Present were: Chair T. Galloway, L. Armstrong, T. Cowan*, D. Craig, R. Deutschmann, J. Haalboom, B. Halloran, R. Kelterborn, G. Lorentz, C. Millar, J. Mitchell, K. Seiling, S. Strickland, J. Wideman and C. Zehr

Members absent: J. Brewer

CLOSED SESSION

MOVED by C. Zehr
SECONDED by J. Wideman

THAT a closed meeting of Regional Council and the Budget Committee be held on Wednesday, December 5, 2012 at 12:30 p.m. in the Waterloo County Room, in accordance with Section 239 of the Municipal Act, 2001, for the purposes of considering the following subject matters:

a) potential litigation and advice subject to solicitor-client privilege related to proposed or pending acquisition of land in the City of Kitchener
b) potential litigation and advice subject to solicitor-client privilege related to proposed or pending acquisition of land in the City of Kitchener
c) receiving of legal advice and opinion that is subject to solicitor-client privilege related to an agreement
d) labour relations and receiving of legal advice and opinion that is subject to solicitor-client privilege related to a legal agreement

CARRIED

MOTION TO RECONVENE INTO OPEN SESSION

MOVED by C. Millar
SECONDED by L. Armstrong

THAT the meeting reconvene into Open Session.

CARRIED

DECLARATIONS OF PECUNIARY INTEREST UNDER THE MUNICIPAL CONFLICT OF INTEREST ACT

None declared.
OPENING REMARKS

Chair Galloway provided opening remarks. He proposed an additional public input session to be scheduled in January 2013. In light of the various Budget scenarios presented today, Committee would like to provide the public the opportunity to comment on them.

MOVED by S. Strickland
SECONDED by K. Seiling

THAT an additional Budget Public Input meeting be held on January 9, 2013 at 7 p.m.

CARRIED

Committee concurred that the Budget meeting scheduled for January 16, 2013 will start at 1 p.m. instead of 3 p.m.

PRESENTATIONS

a) Grand River Conservation Authority (GRCA)

J. Mitchell, Chair, Grand River Conservation Authority, provided introductory remarks and indicated GRCA has been working closely with the Region for a budget that considers the needs of both the GRCA and the Region.

Joe Farwell, Chief Administrative Officer, and Keith Murch, Assistant Chief Administrative Officer / Secretary-Treasurer, provided a power point presentation highlighting the watershed issues, Water Management Plan, and projects and initiatives under the new 2012 Strategic Plan. They provided an overview of the GRCA budget issues and reviewed the major budget assumptions including:

- Reduction to Ministry of Natural Resources grant’s for base programs;
- Increase of 2-3% applied to most user fees; and
- Most expenses expected to increase by approximately 2-3%.

Capital budget overview
- Detailed expenditure breakdown
- Detailed revenue breakdown
- 2013 Budget summary: Base programs operating, base programs capital and special projects
- General Municipal Levy for 2013 and the Region’s portion.

A copy of the presentation is attached to the original minutes.

In response to an inquiry, K. Murch explained the surplus carry forward.

b) 2013 User Rate Budgets

Craig Dyer, Chief Financial Officer, delivered a power point presentation. A copy is attached to the original minutes.

He reviewed the proposed Council Resolutions for: User Rates, Water, Wastewater, Retail Water and Wastewater.
MOVED by K. Seiling
SECONDED by R. Kelterborn

Water Supply

THAT the Regional Municipality of Waterloo approve for Water Supply, the 2013 Operating Budget, the 2013 Capital Budget and the 2014-2022 Capital Forecast.

THAT the Regional Municipality of Waterloo approve a Regional Water Rate of $0.8884 per cubic metre effective March 1, 2013 and that the necessary by-law be introduced.

Wastewater Treatment

THAT the Regional Municipality of Waterloo approve for Wastewater Treatment, the 2013 Operating Budget, the 2013 Capital Budget and the 2014-2022 Capital Forecast.

THAT the Regional Municipality of Waterloo approve a Regional Wastewater Rate of $0.8109 per cubic metre effective March 1, 2013 and that the necessary by-law be introduced.

Water Distribution

THAT the Regional Municipality of Waterloo approve for the Retail Water Distribution System, the 2013 Operating Budget, the 2013 Capital Budget and the 2014-2022 Capital Forecast.

THAT the Regional Municipality of Waterloo approve a Retail Water Rate of $1.84 per cubic metre effective March 1, 2013 and that the necessary by-law be introduced.

THAT the Regional Municipality of Waterloo approve a monthly maintenance fee of $6.00 per account for the customers connected to the Retail Water Distribution System effective March 1, 2013 and that the necessary by-law be introduced.

Wastewater Collection

THAT the Regional Municipality of Waterloo approve for the Retail Wastewater Collection System, the 2013 Operating Budget, the 2013 Capital Budget and the 2014-2022 Capital Forecast.

THAT the Regional Municipality of Waterloo approve a Retail Wastewater Rate of $1.58 per cubic metre effective March 1, 2013 and that the necessary by-law be introduced.

THAT the Regional Municipality of Waterloo approve a monthly maintenance fee of $4.00 per account for the customers connected to the Retail Wastewater Collection System effective March 1, 2013 and that the necessary by-law be introduced.

THAT the Regional Municipality of Waterloo approve an increase of 7.9% to the flat annual rate that is currently being charged per residential connection and per commercial/industrial connection for the users of the Wastewater Collection System that do not have a water meter installed effective March 1, 2013 and that the necessary by-law be introduced.

CARRIED
c) **2013 Property Tax Budget**

F-12-104 Executive Summary – Budget 2013

Committee continued with C. Dyer’s presentation. C. Dyer advised that the 2013 Base Budget had been reduced to 1.9% 2013 Tax Rate Impact including Rapid Transit Master Plan (RTMP). That change was attributed to minor changes on expenditures and revenues on the Base Budget; as well as the estimated assessment growth increase to 1.70%. He noted that the final assessment growth percentages will be provided for the January Budget meeting.

C. Dyer reviewed the following:
- Recommended Operating Budget Issues - including Ontario Works Discretionary Benefits
- Recommended Capital/One-Time Budget Issues
- Budget Issues Summary: He noted that total tax rate impact of recommended Budget Issue Papers is 0.50%
- 2.40% tax rate position including RTMP and new issues, not including Waterloo Regional Police Services

In response to an inquiry, C. Dyer explained the staff recommended increase to the Capital Levy Reserve Fund contribution of an additional $380,000 for 2013. Staff was requested to provide a 5 year summary of contributions approved for the Capital Levy Reserve Fund.

As previously directed by Committee, C. Dyer explained that the Region’s Corporate Leadership Team (CLT) prepared options for Committee’s consideration with respect to reductions to the 2013 tax supported operating budget as follows (as appended to staff report):
- Appendix B – 2% tax rate impact
- Appendix C – 1.5% tax rate impact
- Appendix D – 1% tax rate impact

It was noted that a 1% reduction is equal to $4.05 million.

C. Dyer noted the general principles used to develop the options:
- minimizing the impact on the community and the organization
- balancing the reductions between the various Regional programs
- remaining consistent with objectives of the Region’s Strategic Plan

Chair Galloway pointed out that staff was not recommending these options, rather this was a specific request by Committee to come back with scenarios.

C. Dyer explained the various scenarios. Staff responded to questions from Committee on the potential impacts such as: Waste Management rural transfer stations, service and blue box fees, shingle diversion pilot program; Regional staff and attrition; Grand River Transit iXpress summer service, text message fees for route status, and UPass; grass cutting under 3.10; and infill street lighting.

The following requests were made by Councillors:
- Waste Management staff to provide the Municipal comparators for service fees; usage/volume of rural stations; and the travel distance for rural residents to other transfer stations.
List of the roads projects deferred with respect to 1.2 Roads Long Terms Financial Strategy.

Committee continued with C. Dyer’s presentation.

C. Dyer reviewed the following relating to the Waterloo Regional Police Services budget:

- Yearly Percentage levy increase from 2005-2011
- 2013 preliminary levy increases and tax rate impacts

C. Dyer directed members to the remaining budget information papers as follows:

- Response to Committee’s requests
- Ontario Works Monthly Caseload
- 2013 Social assistance costs and tax stabilization reserve fund projection
- Reserve and reserve fund projections
- Budget Schedule

The following Budget Information Papers were received for information:

- Fees & Charges By-Law
- Responses to Councillors’ Requests
- Provincial Uploading
- 2013 Social Assistance Costs and Tax Stabilization Reserve Fund Projection
- Discretionary Benefits
- Reserve and Reserve Funds
- Memorandum from D. Arnold, Regional Solicitor Re: Police Services Act Provisions Regarding Council Approval of Police Services Board Operating and Capital Estimates

Committee recessed at 2:47 p.m. and reconvened at 3:00 p.m.

d) **Ontario Works Discretionary Benefits Information Paper**

David Dirks, Director, Employment and Income Support, provided an overview of the Ontario Works Discretionary Benefits program and the programs and services that it provides. *A copy of this presentation is attached to the original minutes.* He highlighted the Issue Paper levels of service; 2011 expenditures; the impacts without regional contribution ($0) and with the staff recommended level ($1.15M). D. Dirks reviewed the staff recommendations for service reduction and increase of Regional spending, services that may not be provided. He indicated that the Region is in the preliminary stages and staff is collecting information and consulting the public and 2013 will be a transition year.

