



**Report:** COR-FSD-18-02

## **Region of Waterloo**

### **Corporate Services**

### **Financial Services and Development Financing**

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**To:** Chair Sean Strickland and Members of the Administration and Finance Committee

**Date:** March 20, 2018

**File Code:** F27-50

**Subject:** 2017 Development Charge Transaction Report

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#### **Recommendation:**

For Information

#### **Summary:**

The collection of development charges in the Region of Waterloo is governed by the Region's Development Charge (RDC) By-law 14-046 which came into effect on August 1, 2014. An amending By-law (16-053), that introduced a development charge for Waste Management and amended the rate for Transit, came into effect on January 1, 2017. This report presents the annual summary of development charge transactions as required by the Development Charges Act. A copy will be available on the Region's website.

#### **Report:**

#### **Background**

The "Development Charges Act, 1997" ("The DCA"), enables the Council of a municipality to, by by-law, impose development charges against land to pay for increased capital costs due to the increased need for services arising from development of the area to which the by-law applies. The collection of development charges in the Region of Waterloo is governed by the Region's Development Charge (RDC) By-law 14-046 which came into effect on August 1, 2014. RDC By-law 16-053, which amended the Transit charge and introduced a Waste Management charge, came into effect January 1<sup>st</sup> 2017.

Development charges are collected by the area municipalities on behalf of the Region at the time of issuance of a building permit. The funds are remitted to the Region on a monthly basis and allocated to reserve funds, which in turn are used to fund approved capital expansion projects in the following areas: Transportation, Airport, Water & Wastewater, Police, General Government (including Administration and Regional Growth Management Strategy), Operations/Facilities, Library, Transit, Paramedic Services, and effective January 1<sup>st</sup>, 2017, Waste Management.

The DCA requires the preparation of an Annual Report, the requirements of which include:

- Identify all assets whose capital costs were funded by DCs and, for each asset, identify costs which were funded by other sources
- Include a statement as to the municipality's compliance in not imposing directly or indirectly, a charge related to a development or requirement to construct a service related to development, except as permitted by the DCA or another Act
- The report must be available to the public
- The report must be submitted to the Ministry of Municipal Affairs if requested by the Minister

All of the above requirements will be met by the Region through this report.

### **Development Charge Reserve Fund Balances**

The consolidated Regional Development Charge Reserve Fund (RDC Fund) started the year with a combined balance of \$66.4 million. Contributions to the RDC Fund from collections, community housing grants, interest and funded exemptions and discounts totaled \$58.6 million. Appropriations for capital projects, debt service and prior oversized project recoveries totaled \$79.6 million resulting in a 2017 closing balance of \$45.4 million. Although the position of the consolidated RDC reserves remains positive, there are indications that current development charge collections and rates may not be sufficient to fund the anticipated growth related capital investments. This will be addressed further in the Annual Adequacy of Regional Development Charge Collections Review report to be submitted to the Administration and Finance Committee in April.

The continuity of each specific reserve fund is detailed in Appendix A. The continuity of the consolidated RDC Reserve Fund for all services for 2017, along with a comparison to 2016, is set out in the table below:

**Table 1**  
**RDC Reserve Fund Continuity**

	<u>2016</u>	<u>2017</u>
<b>Opening Balance</b>	<b>52,327,059</b>	<b>66,408,591</b>
<b>Add Contributions:</b>		
Collections	77,655,319	53,724,564
Community Housing Grants	120,711	455,903
Exemptions/Discounts	2,993,021	5,545,184
Less: Unfunded Exemptions		(2,444,031)
Interest Earned	1,301,139	1,335,891
	<b>82,070,190</b>	<b>58,617,511</b>
<b>Less Appropriations:</b>		
To Fund Debt Servicing Costs	6,732,746	11,694,796
To Fund Capital Projects	58,116,289	64,399,528
Repayments To Regional Reserves	3,139,623	3,548,630
	<b>67,988,658</b>	<b>79,642,954</b>
<b>Closing Balance</b>	<b>66,408,591</b>	<b>45,383,148</b>

To provide additional context and a historical comparison, the following table provides a four year continuity of total RDC reserve fund activities:

**Table 2**  
**Four Year Continuity of RDC Reserve Fund**

(\$000)	2014	2015	2016	2017
Opening balance	56,325	66,269	52,327	66,409
Add: contributions	60,753	45,831	82,070	58,618
Less: appropriations	(50,809)	(59,773)	(67,989)	(79,643)
Closing balance	66,269	52,327	66,409	45,383

## 2017 Contributions to RDC Reserves

### A) Collections:

Development charge collections in 2017 totaled \$53.7 million, of which \$41.2 million was attributable to residential development and \$12.5 million was for non-residential development (see Appendix B). The 2017 collections were approximately 31% lower than the 2016 collections of \$77.7 million. The 2016 collections were higher than usual largely due to the implementation of higher Education Development Charges in June 2016 and the implementation of the amending by-law for Transit and Waste Management in January 2017, both of which resulted in a significant increase in building permit activity in 2016.

