



City of
Peterborough

To: Members of the Budget Committee

From: Sandra Clancy, Director of Corporate Services

Meeting Date: November 27, 2017

Subject: Report CPFS17-065
2018 Draft Budget

Purpose

A report to provide the 2018 Draft Operating and Capital Budget for consideration.

Recommendation

That Council approve the recommendation outlined in Report CPFS17-065 dated November 27, 2017, of the Director of Corporate Services, as follows:

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

Budget and Financial Implications

The 2018 Draft Budget meets Council's direction provided in response to Report CPFS17-037 dated July 24, 2017 of a 1.70% all-inclusive (Municipal, Education, Sanitary, and Storm Sewer Surcharge) increase for operating costs and traditional support for the Capital program as well as a 0.65% all-inclusive increase for increased support for the Sanitary and Storm sewer operating and capital costs, comprised of:

- i. An annual charge on the property tax bill for the median assessed home for a Stormwater Protection Fee, and
- ii. An increase in the Sewer Surcharge rate of 2.1% from 95% of the Water Rate to 97.1% of the Water Rate.

The budget also reflects an additional 0.5% all-inclusive increase to fund the 2018 increase for tax-supported Debt Charges and any increase to base capital levy to continue to implement the Capital Financing Policy approved by Council at its meeting held April 23, 2012.

Gross expenditures have increased 2.5%, whereas net tax levy requirements have increased 3.0%.

The 2018 Capital Budget includes \$85.6 million of capital work. The Budget uses all of the available capital levy, tax supported debenture financing and Federal Gas Tax to finance the work. The 0.5% increase in the all-inclusive tax rate, which amounts to approximately \$0.79 million, has been used in its entirety to increase tax supported debt principal and interest payments.

Altogether, the proposed tax increase is 2.85% for the average taxpayer based on an estimated 2018 median assessed value of \$243,800. For the median single family dwelling (not on water), the all-inclusive increase means a \$109.17 annual increase.

Further details are provided through three budget books.

Background

A. The 2018 Budget in Brief

The 2018 Draft Budget presented today meets Council's 2018 guideline of "1.7%-general-plus-0.65% for increased support for the sanitary and storm sewer operating and capital costs, plus 0.5% capital" for a 2.85% all-inclusive guideline, as directed by Council through report CPFS17-037 dated July 24, 2017, for a residential property assessed at \$243,800. The term "all-inclusive tax" means the municipal, education and storm and sanitary sewer surcharge amounts payable.

Residential assessment is estimated to increase by 4.2% comprised of a 0.97% growth component and a 3.24% 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 enhancements. 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 2018 Budget Guidelines report, the Tax Ratio Reduction Program continues in 2018 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. For the Commercial Class only, the program has been accelerated by a one-time amount of \$300,000. This will result in the tax ratio for the Commercial Class reaching the goal of 1.5 of the Residential Class one year earlier (2020) rather than 2021, as long as the program continues. The multi-residential tax ratio remains at the 2011 rate.

The City will pay 1,081.9 full and part-time equivalent employees \$101.7 million for salaries and benefits in 2018. There are 3.0 permanent full-time positions requested in the 2018 Draft Budget, 1.42 part-time positions recommended to move to full-time and 1.0 full-time position eliminated. This results in a net full-time increase of 3.42 full-time equivalents.

B. Process, Challenges, Documents and Meeting Schedule

2018 Budget Process

Corporate Services staff prepared and distributed budget packages to departments in early April 2017 who, in turn, submitted their initial 2018 proposed budgets by May 2017.

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 2018 Draft Budget that is being released this evening.

2018 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.

More focus on Communications and Customer Service

The 2018 Budget includes several items that will assist the City in having more of a focus on communications and customer service such as:

- An initiative to create a Communication Services Division with an additional resource to more proactively lead communications of City business and community engagement;
- Many IT initiatives being implemented – all will provide electronic platforms for better customer service;
- Development Client Service Enhancement Project to review and enhance the process for landuse and building applications, and
- The final Capital Budget provision for the redesign of the City's website.