Staff responded to questions from Councillors with respect to the Community Homelessness Prevention Initiative (CHPI) and last month’s rent policy; evictions and utilities disconnects; combining travel programs; language interpreters for office visits; drug and dental benefits.

The following requests were made by Councillors:

- Planning staff to inquire if community housing providers would be open to eliminating the requirement for last month’s rent.
- Social Services staff to pursue the possibility of combining the travel benefits to create a new program for the Employment and Income Support programs.

- To provide scenarios of funding at $1.15 million, $1.5 million, $2 million and $2.5 million for the next Budget meeting.

- To arrange a report from the Community Advisory Committee regarding the Ontario Works Discretionary Benefits.

- To report back on what other municipalities are doing and where their funding is allocated.

*T. Cowan entered the meeting during the discussion regarding the Waterloo Regional Police Services.

e) **Waterloo Regional Police Services**

Matthew Torigian, Chief, Waterloo Regional Police Services (WRPS), provided introductory comments on the WRPS Budget explaining that it was tabled to the WRPS Board (PSB) in November. At that time, they were requested to come back with reduction scenarios. A revised budget was tabled today with scenarios for the Boards review.

Joseph Steiner, Finance Director, provided a power point presentation. A copy is attached to the original minutes. He reviewed the breakdown of the budget including: Salaries & Benefits; Facilities and Fleet operating costs; purchases services fees and rents; materials, supplies, uniforms and training; financial expenses; and equipment purchases and IT replacement reserve. He also provided information regarding the following:

- Top 6 Cost Drivers which contribute 93% of gross Operating Expenses
- 2012 Court/overtime summary, 2002-2012 plus adjustments for 2013
- Per PSB meeting December 5, 2012, the updated Police Net Levy Increase 2012 to 2013 is 7.31% and the tax rate impact is 1.75%

Chief Torigian reviewed the four budget reductions scenarios which are attached to the original minutes. He responded to questions from members with respect to: attrition; incremental benefits from salaries; deferral of additional staff at the new court house; overtime management; software quantifying program; communications centre efficiencies; Elmira and New Hamburg division closure strategy; and proactive police time.

Chair Galloway and K. Seiling, as members of WRPS Board, provided some context to the WRPS budget considerations and process.

The Chief and Board members were thanked for the work they have done to come forward with this budget. The Chief advised that the WRPS Board meets on January 9, 2013 to finalize the budget.
f) **Budget summary**

C. Dyer providing closing remarks about the Regional budget indicating that the direct Regional portion has a 2.4% tax rate and 4.15%, including the current WRPS budget, would be the starting point for the next Budget meeting.

**CORRESPONDENCE/INFORMATION**

*Letter from City of Kitchener* dated December 4, 2012 Re: Regional Brownfield Incentive Program

C. Zehr spoke about a City of Kitchener letter to Budget Committee with respect to Brownfields and indicated that more information would be coming forward on this issue.

Received for information

Committee adjourned at 5:27 p.m.

**COMMITTEE CHAIR, T. Galloway**

**COMMITTEE CLERK, J. Reid**
About the watershed

- Largest watershed in Southern Ontario
- 300 km long from Dundalk to Lake Erie
- Major tributaries: Conestogo, Speed, Eramosa, Nith
- Population: 985,000
- Rich agricultural region
Watershed issues

• Watershed population growing rapidly
  — rising 25% by 2031 to reach 1.2 million

• Extensive agriculture
  — 70% of land is farmed; factor in water quality

• Climate change could have major impact
  — More extreme events, e.g. floods, drought
Water Management Plan

• New water management plan will address critical issues:
  – Ensure sustainable water supplies
  – Reduce flood damage potential
  – Improve water quality
  – Build resiliency to deal with climate change

• Participating partners:
  – GRCA, municipalities, Canada, Ontario, First Nations
  – Ontario covering 50% of cost with grant of $903,000

• Target for completion: March 2013
GRCA Strategic Plan

New strategic plan approved in 2012

1. Protect life and minimize property damage
2. Improve watershed health
3. Connect people with the environment
4. Organizational focus on teamwork, development and engagement
5. Deliver value and innovation
2013 budget issues

• Municipal funding constraints

• Demand for GRCA services remains high

• Fixed labour costs
  – Union collective agreement runs to end of 2013
  – OMERS pension plan rate increase

• Provincial grants cut
  – Operating grants frozen in 1995 at $950,000
  – Permanently reduced $80,500 (8.5%) in 2012
  – Dam and dike capital program cut 50% for two years
  – Source Protection funding winding down
Response to budget issues

• Managing staff costs
  – leaving some positions open (e.g. leaves, retirements)
  – reassigning staff to fill some vacancies

• Renegotiated hydro price at Conestoga Dam
  – higher rate now indexed to inflation

• Developing new hydro site in Cambridge
  – $900,000 annual revenue when operating (about 2016)

• Conestogo Dam spillway project
  – working with province to reduce size and cost of project
  – expect it will be much less than anticipated $20 million

• Major fundraising campaign underway
  – ‘Your River, Your Life’ supports key projects
to reduce impact on levy, e.g. trails, restoration projects
Budget overview

• **2013 expenditures: $28.3 million**
  – Down from $32.8 million in 2012

• **Municipal dollars highly leveraged**
  – $1 in municipal levy matched by $2 from other sources

• **Per capita municipal levy: $10.20**
Grand River Conservation Authority
Budget 2013 Timetable

Five Year Plan
✓ July 27, 2012 Five Year Forecast, General Membership
✓ Oct-Dec, 2012 Meet with Municipal Staff as required

2013 Budget
✓ Sept 13, 2012 Special Budget Meeting, General Membership
✓ Nov 23, 2012 First Draft, General Membership
• Jan 25, 2013 Second Draft, General Membership
• Jan 25, 2013 Municipalities advised of Meeting Date for Budget Approval
• Feb 28, 2013 Third Draft & Board Approval, 2013 Budget & Levy (AGM)

(Presentations to municipal councils between Nov 2012 and Feb 2013 as required)
2013 Budget Expenditures = $28.3 Million ($32.8 Million in 2012)
2013 Budget - Sources of Revenue

Total 2013 Budget Revenue = $28.3 Million ($32.8 Million in 2012)
GRCA 2013 Budget - Major Assumptions

GRANTS – REDUCTION TO MNR GRANTS FOR BASE PROGRAMS

- MNR Operating Grants reduced by 8.5% to $871,000
- Water and Erosion Control Infrastructure (WECI) Grants to continue. Expect $700,000 (50% for eligible projects)
- New “Showcasing Water Innovation” Grant of $400,000 ($903,000 over three years) for Water Management Plan
- Source Protection Grants reduced by 75% to $644,000 (based on reduced activity)

SELF-GENERATED REVENUE – INCREASES OF 2 - 3% APPLIED TO MOST USER FEES

- Conservation Area User Fees to increase by approximately 3% to $6,755,000 (under review)
- Property Rental Income to increase by 2% to $3,076,000 (2013 Residential Rent Control Guideline is 2.5%)
- Outdoor Education (Schools) income held constant at $729,000 (Under review in light of cancelled contracts)
- Hydro Generation Income held constant at $450,000
- Permit and Inquiry Fees increased by 3% to $371,000, Planning Fees to held constant at $350,000
- Investment Income $350,000 (mostly applied to Reserves)

EXPENSES – MOST ITEMS EXPECTED TO INCREASE BY APPROXIMATELY 2 - 3%

- Programs unchanged from prior year; no new positions, some vacancies left unfilled
- Insurance expenses estimated to increase by 2% to $418,000
- Property Tax expense estimated to increase by 2% to $541,000
- Salaries and Wages to increase by 2%, OMERS to increase by 1%+
- Motor Pool and Computer charge-out rates increased by 2% (not increased in 2012)
- Increases of between 0% and 3% have been applied to various general expenses
GRCA 2013 Budget – CAPITAL

WATER MANAGEMENT CAPITAL: $1.8 Million
- Drimmie Dam (Elora) reconstruction may be delayed until 2013 (50% Grant, 33% General Levy, 17% Special Levy)
- Other 2013 still under discussion with MNR (dependent on 50% WECI Grants)
- Conestogo Dam Emergency Spillway – expected to begin in 2014-2015 (50% Grant, 50% General Levy). Total Cost will depend on Provincial Standards which are under review. Levy can be spread over 10-year period if required

CONSERVATION AREA CAPITAL: $622,000
- No large projects to be undertaken in 2013
- Ongoing Maintenance and Repairs to Roads, Buildings and Equipment 2013 (funded from Conservation Area Revenue)

OTHER: $345,000
- Routine maintenance and replacement of equipment in 2013 (Net Motor Pool, Information Technology, etc.)
- No significant Capital Expenditures required at Administration Centre in 2013
- Guelph Lake Nature Centre to be replaced in future years (to be funded by Grand River Conservation Foundation donations)
2013 Budget – Detailed Expenditure Breakdown

Operating + Capital Expenditures

- Watershed Management and Flood Control: $9,092,000
- Recreation: $6,777,600
- Conservation Land Mgmt: $4,024,250
- Admin & Support Services: $3,166,372
- Stewardship: $2,733,400
- Education: $984,600
- Source Protection: $644,600
- Communications: $566,700
- Other: $345,365
### 2013 Budget – Detailed Revenue Breakdown

