



## Policy on Council / Staff Relations

<b>Policy #</b>	TBD
<b>Effective Date</b>	September, 2019
<b>Review Date</b>	Each Term of Council or as required to implement Legislative Changes
<b>Status</b>	Current
<b>Final Approver</b>	Council

### 1.0 Purpose

- 1.1 In keeping with the Corporate Values of the City, the intent of this Policy is to ensure that the relationship between Members and City Staff is co-operative and supportive with a clear understanding of their respective roles and responsibilities.
- 1.2 This Policy has been prepared in accordance with sub-clause 270 (1) 2.1 of the *Municipal Act, 2001*, as amended, which requires Council to adopt and maintain a policy with respect to the relationship between Members of Council and the officers and employees of the City.

### 2.0 Persons Affected

- 2.1 This Policy applies to all Members and all City Staff.

### 3.0 Policy Statement

- 3.1 The City of Kingston will promote a respectful, tolerant, harassment-free and collegial relationship and workplace between Members and City Staff, guided by the Member Code of Conduct, the Council Procedural By-law Number 2010-1, as

amended from time to time, the Employee Code of Conduct, the Respect in the Workplace Policy and the Employee Conflict of Interest Policy.

## **3.2 Clarifying Roles**

### **3.2.1 Role Clarification**

Role clarification is fundamental to the success of the working relationship between Members and City Staff. Both Members and City Staff shall endeavor to enhance public education and understanding of the political and legislative process by providing context and process information as it pertains to decision-making.

#### **(i) Role of Members and City Staff**

- a. To demonstrate commitment to communication and consultation among ourselves and with members of the public and our community partners;
- b. To demonstrate leadership, relying on our knowledge and sound judgment in the provision of information within our collective and individual areas of expertise; and
- c. To maintain confidentiality and, where appropriate, ensure that all confidential matters are discussed or communicated in the proper forum.

#### **(ii) Role of Members**

- a. To conduct themselves in an ethical and respectful manner at all times;
- b. To act in manner consistent with the effective and responsible governing of the municipality in a transparent and accountable manner;
- c. To set and clearly articulate strategic goals and objectives for the municipality based on consultation with City Staff and, where applicable, members of the broader community;
- d. To render decisions regarding matters of service level delivery and corporate policy based on consultation with City Staff and, where applicable, members of the broader community;
- e. To respond to concerns from the public and, where appropriate, refer the concerns to City Staff through the Mayor or Chief Administrative Officer for action;
- f. To only give direction to City Staff through resolution by Council as a whole;

- g. To be open to discussion with and to seek clarification from City Staff as required; and
- h. To be respectful of the role of City Staff pertaining to their administration or management of the day-to-day operations of the municipality.

**(iii) Role of City Staff**

- a. To conduct themselves in an ethical, respectful and professional manner at all times;
- b. To provide timely, well researched, accurate reports to Council and Committees of Council based on professional expertise and judgment to assist in the decision-making process;
- c. To effectively implement all decisions and directions received from City Council in a timely and professional manner;
- d. To manage and identify the means for achieving corporate goals and objectives as set by City Council;
- e. To develop and implement operational policies and procedures to ensure the effective, efficient, transparent and accountable management and operation of the municipality;
- f. To manage and identify effective means for achieving corporate goals;
- g. To ensure that Members are kept up-to-date and informed;
- h. To be open to discussion and seek clarification as required; and
- i. To refrain from engaging in, or assuming, a political role within the discharging of their assigned duties.

**3.2.2 Working Relationship**

Members and City Staff commit to the following to achieve a highly effective working relationship:

- i. Where appropriate, or deemed necessary, Members shall:
  - a. Request City Staff input and advice prior to making important policy decisions and clearly convey feedback to City Staff;
  - b. Discuss issues with appropriate members of City Staff and, whenever possible, advise City Staff of questions prior to meetings of Council or Committees of Council;
  - c. Request advice from the City Clerk, and where applicable the City Solicitor, regarding the appropriateness of wording for proposed

- motions, amendments and formal directions to City Staff in accordance with the City's Procedural By-law; and
- d. Prior to providing information to constituents regarding operational or corporate policy matters, confirm the details with the appropriate City Staff where necessary.
- ii. Members of City Staff shall:
    - a. Ensure that Members of City Council are apprised of issues that may directly, or, indirectly impact their constituents and/or their decision-making process through either the Chief Administrative Officer or senior management;
    - b. Present balanced and consistent input and advice to Members at all times;
    - c. Notify Members of legislative changes including the identification of direct or indirect impacts on existing City budgets, policies and procedures;
    - d. Notify Members of changes to City policies that may directly or indirectly impact the delivery of city services or change regulatory requirements;
    - e. Notify Members of the potential for media and/or public inquiries as a result of decisions made by City Council, Committees of Council or City Staff or incidents within the community;
    - f. Notify Members of media inquiries or media releases when necessary; and
    - g. Through the Chief Administrative Officer or senior management, as appropriate, convey feedback to Members of existing policies or other workload demands and related issues.

### **3.2.3 Guiding Principles**

- a. Members and City Staff shall treat each other with respect at all times, including respect for the private lives of each.
- b. Members and City Staff shall demonstrate integrity and community and corporate leadership at all times in the discharging of their respective duties.
- c. The provision of advice and guidance by members of City Staff and the rendering of decisions by City Council should be based on complete, balanced, consistent and accurate information for the betterment of the community as a whole.

- d. The Chief Administrative Officer or their designate is responsible for the overall administration and management of City operations and the performance and, where required, the discipline of all members of City Staff.
- e. All inquiries – written and verbal - from Members concerning city operational or administrative matters should be directed either to the Chief Administrative Officer or their designate or the appropriate member of the Corporate Management Team, or to another member of senior staff as deemed appropriate.
- f. City Staff shall not be targets of derogatory behavior or conduct on the part of Members.
- g. City Staff shall refrain from making derogatory comments regarding Members.
- h. Members shall not permit City Staff to be subjected to derogatory comments and/or behavior or conduct on the part of members of the public or individuals conducting business with the City of Kingston.

#### **4.0 Responsibilities**

- 4.1 City Council shall be responsible for approving and maintaining this Policy.
- 4.2 All Members and City Staff shall adhere to this Policy and its governing provisions, including the Member Code of Conduct, the Council Procedural By-law Number 2010-1, as amended from time to time, the Employee Code of Conduct, the Respect in the Workplace Policy and the Employee Conflict of interest Policy.
- 4.3 As a Policy, this document is intended to summarize the other documents referenced herein. Where there is a discrepancy between this Policy and the Member Code of Conduct or the Employee Code of Conduct, the respective Code of Conduct shall prevail.