Dedicated Funding Stream for Stormwater Infrastructure

As approved by Council through Report USEC17-001, dated February 6, 2017, 2018 is the first year for a dedicated source of funding for stormwater infrastructure from a user fee. The fee will be added to the property tax bill in a new section and will be based on hard landscapes (impervious) and soft landscapes (pervious) areas of the property, not property assessment values. Report USEC17-026, dated November 6, 2017, provides more detailed information about the proposed fee, caps, credit and subsidy programs.

Public Works and Transit

2018 will continue with enhancements to Winter Control with the annualization of costs for two new FTEs and associated fleet and material costs. Transit ridership will continue to grow with the implementation of the Community Bus Route and additional Handi-van capacity.

Community Services – Social Services

The Operating Budget reflects the final year of the Provincial upload of Social Services benefit costs. The programs affected include: Ontario Works (OW) – Mandatory Benefits, OW - Discretionary Benefits and portions of Addiction Services and OW Administration. For 2018, the provincial share becomes 100.0% (2017 – 97.2%) and the municipal share 0% (2017 – 2.8%). In dollar terms, the 2.8% shift in impact for the City is estimated to be \$869,000.

Looking forward to 2019, the Operating Budget will experience additional financial pressures as a result of the completion of the upload.

Planning and Development Services – Housing

In the area of Housing, the City continues to be responsive to the needs in the community.

During 2017, Council approved several projects through the Peterborough Housing Corporation (PHC) which will assist in providing 151 more affordable housing units than were available prior to the approvals.

In 2018, staff are recommending through the Operating Budget an additional municipal investment in City spending of \$275,420 in various programs of Rent Supplement to maintain the level of service provided to the community. The additional investment is primarily attributable to the loss of subsidy from the Province in the Investment in Affordable Housing program. While there is enormous pressure from the community to increase the level of service in the rent supplement activity beyond the current level, staff found it difficult to include additional funds in this area in the 2018 budget.

Peterborough Police Services Budget

The Police Services Board (PSB) has approved an Operating Budget requesting an amount of \$24,977,779, or \$544,847 (2.2%) more than the 2017 budget.

The 2018 Guideline Report included recommendation (e) which read as follows:

That the increase in the Police Services portion of the draft 2018 Operating Budget reflect no more than the Operating portion of Net Tax Levy increase (estimated to be 1.7%), 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 2018 Budget deliberations to occur in November of 2017.

With the budget compiled and the internal staff reviews complete, the outcome of the 2018 Operating portion of the Net Tax Levy increase is 2.3% rather than the estimated 1.7%. The PSB request is an increase of 2.2%, therefore, the full request has been incorporated into the 2018 Draft Budget being presented to Council.

Minimum Wage

The General Contingency includes a provision of \$340,000 for an expected increase in Minimum Wage to \$14 per hour as of January 1, 2018. The legislation has passed second reading but has been referred to a Standing Committee for review. The Budget provision identified includes impacts to direct staff employed by the City and assumes the legislation would be effective January 1, 2018, but does not include any impact from various contracts that the City has.

Casino Revenues

An amount of \$1.5 million is included in the Draft 2018 Budget as it is expected that the Casino will open late in 2018. Revenue for a full year will be budgeted in 2019. It is recommended that all gaming revenues be transferred to a new Casino Gaming Reserve. For 2018, it is recommended that \$150,000 be used to offset a contribution to the DBIA and the balance of \$1,350,000 be used to fund a portion of the Capital program. If actual revenues exceed budgeted amounts, the residual would be placed in the reserve to be applied to capital projects the next year.

Dividends from City of Peterborough Holdings Inc. (CoPHI) and Sale of PDI

The City is expecting to receive \$5.55 million in dividend payments in 2017 from CoPHI, the Peterborough Utilities Group of Companies.

