost is growth related and eligible for funding from Development Charges, leaving \$18.7 million that must be funded from a combination of User Fees, Community Sponsors, Grants or Tax Supported debt financing.

Realistically, given the financial magnitude of the project, funding from other levels of government, or some new source of financing, will be required to move the project forward on a timely basis. The project details include future grant funding in the amount

of \$6.0 million, however, the amount is simply a placeholder as no funding has yet been secured. Proceeding with the detailed design will ensure a 'shovel ready' project should funding become available.

### **Public Works Relocation Project – \$17.2 million - Capital Budget Reference 5-8.01**

It is anticipated that, when fully developed, this site will support the Public Works operation for the next 20-25 years. Changes to the existing buildings plus additional buildings, including winter material storage, will be required. An amount of \$7.3 million has been included in the 2017 Budget, and when added to the funds previously approved for this project, will complete the financing necessary to do the work.

This compares favourably to the estimated \$45,000,000 required for a new yard previously proposed on Fisher Drive.

### **Utility Services - Transit**

With the introduction of the Public Transit Infrastructure Fund (PTIF) in the 2016 Federal Budget, approximately \$5.4 million in new federal funding is expected to be available to the City in 2017/2018 fiscal years. The Federal funding program requires 50% matching contribution from municipalities. Funds in 2017 will be used for a number of projects including the construction of a new bus storage facility and ancillary uses on the site at 587 Harper Road (bus wash and fueling facility) as well as contributing to the replacement of three conventional buses and five Handi-Van vehicles.

### **Infrastructure Funding**

Several projects, although not explicitly pre-committed are included in the 2017 Capital Budget to leverage available Infrastructure funding from senior levels of government. The largest being the PTIF mentioned above.

Another example is the Wading Pool Conversions/New Splash Pads. The City has submitted an application to the Ontario 150 Community Capital Program for a \$300,000 grant supporting the \$600,000 rehabilitation of Barnardo Park in 2017.

### **Response to Comments Made at June 29, 2016 Public Meeting**

The first public meeting for the 2017 Budget was held on June 29, 2016. Approximately nine people spoke. A common theme throughout the presentations was thanking Council for the opportunity to have more dialogue with the community with respect to the budget. It was also acknowledged that Council listened to the concerns raised last year and has made some additional investments into the areas that were discussed such as Rent Supplements, Recreation Subsidy and Dentures.

Included as Appendix B - 2017 Budget – Response to Public Input at Guideline Stage is a complete listing of all the comments/questions made at the Public Meeting. Column C4 of the chart is a response as to how each item has been addressed.

As the budget review process proceeds, the Budget Committee can consider the suggestions made and evaluate each response. Should the Committee wish to provide

a different response from what is included in the Draft Budget, additional recommendations would be appropriate.

## **Looking Ahead to 2018**

Looking ahead to 2018, there are two relevant issues that Council should be mindful of while reviewing the 2017 Budget.

### **End of Provincial Upload**

The year 2018 will be the final year of the Provincial Upload of Ontario Works mandatory and discretionary benefits. Since 2010, the upload has had a positive financial benefit to the City and allowed increased investments in other programs within Social Services and other areas of the City including investments in city infrastructure.

### **City will reach the Limit on Issuing Tax Supported Debt within its own Policy**

If the 2017 Draft Capital Budget is approved, and the 2017 payments of debt principal are paid as per the normal course of business throughout the year, the Tax Supported debt capacity available for 2018 will become \$6.5 million. This amount is considerably less than the comparable amount of \$16.7 million in 2017. In 2018, the City will have reached its limit within its policy to only issue tax supported debt up to 8% of Own Purpose Revenues. Whereas the 2017 Draft Budget includes a full 1% of the All-inclusive dedicated to the Capital program, even if Council wished to approve 1% in 2018, only 0.5% can be approved within the limit. Beyond 2018, debt can be issued as existing debt matures.

An ongoing infusion of any new sources of revenues may provide a new funding source for capital projects however; Council will need to consider slowing down the pace of the capital program to a more moderate level to live within the existing policy.