#### **5.0 Complaint Process**

##### **5.1 Receipt of Complaints**

The Clerk shall be responsible for receiving complaints and/or concerns related to this Policy. A complaint or concern with respect to City Staff shall be submitted in writing on the attached Form 1. A complaint with respect to a

Member shall be submitted in writing on the Code of Conduct – Formal Complaint Form/Affidavit.

**5.2 Informal Complaint Process**

- i. Should a complaint or concern be received with respect to a Member or City Staff, the Chief Administrative Officer, upon the receipt of the consent of the affected parties, shall first facilitate an informal resolution to the matter or conduct that are the subject of the complaint between the parties.
- ii. Where the complaint or concern directly involves the Chief Administrative Officer, the Informal Complaint Process shall be facilitated by the Mayor.
- iii. Should the matter not be resolved through the Informal Complaint Process, the matter shall be referred to the Formal Complaint Process identified in subsection 5.3 below.

**5.3 Formal Complaint Process**

Upon receipt of notification that a complaint and/or concern was not resolved through the Informal Complaint Process, the Clerk shall notify:

- (a) In the case of City Staff, the Chief Administrative Officer, or the Mayor if the complaint or concern directly involves the Chief Administrative Officer. Under the Formal Complaint Procedure the complaint or concern would be referred to the Director of Human Resources and Organization Development and other senior staff as deemed appropriate to address and resolve the complaint or concern; and
- (b) In the case of a Member, the complaint or concern shall be referred to the Integrity Commissioner who shall investigate the matter in accordance with the provisions of the *Municipal Act*.

**6.0 Approval Authority**

Role	Position	Date Approved
Quality Review	City Clerk	
Subject Matter Expert	City Clerk	
Legal Review	Director of Legal Services	
Management Review	Commissioner	
Final Approval	Council	

## 7.0 Revision History

Effective Date	Revision #	Description of Change

## 8.0 Appendix

Form 1 - Notice of Concern or Complaint Re: An Officer or Employee of the City of Kingston

## 9.0 Related Definitions

For the purposes of this Policy:

- 8.1 “Clerk” shall mean the City Clerk or their designate.
- 8.2 “Council” shall mean the Council of the Corporation of the City of Kingston.
- 8.3 “Member” shall mean a Member of Council or a Committee of Council.
- 8.4 “City Staff” shall mean the officers and employees of the City of Kingston.



**Council / Staff Relations Policy**

**Notice of Concern or Complaint Re: An Officer or Employee of the City of Kingston**

Please submit this Form to: City Clerk  
216 Ontario Street, Kingston, Ontario, K7L 2Z3  
E-Mail: [jbolognone@cityofkingston.ca](mailto:jbolognone@cityofkingston.ca)

Name of Officer or Employee: \_\_\_\_\_

Officer or Employee Title: \_\_\_\_\_

Officer or Employee Department: \_\_\_\_\_

**Nature of Concern / Complaint**

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Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ E-Mail: \_\_\_\_\_

Date: \_\_\_\_\_





**City of Kingston**  
**Report to Administrative Policies Committee**  
**Report Number AP-19-016**

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**To:** Chair and Members of Administrative Policies Committee  
**From:** Peter Huigenbos, Acting Commissioner, Community Services  
**Resource Staff:** Cheryl Hitchen, Social Policy & Strategic Community  
Development Manager  
**Date of Meeting:** August 8, 2019  
**Subject:** Discounted Fees for Municipal Programs and Services

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**Executive Summary:**

The purpose of this report is to provide the Committee with the information requested in Council's deferral motion relating to restructuring the municipal discounts program on February 20, 2018. The information requested included: the number of individuals who access discounts; the number who would lose discounts should age-based discounts be discontinued; alternative income threshold options and financial implications; and additional public outreach.

Based on this additional information and the information contained in [Report Number 17-074](#) and [Report Number AP-18-004](#), the recommendation of staff remains the same. Discontinuing age-based discounts and increasing the income limit for the My Kingston Municipal Fee Assistance program aligns with the public policy goals of providing discounts to financially vulnerable households and addresses the financial ability of the municipality to provide a discount program in Kingston with a changing demographic.

The option recommended by City staff would enable an additional 9,340 individuals to access discounts, including seniors on fixed income, without putting pressure on the tax base based on anticipated usage.

**Recommendation:**

**That** the Administrative Policies Committee recommends to Council:

**That** Council approve Option C as outlined in Report Number AP-19-016 which includes the discontinuation of municipal age-based discounts for adults (ages 18 and over) and the income limit for the My Kingston Municipal Fee Assistance program be increased to the

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Statistics Canada Low Income Measure After-Tax (LIM-AT) plus 15% effective January 1, 2020 for City programs as noted in Report Number AP-19-016; and

**That** the age categories in the Rates and Fees By-Law be standardized to reflect the new definitions of a child being aged 14 and under, a youth being aged 15-17, and adults being aged eighteen and over; and

**That** staff continue to make operational improvements to the My Kingston program, including the creation of an online application portal, processing applications at alternate locations and moving to a two year eligibility approval to make it more accessible to all low income residents in the community; and

**That** staff will conduct a review of the discount program two years after implementation and report the results back to Council.

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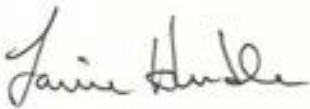
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**Authorizing Signatures:**



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**Peter Huigenbos, Acting  
Commissioner Community  
Services**



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**Lanie Hurdle, Interim Chief  
Administrative Officer**

**Consultation with the following Members of the Corporate Management Team:**

Jim Keech, President & CEO, Utilities Kingston	Not required
Desirée Kennedy, Chief Financial Officer & City Treasurer	OK
Sheila Kidd, Commissioner, Transportation & Public Works	SK
Deanne Roberge, Acting Commissioner, Corporate Enterprise Services	Not required

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**Options/Discussion:****Background**

In 2017, staff presented Council with a report ([Report Number 17-074](#)) identifying issues relating to the provision of age-based and income-based discounts. Staff were asked to conduct research, including public engagement, and report back with options.

On February 8, 2018, staff presented [Report Number AP-18-004](#) to the Administrative Policies Committee. The Committee recommended the following motion to Council:

**That** Council approve the elimination of municipal age-based discounts effective January 1, 2019 for all City programs, except Transit, which will come into effect January 1, 2020; and

**That** the income limit for the My Kingston Municipal Fee Assistance program be increased to the Statistics Canada Low Income Measure After-Tax (LIM-AT) effective January 1, 2019; and

**That** all remaining funds utilized to support the age-based discounts be redirected to support poverty initiatives in the community; and

**That** staff continue to make operational improvements to the My Kingston program, including the creation of an online application portal and moving to a two year eligibility approval to make it more accessible to all low income residents in the community.