When the sale of Peterborough Distribution Inc. (PDI) occurs, it will necessitate a reduction in the dividend amount. However, for 2018, dividend revenues from CoPHI are projected to be \$5.67 million and are budgeted based on the premise that the sale transaction, if it does happen in 2018 will either happen late in 2018, or that any reduction in dividend revenues will be offset by additional investment revenues.

Regardless of the sale date, for the purposes of preparation of any future Budgets and subject to further Council discussion and direction, staff would recommend that similar to the COPHI dividend payment, any additional investment proceeds from the sale of PDI, would be directed towards enhancing Capital financing, and not be used for purposes of reduction in the net tax levy.

2018 Capital Budget

The 2018 Capital Budget includes 191 projects with a total cost of \$85.6 million. The 0.5% capital related increase in the all-inclusive tax rate (\$0.79 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 2018 Capital Budget by \$6.7 million. Although interest rates have risen in 2017, the borrowing market continues to exhibit attractive interest rates, which is why staff are still recommending this approach in 2018.

During 2017, Council approved several pre-commitments. Included in the 191 projects are several large capital initiatives that are already started and require additional funding such as Pioneer Road, Parkhill Road West, Crawford Drive, the new Arena and Airport Expansion and Servicing. With \$0.8 million less funds in tax supported debt servicing costs dedicated to capital than in the last five years, it was even more difficult to include what staff believe to be Council's priorities. As a result, the 2018 Draft Capital Budget amounts were reduced for three projects of the pre-committed projects as shown in Chart 1. With respect to #9, Lansdowne Street West, \$200,000 will be sufficient funds to continue to move the project along and do the work that was planned in 2018.

In addition to the three commitments made in 2017 which will be carried forward from 2018 into 2019, Council also approved the pre-commitment of two capital projects for the 2019 Capital Budget. The results are shown in Chart 2.

Chart 1**Pre-commitments projects included in the 2018 Capital Budget:**

Ref	Project Name	Project Ref	Report Reference	Non Tax Funding	Funding Source(s)	Tax Supported Debt / Capital Levy	Total Commitment	Amount Included in 2018 Budget
1	Hilliard Street	5-2.01	USEC17-003	\$850,000	\$500,000 – WWRF \$350,000 - FGT		\$850,000	\$850,000
2	PW Relocation	5-8.01	CPFS17-019	\$1,500,000	PTIF/Trans Reserve	\$925,000	\$2,425,000	\$2,425,000
3	Donegal Street Bridge McDonnel and Gilchrist Street	5-2.03	USEC17-015	\$1,750,000	\$875,000 – WWRF \$875,000 - FGT		\$1,750,000	\$1,750,000
4	Crawford Drive and Harper Road Extension 2018-2019	5-3.01	PLPD17-026 (2018 only)	\$3,929,500	\$929,500 – FGT \$2,000,000 – DC \$1,000,000- Gaming Revenue	\$70,500	\$4,000,000	\$4,000,000
5	Hospice Peterborough 2016 – 2018	3-4.06	CPFS15-036			\$500,000	\$500,000	\$300,000

Chart 1**Pre-commitments projects included in the 2018 Capital Budget - Continued:**

Ref	Project Name	Project Ref	Report Reference	Non Tax Funding	Funding Source(s)	Tax Supported Debt / Capital Levy	Total Commitment	Revised Amount Included in 2018 Budget
6	Humane Society 2017-2021	3-4.07	OCS16-002			\$393,000	\$393,000	\$293,000
7	Phase-in of DCs 2015-2018	3-4.05	CPFS12-056			\$330,500	\$330,500	\$330,500
8	Fairhaven	3-4.08	CPFS12-062			\$204,000	\$204,000	\$204,000
9	Lansdowne Street West – Spillsbury to Clonsilla Avenue	5-2.08	Motion of Council December 12, 2016			\$700,000	\$700,000	\$200,000
10	Evinrude Centre Condenser	3-1.02	CPFS17-035 September 25, 2017			\$160,000	\$160,000	\$160,000
11	Peterborough Pete's Agreement	6-6.03	CSD17-001 February 6, 2017			\$50,000	\$50,000	\$50,000
12	Natural Heritage Policy and Harper Park Watershed Management	7-1.07	PLPD17-043 September 25, 2017			\$225,000	\$225,000	\$225,000
	Total					\$3,558,000	\$11,587,500	\$10,787,500