Staff continue to closely monitor RDC collections and report regularly to the Administration and Finance Committee. Further details on Regional growth can be found in Report PDL-DPL-18-15, 2017 Building Activity and Growth Monitoring dated March 20, 2018 which will be considered by the Planning and Works Committee.

### B) Community Housing Grants

Under the Region's Affordable Housing Strategy, certain projects are eligible for a Community Housing RDC Grant. Community Housing RDC Grants totalling \$456,000 were issued in 2017. As prescribed by the DCA, grants to cover development charges cannot be funded from the Development Charge Reserve Fund and consequently must be funded from other sources, i.e. property taxes and user rates. The community housing RDC grants are funded from the Affordable Housing Development Reserve.

### C) Exemptions & Discounts

The DCA requires that any shortfall in development charge revenue resulting from discretionary development charge exemptions and discounts approved by Council be funded from sources other than higher charges on other development. The following exemptions are provided in the RDC By-law:

- 1) Downtown core exemption: Currently, full downtown core exemptions exist in Kitchener and Cambridge. Development in the core area of the City of Waterloo receives a 77% discount off the Transit RDC and 100% discount off the Waste Management DC. All Regional downtown core exemptions will expire on February 28, 2019.
- 2) Remediated Brownfield Site: an RDC exemption is provided in the amount of the eligible remediation costs to a maximum of the RDC payable.
- 3) Farming, community housing and public hospitals.
- 4) Since August 1, 2014 the Region has discounted the industrial RDC by 50% in

order to encourage new industrial development.

The total cost of development charge exemptions and discounts is financed from user rates and the property tax levy. As detailed in Report COR-FSD-17-33 dated November 22, 2017, Regional Council approved a strategy to fund downtown core area exemptions arising in 2017 that are in excess of 2017 budget (and those arising in 2018 and 2019 up to and including Feb 28, 2019) over a 10 year period. This strategy was implemented to better align the timing of core area exemption funding with the actual development of the sites, to preserve the Region's reserve balances and reduce overall financial risk to the Region while complying with the intention of the DCA given the potential for significant increases in building permit activity within the core areas and the resulting exemption costs with the pending expiry of the core area exemption on Feb 28, 2019. Accordingly, \$2.4 million of "unfunded" downtown core area exemptions in 2017 will be transferred to the development charge reserves at \$244,000 per year over the 2018-2027 timeframe.

Table 3 provides a summary of exemptions & discounts applied in 2017.

<b>Table 3 - 2017 Exemptions &amp; Discounts</b>					
	<b>Downtown Core Exemptions</b>	<b>Brownfield Exemptions</b>	<b>Industrial Discounts</b>		<b>Total</b>
Total Exemptions	\$3,774,848	\$430,135	\$1,340,201		\$5,545,184
Funded in 2017	1,330,817	430,135	1,340,201		3,101,153
Funded 2018-2027	\$2,444,031	\$0	\$0		\$2,444,031

A total of \$3.1 million of the exemption and discount costs were funded in 2017 with \$2.2 million coming from property taxes and \$0.9 million from User Rate Reserves. The remaining \$2.4 million will be funded from the applicable property tax and user rate sources over the 2018-2027 timeframe.

## 2017 Development Charge Appropriations

### A) To Fund Debt Servicing Costs

In 2017, appropriations to fund eligible growth-related debt servicing costs totaled \$11.7 million. The table below shows the 2017 debt servicing costs by project:

<b>\$ Million</b>	<b>Pre-2017 Debt Servicing Costs</b>	<b>2017 Debt Servicing Costs</b>	<b>Total</b>
<b>Water &amp; Wastewater</b>	<b>Funded in 2017*</b>	<b>Costs</b>	
Kitchener Process Upgrades		3.927	3.927
Waterloo Process Upgrades		3.254	3.254
Ayr Wastewater System		0.010	0.010
<b>Transit</b>			
Stage 1 Rapid Transit	0.400	2.800	3.200
King Victoria Transit Hub	0.610	0.223	0.833
Northfield Drive	0.143	0.077	0.220
<b>Police</b>			
200 Frederick St.		0.030	0.030
<b>Paramedic Services</b>			
Kitchener Station	0.150	0.071	0.221
<b>Total</b>	<b>1.303</b>	<b>10.392</b>	<b>11.695</b>

\* Relates to debt servicing costs funded from property tax and user rate sources prior to 2017 that are eligible for development charge funding

### B) To Fund Capital Projects

Appropriations to fund capital projects in 2017 totaled \$64.4 million with slightly over 90% related to growth related projects in Transportation and Water Services. Appendix C provides a detailed list of the projects funded for each service area.

### C) Repayments To Regional Reserves

A total of \$3.5 million was transferred from the RDC Reserves for Water, Wastewater, Police, Paramedic Services and Waste Management to user rate (Water & Wastewater) and levy funded (all others) capital reserves. This represents a repayment from development charges for projects that were previously financed from tax levy and user rate sources and that qualify for RDC recoveries under RDC By-law 14-046 as amended.