**Carried**

The recommendation went before Council on February 20, 2018 and the following motion to defer was passed:

**That** Clause 1 of Report Number 26 Received from the Administrative Policies Committee be deferred for consideration by the Administrative Policies Committee in Q2 of 2019 in order to allow staff an opportunity to provide the Committee with the following information:

- Number of individuals that would lose the discount
- Number of those individuals that currently use the discount for city services
- Review of various financial threshold options for the discount program, including potential sliding scale, and overall financial implications of these financial thresholds
- Additional public outreach on these threshold options for the discount program and public education

**Carried**

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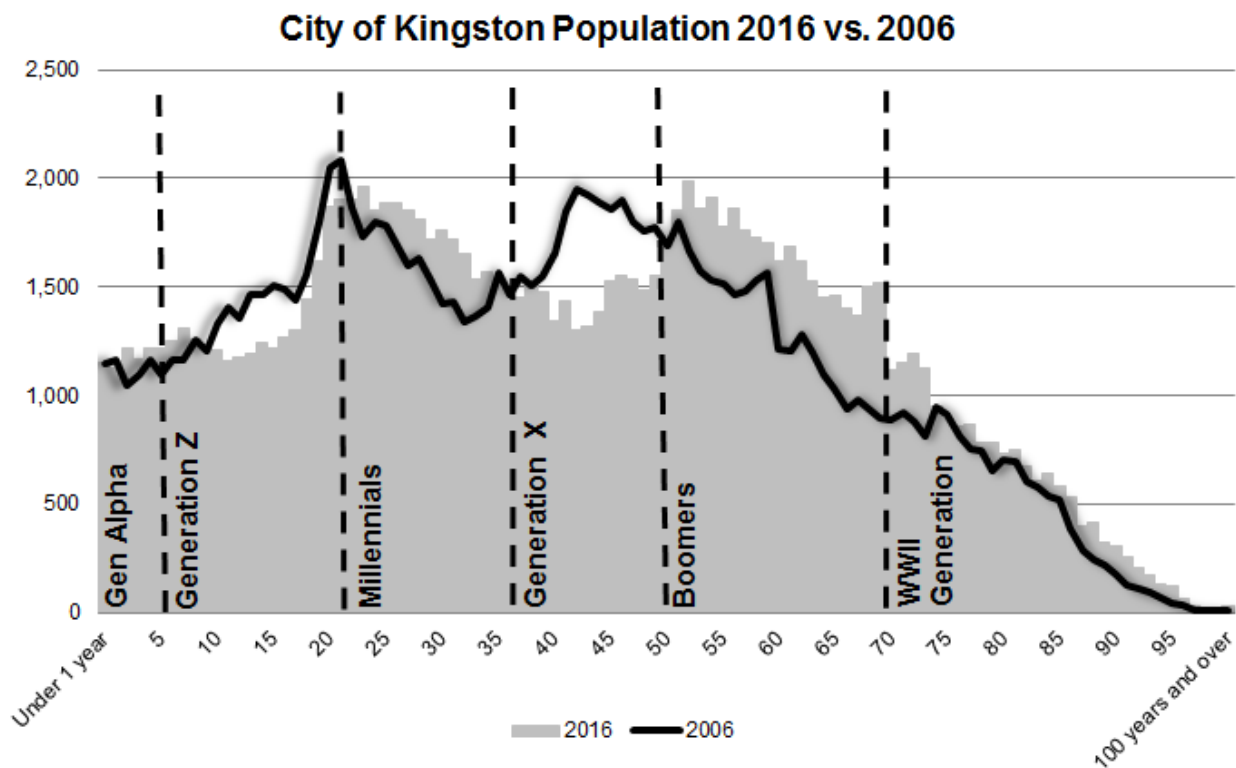
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The purpose of this report is to provide Council with the information requested in the deferral motion, including updated demographic and financial information and the results of the most recent public engagement process.

**Demographics**

The population of Kingston continues to age and live longer. The population over the age of sixty-five grew by 30% from 2006 to 2016 and represents 19% of the population. This age group is anticipated to continue to rise and by 2026 is estimated to be 23% of the total population based on the population forecasts done by Watson & Associates Economists Ltd. (2019). Figure 1 shows the population in the City of Kingston by generations and compares 2016 to 2006 census populations.

Figure 1: City of Kingston Population by Generation



Source: Statistics Canada, 2016 & 2006 Census of Populations

One significant consideration raised in the previous report is the income distribution within the City of Kingston. Those over the age of 65 had some of the highest levels of poverty at the time age-based discounts for seniors were first introduced after WWII. As referenced in [Report Number 17-074](#), in Ontario, seniors now have a guaranteed monthly income. Figure 2 shows the current guaranteed income levels.

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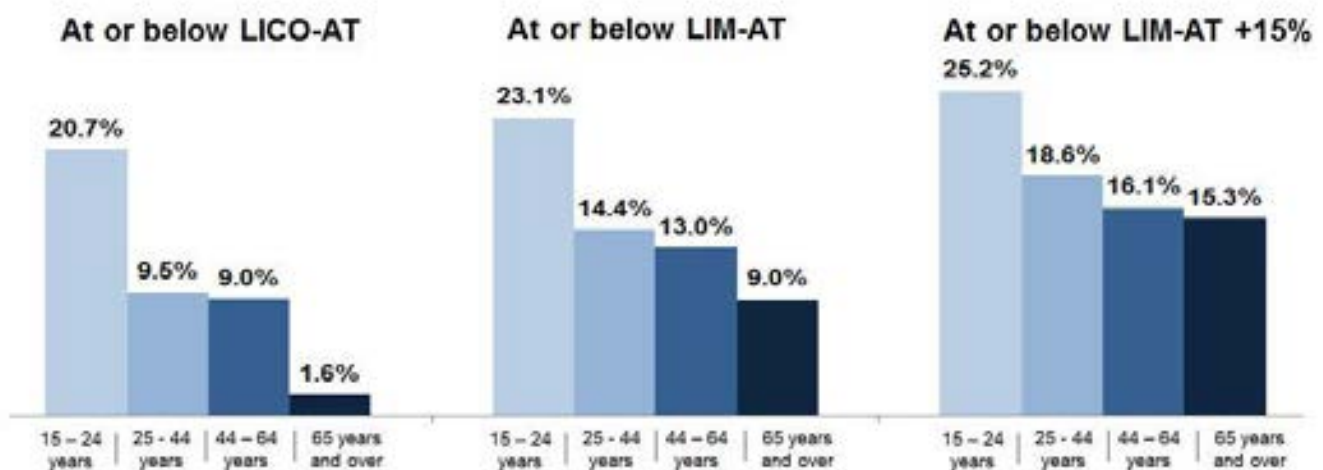
Figure 2: Current Guaranteed Monthly Annual Income for Seniors in Ontario (July-Sept. 2019)