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal Levy &amp; Other</td>
<td>$10,794,000</td>
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<tr>
<td>Cons Areas User Fees</td>
<td>$6,755,255</td>
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<tr>
<td>Property Rentals</td>
<td>$3,076,320</td>
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<tr>
<td>Government Grants</td>
<td>$2,748,647</td>
</tr>
<tr>
<td>Forestry/Nursery/Restoration</td>
<td>$956,000</td>
</tr>
<tr>
<td>Planning Fees</td>
<td>$730,800</td>
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<tr>
<td>Nature Ctrs User Fees</td>
<td>$729,000</td>
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<tr>
<td>Hydro Gen</td>
<td>$450,000</td>
</tr>
<tr>
<td>Land Sales</td>
<td>$450,000</td>
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<tr>
<td>Donations</td>
<td>$384,000</td>
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<tr>
<td>Investment Income</td>
<td>$350,000</td>
</tr>
<tr>
<td>Other</td>
<td>$166,500</td>
</tr>
</tbody>
</table>

Note: Funding from Reserves not included
## GRCA Budget 2013 Summary

### Total Expenditures

<table>
<thead>
<tr>
<th></th>
<th>2012 Budget</th>
<th>2013 Budget</th>
<th>Incr (Decr)</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Total &quot;Base&quot; Operating</td>
<td>22,424,686</td>
<td>22,976,922</td>
<td>552,236</td>
<td>2.5%</td>
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<tr>
<td>B Total &quot;Base&quot; Capital</td>
<td>4,777,200</td>
<td>2,767,365</td>
<td>(2,009,835)</td>
<td>-42.1%</td>
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<tr>
<td>C Total Special Programs</td>
<td>5,572,000</td>
<td>2,590,600</td>
<td>(2,981,400)</td>
<td>-53.5%</td>
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<tr>
<td><strong>Grand Total</strong></td>
<td><strong>32,773,886</strong></td>
<td><strong>28,334,887</strong></td>
<td><strong>(4,438,999)</strong></td>
<td><strong>-13.5%</strong></td>
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</tbody>
</table>

### Total Revenue

<table>
<thead>
<tr>
<th></th>
<th>2012 Budget</th>
<th>2013 Budget</th>
<th>Incr (Decr)</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal General Levy</td>
<td>9,754,000</td>
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<td>Other Municipal Funding</td>
<td>1,040,000</td>
<td>750,000</td>
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<tr>
<td>Other Government Grants</td>
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<td>2,668,147</td>
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<td>Self-Generated Revenue</td>
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<td>13,628,375</td>
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<td>Funding From Reserves</td>
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<td>1,244,365</td>
<td>(861,835)</td>
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<tr>
<td><strong>Grand Total</strong></td>
<td><strong>32,773,886</strong></td>
<td><strong>28,334,887</strong></td>
<td><strong>(4,438,999)</strong></td>
<td><strong>-13.5%</strong></td>
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## Section A: BASE PROGRAMS – OPERATING

<table>
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<tr>
<th>BASE PROGRAMS</th>
<th>2012 Budget</th>
<th>2013 Budget</th>
<th>Incr (Decr)</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Watershed Management and Other</td>
<td>12,767,100</td>
<td>13,088,250</td>
<td>321,150</td>
<td>2.5%</td>
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<td>Conservation Areas</td>
<td>5,970,400</td>
<td>6,155,600</td>
<td>185,200</td>
<td>3.1%</td>
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<tr>
<td>Corporate Services and Communications</td>
<td>3,687,186</td>
<td>3,733,072</td>
<td>45,886</td>
<td>1.2%</td>
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<td><strong>Total Base Operating Expenditures</strong></td>
<td>22,424,686</td>
<td>22,976,922</td>
<td>552,236</td>
<td>2.5%</td>
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<tr>
<td><strong>Sources of Funding</strong></td>
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<td></td>
<td></td>
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<tr>
<td>Municipal General Levy</td>
<td>8,654,000</td>
<td>9,044,000</td>
<td>390,000</td>
<td>4.5%</td>
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<tr>
<td>Municipal Special Levy</td>
<td>50,000</td>
<td>50,000</td>
<td>-</td>
<td>0.0%</td>
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<tr>
<td>Government Grants</td>
<td>1,004,047</td>
<td>923,547</td>
<td>(80,500)</td>
<td>-8.0%</td>
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<td>Self-Generated</td>
<td>12,291,225</td>
<td>12,535,375</td>
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<td>Reserves</td>
<td>124,000</td>
<td>124,000</td>
<td>-</td>
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<td>Surplus Carried Forward</td>
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<tr>
<td><strong>Total Base Funding</strong></td>
<td>22,424,686</td>
<td>22,976,922</td>
<td>552,236</td>
<td>2.5%</td>
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## Section B: BASE PROGRAMS – CAPITAL

<table>
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<tr>
<th>BASE PROGRAMS</th>
<th>2012 Budget</th>
<th>2013 Budget</th>
<th>Incr (Decr)</th>
<th>% Change</th>
</tr>
</thead>
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<tr>
<td><strong>Capital Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Contr. Structures, Gauges, FF&amp;W</td>
<td>3,495,000</td>
<td>1,800,000</td>
<td>(1,695,000)</td>
<td>-48.5%</td>
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<tr>
<td>Conservation Areas</td>
<td>972,000</td>
<td>622,000</td>
<td>(350,000)</td>
<td>-36.0%</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>310,200</td>
<td>345,365</td>
<td>35,165</td>
<td>11.3%</td>
</tr>
<tr>
<td><strong>Total Base Capital Expenditures</strong></td>
<td>4,777,200</td>
<td>2,767,365</td>
<td>(2,009,835)</td>
<td>-42.1%</td>
</tr>
<tr>
<td><strong>Sources of Funding</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Municipal General Levy</td>
<td>1,100,000</td>
<td>1,000,000</td>
<td>(100,000)</td>
<td>-9.1%</td>
</tr>
<tr>
<td>Municipal Special Levy</td>
<td>245,000</td>
<td>-</td>
<td>(245,000)</td>
<td>-100.0%</td>
</tr>
<tr>
<td>Government Grants</td>
<td>1,525,000</td>
<td>700,000</td>
<td>(825,000)</td>
<td>-54.1%</td>
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<tr>
<td>Self-Generated</td>
<td>622,000</td>
<td>622,000</td>
<td>-</td>
<td>0.0%</td>
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<tr>
<td>Reserves</td>
<td>1,285,200</td>
<td>445,365</td>
<td>(839,835)</td>
<td>-65.3%</td>
</tr>
<tr>
<td><strong>Total Base Capital Funding</strong></td>
<td>4,777,200</td>
<td>2,767,365</td>
<td>(2,009,835)</td>
<td>-42.1%</td>
</tr>
</tbody>
</table>
### GRCA Budget 2013

#### Section C: SPECIAL PROJECTS

<table>
<thead>
<tr>
<th>Special Project</th>
<th>2012 Budget</th>
<th>2013 Budget</th>
<th>Incr (Decr)</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grand River Water Management Plan</td>
<td>725,000</td>
<td>725,000</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td>Rural Water Quality Program Capital Grants</td>
<td>745,000</td>
<td>700,000</td>
<td>(45,000)</td>
<td>-6.0%</td>
</tr>
<tr>
<td>Acquisition of Conservation Lands</td>
<td>300,000</td>
<td>300,000</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td>Source Protection Program</td>
<td>2,627,000</td>
<td>644,600</td>
<td>(1,982,400)</td>
<td>-75.5%</td>
</tr>
<tr>
<td>Other</td>
<td>1,175,000</td>
<td>221,000</td>
<td>(954,000)</td>
<td>-81.2%</td>
</tr>
<tr>
<td><strong>Total Special Projects Expenditures</strong></td>
<td>5,572,000</td>
<td>2,590,600</td>
<td>(2,981,400)</td>
<td>-53.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sources of Funding</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Provincial Grants for Source Protection</td>
<td>2,627,000</td>
<td>644,600</td>
<td>(1,982,400)</td>
<td>-75.5%</td>
</tr>
<tr>
<td>Other Municipal and Government Grants</td>
<td>1,646,000</td>
<td>1,100,000</td>
<td>(546,000)</td>
<td>-33.2%</td>
</tr>
<tr>
<td>Self-Generated</td>
<td>602,000</td>
<td>171,000</td>
<td>(431,000)</td>
<td>-71.6%</td>
</tr>
<tr>
<td>Funding from Reserves</td>
<td>697,000</td>
<td>675,000</td>
<td>(22,000)</td>
<td>-3.2%</td>
</tr>
<tr>
<td><strong>Total Special Projects Funding</strong></td>
<td>5,572,000</td>
<td>2,590,600</td>
<td>(2,981,400)</td>
<td>-53.5%</td>
</tr>
</tbody>
</table>
### General Municipal Levy for 2013