Chart 2
Pre-commitments made for the 2019 Capital Budget

Ref	Project Name	Project Ref	Report Reference	Non Tax Funding	Funding Source(s)	Tax Supported Debt / Capital Levy	Total Commitment
1	PMC Refrigeration	3-1.02	CPFS17-015			\$2,000,000	\$2,000,000
2	Crawford Drive and Harper Road Extension 2019	5-3.01	PLPD17-026	\$3,000,000	\$2,000,000 – DC \$1,000,000- Gaming Revenue	\$1,000,000	\$4,000,000
3	Hospice Peterborough 2016 – 2019	3-4.06	CPFS15-036			\$200,000	\$200,000
4	Humane Society 2017-2021	3-4.07	OCS16-002			\$400,000	\$400,000
5	Lansdowne Street West – Spillsbury to Clonsilla	5-2.08	Motion of Council December 12, 2016			\$500,000	\$500,000
	Total					\$4,100,000	\$7,100,000

Response to Comments Made at June 28, 2017 Public Meeting

The first public meeting for the 2018 Budget was held on June 28, 2017. Approximately ten people spoke. Common themes throughout the presentation were rent supplements and housing stability.

Included as Appendix B - 2018 Budget – Response to Public Input at Guideline Stage is a complete listing of all the comments and 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.

Documents

The 2018 Draft Budget is presented in **three books** with the layout of the books as follows:

Book 1 – 2018 Budget Highlights

The 2018 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 also contains information on Long Term Debt and Reserves, Property Taxation, including Assessment, Tax Rate and Tax Policy, a 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 242 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 2018 Draft Budget.

Book 2 – 2018 Operating Budget

The 2018 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 2017 preliminary actual numbers shown in the document are unaudited estimates provided by departments earlier in 2017 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.

This book also 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 – 2018 Capital Budget and 2019 – 2020 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.

2018 Budget Committee and Council Schedule

The proposed timetable to review the 2018 Draft Budget is set out below:

November 6, 2017	2018 Draft Budget presented to Budget Committee by Staff.
November 22, 2017	Public Meeting of Budget Committee to receive input on the 2018 Draft Budget.
November 27, 2017	Budget Committee reviews 2018 Draft Budget November 27 – November 30 as required.
December 11, 2017	Council considers all of the recommendations ultimately endorsed by the Budget Committee and adopts a 2018 Budget as amended.

C. Recommendations

The recommendations needed to implement the 2018 Budget are presented in Appendix A.

Summary

The 2018 Draft Budget documents are provided as a basis for the budget deliberations. It is recommended that the 2018 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 2018 proposed financial plan.

Submitted by

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Attachment:

Appendix A – Operating and Capital Budget Recommendations
Appendix B - 2018 Budget – Response to Public Input at Guideline Stage

