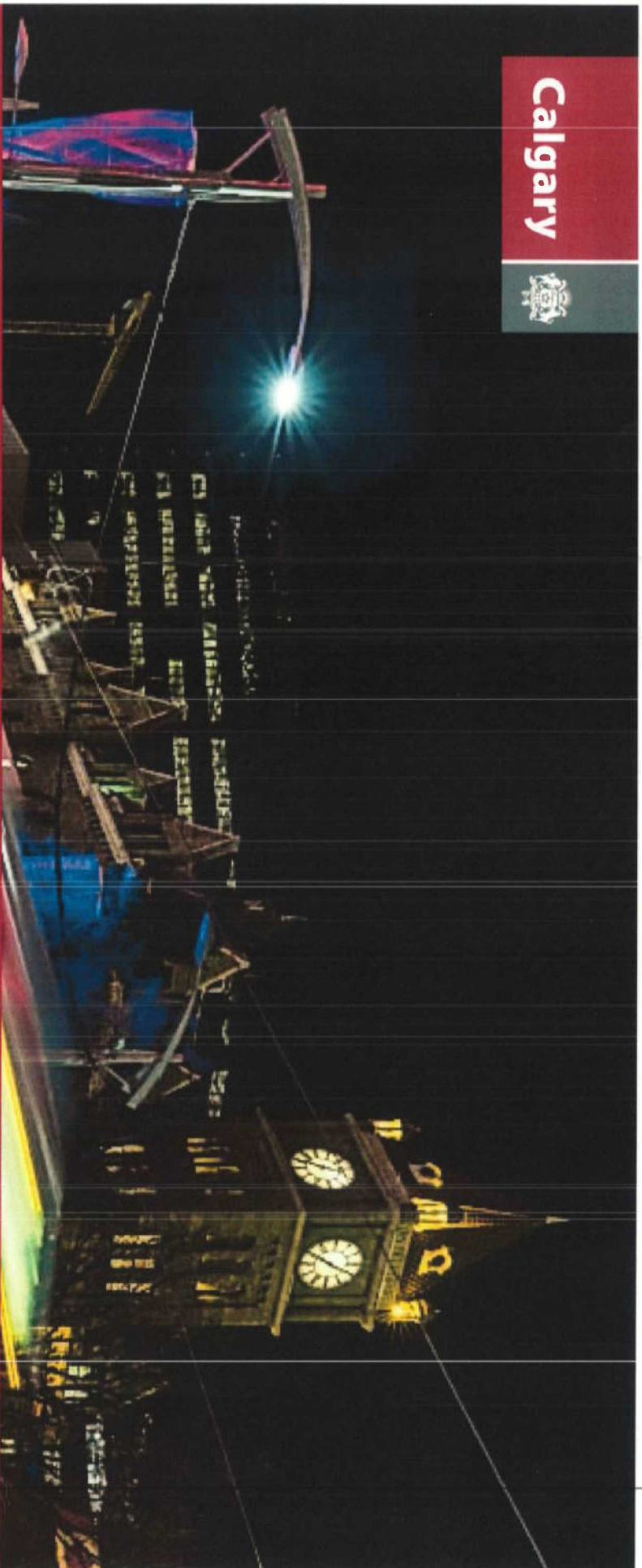


Calgary



# Sliding Scale for Subsidy Programs: Options for Implementation

CPS2016-0494

2016 July 6



## Previous Council Direction

Administration to use the sliding scale proposal as a foundation to:

1. advocate to other orders of government for funding support;
2. continue to refine a sliding scale approach including an implementation plan and funding framework; and report back to the SPC on Community & Protective Services no later than 2016 July.

# Advocacy

## Activities

- Budget submission
- Advocacy by Administration
- Community advocacy

## Provincial announcement:

- \$13.5 million
- \$4.5 million in 2017, 2018 & 2019
- 5% contingency



## **Improved Access to Programs and Services**

Enough For All alignment

Fair Entry

5 subsidy programs through 1 application  
Recently celebrated first anniversary

Sliding scale

Align price with ability to pay

Previous proposal

Expand eligibility  
Deepen discounts

## From Current State to Recommended Sliding Scale for Calgary Transit

### Current State

Single price for all eligible recipients below 100% LICO

### September 2015 Sliding Scale Proposal

< 50% LICO - Deep Subsidy  
50-85% LICO - Substantial Subsidy  
85-100% - Modest Subsidy  
100-115% LICO - Minimal Subsidy  
115-130% LICO - Shallow Subsidy

### Recommended Sliding Scale Option

< 50 % LICO - 85% subsidy  
50-85% LICO - 65% subsidy  
85-100% LICO - 50% subsidy