<table>
<thead>
<tr>
<th>% CVA in Watershed (Modified)</th>
<th>2012 CVA</th>
<th>CVA-Based Apportionment</th>
<th>2013 Budget Operating Levy</th>
<th>2013 Budget Capital Levy</th>
<th>2013 Budget Total Levy</th>
<th>Actual 2012 Levy</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brant County</td>
<td>84.0%</td>
<td>4,617,533,532</td>
<td>3,878,728,167</td>
<td>3.2%</td>
<td>293,369</td>
<td>32,438</td>
<td>325,807</td>
</tr>
<tr>
<td>Brantford C</td>
<td>100.0%</td>
<td>10,463,287,288</td>
<td>3,878,728,167</td>
<td>8.8%</td>
<td>791,393</td>
<td>87,505</td>
<td>878,898</td>
</tr>
<tr>
<td>Amaranth Twp</td>
<td>82.0%</td>
<td>524,239,751</td>
<td>429,876,595</td>
<td>0.4%</td>
<td>32,514</td>
<td>3,595</td>
<td>36,109</td>
</tr>
<tr>
<td>East Garafraxa Twp</td>
<td>80.0%</td>
<td>424,800,459</td>
<td>339,840,367</td>
<td>0.3%</td>
<td>25,704</td>
<td>2,842</td>
<td>28,546</td>
</tr>
<tr>
<td>E. Luther Gr. Valley Twp</td>
<td>100.0%</td>
<td>269,736,422</td>
<td>269,736,422</td>
<td>0.2%</td>
<td>20,402</td>
<td>2,256</td>
<td>22,658</td>
</tr>
<tr>
<td>Melancthon Twp</td>
<td>56.0%</td>
<td>383,738,117</td>
<td>214,893,345</td>
<td>0.2%</td>
<td>16,254</td>
<td>1,797</td>
<td>18,051</td>
</tr>
<tr>
<td>Southgate Twp</td>
<td>6.0%</td>
<td>621,370,612</td>
<td>37,282,237</td>
<td>0.0%</td>
<td>2,820</td>
<td>312</td>
<td>3,132</td>
</tr>
<tr>
<td>Haldimand County</td>
<td>41.0%</td>
<td>2,142,930,186</td>
<td>162,081,208</td>
<td>1.8%</td>
<td>18,051</td>
<td>17,926</td>
<td>17,926</td>
</tr>
<tr>
<td>Norfolk County</td>
<td>5.0%</td>
<td>6,849,908,097</td>
<td>342,495,405</td>
<td>0.3%</td>
<td>25,905</td>
<td>2,864</td>
<td>28,110</td>
</tr>
<tr>
<td>Halton Region</td>
<td>10.1%</td>
<td>25,597,001,757</td>
<td>2,590,480,178</td>
<td>2.2%</td>
<td>195,932</td>
<td>21,664</td>
<td>217,596</td>
</tr>
<tr>
<td>Hamilton City (estimated)</td>
<td>4.7%</td>
<td>61,580,520,579</td>
<td>2,894,284,467</td>
<td>2.4%</td>
<td>218,910</td>
<td>24,205</td>
<td>243,115</td>
</tr>
<tr>
<td>Oxford County</td>
<td>37.9%</td>
<td>2,740,204,877</td>
<td>1,038,320,934</td>
<td>0.9%</td>
<td>78,534</td>
<td>8,684</td>
<td>87,218</td>
</tr>
<tr>
<td>North Perth T</td>
<td>2.0%</td>
<td>1,352,147,366</td>
<td>27,042,947</td>
<td>0.0%</td>
<td>2,045</td>
<td>226</td>
<td>2,271</td>
</tr>
<tr>
<td>Perth East Twp</td>
<td>40.0%</td>
<td>1,178,065,309</td>
<td>471,226,124</td>
<td>0.4%</td>
<td>35,641</td>
<td>3,941</td>
<td>39,582</td>
</tr>
<tr>
<td>Waterloo Region</td>
<td>100.0%</td>
<td>67,801,126,946</td>
<td>67,801,126,946</td>
<td>56.7%</td>
<td>5,128,155</td>
<td>567,023</td>
<td>5,695,177</td>
</tr>
<tr>
<td>Centre Wellington Twp</td>
<td>100.0%</td>
<td>3,363,737,426</td>
<td>3,363,737,426</td>
<td>2.8%</td>
<td>254,417</td>
<td>28,131</td>
<td>282,548</td>
</tr>
<tr>
<td>Erin T</td>
<td>49.0%</td>
<td>1,826,926,994</td>
<td>895,194,227</td>
<td>0.7%</td>
<td>67,708</td>
<td>7,487</td>
<td>75,195</td>
</tr>
<tr>
<td>Guelph C</td>
<td>100.0%</td>
<td>17,535,610,051</td>
<td>17,535,610,051</td>
<td>14.7%</td>
<td>1,326,310</td>
<td>146,651</td>
<td>1,472,961</td>
</tr>
<tr>
<td>Guelph Eramosa Twp</td>
<td>100.0%</td>
<td>1,940,913,189</td>
<td>1,940,913,189</td>
<td>1.6%</td>
<td>146,801</td>
<td>16,232</td>
<td>163,033</td>
</tr>
<tr>
<td>Mapleton Twp</td>
<td>95.0%</td>
<td>1,029,462,977</td>
<td>977,989,828</td>
<td>0.8%</td>
<td>73,971</td>
<td>8,179</td>
<td>82,150</td>
</tr>
<tr>
<td>Wellington North Twp</td>
<td>51.0%</td>
<td>1,149,887,565</td>
<td>586,442,658</td>
<td>0.5%</td>
<td>44,356</td>
<td>4,904</td>
<td>49,260</td>
</tr>
<tr>
<td>Puslinch Twp</td>
<td>75.0%</td>
<td>1,776,574,094</td>
<td>1,332,430,571</td>
<td>1.1%</td>
<td>100,779</td>
<td>11,143</td>
<td>111,922</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td>218,253,452,399</td>
<td>119,573,869,559</td>
<td>100.00%</td>
<td>9,044,000</td>
<td>10,044,000</td>
</tr>
</tbody>
</table>
The Grand River Conservation Authority is a partnership of 39 municipalities created to manage water and natural resources for the benefit of the 960,000 residents of the Grand River watershed. The Strategic Plan, adopted in 2012, outlines the challenges facing the GRCA and the watershed, and the actions the GRCA will take to address them.
The issues
Flooding is a persistent problem in the Grand River watershed and it will never go away. The changes that have been made to the land – cutting down forests, draining wetlands, paving large swaths of land, tile-draining rural areas – guarantee that flooding will continue.

It is possible to manage flood risks to reduce the chances of human injury and property damage. The GRCA does this by operating a network of dams and dikes to control high flows, managing flow monitoring stations and a flood warning system, and regulating development in areas prone to flooding and erosion.

The challenges
- Climate change may alter traditional precipitation patterns – bigger rainstorms, faster melts – which could require changes in reservoir operating procedures and other elements of the flood management program.
- Vital institutional knowledge about flooding history and management has to be maintained as key personnel retire.
- Reliable sources of funding to maintain infrastructure have to be identified and priorities for investment have to be established.
- Decision-making tools and policies need to be updated to reflect new information and take advantage of new technology.

Strategic priorities
1. Complete safety plans for dikes and dams.
2. Update the capital financing plan for water structures.
3. Review and document decision support tools.
4. Update GRCA permit policies, procedures and mapping (Ontario Regulation 150/06).
5. Develop a five-year forecast to update floodplain maps.
The issues
A healthy environment is a key component of healthy communities. The Grand River watershed suffered severe environmental degradation in the 19th and 20th centuries although there has been considerable progress in the past 50 years to improve the health of the natural system. Today, population growth, climate change and intensive agriculture are putting additional stress on the system.

The GRCA and its partners carry out programs to improve surface and groundwater quality, ensure adequate water supplies, enhance the resilience of the natural system by restoring terrestrial and aquatic ecosystems and protect these systems through the municipal planning process.

The challenges
• The watershed is a natural management unit but responsibility for water issues is divided among several agencies including the GRCA, municipalities, the province and the federal government.
• Watershed residents expect improvements in water quality but these changes can take time.
• The process of developing sub-watershed plans is ad hoc and driven by development needs, rather than being done on a comprehensive basis.

Strategic priorities
1. Complete and implement a Water Management Plan in partnership with other water management agencies.
2. Develop a Watershed Natural Heritage Strategy for protecting and enhancing natural areas and their functions, including their role as habitat for a variety of plant and animal species.
3. Consolidate and update the components of a larger Watershed Plan that includes management strategies for water, fisheries, forests, wetlands and other watershed features.
The issues

The essence of the GRCA is partnership. It was created by municipalities to address their environmental issues. The GRCA also works closely with provincial authorities as well as universities, community groups, environmental organizations and others.

Building and maintaining those partnerships is important to the GRCA. About one-third of the GRCA’s funding comes from municipalities and about 10 per cent from the province; it’s important that the GRCA be able to demonstrate that it is a financially sustainable and transparent partner. And, because the majority of the GRCA’s revenue is self-generated, it must continue to seek appropriate new business and revenue opportunities.

The challenges

- Austerity at the municipal and provincial level can put pressure on their ability to continue financing the GRCA at historical levels.
- The GRCA towns complex, valuable assets (e.g. dikes, natural lands) with insufficient funds for maintenance.
- Some assets are undervalued, high risk and subject to overuse and misuse.
- The designation of the Grand River system as a Canadian Heritage River, and the partnerships the GRCA has created through the International River Foundation, require ongoing management and attention in order to maximize the related opportunities.
- Because of the nature of the work it does, the GRCA has to promote its efforts directly with the province in order to strengthen the relationship.

Strategic priorities

1. Create a mentoring / leadership training program.
2. Identify and address gaps in documentation processes.
3. Update human resources policies to address emerging issues.
4. Continue to leverage emerging technology and provide appropriate training and support.

The issues

The GRCA may be one agency but it operates in a wide variety of areas: engineering, planning, land management, education, recreation, construction and others. Its workforce must be well-trained, flexible, innovative, adaptable and capable of working in multidisciplinary teams committed to meeting public needs.