### Statement of Compliance:

As required by the DCA, the Regional Municipality of Waterloo has not imposed directly or indirectly, a charge related to a development or requirement to construct a service related to development, except as permitted by the DCA or another Act.

**Corporate Strategic Plan:**

This report supports strategic objectives found in the Corporate Strategic Plan, and particularly Focus Area 1.2 - Plan for and provide the infrastructure and services necessary to create the foundation for economic success.

**Financial Implications:**

Development charges are used to fund a portion of the cost of growth-related capital works. Existing RDC Fund balances along with future RDC revenues will be utilized to fund approved capital projects as set out in each year's capital budget. Staff will submit the Annual Adequacy of Regional Development Charge Collections Review report to the Administration and Finance Committee in April. The purpose of that report is to assist Council in determining the sufficiency of the development charge rates established under the current Development Charge By-law. Previous Adequacy Reports were submitted on October 27, 2015 (COR-FSD-15-17), April 12, 2016 (COR-FSD-16-10) and April 4, 2017 (COR-FSD-17-09).

**Other Department Consultations/Concurrence: Nil****Attachments:**

Appendix A – Reserve Fund Transactions by Service Category

Appendix B – Summary of Reserve Fund Transactions

Appendix C – Development Charge Appropriations to Fund Capital Projects

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**Approved By: Craig Dyer**, Commissioner, Corporate Services/Chief Financial Officer

**APPENDIX A**  
**The Regional Municipality of Waterloo**  
**Regional Development Charges**  
**2017 Reserve Fund Continuity**

Fiscal Year 2017	Transportation	Airport	Water & Wastewater	Police	General Government	Operations	Library	Transit	Paramedic Services	Waste Management	Total Fund
<b>Opening Balance</b> 01-Jan-17	19,539,969	211,462	43,351,848	751,695	(1,551,815)	3,325,413	22,845	140,963	616,211	0	<b>66,408,591</b>
<b>Contributions</b>											
Collections	24,827,682	786,492	18,267,364	691,295	291,667	325,913	53,739	7,710,753	248,659	521,001	<b>53,724,564</b>
Exemptions/Discounts	2,804,584	115,198	1,654,844	77,047	32,767	38,979		754,348	29,316	38,101	<b>5,545,184</b>
Less: Unfunded Exemptions	(1,689,188)		(754,843)								<b>(2,444,031)</b>
Community Housing Grants	201,666	4,906	158,127	5,701	2,372	2,577		73,021	2,024	5,508	<b>455,903</b>
Interest Earned	307,351	6,354	958,294	10,728	(58,894)	80,492	406	15,582	14,483	1,095	<b>1,335,891</b>
	<b>26,452,095</b>	<b>912,950</b>	<b>20,283,786</b>	<b>784,771</b>	<b>267,912</b>	<b>447,961</b>	<b>54,145</b>	<b>8,553,704</b>	<b>294,482</b>	<b>565,705</b>	<b>58,617,511</b>
<b>Appropriations</b>											
Debt Service			7,191,034	29,977				4,252,653	221,132		<b>11,694,796</b>
Capital Projects	40,089,279	810,865	18,143,308	698,870	672,750	447,530	66,324	3,295,359		175,243	<b>64,399,528</b>
Repayments to Regional Reserves			2,466,802	672,821					109,007	300,000	<b>3,548,630</b>
	<b>40,089,279</b>	<b>810,865</b>	<b>27,801,144</b>	<b>1,401,668</b>	<b>672,750</b>	<b>447,530</b>	<b>66,324</b>	<b>7,548,012</b>	<b>330,139</b>	<b>475,243</b>	<b>79,642,954</b>
<b>Closing Balance</b> 31-Dec-17	<b>5,902,785</b>	<b>313,547</b>	<b>35,834,490</b>	<b>134,798</b>	<b>(1,956,653)</b>	<b>3,325,844</b>	<b>10,666</b>	<b>1,146,655</b>	<b>580,554</b>	<b>90,462</b>	<b>45,383,148</b>



