



City of Port Moody

Report to Finance Committee

Date: March 5, 2021
Submitted by: Finance and Technology Department – Financial Services Division
Subject: 2021 Budget Consultation Summary

Purpose

To provide the Finance Committee with a summary of the results from the public consultation undertaken for the 2021 Five-Year Financial Plan.

Recommended Resolution(s)

THAT the report dated March 5, 2021 from the Finance and Technology Department – Financial Services Division regarding 2021 Budget Consultation Summary be received for information.

Executive Summary

The 2021 Budget Consultation was facilitated through engage.portmoody.ca, the City's online engagement hub where participants register to learn about the City's financial plans and projects, share ideas, and provide feedback. Between February 8 and February 28, 2021, participants could take a survey, answer a featured question (i.e. "If the City were to look at service level reductions to lower the tax rate increase, which specific services do you think we should consider reducing?"), and pose questions and comments to staff experts.

176 individuals completed the online survey and 23 individuals answered the feature question.

More than 70% of respondents identified the following City services as very important:

1. Fire Rescue services (77%);
2. Water distribution, drainage, and sewer systems (maintenance and upgrades) (75%);
and
3. Garbage, green waste, recycling, and glass collection (70%).

76% of survey respondents indicated that they received good (63%) or excellent (13%) value in relation to the taxes and utility fees that they pay. 42% of survey respondents wanted to maintain current service levels through a tax increase. 43% of respondents wanted to leave subsidies and user fees the way they are (no change); however, 41% wanted to decrease subsidies so users pay more than they do now.

Background

Due to the COVID-19 pandemic and orders from the provincial Public Health Officer, the City undertook a digital public engagement for the 2021 Financial Plan that did not include any in-person public gatherings.

Engage Port Moody, the City's new public engagement hub, was used to inform and collect community feedback on the 2021 Financial Plan. The annual budget survey, budget resource information, and FAQs were posted on the project page, and staff answered questions from community members. The Engage Port Moody hub allowed Council to see questions and comments from the community as they were posted.

Staff introduced the 2021 Financial Plan to the Finance Committee on January 19, 2021 where the following resolution was passed:

FC21/013-014

THAT the report dated January 4, 2021 from the Finance and Technology Department – Financial Services Division regarding the Draft 2021-2025 Financial Plan – Operating Budget be received for information;

AND THAT a draft proposed budget increase of \$1,998,000, which represents an estimated 4.50% tax rate increase, be used for the City's Public Budget Consultation;

AND THAT as part of the public consultation process, staff be directed to reach out to the public for suggestions of service areas they would accept being reduced in order to lower the tax increase.