As a large and innovative conservation authority, the GRCA is often on the leading edge of adopting new methods and technologies. To maintain that position it needs to recruit, train and keep a top-notch workforce. It also has to maintain business continuity in critical public safety functions such as flood management and reservoir operations.

The challenges

- Staff recruitment can be an issue as many of the skills required by the GRCA are also in high demand among other public and private agencies.
- A high number of experienced, senior staff members are nearing retirement. Succession planning and mentoring are needed to develop the next generation of staff.
- There is a growing reliance on sophisticated information management tools and technology to deliver programs and services.

Strategic priorities

1. Create a mentoring / leadership training program.
2. Identify and address gaps in documentation processes.
3. Update human resources policies to address emerging issues.
4. Continue to leverage emerging technology and provide appropriate training and support.
The Grand River is 300 kilometres long from the headwaters in the Dufferin Highlands to the mouth at Port Maitland on Lake Erie. There are four major tributary rivers – Speed, Eramosa, Nith and Conestogo – and many streams. It has an area of 6,800 square kilometres – larger than Prince Edward Island.

Population

There are about 960,000 people in the watershed. The population is projected to grow to 1.4 million by 2041. Most people live in the five cities of Kitchener, Waterloo, Cambridge, Guelph and Brantford.

Land use

The dominant land use is agriculture, with about 75 per cent of the land actively farmed. Urban areas make up less than five per cent of the watershed. Most of the remainder is forests, wetlands and other natural areas.

Water supplies

There are more than 50 municipal drinking water systems in 11 municipalities and the Six Nations Territory serving more than 80 per cent of watershed residents. About 69 per cent of the water comes from close to 200 municipal wells; about 28 per cent comes from the Grand and Eramosa rivers and about three per cent from the Great Lakes. Most rural residents get their water from private wells.

Sewage treatment

There are 30 municipal and First Nation sewage treatment plants discharging to the Grand River and its tributaries, serving about 85 per cent of the watershed's residents.
About the GRCA

The Grand River Conservation Authority is a partnership through which municipalities work cooperatively to manage the water and natural resources of the watershed for the benefit of all.

In the early 1800s, the Grand River was a source of transportation, power and water. Settlement led to deforestation, intensive farming and urbanization, which began to hinder the natural cycles of the river.

By the 1930s, river conditions had become so severe that annual floods, drought and pollution were affecting public health and the economic development of the communities up and down the Grand.

Watershed communities formed the Grand River Conservation Commission (GRCC), which met for the first time in 1934. It was Canada's first water management agency and one of the first in the world. It built dams, planted trees and undertook other work to repair the environmental damage.

The success of the commission, its watershed scope and municipal partnership became the model for Ontario, which passed the Conservation Authorities Act in 1946. In 1948, the Grand River watershed municipalities formed the Grand Valley Conservation Authority (GVCA) under this new act.

This new agency had the power to undertake activities the commission could not do. It acquired many wetlands, forests and natural areas as well as land for parks featuring camping, swimming, fishing and canoeing.

In 1966 the two agencies merged to form the Grand River Conservation Authority.

The GRCA carries out programs in seven business areas:

- Improve water quality
- Protect natural areas and biodiversity
- Ensure adequate water supplies
- Reduce flood damages
- Facilitate watershed planning
- Provide environmental education
- Supply outdoor recreation opportunities

GRCA facts

- The GRCA is administered by a board of 26 people appointed by municipalities.
- Its annual budget is about $31 million (2012) which comes from municipalities (30 per cent), the province (22 per cent), self-generated funds (42 per cent) and reserve accounts (six per cent).
- The contribution to the GRCA from municipalities works out to about $10.05 per person.
- The GRCA preserves about 20,000 hectares of land including reservoirs, floodplains, wetland, forests and other natural areas. That’s about three percent of the area of the watershed.
- The GRCA has helped thousands of landowners to plant more than 26 million trees.
- The GRCA operates seven dams and reservoirs which are used to reduce flood damage, and to ensure minimum flows during the summer and fall to support river health and the operation of drinking water and sewage treatment plants.
- The GRCA operates 11 active conservation areas offering camping, swimming, canoeing and other activities which record more than one million paid visits a year.
- The Grand River and its major tributaries were designated a Canadian Heritage River in 1994.
- In 2000 the GRCA won the Thiess International Riverprize in Brisbane, Australia for Excellence in River Management.
2013 Regional Budget

Region of Waterloo

December 5, 2012
Today's Agenda

- GRCA Presentation
- User Rate Budget Approvals
- 2013 Tax Supported Operating Budget
  - General update, budget reduction options, information papers, OW discretionary benefits
- Waterloo Regional Police Service
- Next Steps
2013 User Rate
Budgets
User Rates

• Water Rate
• Wastewater Rate
• Retail Water and Wastewater rates for North Dumfries and Wellesley
• Approval of User Rates effective March 1, 2013
User Rates

- User Rate Budgets submitted for approval
  - Water rate increase of 6.9%
  - Wastewater rate increase of 7.9%
  - Combined increase of 7.4%

- 2013 Operating expenditures = $72 m
- 10 year capital spending = $1.3 b
- 10 year debt financing = $86 m
User Rates

• Resources:
  • Preliminary Budget Book (pages 217-244)
    • Water rate model (page 234)
    • Wastewater rate model (page 238)
  • Information papers included in November 21 agenda package (pages 14 and 16)
  • Budget Issue Papers
    • Clean Water Act implementation (page 1)
    • Occupational Health and Safety Act (page 86)
Water

Region of Waterloo
• Water operating expenditures increasing by 3.4% in 2013
• Water 10 year capital program = $541 m
• 10 year debenture requirement = $13 m
• 2013 Average Annual Cost Per Household $188.96

• Rates developed through a 10 year setting model (preliminary budget book, page 234)

• Water Rate plan presented for 2013 calls for rate increase of 6.9% through 2013 then gradual reduction to 2.9% by 2017
• 2013 recommended water rate: +6.9%
• Provides flexibility for volume reductions
• Maintains low debt levels
• Best position to address future impacts
  • Clean Water Act
  • Master Water Supply Plan Update
COUNCIL RESOLUTIONS (p.1)

- Approve operating and capital budgets
- Approve water rate effective March 1, 2013
Wastewater

Region of Waterloo
Wastewater

• 2013 operating expenditures increasing by 10.6%

• Key cost drivers
  • Three new processes
    • Headworks and dewatering building (Waterloo)
    • UV disinfection (Kitchener)
    • Upgraded dewatering (Elmira)
  • Increasing electricity costs
  • New debt servicing costs
  • Biosolids contracts
Wastewater

- Wastewater 10 year capital program = $731 m

- 10 year debenture requirement = $73 m (down from $113 m in previous 10 year forecast)
• 2013 Average cost per household $172.21

• Wastewater rate plan presented for 2013 calls for rate increase of 7.9% until 2018 then to 5.9% in 2019

• Capital program continues to be the key cost driver for future Wastewater rate increases

• Rates developed through a 10 year rate setting model (Preliminary budget book, page 238)
Wastewater

• 2013 recommended wastewater rate: +7.9%
• Best position to address impacts from major capital program
• Lower debt levels
COUNCIL RESOLUTIONS (p.1)

- Approve operating and capital budgets
- Approve wastewater rate effective March 1, 2013
Retail Water and Wastewater

Region of Waterloo
Retail Water and Wastewater

- Retail Water and Wastewater rates for North Dumfries and Wellesley harmonized in 2008

- Retail water rate is recommended to increase by 9.9% in 2013 (same as planned in 2012)

- Retail rate increase required for wholesale water increase and to fund operating expenses on a sustainable basis
Retail Water and Wastewater

• Retail wastewater rate is recommended to increase by 7.9% in 2013 (same as planned in 2012)

• Retail wastewater rate increase is required for wholesale wastewater increase

• Additional information included in November 21 Agenda package (page 20) and the Preliminary Budget Book (page 244)
COUNCIL RESOLUTIONS (p.1 and p.2)

• Approve operating and capital budgets

• Approve user rates and monthly maintenance fees effective March 1, 2013
## User Rates

<table>
<thead>
<tr>
<th>Service</th>
<th>2012</th>
<th>2013</th>
<th>$ change</th>
<th>change</th>
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<tbody>
<tr>
<td>Water</td>
<td>$176.78</td>
<td>$188.96</td>
<td>$12.18</td>
<td>6.9%</td>
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<tr>
<td>Wasterwater</td>
<td>$159.61</td>
<td>$172.21</td>
<td>$12.60</td>
<td>7.9%</td>
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<tr>
<td>Average household impact</td>
<td>$336.39</td>
<td>$361.17</td>
<td>$24.78</td>
<td>7.4%</td>
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<tr>
<td>Retail water</td>
<td>$413.68</td>
<td>$458.67</td>
<td>$44.99</td>
<td>10.9%</td>
</tr>
<tr>
<td>Retail wastewater</td>
<td>$357.96</td>
<td>$382.57</td>
<td>$24.61</td>
<td>6.9%</td>
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</table>
2013 Property Tax Budget

Region of Waterloo
2013 Property Tax Budget Base Budget
Region of Waterloo
## 2013 Base Budget