## APPENDIX B

**The Regional Municipality of Waterloo  
Regional Development Charges**

**Summary of Reserve Fund Transactions**

Fiscal Year 2017	Residential			Non-Residential			Total		
	Residential Collections	Residential Exemptions/ Discounts	Total	Non-Residential Collections	Non-Residential Exemptions/ Discounts	Total	Total Collections	Total Exemptions / Discounts	Total
<b>Opening Balance*</b>									<b>66,408,591</b>
<b>Collections:</b>									
January	1,472,821	0	1,472,821	8,033	0	8,033	1,480,854	0	<b>1,480,854</b>
February	1,615,151	249,314	1,864,465	913,603	13,072	926,675	2,528,754	262,385	<b>2,791,140</b>
March	1,685,411	1,860,957	3,546,368	1,949,923	217,752	2,167,675	3,635,334	2,078,709	<b>5,714,043</b>
April	2,842,214	0	2,842,214	113,158	71,215	184,373	2,955,372	71,215	<b>3,026,587</b>
May	2,661,506	50,371	2,711,877	373,400	86,943	460,343	3,034,906	137,314	<b>3,172,220</b>
June	4,854,565	0	4,854,565	427,853	52,036	479,889	5,282,418	52,036	<b>5,334,454</b>
July	6,126,963	0	6,126,963	740,151	4,455	744,606	6,867,114	4,455	<b>6,871,569</b>
August	3,598,774	348,834	3,947,608	512,591	1,445,266	1,957,857	4,111,365	1,794,100	<b>5,905,465</b>
September	2,153,840	252,956	2,406,796	825,933	154,842	980,775	2,979,773	407,798	<b>3,387,571</b>
October	2,500,352	0	2,500,352	1,225,032	354,110	1,579,142	3,725,383	354,110	<b>4,079,494</b>
November	4,234,508	0	4,234,508	666,801	172,657	839,458	4,901,308	172,657	<b>5,073,965</b>
December	7,428,956	0	7,428,956	4,793,026	210,404	5,003,430	12,221,982	210,404	<b>12,432,385</b>
	41,175,059	2,762,432	43,937,492	12,549,504	2,782,752	15,332,256	53,724,564	5,545,184	<b>59,269,748</b>
<b>Community Housing Grants</b>									<b>455,903</b>
<b>Interest Earned</b>									<b>1,335,891</b>
<b>Less Unfunded Exemptions</b>									<b>(2,444,031)</b>
	41,175,059	2,762,432	43,937,492	12,549,504	2,782,752	15,332,256	53,724,564	5,545,184	<b>58,617,511</b>
<b>Appropriations</b>									
Debt Service									<b>11,694,796</b>
Capital Projects									<b>64,399,528</b>
Repayments To Regional Reserves									<b>3,548,630</b>
									<b>79,642,954</b>
<b>Closing Balance</b>									<b>45,383,148</b>
31-Dec-17									

<b>APPENDIX C - 2017 Development Charge Appropriations to Fund Capital Projects</b>					
	Expenditures 2017	Funding From RDC Reserves	Funding From Other Reserves	Debentures	Other Sources of Funding*
<b>TRANSPORTATION</b>					
05110 REG. RD. 55 (VICTORIA STREET), HWY 7 BRIDGE TO EDNA ST. (RR62)	17,991	17,991			
05274 REG. RD. 53 (FAIRWAY ROAD EXTENSION), W. OF ZELLER DR. TO FOUNTAIN ST.(RR17)	11,508	11,507			
05284 REG. RDS. 12 & 58, NEW DUNDEE RD. AT FISCHER-HALLMAN RD.	1,312	1,312			
05337 REG. RD. 8 (KING STREET), EAGLE ST. (RR39) TO FOUNTAIN ST. (RR8)	9,987,945	8,489,753	1,498,192		
05340 REG. RD. 69 (MANITOU DRIVE), BLEAMS RD. (RR56) TO WEBSTER RD.	573,852	487,774	86,078		
05389 REG. RD. 9 (ERB STREET), 100M EAST OF CAROLINE ST. (RR9) TO MENNO ST.	3,646	3,099	547		
05392 REG. RD. 17 (SAWMILL ROAD), CONESTOGO BRIDGE TO MUSSELMAN CR.	3,397,786	317,238	224,745		2,855,803
05393 REG. RD. 17 (FOUNTAIN STREET), KING ST. (RR8) TO HIGHWAY 401	27,781	6,125	21,656		
05416 REG. RD. 75 (ST. ANDREWS STREET), CAMBRIDGE BDRY. TO GRAND AVE. (RR76)	2,817,640	1,166,914			1,650,725
05420 REG. RD. 97 (CEDAR STREET), OSBORNE ST. TO CAMBRIDGE BDRY.	(10,329)	(451)	(9,878)		
05428 REG. RD. 6 (SNYDERS ROAD), 0.32KM E. OF NOTRE DAME DR. (RR12)	1,742,927	186,909			1,556,018