## **Documents**

The 2017 Draft Budget is presented in **three books**, in prior years the Budget was presented in four books. The revised layout of the books is as follows:

### **Book 1 – 2017 Budget Highlights**

The 2017 Budget Highlights Book provides a summary of the Operating and Capital Budgets and explains the key factors and implications of the proposed budget. The book now contains a more information on Property Taxation, including Assessment, Tax Rate and Tax Policy, more detailed section on Staffing, and a Glossary of Common Acronyms used throughout the Budget.

The Budget Highlights Book includes a list of items on page 218 that have been requested but not recommended that Council may wish to review.



It is recommended that the **Budget Highlights (Book #1)** be used by the Budget Committee during its review of the 2017 Draft Budget.

## **Book 2 – 2017 Operating Budget**

The 2017 Operating Budget document (Book #2) contains departmental financial summaries plus financial and narrative information by division and/or activity. The text pages set out the purpose and highlights for each activity.

The 2016 preliminary actual numbers shown in the document are unaudited estimates provided by departments earlier in 2016 and may change pending final year-end adjusting entries or updated information.

User Fee Schedules are included for all departments and will be included in a User Fee By-law that will be approved following budget deliberations.

For 2017, this book now contains the Detailed Work Programs for each Division as well. The work programs are a means of measuring high-level outputs for the budget dollars requested.

## **Book 3 – 2017 Capital Budget and 2018 – 2019 and Subsequent Years Capital Forecast**

The Capital Forecast document provides summaries of Capital projects by department and division and provides one detailed narrative page and financial page to support each project. Due to the legislative requirements of the Public Sector Accounting Board (PSAB), capital projects are split into two types, “Tangible Capital Assets” and “Other”. “Other” projects are typically studies or smaller maintenance type expenditures on City facilities that are below the thresholds identified for the tangible capital assets.

## **2017 Budget Committee and Council Schedule**

The proposed timetable to review the 2017 Draft Budget is set out below:

November 7, 2016	2017 Draft Budget presented to Budget Committee by Staff.
November 23, 2016	Public Meeting of Budget Committee to receive input on the 2017 Draft Budget.
November 28, 2016	Budget Committee reviews 2017 Draft Budget November 28 – December 1 as required.
December 12, 2016	Council considers all of the recommendations ultimately endorsed by the Budget Committee and adopts a 2017 Budget as amended.

## C. Recommendations

The recommendations needed to implement the 2017 Budget are presented in Appendix A.

### Summary

The 2017 Draft Budget documents are provided as a basis for the budget deliberations. It is recommended that the 2017 Highlights Book be the guiding document for Budget Committee review. Budget Books 2 and 3 (Operating and Capital Books respectively) are reference material for ensuring a complete understanding of the 2017 proposed financial plan.

Submitted by

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Attachment:

Appendix A – Recommendations  
Appendix B - 2017 Budget – Response to Public Input at Guideline Stage

## Appendix A

### 2017 Operating and Capital Draft Budget Recommendations

That the following recommendations be moved for the purpose of discussion:

- a) That the 2017 Draft Budget, and all estimated revenues and expenditures, fees, contributions to reserve and reserve funds, and proposed staffing levels referenced in the documents be adopted.
- b) That the user fees and charges as set out in Book 2 be adopted as part of 2017 Budget process.
- c) That any unused CAO Budget at the end of 2017 be transferred to the Organizational Development Reserve, subject to the overall year-end position. (Page 23)
- d) That any unused Peterborough Technology Services Budget, at the end of 2017, be transferred to the Electronic Data Processing (EDP) Reserve, subject to the overall year-end position and that, if actual 2017 costs exceed the 2017 Budget, funds may be drawn from the EDP Reserve. (Page 29)
- e) That any Engineering Overhead surplus be transferred to the Engineering Design and Inspection Reserve, subject to the overall year-end position and that if actual 2017 Engineering costs exceed the Budget, funds may be drawn from the Engineering Design and Inspection Reserve. (Page 55)
- f) That any unused portion of the 2017 Winter Control Budget that may exist at year-end be transferred to the Winter Control Reserve, subject to the overall year-end position, and that if actual 2017 Winter Control costs exceed the 2017 Budget, funds may be drawn from the Winter Control Reserve. (Page 72)
- g) That any unused Traffic Signal Maintenance Budget at the end of 2017 be transferred to the Traffic Signal Reserve, subject to the overall year-end position and that if the actual 2017 Traffic Signal Maintenance costs exceed the 2017 Budget, funds may be drawn from the Traffic Signal Reserve. (Page 80)
- h) That any surplus funds at the end of 2017 for Market Hall be transferred to the Market Hall Capital Reserve for unanticipated maintenance expenses or small capital improvements. (Page 102)
- i) That any unused Sustainability Budget, at the end of 2017, be transferred to the Sustainability Reserve, subject to the overall year-end position, and that if actual 2017 costs exceed the 2017 Budget, funds may be drawn from the Sustainability Reserve. (Page 102)
- j) That any surplus funds at the end of 2017 for the Peterborough Sport and Wellness Centre be transferred to the PSWC Capital Conservation Reserve for future capital improvements. (Page 106)