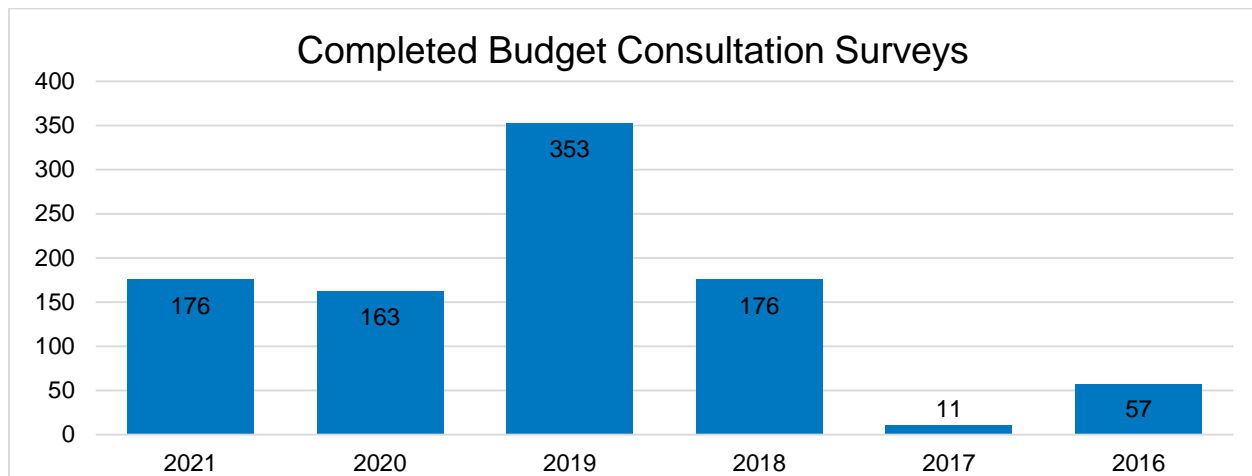
Discussion

2021 Budget Resources

The opportunity to participate in the public engagement was promoted through a variety of communication channels including social media updates (Facebook, Twitter, and Instagram); a media release (**Attachment 1**); the Let's Talk Taxes budget booklet (**Attachment 2**); a budget breakdown infographic (**Attachment 3**), the full 2021-2025 Draft Financial Plan; and frequently asked questions were posted to the project page on the website.

2021 Budget Survey

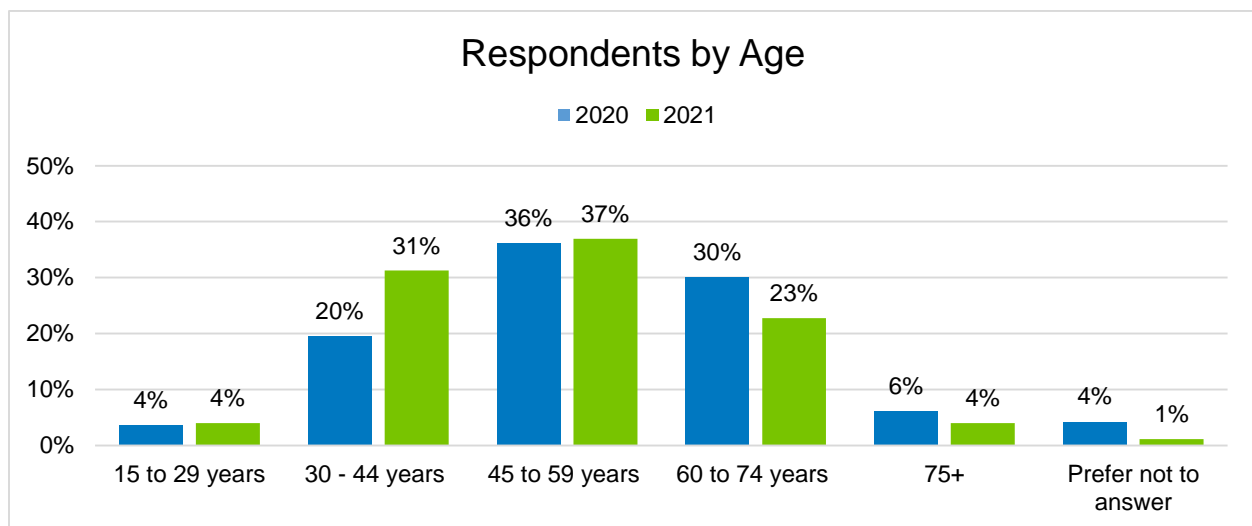
In 2021, the City received 176 completed budget surveys (**Attachment 4**), which is slightly more than the 163 completed surveys in 2020.



The survey contained 22 questions. Responses are attached to this report as part of the Public Consultation Summary (**Attachment 4** and **Attachment 5**). The City has used consistent questions with previous consultations to allow for year-over-year comparison and tracking.

Respondents by age

The age of respondents was fairly consistent with 2020. However, 2021 saw an increase in respondents aged 20-44 years and a decrease in respondents aged 60-74 years.