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	Expenditures 2017	Funding From RDC Reserves	Funding From Other Reserves	Debentures	Other Sources of Funding*
05431 REG. RD. 8 (KING STREET), PRINTERY RD. TO SAWMILL RD. (RR17)	3,371,995	350,188			3,021,807
05441 RR15 (KING) GEXR CROSSING-SUBWAY INSTALLATION	3,153,344	(545,561)	(446,368)		
05493 REG. RD. 12 (NOTRE DAME DRIVE), HWY. 7/8 TO CP RAIL - PETERSBURG	2,860,594	348,499			2,512,096
05549 REG. RD. 36 (FRANKLIN BOULEVARD), MYERS RD. (RR43) TO HWY. 401	7,138,344	7,138,344			
05657 REG. RD. 50 (WESTMOUNT ROAD S), GLASGOW ST. TO ERB ST. W. (RR9)	158,924	13,244	55,817		89,863
05680 REG. RD. 4 (OTTAWA STREET N), LACKNER BLVD. (RR54) TO HIGHWAY 7 EB RAMP	4,105,122	396,997	533,623		3,174,502
05743 REG. RD. 64 (CHARLES STREET), STIRLING AVE. S. TO PANDORA AVE.	13,549	13,549			
05752 REG. RD. 6 (HIGHLAND ROAD W) HIGHLAND HILLS MALL ENTRANCE. TO IRA NEEDLES BLVD.	155,472	155,472			
05757 RR1 (WILMOT-EASTHOPE RD) HURON ROAD TO HWY 7/8	290,342	37,745			252,598
05779 WATERLOO SPUR TRAIL	(297,797)	(297,797)			-1
05930 REG. RD. 70 (TRUSSLER ROAD), 110M N. OF HWY 401 TO CEDAR CREEK RD. (RR97)	1,124,806	70,300	437,614		616,892
05931 REG. RD. 70 (TRUSSLER ROAD), BRANT/WATERLOO RD. TO GREENFIELD RD.	818,983	92,136	53,987		672,860
06265 REG. RD. 15 (KING ST), RAILWAY TRACKS TO CENTRAL ST.	4,972,897	486,049	2,009,171		3,775,250
06269 REG. RD. 9 (BRIDGEPORT ROAD) AT LANCASTER ST. (RR29)	2,214	2,214			

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	Expenditures 2017	Funding From RDC Reserves	Funding From Other Reserves	Debentures	Other Sources of Funding*
06433 REG. RD. 24 (AINSLIE STREET) EXTENSION	46,496	46,496			
06744 REG. RD. 53 (FAIRWAY ROAD), HWY 8 SB RAMP TO WILSON AVE.	92,190	92,190			
06745 RR52 (BRIDGE ST) S OF NORTHFIELD DR TO NORTHFIELD DR	485,839	485,839			
06753 RR52 (BRIDGE ST) LEXINGTON RD TO EASTBRIDGE BLVD	(1,946)	(1,946)			
06757 RR53 (FAIRWAY RD) WILSON AVE TO KING ST DRAINAGE	361	361			
06762 REG. RD. 28 (HOMER WATSON BLVD.), OTTAWA ST. S. (RR4) TO BLEAMS RD (RR56)	85,980	85,980			
06811 RR50 (WESTMOUNT RD) UNIVERSITY AVE TO COLUMBIA ST	10,617	10,617			
07066 REGIONAL TRANSPORTATION MASTER PLAN	221,676	221,676			
07074 GROWTH RELATED STUDIES AND DESIGN	180,240	180,239			
07087 REG. RD. 56 (RIVER ROAD EXTENSION), KING ST. (RR8) TO MANITOU DR.(RR69)	446,662	446,662			
07090 REG. RDS. 9 AND 50, ERB ST. AT WESTMOUNT RD.	1,092	1,092			
07097 DEVELOPMENT RELATED LEFT AND RIGHT TURN LANES TO BE IDENTIFIED	(179,984)	(179,985)			
07111 REG. RDS. 28 & 69, HOMER WATSON BLVD., CONESTOGA COLLEGE BLVD. TO MANITOU DR.	333,543	333,543			
07116 REG. RD. 38 (MAPLE GROVE ROAD), HESPELER RD. (RR24) TO FOUNTAIN ST.(RR17)	70,104	70,104			
07121 REG. RD. 58 (FISCHER-HALLMAN ROAD), BLEAMS RD. (RR56) TO OTTAWA ST.	899,954	899,954			

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	Expenditures 2017	Funding From RDC Reserves	Funding From Other Reserves	Debentures	Other Sources of Funding*
07122 REG. RD. 58 (FISCHER-HALLMAN ROAD), PLAINS RD. TO 500M S. OF BLEAMS RD.(RR56)	188,610	188,610			
07127 ACTIVE TRANSPORTATION MASTER PLAN	332	166	166		
07129 S. BOUNDARY ROAD, FRANKLIN BLVD.(RR36) TO DUNDAS ST.(RR8)	55,958	55,958			
07132 REG. RD. 36 (FRANKLIN BOULEVARD), MYERS RD. (RR43) TO CAMBRIDGE S.E. BOUNDARY RD.	2,389,042	2,389,042			
07145 REG. RD. 56 (BLEAMS ROAD) AT FISCHER HALLMAN RD.	328,361	328,361			
07158 TRANSPORTATION TOMORROW SURVEY	75,000	75,000			
07180 PRELIMINARY DESIGN AND POST CONSTRUCTION EXPENDITURES	234,563	234,563			
07192 S. BOUNDARY ROAD, WATER ST. (RR24) TO FRANKLIN BLVD.(RR36)	1,802,686	1,802,686			
07221 REG. RD. 58 (FISCHER-HALLMAN ROAD / BEARINGER ROAD), COLUMBIA ST. TO WESTMOUNT RD.	170,700	170,700			
07248 REG. RD. 17 AND REG. RD. 26, SAWMILL RD. AT ST. CHARLES ST.	141,298	141,298			
07252 RR75 (ST.ANDREWS ST) AT GRAND RIDGE DR, FOURTH AVE, SOUTHWOOD DR	155	155			
07253 GROWTH RELATED LAND DEDICATION SURVEYS AND PURCHASES	452	452			
07257 REG. RD. 22 (NORTHFIELD DRIVE), DAVENPORT RD. TO UNIVERSITY AVE.	118,471	118,471			