# Refined Options for Implementation Calgary Transit Low Income Monthly pass

Option One	Option Two	Option Three
Recommended Option		
<ul style="list-style-type: none"> <li>• 3 bands below 100% LICO</li> </ul>	<ul style="list-style-type: none"> <li>• 5 bands</li> <li>• Extend income eligibility to 130 % LICO</li> </ul>	<ul style="list-style-type: none"> <li>• 2 new bands above 100% LICO</li> <li>• Status quo benefits for existing subsidy customer</li> <li>• Total of 3 bands</li> </ul>
No new cost to City	\$4.4 million shortfall	No new cost to City



## **Rationale for Recommending Option 1**

- Maximize subsidies for customers and place more dollars in the pockets of eligible Calgarians
- Those most impacted in a financial downturn are those who are most financially vulnerable even before the downturn
- Availability of funds from the Government of Alberta to cover the costs of implementation
- Upper income threshold remains constant across all Fair Entry subsidy programs
- Minimizes program administration costs

# Funding Framework

## Current State



## Proposed State

### Sliding Scale Bands





## Recommendations

**That the SPC on Community and Protective Services recommend that Council Direct Administration to:**

- **Implement Option 1, a sliding scale of three bands up to 100 per cent LICO for the Calgary Transit Low Income Monthly Pass using the recommended fee schedule as presented in the report;**
- **Allocate the committed provincial funds outlined in Attachment 1 to the implementation of the sliding scale, while continuing to investigate a broader funding framework; and**
- **Report back with an update on the implementation and funding framework to the SPC on Community and Protective Services no later than Q4 2017.**