- k) That any surplus funds at the end of 2017 for Arenas be transferred to the Arena Equipment Reserve for future equipment purchases. (Page 117)
- l) That any unused Homelessness net budget at the end of 2017 be transferred to the General Assistance Reserve, to be used for future investment in homelessness prevention programs, subject to the overall year-end position and that if actual 2017 Homelessness costs exceed the 2017 Budget, funds may be drawn from the Reserve. (Page 131)
- m) That any unused Community Development Program net budget at the end of 2017 be transferred to the Social Services Community Social Plan Joint Reserve for future program development, subject to the overall year-end position and that if actual 2017 Community Development Program costs exceed the 2017 Budget, funds may be drawn from the Reserve. (Page 131)
- n) That any remaining unused Social Services net budget at the end of 2017 be transferred to the General Assistance Reserve, subject to the overall year-end position and that, if actual 2017 Social Services costs exceed the 2017 Budget, funds may be drawn from the Reserve. (Page 131)
- o) That any surplus in the 2017 Housing Operating Budget at the end of 2017 be transferred to the Housing Reserve, subject to the overall year-end position and that, if actual 2017 Housing costs exceed the 2017 Budget, funds may be drawn from the Housing Reserve. (Page 149)
- p) That any surplus in the 2017 Housing Choice Rent Supplement Program at the end of 2017 be transferred to the Housing Choice Rent Supplement Reserve, subject to the overall year-end position and that, if actual 2017 Rent Supplement costs exceed the 2017 Budget, funds may be drawn from the Rent Supplement Reserve. (Page 149)
- q) That any excess Airport development review fees at the end of 2017 be transferred to the Airport Development Review Reserve for future Airport Development related expenditures and that if the 2017 Airport development review costs exceed the review fees, funds may be drawn from the Airport Development Review Reserve. (Page 153)
- q) That any unused Building Inspection Budget at the end of 2017 be transferred to the Building Division Reserve and that, if actual building inspection costs exceed the 2017 Budget, funds may be drawn from the Building Division Reserve. (Page 158)
- r) That any adjustment to the City's 2017 requirement for the Municipal Property Assessment Corporation (MPAC), be netted against the City's 2017 General Contingency provision. (Page 163)