GAINS Benefit Rate Tables Summary for the Guaranteed Annual Income System			
Benefit Period: July 1, 2019 to September 30, 2019			
Guaranteed Income Level	Monthly	Annually	
Single Pensioners	\$ 1,597.76	\$ 19,173.12	
Qualified Couples, Per Person	\$ 1,236.63	\$ 14,839.56	
Summary of Maximum Monthly Benefits			
Benefit Program	Single	Qualified Couple Per Person	Qualified Couple Per Couple
OAS - Old Age Security	\$ 607.46	\$ 607.46	\$ 1,214.92
GIS - Guaranteed Income Supplement	\$ 907.30	\$ 546.17	\$ 1,092.34
GAINS - Guaranteed Annual Income System	\$ 83.00	\$ 83.00	\$ 166.00
Total	\$ 1,597.76	\$ 1,236.63	\$ 2,473.26

Source: <https://www.ontario.ca/data/guaranteed-annual-income-system-benefit-rates> (cited July 31/19)

These income levels place seniors living only on fixed government incomes above the Low Income Cut-Off (LICO) and below the Low Income Measure (LIM). Descriptions of the low income thresholds can be found later in this report. The positive impact of government guaranteed income programs has resulted in the percentage of seniors living in poverty being lower than any other age cohort (See Figure 3).

Figure 3: Percent Population Aged 15 Years + in Households At or Below Various Low Income Thresholds by Age Cohorts



Source: Statistics Canada EO3124R: Age (6) and Individual low-income Status for the Population in Private Households for Kingston Census Subdivision, 2016 Census

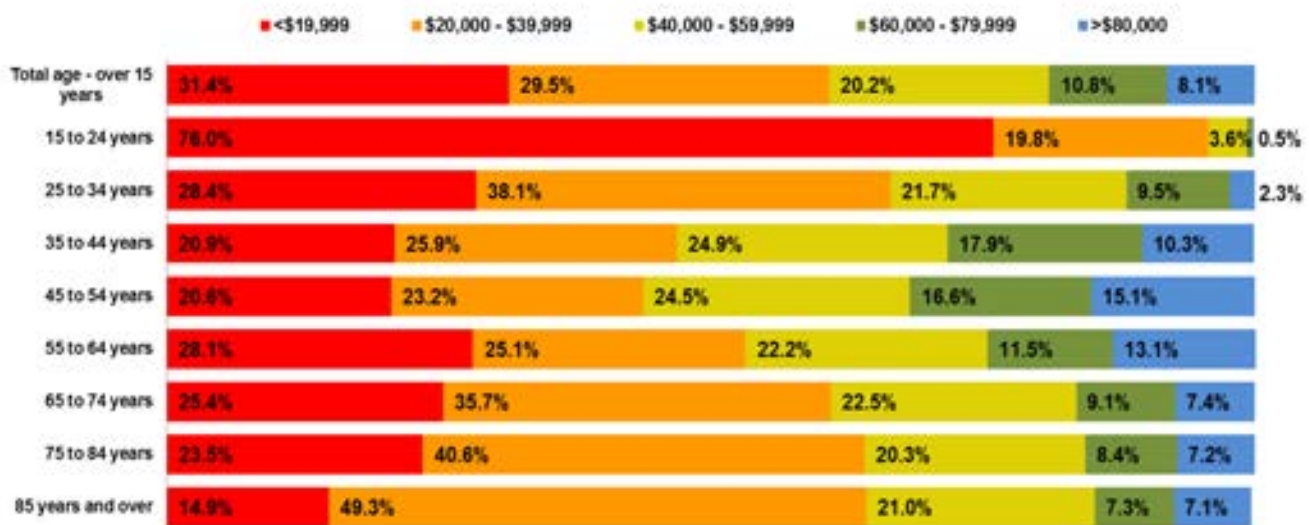
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While poverty is usually looked at in terms of households or families, Figure 4 shows the difference between income levels across age cohorts. As expected, highest incomes are found during the key “earning years” of 35-54.

Throughout this report, the data referencing population and income is for the population over the age of fifteen. This is standard for Statistics Canada data when referencing income or employment. Likewise, unless otherwise noted, when quantifying the number of people impacted, it is for the population aged fifteen and over.

Figure 4: After-Tax Income by Age Groups for the Population Aged 15 Years and Over in Private Households, City of Kingston 2015



Source: Statistics Canada, 2016 Census of Population – Community Data Program custom data table EO2766 (CD-CSD)

**Age-based Discounts**

Who is eligible to receive age-based discounts?

Age-based discounts provide discounts to certain age groups within a community. In Kingston, these discounts are currently provided to youth between the ages of 15-24 (13-24 for recreation) and seniors aged 65 and over, regardless of household income. Based on 2016 Census data, there were 16,345 youth and 24,015 seniors eligible to receive age-based discounts in Kingston. It should be noted that children also receive discounted rates but because they are income-dependent they have been excluded.

How much are the current discounts?

Discounts for transit passes are 25% off the cost of an adult monthly pass and 20% off the cost of an adult multi-ride pass. Discounts in recreation programs and memberships are 20% of the adult program/service cost. As an example, the cost of a monthly pass for transit for an adult is \$76.00 and for youth/senior it is \$56.50. For recreation, the cost of a one month wellness pass is

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\$50 for an adult and for youth/senior it is \$40. In cultural services, youth and seniors receive a 15% discount off the admission prices for museums. Programs that are excluded are noted later in the report.

Who accesses these discounts?

The following data reflects utilization data from 2018 for transit and recreation age-based discounts for youth and seniors. Please note there is no method available to distinguish individuals who are accessing both transit and recreation; therefore, these numbers include some level of duplication.

Youth:

Transit	46,949 rides with multi ride cards (based on 120 rides/year)	= 391 individuals
	Monthly Passes	= 394 individuals
Recreation	Programs and/or Memberships	= 1675 individuals

Seniors:

Transit	97,451 rides with multi ride cards (based on 120 rides/year)	= 812 individuals
	Monthly Passes	= 277 individuals
Recreation	Programs and/or Memberships	=1371 individuals

What are the costs of providing age-based discounts?

The cost of age-based discounts for recreation and transit is described in terms of the lost revenue between the cost of the adult fee and the cost of the senior or youth fees. In 2018, the lost revenue from these discounts was calculated at \$269,490. This cost will continue to rise as the percentage of the population over the age of 65 continues to grow.

What specifically is being proposed?