Respondents by neighbourhood

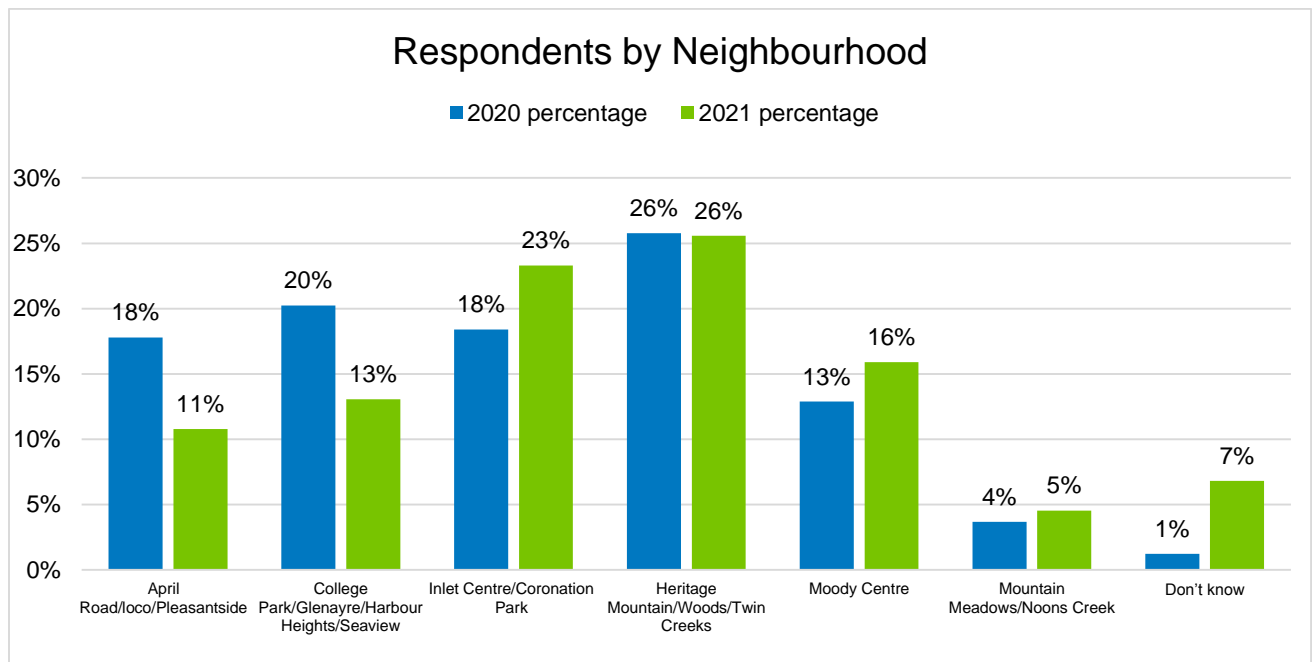
In 2021, the City received a decreases in respondents (as a percentage) from:

- April Road/loco/Pleasantside; and
- College Park/Glenayre/Harbour Heights/Seaview

The City received an increase in respondents (as a percentage) from:

- Inlet Centre/Coronation Park;
- Heritage Mountain/Woods/Twin Creeks; and
- Moody Centre.

Respondents from the Heritage Mountain/Woods/Twin Creeks neighbourhood and the Mountain Meadows/Noons Creek neighbourhood remained consistent from 2020 to 2021.



Key Findings:

Importance of City Services and Programs

More than 70% of survey respondents identified the following City services as very important:

1. Fire Rescue services (77%);
2. Water distribution, drainage, and sewer systems (maintenance and upgrades) (75%); and
3. Garbage, green waste, recycling, and glass collection (72%).

The following City services fell below 70% in 2021 (these were in the top 70% in 2020):

1. Land use and development planning (65%);
2. Police services (62%); and
3. Road maintenance, upgrades, and safety improvements (61%).

The complete list of survey responses is included in **Attachment 4**.

Overall value of City services and programs relative to tax and utility fees paid

76% indicated that they receive excellent (13%) or good (63%) value for City services and programs. This finding is slightly down from 2020 survey findings that found 82% felt they received excellent (13%) or good (69%) value.