<table>
<thead>
<tr>
<th></th>
<th>Oct. 24 meeting</th>
<th>Nov. 21 meeting</th>
<th>Dec. 5 meeting</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2013 Tax Rate Impact</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Base Budget Position, net of Administration Review savings</td>
<td>3.31%</td>
<td>3.30%</td>
<td>3.22%</td>
</tr>
<tr>
<td>Less: Impact of RTMP, net of upload and debt servicing savings</td>
<td>-0.18%</td>
<td>-0.18%</td>
<td>-0.18%</td>
</tr>
<tr>
<td>Less: Tax Impact of Assessment Growth</td>
<td>-0.89%</td>
<td>-1.08%</td>
<td>-1.14%</td>
</tr>
<tr>
<td>Revised Base Budget including RTMP</td>
<td><strong>2.24%</strong></td>
<td><strong>2.04%</strong></td>
<td><strong>1.90%</strong></td>
</tr>
</tbody>
</table>
History Of Assessment Growth

- 1.92%
- 2.35%
- 3.03%
- 3.29%
- 3.12%
- 2.99%
- 3.53%
- 2.62%
- 2.00%
- 1.84%
- 2.15%
- 1.85%
- 1.70%

*estimate
- Staff recommended funding: $2 m or 0.50% tax levy impact, including funding for Ontario Works Discretionary Benefits

- Some recommended issues have no tax levy impact as they are funded from RTMP Reserve Fund, User Rates, or Provincial Funding
Ontario Works Discretionary Benefits

- Staff report reviewed by Committee on November 6
- Range of scenarios and options was presented
- Staff recommendation is to add $1.15 m in funding, phased in over 2 years, using a one time $400,000 contribution from the Tax Stabilization reserve fund in 2013
  - 2013 levy impact = $750,000
  - 2014 levy impact = $400,000
## Budget Issues – Recommended Operating

<table>
<thead>
<tr>
<th>Issue</th>
<th>$ '000s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ontario Works Discretionary Benefits</td>
<td>750</td>
</tr>
<tr>
<td>EMS Master Plan Optimized Staffing Requirements</td>
<td>288</td>
</tr>
<tr>
<td>EMS Management Re-Organization</td>
<td>211</td>
</tr>
<tr>
<td>Capital Financing</td>
<td>380</td>
</tr>
<tr>
<td>AODA Compliance</td>
<td>238</td>
</tr>
<tr>
<td>Information Technology Services Staff Conversion</td>
<td>62</td>
</tr>
<tr>
<td>Diversity and Inclusion Initiative</td>
<td>60</td>
</tr>
<tr>
<td>Opportunities Waterloo Region</td>
<td>59</td>
</tr>
<tr>
<td>Total Tax Levy Impact</td>
<td>2,048</td>
</tr>
<tr>
<td>Implementation of RTMP</td>
<td>953</td>
</tr>
<tr>
<td>Clean Water Act Implementation</td>
<td>90</td>
</tr>
<tr>
<td>Healthy Babies Healthy Children</td>
<td>-</td>
</tr>
<tr>
<td>Sunnyside Community Alzheimer DP (Cambridge)</td>
<td>-</td>
</tr>
<tr>
<td>Facilities Capital Program Project Management</td>
<td>-</td>
</tr>
<tr>
<td>Implementation of Ontario Healthcare Reporting Standards</td>
<td>-</td>
</tr>
<tr>
<td>Total Recommended Operating Budget Issue Papers</td>
<td>$3,091</td>
</tr>
</tbody>
</table>
• If approved, would be added to the 2013 Capital 10 year program
• Funded by debentures and reserves
• Projects funded by debentures have a 2014 impact since debt financing will not occur until late 2013
• The ability to fund one-time issues from the Capital Levy Reserve Fund (i.e. items that cannot be debentured) is limited by the annual contribution to the Reserve Fund (currently at $640,000)
**Budget Issues – Recommended Capital/One-Time**

<table>
<thead>
<tr>
<th>Program</th>
<th>$'000s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Immigration Partnership</td>
<td>50</td>
</tr>
<tr>
<td>The Region's Comprehensive Approach to Poverty Reduction</td>
<td>63</td>
</tr>
<tr>
<td>Consolidated Homelessness Prevention Initiative (CHPI) Implementation</td>
<td>125</td>
</tr>
<tr>
<td>Diversity and Inclusion Initiative</td>
<td>86</td>
</tr>
<tr>
<td>AODA Compliance</td>
<td>157</td>
</tr>
<tr>
<td>Employee Portal Rebuild</td>
<td>50</td>
</tr>
<tr>
<td>Service Satisfaction Measurement and Action Program</td>
<td>109</td>
</tr>
<tr>
<td>Capital Levy funded in 2013</td>
<td>640</td>
</tr>
<tr>
<td>Implementation of RTMP</td>
<td>8,161</td>
</tr>
<tr>
<td>Clean Water Act implementation</td>
<td>735</td>
</tr>
<tr>
<td><strong>Total recommended One-Time/Capital</strong></td>
<td><strong>9,536</strong> *</td>
</tr>
</tbody>
</table>

*2013 capital impact only*
Budget Issues

• All issues are important, including issues which were not recommended

• All would be recommended if additional funding were available
Budget Issues

<table>
<thead>
<tr>
<th>Description</th>
<th>$</th>
<th>% tax impact</th>
<th>2013 Funding Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discretionary Benefits</td>
<td>$1,150,000</td>
<td>0.18%</td>
<td>Property Tax Levy ($750,000) and Tax Stabilization Reserve Fund ($400,000)</td>
</tr>
<tr>
<td>Other issue papers with operating impacts</td>
<td>$1,298,000</td>
<td>0.32%</td>
<td>Property Tax Levy</td>
</tr>
<tr>
<td>Issue papers of a capital or one time nature</td>
<td>$640,000</td>
<td>0.00%</td>
<td>Capital Levy Reserve Fund, which in turn is funded from the Property Tax Levy</td>
</tr>
</tbody>
</table>

- Total tax rate impact of recommended Budget Issue Papers is 0.50%
2013 Tax Rate Impact

<table>
<thead>
<tr>
<th>Description</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Budget Position, net of Administration Review savings</td>
<td>3.22%</td>
</tr>
<tr>
<td>Less: Impact of RTMP, net of upload and debt servicing savings</td>
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</tr>
<tr>
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<td>Add: Funding for Ontario Works Discretionary Benefits</td>
<td>+0.18%</td>
</tr>
<tr>
<td>Add: Provision for budget issues</td>
<td>+0.32%</td>
</tr>
<tr>
<td>2013 Budget - Direct Regional Programs</td>
<td>2.40%</td>
</tr>
</tbody>
</table>
• The 2.40% budget position does not include Waterloo Regional Police Services Budget impact

• A 2.40% increase adds approximately $40 to the Regional tax bill for a residential property assessed at $269,000
2013 Property Tax Budget Reduction Options
Budget Reduction Options

• At the November 21, 2012 Budget Committee meeting, staff were directed to develop options for reducing the tax impact of Regional Programs

• A 1% reduction = $4.05 m
The Region’s Corporate Leadership Team (CLT) met and developed the options that are attached to this report:

- Appendix B (options to achieve a 2.0% tax rate impact)
- Appendix C (additional options to achieve a 1.5% tax rate impact)
- Appendix D (additional options to achieve a 1.0% tax rate impact)
Budget Reduction Options

• General principles:
  • Minimizing the impact on the community and the organization
  • Balancing the reductions between the various Regional programs
  • Remaining consistent with objectives of the Region’s Strategic Plan

• Finding a balance between these often competing objectives is a challenge
2.0% tax rate impact – Appendix B

• Reduces the tax rate impact of Regional programs from 2.4% to 2.0% (budget reduction of $1.6 m)

• Options include:
  • Minimum fee at landfill sites
  • Removing 0.3% increase for LTFS (refer to November 21 budget information paper, page 30)
  • Housing provider subsidy budget adjustment
1.5% tax rate impact – Appendix C

- Further reduces the tax rate impact of Regional programs from 2.0% to 1.5% (budget reduction of just over $2 m)

- Options include:
  - Adjusting hours of operation at the Waterloo Regional Museum
  - Further GRT fare increases
  - Closing waste transfer stations
  - Reduced funding for a variety of external agencies
1.0% tax rate impact – Appendix D

- Further reduces the tax rate impact of Regional programs from 1.5% to 1.0% (budget reduction of just under $2 m)

- Options include:
  - Eliminating various waste diversion programs
  - GRT service reduction
  - Ending Region involvement in the Doors Open program
  - Roads related adjustments
• On November 7, 2012 the Police Services Board requested Police staff to bring back options for reducing the 2013 Police budget
• The PSB met this morning to review the proposed budget
• The Police Budget will be presented to Budget Committee today
Historical Levy Increases

2005-2012 Region and Police Budget Increases

<table>
<thead>
<tr>
<th>Year</th>
<th>Region</th>
<th>Police</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>0.00%</td>
<td>10.00%</td>
</tr>
<tr>
<td>2006</td>
<td>2.00%</td>
<td>8.00%</td>
</tr>
<tr>
<td>2007</td>
<td>4.00%</td>
<td>6.00%</td>
</tr>
<tr>
<td>2008</td>
<td>6.00%</td>
<td>4.00%</td>
</tr>
<tr>
<td>2009</td>
<td>8.00%</td>
<td>2.00%</td>
</tr>
<tr>
<td>2010</td>
<td>10.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>2011</td>
<td>12.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>2012</td>
<td>10.00%</td>
<td>0.00%</td>
</tr>
</tbody>
</table>
# 2013 Budget Analysis