The changes being proposed are to standardize the City’s age categories for fees and charges across the Corporation and to discontinue providing age-based discounts to those who will now be defined as adults.

Age Categories	Child	Youth	Adult	Senior
Recreation Currently	3-12	13-24	25-64	65+
Transit Currently	0-14	15-24	25-64	65+
Culture Currently	3-12	13-24	25-64	65+
Proposed Categories	0-14	15-17	18+	

Families, as defined in the Rates and Fees By-Law, will be amended in line with this change and will include adults with children/youth aged 17 and under. Those under the age of 18 are usually financially dependent on an adult and not in a position to apply for income based discounts on their own accord. All those aged 18 and over are considered adults and will now receive discounts based on their household income and not based on their age.



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What programs and services are excluded in the proposed changes?

The proposed changes in this report affect most municipal programs and services where age-based discounts are available. There are some specific programs that will continue and not be impacted by changes to age-based discounts. Youth receiving transit passes through the high school and post-secondary programs are excluded. For recreation, the Grade 5 and Grade 9 ActivPass program are excluded.

In various program areas of the City, there can be special promotional programs and passes offered at a discount to provide an incentive to participate. One example is the first-time passes provided to recent immigrants to help orient them to the City and to City programs. These types of promotional programs are also excluded from the proposed changes.

Who is at risk of losing discounts?

If age-based discounts are discontinued, those aged 18-24 and 65+ with household incomes over the recommended LIM15 threshold would no longer have access to discounts. For young adults 18-24 year olds this is estimated to be approximately 9,000 individuals based on the Statistics Canada data for 15-24 year olds shown in Figure 6. For seniors, this would be between 20,645 individuals.

It is important to note that an estimated 85% or more of these individuals are not currently utilizing the available age-based discounts. The balance of those 18-24 and aged 65 and over would have access to income based discounts and all of the components of the Municipal Fee Assistance Program. With new age definitions described in this report, those aged seventeen and under would still qualify for children and youth discounts.

**Income-based Discounts**Who is eligible to receive income-based discounts?

Income-based discounts provide discounts to certain households within a community based on an identified household income threshold. In Kingston, these discounts are currently available to the 9,630 household members aged 15 and over that have an income below the Statistics Canada "Low Income Cut-Off After-tax" (LICO-AT).

(Please refer to Figure 6 – # of individuals at or below LICO-AT).

How much are the discounts?

Those that meet this requirement can receive an annual \$300 credit for each household member to apply toward recreation programs and memberships; a monthly transit pass at 50% of the full monthly pass fare; assistance with some health and dental costs; cultural activities; and a voucher to reduce the cost of having pets spayed/neutered.

Who accesses these discounts?

In 2018, 2,467 households representing 3,650 people (adults and their families) went through the eligibility process for income based discounts. This represents 32% of the 11,310 total population who live in a household below the LICO-AT.

Once deemed eligible, approximately 911 people went on to purchase transit passes through the Affordable Transit Program. An additional 2,188 individuals are receiving passes directly

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through the Ontario Works program and 1,000 individuals through the Ontario Disability Support Program (ODSP). For recreation, in 2018, 1,087 people utilized all or part of their recreation subsidy for programs or memberships.

What are the costs of providing income-based discounts?

For recreation, the Subsidy Program for Affordable Recreation in Kingston (SPARK) has a fixed annual budget of \$117,000. For Transit, the Affordable Transit Program (ATP) cost was calculated to be \$316,524 in lost revenue in 2018.

What are the different income thresholds that could be used?

There are three income thresholds produced by Statistics Canada annually: Low Income Cut-off (LICO), the Low Income Measure (LIM) and the Market Basket Measure (MBM). LICO and LIM have tables for before tax and after tax amounts, although for this purpose, after-tax thresholds are used as they take into account the reduced spending power of households because of income taxes paid.

The MBM is a measure of “disposable income” and therefore is not viable for use by municipalities for income-tested programs. There is no simple way to validate disposable income and would require an intrusive, complex process to “prove” an individual falls below this threshold. As a result, there are no known income-based programs in Canada using this threshold.

Figure 5 shows the three income thresholds as they were at the time of the 2016 Census. The thresholds are adjusted upwards annually by Statistics Canada. However, the most comprehensive income data available is from the 2016 Census; therefore, the thresholds shown in Figure 5 are from 2015 to align with the population data shown in Figure 3 and Figure 6.

Figure 5: Income Thresholds - 2015

<b>Poverty Threshold Options</b>			
<b>Size of Household</b>	<b>LICO-AT</b>	<b>LIM-AT</b>	<b>LIM15</b>
1 person	\$17,240	\$22,133	\$25,453
2 persons	\$20,982	\$31,301	\$35,996
3 persons	\$26,128	\$38,335	\$44,085
4 persons	\$32,596	\$44,266	\$50,906
5 persons	\$37,188	\$49,491	\$56,915
6 persons	\$41,165	\$54,215	\$62,347
7+ persons	\$45,211	\$58,558	\$67,341

**Low Income Cut-Off After-Tax (LICO-AT)** - The LICO-AT which is currently used in Kingston provides discounts to the most vulnerable in the community. The majority of these individuals are on some form of social assistance such as Ontario Works and ODSP. The annual income, for example, for a single person on Ontario Works is \$8,796/year. This threshold also includes a small number of people who are marginally employed.

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**Low Income Measure After-Tax (LIM-AT)** - The LIM-AT represents a higher income threshold than the LICO-AT. Based on the data in Figure 6, this option gives an additional 4,825 individuals over the age of fifteen access to income-based discounts (Note: this number will be reduced slightly when youth aged 15-17 are factored out).

This option would allow, for example, a single person working full-time, earning minimum wage (annual after-tax income \$21,373) to access the income-based discounts as their after-tax income falls below the one person threshold. A two-parent household with two children, with both parents working full time earning minimum wage would also qualify.

The largest group who would benefit from a change to LIM-AT are those individuals over the age of 65 who are living solely on fixed government incomes but do not currently qualify below the LICO-AT threshold. Taxfiler data indicates that approximately 6,340 (19%) of seniors in Kingston receive only a fixed government income. As shown in Figure 2, their income falls between the LICO-AT and LIM-AT. A single pensioner receives approximately \$19,000 per year and a couple receives approximately \$30,000 per year.

**Low Income Measure After-Tax + 15% (LIM15)** – This is a new measure that is being used by some municipalities, known as “LIM15”. This threshold is used in York Region for one of their transit programs and is also being considered in the City of Toronto for their income-based transit discount program.