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	Expenditures 2017	Funding From RDC Reserves	Funding From Other Reserves	Debentures	Other Sources of Funding*
07258 REG. RD. 56 (BLEAMS ROAD), STRASBURG RD. TO FISCHER-HALLMAN RD. (RR58)	119,738	119,738			
07259 REG. RD. 57 (UNIVERSITY AVENUE), KEATS WAY TO ERB ST. (RR9)	91,987	91,987			
07282 RR 70 (IRA NEEDLES) HIGHVIEW TO ERB	692,843	692,843			
07294 REG. RD. 4 (OTTAWA STREET), HOMER WATSON BLVD (RR28) TO ALPINE RD.	6,908,902	6,908,902			
07299 EAST BOUNDARY ROAD CORRIDOR PROTECTION STUDY	69,904	69,904			
07303 REG. RD. 17 (FOUNTAIN STREET), MAPLE GROVE RD. TO KOSSUTH RD. (RR31)	1,134,195	1,134,195			
07321 RR70 (ERBSVILLE) AT COLUMBIA	732,441	732,441			
07327 REG. RD. 9 (ERB STREET), IRA NEEDLES BLVD. TO WILMOT LN.	631,411	631,411			
07331 REG. RD. 53 (FAIRWAY ROAD) AT WILSON AVE.	186	186			
07332 REG. RD. 4 (OTTAWA STREET), KING ST. (RR15) TO CHARLES ST. (RR64)	2,523,605	2,145,064	378,541		
07342 REG. RD. 8 (KING STREET) AT DEER RIDGE DR.	(96,318)	(96,318)			
07362 REG. RD. 1 (WATERLOO STREET) AT NAFZIGER RD. (RR5)	3,935	3,935			
07364 REG. RD. 51 (FOUNDRY STREET) AT GINGERICH RD. (RR6)	13,355	13,355			
07365 RR54 (LACKNER BLVD) FAIRWAY RD (RR53) TO ZELLER DR.	245,269	245,269			
07366 REG. RD. 70 (TRUSSLER ROAD) AT BRIDGE ST. (RR12)	19,320	19,320			
07372 BRIDGE ST / NEW DUNDEE RD AT TRUSSLER	16,098	16,098			

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07373 LEVEL 2 PEDESTRIAN CROSSOVER (PXO) IMPLEMENTATION PLAN	30,817	30,817			
07374 REG. RD. 17 (SAWMILL ROAD) AT CHARLES ST.,	16,098	16,098			
07380 REG. RD.51 (FOUNDRY STREET) AT GINGERICH RD.	16,098	16,098			
07386 REG. RD. 53 (FAIRWAY ROAD), PEBBLECREEK DR. TO LACKNER BLVD. (RR54)	102,202	102,202			
07440 SEPARATED BIKE LANE PILOT STUDY	32,526	32,526			
07441 REG. RD. 71 (DICKIE SETTLEMENT ROAD) AT ROSEVILLE RD. (RR46)	1,424	1,424			
09025 GROWTH RELATED TRAFFIC SIGNAL MODERNIZATIONS	13,950	13,950			
<b>TOTAL TRANSPORTATION</b>	<b>67,959,286</b>	<b>40,089,279</b>	<b>4,843,891</b>	<b>0</b>	<b>20,178,413</b>
<b>REGION OF WATERLOO INTERNATIONAL AIRPORT</b>					
03518 PROPERTY ACQUISITION/OBSTACLE REMOVAL	60,755	6,076	54,680		
03544 SANITARY FORCEMAIN SERVICING	21,385	9,623	11,762		
03579 PARKING LOT EXPANSION	883,518	795,167	88,352		
<b>TOTAL REGION OF WATERLOO INTERNATIONAL AIRPORT</b>	<b>965,658</b>	<b>810,865</b>	<b>154,794</b>	<b>0</b>	<b>0</b>