Appendix A

2018 Operating and Capital Draft Budget Recommendations

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

- a) That the 2018 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 2018 Budget process.
- c) That any unused CAO Budget at the end of 2018 be transferred to the Organizational Development Reserve, subject to the overall year-end position. (Page 25)
- d) That any unused Peterborough Technology Services Budget, at the end of 2018, be transferred to the Electronic Data Processing (EDP) Reserve, subject to the overall year-end position and that, if actual 2018 costs exceed the 2018 Budget, funds may be drawn from the EDP Reserve. (Page 33)
- e) That any 2018 Engineering Overhead surplus be transferred to the Engineering Design and Inspection Reserve, subject to the overall year-end position and that if actual 2018 Engineering costs exceed the Budget, funds may be drawn from the Engineering Design and Inspection Reserve. (Page 60)
- f) That any unused portion of the 2018 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 2018 Winter Control costs exceed the 2018 Budget, funds may be drawn from the Winter Control Reserve. (Page 76)
- g) That any unused Parking Budget, at the end of 2018, be transferred to the Parking Reserve, subject to the overall year-end position and that, if the actual 2018 Parking costs exceed the 2018 Budget, funds may be drawn from the Parking Reserve. (Page 84)
- h) That any unused Traffic Signal Maintenance Budget at the end of 2018, be transferred to the Traffic Signal Reserve, subject to the overall year-end position and that if the actual 2018 Traffic Signal Maintenance costs exceed the 2018 Budget, funds may be drawn from the Traffic Signal Reserve. (Page 85)
- i) That any surplus funds at the end of 2018 for Market Hall be transferred to the Market Hall Capital Reserve for unanticipated maintenance expenses or small capital improvements. (Page 109)
- j) That any unused Sustainability Budget, at the end of 2018, be transferred to the Sustainability Reserve, subject to the overall year-end position, and that if actual 2018 costs exceed the 2018 Budget, funds may be drawn from the Sustainability Reserve. (Page 109)

- k) That any surplus funds at the end of 2018 for the Peterborough Sport and Wellness Centre be transferred to the PSWC Capital Conservation Reserve for future capital improvements. (Page 113)
- l) That any surplus funds at the end of 2018 for Arenas be transferred to the Arena Equipment Reserve for future equipment purchases. (Page 126)
- m) That any unused Homelessness net budget at the end of 2018 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 2018 Homelessness costs exceed the 2018 Budget, funds may be drawn from the Reserve. (Page 141)
- n) That any unused Community Development Program net budget at the end of 2018 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 2018 Community Development Program costs exceed the 2018 Budget, funds may be drawn from the Reserve. (Page 141)
- o) That any remaining unused Social Services net budget at the end of 2018 be transferred to the General Assistance Reserve, subject to the overall year-end position and that, if actual 2018 Social Services costs exceed the 2018 Budget, funds may be drawn from the Reserve. (Page 141)
- p) That any surplus in the 2018 Housing Operating Budget at the end of 2018 be transferred to the Housing Reserve, subject to the overall year-end position and that, if actual 2018 Housing costs exceed the 2018 Budget, funds may be drawn from the Housing Reserve. (Page 158)
- q) That any surplus in the 2018 Housing Choice Rent Supplement Program at the end of 2018 be transferred to the Housing Choice Rent Supplement Reserve, subject to the overall year-end position and that, if actual 2018 Rent Supplement costs exceed the 2018 Budget, funds may be drawn from the Rent Supplement Reserve. (Page 158)
- r) That any excess Airport development review fees at the end of 2018 be transferred to the Airport Development Review Reserve for future Airport Development related expenditures and that, if the 2018 Airport development review costs exceed the review fees, funds may be drawn from the Airport Development Review Reserve. (Page 162)
- s) That any unused Building Inspection Budget at the end of 2018 be transferred to the Building Division Reserve and that, if actual building inspection costs exceed the 2018 Budget, funds may be drawn from the Building Division Reserve. (Page 166)
- t) That a Casino Gaming Reserve be created and all Casino gaming revenues be transferred into the reserve, and that except for the provision in 2018 of \$150,000 to fund expenditures of the DBIA, this reserve only be used for designated capital projects. (Page 170)