- s) That any unused portion of the 2017 tax write off account balance that may exist at year-end be transferred to the Allowance for Doubtful Accounts Reserve, subject to overall year-end position and that, if actual 2017 tax write-off costs exceed the 2017 Budget, funds may be drawn from the Allowance for Doubtful Accounts Reserve. (Page 165)
- t) That any unused Employee Benefits Budget at the end of 2017 be transferred to the Employee Benefits Reserve, subject to the overall year-end position, and that, if actual 2017 employee benefits exceed the 2017 Budget, funds may be drawn from the Employee Benefits Reserve. (Page 165)
- u) That any unused Insurance Budget at the end of 2017 be transferred to the Insurance Reserve, subject to the overall year-end position and that, if actual 2017 insurance costs exceed the 2017 Budget, funds may be drawn from the Insurance Reserve. (Page 165)
- v) That any unused 2017 Contingency Budget at the end of 2017 be transferred to the Capital Levy Reserve to be used for Capital works subject to the overall 2017 year-end position. (Page 165)
- w) That \$102,255 be added to the Police Services Budget and that the amount be funded from the 2017 General Contingency provision. (Page 169)
- x) That any unused Police Services Legal fees Budget at the end of 2017 be transferred to the Legal Fees Policing Reserve, subject to the overall year-end position and approval through the Treasurer, and that if the actual 2017 Police legal fees costs exceed the 2017 Budget, funds may be drawn from the Policing Legal Fees Reserve. (Page 169)
- y) That any unused Police Services Budget at the end of 2017 be transferred to the Police Special Projects Reserve, subject to the overall year-end position and approval by City Council and that, if the actual 2017 Police Services costs exceed the 2017 Budget, funds may be drawn from the Police Special Projects Reserve. (Page 169)
- z) That any adjustments to the City's portion of the 2017 Peterborough County/City Paramedics Services Budget be netted against the 2017 General Contingency provision. (Page 174)
- aa) That any unused Peterborough County/City Paramedics Services (PCCP) Budget at the end of 2017 be transferred to the PCCP Reserve, subject to the overall year-end position and that, if the actual 2017 PCCP costs exceed the 2017 Budget, funds may be drawn from the PCCP Reserve. (Page 175)
- bb) That any adjustments to the City's portion of ORCA's 2017 Budget, based on the final approved ORCA Budget, be netted against the City's 2017 general contingency provision. (Page 175)
- cc) That any adjustments to the City's portion of Peterborough Public Health's 2017 Budget, based on the final approved Peterborough Public Health Budget, be

netted against the City's 2017 general contingency provision. (Page 176)

- dd) That the 2017 budget request, representing the levy required by the Downtown Business Improvement Area of the Corporation of the City of Peterborough during the year 2017 totalling \$304,700, be approved. (Page 181)
- ee) That the 2017 budget request, representing all sums required by the Village Business Improvement Area of the Corporation of the City of Peterborough during the year 2017 totalling \$16,380, be approved. (Page 182)
- ff) That any net surplus funds, after the disposition of the recommendations in this report, from 2017 operations in excess of \$100,000 be transferred to the Capital Levy Reserve to be used for Capital works. (Page 184)
- gg) That a by-law be passed to establish the 2017 tax ratios for each property class as set out in the 2017 Operating Budget. (Page 193)
- hh) That the 2017 tax rate for farmland awaiting development subclasses be 75% of the residential rate. (Page 194)
- ii) That a system of graduated tax rates within the Commercial and Industrial classes not be implemented for 2017. (Page 194)
- jj) That the capping policy for 2017 for the Multi-residential, Commercial and Industrial classes be as follows: (Page 194)
  - i. Capping be based on a maximum increase of 10% of the previous year's CVA (Current Value Assessment) tax for the eligible property.
  - ii. No capping credit be applied for properties where the required billing adjustment is within \$500 of the properties' CVA tax; affected properties would be billed at their full CVA tax level.
  - iii. That properties that achieved CVA tax in 2016 remain at CVA tax from 2017 forward regardless of how reassessment affects the property.
  - iv. That properties that cross over from the clawback to the capping category or vice versa from 2016 to 2017 be taxed at CVA tax.
  - v. That properties within the Industrial tax class are no longer eligible for the capping program.
  - vi. That properties within the Commercial and Multi-Residential tax classes move towards CVA Tax over a four year phase-out period which commenced in 2016 and will achieve full CVA by 2019.
- kk) That the threshold on the tax level for eligible new construction be 100%. (Page 194)
- ll) That the Tax ratio reductions for mandated subclasses of vacant units remain at 30% for the Commercial class and 35% for the Industrial class. (Page 194)

