

Public Insights

The User Fees and Subsidies Policy (The Policy) review process includes three phases of engagement to capture public insights.

- The first phase is complete and includes a review of past research and new public engagement that took place earlier this year. The high-level findings are below, and a list of past Public Insights referenced is available on page 4.
- The second (2022 Q3) phase is planned and includes online questionnaires, live events, and a survey from the Citizens' View online Panel.
- The third (2022 Q4) phase includes an opportunity for members of the public to comment on a draft of The Policy itself, after which a recommended Policy will be developed for Council's consideration.

Details regarding the planned engagements are available page 3 of this attachment.

High-level findings to date:

- **Throughout the research and engagement results, respondents are consistently divided in two groups when discussing user fees:**
 - Those who believe that they should not pay for the services they are not using; and
 - Those who believe that City services should be funded by general tax for better accessibility to all Calgarians.
- **Calgarians have mixed responses when discussing the impacts of user fees and taxes on their quality of life.**
 - **Most respondents tend to prefer user fees over taxes** According to Citizen Satisfaction Surveys conducted from 2015-2019, when asked "*Should The City need to increase the amount of revenue it collects from citizens for new or emerging services, would you prefer The City to ...?*", respondents consistently preferred expanding existing user fees or introducing new types of user fees over the option of increasing property taxes. This sentiment is quite stable over time

2015-2019 Citizen Satisfaction Survey Results

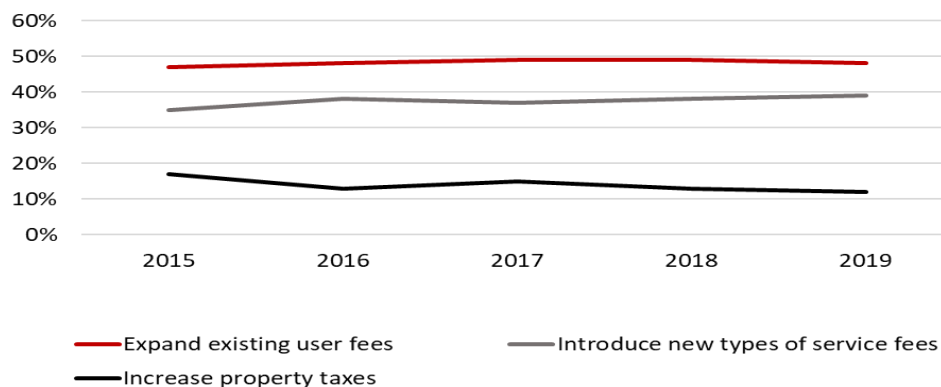


Figure 1: 2015-2019 Citizen Satisfaction Survey Results

(see figure 1). Note, however, that this question was removed from the Citizen

Satisfaction Survey in 2020 and citizen views may have changed since we last asked this question.

- The SAVE Opportunity Survey Report also uncovered that the majority of Calgarians prefer The City increase user fees and reduce the proportion paid through property tax increases rather than decrease these fees and increase the proportion paid through property tax increases.
- **The City should leverage user fees.**
 - Respondents from the Financial Task Force recommendations agreed that The City should leverage user fees to their full extent.
- **Fees can represent a barrier for some Calgarians**
 - Personal financial concerns regarding the inaccessibility of rising fees were a common worry across Public Engagement.
 - Some people from the Financial Conversations engagement stated that they would be comfortable with a modest increase in taxation to support the development of equal access options for services. Others have supported eliminating user fees in the case of essential services.
 - The User Fee Research overview uncovered that most respondents agreed that the cost is an important deciding factor when choosing recreation programs, services, or amenities.
 - The User Fee Research overview also revealed that, for some Calgarians, the cost of Waste & Recycling services is the main reason for their dissatisfaction with its programs.
- **Some participants believe that visitors should have to pay higher user fees.**
 - In the latest Service Plans and Budgets engagement, participants expressed that they think visitors should have to pay more for tax-funded services to make up the difference contributed by those paying taxes.
- **Some respondents continue to be confused about the role of user fees and taxes within municipal service funding.**
 - During several different engagements, many Calgarians have expressed frustration and anger towards the organization's choice to increase fees and general taxes without understanding its connection to the level and quality of service.

Planned market research, public and stakeholder engagement

Public feedback is proposed to continue to focus on the listen and learn level of The City's Spectrum of Strategies and Promises and is summarized in the following table.

	Purpose	Approach	Timing	Desired result
Public Engagement	To explore public understanding and receive feedback regarding Policy principles.	Public opportunity to learn more about The Policy and provide feedback on Policy direction.	2022 August - September	Gauge public understanding of user fees and obtain feedback on principles for The Policy.
	To gain citizen feedback on the draft Policy.	Public engagement on draft Policy (engagement tactics to be determined)	Early 2023	Confirmation that the updated Policy incorporates citizen views.
	To provide citizens with an opportunity to share their views on the Proposed Policy with Council.	Public opportunity to speak at Committee. (Note, committee approval will be required as there is no standard opportunity to speak at Executive Committee).	Q2 2023	Citizens are satisfied by the opportunity to speak directly to decision makers and influence the Council decision.
Market Research	To research public understanding and receive feedback regarding Policy principles.	Citizens' View Online Panel	2022 August (Note: recent experience suggests that full participation in the survey is likely despite fielding during summer)	Gauge Citizen's View Panel understanding of user fees and obtain feedback on principles for The Policy.
Stakeholder Engagement	To receive advice from Social Wellbeing experts.	Gain advice from the Social Wellbeing Advisory Committee of Council.	Ongoing, as required.	To instill equity and social wellbeing into The Policy.
	To enable stakeholders an opportunity to provide feedback on the draft Policy.	Host a stakeholder information session(s). Invite key stakeholder organizations and have it open to the public.	2022 Fall 2023 Winter (as required)	To ensure feedback reflects a variety of stakeholder views.