- u) That any adjustment to the City's 2018 requirement for the Municipal Property Assessment Corporation (MPAC), be netted against the City's 2018 General Contingency provision. (Page 173)
- v) That any unused portion of the 2018 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 2018 tax write-off costs exceed the 2018 Budget, funds may be drawn from the Allowance for Doubtful Accounts Reserve. (Page 176)
- w) That any unused Employee Benefits Budget at the end of 2018 be transferred to the Employee Benefits Reserve, subject to the overall year-end position, and that, if actual 2018 employee benefits exceed the 2018 Budget, funds may be drawn from the Employee Benefits Reserve. (Page 176)
- x) That any unused Insurance Budget at the end of 2018 be transferred to the Insurance Reserve, subject to the overall year-end position and that, if actual 2018 insurance costs exceed the 2018 Budget, funds may be drawn from the Insurance Reserve. (Page 176)
- y) That any unused 2018 Contingency Budget at the end of 2018 be transferred to the Capital Levy Reserve to be used for Capital works subject to the overall 2018 year-end position. (Page 176)
- z) That any unused Police Services Legal fees Budget at the end of 2018 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 2018 Police legal fees costs exceed the 2018 Budget, funds may be drawn from the Policing Legal Fees Reserve. (Page 180)
- aa) That any unused Police Services Budget at the end of 2018 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 2018 Police Services costs exceed the 2018 Budget, funds may be drawn from the Police Special Projects Reserve. (Page 180)
- bb) That any adjustments to the City's portion of the 2018 Peterborough County/City Paramedics Services Budget be netted against the 2018 General Contingency provision. (Page 187)
- cc) That any unused Peterborough County/City Paramedics Services (PCCP) Budget at the end of 2018 be transferred to the PCCP Reserve, subject to the overall year-end position and that, if the actual 2018 PCCP costs exceed the 2018 Budget, funds may be drawn from the PCCP Reserve. (Page 187)
- dd) That any adjustments to the City's portion of ORCA's 2018 Budget, based on the final approved ORCA Budget, be netted against the City's 2018 general contingency provision. (Page 189)

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- ee) That any adjustments to the City's portion of Peterborough Public Health's 2018 Budget, based on the final approved Peterborough Public Health Budget, be netted against the City's 2018 general contingency provision. (Page 190)
 - ff) That the 2018 budget request, representing the levy required by the Downtown Business Improvement Area of the Corporation of the City of Peterborough during the year 2018 totalling \$310,800, be approved. (Page 198)
 - gg) That the 2018 budget request, representing all sums required by the Village Business Improvement Area of the Corporation of the City of Peterborough during the year 2018 totalling \$17,380, be approved. (Page 199)
 - hh) That any net surplus funds, after the disposition of the recommendations in this report, from 2018 operations in excess of \$100,000 be transferred to the Capital Levy Reserve to be used for Capital works. (Page 202)
 - ii) That a by-law be passed to establish the 2018 tax ratios for each property class as set out in the 2018 Operating Budget. (Page 215)
 - jj) That the 2018 tax rate for farmland awaiting development subclasses be 75% of the residential rate. (Page 216)
 - kk) That a system of graduated tax rates within the Commercial and Industrial classes not be implemented for 2018. (Page 216)
 - ll) That the capping policy for 2018 for the Multi-residential, Commercial and Industrial classes be as follows: (Page 216)
 - 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 2017 remain at CVA tax from 2018 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 2017 to 2018 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.
 - vii. That the threshold on the tax level for eligible new construction be 100%.

Appendix B - 2018 Budget – Response to Public Input at Guideline Stage

Ref	Concern Identified	Division or Area Responsible	Reference or Comments
C1	C2	C3	C4
1	<p>Joanne Bazak-Brokking, Income Security Working Group of the PPRN</p> <p>A Home 4 All: Investing in the Municipal rent supplement programs Housing opportunity – rent supplements, bring stability - \$225 /month average amount. Wait list is 1,290 homes.</p> <p>Expand rent supplement in 2018, establish an emergency community fund in 2017, and increase number of recipients</p>	PL -Housing	<p>The proposed 2018 Housing Division budget includes an increase of \$262,920 to support municipally-funded Housing Choice Rent Supplement, primarily to ensure that households who are receiving assistance from other rent supplement programs that will end in 2018 will not lose their subsidy.</p> <p>Additional funds for the emergency fund were explored as a response to budget delegations in 2016 (CSSS16-002– staff report that the emergency funds are sufficient at current levels, but that additional funding for rent supplements would be more effective for vulnerable households.</p> <p>Housing Resource Centre, the delivery agent for Housing Choice Rent Supplement does not keep a chronological waiting list. 1/3 of supplements are for vulnerable/at risk households identified through the Homelessness Coordinated Response Team case conference, while 2/3 are low income households.</p>
2	<p>Dr. Britt Lehmann-Bender</p> <p>Representing local health care providers in the City – appealing to increase Rent Supplement program. They witness first hand the detriment to individuals that a lack of housing and homelessness can be.</p> <p>There is a need for home security; most vulnerable cannot compete in the market.</p>	PL - Housing	See above.