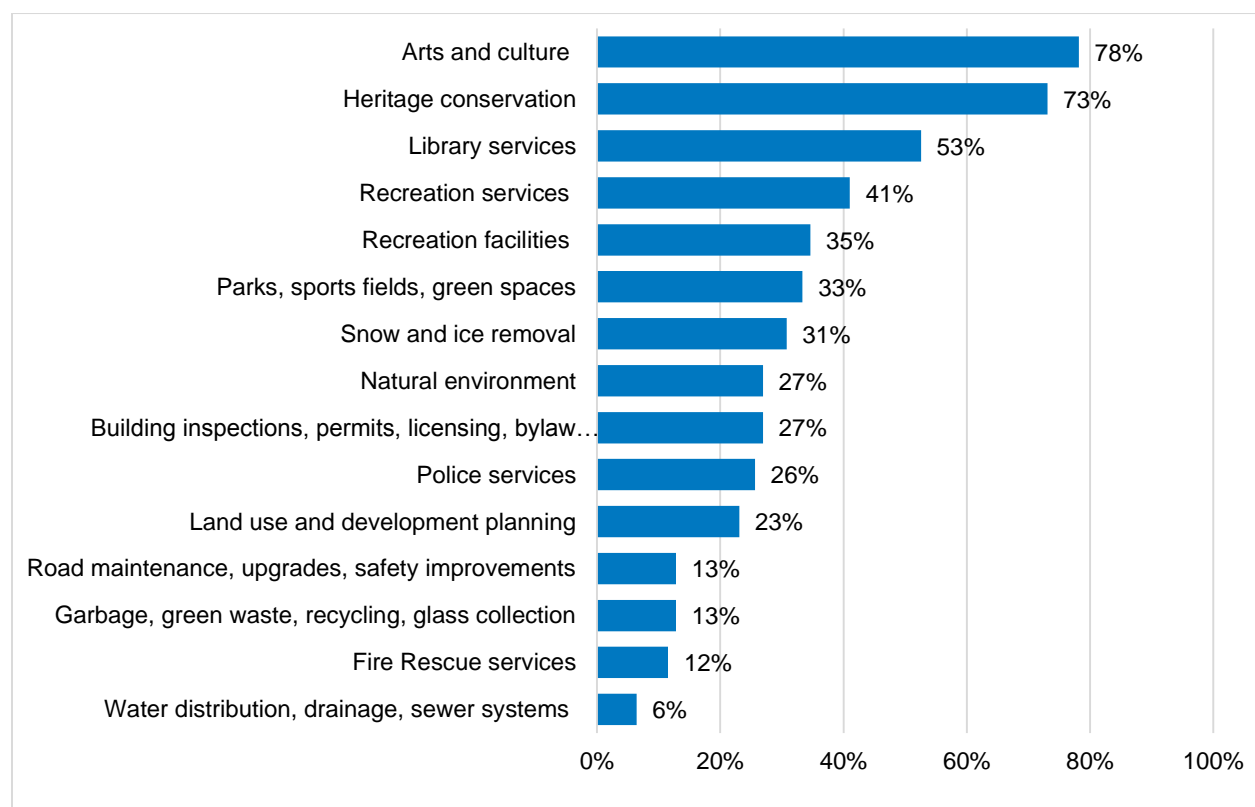
How to balance service levels and tax rates

42% of respondents wanted to maintain current service levels through a tax increase, and 7% wanted to enhance service levels through a larger tax increase. These percentages were down from 2020, which saw 50% of respondents wanting to maintain current service levels through a tax increase, and 11% wanting to enhance service levels through a larger tax increase.

38% of respondents said to reduce service levels to keep the tax level the same as last year, while 6% wanted service level reduced further to achieve a reduction in the tax rate. These percentages increased from 2020, which saw 25% of respondents saying to reduce service levels to keep the tax level the same as last year, and 5% wanting service level reduced further to achieve a reduction in the tax rate.

6% of respondents (9% in 2020) were not sure how Council should balance service levels and tax rates.

If respondents selected a reduction in service levels to keep the tax rate the same as last year, or to further reduce service levels to make the tax rate lower than last year, they were asked where should the City look at reducing service levels. The 78 respondents to this sub-question selected the following:



Subsidies and User Fees

43% of respondents wanted the City to leave subsidies and user fees the way they are. 6% said to increase subsidies so users pay less than they do now, while 41% said to decrease subsidies so users pay more than they do now. 5% said to remove subsidies entirely so users pay the full cost, and 5% were not sure how Council should subsidize City programs.