Reference list of public insight activities and reports reviewed

- 2022, Service Plans and Budgets 2023 – 2026 - Stakeholder Report Back: What We Heard (pages 97 & 98, reproduced below)
- 2022 April & 2022 March Verbal Feedback, Social Wellbeing Advisory Committee of Council
- 2020, SAVE Opportunity Survey Report: Cost Recovery
- 2018-2020, User Fee Research Overview
- 2020, Financial Conversations: Engagement on The City's Finances and Services: What We Heard
- 2020, Financial Task Force Recommendations Engagement: What We Heard
- 2015- 2019, Citizen Satisfaction Surveys

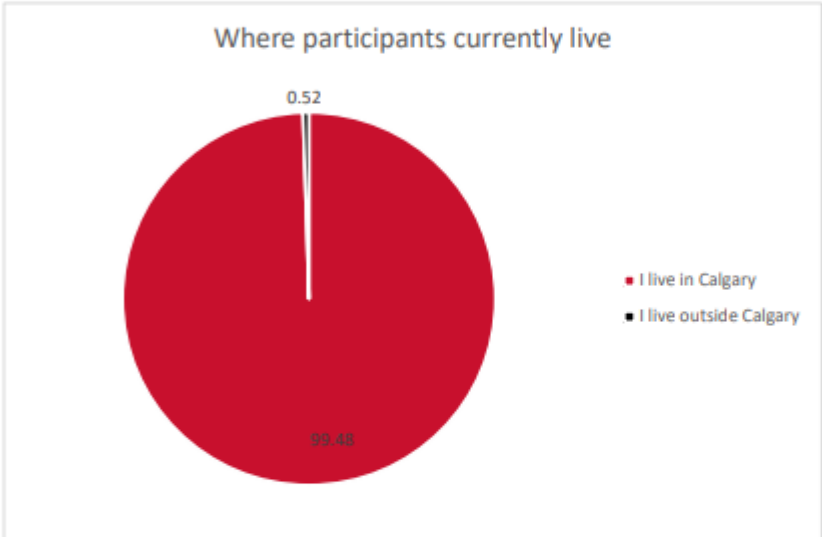


Service Plans and Budgets 2023 - 2026

Stakeholder Report Back: What We Heard
March 31, 2022

User Fees

Question 1.



Question 2. If you paid more in fees for services like water, transit or recreation, but Calgarians pay less through property tax, how would that impact your quality of life?

Most Frequent Themes	Sample Quotes
Lower income Calgarians would be negatively impacted because they may have less money for other necessities and ultimately use less services.	<p>"Won't those fees simply hurt the lower income people who likely don't even pay property tax"</p> <p>"I would have a tighter budget: since I am not a property owner, there would be no perceived benefit to me as I would not be saving any money-only spending more for the public services that I depend on"</p>
Calgarians would be impacted positively because they would save money on property tax and not share costs for what they don't use.	<p>"This would improve my quality of life, since I would pay for what I am using when I use it, not what others are using"</p> <p>"It would allow me to have more control over where my money goes"</p>



Service Plans and Budgets 2023 - 2026

Stakeholder Report Back: What We Heard
March 31, 2022

Question 3. If you paid less in fees for services like water, transit or recreation, but Calgarians pay more through property tax, how would that impact your quality of life?

Most Frequent Themes	Sample Quotes
There would be a negative impact of higher property tax, including the ability to afford to own property and to share in the costs of services not used.	"Added stress. Decreased quality of life as would increase amount paid for services I don't use" "if I want to use a service then I will pay for it, but for me to pay for services I will never use, is lacking in common sense. Pay as you go lower my taxes"
Calgarians would be impacted positively because it would lower the costs of services and some services would be more accessible and attract users.	"Positive impact. Would use transit more and try more recreation" "Things are more accessible for the people who can't afford them" "This would encourage use of public spaces and services"

Question 4. In thinking of all Calgarians and visitors to Calgary, what else should we consider when setting user fees?

Most Frequent Themes	Sample Quotes
Ensure there is service equity and affordability for lower-income Calgarians is important.	"Making sure our population with fewer financial resources still have easy access to things like transit and recreation. It benefits our entire community" "The city needs to take into consideration that higher fees restrict access to lower income citizens" "Affordability - Calgary and its amenities shouldn't just be for the rich"
Consider a higher user fee for visitors.	"User fees for non-local users should be higher than for locals. Do not need to be significantly so, but transit and recreational fees for tourists and visitors should be a net gain to the city without being prohibitive to visit" "There should be a discount for people who have a Calgary address" "If the service pertaining to the fee is subsidized by taxes, out-of-towners should pay more"
Preference to not increase taxes or user fees and to reduce costs.	"Consider reducing your own overhead and costs so there are no fees or tax increases" "Are user fees really required or can the City scale back some of the programs it offers to free up revenue to prevent an increase of user fees" "Reduce expenses rather than look at ways to continue to increase revenue"