## Appendix B - 2017 Budget – Response to Public Input at Guideline Stage

Ref	Concern Identified	Division or Area Responsible	Reference or Comments
C1	C2	C3	C4
1	<p>Kaia Douglas</p> <ul style="list-style-type: none"> <li>- Present a banner to Peterborough Pulse</li> <li>- Sweet ideas – active transportation, cycling and walking.</li> <li>- Bike lanes not continuous – Hunter Street Bridge.</li> <li>- Events in Downtown core – need more parking for bikes racks, need to be able to lock up bikes.</li> <li>- Increase crossing with lights – George at Hilliard.</li> <li>- Need more connecting trails.</li> <li>- Invite to a planned bike tour of City- to see the good bad and ugly.</li> </ul>	USD – TDM	The proposed draft budget contains \$590,600 in capital funding for continued expansion and upgrades to our Multi-use trail network plus an additional \$63,200 for other bicycle lane improvements, enhanced signage and protected crossings. The City continues to work on implementation of the Cycling Network in the Transportation Plan that is gradually improving connectivity of cycling infrastructure. Through the TDM capital budget, new bike racks are added in the downtown each year.
2	<p>Sue Ditta (ED) – Electric City Culture Council (EC3)</p> <ul style="list-style-type: none"> <li>- Represents about 30 ACH organizations in the City. (could be as high as 50-60 based on cultural map)</li> <li>- Among other objectives - Produce Arts week – diversified revenue stream</li> <li>- Leadership and advocacy role – professional organizations compete with each other and organizations across the Country – local municipal support is important to stability and the ability to hire local talent, allows them to take risks</li> <li>- 3 tiers of funding – Local support does encourage Provincial and Federal funding</li> <li>- Helps leverage money – 15:1 ratio (Ontario Arts Council Report - \$1 leverages \$12)</li> </ul> <p>Community investment grants program is crucial – is a stamp of approval. Looking for a 10% increase in 2017 (of the highest year level).</p> <p>Increase in Federal funding – Provincial funding holding steady.</p>	Community Services - ACH	There is a 10% Increase to Community Investment grants included in 2017 budget submission.

## Appendix B - 2017 Budget – Response to Public Input at Guideline Stage

Ref	Concern Identified	Division or Area Responsible	Reference or Comments
C1	C2	C3	C4
3	<p>Blair MacKenzie – Peterborough Symphony Orchestra</p> <ul style="list-style-type: none"> <li>- Relies heavily on Community Grants – and is leveraged towards other levels of governments and private organizations.</li> <li>- Inspire young people, train young people, supports music teachers, and inspiring artists</li> <li>- Supports Show Place, supports local talent</li> </ul> <p>Community investment grants program is crucial – looking for an increase in 2017.</p>	Community Services – ACH	There is a 10% Increase to Community Investment grants included in 2017 budget submission.
4	<p>Carol Winter</p> <ul style="list-style-type: none"> <li>- Budget support for Library, AGP &amp; museum. Also need to remember community's most vulnerable – Housing supports needed (waiting list)</li> <li>- Health risks, extreme heat – people were going to Library to cool.</li> <li>- Renovates downtown core for residential needs.</li> <li>- Rent supplements are needed</li> </ul>	Community Services – ACH	<ul style="list-style-type: none"> <li>– Report CSSS16-002 – was in response to community concerns about emergency funding (like Housing Stability Fund) and Rent Supplements.</li> <li>– While emergency funds are still accessed by many households in crisis, staff recommendation is to emphasize long-term assistance (i.e. Rent Supplements) over short-term emergency funds (i.e. Housing Stability Fund)</li> <li>– Rent Supplement demand remains high, and CSSS16-002 pre-commits additional funds to be directed to the municipally-funded Housing Choice Rent Supplement program from the 2017 budget</li> </ul>
5.	<p>Brenda Dales – Peterborough Social Planning Council</p> <ul style="list-style-type: none"> <li>- Thank you for additional support for Discretionary benefits. Dentures and additional rent supplement is welcome, but still need a greater investment.</li> <li>- Recreation subsidy – thank you</li> <li>- Transit – stat holidays, potentially additional funds for Seniors (#20)</li> </ul>	<p>Community Services – Social Services</p> <p>USD - Transit</p>	<p>The 2017 Budget includes an increase of \$50,000 for Dentures for a total of \$150,400.</p> <p>The 2017 draft budget continues to provide funding to operate transit services on Statutory Holidays and to operate the New Years Eve transit service.</p>



