

### **High-cost alternative financial services**

**1. What would you do to protect citizens from predatory financial services?**

- During this term, Council passed a motion that restricts payday lending businesses in Red Deer neighborhoods. The provincial government also passed legislation for pay day loan changes and requirements for the lenders that protect the borrowers. The importance of a well-regulated industry helps. It's important that citizens are aware of alternatives, including how to improve their credit. Sadly, many people live from pay cheque and seniors are also vulnerable to payday or fast cash loans. Financial literacy and awareness play an important role for citizens.
- Through community conversations, local banks or credit unions within the community could be known as a financial institution that is willing to provide small, low cost loans.
- See next response re location considerations.

**2. If you are elected, how will you address the density of fringe financial service providers in specific neighborhoods in Red Deer?**

- Council should be aware of the locations and numbers of "fringe financial service providers" in Red Deer, be cognizant of their distance/location to businesses such as liquor stores, bars, casinos, etc. If you ask Dr. Google how many pay day loan businesses there are in Red Deer, some 14 come up. These days, we also see the on-line presence in addition to storefront operations. These businesses do their marketing and target low income people in low income neighborhoods. Council should monitor the numbers and locations, and ensure they are not clustered in a particular community.

**3. What would you do to remove barriers from low income citizens who require City services, such as utilities, to meet their basic needs?**

- There are currently subsidy programs available through the City of Red Deer, and if/when hearing there are challenges with applications for City services, we should look at our processes to make them easier for people. I'd like to see a low-income transit subsidy as well as ensuring affordable transit. The City currently provides recreation fee assistance for our recreation centres and culture programs. The usage and needs are currently reviewed and should continue to be reviewed and reported during operating budget, with appropriate adjustments. I am aware there are always growing needs. Sponsorship through organizations such as Canadian Tire and Jumpstart are valued and acknowledged to support youth and family in our community. More community sponsorship programs should also be encouraged. Program focus should also be available for seniors supports and identified needs, e.g. snow and yard maintenance, transit support.
- Family and Community Support Services (FCSS) dollars from the province (80%) and matched by the city (20%) is available as a source of community program funding. Appropriate agency programs that enhance the social well being of low income citizens could be accessed through FCSS.

- Information and awareness of programs available, not only through the City but Provincial Government supports should be readily available through city information and front-line agencies; information and the process should be easy to access.
- There are currently requirements for security deposits for utilities of \$325 as the City is required to limit the financial risk of unpaid utility bills. I recognize utility hookup fees and monthly utility expenses can be a challenge and concern for all Red Deer households. Some cities have funds for utility service emergencies that are provided through community agencies that could be available for low income consumers.

#### **4. What is the role of the municipal council in the development of financial literacy?**

- Financial literacy can help anyone – women and men, young, old, single or married, in school, working or retired, to make informed financial choices and to make progress for their life's goals. Financial literacy is a community issue and can be provided throughout various ways in our community, such as starting early at schools through education and financial literacy included throughout the education curriculum, public library fact sheets in plain language and translated in different languages, asking groups such as CAPRA, banking institutions to provide community information sessions including how to budget and follow a budget, payday lending businesses must also provide financial literacy counselling to their customers. There should also be citizen/community/workplace awareness of the importance of savings and costs of living, start early in one's working life with an understanding of debt, credit history, accessing loans, use of credit cards, and what lies ahead as one ages, e.g. Canada Pension Plan, Old Age Security and Guaranteed Income Supplement, RRSP, other pensions, etc. There are many tools and information about financial literacy e.g. Canadian Financial Literacy Database, so our community merely needs to share and discuss information throughout various realms. What's key is that financial literacy needs to be relevant to one's needs and circumstances during the time of their life. We could work with the community and declare "Financial Literacy Week".
- Municipal council, this past term, has and should continue the work on the Financial Leadership Framework which includes public participation/consultation at city events such as the Bower and Parkland Mall - Let's Talk events, on-line budget surveys, budget bus conversations and our budget open house so Council can hear ideas and set guidelines for the operating, capital and mid year budget reviews.
- Budget information must be accessible for citizens and in formats that is in plain language. Providing a budget binder may be useful for some but not all. It may be daunting and intimidating. City information must be user friendly for the public to read and understand. I enjoy the face-to-face Let's Talk and Budget open house conversations with our citizens.
- Council's review/evaluation/check-in with the citizens on how the information is provided and whether the information is satisfactorily answering their questions and interests about the city's financial reporting is an important step for city financial literacy.