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	Expenditures 2017	Funding From RDC Reserves	Funding From Other Reserves	Debentures	Other Sources of Funding*
<b>WATER &amp; WASTEWATER</b>					
04001 GROUNDWATER MODELLING	8,147	2,118	6,029		
04005 MOE SOURCE WATER ASSESSMENT	81,275	8,131	23,143		50,000
04014 INTEGRATED URBAN SYSTEM GROUNDWATER SUPP	200,966	200,966			
04015 WATERLOO NORTH WATER SUPPLY SYSTEM	28,311	28,311			
04021 WILMOT CENTRE WELLFIELD STANDBY WELL-BNH	3,704	1,433	2,270		
04024 MANNHEIM WTP RMP SUPERNATANT	202,089	50,724	151,365		
04082 WATERMAIN UPGRADES	1,522,509	395,852	1,126,657		
04083 NEW WATERMAINS	669,590	669,590			
04090 W&E RESEARCH & DEVELOPMENT PROJECT	64,000	32,538			31,462
04097 WATER SUPPLY UPGRADES	155,987	40,557	115,430		
04124 SOURCE PROTECTION PLANNING & PROGRAMMING	401,428	104,371	297,056		
04125 SOURCE PROTECTION TECHNICAL ASSESSMENT	1,258,927	327,321	931,606		
04135 WELL OPTIMIZATION & UPGRADES	213,332	55,466	157,866		
04149 GW/SW ASSESSMENTS	34,996	9,099	25,897		
04156 KITCHENER ZONE(S) 2/4 DISTRIBUTION UPGRADE	74,020	74,020			
04159 ASSET MANAGEMENT	657,914	171,058	486,857		
04160 WILLIAM ST & K41/K42 CLASS EA	246,062	61,762	184,300		
04161 KITCHENER ZONE 4 FEEDER UPGRADES	2,367,974	2,330,852			37,122



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	Expenditures 2017	Funding From RDC Reserves	Funding From Other Reserves	Debentures	Other Sources of Funding*
04165 CLEAN WATER ACT IMPLEMENTATION	129,510	32,126	91,434		5,950
04167 TURNBULL PS UPGRADES	32	8	24		
04170 MONITORING SYSTEM MANAGEMENT	378,375	98,377	279,997		
04171 MANNHEIM PLATE SETTLERS UPGRADES	26,672	6,695	19,977		
04173 CONESTOGA PLAINS AND WEST MONTROSE SYSTEM	3,476,344	872,562	2,603,781		
04178 WEBER ST - CONNECTION KITCHENER TO WATER	96,003	96,003			
04181 CAMBRIDGE WATER DISTRIBUTION UPGRADES	602,803	151,304	451,500		
04183 RESIDENTIAL WATER EFFICIENCY INITIATIVES	157,898	157,898			
04184 CONNECTION OF NEW WELLS TO WATER SUPPLY	220,881	57,429	163,452		
04186 MANNHEIM RESERVOIR INLET PIPING UPGRADES	3,887,185	1,010,668	2,876,517		
04864 WATER EFFICIENCY - ICI PROGRAMS	204,515	204,515			
04893 FACILITIES UPGRADES	5,452,902	1,417,235	4,033,667		2,000
04903 PS & RESERVOIR DECOMMISSIONING	227,004	59,021	167,983		
04904 LTWS ASR STAGES 1 + 2	64,820	64,820			
04911 REGULATORY REQUIREMENTS UPGRADES	284,381	73,939	210,442		
04943 WATER EFFICIENCY-OUTDOOR WATER USE	168,748	168,538			210
04969 SCADA COMMUNICATION UPGRADE	535,145	139,138	396,007		
08242 HESPELER EXPANSION	3,413,177	3,413,177			

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	Expenditures 2017	Funding From RDC Reserves	Funding From Other Reserves	Debentures	Other Sources of Funding*
08270 BIOSOLIDS MASTERPLAN UPDATE	566,378	148,957	417,421		
08278 LABORATORY - UPGRADE & EXPANSION	17,094	4,496	12,598		
08279 SCADA SYSTEM	3,939,278	1,036,030	2,903,248		
08281 RIVER SAMPLING PROGRAM	305,939	80,462	225,477		
08288 OTHER STUDIES	18,447	4,852	13,596		
08289 GALT PROCESS UPGRADES & EXPANSION	628,264	174,657	453,607		
08302 EAST SIDE FINAL PS & FORCE MAIN	3,808	3,808			
08305 WASTEWATER TREATMENT UPGRADES	212,559	55,903	156,656		
08307 KITCHENER & WATERLOO INFRASTRUCTURE UPGRADES	2,281,417	569,553	1,699,582		12,282
08308 CAMBRIDGE INFRASTRUCTURE UPGRADES	1,577,909	394,477	1,183,432		
08309 RURAL INFRASTRUCTURE UPGRADES	1,247,081	510,005	727,872		9,204
08310 SEWAGE PSS INFRASTRUCTURE UPGRADES	78,616	20,676	57,940		
08317 BADEN/NEW HAMBURG EXPANSION	471,979	471,979			
08322 COGENERATION & OTHER BIOSOLIDS UPGRADES	626,713	164,825	461,887		
08323 PRESTON TREATMENT UPGRADES	1,041,751	227,102	814,649		
08324 SOUTHERN AYR WASTEWATER SYSTEM	3,842,133	633,133		3,209,000	
08327 WASTEWATER ASSET MANAGEMENT	744,868	193,666	551,202		
08328 KITCHENER WWTP INFLUENT CHANNEL TWINNING	299,312	81,413	217,899		