<table>
<thead>
<tr>
<th>Property Tax Levy ($000's)</th>
<th>2012</th>
<th>2013</th>
<th>$ change</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Regional programs</td>
<td>$271,959</td>
<td>$286,294</td>
<td>14,335</td>
<td>5.27%</td>
</tr>
<tr>
<td>Police Services</td>
<td>$125,944</td>
<td>$138,484</td>
<td>12,539</td>
<td>9.96%</td>
</tr>
<tr>
<td>Total</td>
<td>$397,903</td>
<td>$424,777</td>
<td>26,874</td>
<td>6.75%</td>
</tr>
</tbody>
</table>
## 2013 Budget Analysis

### Property Tax Levy ($000's)

<table>
<thead>
<tr>
<th>Service</th>
<th>2012</th>
<th>2013</th>
<th>$ change</th>
<th>% change</th>
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</table>

### Tax bill for typical residence

<table>
<thead>
<tr>
<th>Service</th>
<th>2012</th>
<th>2013</th>
<th>$ change</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Regional programs</td>
<td>$ 1,137.26</td>
<td>$ 1,177.19</td>
<td>$ 39.93</td>
<td>3.51%</td>
</tr>
<tr>
<td>Police Services</td>
<td>$ 526.67</td>
<td>$ 569.42</td>
<td>$ 42.76</td>
<td>8.12%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 1,663.92</td>
<td>$ 1,746.61</td>
<td>$ 82.69</td>
<td>4.97%</td>
</tr>
</tbody>
</table>
### 2013 Budget Analysis

#### Property Tax Levy ($000's)

<table>
<thead>
<tr>
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</table>

#### Components of 2013 tax increase

<table>
<thead>
<tr>
<th></th>
<th>2013 tax bill impact</th>
<th>2013 tax rate change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Regional programs</td>
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</tr>
</tbody>
</table>
• User Fees and Charges - This paper lists specific user fees and charges that are proposed to change in 2013

• Some additional changes are being looked at and if necessary will be brought forward with the by-law in January
Regional Staffing

- Appendix A: Staff complement continuity from 1999 to 2013

- Appendix B: Analysis of funding sources of proposed new staff positions identified in Budget Issue Papers

- Appendix C: Detailed staffing complement continuity from 2012 to 2013, including Budget Issue Papers and Regional Library
Budget Information – Responses to Councillors’ Requests

- Summary of base budget changes
- Assessment growth
- Waste management diversion programs
- Police and EMS Tax Levies
- Provincial uploading
• Ontario Works (OW) caseload has increased 34% since September 2008
• Tax Stabilization Reserve Fund (TSRF) used to fund additional municipal costs during the upload period
• Three caseload scenarios developed by staff
• Tax Stabilization Reserve Fund is sufficient to fund additional OW costs through 2016, but with very little flexibility if caseload increases
The 2013 Base Budget under consideration includes $10.4 m for OW allowances and cost shared benefits:

- $6.8 m from the Tax Levy
- $3.6 m from TSRF

If caseloads or costs increase, the withdrawal from TSRF would increase.
Budget Information – Reserve and Reserve Fund Projections

• Established by Council for specific purposes

• Essential component of municipal long term financial planning....
  • mitigate significant fluctuations in tax rates and user rates caused by one time or emerging issues
  • source of funding for major capital projects
  • reducing need for long term borrowing or significant levy and user rate increases
  • flexibility to deal with fluctuating cash flows
Reserves and Reserve Funds are projected to decline by over 30% ($67.5 m) over the next 2 years.

Reserves should not be used to fund ongoing operating costs.
# Budget Schedule

## Purpose of the Budget Session

<table>
<thead>
<tr>
<th>Purpose of the Budget Session</th>
<th>Planned Date</th>
<th>Planned Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detailed Budget Review – Day Two</td>
<td>December 5, 2012</td>
<td>12:00 pm - 5:00 pm</td>
</tr>
<tr>
<td>- Associated Agencies (Police and GRCA)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Approval of User Rates</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Develop preliminary final position for 2013</td>
<td>January 16, 2013</td>
<td>3:00 – 6:00 pm</td>
</tr>
</tbody>
</table>

### Public Input – Budget Delegations
- December 5, 2012
- 6:00 pm

### Final Budget Approval
- January 16, 2013
- 3:00 – 6:00 pm

The Committee should consider starting the January 16, 2013 meeting earlier (if needed) and scheduling an additional public input session (possibly January 8 or 9).
Questions and Discussion
### 2013 Tax Rate Impact

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<thead>
<tr>
<th>Description</th>
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</tr>
<tr>
<td>2013 Budget - Direct Regional Programs</td>
<td>2.40%</td>
</tr>
<tr>
<td>Net Police Budget increase</td>
<td>1.75%</td>
</tr>
<tr>
<td><strong>Total Tax impact</strong></td>
<td><strong>4.15%</strong></td>
</tr>
</tbody>
</table>
PRESENTATION TO BUDGET COMMITTEE

December 5, 2012

David Dirks, Director
Employment & Income Support
PURPOSE

- Quickly set the context
- Review key points from Information Paper
- Respond to questions
BACKGROUND

• Building upon:
  ➢ Nov 6 Community Services Report
  ➢ Nov 21 Budget Issue Paper
  ➢ Nov 27 Community Survey Findings
  ➢ Dec 5 Budget Information Paper
  ➢ Reports concerning the Community Homelessness Prevention Initiative
TWO DRIVERS

• Elimination of the Community Start Up and Maintenance Benefit (Jan 1, 2013)

• Capping of Provincial cost sharing for discretionary benefits (July 1, 2012)
COMMUNITY CONSULTATION

• Endorsement of decision making & management principles
• Affirmation of the importance of the supports
• Identification of 5 top priorities
• However, this requires interpretation…..
RECOMMENDATION

- Comparators cost per case: $14.66

- Regional commitment of $1.15M above Provincial cap

- Gross expenditures of $3.617M
PRELIMINARY THINKING

Based upon Principles:

- Basic needs (food & shelter)
- An individual’s safety & health
- Use other resources first
- Develop specific criteria
- Recognize unique circumstances
PRELIMINARY THINKING (Cont’d)

• Estimate of $700.0 for last month’s rent

• 5 priority areas identified from survey

• And other areas need to be considered (eg., funerals, access, supports to disabled)
- Very much preliminary

- Levels of service:
  - 2011 expenditures
  - Without Regional contribution ($ 0)
  - With recommended level ($ 1.15M)

- Summary of complementary programs
AS YOU REVIEW

• Increased levels of funding

• Some services would end or be restricted (eg., purchase of furniture except mattresses and adult dental services)

• Limited capacity to support last month’s rent
• Will draw upon Energy programs

• Level of service from Funeral Directors unresolved

• Reduction in travel supports (e.g., drop-in, office visits)
• Restriction in orthotics to medically prescribed
• Caps to funding of hearing & mobility aids
• Funds for evictions & contingency
NEXT STEPS

• Continue analysis/receive input

• Work closely with Regional and community partners

• Policy/training/communication required

• 2013 is a transitional year
Waterloo Regional Police Service
2013 Proposed Budget
2012 Net Levy Budget: $125,944,325

Revenue, Recoveries & Provincial Grants: ($9,423,977)
Top Six Cost Drivers
$9,805,888 = 93% of Gross Operating Expenses

- Estimated Cola for 2012 & 2013 $3,635,003
- Grid Advancements 1,306,916
- Annualized Cost of 10 Spec. Cst’s 561,793
- Incremental Benefits from Salary 1,677,986
  Total Salary & Benefit Increase $7,181,698
- Overtime Increase to 11 Year Avg. 800,000
- OMERS Contribution Increase 775,000
- Financial Expenses (Capital Projects) 529,224
- Loss of PORF Funding (March 31/13) 315,000
- Communications (Telephone/WAN etc) 204,966
Note:
*2012 OT is projected at $3,400,000
2012 Budget for OT $2,043,500
Base Budget Continuity
2012 Approved to 2013 Adjusted

Approved Budget for 2012 $125,944,325

Add: Base Adjustments – Appendix A1 10,546,126

Add: Reduced Revenue Adjustment 269,730

Total Estimated Base Budget $136,760,181

2013 Estimated Tax Rate Impact is 2.14%
(Based on 1.7% Assessment Growth Apportionment)
## Base Budget + Expansion Continuity

### 2013 Adjusted Base to Current Estimated Total

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved Budget for 2012</td>
<td>$125,944,325</td>
</tr>
<tr>
<td>Add: Base Adjustments – Appendix A1</td>
<td>+ 10,546,126</td>
</tr>
<tr>
<td>Add: Reduced Revenue Adjustment</td>
<td>+ 269,730</td>
</tr>
<tr>
<td><strong>Total Estimated Base Budget</strong></td>
<td><strong>$136,760,181</strong></td>
</tr>
<tr>
<td>Add: Staffing Plan for 19 Civilians</td>
<td>+ 1,231,144</td>
</tr>
<tr>
<td>Add: Related Peripheral Equipment</td>
<td>+ 52,800</td>
</tr>
<tr>
<td>Add: Small Equipment Requests</td>
<td>+ 218,442</td>
</tr>
<tr>
<td>Add: Internet Design &amp; Implementation</td>
<td>+ 100,000</td>
</tr>
<tr>
<td><strong>Total Estimated Budget – Dec. 5th</strong></td>
<td><strong>$138,362,567</strong></td>
</tr>
</tbody>
</table>