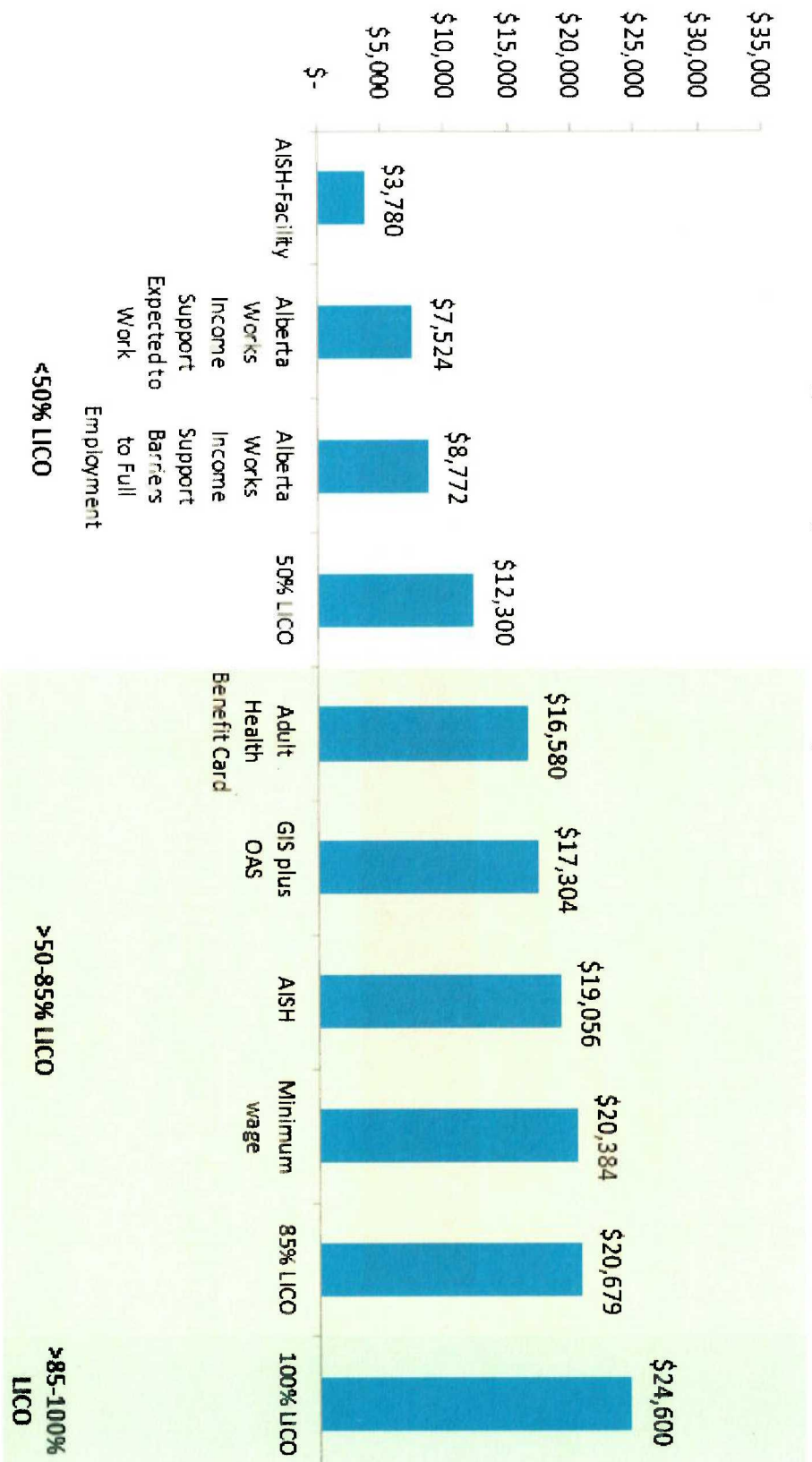
# Backup slides

# Bands and Discounts Recommended Option

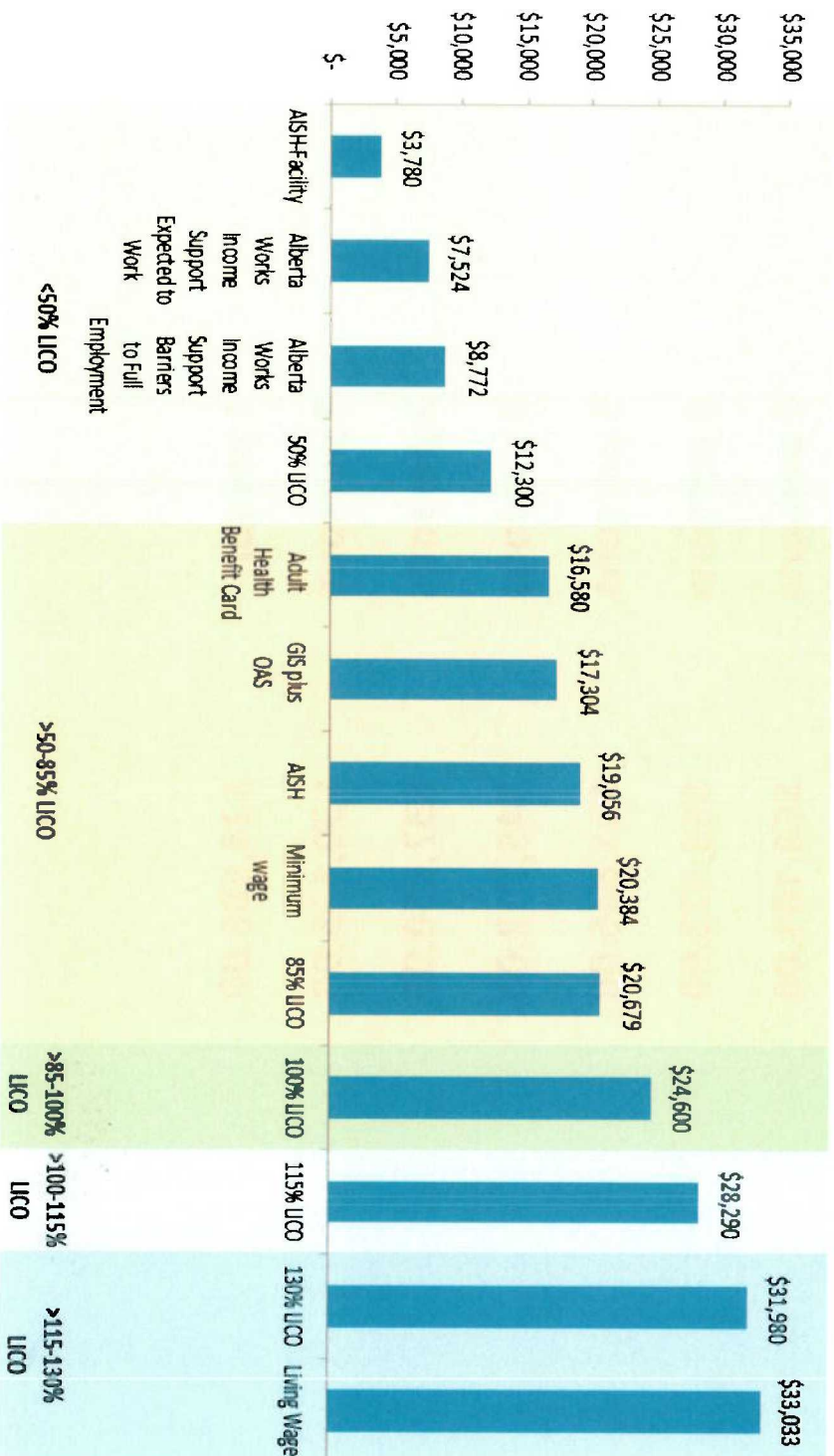
Band	Proposed	Percent Discount
A	0%-50% LICO	85%
B	50%-85% LICO	65%
C	85%-100% LICO	50%



Sliding Scale – Single Person LICO, Wage and Benefit Thresholds (2015)



Sliding Scale – Single Person LICO, Wage and Benefit Thresholds (2015)



## Current Low Income Cut Off

1 person	\$24,600.00
2 persons	\$30,625.00
3 persons	\$37,650.00
4 persons	\$45,712.00
5 persons	\$51,846.00
6 persons	\$58,473.00
7 persons	\$65,101.00