Qualitative Comments

Survey respondents were given an opportunity to provide additional comments about the 2021-2025 Budget (**Attachment 5**). Comments are presented verbatim, including typos and grammatical errors. Specific addresses have been removed to protect the privacy of individuals.

Respondents shared their ideas on development in the community with varying perspectives on the following:

- role of developers in contributing amenities and infrastructure to support population growth;
- impacts on the City from increased growth; and
- potential opportunities from development including economic growth, walkability, and transit-oriented cityscapes.

Respondents shared their ideas on how to make the City more livable:

- putting a focus on parks and environment;
- attracting business growth in the City;
- focusing on natural landscaping for reduced maintenance costs and sustainability;
- improving walkability; and
- ensuring a financially sustainable approach to amenity replacement and development.

Some respondents provided their perspective on how to reduce City costs:

- increasing bylaw enforcement;
- exploring regional shared services;
- introducing pay parking in high demand areas such as Brewer's Row/Rocky Point Park;
- reducing non-essential services provided to residents; and
- adopting a more cost-conscious approach when reviewing new projects or services that are unfunded and/or go beyond municipal core services.

Some residents had questions around the scope and extent of funding to

- public art;
- public safety (Police and Fire);
- glass recycling;
- projects falling outside municipal jurisdiction;
- non-essential services; and
- City administration.

Feature Question

When the 2021 operating budget was first introduced to the Finance Committee on January 19, 2021, the Committee passed a resolution that as part of the public consultation process, staff be directed to reach out to the public for suggestions of service areas they would accept being reduced in order to lower the tax increase. In response, the engagement included the following feature question:

“If the City were to look at service level reductions to lower the tax rate increase, which specific services do you think we should consider reducing?”

The responses to the feature question are included in **Attachment 5**. Comments are presented verbatim, including typos and grammatical errors. Names have been removed to protect the privacy of individuals.

Q&A

Two questions were posted through the Q&A feature during the consultation period, which were answered within 24 hours.

1. Why are your utility taxes the same for a single person living in a 900 ft² condo as they are for let's say 6 people living in an over 3000 ft² detached home?

Answer:

Regionally, utility charges are based on a user-pay system, where the City is billed from Metro Vancouver for water consumed/used.

In order to truly apply those costs equitably, all water consumption would have to be metered. However, the costs of retrofitting and installing meters in all properties throughout the City would be extremely expensive, and would create a tax burden that is disproportionate to the benefits received.

Theoretically, if all houses accommodated a family, and all condos accommodated a single person, the charges could be equitably distributed according to this model. However, there are many situations where there is a single person in a large home, or a family of 4 in a condo. With this in mind, the City has historically applied costs equally among all residential dwelling units.

In 2017, the City undertook a study exploring this issue; however, no changes were made to the billing structure. Staff are looking at this again in 2021 and will present recommendations/options to Council in time for 2022 Utilities.

2. The list of capital projects only provides a description. Is it possible to add price tags to that list? Or could the top ten most expensive capital projects be identified with the budgeted capital cost?

Answer:

All capital projects are listed in the 2021-2025 Draft Financial Plan (starting at page 301). You can view all capital projects across the five years by Division, including the total budget for each project. Additionally, you can review the reserves, which fund the capital projects (starting at page 351).

Citizen Satisfaction Survey

Regardless of the number of survey respondents, staff feel it is also useful to reference the most recent Ipsos Public Affairs Citizen Satisfaction Survey (2018). Between April 25, 2018 and May 7, 2018 feedback was received from 400 randomly-selected Port Moody residents (**Attachment 6**).