LIM15 uses the current LIM-AT and raises it by fifteen percent to capture more households that would be defined as experiencing “working poverty” or having “modest incomes”. This option would give an additional 4,515 individuals access to income-based discounts over and above the 4,825 noted above under the LIM-AT threshold. Switching to this threshold basically doubles the number of people in our community who would now have access to all the components under the Municipal Fee Assistance Program.

For example, this could include a single parent with one child working full time earning the current living wage of \$17.29/hour access to income-based discounts. Seniors on fixed government income with minimal other sources of income could now qualify using this threshold. This threshold is the most responsive to the needs of those living in poverty and meeting the objectives of providing discounts.

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Figure 6: Population Aged 15+ in Households in Income Thresholds, City of Kingston, 2015

City of Kingston 2016 Census Population	# of individuals living in a household with income at or below LICO-AT	Additional number of individuals living in a household with income between LICO-AT & LIM-AT	Additional number of individuals living in a household with income between LIM-AT & LIM15	Additional number of individuals living in a household with income above LIM15	Total Population
Population 15-24	3,345	395	830	11,775	16,345
Population 25-44	2,945	1,500	1,285	25,890	31,620
Population 45-64	2,980	1,300	1,020	28,405	33,705
Population 65+	360	1,630	1,380	20,645	24,015
Total Population 15+	9,630	4,825	4,515	86,715	105,685

Source: Statistics Canada EO3124R: Age (6) and Individual low-income Status for the Population in Private Households for Kingston Census Subdivision, 2016 Census

### Summary of Options

As the only criterion for age-based discounts is chronological age, there are limited options for changes to this program. There are three options for age-based discounts being presented in this report:

- Discontinue the provision of age-based discounts for adults
- Reduce the depth of the age-based discounts from the current 25% and 20% to a lower level such as 15%
- Continue the provision of age-based discounts for young adults aged 18-24 and seniors

Reducing the depth of the age-based discounts is a new option from previous reports. As shown in Figure 7 (Options D & E), this option does offset the financial impact of raising the low income threshold to the LIM-AT and is comparable to the status quo option from a financial standpoint.

For income-based discounts, it was clear from the public engagement process done at the end of 2017 that the majority of respondents (76%) supported raising the income threshold from the current LICO-AT to a different threshold. Staff are currently presenting two alternative thresholds for Council's consideration:

- Low Income Measure After-tax (LIM-AT)
- Low Income Measure After-tax plus 15% (LIM15)

### Financial Impacts of Options

In [Report Number AP-18-004](#), the cost of providing discounts was estimated based on 2017 in-year estimates to be \$528,408 and rising to \$645,714 by 2026 if status quo was maintained.

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After the report went to Council and 2017 year-end actuals were available, these amounts were recalculated based on utilization data and lost revenue. The 2017 actual cost of providing discounts based on this data was found to be significantly higher than estimated at \$652,416. This was primarily due to the recalculation of the revenue loss based on utilization for the ATP.

For this report, financial impacts have been calculated using 2018 year-end data and the most recent population forecasts received earlier this year. Based on this data, calculations show that the cost of the discount program in 2018 was \$703,000 and is estimated to rise to \$839,000 by 2026.

Figure 7 shows the revised projected financial impact of the combination of options for both age-based and income-based discounts in 2021 and 2026. Option “A”, the status quo option, is being shown for comparative purposes. Options B through G are listed in order from highest projected savings to highest projected cost increase. It is important to note that these calculations are based on a number of assumptions:

- population forecasts from Watson & Associates Economists Ltd.
- participation level based on 2018 actual percentages, factored with population growth
- based on current age categories for fees
- based on poverty levels remaining at 2016 percentage levels
- projected revenue loss based on 3% increase per year in fees
- does not include discounts through other programs such as student transit program or employer programs and those receiving bus passes through Ontario Works and ODSP
- only includes transit and recreation and not the other components of My Kingston such as pet spay/neuter, cultural services, or health and dental program

Figure 7: Financial Impacts of Options

Options	Description	Cost and % Change from 2018 Program Costs of \$703,000			
		2021		2026	
A	Status Quo - Continue age-based discounts at current levels and continue income-based discounts using LICO-AT	\$753,000	7%	\$839,000	19%
B	Provide only income-based discounts using LIM-AT	\$557,000	-21%	\$575,000	-18%
C	Provide only income-based discounts using LIM15	\$650,000	-8%	\$672,000	-4%
D	Reduce age-based discount level to 15% and provide income-based discounts using LIM-AT	\$766,000	9%	\$822,000	17%
E	Reduce age-based discount level to 15% and provide income-based discounts using LIM15	\$859,000	22%	\$919,000	31%
F	Continue age-based discounts at current levels and provide income-based discounts using LIM-AT	\$869,000	24%	\$960,000	37%
G	Continue age-based discounts at current levels and provide income-based discounts using LIM15	\$962,000	37%	\$1,057,000	50%

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The discontinuation of age-based discounts and increasing the income threshold (Options B and C) results in annual savings over keeping the status quo, and brings the cost within the range of the program's cost in 2017 and 2018. Reducing the level of age-based discounts (Options D and E) partially offsets the increase in costs to increase the threshold. Continuing age-based discounts and increasing the income threshold (Options F and G) raises annual costs significantly in the range of 24% to 50%.

In terms of numbers, the status quo (option A) is providing access to discounts to 46,285 people or approximately 44% of the population aged 15+. While Option B and C reduce this number to 14,455 (14%) and 18,970 (18%), it focuses the discount program back to its original intent of addressing the financial barriers of accessing programs.

Option D through G provides discounts to similar percentages (46-49%) as the status quo, as these options still include age-based discounts. When discounts are provided to close to 50% of the population and are not solely based on income, as Harry Kitchen pointed out in his presentation to Council in 2017, it requires the balance of the population to subsidize those receiving a discount.

### **Public Engagement Summary**

As per Council's request, additional public engagement was carried out in late June/early July to obtain input on potential threshold options in the discount program. A background document and survey was available through the City's Get Involved Kingston online platform and hard copies were available in City facilities and libraries. A detailed summary of the public engagement is attached as Exhibit A.

It is important to mention that the majority of respondents indicated they are not current users of City recreation or transit services. In addition, only about 40% of the online respondents opened any of the background documents available to understand this complex issue. This may have resulted in some confusion among some respondents who, by the nature of their survey comments, seemed to misinterpret what the discontinuation of age-based discounts meant. Many comments indicated concern with low income seniors no longer having access to discounts, which is simply not an option that was presented in the survey nor included in this report.