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	Expenditures 2017	Funding From RDC Reserves	Funding From Other Reserves	Debtentures	Other Sources of Funding*
08750 RURAL WATER QUALITY PROGRAM	250,000	65,750	184,250		
08779 WASTEWATER MASTER PLAN UPDATE	186,057	186,057			
08797 KITCHENER PROCESS UPGRADES	44,819,240		5,194,302	32,618,000	
08809 WATERLOO PROCESS UPGRADES	4,520,777	527,882	1,066,927		1,703,051
<b>TOTAL WATER &amp; WASTEWATER</b>	<b>95,197,246</b>	<b>18,143,308</b>	<b>31,145,802</b>	<b>35,827,000</b>	<b>1,851,281</b>
<b>WATERLOO REGIONAL POLICE</b>					
50022 REPLACEMENT OF NORTH DIVISION	23,892	9,557			
50043 RENOVATION OF INVESTIGATIVE SERVICE UNIT	83,457	14,552		193,205	68,602
50045 WRPS VOICE RADIO INFRASTRUCTURE	4,381,567	674,761		5,691,840	
50046 200 FREDERICK ST	4,257,360			4,370,000	
<b>TOTAL WATERLOO REGIONAL POLICE</b>	<b>8,746,276</b>	<b>698,870</b>	<b>0</b>	<b>10,255,045</b>	<b>68,602</b>
<b>GENERAL GOVERNMENT</b>					
22007 MUNICIPAL COMPREHENSIVE REVIEW	221,926	199,733			8,982
22021 SUB-WATERSHED STUDIES	492,387	443,148			14,193
60005 RDC BY-LAW REVIEW	5,663	5,096	567		
60032 RDC BY-LAW APPEAL	27,525	24,772	2,753		
<b>TOTAL GENERAL GOVERNMENT</b>	<b>747,501</b>	<b>672,750</b>	<b>3,320</b>	<b>0</b>	<b>23,175</b>

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	Expenditures 2017	Funding From RDC Reserves	Funding From Other Reserves	Debtentures	Other Sources of Funding*
<b>OPERATIONS</b>					
90076 KITCHENER TRANSIT TERMINAL SECURITY	96,478	15,147	81,331		0
90109 WATERLOO REGIONAL VOICE RADIO SYSTEM	534,055	81,825		431,200	0
66067 VOICE RADIO UPGRADE/REPLACEMENT	4,552,695	350,558		2,500,960	2,276,347
<b>TOTAL OPERATIONS</b>	<b>5,183,228</b>	<b>447,530</b>	<b>81,331</b>	<b>2,932,160</b>	<b>2,276,347</b>
<b>LIBRARY</b>					
20002 LIBRARY HOLDINGS ACQUISITIONS	65,556	59,000	6,556		0
20009 OTHER BRANCH FURNISHINGS	8,137	7,324	814		0
<b>TOTAL LIBRARY</b>	<b>73,693</b>	<b>66,324</b>	<b>7,370</b>	<b>0</b>	<b>0</b>
<b>TRANSIT</b>					
66008 VEHICLE ADDITIONS CONVENTIONAL	9,004,870	1,666,802	3,068	2,835,000	4,500,000
66029 IXPRESS STATION DEVELOPMENT	1,121,696	287,750	75,083		343,993
66059 CARD FARE PAYMENT TECHNOLOGY	2,743,152	246,884	199,371		
66071 ADVANCED TRANSIT TECHNOLOGY	763,021	68,672	694,349		
66079 NORTHFIELD DRIVE CONSTRUCTION	2,139,921	395,885			1,214,005
66088 CAMBRIDGE CENTRE TERMINAL	349,552	129,334			
66090 UW TRANSIT PLAZA	190,421	35,228			134,149

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	Expenditures 2017	Funding From RDC Reserves	Funding From Other Reserves	Debentures	Other Sources of Funding*
66091 RT STATION INTEGRATION	1,068,362	395,294			
66092 FAIRVIEW MALL TERMINAL	375,731	69,510			190,257
<b>TOTAL TRANSIT</b>	<b>17,756,726</b>	<b>3,295,359</b>	<b>971,871</b>	<b>2,835,000</b>	<b>6,382,404</b>
<b>WASTE MANAGEMENT</b>					
01004 CURBSIDE SERVICE LEVEL CHANGES	494,082	58,527	356,555		79,000
01084 MATERIALS RECYCLING CENTRE	236,359	29,536	33,327		
01104 CAMBRIDGE TRANSFER BUILDING UPGRADE	425,477	59,992	0	498,000	
01106 CAMBRIDGE COMPOST PAD EXPANSION	130,138	18,350	73,569		
01186 WATERLOO SCALE SYSTEM & BUILDING	62,684	8,838	53,846		
<b>TOTAL WASTE MANAGEMENT</b>	<b>1,348,740</b>	<b>175,243</b>	<b>517,297</b>	<b>498,000</b>	<b>79,000</b>
* May include grants & subsidies and other third party financing					
( ) Indicate that funding has been returned to the Reserve in 2017					
Note: Total Funding in 2017 may not equal total expenditures in 2017 in some instances due to the timing of debenture issuance and transfers					