Key findings from the 2018 Ipsos Public Affairs Survey – Financial Planning section include:

- overall, 89% of citizens say they receive "very good value" (26%) or "fairly good value" (62%) for the taxes they pay to the City of Port Moody. The 2018 results are consistent with 2016, higher than the municipal norm (81%), and consistent across all key demographic subgroups;
- when asked about balancing taxation and service delivery levels, 55% of citizens said they would prefer increased taxes, while 35% would opt for cutting services. Specifically, 30% of citizens said they would prefer that the City increase taxes to maintain current service levels, while 25% of citizens wanted enhanced or expanded services through a tax increase. The preference for tax increases was higher among younger residents and those who have lived in Port Moody for 10 years or fewer. The 2018 results are consistent with 2016;
- overall, 60% of citizens declined to provide any suggestions for non-taxation revenue generating ideas they would like Council to consider. Of the open-ended suggestions, no single item is mentioned by more than 6% of respondents. Top suggestions included: paid parking (6%), paid community events (5%), an increase in user fees (4%), and an increase in development fees and charges (4%); and
- overall, 51 % of citizens said they would support the City going into debt to help finance new amenities (12% "support strongly", 39% "support somewhat"). Half (50%) were opposed to debt financing, including 24% who "oppose strongly", 25% who "oppose somewhat", and 1% who "don't know". Support was higher among younger residents and those who have lived in Port Moody for 20 years or fewer. Opposition was higher among older residents and those who have lived in Port Moody for more than 20 years.

Other Option(s)

If directed, staff could conduct further consultation with the public regarding the 2021 Financial Plan; however, the Five-Year Financial Plan and corresponding Tax Rates Bylaw must be adopted by Council by May 14, 2021.

Financial Implications

There are no financial implications associated with the receipt of this report for information. However, the consultation could be used to increase or reduce the proposed tax rate increase

Communications and Civic Engagement Initiatives

The 2021 Budget Consultation was facilitated through engage.portmoody.ca, an online platform where participants register to learn about plans and projects, share ideas, and provide feedback. Between February 8 and February 28, 2021, participants could take a survey, answer a featured question (i.e. “If the City were to look at service level reductions to lower the tax rate increase, which specific services do you think we should consider reducing?”), and pose questions to staff experts.

Out of the 178 engaged participants, 176 filled out a survey, 23 answered the featured question, and two posed a question to staff. 99% of respondents are residents, and 10% own or operate a business in Port Moody.

Engaged participants heard about the Budget Consultation through a variety of channels, including email (83), direct correspondence from Engage Port Moody (71), and social media (17). Citizen Advisory Group members were sent an invitation to participate in the Budget Consultation.

Council Strategic Plan Objectives

The 2020 Budget Consultation aligns with Council’s strategic priority of Exceptional Service – Provide exceptional service to our residents, businesses, and stakeholders, by encouraging open communication, partnerships, and a ‘can do attitude’ and the objective and action of providing the public with transparent and open government, and opportunities to provide input on City issues. The Budget Consultation also aligned with the following:

- increased access to City information;
- commit to effective public engagement; and
- encouraging public participation.

Attachment(s)

1. 2021 Financial Plan Media Releases.
2. Let’s Talk Taxes Budget Booklet.
3. Budget Breakdown Infographic.
4. 2021 Public Engagement Survey Results.
5. Comments on the 2021-2025 Budget Consultation.
6. 2018 Ipsos Public Affairs Survey – Financial Planning Section.

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Report Approval Details

Document Title:	2021-2025 Financial Plan – Budget Consultation Summary.docx
Attachments:	<ul style="list-style-type: none">- Attachment 1 - 2021 Financial Plan Media Release.pdf- Attachment 2 - Let's Talk Taxes Budget Booklet.pdf- Attachment 3 - Budget Breakdown Infographic.pdf- Attachment 4 - 2021 Public Engagement Survey Results.pdf- Attachment 5 - Public Engagement Comments.pdf- Attachment 6 - 2018 Ipsos Public Affairs Survey - Financial Planning section.pdf
Final Approval Date:	Mar 8, 2021

This report and all of its attachments were approved and signed as outlined below:

Paul Rockwood, General Manager of Finance and Technology - Mar 7, 2021 - 4:40 PM

Dorothy Shermer, Corporate Officer - Mar 8, 2021 - 11:32 AM

Rosemary Lodge, Manager of Communications and Engagement - Mar 8, 2021 - 11:45 AM

Tim Savoie, City Manager - Mar 8, 2021 - 2:29 PM