## Appendix B - 2017 Budget – Response to Public Input at Guideline Stage

Ref	Concern Identified	Division or Area Responsible	Reference or Comments
C1	C2	C3	C4
	<p><b>(# 5 Continued)</b></p> <ul style="list-style-type: none"> <li>- #18 – universal pass for low income earners is needed. If people lose pass, they have to pay to replace.</li> <li>- Transit – need more accessible transportation – handi-vans and increase in service delivery – current wait time is 2 weeks. Also time delay of being able to return – ie. to get picked up. Acknowledges it needs to be cost effective.</li> <li>- Seeds of Change – United church initiative – need funding to coordinate services (core funding for Community Centres is needed).</li> </ul>		<p>The City is continuing to explore opportunities to provide an affordable transit pass for low income residents and recommendations are expected to be considered by Council in 2017.</p> <p>Report USTR16-009 approved by Council on October 3, 2016 provided \$284,800 in operational funding in 2017 to provide additional Handi-van service, introduce a new Community Bus Service in Summer of 2017, and add customer service resources to improve the Handi-van booking process.</p>
6	<p>Joanne Bazak-Broking – Income Security Working Group of the PPRN.</p> <ul style="list-style-type: none"> <li>- Housing is fundamental – affordable, decent. Reality is significant affordability problem. 2650 (1 in 5 renter households) pay more than 50% of income on housing. Utilities is also a key issue – HSF is relied upon.</li> <li>- Commitment #6, #13 maintain housing stability. HSF is vital. Need to end patchwork solutions.</li> <li>- Increase investment in HSF and Municipal rent supplement fund.</li> </ul>	Planning - Housing	<ul style="list-style-type: none"> <li>– Report CSSS16-002 – was in response to community concerns about emergency funding (like Housing Stability Fund) and Rent Supplements.</li> <li>– While emergency funds are still accessed by many households in crisis, staff recommendation is to emphasize long-term assistance (i.e. Rent Supplements) over short-term emergency funds (i.e. Housing Stability Fund)</li> <li>– Rent Supplement demand remains high, and CSSS16-002 pre-commits additional funds to be directed to the municipally-funded Housing Choice Rent Supplement program from the 2017 budget</li> <li>– Demand for Housing Stability Fund is currently met through existing budget, within existing policy.</li> </ul>

## Appendix B - 2017 Budget – Response to Public Input at Guideline Stage

Ref	Concern Identified	Division or Area Responsible	Reference or Comments
C1	C2	C3	C4
7	<p>Paul Armstrong</p> <ul style="list-style-type: none"> <li>- Municipal rent supplements – appreciates investments made, but further investment is needed. These homes are to eviction and homelessness, which is even more expensive.</li> <li>- Consider a \$20,388 household that spends \$723 for rent and utilities. Average rent supp is \$200.</li> </ul>	Planning - Housing	(see 6 above)
8	<p>Roy Brady</p> <ul style="list-style-type: none"> <li>- Bottled water, ban on sale in municipal facilities and new stations for dispensing City water made available (resolution from 6 years ago).</li> <li>- New contracts – Coke-a-Cola – now permitting sale of bottled water – flavoured water?</li> <li>- Asking that this situation be now rectified.</li> </ul>	Community Services – Arenas	<ul style="list-style-type: none"> <li>- Arenas – sinks in washrooms have been retrofitted to be refillable stations. Other modifications are awaiting budget provisions.</li> <li>- PSWC – refillable drink stations</li> <li>- PUC – portable drinking station for Parks</li> <li>- There is no bottled water in the drinking contract, but there is flavoured water which has been introduced into the market place.</li> </ul>
9	<p>Marie Bongard</p> <ul style="list-style-type: none"> <li>- Handi-Van service – the booking system has not been able to take same-day bookings. Three key Capital projects (Report CPFS16-015 pg 11) – are these in order of priority with New arena showing as #1?</li> </ul>	USD – Transit	<ul style="list-style-type: none"> <li>- Report USTR16-009 approved by Council on October 3, 2016 provided \$284,800 in operational funding in 2017 to provide additional Handi-van service, introduce a new Community Bus Service in summer of 2017, and add customer service resources to improve the Handi-van booking process.</li> <li>- No, the projects were listed in order of financial magnitude.</li> </ul>