A total of 256 surveys were completed with the following results:

- Option 1 Discontinue age-based discounts - 78 (30% of votes)
- Option 2 Continue age-based discounts but reduce to 15% - 50 (19% of votes)
- Option 3 Continue to provide age based discounts as they are today - 91 (36% of votes)
- Option 4 Don't support any of these choices - 37 (15% of votes)

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**Recommended Option**

As noted in [Report Number 17-074](#) and [Report Number AP 18-004](#), continuing to provide discounts based on age to all those within an age group in the community who have the financial means to pay, limits the City's capacity to invest resources on poverty related initiatives.

The main objective for providing discounts has always been to make City programs and services more affordable to people with low incomes. The work carried out on this topic by staff over the past two years to aid Council's decision has provided historical context to discounts; best practices in other communities; municipal comparators; subject matter expertise from Harry Kitchen; financial analysis; and public engagement.

Based on the public policy goals of discounts, updated financial implications and public engagement feedback; staff are recommending option "C" which is the discontinuation of age-based discounts and increasing the income threshold for the My Kingston Municipal Fee Assistance Program to the LIM15.

This option will provide the opportunity to access income-based discounts to 9,340 additional residents living in low-income households while maintaining the overall ongoing cost of providing discounts.

It is being recommended that the discontinuation of age-based discounts for adults and the standardization of age categories take place in 2020 and the affected departments will adjust their fee schedules and the Rates and Fees By-Law. Increasing the income threshold for My Kingston will come in effect January 1, 2020 and requires documentation changes which happen annually.

Staff are committed to making the operational improvements noted in [Report Number AP-18-004](#), including the creation of an online application portal and switching to a two year eligibility approval. Switching to a bi-annual intake process will also reduce administration workload and address the impact of additional applications. Staff will also offer Municipal Fee Assistance Program intake sessions in locations other than 362 Montreal Street and the Rideau Heights Community Centre to increase the geographic accessibility of the program for those that aren't able to or choose not to use the online tool. Staff intend to work with the Seniors Centre to establish application intake for customers.

**Existing Policy/By-Law:**

Fees and Charges By-Law Number 2005-10

**Notice Provisions:**

Not applicable

**Accessibility Considerations:**

Not applicable

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**Financial Considerations:**

The current discount program is projected to cost \$839,000 annually by 2026 based on a number of assumptions, principally current participation rates and projected population demographics. The recommended option to discontinue age-based discounts and increase the income threshold to LIM15 is projected to cost \$672,000 by 2026, resulting in projected savings of \$167,000.

**Contacts:**

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**Other City of Kingston Staff Consulted:**

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Jaclyn Grimmon, Manager, Recreation Programs, Recreation & Leisure Services

Sheldon Laidman, Director, Housing & Social Services

Laura Rabbie, Manager, Social Services, Housing & Social Services

Colin Wiginton, Cultural Director, Cultural Services

Laurie Dixon, Data Analysis Coordinator, Community Services

Debbi Miller, Manager, Communications and Public Engagement, Communications & Customer Experience

Julielee Stitt, Communications Officer, Communications & Customer Experience

**Exhibits Attached:**

Exhibit A Public Engagement Summary July 2019



## Community Engagement Report – Municipal Discounts – 2019

### Overview

The most recent round of community engagement on this topic took place from June 26 to July 12, 2019. The Get Involved Kingston page was updated and a new survey was launched to gather feedback from the public. In addition to the online survey, a print copy of the backgrounder and survey was available at eleven locations across the City. The communications plan included a news release and social media messaging.

The Get Involved Kingston page received 735 visits. In addition to those that completed the survey, 101 visitors downloaded the backgrounder document while 11 others downloaded previous Council reports.

### Survey

256 total surveys were received through on-line submissions and paper copies. Approximately 40% of those completing the survey had read the backgrounder prior to completing the survey.

Based on the number of households in Kingston, this result has a 5% margin of error (MOE) and an 89% confidence level.

### Demographics of Respondents Compared to Population

	% of Kingston Adult Population	% of Respondents
Ages 15-24	15.5%	7.0%
Ages 25-44	29.9%	25.8%
Ages 45-65	31.9%	37.5%
Ages 65 +	22.7%	26.6%
Prefer Not to Say		3.1%

Staff carried out a weighted analysis of the responses to factor in the over and under representation in some age categories. However, the weighting made no notable difference in the outcomes of the survey so the original results are being presented.

### Postal Code Data of Respondents

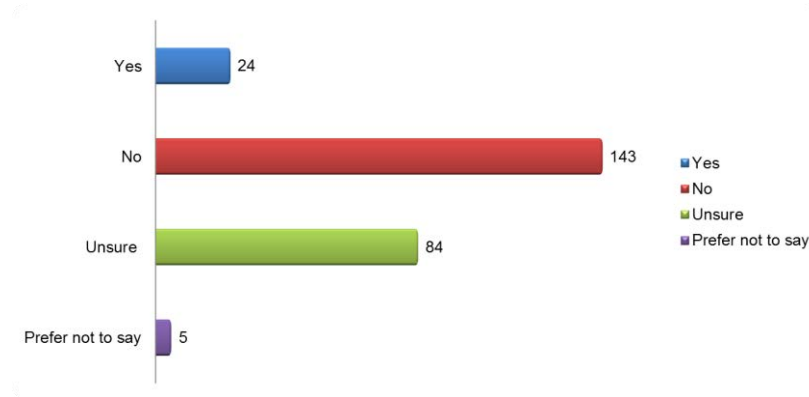


**Survey Responses**

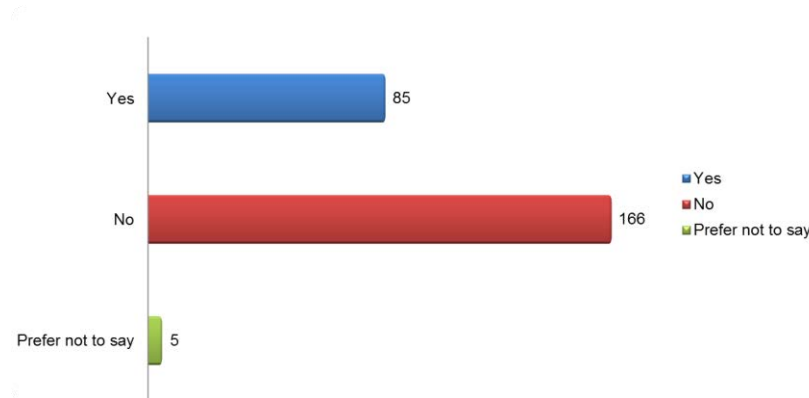
Respondents were asked to read a backgrounder on municipal discounts. A video and copies of previous reports were also available on the Get Involved Kingston platform. Unfortunately, only about 40% of respondents looked at these documents prior to completing the survey.

Respondents were first asked a couple questions to identify if they are users of the services that could be impacted by the changes.