Appendix B - 2018 Budget – Response to Public Input at Guideline Stage

Ref	Concern Identified	Division or Area Responsible	Reference or Comments
C1	C2	C3	C4
3	<p>Paul Armstrong</p> <p>Appeal for increased municipal rent supplements – they are a benefit to renter households who lack other affordability options. Peterborough has the worst core housing need rate of any Census metropolitan area in Canada.</p> <p>Recommendations:</p> <ul style="list-style-type: none"> - Add \$100,000 to the Rent supp line in 2018, and continue to add \$100,000 per year up to and including year 2024. (would assist 33-34 homes per 100K increase) - Review rent supplement program in 2024 when the Housing and Homelessness plan terminates. 	PL - Housing	<p>Core housing need in the Peterborough area has continued to be an issue, despite funding increases to rent supplement programs.</p> <p>A recent paper from the Caledon Institute makes the case that core housing need isn't necessarily an accurate measure of whether rent supplement programs are improving housing affordability. A large percentage of people receiving rent supplements are also receiving social assistance. People receiving social assistance are, by definition, in "Core Housing Need" because Shelter Allowance makes up close to 50% of their income, and all of Shelter Allowance goes to rent. Peterborough has had a higher than provincial average of households receiving social assistance, which pushes the Core Housing Need numbers up as well.</p> <p>The Housing Division has been working with the Trent Community Research Centre, PHC and Housing Resource Centre to better understand the impact of rent supplements on recipients.</p>

Appendix B - 2018 Budget – Response to Public Input at Guideline Stage

Ref	Concern Identified	Division or Area Responsible	Reference or Comments
C1	C2	C3	C4
4.	<p>Elizabeth Jenkins, Wes Ryan and Jon Heddewick from the Peterborough Poetry Collective</p> <p>Appeal to make an investment in the arts for a pilot project for a poet laureate position - \$2,000 (Note: a poet officially appointed by a government or conferring institution, who is often expected to compose poems for special events and occasions). Promote literature and literacy in the community.</p> <p>The Poet Laureate would receive the honorarium – the process is yet to be determined. Have received funding for past 4 years - \$1,000</p> <p>Public interest – 111 signatures collected in just 3 hours.</p> <p>AHC committee has been approached with this idea.</p>	CS – Arts, Culture and Heritage	<p>Report CSACH17-008 dated September 25, 2017 was approved by Council which introduced a one-year pilot project pending fundraising of \$2,000 by the Peterborough Poetry Slam Collective for the honorarium.</p> <p>The ACH Division will administer the selection of the Poet Laureate, monitor and evaluate the pilot project.</p>
5	<p>Rev. Christian Harvey</p> <p>Speaking to the Warming Room – 26 folks staying on average in May, 22 during the month of June....</p> <p>When the Warming Room closes, folks will be put out with nowhere to go. Need to operate during the summer months.</p> <p>Need supportive housing, rent supplements and other community resources and supports until Housing is available.</p> <p>The Home Program – generous landlord, will house 7 homeless people with appropriate community supports.</p>	CS – Social Services	<p>Occupancy at all the emergency shelters has been increasing in part due to the reduction in available low cost rental market. The Housing and Homeless progress report showed an increase in 2016 of 3% in shelter bed nights and during the first half of 2017 shelters remain at high occupancy levels.</p> <p>In responding to the Provinces Expressions of Interest related to the Home For Good initiative, the City was successful in securing funding for supportive housing and rent supplements. The annualized funding amount is \$983,236.</p> <p>In the interim there is a Below the Line request for \$25,000 additional funding to allow for the extension of the warming room for two months in 2018 which would partially address the increased pressure.</p>