2013 Estimated Tax Rate Impact is 2.54%
2013 Budget Reduction Scenarios
P.S.B. Meeting – December 5, 2012

Total Estimated Budget – Tabled Nov. 7th $138,483,618
Deduct: Miscellaneous Base Adjustments (121,051)
Total Estimated Budget – Tabled Dec. 5th $138,362,567

Deduct: Scenario 1 (326,955)

Deduct: Scenario 2 net of Amendments (2,888,083)
Total Estimated Budget (for discussion) $135,147,529

Net Levy Increase – 2012 to 2013 7.31%
Tax Rate Impact ($29.12 per household) 1.75%
<table>
<thead>
<tr>
<th>Category</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaried &amp; Benefits</td>
<td>$5,147,754</td>
<td>$6,305,289</td>
</tr>
<tr>
<td>Total Other Operating Expenses</td>
<td>155,788</td>
<td>185,110</td>
</tr>
<tr>
<td>Total Interdepartmental / Region</td>
<td>15,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Total Operating Budget for Courts</td>
<td>$5,318,542</td>
<td>$6,502,399</td>
</tr>
</tbody>
</table>

Budget Increase $1,183,957 being 22.26%
# 2011 Policing Net Operating Costs Per Capita (OMBI)

<table>
<thead>
<tr>
<th>Municipality</th>
<th>Net Policing Cost ($)</th>
<th>Population</th>
<th>Cost Per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Windsor</td>
<td>$88,349,948</td>
<td>210,891</td>
<td>$418.94</td>
</tr>
<tr>
<td>2 Toronto</td>
<td>$1,038,234,353</td>
<td>2,790,200</td>
<td>$372.10</td>
</tr>
<tr>
<td>3 Barrie</td>
<td>$43,817,646</td>
<td>141,000</td>
<td>$310.76</td>
</tr>
<tr>
<td>4 Sudbury (Greater)</td>
<td>$48,201,707</td>
<td>160,300</td>
<td>$300.70</td>
</tr>
<tr>
<td>5 Niagara</td>
<td>$129,235,413</td>
<td>445,363</td>
<td>$290.18</td>
</tr>
<tr>
<td>6 Ottawa</td>
<td>$262,307,169</td>
<td>927,118</td>
<td>$282.93</td>
</tr>
<tr>
<td>7 London</td>
<td>$97,345,762</td>
<td>366,150</td>
<td>$265.86</td>
</tr>
<tr>
<td>8 Hamilton</td>
<td>$139,460,135</td>
<td>531,057</td>
<td>$262.61</td>
</tr>
<tr>
<td>9 Durham</td>
<td>$150,021,487</td>
<td>636,915</td>
<td>$235.54</td>
</tr>
<tr>
<td>10 Waterloo</td>
<td>$127,675,506</td>
<td>553,000</td>
<td>$230.88</td>
</tr>
<tr>
<td>11 Halton</td>
<td>$113,021,960</td>
<td>493,045</td>
<td>$229.23</td>
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<tr>
<td>12 York</td>
<td>$245,663,883</td>
<td>1,085,588</td>
<td>$226.30</td>
</tr>
</tbody>
</table>

Median of Municipal Results $280.67  
Average of Municipal Results $285.18

OMBI Measure Number PLCE235 Policing Net Operating Cost per Capita - sourced from FIR Schedule 40.  
Accessed from OMBI Datawarehouse on October 31, 2012

*Definition of measure:* Operating costs- FIR/MPMP- schedule 91,line 1204 column 30 Numerator PLCE227M less:  
Revenues arising in year from external service agreements/contracts (examples airports and casinos) as reflected in  
general ledger. External Service Agreements and Contracts should be defined more specifically to ensure consistent  
application across Province. Example: Casino, Provincial Tasks Forces Airport Policing, Government Grants. Indicate in  
the notes field of the OMBI data warehouse, which service agreements/contracts apply to your municipal police force,  
in the calculation of this measure. In general, government grants should not be offset against this measure unless it was to  
provide some type of specialized policing akin to these external contracts.
## 2011 Policing Net Operating Costs Per Capita

(OMBI – minus Toronto & Windsor)

<table>
<thead>
<tr>
<th>Municipality</th>
<th>Net Policing Cost ($)</th>
<th>Population</th>
<th>Cost Per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Barrie</td>
<td>$43,817,646</td>
<td>141,000</td>
<td>$310.76</td>
</tr>
<tr>
<td>2 Sudbury (Greater)</td>
<td>$48,201,707</td>
<td>160,300</td>
<td>$300.70</td>
</tr>
<tr>
<td>3 Niagara</td>
<td>$129,235,413</td>
<td>445,363</td>
<td>$290.18</td>
</tr>
<tr>
<td>4 Ottawa</td>
<td>$262,307,169</td>
<td>927,118</td>
<td>$282.93</td>
</tr>
<tr>
<td>5 London</td>
<td>$97,345,762</td>
<td>366,150</td>
<td>$265.86</td>
</tr>
<tr>
<td>6 Hamilton</td>
<td>$139,460,135</td>
<td>531,057</td>
<td>$262.61</td>
</tr>
<tr>
<td>7 Durham</td>
<td>$150,021,487</td>
<td>636,915</td>
<td>$235.54</td>
</tr>
<tr>
<td>8 Waterloo</td>
<td>$127,675,506</td>
<td>553,000</td>
<td>$230.88</td>
</tr>
<tr>
<td>9 Halton</td>
<td>$113,021,960</td>
<td>493,045</td>
<td>$229.23</td>
</tr>
<tr>
<td>10 York</td>
<td>$245,663,883</td>
<td>1,085,588</td>
<td>$226.30</td>
</tr>
</tbody>
</table>

**Median of Municipal Results**: $264.24  
**Average of Municipal Results**: $263.50

OMBI Measure Number PLCE235 Policing Net Operating Cost per Capita - sourced from FIR Schedule 40.  
Accessed from OMBI Datawarehouse on October 31, 2012

*Definition of measure*: Operating costs- FIR/MPMP- schedule 91, line 1204 column 30 Numerator PLCE227M less: Revenues arising in year from external service agreements/contracts (examples airports and casinos) as reflected in general ledger. External Service Agreements and Contracts should be defined more specifically to ensure consistent application across Province. Example: Casino, Provincial Tasks Forces Airport Policing, Government Grants. Indicate in the notes field of the OMBI data warehouse, which service agreements/contracts apply to your municipal police force, in the calculation of this measure. In general, government grants should not be offset against this measure unless it was to provide some type of specialized policing akin to these external contracts.
Waterloo Regional Police Service
2013 Preliminary Operating Budget
Budget Reduction Scenarios

Scenario 1: Reduce $300,000 to 2.5% Net of Assessment Growth

Defer four Special Constables and one Criminal Courts Secretary 326,955

Scenario 2: Reduce $2,300,000 to 2.0% Net of Assessment Growth

Defer 2.5 Records Clerk Positions 138,908
Implement Advanced Voice Recognition Auto-Attendant (10 mths); (281,392 – 35,000) 246,392
Defer one System Project Manager for IT 70,083
Defer one Technical Phone & Video Support for IT 62,787
Reduce Small Equipment for the above 218,442
Defer Internet Consulting, Design & Implementation 100,000
Close Rural North (Elmira) – Sublet to June 30th at which time current lease expires 58,300
Close Rural South (New Hamburg) 26,662
Attrition out Eight Constables (Based on 1st Class and 23+ Years of Service) 1,038,372
Materials & Supplies 13,099

Scenario 3: Reduce $4,300,000 to 1.5% Net of Assessment Growth

Attrition out 17 Additional Constables (Based on 1st Class and 23+ Years of Service) 2,000,000

Scenario 4: Reduce $6,300,000 to 1.0% Net of Assessment Growth

Attrition out 17 Additional Constables (Based on 1st Class and 23+ Years of Service) 2,000,000

Note: The above noted reduction scenarios are based on 1.7% assessment growth.
December 4, 2012

Ms. Kris Fletcher, Regional Clerk
Regional Municipality of Waterloo
150 Frederick St
Waterloo ON N2G 4J3

Dear Ms. Fletcher:

Re: Council Resolution - Regional Brownfield Incentive Program

Please be advised that the Council of the Corporation of the City of Kitchener at its meeting held on Monday, December 3, 2012 passed the following resolution:

"WHEREAS the Region of Waterloo’s Brownfield Remediation Tax Increment Grant (TIG) program supports the mutual objective of the City of Kitchener and Region of Waterloo with respect to revitalizing underutilized properties, growing the assessment base, intensification, creating employment and environmental stewardship; and,

WHEREAS the City of Kitchener was advised on October 26, 2012 that the Region of Waterloo’s TIG and Phase Two Environmental Site Assessment Grant was being suspended immediately due to lack of funding; and,

WHEREAS the suspension of these programs will likely delay or stop important redevelopment projects that are currently at various stages of planning and that require both City and Regional TIG funding to remain viable;

NOW THEREFORE BE IT RESOLVED that the City of Kitchener requests that the Region of Waterloo include funding in the 2013 budget to maintain the existing Brownfield Remediation TIG program and the Phase Two Environmental Site Assessment Grant program; and,

BE IT RESOLVED that the City of Kitchener requests that the Regional Council direct Regional Staff to continue to receive and process applications for the Brownfield Remediation Programs; and further,
BE IT FINALLY RESOLVED that copies of this resolution be circulated to all area municipalities within the Region of Waterloo."

Yours very truly,

[Signature]

Janet Billett, AMCT
Supervisor, Council / Committee Services

cc: R. Regier
    R. Morgan