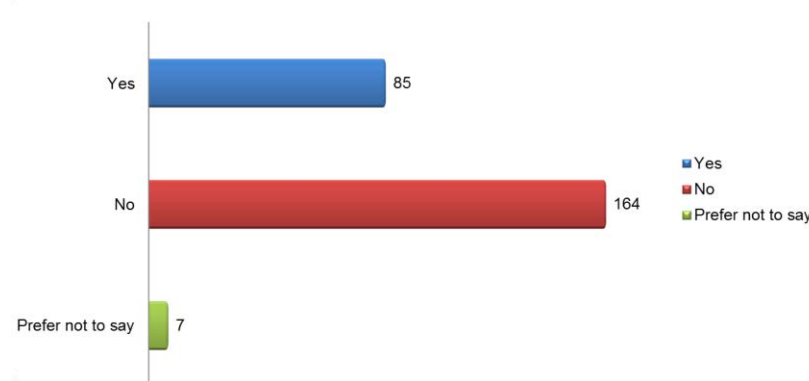
**Is your household eligible for the My Kingston (Municipal Fee Assistance Program)?**



**Do you currently use Kingston Transit at least once a week?**



**Do you take part in City recreation programs (i.e. summer camps, lessons, registered or drop-in programs) or have a City fitness and wellness centre membership?**



Respondents were then asked which of the following statements reflect the option you would support regarding age-based discounts:

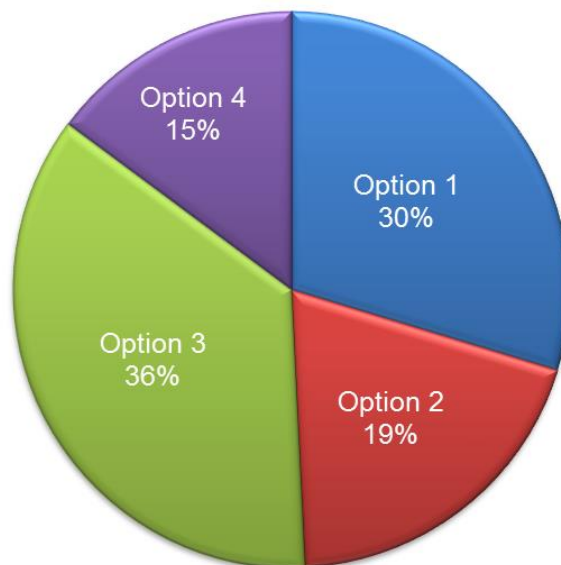
**Option 1** – Discontinue age-based discounts. Use the savings to offset the cost of increasing the income threshold.

**Option 2** – Continue age-based discounts but reduce these discounts from the current 25 percent and 20 percent to 15 percent. Use these savings to partially offset the cost of increasing the income threshold so more people may participate in My Kingston. Selecting this choice, you understand that to pay for the balance of the increase in cost to raise the income threshold, it is likely property taxes or user fees for services would increase.

**Option 3** – Continue to provide age-based discounts as they are today. Increase the My Kingston income threshold so more people are eligible. Selecting this choice, you understand that to pay for the increase cost for age-based discounts and raising the income threshold, it is likely property taxes or user fees for services would increase.

**Option 4** – I don't support any of these choices.

**Results:** The choices made by respondents have been broken out by age category and well as the overall results.



Options		1	2	3	4
<b>15-24</b>	18	1	9	7	1
<b>25-44</b>	66	24	21	16	5
<b>45-64</b>	96	33	14	34	15
<b>65+</b>	68	18	6	29	15
<b>no age given</b>	8	2	0	5	1
<b>Total</b>	256	78	50	91	37
		<b>30.5%</b>	<b>19.5%</b>	<b>35.5%</b>	<b>14.5%</b>

**Comments**

Most of the comments received were similar to the comments received during the last round of public engagement. The following are some samples of the comments received relating to each option:

**Option 1:**

“Base it strictly on ability to pay. I am a senior who does not need help and I’m willing to pay my own way.”

“Targeting those who need the most help should be the City’s priority.”

“Many retired baby boomers, including ourselves, have more disposable income than at any other time in our lives. The same for friends of ours who are older than we are. Don't give us discounts; give discounts to those who need them.”

“Old doesn’t equate to poor.”

**Option 2:**

“I believe that the discounts are investments in our young people and seniors and that’s important and valuable.”

“Age-based discounts are important because it is easier to access. Proving your income has a lot of hoops to go jump through.”

“I think you could lessen the discount even more than 15% because people who need assistance will have more support from the My Kingston program. And for the people who don't, well, they still get a discount, don't they?”

**Option 3:**

“It is reasonable to increase taxes or user fees to pay for services that meet the needs of the most vulnerable, and as a property owner, I am prepared to pay my fair share.”

“Many Seniors have paid taxes for many years to Kingston coffers. Now that they have reached a certain age you want to take away their discounts that they paid through all of their years of city taxes for other seniors.”

“We are on fixed incomes, and we should not have to quote our income to get the discount.”

“Unfair to eliminate discounts just as baby boomers become entitled. We subsidized others for years. Our turn!”

**Option 4:**

“I do agree to continue with the discounts as they are now but I feel that if the My Kingston income threshold is put into place the people wanting it should be closely scrutinized.”

“I don't think the city should provide discounts, especially for low income people. Remember...there is only one taxpayer and we are already supporting these people, regardless of age.”

“Stop wasting my tax dollars.”

**By-Law Number 201X-XX**

**A By-Law to Appoint KPMG LLP as the Auditor for the City of Kingston and Its Local Boards for the 2019 Fiscal Year**

**Passed:** September 3, 2019

**Whereas** Part VII, Section 296(1) of the *Municipal Act, 2001*, Chapter 25, as amended, provides that:

“A municipality shall appoint an auditor licensed under the *Public Accounting Act, 2004* who is responsible for (a) annually auditing the accounts and transactions of the municipality and its local boards and expressing an opinion on the financial statements of these bodies based on the audit; and (b) performing duties required by the municipality or local board.”

**Therefore be it resolved that** the Council of The Corporation of the City of Kingston hereby enacts as follows:

1. The firm of KPMG LLP is hereby appointed as the Auditor for The Corporation of the City of Kingston and its local boards for the 2019 fiscal year.
2. Council delegates authority to the Chief Financial Officer and City Treasurer to sign audit engagement letters with KPMG LLP, in a form satisfactory to the City Solicitor, to engage KPMG LLP to conduct audits on behalf of the City of Kingston and its local boards for the 2019 fiscal year.
3. This By-Law shall come into force and take effect on the date of its passing.

Given all Three Readings and Passed: September 3, 2019

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**John Bolognone**  
**City Clerk**

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**Bryan Paterson**  
**Mayor**