Appendix B - 2018 Budget – Response to Public Input at Guideline Stage

Ref	Concern Identified	Division or Area Responsible	Reference or Comments
C1	C2	C3	C4
6	<p>Dr. Richard Wellesley Staples</p> <p>Appeal for additional municipal support for Fairhaven. Would like to see the City supporting FH at the median dollar level (approx \$16,000 per bed)?</p>	Corporate Services	The 2018 Draft Operating Budget includes a 4.7% (\$49,947) increase for Fairhaven for a total of \$1,116,667 and a 2% (\$4,000) increase in Capital for a total of \$204,000.
7	<p>William Bain</p> <p>Scaling back or cutting activities – is a monumental task and effort. How does the City measure performance, how cost effective are its activities.</p> <ul style="list-style-type: none"> - Increases in property taxes should be tied to increases in income. Pension 1.3%, CPP 1.4% - Prepared to pay a 2.85% increase, but would like to see no increase for low income families. 	Corporate Services	<p>The City reports financial performance quarterly to Council through a financial update report.</p> <p>Distributing any tax increases among tax payers based in the City based upon income is beyond the scope and authority of a municipality and is more so a function of the Province.</p> <p>Through Report CPFS17-002 dated February 17, 2017, Council amended the City's Tax Assistance Program for eligible low income seniors and persons with disabilities to a flat rate of \$400 while grandfathering those that receive greater than \$400. It is estimated that this will increase the rebate for 115 property owners.</p>

Appendix B - 2018 Budget – Response to Public Input at Guideline Stage

Ref	Concern Identified	Division or Area Responsible	Reference or Comments
C1	C2	C3	C4
8	<p>Marie Bongard – a hand microphone would be very helpful in Council Chambers instead of walking up front.</p> <p>Appeal for:</p> <ul style="list-style-type: none"> - Refurbished downtown city sidewalks (Charlotte and Bethune will be refurbished soon) - Uploading of social services.... Hopes the funds stays within Social Services budget - New Stormwater protection fee. \ The \$14.89 is a small amount but is there a different charge for commercial and industry? - Casino - \$1.5 million expected in 2018. What % will be going to mitigate negative influences on our community of the casino – for things like addictions, crime, etc? 	USD/CP/CS	<p>All city sidewalks are reviewed annually for maintenance purposes. Repairs are prioritized based on a number of factors and work is undertaken as budget allows. Sometimes additional sidewalk work is done when the adjacent road is rehabilitated or redevelopment occurs.</p> <p>The amount of the upload in 2018 is \$869,000. Of this amount, \$144,000 is being re-invested within the Division. However, other areas of the budget also directly assist more venerable population such as Housing (\$171,527 increase) and Transit (\$576,778 increase)</p> <p>The Storm Water Protection fee that was quoted was for a typical house. Fees will vary by land use and percentage of impervious area within specific properties. More information is included in Report USEC17-026 dated November 6, 2017.</p> <p>Staff are reviewing casino operations in various communities and considering the potential economic and social impacts and budgetary implications.</p>
9	<p>Rob Bartlett</p> <p>Enhancing rent supplements. Come from CHIPI program – provincial funds: Housing stability fund, rent supplements and shelters. Asking for HSF be decreased or the overall pie increased.</p>	PL - Housing	<p>Housing Choice Rent Supplement is partially supported by the Community Homelessness Prevention Initiative (CHPI).</p> <p>The proposed 2018 Housing Division budget includes an increase of \$262,920 to support municipally-funded Housing Choice Rent Supplement, primarily to ensure that households who are receiving assistance from other rent supplement programs that will end in 2018 will not lose their subsidy.</p>